Quarterly Report

First Quarter 2025 Results

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DAVIVIENDA

Bogotá, Colombia. May 15, 2025 – Banco Davivienda S.A. (BVC: PFDAVVNDA, BCS: DAVIVIENCL, SGX: DAVIVI) announces its First Quarter 2025 Results. This report has been prepared following the instructions given by the Decree 151 of 2021 of the Ministry of Finance and Public Credit, the External Circular 012 of 2022 and the External Circular 031 of 2021 of the Financial Superintendence of Colombia, which regulates it. The consolidated financial statements have been prepared following International Financial Reporting Standards (IFRS) in Colombian Pesos (COP).

HIGHLIGHTS

- DaviPlata closed the first quarter of 2025 with 18.7 million customers, adding more than 230 thousand during the quarter and approximately 1.05 million over the year. The average balance of low-amount deposits stood at COP 1.05 trillion during the quarter, while the platform's revenues reached approximately COP 43 billion in the first three months of the year.

- The sustainable loan portfolio reached COP 25.5 trillion, representing 17.8% of the consolidated gross loan portfolio, increasing by 3.5% in the quarter and 43.9% year-over-year.

- As of March 2025, Davivienda operated in six countries, served approximately 25.1 million customers, employed over 17,000 people, and operated 659 branches and more than 2,800 ATMs.

Individual Financial Statements[1]

- Gross loans in Colombia closed at COP 106.1 trillion, increasing by 0.1% during the quarter and by 4.1% over the year, primarily driven by growth in the mortgage and commercial portfolios.

- Capital adequacy ratios reflect the Bank's strong capital position in Colombia as of the first quarter of 2025. The Common Equity Tier I Ratio (CET1) stood at 12.10% (5.10 percentage points above the regulatory minimum), while the Total Capital Adequacy Ratio reached 18.28% (6.78 percentage points above the regulatory minimum).

- Net profit for 1Q25 totaled COP 262 billion, reflecting lower financial costs and a reduction in provisión expenses, compared to the previous quarter and the same period of the previous year.

Consolidated Financial Statements[2]

- Consolidated gross loan portfolio closed the first quarter of the year at COP 143.6 trillion, decreasing by 1.3% quarter-over-quarter, mainly due to the appreciation of the Colombian peso and some prepayments. Year-over-year, the gross loan portfolio increased by 5.9%, mainly driven by the strong performance of the commercial and mortgage portfolios.

- The Common Equity Tier I Ratio (CET1) stood at 11.18% (4.18 percentage points above the regulatory minimum), while the Total Capital Adequacy Ratio closed at 15.62% (4.12 percentage points above the regulatory minimum).

- Consolidated net profit for the quarter totaled COP 291 billion, increasing by 78.7% quarter over quarter, driven by positive trends in financial and non financial income, as well as reductions in financial expenses, provision expenses, and operating expenses.

- The main financial indicators for the quarter were: NIM including foreign exchange and derivatives (NIM FX&D): 5.68%; Cost of Risk (CoR): 2.41%; Return on Average Equity (ROAE): 7.19%.

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[1] The Individual Financial Statements present the results of Banco Davivienda S.A. in Colombia, under local accounting standards (IFRS with adjustments issued by the Financial Superintendency of Colombia).
[2] The Consolidated Financial Statements present the results of Banco Davivienda S.A. and its local and international subsidiaries under international accounting standards (IFRS).

1. MACROECONOMIC ENVIRONMENT

1.1. Colombia

According to the National Administrative Department of Statistics (DANE), Colombia's GDP grew by 2.7% year-over-year in the first quarter of 2025, driven by tertiary activities (3.7%), particularly commerce, transportation, storage, accommodation and food services, and arts and entertainment activities. Agriculture, livestock, and fishing, as well as public administration, education, and health services also showed positive results. In contrast, declines were recorded in mining and quarrying, construction, and utilities.

Annual inflation maintained its downward trend, closing at 5.09% in March 2025, down from 5.20% in December 2024. Inflationary pressures were observed in housing and utilities, education, transportation, and food. However, core inflation eased to 5.02%, helping offset the increases in more volatile components.

In this context, the Central Bank kept its policy rate unchanged at 9.50% during the quarter, amid a split Board of Directors. The debate on the pace of rate cuts has gained relevance following the appointment of new board members, some of whom have expressed support for faster reductions.

In the financial system, funding rates remained stable as of the end of March, with the DTF[3] at 9.16%, and 180 and 360-day rates at 9.18% and 9.92%, respectively. In line with this, lending rates also remained stable at 19.3% for consumer loans, 11.7% for mortgages, and 12.6% for commercial loans.

The total credit portfolio of the financial system grew by 3.8% year-over-year, exceeding the 3.2% recorded at the end of 2024. This improvement was driven by a slower contraction in consumer loans and stronger performance in commercial and mortgage portfolios. As for past-due loans over 90 days, the total delinquency ratio fell to 3.44%, improving from 3.52% at year-end 2024.

In the foreign exchange market, the Colombian peso appreciated against the U.S. dollar, with an average exchange rate of COP 4,193.1, lower than the COP 4,347.1 average in the previous quarter. This appreciation was linked to the global depreciation of the dollar following announcements of new tariff measures by the U.S. government.

The country's risk premium, measured by the 10-year CDS[4], stood at 325.63 basis points, reflecting persistent fiscal and external uncertainty particularly due to rising trade tensions following the U.S. administration's tariff announcements, which have raised concerns about global growth and access to financial markets.

On the fiscal front, the Colombian Government has set a target to reduce the fiscal deficit from 6.8% to 5.1% of GDP in 2025, based on projected revenue growth of 17.4% and expenditure growth of 6.1%. However, by the end of the first quarter, the fiscal deficit stood at 2.1% of GDP, doubling the 1.0% recorded a year earlier. This result reflected public spending equivalent to 6.5% of GDP and revenues equivalent to 4.4% of GDP. Tax revenues for the first quarter reached COP 72.1 trillion, growing by 6.8% year-over-year.

In terms of sovereign risk, during the first months of the year, S&P maintained Colombia's foreign currency long-term rating at BB+ and local currency rating at BBB-. Fitch Ratings also reaffirmed its ratings but revised the outlook from stable to negative in response to concerns about fiscal sustainability and macroeconomic governance.

[3] Term Deposit Rate (DTF): Representative indicator of the average 90-day deposit interest rates in Colombian pesos.
[4] Credit Default Swap

1.2. Central America

During the first quarter of 2025, Central American countries maintained a moderate growth trajectory, although signs of deceleration were observed compared to the end of the previous year. Inflationary conditions remained mostly contained, while monetary authorities kept their policy rates unchanged, following earlier adjustments in some cases.

1.2.1. Costa Rica

Costa Rica recorded a growth rate of 4.2% (as measured by the IMAE[5] for January–February), slightly below the 4.4% average observed in the fourth quarter of 2024. Annual inflation stood at 1.2% in March, approaching the lower bound of the Central Bank's target range (3% ± 1 pp). In this context, the monetary policy rate remained at 4.0%, a level considered neutral. The Costa Rican colón appreciated by 1.9% in the first quarter. In February 2025, Fitch Ratings revised Costa Rica's sovereign credit outlook from stable to positive, citing sustained economic growth, an improved external position, and the maintenance of primary surpluses.

1.2.2 El Salvador

El Salvador's GDP grew by 2.6% in 2024, while the IVAE[6] showed an average increase of 1.2% in January–February, down from the 2.6% average in 4Q24. Annual inflation reached 0.14% in March, lower than the 0.29% recorded in 2024. During the first quarter of 2025, Fitch Ratings upgraded El Salvador's sovereign credit rating from CCC+ to B-, supported by reduced financing needs, renewed market access, and the formalization of a new program with the IMF.

1.2.3. Honduras

Honduras maintained a growth rate of 3.6% in 2024. The IMAE for January–February 2025 showed a slowdown to 3.2%, compared to 3.8% in 4Q24. Inflation stood at 4.5%, within the Central Bank's target range (4% ± 1 pp). The monetary policy rate remained at 5.75%, following the increases implemented in August and October 2024. The Honduran lempira depreciated by 1.6% against the U.S. dollar in the first quarter of the year. No changes in sovereign risk ratings were reported by the major agencies during the first quarter of 2025.

1.2.4. Panama

Panama posted GDP growth of 2.9% in 2024. The IMAE grew by 5.9% in January–February 2025, down from 7.3% in 4Q24. Annual inflation stood at -0.4% in March, deepening the deflationary trend observed in December (-0.19%). No changes were recorded in Panama's sovereign credit ratings by the major agencies during the first quarter of 2025.

[5] IMAE: Monthly Economic Activity Index, an early indicator of GDP performance based on value added.
[6] IVAE: Economy Activity Volume Index, an early monthly indicator of GDP performance based on value added.

2. SUSTAINABLE MANAGEMENT (ESG)

Aligned with its higher purpose of enriching lives with integrity, Banco Davivienda remains committed to making the world a more prosperous, inclusive, and sustainable place by actively managing its sustainable business strategy. Accordingly, during the first quarter of 2025, Davivienda continued to strengthen its sustainable financing lines.

The consolidated sustainable loan portfolio closed at COP 25.5 trillion, representing 17.8% of the Bank's total loan portfolio, increasing by 3.5% during the quarter and 43.9% year-over-year. This increase resulted from improvements in the Bank's identification and classification systems under its Sustainable Taxonomy framework, as well as strong growth in financing categories. Notably, sustainable infrastructure and construction financing grew by 16.5% quarter-over-quarter, followed by sustainable agricultural development, which increased by 3.6%. The Bank continues identifying clients in its portfolio that promote socially impactful growth and integrate climate change and nature-positive agendas and goals.

The green loan portfolio accounted for 32.0% (COP 8.2 trillion) of total sustainable financing, increasing by 8% during the quarter and 50.0% year-over-year, mainly driven by growth in sustainable agricultural practices (+14.2% Q/Q) and certified construction (+14.5% Q/Q).

The social loan portfolio represented 67.2% (COP 17.1 trillion) of the total sustainable loan portfolio, increasing by 1.7% quarter-over-quarter and 39.5% year-over-year. This performance allowed Davivienda to maintain its leadership in housing finance in Colombia, particularly through social housing (VIS) and VIS Mujer programs, which together accounted for 76.5% of the social portfolio. Additionally, financing for territorial development, healthcare, and education infrastructure represented 6.2% of the social portfolio.

Following further analysis under the implementation of the Sustainable Taxonomy, approximately COP 2.0 trillion previously reported under green loans were found to also generate positive social impacts. Likewise, COP 0.5 trillion of social loans simultaneously delivered environmental benefits. As a result, COP 2.5 trillion, equivalent to approximately 10% of the consolidated sustainable loan portfolio, has a dual positive impact across both environmental and social dimensions.

Sustainable funding closed at COP 8.0 trillion, decreasing by 5.1% quarter-over-quarter but increasing by 6.3% year-over-year, mainly due to exchange rate effects.

Banco Davivienda reported significant progress in disclosing its decarbonization strategy, completing the measurement of its greenhouse gas emissions inventory, which totaled 9.6 million tons of CO_2 with an intensity of 0.10 tons CO_2e per billion COP. This included the first measurement of insured, invested, and financed emissions in Colombia and Central America, reflecting the Bank's commitment to financing projects with positive environmental impacts and supporting the transition to a low-carbon economy.

