



**Venezolano de Crédito, S.A.,
Banco Universal and its Cayman Islands Branch**

Financial Statements June 30, 2025
and Independent Auditors' Report

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mazars**



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Banco Universal and its Cayman
Islands Branch**

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Venezolano de Crédito, S.A., Banco Universal and its Cayman Islands Branch

Financial Statements

June 30, 2025

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Auditors' Report

(Translation into English of financial statements and independent auditors' report
originally in Spanish is made solely for reader's convenience)

Independent Auditors' Report

To the Stockholders and Board of Directors of
Venezolano de Crédito, S.A., Banco Universal

Opinion

We have audited the accompanying financial statements of **Venezolano de Crédito, S.A., Banco Universal** (hereinafter the "Bank"), which comprise the balance sheet as of June 30, 2025, and the related statements of income and allocation of net income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank, at June 30, 2025, and the results of its operations and its cash flows for the six-month period then ended, in conformity with accounting standards and guidelines provided by the Superintendence of Banking Sector Institutions (or "SUDEBAN" for its acronym in Spanish).

Basis for opinion

We have conducted our audit in accordance with International Standards on Auditing as adopted in Venezuela (Ven-ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Bank in accordance with the ethical requirements that are relevant to our audits of the financial statements in Venezuela, and we have fulfilled all other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Without modifying our opinion, we draw attention to the fact that the Bank, as a financial institution of the Venezuelan banking sector, prepares and presents its financial statements in conformity with the accounting framework set forth by SUDEBAN, which significantly differ from accounting principles generally accepted in Venezuela ("Ven-NIF" for its acronym in Spanish). The Bank has identified the most significant criteria for valuation and exposure in Note 2 to the financial statements. The financial statements should be read, for their proper understanding, in the light of these circumstances.

Without modifying our opinion, we draw attention to the fact that the Central Bank of Venezuela (or "BCV" for its acronym in Spanish) has issued standards related to the legal reserve for the banking sector, which may have an effect on the financial intermediation and income. The Bank has described the most significant aspects within this context in Notes 1 and 3 to the accompanying financial statements.

Other matter

The financial statements for the six-month period ended December 31, 2024, were audited by other independent auditors whose report dated January 28, 2025, expressed an unmodified opinion on those statements.

Responsibilities of Management and Those Charged with Governance of the Bank for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting standards and guidelines provided by SUDEBAN, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Ven-ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Ven-ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Bank regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Adrianza, Rodríguez, Céfalo & Asociados

Members of the International Firm Forvis Mazars



Mercedes E. Rodríguez S.

Public Accountant N° 17.299

Registered with SUDEBAN under N° CP 564

Caracas, Venezuela
July 28, 2025

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Financial Statements

Venezolano de Crédito, S.A. Banco Universal and its Cayman Islands Branch

Balance Sheets

June 30, 2025 and December 31, 2024

(Expressed in bolivars)

	Notes	30/6/2025 Bs.	31/12/2024 Bs.
Assets			
Cash and due from banks	4	9,457,464,697	4,379,070,847
Cash		2,378,265,237	780,512,426
Central Bank of Venezuela		3,285,551,150	1,339,778,298
Domestic banks and other financial institutions		70,764	3,289
Foreign banks and correspondents		3,793,577,546	2,258,776,834
Investment securities	5	3,854,595,063	2,189,971,125
Placements in Central Bank of Venezuela and interbank transactions		-	223,500,000
Available-for-sale investment securities		600,586,858	531,603,591
Held-to-maturity investment securities		2,496,977,767	1,077,175,061
Restricted cash investments		757,030,438	357,692,473
Loan portfolio	6	5,894,011,407	3,638,242,706
Current loans		5,966,471,940	3,700,650,612
Past-due loans		49,268,399	2,161,798
Loans in litigation		3,016,821	2,216,569
(Allowance for loan portfolio)		(124,745,753)	(66,786,273)
Interests and bank fees receivable		97,213,183	60,369,376
Accrued interest receivable from investment securities		26,959,903	12,146,082
Accrued interest receivable from loan portfolio		65,844,508	44,315,630
Bank fees receivable		5,154,737	3,797,958
(Allowance for accrued interest receivable and other)		(745,965)	109,706
Foreclosed assets		4,407,407	5,351,852
Premises and equipment	8	64,294,890	50,647,127
Other assets	9	707,815,947	213,004,108
Total assets		20,079,802,594	10,536,657,141
Memorandum accounts			
	17		
Contingent debit accounts		380,456,802	75,584,437
Trust assets		1,369,208,412	885,865,769
Other trusts		327,155,134	73,492,010
Other debit memorandum accounts		9,303,873,880	5,477,432,019
Total memorandum accounts		11,380,694,228	6,512,374,235

The accompanying notes (1 to 20) are an integral part of these financial statements.

Venezolano de Crédito, S.A. Banco Universal and its Cayman Islands Branch

Balance Sheets

June 30, 2025 and December 31, 2024

(Expressed in bolivars)

	Notes	30/6/2025	31/12/2024
		Bs.	Bs.
Liabilities			
Bank deposits	10	14,001,184,091	7,890,555,079
Demand deposits		11,628,516,812	6,823,095,267
Noninterest bearing checking accounts		2,125,433,237	1,353,433,856
Interest bearing checking accounts		8,891,595,271	5,200,188,510
Demand deposits and certificates		55,338,027	17,597,231
Checking accounts under the freely convertible foreign exchange market system		556,150,277	251,875,670
Other demand obligations		202,584,831	91,647,905
Obligations for foreign exchange market operations		-	-
Savings deposits		181,756,172	101,392,379
		1,988,326,276	874,419,528
Other borrowings	11	113,731	99,337
Obligations with local financial institutions due in one year or less		140	-
Obligations with foreign financial institutions due in one year or less		113,591	99,337
Interests and bank fees payable		1,379,441	890,282
Accrued expenses for bank deposits		1,379,441	890,282
Accruals and other liabilities	12	3,083,737,871	1,466,992,607
Total liabilities		17,086,415,134	9,358,537,305
Equity			
Capital stock		87,200,872	87,200,872
Noncapitalized equity contributions		46,248,236	-
Capital reserves		88,320,262	44,283,822
Equity adjustments		1,500,880,490	480,890,230
Retained earnings		1,258,490,586	559,139,595
Unrealized gain or loss from available-for-sale investment securities		12,247,014	6,605,317
Total equity	14	2,993,387,460	1,178,119,836
Total liabilities and equity		20,079,802,594	10,536,657,141
Per contra memorandum accounts	17	11,380,694,228	6,512,374,235

The accompanying notes (1 to 20) are an integral part of these financial statements.

Venezolano de Crédito, S.A. Banco Universal and its Cayman Islands Branch

Statements of Income and Allocation of Net Income

For the six-month periods ended June 30, 2025 and December 31, 2024

(Expressed in bolivars)

	Notes	30/6/2025	31/12/2024
		Bs.	Bs.
Financial income		1,141,209,109	450,564,660
Cash and due from banks		50,696,785	27,544,344
Investment securities	5	127,576,134	89,106,579
Loan portfolio	6	960,282,089	332,177,388
Other accounts receivable		2,641,387	1,667,519
Other financial income		12,714	68,830
Financial expenses		(31,448,880)	(20,311,890)
Bank deposits		(29,022,948)	(19,038,049)
Other borrowings		(1,736,557)	(314,630)
Other financial intermediation obligations		-	-
Other		(689,375)	(959,211)
Gross financial margin		1,109,760,229	430,252,770
Income from recovery of financial assets		207,938	130,014
Expenses for uncollectible and impaired financial assets:		(378,648,277)	(18,075,283)
Expenses for uncollectible loans and other accounts receivable		(378,648,277)	(18,075,283)
Net financial margin		731,319,890	412,307,501
Other operating income	16	1,398,741,444	756,132,811
Other operating expenses	16	(175,187,337)	(93,150,875)
Financial intermediation margin		1,954,873,997	1,075,289,437
Operating expenses		(1,168,468,470)	(538,940,281)
Personnel		(761,566,430)	(316,649,902)
General and administrative expenses	15	(375,962,410)	(205,407,364)
Contributions to the Deposit Guarantee Fund		(15,554,710)	(8,533,103)
Contributions to the Superintendence of Banking Sector Institutions		(15,384,920)	(8,349,912)
Gross operating margin		786,405,527	536,349,156
Sundry operating income	2.14	278,258,764	6,410,526
Expenses for foreclosed assets		(944,444)	(314,815)
Sundry operating expenses	16	(119,528,676)	(153,280,471)
Net operating margin		944,191,171	389,164,396
Extraordinary income		-	6,599,100
Extraordinary expenses		(725,083)	(228,709)
Gross income before taxes		943,466,088	395,534,787
Income taxes		(27,500,000)	(107,700,000)
Net income		915,966,088	287,834,787

Allocation of net income

Legal reserve	43,600,436	31,231,519
Other capital reserves	436,004	436,004
Retained earnings	871,929,648	256,167,264
Net income	915,966,088	287,834,787

The accompanying notes (1 to 20) are an integral part of these financial statements.

Venezolano de Crédito, S.A. Banco Universal and its Cayman Islands Branch

Statements of Changes in Equity

For the six-month periods ended June 30, 2025 and December 31, 2024

(Expressed in bolivars)

	Notes	Capital stock	Noncapitalized equity contributions	Capital reserves	Equity adjustments	Retained earnings			Unrealized gain (loss) on available-for-sale investment securities	Total equity	
						Restricted undistributed earnings	Available undistributed earnings	Remeasurement for defined benefit plans			
Balances at June 30, 2024		12,368,918	44,899,172	12,616,299	135,039,189	246,022,672	113,088,904	-3,021,047	356,090,529	1,525,032	562,539,139
Capital stock increase		74,831,954	(44,899,172)	-	-	(29,932,782)	-	-	(29,932,782)	-	-
Cash dividends declared	14	-	-	-	-	-	(23,976,670)	-	(23,976,670)	-	(23,976,670)
Net income for the six-month period		-	-	-	-	-	287,834,787	-	287,834,787	-	287,834,787
Other increases (decreases) in equity accounts											
Net gain from variations in UVC loans under Resolution N° 20-02-01, net of general allowance for UVC loans	6 and 14	-	-	-	208,179,357	-	-	-	-	-	208,179,357
Net exchange gain for holding foreign currency assets and liabilities and operations under foreign exchange systems	14 and 19	-	-	-	137,671,684	-	-	-	-	-	137,671,684
Unrealized net loss on investment securities	5	-	-	-	-	-	-	-	-	5,080,285	5,080,285
Actuarial gain on labor liabilities	12 and 14	-	-	-	-	-	-	791,254	791,254	-	791,254
Transfers to capital reserves:											
To the Social Fund for Contingencies	14	-	-	436,004	-	-	(436,004)	-	(436,004)	-	-
To the Legal reserve	14	-	-	31,231,519	-	-	(31,231,519)	-	(31,231,519)	-	-
Transfer to restricted or undistributed earnings:											
50% of net income for the six-month period under Resolution N° 329.99	14	-	-	-	-	128,083,632	(128,083,632)	-	-	-	-
Balances at December 31, 2024		87,200,872	-	44,283,822	480,890,230	344,173,522	217,195,866	(2,229,793)	559,139,595	6,605,317	1,178,119,836
Noncapitalized cash contributions	14	-	46,248,236	-	-	-	-	-	-	-	46,248,236
Cash dividends declared	14	-	-	-	-	-	(166,242,598)	-	(166,242,598)	-	(166,242,598)
Net income for the six-month period		-	-	-	-	-	915,966,088	-	915,966,088	-	915,966,088
Other increases (decreases) in equity accounts											
Net gain from variations in UVC loans under Resolution N° 20-02-01, net of general allowance for UVC loans	6 and 14	-	-	-	206,331,542	-	-	-	-	-	206,331,542
Net exchange gain for holding foreign currency assets and liabilities and operations under foreign exchange systems	14 and 19	-	-	-	813,658,718	-	-	-	-	-	813,658,718
Unrealized net loss on investment securities	4	-	-	-	-	-	-	-	-	5,641,697	5,641,697
Actuarial gain on labor liabilities	12 and 14	-	-	-	-	-	-	(6,336,059)	(6,336,059)	-	(6,336,059)
Capitalization of interest of the Social Fund for Contingencies	14	-	-	-	-	-	-	-	-	-	-
Transfers to capital reserves:											
To the Social Fund for Contingencies	14	-	-	436,004	-	-	(436,004)	-	(436,004)	-	-
To the Legal reserve	14	-	-	43,600,436	-	-	(43,600,436)	-	(43,600,436)	-	-
Transfer to restricted or undistributed earnings:											
50% of net income for the six-month period under Resolution N° 329.99	14	-	-	-	-	435,964,824	(435,964,824)	-	-	-	-
Balances at June 30, 2025		87,200,872	46,248,236	88,320,262	1,500,880,490	780,138,346	486,918,092	(8,565,852)	1,258,490,586	12,247,014	2,993,387,460

The accompanying notes (1 to 20) are an integral part of these financial statements.

Venezolano de Crédito, S.A. Banco Universal and its Cayman Islands Branch

Statements of Cash Flows

For the six-month periods ended June 30, 2025 and December 31, 2024

(Expressed in bolivars)

	30/6/2025	31/12/2024
	Bs.	Bs.
Cash flows provided by operating activities:	3,082,379,447	1,313,843,229
Net income	915,966,088	287,834,787
Adjustments to reconcile net income to cash provided by operating activities-	1,085,388,226	379,715,380
Allowance for uncollectible and impaired financial assets	58,815,151	23,950,949
Depreciation and amortization expenses of assets and allowance for foreclosed assets	12,918,874	9,122,136
Unrealized exchange gain from the valuation of foreign currency assets and liabilities charged to equity	1,024,117,044	349,714,813
Actuarial adjustment of employee benefits charged to equity	(6,336,059)	791,254
Adjustments to general and countercyclical allowance charged to equity	(4,126,784)	(3,863,772)
Net change in other assets	(498,509,812)	(6,929,010)
Net change in interest and bank fees receivable	(37,699,478)	(22,585,988)
Net change in accruals and other liabilities	1,616,745,264	675,589,024
Net change in interest and bank fees payable	489,159	219,036
Cash flows (used in) provided by financing activities:	5,990,649,044	3,448,335,575
Net change in bank deposits	6,110,629,012	3,472,312,251
Net change in other borrowings	14,394	(4)
Cash dividends	(166,242,598)	(23,976,672)
Noncapitalized cash contributions	46,248,236	-
Cash flows provided by (used in) investing activities:	(3,994,634,641)	(2,399,473,200)
Loans granted for the period	(12,977,939,759)	(5,716,688,231)
Loans collected for the period	10,664,211,578	4,238,914,887
Net change in placements in BCV and interbank transactions	223,500,000	(160,500,000)
Net change in available-for-sale investment securities	(63,341,570)	(220,641,805)
Net change in held-to-maturity investment securities	(1,419,802,706)	(397,407,884)
Net change in restricted cash investment securities	(399,337,965)	(113,955,514)
Increase in foreclosed assets	-	(29,194,653)
Increase in premises and equipment	(21,924,219)	-
Increase (decrease) in cash and due from banks, net	5,078,393,850	2,362,705,604
CASH AND DUE FROM BANKS, at the beginning of the six-month period	4,379,070,847	2,016,365,243
CASH AND DUE FROM BANKS, at the end of the six-month period	9,457,464,697	4,379,070,847

The accompanying notes (1 to 20) are an integral part of these financial statements.

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**Note to the
Financial
Statements**

Venezolano de Crédito, S.A., Banco Universal and its Cayman Islands Branch

Notes to the Financial Statements at June 30, 2025 and December 31, 2024 (Expressed in Bolivars)

Note 1.- Incorporation, operations and legal framework:

1.1 Incorporation and operations-

Venezolano de Crédito, S.A., Banco Universal (the “*Bank*”) was incorporated in Venezuela on June 4, 1925. Its principal business purpose is the financial intermediation and the provision of banking services and other related operations and business in the country and abroad.

The registered office of the Bank is located in: avenida Alameda, Edificio Venezolano de Crédito, Urbanización San Bernardino, Caracas. The Bank has incorporated 72 agencies in the country and one branch abroad. It has a Category “B” Banking License issued by the Cayman Islands Monetary Authority, which allows to conduct banking business with non-residents of the Cayman Islands.

1.2 Approval of the financial statements-

The Bank’s financial statements and related notes for the six-month periods ended June 30, 2025 and December 31, 2024, were approved for issue to the public by the Board of Directors at meetings held on July 3, 2025 and January 9, 2025, respectively. The financial statements for the six-month period ended December 31, 2024 were approved by the Stockholders’ Meeting on February 18, 2025, and the financial statements for the six-month period ended June 30, 2025 are expected to be approved thereby without any changes.

1.3 Unit of measure-

The accompanying financial statements are presented in bolivars (Bs.), and any amount herein contained is expressed in this same unit of measure, unless otherwise indicated.

1.4 Regulatory framework-

a. Legal framework for banking activities:

The Bank is ruled by the National Financial System Law, the Decree-Law on Banking Sector Institutions (hereinafter the “Law on Banking Sector Institutions”) and the Trust Law, as well as by applicable standards and regulations of the Superintendence of Banking Sector Institutions (“Sudeban”), the Central Bank of Venezuela (“BCV”), and other regulators. Furthermore, the Bank is subject to the supervision and control of The Cayman Islands Monetary Authority (CIMA) regarding the operations of its branch in that jurisdiction.

An overview of the most important regulations for the performance of banking activities in Venezuela is shown below:

- i. **Legal reserve:** As provided by Resolution N° 22-01-01 dated January 27, 2022, banks shall maintain deposited in BCV a minimum reserve of 73% of net obligations in local currency and 31% of net obligations in foreign currency as mandatory reserves. Those banks presenting legal reserve deficits shall pay the BCV a finance cost calculated on a daily basis thereby (see *Note 4*).

- ii. **Foreign exchange operations:** BCV has established diverse foreign exchange methods under which banks shall conduct their activity as authorized foreign exchange operators. Each method establishes the terms for purchase and sale or disposal of foreign currency and, therefore, it is governed by the relevant guidelines (see Note 1.4.b; Note 2.19 and Note 4).
- iii. **Investment securities:** The Law on Banking Sector Institutions sets forth that the placement of funds for financial intermediation in investment securities shall be made in securities issued or guaranteed by the Government or state-owned companies.
- iv. **Loan portfolio:** The Law on Banking Sector Institutions establishes that operations in local currency, including financing or lending operations with customers carried out by banks are considered to be credits. In this regard, BCV and SUDEBAN have established the following:
- *Loans in local currency expressed by using Credit Value Units (“UVC” for its acronym in Spanish):* BCV published Resolution N° 22-03-01 in Official Gazette N° 42.341, dated March 21, 2022, which sets forth the standards for loans and interest rates in the national financial system. These standards provide, among others, that commercial loans, microcredits and loans granted within the framework of the Single National Productive Portfolio, which are explained below (hereinafter collectively referred to as the "UVC loans") shall be expressed in Credit Value Units (hereinafter the “UVC”), which results from the division of the settled amount of the loan granted by the Investment Index (hereinafter the “IDI”)¹ effective at that date. This standard also establishes the interest rates applicable to the different types of loan; as well as the mandatory terms and conditions to be included in loan agreements. Loans to employees and directors of the bank and credit card consumer loans, installment commercial loans for payroll accounts and other loans with limits or amounts lower than 20,400 UVC, which are expressed in historical bolivars, are excluded from this resolution.

