Credivalores-Crediservicios S. A.

Interim Condensed Financial Statements

For the periods ended March 31,2022 and December 31,2021

CREDIVALORES -CREDISERVICIOS S. A.
STATEMENT OF FINANCIAL POSITION INTERIM
ENDED MARCH 31,2022 AND DECEMBER 31,2021

(Stated in millions of Colombian pesos)

	Notes	March 31, 2022	December 31, 2021
Assets			
Cash and cash equivalents	6	158.356	148.514
Financial Assets at fair value			
Equity Instruments	7	6.027	6.115
Derivatives Instruments	15	211.908	355.167
Loan portfolio	9	16.683	16.683
Total financial assets at fair value		**234.618**	**377. 965**
Financial Assets at amortized cost			
Consumer loans	9	2.132.692	2.034.298
Impairment	9	(331.679)	(318.427)
Total Loan portfolio, net	9	**1.801.013**	**1.715.871**
Accounts receivable, net	10	472.571	436.872
Total Financial Assets at amortized cost		**2.273.584**	**2.152.743**
Investments in Associates	8	11.670	12.369
Current tax assets	20	23.629	22.245
Deferred tax assets	20	49.186	43.409
Property and equipment, net	11	162	229
Assets for right of use	12	3.682	4.298
Intangible assets other than goodwill, net	13	42.950	44.111
Total assets		**2.797.837**	**2.805.883**
Liabilities and equity			
Liabilities:			
Financial Liabilities at fair value			
Derivative instruments	15	8.460	316
Total Financial Liabilities at fair value		**8.460**	**316**
Financial Liabilities At amortized cost			
Financial obligations	16	2.381.441	2.345.170
Other Lease Liabilities	12	4.093	4.770
Total Financial Liabilities At amortized cost		**2.385.534**	**2.349.940**
Employee benefits provisions	17	981	995
Other provisions	18	5.184	918
Accounts payable	19	85.994	151.134
Current tax liabilities	20	3.129	1.969
Other liabilities	21	62.227	42.000
Total liabilities		**2.551.509**	**2.547.272**
Equity:	22		
Share capital		135.194	135.194
Treasury shares	22	(12.837)	(12.837)
Reserves treasury shares	22	12.837	12.837
Reserves	22	11.038	11.038
Additional paid-in capital		71.169	71.169
Other Comprehensive Income (OCI)	23	(50.373)	(36.874)
Retained earnings		99.995	94.058
IFRS convergence result		(21.910)	(21.910)
Net Income for the period		1.215	5.936
Total equity		**246.328**	**258.611**
Total liabilities and equity		**2.797.837**	**2.805.883**

The accompanying notes are an integral part of the financial statements.

CREDIVALORES -CREDISERVICIOS S. A.
STATEMENT OF INCOME INTERIM
PERIODS ENDED MARCH 31,2022 AND 2021

(Stated in millions of Colombian pesos)

	Notes	March 31, 2022	March 31, 2021
Interest Income and similar	24.1	**85.952**	**84.444**
Financial costs interest	16	(70.248)	(58.395)
Revenue from contracts with customers	24.2	**29.726**	**26.341**
Net Interest		**45.430**	**52.390**
Impairment of financial and condonation assets loan portfolio	9	(19.878)	(24.849)
Expense on accounts receivable provisions		(2.745)	(2.603)
Gross Financial Margin		**22.807**	**24.938**
Other Expenses			
Employee Benefits		(3.170)	(3.520)
Depreciation and amortization expense	11 – 13	(1.536)	(1.502)
Depreciation right of use assets	12.1	(525)	(545)
Other	26	(16.573)	(18.887)
Total other expenses		**(21.804)**	**(24.454)**
Net operating income		**1.003**	**484**
Financial income			
Other income	25	260	382
Financial returns		702	254
Exchange rate differences	27	-	32
Total financial income		**962**	**668**
Other financial expenses			
Valuation of investment at fair value	27	(9)	(15)
Total Financial expense		**(9)**	**(15)**
Net financial result		**953**	**653**
Income before income tax		**1.956**	**1.137**
Income tax	20	(741)	(725)
Net income for the period		**1.215**	**412**
Net earnings per share		**254**	**90**

CREDIVALORES -CREDISERVICIOS S. A.
STATEMENT OF OTHER COMPREHENSIVE INCOME INTERIM
PERIODS ENDED MARCH 31, 2022 AND 2021
(Stated in millions of Colombian pesos)

	March 31,	
	2022	**2021**
Net income for the period	**1.215**	**412**
Other comprehensive income		
Unrealized gains (losses) from cash flow hedges:		
Valuation of financial derivatives Forwards	(1.526)	1.519
Valuation of financial derivatives Cross Currency Swaps	(69.255)	(21.822)
Valuation of financial derivatives Options	51.560	(30.980)
Income tax	5.722	15.385
Total other comprehensive income for the period	**(13.499)**	**(35.898)**
Total other comprehensive income	**(12.284)**	**(35.486)**

The accompanying notes are an integral part of the financial statements.

CREDIVALORES- CREDISERVICIOS S. A.
STATEMENT OF CHANGES IN EQUITY INTERIM
PERIODS ENDED MARCH 31, 2022 AND DECEMBER 31, 2021
(Stated in millions of Colombian pesos)

	Share capital	Additional paid-in capital	Treasury Shares	Reserves	Other Comprehensive Income (OCI)	IFRS convergence result	Retained earnings	Earnings for the period	Total
Balance as of January 01, 2020	**129.638**	**64.726**	**(12.837)**	**18.651**	**33.978**	**(54.848)**	**123.638**	**5.226**	**308.172**
Appropriation of earnings	-	-	-	5.226	-	-	-	(5.226)	-
Increases (decrease) in other comprehensive income	-	-	-	-	(35.898)	-	-	-	(35.898)
Net income for the period	-	-	-	-	-	-	-	412	412
Balance as of March 31, 2021	**129.638**	**64.726**	**(12.837)**	**23.877**	**(1.920)**	**(54.848)**	**123.638**	**412**	**272.686**
Balance as of December 31, 2021	**135.194**	**71.170**	**(12.837)**	**23.875**	**(36.874)**	**(54.848)**	**126.996**	**5.936**	**258.612**
Appropriation of earnings	-	-	-	-	-	-	5.936	(5.936)	-
Increases (decrease) in other comprehensive income	-	-	-	-	(13.499)	-	-	-	(13.499)
Net income for the period	-	-	-	-	-	-	-	1.215	1.215
Balance as of March 31, 2022	**135.194**	**71.169**	**(12.837)**	**23.875**	**(50.373)**	**(54.848)**	**132.932**	**1.215**	**246.328**

The accompanying notes are an integral part of the financial statements.

CREDIVALORES -CREDISERVICIOS S. A.
STATEMENT OF CASH FLOWS INTERIM
PERIODS ENDED MARCH 31,2022 AND 2021

(Stated in millions of Colombian pesos)

	Notes	March 31, 2022	March 31, 2021
Cash flows from operating activities			
Net income before taxes		1.215	412
Reconciliation of net income before taxes and net cash provided by (used in) operating activities:			
Depreciation of Property and equipment	11	83	102
Depreciation of assets for rights of use		525	545
Amortization of intangible assets	13	1.129	1.401
Amortization of expenses paid in advance		1.583	3.039
Allowance for impairment of loan portfolio	9	17.240	21.056
Increased forgiveness		2.638	3.792
Accounts receivable provision		2.745	2.603
Portfolio valuation measured at fair value	10	-	(708)
Adjustment instead in investments in associates	8	699	(786)
Income tax		741	(725)
Cash generated by trades			
Income tax paid		(1.021)	118
Changes in operating assets and liabilities:			
Increase in loans		(103.760)	31.388
Increase in accounts receivables		(39.705)	(11.957)
Loss of intangible assets		15	19
Increase in accounts payable		(65.139)	(47.218)
Increase (decrease) in employee benefit		(14)	24
Increase in provisions	18	4.266	(3.890)
Increase (decrease) in other liabilities		20.228	6.078
Net cash provided by (used in) operating activities		**(156.533)**	**5.292**
Cash flows from investing activities:			
Net flow of investments in financial instruments		88	10.282
Acquisition of property and equipment		(16)	(10)
Acquisition of Intangible Assets		(1.565)	(668)
Net cash used in investing activities		**(1.493)**	**9.604**
Cash flows from financing activities:			
Acquisition of financial obligations		74.169	252.504
Payment due on derivatives		118.312	(112.437)
Payment of financial obligations		(24.026)	(137.235)
Pay financial leases		(586)	(512)
Net cash provided by financing activities		**167.869**	**2.320**
(Decrease) Increase in cash and cash equivalents		**9.843**	**17.216**
Cash and cash equivalents at beginning of year		148.513	264.300
Cash and cash equivalents at end of year		**158.356**	**281.516**

The accompanying notes are an integral part of the financial statements.

NOTE 1. REPORTING COMPANY

Credivalores-Crediservicios S.A., (hereinafter “Credivalores”, the “Company” or “CVCS”), is a stock company registered for business in Bogotá - Colombia, located at Carrera. 7 No. 76-35 P 7, and a website at www.credivalores.com.co. The Company was incorporated by means of Public Deed No. 420 dated February 4, 2003 drawn up before the Public Notary No.1 of the Circuit of Cali. The term of duration of the Company is twenty years as of the date of the aforementioned deed.

The merger of two companies, Crediservicios S.A. and Credivalores S.A. was registered by means of Public Deed No. 4532 of December 12, 2008.

The merger was unanimously approved by the General Meeting of Shareholders of both companies on July 31, 2008, whereby it was determined that Crediservicios S.A. (the surviving company), would continue to legally exist after taking over Credivalores S.A. which would cease to exist (being dissolved but not liquidated). In addition, the equity of Credivalores S.A. was merged with that of Crediservicios S.A. by means of acquiring the assets and assuming the liabilities of both companies, as agreed on by both company’s legal representatives,

This merger agreement was reported to the Colombian Superintendence of Industry and Commerce, which did not report any objections to the aforementioned process. Credivalores S.A. (the acquired company) was incorporated by means of Public Deed No. 1906 dated May 13, 2003, drawn up before the Public Notary No. 1 of the Circuit of Cali, and duly registered with the Chamber of Commerce of Cali on May 21, 2003, under Registry Number 3501 Book IX. Subsequently, the Company changed its name from Crediservicios S.A. to Credivalores-Crediservicios S.A.S, becoming a simplified stock corporation, by means of the Public Deed No. 529 dated February 27,2009 drawn up before the Public Notary No. 1 of the Circuit of Cali.

By means of Minutes No. 16 dated February 23,2010 of the General Meeting of Shareholders, duly registered before the Chamber of Commerce on March 19, 2010; the Company became a simplified joint stock company with the name of Credivalores-Crediservicios S.A.S. under Registration Number 3074 of Book IX.

By public deed No. 3175 of notary No. 73 of Bogota D.C. as of September 28th, 2019, registered July 9th,2019 under Number 02484244 Book IX, the company changed its name from CREDIVALORES - CREDISERVICIOS S. A. S. to CREDIVALORES - CREDISERVICIOS S. A. under the figure of a stock corporation.

The Company’s business purpose is to originate consumer loans, including payroll deduction loans, to private individuals or legal entities, using both its own funds and other sources of funding permitted by law. In carrying out these activities, the Company may:

a) Perform risk assessments,

b) Service and manage loans or lines of credit, including but not limiting the collection and registration of these obligations,

c) Purchase and sell loans, securities, and loan portfolios,

d) Borrow funds and enter into transactions allowing the Company to obtain the funds required to perform its corporate purpose,

e) Act as co-signer, guarantor, surety or collateral provider to raise funds in order to finance its activities that may be undertaken, structured or implemented through trust arrangements, and

Perform any other activities that are required as part of the Company’s normal course of business, such as: (i) acquiring, encumbering, limiting the domain or disposing of fixed assets (ii) acquiring and using trade names, logos, trademarks and other industrial property rights; (iii) investing in existing companies, or creating new ones, providing that these companies have the same or similar business activities as the Company or that should relate in any way to its own corporate purpose; (iv) entering into partnerships or contracts with third parties to carry out its corporate purpose; (v) guaranteeing its own and third-party obligations.

(Stated in millions of Colombian pesos)

The funds used by the Company for carrying out its business activities shall be lawfully sourced and therefore the Company shall be prohibited from raising money by means of large scale or regular deposits from individuals, pursuant to current legislation. The Company is not under the supervision of the Colombian Superintendence of Finance (Superintendencia Financiera de Colombia) since it is not considered to be a financial institution in accordance with Colombian legislation, nor is

it allowed to carry out brokerage of instruments registered with the Colombian National Registry of Securities and Issuers (RNVE).

The Company is prohibited from raising money through large-scale and regular deposits from individuals, complying with the stipulations in the financial and exchange regulations.

Credivalores has the following branches nationwide: Aguachica, Armenia, Barrancabermeja, Barranquilla, Bucaramanga, Cali, Cartagena, Cartago, Ciénaga, Cúcuta, El Paso, Florencia, Girardot, Ibagué, La Dorada, La Jagua de Ibirico, Lomas, Magangué, Manizales, Medellín, Mocoa, Montería, Neiva, Palmira, Pasto, Pereira, Popayán, Riohacha, Sahagún, San Andrés, Santa Marta, Sincelejo, Tunja, Valledupar, Villavicencio, and Yopal.

In June 2019, a 12,000 million capitalization was completed and then in December 2021 the Company received another 12,000 million of capital injection. The ownership of the Company after these two capitalizations is as follows:

Shareholders	Ownership
Crediholding S.A.S.	34,32%
Lacrot Inversiones 2014, S.L.U	36,51%
Acon Colombia Consumer Finance Holdings, S.L.	19,94%
Acon Consumer Finance Holdings II, S.L.	4,22%
Direcciones de Negocio S.A.S.	0,0%
Treasury Shares	5,01%
Total	**100,00%**

The authorized capital of the company will be as follows:

Authorized capital	Number of Shares	Nominal value
182.793.801.894	6.469.661	28.254

Business in Progress

The country's economic recovery process has been progressing satisfactorily, in the average that the National Government's program for vaccination against COVID-19 has exceeded 70% of the population with a complete scheme. The different economic sectors have perceived the rebound effect on productivity, also understanding that the first half of 2021 was impacted by a peak of infections and social manifestations, which has shown an important change in economic dynamics in the first quarter of 2022 compared to the same period of the previous year. Likewise, the lower restrictions associated with the health emergency have allowed the recovery of different activities that continued with limitations due to capacity or distancing issues have achieved a reactivation and return to normality gradually.

However, the different situations of the international environment have generated new challenges for the Company, where the high levels of inflation and the measures taken by central banks worldwide to control a greater escalation of prices, through monetary policy, present a significant impact not only on the cost of liabilities but on the possibility of accessing new funding lines that allow reactivating the growth dynamics of the portfolio. portfolio. Given the situation and with the expectations of new increases for the remainder of the year in the intervention rate of Banco República, the impact on the effect of the reprice of the liabilities and the limited access to new sources of funding will continue to impact the development of the Company's activities and results.

On the other hand, given the uncertainty due to the outcome of the confrontation between Russia and Ukraine, the impact on the supply chain worldwide and its effect on the performance of the local economy, the administration has maintained the methodology used in 2021 for the projections of the following 12 months, simulating different scenarios impacting the main macroeconomic variables that are correlated with the Company's activity, seeking to give a view to shareholders of the possible effects on the results for the coming months and identify opportunities and measures that allow achieving the budgeted results.

It is important to highlight that, one of the main objectives for this year is to meet the maturities of bonds issued abroad and obtain new lines of financing that allow the portfolio to continue growing, however, in a scenario as challenging as the one that has been developing so far in 2022, we consider that the growth dynamics may be significantly reduced, situation that will affect the generation of income (interest and commissions) during the year and will have to be mitigated with greater efficiencies in operating expenses as already observed in the first quarter. Likewise, the reduction, postponement and cancellation of discretionary expenses will continue along with the instruction to keep the payroll frozen for non-essential positions or processes.

Based on the Company's liquidity position as of the date of authorization of these financial statements and considering the uncertainty surrounding the future development of COVID-19, its variants, and new geopolitical/macroeconomic conditions, management continues to have a reasonable expectation of growth. with adequate resources to continue in operation for at least the next 12 months and that the accounting base of the operating company remains adequate.

These financial statements have been prepared on a going concern basis and do not include any adjustments to carrying values and classification of reported assets, liabilities and expenses that might otherwise be required if the going concern is not appropriate.

NOTE 2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Basis of Presentation

The interim Financial Statements as of March 31,2022 and December 31,2021 of Credivalores have been prepared in line with the Financial Reporting and Accounting Standards accepted in Colombia FRAS - IFRS established by Law 1314 of 2009, regulated by Regulatory Decree 2420 of 2015, modified by Decree 2496 of 2015. These Financial Reporting and Accounting Standards correspond to the International Financial Reporting Standards (IFRS), officially translated and authorized by the International Accounting Standards Board (IASB) on December 31, 2016.

Law 1314 of July 13,2009 regulated the financial reporting, accounting and data security standards and principles accepted in Colombia and identified competent authorities, established the procedure for issuing the standards and determined the entities responsible for monitoring compliance. This law was regulated by means of the following decrees:

a) 2784 of December 28, 2012
b) 1851 of August 29, 2013
c) 3023 of December 27, 2013
d) 2267 of November 11, 2014

Decree 2615 dated December 17,2014 came into effect on January 1, 2016. Decree 2615 contains the international accounting and financial reporting standards in force as of December 31, 2013 and their corresponding amendments issued by the International Accounting Standards Board IASB in force today. With this, the regulatory technical framework contained in the annex to Decree 2784 dated December 28, 2012 and Decree 3023 dated December 27, 2013 was revoked.

Credivalores reports comparative information from the immediately previous period for all values included in the current period's financial statements and includes comparative explanations, when necessary, to ensure the current period's financial statements are understandable.

The financial statements were authorized for issuance by the Board of Directors in accordance with minute 236 on May 25, 2022. They can be modified and must be approved by the Shareholders.

