



Banco de Costa Rica and Subsidiaries

**Unaudited Consolidated Financial Statements**

March 31, 2024, and 2025

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**BANCO DE COSTA RICA AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As of March 31, 2025  
(In colones without cents)

	Note	March 2025	December 2024	March 2024
<b>ASSETS</b>				
<b>Availabilities</b>	<b>4</b>	<b>900,793,374,322</b>	<b>912,828,480,144</b>	<b>855,700,383,211</b>
Cash		59,349,424,388	77,839,337,223	82,826,615,998
Central Bank of Costa Rica		674,458,550,222	679,616,489,090	623,452,018,758
Local financial entities		3,907,073,997	3,413,230,974	1,849,068,944
Foreign financial entities		69,074,476,471	50,662,594,344	57,035,683,968
Notes payable on demand		1,158,430,104	348,430,021	500,346,073
Restricted cash and cash equivalents		92,845,419,140	100,947,503,231	90,036,649,465
Accounts and interest receivable		-	895,261	5
<b>Investment in financial instruments</b>	<b>5</b>	<b>1,684,896,286,180</b>	<b>1,826,143,774,133</b>	<b>1,643,242,403,948</b>
At fair value through profit or loss		128,458,833,122	64,735,383,226	157,100,467,860
At fair value through other comprehensive income		1,431,015,290,305	1,614,247,974,076	1,155,913,411,337
At amortized cost		105,051,977,735	120,266,502,931	309,455,557,533
Interest receivable		20,546,820,104	27,102,884,896	20,923,319,800
(Allowance for impairment)		(176,635,086)	(208,970,996)	(150,352,582)
<b>Loan portfolio</b>	<b>6.b</b>	<b>4,273,590,387,401</b>	<b>4,214,989,751,393</b>	<b>3,978,119,372,433</b>
Current loans	<b>6.d</b>	4,103,108,071,781	4,058,433,148,631	3,803,027,887,615
Past due loans		283,506,073,594	270,494,448,433	250,105,602,174
Loans in legal collection	<b>6.e</b>	43,501,665,998	45,396,368,759	55,058,362,527
Incremental direct costs related to loans (Deferred income loan portfolio)		30,176,348 (25,726,289,628)	-	-
Interest receivable	<b>6.f</b>	22,941,043,311	22,528,305,859	24,801,652,785
(Allowance for impairment)	<b>6.g</b>	(153,770,354,003)	(157,620,715,576)	(134,206,491,102)
<b>Accounts and commissions receivable</b>		<b>56,102,200,683</b>	<b>46,359,553,833</b>	<b>54,086,313,359</b>
Commissions receivable		4,175,075,788	4,250,328,991	4,429,638,032
Accounts receivable from stock exchange operations		335,750,366	81,764,220	450,896,232
Accounts receivable for transactions with related parties		684,357,386	620,258,898	1,116,656,938
Deferred income tax and income tax receivable	<b>15</b>	46,335,419,731	37,339,692,081	43,204,875,374
Other accounts receivable		16,824,669,456	16,413,753,178	15,507,282,839
(Allowance for impairment)		(12,253,072,044)	(12,346,243,535)	(10,623,036,056)
<b>Foreclosed assets</b>	<b>7</b>	<b>38,316,265,888</b>	<b>39,266,035,490</b>	<b>41,416,824,771</b>
Assets and securities acquired as recovery of loans		39,543,087,697	39,867,010,925	99,707,000,248
Other foreclosed assets		4,460,393,961	4,713,467,891	4,268,919,496
(Allowance for impairment and per legal requirement)		(5,687,215,770)	(5,314,443,326)	(62,559,094,973)
<b>Interest in other companies' capital, net</b>	<b>8</b>	<b>1,819,878,504</b>	<b>1,899,392,735</b>	<b>712,035,989</b>
<b>Property, furniture and equipment, net</b>	<b>9</b>	<b>136,263,168,237</b>	<b>139,123,506,447</b>	<b>140,662,115,614</b>
<b>Property investments</b>		<b>6,831,625,000</b>	<b>6,831,625,000</b>	<b>6,831,625,000</b>
<b>Other assets</b>		<b>122,706,150,576</b>	<b>142,699,727,026</b>	<b>114,294,052,748</b>
Deferred charges	<b>10.a</b>	1,095,934,883	1,201,571,797	1,413,322,752
Intangible assets, net	<b>10.b</b>	16,475,296,429	18,041,875,096	16,365,273,459
Other assets	<b>10.c</b>	105,134,919,264	123,456,280,133	96,515,456,537
<b>TOTAL ASSETS</b>	<b>€</b>	<b>7,221,319,336,791</b>	<b>7,330,141,846,201</b>	<b>6,835,065,127,073</b>

**BANCO DE COSTA RICA AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As of March 31, 2025  
(In colones without cents)

	Note	March 2025	December 2024	March 2024
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>Obligations with the public</b>	€	<b>5,289,600,404,852</b>	<b>5,177,097,678,122</b>	<b>4,942,851,528,114</b>
Demand obligations	11	3,289,718,495,595	3,385,372,438,175	3,197,193,389,130
Term obligations	12	1,970,919,527,339	1,766,526,057,777	1,723,500,511,186
Other obligations with the public	13	8,712,538,398	1,334,028,723	2,867,706,132
Financial charges payable		20,249,843,520	23,865,153,447	19,289,921,666
<b>Obligations with the Central Bank of Costa Rica</b>	14	<b>12,001,583,333</b>	<b>164,442,980,856</b>	<b>101,271,670,766</b>
Term obligations		12,001,583,333	161,929,838,016	99,002,909,685
Financial charges payable		-	2,513,142,840	2,268,761,081
<b>Obligations with entities</b>	14	<b>839,716,078,588</b>	<b>894,176,039,576</b>	<b>771,648,525,139</b>
Demand obligations	12	71,657,348,653	77,568,808,257	93,225,407,695
Term obligations	12	763,023,691,281	811,073,487,628	669,841,962,699
Financial charges payable		5,035,038,654	5,533,743,691	8,581,154,745
<b>Accounts payable and provisions</b>		<b>176,978,957,824</b>	<b>211,152,457,354</b>	<b>172,994,191,867</b>
Provisions	16	51,495,224,775	52,247,126,773	51,943,041,763
Accounts payable for stock transactions		82,507,010	74,729,007	16,214,312
Deferred income tax	15	61,373,572,856	47,154,752,479	45,809,811,786
Other sundry accounts payable	17	63,999,271,395	111,653,935,904	75,201,759,136
Financial charges payable		28,381,788	21,913,191	23,364,930
<b>Other liabilities</b>		<b>40,474,067,554</b>	<b>30,586,442,921</b>	<b>32,680,420,715</b>
Deferred income		405,376,982	392,796,038	527,001,075
Other liabilities		40,068,690,572	30,193,646,883	32,153,419,640
<b>Subordinated obligations</b>		<b>50,145,984,558</b>	<b>50,145,218,870</b>	<b>50,143,055,402</b>
Subordinated obligations	14	49,961,562,336	49,960,796,648	49,958,633,180
Financial charges payable		184,422,222	184,422,222	184,422,222
<b>TOTAL LIABILITIES</b>	€	<b>6,408,917,076,709</b>	<b>6,527,600,817,699</b>	<b>6,071,589,392,003</b>
<b>EQUITY</b>				
<b>Capital stock</b>	18.a	<b>181,409,990,601</b>	<b>181,409,990,601</b>	<b>181,409,990,601</b>
<b>Adjustments to equity - Other comprehensive income</b>		<b>45,234,815,457</b>	<b>48,040,961,632</b>	<b>43,475,002,941</b>
<b>Equity reserves</b>	18.g	<b>385,220,658,667</b>	<b>364,708,053,622</b>	<b>364,708,053,622</b>
Accrued earnings from previous periods		64,628,254,759	47,328,475,171	47,328,475,171
Profit of current period		12,696,435,385	42,624,954,756	12,075,470,216
Equity of the Development Financing Fund		53,678,819,200	48,866,249,077	48,866,249,077
Minority interest	8	69,533,286,013	69,562,343,643	65,612,493,442
<b>TOTAL EQUITY</b>		<b>812,402,260,082</b>	<b>802,541,028,502</b>	<b>763,475,735,070</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	€	<b>7,221,319,336,791</b>	<b>7,330,141,846,201</b>	<b>6,835,065,127,073</b>
<b>DEBIT CONTINGENT ACCOUNTS</b>	19	<b>581,286,705,954</b>	<b>558,828,766,429</b>	<b>503,774,393,314</b>
<b>TRUST ASSETS</b>	20	<b>762,939,469,669</b>	<b>787,828,146,554</b>	<b>851,925,824,157</b>
<b>TRUST LIABILITIES</b>		<b>226,602,472,666</b>	<b>247,173,104,139</b>	<b>245,654,948,241</b>
<b>TRUST EQUITY</b>		<b>536,336,997,003</b>	<b>540,655,042,415</b>	<b>606,270,875,917</b>
<b>OTHER DEBIT MEMORANDA ACCOUNTS</b>	21	<b>30,903,105,011,538</b>	<b>27,818,184,215,929</b>	<b>24,519,729,666,985</b>
Own debit memoranda accounts		18,053,587,464,734	15,979,848,692,594	12,987,289,154,088
Third party debit memoranda accounts		2,749,873,393,994	2,639,642,330,049	2,629,924,470,428
Own debit memoranda accounts for custodial activities		1,094,688,212,386	1,029,882,662,881	809,062,162,567
Third party debit memoranda accounts for custodial activities		9,004,955,940,424	8,168,810,530,405	8,093,453,879,902

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

Julio César Trejos D.  
General Manager a.i

María Luisa Guzmán G.  
Accountant

María Eugenia Zeledón P.  
General Auditor

**BANCO DE COSTA RICA AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For the period ending March 31, 2025  
(In colones without cents)

	Note	March 2025	March 2024
<b>Financial income</b>			
For availabilities	¢	473,886,402	1,104,655,669
For investments in financial instruments	26	26,861,130,915	23,160,400,506
For loan portfolio	27	85,176,671,769	82,563,864,895
For financial leases	27	865,772,146	766,794,305
For profit from financial instruments at fair value through profit or loss		150,049,795	575,007,931
For profit from financial instruments at fair value through other comprehensive income		761,488,889	5,018,464,182
For other financial income		1,014,060,935	873,435,066
<b>Total financial income</b>		<b>115,303,060,851</b>	<b>114,062,622,554</b>
<b>Financial expenses</b>			
For obligations with the public	28	41,367,845,721	43,809,191,156
For obligations with the Central Bank of Costa Rica		187,248,996	210,444,835
For obligations with financial and non-financial entities		9,140,396,462	9,736,900,251
For subordinated, convertible and preferred obligations		1,537,530,688	1,537,443,877
For losses due to exchange differences and DU		3,220,296,420	3,547,613,389
For loss from financial instruments at fair value through profit or loss		7,669,851	884,907
For loss from financial instruments at fair value through other comprehensive income		80,728,919	15,592,657
For other financial expenses		3,499,864	1,378,607
<b>Total financial expenses</b>		<b>55,545,216,921</b>	<b>58,859,449,679</b>
Allowance for impairment of assets	29	4,973,517,622	3,464,648,865
For assets recovery and decrease in allowance and provisions	30	2,392,496,079	3,118,224,186
<b>FINANCIAL INCOME</b>		<b>57,176,822,387</b>	<b>54,856,748,196</b>
<b>Other operating income</b>			
For service fees	31	31,301,236,572	28,711,048,250
For foreclosed assets		670,002,346	4,432,360,404
For foreign currency exchange and arbitrations		9,834,814,719	9,263,998,043
For other income from related parties		83,291,564	262,715,012
For other operating income		4,929,133,755	3,585,030,761
<b>Total other operating income</b>		<b>46,818,478,956</b>	<b>46,255,152,470</b>
<b>Other operating expenses</b>			
For service fees		9,668,206,701	8,105,231,258
For foreclosed assets		2,203,293,657	2,486,411,906
For loss in participations in capital interests of other companies		79,514,231	171,366,400
For provisions		413,196,301	650,532,472
For exchange and arbitration, foreign currency		166,757,686	225,080,402
For other expenses with related parties		91,177,361	40,861,202
For other operating expenses		11,286,883,363	10,518,070,277
<b>Total other operating expenses</b>		<b>23,909,029,300</b>	<b>22,197,553,917</b>
<b>GROSS OPERATING INCOME</b>		<b>80,086,272,043</b>	<b>78,914,346,749</b>
<b>Administrative expenses</b>			
Personnel expenses		31,873,742,355	30,856,072,430
Other administrative expenses		20,675,603,520	19,999,316,630
<b>Total administrative expenses</b>	33	<b>52,549,345,875</b>	<b>50,855,389,060</b>
<b>OPERATING INCOME, NET OF INCOME TAX AND STATUTORY ALLOCATIONS</b>		<b>27,536,926,168</b>	<b>28,058,957,689</b>
Income tax	15	1,568,466,268	8,965,170,243
Deferred income tax	15	19,401,211,010	1,624,421,126
Decrease in income tax		14,367,332,486	2,211,047,652
Legal profit allocation	34	7,116,318,485	6,730,946,217
Decrease in profit shares		-	-
<b>RESULT OF THE PERIOD</b>		<b>13,818,262,891</b>	<b>12,949,467,755</b>
Attributed to non-controlling interests		1,121,827,506	873,997,539
Attributed to the parent company		<b>12,696,435,385</b>	<b>12,075,470,216</b>
<b>RESULTS OF THE PERIOD ATTRIBUTED TO THE FINANCIAL CONGLOMERATE</b>		<b>12,696,435,385</b>	<b>12,075,470,216</b>
<b>OTHER COMPREHENSIVE INCOME OF THE PERIOD, NET OF TAX</b>			
Adjustment for valuation of investments at fair value through other comprehensive income		2,451,870,800	7,594,101,312
Reclassification of unrealized profit to the income statement		(476,531,979)	(3,502,010,068)
Adjustment for valuation of restricted financial instruments, net of income tax		(3,707,314,914)	666,199,640
Other		(2,225,055,218)	(5,131,775,988)
<b>OTHER COMPREHENSIVE INCOME OF THE PERIOD, NET OF TAX</b>	35	<b>(3,957,031,311)</b>	<b>-373,485,104</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>9,861,231,580</b>	<b>12,575,982,651</b>
Comprehensive income attributed to minority interest		(29,057,630)	(1,713,851,947)
Attributed to the parent company		<b>9,890,289,210</b>	<b>14,289,834,598</b>
<b>COMPREHENSIVE INCOME ATTRIBUTED TO THE FINANCIAL CONGLOMERATE</b>	¢	<b>9,890,289,210</b>	<b>14,289,834,598</b>

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

Julio César Trejos D.  
General Manager a.i

María Luisa Guzmán G.  
Accountant

María Eugenia Zeledón P.  
General Auditor

**BANCO DE COSTA RICA AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the period ending March 31, 2025  
(In colones without cents)

		<u>Adjustments to equity</u>									
	Note	Capital Stock	Surplus for revaluation of property, furniture and equipment	Adjustment for valuation of investments at fair value through other comprehensive income	Adjustment for translation of financial statements	Total adjustments to equity	Equity reserves	Foreign entities	Equity of the Development Financing Fund	Minority interest	Total equity
		Non-capitalized equity contributions									
<b>Balance as of December 31, 2022</b>		<b>181,409,990,601</b>	<b>41,085,212,831</b>	<b>(9,553,277,894)</b>	<b>9,728,703,622</b>	<b>41,260,638,559</b>	<b>351,152,901,365</b>	<b>63,983,258,982</b>	<b>45,766,617,523</b>	<b>67,326,345,389</b>	<b>750,899,752,419</b>
Income tax payment for prior fiscal years	19	-	-	-	-	-	13,555,152,257	(13,555,152,257)	-	-	-
Adjustment for profit-sharing under IFRIC 23		-	-	-	-	-	-	(3,099,631,554)	3,099,631,554	-	-
<b>Balance as of December 31, 2023</b>		<b>181,409,990,601</b>	<b>41,085,212,831</b>	<b>(9,553,277,894)</b>	<b>9,728,703,622</b>	<b>41,260,638,559</b>	<b>364,708,053,622</b>	<b>47,328,475,171</b>	<b>48,866,249,077</b>	<b>67,326,345,389</b>	<b>750,899,752,419</b>
<b>Other comprehensive income</b>											
Exchange differences resulting from the translation of financial statements of foreign entities	I.d.iii	-	-	-	(1,634,339,739)	(1,634,339,739)	-	-	-	(1,570,247,985)	(3,204,587,724)
Unrealized gain or loss in fair value of investments through other comprehensive income		-	-	23,822,136,815	-	23,822,136,815	-	-	-	(157,916,259)	23,664,220,556
Transfer of realized net gain to the income statement		-	-	(11,881,683,697)	-	(11,881,683,697)	-	-	-	-	(11,881,683,697)
Impairment – Investments at fair value through other comprehensive		-	-	248,980,452	-	248,980,452	-	-	-	-	248,980,452
Transfer of impairment to the consolidated income statement (RIF)		-	-	-	-	-	-	-	-	-	-
Deferred income tax recognition	15	-	-	(3,774,770,758)	-	(3,774,770,758)	-	-	-	-	(3,774,770,758)
Result of the period		-	-	-	-	-	-	42,624,954,756	-	3,964,162,498	46,589,117,254
<b>Other total comprehensive income</b>		-	-	<b>8,414,662,812</b>	<b>(1,634,339,739)</b>	<b>6,780,323,073</b>	-	<b>42,624,954,756</b>	-	<b>2,235,998,254</b>	<b>51,641,276,083</b>
<b>Balance as of December 31, 2023</b>		<b>181,409,990,601</b>	<b>41,085,212,831</b>	<b>(1,138,615,082)</b>	<b>8,094,363,883</b>	<b>48,040,961,632</b>	<b>364,708,053,622</b>	<b>89,953,429,927</b>	<b>48,866,249,077</b>	<b>69,562,343,643</b>	<b>802,541,028,502</b>
Attributed to minority interest		-	-	-	-	-	-	-	-	69,562,343,643	69,562,343,643
Attributed to the financial conglomerate	€	181,409,990,601	41,085,212,831	(1,138,615,082)	8,094,363,883	48,040,961,632	364,708,053,622	89,953,429,927	48,866,249,077	-	732,978,684,859
<b>Balance as of December 31, 2023</b>		<b>181,409,990,601</b>	<b>41,085,212,831</b>	<b>(1,138,615,082)</b>	<b>8,094,363,883</b>	<b>48,040,961,632</b>	<b>364,708,053,622</b>	<b>89,953,429,927</b>	<b>48,866,249,077</b>	<b>69,562,343,643</b>	<b>802,541,028,502</b>
Allocation of legal reserve		-	-	-	-	-	20,512,605,045	(20,512,605,045)	-	-	-
Allocation of the Development Financing Fund		-	-	-	-	-	-	(4,812,570,123)	4,812,570,123	-	-
<b>Balance as of December 31, 2024</b>		<b>181,409,990,601</b>	<b>41,085,212,831</b>	<b>(1,138,615,082)</b>	<b>8,094,363,883</b>	<b>48,040,961,632</b>	<b>385,220,658,667</b>	<b>64,628,254,759</b>	<b>53,678,819,200</b>	<b>69,562,343,643</b>	<b>802,541,028,502</b>
<b>Other comprehensive income</b>											
Exchange differences resulting from the translation of financial statements of foreign entities	I.d.iii	-	-	-	(1,134,778,161)	(1,134,778,161)	-	-	-	(1,090,277,057)	(2,225,055,218)
Unrealized gain or loss in fair value of investments through other comprehensive income		-	-	(1,723,584,741)	-	(1,723,584,741)	-	-	-	(60,608,079)	(1,784,192,820)
Transfer of realized net gain to the income statement		-	-	(680,759,970)	-	(680,759,970)	-	-	-	-	(680,759,970)
Impairment – Investments at fair value through other comprehensive		-	-	(89,593,471)	-	(89,593,471)	-	-	-	-	(89,593,471)
Deferred income tax recognition	15	-	-	822,570,168	-	822,570,168	-	-	-	-	822,570,168
Result of the period		-	-	-	-	-	-	12,696,435,385	-	1,121,827,506	13,818,262,891
<b>Other total comprehensive income</b>		-	-	<b>(1,671,368,014)</b>	<b>(1,134,778,161)</b>	<b>(2,806,146,175)</b>	-	<b>12,696,435,385</b>	-	<b>(29,057,630)</b>	<b>9,861,231,580</b>
<b>Balance as of December 31, 2024</b>	18	<b>181,409,990,601</b>	<b>41,085,212,831</b>	<b>(2,809,983,096)</b>	<b>6,959,585,722</b>	<b>45,234,815,457</b>	<b>385,220,658,667</b>	<b>77,324,690,144</b>	<b>53,678,819,200</b>	<b>69,533,286,013</b>	<b>812,402,260,082</b>
Attributed to minority interest		-	-	-	-	-	-	-	-	69,533,286,013	69,533,286,013
Attributed to the financial conglomerate	€	181,409,990,601	41,085,212,831	(2,809,983,096)	6,959,585,722	45,234,815,457	385,220,658,667	77,324,690,144	53,678,819,200	-	742,868,974,069