The IDI¹ is determined by BCV considering changes in the reference market exchange rate, which is published daily on the BCV’s website.
 - *Loans in local currency granted on the basis of funds provided from foreign currency deposits:* SUDEBAN, by means of Circulars SIB-II-GGR-GNP-00919 and SIB-II-GGR-GNP-00335 dated February 28, 2024 and January 18, 2023, respectively, instructed that banks might destine up to 30% of foreign currency deposits maintained at December 31 of the prior year to grant loans in local currency, in compliance with the terms provided by Resolution N° 22-03-01 issued by BCV on UVC loans. Therefore, the related foreign currency shall be offered in the freely convertible foreign exchange market system (see Note 1.4.b; Note 2.19 and Note 10).
- v. **Mandatory loan portfolio:** Credit intermediation is subject to mandatory percentages intended for the Single National Productive Portfolio (“CPUN” for its acronym in Spanish) and microcredits, within the following parameters:
- *Single National Productive Portfolio (CPUN):* Under the Constituent Decree published in the Extraordinary Official Gazette N° 6.507 dated January 29, 2020, banks shall maintain a mandatory portfolio for the financing of the agri-food, manufacturing, tourism, health and mortgage sectors for a minimum amount between 10% and 25% of the gross portfolio, as established by the Governing Committee of the Single National Productive Portfolio (CPUN loans), a body of the National Executive that determines the policies, purpose, regulation and evaluation of that portfolio. Debtors and amounts of CPUN loans are assigned by the National Executive to each bank through the Governing Committee, as well as the percentage monthly applicable on the gross portfolio. For the purposes of determining the balance of the gross loan portfolio, the increase resulting from the principal restatement generated on commercial loans for effects of the IDI¹ fluctuation is excluded.

¹ At June 30, 2025 and December 31, 2024, the IDI is equal to 0.52617054 and 0.25390505, respectively.

BCV's Resolution N° 22-03-01 sets forth that CPUN portfolio loans that consider the single payment modality upon maturity will have, in addition, a 20%-special charge upon settlement of the loan. This charge is also expressed in UVC and deducted from the loan's debit balance upon total settlement.

On March 30 and August 11, 2022, by means of Circulars SIB-DSB-CJ-OD-01817 and SIB-II-GGR-GNP-CCD-05550, respectively, SUDEBAN informed that the Governing Committee had established the mandatory minimum CPUN percentage of every month at 25% of the gross portfolio, excluding the increase resulting from the loan principal restatement on commercial loans expressed in UVC for effects of the IDI² fluctuation. It also informed that for the purposes of measuring the CPUN, the balances maintained on loans granted to the agri-food, manufacturing, tourism and mortgage sectors prior to the creation of the aforementioned portfolio shall be taken into consideration.

- *Credimujer portfolio*: through Decree N° 4.874 dated October 25, 2023 published in Official Gazette N° 42.742, the National Executive decided to incorporate the productive sector developed by women into the CPUN through projects that require financing in order to promote and strengthen the national economic sovereignty, thus it instructed the CPUN Governing Committee to set the mandatory percentage of the gross portfolio of that sector. SUDEBAN informed on November 1, 2023, through Circular SIB-II-GGR-GNP-07108, that a 15% has been set as part of the CPUN portfolio, to be allocated to the financing of special projects for women (Credimujer), as a social program that provides support to Venezuelan women in various sectors.
- *Microfinance loan portfolio*: The Law on Banking Sector Institutions sets forth that banks must destine not less than 3% of the loan portfolio balance for the prior six-month period to the microfinance system. In addition, the microfinance portfolio amount must be distributed among marketing activities, public transport activities, community-based services and craft activities, among others, according to the following percentages on the total portfolio, as established by Sudeban by means of Resolution N° 021.18 dated April 5, 2018:

Financing intended for:	Required %
Commercialization activities	Max. 40%
Provision of services (public transport for urban and trunk routes; community-based, social and personal services)	Max. 40%
Other activities such as: industrial transformation and production, agricultural, mixed and artisanal production units, among others	Min. 20%

- vi. **Law on Credit Cards, Debit Cards, Prepaid Cards and other Financing or Electronic Payment Cards**: This law is aimed at regulating all aspects related to the credit card system and operators in order to ensure user rights. The most important regulations provided by this Law are as follows: (a) the amounts of borrowing interests may not be capitalized; hence, charging interest on interest is not allowed; (b) charging collection expenses not incurred or charging for maintenance expenses and costs for renewal of cards, or for issuance of statements of account are not allowed, and (c) BCV sets, on a monthly basis, the limits of the financial interest rate and maximum moratorium rate for the financing of credit cards, as well as fees or charges for services provided in the use of credit, debit or prepaid cards and other financing or electronic payment cards.
- vii. **Lending and saving interest rates, bank fees and charges**: BCV has set forth interest rates on lending and saving operations in local currency, as well as fees and other charges collectible from or payable to customers by banks, considering the diverse banking products and services provided. A summary of limits for lending and saving interest rates in effect at June 30, 2025 and December 31, 2024, follows:

Type of transaction:	Minimum	Maximum
	Limits	
UVC productive loans ²	-0-	6%
UVC loans in default ³	-0-	0.80%
UVC commercial loans ³	8%	16%
Microcredits (expressed in UVC) ³	8%	16%
Credit cards ^{3 and 3}	17%	60%
Default other than UVC loans ³	-0-	3%
Credit transactions other than above ³	-0-	60%
Savings deposits ³	-0-	32%
Term deposits ³	-0-	36%

- viii. **Foreign currency position:** Banks shall maintain their foreign currency position, as provided by BCV. In accordance with BCV's Resolution N° 19-04-01 dated April 4, 2019, the maximum limit of this position shall be established for each bank. On April 8, 2019, as provided by Circular VOI-GOC-DNPC-004, BCV informed that the net global asset or long position in foreign currency would not be temporarily subject to the maximum limit (see Note 1.4.b and Note 19).
- ix. **Interbank transactions:** Funds used for interbank placements shall be limited by the smallest amount resulting from comparing 10% of total equity at the end of the previous month of the bank placing the funds with 10% of total equity at the end of the previous month of the bank receiving the funds, except for guarantees made through the system of Electronic Funds Transfer for Interbank Loans (SET) managed by BCV, and those placements carried out to meet mandatory portfolio percentages (see Note 5).
- x. **Minimum levels of equity adequacy:** Banks shall maintain their equity adequacy indicators in accordance with the standards provided by SUDEBAN (see Note 14.6).
- xi. **Contributions:** The Law on Banking Sector Institutions and other special laws provide the following contributions, duties and/or accruals, in addition to income taxes:
- **Contributions to SUDEBAN and FOGADE:** Banks shall make contributions to SUDEBAN equivalent to 0.8 per thousand of the average of assets for the two months prior to the bimonthly period corresponding to the payment and to the Deposit Guarantee Fund ("FOGADE" for its acronym in Spanish) equivalent to 0.75% of the bank deposits' balance of the six-month period immediately preceding the date of payment. These contributions are shown under "Operating expenses" (see Note 13).
 - **Contribution to community associations:** Banks are required to make a contribution of 5% of gross income before taxes of the immediately ended six-month period, for meeting the social responsibility that will finance projects of community associations or other forms of social organization. SUDEBAN, through Resolution N° 233.11 dated August 22, 2011, established that said contribution should be recorded as a prepaid expense and monthly amortized by 1/6, once the payment has been made and the related expense is shown under "Sundry operating expenses" (see Note 13.2 and Note 16).
 - **Contribution to the social fund for contingencies:** Banks must create a social fund for contingencies, by way of cash transfers to a trust fund in another bank, which shall be equivalent to 10% of capital stock, to guarantee its employees the payment of their work-related liabilities in case the liquidation of the bank is decided. Such percentage will be reached through semiannual cash contributions of 0.5% of capital stock (see Note 5, Note 13 and Note 14).

² Resolution N° 22-03-01 published in Official Gazette N° 42.341 dated March 21, 2022.

³ Official notice in force and published in Official Gazette N° 42.883 dated May 16, 2024.

- *Contribution to antidrug programs*: The Law on Drugs published in Official Gazette N° 39.510 on September 15, 2010 sets forth that 1% of banks' annual operating income shall be intended for the National Anti-Drug Fund ("Fondo Nacional Antidrogas" in Spanish) to finance prevention plans, projects and programs to avoid illegal drug traffic, as provided by said Law. The related expense is shown under "*Sundry operating expenses*" (see Note 13 and Note 16).
- *Contribution to scientific and technological activities*: The Law on Science, Technology and Innovation sets forth that private or public companies, domiciled or not in the country, that have obtained, in the immediately preceding year, annual gross income exceeding 150,000 times the official exchange rate of the currency of the highest value established by BCV, must make a contribution to finance scientific and technological activities that promote social development. This contribution shall be calculated and paid based on 0.5% of companies' gross income, as determined by current regulations. This expense is shown under "*General and administrative expenses*" (see Note 13 and Note 15).
- *Contribution to the development of sports*: The Law on Sports and Physical Activity, published in Official Gazette N° 39.741, dated August 23, 2011, establishes that profit-making private and public companies or other establishments must contribute 1% of their annual net income (when this amount exceeds 20,000 TU⁴) to the National Fund for the Development of Sports and Physical Activity ("Fondo Nacional para el Desarrollo del Deporte, la Actividad Física y la Educación Física" in Spanish). This contribution shall be declared and paid within 120 days after the year-end. This expense is shown under "*Sundry operating expenses*" (see Note 13 and Note 16).
- *Wealth Tax*: The Constitutional Law for the Wealth Tax ("LIGP" for its acronym in Spanish) was published in Official Gazette N° 41.667 on July 3, 2019, and reprinted in Official Gazette N° 41.696. This law establishes a tax that levies the net wealth of individuals and legal entities qualified as special taxpayers, where their net wealth exceeds 150,000,000 TUs⁵, with tax rates between 0.25% and 1.50% of their wealth. For the six-month periods ended June 30, 2025 and December 31, 2024, this rate is 0.25% and the related expense is shown under "*Sundry operating expenses*" (see Note 13 and Note 16).
- *Tax on large financial transactions*: The Decree-Law of Tax on Large Financial Transactions ("IGTF" for its acronym in Spanish) was published in Extraordinary Official Gazette N° 6.687 on February 25, 2022. It establishes a tax on the amount of each debit from bank accounts, levied transaction or cashier's check amount of special taxpayers qualified as such by the tax authorities or on the amounts of payments of debts by means other than the financial system. This tax rate is 2% of the amount of operations carried out in local currency and 3% of the amount of operations carried out in foreign currency. Banks are qualified as collection agents and are liable to transfer on a daily basis the tax to the national tax administration. In July 2024, the tax rate for all transactions made in local currency was modified from 2% to 0% by decree published in the Official Gazette. The expense related to this tax is shown under "*Sundry operating expenses*" (see Note 13 and Note 16).
- *Contribution to the Pension Protection*: The Law on the Protection of Social Security Pensions against the Imperialist Blockade ("Ley de Protección de las Pensiones de Seguridad Social frente al Bloqueo Imperialista" in Spanish) was published in Extraordinary Official Gazette N° 6.806 on May 8, 2024. This law creates a special contribution of up to a maximum of 15% of the payments made by the taxpayer to workers for wages and non-salary bonuses, the calculation base of which shall not be less than the indexed minimum comprehensive income defined by the National Executive. On May 16, 2024, through Presidential Decree N° 4.952 published in Official Gazette N° 42.880, the National Executive established the aforementioned contribution rate at 9%. The related expense is shown under "*Personnel expenses*".

⁴ At June 30, 2025 and December 31, 2024, one tax unit (TU) is equivalent to Bs. 43 and Bs. 9, respectively.

b. Foreign exchange regime:

The Foreign Exchange Agreement N° 1 was published in the Official Gazette N° 6.405 on September 7, 2018, which established the current regulatory framework that governs the foreign exchange market in Venezuela. By virtue thereof, the BCV has issued resolutions, circulars, and official notices through which it establishes the operational and regulatory framework for the performance of foreign currency intermediation operations. The main features of the system through which the banking sector participates in carrying out foreign exchange intermediation operations with individuals and legal entities from the private sector are as follows:

- i. Purchases and sales of foreign currencies are performed through the use of the Freely Convertible Foreign Exchange Market System (the "SMCLC" for its acronym in Spanish). This system is managed by authorized universal banks as foreign exchange operators and under the regulation and administration of the BCV.
- ii. Individuals may carry out foreign exchange operations solely in accordance with the foreign exchange regulation.
- iii. Universal banks are authorized to act as foreign exchange operators in the SMCLC, prior authorization of the BCV's Governing Body.
- iv. The mechanisms for the purchase and sale of foreign currencies through the SMCLC are the following:
 - *Retail transactions*: they are purchases and sales of foreign currency made by individuals for amounts equal to or less than €8,500 or their equivalent in foreign currency, per each operation, at the reference exchange rate fixed by BCV. Amounts less than US\$ 250 per operation shall be made only through this mechanism.
 - *Foreign exchange market*: The purchase-sale of foreign currencies for customers and/or in the interbank market shall be made in accordance with supply and demand without intermediation of BCV. Each bank arranges its foreign exchange market according to availability of offers and its operational capacity for these operations. Operations agreed upon through foreign exchange markets shall be reported to BCV on a daily basis.
 - *Foreign exchange intervention*: it consists of a foreign currency offer through the BCV's discretionary intervention in the foreign exchange market by assigning cash foreign currency to authorized foreign exchange operators, which must be sold to their customers at the exchange rate controlled by the BCV. This mechanism allows the BCV the automatic sale of foreign currencies with universal banks by debiting from the single account kept by these banks in BCV for the amount in bolivars equivalent to the foreign exchange operation at the exchange rate for purchases fixed for this purpose. The amounts resulting from the sale of foreign currency under the foreign exchange intervention mechanism are deducted from the legal reserve. Foreign currencies that were settled as a result of the foreign exchange intervention every week, but not sold by banks, are automatically repurchased by BCV at the exchange rate of the related intervention reduced by 5.2375 percentage points. In addition, this amount shall not be deducted from the legal reserve, and it will generate a finance cost that shall be determined by BCV. BCV may agree, exceptionally, not to apply these measures, in accordance with the provisions of the Circular dated October 7, 2021 (see *Note 1.4.a. and Note 4*).
- v. BCV daily publishes the official reference exchange rate, which results from the average exchange rate of operations traded on the SMCLC, as reported by banks to BCV.

- vi. Banks, insurance companies or stock market institutions are not allowed to make quotations of demand on their own, unless they are previously authorized by BCV.

Note 2.- Main accounting policies:

The main accounting policies applied by the Bank are as follows:

2.1 Basis of presentation-

The accompanying financial statements have been prepared in accordance with the accounting framework required and/or allowed by SUDEBAN. This framework significantly differs from accounting principles generally accepted in Venezuela (Ven-NIF). For reporting purposes of the Bank, the most significant differences of presentation, valuation and exposure are the following:

- i *Historical cost basis:* The financial statements are presented on the historical cost basis, except for financial instruments that are measured at fair values at the end of each six-month period and the revaluation of a premise and equipment one-time recognized and up to the limit provided by SUDEBAN's standards, without recognition of the effects of inflation considered to be relevant under Ven-NIF for financial reporting interpretation purposes.

Under Ven-NIF, fair value is the price that would be received for selling an asset or paid for transferring a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Bank takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements under prudential standards is determined on such a basis, except for measurements of premises and equipment for which fair value is recognized for up to the amount allowed by SUDEBAN.

- ii *Complete set of financial statements:* In accordance with the Accounting Manual for Banks, a complete set of financial statements comprises the balance sheet, the statement of income, the statement of changes in equity and the statement of cash flows. Under Ven-NIF entities are required to present, in addition to these financial statements, other comprehensive income as part of the complete set of financial statements, either within a single financial statement or in a separate statement but with equal prominence to the related required financial statements for the adequate understanding of the entity's financial performance. Additionally, in accordance with this Manual, the statement of cash flows only considers the "*Cash and due from banks*" accounts. Under Ven-NIF the statement of cash flows considers cash and equivalents that include, in addition, funds placed in other banks, which are easily convertible into cash with maturity periods of three months or less and are not subject to significant fluctuation risks.
- iii *Classification of available-for-sale investment securities:* The prudential accounting standards for banks provide that investments may be classified as available-for-sale only for one year or less, which is not required under Ven-NIF.
- iv *Impairment of financial assets:* The prudential accounting standards for banks provide: (i) risk classification models of the loan portfolio and estimation of losses for the determination of allowances for uncollectible financial assets based on aging analysis and other loan terms; (ii) criteria for the allowance for interest on past-due and restructured loan portfolio that consider parameters additional to recovery assessments based on applicable risks; (iii) creation of general, countercyclical and voluntary allowances for the loan portfolio; and (iv) general and countercyclical allowances resulting from changes in the principal of UVC loans may be created with charge to "*Equity adjustments*". Under Ven-NIF, allowances are recognized in income based on an expected credit loss model for which financial assets are classified in three stages of impairment, based on changes in credit quality since initial recognition. This model provides how an entity estimates impairment losses and applies the effective interest method and/or particular analysis of recovery but it does not establish criteria of terms or aging, or general and countercyclical allowances.

- v *Deferred expenses:* Deferred expenses correspond to expenditures that are not totally recognized as expenses for the period in which they are incurred but allocated over the periods in which the benefits will be received. Deferred expenses are amortized using the straight-line method over four years or less, except for those cases authorized by Sudeban for longer terms. Ven-NIF do not consider the recording of these deferred expenses, they allow for the recognition of intangible assets only if they can be identified and control is maintained thereon and future economic benefits are expected and can be reasonably measured.
- vi *Deferred tax recognition:* In accordance with the accounting standards for banks, the allowance for loan portfolio shall not be considered as a temporary difference; therefore, deferred taxes shall be recorded based on allowances classified as high-risk and irrecoverable. Additionally, deferred taxes are not recognized for an amount greater than taxes based on taxable income. Under Ven-NIF, deferred taxes shall be recognized for all temporary differences between tax and financial balance charged to income or as a decrease in its related account within equity in accordance with the item originating the deferred taxes. Deferred tax assets are recognized only to the extent that recovery is probable.
- vii *Presentation of financial income:* The amortization of premiums and discounts resulting from held-to-maturity investment securities is presented within the gain or loss from the sale of investment securities within “*Other operating income*”. Under Ven-NIF, they are presented as part of financial income or expenses.
- viii *Financial income from loans expressed in UVC:* In accordance with prudential accounting standards, the effects of the valuation of loans expressed in UVC resulting from the application of IDI⁵ are recognized within equity under “*Equity adjustments*” and are reclassified to income as the related loans are collected. In addition, those UVC loans considering the modality of a single payment upon maturity shall have a 20% special charge upon settlement of the loan and charged to the loan portfolio and credited to the related equity account. This special charge and its IDI⁷ fluctuation are deducted from the debit balance of the loan and from equity at the time of its collection. Under Ven-NIF, the related revenues are presented within income for the six-month period as part of financial income as earned, as well as the related finance costs as caused, and the related asset is presented at its recoverable value.
- ix *Exchange gain:* Unrealized exchange gains or losses are presented within equity accounts or in income for the period in accordance with their nature and following the criteria of SUDEBAN. Under Ven-NIF, exchange gains or losses are presented in income for the period as earned as part of operating income (see Note 2.19 and Note 14).
- x *Revenues from service fees:* In accordance with the accounting standards for banks, revenues from service fees are recognized upon collection. Under Ven-NIF, these revenues are recorded as earned.
- xi *Lease expenses:* Leases are recognized as expenses based on terms provided by the lease agreements. Under Ven-NIF, leases are considered a right and an obligation, and accordingly, they are recognized as financial assets and liabilities for all leases with a term of more than 12 months and the related depreciation and financial interests are reported separately in the income for the period.
- xii *Expenses for special contributions:* Special contributions to SUDEBAN, FOGADE and community associations are presented as expenses during the six-month period in which they are paid. Under Ven-NIF, taxes defined as disbursements and imposed by governments to entities in conformity with the applicable laws are progressively recognized if the event originating the obligation occurs over a specific period, or when the activity originating the payment of the tax is recognized.