2.2 COVID – 19 Impact

Considering that two years have already been completed since the beginning of the pandemic, we continue to show the global impact that has been suffered by the effects of COVID-19 on economic development, the challenges that a new reality has raised and the gradual economic reactivation of the different sectors to achieve a scenario of return to normality with the reduction of restrictions so that, in this way, the activities of the population return to their natural course. However, we have seen how different countries have been affected by new peaks of infections and the appearance of new variants of the virus, giving notice that the pandemic is far from over and that the process of economic reactivation must be accompanied by a responsible escalation of measures and restrictions so that the population does not spread quickly and that health systems collapse in the battle to safeguard life.

That is why the administration has chosen to continue with the vaccination days for officials, as well as to maintain in force several measures to prevent contagion such as the use of biosecurity implements in offices, respect and limit the capacity conditions and preserve the hybrid work schemes between face-to-face / remote for the areas and processes that allow this dynamic.

On the other hand, we have seen how the COVID-19 effect and the new global economic conditions have pressured the markets, giving way to new concerns for governments due to the geopolitical and economic uncertainty that has led to a significant scale of the inflation ratios of countries, regardless of whether they are from the first world or developing economies. Such is the situation that there is already a lower expectation of growth of the world economy, which infers a slower than expected post-pandemic recovery process and, for the case in Colombia, the rebound effect together with the recovery of productivity and unemployment levels will be prolonged in the coming years to achieve their stabilization.

Likewise, the challenges that the Company must face in this new economic scenario are not minor, where the permanent increases in the intervention rate by Banco República, which seek to reduce household consumption levels and control inflation due to demand, have directly impacted the financial cost and the ability to access new sources of funding. That is why, under this new local scenario, the Company is seeking to prioritize the attention of contractual debt before the growth of the portfolio and because of this a decrease in margins is seen, which must be compensated by an adequate management of credit risk and efficiencies in costs and operating expenses.

NOTE 3. JUDGMENTS AND CRITICAL ACCOUNTING ESTIMATES IN THE APPLICATION OF ACCOUNTING POLICIES

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the implementation of accounting policies and reported amounts of assets and liabilities, and income and expenses.

Credivalores S.A. will disclose the nature and amounts of changes in accounting estimates that are significant and affect the current period or are expected to affect any impact in future periods. Information on the effect in future periods will not be disclosed if the estimate of the effect is not practical.

The financial statements, the significant judgments made by the administration in the application of the accounting policies of Credivalores and the main sources of estimation were the same as those applied to the financial statements for the year ended December 31, 2021.

3.1 IFRS 9 – FINANCIAL INSTRUMENTS

IFRS 9 - financial instruments in lieu of the IAS 39 - financial instruments: recognition and measurement for the annual periods subsequent to January 1, 2018.

3.1.1 IMPAIRMENT MODEL

IFRS 9 – financial instruments, pose significant changes in the assessment of the impairment of financial instruments and, therefore, its associated risk. In particular, the standard proposes a new approach that pursues the identification of the significant increase of the risk of credit (SIRC) in an instrument before the identification of objective evidence of impairment (OEI).

From the above, the company has advanced in the construction of quantitative and qualitative criteria to identify the significant increase in the credit risk of an instrument. Although a quantitative criterion as the main principle is used to evaluate the (SIRC), qualitative criteria have also been developed in case that it is not possible to apply the quantitative criterion or that it cannot be used for specific financial assets.

Impairment related requirements are applied to financial assets measured at amortized cost and fair value with changes in other comprehensive income (FVOCI) whose business model remains to collect (contractual cash flows) and sell.

The expected credit loss model considers the prospective nature of loss tolerances for instruments, based on expectations of future behavior.

For the calculation of the expected loss of payroll and Credit Card products Credivalores has decided to use the Granular Amortization approach, considering the following aspects:

- Exposure and corresponding risk parameters are calculated individually for each period.
- Exposure and corresponding risk parameters are intended to be constant within each period, but may vary between periods of time.
- The calculation of the EP is individual by period.
- Calculations of PE12m and PE in life are performed by adding the individual PEs for each respective risk horizon (one-year, whole life).
- Frequency of payment fixed according to its depreciation: monthly, quarterly, semi-annual, annual, among others.
- The granular depreciation approach captures the dynamic behaviors of risk parameters at high granularity (more detailed).

Main sources of uncertainty

The central concept of impairment under the new IFRS 9 impairment model is based on a dual measurement approach that takes into consideration the current level of expected impairment of each loan, compared to initial recognition, and requires recognition of impairment over the difference between expected credit losses in 12 months, if no significant changes in risk have occurred since initial recognition; otherwise, a credit loss amount is recognized over the expected life of the financial instrument.

This model is complemented with stress analysis and scenarios with variables that are not controlled by the Company, such as macroeconomic factors. To this end, the Company has developed a non-lineal statistical model (log–log model) that associates the level of overdue payments of the loan portfolio of Credivalores products with a set of available macroeconomic variables. The model indicates that the macroeconomic variables most closely correlated with performance of the Credivalores portfolio are the unemployment rate, the maximum allowable interest rate, the change in the CPI and the change in GDP.

The resulting model enables us to incorporate forecasts on the expected future behavior of these macroeconomic variables to calculate expected loan portfolio losses. Such effect has been quantified and included in the provisions recorded by the Company. It also enables performing sensitivity analysis on the performance of these variables, in face of uncertainty, on the performance of our portfolio. This information is presented below:

Sensitivity analysis under two assumed scenarios:

- Pessimistic scenario: All the macroeconomic variables that are correlated with the portfolio move in a negative direction by one standard deviation.
- Optimistic scenario: All the macroeconomic variables that are correlated with the portfolio move in a positive direction by one standard deviation.

3.2 Financial Assets Business Model

Credivalores makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The expected policies and objectives for the portfolio and the actual application of them in particular whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to Credivalores management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and its expectations about future sale activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how Credivalores stated objective for managing the financial assets is achieved and how cash flows are realized.

Assessment whether contractual cash flows are solely payments of principal and interest (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, Credivalores considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Credivalores Crediservicios S.A.S. business model is based on granting consumer loans quickly through innovative products to middle- or low-income segments that are not served by the traditional financial system.

The Company has developed a diversified platform with collection channels designed to minimize the risk of default and optimize the quality of its loan portfolio (minimize NPL), including: payroll deduction loans (discounted from payroll payments), credit card (collecting via public utilities bills), and financing for insurance policy premiums (revocable insurance where the insurer returns the portion of the premium that was not used in case of default).

The business model focuses on building alliances and agreements for origination and distribution of each one of our products, thus guaranteeing growth. The company has more than 720 agreements with employers that can issue payroll loans, exclusive agreements with public utility companies for invoicing and collecting via credit card, and alliances with third parties and insurers for the origination of the Credipoliza product.

The risk management systems are like those implemented by other Colombian financial entities and they take characteristics of the target market into consideration. These systems have been adjusted according to the experience and knowledge acquired over more than 14 years in the market.

Credivalores Crediservicios S.A.S. seeks to maintain various sources of funding on the local and international level from banking and capital markets.

This business model produces a portfolio of diversified products with limited geographic concentration and by loan amount.

The entity applies meaningful judgements to determine its business model to manage financial assets and to evaluate if the financial assets comply with the conditions established in the business model so they can be classified at fair value or at amortized cost. According to the aforementioned, some financial assets have been classified in investments at fair value and others at amortized cost. According to the business model the financial assets at amortized cost can be sold only in limited circumstances, such as when there are infrequent transactions, adjustments are made to the maturity structure of its assets and liabilities, when it is necessary to finance significant capital disbursements and when there are seasonal liquidity needs.

Investments in equity instruments at fair value have been classified with adjustments through profit or loss, considering that they are strategic investments for the company and, are expected to be sold in the near future.

Financial Assets at fair value

According to its business model the Company has determined that TuCredito payroll deduction loans will be measured at fair value when they meet the following conditions:

1. Maximum term of 90 days as of the date of origination.
2. Highest rating based on its compliance score.

Financial Assets at amortized cost

The loan portfolio is classified at amortized cost when it meets the following criteria: Credivalores Crediservicios S.A.S. business model is to hold these assets with the purpose of collecting their cash flows on specified dates, as per their contractual terms, and the contractual terms of the financial asset give rise on specified dates, to cash flows that consist of payments of principal and interest on the outstanding amount owed.

3.3 Leases

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest

on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Variable lease payments

Some property leases contain variable payment terms that are linked to profit generated from a specific office. For individual offices, up to 100% of lease payments are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimizing the fixed costs base for newly established offices. Variable lease payments that depend on profits are recognized in profit or loss in the period in which the condition that triggers those payments occurs.

Lease terms

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The evaluation is reviewed if a significant event or a significant change in the circumstances affecting this evaluation occurs.

3.4 Seasonal nature of income and expenses.

The nature of the most important operations of Credivalores Crediservicios S. A is mainly related to traditional activities that are not significantly affected by seasonal factors.

3.5 Income tax

The Company is subject to Colombian tax regulations The Company evaluates the recognition of liabilities for discrepancies that may arise with the tax authorities based on additional tax estimates that must be canceled. The amounts provided for the payment of income tax are estimated by the administration based on its interpretation of the current tax regulations and the possibility of payment.

Actual liabilities may differ from the amounts provisioned, having a negative effect on the Company's results and net position. When the final tax result of these situations is different from the amounts that were initially recorded, the differences impact the current and deferred income tax assets and liabilities in the period in which this fact is determined.

The Company evaluates the recoverability of deferred tax assets based on estimates of future tax results and the ability to generate sufficient results during periods in which such deferred taxes are deductible. Deferred tax liabilities are recorded according to estimates made of net assets that will not be tax-deductible in the future.

NOTE 4 - ESTIMATIONS OF FAIR VALUE

The Company may employ internally developed models for financial instruments that do not have active markets. Said models are mostly based on generally standardized valuation methods and techniques. Valuation models are primarily used to assess equity instruments not listed on the stock exchange, derivatives, debt securities and other debt instruments for which markets were or have been inactive during the financial period. Some components of these models may not be observable in the market and are estimated from assumptions.

The output of a model is always an estimate or approximate value that cannot be determined accurately, and valuation techniques used may not fully reflect all the factors relative to Credivalores positions, therefore the valuations are adjusted if necessary to include additional factors, such as country risk, liquidity risks and counterparty risks.

Fair value hierarchy has the following levels:

- Level 1 entries are unadjusted prices quoted in active markets for assets or liabilities identical to those the entity can access on the measurement date.
- Level 2 entries are entries other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 entries cannot be observed for the asset or liability.

The fair value hierarchy in which the fair value measurement is fully classified is determined from the lowest level entry that is significant for fully measuring the fair value. For that, an entry's importance is evaluated with regard to the fair value measurement in its totality. Financial instruments quoted in markets considered inactive but valued in accordance with quoted market prices, quotes from price providers or alternative price sources supported by observable entries, are classified in Level 2.

(Stated in millions of Colombian pesos)

A fair value measurement that uses observable entries requiring significant adjustments based on unobservable entries is a Level 3 measurement. The evaluation of a particular entry's importance in measuring the fair value in its totality requires an opinion, considering specific factors of the asset or liability.

The determination of what constitutes “observable” requires a significant opinion from Credivalores. The Company considers observable data that market data that is already available, distributed or updated regularly by the price provider, is reliable and verifiable, has no property rights, and is provided by independent sources that participate actively in the reference market.

4.1 Fair Value Measurement on a Recurring Basis

Level 2 input data elements include: the prices quoted for similar assets or liabilities at active markets; the quoted prices for assets or liabilities that are identical or similar in markets which are not active; input data other than quoted prices that are observable for the asset or liability and input data corroborated by the market. According to the above, Credivalores values derivative financial instruments with input data from fair value level 2.

The following table analyzes assets and liabilities (by class) within the fair value hierarchy, measured at fair value as of March 31,2022 and December 31, 2021, on a recurring basis.

	March 31, 2022	December 31, 2021
ASSETS	**Level 2**	**Level 2**
Investments in equity instruments	6.027	6.115
Hedging derivatives		
Currency forward	-	8.013
Options	129.876	138.380
Cross Currency Swap	82.032	208.774
Consumer		
Payroll deduction loans	16.683	16.683
Total fair value recurring assets	**234.618**	**377.965**
LIABILITIES		
Hedging derivatives		
Forward	8.460	-
Derivative of speculation		
Forward	-	316
Total fair value recurring liabilities	**8.460**	**316G**

4.2 Fair value determination

The methodology applicable to instruments for Credivalores is:

4.2.1 **Forward valuation:** The derivative's fair value comes from an internal model. This model takes the exchange rate on the day after the valuation date and forecasts it to a future value using the devaluation curve through maturity date. After this the new forward market rate is compared to the agreed forward rate and the difference is expressed in present value using the IBR curve to calculate the derivative's fair value.

4.2.2 **Swap Valuation:** the reasonable value of the derivative comes from an internal model. The valuations of the Interest Rate Swaps (IRS) and the Cross-Currency Swaps (CCS) are performed assuming a long and a short position on a bond; including in each case the principal of the operation. For the projection and discount of the cash flows we use current rates, to calculate the reasonable value of the derivative financial instrument.

4.2.3 **Option Valuation:** The reasonable value of the derivative comes from an internal model. The valuation of an option on its expiry date is the maximum between the premium and the difference between the exercise price and the spot price. For the projection and discount of the cash flows we use the current rates, to calculate the reasonable value of the derivative financial instrument.

4.2.4 Loan portfolio valuations: Because these instruments do not have an active market, the Company has developed methodologies that employ market information for certain cases of unobservable data. The methodology seeks to maximize the use of observable data to arrive at the closest approximation of an initial price for assets and liabilities without an ample market.

The Company has implemented the following methodology to determine its loan portfolio´s Fair Value:

I. Discount Rate: Determined by product considering market´s appetite for such product, as well as the default risk involved
II. The model was built based on the following factors:

a. Projected cash flows according to weighted average life for each product, using: Current Balance Average term to maturity, weighted average Rate

b. Calculate present value of cash flows projected as per described in a) discounted at the discount rate previously described.

c. Present value determined as per described in b) represents the loan portfolio´s fair value.

4.2.5 Equity instruments: Credivalores has equity investments in Agrocañas, representing less than 20% of the company equity and that in mutual funds. In general, the company is not listed on any public securities market, and therefore its fair value is determined using the adjusted net asset value method. For mutual funds fair value is determined through valuation of investment portfolios managed by the Trust, which are subject to an active securities market.

Credivalores defined Level 3 financial instruments as those not traded in an active market, the following table provides information about valuation techniques and significant unobservable inputs when measuring assets and liabilities at recurrent fair value.

	Valuation technique	Significant inputs (1)
ASSETS **Equity Instruments**	Adjusted net asset value	- Current Balance - Average term to maturity - Weighted average Rate - Unit value

4.2.6 Derivative financial instruments

Derivative financial instruments and hedge accounting:

A derivative is a financial instrument in which value changes respond to changes in one or more variables denominated as an “underlying” (a specific interest rate, the price of a financial instrument, a listed commodity, a foreign currency exchange rate, etc.), that has an initial net investment smaller than would be required for other instruments that have a similar response to the mentioned variable and that is settled in a future date.

Credivalores trades in financial markets, forward contracts, future contracts, swaps and options that fulfil the definition of a derivative.

Financial assets and liabilities from transactions with derivatives are generally not offset in the statement of financial position. However, when there is a legal and exercisable right to offset the recognized values and Credivalores intends to be settle them on a net basis or to realize the assets and settle the liability simultaneously, derivatives are presented as net values in the statement of financial position.

Derivative transactions are initially recognized at fair value. Subsequent changes in the fair value are recognized in profit or loss, unless the derivative instrument is designated as a hedging instrument and, in this case, the accounting criteria will depend on the nature of the hedged item, as described below.

At the beginning of the hedging transaction, Credivalores formally documents the relationship existing between the hedging instrument and the hedged item, including the risk management objective and strategy in undertaking the hedging relationship. It also documents its assessment, both initially as well as on a recurring basis, of whether the hedging relationship is highly effective in offsetting the changes in fair value or cash flows of the hedged items.

For fair value hedge of assets or liabilities and firm commitments, changes in the fair value of the derivative instrument are recognized in profit or loss, as well as any other change in the fair value of the asset, liability or firm commitment attributable to the hedge risk.

For cash flow hedge of a particular risk associated with a recognized asset or liability or a projected highly probable transaction, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income. The gain or loss relating to the portion that is not effective for hedging or that does not relate to the hedged risk is immediately recognized in profit or loss.

The values accumulated in other comprehensive income are transferred to profit or loss in the same period in which the hedged item is recognized in profit or loss.

Hedging of net investments in a foreign operation is recognized similarly to cash flow hedging: the effective portion of changes in fair value of the hedging instrument is recognized in other comprehensive income, and the ineffective portion of the changes in fair value of the derivative is recognized in profit or loss. The hedging instrument's gains or losses accumulated in equity will be recognized in profit or loss when the net investment in foreign operations is sold in whole or proportionally, if partially disposed of.

Credivalores defined Level 2 financial instruments as those not traded in an active market, the following table provides information about valuation techniques and significant unobservable inputs when measuring derivative assets and liabilities at recurrent fair value.

	Valuation technique	**Significant inputs (1)**
ASSETS **Trading Derivatives** Currency Forward Debt securities Forward	Discounted cash flow	- Underlying asset price Currency curve by underlying asset - Forward exchange rates curve of the operation's currency - Implicit curves of exchange rates forwards - Implicit volatilities matrixes and curves
LIABILITIES **Derivatives held for trading** Currency Forward Debt securities Forward	Discounted cash flow	- Underlying asset price - Currency curve by underlying asset - Forward exchange rates curve of the operation's currency - Implicit curves of exchange rates forwards - Implicit volatilities matrixes and curves

(Stated in millions of Colombian pesos)

4.3 Determination of fair value of financial assets and liabilities recorded at amortized cost.

Below are the Company's assets and liabilities at fair value and their book value:

	March 31, 2022		December 31, 2021	
Fair value	**Book Value**	**Fair Value Estimate**	**Book Value**	**Fair Value Estimate**
Assets				
Loan Portfolio (Gross)				
Consumer	2.132.692	1.900.169	2.034.298	2.028.584
Total	**2.132.692**	**1.900.169**	**2.034.298**	**2.028.584**
Liability				
Financial obligations	2.385.534	2.439.727	2.349.940	2.406.962
Total	**2.385.534**	**2.439.727**	**2.349.940**	**2.406.962**

The book value corresponds to the value at amortized cost. The fair value estimate does not include transaction costs.