Additionally, the Bank's TCFD report published in March included, for the first time, TNFD guidelines to disclose progress on biodiversity and nature-related initiatives.

Furthermore, the Bank presented its first Progress Statement under the Principles for Responsible Banking (PRB), as part of the impact measurement of its commercial and consumer banking portfolios. Based on this analysis, it prioritized two impact areas and set corresponding objectives: (i) Financial Well-being – establishing a baseline for its Financial Well-being Index, and (ii) Climate Change – setting Science-Based Targets.

Finally, in line with its commitment to promote socioeconomic development, asset building and protection, and the financial well-being of people, families, businesses, and communities in its footprint, Davivienda, together with Universidad del Rosario and the Private Council on Competitiveness (CPC), launched a tool for identifying gender gaps at the regional level. This tool is intended to support the development of initiatives, public policies, and data-driven decision-making for both public and private sector entities in Colombia.

In compliance with the instructions issued by External Circular 031 of 2021, Davivienda reports that there were no material changes to its practices, processes, policies, or indicators related to social, environmental, or climate matters during the period from January to March 2025.

Regarding double materiality, the Bank reports no material changes in the topics set forth in its 2024 year-end report. Similarly, no material changes were reported in its climate strategy under the Task Force on Climate-Related Financial Disclosures (TCFD) framework, as this is an annual reporting exercise.

Finally, the Bank presents its Sustainability Accounting Standards Board (SASB) indicators for the commercial banking standard, which Davivienda has implemented and monitors on a quarterly basis in relation to social and environmental management criteria, including climate change.

Generation of financial inclusion and capacity	**FN-CB-240a.1** ***(1) Number and (2) amount of qualified loans for programs designed to promote small business and community development.*** (1) Number of outstanding obligations: 104,640 (2) amount: 6,013,211,365,467 **FN-CB-240a.2** ***(1) Number and (2) amount of non-performing and past due loans qualified for programs designed to promote small businesses and community development.*** Past due indicator: > 30 days: 15% No. of loans: 13,005 Amount: 922,291,267,327 Past due loans indicator: > 90 days: 12.7% No. of loans: 11,096 Amount: 764,688,066,019 (Information on small and medium-sized companies with sales up to 20,000,000,000 per year) **FN-CB-240a.3** ***Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers*** 4,538,490 as of March 31, 2025 **FN-CB-240a.4** ***Number of participants in financial education initiatives for unbanked, underbanked and underserved clients*** 1. Number of young clients: 895.643 2. Number of people reached with financial education actions, within the framework of financial inclusion: 568.856 (DaviPlata) 3. Number of beneficiaries of government subsidies 108.475 4. Number of non-customers reached with financial education content: 123.863.

In addition, and voluntarily, Davivienda includes the reporting of the indicators of its subsidiary in Colombia Fiduciaria Davivienda, under the SASB standards for Asset Management and Custody Activities, which are presented below:

<table>
<tr><td>Employee Diversity & Inclusion</td><td>
FN-AC-330a.1

Percentage of gender and racial/ethnic representation in (1) executive management (2) non-executive management, (3) professionals, and (4) all other employees

<table>
<tr><th colspan="3">Gender representation percentage</th></tr>
<tr><th>Level</th><th>Women</th><th>Men</th></tr>
<tr><td>Executive management</td><td>76,9%</td><td>23,1%</td></tr>
<tr><td>Non-executive management</td><td>61,9%</td><td>38,1%</td></tr>
<tr><td>Professionals</td><td>69,6%</td><td>30,4%</td></tr>
<tr><td>All other employees</td><td>69,1%</td><td>30,9%</td></tr>
</table>
</td></tr>
<tr><td>Incorporation of Environmental, Social and Governance Factors in Asset Management & Custody</td><td>
FN-AC-410a.1

Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and corporate governance (ESG) issues, (2) sustainability-themed investing, and (3) screening

1. Total assets under management (AUM): COP 20.59 trillion
Fixed income, AUM: COP 20.20 trillion
Equity AUM: COP 399 billion

2. Total AUM: COP 51.7 billion(as of March 2025)
Global Shares: 2.850 clients and AUM of COP 29.5 billion
Global Sustainable: 1.385 clients and AUM of COP 22.2 billion
</td></tr>
<tr><td>Systemic Risk Management</td><td>
FN-AC-550a.1

Percentage of assets in open-end funds managed by liquidity classification category

Fiduciaria has 5 open-end collective investment funds, which, according to regulations, have a liquidity classification pursuant to the application of the regulatory IRL of Chapter XXXI, Annex 11, as follows: 2 money market funds with total assets under management (AUM) of COP 1.6 trillion; and 3 balanced funds with AUM of COP 7.8 trillion.
</td></tr>
<tr><td>Activity parameters</td><td>
FN-AC-000.A

(1) Total registered assets and (2) total non-registered assets under management (AUM).

Vehicles in which the management (investment decision making) is exercised by Fiduciaria Davivienda
FICs + FVP + PA/Fees + Consortiums/Pensions
Total: COP 20.8 trillion

Collective Investment Funds: COP 9.5 trillion.
Voluntary Pension Funds: COP 3.4 trillion.
Stand Alone Trusts: COP 2.5 trillion.
Consortiums or Pensions: COP 5.4 trillion.

FN-AC-000.B
</td></tr>
</table>

	Total assets under custody and supervision. Assets in investment trusts (fiduciary assets). Collective Investment Funds: COP 20.8 trillion

Likewise, Fiduciaria Davivienda continues advancing the process of integrating sustainable development dimensions into its indicators. This exercise will result in a materiality analysis and the prioritization of material topics for the entity, without representing any material change in the processes, procedures, or indicators for the second quarter.

Regarding double materiality, the fiduciary presents no material changes to the topics fixed and declared in its 2024 year-end report. Additionally, there are no material changes compared to its climate strategy report under TCFD, as this is an annual exercise.

In terms of Corporate Governance, the following events occurred during the first quarter of 2025:

On January 6, 2025, Banco Davivienda reported through the relevant information module that its Board of Directors had approved the execution of an agreement with Scotiabank Canada (The Bank of Nova Scotia) to integrate Scotiabank's operations in Colombia, Costa Rica, and Panama into Davivienda. The implementation of the agreement remains subject to the approvals of supervisory authorities in each jurisdiction and the respective corporate authorizations.

On January 21, 2025, the Board of Directors approved the call for the Ordinary Shareholders' Meeting to be held on March 20, 2025.

On February 4, Banco Davivienda S.A. informed the market that its subsidiary Inversiones CFD S.A.S., whose sole shareholder is Corporación Financiera Davivienda S.A., had incorporated the company RENTING DAVIVIENDA S.A.S. as part of its ordinary business activities.

On March 20, 2025, Banco Davivienda held its General Shareholders' Meeting, during which the following key proposals were unanimously approved:

- The Individual and Consolidated Financial Statements as of 31 December 2024;
- The Profit appropriation proposal for Banco Davivienda S.A. as of 31 December 2024;
- Maintaining the occasional reserve for COP 161.3 billion to cover bond coupon payments;
- Davivienda's 2024 Annual Report, which incorporates (i) Management Report, (ii) Sustainability Report, (iii) Corporate Governance Report, and (iv) Year-End Report;
- Election of the Board of Directors for the 2025–2027 term;
- Election of KPMG S.A.S. as Statutory Auditor for the 2025–2027 term.

Apart from the situations mentioned above, no material changes in Corporate Governance occurred during the first quarter of 2025 that would affect or modify the Year-End / Annual Report in relation to the Corporate Governance chapter.

3. DIGITAL TRANSFORMATION AND DAVIPLATA

Regarding the Bank's digital transformation process, as of March 2025, 92.0% of consolidated customers were considered digital. In Colombia, this figure reached 93.5%, 0.9 percentage points higher than the previous year, while in Central America, the indicator stood at 73.9%, growing by 3.4 percentage points year-over-year.

In Colombia, the balance of digital loan products[7] grew by 3.4% during the quarter, mainly driven by improved disbursement dynamics in the consumer portfolio, and declined slightly by 0.07% year-over-year, closing at COP 9.7 trillion. On the other hand, digital deposits[8] reached COP 10.7 trillion, increasing by 12.4% during the quarter and 80.5% year-over-year, primarily due to the growth of digital term deposits and the broader adoption of digital channels. Lastly, digital investment products[9] increased by 2.1% quarter-over-quarter and 19% year-over-year, totaling COP 1.53 trillion, supported by the attractive returns offered by the market.

During the first quarter of 2025, 65% of monetary transactions in Colombia were carried out through digital channels, while in Central America, digital transactions represented 37% of the total.

DaviPlata reached 18.7 million customers by the end of the first quarter of 2025. Of these, 7.6 million hold financial products with other entities in the sector, 4.5 million use DaviPlata as their only financial product, and 6.6 million are also Davivienda customers.

The monthly average balance of low-amount deposits stood at COP 1.05 trillion in the quarter, increasing by 0.60% quarter-over-quarter and by 20.5% compared to the previous year.

Total revenues for the quarter amounted to approximately COP 42.8 billion, decreasing by 11% compared to 4Q24, as a result of lower transactional and FTP-related[10] income, given usually higher transactionality by year-end, and the decline in funding interest rates in Colombia. On an annual basis, DaviPlata's income increased by 4%.

Monetary transactions during the quarter exceeded 168 million, decreasing by 7.0% quarter-over-quarter and increasing by 28% year-over-year. Meanwhile, the total value of purchases made through the platform during the quarter reached COP 4.3 trillion, down 8.4% compared to the previous quarter and up 31% compared to the same period of the previous year. Quarterly decreases are explained by the seasonal effect of fourth quarters with higher purchases and transactional volumes.