⁵ At June 30, 2025 and December 31, 2024, the IDI is equal to 0.52617054 and 0.25390505, respectively.

2.2 Translation and integration of the foreign branch's financial statements:

The financial statements include the accounts of the Bank and its Cayman Islands Branch. For combination or integration purposes of the accounts of the Bank with its foreign branch, the accounting records of which are stated in US Dollars, the financial statements of the Branch have been translated into bolivars by applying the official exchange rate in effect at year-end, as reported by BCV. The resulting exchange gain is presented with equity.

Significant balances between the Bank and its Branch were eliminated in combination.

At June 30, 2025 and December 31, 2024, the exchange rates applied by the Bank for the translation of the financial statements of its foreign branch were Bs. 107.91862725/US\$1 and Bs. 51.89703225/US\$1, respectively (see *Note 2.19*).

2.3 Use of estimates and judgements in the preparation of financial statements-

The preparation of the financial statements requires Management to make estimates based on certain assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The Bank's exposure to various financial and business risks is influenced by the economic environment in which the entity operates. Economic conditions such as inflation or employment levels, the availability of options for placement of resources or borrowing, the availability and fluctuation of foreign currencies, and changes in laws and regulations may affect costs and operations, as well as consumption levels. Management uses its judgement in the analysis of these factors for making estimates; as well as creating appropriate mechanisms for monitoring, overseeing, and managing these risks, and reviews its risk management model, as appropriate, to adapt it to changing circumstances.

Management has determined that the judgments and estimates are reasonable based on the information available at the time they are made. The assumptions and estimates are reviewed periodically, and the outcome of such reviews is recognized prospectively. Actual results could differ from those estimates.

a. Judgements:

The following are the critical judgements that have been made in the process of applying the accounting policies and that have a significant effect on the financial statements:

- *Fair value of financial instruments, including held-to-maturity investments (Note 5):* Fair value of financial instruments that are not traded in active markets, on initial recognition and on subsequent assessment of permanent potential losses, if any, is determined using the market value reported by Bloomberg. The carrying value of cash and equivalents and financial liabilities is considered fair value due to their short-term nature. The Bank does not estimate permanent losses from those investment securities considered to be a higher risk. The Bank uses judgement to make estimates mainly based on market conditions at the balance sheet date.
- *Provisions (Note 2.14):* Management applies its knowledge, experience, and professional judgment for the analysis of known or developing risks based on available updated information and, as permitted by prudent accounting standards, uses its judgment to recognize voluntary provisions for general risks inherent to banking activities arising from the reality of a changing and uncertain macroeconomic and geopolitical environment in which the Bank carries out its financial intermediation activities.
- *Going concern assumption:* The Bank has a reasonable expectation that it has adequate resources for its operations based on its financial structure, its installed capacity, its extensive banking history, and the quality and historical track record of its clientele.

b. Estimates:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the financial statements for the next six-month period

- *Impairment losses on financial assets, including held-to-maturity investments (Note 4):* the provisions for losses on financial assets are recognized if objective evidence of recovery risks exists. The Branch uses its judgment to select the inputs for calculating impairment, based on historical experience and current market conditions, as well as the specific circumstances of each customer or counterparty at the end of the reporting period.
- *Provisions for impairment of non-financial assets (Note 2.11):* the Bank shall assess whether there is any indication that an asset may be impaired. If any such indication exists, the Bank shall reduce the carrying amount of the asset based on estimates of an asset's value in use made by independent financial experts that use their judgement based on economic and budgetary assumptions of revenues and future benefits made by Management to determine such value and on discount rates considering economic factors such as inflation indexes and interest rates for future periods. The Bank has not observed any indication of impairment losses for these assets.

2.4 Cash flows-

For reporting purposes of the statements of cash flows, the Bank considers cash and due from banks represented by assets in local and foreign currency that are easily convertible into cash, such as cash, demand deposits in BCV, and in other local and foreign financial institutions, interbank balances pending settlement for online payment services and clearinghouse funds to be cash and equivalents.

2.5 Investment securities-

"Placements in BCV and/or interbank placements" include liquidity surplus placements made in local banks due in 12 months or less, which are recorded at their fair value, equivalent to cost and nominal value.

"Restricted cash investments" include term deposits in foreign financial institutions presented at their nominal value, which is similar to their fair value.

The Bank analyzes whether investment securities other than those referred to in the preceding paragraphs are classified as trading, available-for-sale or held-to-maturity. This classification is based on the Management's intent with respect to these investment securities and based on the time estimated to hold such securities.

"Trading investment securities" correspond to investment securities acquired to obtain benefits from price fluctuations within 90 days or less and whose market value can be easily determined. These investments are carried at their fair value and the unrealized gains or losses are included in income for the six-month period.

"Held-to-maturity investment securities" correspond to debt securities for which the Bank has the intention and the capacity of holding until maturity. Such investment securities are accounted for at cost adjusted for the amortization of discounts, which are included in income for the six-month period. In accordance with the Accounting Manual for Banks, *"Held-to-maturity investment securities"* may be sold only upon authorization from SUDEBAN.

"Available-for-sale investment securities" are those that do not classify in the foregoing categories; they are valued at fair market values and the unrealized gains or losses are reported in equity, and investments in shares with minority interest with no market value are recorded and valued at the acquisition cost. These investments may remain in this classification for up to one year since their incorporation, except for investment securities issued and/or guaranteed by the State and all those investments in equity securities in reciprocal guarantee companies.

Permanent declines in fair values of available-for-sale or held-to-maturity investment securities are charged to income for the period as they arise. The Bank has not identified any permanent impairment in the fair value of investments.

2.6 Loan portfolio-

The Bank's loan portfolio includes commercial loans, microcredits, as well as CPUN loans, expressed in UVC and bearing financial interest and gains or losses derived from the fluctuation of ID⁶. In addition, the loan portfolio includes loans granted to employees in historical bolivars, which only accrue financial interest ((see Note 1.4.a, Note 6 and Note 14). When first recognized, the loan portfolio is measured at its transaction price, and subsequently, it is presented at its nominal value less allowances to cover collectibility risks.

The loan portfolio is classified as current, restructured, past-due and in litigation, in accordance with parameters provided by prudential standards.

The specific allowance for the loan portfolio is determined on the basis of standards provided by SUDEBAN, which set forth criteria for allowances based on risk classification as follows: (A) normal, (B) potential, (C) actual, (D) high risk, and (E) irrecoverable. Management estimates such allowance through specific credit reviews, recent loss experience, current economic conditions, risk characteristics of the loan categories, fair value of the guarantees received and other relevant factors.

The allowance for loan portfolio includes a general allowance, which is not less than 2% for the microfinance loan portfolio and 1% for the rest of the gross loan portfolio; and a countercyclical allowance of at least 0.75% of the gross loan portfolio. The balance of the allowance for loan portfolio shall not be less than the balance of the past due and in litigation portfolio.

The allowance for loan portfolio is increased with charges to income and reduced by losses recognized in the portfolio, as incurred, except for general and countercyclical allowances resulting from changes in the principal of UVC loans, which may be created with charge to unrealized gains from valuation of UVC loans, which are presented within "Equity adjustments", as instructed by SUDEBAN under Resolution N° 070.19 dated December 20, 2019. The release of the specific, general or countercyclical allowance requires a prior authorization of Sudeban SUDEBAN (see Note 6 and Note 14).

Interest receivable from loans is fully provisioned when the loan or the installment is more than 30 days past due.

2.8 Foreclosed assets-

Chattels and property received in payment are accounted for at the lower of cost of allocated amount, carrying amount, market values or amount of appraisal made in one year or less and amortized using the straight-line method over one year for chattels and three years for property. Gains or losses from the sale of foreclosed assets are included in the statements of income.

Other foreclosed assets and idle assets shall be eliminated from the asset accounts within a maximum term of 24 months and charged to income for the six-month period. Removed amounts are presented as off-balance sheet assets within memorandum accounts.

2.9 Premises and equipment-

Premises and equipment correspond to chattels and property owned by the Bank for its use. These assets are recorded at acquisition cost and depreciated using the straight-line method based on the estimated useful lives of assets. The depreciation of premises and equipment begins to be estimated the month following their incorporation.

⁶ At June 30, 2025 and December 31, 2024, the IDI is equal to 0.52617054 and 0.25390505, respectively.

As provided by SUDEBAN, those assets with a useful life under 4 years and individual acquisition cost lower than 320 TU⁷ (Bs. 13,760 and Bs. 2,880) shall be recorded in the related expense account, except for those expenditures related to the acquisitions of lots of units, the amount of which may not be less than 30 TU⁹ (Bs. 1,290 and Bs. 270). Expenditures for maintenance and repairs are charged directly to income and improvements and renewals that may increase the capacity of service and efficiency or extend useful life are added to the cost of the related properties. Upon sale or disposal of assets, the cost and related accumulated depreciation are eliminated from the accounts and the resulting gain or loss is shown in income for the six-month period.

2.10 Deferred expenses-

Deferred expenses include software expenses, leasehold improvements, purchased licenses, consultants' fees and other expenses incurred in the development of new platforms and technological applications, which are not recognized as expenses as paid but allocated to future periods, since the benefits to be received extend further than the period in which they were incurred. Deferred expenses are recorded at cost and amortized over a maximum term of 4 years.

2.11 Allowance to cover other impairment risks of non-financial assets-

Management estimates the allowance for potential losses from uncollectible or recovery of other assets through analyses similar to those applied to the loan portfolio, as applicable, by considering the aging of balances, as required by Sudeban and by assessing other relevant risk factors. The allowance for other assets is increased through charges to income and reduced by losses recognized from such assets through the related write-offs.

2.12 Employee benefits-

Employee benefits are recognized as caused, i.e., when the legal or constructive obligation arises as a result of the service rendered by employees and a reliable estimate of the labor obligation can be made, which is determined in accordance with the articles of association and individual and collective bargaining agreements, in conformity with the labor laws in effect in each jurisdiction, as follows:

- i. *Short-term employee benefits:* The main accruals for this concept are composed of directors' and employees' profit-sharing. The Bank recognizes such expense in conformity with undiscounted calculations, based on labor legislation at the end of each six-month period.
- ii. *Defined contribution plans:* It considers the accruals for the savings fund for retirement plan and the savings account benefit through which the Bank's liability is limited to the amounts to be contributed in each period and allows the employee to make monthly and/or extraordinary contributions. Contributions are made based on the employees' base salary and within the limits established in the collective agreement. They are managed by a civil association created by mutual agreement. The Bank does not assume retroactive responsibility for salary changes nor for the management, investment, or disposal of funds. Accordingly, the labor liability is estimated on a non-discounted basis and is settled on a monthly basis.
- iii. *Defined benefit plans:* It considers the accrual for employee benefits, which is the higher amount that results between the amount of the guarantee determined based on the employee's salary for each month of service or the amount of retroactivity determined based on the last salary and its length of service. The accrual for employee benefits is estimated on a discounted basis that considers the employee's salary and length of service based on current labor regulations and conditions at the balance sheet date. Employee benefit costs are determined based on actuarial calculations made by independent actuaries using actuarial assumptions such as discount rate, rate of inflation, employee turnover, mortality rates and salary increases, among others. These assumptions are revised on a semiannual basis and may impact the obligation amount and future contributions, if significant variations are determined. The costs of employee benefits and interest expenses are recognized in income for the six-month period. Gains or losses resulting from changes in assumptions derived from new measurements of actuarial calculations are recorded

⁷ At June 30, 2025 and December 31, 2024, one tax unit (TU) is equivalent to Bs. 43 and Bs. 9, respectively.

under the “*Retained earnings*” account. In addition, the Bank maintains a retirement plan in addition to the savings fund for retirement plan for some employees who reach the required seniority. It is also recognized based on actuarial studies in accordance with their labor conditions existing at the reporting date and projected. They include factors of seniority and salary that may vary in the future and under the same criteria and assumptions adopted for the accrual of the previously described employee benefits.

- iv. *Employee termination benefits*: The current labor regulation sets forth the payment of an additional indemnity in the event of unjustified dismissal, which is calculated based on the employee benefits and in addition thereto. Termination benefits are expensed when the entity has made a plan, without the possibility of waiving thereto, to terminate the employment contract or has made offers to encourage termination. The Bank has determined that at the date of the balance sheets there are no obligations or plans to encourage termination. Additional indemnities paid for unjustified dismissals are recorded as known.

Employee benefits payable are presented within “*Accruals and other liabilities*”.

2.13 Income tax expense and deferred taxes-

The income tax provision is determined in conformity with the current Venezuelan tax legislation. The income tax expense comprises current income taxes for the period and deferred taxes.

Current income taxes comprise taxes on net taxable income for the six-month period using enacted Venezuelan tax rates.

Deferred taxes are recognized for temporary differences composed of expenses or revenues caused in different periods for tax and accounting purposes. Deferred tax liabilities are recognized for all temporary differences expected to increase the taxable income for the future, except for effects of allowances for loan portfolio other than those loans classified as high-risk and irrecoverable. Deferred tax assets are recognized only if they are reasonably expected to be realized or recovered in time. In addition, deferred taxes are recognized for an amount up to taxes based on taxable income. Deferred taxes are measured applying the tax rates enacted at the date of the balance sheet. Management estimates that deferred taxes are not significant for the financial statements.

2.14 Other provisions-

Provisions are recognized if the entity has a present obligation, either legal or constructive, as a result of a past event, the payment of the obligation is probable and the amount of the obligation can be estimated reliably. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the risks and uncertainties that surround the obligation. Contingent liabilities are possible obligations or present obligations that cannot be reliably measured whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events that are not wholly within the control of the entity. Provisions are recognized on the basis of the legal advisors’ opinion and available elements of judgement. However, as permitted by prudential accounting regulations, general provisions can be established as determined by the institution, so the Bank recognizes provisions based on management estimates to cover risks arising from its activities. Contingent liabilities are recognized within “*Accruals and other liabilities*” and the increases and reversals of provisions are presented in the statement of income within “*Sundry operating expenses*” (” and “*Sundry operating income*”, respectively.

2.15 Trust assets-

Trust assets are valued based on the same standards used by the Bank to value its own assets, except that investment securities are recorded at acquisition cost, adjusted for the amortization of premiums or discounts; and neither general allowances nor counter-cyclical allowances are created for the loan portfolio.

2.16 Financial income and expenses-

Interest income and expense are recorded in the income for the period as earned or incurred, respectively, based on the effectiveness of the transactions generating them, in conformity with the following accounting criteria provided by SUDEBAN:

- a. Interest on past due loans and loans in litigation and the loan portfolio classified as high-risk or irrecoverable are recorded under memorandum accounts and recognized as income when collected.
- b. Accrued interest receivable is provisioned based on the same risk classification percentage as that determined for the loan portfolio that originated it. Accrued interest on the portfolio with a loss risk over 15% classified as actual risk, high-risk or irrecoverable is also provisioned. Accrued interest on the loan portfolio classified as past due and in litigation, as well as interest on installment loans past due in 30 days or more, are fully provisioned.
- c. Interest income from current and restructured loan portfolio due in or after 180 days is deferred within "*Accruals and other liabilities*" and reported in income as collected.
- d. Gains or losses derived from fluctuation of IDI⁸ of UVC loans (CPUN, commercial loans and microcredits) and the special charge upon settlement of the loan are recognized within "*Equity adjustments*" when generated and their net balance shall be applied only to create general or countercyclical allowances resulting from changes in the principal of loans. If there are surplus balances and the amounts collected, they may be recorded in income.
- e. Interests on bank deposits and other borrowings are recorded as financial expenses to the extent they are caused.

2.17 Other operating income-

fees accrued and charged for services provided, which do not involve risk to the bank, are recorded within "*Other operating income*" based on the collected amount.

2.18 Contingent accounts-

Contingent commitments are presented at the nominal value of the contracts, which is considered as a fair value.

Furthermore, the guarantees granted by the Bank shown within "*Contingent debit accounts*", if any, would require a general allowance of 1% of their balance that should be reported under "*Accruals and other liabilities*".

2.19 Foreign currency transactions and balances-

a. *Functional currency and presentation currency:*

The Bank's functional currency is the bolivar, which is also the presentation currency of the Bank's financial statements. All transactions in currencies other than the bolivar are considered denominated in "foreign currencies".

b. *Foreign currency transactions and balances:*

Foreign currency transactions are recorded at the official exchange rate in effect at the transaction date. At the end of every month, foreign currency assets and liabilities are adjusted at the official exchange rate for purchases in effect at that date, as published by BCV. In accordance with Sudeban's prudential standards, realized exchange gains and/or losses from foreign exchange operations under the SMCLC are recognized within income as "*Other operating income*" and "*Other operating expenses*", respectively, and those unrealized exchange gains and/or losses from the valuation of foreign currency assets and liabilities and exchange gains realized in prior years under former exchange control regimes are recognized within "*Equity*", and they may be transferred to income as authorized by SUDEBAN (see Note 1.4.b, Note 14 and Note 19).

⁸ At June 30, 2025 and December 31, 2024, the IDI is equal to 0.52617054 and 0.25390505, respectively.

The exchange rate used for the valuation of foreign currency balances was Bs. 107.91862725 (Bs. 51.89703225 per US\$ 1, at December 31, 2024).

The foreign currency balances reported in the accompanying balance sheets are shown in *Note 19*.

2.20 Guarantees received-

Third parties' assets received as guarantees of operations, whether held by the Bank or third parties, are valued as follows: (i) investment securities are recorded in conformity with the Bank's policies to record its investments; (ii) mortgage and collateral bonds are recorded at the lower of value determined through the appraisal of market values and realizable value; (iii) bonds are recorded at the original amount of the loans granted; and (iv) (*stand by*) letters of credit are recorded at the value included in the document issued by the financial institution.