4.4 Financial Instruments

Financial Assets

The Company classifies its financial assets into equity instruments, trading instruments, amortized cost investment instruments, credit instruments and accounts receivable.

At the time of initial recognition, a financial instrument is measured at fair value plus any direct attributable transaction costs, which are not included if the instrument is classified at fair value through changes in profit or loss. Typically, the fair value at the initial time of recognition is the price of the transaction itself, that is, the amount to be paid or received.

Credivalores recognizes loans and accounts receivable, trading and investment securities and other assets or liabilities on their effective dates.

Purchases and sales of financial assets that are regularly carried out are recognized on the transaction date or on the date on which the Company is required to purchase or sell the asset.

Subsequently, the Company measures its financial instruments at fair value or amortized cost based on the established business model and the contractual terms of the corresponding financial asset or liability.

i. Amortized cost

Amortized cost is the cost of acquiring a financial asset or a liability plus or minus any capital repayments, cumulative amortizations (calculated using the effective interest rate method) about any difference between the initial amount and the value repaid at maturity and minus any reduction for impairment.

ii. Fair value

Fair value is the amount to be received should the asset be sold or the amount to be paid for transferring a liability as part of a transaction between market participants on the date on which the measurement is made. The most objective and commonplace definition of fair value is the price that would be paid in an active, deep, and transparent market (“listed price” or “market price”).

When such values are available CVCS determines the fair value of an instrument using the prices listed on an active market for that specific instrument. A market is considered active if listed prices are readily and regularly available and represent real transactions that are performed regularly on a stand-alone basis.

Should no active market exist for a specific financial instrument CVCS determines its fair value using valuation techniques. These valuation techniques include using recent market transactions between knowledgeable, willing parties carried out on an arm's length basis, should these exist, as well as the fair values of other financial instruments that are substantially the same, discounted cash flows and pricing models.

The valuation technique chosen makes use, to the maximum extent possible, of information obtained directly from the market, using the least amount of data estimated by CVCS, incorporating all those factors that would normally be considered by market participants for setting the price of such financial instruments and is consistent with generally accepted pricing methodologies.

Fair value estimates obtained from financial models are adjusted to consider other factors such as uncertainty on its risk or the liquidity model. Adjustments are included when CVCS believes that another market player uses these same estimates when determining the price of a transaction.

The Company´s business model includes payroll loans at fair value with changes in profit and losses, whereby the loans originated within the 90 days prior to the date of the financial statements are valued at fair value. To estimate the fair value of these loans, which could be sold to financial institutions at a market price, the Company evaluates the lending rate of these loans within the reference market to evaluate the rate at which other financial institutions considered as peers and comparable to the Company will be willing to invest their resources and hold the payroll loans within their balance sheet.

Considering the results from the evaluation of the rates, the Company evaluates four variables to obtain the value of the adjusted rate applicable to the transactions to sell loan portfolio, according to internal criteria:

- **i)** The multiplier, which compares the Company's rate to the market rate.
- **ii)** The value of the premium paid in these businesses, which results from discounting the future values of a loan originated at Credivalores' lending rate using the market rate.
- **iii)** The rate is adjusted by the transaction cost associated to the loan portfolio.
- **iv)** The cash flows associated to the insurance policies applicable to the loan are also valued.

The methodology followed by the Company, uses the last three months reports from the Financial Superintendence as the source of information to determine the interest rate to discount the cash flows and complete the valuation of the final selling price of the loan portfolio.

The Company has determined that the fair value of the loan portfolio registered in its financial statements is type 3, since most of the criteria is internal.

4.4.1 Loans and receivables portfolio

The Company classifies its financial assets into the following measurement categories, based on their corresponding business model:

Classification of Financial Assets:			
Measurement	**Terms**	**Features**	**Valuation**
Fair value	0-90 days from origination	Current and best rated loans	Market price Tucredito
Amortized cost	0 days from origination onwards	Current and past-due portfolio	Incurred loss model (equivalent indexed rate)

4.4.1.1 Financial Assets at Fair Value

Credivalores Crediservicios S. A. S., in line with its business model, classifies its products according to the risk inherent in its portfolio. In general, its line of credit Tucredito (payroll deduction loans) is measured at fair value, given that its market niche is focused on placing “top-rated” loans.

Classification of “Tucredito” line of credit, based on the corresponding business model			
Item	**Tucredito portfolio segment**	**Measurement**	**Valuation**
1	Performing loans subject to sale	Fair value	Market price.
2	Best rated loans with terms of less than a year (originated loans less than 90 days prior)	Amortized cost	(Indexed rate equivalent to amortized cost).
3	Performing loans with terms of more than one year (originated loans with terms of more than 90 days)	Amortized cost	(Indexed rate equivalent to amortized cost).
4	Past due loans	Amortized cost	Incurred loss model based on the expected loss.

The policy established by the Company for measuring its loan portfolio, per the business model classification, is:

In line with its business model the Company has decided to measure the loans comprising the “Tucredito” line of credit at fair value based on the historical trading average since its loans are not impaired (and which, from their origination, are the best-rated 0 - 90 days loans) and since the Company has the possibility of selling them in the short term because of their excellent rating.

Unsold lines of credit, which were initially measured at fair value but which after 90 days of origination were impaired, will later be measured based on an indexed rate, which converts the amortized cost rate into an amount equivalent to their fair value.

4.4.1.2 Financial assets at amortized cost

Financial assets are classified at amortized cost only if the asset is kept within a business model whose objective is to maintain it to collect contractual cash flows and the contractual terms of the value give rise at specific dates to cash flows that are only payments of cash capital and interest on the outstanding principal capital; Interest income is recognized using the effective interest rate method.

The effective interest method is a method used to calculate the amortized cost of an asset and allocate the income or cost in interest during the relevant period. The effective interest rate is the discount rate at which the present value of estimated future cash payments or those received over the expected life of the financial instrument, or, as appropriate, in a shorter period, is equal to the net book value in the beginning. To calculate the effective interest rate, the Company estimates the cash flows considering all the contractual terms of the financial instrument, including the transaction costs and the premiums granted minus the commissions and discounts, but without considering the future credit losses.

NOTE 5. RISK MANAGEMENT

Credivalores manages risk pursuant to the applicable regulations in the country and Credivalores internal policies.

Objective and general guidelines

Credivalores objective is to maximize returns for its investors, through proper risk management. The guiding principles of risk management of Credivalores are as follows:

a) Make risk management a part of every institutional process.
b) Specialization in consumer product niches.
c) Extensive use of continuously updated scoring models to ensure quality growth of consumer loans

5.1 Governance structure

Board

It is up to the Board of Directors of Credivalores Crediservicios S.A.:

- Establish and oversee the Company's risk management structure
- Approve the policies, processes and methodologies of granting, monitoring and recovery of the company's credits, in order to identify, measure and control the risks faced by the Company
- Approve exposures and limits to different types of risks.
- Point out the responsibilities and powers assigned to the positions and areas responsible for managing the different types of risk, in order to develop an environment of culture and risk control.
- Evaluate proposals for recommendations and correctives on management processes.
- Approve the internal control system, as well as evaluate the reports and management of the area responsible for such control.
- Request management, when deemed necessary and for evaluation, reports on the credit portfolio.

Risk Committee

The responsibilities of the Risk Committee are:

- Standardize the periodic monitoring of the company's main risk indicators and anticipate risky situations that have the potential to lose the value of CVCS' assets.
- Regularly review risk management policies and systems to reflect changes in market conditions and CVCS activities.
- Proposes to the Board changes or adjustments to existing policies and methodologies to mitigate and control the level of target risk.
- The comity of risk meets monthly and is made up of members invited, within which they are:
  - President
  - Head of Risks
  - Collections Manager
  - Director of Financial Planning
  - Director of Analytics Models and Strategy
  - Director of Operations and Technology
  - Commercial Managers

The commit not only has the permanent participation of CV Managers, but experts and external specialists who advise the decisions made by this body.

Risk Headquarters

- Periodically present to committed risks the evolution of the different risk indicators and perform the necessary analyses for understanding and taking actions that mitigate and control the levels of risk.
- Manage and control compliance with approved policies and processes for risk management.
- Regularly review risk management policies and systems to reflect changes in market conditions and CVCS activities.
- Propose to the risk committee methodologies and adjustments to risk management policies
- Develop methodologies and models that allow the identification, measurement, control, and monitoring of risks.

(Stated in millions of Colombian pesos)

Internal Audit

1. Check the development of risk management in accordance with the comprehensive risk management manual
2. Report to the audit committee and issue recommendations on the findings of the risk management process

Financial Risk Management

The Company is exposed to the following risks related to the use of financial instruments:

- Credit Risk
- Market Risk
- Liquidity Risk
- Operating Risk

The financial statements do not include all financial risk management information and disclosures required in the annual financial statements; these financial statements should be read in conjunction with Credivalores annual financial statements as of December 31, 2021. There have been no changes to the risk management department or any risk management policies since December 31, 2021. There are no significant changes related to risk objectives, the corporate structure of the risk function and risk strategies in general compared to what was revealed in the last set of financial statements as of December 31, 2021.

5.2 Credit Risk

Credit risk is the risk of financial loss faced by Credivalores Crediservicios S.A., if a client or counterparty in a financial instrument does not meet its contractual obligations and originates mainly from the receivables to customers and the Company's investment instruments.

The business model of Credivalores Crediservicios S.A, in its portfolio of credits differs from the rating of its products according to the inherent risk of its portfolio.

During the three and six-month period ended March 31, 2022, there were no significant changes in policies and how Credivalores handles credit risk.

The maximum exposure to credit risk of Credivalores, according to IFRS 7, is reflected in the book value of financial assets in the statement of financial position of Credivalores as of March 31, 2022 and December 31, 2021 as follows:

	March 31, 2022	**December 31, 2021**
Cash and cash equivalents	158.356	148.514
Financial instruments net	217.935	361.282
Loan portfolios		
Consumer loans	2.132.692	2.034.298
Payroll loans at fair value	16.683	16.683
Accounts receivable, net	472.571	436.872
Total financial assets with credit risk	**2.998.237**	**2.997.649**
Off-balance-sheet credit risk at nominal value		
Unpaid approved credits	268.540	291.322
Total exposure to off-balance-sheet credit risk	**268.540**	**291.322**
Total maximum exposure to credit risk	**3.266.777**	**3.288.971**

Credit Risk Model: Loans

I. Transitions between stages

A financial asset is classified as a low credit risk asset based on the debtor's payment habits.

The first step in the methodology consist in evaluating a significant increase in credit risk by comparing the current status against a previous status of stage recognition of the loan.

If the financial asset loses its low credit risk condition or if changes in external environment results in a review of the condition, then this probably shows a significant increase in credit risk. Consequently, the financial asset will be analyzed to determine if there is a significant increase of credit risk (stage 2) or if the asset should be classified as stage 3.

Significant Increase in Credit Risk

When determining whether the credit risk (i.e. risk of default) of a financial instrument has increased significantly since initial recognition, Credivalores considers reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis based on Credivalores historical experience, expert credit assessment and forward-looking information.

The following criteria is used to determine if a significant increase in credit risk has occurred:

- Comparison of the remaining lifetime probability of default (PD) at the reporting date with the lifetime PD at initial recognition of the exposure.
- Qualitative aspects such as the rebuttable presumption of the norm and restructuring agreements are also considered.
- Qualitative criteria from analysts is also considered based on expert and supportable information.

Credivalores has established a framework that incorporates both quantitative and qualitative information to determine whether the credit risk of a particular financial instrument has increased significantly since initial recognition. The framework is aligned with Credivalores internal credit risk management process.

The criteria for determining whether credit risk has increased significantly will vary by portfolio and will include a backstop based on delinquency.

In certain instances, using its expert credit judgement and, where possible relevant historical experience, Credivalores may determine that an exposure has undergone a significant increase in credit risk if particular qualitative factors indicate so and those indicators may not be fully captured by its quantitative analysis on a timely basis. As a backstop, and as required by IFRS 9, Credivalores will presumptively consider that a significant increase in credit risk occurs no later than when an asset is more than 60 days past due.

Credivalores will monitor the effectiveness of the criteria used in identifying significant increases in credit risk through regular reviews to confirm that:

- The criteria are useful in identifying significant increases in credit risk before an exposure is in default;
- The criteria do not align with the point in time when an asset becomes over 60 days past due.
- The average time between the identification of a significant increase in credit risk and default appears reasonable.
- Exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and there is no unwarranted volatility in loss impairment from transfers between 12-month ECL and lifetime ECL measurements.

(Stated in millions of Colombian pesos)

II. PI – Probability of noncompliance

Term structure of PI

Credit risk grades are the primary input in the determination of the term structure of PD for exposures. Credivalores collects performance and default information about its credit risk exposures analyzed by type of product and borrower, and by credit risk grade. For some portfolios, information purchased from external credit reference agencies may also be used.

Credivalores employs statistical models to analyze the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

This analysis includes the identification and calibration of the relation between changes in default rates as well as an in-depth analysis of the impact of certain other factors on the risk of default.

For stage 1 the PD estimates the probability that the credit will default in the next 12 months, while the PD in stage 2 is the result of the probabilities for the remaining life of the credit. The probability in Stage 3 is defined as 100%.

To determine the PD the company used statistical models to analyze and select the variables significant in predicting whether clients would reach default during a known period of time that is determined by the stage of the loan. For stage 1 the PD are evaluated for the next 12 months, loans on later stages are evaluated for the remainder of the loan lifetime.

To estimate lifetime probability Credivalores calculates the 12-month PD and for each successive year for the loan lifetime the model estimates the PD conditioned to not having defaulted during previous years.

Credivalores approach to incorporating forward-looking information into this assessment is discussed below.

Forward-Looking Information

Credivalores incorporates forward-looking information into its measurement of ECLs. Credivalores formulates a 'base case' view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios based on forecasts provided by economic experts and considering a forecast of multiple variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome.

The base case represents a most-likely outcome. It is aligned with information used by Credivalores for other purposes, such as strategic planning and budgeting. The other scenarios for Colombia represent more optimistic and more pessimistic outcomes.

Credivalores has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

The economic scenarios used as of March 31, 2022 include the following key indicators (among others) for Colombia for the years ending March 31, 2022 and December 31, 2021[1]:

	2022-2021		
	Scenario A	**Scenario B**	**Scenario C**
Usury rate	28,0%	27,7%	27,1%
Economic Tracking Indicator	112,83	110,70	108,57
CPI Variation	40%	39%	38%

[1] Projections made internally by the planning area.

Credit Risk Rating

Credivalores allocates each exposure to a credit risk grade based on a variety of data intended to be predictive of the probability of default and applying experienced credit judgment. Credivalores uses these grades with the purpose identifying significant increases in credit risk. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. These factors may vary depending on the nature of the exposure and the type of borrower and product.

Credivalores uses behavioral demographic and origination variables to estimate PD modeling them with a logistic regression that is periodically monitored to ensure its predictive capabilities and its stability. This monitoring for payroll loans and credit card models showed adequate predictive capabilities as well as stability regarding its inputs distributions (PSI). There was also a test run on average observed PD by rating of the last 2 years that ensure the actual events that are being predicted have not vary its behavior significantly and therefore concluding the models provide an adequate and reasonable prediction of PDs by rating.

Loan Portfolio

Payroll and Credit card loans
- Information collected internally about the behavior of customers. - Demographic information of customers. - Origination information of credits/customer.

III. PDI – Loss due to non-compliance

LGD is a measure of the potential loss if a default scenario occurs. To establish the LGD, Credivalores methodology uses historical information to measure the recoveries of loans that reach the default stage at present value. This allows Credivalores to have an adequate estimate of the losses it will incur when credits reach default stage. These calculations are done separately for payroll loans and credit cards to better reflect the fundamental differences in this product and therefore on its LGD.

IV. ED – Exposure at Default

EAD represents the amount owed from a counterparty at the time of a possible default. For stage 2 Credivalores incorporates in the analysis of the exposure at default the probability of payments and increase or decrease in exposure during the lifetime of the credit.

These probabilities are estimated using the historical information collected by the company and are grouped by type of product. The probabilities are constantly reviewed in order to accurately estimate them and calibrate them.

For payroll loans EAD will correspond to the full valuation of the assets at amortized cost. For credit cards, EAD will consider the unused credit line when available as well the expected amortization, which allows to have a reliable estimate of the credit exposition at default.

V. Simplified Model

Credivalores uses a simplified roll rate model to estimate ECL of remnants of portfolio loans that represent less than 5% of balance sheet loans and that are consistently lowering its portfolio share.

I. Roll Rate Methodology

A method that uses a transition matrix to obtain the customer moratorium. This helps forecast future risk from defaults in a given time. By using this matrix, the behavior is reflected in order to determine in what period of time the accounts will be taken. These statements are determined by the number of overdue payments as defined.

For this model, first of all, the portfolio divided into two bands is evaluated.:

(Stated in millions of Colombian pesos)

Credit Portfolio other products:

- ✓ Portfolio less than 90 days in arrears.
- ✓ Portfolio greater than 90 days of default.

As part of this evaluation, the Company's Management has designated as a deteriorated portfolio the one with a default greater than 90 days since it is recurrent that in the company's business there are delays, but that these are regularized before 90 days for credit portfolio.

Then the monthly average of the portfolio is determined by age and the average values are weighted according to the rate of loss greater than 90 days in each case.

To calculate the PE of the impaired portfolio, the balance of the portfolio of each tranche is multiplied by the percentage of expected loss (Migration to greater than 360) determined in the previous step

I. ED – Exposure at default

ED represents the amount owed from a counterparty at the time of a possible default.

For payroll loans ED will correspond to the full valuation of the assets at amortized cost. For credit cards, ED will take into account the unused credit line when available as well the expected amortization, which allows to have a reliable estimate of the credit exposition at default.

Credit Risk Model: Other accounts receivable

Credivalores uses the simplified approach where Credivalores uses an impairment matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small amounts.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics like type of product purchased.