[7] Digital credit products include: mobile consumer and housing credit products, and Daviplata loans.
[8]Digital funding includes: Mobile Account, CDATs and DaviPlata.
[9]Digital investment includes voluntary pension funds and collective investment funds.
[10]Fund Transfer pricing (FTP) refers to the revenue generated by Daviplata as a result of providing its deposits to Davivienda for funding purposes

4. CONSOLIDATED FINANCIAL RESULTS

4.1. Main Figures and Ratios

Statement of Financial Position (COP Billion)				% Chg.	
Assets	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
Cash and Interbank Funds	14,609	17,953	17,926	-0.1	22.7
Net Investments	20,723	21,707	23,599	8.7	13.9
Gross Loan Portfolio	135,561	145,458	143,586	-1.3	5.9
Loan Loss Reserves	-5,999	-5,528	-5,498	-0.5	-8.3
Other Assets	11,267	11,737	10,262	-12.6	-8.9
Total Assets	**176,161**	**191,327**	**189,875**	**-0.8**	**7.8**
Liabilities					
Repos and Interbank Liabilities	2,657	3,745	3,040	-18.8	14.4
Demand Deposits	61,035	65,512	66,286	1.2	8.6
Term Deposits	62,405	70,797	72,420	2.3	16.0
Bonds	12,479	11,399	10,639	-6.7	-14.7
Credits	15,173	16,028	15,345	-4.3	1.1
Other Liabilities	7,130	7,685	5,991	-22.0	-16.0
Total Liabilities	**160,879**	**175,166**	**173,721**	**-0.8**	**8.0**
Equity					
Non-controlling Interest	179	196	203	3.3	13.3
Equity	15,103	15,965	15,952	-0.1	5.6
Total Equity	15,282	16,161	16,154	0.0	5.7
Total Liabilities and Equity	**176,161**	**191,327**	**189,875**	**-0.8**	**7.8**

Income Statement		**Quarterly Figures**		**% Chg.**	
(COP Billion)	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
Interest Income	5,277	4,785	4,888	2.1	-7.4
Financial Expenses	3,038	2,699	2,618	-3.0	-13.8
Gross Financial Margin	2,239	2,086	2,270	8.8	1.4
Net Provision Expenses	1,752	901	864	-4.1	-50.7
Net Interest Margin	488	1,185	1,406	18.7	188.3
Exchange and Derivatives	-42	130	67	-48.7	N.A.
Non Financial Income	654	609	620	1.9	-5.1
Operating Expenses	1,470	1,657	1,612	-2.8	9.6
Result Before Taxes	-371	266	481	80.8	N.A.
Income Tax	-84	104	191	84.0	N.A.
Net Result	**-288**	**163**	**291**	**78.7**	**N.A.**

12 Months	1Q24	4Q24	1Q25	Bps. Chg Q/Q	Bps. Chg Y/Y
NIM	5.70%	5.49%	5.43%	-6	-26
NIM FX+D	5.47%	5.65%	5.65%	0	18
Cost of Risk	4.89%	3.57%	3.00%	-57	-189
Cost-to-Income	54.5%	54.7%	55.5%	80	106
Cost-to-Assets	3.28%	3.39%	3.42%	3	14
ROAE	-5.81%	-0.58%	3.10%	368	892
ROAA	-0.50%	-0.05%	0.26%	31	76

Annualized Quarter	1Q24	4Q24	1Q25	Bps. Chg Q/Q	Bps. Chg Y/Y
NIM	5.82%	5.16%	5.52%	35	-30
NIM FX+D	5.71%	5.49%	5.68%	19	-3
Cost of Risk	5.17%	2.48%	2.41%	-7	-276
Cost-to-Income	52.1%	58.7%	55.3%	-340	322
Cost-to-Assets	3.32%	3.55%	3.38%	-16	6
ROAE	-7.66%	4.08%	7.19%	311	1,486
ROAA	-0.65%	0.35%	0.61%	26	126

4.2. Statement of Financial Condition

4.2.1. Assets

	Consolidated (COP Billion)					Colombia (COP Billion)			Central America (USD Million)		
				% Chg.			% Chg.			% Chg.	
Assets	Mar. 24	Dec. 24	Mar. 25	Q/Q	Y/Y	Mar. 25	Q/Q	Y/Y	Mar. 25	Q/Q	Y/Y
Cash and Interbank Funds	14,609	17,953	17,926	-0.1	22.7	9,991	10.5	28.0	1,893	-6.3	6.9
Investments	20,723	21,707	23,599	8.7	13.9	23,533	5.5	27.4	1,704	16.0	1.5
Gross Loans Portfolio	135,561	145,458	143,586	-1.3	5.9	109,295	0.1	3.5	8,181	-0.6	4.9
Loan Loss Reserves	-5,999	-5,528	-5,498	-0.5	-8.3	-4,546	-0.2	-12.9	-227	2.7	11.6
Other Assets	11,267	11,737	10,262	-12.6	-8.9	8,084	-14.9	-10.8	519	2.4	4.4
Total Assets	176,161	191,327	189,875	-0.8	7.8	146,356	0.6	7.8	12,070	0.5	4.6

Q/Q Performance:

Total assets stood at COP 189.9 trillion, decreasing by 0.8% during the quarter. Excluding the effect of the Colombian peso appreciation during the period (+4.9%), assets would have increased by 0.9%.

Cash and interbank funds totaled COP 17.9 trillion, decreasing by 0.1% compared to the previous quarter. This variation was mainly due to the currency revaluation and a reduction in the legal reserve requirement in Costa Rica.

The investment portfolio reached a balance of COP 23.6 trillion, growing by 8.7% during the quarter. This behavior was mainly explained by the Colombian operation, due to increased exposure to fixed-income securities, both local and international.

Gross loans closed at COP 143.6 trillion, decreasing by 1.3% compared to the previous quarter. This result was mainly due to the appreciation of the Colombian peso and prepayments in Central America. Loan loss reserves declined by 0.5% quarter-over-quarter, closing at COP 5.5 trillion, primarily due to: (i) charge-offs in the consumer loan portfolio and (ii) lower provisions required due to continued improvements in asset quality, especially in the consumer segment.

Finally, other assets decreased by 12.6%, mainly due to a decline in accounts receivable associated with income tax refunds.

Y/Y Performance:

Total assets increased by 7.8% year-over-year. Excluding the 9.1% depreciation of the Colombian peso during the year, assets would have grown by 4.2%.

Cash and interbank funds increased by 22.7%, mainly explained by Colombia, due to excess liquidity management strategies.

The investment portfolio increased by 13.9%, mainly as a result of higher exposure to debt instruments in Colombia as part of the Bank's liquidity strategy, and in Central America, to U.S. government securities, partially offset by a reduction in local securities.

Gross loans increased by 5.9%, explained by: (i) stronger dynamics in the commercial portfolio, particularly in Colombia across the corporate, construction, and institutional sectors; and (ii) solid performance in the mortgage portfolio, especially in the low-income housing (VIS) segments; (iii) the effect of the 9.1% depreciation of the Colombian peso during the year, since gross loans would have grown by 3.5% when excluding this effect.

Loan loss reserves declined by 8.3%, primarily due to charge-offs recorded during the year.

Lastly, other assets decreased by 8.9%, mainly due to lower current tax receivables as well as a decline in acceptances and derivatives, driven by a reduction in forward transactions.

4.2.2. Gross Loans

	Consolidated (COP Billion)					Colombia (COP Billion)			Central America (USD Million)		
				% Chg.			% Chg.			% Chg.	
Gross Loans	**Mar. 24**	**Dec. 24**	**Mar. 25**	**Q/Q**	**Y/Y**	**Mar. 25**	**Q/Q**	**Y/Y**	**Mar. 25**	**Q/Q**	**Y/Y**
Commercial	61,225	69,134	68,053	-1.6	11.2	51,347	0.3	11.4	3,985	-2.1	1.1
Consumer	35,906	34,953	33,529	-4.1	-6.6	23,229	-3.2	-14.2	2,457	-1.0	7.1
Mortgage	38,430	41,371	42,005	1.5	9.3	34,719	2.2	7.1	1,738	3.5	11.2
Total	135,561	145,458	143,586	-1.3	5.9	109,295	0.1	3.5	8,181	-0.6	4.9

Q/Q Performance:

Gross loans closed at COP 143.6 trillion, recording a 1.3% decrease during the quarter. Excluding the 4.9% appreciation of the Colombian peso during the period, gross loans would have increased by 0.1%.

The commercial portfolio declined by 1.6% in the quarter, primarily due to the peso appreciation (+4.9%). Excluding this effect, the portfolio would have grown by 0.2%. In Colombia, the commercial loan portfolio grew by 0.3%, partially offset by prepayments in Central America.

The consumer portfolio contracted by 4.1%, mainly due to the natural amortization dynamics and some charge-offs, which exceeded the pace of new disbursements.

The mortgage portfolio increased by 1.5%, driven primarily by growth in the low-income housing (VIS) segment, and to a lesser extent by residential loans, supported by stable disbursement levels.

In the international subsidiaries, the gross loan portfolio reached USD 8.2 billion, decreasing by 0.6%, mainly as a result of a 2.1% decline in the commercial portfolio, particularly in El Salvador and Costa Rica, followed by a 1.0% decrease in the consumer portfolio, due to adjustments in origination policies.

Y/Y Performance:

Gross loans increased by 5.9% over the past year. Excluding the 9.1% depreciation of the Colombian peso during the period, gross loans would have grown by 3.5%.

The commercial portfolio grew by 11.2%, mainly driven by disbursement activity in the corporate, institutional, and construction segments in Colombia, as well as lower interest rates in this segment, which boosted corporate credit demand.

The consumer portfolio decreased by 6.6%, mainly explained by the natural payment dynamics and charge-offs recorded throughout the year.

The mortgage portfolio increased by 9.3%, mainly due to strong growth in the low-income housing (VIS) segment, particularly in Colombia. In Central America, improved disbursement dynamics were observed especially in Costa Rica and El Salvador.

In the international subsidiaries, the gross loan portfolio denominated in U.S. dollars grew by 4.9%. This growth was primarily driven by the mortgage portfolio, which increased by USD 175.5 million (+11.2%) over the year, followed by consumer loans with a USD 162.2 million increase (+7.1%), and commercial loans with a USD 43.6 million increase (+1.1%). Panama, Honduras, and El Salvador stood out as the countries with the highest gross loan portfolio growth during the year.

4.2.3. Asset Quality

	Consolidated			Colombia			Central America		
PDL	**1Q24**	**4Q24**	**1Q25**	**1Q24**	**4Q24**	**1Q25**	**1Q24**	**4Q24**	**1Q25**
Commercial	4.05%	3.93%	4.14%	4.92%	4.84%	5.03%	1.40%	1.36%	1.43%
Consumer	6.04%	4.29%	3.92%	7.14%	4.92%	4.35%	2.66%	2.90%	2.95%
Mortgage	4.98%	5.33%	5.25%	5.36%	5.92%	5.84%	2.95%	2.62%	2.48%
Total (90)[1]	4.84%	4.41%	4.42%	5.62%	5.19%	5.14%	2.08%	2.08%	2.11%
Mortgage (120)	4.03%	4.54%	4.52%	4.31%	5.04%	5.01%	2.51%	2.22%	2.18%
Total (120)[2]	4.57%	4.19%	4.20%	5.30%	4.92%	4.88%	1.99%	2.00%	2.05%

Portfolio	Stage 1	Stage 2	Stage 3	Total (COP Billion)
Commercial	87.12%	6.43%	6.45%	68,053
Consumer	89.69%	6.37%	3.94%	33,529
Mortgage	90.65%	5.70%	3.64%	42,005
Total	**88.75%**	**6.20%**	**5.04%**	**143,586**

Write-offs	Quarterly Figures			% Chg.	
(COP billion)	1Q24	4Q24	1Q25	Q/Q	Y/Y
Total write-offs	2,120	1,294	1,043	-19.3	-50.8

Q/Q Performance:

The consolidated past-due loan ratio over 90 days closed at 4.42%, slightly increasing by 1 basis point during the quarter, mainly due to an increase in the commercial portfolio PDL.

The consumer loan delinquency ratio decreased by 37 basis points compared to the previous quarter, as a result of an improved risk profile in the portfolio, driven by consistently low delinquency levels in new disbursements and charge-offs carried out during the quarter.

The past-due ratio over 90 days in the commercial portfolio increased by 21 basis points, mainly explained by the deterioration of certain clients in specific sectors such as services, residential construction, and industry.