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

Julio César Trejos D.  
General Manager a.i

María Luisa Guzmán G.  
Accountant

María Eugenia Zeledón P.  
General Auditor

**BANCO DE COSTA RICA AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the period ending March 31, 2025  
(In colones without cents)

	Note	March 2025	March 2024
<b>Cash flows from operating activities</b>			
Income of the period	€	12,696,435,385	12,075,470,216
<b>Items applied to results not requiring cash outlays</b>		<b>(34,732,649,902)</b>	<b>(34,265,711,707)</b>
<b>Increase or (decrease) for</b>			
Allowance for impairment or devaluation of financial instruments		13,046,861	11,873,879
Allowance for impairment of loan portfolio		4,082,465,483	1,330,473,063
Allowance for impairment and default of other accounts receivable		878,005,278	2,122,301,923
Allowance for impairment of assets in lieu of payment		366,304,750	-
Income from reversal of allowance for impairment or devaluation of investments		(103,754,243)	(83,944,153)
Income from reversal of allowance for impairment and default of accounts receivable		(789,447,363)	(1,965,608,598)
Income from reversal of allowance for impairment of assets in lieu of payment		(519,192,512)	(4,309,271,561)
Income or loss for sale of assets received in lieu of payment and of property, furniture and equipment		1,118,124,818	1,662,069,922
Interest in net profit of other companies		79,514,231	171,366,400
Depreciation		3,444,026,932	3,659,347,524
Amortization		3,665,613,209	4,440,442,507
Provision for social benefits		77,116,265	13,783,244
Provisions for pending lawsuits		336,080,037	636,749,228
Other provisions		-	1,730,417
Income from provisions		(1,096,920,122)	(411,897,793)
Income tax		1,568,466,268	8,965,170,243
Deferred income tax		19,401,211,010	1,624,421,126
Decrease in income tax from previous periods		(13,017,227,763)	(2,211,047,652)
Profit sharing		7,116,318,485	6,730,946,217
Interest for obligations with the public		41,367,845,721	43,809,191,156
Interest for obligations with financial entities		10,865,176,146	11,484,788,963
Income from availabilities		(473,886,402)	(1,104,655,669)
Interest from investment in financial instruments		(26,861,130,915)	(23,160,400,506)
Income from loan portfolio		(85,176,671,769)	(82,563,864,895)
Net profit or loss from exchange differences and Development Units		289,321,071	(3,376,468,477)
Minority interest in net profit of subsidiaries		1,121,827,506	873,997,539
Adjustments for conversion of financial statements of the entity abroad		(1,134,778,161)	(2,617,205,754)
<b>Cash flows from operating activities</b>		<b>57,107,838,053</b>	<b>(202,329,994,526)</b>
<b>Net variation in assets increase or (decrease)</b>			
Increase in financial instruments - at fair value through profit or loss		(193,778,658,937)	(124,792,031,903)
Decrease in financial instruments - at fair value through profit or loss		130,113,580,513	105,608,134,694
Increase in financial instruments - at fair value through comprehensive income		(163,615,368,204)	(375,220,288,485)
Decrease in financial instruments - at fair value through comprehensive income		319,814,256,823	211,940,445,401
Loan portfolio		(92,038,255,879)	(74,989,372,455)
Accounts and commissions receivable		(9,854,379,233)	(12,087,333,354)
Available-for-sale assets		2,677,669,481	6,413,193,902
Interest receivable for financial instruments		27,102,884,896	21,445,888,496
Interest receivable for loan portfolio		18,533,555,193	18,025,847,561
Other assets		18,152,553,401	21,325,521,617
<b>Net variations in liabilities, increase or (decrease)</b>		<b>(119,545,165,329)</b>	<b>73,883,483,717</b>
Obligations with the public		143,389,457,127	140,395,136,084
Obligations with the Central Bank of Costa Rica and other entities		(195,097,117,008)	16,584,761,089
Obligations for accounts and commissions payable and provisions		(45,770,008,280)	(28,763,758,019)
Interest payable for obligations with the public		(23,865,153,447)	(30,111,444,950)
Interest payable for obligations with the BCCR and other entities		(8,231,308,753)	(8,695,995,644)
Interest payable for accounts and commissions payable and provisions		(21,913,191)	(20,993,435)
Other liabilities		10,050,878,223	(15,504,221,408)
Interests paid		(26,735,335,683)	(24,946,355,475)
Collected interest		73,018,576,337	65,727,169,325
Paid income tax		(346,399,908)	-
<b>Net cash flows provided by operating activities</b>		<b>(38,536,701,046)</b>	<b>(109,855,938,450)</b>
<b>Cash flows from investment activities</b>			
Increase in financial instruments at amortized cost		(890,388,637,174)	(12,901,538,892,845)
Decrease in financial instruments at amortized cost		905,603,162,370	12,948,101,238,338
Acquisition of property, furniture and equipment		(229,338,149)	(582,826,077)
Decrease for withdrawal and transfer of property, furniture and equipment		(307,588,603)	322,830,259
Acquisition of intangibles		(1,987,447,974)	(1,522,191,846)
Decrease for withdrawal and transfer of intangibles		(9,588,511)	300,117,916
Interest in other companies		-	(749,999,999)
<b>Cash flows (used for) provided by investment activities</b>		<b>12,680,561,959</b>	<b>44,330,275,746</b>
<b>Cash flows from financing activities</b>			
Subordinated obligations		765,688	678,876
<b>Cash flows provided by financing activities</b>		<b>765,688</b>	<b>678,876</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(25,855,373,399)</b>	<b>(65,524,983,828)</b>
Cash and cash equivalents at the beginning of the year		1,052,581,357,652	1,239,883,579,946
Effect of changes in exchange rates on cash		(4,335,272,625)	(10,345,017,711)
Cash and cash equivalents at the end of the year	4 €	1,022,390,711,628	1,164,013,578,407

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

Julio César Trejos D.  
General Manager a.i

María Luisa Guzmán G.  
Accountant

María Eugenia Zeledón P.  
General Auditor

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

#### 1). Summary of operations and significant accounting policies

##### (a) Operations

Banco de Costa Rica (hereinafter, the Bank) is an autonomous, independently managed, public law institution organized in 1877. As a State-owned public bank, it is regulated by the Internal Regulations of the National Banking System (IRNBS), the Internal Regulations of the Central Bank of Costa Rica, and by the Political Constitution of the Republic of Costa Rica. It is also subject to oversight by the General Superintendence of Financial Entities (SUGEF) and the Comptroller General of the Republic (CGR). The Bank's registered office is located at Avenida Central and Avenida Segunda, Calle 4 and Calle 6, in San José, Costa Rica.

The Bank's website and its subsidiaries located in Costa Rica is [www.bancobcr.com](http://www.bancobcr.com)

The Bank is mainly dedicated to extending loans and granting bid and performance bonds; issuing deposit certificates; opening checking accounts in colones, U.S. dollars, and euros; issuing letters of credit; providing collection services; buying and selling foreign currency; managing trusts; providing custodial services for assets; and other banking operations. As of March 31, 2025, the Bank has a total of 144 (144 and 155 for December and March 2024, respectively) branches distributed across the national territory, has 520 (520 and 556 for December and March 2024, respectively) ATM's and has 4,205 (4,192 and 4,091 for December and March 2024, respectively) employees.

The consolidated financial statements and notes thereto are expressed in colones (¢), the legal tender of the Republic of Costa Rica and functional currency.

The Bank fully owns 100% of the following subsidiaries:

BCR Valores, S.A. - Puesto de Bolsa, was organized as a corporation in February 1999 under the laws of the Republic of Costa Rica. Its main activity is securities trading. The number of employees as of March 31, 2025, is 72 (72 and 73 for December and March 2024, respectively) and is regulated by the General Superintendence of Securities (SUGEVAL).

BCR Sociedad Administradora de Fondos de Inversión, S.A. was organized as a corporation in July 1999 under the laws of the Republic of Costa Rica. Its main activity is investment fund management. The number of employees as of March 31, 2025, is 96 (95 and 105 for December and March 2024, respectively) and is regulated by the General Superintendence of Securities (SUGEVAL).

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A. was organized as a corporation in September 1999 under the laws of the Republic of Costa Rica. Its main activity is managing supplemental pension plans and offering additional services related to disability and death plans to members. The number of employees as of March 31, 2025, is 120 (113 and 108 for December and March 2024, respectively) and is regulated by the Superintendence of Pensions (SUPEN).

BCR Sociedad Corredora de Seguros, S.A. was organized as a corporation in February 2009 under the laws of the Republic of Costa Rica. Its main activity is insurance underwriting. The number of employees as of March 31, 2025, is 94 (96 and 93 for December and March 2024, respectively) and it is regulated by the General Superintendence of Insurance (SUGESE).

Banprocesa, TI S.R.L. was organized as a corporation in August 2009 under the laws of the Republic of Costa Rica. Its main activity will be to provide IT processing services and technical support, purchase, lease, and maintain hardware and software, including software development, and address the Bank's IT needs. This entity has not started operations. As of March 31, 2025, the number of employees is 98 (92 and 84 for December and March 2024, respectively). As of July 29, 2021, CONASSIF sends communication CNS-1676/06 accepting its participation as part of the conglomerate.

Depósito Agrícola de Cartago, S.A. and subsidiary, was organized as a corporation in October 1934 under the laws of the Republic of Costa Rica. Its main activity is the custody and storage of personal property of national and foreign origin, with its own legal status and administratively independent. The company is regulated by the “Ley de Almacenes Generales”.

Depósito Agrícola de Cartago, S.A. has a wholly owned subsidiary named Almacén Fiscal Agrícola de Cartago, S.A., constituted in December 1991 under the laws of the Republic of Costa Rica. Its main activity is custody and storage of merchandise on which no import taxes have been paid, regulated by the General Customs Law, and supervised by the General Customs Directorate of the Ministry of Finance. Both companies are subject to the oversight of the Comptroller General of the Republic. As of March 31, 2025, the number of employees is 51 (51 and 78 for December and March 2024, respectively).

BCR LEASING PREMIUM PLUS S.A. is a corporation incorporated on July 4, 2022, under the laws of the Republic of Costa Rica and is one more subsidiary of the BCR Financial Conglomerate. Its main activity is the leasing of personal property to current and potential clients of BCR Conglomerate. The number of employees as of March 31, 2025, is 14 (13 and 13 for December and March 2024, respectively).

The Bank also holds a 51% ownership interest in the following subsidiary:

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Banco Internacional de Costa Rica, S.A. and subsidiary (BICSA) was organized as a bank under the laws of the Republic of Panama in 1976. It operates under a general license granted by the Superintendence of Banks of Panama to engage in banking transactions in Panama or abroad; its office is located in the city of Panama, Republic of Panama, BICSA Financial Center, 50th floor, Avenida Balboa and Calle Aquilino de la Guardia. The remaining 49% of BICSA's shares are owned by Banco Nacional de Costa Rica. The number of employees as of March 31, 2025, is 246 (242 and 243 for December and March 2024, respectively).

In the Republic of Panama, banks are regulated by the Superintendence of Banks of Panama through Executive Order No. 26 of February 26, 1998, and by the resolutions and directives issued by that entity. Among other aspects, that law regulates authorization of banking licenses, minimum capital and liquidity requirements, general oversight, and procedures for credit risk and market risk management, money laundering prevention, and bank takeover and liquidation. Banks are also subject to an audit at least every two (2) years by auditors from the Superintendence of Banks to verify compliance with Executive Order No. 9 and Law No. 42 on Money Laundering Prevention.

BICSA has two subsidiaries, BICSA Factoring and Capital S.A., engaged in providing funding through financial leases and purchase of invoices and brokerage services, respectively.

In addition, they have a subsidiary located in Costa Rica, called BICSA Fiduciaria, S.A., which is dedicated to offering fiduciary services.

#### Regulatory Matters of Banco Internacional de Costa Rica, S.A. and Subsidiary

##### Miami Agency

The Agency is subject to regulations and periodic supervision by certain federal agencies and the State of Florida. In this sense, the Agency maintains an agreement with the Federal and State Regulatory authorities, which requires, among other things, continuous maintenance and reporting of certain minimum capital ratios, as well as maturity parameters. Within the requirements of this agreement, the Agency must maintain the ratio of its eligible assets to third party liabilities at a minimum percentage of 110%, on a daily basis.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

#### Panamá Branch

Executive Order No. 9 of February 26, 1998, requires that banks operating under a general license maintain capital funds for an amount greater than or equal to 8% of risk-weighted assets, including off-balance sheet operations. This law also limits the amount that can be loaned to a single economic group to a maximum of 25% of capital funds. It also limits the amount that can be loaned to related parties to a maximum of 5% and 10% of capital funds, depending on the guarantee provided by the borrower, up to a cumulative maximum of 25% of BICSA's capital funds.

#### (b) Accounting policies for the preparation of consolidated financial statements

The financial statements have been prepared in accordance with the legal provisions, rules, and accounting regulations issued by the National Financial System Supervisory Board (CONASSIF), the General Superintendence of Financial Entities (SUGEF) and the Central Bank of Costa Rica (BCCR), and in those matters that are not covered by those entities, according to the International Financial Reporting Standards as of January 1, 2011 (IFRS).

Through communication C.N.S. 116-07 from December 18, 2007, the National Financial System Supervisory Board issued a reform to the regulations named "Accounting Standard Applicable to the Entities Supervised by SUGEF, SUGEVAL and SUPEN and to the non-financial issuers." The objective of such standard is to regulate the adoption and application of the International Financial Reporting Standards (IFRS) and the corresponding interpretations (SIC and IFRIC interpretations.)

Afterwards, through articles 8 and 5 of the minutes corresponding to sessions 1034-2013 and 1035-2013, held on April 2, 2013, respectively, the National Financial System Supervisory Board made a change to the "Accounting standard applicable to the entities supervised by SUGEF, SUGEVAL, SUPEN and SUGESE and to the non-financial issuers."

According to such a document, the IFRS and its interpretations must be mandatorily applied by the supervised entities, in accordance with the texts in force as of January 1, 2011. This is for the audits as of December 31, 2015, except for the special treatments applicable to the supervised entities and non-financial issuers. The anticipated adoption of standards is not allowed.

Issuing new IFRSs or interpretation issued by the IASB, as well as any amendment to the adopted IFRSs to be applied by the entities under supervision will require prior authorization by the National Financial System Supervisory Board (CONASSIF).

The financial statements have been prepared based on historical costs as explained in the accounting policies below.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Historical costs are generally based on the fair value of the consideration for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date, regardless of whether price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Bank considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability on the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for the stock-based payment transactions within the scope of IFRS 2, the lease transactions within the scope of IAS 17, and the measurements that have certain similarities with the fair value, but which are not fair value, such as the net realizable value in IAS 2 or the value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

(c) Investment in other companies

Valuation of investments by the equity method

*i. Subsidiaries*

Subsidiaries are entities controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. As prescribed by regulations, the financial statements must present investments in subsidiaries by the equity method rather than on a consolidated basis. Transactions that affect the equity of those companies, such as translation adjustments and unrealized gain or loss on valuation of investments, are recognized in the same manner in the Bank's equity, the effects are recorded in the account "Adjustment for valuation of investments in other companies".

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

The Bank and subsidiaries must analyze and assess the distribution of dividends in accordance with current internal and external regulations applicable to each entity. The distribution of dividends will be proposed by the Management of each entity; it will transmit the proposal to the Board of Directors and subsequently send to the shareholders 'meeting in the case of the subsidiaries. Once the amount to be distributed has been determined, the accumulated profits from previous periods and/or the capital stock will be reduced, if necessary.

The consolidated financial statements include the financial figures of the Bank and of the following subsidiaries:

Name	Percentage of ownership
BCR Valores, S.A. – Puesto de Bolsa	100%
BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A.	100%
BCR Sociedad Administradora de Fondos de Inversión, S.A.	100%
Banco Internacional de Costa Rica, S.A. and subsidiary (Arrendadora Internacional, S.A., which is 100% owned)	51%
BCR Sociedad Corredora de Seguros, S.A.	100%
Banprocesa S.R.L.	100%
Depósito Agrícola de Cartago, S.A. and subsidiary	100%
BCR Leasing premium plus S.A.	100%

All significant intercompany balances and transactions have been eliminated on consolidation.

(d) Foreign currency

i. *Transactions in foreign currency*

Assets and liabilities held in foreign currency are converted to colones at the exchange rate prevailing on the date of the consolidated statement of financial position. Transactions in foreign currency during the year are converted to the foreign exchange rate prevailing on the date of the transaction. Conversion gains or losses are presented in the consolidated income statement.

ii. *Monetary unit and foreign exchange regulations*

As of January 30, 2015, the Board of Directors of the Central Bank of Costa Rica, in article 5 of the minutes of session 5677-2015, established a managed floating exchange rate regime starting February 2, 2015, whose main aspects are detailed below:

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

- In this regime, the Central Bank of Costa Rica will allow the exchange rate to be freely determined by the foreign exchange market but may participate in the market in a discretionary manner, to meet its own requirements of currency and those of the non-banking Public Sector, to avoid sharp exchange fluctuations.
- The Central Bank of Costa Rica may carry out direct operations or use forex held-for-trading instruments it deems appropriate in accordance with the current regulations.
- In its stabilization transactions, the Central Bank of Costa Rica will continue to use in the Foreign Currency Market (MONEX), the rules of engagement with the amendments provided for in this agreement. The Financial Stability Committee must determine the intervention procedures consistent with the strategy approved by the Board.