Note 3.- Financial risk management:

3.1 Risk management-

The Bank is mainly exposed to financial and operational risks. Financial risks comprise credit risk, market risk (price, exchange rate and interest rate risks), operational risk and liquidity risk. The objectives, policies and processes followed by the management of the Bank for managing the financial risks are as follows:

- a. *Credit risk*: The Bank assumes the exposure to credit risk if counterparties fail to pay the debts as contracted at the maturity date. Credit risk exposure is analyzed by the Bank's management by assessing the ability to pay by the counterparties, which is monitored following up their performance on a regular basis. The Bank structures the credit risk rating through limits implemented for an individual or group of borrowers and/or counterparties.

The off-balance sheet financial instruments represent contingent or eventual rights and obligations assumed by the Bank to meet its clients' financial needs. The maximum potential credit risk of these off-balance sheet contingent commitments is equal to the nominal value of the contracts if the other parties involved in the financial instrument fail to comply with its terms. The Bank controls the credit risk of these instruments by establishing mechanisms of credit approvals, collateral requirements and other monitoring and control procedures. The Bank evaluates each client's creditworthiness separately, based on the same criteria applied for credit financial instruments recognized in the balance sheet.

Financial assets are placed mainly in three foreign correspondent banks, which are presented within cash and due from banks, term deposits in foreign banks to ensure electronic operations, investments in obligations issued by various financial and non-financial companies listed on the New York Stock Exchange, and various debtors from the loan portfolio that do not exceed the concentration limits permitted by prudential regulations.

- b. *Liquidity risk*: Liquidity risk arises from the possibility that an entity may not be able to settle obligations to customers and/or counterparties of the financial market at any time, currency and location. The nature of the business and the environment require maintaining adequate levels of liquidity to finance the operation through sufficient cash and free availability of credit financing. Furthermore, the foreign exchange and regulatory environment may generate liquidity surplus or demands for liquidity; accordingly, the Bank reviews on a daily basis its cash availability, overnight placements, checking accounts, maturity of deposits and repayment flows of loans; it supervises liquidity risk indicators in accordance with regulatory guidelines and own analyses. In addition, it has liquidity contingency plans, has established alerts for meeting legal reserve requirements and monitors actions in the corresponding governing bodies.

The maturities of financial assets and liabilities shown in the balance sheets are included in *Note 20*.

- c. *Exchange rate risk*: it is the risk that a financial instrument value may be affected by changes in the exchange rates. If the Bank identifies a short-term or mid-term market opportunity, it might make investments in foreign currency instruments within current regulatory limits. The extent of exchange rate risk assumed by the Bank is determined by the net position and exchange rate

volatility (the higher the position or the higher the exchange rate volatility, the higher the risk) and by operations carried out by the Bank, in its capacity of foreign exchange operator and of intermediation in UVC loans. The exchange rate risk exposure is assessed as the open net position (not matched) in each currency.

The loan portfolio is expressed in Credit Value Units ("UVC" for its acronym in Spanish), adjusted at the daily IDI value, which is sensitive to the exchange rate, as explained in *Note 6*, and it has a net foreign currency denominated asset position, as described in *Note 19*.

- d. *Cash flow and interest rate risk*: Variable interest rates expose the Bank to cash flow risks while fixed interest rates expose the Bank to fair value risks. It arises when there are temporary mismatches between the assets and liabilities of the balance sheet exposed to adverse changes in interest rates, which would have a potential impact on the Bank's financial margin. The Bank establishes a maximum exposure to assume interest rate changes. This limit is set as the maximum loss that the Bank is willing to assume in the event of a significant variation and is submitted to the Risk Committee upon request in the event of interest rate promotions

Financial assets mainly include balances in correspondent banks, investment securities, and loan portfolio at fixed interest rates. Financial income is composed of interest on investment securities and loan portfolio, and the interest-bearing liabilities are subject to fixed interest rates.

- e. *Price risk*: the price risk is defined as the current and potential risk on income or capital due to changes in the value of financial instruments. The extent of this risk assumed by the Bank is determined by the net position in investment securities. The Bank establishes investment approval mechanisms based on the counterparty risk exposure limits provided by the Risk Committee and current regulations. The Bank assesses on a daily basis the financial instruments that compose the investment portfolio, assesses the concentration of positions subject to these risks and potential losses through the estimation and analysis of the Value at Risk.

Given that the Bank's investment securities are mostly intended to be held to maturity, and it does not maintain trading investment securities, the Bank has limited exposure to price fluctuation risk. The Branch has no future transactions of commodities or hedging instruments to manage its exposure to price risk.

- f. *Operational risk*: The Bank defines this type of risk as the possible financial impact resulting from weaknesses, insufficiencies or failures of processes, personnel and internal systems or external events. The Bank has designed an operational risk management and control model for the purposes of monitoring that the risk levels are maintained within the established thresholds and controlling the exposures to operating losses.

3.2 Fair value of financial instruments-

Prudential accounting standards require the disclosure of information on the fair value of those financial instruments for which it is practical to estimate this value. Fair values presented do not necessarily show the amounts for which the Bank might trade its financial instruments in the market. The Bank applied the following methods and assumptions to estimate the fair value of the financial instruments:

- i. *Short-term financial instruments - financial assets and financial liabilities*: these financial instruments have been presented at carrying value, which does not significantly differ from their fair value, given the relatively short maturity of these instruments. This category includes cash and due from banks, bank deposits with undefined maturity or on demand, other borrowings and interests receivable and payable.
- ii. *Investment securities*: the fair value of placements in national and foreign banks is equivalent to nominal value and the fair value of investment securities corresponds to the secondary reference market value reported by international agencies.

- iii. *Loan portfolio*: The loan portfolio bears variable interest rates, as provided by the contracts, which may be continuously reviewed. As a result of the foregoing and of the specific and general allowances created for uncollectibility risks in the loan portfolio, in the opinion of management, the carrying balance of such loan portfolio approximates their fair value.

Carrying and fair values estimated for the financial instruments are as follows:

	June 30, 2025		December 31, 2024	
	Carrying value	Fair value	Carrying value	Fair value
(In bolivars)				
Assets				
Cash and due from banks	9,457,464,697	9,457,464,697	4,379,070,847	4,379,070,847
Investment securities	3,854,595,063	3,832,557,319	2,189,971,125	1,946,226,724
Loan portfolio	5,894,011,407	6,000,012,402	3,638,242,706	3,703,362,312
Interests and bank fees receivable	97,213,183	97,213,183	60,369,376	60,369,376
	<u>19,303,284,350</u>	<u>19,387,247,601</u>	<u>10,267,654,054</u>	<u>10,089,029,259</u>
(In bolivars)				
Liabilities				
Bank deposits	14,001,184,087	14,001,184,087	7,890,555,047	7,890,555,047
Other borrowings	113,731	113,731	99,337	99,337
Interests and bank fees payable	1,379,441	1,379,441	890,282	890,282
	<u>14,002,677,259</u>	<u>14,002,677,259</u>	<u>7,891,544,666</u>	<u>7,891,544,666</u>

Note 4.- Cash and due from banks:

“Cash and due from banks” include amounts, in local and foreign currency, held in cash in vaults, on demand in BCV, including balances pending settlement of the interbank network, and in national and foreign banks for a total amount of Bs. 9,457,464,697, including US\$ 57,987,010 equivalent to Bs. 6,257,878,534 (a total amount of Bs. 4,379,070,847, including US\$ 59,283,973 equivalent to Bs. 3,076,662,259, at December 31, 2024). Cash and due from banks are subject to the purpose or destination required or permitted in current regulations as described below:

4.1 Legal reserve and other balances held in BCV-

The Bank shall maintain a minimum legal reserve⁹ of 73% of net obligations in local currency and 31% of net obligations in foreign currency. Those obligations derived from deposits received in foreign currency in the national financial system shall not be considered for the legal reserve creation. The amounts derived from the sale of foreign currency under the foreign exchange intervention mechanism, if any, and the settled amounts for the acquisition of hedging instruments for its customers are deducted from the resulting legal reserve position (see Note 1.4.b).

The legal reserve required by BCV amounts to Bs. 2,667,439,987 (Bs. 1,112,471,826, at December 31, 2024) and the Bank maintained available balances in BCV to meet this legal reserve, shown within “Cash and due from banks” under “Central Bank of Venezuela” in the accompanying balance sheets.

Banks presenting a legal reserve deficit shall pay BCV a finance cost calculated by BCV on a daily basis. The Bank did not incur significant expenses for this concept, and the minor expenses incurred are presented within “Sundry operating expenses” (Bs. 66,069 and Bs. 1,294,910 for the six-month periods ended June 30, 2025 and December 31, 2024, respectively (see Note 16).

The balances related to the clearing of the Suiche 7B interbank network to be settled through BCV amount to Bs. 345,476,375 (Bs. 139,178,667, at December 31, 2024).

⁹ Resolution N° 22-01-01 published in Official Gazette N° 42.312 dated February 4, 2022.

4.2 Foreign exchange intervention, foreign exchange market and retail transactions-

In accordance with foreign exchange regulations, the Bank maintains Cash and due from banks in foreign currency in its capacity as foreign exchange operator intended for SMCLC, the balances of which are as follows (see Note 1.4.b):

	June 30, 2025	December 31, 2024
	(In bolivars)	
Cash and due from banks intended for foreign exchange operations		
<i>(Note 1.4.b)-</i>		
Cash: for foreign exchange market and retail transactions (US\$ 96,063 and US\$ 144,917, respectively)	10,367,049	7,520,746
Foreign currencies to be received from BCV for foreign exchange intervention operations (US\$ 1,388,000 and US\$ 1,694,000, respectively).	149,791,070	87,913,580
Correspondent accounts for foreign exchange market and retail transactions(US\$ 522,130 and US\$ 476,133, respectively)	56,347,515	24,709,915
	<u>216,505,634</u>	<u>120,144,241</u>

4.3 Cash and due from banks in foreign currency-

Under Foreign Exchange Agreement N° 1, "Cash and due from banks" include funds received from deposits in foreign currency shown within the accounts of "Cash" and "Foreign banks and correspondents" (see Note 10 and Note 19).

Note 5.- Investment securities:

"Investment securities" have been classified in the financial statements based on the Management's intent with respect to these investment securities , as follows:

	June 30, 2025	December 31, 2024
	(In bolivars)	
Investment securities-		
Placements in the Central Bank of Venezuela and interbank transactions	-0-	223,500,000
Available-for-sale investment securities	600,586,858	531,603,591
Held-to-maturity investment securities	2,496,977,767	1,077,175,061
Restricted cash investments	757,030,438	357,692,473
	<u>3,854,595,063</u>	<u>2,189,971,125</u>

5.1 Placements in the Central Bank of Venezuela and interbank transactions-

Interbank placements at December 31, 2024 correspond to overnight operations with other local financial institutions, which are presented at their nominal value for Bs. 223,500,000, bearing annual interest rate of 33% and past due in January 2025.

Interbank placements generated interest income for Bs. 26,678,656 (Bs. 55,214,166, during the six-month period ended December 31, 2024), shown under "Income from investment securities" within "Financial income" in the statement of income.

5.2 Available-for-sale investment securities-

“Available-for-sale investment securities”, carried at their fair value, are composed as follows:

	At June 30, 2025			At December 31, 2024		
	Acquisition cost	Unrealized loss	Fair value	Acquisition cost	Unrealized loss	Fair value
(In bolivars)						
Investment securities issued or guaranteed by the State:						
U.S. Government Treasury Bills, nominal value of US\$ 3,395,000, annual interest rates between 3.79% and 4.34% and due between July 2025 and May 2026 (US\$ 4,100,000 due between January and November 2025, at December 2024)	352,683,371	10,030,434	362,713,805	205,560,097	2,792,735	208,352,832
U.S. Treasury Bills; nominal value of US\$ 3,845,000, annual interest rates between 1.375% and 4.625% and due between January and June 2025	-0-	-0-	-0-	196,829,355	2,345,590	199,174,945
	<u>352,683,371</u>	<u>10,030,434</u>	<u>362,713,805</u>	<u>402,389,452</u>	<u>5,138,325</u>	<u>407,527,777</u>
Obligations issued by foreign financial institutions-						
American Express Co. (nominal value of US\$ 300,000, annual interest rate of 3.95%, and due in August 2025)	32,277,814	94,537	32,372,351	15,522,091	(12,144)	15,509,947
Pnc Bank N.A. Pittsburgh, Pa (nominal value of US\$ 250,000, annual interest rate of 4.20%, and due in November 2025)	26,879,562	97,397	26,976,959	-0-	-0-	-0-
Allstate Corp (nominal value of US\$ 250,000, annual interest rate of 0.75%, and due in December 2025)	26,040,495	491,300	26,531,795	-0-	-0-	-0-
American Honda Finance Corp (nominal value of US\$ 200,000, annual interest rate of 5.80%, and due in October 2025)	21,755,532	(102,739)	21,652,793	-0-	-0-	-0-
General Motors Financial Company Inc (nominal value of US\$ 150,000, annual interest rate of 1.25%, and due in January 2026)	15,628,506	274,383	15,902,889	-0-	-0-	-0-
Goldman Sachs Group Inc (nominal value of US\$ 100,000, annual interest rate of 4.25%, and due in October 2025)	10,745,674	34,318	10,779,992	-0-	-0-	-0-
Bank of America Corp., nominal value of US\$ 300,000, annual rate of return of 3.95% and due in April 2025, at December 2024	-0-	-0-	-0-	15,526,762	1,868	15,528,630
Citigroup Inc., nominal value of US\$ 300,000, annual rate of return of 3.875% and due in March 2025, at December 2024	-0-	-0-	-0-	15,525,360	156	15,525,516
	<u>133,327,583</u>	<u>889,196</u>	<u>134,216,779</u>	<u>46,574,213</u>	<u>(10,120)</u>	<u>46,564,093</u>
Obligations issued by foreign private non-financial companies						
Ebay INC (nominal value of US\$ 350,000, annual interest rate of 5.90%, and due in November 2025)	38,135,637	(201,700)	37,933,937	-0-	-0-	-0-
Sherwin-Williams Co. (nominal value of US\$ 310,000, annual interest rate of 3.45% and due in August 2025)	33,209,885	208,089	33,417,974	15,970,326	(2,906)	15,967,420
Ralph Lauren Corp., (nominal value of US\$ 300,000, annual interest rate of 3.75% and due in September 2025, at December 2024)	32,206,264	98,098	32,304,362	15,487,683	(33,785)	15,453,897
General Mills Inc., nominal value of US\$ 350,000, annual interest rate of 4.00% and due in April 2025, at December 2024	-0-	-0-	-0-	18,118,915	(3,996)	18,114,919
Humana Inc., nominal value of US\$ 300,000, annual interest rate of 4.50% and due in April 2025, at December 2024	-0-	-0-	-0-	15,571,445	(22,575)	15,548,870
The Campbell's Company, nominal value of US\$ 240,000, annual interest rate of 3.95% and due in March 2025, at December 2024	-0-	-0-	-0-	12,430,611	(3,996)	12,426,615
	<u>103,551,786</u>	<u>104,487</u>	<u>103,656,273</u>	<u>77,578,980</u>	<u>(67,258)</u>	<u>77,511,721</u>
	<u>589,562,678</u>	<u>11,024,180</u>	<u>600,586,858</u>	<u>526,542,645</u>	<u>5,060,947</u>	<u>531,603,591</u>

Available-for-sale investment securities are classified by terms as follows:

	June 30, 2025		December 31, 2024	
	Acquisition cost	Fair value	Acquisition cost	Fair value
	(In bolivars)			
Due within six months	496,413,059	506,359,055	331,883,026	335,369,417
Due after six months through one year	93,149,619	94,227,803	194,659,619	196,234,174
	<u>589,562,678</u>	<u>600,586,858</u>	<u>526,542,645</u>	<u>531,603,591</u>

During the six-month period ended June 30, 2025, the sales of *Available-for-sale investment securities* generated gains and losses for Bs. 10,273,408 and Bs. 122,178, respectively, which are reported within “*Other operating income*” and “*Other operating expenses*”, respectively, in the accompanying statements of income (see *Note 16*).

5.3 Held-to-maturity investment securities-

“*Held-to-maturity investment securities*” correspond to national and foreign public debt securities for which the Bank has the intention and capacity of holding until maturity. The following is a detail of such investments:

	At June 30, 2025			At December 31, 2024		
	Acquisition cost	Amortized cost	Fair value	Acquisition cost	Amortized cost	Fair value
	(In bolivars)					
Obligations issued by foreign private non-financial companies						
Ralph Lauren Corp., with nominal value of US\$ 1,500,000, annual interest rate of 3.750% and due in September 2025, at June 2025 and December 2024	171,137,359	162,246,051	161,521,809	82,298,314	78,438,638	77,269,491
Walgreens Boots Alliance Inc., with nominal value of US\$ 1,000,000, annual interest rate of 3.45% and due in June 2026, at June 2025 and December 2024	119,570,601	109,786,483	105,652,336	57,500,355	3,279,149	50,267,465
Molson Coors Beverage Co. with nominal value of US\$ 1,000,000, annual interest rate of 3% and due in July 2026, at June 2025 and December 2024	116,081,592	109,400,674	106,321,432	55,822,524	52,949,207	50,578,848
Procter & Gamble Co., with nominal value of US\$ 750,000, annual interest rate of 2.45% and due in November 2026, at June 2025 and December 2024	78,123,913	79,262,455	79,441,599	37,569,040	37,817,753	37,657,784
CVS Health Corp., with nominal value of US\$ 750,000, annual interest rates between 1.30% and 4.30%, and due in August 2027 and March 2028, at June 2025 and December 2024	76,190,281	77,051,957	77,772,638	22,392,506	22,424,506	22,146,280
Intel Corp. with nominal value of US\$ 650,000, annual interest rate from 2.45% to 4.875% and due between February 2028 and November 2029	67,781,585	67,793,510	68,402,064	-0-	-0-	-0-
Dell International LLC with nominal value of US\$ 600,000, annual interest rate from 5.25% to 7.10% and due between February and April 2028	66,912,786	66,789,543	67,293,739	-0-	-0-	-0-
General Motors Co., with nominal value of US\$ 506,000, annual interest rates between 5.40% and 6.125%, and due between October 2025 and October 2029	60,899,150	55,256,388	55,154,577	29,285,817	26,875,870	26,466,251
AT&T Inc. with nominal value of US\$ 500,000, annual interest rates between 1.65% and 4.25% and due between March 2027 and February 2028 (with nominal value of US\$ 300,000, annual interest rate of 4.250% and due in March 2027, at December 2024)	51,765,760	52,183,189	52,598,460	15,358,615	15,422,340	15,418,089
HP Inc., nominal value of US\$ 500,000, annual interest rate of 4% and due in April 2029, at June 2025 and December 2024	51,176,092	52,113,150	52,836,960	24,610,092	24,944,698	24,910,575