The 90-day mortgage delinquency ratio decreased by 7 basis points compared to the end of the previous quarter, while the 120-day ratio decreased by 2 basis points. This performance reflects better behavior in new vintages of the portfolio, supported by adjustments to origination policies, improved collection strategies, and charge-offs executed during the quarter.

Charge-offs in 1Q25 totaled COP 1.04 trillion, decreasing by 19.3% compared to the previous quarter. Out of total write-offs, around 90% correspond to the consumer portfolio.

Y/Y Performance:

The consolidated past-due loan ratio over 90 days decreased by 42 basis points year-over-year, mainly due to: (i) the improved risk profile of the consumer loan portfolio, as a result of enhancements in origination, collections, and credit risk management, and (ii) to a lesser extent, the impact of lower interest rates and charge-offs carried out throughout the year.

Charge-offs in 1Q25 declined by 50.8% compared to 1Q24, primarily due to the improvement observed in the asset quality across all loan segments.

4.2.4. Coverage

Coverage	1Q24	4Q24	1Q25
Commercial	102.4%	102.8%	103.6%
Consumer	134.8%	139.6%	143.2%
Mortgage	28.1%	29.2%	31.4%
Total	91.4%	86.1%	86.7%

Coverage + Collaterals	4Q23	3Q24	4Q24
Commercial	142.5%	144.8%	144.9%
Consumer	140.6%	146.6%	150.5%
Mortgage	125.2%	126.6%	128.8%
Coverage + Collaterals	136.8%	139.0%	140.5%

Q/Q Performance:

The coverage ratio closed 1Q25 at 86.7%, increasing by 58 basis points compared to 4Q24. This result reflects the Bank's sustained efforts to strengthen coverage levels. Across loan types, coverage increased in the commercial, consumer, and mortgage portfolios.

The coverage ratio including collaterals provides a more accurate reflection of credit risk exposure by incorporating the guarantees backing the obligations. This indicator stood at 140.5% as of 1Q25.

Y/Y Performance:

Coverage ratios increased in all segments on an annual basis, reflecting the bank's efforts to increase provisions across the loan book.

The traditional total coverage ratio decreased year-over-year, mainly explained by the change in the loan portfolio's mix, with an increased share of commercial and mortgage loans within the total portfolio, segments with naturally lower coverage needs.

4.2.5. Funding Sources

Funding Sources	Consolidated (COP Billion)					Colombia (COP Billion)			Central America (USD Million)		
				% Chg.			% Chg.			% Chg.	
	Mar. 24	Dec. 24	Mar. 25	Q/Q	Y/Y	Mar. 25	Q/Q	Y/Y	Mar. 25	Q/Q	Y/Y
Demand deposits	61,035	65,512	66,286	1.2	8.6	48,801	3.6	8.3	4,171	-0.2	0.3
Term deposits	62,405	70,797	72,420	2.3	16.0	54,407	4.6	13.3	4,297	0.8	14.9
Bonds	12,479	11,399	10,639	-6.7	-14.7	7,610	-7.7	-16.0	723	1.1	-18.7
Credits	15,173	16,028	15,345	-4.3	1.1	11,123	-2.3	-1.3	1,007	-4.4	-0.7
Total	151,092	163,736	164,690	0.6	9.0	121,941	2.7	7.5	10,198	-0.1	4.1

Q/Q Performance:

Funding sources totaled COP 164.7 trillion, increasing by 0.6% compared to the previous quarter, mainly driven by higher balances in demand and term deposits. Excluding the 4.9% appreciation of the Colombian peso during the quarter, funding sources would have grown by 2.3%.

Demand deposits reached COP 66.3 trillion, increasing by 1.2% in the quarter, mainly due to higher balances in savings and checking accounts. This reflects the Bank's ongoing efforts to strengthen its low-cost funding base, prioritizing stability and efficiency in its funding structure.

Term deposits grew by 2.3%, supported by a slower-than-expected pace of interest rate reductions at the beginning of the year, which continued to drive customer demand for this type of instruments.

Outstanding bonds closed the first quarter at COP 10.6 trillion, down 6.7% compared to 4Q24, mainly due to the Colombian peso appreciation and the maturity of local bonds.

Credits with financial institutions totaled COP 15.3 trillion, decreasing by 4.3% during the quarter, primarily due to exchange rate appreciation and amortizations in Colombia.

The gross loan-to-funding ratio stood at 87.2%, decreasing by 165 basis points from the previous quarter, as a result of a decline in gross loans and an increase in funding sources during the quarter.

Y/Y Performance:

Funding sources increased by 9.0% year-over-year, mainly driven by the growth of term deposits, followed by increases in demand deposits. Excluding the 9.1% depreciation of the Colombian peso, funding would have increased by 6.0%.

Traditional funding rose primarily due to a 16.0% increase in term deposits, amid a slower-than-expected rate-cutting cycle. Demand deposits grew by 8.6% year-over-year, mainly driven by higher balances from clients in Colombia, further strengthening the Bank's low-cost funding base.

Outstanding bonds declined by 14.7% compared to 1Q24, primarily due to the maturity of bonds denominated in local currency.

Credits with financial institutions grew by 1.1% year-over-year. This result was mainly driven by the depreciation of the Colombian peso.

The gross loan-to-funding ratio stood at 87.2%, decreasing by 253 basis points from the 89.7% recorded in 1Q24.

4.2.6. Equity and Regulatory Capital

Total Regulatory Capital and Risk Weighted Assets (COP Billion)	1Q24	4Q24	1Q25	% Chg. Q/Q	Y/Y
Equity	**15,282**	**16,161**	**16,154**	**0.0%**	**5.7%**
Common Equity Tier I Capital (CET1)	13,445	14,195	14,322	0.9%	6.5%
Additional Tier I Capital (AT1)	1,962	2,219	2,144	-3.4%	9.3%
Tier II Capital	3,506	3,774	3,558	-5.7%	1.5%
Total Regulatory Capital	**18,894**	**20,188**	**20,024**	**-0.8%**	**6.0%**
Credit RWAs	108,123	113,537	110,897	-2.3%	2.6%
Market Value at Risk * 100/9	3,281	3,138	3,979	26.8%	21.3%
Operational Value at Risk *100/9	17,780	13,004	13,287	2.2%	-25.3%
Risk Weighted Assets	**129,184**	**129,679**	**128,164**	**-1.2%**	**-0.8%**
CET1 Ratio	10.41%	10.95%	11.18%	23 bps	77 bps
Tier I Ratio	11.93%	12.66%	12.85%	19 bps	92 bps
Total Capital Adequacy Ratio	14.63%	15.57%	15.62%	6 bps	100 bps
Leverage Ratio	8.05%	7.98%	8.14%	16 bps	9 bps

Q/Q Performance:

Consolidated equity closed at COP 16.2 trillion as of March 2025, remaining relatively stable compared to the previous quarter.

The Common Equity Tier I Ratio (CET1) stood at 11.18%, increasing by 23 basis points in the quarter, mainly explained by the quarter's net profits and a reduction in credit risk-weighted assets, particularly in consumer and commercial portfolios.

Additional Tier I Capital decreased by 3.4% during the quarter as a result of the appreciation of the Colombian peso against the U.S. dollar.

Tier II Capital decreased by 5.7% during the quarter, mainly due to lower weighting of subordinated bonds, and to a lesser extent due to the peso depreciation.

As a result, the Total Capital Adequacy Ratio closed at 15.62% as of March 2025. The leverage ratio stood at 8.14%, increasing by 16 basis points compared to the previous quarter, mainly due to a reduction in total assets.

Risk-Weighted Assets (RWA) density closed at 67.5%, decreasing by 28 basis points versus 4Q24 (67.8%), mainly explained by the aforementioned quarterly decrease in credit risk RWAs.

Y/Y Performance:

Consolidated equity increased by 5.7% compared to the same period of the previous year, mainly as a result of improved earnings and a positive currency translation effect from the equity of the subsidiaries in Central America.

The Common Equity Tier I Ratio (CET1) increased by 77 basis points year-over-year, driven by profits recorded in the second half of 2024 and the first quarter of 2025, as well as a reduction in operational risk-weighted assets, as a result of the implementation of Davivienda's internal model for operational risk.

Besides the previous effects, the Total Capital Adequacy Ratio increased by 100 basis points compared to 1Q24, due to positive FX impact. The leverage ratio increased by 9 basis points versus 1Q24.

Risk-Weighted Assets (RWA) density decreased by 583 basis points compared to 1Q24 (73.3%), mainly explained by lower operational risk-weighted assets.

4.3. Income Statement

Income Statement (COP billion)	Quarterly Figures 1Q24	4Q24	1Q25	% Chg. Q/Q	Y/Y
Interest Income	5,277	4,785	4,888	2.1	-7.4
Loan Income	**4,700**	**4,271**	**4,344**	**1.7**	**-7.6**
Commercial	2,021	1,813	1,873	3.3	-7.3
Consumer	1,622	1,467	1,376	-6.2	-15.2
Mortgage	1,057	991	1,095	10.5	3.6
Investment Income	**428**	**381**	**441**	**15.6**	**2.9**
Other Income	**148**	**132**	**103**	**-22.4**	**-30.7**
Financial Expenses	3,038	2,699	2,618	-3.0	-13.8
Demand Deposits	598	441	411	-6.9	-31.2
Term Deposits	1,660	1,650	1,627	-1.4	-2.0
Credits	343	300	261	-12.8	-23.9
Bonds	306	227	219	-3.5	-28.5
Other Expenses	130	82	99	21.3	-23.6
Gross Financial Margin	2,239	2,086	2,270	8.8	1.4
Net Provision Expenses	1,752	901	864	-4.1	-50.7
Net Interest Margin	488	1,185	1,406	18.7	188.3
Exchange and Derivatives	**-42**	**130**	**67**	**-48.7**	**N.A.**
Non Financial Income	**654**	**609**	**620**	**1.9**	**-5.1**
Fee Income	466	539	522	-3.2	11.9
Other Net Income and Expenses	187	70	99	41.3	-47.3
Operating Expenses	**1,470**	**1,657**	**1,612**	**-2.8**	**9.6**
Personnel Expenses	604	615	671	9.0	11.1
Operation Expenses	544	722	621	-13.9	14.2
Other Expenses	322	321	320	-0.3	-0.9
Result Before Taxes	-371	266	481	80.8	N.A.
Income Tax	-84	104	191	84.0	N.A.
Net Result	**-288**	**163**	**291**	**78.7**	**N.A.**

4.3.1. Net Result

Quarterly figures

Q/Q Performance:

Net profit closed 1Q25 at COP 290.6 billion, increasing by 78.7% compared to the previous quarter. This result was driven by higher financial income, lower financial expenses, reduced provision expenses, higher non-financial income, and lower operating expenses. The annualized return on average equity (ROAE) for the quarter stood at 7.19%.

Net profit in Colombia totaled COP 215.6 billion, in line with the performance of the consolidated result.

Net profit from the Central American operations totaled approximately USD 17.9 million, decreasing by 15.8% during the quarter, mainly due to lower financial income and higher financial expenses.