As established in the Chart of Accounts, assets and liabilities held in foreign currency should be expressed in colones at the exchange rate disclosed by the Central Bank of Costa Rica. Thus, as of March 31, 2025, monetary assets and liabilities denominated in U.S. dollars were valued at the exchange rate of ¢ 504.21 (¢512.73 and ¢506.60 for December and March 2024, respectively) for US\$1.00.

Valuation in colones of monetary assets and liabilities in foreign currency for the period ended March 31, 2025, gave rise to foreign exchange losses of ¢110,865,227,170, (¢533,413,403,444 and ¢103,669,900,872 for December and March 2024, respectively), and gains of ¢107,644,930,751, (¢518,105,772,183 and ¢100,122,287,483 for December and March 2024, respectively), which are presented net in the consolidated income statement.

Additionally, the valuation of other assets and other liabilities gave rise to gains and losses, respectively, which are booked as "Other operating income" and "Other operating expenses", respectively. For the period ended March 31, 2025, valuation of other assets gave rise to profits of ¢172,222,690, (¢108,822,906 and ¢7,448,666 loss for December and gains for March 2024, respectively) and valuation of other liabilities gave rise to gains of ¢741,974,792, (¢1,482,131,263 and ¢93,830,791 loss for December and gains for March 2024, respectively).

#### *iii. Financial statements of foreign subsidiaries (BICSA)*

The financial statements of BICSA are presented in U.S. dollars, which is its functional currency. The translation of the financial statements to colones was carried out as follows:

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### Notes to the Consolidated Financial Statements

- Assets and liabilities have been converted at the closing exchange rate.
- Income and expenses have been converted to the average exchange rates in effect during each year.
- The equity is measured in terms of historical cost and has been converted using the exchange rate on the transaction date.

As result of the conversions for the period ended on March 31, 2025, losses for exchange differences arise for ₡3,220,296,419, (₡1,634,339,739 and ₡3,547,613,389, for December and March 2024, respectively) shown in the equity section, within "Currency translation adjustment of the financial statements".

(e) Basis for the recognition of the consolidated financial statements

The consolidated financial statements have been prepared based on fair value for assets through profit or loss and through other comprehensive income. Other financial and non-financial assets and liabilities are recorded at amortized or historical cost. The accounting policies have been consistently applied.

(f) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. The Bank's financial instruments include primary instruments: cash and due from banks, investments in financial instruments, loan portfolio, other receivables, obligations with the public, obligations with entities, and payables.

(i) *Classification*

Financial instruments at fair value through profit or loss are those that the Bank keeps with the purpose of generating profits in the short term.

Originated instruments are loans and other accounts receivable created by the Bank providing money to a debtor rather than with the intention of short-term profit taking.

Assets at fair value through other comprehensive income are financial assets that are not held for trading purposes, originated by the Bank, or held to maturity. Assets at fair value through other comprehensive income include certain debt securities.

In accordance with accounting standards issued by CONASSIF, investments in financial instruments made by regulated entities are to be classified as available-for-sale. Own investments in open investment funds are to be classified as held-for-training financial assets. Own investments in closed investment funds are to be classified as available-for-sale.

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Notes to the Consolidated Financial Statements

Entities regulated by SUGEVAL, SUGEF, SUPEN, and SUGESE may classify other investments as held-for-trading financial instruments, provided there is an express statement of intent to trade them within 90 days from the acquisition date.

*(ii) Recognition*

The Bank recognizes assets at fair value through other comprehensive income on the date on which the Bank becomes a party to the contractual provisions of the instrument. From this date, any gains or losses arising from changes in the fair value of the assets are recognized in equity.

Assets held-to-maturity and originated loans and other accounts receivable are recognized using settlement date accounting, i.e. on the date they are transferred to the Bank.

*(iii) Measurement*

Financial instruments are measured initially at fair value, including transaction costs.

After initial recognition, financial instruments at fair value through other comprehensive income are measured at fair value, except for any instrument that does not have a quoted market price in an active market and whose fair value cannot be reliably measured is stated at cost, including transaction costs less impairment losses.

All non-held-for-trading financial assets and liabilities originated loans and other accounts receivable and held-to-maturity investments are measured at amortized cost less impairment losses. Any premium or discount is included in the carrying amount of the underlying instrument and amortized to finance income or expense using the effective interest method.

Article 17 of the Accounting Regulations applicable to entities regulated by SUGEF, SUGEVAL, SUPEN and SUGESE and to Non-financial Issuers prescribes available-for-sale classification for investments in financial instruments by regulated entities.

*(iv) Principles of measurement at fair value*

The fair value of financial instruments is based on their quoted market price on the consolidated financial statement date without any deduction for transaction costs.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

#### *(v) Profits and losses on subsequent measurement*

Profits and losses arising from a change in the fair value of available-for-sale assets are recognized directly in equity until the investment is considered to be impaired, at which time the loss is recognized in the consolidated income statement. When the financial assets are sold, collected, or otherwise disposed of, the cumulative gain or loss recognized in equity is transferred to the consolidated income statement.

#### *(vi) De-recognition*

A financial asset is derecognized when the Bank loses control over the contractual rights that comprise the asset. This occurs when the rights are realized, expired, or surrendered. Financial liability is derecognized when it is extinguished.

IFRS 9 introduces the “business model” as one of the conditions for classifying financial assets; it recognizes that an entity may have more than one business model, and that financial assets are reclassified if the model undergoes significant or exceptional changes.

According to the standard, the business model refers to the way in which a financial entity manages its financial assets to generate cash flows, which could be from:

1. Collect contractual cash flows
2. Sales of financial assets
3. A combination of both

Given the above, IFRS 9 introduces a new approach to classifying financial assets and requires that they be classified at the time of their initial recording (settlement date) into three valuation categories: (i) amortized cost, (ii) fair value through changes in other comprehensive income (equity) and (iii) fair value through changes in profit and loss.

Classification in these categories will depend on two aspects: the entity's business model (how an entity manages its financial instruments) and the existence or not of contractual cash flows of specifically defined financial assets.

- If the objective of the model is to maintain a financial asset to collect contractual cash flows and, according to the conditions of the contract, cash flows are received on specific dates that exclusively constitute payments of principal plus interest, the asset will be valued at amortized cost.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

- If the business model is aimed at both obtaining contractual cash flows and selling them to obtain liquidity and, according to the conditions of the contract, cash flows are received on specific dates that exclusively constitute payments of the principal plus interest, the financial asset will be valued at its fair value through changes in other comprehensive income (equity). Interest, impairment, and exchange differences are recorded in results as in the amortized cost model. The rest of the changes in fair value are recorded in equity items and may be recycled to profit and loss on their sales.
- Besides these scenarios, the rest of the assets will be valued at fair value through profit and loss. As indicated in the Financial Reporting Regulations, investment funds in open funds must be registered in this category. Due to their characteristics, open investment funds are those that do not present restrictions for their trading, therefore, within this category, mutual funds and money market type investment funds of international markets are included, which can be settled without restriction.

If the objective of an entity's business model undergoes significant changes, the reclassification of the instrument will be mandatory. However, the standard provides that this circumstance occurs very rarely, and when it exists, its disclosure is required according to IFRS 7, Financial Instruments: Information to be disclosed.

(g) Cash and cash equivalents

The Bank considers cash and due from banks, demand and term deposits, and investment securities that the Bank has the intent to convert into cash within two months or less, except for BICSA whose period is ninety days or less.

(h) Investments in financial instruments

Investments in financial instruments that are classified at fair value through other comprehensive income are valued at market prices using the price vector provided by Proveedor Integral de Precios de Centroamérica, S.A. (PIPCA).

The effect of market price valuation of investments at fair value through other comprehensive income is included in the equity account with the caption "Adjustment for valuation of investments at fair value through other comprehensive income" until those investments are realized or sold.

In accordance with article 18 of the Financial Reporting Regulation, called IFRS 9, Financial Instruments: Financial Assets, the following are defined:

1. The conventional purchase or sale of financial assets should be recorded applying the accounting on the settlement date.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

2. Financial assets are divided into those that are measured at amortized cost and those that are measured at fair value.
3. Based on the business model for managing financial assets and the characteristics of the contractual cash flows of the financial asset, the entity must classify its own investments or joint portfolios in financial assets according to the following valuation categories:
  - a. Amortized cost. If an entity, according to its business model and current regulatory framework, classifies a part of its investment portfolio in this category, it will disclose:
    - i. The fair value of financial assets classified in this category, in the quarterly financial statements and in the annual financial statement audited.
    - ii. The profit or loss that should have been recognized in the result for the period, for the financial statements indicated in the previous section.
  - b. Fair value through other comprehensive income.
  - c. Fair value through profit or loss: Participations in open investment funds must be recorded in this category.

In accordance with the characteristics that the Bank's portfolio must meet, based both on the Investment Management Policy and the current investment strategy, the management of the Bank's investment portfolio meets the characteristics of a business model whose main characteristic responds to managing financial assets to obtain contractual cash flows, as well as the occasional sales to meet liquidity requirements or investment portfolio management objectives, within the framework of the approved Investment Policy. In accordance with the foregoing, the financial assets that make up the Bank's investment portfolio meet the conditions to be valued at fair value through changes in other comprehensive income (equity). For purposes of defining a business model, these correspond to the main business model that characterizes the management of the Bank's investment portfolio.

However, it is required to determine the need of a "secondary" business model, whose characteristics of its comprising assets are determined by current regulations. Due to the need to manage liquidity in investment funds that the Bank currently keeps, these financial assets must be classified at fair value through changes in profit and loss, in accordance with the provisions of the Financial Reporting Regulations.

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### Notes to the Consolidated Financial Statements

In accordance with the liquidity objectives of the Bank's investment portfolio, the execution of future investments in closed funds does not apply, according to the Entity's business model; however, current investments in these instruments must be classified according with the established Regulation.

On the other hand, in accordance with the provisions of Law 9274, the Investment Management Policy of the Development Credit Fund, as well as the current Investment Strategy, management of the investment portfolio in the Development Credit Fund meets the characteristics of a business model whose main characteristic responds to managing financial assets to obtain contractual cash flows, as well as the occasional sales to meet liquidity requirements or investment portfolio management objectives, in the framework of the approved Investment Policy. In accordance with the foregoing, the financial assets that make up the investment portfolio of the Development Credit Fund meet the conditions to be valued at their fair value through other comprehensive income (equity).

For purposes of defining a business model, these correspond to the main business model that characterizes the management of the Funds investment portfolio.

However, it is required to determine the need of a “secondary” business model, whose characteristics of the comprising assets are determined by the current regulation. Due to the need to manage liquidity in investment funds that the Development Credit Fund currently keeps, these financial assets must be classified at fair value through profit and loss, in accordance with the provisions of the Financial Reporting Regulation.

In compliance with the provisions of the Financial Reporting Regulation with respect to IFRS 9, at the meeting of the General Board of Directors, the business model for the classification and valuation of own investments in financial assets for the Bank is approved according to the following valuation categories, in accordance with the defined business model:

- Main business model

Fair value through other comprehensive income (equity): those investments that are part of the investment portfolio will be classified under this category, the objective of which is to obtain contractual cash flows such as their sale and, according to the conditions of the contract, cash flows are received on specific dates that exclusively constitute payments of the principal plus interest.

- Secondary business model

Fair value through profit or loss: we will classify under this category, those investments in financial assets that, due to their characteristics, do not represent the possibility of generating cash flows on specific dates from the payment of interest according to the financial contract.

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### Notes to the Consolidated Financial Statements

In addition, and by the Financial Reporting Regulation, investments in open funds will be classified at fair value through profit or loss. Financial assets with these characteristics are the following:

- Local money market investment funds.
- International money market investment funds.
- International market mutual funds.

#### Investments in securities of BICSA

The fair value of BICSA's investment in securities that are quoted in active markets are based on recent purchase prices. If a security is not quoted in an active market, its fair value is determined by using a valuation technique, such as the use of recent transactions, the analysis of discounted cash flows, and other valuation techniques commonly used by market participants. Shares for which fair values cannot be reliably determined are measured at cost, minus impairment losses.

#### (i) Loan portfolio

##### Banco de Costa Rica - Loan portfolio

SUGEF defines credits as any operation formalized by a financial intermediary irrespective of the type of underlying instrument or document, whereby the intermediary assumes the risks of either directly providing funds or credit facilities or guaranteeing that their customer will honor its obligations with third parties. Credits include loans, factoring, purchase of securities, guarantees in general, advances, checking account overdrafts, bank acceptances, interest, open letters of credit, and preapproved lines of credit.

The loan portfolio is presented at the value of the outstanding principal. Interest in loans is calculated based on the outstanding principal and contractual interest rates and is accounted for as income on the accrual basis of accounting. Further, the Bank follows the policy of suspending interest accruals on loans with principal or interest that are more than 180 days past due.

##### BICSA -Loan portfolio:

Loans receivable are non-derivate financial assets with fixed or determinable payments that are not quoted in an active market and usually originate in providing resources for a loan. Loans are reported at their outstanding principal pending collection, minus not generated interest and commissions and allowance for loan losses. Not earned commissions and interest are recognized as income over the life of the loan using the effective interest method.

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### Notes to the Consolidated Financial Statements

(j) Allowance for doubtful accounts

*Banco de Costa Rica - Loan portfolio*

For 2024, the CONASSIF agreement 14-21 “Regulations on the calculation of credit estimates” enters into force, replacing SUGEF Agreement 1-05 “Regulations for the qualification of debtors”, which is detailed below.

The provisions established in this Regulation are applicable to entities and companies supervised by the General Superintendence of Financial Entities (SUGEF), as well as entities supervised by the Superintendence of Pensions (SUPEN), the General Superintendence of Securities (SUGEVAL) and the General Superintendence of Insurance (SUGESE) that carry out credit activities.

Without prejudice to what is stated in the previous paragraph, in the case of companies and entities supervised by SUPEN, SUGEVAL and SUGESE carrying out credit activities, the respective Superintendence is empowered not to object the use of internal methodologies by its supervised to quantify the credit risk, and constitute the corresponding estimates, replacing the methodology for calculating estimates for credit risk in force in each of these Superintendencies, in accordance with what is indicated in Article 29 of this Regulation.

These internal methodologies must be applied to the entire credit portfolio. In the case of companies that are members of financial groups and conglomerates, the use of internal methodologies is permitted.

In the case of entities and companies that are members of financial groups and conglomerates domiciled abroad and subject to supervision by the respective local authority, the calculation of credit estimates is permitted in accordance with the provisions issued by their respective supervisory authorities.

Credit operations carried out by entities supervised by SUGEF through deferred liquidity operations, in national and foreign currency and under the unsecured modality, carried out with the Central Bank of Costa Rica as direct counterparty, are exempt from this Agreement.

For the purposes of this Regulation, the definitions established in the current regulatory framework will be considered applicable, in addition to the following definitions:

- **Payment capacity:** Financial situation and capacity of the debtor to generate cash flows in the normal course of his business or from the remuneration of his work and return of his capital, allowing him to meet his financial obligations under the agreed conditions.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

- Historical payment behavior: The debtor's credit history in meeting his financial obligations during the last four years, regardless of whether these are current or extinct as of the cut-off date.
- Revolving credit: Credit operation that allows the debtor to use funds up to a pre-authorized limit, in which each payment increases the availability of funds, such as lines of credit, credit cards, overdrafts, and other similar credit operations.
- Debtor (or co-debtor): Person who receives funds or credit facilities directly from the entity. In addition, the discounter in the case of a discount contract, the assignor in an assignment with recourse, the person obliged to pay a document in an assignment without recourse, or the person to whom the entity grants a guarantee will be considered as such.
- Delinquency: The greatest number of days of delay in the payment of principal, interest, other products, and accounts receivable associated with the credit operation, counted from the first day of delay, that the debtor presents in the attention of its credit operations in the entity on a specific date according to the contractual payment conditions.
- Debtor with special operation: Corresponds to all the operations of a debtor, if at least one operation has been refinanced, readjusted, or extended.
- Extended operation: Credit operation in which at least one total or partial payment of principal or interest has been postponed to a future date related to the current contractual conditions, with the objective of avoiding non-compliance.
- Readjusted operation: Credit operation in which at least one of the current contractual payment conditions has been modified, with the aim of avoiding non-compliance, except for modification by extension.
- Refinanced operation: Operation that is fully or partially updated because of a new credit operation with the aim of avoiding default.
- Adjusted value of the guarantee: The result of multiplying the last appraisal value by the discount factor and by the recovery percentage.
- Default rate (DR): Number of credit operations in default divided by the total credit operations, in a given time horizon.
- Probability of default (PD): It is a prospective metric on the expected default rate for a 12-month horizon, associated with each credit segment, considering possible scenarios for its forecast. Exposure: Corresponds to the exposed risk volume (amount) of the total balance owed from the credit operation.
- Exposure given default (EAD): Corresponds to the volume of risk exposed at the time of default.
- Loss given default (LGD): Final percentage of loss in the event of default, that is, the percentage not recovered.
- Lifetime probability of default (LTPD): It is a prospective metric on the expected default rate for the remaining term of the operation, associated with each credit segment, considering possible scenarios for its forecast.
- Total balance due: Sum of direct and contingent principal balance, interest, other products and accounts receivable associated with a credit operation.

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### Notes to the Consolidated Financial Statements

The proposed regulation is an advance with respect to the current regulation in at least the following aspects:

- i) Recognizes the existence of different business lines of credit, so that the measurement of credit estimates is more sensitive to the inherent risk of each relevant line.
- ii) Establish segments according to the type of credit that allows to distinguish between a per-operation approach, for retail portfolios that can be treated as homogeneous risk groups, and a per-debtor approach, for business and corporate portfolios.
- iii) Improves the calculation of estimates for each relevant line using forward-looking elements consistent with expected credit loss approaches. These approaches identify three essential components of credit losses:
  - a) the probability of default;
  - b) the severity of loss in the event of default; and
  - c) exposure given default. In all cases, relevant historical information from each line of business is used to calibrate the respective risk factors.

In the particular case of the probability of default, the usual practice contemplates the calculation of historical default rates and their subsequent transformation into default probabilities, using a forecast function that includes scenarios for the relevant environmental conditions over a 12-month horizon. Through this forecast, the default metric is given its prospective value.

#### Credit portfolio by segments

The credit portfolio must be classified into the following segments:

- Revolving consumer loans to individuals. Loans for vehicles to individuals and legal entities, whose sole purpose is to allocate it to the acquisition of the vehicle by an individual.
- Regular consumer loans: Consumer loans to individuals not belonging to the previous paragraph. Housing loans to individuals and legal entities.
- Business: Credits to micro and small businesses, medium businesses, large businesses (Corporate) and Central Government, according to the following classification:

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

- Business 1: Legal entities and natural persons whose total balance owed, excluding the housing loans referred to in literal d) above, in the financial institution during the last 12 months has exceeded 1,000 million colones on at least one occasion. Also, the following are classified in this segment:
  - i) Legal entity belonging to an economic interest group reported by the entity to SUGEF.
  - ii) Entities and bodies comprising the institutions of the Public Sector, according to the “Institutional Classification of the Public Sector” published by the Ministry of Finance.
  - iii) Entity supervised by SUGEF, or any Superintendence attached to the National Council for Supervision of the Financial System (CONASSIF).
- Business 2: Legal entities and natural persons not classified in the Business 1 segment and whose total balance owed, excluding the housing loans referred to in literal d) above, in the financial institution during the last 12 months has exceeded 500 million colones at least once.
- Business 3: Legal entities and natural people not classified in any previous segment. Also, revolving consumer loans to legal entities are classified in this segment. In the case of the Business 1 or Business 2 segments, all the debtor's transactions are classified as Business 1 or Business 2, including housing transactions and any other prior classification. The threshold of the total balance owed referred to in the definition of Business 1 and Business 2, will be adjusted at least every 3 years using the Consumer Price Index calculated by the National Institute of Statistics and Censuses (INEC).