Loss impairment

The table below shows the loss impairment balances as of March 31, 2022:

		Stage 1	Stage 2	Stage 3	
Loan portfolio		12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Loan consumer portfolio		58.699	17.745	255.235	331.679
Total loan portfolio	Ps.	**58.699**	**17.745**	**255.235**	**331.679**
Total loss impairment financial assets at amortized cost	Ps.	58.699	17.745	255.235	331.679
Total loss impairment	**Ps.**	**58.699**	**17.745**	**255.235**	**331.679**

(Stated in millions of Colombian pesos)

Loan portfolio		Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL not credit-impaired	Total
Loan consumer portfolio		56.987	24.604	236.836	318.427
Total loan portfolio	Ps.	**56.987**	**24.604**	**236.836**	**318.427**
Total loss impairment financial assets at amortized cost	Ps.	56.987	24.604	236.836	318.427
Total loss impairment	**Ps.**	**56.987**	**24.604**	**236.836**	**318.427**

(1) Credivalores has initially adopted IFRS 15 and IFRS 9 as of January 1, 2018. According to the transition methods chosen, comparative information is not restated. See Note 2.

The table below shows for loans stage 3 individually assessed for ECL the gross amount and loss impairment balances as of March 31, 2022.

		Gross Amount Registered		Impairment Recognized
With recognized provision				
Consummer	Ps.	426.179	Ps.	255.236
Total	Ps.	**426.179**	Ps.	**255.236**

5.2.1 Monitoring and Control Process

The Company has an information system in place that provides daily indicators on the loan portfolio status to allow proper monitoring and timely decision-making.

The credit approval processes are connected to an engine managed by the risk area, which allows real-time adjustments to policy parameters to take immediate action where required in loan origination.

Each month the Risk Committee meets to evaluate the development of each product portfolio, analyzing the performance of each yield and applying corrective measures to credit processes or policies where necessary.

As of March 31, 2022

Age of Delinquency	Tu Crédito	CrediUno	CrediPóliza	Total managed portfolio	On balance sheet Portfolio
CURRENT	809.638	751.499	27.665	1.588.802	1.452.123
1-30	12.891	24.217	56	37.164	33.278
31-60	5.357	19.149	74	24.580	23.611
61-90	4.478	8.475	178	13.131	12.545
91 - 180	12.138	20.666	403	33.207	32.912
181 - 360	15.449	39.582	306	55.337	55.204
> 360	89.004	131.050	7.737	227.791	225.647
Total	**948.955**	**994.638**	**36.419**	**1.980.012**	**1.835.320**

(Stated in millions of Colombian pesos)

As of December 31, 2021

Age of Delinquency	Tu Crédito	CrediUno	CrediPóliza	Total managed portfolio	On balance sheet Portfolio
CURRENT	785.767	719.444	27.762	1.532.973	1.373.758
1-30	13.742	23.864	606	38.212	36.535
31-60	6.774	27.364	473	34.611	33.053
61-90	5.320	8.591	108	14.019	12.946
91 - 180	10.482	25.571	78	36.131	36.023
181 - 360	14.670	33.696	366	48.732	48.491
> 360	85.380	117.470	7.658	210.508	208.343
Total	**922.135**	**956.000**	**37.051**	**1.915.186**	**1.749.149**

The following detail is due to compliance with numeral e) clause 5) of the guarantee agreement signed between Credivalores and the Fondo Nacional de Garantías (“FNG” in Spanish) in May 2021, which indicates the balance of the encumbered and unencumbered loan portfolio classified by loan portfolio delinquency range

As of March 31, 2022

Loan Delinquency Range	Encumbered Loan Portfolio	Unencumbered Loan Portfolio	Total
Current	575.888	1.012.915	1.588.803
1-30	8.530	28.635	37.165
31-60	1.459	23.120	24.579
61-90	585	12.545	13.130
91 - 180	295	32.912	33.207
181 - 360	135	55.203	55.338
> 360	2.145	225.647	227.792
Total	**589.037**	**1.390.977**	**1.980.014**

As of December 31, 2021

Loan Delinquency Range	Encumbered Loan Portfolio	Unencumbered Loan Portfolio	Total
Current	509.654	1.023.319	1.532.973
1-30	9.336	28.877	38.212
31-60	1.558	33.053	34.611
61-90	1.073	12.946	14.019
91 - 180	109	36.023	36.131
181 - 360	240	48.491	48.732
> 360	2.165	208.343	210.508
Total	**524.135**	**1.391.052**	**1.915.186**

5.3 Credit worthiness

The following is a breakdown of banks and other financial institutions that hold our savings and checking account deposits.

Entity	Type of Account	March 31, 2022	December 31, 2021
Banco de Bogotá	Savings/Checking	18	183
Bancolombia	Savings/Checking	22.544	5.794
Red Multibanca Colpatria	Savings	101	28
Banco BBVA	Checking	383	299
Banco de Occidente	Savings/Checking	311	108
Banco Santander	Checking	174	20

(Stated in millions of Colombian pesos)

JP Morgan	Checking	385	790
Available in Free-standing Trusts	Savings/Checking	30.282	85.957
JP Morgan USD	Deposit	15	3.204
Banco Santander USD	Checking	5.029	25.137
		59.242	**121.520**

The following is a breakdown of creditworthiness as determined by independent credit rating agencies of all those major financial institutions in which the Company holds cash.

Long-term debt ratings are based on the following scale:

Item	Financial Institution	Short-term Rating	Rating Entity
1	Banco BBVA	AAA	Fitch Ratings
2	Banco de Bogotá	AAA and BRC 1+	BRC Investor Services S,A, SCV
3	Banco Colpatria	AAA and BRC 1+	BRC Investor Services S,A, SCV
4	Banco de Occidente	AAA and from BRC 1+	BRC Investor Services S,A, SCV
5	Bancolombia	AAA and from BRC 1+	BRC Investor Services S,A, SCV
6	Banco Santander	AAA and from BRC 1+	BRC Investor Services S,A, SCV

Cash and cash equivalents are held with banks and financial institutions through free-standing trust funds, which have ratings between AA- and AAA BCR + 1 from BRC Standard and Poor's.

The Company considers the credit ratings awarded to financial institutions with which it conducts treasury operations in the form of fiduciary assignments such as deposits or investments at sight which classify as cash equivalents. In order to establish a minimum margin risk exposure and ensure optimal resource management through periodic evaluations and measurements of the Company's exposure.

5.4 Market Risk

The Company has been able to meet its liquidity needs acquiring working capital and lines of credit from local, foreign and multilateral entities This implies the need for follow-up when exposed to variable interest rates (financial obligations indexed to local and/or foreign variable rates such as: DTF, IBR, UVR, LIBOR, PRIME, etc.), and to exchange-rate fluctuations due to devaluation or revaluation in the local currency (USD, EUR, etc.).

Credivalores participates actively in the money, foreign exchange and capital markets, seeking to meet the needs of its clients in accordance with the policies and risk levels established. As such, it manages different financial-asset portfolios within the permitted risk levels and limits.

Market risk arises from the open positions of Credivalores' investment portfolios in debt securities, derivatives and equity instruments recorded at fair value, due to adverse changes in risk factors such as interest rates and exchange rates of foreign currencies.

For analysis purposes, market risk has been broken down into price risk and/or interest and exchange-rate risk of financial obligations in the periods of capital-payment amortization, the point at which the risk materialized.

(Stated in millions of Colombian pesos)

As of March 31, 2022 and December 31, 2021, Credivalores had the following financial assets and liabilities at fair value subject to trading risk:

Financial assets and liabilities at fair value exposed to trading risk held:	**March 31, 2022**	**December 31, 2021**
Equity Instruments	6.027	6.115
Derivatives instruments assets	211.908	355.167
Loan Portfolio	16.683	16.683
Total	**234.618**	**377.965**
Derivatives instruments liabilities	(8.460)	(316)
Total	**(8.460)**	**(316)**
Net Position	**226.158**	**377.649**

Methodology used to measure risk

Market risks are quantified through value at risk standard models.

The company uses the standard model for the measurement, control and management of market risk of interest rates and exchange rates at which the entity is exposed.

There are two scenarios under which Credivalores is exposed to market risks:

Interest rates

Credivalores financial obligations are exposed to this risk when financing is acquired at variable indexed rates that may be subject to volatilities and may affect the Company's financial margin.

Sensitivity Analysis

Taking into account Credivalores exposure to changes in the reference interest rate, a sensitivity analysis of the impact on financial obligations is included given the possible effect on the variable indexed interest rates in the third quarter of 2019. The following methodology was defined for the analysis:

1. Two scenarios were evaluated whereby indexed rates are affected by 20 BPS (increasing and decreasing indexed rates), which affect the future flows of Credivalores financial obligations indexed to the variable rate. Debt repayment is implicit in these scenarios, given their contractual frequency, taking them to maturity.

2. The flows corresponding to interest payment (accrual) were evaluated using equivalent rates.

3. The present value of the monthly interest payment was calculated, using as reference the 6-month IBR rate on an annual basis as of March 31, 2022 (7.644%).

4. Finally, the results of each scenario were compared to the base scenario, which corresponds to the projections of interest flows using the rates as of March 31, 2022 as reference.

The results are set out below:

Scenarios	**Interests**
Effect of 20 BPS decrease in variable rate	(477.086)
Effect of 20 BPS increase in variable rate	475.655
Total Scenarios	**(1.431)**

(Stated in millions of Colombian pesos)

Interest Rate and Exchange Rate

Rate and devaluation effect scenario (variable rate and foreign currency obligations)	Interests
Effect of revaluation and decrease, 15 BPS, variable rate	(477.086)
Effect of devaluation and increase, 15 BPS, variable rate	478.514
Total Scenarios	**1.428**

Exchange rate

Credivalores financial obligations are exposed to exchange rate risk when the present value of the liability positions presents volatilities due to the devaluation or revaluation of the funding acquired in another currency. This risk materializes at the moment when the payment corresponding to the amortization of principal and interest is made, due to trading in the currencies to be paid and recognition of the exchange rate difference.

Sensitivity Analysis

Considering Credivalores exposure to changes in the USD/ exchange rate, a sensitivity analysis of the impact on financial obligations is included given the possible effects of changes in the exchange rate in the third quarter of 2021. The following methodology was used for the analysis:

1. Two scenarios were evaluated in which the exchange spot rate is adjusted by 0.60% daily volatility (spots prices projected using Bloomberg's curve), generating revaluation and devaluation effect on the TRM as of March 31, 2022.

2. The amortization of principal and payment of interest on financial obligations are implicit in these scenarios, given their contractual periodicity and taking them to maturity.

3. The flows corresponding to interest payment (accrual) were evaluated using equivalent rates.

4. The present value of the monthly interest payment was calculated, using as reference the 6-month IBR rate on an annual basis as of March 31, 2022 (7.644%).

5. Finally, we compared the results of each scenario with the base scenario, which corresponds to the projected flows for payment of capital and interest using as reference the rates as of March 31, 2022.

The results are set out below:

Item	Total Debt
Initial Scenario (Balance as of March 31st, 2022)	1.940.830
Scenario 1 (Effect of revaluation)	1.928.941
Scenario 2 (Effect of revaluation)	1.952.720
Difference Scenario 1 vs. Initial Scenario	**(11.889)**
Difference Scenario 2 vs. Initial Scenario	**11.889**

(1) Volatility obtained from the daily average for the previous three years, including the year 2021.

5.5 Liquidity Risk

The liquidity Risk is represented by the potential event of being unable to meet the expected outgoing cash flows on a timely and efficient manner, without affecting the normal course of business or the company´s financial position. Liquidity risk is related with having insufficient liquid assets and therefore having to incur in unusual or extra funding costs.

The company funding is based on short- and medium-term bank loans as well as bonds and commercial notes issued in the international capital markets. These funds are mainly used to leverage new loan origination according to Credivalores' business model. On the other hand, the Company's capacity to create positions regarding financial instruments available for sale (liquidity or loans) could be affected either by lack of market liquidity or because of sudden changes in interest rates and asset prices.

According to the Company´s funding model the liquidity risk includes among others, the ability to get short, medium- and long-term lines of credit, to keep low liquidity assets (such as loan portfolio) and face short-term unexpected stress situations.

In order to deploy a correct asset and liability management and assure the liquidity needed to operate the business, the Company has set the following guidelines to control the liquidity risk: i) In the short -term, cash flows associated to loan portfolio and liquid assets, short -term financial liabilities, and off balance financial positions in different time frames, allowing a permanent monitoring of the liquidity gap, ii) for the long-term assets and liabilities, the Company analyses its funding sources as well as the breakdown by type of source and those that are specifically associated to specific products.

Credivalores keeps at least 1.5x its operating expenses in liquid assets. The liquidity in the statement of financial position has the following components:

- Inflows: Incoming flows associated to loan portfolio, and interest income associated to liquid assets.
- Outflows: Outgoing flows related to i) operating expenses, ii) new loan origination, and iii) ´ principal and interest from financial liabilities.
- Liquidity GAP: Difference between inflows and outflows according to:

  - Monthly cash flows associated to assets (liquid assets, loan portfolio).
  - Monthly projected cash flows related to financial liabilities and operating expenses

The Company determines its liquidity gap based on to the above-mentioned variables, and makes permanent follow up, as well as making any necessary adjustments according to the following ranges:

- ✓ 1 to 3 months
- ✓ 3 to 6 months
- ✓ 6 to 12 months
- ✓ 12 months +

Liquidity Risk Management

The company identifies its exposure to liquidity risk according to the markets where it operates, and the products and services offered to its customers. For such purpose the Company has analyzed the processes associated to treasury in order to design controls and strategies to reduce the impact.

Liquidity position

Determine the minimum amount of liquid assets (cash and cash equivalents, short-term liquid investments), in order to avoid any lacks that may affect the capacity to the outflows. The Financial Committee calculates and monitors the liquidity position on a weekly basis, considering cash flow projections for 7 and 15 days:

a) Green: liquid assets / outflows >= 105%
b) Yellow: liquid assets / outflows between 100 and 104%
c) Red: liquid assets / outflows <100%

(Stated in millions of Colombian pesos)

In case there are any yellow or green situations, the Financial Committee defines any actions to be taken in order to assure the sufficient procurement of cash to operate on a normal basis.

The liquidity level results as of March 31, 2022 are set out below:

Item	Liquidity level March, 2022
7 Days	371%
15 Days	219%
30 Days	130%

As of March 31, 2022, the liquidity level in the 7 and 15 day bands is above the upper limit defined in the Company's liquidity manual, constituting a green flag scenario and indicating that Credivalores has sufficient resources to operate normally.

Also, as is good practice, a third band is monitored, which allows for controlling of the liquidity level projected to 30 days. As of March 31, 2022, a green band scenario is recorded, indicating that Credivalores has ample liquidity to support its needs for normal operation.

Exposure to liquidity Risk

The Company monitors its liquidity position in order to determine how likely a liquidity stress can happen.

The following is a breakdown by time range for the Liquid Assets and the LRI (Liquidity Risk Indicator) for March 31, 2022 and December 31, 2021.

	March 31, 2022				
	Subsequent Net Balances Available				
Description	**Liquid Assets Available at the End of the Period (1)**	**From 1 to 7 days (2)**	**From 8 to 15 subsequent days (2)**	**From 16 to 30 subsequent days (2)**	**From 31 to 90 subsequent days (2)**
Cash	2	2	-	-	-
Banco de Bogotá	18	18	-	-	-
Bancolombia S. A.	22.544	22.544	-	-	-
BBVA Colombia	383	383	-	-	-
Red Multibanca Colpatria S. A.	101	101	-	-	-
Banco de Occidente	1.412	1.412	-	-	-
Banco Santander Colombia	174	174	-	-	-
Banco Santander Uruguay	5.044	5.044	-	-	-
Alianza Fiduciaria	2.015	2.015	-	-	-
Credifinanciera	22.114	-	-	22.114	-
Cash at Free-Standing Trusts	30.282	30.282	-	-	-
Mutual Funds – Fiduciaria and	1.317	1.317	-	-	-
Agrocañas	4.710	-	-	-	4.710
Valores Bancolombia	405	405	-	-	-
JP Morgan	384	384	-	-	-
TIDIS	1.123	-	-	1.123	-
Fiducolombia Free-Standing Trusts	72.355	72.355	-	-	-
Inverefectivas	11.670	-	-	-	11.670
Total liquid assets	**176.053**	**136.436**	**-**	**23.237**	**16.380**

(Stated in millions of Colombian pesos)

	December 31, 2021				
	Subsequent Net Balances Available				
Description	**Liquid Assets Available at the End of the Period (1)**	**From 1 to 7 days (2)**	**From 8 to 15 subsequent days (2)**	**From 16 to 30 subsequent days (2)**	**From 31 to 90 subsequent days (2)**
Cash	2	2	-	-	-
Banco de Bogotá	183	183	-	-	-
Bancolombia S. A.	5.794	5.794	-	-	-
BBVA Colombia	299	299	-	-	-
Red Multibanca Colpatria S. A.	28	28	-	-	-
Banco de Occidente	108	108	-	-	-
Banco Santander	20	20	-	-	-
Banco Santander Uruguay	28.341	28.341	-	-	-
Alianza Fiduciaria	4.398	4.398		-	-
Credifinanciera	22.202	-	-	22.202	-
Cash at Free-Standing Trusts	85.984	85.984	-	-	-
Collective Investment Funds	1.406	1.406	-	-	-
Agrocañas	4.710	-	-	-	4.710
Mutual Funds – Fiduciaria and Valores Bancolombia	190	190	-	-	-
JP Morgan	790	790			
TIDIS	167	-		167	-
Fiducolombia Free-Standing Trusts	8	8	-	-	-
Inverefectivas	12.369	-	-	-	12.369
Total liquid assets	**166.998**	**127.551**	**-**	**22.369**	**17.079**

(1) Liquid assets correspond to the sum of existing assets at the close of each period, which can be quickly converted to cash. In calculating liquid assets, all the listed investments, without exception, are computed at their fair exchange value on the date of the valuation (fair value).

(2) The balance corresponds to the residual value of the Company's liquid assets on days after closing the specific period. This balance is calculated as the difference between liquid assets and liquidity requirements. In turn, the liquidity requirement is the difference between the contractual revenue flows and contractual and non-contractual outflows in accordance with the Liquidity Risk Indicator (LRI) methodology.

Measurement of exposure to liquidity risk

Measuring the likelihood of the Company running out of liquid resources for its normal operation under normal market conditions requires the use of the tools described above: balance sheet liquidity, liquidity gap, and cash flow projection, to thereby quantify the degree of stress that the company's cash flow can bear to fulfill its normal operations without having to acquire additional resources.