Y/Y Performance:

Consolidated net profit increased by COP 578.2 billion year-over-year, mainly driven by lower financial expenses, reduced provision expenses, and positive results from foreign exchange and derivatives.

In Colombia, net profit grew by COP 538.5 billion, in line with the performance of the consolidated result.

In the international subsidiaries, net profit in USD increased by USD 8.9 million compared to 1Q24. This improvement was primarily due to higher loan portfolio income, controlled operating expenses, and improved results from foreign exchange and derivatives.

4.3.2. Gross Financial Margin

Gross Financial Margin	Quarterly Figures			% Chg.	
(COP billion)	1Q24	4Q24	1Q25	Q/Q	Y/Y
Loan Income	4,700	4,271	4,344	1.7	-7.6
Investments and Interbank Income	577	514	544	5.8	-5.7
Financial Income	5,277	4,785	4,888	2.1	-7.4
Financial Expenses	3,038	2,699	2,618	-3.0	-13.8
Gross Financial Margin	2,239	2,086	2,270	8.8	1.4
FX Changes, Derivatives	-42	130	67	-48.7	N.A.
GFM + FX&D	2,197	2,216	2,337	5.5	6.4

NIM				Bps. Chg	
Annualized Quarter	1Q24	4Q24	1Q25	Q/Q	Y/Y
NIM	5.82%	5.16%	5.52%	35	-30
NIM FX+D	5.71%	5.49%	5.68%	19	-3

NIM				Bps. Chg	
12 Months	1Q24	4Q24	1Q25	Q/Q	Y/Y
NIM	5.70%	5.49%	5.43%	-6	-26
NIM FX+D	5.47%	5.65%	5.65%	0	18

Quarterly figures

Q/Q Performance:

The consolidated gross financial margin for the quarter stood at COP 2.3 trillion, increasing by 8.8%, mainly driven by higher loan and investment income and lower financial expenses.

Loan income increased by 1.7%, explained by: (i) market rates have had a slower-than-expected decline, or even showed stabilization during the first quarter; (ii) an increase in the UVR (inflation-indexed unit) during the quarter, which typically shows the highest seasonal variation in 1Q, thus benefiting the UVR-indexed loan portfolio; and (iii) improved asset quality has allowed for a marginally higher share of performing loans.

The increase in investment income for the quarter was mainly driven by portfolio growth, as well as by the impact of higher interest rates.

During the quarter, financial expenses decreased by 3.0%, mainly as a result of liability repricing in line with the reduction of certain benchmark rates, bond maturities, term deposits repricing, and institutional funding management.

In Central America, gross financial margin in USD decreased by 13% quarter-over-quarter, mainly due to lower investment income, following the sovereign credit rating upgrade of El Salvador in November 2024, which reduced the probability of default and led to a positive adjustment in impairment in the 4Q24, generating a base effect for the 1Q25. Additionally, financial expenses increased mainly due to higher term deposits balances and rates.

Foreign exchange and derivatives net income decreased by 49% in the quarter but remained positive. This decline was mainly explained by the appreciation of the Colombian peso, which impacted derivative results.

The gross financial margin including foreign exchange and derivatives increased by 5.5% quarter-over-quarter, despite the lower contribution from the foreign exchange and derivatives strategy, as previously explained.

Regarding annualized quarterly indicators, both the NIM and the NIM including foreign exchange and derivatives increased quarterly, mainly driven by the growth of the gross financial margin.

Y/Y Performance:

The gross financial margin for the first quarter increased by 1.4% compared to 1Q24, mainly driven by a larger reduction in financial expenses than in financial income. This reduction was mainly observed in demand deposits, borrowings, and bonds.

In Colombia, gross financial margin decreased by 0.6% year-over-year, mainly due to lower loan income, particularly from the consumer portfolio, following the generalized decline in lending rates. Additionally, lower income from the commercial loan portfolio was recorded, also associated with lower rates, along with a reduction in other income due to a higher volume of repo positions with the Central Bank.

In international operations, gross financial margin in USD increased by 2.0% year-over-year, mainly explained by higher loan income, driven by growth in the consumer loan portfolio.

The gross financial margin, including the foreign exchange and derivatives strategy, grew by 6.4% compared to the first quarter of 2024, mainly as a result of a positive net foreign exchange result.

The 12-month NIM including foreign exchange and derivatives increased by 18 bps year-over-year, in line with the positive net result from the foreign exchange and derivatives strategy.

Regarding annualized quarterly indicators, both the NIM and the NIM including foreign exchange and derivatives decreased year-over-year, mainly as a result of an increase in interest-earning assets, particularly due to lower non-performing loans and higher investment in debt securities.

4.3.3. Provision Expenses

Provision Expenses	**Quarterly Figures**			**% Chg.**	
(COP billion)	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
Provision for credit losses	1,973	1,252	1,159	-7.4	-41.2
Loan recoveries	217	347	295	-14.9	36.1
Net loan sales	4	4	0	-100.0	-100.0
Net Provision Expenses	**1,752**	**901**	**864**	**-4.1**	**-50.7**

Cost of Risk				**Bps. Chg**	
Annualized Quarter	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
CoR	5.17%	2.48%	2.41%	-7	-276

Cost of Risk				**Bps. Chg**	
12 months	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
CoR	4.89%	3.57%	3.00%	-57	-189

Quarterly figures

Q/Q Performance:

Provision expenses (net of recoveries) totaled COP 864 billion, decreasing by 4.1% compared to the previous quarter. This reduction was mainly driven by lower provisioning requirements for the consumer portfolio, due to lower delinquency formation in this segment and the ongoing maturity of vintage portfolios with higher prior impact.

As a result, the annualized Cost of Risk for the quarter stood at 2.41%, decreasing by 7 basis points versus the previous quarter.

Y/Y Performance:

At the consolidated level, provision expenses (net of recoveries) decreased by 50.7% compared to March 2024. This result reflects the improvement in portfolio quality, primarily in the risk profile of the consumer portfolio, driven by effective origination, collection, and risk management, as well as charge-offs executed throughout the year.

Consequently, the annualized quarterly Cost of Risk stood at 2.41%, decreasing by 276 basis points compared to the same period of the previous year, while the 12-month Cost of Risk stood at 3.00%, improving by 189 basis points year-over-year.

4.3.4. Non-Financial Income

Non Financial Income	Quarterly Figures			% Chg.	
(Billion COP)	1Q24	4Q24	1Q25	Q/Q	Y/Y
Fee income	466	539	522	-3.2	11.9
Other Net Income and Expenses	187	70	99	41.3	-47.3
Non-Financial Income	**654**	**609**	**620**	**1.9**	**-5.1**

Quarterly figures

Q/Q Performance:

Non-financial income totaled COP 620.5 billion in the first quarter of the year, representing an increase of 1.9% compared to the previous quarter.

Fee income decreased by 3.2% quarter-over-quarter, mainly explained by normalization in transaction volumes, acquiring and purchase-related revenues, which were seasonally high in the previous quarter due to year-end effects.

On the other hand, other net income and expenses increased by 41.3%, primarily due to dividends received from non controlled entities.

Y/Y Performance:

Non-financial income decreased by 5.1% compared to March 2024.

Fee income grew by 11.9%, mainly driven by higher transactional revenues and service fees.

Meanwhile, other net income and expenses decreased by 47.3% year-over-year, mainly due to a base effect from lower impairment of assets received as payment, following an appraisal update carried out in the first quarter of 2024.

4.3.5. Operating Expenses

Operating Expenses	Quarterly Figures			% Chg.	
(COP billion)	1Q24	4Q24	1Q25	Q/Q	Y/Y
Personnel Expenses	604	615	671	9.0	11.1
Operating Expenses and Others	867	1,042	941	-9.7	8.6
Total Expenses	**1,470**	**1,657**	**1,612**	**-2.8**	**9.6**

Cost-to-Income				**Bps. Chg**	
Annualized Quarter	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
Cost-to-Income	52.1%	58.7%	55.3%	-340	322

Cost-to-Income				**Bps. Chg**	
12 months	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
Cost-to-Income	54.5%	54.7%	55.5%	80	106

Quarterly figures

Q/Q Performance:

Operating expenses decreased by 2.8% during 1Q25 compared to the previous quarter.

Personnel expenses increased by 9.0%, mainly due to employee benefits related to the payment of 2024 performance-based bonuses and the annual salary adjustment.

Meanwhile, other operating and general expenses decreased by 9.7% compared to the previous quarter, primarily due to lower expenses related to professional fees, software, and advertising and promotional activities.

The annualized efficiency ratio stood at 55.3%, improving by 340 basis points, driven by lower consolidated operating expenses and higher gross financial margin during the quarter.

Y/Y Performance:

Operating expenses in 1Q25 increased by 9.6% compared to the same period of the previous year, mainly impacted by higher expenses in Colombia. Excluding the foreign exchange effects during the year (the depreciation of the Colombian peso against the U.S. dollar and the appreciation of the Costa Rican colón), operating expenses would have increased by 7.8%.

This increase was mainly explained by higher personnel expenses (+11.1%) as a result of the annual salary adjustment and the payment of 2024 performance-based bonuses.

Additionally, other operating and general expenses increased by 8.6%, mainly due to higher insurance renewal costs, cloud services, legal advisory fees, and employee training.

4.3.6. Taxes

Quarterly figures

Income Tax				**% Chg**	
Quarter	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
Tax	-84	104	191	84.0	N.A.

Q/Q and Y/Y Performance:

Income tax totaled COP 191.1 billion, mainly explained by a higher result before taxes recorded during the quarter.

5. INDIVIDUAL FINANCIAL RESULTS

The individual financial statements have been prepared in accordance with the accounting standards in force in Colombia and expressed in Colombian Pesos (COP), based on the International Financial Reporting Standards (IFRS) with adjustments established by the Financial Superintendence of Colombia.

5.1. Statement of Financial Condition

Statement of Financial Position

(COP Billion)				% Chg.	
Assets	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
Cash and Interbank Funds	8,353	10,058	10,954	8.9	31.1
Net Investments	20,817	23,289	24,419	4.9	17.3
Gross Loan Portfolio	101,941	105,937	106,091	0.1	4.1
Commercial	43,806	49,109	49,265	0.3	12.5
Consumer	26,459	23,587	22,851	-3.1	-13.6
Mortgage	31,677	33,241	33,976	2.2	7.3
Loan Loss Reserves	-6,766	-6,567	-6,474	1.4	4.3
Other Assets	12,114	11,611	10,156	-12.5	-16.2
Total Assets	**136,459**	**144,328**	**145,145**	**0.6**	**6.4**
Liabilities and Equity					
Repos and Interbank Liabilities	2,310	3,193	2,483	-22.3	7.5
Demand Deposits	45,711	47,968	49,689	3.6	8.7
Savings Accounts	37,728	39,491	40,950	3.7	8.5
Checking Accounts	7,982	8,476	8,738	3.1	9.5
Term Deposits	48,183	52,457	54,852	4.6	13.8
Bonds	9,193	8,400	7,756	-7.7	-15.6
Credits	11,364	11,480	11,223	-2.2	-1.2
Other Liabilities	5,937	6,185	4,582	-25.9	-22.8
Total Liabilities	122,698	129,684	130,584	0.7	6.4
Total Equity	13,762	14,644	14,561	-0.6	5.8
Total Liabilities and Equity	**136,459**	**144,328**	**145,145**	**0.6**	**6.4**

5.1.1. Assets

Total assets reached COP 145.1 trillion, increasing by 0.6% quarter-over-quarter and 6.4% year-over-year. The quarterly increase was mainly driven by growth in cash and interbank balances and the investment portfolio. The annual growth was explained by increases across cash and interbank balances, the investment portfolio, and gross loans.