#### Risk categories

The entity must individually classify credit operations or debtors into risk categories, as appropriate to their classification in one of the segments defined in Article 5 of this Regulation.

For the purposes of this rating under the standard methodology, eight risk categories are established, which are identified with 1, 2, 3, 4, 5, 6, 7 and 8, with risk category 1 corresponding to the lowest credit risk and category 8 to the highest credit risk.

#### Analysis of payment capacity

The entity must qualify the payment capacity of debtors classified in Business segment 1 or Business segment 2, both in the credit granting stage and the monitoring and control stages, based on the methodologies approved by Management or equivalent authority.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

These methodologies must comply with their credit policies and congruent with the type of debtor, the lines of business and credit products. The methodologies must consider, at least, the following aspects:

- a) Financial position, net income and expected cash flows: Analysis of financial strength and the stability and continuity of the main sources of income. The effectiveness of the analysis depends on the quality and timeliness of the information.
- b) Background of the debtor and the business: Analysis of the experience in the business and the quality of the administration.
- c) Situation of the sector's environment: Analysis of the main variables of the sector that affect the debtor's payment capacity.
- d) Vulnerability to changes in the interest rate and exchange rate: Analysis, under stress scenarios, of the debtor's ability to face changes in the interest rate and exchange rate.
- e) Other factors: Analysis of other factors that may affect the debtor's payment capacity. The aspects that can be evaluated are, among others, environmental, technological, patents and exploitation permit, representation of foreign products or companies, relationships with significant clients and suppliers, sales contracts, legal risks and country risk (the latter in the case of debtors domiciled abroad).

#### Classification of the payment capacity

The entity must classify the payment capacity of debtors in the Business 1 and Business 2 segments at the following levels:

- a) Level 1: has payment capacity,
- b) Level 2: has slight weaknesses in the payment capacity,
- c) Level 3: has serious weaknesses in the payment capacity, and
- d) Level 4: has no payment capacity.

#### Classification of the historical payment behavior

The entity must classify historical payment behavior according to the following levels:

- a) Level 1: the historical payment behavior is good,
- b) Level 2: the historical payment behavior is acceptable, and
- c) Level 3: the historical payment behavior is deficient.

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Notes to the Consolidated Financial Statements

In any case, the level assigned by the entity cannot be a risk level lower than the level of historical payment behavior assigned to the debtor by the SUGEF Credit Information Center. The General Guidelines of this Regulation detail the methodology to calculate the level of historical payment behavior of debtors used by the SUGEF Credit Information Center.

Risk rating

The entity must qualify the credits arranged in segments indicated in paragraphs a) to d), and numeral 3 of paragraph e) Business, of Article 5 of this Regulation in accordance with the parameters of: delinquency of the operation, determined at the closing of the current month and the level of the debtor's historical payment behavior.

In the case of debtors classified in the segments indicated in segments 1 and 2 of paragraph e) Business, Article 5 of this Regulation, the entity must classify the debtors according to the parameters of: maximum delinquency of the debtor in the entity at the closing of the current month, the level of historical payment behavior of the debtor and the level of payment capacity of the debtor, according to following table:

a) Segment of revolving consumer loans:

<b>Phases</b>	<b>Categories</b>	<b>Delinquency of the operation</b>	<b>CPH</b>
Phase 1	1	Up to date	Level 1
	2	Up to 30 days	Level 1 or Level 2
Phase 2	3	Up to 60 days	Level 1 or Level 2
	4	Up to 90 days	Level 1 or Level 2 or Level 3
Phase 3	5	Up to 120 days	Level 1 or Level 2 or Level 3
	6	Up to 150 days	Level 1 or Level 2 or Level 3
	7	Up to 180 days	Level 1 or Level 2 or Level 3
	8	Over 181 days	

b) Segment of vehicle and regular consumer loans:

<b>Phases</b>	<b>Categories</b>	<b>Delinquency of the operation</b>	<b>CPH</b>
Phase 1	1	Up to date	Level 1
	2	Up to 30 days	Level 1 or Level 2
Phase 2	3	Up to 60 days	Level 1 or Level 2
	4	Up to 90 days	Level 1 or Level 2 or Level 3
Phase 3	5	Up to 120 days	Level 1 or Level 2 or Level 3
	6	Up to 150 days	Level 1 or Level 2 or Level 3
	7	Up to 180 days	Level 1 or Level 2 or Level 3
	8	Over 181 days	

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Notes to the Consolidated Financial Statements

c) Segment of housing loans:

Phases	Categories	Delinquency of the operation	CPH
Phase 1	1	Up to date	Level 1
	2	Up to 30 days	Level 1 or Level 2
Phase 2	3	Up to 60 days	Level 1 or Level 2
	4	Up to 90 days	Level 1 or Level 2 or Level 3
Phase 3	5	Up to 120 days	Level 1 or Level 2 or Level 3
	6	Up to 150 days	Level 1 or Level 2 or Level 3
	7	Up to 180 days	Level 1 or Level 2 or Level 3
	8	Over 181 days	

d) Segment of Business 3:

Phases	Categories	Delinquency of the operation	CPH
Phase 1	1	Up to date	Level 1
	2	Up to 30 days	Level 1 or Level 2
Phase 2	3	Up to 60 days	Level 1 or Level 2
	4	Up to 90 days	Level 1 or Level 2 or Level 3
Phase 3	5	Up to 120 days	Level 1 or Level 2 or Level 3
	6	Up to 150 days	Level 1 or Level 2 or Level 3
	7	Up to 180 days	Level 1 or Level 2 or Level 3
	8	Over 181 days	

e) Segment of Business 1 and Business 2:

Phases	Categories	Delinquency of the operation	CPH
Phase 1	1	Up to date	Level 1
	2	Up to 30 days	Level 1 or Level 2
Phase 2	3	Up to 60 days	Level 1 or Level 2
	4	Up to 90 days	Level 1 or Level 2 or Level 3
Phase 3	5	Up to 120 days	Level 1 or Level 2 or Level 3
	6	Up to 150 days	Level 1 or Level 2 or Level 3
	7	Up to 180 days	Level 1 or Level 2 or Level 3
	8	Over 181 days	

f) Segments of Business 1 and Business 2:

Phases	Categories	Delinquency of the operation	CPH	Payment Capacity
Phase 1	1	Up to date	Level 1	Level 1
	2	Up to 30 days	Level 1 or Level 2	Level 1 or Level 2
Phase 2	3	Up to 60 days	Level 1 or Level 2	Level 1 or Level 2
	4	Up to 90 days	Level 1 or Level 2 or Level 3	Level 1 or Level 2 or Level 3
Phase 3	5	Up to 120 days	Level 1 or Level 2 or Level 3	Level 1 or Level 2 or Level 3 or Level 4
	6	Up to 150 days	Level 1 or Level 2 or Level 3	Level 1 or Level 2 or Level 3 or Level 4
	7	Up to 180 days	Level 1 or Level 2 or Level 3	Level 1 or Level 2 or Level 3 or Level 4
	8	Over 181 days		

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### Notes to the Consolidated Financial Statements

The eight risk categories indicated in the tables above are associated with the following three classification phases consistent with International Financial Reporting Standard 9 (IFRS 9), Financial Instruments:

- a) Phase 1: Operations at normal risk, in this phase there is no evidence of a significant increase in risk since the initial recognition of the operation. Includes categories 1 and 2.
- b) Phase 2: Operations under special surveillance; a significant increase in credit risk is observed since the initial recognition of the operation. Includes categories 3 and 4.
- c) Phase 3: Operations of doubtful recovery. At this stage, credit operations that show evidence of deterioration are classified as delinquent operations or for which there is a high probability of non-payment. Includes categories 5, 6, 7 and 8.

For the purpose of establishing estimates in this Regulation, operations in Phase 3 are considered non-compliant.

#### Rate of default

The entity must calculate the amount of the specific estimate of each credit operation, multiplying the regulatory exposure in case of default (RECD) calculated according to Article 16 of this Regulation, by the regulatory loss given default (LGD) calculated according to Article 20 of this Regulation and by the regulatory rate of default (RD), by segment and risk category, indicated in the following table:

Segment	Categories							
	1	2	3	4	5	6	7	8
Revolving consumer loans	2%	7.5%	15%	30%	50%	70%	100%	100%
Consumer loans	1%	3.5%	7.5%	15%	25%	50%	75%	100%
Vehicle loans	0.5%	3.5%	7.5%	15%	25%	50%	75%	100%
Housing loans	0.5%	3.5%	7.5%	15%	25%	50%	75%	100%
Business loans 1	0.5%	2.0%	7.5%	15%	25%	50%	75%	100%
Business loans 2	1%	2.0%	7.5%	15%	25%	50%	75%	100%
Business loans 3	1%	3.5%	7.5%	15%	25%	50%	75%	100%

#### Guarantee

Guarantees reduce exposure to credit risk, so it is reasonable to consider their effect as a risk mitigator, if they are well constituted and valued. Likewise, the acceptance of the guarantee as a risk mitigator is considered reasonable even in the highest risk categories but weighing its value at less than one hundred percent. The experience with the application of SUGEF Agreement 1-05 regarding guarantees – and the use of guarantees to mitigate credit risk – suggests that it is advisable to reduce the number of guarantees that can be used as a mitigator in the standard methodology.

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## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

#### Conditions to apply guarantee mitigation

The application of the mitigating effect of guarantees in the calculation of credit estimates will be conditional in compliance with each of the following aspects, which will be considered a minimum to provide legal certainty on the collectability of the guarantees:

- a) For assets that require registration in a public registry, the guarantee must be duly registered.
- b) The legal mechanism for delivery, transfer, appropriation, adjudication, and liquidation of the collateral asset must correspond to its nature; and
- c) That it is legally enforceable in an unconditional manner, in the event of non-compliance with credit obligations. It is the responsibility of the financial institution to verify compliance with each of the above aspects, before applying the mitigation effect of the guarantees.

#### Accounting estimate

Entities that use the standard methodology must keep an accounting record, with a counterpart in the income statement, at the end of each month individually in their books, at least the amount of the estimate referred to in article 14 and article 15 of this regulation.

Entities may record an estimated amount higher than the minimum established using the standard methodology. In such cases, the application of percentages that correspond to higher risk categories will imply the automatic reclassification of the debtor or transaction to the risk category associated with the reported estimate.

On the other hand, for entities that use internal methodologies based on expected losses, which have not obtained any objection for the creation of estimates by Superintendence, the following criteria apply.

- a) If the amount of the estimates resulting from applying the internal methodology is less than the amount of the estimates calculated under the standard methodology, the entity must at least keep the amount corresponding to the standard methodology recorded and its registration will be against the results at the end of each month.
- b) If the amount of the estimates resulting from applying the internal methodology is greater than the amount of the estimates calculated under the standard methodology, only the amounts derived from the standard methodology must be recorded with a counterpart in the income statement at the end of each month.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Any excess determined in estimates calculated under the internal methodology, above the standard methodology, must be recorded in accounting using an individualized equity reserve account.

#### Settlement of credit operations against the estimate

The entity must have policies and procedures approved by its Managing Body if it needs to settle credit operations against the corresponding individual estimate. These policies and procedures must contemplate cases in which credit operations must be settled because they are considered uncollectible, after the administrative or judicial collection efforts have been reasonably exhausted, the practical impossibility of its recovery has been determined, or the total balance owed is estimated at one hundred percent.

The settlement of a credit transaction against the estimate is an accounting movement that consists of eliminating the asset charged to its respective accounting estimate, and its consequent transfer to a memoranda account.

This settlement in no way extinguishes the right of the creditor entity to continue collecting the amounts owed, nor does it relieve the person responsible for the credit from fulfilling his obligation.

For the settlement of credit operations against their respective estimate, the entity must comply with the provisions established in the Financial Information Regulations and Annexes, and document in the credit file of the operation the procedures and valuations carried out to support the settlement of the credit operation against its estimate.

The entity must report to SUGEF the details of credit operations and financial instruments settled each month, as well as the total amount of accounts and products receivable settled each month. The General Superintendent of Financial Entities is empowered to establish the information, periodicity and physical or electronic means that are deemed appropriate, with which the supervised entities must report on the settlement of credit operations, financial instruments and accounts and products receivable.

Likewise, at least every two years, internal methodologies must be assessed by an external body to evaluate suitability by each entity based on the eligibility criteria defined by each superintendency through general guidelines.

#### Internal methodologies

Entities may choose to create the specific estimates for credit risk referred to in Article 15 of this Regulation using internal methodologies, subject to no objection from the respective Superintendence.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

The methodologies must be reflected in the entity's credit policies and be duly approved by the managing body. The methodologies must be developed considering the entity's knowledge of the credit subject, the business project, the production cycle and the nature of the productive activities that are financed.

#### Accounts and interest receivable - Banco de Costa Rica

To qualify the risk of accounts and interest receivable unrelated to loan operations, the Bank considers the arrears based on ranges established for other assets in SUGEF Directive 1-05 "Regulations for Rating Debtors", approved by CONASSIF.

<u>Arrears</u>	<u>Allowance</u>
30 days or les	2%
60 days or les	10%
90 days or les	50%
120 days or les	75%
Over 120 days	100%

Until IFRS 9, Financial Instruments, is implemented for the Credit Portfolio of Financial Intermediaries, the provisions established in the Debtor Rating Regulations to quantify the credit risk of debtors and constitute the corresponding estimates, will remain in force and the entities will continue calculating the estimates according to the methodology set forth in the Regulations.

From 2024, when the CONASSIF agreement 14-21 "Regulation on the calculation of credit estimates" comes into force, the following changes in the accounting treatment are included.

Goods that meet the conditions described in IFRS5:

Initial recognition:

At least among:

- Principal plus products receivable, accounts receivable associated with credit, insurance and administration expenses derived from the credit, or
- Awarded amount or appraisal amount in case of lieu of payment.

Subsequent valuation:

At least among:

- Carrying amount (without considering the regulatory estimate recorded in subaccount 159.10).
- Fair value less sales costs.

Impairment: An impairment loss is recognized when the carrying amount is greater than the fair value minus sales costs.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Goods not complying with the provisions of IFRS 5:

Initial recognition:

The carrying amount corresponds to the original value less the estimate for impairment of the asset, on the date of reclassification (without considering the regulatory estimate recorded in subaccount 159.10).

Subsequent valuation: (IAS 36 Impairment of Assets)

At least among:

- a) Carrying amount at the date of the analysis
- b) Recoverable amount.

Recoverable amount:

The greatest among:

- a) Fair value minus cost of sales
- b) Value in use (discounted cash flows).

Impairment: An impairment loss is recognized when the carrying amount is greater than the recoverable amount.

The Management considers the allowance for potential uncollectible loans to be adequate. The regulatory entity periodically reviews the accumulated allowance for uncollectible loans as an integral part of its examinations. The regulatory entity may require additional allowances to be recognized based on its assessment of the information available as of the date of its examinations.

As of March 31, 2025, the total estimated allowance for the loan portfolio, as recorded in the accounting records, amounts to ₡142,448,838,798 (₡ 145,340,683,522 and ₡123,681,607,255, for December and March 2024, respectively).

As of March 31, 2025, increases in the allowance for uncollectible resulting from the minimum required estimation are recorded in the accounting records, in compliance with CONASSIF 14-21, "Regulation on the Calculation of Credit Allowances," Article 20 (formerly Article 17 of SUGEF Agreement 1-05, "Regulation for Debtor Classification"), subject to prior authorization by the supervisory authority, in accordance with Article 10 of the Organic Law of the National Banking System.

As of March 31, 2025, Management considers the allowance to be adequate to absorb any potential losses that may be incurred in the recovery of the loan portfolio.

#### BICSA- Allowance for loan impairment

BICSA assesses whether there is any objective evidence of impairment of a loan or loan portfolio. The number of losses on certain loans during the period is recognized as provision expense in the operational result and increases the provision account for loan losses. When a loan is determined to be uncollectible, the unrecoverable amount is reduced by that provision account. Subsequent recoveries of previously written-off loans increase the provision account.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Impairment losses are determined using two methods, which indicate whether there is objective evidence of impairment, i.e. individually for loans that are individually significant and collectively for loans that are not individually significant.

Impairment losses on individually assessed loans are determined based on an exposure assessment on a case-by-case basis. If it is determined that there is no objective evidence of impairment for an individually significant loan, this loan is included in a group of loans with similar characteristics and is collectively assessed for impairment. The impairment loss is calculated by comparing the present value of expected future cash flows, discounted at the loan's current interest rate or the fair value of the loans collateral minus the selling costs, to its current carrying value. The amount of any loss is recognized as a provision for losses in the consolidated income statement. The carrying value of impaired loans is reduced using an allowance account for losses on loans.

For the purposes of a collective assessment of impairment, BICSA uses statistical models of historical trends for probability of default, opportunity for recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that actual losses are higher or lower than those suggested by historical trends. Default and loss ratios as well as the expected terms of future recoveries are regularly compared with actual outcomes to ensure they remain appropriate.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognized, the impairment loss is reversed through an adjustment to the provision account. The amount of the reversal is recognized in the consolidated income statement.

Management considers the allowance for loan impairment to be sufficient. The regulatory authority periodically reviews the allowance for loan impairment as an integral part of its audits. The regulatory authority may require that additional allowances are recognized based on its evaluation of information available as of the date of the audits.

As of March 31, 2025, the allowance disclosed in the accounting records amounts to ¢153,770,354,003, (¢157,620,715,576 and ¢134,206,491,102 for December and March 2024, respectively).

#### *BICSA -Accounts and interest receivable*

To assess the allowance for accounts and interest receivable, BICSA applies the criteria mentioned in the section on the allowance for loan impairment.

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

(k) Securities sold under repurchase agreements

The Bank carries out transactions of securities sales under repurchase agreements at future dates and agreed prices. The obligation to repurchase sold securities is reflected as a liability in the consolidated balance sheet and disclosed at the value of the original agreement. The underlying securities are held in asset accounts. Finance expense recognized is calculated by the effective interest method. Interest is presented as finance expenses in the consolidated income statement and accrued interest payable in the consolidated statement of financial position.

(l) Accounting for interest receivable

Interest receivable is accounted for on an accrual basis. Under current regulations, interest accrual is suspended on loan operations that are more than 180 days past due. Interest receivable on those loans is recorded when collected. BICSA does not suspend the recognition.

(m) Other receivables

The recoverability of these accounts is assessed by applying criteria like those established by SUGEF for the loan portfolio. If an account is not recovered within 120 days of the due date or from the date of its accounting record, an allowance is created for 100% of the outstanding balance. Items with no specified due date are considered enforceable immediately. BICSA applies the criteria mentioned in the section on the allowance for loan impairment.

(n) Assets held-for-sale

Held-for-sale assets are assets owned by the Bank for realization or sale. Included in this account are assets acquired as payment in kind, assets adjudicated in judicial auctions, assets acquired to be leased under finance and operating leases, goods produced for sale, idle property and equipment, and other held-for-sale assets.