	At June 30, 2025			At December 31, 2024		
	Acquisition cost	Amortized cost	Fair value	Acquisition cost	Amortized cost	Fair value
	(In bolivars)					
Estee Lauder Co. Inc., nominal value of US\$ 500,000, annual interest rate of 2.375% and due in December 2029	49,264,853	49,319,460	49,761,279	-0-	-0-	-0-
Lowe's Companies Inc., nominal value of US\$ 300,000, annual interest rate of 3.1% and due in May 2027	31,658,469	31,867,291	31,750,739	15,224,254	15,258,812	15,050,658
Starbucks Corp nominal value of US\$ 350,000, annual interest rate of 4.75% and due in February 2026	37,769,253	37,770,764	37,820,623	18,162,871	18,163,312	18,198,473
Kraft Heinz Food nominal value of US\$ 300,000, annual interest rate of 4.625%, and due in January 2029	32,488,903	32,485,557	32,728,482	-0-	-0-	-0-
Netflix Inc., with nominal value of US\$ 300,000, annual interest rate of 4.375% and due in November 2026, at June 2025 and December 2024	32,073,200	32,217,595	32,550,416	15,423,694	15,465,824	15,527,073
Microsoft Corp., with nominal value of US\$ 300,000, annual interest rate of 3.30% and due in February 2027, at June 2025 and December 2024	31,601,812	31,966,037	32,058,307	15,197,008	15,311,294	15,211,020
Amazon.com Inc., with nominal value of US\$ 300,000, annual interest rate of 3.150% and due in August 2027, at June 2025 and December 2024	31,077,975	31,598,250	31,854,341	14,945,100	15,108,861	15,074,012
Adobe Inc., with nominal value of US\$ 300,000, annual interest rate of 2.150% and due in February 2027, at June 2025 and December 2024	30,386,432	31,326,835	31,485,260	14,612,544	14,907,673	14,859,158
Stanley Black and Decker I nominal value of US\$ 250,000, annual interest rate of 4.25%, and due in November 2028	26,666,963	26,677,053	26,839,363	-0-	-0-	-0-
7-Eleven Inc., with nominal value of US\$ 250,000, annual interest rate of 1.3% and due in February 2028, at June 2025 and December 2024	24,032,129	24,525,587	24,880,640	11,556,820	11,570,414	11,526,331
3M Company nominal value of US\$ 225,000, annual interest rate between 2.25% and 3.375% and due in September 2026 and March 2029	23,558,259	23,575,903	23,619,610	-0-	-0-	-0-
Darden Restaurants, Inc. with nominal value of US\$ 200,000, annual interest rate of 4.55% and due in October 2029, at June 2025 and December 2024	21,276,805	21,312,418	21,557,825	10,231,811	10,233,891	10,132,377
Hewlett Packard Enterprise nominal value of US\$ 160,000, annual interest rate of 4.40%, and due in September 2027	17,222,604	17,227,158	17,287,701	-0-	-0-	-0-
Verizon Communications Inc., with nominal value of US\$ 135,000, annual interest rate of 4.1250% and due in March 2027, at June 2025 and December 2024	14,212,511	14,365,156	14,561,730	6,834,660	6,879,602	6,924,128
Altria Group Inc nominal value of US\$ 100,000, annual interest rate of 6.20%, and due in November 2028	11,369,012	11,356,925	11,395,128	-0-	-0-	-0-
Sherwin-Williams Co nominal value of US\$ 100,000, annual interest rate of 2.95%, and due in August 2029	10,131,293	10,142,516	10,197,231	-0-	-0-	-0-
T-Mobile Usa Inc nominal value of US\$ 100,000, annual interest rate of 2.40%, and due in March 2029	9,997,042	10,011,935	10,045,066	-0-	-0-	-0-
Micron Technology Inc., with nominal value of US\$ 1,000,000, annual interest rate of 4.975% and due in February 2026, at December 2024	-0-	-0-	-0-	60,797,373	53,773,245	51,948,929
Mondelez International Inc., with nominal value of US\$ 750,000, annual interest rate of 1.5% and due in May 2025, at December 2024	-0-	-0-	-0-	37,868,745	38,446,136	38,876,067
	<u>1,294,426,634</u>	<u>1,269,629,840</u>	<u>1,267,389,355</u>	<u>545,692,143</u>	<u>527,271,225</u>	<u>518,043,009</u>

	At June 30, 2025			At December 31, 2024		
	Acquisition cost	Amortized cost	Fair value	Acquisition cost	Amortized cost	Fair value
(In bolivars)						
Obligations issued by foreign financial institutions-						
Bank of America Corp., nominal value of US\$ 1,550,000, annual interest rate of 4.183% and due in November 2027, at June 2025 and December 2024	193,652,962	176,413,904	166,705,141	93,125,851	85,741,857	79,129,221
Barclays PLC, with nominal value of US\$ 1,500,000, annual interest rates between 4.375% and 5.2%, and due between January and May 2026, at June 2025 and December 2024	185,419,310	164,610,597	162,050,611	89,166,367	80,170,577	77,599,037
General Electric Co., with nominal value of US\$ 1,000,000, annual interest rate of 4.9021% (5.1959% at December 2024) and due in May 2026, at June 2025 and December 2024	106,623,604	107,798,024	108,004,962	51,274,268	51,805,063	51,980,068
General Motors Financial Company Inc. nominal value of US\$ 930,000, annual interest rate between 3.85% and 5.4% and due between May 2027 and April 2029	98,229,056	98,353,368	98,889,184	-0-	-0-	-0-
B.A.T. Capital Corp. nominal value of US\$ 880,000, annual interest rate between 3.557% and 4.70%, and due between April and August 2027 (nominal value of US\$ 500,000, annual interest rate of 4.7% and due in April 2027, at December 2024)	93,019,187	93,569,227	94,602,332	25,486,373	25,634,045	25,857,696
Citigroup Inc nominal value of US\$ 620,000, annual interest rate between 4.45% and 5.00%, and due between September 2027 and September 2028	66,697,920	66,737,742	66,977,753	-0-	-0-	-0-
Wells Fargo & CO, with nominal value of US\$ 500,000, annual interest rate of 4.1% and due in June 2026, at June 2025 and December 2024	61,623,155	55,196,361	53,786,644	29,633,984	26,861,961	25,709,790
Hyundai Capital America, with nominal value of US\$ 500,000, interest rate of 5.5% and due in March 2026, at June 2025 and December 2024	54,120,112	54,004,291	54,304,653	26,025,843	25,984,485	26,119,776
Goldman Sachs Group Inc., nominal value of US\$ 500,000, annual interest rate of 5%, and due in June 2027	53,379,251	53,634,586	53,964,710	25,669,570	25,753,167	25,548,909
Comerica Inc nominal value of US\$ 500,000, annual interest rate of 4%, and due in February 2029	52,572,559	52,592,308	52,734,437	-0-	-0-	-0-
Banco Santander, S.A. nominal value of US\$ 400,000, annual interest rate between 3.80% and 5.294% and due between August 2027 and February 2028	42,869,595	42,888,805	43,158,817	-0-	-0-	-0-
Goldman Sachs Bdc Inc nominal value of US\$ 330,000, annual interest rate of 6.375%, and due in March 2027	36,598,207	36,476,820	36,482,108	-0-	-0-	-0-
Manufacturers and Traders Trust Company, nominal value of US\$ 250,000, annual interest rate of 3.4%, and due in August 2027	26,147,065	26,233,400	26,356,427	-0-	-0-	-0-
Lloyds Banking Group Plc, nominal value of US\$ 240,000, annual interest rate of 4.375%, and due in March 2028	25,673,064	25,691,798	25,864,210	-0-	-0-	-0-
American Honda Finance Corp nominal value of US\$ 240,000, annual interest rate of 3.50%, and due in February 2028	25,191,316	25,252,095	25,416,132	-0-	-0-	-0-
Fidelity National Information Services Inc nominal value of US\$ 220,000, annual interest rate of 4.25%, and due in May 2028	23,490,907	23,505,109	23,621,013	-0-	-0-	-0-
United Health Group, Inc., with nominal value of US\$ 200,000, interest rate of 3.1% and due in March 2026, at June 2025 and December 2024	20,748,867	21,322,023	21,395,947	9,977,931	10,165,254	10,233,057

	At June 30, 2025			At December 31, 2024		
	Acquisition cost	Amortized cost	Fair value	Acquisition cost	Amortized cost	Fair value
	(In bolivars)					
Bayer US Finance II LLC, with nominal value of US\$ 1,350,000, annual interest rate of 2.850% and due in April 2025, at December 2024	-0-	-0-	-0-	74,366,732	70,337,509	69,500,506
Harley-Davidson Financial Services Inc., with nominal value of US\$ 1,000,000, annual interest rate of 3.350% and due in June 2025, at December 2024	-0-	-0-	-0-	54,558,675	52,144,229	51,481,856
Pfizer Investment Enterprises PTE LTD, with nominal value of US\$ 500,000, annual interest rate of 4.65% and due in May 2025, at December 2024	-0-	-0-	-0-	25,789,452	25,915,067	25,943,326
American Express Co., with nominal value of US\$ 400,000, annual interest rate of 4.990% and due in May 2026, at December 2024	-0-	-0-	-0-	20,775,295	20,768,511	20,767,116
	<u>1,166,056,137</u>	<u>1,124,280,458</u>	<u>1,114,315,081</u>	<u>525,850,341</u>	<u>501,281,725</u>	<u>489,870,358</u>
Certificates of deposit in financial institutions-						
Banco de Sabadell, S.A., with nominal value of US\$ 955,048, annual interest rate of 3.85% due in July 2025 (Banco Sabadell, S.A., with nominal value of US\$ 936,896, annual interest rate between 4.00% and 3.95% due in January 2025)	103,067,469	103,067,469	103,067,469	48,622,111	48,622,111	48,622,111
	<u>2,563,550,240</u>	<u>2,496,977,767</u>	<u>2,484,772,026</u>	<u>1,120,164,595</u>	<u>1,077,175,061</u>	<u>1,056,535,478</u>

The maturities of held-to-maturity investment securities are the following:

	June 30, 2025		December 31, 2024	
	Amortized cost	Fair value	Amortized cost	Fair value
	(In bolivars)			
Due within six months	298,640,519	297,698,282	235,465,035	234,423,863
Due after six months through one year	550,488,493	543,015,776	94,749,657	93,272,263
Due after one year through five years	<u>1,647,848,755</u>	<u>1,644,057,968</u>	<u>746,960,369</u>	<u>728,839,352</u>
	<u>2,496,977,767</u>	<u>2,484,772,026</u>	<u>1,077,175,061</u>	<u>1,056,535,478</u>

5.4 Restricted cash investments-

“Restricted cash investments” are composed as follows:

	June 30, 2025		December 31, 2024	
	Cost/carrying value	Fair value	Cost/carrying value	Fair value
	(In bolivars)			
Restricted cash investments:				
<u>Investment securities pledged in guarantee</u>				
Restricted cash deposits in JP Morgan Chase Bank for US\$ 6,232,670 as guarantee of use of VISA, INC. (US\$ 6,100,687, at December 2024)	672,621,189	672,621,189	316,586,797	316,586,797
Restricted cash deposits in PNC Financial Service Group for US\$ 587,247, interest rate of 4.05% (US\$ 575,590 and interest rate of 4.95% at December 2024) as guarantee of use of MasterCard, INC.	<u>63,374,889</u>	<u>63,374,889</u>	<u>29,871,412</u>	<u>29,871,412</u>
	<u>735,996,078</u>	<u>735,996,078</u>	<u>346,458,209</u>	<u>346,458,209</u>
<u>Trusts in domestic financial institutions and other restricted cash investments-</u>				
Banco Mercantil, C.A. Banco Universal (Suiche 7B)	11,115,502	11,115,502	6,385,035	6,385,035
Banco Exterior, C.A. Banco Universal (Social Fund for Contingencies)	<u>1,119,390</u>	<u>1,119,390</u>	<u>683,386</u>	<u>683,386</u>
	<u>12,234,892</u>	<u>12,234,892</u>	<u>7,068,421</u>	<u>7,068,421</u>
<u>Other restricted cash investments-</u>				
MasterCard, Inc. (22,940 class “B” shares)	7,616,248	7,616,248	3,662,581	3,662,581
Swift (2 shares, nominal value of EUR 125 each)	<u>1,183,220</u>	<u>2,375,397</u>	<u>503,262</u>	<u>867,303</u>
	<u>757,030,438</u>	<u>758,222,615</u>	<u>357,692,473</u>	<u>358,056,514</u>

Restricted cash investments include term deposits maintained in foreign financial institutions intended to guarantee those transactions related to the license contracts on the nonexclusive and free use of the VISA, MasterCard and American Express credit card trademarks.

During the six-month period ended June 30, 2025, restricted cash investments generated interest income for Bs, 23,720,410 (Bs. 9,522,034, at December 31, 2024), shown under “Income from investment securities” within “Financial income”.

The restricted cash investment in Banco Mercantil, C.A. corresponds to contributions made to the guarantee fund provided by the affiliation contract for the connection, interconnection and exchange services of the Suiche 7B network, which is required from banks participating in the Electronic Payment System, in accordance with the requirements of BCV’s Resolution N° 18-12-01.

The trust fund of the Social Fund for Contingencies maintained in Banco Exterior, C.A. has been created in compliance with the Law on Banking Sector Institutions to guarantee employees the payment of their labor obligations in case of liquidation of the bank (see Note 1.4.a and Note 14).

5.5 Concentration of operations and other operations-

The Bank has intended its investing activities as follows:

	June 30, 2025		Dec. 31, 2024	
	Bs.	%	Bs.	%
Placements in BCV and interbank transactions	-0-	0%	223,500,000	10%
Foreign financial entities				
Bank of America Corp	176,413,932	5%	94,657,851	4%
Barclays PLC	164,610,548	4%	77,613,050	4%
General Motors Financial Company Inc	114,256,364	3%	26,466,241	1%
General Electric	107,797,974	3%	51,980,068	2%
Banco de Sabadell, S.A.	103,067,469	3%	48,622,122	2%
B.A.T. Capital Corp	93,569,119	2%	25,598,211	1%
Other less than 2%	580,527,427	15%	271,530,411	12%
Foreign private non-financial entities				
Ralph Lauren Corp	194,550,413	5%	92,723,390	4%
Walgreens Boots Alliance Inc	109,786,483	3%	50,267,465	2%
Molson Coors Beverage Co	109,400,674	3%	50,578,848	2%
Procter & Gamble Co	79,262,455	2%	37,657,784	2%
Cvs Health Corp	77,051,957	2%	22,146,280	1%
Other less than 2%	824,556,049	21%	351,409,181	16%
Term deposits in foreign financial institutions-				
JP Morgan Chase Bank (VISA)	672,621,191	18%	316,586,791	14%
Other	84,409,149	2%	41,105,655	2%
Foreign public non-financial entities				
	362,713,859	9%	407,527,777	19%
	<u>3,854,595,063</u>	<u>100%</u>	<u>2,189,971,125</u>	<u>100%</u>

The custody of investment securities issued or guaranteed by the State is held in BCV and in Caja Venezolana de Valores, C.A. The custody of investment securities related to placements and trusts in national and foreign banks is held in the related banks.

Note 6.- Loan portfolio:

The loan portfolio is mainly composed of loans granted to individuals and private entities including commercial loans, microcredits and CPUN loans, which are expressed in bolivars and adjusted at the IDI¹⁰ value, and consumer loans in historical bolivars.

¹⁰ At June 30, 2025 and December 31, 2024, the IDI is equal to 0.52617054 and 0.25390505, respectively.

Classification of the loan portfolio-

The loan portfolio of the Bank is classified by economic activity and/or purpose of the loan as follows:

Type of economic activity:	June 30, 2025			Total
	Current	Past-due	In litigation	
Wholesale and retail trade, restaurants and hotels	2,593,218,042	26,252,038	1,811,117	2,621,281,197
Community-based, social and personal services	1,447,165,286	22,476,767	1,205,704	1,470,847,757
Manufacturing industry	467,008,396	-0-	-0-	467,008,396
Agriculture and fishing	814,579,830	539,594	-0-	815,119,424
Construction, engineering and related services	237,704,501	-0-	-0-	237,704,501
Transportation, warehousing and communication services and other	266,137,971	-0-	-0-	266,137,971
Mining and quarrying	104,773,791	-0-	-0-	104,773,791
Financial establishments, insurance, real estate	30,561,485	-0-	-0-	30,561,485
Electricity, gas and water	5,322,638	-0-	-0-	5,322,638
	<u>5,966,471,940</u>	<u>49,268,399</u>	<u>3,016,821</u>	<u>6,018,757,160</u>
Allowance for loan portfolio				<u>(124,745,753)</u>
				<u>5,894,011,407</u>

Type of economic activity:	December 31, 2024			Total
	Current	Past-due	In litigation	
Wholesale and retail trade, restaurants and hotels	1,733,955,766	49,723	1,634,753	1,735,640,242
Community-based, social and personal services	711,947,800	210,992	581,816	714,639,537
Manufacturing industry	392,386,726	-0-	-0-	392,386,726
Agriculture and fishing	286,658,990	-0-	-0-	286,658,990
Construction, engineering and related services	225,545,055	-0-	-0-	225,545,055
Transportation, warehousing and communication services and other	214,881,696	-0-	-0-	214,881,696
Mining and quarrying	108,472,469	2154	-0-	108,474,623
Financial establishments, insurance, real estate	24,661,971	-0-	-0-	24,418,971
Electricity, gas and water	2,140,139	-0-	-0-	2,140,139
	<u>3,700,650,612</u>	<u>2,161,798</u>	<u>2,216,569</u>	<u>3,705,028,979</u>
Allowance for loan portfolio				<u>(66,786,273)</u>
				<u>3,638,242,706</u>

Classification by loan modality:	June 30, 2025			Total
	Current	Past-due	In litigation	
UVC loans:				
Commercial loans	700,643,904	2,402,112	562,735	703,608,751
Net change in commercial loans	250,511,473	4,843,056	1,248,381	256,602,910
Agricultural loans	21,654,942	6,319,941	-0-	27,974,883
Net change in agricultural loans	34,439,912	12,661,064	-0-	47,100,976
Microcredits	42,988,122	224,689	276,667	43,489,478
Net change in principal of microcredits	22,415,763	440,287	929,038	23,785,088
Car loans	87,779,703	692,692	-0-	88,472,395
Net change in car loans	126,338,886	1,177,330	-0-	127,516,216
Sector loans developed by women	2,798,486	297,643	-0-	3,096,129
Net change in sector loans developed by women	4,717,718	537,361	-0-	5,255,079
	<u>1,294,288,909</u>	<u>29,596,175</u>	<u>3,016,821</u>	<u>1,326,901,905</u>
Nominal loans:				
Credit cards	24,522,350	24,566	-0-	24,546,916
Mortgage loans	-0-	-0-	-0-	-0-
Loans to directors and employees	262,722,527	-0-	-0-	262,722,527
Vehicle acquisition	-0-	-0-	-0-	-0-
Fixed-term loans	1,358,999,713	18,012,033	-0-	1,377,011,746
Installment loans	2,536,092,478	1,618,779	-0-	2,537,711,257
Checking account loans	489,845,963	16,846	-0-	489,862,809
	<u>5,966,471,940</u>	<u>49,268,399</u>	<u>3,016,821</u>	<u>6,018,757,160</u>
Allowance for loan portfolio				<u>(124,745,753)</u>
				<u>5,894,011,407</u>