Cash and interbank balances totaled COP 10.9 trillion, up 8.9% compared to the previous quarter and 31.1% year-over-year. The quarterly increase was due to higher activity in the money market, while the annual increase reflected higher balances at Banco de la República and foreign banks.

The investment portfolio closed at COP 24.4 trillion, growing by 4.9% quarter-over-quarter and 17.3% year-over-year. The quarterly growth was mainly explained by a higher exposure to national and international fixed-income securities, while the annual increase also reflected higher balances in fixed-income and equity securities.

Gross loans closed at COP 106.1 trillion, growing by 0.1% quarter-over-quarter and 4.1% year-over-year.

The commercial portfolio closed at COP 49.3 trillion, increasing by 0.3% quarter-over-quarter and 12.5% year-over-year, mainly explained by stronger disbursement dynamics in construction and civil works, commerce, and other sectors.

The consumer portfolio totaled COP 22.8 trillion, decreasing by 3.1% quarter-over-quarter and 13.6% year-over-year, in line with lower credit demand and fewer disbursements across the system. However, the pace of the decline has moderated.

The mortgage portfolio closed at approximately COP 34.0 trillion, growing by 2.2% quarter-over-quarter and 7.3% year-over-year. This performance was mainly driven by the low-income housing segment (VIS), supported by government subsidies, as well as stronger growth in non-VIS housing loans.

Finally, other assets decreased by 12.5% quarter-over-quarter and by 16.2% year-over-year, mainly due to lower tax receivables related to prior period tax refunds.

5.1.2. Liabilities and Equity

Total liabilities reached COP 130.6 trillion, increasing by 0.7% compared to the previous quarter, mainly due to growth in demand and term deposits. Year-over-year, liabilities increased by 6.4%, driven by higher balances of certificates of deposit and savings accounts.

Demand deposits closed at COP 49.7 trillion, growing by 3.6% quarter-over-quarter, mainly due to higher balances in savings and checking accounts, and by 8.7% year-over-year as a result of higher institutional customer deposits.

Term deposits reached COP 54.9 trillion, increasing by 4.6% in the quarter and by 13.8% year-over-year. This behavior was mainly driven by the slower pace of interest rate reductions, which continued to encourage migration towards these instruments.

Bonds closed the quarter at COP 7.8 trillion, decreasing by 7.7% compared to the previous quarter and by 15.6% year-over-year, mainly due to maturities of bonds denominated in local currency and exchange rate effects.

Borrowings from financial institutions totaled COP 11.2 trillion, decreasing by 2.2% quarter-over-quarter and by 1.2% year-over-year, mainly due to amortizations and the impact of exchange rate revaluation.

The equity for the individual operation reached approximately COP 14.6 trillion, decreasing by 0.6% quarter-over-quarter and increasing by 5.8% year-over-year. The Common Equity Tier I Ratio (CET1) stood at 12.10%, decreasing by 1 basis point in the quarter and increasing by 63 basis points year-over-year. The Total Capital Adequacy Ratio closed at 18.28% as of March 2025, decreasing by 30 basis points compared to the previous quarter and increasing by 75 basis points compared to the same period of the previous year.

5.2. Income Statement

Income Statement	**Quarterly Figures**			**% Chg.**	
(COP Billion)	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
Interest Income	4,066	3,523	3,683	4.5	-9.4
Loans	3,743	3,265	3,360	2.9	-10.2
Comercial	1,600	1,374	1,427	3.9	-10.8
Consumer	1,251	1,062	993	-6.5	-20.6
Mortgage	893	829	940	13.4	5.3
Investments	318	218	326	49.4	2.3
Other Income	4	40	-3	-107.8	-177.5

Financial Expenses	2,522	2,144	2,051	-4.4	-18.7
Demand Deposits	516	360	331	-8.1	-35.9
Term Deposits	1,456	1,355	1,327	-2.1	-8.9
Credits with Entities	293	247	213	-13.8	-27.5
Bonds	243	170	167	-2.0	-31.4
Others	14	12	14	16.2	5.1
Gross Financial Margin	1,544	1,379	1,632	18.3	5.7
Net Provision Expenses	1,609	1,051	606	-42.3	-62.3
Net Interest Margin	-66	328	1,026	212.4	N.A.
Exchange and Derivatives	**211**	**380**	**66**	**-82.7**	**-68.9**
Non Financial Income	**836**	**756**	**479**	**-36.6**	**-42.7**
Fee Income	314	361	345	-4.7	9.8
Other Net Income and Expenses	522	395	135	-65.9	-74.2
Operating Expenses	**1,086**	**1,201**	**1,178**	**-1.9**	**8.4**
Personnel Expenses	408	419	467	11.5	14.3
Operating Expenses	413	536	456	-14.9	10.6
Others	265	246	254	3.6	-4.1
Result Before Taxes	-105	264	393	49.1	N.A.
Income Tax	-361	-193	131	N.A.	N.A.
Net Result	**256**	**456**	**262**	**-42.5**	**2.3**

Q/Q and Y/Y Performance:

Gross financial margin reached COP 1.6 trillion, increasing by 18.3% compared to the previous quarter and by 5.7% year-over-year. The variation was mainly driven by higher income from the commercial and mortgage loan portfolios, particularly from UVR-indexed loans. Additionally, investment income rose as a result of higher exposure to fixed-income securities, and higher interest rates.

Provision expenses (net of recoveries) totaled approximately COP 0.6 trillion, decreasing by 42.3% quarter-over-quarter and by 62.3% year-over-year. The quarterly and annual reduction in expenses reflects the overall improvement in consumer credit quality, which resulted in lower provisioning needs.

Non-financial income totaled COP 479 billion, decreasing by 36.6% compared to the previous quarter and by 74.2% year-over-year. This decrease was mainly due to the in-kind transfer of Grupo del Istmo shares to Holding Davivienda Internacional in the first quarter of 2024.

Operating expenses totaled COP 1.2 trillion, decreasing by 1.9% quarter-over-quarter and increasing by 8.4% year-over-year. The quarterly variation was mainly explained by lower expenses related to professional fees, software, legal advisory services, and advertising. The annual increase was primarily due to insurance renewals and higher personnel expenses, driven by the annual salary adjustment and 2024 performance bonuses.

Income tax for 1Q25 totaled COP 131 billion, increasing both quarter-over-quarter and year-over-year, reflecting the positive financial results for the quarter.

As a result, net profit closed at COP 262.4 billion, decreasing by 42.5% compared to the previous quarter and increasing by 2.3% compared to the first quarter of 2024.

6. INTEGRATED RISK MANAGEMENT

Banco Davivienda maintains a robust risk management system that allows it to identify, assess, and respond in a timely manner to the various risks that could affect its operations. This section provides further details on the management of material risks or those that showed significant changes during the period.

6.1. Market Risk

Market risk management is based on recognizing the primary mandate or mission of the investments held within the Bank's balance sheet structure—that is, the business model. In general, there are two major business models: structural management and trading & distribution management.

The first focuses on managing balance sheet risks, generating returns through interest collection, and maintaining long-term investment positions aligned with the business purpose.

The second focuses on generating profits through price variations in the short and medium term, as well as distributing products to different types of clients.

The segmentation of the investment portfolio between trading and structural investments is a key consideration for setting risk policies, alerts, and limits, which reflect the Bank's risk appetite and tolerance, accounting classification, and the responsibilities of the areas in charge of management and decision-making.

Specifically, Banco Davivienda participates through its investment portfolio in the capital markets, money markets, and foreign exchange markets. The managed portfolios are composed of a variety of assets that diversify both income sources and assumed risks. These portfolios operate within a framework of defined limits and early warning indicators, aimed at maintaining the balance sheet risk profile and optimizing the risk-return relationship.

The following section presents the Bank's portfolio information under individual financial statements, broken down by business model and accounting classification:

Individual:

Business Model				**Q/Q**		**Y/Y**	
(Billion COP)	**1Q24**	**4Q24**	**1Q25**	**$**	**%**	**$**	**%**
Trading	**2,622**	**3,455**	**4,107**	**652**	**18.9%**	**1,485**	**56.6%**
Structural	**11,191**	**11,266**	**12,078**	**812**	**7.2%**	**887**	**7.9%**
Liquidity Reserve	8,139	7,468	8,342	874	11.7%	203	2.5%
Balance Sheet Management	3,052	3,797	3,736	-61	-1.6%	684	22.4%
Total Portfolio	**13,813**	**14,720**	**16,185**	**1,465**	**10.0%**	**2,372**	**17.2%**

Accounting Classification				**Q/Q**		**Y/Y**	
(Billion COP)	**1Q24**	**4Q24**	**1Q25**	**$**	**%**	**$**	**%**
Fair value through profit or loss	5,373	5,788	6,519	732	12.6%	1,146	21.3%
Fair value through other comprehensive income	4,586	5,135	5,998	862	16.8%	1,411	30.8%
Amortized Cost	3,854	3,797	3,668	-129	-3.4%	-185	-4.8%
Total Portfolio	**13,813**	**14,720**	**16,185**	**1,465**	**10.0%**	**2,372**	**17.2%**

The investment portfolio remains primarily concentrated in structural positions (81.1%) aimed at generating sustainable profits over time, in line with balance sheet risk management and the Bank's business plan. As a result, the portfolio maintains a conservative risk profile with low risk appetite, reflecting its primary purpose of supporting the Bank's risk management objectives.

Notwithstanding, the trading portfolio operates under a less conservative risk profile; however, its risk exposure remains aligned with the size of the business and its expected return. The size of market risk exposure is determined based on the portfolio's risk-return relationship, the risk profile defined by the Board of Directors, the impact of a stress scenario (an unexpected but plausible event) on its performance, and the potential impact on key performance indicators and the Bank's overall results.

Consistent with the conservative profile of the investment portfolio and its structural management objective, the Individual portfolio maintained a duration of less than 2.5. This metric has remained stable compared to the same period of 2024 and the previous quarter.

The consolidated investment portfolio closed the quarter at COP 22.8 trillion. As in the individual operation, 81.9% of the consolidated portfolio is concentrated in investments aimed at managing balance sheet risk, maintaining a conservative profile.