Limit of liquidity risk exposure

Maximum exposure to liquidity risk is identified as the average time taken by the Company to carry out the liquidity financial operations (Guaranteed Loans, Portfolio Sales, Working Capital Loans, etc.) and generate the cash available for new loan origination.

The maximum exposure to liquidity risk is calculated weekly by the financial committee, taking into account projections for bands of 7 days, and 15 to 30 days.

In addition, to analyze the short- and medium-term liquidity requirements, the following indicators are taken into account:

(Stated in millions of Colombian pesos)

1) Net Liquidity/Credivalores + Free-standing Trust, where Net Liquidity is the sum of available cash and investments less long-term investments.

Lower limit: 5%; cannot be below the lower limit more than three times in a year

Exposure Limit Indicator 1 Mar-22	
Net Liquidity	158.356
Assets (Credivalores + Free-standing Trust) (Portfolio)	1.801.013
Indicator 1	**8.8%**

2) Net Liquidity/Liabilities (Free-standing Trust + Credivalores)

Lower limit: 5%; cannot be below the lower limit more than three times in a year

Exposure Limit Indicator 1 Mar-22	
Net Liquidity	158.356
Liabilities (Credivalores + Free-standing Trust)	2.177.993
Indicator 2	**7.3%**

In the three-month period ended March 31, 2022 there were no significant changes in the liquidity risk or in the manner in which Credivalores manages this risk.

Credivalores has performed an analysis of the consolidated maturities of financial assets and liabilities both derivatives and non-derivatives, showing the following remaining contractual maturities.

March 31, 2022

Assets	**Less than one month**	**From one to six months**	**From six to twelve months**	**More than one year**	**Total**
Cash due from banks and equivalents	158.356	-	-	-	158.356
Equity Instruments at fair value	1.317	-	-	4.710	6.027
Investments in Associates and Affiliates	-	-	-	11.670	11.670
Financial Assets at amortized cost (*)	87.373	439.225	532.659	1.405.509	2.464.766
Total assets	**247.046**	**439.225**	**532.659**	**1.421.889**	**2.640.819**

Liabilities	**Less than one month**	**From one to six months**	**From six to twelve months**	**More than one year**	**Total**
Financial Liabilities at amortized cost (*)	38.534	837.070	469.524	1.425.629	2.770.757
Financial Liabilities at fair value Derivatives instruments	-	2.738	1.251	4.471	8.460
Total Liabilities	**38.534**	**839.808**	**470.775**	**1.430.100**	**2.779.217**

(*) This disclosure includes the calculation of projected interest.

(Stated in millions of Colombian pesos)

December 31, 2021

Assets	Less than one month	From one to six months	From six to twelve months	More than one year	Total
Cash due from banks and equivalents	148.514	-	-	-	148.514
Equity Instruments at fair value	1.405	-	-	4.710	6.115
Investments in Associates and Affiliates	-	-	-	12.369	12.369
Financial Assets at amortized cost (*)	81.731	410.090	495.635	1.386.610	2.374.066
Total assets	**231.650**	**410.090**	**495.635**	**1.403.689**	**2.541.650**

Liabilities	Less than one month	From one to six months	From six to twelve months	More than one year	Total
Financial Liabilities at amortized cost (*)	34.584	221.166	996.751	1.464.172	2.716.673
Financial Liabilities at fair value Derivatives instruments	-	-	133	183	316
Total Liabilities	**34.584**	**221.166**	**996.884**	**1.464.355**	**2.716.989**

(*) This disclosure includes the calculation of projected interest.

NOTE 6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash balances and demand deposits with original maturities of 90 days or less from the date of acquisition, which are subject to an insignificant risk of changes to their fair value and that are used by the Credivalores to handle short-term commitments.

Cash and cash equivalent balances encompass the following as of March 31, 2022 and December 31, 2021:

	March 31, 2022	December 31, 2021
Cash	2	2
Banks	59.242	121.520
Mutual funds (6.1)	75.875	4.623
Term Deposit (6.2)	22.114	22.202
TIDIS	1.123	167
	158.356	**148.514**

As of March 31, 2022, and December 31, 2021, there were no restrictions on bank accounts.

6.1 Following is a breakdown of positions in money market funds (trust rights) by Credivalores and the Free-Standing Trust:

	March 31, 2022	December 31, 2021
Fiduciaria Bancolombia – Renta Liquidez	405	190
Alianza Fiduciaria – Collective Investment Fund	2.015	4.399
Fiduciaria Bancolombia - Progression	-	27
Fiduciaria de Occidente	1.100	-
Sub-Total	**3.520**	**4.616**
Fiduciaria Bancolombia	72.355	7
Total	**75.875**	**4.623**

The average profitability with cut to March 2022 is 1.34% and for December 2021 it was 3.57%.

(Stated in millions of Colombian pesos)

The following is the credit rating of the fund managers of Free Standing Trusts:

Manager	Mar-22	Dec-21	Rating Agency
Fiduciaria Bancolombia	AAA	S3/AAA f(col)	BRC Investor Services S.A. SCV
Fiduciaria la Previsora	AAA - Estable	AAA+(col)	Value and Risk Rating S.A. SCV
Fiduciaria de Occidente	AAA		BRC Investor Services S.A. SCV

Cash equivalents correspond to mutual and money market funds where the Company and the Free-Standing Trust have a direct ownership of shares and rights. These funds invest in short term paper and offer a slightly higher yield than a savings account and are classified as cash equivalents since the company can withdraw and deposit funds at any time, as funds are at sight.

6.2 Certificates of Deposit (CDs)

As of March 31, 2022, Credivalores had Certificates of Full Deposit at Banco Santander and Banco Credifinanciera, as detailed below:

Institution	Initial Date	Maturity Date	Term (months)	Nominal value	Annual effective interest rate	Nominal rate	Total Balance
Santander Bank	23/08/2021	23/08/2022	6	6.500	6,00%	5,84%	6.537
Santander Bank	23/08/2021	23/08/2022	6	5.500	6,00%	5,84%	5.531
Credifinanciera Bank	1/03/2022	27/07/2022	5	10.000	5,65%	5,51%	10.046
Total				**22.000**			**22.114**

The long-term rating for Santander Bank is AAA.

NOTE 7. FINANCIAL INSTRUMENTS

The balance of investments measured at fair value is comprised of:

	March 31, 2022	December 31, 2021
Collective Investment Funds (7.1)	1.317	1.405
Equity instruments (7.2)	4.710	4.710
	6.027	**6.115**

7.1 At fair value with changes in results

Investments at fair value correspond to equity participations in money market funds that offer easy access to resources at low risk, held in trusts which are rated from AA- to AAA by local rating agencies BRC Standard and Poor's and/or Fitch Ratings Colombia

Issuer	Type of Fund	Minimum Investment	Minimum Balance	March Return 2022	As of March 31, 2022	As of December 31, 2021
BTG Pactual I Z Class	Closed	5.000.000	2.000.000	146.645%	1.026	1.084
BTG Pactual II Z Class	Closed	5.000.000	2.000.000	170.571%	214	244
Fiduciaria Popular	At sight	200.000	200.000	-1.114%	17	17
Open Portfolio BTG	Open	-	-	1.782%	60	60
TOTAL					**1.317**	**1.405**

7.2 Equity instruments

	March 31, 2022	December 31, 2021
Agrocañas Shares	4.710	4.710
	4.710	**4.710**

(Stated in millions of Colombian pesos)

The Company owns 5.03% of Agrocañas S.A. share capital, with 3,300 outstanding shares as of March 31, 2022. These are not listed on the stock exchange and are therefore measured at fair value with changes to equity.

NOTE 8. INVESTMENTS IN ASSOCIATES

The detail of the investments in associates is as follows:

	March 31, 2022	December 31, 2021
Inverefectivas S.A (a)	11.670	12.369
	11.670	**12.369**

(a) Credivalores holds a 25% ownership in Inverefectivas S.A. This Company was incorporated in accordance with the legislation of Panama, and has 4,000 shares issued, of which Credivalores owns 1,000 shares with an intrinsic value of FIX 3.106,97 expressed using the TRM of 3.756,03 as of April 01, 2022.

	March 31, 2022		December 31, 2021	
	Share of ownership interest	**Book value**	**Share of ownership interest**	**Book Value**
Associates				
Inverefectivas S.A.	25%	11.670	25%	12.369
		11.670		**12.369**

The movement of investments in the associates account is shown below ended March 31,2022 and December 31, 2021:

Associate	**March 31, 2022**	**December 31, 2021**
Balance at the beginning of the period	**12.369**	**10.966**
Adjustments for exchange rate differences	(699)	1.573
Adjustment for valuation method of participation	-	(170)
Period-end balance	**11.670**	**12.369**

NOTE 9. LOAN PORTFOLIO, NET

Financial assets at amortized cost on the statement of financial position are classified as consumer portfolio and microcredit. Following is a description of the portfolio of Credivalores as of March 31,2022 and December 31, 2021:

	March 31, 2022	December 31, 2021
Consumer	2.132.692	2.034.298
Impairment	(331.679)	(318.427)
Total financial assets at amortized cost	**1.801.013**	**1.715.871**
TuCredito payroll deduction loans at fair value	16.683	16.683
Total financial assets at fair value	**16.683**	**16.683**
Total loan portfolio, net	**1.817.696**	**1.732.554**

The Financial Position Statement includes a net portfolio held in Free-standing trusts totaling $444.343 as of March 31, 2022 and $358.097 as of December 31, 2021. Credivalores classified portfolio by product in accordance with the days of default.

The movement of the provision for the impairment of financial assets by loan portfolio is provided below for the period ended March 31, 2022 and December 31, 2021.

(Stated in millions of Colombian pesos)

	March 31, 2022	March 31, 2021
Initial Balance	318.427	266.972
Impairment of the period charged against to profit or loss	17.240	21.056
Write-offs	(3.988)	(268)
Closing balance	**331.679**	**287.760**

Expenditure on provisions and write-offs of loan portfolio

	March 31, 2022	March 31, 2021
Expenditure for the provisions period	17.240	21.056
Forgiveness	2.638	3.793
Total	**19.878**	**24.849**

Below we present a breakdown of the loan portfolio in the balance sheet with all components:

As of March 31, 2022

Type	Principal	Transaction costs	Accrued Interest	Commissions	Impairment	Total
Consumer loans	1.835.320	130.674	156.428	10.270	(331.679)	**1.801.013**
Total financial assets at amortized cost	**1.835.320**	**130.674**	**156.428**	**10.270**	(331.679)	**1.801.013**

At December 31, 2021

Type	Principal	Transaction costs	Accrued Interest	Commissions	Impairment	Total
Consumer loans	1.749.149	129.621	145.298	10.230	(318.427)	**1.715.871**
Total financial assets at amortized cost	**1.749.149**	**129.621**	**145.298**	**10.230**	**(318.427)**	**1.715.871**

The distribution of maturities of Credivalores gross loan portfolio is the following:

March 31, 2022

	Up to 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total
Consumer	315.648	698.858	256.138	878.288	2.132.692
Total Gross Loan Portfolio	**315.648**	**698.858**	**256.138**	**878.288**	**2.132.692**

December 31, 2021

	Up to 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total
Consumer	290.753	704.337	245.326	793.882	2.034.298
Total Gross Loan Portfolio	**290.753**	**704.337**	**245.326**	**793.882**	**2.034.298**

(Stated in millions of Colombian pesos)

The distribution of maturities of Credivalores principal only loan portfolio is the following:

March 31, 2022

	Up to 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total
Consumer	245.789	606.251	228.780	754.500	1.835.320
Total Principal Only Loan Portfolio	**245.789**	**606.251**	**228.780**	**754.500**	**1.835.320**

December 31, 2021

	Up to 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total
Consumer	223.620	612.807	219.836	692.886	1.749.149
Total Principal Only Loan Portfolio	**223.620**	**612.807**	**219.836**	**692.886**	**1.749.149**

Below is the breakdown of Credivalores managed loan portfolio, which includes the loan portfolio on balance and the portfolio sold but still managed by the Company:

	As of March 31, 2022		
Type	**Principal Loan**	**Sold**	**Total**
Consumer	1.835.320	144.694	1.980.014
Total Financial Assets at amortized cost	**1.835.320**	**144.694**	**1.980.014**

	As of December 31, 2021		
Type	**Principal Loan**	**Sold**	**Total**
Consumer	1.749.149	166.038	1.915.187
Total Financial Assets at amortized cost	**1.749.149**	**166.038**	**1.915.187**

Overdue but not impaired

As of March 31, 2022 and December 31, 2021, a summary of the overdue portfolio by days past due is as follows:

	March 31, 2022		December 31. 2021	
	Consumer	**Total**	**Consumer**	**Total**
Performing loans	1.452.123	1.452.123	1.373.758	1.373.758
Overdue but not impaired	56.889	56.889	69.589	69.589
Non-performing loans under 360 days	100.660	100.660	97.461	97.461
Non-performing loans over 360 days	225.648	225.648	208.341	208.341
	1.835.320	**1.835.320**	**1.749.149**	**1.749.149**

NOTE 10. ACCOUNTS RECEIVABLE, NET

The detailed information of accounts receivables as of March 31, 2022 and December 31, 2021 is as follows:

	March 31, 2022	December 31, 2021
Debtors (10.1)	268.958	250.244
Economically Related Parties (10.2)	96.106	92.121
Asficredito	87.469	81.455
Payments on behalf of clients (10.3)	17.847	15.794
Prepayments and Advances	1.380	977
Shareholders	1.817	1.815

(Stated in millions of Colombian pesos)

Others accounts receivable	6.904	2.373
Employees	-	3
Impairments for doubtful accounts (10.4)	(7.910)	(7.910)
	472.571	**436.872**

10.1 The balance of the debtors account that as of March 31, 2022 amounts to $268.958 and as of December 31, 2021 amounts to $250.244, mainly corresponds to outstanding portfolio collection balances from the free-standing trusts and utilities and claims of guarantees to FGA.

10.2 The following is the detail with economically related parties:

	March 31, 2022	**December 31, 2021**
Banco Credifinanciera	1	1
Ingenio la Cabaña S.A.	2.000	-
Inversiones Mad capital S.A.S	9.127	8.894
Brestol S.A.S	16.667	16.749
Activar Valores S.A.S	22.321	22.321
Finanza Inversiones S.A.S	45.990	44.156
	96.106	**92.121**

The effective interest rates on interest-generating receivables were as follows:

	March 31,	
	2022	**2021**
Loans	DTF + 9.41%	DTF + 9.41%

10.3 The following is a breakdown of payments by client account:

	March 31, 2022	**December 31, 2021**
Life Insurance Payroll deduction loans	10.814	9.936
Crediuno Insurance	6.107	5.075
Tigo Insurance	331	186
Credipoliza Insurance	595	597
	17.847	**15.794**

10.4 The movement in the provision for impairment of other accounts receivable is provided below:

	March 31, 2022	**December 31, 2021**
Balance at start of period	(7.910)	(14.629)
Deterioration (1)	(2.745)	(13.860)
Write-off	2.745	20.579
Balance at end of period	**(7.910)**	**(7.910)**

(1) The impairment analysis of other receivables is performed annually as of December 31 of each year.

10.4.1. Detail Impairment

As of March 31, 2022, the amount of the impairment provision for accounts receivable amounts to $7,910. Changes in the impairment provision of accounts receivable are described in the following table:

(Stated in millions of Colombian pesos)

Third Party	Impairment	%
Asficredito	7.910	9.4%
Total	**7.910**	

Increases in impairment provision of receivables have been included in the "other expenses" line of the income analysis. Amounts charged to the provision account are usually written off when there is no expectation of receiving additional cash.

The Company does not maintain any guarantee as collection insurance.

NOTE 11. PROPERTY AND EQUIPMENT

The Company's property, plant and equipment as of March 31, 2022 and December 31, 2021, respectively, are as follows:

	March 31, 2022	December 31, 2021
Transportation equipment	117	117
Office equipment and accessories	1.628	1.614
Computer equipment	392	393
Network and communication equipment	1.944	1.990
Assets in financial lease	4.378	4.384
Subtotal	**8.459**	**8.498**
Accumulated depreciation	(8.297)	(8.269)
Total	**162**	**229**

The breakdown for equipment movement is shown below:

	December 31, 2021	Purchases	Write-offs	March 31, 2022
Transportation equipment	117	-	-	117
Office equipment and accessories	1.614	14	-	1.628
Electronic equipment	393	-	(1)	392
Network and communication equipment	1.990	3	(49)	1.944
Assets in financial lease	4.384	-	(6)	4.378
	8.498	**17**	**(56)**	**8.459**

	December 31, 2020	Purchases	Write-offs	March 31, 2021	Purchases	Write-offs	December 31, 2021
Transportation equipment	117	-	-	117	-	-	117
Office equipment and accessories	1.782	1	(34)	1.749	26	(161)	1.614
Electronic equipment	399	1	(1)	399	30	(36)	393
Network and communication equipment	2.254	8	(110)	2.152	-	(162)	1.990
Assets in financial lease	4.865	-	(6)	4.859	-	(475)	4.384
	9.417	**10**	**(151)**	**9.276**	**56**	**(834)**	**8.498**

The following is the depreciation movement as of March 31, 2022 and December 31, 2021, respectively:

(Stated in millions of Colombian pesos)

	December 31, 2021	Depreciation	Lows Write-offs	March 31, 2022
Transport equipment	117	-	-	117
Office equipment and accessories	1.578	10	-	1.588
Electronic equipment	1.374	20	(1)	1.394
Telecommunications equipment	816	53	(49)	820
Assets in financial lease	4.384	-	(6)	4.378
	8.269	**83**	**(56)**	**8.297**

	December 31, 2020	Depreciation	Write-offs	March 31, 2021
Transport equipment	117	-	-	117
Office equipment and accessories	1.721	54	(196)	1.578
Electronic equipment	1.227	299	(152)	1.374
Telecommunications equipment	912	52	(148)	816
Assets in financial lease	4.865	-	(481)	4.384
	8.842	**405**	**(977)**	**8.269**

All equipment of Credivalores is duly protected with current insurance policies. To protect its property and equipment, the Company took out insurance policies with Beckley International Insurance Colombia and Chubb de Colombia as of March 31, 2022 and December 31, 2021, which cover the risks of theft, fire, lightning strikes, explosions, earthquakes, strikes, revolts, etc.