Classification by loan modality:	December 31, 2024			Total
	Current	Past-due	In litigation	
UVC loans:				
Commercial loans	662,282,798	332,911	1,052,603	663,668,313
Net change in commercial loans	177,870,948	148,308	582,149	178,601,405
Agricultural loans	110,230,098	-0-	-0-	110,230,098
Net change in agricultural loans	42,117,271	34,087	-0-	42,151,358
Microcredits	19,588,783	14,686	276,667	19,880,135
Net change in principal of microcredits	7,940,304	-0-	305,150	8,245,454
Sector loans developed by women	12,211,579	-0-	-0-	12,211,579
Net change in sector loans developed by women	4,349,329	-0-	-0-	4,336,643
	<u>1,036,578,424</u>	<u>529,992</u>	<u>2,216,569</u>	<u>1,039,324,985</u>
Nominal loans:				

Classification by loan modality:	December 31, 2024			
	Current	Past-due	In litigation	Total
Credit cards	17,947,811	74,541	-0-	18,022,352
Mortgage loans	114,241,129	-0-	-0-	114,241,129
Fixed-term loans	1,353,192,933	893,667	-0-	1,354,086,600
Installment loans	1,129,137,836	648,713	-0-	1,129,786,549
Checking account loans	49,552,479	14,885	-0-	49,567,364
	<u>3,700,650,612</u>	<u>2,161,798</u>	<u>2,216,569</u>	<u>3,705,028,979</u>
Allowance for loan portfolio				(66,786,273)
				<u>3,638,242,706</u>

The loan portfolio is classified by type of guarantee as shown below:

	June 30, 2025			
	Current	Past-due	In litigation	Total
Guarantee	536,777,784	14,624,791	-0-	551,402,575
Pledge	1,590,091,193	693,952	3,016,821	1,593,801,966
Secured pledge	2,652,014,119	31,061,410	-0-	2,683,075,529
Mortgage	85,035,974	-0-	-0-	85,035,974
Unsecured	1,102,552,870	2,888,246	-0-	1,105,441,116
	<u>5,966,471,940</u>	<u>49,268,399</u>	<u>3,016,821</u>	<u>6,018,757,160</u>
Allowance for loan portfolio				(124,745,753)
				<u>5,894,011,407</u>

	December 31, 2024			
	Current	Past-due	In litigation	Total
Guarantee	830,591,180	30,631	2,216,569	832,838,380
Pledge	278,740,995	648,713	-0-	279,389,708
Secured pledge	1,756,563,640	893,667	-0-	1,757,457,307
Mortgage	49,317,046	-0-	-0-	49,317,046
Unsecured	785,437,751	588,787	-0-	786,026,538
	<u>3,700,650,612</u>	<u>2,161,798</u>	<u>2,216,569</u>	<u>3,705,028,979</u>
Allowance for loan portfolio				(66,786,273)
				<u>3,638,242,706</u>

The loan portfolio is classified by original term as shown below:

	June 30, 2025			
	Current	Past-due	In litigation	Total
Due within 30 days	-0-	-0-	-0-	-0-
Due after 31 through 60 days	50,555,079	16,846	-0-	50,571,925
Due after 61 through 90 days	1,632,727,160	25,257,201	-0-	1,657,984,361
Due after 91 through 180 days	456,019,977	18,981,005	-0-	475,000,982
Due after 181 through 360 days	1,267,647,790	907,563	3,016,821	1,271,572,174
Due after 360 days	2,559,521,934	4,105,784	-0-	2,563,627,718
Total	<u>5,966,471,940</u>	<u>49,268,399</u>	<u>3,016,821</u>	<u>6,018,757,160</u>
Allowance for loan portfolio				(124,745,753)
				<u>5,894,011,407</u>

	December 31, 2024			
	Current	Past-due	In litigation	Total
Due within 30 days	22,297,141	89,426	-0-	22,386,567
Due after 31 through 60 days	31,138,219	-0-	-0-	31,138,219
Due after 61 through 90 days	776,629,489	-0-	-0-	776,629,489
Due after 91 through 180 days	763,122,800	-0-	-0-	763,122,800
Due after 181 through 360 days	807,652,679	1,071,051	2,216,569	810,940,299
Due after 360 days	1,299,810,284	1,001,321	-0-	1,300,811,605
Total	<u>3,700,650,612</u>	<u>2,161,798</u>	<u>2,216,569</u>	<u>3,705,028,979</u>
Allowance for loan portfolio				(66,786,273)
				<u>3,638,242,706</u>

The loan portfolio includes Bs. 460,650,995 (Bs. 254,319,453, at December 31, 2024) corresponding to the variations of UVC loans recognized within "Equity adjustments", net of allowances related to loan portfolio changes (see Note 14).

The fixed portfolio, which does not accrue interest, and is composed of past-due and in litigation loans, amounts to Bs. 52,285,220 (Bs. 4,378,367, at December 31, 2024). Unrecognized interest on this portfolio during the six-month period amounts to Bs. 8,445,392 (Bs. 801,433, for the six-month period ended December 31, 2024), which is presented within memorandum accounts (see Note 17).

Mandatory loan portfolio-

a. Single National Productive Portfolio (CPUN):

Information on the CPUN loan portfolio, in terms of amounts and percentages of financed activities, is detailed below:

	N° of debtors	N° of loans	Maximum annual interest rate %	Required %
At June 30, 2025	126	133	6%	25%
At December 31, 2024	147	148	6%	25%

Financing intended for the following sectors:	June 30, 2025		December 31, 2024	
	CPUN portfolio amount Bs.	Maintained %	CPUN portfolio amount Bs.	Maintained %
Agri-food	75,075,859	89.99%	152,347,368	90.20%
Sector developed by women	8,351,209	10.01%	16,548,223	9.80%
Total	83,427,068	100%	168,895,591	100%

The loans intended for the sector developed by women are detailed below:

At June 30, 2025						
Activity	Computable amount in loan portfolio	Computable maintained %	Required %	N° of debtors	N° of loans	Maximum annual interest rate %
Special projects for women	8,351,209	10.01%	15%	47	47	6%

At December 31, 2024						
Activity	Computable amount in loan portfolio	Computable maintained %	Required %	N° of debtors	N° of loans	Maximum annual interest rate %
Special projects for women	16,548,223	9.80%	15%	118	118	6%

At June 30, 2025, the CPUN includes Bs. 7,130,000 (Bs. 23,290,000, at December 31, 2024), which is composed of the original amount of the special charge and its related variations of loans determined as provided by BCV and recognized within "Equity adjustments".

b. Microfinance portfolio:

Information on the microfinance loan portfolio, in terms of amounts and percentages of the sectors to be financed, is summarized below:

	N° of debtors	N° of loans	Maximum annual interest rate %	Required %	Maintained %
At June 30, 2025	189	190	16%	3.00%	6.06%
At December 31, 2024	147	148	16%	3.00%	5.43%

Financing intended for the following sectors:	% required on the total microfinance portfolio	June 30, 2025		December 31, 2024	
		Amount of microfinance portfolio	Maintained %	Amount of microfinance portfolio	Maintained %
		Bs.		Bs.	
Commercialization activities	Max. 40%	34,161,995	50.78%	11,645,406	41%
Provision of services (public transport for urban and trunk routes; community-based, social and personal services)	Max. 40%	20,690,574	30.76%	12,313,274	44%
Other activities such as industrial transformation and production, agricultural, mixed and artisanal production units, among others	Min. 20%	12,421,997	18.46%	4,200,996	15%
		<u>67,274,566</u>	<u>100.00%</u>	<u>28,159,676</u>	<u>100%</u>

Allowance for loan portfolio-

The movement of the allowance for loan portfolio is shown below:

	June 30, 2025	December 31, 2024
	(In bolivars)	
Balance, at the beginning of six-month period	66,786,273	42,140,875
Creation of allowance-		
Translation effect of the balance of the allowance held in the Branch	49,343,708	14,475,496
Charged to income	364,777,040	17,515,840
Charged to equity (Note 2.7 and Note 14)	4,126,784	3,863,770
Less: write-offs-	<u>(360,288,052)</u>	<u>(11,209,708)</u>
Balance, at the end of six-month period	<u>124,745,753</u>	<u>66,786,273</u>

The allowance for loan portfolio includes general and counter-cyclical allowances for a total amount of Bs. 106,000,995 (Bs. 65,119,604, at December 31, 2024).

Note 7.- Investment in branch

Below is a summary of the financial statements of the Cayman Islands Branch, which have been integrated with the financial statements of the Bank:

	June 30, 2025		December 31, 2024	
	US\$	Bs.	US\$	Bs.
Assets				
Cash and equivalents	36,275,457	3,914,797,523	40,834,035	2,119,165,208
Investment securities	35,533,662	3,834,744,024	37,685,009	1,955,740,124
Loan portfolio	41,484,673	4,476,968,962	49,102,800	2,548,289,579
Interests and bank fees receivable	762,864	82,327,236	877,295	45,529,000
Premises and equipment	20,151	2,174,668	16,001	830,429
Other assets	9,011,096	972,465,110	11,225,978	582,594,945
Total assets	<u>123,087,903</u>	<u>13,283,477,523</u>	<u>139,741,118</u>	<u>7,252,149,285</u>
Memorandum accounts:				
Other debit memorandum accounts	<u>68,952,699</u>	<u>7,441,280,621</u>	<u>73,312,435</u>	<u>3,804,697,821</u>
Liabilities and equity				
Liabilities				
Bank deposits	90,908,103	9,810,677,682	105,466,650	5,473,406,116
Accruals and other liabilities	1,649,675	178,030,661	3,505,895	181,945,567
	<u>92,557,778</u>	<u>9,988,708,343</u>	<u>108,972,545</u>	<u>5,655,351,683</u>
Equity	<u>30,530,125</u>	<u>3,294,769,180</u>	<u>30,768,573</u>	<u>1,596,797,602</u>
	<u>123,087,903</u>	<u>13,283,477,523</u>	<u>139,741,118</u>	<u>7,252,149,285</u>
Per contra memorandum accounts				
Other credit memorandum accounts	<u>68,952,699</u>	<u>7,441,280,621</u>	<u>73,312,435</u>	<u>3,804,697,821</u>

	June 30, 2025		December 31, 2024	
Statements of income				
Financial income	4,791,301	517,070,627	5,300,115	275,060,168
Financial expenses	(3,671)	(396,169)	(3,472)	(180,162)
	<u>4,787,630</u>	<u>516,674,458</u>	<u>5,296,643</u>	<u>274,880,006</u>
Other operating income	8,846,557	954,708,287	7,235,433	375,497,506
Other operating expenses	(1,197,207)	(129,200,936)	(3,154,678)	163,718,434
Operating expenses	(2,204,336)	(237,888,915)	(1,989,219)	(103,234,540)
Other income or expenses, net	(3,072,937)	(331,627,143)	(3,817)	(198,093)
	<u>2,372,077</u>	<u>255,991,293</u>	<u>2,087,719</u>	<u>108,346,439</u>
Net income for the six-month period	7,159,707	772,665,751	7,384,362	383,226,445
Surplus at the beginning	17,141,295	889,582,339	15,719,964	571,500,620
Translation effect	-0-	960,282,686	-0-	244,318,863
Profit repatriation	(7,384,361)	(796,910,102)	(5,963,030)	(309,463,560)
Surplus at the end	<u>16,916,641</u>	<u>1,825,620,674</u>	<u>17,141,296</u>	<u>889,582,368</u>

The branch of the Bank in the Cayman Islands has an assigned capital of US\$ 13,500,000. The Branch transferred net profits to its head office for US\$ 7,384,361 equivalent to Bs. 796,910,102 (US\$ 5,963,030 equivalent to Bs. 309,463,560, during the six-month period ended December 31, 2024) (see Note 14).

Note 8.- Premises and equipment:

“Premises and equipment” shown in the balance sheets are composed as follows:

	June 30, 2025				
	Useful life	Balance at December 31, 2024	Additions	Disposals/ other	Saldo al 30 de June 2025
Cost:					
Computers		17,212,473	4,245,566	-0-	21,458,039
Office equipment	10-8-4	42,354,214	9,639,563	-0-	51,993,777
Furniture		2,707,789	3,500,429	-0-	6,208,218
Vehicles		1,650	4,538,661	-0-	4,540,311
Buildings and facilities	40	1,992,094	-0-	-0-	1,992,094
		<u>64,268,220</u>	<u>21,924,219</u>	<u>-0-</u>	<u>86,192,439</u>
Accumulated Depreciation:					
Computers		(5,947,657)	(2,426,421)	-0-	(8,374,078)
Sundry office equipment		(7,452,669)	(5,618,225)	-0-	(13,070,894)
Furniture		(173,465)	(206,909)	-0-	(380,374)
Vehicles		(1,650)	-0-	-0-	(1,650)
Buildings and facilities		(45,652)	(24,901)	-0-	(70,553)
		<u>(13,621,093)</u>	<u>(8,276,456)</u>	<u>-0-</u>	<u>(21,897,549)</u>
		<u>50,647,127</u>			<u>64,294,890</u>
	December 31, 2024				
	Useful life	Balance at June 30, 2024	Additions	Disposals/ other	Balance at December 31, 2024
Cost:					
Computers		15,720,240	1,492,233	-0-	17,212,473
Office equipment	10-8-4	21,653,794	20,700,420	-0-	42,354,214
Furniture		1,372,456	1,335,333	-0-	2,707,789
Vehicles		2,097	-0-	(447)	1,650
Buildings and facilities	40	1,992,094	-0-	-0-	1,992,094
		<u>40,740,681</u>	<u>23,527,986</u>	<u>(447)</u>	<u>64,268,220</u>
Accumulated Depreciation:					
Computers		(3,920,440)	(2,027,217)	-0-	(5,947,657)
Sundry office equipment		(3,945,001)	(3,507,668)	-0-	(7,452,669)
Furniture		(74,160)	(99,305)	-0-	(173,465)
Vehicles		(2,097)	-0-	447	(1,650)
Buildings and facilities		(20,751)	(24,901)	-0-	(45,652)
		<u>(7,962,449)</u>	<u>(5,659,091)</u>	<u>447</u>	<u>(13,621,093)</u>
		<u>32,778,232</u>			<u>50,647,127</u>

The Bank acquired furniture and equipment for Bs. 17,385,558 (Bs. 23,527,986, for the six-month period ended December 31, 2024) mainly composed of computers and data storage equipment.

The Bank recognized depreciation expenses for Bs. 8,164,862 (Bs, 5,659,091, during the six-month period ended December 31, 2024), which are recorded under “*General and administrative expenses*” in the statement of income.

Note 9.- Other assets:

“*Other assets*” shown in the balance sheets are composed as follows:

	30/6/2025	31/12/2024
	(In bolivars)	
Advances to suppliers	256,383,257	41,992,691
Prepaid expenses	169,732,088	65,059,650
Items to be applied for customer operations through electronic channels-		
Immediate credit operations and clearing	160,814,745	59,285,495
Other for operations through electronic channels	28,290,057	13,381,837
	<u>189,104,802</u>	<u>72,667,331</u>
Deferred expenses, net	36,785,867	18,411,951
Items to be applied	39,982,460	5,581,156
Other	15,970,713	9,384,453
	<u>707,959,187</u>	<u>213,097,233</u>
Allowance for other assets	(143,240)	(93,125)
	<u>707,815,947</u>	<u>213,004,108</u>

“*Immediate credit operations*” and “*Other for operations through electronic channels*” are carried out through the payment systems of the BCV's Electronic Clearing House or through Visa and Mastercard pending to be settled or offset. These items are offset on the first business day after closing.

The movement of “*Deferred expenses*” is shown below:

	Useful life	At June 30, 2025			Balance at June 30, 2025
		Balance at December 31, 2024	Additions	Disposals and other	
		(Expressed in bolivars)			
Expenses:					
Licenses purchased	4	10,590,616	14,422,457	(3,254)	25,009,819
Leasehold improvements	4	5,728,230	-	(55)	5,728,175
Software	4	4,406,028	515,306	(14,864)	4,906,470
Other deferred expenses	3, 4 and 8	7,339,320	8,078,570	(4,729,439)	10,688,451
		<u>28,064,194</u>	<u>23,016,333</u>	<u>(4,747,612)</u>	<u>46,332,915</u>
Accumulated amortization:					
Licenses purchased		(2,190,585)	(2,162,874)	3,254	(4,350,205)
Leasehold improvements		(1,445,057)	(716,022)	55	(2,161,024)
Software		(605,637)	(547,452)	14,864	(1,138,225)
Other deferred expenses		(5,410,963)	(1,216,070)	4,729,439	(1,897,594)
		<u>(9,652,242)</u>	<u>(4,642,418)</u>	<u>4,747,612</u>	<u>(9,547,048)</u>
		<u>18,411,952</u>			<u>36,785,867</u>
	Useful life	At December 31, 2024			Balance at December 31, 2024
		(Expressed in bolivars)			
Expenses:					
Licenses purchased	4	6,363,750	4,226,866	-	10,590,616
Leasehold improvements	4	3,709,502	2,018,728	-	5,728,230
Software	4	1,797,115	2,608,913	-	4,406,028
Other deferred expenses	3 and 4	6,019,606	1,319,714	-	7,339,320
		<u>17,889,973</u>	<u>10,174,221</u>	<u>-</u>	<u>28,064,194</u>
Accumulated amortization:					
Licenses purchased		(1,356,844)	(833,741)	-	(2,190,585)
Leasehold improvements		(897,256)	(547,801)	-	(1,445,057)
Software		(274,665)	(330,972)	-	(605,637)
Other deferred expenses		(3,975,249)	(1,435,714)	-	(5,410,963)
		<u>(6,504,014)</u>	<u>(3,148,228)</u>	<u>-</u>	<u>(9,652,242)</u>
		<u>11,385,959</u>			<u>18,411,952</u>

The amortization expenses of deferred expenses amount to Bs. 4,642,418 (Bs. 3,148,228, during the six-month period ended December 31, 2024).

The Bank records allowances for other assets based on the analysis of recovery and aging. The movement of the allowance for other assets is shown below:

	June 30, 2025	December 31, 2024
	(In bolivars)	
Balances, at the beginning of the six-month period	(93,125)	(79,222)
Add:		
Translation effect of the allowance held in the Branch	(50,115)	(13,903)
Balances, at the end of six-month period	<u>(143,240)</u>	<u>(93,125)</u>

Note 10.- Bank deposits:

"Bank deposits" bear annual interest in the following parameters:

	Annual interest rate
Interest-bearing checking accounts	0.01%
Demand deposits and certificates	0.05%
Other demand obligations	0.01%
Savings accounts	32%
Term deposits	36%

Bank deposits include Bs. 47,755,482 of public entities that account for 0.34% of the total bank deposits (Bs. 36,741,474 and 0.47%, at December 31, 2024).

Bank deposits include US\$ 1,388,000 equivalent to Bs. 149,791,070 (US\$ 1,694,000 equivalent to Bs. 87,913,580, at December 31, 2024), resulting from operations carried out in the country shown under "Checking accounts as per the freely convertible foreign exchange system" in the accompanying balance sheets. Within the framework of the Foreign Exchange Agreement N° 1, the funds from bank deposits in foreign currency that have not been sold to grant UVC loans, according to the guidelines established by SUDEBAN in its Circular SIB-II-GGR-GNP-GIDE-00919 dated February 28, 2024, are held within "Cash and due from banks" (see Note 1.4.b and Note 4).