The following section presents the Consolidated portfolio information by business model and accounting classification:

Consolidated:

Business Model				Q/Q		Y/Y	
(Billion COP)	1Q24	4Q24	1Q25	$	%	$	%
Trading	**2,622**	**3,455**	**4,107**	**652**	**18.9%**	**1,485**	**56.6%**
Structural	**17,268**	**17,401**	**18,658**	**1,257**	**7.2%**	**1,390**	**8.1%**
Liquidity Reserve	12,148	11,695	13,300	1,605	13.7%	1,152	9.5%
Total Portfolio	**19,890**	**20,855**	**22,765**	**1,909**	**9.2%**	**2,875**	**14.5%**

Accounting Classification				Q/Q		Y/Y	
(Billion COP)	1Q24	4Q24	1Q25	$	%	$	%
Fair value through profit or loss	5,816	6,232	6,814	582	9.3%	998	17.2%
Fair value through other comprehensive income	8,822	9,800	11,158	1,357	13.8%	2,336	26.5%
Amortized Cost	5,251	4,823	4,793	-30	-0.6%	-458	-8.7%
Total Portfolio	**19,890**	**20,855**	**22,765**	**1,909**	**9.2%**	**2,875**	**14.5%**

Under the same mandate and management philosophy, the consolidated portfolio maintained a duration of less than 2.0. This metric has remained stable compared to December 2024 and March 2024.

The Bank uses the standardized model defined by the Financial Superintendence of Colombia to measure, control, and manage market risk, with a focus on capital consumption and allocation. In addition, internal methodologies based on international best practices are applied, including the RiskMetrics methodology developed by JP Morgan. These methodologies incorporate various Value at Risk (VaR) measurements and backtesting procedures to evaluate their predictive accuracy.

According to the standardized model of the Financial Superintendence of Colombia, the Value at Risk (VaR) for both the standalone and consolidated investment portfolios has evolved as follows:

Individual:

VaR (% of the Portfolio)	1Q24	4Q24	1Q25	Q/Q	Y/Y
Interest Rate	1.22%	1.24%	1.47%	0.23%	0.25%
Exchange Rate	0.17%	0.07%	0.09%	0.03%	-0.08%
Shares	0.05%	0.05%	0.04%	0.00%	-0.01%
Mutual Funds	0.07%	0.08%	0.08%	0.00%	0.01%
VaR	**1.51%**	**1.43%**	**1.69%**	**0.25%**	**0.17%**

Consolidated:

VaR (% of the Portfolio)	1Q24	4Q24	1Q25	Q/Q	Y/Y
Interest Rate	1.18%	1.16%	1.37%	0.20%	0.19%
Exchange Rate	0.12%	0.04%	0.06%	0.02%	-0.07%
Shares	0.08%	0.07%	0.06%	-0.01%	-0.02%
Mutual Funds	0.10%	0.08%	0.09%	0.01%	-0.01%
VaR	**1.48%**	**1.35%**	**1.57%**	**0.22%**	**0.09%**

Overall, the Value at Risk (VaR) for both the standalone and consolidated portfolios has remained stable. The observed movements in this metric are mainly attributable to increased structural investments under the balance sheet management model and to specific trading strategies based on the expectations of the trading desks regarding the behavior of key risk factors.

6.2. Credit Risk

As of the end of the first quarter of 2025, the consumer portfolio showed signs of gradual and sustained recovery in disbursement levels. This improvement has been supported by a reduction in charge-offs, directly resulting from enhancements in origination and approval policies, which have strengthened the overall credit quality of the portfolio.

Portfolio vintages and delinquency roll rates continued the favorable trend observed since 2024, positively impacting key credit quality indicators.

These improvements are the result of adjustments made to the consumer portfolio, which include:

- **Optimization of origination parameters**, prioritizing clients with stronger risk profiles.
- **Enhancements in collection management**, aimed at improving recovery efficiency and effectiveness, supported by **optimized analytics** (better segmentation, deeper customer understanding, and improved recovery of delinquent accounts).
- **Strengthening of the early warning indicators monitoring system**, enabling timely assessment of adopted strategies and facilitating proactive decision-making.

As a result, the consumer portfolio showed a higher concentration in Stage 1 (89.0%), with a lower participation of Stage 2 loans (6.7%). The share of Stage 3 loans decreased slightly, closing at approximately 4.3%, while maintaining a stable coverage ratio of 80.7%.

The commercial portfolio remained stable compared to year-end 2024. Disbursements focused mainly on corporate and construction sector clients, specifically within the services, energy and hydrocarbons, and residential construction macro-sectors. Most of these clients have optimal or good risk profiles. However, sectors such as retail trade, construction, and agriculture continue to face some challenges due to lower consumption, changes in housing subsidy programs and climate factors, respectively. A specific support strategy has been implemented for these clients. Delinquency indicators show signs of stabilization, reflecting the effectiveness of the measures taken.

In the mortgage portfolio, there has been observed a moderation in the growth rate, as well as an increase in risk concentration in loans disbursed during 2022 and 2023, which were impacted by higher inflation and lending rates. This has led to some deterioration in credit quality indicators. Nevertheless, these indicators have started to show signs of improvement, and the quality of new originations remains within desired levels. As a result, portfolio quality indicators are expected to continue improving throughout the remainder of 2025, supported by the measures implemented and a more favorable macroeconomic environment.

Individual

Despite macroeconomic challenges, the Bank's total loan portfolio in Colombia grew by 0.15% as of the end of the first quarter of 2025 compared to year-end 2024. Although the consumer portfolio continued to decline, it showed signs of stabilization, with a smaller contraction (-3.12%) compared to previous months. This inflection point reflects increased origination to customers with stronger risk profiles, demonstrating the effectiveness of corrective measures implemented.

The CDE portfolio quality indicator closed at 7.46%, representing a 14 basis point decrease year-over-year. Total coverage of the CDE portfolio increased by 22 basis points, reaching 81.83%.

In the mortgage portfolio, the CDE indicator increased by 21 basis points compared to year-end 2024. The portfolio's quality remains impacted by deterioration among customers more exposed to the effects of inflation and the lending rate increases of 2022 and 2023. However, the improved performance of recent vintages and adjustments to delinquent loan recovery processes suggest stabilization and gradual recovery throughout 2025.

	Quarterly Figures (%)			Bps. Chg	
CDE Loans	**1Q24**	**4Q24**	**1Q25**	**Q/Q**	**Y/Y**
Total	8.67	7.60	7.46	-14	-121
Commercial	8.14	7.28	7.55	7	-59
Consumer	14.72	11.15	10.24	-91	-448
Mortgage	4.34	5.24	5.45	21	111

It is important to note that portfolio management is conducted consistently for both consolidated and standalone balances; therefore, monitoring measures apply to both cases.

6.3. Interest Rate Risk in the Banking Book (IRRBB)

As part of its normal business operation, Davivienda is exposed to interest rate risk in the banking book (IRRBB), which refers to the potential impact that changes in interest rates may have on the value of the Bank's non-trading assets and liabilities.

IRRBB is monitored and controlled through various metrics, including the Economic Value of Equity sensitivity (ΔEVE) and the Net Interest Margin sensitivity (ΔNIM), using both the standard methodologies established by the Financial Superintendence of Colombia and internal models.

The Bank operates within the risk appetite levels defined by the Board of Directors. During the period under review, the balance sheet maintained a well-balanced repricing profile, resulting in controlled exposure under interest rate shock scenarios. The EVE sensitivity, expressed as a proportion of total Tier 1 capital, remained within the established risk appetite zone. Additionally, there were no material changes in exposure levels for the quarter.

6.4. Other Risk Management Systems

No material changes[11] or exposure levels were identified during the first quarter of 2025 for other risk categories that would affect the normal course of business.

[11] Reference for the following risk management systems: Strategic Risk, Country Risk, Operational Risk, Money Laundering and Terrorist Financing Risk, Fraud and Transactional Risk, Information Security and Cybersecurity, Data Protection and Privacy Risks, Technology Risk, Third Party and Allied Risks, Business Continuity, Regulatory Compliance.

6.5. Credit Risk Ratings

Davivienda's international long-term issuer ratings were maintained at BB+ by S&P, and at Baa3 by Moody's, both with no changes to their negative outlooks. Fitch Ratings also maintained its rating at BB+ but revised the outlook to negative in March 2025, following the revision of Colombia's sovereign rating outlook.

At the local level, BRC Ratings maintained Davivienda's long-term debt issuer rating at AAA and its short-term debt rating at BRC 1+. Fitch Ratings Colombia also affirmed the Bank's local long-term debt issuer rating at AAA and its short-term debt rating at F1+.

Additionally, local bond programs were rated at AAA for senior bonds and AA for subordinated bonds by Fitch Ratings Colombia, with no changes recorded during the quarter.

7. SUBSEQUENT EVENTS

No material changes have occurred in the Bank's individual and consolidated financial statements between the reported quarter and the date of release and publication of the financial information

8. CURRENT ISSUANCES

8.1. Shares

Type of Security	Authorized Capital (Shares)	Shares Outsanding	Total Shares Outsanding	Stock Exchange
Preferred Shares	500,000,000	116,601,012	487,670,413	BVC BCS
Common Shares		371,069,401		Unlisted

Stock Information	1Q24	4Q24	1Q25	% Chg. Q/Q	% Chg. Y/Y
Total Shares	487,670,413	487,670,413	487,670,413	0.0	0.0
Total Common Shares	371,069,401	371,069,401	371,069,401	0.0	0.0
Total Preferred Shares	116,601,012	116,601,012	116,601,012	0.0	0.0
Preferred Share Closing Price COP	20,300	17,560	20,500	16.7	1.0
Preferred Share Closing Price USD	5.3	4.0	4.9	22.8	-7.4
Market Capitalization (Bn COP)	9,900	8,563	9,997	16.7	1.0
Market Capitalization (Bn USD)	2.6	1.9	2.4	22.8	-7.4
Earnings Per Share (EPS) COP	-590	-184	596	N.A.	N.A.
Earnings Per Share (EPS) USD	-0.15	-0.04	0.14	N.A.	N.A.
Price to Earnings Ratio (P/E) (x)	-34.4	-95.5	34.4	N.A.	N.A.
Dividends Per Share COP	0	0	0	0.0	0.0
Book Value Per Share COP	30,971	32,737	32,710	-0.1	5.6
Price to Book Value (P/BV) (x)	0.66	0.54	0.63	16.8	-4.4

8.2. Bonds

International Bonds
(in USD million)

As of March 31, 2025, Banco Davivienda has an outstanding perpetual AT1 instrument of USD 500 million, listed on the Singapore Exchange (SGX).

Type	Date of Issuance	Maturity Date	Currency	Amount Placed	Outstanding (Mar 24)	Coupon Rate	Risk Ratings	Stock Exchange
AT1	22/04/2021	Perpetual NC10	USD	500	500	6.65%	Fitch: B Moody's: B2	SGX

Distributable Items

On March 20, 2025, the General Shareholders' Meeting unanimously approved the decision to maintain the occasional reserve to cover the interest coupon payment of the AT1 Hybrid Bond, for a total amount of COP 161 billion. This reserve is part of specific-purpose occasional reserves and is considered a last-resort resource, as Banco Davivienda addresses the coupon payment of the hybrid bond through its available liquidity sources, in the same way it meets its other financial obligations.

As of March 2025, Banco Davivienda had distributable items in its Individual Financial Statements totaling COP 2.9 trillion. In accordance with Colombian regulation, distributable items are composed of (i) retained earnings from previous years and (ii) occasional reserves.

Senior and Subordinated Bonds Program 2011
(in COP billion)

The global limit of the ordinary and subordinated bond program is up to COP 6 trillion, of which COP 200 billion remained available as of March 31, 2025. The following table details each outstanding issuance under the program.