Property and equipment include the values of furniture, computer equipment and improvements to rented property, which are used in the Company's normal course of business.

The Company's own property and equipment as listed above, are not in any way encumbered neither have they been delivered as collateral to guarantee any kind of obligation. The Company has also taken out insurance policies to protect these assets.

NOTE 12. PROPERTIES BY RIGHT OF USE

Below is the plant and equipment properties that the Company has as of March 31, 2022 and December 31, 2021, respectively:

	March 31, 2022	December 31, 2021
Assets		
Properties, Plant and Equipment (Right of Use)	3.682	4.298
Deferred tax asset	144	166
Liabilities		
Other financial liabilities - lease of use		
Currents	(1.754)	(2.044)
Non-current	(2.339)	(2.726)
Net	**(268)**	**(306)**

Properties and equipment include rights to use leases, in which the Company is the tenant, whose values are shown below:

	Rights of use Premises and Offices	Total
As of December 31, 2020		
Cost	9.296	9.296
Accumulated Depreciation	(3.276)	(3.276)
Net cost	6.020	6.020

(Stated in millions of Colombian pesos)

As of December 31, 2021		
Balance at the beginning of the year	6.020	6.020
Additions	434	434
Retreats	-	-
Transfers	-	-
Depreciation charge	(2.156)	(2.156)
Balance at the end of the year	4.298	4.298
As of December 31, 2021		
Cost	9.296	9.296
Accumulated Depreciation	(3.276)	(3.276)
Net cost	6.020	6.020
As of March 31, 2022		
Balance at the beginning of the year	4.298	4.298
Additions	-	-
Retreats	(91)	(91)
Transfers	-	-
Depreciation charge	(525)	(525)
Balance at the end of the year	3.682	3.682
As of March 31, 2022		
Cost	9.245	9.245
Accumulated Depreciation	(5.563)	(5.563)
Net cost	**3.682**	**3.682**

The maturities of financial leases range from 3 to 5 years.

In relation to the rights of use recorded in the property, plant and equipment accounts, financial leasing liabilities have been recorded which are included in other financial liabilities and which as of March 31, 2022 and December 31, 2021 have the following balances:

Lease liabilities	**March 31, 2022**	**December 31, 2021**
As December 31, 2021	**4.770**	**6.429**
Additions	-	434
Payments	(586)	(2.093)
Withdraws	(91)	-
As March 31, 2022*	**4.093**	**4.770**

- The net variation for the year corresponds to $677.

14.1 Statement of Results

	March 31, 2022
Depreciation fee - usage asset	525
Interest expense on lease liabilities	107
Variable lease expenses	180
	813

Total cash outings for leases as of March 31, 2022 were $1.389

Variable Leases

Credivalores determined variable leases, based on the landlord's preponderance in the disposal and use of the asset, in this classification are the points of sale located in the chain warehouses.

(Stated in millions of Colombian pesos)

Health Emergency Impact - COVID 19

During the 2022 period, no discounts have been made on leases recognized under IFRS 16, nor have modifications been made to the contracts in addition to what emerged in 2021.

NOTE 13. INTANGIBLE ASSETS

Below we present the company's other intangible assets as of March 31, 2022 and December 31, 2021, respectively:

March 31, 2022

	Initial Balance	Additions	Amortization	Closing Balance
Software Licenses	1.333	241	503	1.071
Acquired Trademarks	9.520	-	595	8.925
Database	18.166	-	189	17.976
Contracts	13.781	-	165	13.616
Other	867	1.324	1.259	932
Total	**43.667**	**1.565**	**2.712**	**42.520**

December 31, 2021

	Initial Balance	Additions	Amortization	Closing Balance
Software Licenses	1.261	2.101	2.029	1.333
Acquired Trademarks	11.900	-	2.380	9.520
Database	18.923	-	757	18.166
Contracts	14.399	-	618	13.781
Other	8.469	3.515	11.117	867
Total	**54.952**	**5.616**	**16.901**	**43.667**

The movement of amortization expenses for the period was as follows:

	March 31, 2022	December 31, 2021
Depreciation of brands	595	2.380
Amortization of exclusivity contracts, databases and licenses	858	3.400
Subtotal	**1.453**	**5.780**
Consultancies, free-standing trusts commissions, contributions	57	1.443
Investors	974	1.825
Fees	112	1.347
Insurance	116	6.502
Total	**1.259**	**11.117**

Based on the end of 2018 and 10-year projections adjusted to the performance of the business unit up to that date, the intangibles were prepared in the evaluation and valuation of intangibles through the construction of discounted cash flow projections.

By obtaining the value of the discounted projections, the flow was evaluated in an aggregate manner, and then the tangible assets on the balance sheet were deducted from the total business value, to identify the residual value against the estimated market value of the business. The difference that was obtained in the values, according to the economic and accounting literature, gave rise to the residual value of the intangibles.

It was concluded that the updated projections for the base year 2022 remain within the range initially estimated in 2018 of the Base Scenario, considering results obtained at the end of 2018 to 2022 and the future commercial expectations of placement and collection, and in accordance with the dynamics of growth, margin contribution and efficiency in expenses.

(Stated in millions of Colombian pesos)

Therefore, the conclusion of the Appraiser should not generate an adjustment in the initially estimated valuation, nor should an adjustment for impairment in the registered value of CrediUno's intangibles be included, since it is evident that the estimated results in 2018 remained in the lower range of projection even with the effects of the pandemic, and it is expected that by meeting the economic reactivation due to the cash needs of customers in the short and medium term, it would bring rewards in terms of projected profits of the operation within the estimated and initially projected range, considering the new growth curves and efficiency in commission income along with the reduction in expenses, thus preserving the operating margins initially estimated for valuation.

NOTE 14. CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of financial assets that have not yet expired and have also not suffered impairment losses is assessed on the basis of ratings given by external bodies or if they do not exist on the basis of internal categorizations defined on the basis of counterpart characteristics:

	March 31,	
	2022	**2021**
Cash and cash equivalents		
AAA	59.141	267.343
AA	101	1
Total cash and cash equivalents	**59.242**	**267.344**

	March 31,	
	2022	**2021**
Equity instruments (shares)		
Fair value financial assets through the other comprehensive results		
Financial sector	6.027	6.656
Total equity instruments	**6.027**	**6.656**

	March 31,	
	2022	**2021**
Debt instruments		
Financial assets at fair value through the statement of return		
AAA	22.114	12.065
Total debt instruments	**22.114**	**12.065**

NOTE 15. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

	March 31, 2022	**December 31, 2021**
ASSETS		
Hedge forward contracts (15.1)	-	8.013
Hedge Options (15.2)	129.876	138.380
Hedge Swaps (15.3)	82.032	208.774
Total	**211.908**	**355.167**
LIABILITY		
Forward Coverage (15.1)	8.460	-
Forward speculation	-	316
Total	**8.460**	**316**

(Stated in millions of Colombian pesos)

Movements for hedge accounting and investments in derivatives are provided below:

Hedging Operations

Credivalores activities are exposed to financial risks including liquidity risk, foreign currency risk and interest rate risks. Therefore, the administration and the Board of Directors have approved and implemented a financial risk management policy to mitigate the negative effects of financial market uncertainty and volatility on the company's financial performance. The financial risk management policy establishes the use of a wide variety of financial derivatives to cover the risks inherent in exchange rate fluctuations and the interest rate of financial obligations in currencies other than Colombian Pesos in the company's financial statements.

Credivalores used a Cross Currency Swap on principal and interest payments from the 9.75% Coupon Notes issued in July 2017 maturing in 2022 in the amount of $250,000,000 and a Coupon Only Swap and a Call Spread, which corresponds to a combination of options positions, to cover interest payments and the principal of the reopening of the Notes for US$75,000,000 held in February 2018. Subsequently, the Company executed several hedging operations to hedge the FX risk on the 8.875% Notes issued on February 7, 2020 and due in 2025, including a Cross Currency Swap on the principal and interests at maturity on US$100,000,000, a coupon only swap for US$200,000,000 to hedge interest payments at maturity and a call spread on the principal for US$200,000,000. Options are derivatives contracts through which the buyer acquires the right to buy or sell a financial asset or an underlying asset at a set strike price, at a specific date and periods. Under the option contract, the buyer pays the premium by acquiring a right to exercise the option and the seller receives the premium, acquiring an obligation to the buyer of the option.

In accordance with the guidelines of this policy, the following is the list of derivative instruments implemented and outstanding as of March 2022 to hedge the foreign currency and interest rate risks on the Notes maturing in 2022 and 2025:

Cross Currency Swaps

Theoretical Hedging				Annual Interest Rate			
Credivalores pays	Credivalores receives USD	Credivalores pays COP	Delivery	Effective Date	Maturity Date	Credivalores receivers	Credivalores pays
Principal and Coupon	95.315.000	265.274.035.950	Non-Delivery	27/01/2018	27/07/2022	9,75%	IBR+ 8,89%
Coupon	68.835.000	196.111.603.350	Non-Delivery	27/01/2018	27/07/2022	9,75%	IBR+ 5,12%
Principal and Coupon	100.000.000	341.600.000.000	Non-Delivery	7/02/2020	7/02/2025	8,875%	IBR+ 8,54%
Coupon	68.000.000	232.288.000.000	Non-Delivery	7/02/2020	7/02/2025	8,875%	IBR+ 5,10%
Coupon	50.000.000	170.750.000.000	Non-Delivery	7/02/2020	7/02/2025	8,875%	IBR+ 5,15%
Coupon	50.000.000	170.750.000.000	Non-Delivery	7/02/2020	7/02/2025	8,875%	IBR+ 4,995%

Type of Instrument	Credivalores' Position	Type of Option	Hedged amount USD	Effective Date	Maturity Date	Strike price COP	Delivery
Call Option	Buyer	European	US $ 37.500.000	22-mar-18	25-jul-22	$ 2.849,01	Non-Delivery
Call Option	Seller	European	US $ 37.500.000	22-mar-18	25-jul-22	$ 3.500,00	Non-Delivery
Call Option	Buyer	European	US $ 31.335.000	22-mar-18	25-jul-22	$ 2.849,01	Non-Delivery
Call Option	Seller	European	US $ 31.335.000	22-mar-18	25-jul-22	$ 3.500,00	Non-Delivery
Call Option	Buyer	European	US $ 68.835.000	13-sep-19	25-jul-22	$ 3.500,00	Non-Delivery
Call Option	Seller	European	US $ 68.835.000	13-sep-19	25-jul-22	$ 3.750,00	Non-Delivery
Call Option	Buyer	European	US$ 18.000.000	7-feb-20	7-feb-25	$ 3.415,00	Non-Delivery
Call Option	Buyer	European	US$ 50.000.000	7-feb-20	7-feb-25	$ 3.415,00	Non-Delivery

(Stated in millions of Colombian pesos)

Call Option	Buyer	European	US$100.000.000	7-feb-20	7-feb-25	$ 3.415,00	Non-Delivery
Call Option	Seller	European	US$100.000.000	7-feb-20	7-feb-25	$ 4.000,00	Non-Delivery
Call Option	Buyer	European	US$168.000.000	27-mar-20	7-feb-25	$ 4.000,00	Non-Delivery
Call Option	Seller	European	US$168.000.000	27-mar-20	7-feb-25	$ 4.500,00	Non-Delivery
Call Option	Seller	European	US $ 68.835.000	31-mar-20	25-jul-22	$ 4.300,00	Non-Delivery
Call Option	Buyer	European	US $ 68.835.000	31-mar-20	25-jul-22	$ 3.750,00	Non-Delivery
Call Option	Seller	European	US$ 18.000.000	7-feb-20	7-feb-25	$ 4.000,00	Non-Delivery
Call Option	Seller	European	US$ 50.000.000	7-feb-20	7-feb-25	$ 4.000,00	Non-Delivery

15.1 Forward Contracts for Hedging

The portfolio of derivative transactions presents assets valued according to the policy implemented and the fair value and cash flow valuation.

- **Fair-value hedge accounting**

Fair value

	March 31, 2022		**December 31, 2021**	
ASSETS	**Nominal Amount USD**	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Forward Contracts for Hedging				
Purchase of foreign currency	-	-	59	8.013
Total forward contracts for hedging – assets	**-**	**-**	**59**	**8.013**

Stated in USD expressed in million

	March 31, 2022		**December 31, 2021**	
Liabilities	**Nominal Amount USD**	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Forward coverage contracts				
Buying foreign currency	75	8.460	-	-
Total forward derivatives of passive hedging	**75**	**8.460**	**-**	**-**

15.2 Derivate Financial Instruments Options

The activities carried out by Credivalores generated significant positions in the derivatives portfolio, performing transactions for hedging purposes where the underlying assets are exchange rates and interest rates. Options are contracts between two parties, one of them has the right but not the obligation, to carry out an operation of purchase or sale according to previously agreed terms.

The company closed operations with options as derivative financial instruments to manage and mitigate the fluctuations in the fair value of the debt in the P&L. The options are measured through cash flow coverage.

(Stated in millions of Colombian pesos)

Detail of derivative with options financial instruments and their accounting is as follows:

	Fair value			
	March 31, 2022		**December 31, 2021**	
ASSETS	**Nominal Amount USD**	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Call spread premium option	35	129.876	35	138.380
Total forward contracts for hedging – assets	**35**	**129.876**	**35**	**138.380**

Options Contracts for Hedging

Trading derivative instruments with options covers the debt (capital only) position of the 144 A/Reg S ratio with a coupon of 9.75% and 8.875% with maturity in 2022 and 2025 and issued on February 14, 2018 and February 07, 2020 for a face value of US$ 75,000,000 and US$ 168,000,000. These financial instruments are valued under the methodology and market value provided by counterparties, the type of measurement is cash flow.

The Company will maintain derivative financial instruments, to cover the foreign currency risk exposure until maturity, which corresponds to the expiration of the Notes that are being covered by this instrument. The objective and strategy of the administration is to analyze and evaluate the appropriate method for the valuation of financial instruments, depending on the type of operation and negotiation carried out.

15.3 Derivate Financial Instruments Cross Currency Swap

Credivalores, executed operations with derivative financial instruments to manage and mitigate the fluctuations in the fair value of the debt position in the P&L. The cross-currency swaps in place hedge the exposure to the risk of exchange rate, which is measured at market (fair value hedging) value, which is measured as a cash flow hedge.

Derivative financial instruments through cross currency swaps and its hedge accounting is the following:

	Fair value			
	March 31, 2022		**December 31, 2021**	
ASSETS	**Nominal Amount USD**	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Hedging Contracts Cross Currency Swaps (a)	31	118.207	48	191.802
Hedging Contracts Coupon Only Swap (b)	(10)	(36.175)	4	16.972
Total forward contracts for hedging – assets	**21**	**82.032**	**52**	**208.774**

Credivalores will keep the cross-currency swaps, to hedge the exposure to foreign currency and interest rate risk until maturity, in line with the maturity of the Notes hedged.

a. **Cross currency swap hedging contracts**

Trading derivative instruments through cross currency swaps covers the debt (capital and interest) position of Notes 144 A/Reg S issued on July 27,2018 due in 2022 for a face value of US$ 250,000,000 with a coupon rate of 9.75% and Notes 144 A/Reg S issued on February 7,2020 due in 2025 for a face value of US$100,000,000 with a coupon rate of 8,875%. With respect to Notes 144 A/Reg S due in 2022 and coupon of 9.75%, in February 2020 the amount of principal and coupons covered at maturity with coupon only swaps was adjusted after a repurchase transaction ("Tender Offer") of these Notes was completed for US$154,685,000 principal.

(Stated in millions of Colombian pesos)

b. Coupon only swaps hedging contracts

The derivatives transaction through a coupon only swaps hedges interest payments from the reopening of Notes 144 A/ Reg S due in 2022 made on February 14,2018 with coupon of 9.75% for a face value US$75.000,000 and Notes 144 A /Reg S due in 2025 made on February 7,2020 with coupon of 8,875% for a face value of US$200,000,000. With respect to Notes 144 A/Reg S due in 2025 and coupon of 8.875%, in June 2020 the amount of coupons covered at maturity with coupon only swaps was adjusted after a repurchase trade on the secondary market of these Notes was completed for US$32,000,000 and US$6,165,000 principal.

NOTE 16. FINANCIAL OBLIGATIONS

Below, we present the balances of financial obligations as of March 31, 2022 and December 31, 2021

	March 31, 2022	December 31, 2021
144 A / Reg S Bonds	1.623.168	1.720.458
ECP Program Notes	281.702	298.587
Ordinary Local Bonds- FNG Partial Guarantee	52.900	52.900
Financial obligations in autonomous assets	302.099	252.296
Promissory notes national banks	78.591	82.721
Joint operations activities	101.571	-
Transaction costs	(58.570)	(61.792)
	2.381.441	**2.345.170**

The balances of Credivalores' financial obligations and the Autonomous Assets of which he is trusting at court March 31, 2022 and December 31, 2021, correspond to obligations incurred with financial institutions in the country and obligations in the foreign capital market and financial leasing. Short-term credit obligations are cancelled between December 2020 and March 2022 and credits that have a maturity after March 2022, respectively, are considered long-term:

a) Short-term financial obligations.