Assets and securities that are transferred in favor of a bank, or that are awarded to it in payment of obligations through judicial auctions, must be sold within a maximum period of two years from the day of acquisition. This period may be extended by the Superintendent General of Financial Institutions for equal periods at the request of the respective bank. In such cases, Superintendency may require the creation of a reserve for up to one hundred percent (100%) of the asset's value. The sale of these assets may be carried out based on appraisals by experts from the same banking institution, and such sales must be considered part of the ordinary activities of the entity. The sale of assets and securities by banks shall be subject to the limitations established by Article 1068 of the Civil Code.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Starting January 1, 2024, the new CONASSIF Agreement 14-21 "Regulation on the Calculation of Credit Estimates" will come into force in Section III "Losses in the Event of Default."

Entities using the standard methodology must keep the amount of the estimate referred to in Article 14 and Article 15 of this Regulation recorded individually in their books, with a counterpart in the income statement, at the closing of each month. Entities may record an amount for estimates higher than the minimum established using the standard methodology. In such cases, applying percentages corresponding to higher risk categories will imply the automatic reclassification of the debtor or operation to the risk category associated with the reported estimate.

Article 16 of CONASSIF Agreement 6-18 also indicates the actions that have been awarded in a judicial auction or received as payment in kind for credit operations, in accordance with Article 72 of Law 1644 LOSBN. In this case, the book value of the shares must be written off within a maximum period of two years from the date of award or receipt of the asset in payment in kind.

When the asset no longer meets the conditions to be recorded under IFRS 5, it must be reclassified to other assets where the entity must apply the valuation criteria of IAS 36 on impairment.

(o) Offsetting

Financial assets and liabilities are offset, and the net amount presented in the consolidated financial statements when the Bank has a legal right to set off the recognized balances and intends to settle on a net basis.

(p) Property, furniture, and equipment

(i) *Own assets*

Property, furniture, and equipment are depreciated on the straight-line method over the estimated useful lives of the assets for both tax and financial purposes. Leasehold improvements are amortized straight line over a period of sixty months, starting the month after the deferred charge is recorded. Leasehold improvements are amortized solely at the end of the term of the lease agreement. When the lessor or the Bank notifies the other party that it does not intend to renew the lease at the end of the original lease term or extension, the remaining balance is amortized over the remainder of the lease term.

Pursuant to requirements established by regulatory authorities, the Bank must have its real property appraised by an independent appraiser at least once every five years, to determine its net realizable value. If the realizable value is less than the carrying amount, the carrying amount must be adjusted to the appraisal value.

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Notes to the Consolidated Financial Statements

*(ii) Leased assets*

Leases, in terms of which the Bank assumes substantially all the risks and benefits of ownership are classified as leases with the right-to-use the asset.

In application of IFRS 16, entities that have lease contracts in which they are lessees must recognize a lease liability as of the entry into force of this regulation for leases previously classified as an operating lease under IAS 17. The lessee will measure that lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental loan rate on the date of initial application.

A right-of-use asset must be recognized as of the entry into force of this regulation for leases previously classified as an operating lease under IAS 17.

*(iii) Subsequent disbursements*

Costs incurred to replace a component of an item of property, furniture and equipment are capitalized and accounted for separately. Subsequent expenses are only capitalized when they increase the future economic benefits; otherwise, they will be recognized in the consolidated income statement when incurred.

*(iv) Depreciation and amortization*

Depreciation and amortization are charged to the operating results on the straight-line method, using the annual depreciation rates established for tax purposes. When appraisals made by independent appraisers determine that the technical useful life is less than the remaining useful life calculated using applicable rates for tax purposes, the technical useful life is to be used. Estimated useful lives are as follows:

Useful lives of assets owned by the Bank and subsidiaries, except for BICSA:

Building	50 years
Vehicles	10 years
Furniture and equipment	10 years
EDP equipment	5 years
Leasehold improvements	5 years

Useful lives of assets owned by BICSA:

Building	40-50 years
Building improvements	5-35 years
Furniture and equipment	3-5 years
Furniture and equipment	3-15 years

(Continued)

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Notes to the Consolidated Financial Statements

(v) *Revaluation*

At least every five years financial entities should assess the real estate by appraisals, stating the net realizable value of the property.

If the realizable value of the assets is different from the one disclosed in the accounting records, the Bank must adjust the Carrying amount to the resulting value of the appraisal.

These assets are depreciated by the straight-line method for financial and tax purposes, based on the expected life of the respective assets.

The last appraisal was made in 2022, and it was recorded on September 30, 2022.

(q) Deferred charges

Deferred charges are valued at cost and recorded in local currency. These charges are not subject to revaluations or adjustments.

(r) Intangible assets

Intangible assets acquired by the Bank are recorded at cost minus accumulated amortization and impairment losses.

Amortization of IT systems is charged to operation results on a straight-line basis over the estimated useful lives of the related assets. The estimated useful life is 5 years.

Subsequent expenditures or disbursements are capitalized only when they increase the future economic benefits; otherwise, they are recognized in the results as incurred.

(s) Impairment of assets

The carrying amount of an asset is reviewed on each consolidated balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the consolidated income statement for assets carried at cost and treated as a decrease in revaluation surplus for assets recorded at revalued amounts, until the amount of the surplus of the specific asset is sufficient to absorb the impairment loss.

The recoverable amount of an asset is the greater of its net selling price and value in use. The net selling price is equal to the value obtained in free transactions between seller and buyer. Value in use is the present value of future cash flows and disbursements derived from the continuing use of an asset and from its disposal at the end of its useful life.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

If in a subsequent period the amount of the impairment loss decreases and the decrease can be linked objectively to an event occurring after impairment loss was determined, the loss is reversed in the consolidated income statement or consolidated statement of changes in equity, as appropriate.

SUGEF establishes the following: regardless of the previously expressed, at least once every five years, financial institutions must have its property appraised by an independent appraiser, to determine the net realizable value of property and buildings, whose net book value exceeds 5% of the entity's equity. If the net realizable value of the assets appraised, taken as a whole, is less than the corresponding net carrying amount, the carrying amount is to be reduced to the appraisal value by adjusting assets that are significantly overstated. The decrease in the value of real property for use is recorded against account "331 - Adjustments for revaluation of assets.

In cases where an entity is aware of a significant overstatement in the carrying amount of one or more assets, regardless of the cause of the reduction in their value and/or the useful life originally assigned, the entity must hire an appraiser to perform a technical appraisal, immediately notify SUGEF of the results, and register the applicable adjustments in the accounting records.

(t) Obligations with the public

These are the current obligations of the resources available to the Bank for the realization of their purposes provided by external sources, which are virtually inescapable and are reasonably identifiable and quantifiable.

(u) Accounts payable and other payables

Accounts payable and other payables are recognized at cost.

(v) Provisions

A provision is recognized in the consolidated statement of financial position if, as a result of a past event, the Bank has a present legal or constructive obligation, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision made approximates settlement value; however, final amounts may vary. The estimated value of provisions is adjusted at the consolidated statement of financial position date, directly affecting the consolidated income statement.

Employees' legal benefits (severance pay)

Costa Rican legislation requires the Bank and its subsidiaries domiciled in Costa Rica to pay employees' legal benefits to employees dismissed without just cause, equivalent to a seven days' salary for employees with three to six months of service, 14 days salary for employees with six months to one year of service, and compensation in accordance with the Workers Protection Law for those with more than one year of service.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

In February 2000, the Workers Protection Law was enacted and published. This law modifies the existing severance benefit system and establishes a mandatory supplemental pension plan, thereby amending several provisions of the Labor Code.

Pursuant to the Workers Protection Law, all public and private employers must contribute 3% of monthly employee salaries during the entire term of employment. Contributions are collected through the Costa Rican Social Security Administration (CCSS) and are then transferred to pension fund operators selected by the employee.

The Bank follows the practice of transferring to the Employee Association the severance benefits corresponding to each employee based on the employee's current salary.

The amount of severance benefits not transferred to the Employee Association are provisioned as indicated in the Collective Labor Agreement and is provisioned in accordance with the employer's legal obligation.

#### BICSA retirement savings plan

BICSA offers its employees defined contribution pension plans in accordance with the conditions and practices in the jurisdiction where it operates. Under those plans, BICSA contributes specified amounts to a fund managed by a third party and is under no legal obligation to make additional contributions in the event the fund has insufficient assets to pay employees their benefits.

BICSA has adopted a voluntary retirement savings plan in which BICSA contributes twice the amount contributed by employees, up to a maximum of 10% of the monthly salaries. The contribution made by BICSA and subsidiary under this plan as of March 31, 2025, amounted to ¢121,354,408, (¢372,109,183 and ¢96,607,376, for December and March 2024, respectively), equivalent to US\$245,206, (US\$725,741 and US\$192,426, for December and March 2024, respectively).

#### BICSA -Seniority premium and indemnity for employees

Under Panamanian labor law, companies are required to establish a severance fund to guarantee payment of a seniority premium and indemnity to eligible employees upon resignation or dismissal without just cause. To create the fund, quarterly contributions of the relative portion to the employee seniority premium equivalent to 1.92% of salaries paid in the Republic of Panama are made to cover the seniority premium, while monthly contributions equivalent to 5% are made to cover the indemnity. Quarterly contributions are to be placed in a trust. As of March 31, 2025, the severance fund had a balance of ¢629,722,400, (¢617,318,004, and ¢554,519,426 for December and March 2024, respectively), equivalent to US\$1,248,929, (US\$1,203,983 and US\$1,094,590 for December and March 2024, respectively) which is disclosed in the consolidated financial statements as prepaid expenses.

(Continued)

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Notes to the Consolidated Financial Statements

(w) Legal reserve

According to Article 12 of the Organic Law of the National Banking System, the Bank yearly sets aside 50% of net earnings after income tax to increase its Legal Reserve. The Bank's subsidiaries, except for BICSA, allocate 5% of their earnings after taxes to a legal reserve.

(x) Revaluation surplus

The revaluation surplus included in equity may be transferred directly to accrued earnings of prior periods when the surplus is realized. The whole surplus is realized upon disposal or use of the asset. The transfer of revaluation surplus to prior period retained earnings should not be made through the consolidated income statement. Further, the Bank was authorized by SUGEF to capitalize the revaluation surplus by increasing capital stock.

(y) Use of estimates

Management has made several estimates and assumptions related to the reporting of assets, liabilities, profit or loss, and the disclosure of contingent liabilities in preparing these consolidated financial statements. Actual results may differ from those estimates that are particularly susceptible to significant changes related to the determination of the allowance for loan impairment.

(z) Estimates for litigation

In pending litigation, provisions are recorded for the probable obligations that may arise for the Bank, as a consequence of the unfavorable result, due to lawsuits that are pending resolution.

This provision is estimated based on the data provided by Corporate Legal Management or external legal advisors, if available, on the progress of the lawsuits that the Bank and subsidiaries have and in accordance with the criteria and scope of the eventual resolutions.

Regarding lawsuits deemed inestimable at the outset of the process, the lead attorneys will carry out an analysis and assessment to include an estimate in cases where it can be reasonably determined, following the previously mentioned provision calculation methodology. In cases where for any reason, the estimate cannot be calculated, the corresponding justification will be included in the Bank's judicial proceedings records.

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Notes to the Consolidated Financial Statements

(aa) Uncertainty over Income Tax Treatments, IFRIC 23

IAS 12, Income Taxes, specifies the requirements for deferred and current tax assets and liabilities. An entity will use the requirements of IAS 12 based on the applicable tax laws.

It may not be clear how tax laws apply to a particular transaction or circumstance. The acceptability of a particular tax treatment under tax law may not be known until a decision is made in the future by the relevant tax authority or the courts of law. Accordingly, a dispute or inspection of a particular tax treatment by the tax authority may affect an entity's accounting for deferred or current tax assets or liabilities.

In evaluating whether and how an uncertain tax treatment affects the determination of tax profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, an entity will assume that the tax authority will inspect the amounts it has have the right to review and will have full knowledge of all related information when conducting such reviews.

If an entity concludes that the tax authority is likely to accept an uncertain tax treatment, the entity shall determine the tax profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, consistent with the tax treatment used or intended to be used on its income tax return.

An entity shall reflect the effect of uncertainty for each uncertain tax treatment by using one of the following methods, depending on which method the entity expects to best predict the resolution of the uncertainty:

(a) The most probable amount—the single most probable amount over a range of possible outcomes. The most probable amount can better predict the resolution of the uncertainty if the possible outcomes are dual or concentrated in one value.

(b) The expected value - the sum of the amounts weighted by their probability over a range of possible outcomes. The expected value can better predict the resolution of uncertainty if there is a range of possible outcomes that are neither dual nor concentrated on one value.

If an uncertain tax treatment affects current taxes and deferred taxes (for example, if it affects the taxable profit used to determine the current tax and the tax bases used to determine the deferred tax), an entity makes consistent judgments and estimates about the current and deferred tax.

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Notes to the Consolidated Financial Statements

(bb) Recognition of the main types of income and expenses

(i) Interest

Interest income and expense is recognized in the consolidated income statement on an accrual basis considering the effective yield or interest rate. Interest income and expense includes amortization of any premium or discount during the term of the instrument and until its maturity and is calculated on an effective interest basis.

(ii) Income from fees and commissions

When loan origination fees are generated, they are taken against effective yield, and they are deferred over the loan term. Other service fees and commissions are recognized when the services are rendered. In the case of storage services, insurance and inventory management they recorded by the accrual method.

(iii) Net income from held-for-trading securities

Net income on marketable securities includes gains and losses arising from sales and from changes in the fair value of held-for-trading assets and liabilities.

(iv) Expenses from operating lease

Payments for operating lease agreements are recognized in the consolidated income statement over the term of the lease.

(cc) Income tax

Pursuant to the Income Tax Law, the Bank and its subsidiaries are required to file their income tax returns for the twelve-month period ending December 31 of each year.

(i) Current:

Current tax is the expected tax payable on taxable income for the year, using tax rates valid on the consolidated balance sheet date, and any adjustment to tax payable with respect to previous years.

(ii) Deferred:

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial purposes and the amounts used for taxation purposes. In accordance with this method, temporary differences are identified as either taxable temporary differences (which result in future taxable amounts) or deductible temporary differences (which result in future deductible amounts). A deferred tax liability represents a taxable temporary difference, while a deferred tax asset represents a deductible temporary difference. Deferred tax assets are recognized only to the extent there is a reasonable probability that they will be realized.

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### Notes to the Consolidated Financial Statements

BICSA's Miami branch is subject to state and federal income taxes in the United States of America. Income tax expense is determined by using the separate currency pools method, as described in Section 1.882-5 of the U.S. Treasury Department Regulations.

#### (dd) BICSA - Financial leases

BICSA's financial lease operations mainly consist of leases for transportation, machinery, and equipment. The average lease terms are between 36 and 60 months.

Lease receivables represent the present value of future lease payments. The difference between the gross receivable and the present value of the receivable is presented as unearned income, which is recognized in profit or loss over the life of the lease.

#### (ee) Pension and retirement plans, for employees of Banco de Costa Rica

A fund was created by Law No. 16 as of November 5, 1936, which has been amended on several occasions. The most recent amendment was included in Law No. 7107 dated October 26, 1988. Pursuant to this Law, the fund was established as a special wage protection and retirement system for the Bank's employees. The fund is comprised of allotments established by the related laws and regulations, and monthly contributions made by the Bank and employees equivalent to 10% and 0.5% of total wages and salaries, respectively. Starting October 1, 2007, this fund is managed by BCR Pension Operadora de Planes de Pensiones Complementarias, S.A. (subsidiary) under a comprehensive management agreement.

The Bank's contributions to the fund are defined contribution plans. Consequently, the Bank has no additional obligations.

#### (ff) Legal allocations

Under article 12 of IRNBS, the net earnings of commercial State-owned banks are allocated as follows: 50% to a legal reserve; 10% to increase the capital of the National Institute for Cooperative Development (INFOCOOP); and the remainder to increase the Bank's capital, pursuant to article 20 of Law No. 6074. Transition provision III of Law No. 8634 "Development Banking System" establishes that for a five-year period starting in 2007, the contributions made by State-owned banks equivalent to 5% of their annual net earnings for the creation of the National Commission for Educational Loans (CONAPE) will be allocated as follows: two percent to CONAPE and three percent to the capital of the Development Financing Fund (FINADE). On January 2013 transitory III is removed and 5% will be allocated to CONAPE, in accordance with Law 9092, "Refund of Income of the National Commissions for Educational Loans."

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In accordance with article 46 of the "National Emergency and Risk Prevention Law", all institutions of the central administration and decentralized public administration, as well as State-owned companies, must contribute three percent (3%) of their reported earnings before taxes and profits and of their accumulated budget surplus to the National Emergency Commission (CNE). Such funds are deposited in the National Emergency Fund to finance the National Risk Management System. The expenditure for CNE is calculated as 3% of income before taxes and profit sharing.

Pursuant to article 78 of the Workers Protection Law, State-owned public entities must contribute up to 15% of their earnings with the purpose of strengthening the funding base for the Disability, Old Age, and Death Benefit System of CCSS and to provide universal coverage for impoverished non-salaried workers. According to Executive Order number 37127-MTSS, starting in 2013 a progressive yearly contribution from net earnings must be set aside starting with 5% in 2013, up to 7% in 2015 and 15% as of 2017.

#### (gg) Development Financing Fund

As of 2008, in accordance with article 32 of Law No. 8634 "Development Banking System", all State-owned banks, except for Banco Hipotecario para la Vivienda (BANHVI), shall allocate each year at least five percent (5%) of their net earnings after income taxes to creating and strengthening its own development funds. The objective of that allocation is to provide financing to individuals and legal entities that present viable and feasible projects pursuant to the provisions of the Law (See note 40).

#### (hh) Development Credit Fund

The Development Credit Fund (DCF) comprised of the resources provided in Article 59 of the Organic Law of the National Banking System, No.1644, commonly called "Banking Toll," will be managed by the State Banks. In compliance with Law No. 9094 "Derogatory of Transitory VII-Law No. 8634," and in accordance with Article 35 of Law No. 8634 "Development Banking System", in meeting 119 of January 16, 2013, by agreement number AG 1015-119-2013, it is agreed to appoint Banco de Costa Rica and Banco Nacional de Costa Rica as managers for a five-year period from the signature of the respective management agreements. Each bank is responsible for managing fifty percent (50%) of the funds.

The Technical Secretariat of the Governing Board through written communication CR/SBD-014-2013 informed all private banks to open up checking accounts with each of the managing banks (Banco Nacional and Banco de Costa Rica), both in colones and foreign currency with the obligation to distribute fifty percent of the resources to each bank.

The powers granted by the Governing Board to the administrators are:

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Notes to the Consolidated Financial Statements

- a) Managing Banks can perform services with the beneficiaries of the Development Banking System as recognized by Article 6 of Law 8634.
- b) In accordance with Article 35 of Law 8634 with funds from the Development Credit Fund, the Managing Banks can provide services to other financial entities, except for private banks, provided they meet the objectives and obligations under Law 8634 and that are duly approved by the Governing Board.
- c) The Banks may allocate in accordance with Article 35, Law 8634 the resources of the Development Credit Fund through: associations, cooperatives, foundations, NGOs, producer organizations or other entities if they have credit operations in programs that meet the objectives established in Law 8634 and are duly approved by the Governing Board.

The contract signed for a five-year term will be renewable for equal and successive periods unless otherwise decided by the Governing Board, notified in writing at least three months in advance. It may be terminated as provided for in Article 12 paragraph j) of Law 8634 and its executive regulations, if the managing banks demonstrate proven lack of capacity and expertise. (See note 41).