Other demand obligations are composed of:

	June 30, 2025	December 31, 2024
	(In bolivars)	
Obligations for trust (US\$ 9,484 and US\$ 18,737, respectively)	124,991,568	53,230,201
Drafts and transfers payable	70,359,710	35,127,079
Other	7,233,553	3,290,625
	<u>202,584,831</u>	<u>91,647,905</u>

"Bank deposits" caused interest expenses for Bs. 29,022,948 (Bs. 19,038,049, for the six-month period ended December 31, 2024) reported in "Financial expenses".

The maturity of "Bank deposits" is shown in Note 20.

Note 11.- Other borrowings:

"Other borrowings" shown in the balance sheets are composed of demand deposits of foreign financial institutions in local currency.

The Bank recorded expenses for other borrowings obtained amounting to Bs. 1,736,557 (Bs. 314,630, for the six-month period ended December 31, 2024), which are shown under "Financial expenses" in the accompanying statements of income.

Note 12.- Accruals and other liabilities:

“Accruals and other liabilities” shown in the balance sheets are composed as follows:

	June 30, 2025	Dec. 31, 2024
	(In bolivars)	
Allowances for contingencies	1,637,975,270	885,358,880
Accounts payable for banking services:		
Clearing accounts for electronic operations	799,688,856	270,411,667
Other items to be applied	30,541,116	3,288,324
Employee benefits payable	424,383,518	125,964,390
Accrued expenses and accounts payable to suppliers of goods and services	39,194,326	16,125,290
Income taxes payable	28,085,656	107,844,751
Other liabilities	123,869,129	57,999,305
	<u>3,083,737,871</u>	<u>1,466,992,607</u>

12.1 Allowances for contingencies:

“Allowances for contingencies” include estimates made by Management to cover tax, labor, administrative and/or civil contingencies of voluntary nature to cover general risks inherent to the banking activity.

12.2 Accounts payable for banking services:

They correspond to clearing operations of transfers made by customers through interbank electronic network systems, mainly for P2P payments for Bs. 375,050,796, credits in electronic clearinghouse for Bs. 189,851,416 and payment orders for Bs. 156,122,857 (Bs. 155,146,390, Bs. 58,157,607 and Bs. 14,775,757, at December 31, 2024, respectively), which are settled the day after the closing.

12.3 Employee benefits payable:

Employee benefits payable mainly include (a) short-term benefits for employees’ and statutory profit-sharing and employee bonuses; (b) defined benefit plans composed of the accrual for employee benefits and the retirement plan, and (c) the defined contribution plan represented by the savings fund for retirement plan and savings account benefit. The most significant accruals are as follows:

- a. The accrual for employee benefits is estimated on a discounted basis and independent actuaries made an actuarial calculation of the projected obligation of the employees’ termination benefits under the assumption that the initial application date was December 31, 2019. The evolution of the results for the six-month period, based on the latest actuarial study, is as follows:

	June 30, 2025	Dec. 31, 2024
	(In bolivars)	
Accrued actuarial liabilities at the beginning	9,832,131	10,168,342
Cost of interest	393,285	406,734
Cost of services	200,958	225,070
Benefits paid	(461,958)	(176,761)
Actuarial losses (gains) from obligations	6,336,059	(791,254)
Estimated actuarial liabilities	<u>16,300,475</u>	<u>9,832,131</u>

The assumptions used by independent actuaries to calculate the projected benefit obligation, the costs of services and interest, according to the last actuarial report at June 30, 2025 and December 31, 2024, are the following:

Turnover rate	22.12%
Mortality rate	GAM 83
Salary increase rate	0.00%
Discount rate	8.00%
Long-term geometric mean inflation rate	150.00%

Additionally, the accrual for employee benefits includes the effect on the provision of statutory profit-sharing calculated at the reporting date, which is transferred to the trust during the following quarterly period. The accrual for employee benefits amounts to Bs. 75,295,909 (Bs. 27,932,101, at December 31, 2024).

During the six-month period ended June 30, 2025, the Bank recorded expenses for Bs. 71,509,481 (Bs. 32,427,129 at December 31, 2024) corresponding to the accrual for employee benefits shown under "*Personnel expenses*", and the effects resulting from the review of actuarial assumptions were recognized in equity for Bs. 6,336,059 (Bs. 791,254, for the six-month period ended December 31, 2024). The quarterly contributions to the trust represent the plan assets and reduce the related liability.

- b. The retirement plan was replaced by the contributory savings fund for retirement plan, and therefore, it only covers certain employees who met the requirements of seniority and age at the time of the implementation of the new plan. For this reason, the actuarial study carried out under the same actuarial assumptions as employee benefits does not show significant balances for the Bank. The Bank deposits the contributions to the pension plan in a trust, and the funds are managed by a local financial institution through a trust agreement, the objective of which is to manage and invest the resources received from the Bank related to pension payments. Management and its actuaries believe that the trust for the social fund for contingencies, as provided by banking guidelines, also covers post-retirement benefits of the employees of the going concern, and, therefore, it forms part of the assets of the pension and retirement plan. At June 30, 2025, the Bank maintained accruals for the retirement plan for Bs. 146,563.
- c. The Savings fund for retirement plan covers all employees regardless of their seniority in the institution, but its benefits include the withdrawal of the funds contributed at the end of the employment relationship, in replacement of the retirement plan previously described, except for some employees who meet criteria of seniority and age at the time of the validity of the Savings fund for retirement plan who maintain both benefits. This Savings fund for retirement plan is contributory and allows employees to make monthly and extraordinary contributions. The Bank is liable to make contributions for the benefit of each employee, both determined based on the employees' monthly base salary under certain conditions. The contributions are managed by a civil association formed, by mutual agreement, by the employees for this purpose, which is responsible for investing the funds received and distributing the proceeds generated, if any, among the beneficiary employees during the employment relationship, which can be withdrawn only at the end of the employment relationship. At June 30, 2025, the Bank has made the extraordinary and ordinary contributions, as provided by the agreement.

The contributions to the plan are made based on the monthly incurred amount. During the six-month period ended June 30, 2025, the Bank recorded expenses for Bs. 219,387 (Bs. 330,183 for the six-month period ended December 31, 2024), for the cost of (ordinary and extraordinary) contributions to the Savings fund for retirement plan and the actuarial cost of retirement pensions, which are reported within "*Personnel expenses*" and no liabilities are maintained for this concept.

12.4 *Accrued expenses and accounts payable to suppliers of goods and services:*

They mainly include expenditures for professional fees, maintenance and service providers.

12.3 Other liabilities

In September 2023, the Bank entered into a “Growth agreement” with Visa International Servicios de Pago España, S.R.L.U. (VISA) effective for 10 years starting from October 1, 2023, which aims to promote the use of Visa Debit with contactless technology in Venezuela. In October 2023, the Bank received US\$ 300,000 for a signing bonus and US\$ 300,000 as an incentive for the purchase of cards. During the second half of 2024, the Bank received in addition US\$ 20,000, as an increase of the incentive ordered by Visa, totaling US\$ 620,000. If the provisions established by Visa in the Growth agreement are not met, both the signing bonus and the incentive for the purchase of cards must be returned by the Bank. The agreement also considers a participation bonus of US\$ 100,000, if 50% of the proposed target is reached within 4 years, and an additional amount of US\$ 100,000, if 80% of the target is reached within 6 years, which are due in the years 2027 and 2029 and will be recognized when they occur. As a result, the amounts received are initially recognized within “Accruals and other liabilities” and reduced to the extent that the disbursements in compliance with the objectives of the plan are made. During the first half of 2025, the Bank used the amount of US\$ 266,000 (US\$191,000 during the second half of 2024) from the incentive received for the purchase of contactless cards, and accordingly, it maintains a used balance of US\$ 347,424 equivalent to Bs. 37,493,521 (US\$ 422,424 equivalent to Bs. 21,922,552, at December 31, 2024).

Note 13.- Taxation regime and other contributions:

Income taxes-

The Income Tax Law sets forth the guidelines for the payment of income taxes on net operating income and capital gains, worldwide income system, international tax transparency regime and transfer-pricing system, among others. The concepts related to the calculation of the income tax expense, in accordance with current Venezuelan laws, are described below:

a. Book to tax reconciliation of income tax expense:

The Bank’s fiscal year ends on December 31. The Bank presents its income tax returns on an annual basis and estimates the income tax expense on a semiannual basis at the end of each fiscal year. The tax expense corresponds to current income tax expenses for Bs. 27,500,000 (Bs. 107,700,000, for the six-month period ended December 31, 2024).

The provisions for income taxes are calculated on the basis of a net income that differs from book net income due to nontaxable or nondeductible items, which are permanent or temporary. The reconciliation of book income with taxable income at June 30, 2025 is shown below: :

	Bs
Tax expense determined on book income	366,386,435
Differences between book to tax expense for:	
Nondeductible items	(56,771,576)
Nontaxable items	(179,175,161)
Income tax expense	<u>130,439,698</u>

b. Transfer-pricing system:

Taxpayers carrying out transactions with foreign shareholders or foreign related companies shall determine their income from exports made and the cost of goods and services acquired from foreign related parties, by applying the methods provided by the Law. The assessment of the Bank’s activities and applicable regulations on transfer pricing conducted by Management and its tax advisors concluded that the Bank does not carry out activities that might be subject to this system.

c. *Tax on capital gains:*

The Income Tax Law sets forth a tax on dividends with a taxable base composed of the excess of the Bank's non-exempted net financial income over its net taxable income. The applicable tax rate is 34% and shall be fully withheld by the Bank when dividends, arising from this excess, are paid or credited into account. The Bank is subject to this regime as withholding agent due to the dividends payable to its stockholders.

Other taxes and legal contributions-

The Bank is subject to other taxes and contributions that are estimated and paid as determined by the regulatory standards in each case, which are presented within "*General and administrative expenses*" and "*Sundry operating expenses*" (see Note 1.4.a, Note 15 and Note 16).

Note 14.- Equity:

14.1 Paid-in capital-

At the Extraordinary General Meeting held on March 12, 2024, the stockholders approved to increase the capital stock by Bs. 74,831,954 to Bs. 87,200,872, through the increase of the nominal value of current shares to Bs 0.02223 for an amount of Bs. 29,932,781.58, provided from the Restricted earnings at December 31, 2023 and the issuance of 2,019,755,843 new shares, with a nominal value of Bs. 0.02223 each, as follows:

Stockholders	N° of shares	Percentage
Vencred, S.A.	700,405,817	17.855%
Tabay Netherlands B.V.	387,564,110	9.880%
Parthena Investments, B.V.	210,645,284	5.370%
Kamalei Investments, B.V.	203,339,116	5.184%
Barbina Investments, B.V.	170,554,830	4.348%
Great White Investment Fund, Ltd	126,959,389	3.237%
Green View Investment Enterprises L	126,417,237	3.223%
Alivium, Inc.	125,173,470	3.191%
Addendum, Inc.	123,100,534	3.138%
Inversiones Bonorum, C.A.	76,953,691	1.962%
Inversiones Invema 2000, C.A.	66,025,181	1.683%
Minor stockholders (less than 1.5%)	1,605,527,648	40.929%
	<u>3,922,666,307</u>	<u>100.000%</u>

On June 30, 2023, SUDEBAN issued Resolution N° 029.23 under which it amended and superseded Resolution N° 014.22 dated March 10, 2022, regarding the minimum capital stock that banks shall maintain to be incorporated and operate in the country. In this regard, it establishes that the minimum subscribed and paid capital stock, for universal banks from the private banking sector, shall not be less than the highest amount resulting from the following indicators:

- It shall be the equivalent of 1,200,000 times the official exchange rate of the highest value currency, published by BCV, if they have their main office in the Metropolitan Area of Caracas, as well as in the cities of Guarenas, Guatire, San Antonio de los Altos, Carrizal, Los Teques, Los Valles del Tuy and in the state of La Guaira. It shall be the equivalent of at least 1,000,000 times the official exchange rate of the highest value currency, published by BCV, if they are located in any jurisdiction of the country and have obtained from SUDEBAN the qualification of regional universal bank.
- It shall be the equivalent of 3% of the Total Assets shown in the financial statements corresponding to the end of the financial year ended December 31, of the immediately preceding year.

The minimum capital stock to operate will be annually adjusted, during the first six months of each year. Banks with less capital stock than the minimum amount required shall make contributions in cash with stockholders' own funds, which may not be less than 60% of the amount to be increased, and for the remaining amount, it may be reached through the capitalization of the retained earnings up to 40% of the required capital stock increase. The required capital stock, thus estimated, amounts to Bs. 163,884,668 (Bs. 87,194,424, at December 31, 2024).

Accordingly, the stockholders of the Bank approved the following capital stock increases during the first half of 2025 and the second half of 2024:

- a. At the Extraordinary General Meeting held on February 18, 2025, the stockholders approved to increase the capital stock by Bs. 77,080,393 to Bs. 164,281,265, as follows: (a) the amount of Bs. 30,832,157 provided from "*Restricted earnings*" at December 31, 2024 through the increase of the nominal value of shares to Bs. 0.03009 each, and (b) with a capital stock contribution in cash of Bs. 46,248,236 through the issuance of 1,536,996,868 new shares with a nominal value of Bs. 0.03009, which will be paid by the stockholders who choose to exercise their preferential right to subscribe new shares. To date, the Bank is awaiting for the corresponding authorization of the banking regulators for this capital stock increase.
- b. At the Extraordinary General Meeting held on March 12, 2024, the stockholders approved to increase the capital stock by Bs. 74.831.954 to Bs. 87.200.872, as follows: (a) the amount of Bs. 29.932.782 provided from "*Restricted earnings*" at December 31, 2023 through the increase of the nominal value of shares to Bs. 0,02223 each, and (b) with a capital stock contribution in cash of Bs. 44.899.172 through the issuance of 3.922.666 new shares with a nominal value of Bs. 0.02223, which will be paid by the stockholders who choose to exercise their preferential right to subscribe new shares. On November 8, 2024, in Official Communication SIB-II-GGR-GA-07367, SUDEBAN authorized this capital stock increase under the terms herein described.

14.2 Noncapitalized equity contributions-

The cash contributions approved by the Extraordinary General Meeting held on February 18, 2025 for the capital stock increase for Bs. 46,248,236, are shown as "*Noncapitalized equity contributions*", while awaiting for the corresponding authorizations of the banking regulators for their transfer to the capital stock.

Furthermore, by virtue of the authorization received from SUDEBAN in Official Communication SIB-II-GGR-GA-07367, during the six-month period ended December 31, 2024, the Bank capitalized the capital stock contribution in cash maintained at June 30, 2024 for Bs. 44,899,172, as approved at said Meeting held on March 12, 2024.

14.3 Capital reserves-

a. Legal reserve:

The Bank is required to transfer to the legal reserve a minimum of 20% of the net income for each period until reaching 50% of the capital stock. When this limit is reached, at least 10% of liquid profits for each six-month period shall be used to increase the legal reserve fund until reaching 100% of the capital stock. During the six-month period ended June 30, 2025, the Bank transferred Bs. 43,600,436 (Bs. 31,231,519, during the six-month period ended December 31, 2024) to the legal reserve and thus it reached the limit referred to above.

b. Other capital reserves:

The Bank shall establish a social fund for contingencies, equivalent to 10% of capital stock by creating a trust fund in cash in another local financial institution. This percentage will be reached by making semiannual contributions of 0.5% of the capital stock less the amount of interest generated by the trust fund, as established by SUDEBAN through Resolution N° 305.11 dated November 28, 2011. The Bank transferred to other mandatory reserves the amount of Bs. 436,004 for this concept (Bs. 436,004 and Bs. 45,575 respectively, for the six-month period ended December 31, 2024) (see Note 5.4).

14.4 Equity adjustments-

"Equity adjustments" caption includes gains and/or losses presented within equity accounts, in conformity with prudential accounting standards, as follows:

	June 30, 2025	Dec. 31, 2024
	(In bolivars)	
Equity adjustments-		
Accumulated unrealized exchange gain from the valuation of foreign currency assets and liabilities and realized for transactions in foreign exchange systems, net (Note 2.1, Note 2.19, Note 16 and Note 19)	1,040,229,495	226,570,778
Accumulated unrealized gains from the valuation of UVC loans adjusted at IDI value (Note 2.6, Note 2.16 and Note 6)	460,650,995	254,319,453
	<u>1,500,880,490</u>	<u>480,890,230</u>

The net accumulated unrealized exchange gains from the foreign currency positions destined for foreign exchange intermediation in the SMCLC for Bs. 6,543,678 and those resulting from the valuation of IDI credits for Bs. 460,650,995 are recorded in income as realized. Other accumulated unrealized gains may be used only with the prior authorization of SUDEBAN.

14.5 Retained earnings

a. Available undistributed earnings-

At a Regular General Stockholders' Meeting held on February 18, 2025, the stockholders approved to declare cash dividends for Bs. 0.03059 and 0.01179 per share, totally amounting Bs. 166,242,598 with charge to "Available undistributed earnings" for the six-month period ended December 31, 2024.

The Regular General Stockholders' Meeting held on August 15, 2024 authorized the Steering Committee to declare dividends for Bs. 23,976,670 composed of two ordinary dividends of Bs. 4,757,276 each, equivalent to Bs. 0.0025 per share, and an extraordinary dividend equivalent to Bs. 0.0076 per share, paid for Bs. 14,462,120. The number of shares subscribed at the time of payment was 1,902,910,464.

b. Restricted earnings-

"Restricted earnings" are composed as follows:

	June 30, 2025	Dec. 31, 2024
	(In bolivars)	
Restricted earnings as per Resolution N° 329-99	704,264,405	268,299,581
Retained earnings of the foreign branch	75,873,941	75,873,941
	<u>780,138,346</u>	<u>344,173,522</u>

As required by SUDEBAN in Resolution N° 329-99 dated December 28, 1999 and Circular SIB-II-GGR-GNP-03244 dated May 24, 2023, the Bank transferred 50% of the net income for the six-month period amounting to Bs. 435,964,824 (Bs. 128,083,632, at December 2024) to "Restricted earnings". In accordance with these regulations, these amounts are not available for distribution and can only be used to increase the capital stock, subject to authorization from the regulatory body.

14.6 Venture capital index-

The indexes maintained, and calculated by the Bank on the basis of the amounts shown in its financial statements, and the minimum indexes required in accordance with the standards provided by SUDEBAN are the following:

	June 30, 2025		December 31, 2024	
	Maintained index	Required index	Maintained index	Required index
Total equity adequacy	31.79	12%	21.72%	12%
Carrying equity adequacy	17.31	9%	12.60%	9%

For purposes of determining the equity indexes, the prudential standards of SUDEBAN set forth the following regulatory exceptions, based on the applicable index: (a) exclusion of total assets of cash and due from banks in BCV (including legal reserve) from bonds and obligations issued by the state-owned entity Petróleos de Venezuela (PDVSA) and from investment securities issued and/or guaranteed by the State; (b) inclusion of general and counter-cyclical allowances as equity Tier 1 in the carrying equity. The adjustment derived from the revaluation of assets is included as complementary equity (Tier II) and the balance of the change in UVC loans as part of primary equity (Tier I).