Entity	March 31, 2022	Interest rate	Maturity	December 31, 2021	Interest rate	Maturity
Banco de Bogotá	1.659	IBR+2.5%	2023	271	IBR+1.25%	2022
Banco de Occidente	11.697	IBR+3.53%	2022al2023	10.271	IBR+2.5%	2022
Bancolombia	9.995	IBR+7.95%	2022	9.995	IBR+7.95%	2022
JP Morgan Colombia	22.730	13% EA	2022	36.500	10%EA	2022
Coltefinanciera	8.491	14.68% EA	2022			
Total National Entities	**54.572**			**57.037**		
ECP Program Notes	281.702	8.5% NA	2023	199.058	8,5%EA	2022
Total ECP Program Notes	**281.702**			**199.058**		

Entity	March 31, 2022	Interest rate	Maturity	December 31, 2021	Interest rate	Maturity
9.75% Bonds due July 2022 (144 A/Reg. S Bonds)	358.006	9.75%NA	2022	379.464	9.75%EA	2022
Reopening of 9.75% Bonds due July 2022 (144 A/Reg. S)	258.546	9.75%NA	2022	274.043	9.75%EA	2022
Total International Bonds	**616.552**			**653.507**		

Entity	March 31, 2022	Maturity	Expiration	December 31, 2021	Interest rate	Maturity
Free-standing Trust Crediuno IFC	4.411	DTF + 5.5%	2023	-		
TotalFree-standing Trusts	**4.411**			**-**		

Total short-term obligations	**957.238**			**909.602**		

(Stated in millions of Colombian pesos)

Credivalores has short-term financial obligations, during the periods ended March 31, 2022 and December 31, 2021 for a value of $957.238 and $909.602, respectively. The measurement of passive financial instruments of financial obligations, are valued under amortized cost as stable IFRS 9. On August 26, 2021, Credivalores signed a short-term credit agreement with Banco JP Morgan Colombia S.A. for an amount of $36.5 billion pesos with maturity in February 2022. Under the signed contract Credivalores undertakes to deliver as collateral the rights, ownership and interest corresponding to the general intangible assets related to the fair market price that is determined for the settlement of the current hedging operations with JP Morgan Chase Bank N.A. under the *ISDA Master Agreement* signed between the two parties on December 13, 2017 (Mark-to-Market) in the same amount of the aforementioned credit. In March 2022, Credivalores prepaid $13.77 billion of this loan.

b) Long-term obligations

The Company had long-term financial obligations during the periods ended March 31, 2022 and December 31 2020 totaling 1.482.490 and 1.497.360, respectively. Associated costs incurred in the acquisition of loans are classified as transaction costs pending IFP amortization for the periods ended March 31, 2022 and December 31, 2021, valued at 54.219 and 61.792, respectively. The measurement of financial liability instruments for financial obligations is valued at amortized cost, as per IFRS 9.

The total balance of financial obligations for the periods ended March 31, 2022 and December 31, 2021 is 2.385.508 and 2.345.170 respectively, which will be paid off as described above.

Entity	March 31, 2022	Interest rate	Maturity	December 31, 2021	Interest rate	Maturity
Banco de Bogotá	5.210	IBR+5.50%	2023	5.210	IBR+5.5%	2023
Bancolombia	27.299	IBR+7.96%	2023 al 2024	20.475	IBR+7.65%	2023
Total National Entity	**32.509**			**25.685**		
ECP Program Notes	-			99.529	8,75%EA	2023
Total ECP Program Notes	**-**			**99.529**		

Entity	March 31, 2022	Interest rate	Maturity	December 31, 2021	Interest rate	Maturity
Free-standing Trust Syndicated Loan TuCrédito	297.687	DTF-IBR+5.5%	2023 to 2027	252.296	DTF-IBR+5.5%	2023 to 2025
Free-standing Trust payroll Credivalores	93.061	IBR+8%	2027	-		
Total PA	**390.748**			**252.296**		

Entity	March 31, 2022	Interest rate	Maturity	December 31, 2021	Interest rate	Maturity
8.875% Bonds due February 2025 (144 A/Reg. S Bonds)	1.006.616	8.88% NA	2025	1.066.951	8,875% EA	2025
Domestic Bonds Guaranteed by the FNG	52.900	9.10% EA	2024	52.900	9,1%EA	2024
Total Bonds	**1.059.516**			**1.119.851**		

Total long-term obligations	**1.482.773**			**1.497.361**		
Transaction costs	(58.570)			(61.793)		
Total financial obligations	**2.381.441**			**2.345.170**		

- The item for rights of use for the periods ended March 31, 2022 and December 31, 2021 correspond to 4,093 and 4,770 respectively.

On August 26, 2021, CV issued the first tranche of its inaugural domestic bond issuance of ordinary bonds with a partial guarantee from the FNG in the Colombian debt capital market.

(Stated in millions of Colombian pesos)

The total amount of the issuance, authorized by the Financial Superintendence of Colombia in June 2021, is $160,000 million pesos and in August 2021 the Company placed the first tranche of bonds for an amount of $52,900 billion pesos with a 3-year term and a 9.10% coupon

The transaction was 1.51 oversubscribed since the Company offered COP$35 billion to the market. The domestic bond issuance has a partial irrevocable guarantee from the FNG for 70% on the principal and interests of the bonds and was rated ´AA (col)´ by Fitch Ratings Colombia.

The proceeds of the first tranche of the bond issuance will support the growth of Credivalores' operation in Colombia providing payroll and consumer loans to the low and middle-income part of the population using digital channels.

Obligations stated in foreign currency

Entity	Nominal Value as of March 31, 2022		Nominal as of Value December 31, 2021	
ECP Program Notes (a)	75	281.702	75	298.587
144 A/ Reg S Bonds (b)	432	1.623.168	432	1.720.458
Total	**USD 507**	**COP 1.904.870**	**USD 507**	**COP 2.019.045**

(a) Euro Commercial Paper Program Notes

The Euro Commercial Paper Program (ECP Program) has a US$150,000,000 maximum outstanding amount.

In April 2021 CV issued a new note under the ECP Program due October 28, 2022 for an amount of US$50,000,000 and a coupon of 8.50% with quarterly interest payments. In that same month, a US$40,000,000 note with a coupon of 8.25% issued in April 2018 matured. In September 2021 CV issued a new US$25,000,000 note with a maturity in March 2023 and a coupon of 8.75%. In that same month, a US$20,000,000 note issued in June 2020 with a coupon of 8.50% matured. The resources of the September issuance were used to finance the loan portfolio growth and for general corporate uses.

As a result of amortization principal and issuance of new notes under the ECP Program, the total outstanding balance as of March 31, 2022 is US$75,000,000.

(b) Issuance of bonds

On July 27, 2017 Credivalores issued its inaugural senior unsecured 144A / Reg S notes (the "Notes") due July 27, 2022 for US$250,000,000 with a coupon of 9.75% and a yield of 10.0%. The Notes are payable semi-annually in arrears on January 27 and July 27 of each year, beginning on January 27, 2018. The proceeds from this issuance were used to refinance existing indebtedness, including mostly secured debt, and the remainder, if any, for general corporate purposes.

According to the "Description of the Notes" of the Offering Memorandum, the Company may redeem the Notes, in whole or in part, at any time on or after July 27, 2020, at the applicable redemption prices set forth in the Offering Memorandum, plus any additional amounts then due and accrued and unpaid interest to, but excluding, the date of redemption. Prior to July 27, 2020, we may also redeem the notes, in whole or in part, at a redemption price equal to 100% of their principal amount plus a "make-whole" premium, plus any additional amounts then due and accrued and unpaid interest to, but excluding, the date of redemption. In addition, at any time on or prior to July 27, 2020, Credivalores may redeem up to 35% of the Notes using the proceeds of certain equity offerings at a redemption price equal to 109.750% of their principal amount, plus any additional amounts then due and accrued and unpaid interest to, but excluding, the date of redemption. In addition, in the event of certain changes in the Colombian withholding tax treatment relating to payments of interest on the Notes, Credivalores may redeem the Notes, in whole but not in part, at 100% of their principal amount, plus any additional amounts then due and accrued and unpaid interest to, but excluding, the date of redemption. If a change in control occurs with respect to us, unless the Company has exercised the option to redeem the Notes, each holder of the Notes will have the right to require us to repurchase all or any part of that holder's Notes at 101% of the aggregate principal amount of

(Stated in millions of Colombian pesos)

Notes repurchased, plus any additional amounts then due and accrued and unpaid interest to, but excluding, the date of repurchase.

The Notes will be senior unsecured general obligations and will (i) rank equally in right of payment with all of the Company's other existing and future senior indebtedness (subject to certain obligations for which preferential treatment is given under Colombian insolvency laws); (ii) rank senior in right of payment to the Company's existing and future subordinated indebtedness, if any; (iii) be effectively subordinated in right of payment to all of the Company's existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness, including all indebtedness and other liabilities of any free-standing trusts (patrimonies autonomous); and (iv) be structurally subordinated to all existing and future indebtedness and trade payables of any of our subsidiaries that are not guarantors. The notes will not be entitled to any sinking fund.

No public market currently exists for the Notes. The Notes have been registered in Singapore Exchange Securities Trading Limited (the "SGX-ST").

The Notes were not and will not be registered in the Colombian National Register of Securities and Issuers (or the "RNVE"), therefore, they will not be offered to the public in the Republic of Colombia ("Colombia"). Notes will not be listed on the Colombian Stock Exchange. The Notes may be offered to persons in Colombia through private placement. The offer is not subject to review or authorization by the Financial Superintendency of Colombia.

In addition, on February 14, 2018 Credivalores reopened these Notes for an additional amount of US$75,000,000, bringing the total issued to US$ 325,000,000, taking into account the original issue. The Notes were reopened with a yield of 8.625% and a price of 104.079%. Reopening resources were used to refinance existing non-collateralized indebtedness and surpluses were used for the company's general purposes.

Following we present past coupons payments of the 144A / Reg S notes, since its issuance:

Principal	Coupon	First Coupon Payment – 27/01/2018	Second Coupon Payment - 27/07/2018	Third Coupon Payment - 27/01/2019	Fourth Coupon Payment - 27/07/2019	Fiveth Coupon Payment - 27/01/2020
250.000.000	9,75%	12.187.500	12.187.500	12.187.500	12.187.500	12.187.500
75.000.000	9,75%		3.656.250	3.656.250	3.656.250	3.656.250
	Total in USD	**12.187.500**	**15.843.750**	**15.843.750**	**15.843.750**	**15.843.750**
	FX Rate	2.805,40	2.882,84	3.160,52	3.213,09	3.353,76
	Total in Pesos	**34.191.812.500**	**45.674.996.250**	**50.074.488.750**	**50.907.394.688**	**53.136.135.000**

Principal	Coupon	Sixth Coupon Payment - 27/07/2020	Seven Coupon Payment - 27/01/2021	Eighth Coupon Payment- 27/07/2021	Nineth Coupon Payment - 27/01/2022
250.000.000	9,75%	4.646.606	4.646.606	4.646.606	4.646.606
75.000.000	9,75%	3.656.250	-	-	-
68.835.000	9,75%	-	3.355.706	3.355.706	3.355.706
	Total in USD	**8.302.856**	**8.002.313**	**8.002.313**	**8.002.213**
	FX Rate	3.660,15	3.591,48	3.904,17	3.947,83
	Total in Pesos	**30.389.698.303**	**28.740.145.298**	**31.242.388.393**	**31.591.769.357**

(Stated in millions of Colombian pesos)

Principal	Coupon	First Coupon Payment - 07/08/2020	Second Coupon Payment - 07/02/2021	Third Coupon Payment - 07/08/2021	Fourth Coupon Payment - 07/02/2022
280.000.000	8,875%	11.892.500	11.892.500	11.892.500	11.892.500
	Total in USD	**11.892.500**	**11.892.500**	**11.892.500**	**11.892.500**
	FX Rate	3.775,95	3.543,28	3.949,33	3.962,68
	Total in Pesos	**44.905.485.375**	**42.138.457.400**	**46.967.407.025**	**47.126.171.900**

On January 17, 2020, CVCS launched a repurchase offer (Tender Offer) and a request to remove covenants ("Consent Solicitation") for all or a portion of the principal of the 9.75% 144A / Reg S Notes due in July 2022. The repurchase offer was contingent on the fulfilment of the condition of a new issuance of bonds in the international capital market. The elimination of covenants would materialize if more than 51% of the principal of the outstanding Notes were tendered. The repurchase offer was launched with an initial price of $1,055 for every $1,000 principal of the 9.75% Notes due 2022 applicable during the early period of participation ("Early Tender Time") that ran until January 31, 2020 and then the price would fall to $1,005 for every $1,000 principal of the Notes during the late tender period that lasted until February 14, 2020. During the early tender period a total of US$154,035,000 of principal were tendered and repurchased and then during the late tender period an additional US$650,000 were

tendered and repurchased. The principal amount repurchased on the 9.75% Notes due 2022 Notes accounted for 47.6% of the US$325,000,000 outstanding as of the end of September 30, 2019. Therefore, the covenants applicable under the Description of the Notes ("Description of the Notes") of the Offering Memorandum of the 9.75% Notes due 2022 remain in effect without modification.

Once the early tender period concluded, CVCS launched a new 144A / Reg S Note in the international capital market for a total amount of US$300,000,000, a coupon of 8.875% and yield of 9% and a final maturity on February 7th, 2025. The 8.875% Notes pay interests on a semiannual basis on February 7 and August 7 of each year, starting August 7, 2020. The use of proceeds from this issuance was to repurchase the 9.75% Notes due 2022 tendered under the repurchase offer referred to above, to refinance existing debt under the ECP Program and for general corporate purposes. Once this liability management transaction was completed on February 7, 2020, the new outstanding principal of the 9.75% Notes due 2022 is US$164.150.000.

In accordance with the "Description of the Notes" of the Offering Memorandum of the 8.875% Notes due 2025, the Company may redeem the Notes, in whole or in part, at any time from February 7, 2023, at the redemption prices stipulated in the Offering Memorandum, plus any additional amounts then owed and interest accrued and unpaid, until the date of redemption. It is also possible to redeem the notes before February 7, 2023, in whole or in part, at a price equal to 100% of your capital amount plus a make-whole premium, in addition to any additional amount then owed plus accrued and unpaid interest, up to the date of redemption. In addition, at any time until February 7, 2023, CVCS may redeem up to 35% of the Notes using resources from stock sales or equity offers at a redemption price of 108.875% of its capital amount, plus any additional amount then owed plus accrued and unpaid interest, up to the date of redemption. Moreover, in the event of certain changes in the tax treatment of withholding tax in Colombia in relation to interest payments on the Notes, CVCS may redeem them, in full, but not in part, at a price of 100% of their capital amount, in addition to any additional amount then owed plus interest accrued and unpaid, until the date of redemption. In the event of a change of control in the entity, unless the Company has chosen to redeem the Notes, each holder of the Notes will have the right to require that the Company purchase all or a portion (in minimum principal amounts of US$200,000 and integral multiples of US$1,000 in excess thereof) of the holder's notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest thereon and any Additional Amounts, if any, to, but excluding, the date of purchase.

The Notes due in 2025 will be future and unsecured obligations and (i) will have the same priority as to the right of payment as all other existing and future debt obligations of the Company (subject to certain obligations under which they are given preferential treatment in accordance with Colombia's insolvency laws); (ii) shall have a higher payment priority than the Company's existing and future subordinated debt obligations, if any; (iii) shall be subject, as regards the right of payment, to all existing and future indebtedness obligations, without guarantee, of the Company, to the extent of the value of the assets guaranteeing such indebtedness, including any debt, liabilities and autonomous assets; and (iv) shall be structurally subordinate to all existing and future payment obligations and to the commercial payable accounts of any of our non-guarantor subsidiaries. Notes shall not be entitled to any depreciation fund.

(Stated in millions of Colombian pesos)

The principal and coupons of the 8.875% Notes due in February 2025 were hedged by using cross currency swaps and call spreads at maturity.

During April and May 2020, Credivalores engaged in Open Market Repurchases (”OMR”)of the 8.875% Notes due 2025 through a broker. The total principal amount of the 8.875% Notes due 2025 repurchased through OMRs reached US$32,000,000 and the Notes repurchased were cancelled on September 30th, 2020. Consequently, as of March 31, 2022 the new outstanding amount of the 8.875% Notes due 2025 was US$268.000.000.

Covenants

The package leaflet for Notes 144A / Reg S contains certain restrictive covenants, which within other things, limit our ability to (i) incur additional debt, (ii) make dividend payments, redeem capital and make some investments, (iii) transfer and sell assets, (iv) sign any type of agreement that could limit the ability of subsidiaries to pay dividends or make capital distributions, (v) create collateral or pledge assets, (vi) conduct consolidation, merger or sale of assets, and (vii) transact with affiliates. The "Indenture" contract governing the Notes contains traditional default events.
These same covenants and conditions of the Indenture were reflected in the documentation of Notes 144 A / Reg S due in 2025 for US $ 300,000,000, which at the end of march 2022 had a current amount of US $ 268,000,000.

During the year 2021 and as of March 31, 2022 CVCS complied with the covenants related to Notes 144 A / Reg S due in 2022 and 2025. In view of the fact that the credit indexed to pesos with the IFC was fully amortized in January 2021, the covenants stated above were not in force at the end of March 2022.

- **IFP Financial Cost**

The funds received from loans acquired from financial institutions are used for portfolio origination and to handle various lines of working capital, which helps to maintain a degree of liquidity for the Company. The loans are represented by promissory notes wherein both parties establish the payment conditions, including maximum amount, amount, interest rate and duration. The financial cost of financial obligations for the periods ended March 31, 2022 and March 31, 2021:

	March 31, 2022	**March 31, 2021**
Free-standing trusts	7.571	5.136
Local banks	2.146	1.045
Foreign currency obligation	6.248	5.661
Financial cost Derivatives	7.895	1.472
Issuance of bonds	37.518	38.090
Issuance of local bonds	1.190	-
Amortization Transaction costs	7.573	6.819
Interest for liabilities for lease and finance lease agreements	107	172
Total	**70.248**	**58.395**

The financial obligations and Free-standing Trusts of Credivalores that are recognized in local and foreign currencies will be recognized at the beginning of the transaction at their amortized value, net of costs incurred in the transaction which are attributable at the time of issuance. The difference between funds received (net of transaction costs) and the redemption value is recognized in the Income Statement for the corresponding period, using the effective interest method.

(Stated in millions of Colombian pesos)

NOTE 17. EMPLOYEE BENEFITS

Under Colombian labor law and based on labor conventions employees are entitled to short-term benefits such as: wages, holidays, statutory bonuses, severance payment, and interest on severance pay.

Below is a breakdown of employee benefit payments as of March 31, 2022 and December 31, 2021:

	March 31, 2022	December 31, 2021
Interest on severance pay	3	42
Pension funds	116	-
Salaries	72	-
legal premium	109	-
Severance pays	109	367
Holidays	572	586
	981	**995**

The current component of employee benefits must be paid within the twelve months following the reporting period.

The company within its compensation policies has no post-employment benefits.

NOTE 18. OTHER PROVISIONS

Credivalores provisions as of March 31, 2022 and December 31, 2021, respectively are provided below.