(ii) BICSA - Trusts

BICSA has a license to manage trusts in or from the Republic of Panama. Fee and commission income derived from trust management is recognized on an accrual basis. BICSA is required to manage trust funds in accordance with the contractual terms and independently of its own equity.

(jj) Fiscal year

The economic fiscal year corresponds to the period ending on December 31 of every year.

2). Collateralized or restricted assets

Collateralized or restricted assets are as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Cash and cash equivalents deposited in the Central Bank of Costa Rica (see note 4)	¢ 747,913,188,408	774,784,379,210	697,494,961,220
Restricted cash and cash equivalents (see note 4)	407,613,286	192,880,601	94,566,877
<b>Total cash and cash equivalents</b>	<b>748,320,801,694</b>	<b>774,977,259,811</b>	<b>697,589,528,097</b>
Past due and restricted financial instruments (see note 5)	211,783,672,844	456,378,359,623	238,987,236,297
Other assets	959,779,043	975,997,121	894,891,676
	<b>¢ 961,064,253,581</b>	<b>1,232,331,616,555</b>	<b>937,471,656,070</b>

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

3). Balances and transactions with related parties

The consolidated financial statements include balances and transactions with related parties as follows:

		<b>March</b>	<b>December</b>	<b>March</b>
		<b>2025</b>	<b>2024</b>	<b>2024</b>
<b>Assets:</b>				
Loan portfolio	¢	909,269,161	936,655,314	761,635,228
Other accounts receivable		684,357,386	642,719,380	627,550,115
Interests in other entities		1,819,878,504	1,899,392,735	746,144,071
<b>Total assets</b>	¢	<b>3,413,505,051</b>	<b>3,478,767,429</b>	<b>2,135,329,414</b>
<b>Liabilities:</b>				
Other financial obligations		0	0	(3,769,104,000)
<b>Total liabilities</b>		<b>0</b>	<b>0</b>	<b>(3,769,104,000)</b>
<b>Income:</b>				
Income from interest in entities		0	219,345,500	0
Sundry operating income	¢	10,224,188	352,711,595	262,715,012
<b>Total income</b>	¢	<b>10,224,188</b>	<b>572,057,095</b>	<b>262,715,012</b>
<b>Expenses:</b>				
Financial expenses		0	0	1,392,583
Expense from investments in other companies		79,514,231	623,109,827	171,366,400
Sundry operating expenses		31,333,410	0	(11,400,000)
<b>Total expenses</b>	¢	<b>110,847,641</b>	<b>623,109,827</b>	<b>161,358,983</b>

The amount paid for the compensation for key staff is as follows:

		<b>March</b>	<b>December</b>	<b>March</b>
		<b>2025</b>	<b>2024</b>	<b>2024</b>
Short-term benefits	¢	1,012,415,388	4,248,460,546	1,134,585,691
Long-term benefits		8,893,019	36,100,100	10,506,870
Directors' seating fees		83,445,228	268,771,324	89,086,355
	¢	<b>1,104,753,635</b>	<b>4,553,331,970</b>	<b>1,234,178,916</b>

The Bank's executive committee is considered key personnel.

BCR Pensiones pays compensation to key personnel according to the approved budget for the period, which does not include benefits, incentives, or salaries in-kind.

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

4). Cash and cash equivalents

For purposes of reconciliation with the consolidated statement of cash flows, cash and cash equivalents are as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Cash	59,349,424,388	77,839,337,223	82,826,615,998
Demand deposits in BCCR	674,458,550,222	679,616,489,090	623,452,018,758
Checking accounts and demand deposits in local financial entities	3,907,073,997	3,413,230,974	1,849,058,811
Checking accounts and demand deposits in foreign financial entities	69,074,476,471	50,662,594,344	57,035,683,968
Notes payable on demand	1,158,430,104	348,430,021	500,346,073
Restricted cash and cash equivalents	92,845,419,140	100,947,503,231	90,036,649,465
Interest receivable	0	895,261	5
<b>Total cash and cash equivalents</b>	<b>900,793,374,322</b>	<b>912,828,480,144</b>	<b>855,700,373,078</b>
Investments in short-term financial instruments	121,597,337,306	139,752,877,508	308,313,195,196
<b>Total cash and cash equivalents</b>	<b>1,022,390,711,628</b>	<b>1,052,581,357,652</b>	<b>1,164,013,568,274</b>

As of March 31, 2025, demand deposits in BCCR are restricted as a minimum legal reserve in the amount of ¢745,386,137,461, (¢773,224,085,233 and ¢697,310,452,732, for December and March 2024, respectively).

As of March 31, 2025, BCR Pension's deposits in BCCR are restricted as a minimum legal reserve in the amount of ¢16,905,591, (¢11,634,633 and ¢13,965,052, for December and March 2024, respectively), for a total of ¢6,796,053,267, (¢7,015,583,507 and ¢6,136,288,286, for December and March 2024, respectively).

As of March 31, 2025, BCR Valores, S.A. - Puesto de Bolsa holds restricted deposits in the Central Bank of Costa Rica in the amount of ¢2,510,145,356, (¢1,548,659,344 and ¢170,543,435, for December and March 2024, respectively), for a total of ¢50,992,052,700, (¢50,208,912,528 and ¢170,543,435, for December and March 2024, respectively).

As of March 31, 2025, BCR Valores, S.A. - Puesto de Bolsa holds restricted assets as part of the guarantee fund in the amount of ¢48,074,294,059, (¢48,467,372,583 and ¢38,288,513,823, for December and March 2024, respectively). (See note 2).

As of March 31, 2025, the Bank has a liability for outstanding checks in the amount of ¢897,423,795 (¢526,095,018 and ¢609,187,948, for December and March 2024, respectively), which is offset by notes payable on demand cashed the next day once cleared by the clearing house.

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

5). Investments in financial instruments

Investments in financial instruments are as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
At fair value through profit or loss	¢ 128,458,833,122	64,735,383,226	157,100,467,860
At fair value through other comprehensive income	1,431,015,290,305	1,614,247,874,076	1,155,913,411,337
At amortized cost	105,051,977,735	120,266,502,931	309,455,557,533
Interest receivable for investments at fair value through profit or loss	1,128,404,183	8,193,674,732	3,262,192,718
Interest receivable for investments at fair value through other comprehensive income	18,891,734,988	18,589,721,172	17,364,716,471
Interest receivable for investments classified at amortized cost	526,680,933	319,488,992	296,410,611
Allowance for impairment of financial instruments	(176,635,086)	(208,970,996)	(150,352,582)
	<b>¢ 1,684,896,286,180</b>	<b>1,826,143,774,133</b>	<b>1,643,242,403,948</b>
	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>At fair value through profit or loss</b>	<b>Fair value</b>	<b>Fair value</b>	<b>Fair value</b>
<u>Local issuers</u>			
Government	¢ 509,655,345	37,596,737	779,813,629
Other (Open Investment Funds)	8,876,414,484	8,100,284,411	69,850,456,854
	<b>9,386,069,829</b>	<b>8,137,881,148</b>	<b>70,630,270,483</b>
<u>Foreign issuers</u>			
State-owned Banks	20,171,082	0	0
Private issuers	118,026,624,271	56,363,059,264	86,122,000,000
Other	1,025,967,940	234,442,814	348,197,377
	<b>¢ 125,458,833,122</b>	<b>64,735,383,226</b>	<b>157,100,467,860</b>
	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>At fair value through other comprehensive income</b>	<b>Fair value</b>	<b>Fair value</b>	<b>Fair value</b>
<u>Local issuers</u>			
Government	¢ 1,144,522,176,622	1,319,376,319,222	998,199,480,488
State-owned Banks	78,246,178,190	72,720,178,173	37,375,364,620
Private Banks	14,761,313,849	5,072,375,231	2,639,469,388
Private issuers	15,325,164,851	73,148,512,681	7,197,887,969
Other	61,267,516,604	11,963,132,857	34,439,299,399
	<b>1,314,122,350,116</b>	<b>1,482,280,518,164</b>	<b>1,079,851,501,864</b>
<u>Foreign issuers</u>			
Private issuers	55,986,048,548	64,694,746,769	67,212,489,624
Other	60,906,891,641	67,272,709,143	8,849,419,849
	<b>¢ 1,431,015,290,305</b>	<b>1,614,247,974,076</b>	<b>1,155,913,411,337</b>

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

<b>Financial instruments at amortized cost issued by entities</b>	<b>March 2025 Fair value</b>	<b>December 2024 Fair value</b>	<b>March 2024 Fair value</b>
<u>Local issuers</u>			
Government	¢ 33,248,187,422	31,793,201,848	244,945,573,636
State-owned Banks	25,146,478,122	4,459,267,696	17,984,300,000
Private Banks	33,952,404,407	44,607,510,000	31,907,507,892
Private issuers	11,582,307,239	0	13,003,119,359
Other	1,086,600,545	39,406,523,387	1,615,056,646
	<b>¢ 105,051,977,735</b>	<b>120,266,502,931</b>	<b>309,455,557,533</b>

As of March 31, 2025, the investment portfolio amounts to ¢68,127,407,568 (¢82,283,642,703 and ¢84,279,408,361 for December and March 2024, respectively) corresponding to the managed amounts of the Development Credit Fund (See note 40).

Maturities for investments in financial instruments are from January 01, 2025, to August 27, 2031.

Purchased financial instruments earn annual yield rates as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Colones	3.24% to 7.99%	3.30% to 7.25%	4.99% to 7.25%
US dollars	1.00% to 4.49%	0.00% to 6.25%	0.01% to 6.58%

Investments have been pledged as follows:

	<b>March 2024</b>	<b>December 2023</b>	<b>March 2023</b>
Securities in guarantee, liquidity market	¢ 156,930,231,109	400,907,038,166	194,562,434,188
Restricted minimum operating capital of BCR Pensión Operadora de Pensiones Complementarias, S.A.	6,779,147,676	7,003,948,874	6,136,288,286
Guarantee for obligations by repurchase of Securities, BCR Valores, S.A.	48,074,294,059	48,467,372,583	38,288,513,823
Puesto de Bolsa	<b>¢ 211,783,672,844</b>	<b>456,378,359,623</b>	<b>238,987,236,297</b>

In accordance with Article 37 of the Labor Protection Law, the Pension Fund Manager must hold a minimum operating capital equivalent to a percentage of the net assets of the managed funds that as of March 31, 2025, amount to ¢6,779,147,676, (¢7,003,948,874 and ¢6,136,288,286 for December and March 2024, respectively).

As of March 31, 2025, BCR Valores holds restricted investments in securities in the amount of ¢48,074,294,059 (¢48,467,372,583, and ¢38,288,513,823, for December and March 2024, respectively).

Repurchase Operations:

The Bank purchases financial instruments through agreements in which it binds to sell the financial instruments at future dates at the previously agreed price and yield.

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

As of March 31, 2025, purchased financial instruments remain under resale agreements.

<u>Issuer</u>	<u>Asset Balance</u>	<u>Fair Value of Collateral</u>	<u>Resale Date</u>	<u>Resale Price</u>
Others	365,335,510	365,335,510	To 01/10/25 at 31/03/2025	100%
	¢ <u>365,335,510</u>	<u>365,335,510</u>		

As of December 31, 2024

<u>Issuer</u>	<u>Asset Balance</u>	<u>Fair Value of Collateral</u>	<u>Resale Date</u>	<u>Resale Price</u>
Others	1,652,845,662	1,652,845,662	To 01/10/24 at 31/12/2024	100%
	¢ <u>1,652,845,662</u>	<u>1,652,845,662</u>		

As of March 31, 2024

<u>Issuer</u>	<u>Asset Balance</u>	<u>Fair Value of Collateral</u>	<u>Resale Date</u>	<u>Resale Price</u>
Others	1,506,908,856	1,506,908,856	To 01/01/24 at 31/03/2024	100%
	¢ <u>1,506,908,856</u>	<u>1,506,908,856</u>		

6). Loan portfolio

The total loans receivable originated by the Bank by sector are as follows:

a) Loan portfolio by economic sector

	<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
<b>Current loans</b>			
Personal loans	¢ 1,508,794,328,526	1,458,414,844,102	1,320,152,198,844
Loans Development Banking System	100,417,309,660	90,538,182,265	89,366,542,820
Business loans	167,655,960,729	167,122,951,110	108,853,117,253
Loans - Corporate	2,021,102,134,317	2,068,341,400,706	2,006,719,341,355
Loans - Public sector	303,877,619,844	272,410,922,800	259,551,569,304
Loans - Financial sector	1,260,718,705	1,604,847,648	18,385,118,039
	<u>4,103,108,071,781</u>	<u>4,058,433,148,631</u>	<u>3,803,027,887,615</u>
<b>Past due loans</b>			
Personal loans	143,395,631,970	134,119,410,489	127,161,784,139
Loans Development Banking System	5,797,480,823	7,161,032,680	5,171,840,670
Business loans	10,573,848,780	13,144,185,056	10,492,866,900
Loans - Corporate	123,739,112,021	116,069,820,208	107,279,110,465
	<u>283,506,073,594</u>	<u>270,494,448,433</u>	<u>250,105,602,174</u>
<b>Loans on legal collection</b>			
Personal loans	27,208,465,083	28,137,160,725	31,696,534,967
Loans Development Banking System	1,092,263,088	533,043,161	777,994,335
Business loans	2,564,238,214	2,513,285,658	4,617,530,408
Loans - Corporate	12,636,699,613	14,212,879,215	17,966,302,817
	<u>43,501,665,998</u>	<u>45,396,368,759</u>	<u>55,058,362,527</u>
	¢ <u>4,430,115,811,373</u>	<u>4,374,323,965,823</u>	<u>4,108,191,852,316</u>

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

b) Loan portfolio by activity

Activity	March 2025	December 2024	March 2024
Artistic, entertainment and recreational activities	¢ 2,790,208,969	2,859,988,259	0
Human health care and social assistance activities	244,391,733	257,094,640	0
Household activities as employers of domestic staff	15,949,607	16,400,000	0
Administrative and support services activities	18,699,246,754	19,297,232,766	0
Professional, scientific and technical activities	570,287,124	614,117,003	0
Agriculture, livestock, hunting and service activities	161,484,021,419	161,917,452,590	152,419,761,967
Public administration	320,585,184,671	293,485,125,885	0
Fishing and aquaculture	0	0	20,214,265
Manufacturing	344,661,744,711	350,565,301,990	368,268,493,335
Telecommunications and public services	78,738,055,992	79,255,365,808	432,955,900
Mining and quarrying	12,963,464	14,788,851	198,757,538,693
Retail	491,207,415,925	469,183,159,220	460,493,091,742
Services	699,630,499,480	685,249,033,065	109,531,731,332
Transportation	30,731,276,383	31,010,081,168	83,822,555,546
Financial activities and stock exchange	16,861,895	13,449,200	1,270,939,227,291
Real estate, business, and leasing activities	1,272,899,035,970	1,264,669,423,151	2,603,093,757
Construction, purchase, and repair of real estate	277,795,038,253	326,663,980,730	339,356,419,214
Consumer	640,219,415,919	597,893,969,856	818,195,648,506
Hospitality	89,721,441,350	91,254,076,071	30,909,405,453
Education	92,771,754	103,925,570	506,930,755
Other activities from the non-financial private sector	0	0	271,934,784,560
	4,430,115,811,373	4,374,323,965,823	4,108,191,852,316
Plus, interest receivable	22,941,043,311	22,528,305,859	24,801,652,785
Deferred income from loan portfolio	(25,726,289,628)	(24,241,804,713)	(20,667,641,566)
Less allowance for loan	(153,770,354,003)	(157,620,715,576)	(134,206,491,102)
Incremental direct costs related to loans	30,176,348	0	0
	¢ <b>4,273,590,387,401</b>	<b>4,214,989,751,393</b>	<b>3,978,119,372,433</b>

As of March 31, 2025, with the adoption of CONASSIF Regulation 14-21 'Regulation on the Calculation of Credit Provisions,' which came into effect on January 1, 2024, there is a change in the composition of the portfolio activities.

c) Current loans

The total current loans originated by the bank are detailed as follows:

	March 2025	December 2024	March 2024
<b>Current</b>			
Personal	¢ 1,508,974,328,526	1,458,414,844,102	1,320,152,198,844
Development Banking System	100,417,309,660	90,538,182,265	89,366,542,820
Business	167,655,960,729	167,122,951,110	108,853,117,253
Corporate	2,033,165,284,317	2,074,788,980,456	2,010,488,445,355
Public sector	303,877,619,844	272,410,922,800	259,551,569,304
Financial sector	(10,802,431,295)	(4,842,732,102)	14,616,014,039
	¢ <b>4,103,108,071,781</b>	<b>4,058,433,148,631</b>	<b>3,803,027,887,615</b>

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

The total past due loans originated by the Bank are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>Past due</b>			
Personal	¢ 143,395,631,971	134,119,410,489	127,161,784,139
Development Banking System	5,797,480,823	7,161,032,680	5,171,840,670
Business	10,573,848,780	13,144,185,056	10,492,866,900
Corporate	<u>123,739,112,020</u>	<u>116,069,820,208</u>	<u>107,279,110,465</u>
	<b>¢ <u>283,506,073,594</u></b>	<b><u>270,494,448,433</u></b>	<b><u>250,105,602,174</u></b>

The total loans in judicial collection originated by the Bank are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>Judicial collection</b>			
Personal	¢ 27,208,465,083	28,137,160,725	31,696,534,968
Development Banking System	1,092,263,088	533,043,161	777,994,335
Business	2,564,238,214	2,513,285,658	4,617,530,408
Corporate	<u>12,636,699,613</u>	<u>14,212,879,215</u>	<u>17,966,302,816</u>
	<b>¢ <u>43,501,665,998</u></b>	<b><u>45,396,368,759</u></b>	<b><u>55,058,362,527</u></b>

BICSA - Financial lease receivables

The balance of financial lease receivables is as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Total minimum payments	¢ <u>28,542,354,413</u>	<u>24,198,500,359</u>	<u>30,414,522,148</u>
	<b>¢ <u>28,542,354,413</u></b>	<b><u>24,198,500,359</u></b>	<b><u>30,414,522,148</u></b>

The maturities of the financial leases are as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Less than a year	¢ 1,241,513,886	1,037,038,541	1,157,451,833
From 1 to 5 years	<u>27,300,840,527</u>	<u>23,161,461,818</u>	<u>29,257,070,315</u>
	<b>¢ <u>28,542,354,413</u></b>	<b><u>24,198,500,359</u></b>	<b><u>30,414,522,148</u></b>

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

d) Loan portfolio by arrears

The loan portfolio by arrears is detailed as follows:

	<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
Current	¢ 4,103,108,071,781	4,058,433,148,631	3,803,027,887,615
1 to 30 days	160,558,824,349	173,519,750,454	153,303,405,223
31 to 60 days	43,628,537,785	27,842,495,234	29,203,141,070
61 to 90 days	20,660,912,916	8,416,861,913	14,926,924,114
91 to 120 days	4,189,603,343	5,821,892,469	4,939,567,088
121 to 180 days	3,134,221,521	10,389,119,170	5,254,001,953
Over 181 days	51,333,973,680	44,504,329,193	42,478,562,726
Legal collection	43,501,665,998	45,396,368,759	55,058,362,527
	<u>¢ 4,430,115,811,373</u>	<u>4,374,323,965,823</u>	<u>4,108,191,852,316</u>

Loans with contractual non-compliance on the payments of the principal or interest are classified as past due.