Senior and Subordinated Bonds Program 2011	Date Of Issuance	Maturity Date	Currency	Amount Issued*	Amount Placed**	Outstanding Amount (Mar 25)***
First Issuance	10/03/2011	10/09/2013	COP	1,300	334	0
	10/03/2011	10/03/2015	COP		176	0
	10/03/2011	10/09/2018	COP		235	0
	10/03/2011	10/09/2021	COP		354	0
Second Issuance	25/04/2012	25/04/2022	COP	400	181	0
	25/04/2012	25/04/2027	COP		219	219
Third Issuance	15/08/2012	15/08/2015	COP	500	96	0
	15/08/2012	15/08/2022	COP		174	0
	15/08/2012	15/08/2027	COP		230	230
Fourth Issuance	13/02/2013	13/02/2016	COP	500	101	0
	13/02/2013	13/02/2023	COP		215	0
	13/02/2013	13/02/2028	COP		185	185

Fifth Issuance	10/12/2013	10/12/2015	COP	400	316	0
	10/12/2013	10/12/2020	COP		84	0
Sixth Issuance	15/05/2014	15/05/2017	COP	600	256	0
	15/05/2014	15/05/2019	COP		183	0
	15/05/2014	15/05/2024	COP		161	0
Seventh Issuance	09/10/2014	09/10/2016	COP	600	273	0
	09/10/2014	09/10/2017	COP		90	0
	09/10/2014	09/10/2019	COP		109	0
	09/10/2014	09/10/2024	COP		128	0
Eighth Issuance	12/02/2015	12/02/2018	COP	700	379	0
	12/02/2015	12/02/2020	COP		187	0
	12/02/2015	12/02/2025	COP		134	0
Ninth Issuance	13/05/2015	13/05/2025	COP	400	400	400
Tenth Issuance	10/11/2015	10/11/2017	COP	600	177	0
	10/11/2015	10/11/2020	COP		149	0
	10/11/2015	10/11/2025	COP		274	274
Total				**6,000**	**5,800**	**1,307**

* Corresponds to the total amount of each issuance as stated in the public offering memorandum.
** The UVR at the issuance date is used to restate UVR-linked bonds to COP. (UVR: Unidad de valor real, Colombia's inflation-linked unit).
***The outstanding amount only includes principal.

	Global Amount	Available at Mar 25
Program 2011	6,000	200

Senior and Subordinated Bonds Program 2015
(in COP billion)

The global limit of the ordinary and subordinated bond program is up to COP 14.51 trillion, of which COP 8.1 trillion remained available as of March 31, 2025. The following table details each outstanding issuance under the program.

Senior and Subordinated Bonds Program 2015	Date Of Issuance	Maturity Date	Currency	Amount Issued*	Amount Placed**	Outstanding Amount (Mar 25)***
First Issuance	27/07/2016	27/07/2019	COP	600	222	0
	27/07/2016	27/07/2023	COP		132	0
	27/07/2016	27/07/2028	COP		246	246
Second Issuance	28/09/2016	28/09/2026	COP	400	359	359
Third Issuance	29/03/2017	29/03/2024	COP	400	199	0
	29/03/2017	29/03/2025	COP		200	0

Fourth Issuance	07/06/2017	07/06/2020	COP	700	357	0
	07/06/2017	07/06/2024	COP		174	0
	07/06/2017	07/06/2027	COP		169	169
Fifth Issuance	15/11/2018	27/07/2023	COP	500	200	0
	15/11/2018	15/11/2021	COP		87	0
	15/11/2018	15/11/2026	COP		166	166
Sixth Issuance	19/02/2019	19/02/2022	COP	500	276	0
	19/02/2019	19/02/2029	COP		224	224
Seventh Issuance	16/07/2019	16/07/2022	COP	600	169	0
	16/07/2019	16/07/2024	COP		307	0
	16/07/2019	16/07/2029	COP		124	124
Eighth Issuance	26/09/2019	26/09/2023	COP	700	291	0
	26/09/2019	26/09/2026	COP		290	290
	26/09/2019	26/09/2031	COP		119	119
Ninth Issuance	11/02/2020	11/02/2025	COP	700	244	0
	11/02/2020	11/02/2027	COP		169	169
	11/02/2020	11/02/2032	UVR		287	287
Tenth Issuance	18/02/2021	18/02/2026	COP	700	221	221
	18/02/2021	18/02/2028	COP		276	276
	18/02/2021	18/02/2031	UVR		203	202
Eleventh Issuance	07/09/2021	07/09/2031	COP	700	217	217
	07/09/2021	07/09/2024	COP		277	0
	07/09/2021	07/09/2026	COP		205	205
Total				**6,500**	**6,410**	**3,274**

* Total amount of each issuance as stated in the public offering notice.
** The UVR at the issuance date is used to restate UVR-linked bonds to COP. (UVR: Unidad de valor real, Colombia's inflation-linked unit).
*** The outstanding amount includes principal only.

	Global Amount	Available at Mar 25
Program 2015	14,510	8,101

Domestic issuances with a single international buyer (in COP billion)

Senior	Holder	Date of Issuance	Maturity Date	Currency	Amount Placed	Outstanding Amount (Mar 25)**
Senior	IFC	25/04/2017	25/04/2027	COP	433	433
Senior	BID	25/08/2020	25/08/2027	COP	363	363

** The outstanding amount only includes principal.

8.3. Term Deposits

Term deposits issued by Banco Davivienda listed in Colombia's Stock Exchange had a nominal outstanding balance of COP 28.1 trillion as of March 31, 2025.

9. GLOSSARY

1. **Book Value per Share (BV) COP =** (Consolidated Equity - Non-controlling Interest) / Total Shares.
2. **CDE Loans:** Corresponds to the rating assigned to clients based on the Superintendencia Financiera's rating methodology, where the CDE portfolios represent clients with the highest level of deterioration.
3. **Cost of Risk (12 months) =** Provision Expenses (12 Months) / Gross Loans.
4. **Cost of Risk (Annualized Quarter) =** Provision Expenses (Quarter) x 4 / Gross Loans.
5. **Cost-to-income =** Operating Expenses / (Gross Financial Margin + Non-Financial Income + FX&D).
6. **Coverage:** Loan Loss Provisions / Past due Loans over 90 days.
7. **Coverage + Collaterals:** Loan Loss Reserve + Collateral Value / Portfolio over 90 days. The value of the collaterals corresponds to the value of the collaterals covering each credit in the portfolio over 90 days, applying haircuts according to the type of collateral in each case.
8. **Earnings per Share (EPS) COP =** (Accumulated Net Profits (12 months)) / Total Shares.
9. **Earnings per Share (EPS) USD =** (Accumulated Net Profits (12 months) / Exchange Rate as of the close of the Current Reported Quarter) / Total Shares.
10. **Gross Loans / Funding Sources =** Gross Loan Portfolio / (Demand Deposits + Term Deposits + Credits with Entities + Bonds).
11. **Investment NIM (12 months) =** (Fixed Income Securities Income (Accum. 12 months) + Interbank Income (Accum. 12 months) - Financial Expenses due to Monetary Market Operations (Accum. 12 months)) / (Average Fixed Income Securities (5 Quarters) + Average Interbank Funds (5 Quarters)).
12. **Investment NIM (FX&D) (12 months) =** (Fixed Income Securities Income (Accum. 12 months) + Interbank Income (Accum. 12 months) - Financial Expenses due to Monetary Market Operations (Accum. 12 months) + (Exchanges and Derivatives (Accum. 12 months)) / (Fixed Income Securities (5 Quarters) + Interbank Funds (5 Quarters)).
13. **Loan NIM (12 months) =** (Loan Income (12 months) - (Savings Accounts Expenses (12 months) + Checking Accounts Expenses (12 months) + Term Deposit Expenses (12 months) + Credits with Entities Expenses (12 months) + Bond Expenses (12 months)) / Average Interest Earning Loans (5 Quarters).
14. **Market Capitalization (Bn COP) =** Total Shares * Preferred Share Closing Price.
15. **Market Capitalization (Bn USD) =** (Total Shares * Preferred Share Closing Price) / Exchange Rate as of the close of the Current Reported Quarter.
16. **Market Risk:** Refers to the possibility of incurring losses associated with the decrease in the value of portfolios due to changes in the price of financial instruments in which positions are held on or off the balance sheet. It is also understood as uncertainty about the future value of an investment, and its management consists of identifying, measuring, monitoring, and controlling risks derived from fluctuations in various risk factors, including interest rates, exchange rates, prices, indexes, and other factors to which the entity's activity is exposed.
17. **NIM (12 months) =** Gross Financial Margin (12 months) / Average Interest Earning Assets (5 quarters).
18. **NIM (FX&D) (12 months) =** (Accumulated Gross Financial Margin (12 months) + Accumulated Exchanges and Derivatives (12 months)) / Average Interest Earning Assets (5 Quarters).
19. **NIM (Annualized Quarter) =** Gross Financial Margin (Quarter) x 4 / Average Interest Earning Assets (2 Quarters).
20. **NIM (FX&D) (Annualized Quarter) =** (Gross Financial Margin (Quarter) + Exchanges and Derivatives (Quarter) x 4) / Interest Earning Assets (2 Quarters).
21. **Non Financial Income Ratio =** Total Non Financial Income / (Gross Financial Income + Non Financial Income + Exchange and Derivative Income).
22. **PDL > 90 =** Past due Loans over 90 days / Gross Loan Portfolio.
23. **PDL > 120 =** (Past due Mortgage Loans over 120 days + Commercial past due Loans over 90 days + Consumer past due Loans over 90 days) / Gross Loan Portfolio.
24. **Preferred Share Closing Price USD =** Preferred Share Closing Price COP / Exchange Rate as of the close of the Current Reported Quarter.
25. **Price to Book Value (P/BV) (x) =** Preferred Share Closing Price / Book Value per Share (BV) COP.
26. **Price / Earnings per Share (P/E) =** Preferred Share Closing Price / Earnings per Share (EPS) COP.
27. **ROAA (Annualized Quarter) =** (Net Profits (Quarter) x 4) / Average Assets (2 Quarters).
28. **ROAA (12 months) =** Net Profits (12 months) / Average Assets (5 Quarters).
29. **ROAE (Annualized Quarter) =** (Net Profits (Quarter) x 4) / Average Equity (2 Quarters).
30. **ROAE (12 months) =** Net Profits (12 months) / Average Equity (5 Quarters).

31. **Total PDL > 120 =** (Mortgage Loans over 120 days + Commercial Loans over 90 days + Consumer Loans over 90 days) / Gross Loan Portfolio.
32. **VaR:** Value at Risk (VaR) is a measure used to estimate the potential loss amount that a portfolio could experience due to price movements affecting its valuation over a specified time horizon, at a certain probability level. The VaR is calculated according to the methodology defined by the Financial Superintendence of Colombia, through Annex I of Chapter XXI of the Basic Accounting and Financial Circular. It corresponds to a parametric VaR model under stress conditions, aiming to allocate capital for market risk.

1Q25 EARNINGS CONFERENCE CALL

Davivienda invites you to participate in the First Quarter 2025 Results Teleconference on May 16 at 8:00 a.m. COT / 9:00 a.m. EST. Please register at the following link.

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