	March 31, 2022	December 31, 2021
Litigations subject to executive proceedings	705	705
Other provisions	4.479	213
	5.184	**918**

The movement of legal and other provisions are provided below for the periods ended March 31, 2022 and December 31, 2021:

	Legal provisions	Other provisions	Total provisions
Balance held at December 31, 2021	**705**	**213**	**918**
Increase in provisions during the period	-	4.266	4.266
Balance held at March 31, 2022	**705**	**4.479**	**5.184**

	Legal provisions	Other provisions	Total provisions
Balance held as of December 31, 2020	**199**	**7.171**	**7.370**
Recovered provisions	506	(6.958)	(6.452)
Balance held as of December 31, 2021	**705**	**213**	**918**
Recovered provisions	-	4.266	4.266
Balance held as of March 31, 2022	**705**	**4.479**	**5.184**

The provisions correspond mainly to labor, civil and administrative proceedings brought by third parties against Credivalores on which provisions were recognized as of December 31, 2021 by 705 and were not increased according to the probability of occurrence for the period ended March 31, 2022. For these provisions it is not possible to determine a disbursement schedule due to the diversity of processes in different instances.

(Stated in millions of Colombian pesos)

However, Credivalores does not expect significant changes to the amounts provisions as a consequence of the outflows applicable to each proceeding. The expected time of resolution is uncertain since each proceeding is taking place in different instances.

NOTE 19. ACCOUNTS PAYABLE

Below, we detail the balance of accounts payable has Credivalores March 31, 2022 and December 31, 2021, respectively:

	March 31, 2022	December 31, 2021
Leases	1	2
Suppliers	54	23
Commission and fees	1.842	5.204
Withholdings and labor contributions	267	1.282
Other accounts payable (19.2)	27.701	27.614
Costs and expenses payable (19.1)	56.129	117.009
	85.994	**151.134**

19.1 Costs and expenses payable

	March 31, 2022	December 31, 2021
Services	891	2.153
Others	26.689	42.787
Financial expenses	28.549	72.069
	56.129	**117.009**

19.1.1 Other

	March 31, 2022	December 31, 2021
Technical Service Providers	3.736	7.763
Fiduciary services	148	83
Representation and public relations expenses	7	-
Call Options Premiums	22.798	34.940
	26.689	**42.787**

19.1.2 Financial Expenses

	March 31, 2022	December 31, 2021
Bank interests	399	1.382
Bank interest free standing trusts	1.100	722
Foreign currency interests	3.069	3.253
Coupon bonuses	23.556	65.104
Coupon ordinary bonds local issue	425	1.608
	28.549	**72.069**

(Stated in millions of Colombian pesos)

19.2 Other accounts payable

	March 31, 2022	December 31, 2021
Against Visa vrol positions	22	4
Third party administrative payments	65	49
Crediuno Disbursements	93	158
Different	245	232
TIGO Withdrawal	1.210	1.184
Credipoliza Withdrawals	1.975	1.979
Account payable free-standing trusts	-	2.263
Crediuno Refunds	2.919	2.378
Payroll Loan Disbursement CDS	5.946	4.584
Collection in favor of third parties	4.593	4.932
Payroll Loan CDS Refund	10.633	9.849
	27.701	**27.612**

NOTE 20. CURRENT AND DEFERRED TAX LIABILITIES

The expense for current and deferred income tax will be recognized in each of the interim accounting periods, on the best estimate of the tax rate expected for the annual accounting period.

The amounts calculated for the tax expense in this interim accounting period may need to be adjusted in later periods provided that the estimates for the annual period change by then. When calculating the effective rate of taxation for the periods with cut-off to March 31, 2022 and March 31, 2021 was 38% and 63% respectively, presenting a decrease of 25% mainly due to a decrease in non-deductible expenses.

According to article 188 of the National Tax Statute, from taxable year 2021 the percentage of presumptive income is zero (0%) of the liquid assets of the last day of the immediately preceding taxable year. Credivalores for this period provisioned 38% of the tax, in relation to the profit of the year.

NOTE 21. OTHER LIABILITIES

Below the detail of other liabilities:

	March 31, 2022	December 31, 2021
Commission commercial force	35	16
Credit card guarantee	1.306	912
Checks pending collection	1.955	754
Collections of managed loan portfolios	7.162	6.973
Values received for third parties	23.344	15.102
Collections pending application	28.425	18.243
Total	**62.227**	**42.000**

21.1 Values received for third parties

Below the detail of other Values received for third parties

	March 31, 2022	December 31, 2021
Free-standing trusts collections	15	-
Retailers collections	22	22
Voluntary and mandatory insurance collections	3.443	2.584
FGA guarantees' collections	19.864	12.496
Total Values received for third parties	**23.344**	**15.102**

(Stated in millions of Colombian pesos)

(a) This value corresponds to the security claim pending payment to the FGA and to compensate with claims.

NOTE 22. EQUITY

Capital

Credivalores objective is to safeguard its capacity to continue as a business enterprise and maintain a financial structure that optimizes the cost of capital and maximizes returns for shareholders. The Company's capital structure encompasses and includes the subscribed capital, retained earnings and reserves.

Capital management objectives are met by managing the portfolio as authorized by law and maintaining a consistent pace of generating profits from its structural revenue (portfolio interests and returns on investments) which results in institutional strengthening and provides the Company an opportunity to maintain its dividend distribution policy among its shareholders.

For the reporting periods, Credivalores indeed complied with the required minimum capital in the relation of solvency required by legal provisions and mandatory investments.

Authorized, and Paid in Capital

As of March 31, 2022 and December 31, 2021 Credivalores authorized and paid in capital is $**135.194** represented in **4.784.954** shares, each of a nominal value of 28.254; respectively.

Credivalores-Crediservicios S.A.

Shareholder	March 31, 2022 Number of shares	%	December 31, 2021 Number of shares	%
Acon Consumer Finance Holdings S de RL	954.197	19.94%	954.197	19.94%
Crediholding S.A.S.	1.642.120	34.32%	1.642.120	34.32%
Lacrot Inversiones 2014 SLU	1.747.109	36.51%	1.747.109	36.51%
Acon Consumer Finance Holdings II S L	201.887	4.22%	201.887	4.22%
Direcciones de Negocio S.A.S.	1	0.00%	1	0.00%
Treasury shares	239.640	5.01%	239.640	5.01%
Total	**4.784.954**	**100%**	**4.784.954**	**100%**

The number of shares authorized, issued and outstanding as of 31 March 2022 and 31 December 2021, is as follows:

	March 31, 2022	December 31, 2021
Number of authorized shares	6.469.661	6.469.661
Subscribed and paid shares	4.784.954	4.784.954
Nominal value	28.254	28.254
Subscribed and paid capital (nominal value)	135.194	135.194
Paid-in capital	71.170	71.170
Total capital plus premium	**206.364**	**206.364**

(Stated in millions of Colombian pesos)

According to minutes 64 held on December 13, 2021, capitalization is made by 196,654 shares for a total value of $61,021 per share, of which $28,254 corresponds to the nominal value and $32,767 to the premium in placement of shares.

The following is a breakdown of the basic earnings per share:

	March 31, 2022	December 31, 2021
Ordinary shares (a)	2.278.169	2.081.515
Preferred shares (a)	2.506.785	2.506.785
Repurchased treasury shares	239.640	239.640
Total earnings per share	**254**	**90**

(a) The value of the shares as of March 31, 2022 and March 2021 correspond to the total number of outstanding shares held by Credivalores,4.784.954 and 4.588.300.

As per the Company´s bylaws, both common and preferred stock have the same decision power and rights, and the preference of those shares is given by its hierarchy in the payment of dividends when declared by the Assembly and by the preferred right in the reimbursement in case of liquidation.

March 31, 2022

Share capital							
Name of Entity	**Preference shares A**	**Preference shares B**	**Preference shares C**	**Treasury Shares**	**Common Shares**	**Total**	**%**
Acon Consumer Finance Holdings S de R.L.	835.834	-	-	-	77.079	954.197	19.94%
Credilholding S.A.S	-	-	-	-	1.571.073	1.642.120	34.32%
Lacrot Inversiones 2014 S.L.U.	-	923.665	563.119	-	184.736	1.747.109	36.51%
Treasury Shares	-	-	-	239.640	-	239.640	5.01%
Acon Consumer Finance Holdings II, S.L.	-	184.167	-	-	8.986	201.887	4.22%
Direcciones de Negocio S.A.S.					1	1	0.00%
Total	**835.834**	**1.107.832**	**563.119**	**239.640**	**1.841.875**	**4.784.954**	**100.00%**

December 31, 2021

Share capital							
Name of Entity	**Preference shares A**	**Preference shares B**	**Preference shares C**	**Treasury Shares**	**Common Shares**	**Total**	**%**
Acon Consumer Finance Holdings S de R.L.	835.834	-	-	-	77.079	954.197	19.94%
Credilholding S.A.S	-	-	-	-	1.571.073	1.642.120	34.32%
Lacrot Inversiones 2014 S.L.U.	-	923.665	563.119	-	184.736	1.747.109	36.51%
Treasury Shares	-	-	-	239.640	-	239.640	5.01%
Acon Consumer Finance Holdings II, S.L.	-	184.167	-	-	8.986	201.887	4.22%
Direcciones de Negocio S.A.S.					1	1	0.00%
Total	**835.834**	**1.107.832**	**563.119**	**239.640**	**1.841.875**	**4.784.954**	**100.00%**

Treasury shares

	March 31, 2022	December 31, 2021
Treasury Shares Reserve	12.837	12.837
(Treasury Shares)	(12.837)	(12.837)
Total	**-**	**-**

The CVCS General Shareholders' Meeting on April 2 of 2014, decided to establish a special reserve in the amount of 12,837 for the reacquisition of 239,640 shares. This reserve is in accordance with Articles 396 and 417 of the Commercial Code.

(Stated in millions of Colombian pesos)

Reserves

Equity reserves as of March 31, 2022 and December 31, 2021 were comprised of the following:

	March 31, 2022	December 31, 2021
Legal reserve	11.017	11.017
Reserve to repurchased treasury shares	12.837	12.837
Occasional reserves	21	21
Total Reserves	**23.875**	**23.875**

Legal reserve

The Company is obliged to appropriate as a legal reserve 10% of its annual net profits, until the balance of the reserve is equivalent to 50% of the subscribed capital. The reserve is not distributable prior to the liquidation of the Company, but may be used to absorb or reduce losses. Appropriations made in excess of the aforementioned 50% are freely available by the general assembly.

In accordance with the decision taken at the general assembly, held on April 20, 2021, it was decreed that the profits of the year 2020 will be used to increase the reserve by $5,224.

Other reservations

The other appropriate reserves directly from the accumulated profits can be considered as reserves of free availability by the General Meeting of Shareholders.

NOTE 23. OTHER COMPREHENSIVE INCOME (OCI)

We present the detail below:

	March 31, 2021	December 31, 2021
Tax	25.945	20.223
Income tax OCI	**25.945**	**20.223**
Other comprehensive income	**(76.318)**	**(57.097)**
Shares	955	955
Financial instruments	**(77.273)**	**(58.052)**
Financial instruments Forward	(1.987)	(461)
Financial instruments Cross Currency Swap	(7.348)	18.902
Financial instruments Options	(29.826)	(81.386)
Financial instruments Coupon Only swap	(38.112)	4.893
Total	**(50.373)**	**(36.874)**

(Stated in millions of Colombian pesos)

NOTE 24. REVENUE

Below, is a detail of revenue for the three and period ended March 31, 2022 and 2021:

	March 31, 2022	March 31, 2021
Interests	85.971	84.479
Interest expense	(19)	(35)
Subtotal Interests (24.1)	**85.952**	**84.444**
Revenue from customer contracts (24.2)	29.726	26.341
	115.678	**110.785**

24.1 Interest

	For the quarter ended March 31	
	2022	2021
CrediUno interest	31.800	22.588
CrediPóliza interest	16	950
TuCrédito interest	9.390	12.556
Tigo interest	2.272	2.565
TuCredito transaction costs	(1.367)	(6.583)
CrediPoliza transaction costs	(1)	(49)
CrediUno transaction costs	(3.562)	(2.654)
TuCredito fair value	-	708
Sub-total Consumer loans	**38.548**	**30.081**
CrediPoliza late payment interest	51	123
TuCredito late payment interest	343	268
Consumer loan defaults	**394**	**391**
Joint operation interest	122	-
Subtotal joint operation interest	**122**	**-**
Financial returns	977	1.135
BTG Pactual financial returns	3.200	6.396
Current interests, Free-standing Trust	16.059	13.794
Income from FGA Alliance	8.141	6.612
Other income, Free-standing Trust	48	(22)
Other loan interest	9.583	5.622
Income from portfolio sales	8.880	20.435
Other	**46.888**	**53.972**
Total Interests	**85.952**	**84.444**

24.2 Revenue from customer contracts

	For the quarter ended March 31	
	2022	2021
Administration fee – credit card	20.869	18.833
Collection fees	3.795	3.413
Brokerage Commission	2.129	1.625
Financial Consultancy – Returns from Debtor life insurance	1.341	937
Administration fee - life insurance plus	505	603
Financial Consultancy- Returns Voluntary insurance policies	349	408
Shared financial consultancy fees	551	355
Internal commission	100	96
Returned commission	87	70
Department store income and credit card channels income	-	1
	29.726	**26.341**

(Stated in millions of Colombian pesos)

NOTE 25. OTHER EXPENSES

At the end of each period, movements corresponded to:

	For the quarter ended March 31	
	2022	**2021**
Fees	4.639	6.872
Tax	3.267	2.807
Electronic data processing	2.248	1.962
Technical assistance	669	992
Public services	913	842
Other	183	945
Commissions	825	772
Yields Invertors	1.010	523
Leases	590	579
Transport	495	608
Insurance	323	760
Publicity and advertising	561	260
Maintenance and repairs	82	57
Janitorial and Security services	208	184
Check risk central	152	229
Fines, penalties and awards	13	73
Office supplies	132	86
Legal expense	23	15
Travel expenses	73	21
Temporary Services	39	274
Cost of representation	105	13
Adaptation and installation	19	3
Donations	-	6
Publicity and advertising	4	4
	16.573	**18.887**

NOTE 26. NET FINANCIAL INCOME

Below is the detail of financial (net) costs, for the periods for three and nine months ended March 31, 2022 and 2021:

	March 31, 2022	**March 31, 2021**
Financial performances (26.1)	702	254
Financial income (26.2)	260	382
Exchange rate differences (26.3)	-	32
Total Financial Income	**962**	**668**
Forwards valuation (26.4)	(9)	(15)
Total Financial Expense	(9)	**(15)**
Net Financial Income (expense)	**953**	**653**

26.1 It corresponds to the returns generated by investments in financial institutions in which Credivalores has invested its resources.

26.2 Mainly corresponds to recovery of expenses of previous years and recovery of punished portfolio

26.3 Corresponds to the change in the exchange rate in the realization of assets and liabilities in foreign currency, other than derivative financial instruments.

(Stated in millions of Colombian pesos)

26.4 Corresponds to the result generated by the valuation of investments at fair value

26.2 Other income

Below is the breakdown of other income for the quarter ended March 31, 2022 and 2021:

	For the quarter ended March 31	
	2022	**2021**
Recoveries from Loan portfolio	254	145
Recovery of previous years	-	221
Other	3	6
Reimbursement insurance	-	4
Disabilities due to illness	2	1
Tax discount	1	5
	260	**382**

NOTE 27. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

a. Commitments

Credit commitments

During ordinary business, Credivalores provides loan portfolio as guarantees to its funding sources, in which it irrevocably agrees to pay them in the event the client is unable to meet its obligations, with the same credit risk for loan portfolios.

Loan extension commitments represent unused portions of authorizations to extend credits as loans. With regard to the credit risk on commitments to extend lines of credit, Credivalores is potentially exposed to losses in an amount equal to the total unused commitments, if the unused amount were to be withdrawn in its totality; However, the amount of the loss is less than the total amount of the unused commitments because the majority of loan extension commitments are contingent once the client can maintain specific credit rating standards. Credivalores monitors the maturity dates of those credit limit commitments because long-term commitments have a higher credit risk than short-term commitments.

The following is a breakdown of unused lines of credit commitments and guarantees at March 31, 2022 and December 31, 2021:

	March 31, 2022	December 31, 2021
Unpaid approved credits	**268.540**	**291.322**

NOTE 28. RELATED PARTIES

The Company's Board of Directors and Senior Management, in their role as governing bodies, are fully aware of the responsibility related to managing the various risks to which the Company is exposed; likewise, they are fully aware of the Company's processes and business structure so as to be able to provide support and adequate monitoring and follow-up.

The Company's related parties are as follows:

1. Shareholders with interests, a controlling stake or a joint stake of the Company, or significant influence over Credivalores.

2. Members of the Board of Directors: Members of the Board of Directors (principals and alternates, along with their related parts).

(Stated in millions of Colombian pesos)

3. Key management personnel includes the Company CEO and other C-level Officers, who are those who participate in the planning, direction and control of the Company.

4. Affiliates: Companies in which Credivalores has significant influence, which is generally considered to be a share between 20% and 50% of their capital.

The most representative balances as of March 31, 2022 and December 31, 2021 with related parties are included in the following charts, with headings for definitions of the related parties recorded in the previous sections.

	March 31, 2022		**December 31, 2021**	
	Shareholders	**Members of the Board of Directors (a)**	**Shareholders**	**Members of the Board of Directors (a)**
Accounts receivable	1.815	-	1.815	-
Accounts payable	-	95	-	39
Operating expenses	-	48	-	202

Compensation received by key management personnel is comprised of the following:

	March 31,	
Item	**2022**	**2021**
Salaries	901	736
Short-term employee benefits	28	52
Total	**929**	**788**

a. Members of the Board of Directors (principals and alternates, along with their related parts) as of March 31, 2022:

<u>Directors</u>

No.	Director	Alternate
1	Jose Miguel Knoell Ferrada	Cristiano Mathias Boccia
2	Maria Patricia Moreno Moyano	Liliana Arango Salazar
3	Vacant	Marcelo Jimenez
4	Rony Doron Seinjet	Vacant
5	Oscar Forero	Vacant
6	Gustavo Adrián Ferraro	Carlos Manuel Ramon
7	Juan Camilo Ocampo	Vacant

Legal Representatives

No.	Representative
Manager	Eliana Andrea Erazo Restrepo
Alternate	Liliana Arango Salazar