e) Past due loans

Past due loans, including loans in accrual status (for which interest is recognized on a cash basis) and unearned interest in past due loans, are as follows:

	<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
Number of operations	2,723	2,485	2,379
Past due loans in non-accrual status	¢ 93,050,360,233	87,772,637,121	91,044,068,585
Past due loans bearing interest	¢ 233,957,379,359	228,118,180,071	214,119,896,116
Total of unearned interest	¢ 26,078,710,018	24,953,801,895	15,002,800,395

Loans in legal collection as of March 31, 2025:

<u># of operations</u>	<u>Percentage</u>	<u>Balance</u>
1,493	0.98%	¢ <u>43,501,665,998</u>

Loans in legal collection as of December 31, 2024:

<u># of operations</u>	<u>Percentage</u>	<u>Balance</u>
1,256	1.04%	¢ <u>45,396,368,759</u>

Loans in legal collection as of March 31, 2024:

<u># of operations</u>	<u>Percentage</u>	<u>Balance</u>
1,268	1.34%	¢ <u>55,058,362,527</u>

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

As of March 31, 2025, the average annual interest rate earned on loans is 8.09%, (8.06% and 8.32% for December 2023) in colones and 6.32%, (6.59% and 6.93% for December and March 2024, respectively) in US dollars. For Banco Internacional de Costa Rica, S.A., the annual rate for operations in US dollars is 8.02%, (7.99% and 8.01% for December and March 2024, respectively).

f) Interest receivable on loan portfolio

Interest receivable is detailed as follows:

	<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
Personal	¢ 9,228,898,833	9,073,374,813	8,830,406,326
Development Banking System	350,140,027	295,959,774	350,293,363
Business	991,674,336	1,849,593,901	1,236,714,445
Corporate	11,417,371,419	10,561,075,267	13,229,241,651
Public sector	963,308,766	753,898,464	1,068,693,256
Financial sector	(10,350,070)	(5,596,360)	86,303,744
	<u>¢ 22,941,043,311</u>	<u>22,528,305,859</u>	<u>24,801,652,785</u>

g) Allowance for loan impairment

Movement in the allowance for loan impairment is as follows:

<b>2024 Initial balance</b>	¢ <b>157,620,715,576</b>
Currency translation effect	(190,291,029)
<b>Adjusted balance at the beginning of 2024</b>	<u><b>157,430,424,547</b></u>
Plus:	
Allowance charged through profit or loss (see note 29)	4,082,465,483
Recoveries	50,135,112
Less:	
Adjustments for exchange differences	(774,833,214)
Transfer to unpaid balances	(6,969,215,442)
Transfer of balances	(48,622,483)
<b>Balance as of March 31, 2025</b>	<u><u>¢ <b>153,770,354,003</b></u></u>
<b>2024 Initial balance</b>	¢ <b>135,098,772,705</b>
Currency translation effect	(222,625,262)
<b>Adjusted balance at the beginning of 2023</b>	<u><b>134,876,147,443</b></u>
Plus:	
Allowance charged through profit or loss (see note 29)	29,986,405,835
Recoveries	329,359,293
Transfer of balances	15,877,359,263
Adjustments for exchange differences	2,149,236,655
Less:	
Adjustments for exchange differences	(3,421,860,087)
Transfer to unpaid balances	(2,763,135,740)
Reversal of allowance against income (see note 30)	(12,200,000,000)
Transfer of balances	(7,212,797,086)
<b>Balance as of December 31, 2024</b>	<u><u>¢ <b>157,620,715,576</b></u></u>

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

<b>2024 Initial balance</b>	¢	<b>135,098,772,705</b>
Currency translation effect		(386,130,272)
<b>Adjusted balance at the beginning of 2023</b>		<b>134,712,642,433</b>
Plus:		
Allowance charged through profit or loss (see note 29)		1,330,473,063
Recoveries		1,519,800
Less:		
Adjustments for exchange differences		(1,838,144,194)
<b>Balance as of March 31, 2024</b>	¢	<b><u>134,206,491,102</u></b>

h) Syndicated loans

As of March 31, 2025, the syndicated loan portfolio is detailed as follows:

Banco de Costa Rica syndicated loan portfolio:

The Bank does not maintain a syndicated loan portfolio with other banks.

BICSA - Syndicated loans

As of March 31, 2025:

No.		Syndicated balances other banks	Syndicated balance BICSA	Total balance
1	Prival Bank	5,063,211,368	987,308,632	6,050,520,000
3	BLADEX	73,369,559,753	10,770,701,312	84,140,261,065
5	Banco Aliado	26,376,485,625	11,439,264,375	37,815,750,000
1	BANCOLOMBIA	47,773,897,500	2,647,102,500	50,421,000,000
1	MMG Bank Corporation	18,032,562,169	607,363,894	18,639,926,063
1	BNCR	29,950,074,005	5,042,099,995	34,992,174,000
1	BANCO SANTANDER CHILE	69,235,656,957	3,529,470,000	72,765,126,927
	Citigroup Global Markets Inc., Deutsche Bank AG and			
5	JPMorgan Chase Bank	501,688,950,000	2,521,050,000	504,210,000,000
1	THE BANK OF NEW YORK	22,689,450,000	5,042,100,000	27,731,550,000
1	CITIBANK N.Y.	42,857,850,000	7,563,150,000	50,421,000,000
1	Banco Santander	410,824,231,216	7,922,173,784	418,746,405,000
1	Banco Industrial, S.A.	68,068,350,000	5,042,100,000	73,110,450,000
1	DEUTSCHE BANK AG	199,238,581,500	2,445,418,500	201,684,000,000
1	BCO G&T CONTINENTAL	8,402,725,702	1,815,156,000	10,217,881,702
1	ARTCAP ADVISORY SERVICES LTD.	7,563,150,000	2,521,050,000	10,084,200,000
1	BANCO SANTANDER AND DEUTSCHE BANK	48,404,160,000	2,016,840,000	50,421,000,000
3	Banco BanReservas	62,183,933,342	3,867,576,658	66,051,510,000
1	SCOTIABANK	174,169,394,833	1,295,685,167	175,465,080,000
2	Banco Sabadell	65,204,745,116	846,764,884	66,051,510,000
1	BANISMO	30,206,628,905	4,824,369,265	35,030,998,170
1	BANCO AGROMERCANTIL DE GUATEMALA, S.A.	44,762,181,297	2,464,963,485	47,227,144,782
	BANCO DE RESERVAS DE LA REPUBLICA DE			
1	DOMINICANA	40,212,625,728	2,273,528,728	42,486,154,456
1	BLADEX Y BANCO AGRICOLA S.A. (Grupo Bancolombia)	95,799,900,000	5,042,100,000	100,842,000,000
<b>36</b>		¢ <b><u>2,092,078,304,986</u></b>	<b><u>92,527,337,179</u></b>	<b><u>2,184,605,642,165</u></b>

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

As of December 31, 2024:

No. Operations		Syndicated balances other banks	Syndicated balance BICSA	Total balance
1	Global Bank	5,136,057,044	1,016,702,956 ¢	6,152,760,000
4	Prival Bank	71,678,920,089	13,883,119,648	85,562,039,737
5	Banco Aliado	25,380,135,000	13,074,615,000	38,454,750,000
1	BANCOLOMBIA	48,196,620,000	3,076,380,000	51,273,000,000
1	MMG Bank Corporation	18,331,950,070	622,948,266	18,954,898,336
1	BNCR	30,456,162,005	5,127,299,995	35,583,462,000
1	BANCO SANTANDER CHILE	70,405,581,754	3,589,110,000	73,994,691,754
	Citigroup Global Markets Inc., Deutsche Bank AG and			
5	JPMorgan Chase Bank	510,166,350,000	2,563,650,000	512,730,000,000
1	THE BANK OF NEW YORK	23,072,850,000	5,127,300,000	28,200,150,000
1	CITIBANK N.Y.	43,582,050,000	7,690,950,000	51,273,000,000
1	Banco Santander	417,662,941,959	8,159,323,041	425,822,265,000
1	Banco Industrial, S.A.	69,218,550,000	5,127,300,000	74,345,850,000
1	DEUTSCHE BANK AG	202,579,623,000	2,512,377,000	205,092,000,000
1	BANISTMO	30,683,115,715	4,939,826,495	35,622,942,210
1	BANCO AGROMERCANTIL DE GUATEMALA, S.A.	45,518,560,156	2,506,615,750	48,025,175,906
1	BCO G&T CONTINENTAL	8,544,712,618	1,845,828,000	10,390,540,618
1	ARTCAP ADVISORY SERVICES LTD.	7,690,950,000	2,563,650,000	10,254,600,000
	BANCO DE RESERVAS DE LA REPÚBLICA			
1	DOMINICANA	40,892,127,465	2,311,946,182	43,204,073,647
1	BANCO SANTANDER Y DEUTSCHE BANK	49,222,080,000	2,050,920,000	51,273,000,000
3	Banco BanReservas	63,234,700,110	3,932,929,890	67,167,630,000
1	SCOTIABANK	177,076,068,659	1,353,971,341	178,430,040,000
<b>34</b>		<b>¢ 1,958,730,105,644</b>	<b>93,076,763,564 ¢</b>	<b>¢ 2,051,806,869,208</b>

As of March 31, 2024:

No. Operations		Syndicated balances other banks	Syndicated balance BICSA	Total balance
1	Global Bank	¢ 32,573,423,404,444	2,293,980,625,416 ¢	34,867,404,029,860
1	Banco Agromercantil de Guatemala, S.A.	140,854,511,211,252	1,326,021,028,748	142,180,532,240,000
13	Credicorp Bank	12,300,274,454,145	531,903,545,855	12,832,178,000,000
1	Credit Suisse AG	58,202,296,042,642	2,108,940,557,358	60,311,236,600,000
3	Prival Bank	11,542,372,339,658	523,257,003,947	12,065,629,343,605
1	Banistmo	17,034,738,417,715	2,894,524,826,284	19,929,263,243,999
1	Bladex	63,797,615,429,496	2,929,710,170,504	66,727,325,600,000
2	Banco Centroamericano de Integración Económica	53,467,301,394,295	4,277,499,605,705	57,744,801,000,000
3	Bancolombia	86,448,854,522,020	2,863,104,357,980	89,311,958,880,000
2	Banco Aliado	18,093,370,980,000	3,208,044,500,000	21,301,415,480,000
1	MMG Bank Corporation	722,095,951,725	330,462,929,967	1,052,558,881,692
1	BNCR	31,873,652,901,334	1,490,009,898,666	33,363,662,800,000
1	Banco Agente Santander	113,705,929,258,000	1,270,385,622,000	114,976,314,880,000
1	Banco Stander Chile	35,754,328,497,436	1,283,217,800,000	37,037,546,297,436
5	Citigroup Global Markets Inc., Deutsche Bank AG and JPMorgan Chase Bank	255,360,342,200,000	1,283,217,800,000	256,643,560,000,000
1	The Bank Of New York	11,548,960,200,000	2,566,435,600,000	14,115,395,800,000
1	JPMorgan Chase Bank, National Bank of Canada (National Bank Financial Inc. #NBF#) y Royal Bank of Canada (RBC Capital Markets, LLC)	80,842,721,400,000	1,283,217,800,000	82,125,939,200,000
<b>39</b>		<b>¢ 1,024,122,788,604,160</b>	<b>32,463,933,672,430 ¢</b>	<b>¢ 1,056,586,722,276,590</b>

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

7). Assets held-for-sale, net

Assets held-for-sale are presented net of the allowance for impairment and per legal requirement, as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Financial instruments	¢ 39,370,078,127	39,718,340,508	99,241,862,386
Other assets	173,009,570	148,670,417	465,137,862
Purchased-for-sale	2,456,033,875	2,583,124,875	2,031,225,860
Idle real property, furniture, and equipment	2,004,360,086	2,130,343,016	2,237,693,636
	<u>44,003,481,658</u>	<u>44,580,478,816</u>	<u>103,975,919,744</u>
Allowance for impairment and per legal requirement	(5,687,215,770)	(5,314,443,326)	(62,559,094,973)
	<u>¢ <b>38,316,265,888</b></u>	<u><b>39,266,035,490</b></u>	<u><b>41,416,824,771</b></u>

Movement in the allowance for impairment of realizable assets is as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>At the beginning of the year</b>	¢ <b>44,580,478,816</b>	<b>108,457,235,319</b>	<b>108,457,235,319</b>
Translation effect	(272,461,582)	(433,957,862)	(620,536,883)
<b>Adjusted balance</b>	<b>44,308,017,234</b>	<b>108,023,277,457</b>	<b>107,836,698,436</b>
Increase for awarded assets	2,693,136,935	20,445,104,056	3,672,953,789
Transfer to unused property, furniture, and equipment	61,628,650	205,803,932	37,126,974
Increase in goods acquired for sale	3,748,246,745	12,519,537,804	1,018,089,132
Sales of goods	(8,758,230,086)	(38,166,110,745)	(8,494,000,787)
Withdrawal of unused property, furniture, and equipment	(187,611,579)	(370,975,378)	(94,947,800)
Transfer to inactive accounts	2,138,293,759	(58,076,158,310)	
<b>Balance at the end of the period</b>	<u>¢ <b>44,003,481,658</b></u>	<u><b>44,580,478,816</b></u>	<u><b>103,975,919,744</b></u>

As of March 31, 2025, an amount of ¢54,764,519,511 is recorded (¢54,764,519,511 for December 2024 and in March 2024 there were no amounts to be recorded), corresponding to the implementation of CONASSIF Agreement 14-21 'Regulation on the Calculation of Credit Provisions,' which came into effect on January 1, 2024, in its Section III 'Losses in Case of Default,' a change occurs in the provisions for assets held-for-sale (IFRS 5). This effect is reflected in the line 'Reversals in the Provision' presented in the previous table of movements of assets held-for-sale.

Movement in the allowance for held-for-sale assets is as follows:

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>Opening balance</b>	¢ <b>5,314,443,326</b>	<b>66,947,372,073</b>	<b>66,947,372,073</b>
Currency conversion effect	(1,492,508)	(7,301,110)	(10,464,350)
<b>Adjusted Balance</b>	<b>5,312,950,818</b>	<b>66,940,070,963</b>	<b>66,936,907,723</b>
Increase in the allowance	366,304,750	59,095,010,709	0
Reversal in the allowance	(519,192,512)	(67,407,374,285)	(4,309,271,561)
Reversal of the allowance due to the sale of properties	524,005,540	(295,070,977)	0
Transfer of balances	3,147,174	(53,018,193,084)	(68,541,189)
<b>Closing balance</b>	¢ <b>5,687,215,770</b>	<b>5,314,443,326</b>	<b>62,559,094,973</b>

8). Interest in other companies' equity

Interest in other companies' equity is detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Capital interest in Bolsa Nacional Valores, S.A.	¢ 29,060,460	29,060,460	29,060,460
Capital interest in Interclar Central de Valores, S.A.	36,356,728	36,356,728	36,356,728
Capital interest in BCR Leasing, S.A.	1,754,461,316	1,833,975,547	646,618,801
	¢ <b>1,819,878,504</b>	<b>1,899,392,735</b>	<b>712,035,989</b>

As of March 31, 2025, the interest in Bolsa Nacional de Valores, S.A., is of 1,514,974 common shares with a par value of ¢19,18 each, recorded at cost since these shares are not subject to public offering.

As of March 31, 2025, the interest in Interclar Central de Valores, S.A. is of 24,545,455 common shares with a par value of ¢1.4813 each, recorded at cost since these shares are not subject to public offering.

Interest in the equity of the financial conglomerate:

As of March 31, 2025, the capital stock of BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A., is represented by 1,279,450,000 common and registered shares, with a par value of ¢1 each, for a total of ¢1,279,450,000.

As of March 31, 2025, the capital stock of BCR Sociedad Administradora de Fondos de Inversión, S.A. is represented by 559,144 common and registered shares, with a par value of ¢50,000 each, for a total of ¢27,957,200,000.

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## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

As of March 31, 2025, the capital stock of BCR Valores, S.A. - Puesto de Bolsa, S.A., is represented by 12,626 common and registered shares, subscribed, and paid in full, with a par value of ¢1,000,000 each, for a total of ¢12,626,000,000.

As of March 31, 2025, the capital stock of BCR Sociedad Corredora de Seguros, S.A., is represented by 45,000 common and registered shares, subscribed, and paid in full, and with a par value of ¢50,000 each, for a total of ¢2,250,000,000. At the extraordinary Shareholders' Meeting 04-19 of BCR Corredora de Seguros on December 4, 2019, an increase in the Company's share capital was authorized in the amount of 1,000,000,000, representing an increase of 20,000 shares with which the share capital reaches the amount of ¢2,250,000,000, comprised of 45,000 common and registered, authorized and issued shares with a par value of ¢50,000 each.

As of March 31, 2025, the capital stock of Depósito Agrícola de Cartago S. A., is represented by 1 common and registered shares, which are authorized and issued, with a par value for a total of ¢305,842,762.

As of March 31, 2025, the capital stock of Banprocesa, S.R.L., is represented by 100 common and registered shares, which are authorized and issued with a par value of ¢100,000, for a total of ¢10,000,000.

The Bank owns a 51% ownership interest in BICSA (domiciled in Panama). As of March 31, 2025, ownership interest is represented by 6,772,137 common shares of US\$10 par value each. The remaining 49% of shares is owned by Banco Nacional de Costa Rica.

The Bank's income statement for the period ended March 31, 2025, includes the amounts of ¢1,167,616,384 (¢4,125,976,418 and ¢2,617,205,754, for December and March 2024, respectively), corresponding to the net operating income of BICSA.

The Bank's statement of changes in equity for the period ending March 31, 2025, includes an equity decrease of ¢1,134,778,161, (¢1,634,339,740 and ¢2,617,205,754 for December and March 2024, respectively) corresponding to the changes resulting from the currency translation effect of BICSA's financial statement.

As of March 31, 2025, the accumulated balance of the minority interest of Banco Nacional de Costa Rica presented in the equity section of the consolidated balance as non-controlling interest amounts to ¢69,533,286,013, (¢69,562,343,643 and ¢65,612,493,169 for December and March 2024, respectively) and the income of the period represents the minority interest in the consolidated income statement in the amount of ¢1,121,827,506 (¢3,964,173,421 and ¢873,997,266 for December and March 2024, respectively).

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

The composition of BICSA's common shares is as follows:

	<b>March 2025</b>		<b>December 2024</b>		<b>March 2024</b>	
	<b>Quantity</b>	<b>Amount in US Dollars</b>	<b>Quantity</b>	<b>Amount in US Dollars</b>	<b>Quantity</b>	<b>Amount in US Dollars</b>
Balance at the beginning of the period	13,278,700	132,787,000	13,278,700	132,787,000	13,278,700	132,787,000
Balance at the end of the period	<b>13,278,700</b>	<b>132,787,000</b>	<b>13,278,700</b>	<b>132,787,000</b>	<b>13,278,700</b>	<b>132,787,000</b>

The Bank follows the policy of adjusting the value of its investment in BICSA's equity by the equity method. In applying this policy, the Bank considers the entity's operating results, as well as the variation in equity (in colones), because of the update of this equity, arising from adjustments by applying the year-end exchange rate, in addition to changes resulting from revaluations. Such variation results from the fact that BICSA's accounting records are kept in U.S. dollars.