Note 15.- General and administrative expenses

“General and administrative expenses” shown in the statements of income are composed as follows:

	Six-month periods ended	
	June 30, 2025	Dec. 31, 2024
	(In bolivars)	
Outsourced services	142,687,286	74,137,963
Maintenance and repairs	54,088,953	34,680,395
Transportation and communications	51,998,110	28,742,202
Taxes and contributions (Note 13.2)	36,872,296	15,560,169
Expenses for public relations	17,793,474	2,722,172
Insurances	14,029,746	11,715,118
Expenses for LOCTI	13,070,989	4,976,314
Depreciation and amortization of assets	12,910,893	8,807,319
Other general and administrative expenses	32,510,663	24,065,710
	<u>375,962,410</u>	<u>205,407,364</u>

Note 16.- Other operating income and expenses:

“Other operating income and expenses”, shown in the statements of income as part of the net intermediation margin, are composed as follows:

	Six-month periods ended	
	June 30, 2025	Dec. 31, 2024
	(In bolivars)	
Other operating income		
Non-financial service fees	1,237,112,341	697,540,630
Gains from foreign exchange intermediation operations (Note 14 and Note 19)	143,819,774	51,247,922
Gain from investment securities (Note 5)	17,809,329	7,344,259
	<u>1,398,741,444</u>	<u>756,132,811</u>
Other operating expenses		
Service fees	(161,997,201)	(80,624,179)
Loss from investment securities (Note 5)	(13,134,175)	(5,866,716)
Loss from foreign exchange operations (Note 14 and Note 19)	(55,961)	(6,659,979)
	<u>(175,187,337)</u>	<u>(93,150,875)</u>
Sundry operating expenses		
Allowance for other contingencies (Note 12)	(68,114,221)	(133,894,343)
Expenses for taxes and legal contributions (Note 13)	(40,703,986)	(12,852,050)
Other (Note 4 and Note 5)	(10,710,469)	(6,848,892)
	<u>(119,528,676)</u>	<u>(153,595,286)</u>

“Fees for services provided” mainly include those generated by operations carried out through the electronic channels provided by the Bank to its customers, among others.

For the six-month period ended June 30, 2025, the “Gain from investment securities” includes the amortization of discounts of investment securities (see Note 5).

Note 17.- Financial instruments with off-balance sheet risk and other memorandum accounts:

“Memorandum accounts”, shown in the balance sheets, correspond to the following operations:

	June 30, 2025	December 31, 2024
	(In bolivars)	
Contingent debit accounts:		
Automatic-use lines of credit	338,411,030	52,801,110
Guarantees granted	42,045,772	22,783,327
Trust assets	1,369,208,412	885,865,769
Other trusts	327,155,134	73,492,010
Other debit accounts	9,303,873,880	5,477,432,019
	<u>11,380,694,228</u>	<u>6,512,374,235</u>

17.1 Contingent debit accounts -Financial instruments with off-balance sheet risk-

The Bank maintains automatic-use lines of credit that have been issued to meet its customers' financial needs after assessing credit risks, which represent credit commitments amounting to Bs. 338,411,030 (Bs. 52,801,110, at December 31, 2024), which are recorded within “*Contingent debit accounts*”.

The automatic-use lines of credit are considered as non-binding since the Bank maintains total and absolute discretion for revoking these commitments in case of credit impairment; hence, Management considers there is no immediate credit risk; accordingly, they do not generate allowances for contingent risks.

The Bank grants guarantees at the request of certain customers, after a credit risk assessment and within its lines of credit. Such guarantees are issued on behalf of a beneficiary and are executed if the customer fails to comply with the terms provided by the agreement.

The allowance for contingent loans, which is determined based on parameters of prudential standards, amounts to Bs. 420,458 (Bs. 227,833, at December 31, 2024) and is presented under “Other” within “*Accruals and other liabilities*”.

17.2 Trust assets-

The Bank manages trusted assets on account and behalf of third parties. The balance sheets of the Trust Department are summarized below:

	June 30, 2025	December 31, 2024
	(In bolivars)	
Assets:		
Cash and due from banks	253,741,855	114,037,730
Investment securities	147,811,750	101,247,000
Loan portfolio	965,052,426	669,896,966
Interest and bank fees receivable	2,602,381	684,073
	<u>1,369,208,412</u>	<u>885,865,769</u>
Liabilities:		
Total liabilities	<u>5,560,887</u>	<u>4,116,433</u>
Trust net assets		
Net assets assigned to trust funds	1,345,385,643	867,700,952
Adjustment to net assets	2,039,077	774,897
Retained earnings	16,222,805	13,273,487
	<u>1,363,647,525</u>	<u>881,749,336</u>
	<u>1,369,208,412</u>	<u>885,865,769</u>

Trusts are classified by purpose and type of contracting entity as follows:

Types of trust	June 30, 2025					Total
	Individuals	Legal entities	Central Administration	Public, state, municipal and Capital District administrations	Decentralized bodies and other special-regime bodies	
	(In bolivars)					
Investment trusts	-0-	31	-0-	-0-	-0-	31
Guarantee	-0-	770,656	-0-	-0-	-0-	770,656
Administration	-0-	1,312,468,556	-0-	-0-	32,146,400	1,344,614,956
	<u>-0-</u>	<u>1,313,239,243</u>	<u>-0-</u>	<u>-0-</u>	<u>32,146,400</u>	<u>1,345,385,643</u>
Participation percentage	<u>0.00%</u>	<u>97.61%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>2.39%</u>	<u>100.00%</u>

Types of trust	December 31, 2024					Total
	Individuals	Legal entities	Central Administration	Public, state, municipal and Capital District administrations	Decentralized bodies and other special-regime bodies	
Investment trusts	-0-	31	-0-	-0-	-0-	31
Guarantee	-0-	73,711	-0-	-0-	-0-	73,711
Administration	1,358	846,861,980	-0-	-0-	20,763,872	867,627,210
	<u>1,358</u>	<u>846,935,722</u>	<u>-0-</u>	<u>-0-</u>	<u>20,763,872</u>	<u>867,700,952</u>
Participation percentage	<u>0.00%</u>	<u>97.61%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>2.39%</u>	<u>100.00%</u>

The trusted funds of decentralized bodies account for 2.39% of total net assets assigned to the trusts (2.39%, at December 31, 2024).

Pursuant to contractual terms, accrued interests from trust investments are credited in the accounts of the trustors or beneficiaries, or capitalized, if instructed thereby. Earnings or losses from employee benefit trusts are maintained until the closing of the financial period of the trust fund. Then, they are credited or capitalized to the account of the beneficiary trustor.

Article 72 of the Law of Banking Sector Institutions establishes that banks shall inform beneficiary trustors/trustees on funds invested and managed at least semi-annually.

a. *Maximum limit of total trusted funds:*

In accordance with Resolution N° 083.12 published in Official Gazette N° 39.941 on June 11, 2012, all the trust funds shown in the account “*Net assets assigned to trust funds*” may not exceed 5 times the total net assets of the trust institution, excluding the balance of the account “*Contributions for principal increases*”. At June 30, 2025 and December 31, 2024, the total amount of trusted funds does not exceed the net assets ratio, as shown below:

	June 30, 2025	December 31, 2024
	(In bolivars)	
Net assets assigned to trust funds	1,345,385,643	867,700,952
Net assets of Venezolano de Crédito, S.A., Banco Universal and its Cayman Islands Branch	2,993,387,460	1,178,119,836
Net assets ratio	<u>45%</u>	<u>74%</u>

b. *Cash and due from banks:*

The balances shown in the combined balance sheets of the Trust Department as “*Cash and due from banks*” are composed as follows:

	June 30, 2025	Dec. 31, 2024
	(In bolivars)	
Cash and due from banks:		
In local currency	123,968,211	52,257,922
In foreign currency, including US\$ 1,202,514 (US\$ 1,190,431 at December 31, 2024).	129,773,644	61,779,808
	<u>253,741,855</u>	<u>114,037,730</u>

Funds provided by the operations of the Trust are managed through checking accounts maintained in the Bank, which are used to receive and/or pay all trust funds. Interest-bearing checking accounts in local currency bear annual interest rates of 21% for both six-month periods. The operations of the Trust in foreign currency are managed through accounts in foreign institutions maintained in Brown Brothers Harriman & CO and Amerant Bank and in its Cayman Islands Branch.

c. *Investment securities:*

The balances of “*Investment securities*” are as follows:

	Acquisition cost	June 30, 2025 Amortized cost	Fair market value	Acquisition cost	December 31, 2024 Amortized cost	Fair market value
(In bolivars)						
Placements in local banks due until July 2025 (due until January 2025, at December 2024)	136,715,374	136,715,374	136,715,374	99,247,030	99,247,030	99,247,030
Commercial papers of local non-financial entities due until May/December 2025 (due until May/February 2025 at December 31, 2024)	11,096,376	11,096,376	11,096,376	1,999,970	1,999,970	1,999,970
	<u>147,811,750</u>	<u>147,811,750</u>	<u>147,811,750</u>	<u>101,247,000</u>	<u>101,247,000</u>	<u>101,247,000</u>

Returns on investment securities are recognized as financial income and included in the combined statement of income of the Trust Department. The amortizations of premiums or discounts of investment securities and sales of investments are recorded as operating income or expenses in the combined statement of income of the Trust Department.

Maturities of investment securities are as follows:

	June 30, 2025		December 31, 2024	
	Amortized acquisition cost	Fair value	Amortized acquisition cost	Fair value
(In bolivars)				
Due within three months	136,715,374	136,715,374	101,247,000	101,247,000
Due after three months through six months	11,096,376	11,096,376	-0-	-0-
	<u>147,811,750</u>	<u>147,811,750</u>	<u>101,247,000</u>	<u>101,247,000</u>

The trust fund accrued interest income for Bs. 13,795,517 (Bs. 7,678,832, for the six-month period ended December 31, 2024).

Investment securities, commercial papers and interbank placements that compose the investment portfolio of the Trust Department are in the custody of Caja Venezolana de Valores and the Bank.

The concentration of investment securities is as follows:

	June 30, 2025		December 31, 2024	
	In bolivars	%	In bolivars	%
Placements in local banks-				
Banco del Caribe, C.A., Banco Universal	53,359,336	36.10%	19,049,538	18.8%
Mercantil C.A., Banco Universal	41,104,323	27.81%	6,286,190	6.21%
Banco Exterior, C.A., Banco Universal	23,206,042	15.70%	19,996,728	19.7%
Banco Nacional de Crédito C.A., Banco Universal	13,715,675	9.28%	39,945,884	39.4%
Bancrecer, S.A., Banco Microfinanciero	4,740,521	3.21%	2,991,826	2.95%
BBVA Provincial S.A., Banco Universal	589,478	0.40%	10,976,864	10.84%
	<u>136,715,375</u>	<u>92.49%</u>	<u>99,247,030</u>	<u>98.02%</u>
Investment securities issued by private entities:				
Comercial Belloso, C.A.	6,400,000	4.33%	-0-	-0-
Industrias Iberia, C.A.	2,500,000	1.69%	-0-	-0-
Addigrains, C.A.	2,196,376	1.49%	-0-	-0-
Purolomo, C.A.	-0-	-0-	1,999,970	1.98%
	<u>11,096,376</u>	<u>7.51%</u>	<u>1,999,970</u>	<u>1.98%</u>
	<u>147,811,750</u>	<u>100%</u>	<u>101,247,000</u>	<u>100%</u>

d. *Loan Portfolio*:

The “*Loan portfolio*” is composed of current loans granted to beneficiary trustors or beneficiaries of employee benefit trust contracts for Bs. 965,052,426 (Bs. 669,896,966, at December 31, 2024), which are guaranteed with the balances that compose the net assets of the Trust and are noninterest-bearing and undefined term.

17.3 Debit accounts from other trusts

Debit and credit accounts from other trusts are composed as follows:

	June 30, 2025	December 31, 2024
	(In bolivars)	
Debit accounts:		
Investments	327,155,134	73,492,010
Credit accounts		
Liabilities for guarantees received	327,155,134	73,492,010

Trusts correspond to credit securities of customers (principal parties) received by the Bank, as commission agent, with the commitment to place them with a third party, in accordance with the provisions of the commission contracts. Such contracts empower the Bank to trade such securities with other customers in exchange for the collection of a commission and shall only be liable to the commission agent for fraud, negligence, recklessness, or non-compliance with contractual obligations. During the six-month period ended June 30, 2025, the Bank obtained income from commissions for Bs. 84,152,233 (Bs. 39,443,287 at December 31, 2024) which are included within “*Other operating income*” in the statement of income.

17.4 Other debit memorandum accounts–

Other debit memorandum accounts that do not represent contingent risks are composed as follows:

	June 30, 2025	December 31, 2024
	(In bolivars)	
<i>Other debit memorandum accounts:</i>		
Guarantees received	8,126,574,132	4,530,958,244
Custodial services received (including US\$ 115,827,141 and US\$ 88,333,712, respectively)	607,534,324	786,096,718
Other memorandum accounts	569,765,424	160,377,057
	<u>9,303,873,880</u>	<u>5,477,432,019</u>

- a. *Guarantees received*: They are composed of surety bonds provided by individuals and legal entities and guarantees from other financial institutions.
- b. *Custodial services received*: They include: (a) investment securities of customers received in custody in the Bank’s capacity as a securities intermediary made up of Hedging Securities issued by BCV, in accordance with the calls in the money market made by BCV that will be held in custody until maturity; (b) stocks, bonds and other securities, and (c) foreign currency custodial services with customers.
- c. *Other record accounts*: Other record accounts are those that Management considers allowing better internal control and that do not represent contingent risks for the Bank. They consist mainly of: (a) written-off uncollectible accounts, (b) securities received in custody, and (c) accrued past-due interest receivable.

Note 18.- Balances and transactions with related parties:

Because of the nature of its business, the Bank conducts transactions and maintains significant balances with related parties. The most significant transactions considered as common banking business activities are composed of cash and due from banks, bank deposits, banking services provided, contracted services and other minor expenses. As a result of these transactions, the Bank reports the following balances:

	June 30, 2025	December 31, 2024
	(In bolivars)	
Operating expenses:		
Vencred, S.A.	344,723	182,191
Inversiones 120915, C.A.	1,941,815	1,127,752
Inversiones Las Monjas, C.A.	2,893,547	1,620,329
Other	80	29
	<u>5,180,165</u>	<u>2,930,301</u>
	June 30, 2025	December 31, 2024
	(In bolivars)	
Bank deposits and other demand obligations:		
Venezolana de Bienes, S.A.	165,311	128,664
Vencred, S.A..	2,612,243	1,721,530
Inversiones Las Monjas, C.A.	52,300	2,741
Inversiones Modigliani, C.A.	365,926	480,202
Promociones Markowitz, C.A.	306,119	101,853
Inversiones Bonorum, C.A.	20,018	77,094
Inversiones Vencred, C.A.	210,661	4,483
Valores Vencred Casa de Bolsa, S.A.	240,169	26,708
Inversiones 120915, C.A.	404,736	2,284
Ingeniería y Construcciones Vencred, C.A.	293,562	101,425
Promociones Vencred, S.A.	387,283	29,766
	<u>5,058,328</u>	<u>2,726,750</u>

Note 19.- Foreign currency balances:

Foreign currency balances reported in the balance sheets are detailed below:

	June 30, 2025		December 31, 2024	
	US\$	Equivalent in bolivars	US\$	Equivalent in bolivars
	(In bolivars)			
Assets				
Cash and due from banks	57,987,010	6,257,878,534	59,283,973	3,076,662,259
Investment securities	35,604,235	3,842,360,171	37,755,583	1,959,402,709
Loan portfolio	41,484,674	4,476,969,042	49,102,800	2,548,289,595
Interests and bank fees receivable	762,864	82,327,271	877,295	45,529,007
Other assets, net	128,965	13,917,691	21,074	1,093,678
Total assets	<u>135,967,748</u>	<u>14,673,452,709</u>	<u>147,040,725</u>	<u>7,630,977,248</u>
Liabilities				
Bank deposits	96,714,199	10,437,263,626	111,034,783	5,762,375,714
Accruals and other liabilities	18,895,446	2,039,170,600	19,519,532	1,013,005,782
Total liabilities	<u>115,609,645</u>	<u>12,476,434,226</u>	<u>130,554,315</u>	<u>6,775,381,496</u>
Net foreign currency position	<u>20,358,103</u>	<u>2,197,018,483</u>	<u>16,486,410</u>	<u>855,595,752</u>
Memorandum accounts:				
Contingent accounts	3,766,237	406,447,127	3,254,433	168,895,414
	<u>24,124,340</u>	<u>2,603,465,610</u>	<u>19,740,843</u>	<u>1,024,491,166</u>

The amounts shown in dollars include minor amounts in euros, presented at their equivalent value in dollars.

During the six-month period ended June 30, 2025, the Bank recognized unrealized exchange gains and losses from valuation of balances in foreign currency, from holding own position and from foreign exchange operations, for a net amount of Bs. 813,658,718 (Bs. 137,671,684, at December 2024), which are presented under the "Equity adjustments" account, within equity, and realized exchange gains and losses, mainly, from operations carried out in its capacity as foreign exchange operator for a net amount of Bs. 143,763,813 (Bs. 44,587,943, for the six-month period ended December 31, 2024) (see Note 14 and Note 16).

As per current legislation, universal banks shall maintain their net foreign currency positions within the limits provided by BCV. On April 8, 2019, through circular VOI-GOC-DNPC-004, BCV established that the net foreign currency denominated asset or large position should not be temporarily subject to the maximum limit.

Note 20.- Maturity of financial assets and liabilities

The maturities of financial assets and liabilities are shown below:

	At June 30, 2025			
	Due within 6 months	Due after 6 through 12 months	Due after 12 months	Total
	(In bolivars)			
Assets:				
Cash and due from banks	9,457,464,697	-0-	-0-	9,457,464,697
Investment securities	1,562,030,012	644,716,296	1,647,848,755	3,854,595,063
Loan portfolio, net	1,106,128,154	2,168,563,288	2,744,065,718	6,018,757,160
Interests and bank fees receivable	97,213,183	-0-	-0-	97,213,183
	<u>12,222,836,046</u>	<u>2,813,279,584</u>	<u>4,391,914,473</u>	<u>19,428,030,103</u>
Liabilities:				
Bank deposits	14,001,184,087	-0-	-0-	14,001,184,087
Other borrowings	113,731	-0-	-0-	113,731
Interests and bank fees payable	1,379,441	-0-	-0-	1,379,441
	<u>14,002,677,259</u>	<u>-0-</u>	<u>-0-</u>	<u>14,002,677,259</u>

	At December 31, 2024			
	Due within 6 months	Due after 6 through 12 months	Due after 12 months	Total
	(In bolivars)			
Assets:				
Cash and due from banks	4,379,070,847	-0-	-0-	4,379,070,847
Investment securities	1,152,026,942	290,983,851	746,960,332	2,189,971,125
Loan portfolio, net	1,593,277,075	810,940,298	1,300,811,606	3,705,028,979
Interests and bank fees receivable	60,369,376	-0-	-0-	60,369,376
	<u>7,184,744,240</u>	<u>1,101,924,149</u>	<u>2,047,771,938</u>	<u>10,334,440,327</u>
Liabilities:				
Bank deposits	7,890,555,078	-0-	-0-	7,890,555,078
Other borrowings	99,337	-0-	-0-	99,337
Interests and bank fees payable	890,283	-0-	-0-	890,283
	<u>7,891,544,698</u>	<u>-0-</u>	<u>-0-</u>	<u>7,891,544,698</u>

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