As of March 31, 2025, for the presentation of the financial statements of the Banco de Costa Rica Financial Conglomerate, due to the incorporation as a member company, and due to the nature of Banprocesa SRL's business, an adjustment was made in the amount of ¢77,266,090, (¢216,780,896 and ¢41,543,949 for December and March 2024, respectively), corresponding to the profit generated in the service provided in support of the Bank's software, in the statement of financial position and in the income statement.

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

9). Property, furniture, and equipment

As of March 31, 2025, property, furniture, and equipment are detailed as follows:

						Assets for the right-of-use, buildings, and facilities	Total	
<b>Cost:</b>		<b>Property</b>	<b>Buildings</b>	<b>Furniture and equipment</b>	<b>Computer hardware</b>	<b>Vehicles</b>		
<b>Balance as of December 31, 2024</b>	¢	<b>35,709,860,097</b>	<b>103,674,248,677</b>	<b>39,283,864,157</b>	<b>57,711,436,734</b>	<b>6,516,190,715</b>	<b>32,111,128,705</b>	<b>275,006,729,085</b>
Conversion effect		(6,670,305)	(106,172,111)	(12,641,284)	(13,424,834)	(1,074,633)	(9,465,455)	(149,448,622)
<b>Adjusted balance</b>		<b>35,703,189,792</b>	<b>103,568,076,566</b>	<b>39,271,222,873</b>	<b>57,698,011,900</b>	<b>6,515,116,081</b>	<b>32,101,663,250</b>	<b>274,857,280,462</b>
Additions		0	136,271,969	161,679,909	1,882,360	1,300,000	27,472,422	328,606,660
Withdrawals		0	0	(211,222,901)	(16,827,659)	0	(45,372,849)	(273,423,409)
Transfers		0	0	91,989,811	294,654,076	0	(32,250)	386,611,637
<b>Balance as of March 31, 2025</b>		<b>35,703,189,792</b>	<b>103,704,348,535</b>	<b>39,313,669,692</b>	<b>57,977,720,677</b>	<b>6,516,416,081</b>	<b>32,083,730,573</b>	<b>275,299,075,350</b>
<b>Accumulated depreciation and impairment</b>								
<b>Balance as of December 31, 2024</b>		<b>0</b>	<b>41,887,838,775</b>	<b>28,054,807,616</b>	<b>44,091,456,609</b>	<b>5,238,430,448</b>	<b>16,610,689,190</b>	<b>135,883,222,638</b>
Conversion effect		0	(23,953,819)	(11,541,515)	(10,361,211)	(760,446)	(3,563,121)	(50,180,112)
<b>Adjusted balance</b>		<b>0</b>	<b>41,863,884,956</b>	<b>28,043,266,102</b>	<b>44,081,095,398</b>	<b>5,237,670,002</b>	<b>16,607,126,068</b>	<b>135,833,042,526</b>
Depreciation expenses		0	522,448,477	561,848,304	1,227,718,155	69,395,200	1,062,616,796	3,444,026,932
Withdrawals		0	0	(121,294,062)	0	0	0	(121,294,062)
Transfers		0	0	4,145,883	(31,847,097)	0	(92,167,069)	(119,868,283)
<b>Balance as of March 31, 2025</b>	¢	<b>0</b>	<b>41,887,838,775</b>	<b>28,487,966,227</b>	<b>45,276,966,456</b>	<b>5,307,065,202</b>	<b>17,577,575,795</b>	<b>139,035,907,113</b>
<b>March 31, 2025</b>	¢	<b>35,709,860,097</b>	<b>61,318,015,102</b>	<b>10,825,703,465</b>	<b>12,700,754,221</b>	<b>1,209,350,879</b>	<b>14,506,154,778</b>	<b>136,263,168,237</b>

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

As of December 31, 2024, property, furniture, and equipment are detailed as follows:

		<b>Property</b>	<b>Buildings</b>	<b>Furniture and equipment</b>	<b>Computer hardware</b>	<b>Vehicles</b>	<b>Assets for the right-of-use, buildings, and facilities</b>	<b>Total</b>
<b>Cost:</b>								
<b>Balance as of December 31, 2023</b>	¢	<b>35,720,211,143</b>	<b>102,695,444,319</b>	<b>39,042,926,783</b>	<b>52,981,007,354</b>	<b>6,310,290,123</b>	<b>32,309,209,276</b>	<b>269,059,088,998</b>
Conversion effect		(11,078,031)	(176,330,444)	(21,041,438)	(22,962,789)	(1,784,751)	(36,302,563)	(269,500,016)
<b>Adjusted balance</b>		<b>35,709,133,112</b>	<b>102,519,113,875</b>	<b>39,021,885,345</b>	<b>52,958,044,565</b>	<b>6,308,505,372</b>	<b>32,272,906,713</b>	<b>268,789,588,982</b>
Additions		0	1,155,134,802	1,428,518,690	5,528,431,916	210,220,922	777,413,115	9,099,719,445
Withdrawals		726,985	0	(498,229,987)	(921,691,732)	0	(240,656,650)	(1,659,851,384)
Transfers		0	0	(668,602,561)	146,651,985	(2,535,579)	(698,534,473)	(1,223,020,628)
Revaluation		0	0	292,670	0	0	0	292,670
<b>Balance as of December 31, 2024</b>		<b>35,709,860,097</b>	<b>103,674,248,677</b>	<b>39,283,864,157</b>	<b>57,711,436,734</b>	<b>6,516,190,715</b>	<b>32,111,128,705</b>	<b>275,006,729,085</b>
<b>Accumulated depreciation and impairment</b>								
<b>Balance as of December 31, 2023</b>		<b>0</b>	<b>39,858,431,004</b>	<b>27,062,163,552</b>	<b>39,203,781,042</b>	<b>4,982,597,414</b>	<b>13,795,423,368</b>	<b>124,902,396,380</b>
Conversion effect		0	(36,014,382)	(19,000,987)	(16,600,717)	(964,601)	(29,840,462)	(102,421,149)
<b>Adjusted balance</b>		<b>0</b>	<b>39,822,416,622</b>	<b>27,043,162,565</b>	<b>39,187,180,325</b>	<b>4,981,632,813</b>	<b>13,765,582,906</b>	<b>124,799,975,231</b>
Depreciation expenses		0	2,065,422,153	2,417,967,754	5,958,956,629	256,797,634	4,157,914,209	14,857,058,379
Withdrawals		0	0	(1,472,033,423)	(1,020,658,811)	0	(1,238,388,094)	(3,731,080,328)
Transfers		0	0	65,717,792	(33,926,611)	1	(74,419,831)	(42,628,649)
Reversal of accumulated depreciation		0	0	(7,072)	(94,923)	0	0	(101,995)
<b>Balance as of December 31, 2024</b>	¢	<b>0</b>	<b>41,887,838,775</b>	<b>28,054,807,616</b>	<b>44,091,456,609</b>	<b>5,238,430,448</b>	<b>16,610,689,190</b>	<b>135,883,222,638</b>
<b>December 31, 2024</b>	¢	<b>35,709,860,097</b>	<b>61,786,409,902</b>	<b>11,229,056,541</b>	<b>13,619,980,125</b>	<b>1,277,760,267</b>	<b>15,500,439,515</b>	<b>139,123,506,447</b>

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

As of March 31, 2024, property, furniture, and equipment are detailed as follows:

						Assets for the right-of-use, buildings, and facilities	Total	
<b>Cost:</b>		<b>Property</b>	<b>Buildings</b>	<b>Furniture and equipment</b>	<b>Computer hardware</b>	<b>Vehicles</b>		
<b>Balance as of December 31, 2023</b>	¢	<b>35,720,211,143</b>	<b>102,695,444,319</b>	<b>39,042,926,783</b>	<b>52,981,007,354</b>	<b>6,310,290,123</b>	<b>32,309,209,276</b>	<b>269,059,088,998</b>
Conversion effect		(15,877,206)	(252,719,534)	(30,156,889)	(32,910,427)	(2,557,932)	(52,029,786)	(386,251,774)
<b>Adjusted balance</b>		<b>35,704,333,937</b>	<b>102,442,724,785</b>	<b>39,012,769,894</b>	<b>52,948,096,927</b>	<b>6,307,732,191</b>	<b>32,257,179,490</b>	<b>268,672,837,224</b>
Additions		0	89,062,424	292,826,851	436,297,421	2	0	818,186,698
Withdrawals		0	0	(7,557,429)	(364,315,010)	0	(62,226,653)	(434,099,092)
Transfers		0	0	(26,896,673)	(355,858,923)	(1,867,861)	(18,422,509)	(403,045,966)
<b>Balance as of March 31, 2024</b>		<b>35,704,333,937</b>	<b>102,531,787,209</b>	<b>39,271,142,643</b>	<b>52,664,220,415</b>	<b>6,305,864,332</b>	<b>32,176,530,328</b>	<b>268,653,878,864</b>
<b>Accumulated depreciation and impairment</b>								
<b>Balance as of December 31, 2023</b>		<b>0</b>	<b>39,858,431,004</b>	<b>27,062,163,552</b>	<b>39,203,781,042</b>	<b>4,982,597,414</b>	<b>13,795,423,368</b>	<b>124,902,396,380</b>
Conversion effect		0	(53,405,145)	(27,592,900)	(25,506,295)	(1,524,264)	(42,767,627)	(150,796,231)
<b>Adjusted balance</b>		<b>0</b>	<b>39,805,025,859</b>	<b>27,034,570,652</b>	<b>39,178,274,747</b>	<b>4,981,073,150</b>	<b>13,752,655,741</b>	<b>124,751,600,149</b>
Depreciation expenses		0	513,648,623	609,920,917	1,522,341,254	64,181,948	954,954,782	3,665,047,524
Withdrawals		0	0	(37,383,253)	(411,263,103)	0	(73,215,490)	(521,861,846)
Transfers		0	0	30,722,737	(15,742,018)	0	82,091,625	97,072,344
<b>Balance as of March 31, 2024</b>	¢	<b>0</b>	<b>40,318,674,482</b>	<b>27,637,831,053</b>	<b>40,273,515,959</b>	<b>5,045,255,098</b>	<b>14,716,486,658</b>	<b>127,991,763,250</b>
<b>March 31, 2024</b>	¢	<b>35,704,333,937</b>	<b>62,213,112,727</b>	<b>11,633,311,590</b>	<b>12,390,704,456</b>	<b>1,260,609,234</b>	<b>17,460,043,670</b>	<b>140,662,115,614</b>

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BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

10). Other assets

(a) Other deferred charges

Other deferred charges are detailed as follows:

	<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
Improvement of properties in operating lease	¢ 362,202,713	416,144,783	520,741,213
Other deferred charges	733,732,170	785,427,014	892,581,539
	<u>¢ 1,095,934,883</u>	<u>1,201,571,797</u>	<u>1,413,322,752</u>

(b) Intangible assets

Net intangible assets correspond to computer systems. These assets are detailed as follows:

*Cost:*

<b>Balance as of December 31, 2024</b>	¢ 107,221,261,122
Currency translation effect	(111,143,054)
<b>Adjusted balance</b>	<b>107,110,118,068</b>
Additions to computer systems	2,150,839,109
Transfers	(671,589,023)
<b>Balance as of March 31, 2025</b>	<u><b>108,589,368,154</b></u>

*Accumulated depreciation and impairment:*

<b>Balance as of December 31, 2024</b>	<b>89,179,386,026</b>
Currency translation effect	(87,737,291)
<b>Adjusted balance</b>	<b>89,091,648,735</b>
Amortization expense on computer systems	3,703,600,524
Transfers	(76,890,757)
Withdrawals	(604,286,777)
<b>Amortized balance and impairment as of March 31, 2025</b>	<u><b>92,114,071,725</b></u>
<b>Balance as of March 31, 2025</b>	<u><b>¢ 16,475,296,429</b></u>

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BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

<i>Cost:</i>	
<b>Balance as of December 31, 2023</b>	¢ <b>94,451,550,670</b>
Currency translation effect	(184,585,982)
<b>Adjusted balance</b>	<b>94,266,964,688</b>
Additions to computer systems	14,468,784,300
Revaluation of indices	81,487,359
Transfers	(720,098,459)
Withdrawals	(875,876,766)
<b>Balance as of December 31, 2024</b>	<b><u>107,221,261,122</u></b>
 <i>Accumulated depreciation and impairment:</i>	
<b>Balance as of December 31, 2023</b>	<b>74,966,573,265</b>
Currency translation effect	(147,939,093)
<b>Adjusted balance</b>	<b>74,818,634,172</b>
Amortization expense on computer systems	14,961,111,742
Transfers	275,516,878
Withdrawals	(875,876,766)
<b>Amortized balance and impairment as of December 31,2024</b>	<b><u>89,179,386,026</u></b>
<b>Balance as of December 31, 2024</b>	<b>¢ <u>18,041,875,096</u></b>
 <i>Cost:</i>	
<b>Balance as of December 31, 2023</b>	¢ <b>94,451,550,670</b>
Currency translation effect	(264,550,883)
<b>Adjusted balance</b>	<b>94,186,999,787</b>
Additions to computer systems	1,567,849,276
Transfers	(267,038,796)
Withdrawals	(4,471,106)
<b>Balance as of March 31, 2024</b>	<b><u>95,483,339,161</u></b>
 <i>Accumulated depreciation and impairment:</i>	
<b>Balance as of December 31, 2023</b>	<b>74,966,573,265</b>
Currency translation effect	(219,505,687)
<b>Adjusted balance</b>	<b>74,747,067,578</b>
Amortization expense on computer systems	4,342,390,110
Transfers	33,079,121
Withdrawals	(4,471,107)
<b>Amortized balance and impairment as of March 31, 2024</b>	<b><u>79,118,065,702</u></b>
<b>Balance as of March 31, 2024</b>	<b>¢ <u>16,365,273,459</u></b>

(Continued)

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

(c) Other assets

Other assets are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Prepaid taxes	¢ 4,917,346,279	28,345,415,363	4,253,294,495
Other prepaid taxes	544,916,250	12,180,917	434,323,890
Prepaid leases	78,383	78,383	78,383
Prepaid insurance policy	669,073,107	185,707,077	616,127,333
Other prepaid expenses	385,835,574	125,680,875	430,502,208
<b>Prepaid expenses</b>	<b>6,517,249,593</b>	<b>28,669,062,615</b>	<b>5,734,326,309</b>
Stationery, supplies and other materials	236,903,604	249,513,763	215,102,716
Library and works of art	73,420,386	73,056,395	45,328,611
Construction in process	10,566,012,264	10,339,915,033	9,466,793,481
Automated applications under development	7,164,075,081	7,082,764,200	5,270,715,492
Membership in social and professional institutions	69,333,800	69,333,800	36,633,800
Other miscellaneous goods	24,446,467,242	24,384,727,994	23,584,553,799
<b>Miscellaneous goods</b>	<b>42,556,212,377</b>	<b>42,199,311,185</b>	<b>38,619,127,899</b>
Missing cash	81,922,840	62,203,830	35,791,164
Transactions to be settled	33,356,160,526	28,371,614,008	50,914,348,931
Other operations pending allocation	46,035,865	116,933,078	122,092,724
<b>Operations pending allocation</b>	<b>33,484,119,231</b>	<b>28,550,750,916</b>	<b>51,072,232,819</b>
Guarantee deposits	1,238,910,449	1,271,779,304	1,089,769,510
<b>Restricted assets</b>	<b>1,238,910,449</b>	<b>1,271,779,304</b>	<b>1,089,769,510</b>
<b>Other available-for-sale assets outside the scope of IFRS 5</b>	<b>21,338,427,614</b>	<b>22,765,376,113</b>	<b>0</b>
	¢ <b>105,134,919,264</b>	<b>123,456,280,133</b>	<b>96,515,456,537</b>

For the 2024 period, amendments to the Financial Reporting Regulation CONASSIF 6-18 come into effect. Transitional provision XX, subsection (d), states that the carrying amount of assets recorded under account 188 ‘Other assets held for sale outside the scope of IFRS 5’ must be determined in accordance with IAS 36 ‘Impairment of Assets’.

11). Demand obligations with the public

Demand obligations with the public are as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Checking accounts	¢ 2,166,933,127,277	2,232,879,137,660	2,135,193,153,164
Cashier’s checks	199,723,967	96,755,570	211,473,337
Demand savings deposits	1,109,896,627,299	1,140,831,489,528	1,055,669,256,677
Overdue term borrowings	770,856,580	1,541,540,754	1,533,783,964
Overnight deposits	6,042,956,850	4,968,353,700	1,030,931,000
Other demand obligations with the public	5,875,203,622	5,055,160,963	3,554,780,855
	¢ <b>3,289,718,495,595</b>	<b>3,385,372,438,175</b>	<b>3,197,193,378,997</b>

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BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

12). Term and demand obligations with the public and entities

Term and demand obligations with the public and entities per number of customers and accumulated amount are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<u>Obligations with the public</u>	<u><b>Demand</b></u>	<u><b>Demand</b></u>	<u><b>Demand</b></u>
Deposits from the public	¢ 3,283,843,291,972	3,380,317,277,212	3,193,638,598,141
Other obligations with the public (See note 11)	<u>5,875,203,623</u>	<u>5,055,160,963</u>	<u>3,554,780,856</u>
	<u><b>3,289,718,495,595</b></u>	<u><b>3,385,372,438,175</b></u>	<u><b>3,197,193,378,997</b></u>
<u>Obligations with entities</u>			
Deposits from state-owned entities	15,636,351,398	23,566,448,420	22,496,452,006
Deposits from other Banks	4,993,161,754	4,980,456,319	4,637,849,095
Other obligations with entities	<u>51,027,835,501</u>	<u>49,021,903,518</u>	<u>66,091,106,594</u>
	<u>71,657,348,653</u>	<u>77,568,808,257</u>	<u>93,225,407,695</u>
¢	<u><b>3,361,375,844,248</b></u>	<u><b>3,462,941,246,432</b></u>	<u><b>3,290,418,786,692</b></u>
	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<u>Obligations with the public</u>	<u><b>Term</b></u>	<u><b>Term</b></u>	<u><b>Term</b></u>
Deposits from the public	¢ 1,970,900,888,987	1,766,508,761,195	1,723,485,151,998
Other obligations with the public	<u>18,638,352</u>	<u>17,296,582</u>	<u>15,359,188</u>
	<u><b>1,970,919,527,339</b></u>	<u><b>1,766,526,057,777</b></u>	<u><b>1,723,500,511,186</b></u>
<u>Obligations with entities</u>			
Deposits from state-owned entities	50,251,025,009	52,352,420,250	48,360,896,001
Deposits from other Banks	14,493,255,698	725,085,234	4,222,435,516
Other obligations with entities	<u>698,279,410,574</u>	<u>757,995,982,144</u>	<u>617,258,631,182</u>
	<u>763,023,691,281</u>	<u><b>811,073,487,628</b></u>	<u>669,841,962,699</u>
¢	<u><b>2,733,943,218,620</b></u>	<u><b>2,577,599,545,405</b></u>	<u><b>2,393,342,473,885</b></u>

As of March 31, 2025, demand deposits with the public include court-ordered deposits for ¢263,810,538,898, (¢266,239,219,955 and ¢258,755,226,314 for December and March 2024, respectively), which are restricted because of their nature.

As of March 31, 2025, the Bank has a total of 1,868,146, (1,902,794 and 1,864,259, for December and March 2024, respectively) employees with demand deposits and with term deposits 37,925, (36,834 and 37,530 for December and March 2024, respectively). The subsidiary BICSA has a total of 1,077 customers (1,064 and 941 for December and March 2024, respectively) with demand deposits and 1,627 (1,577 and 1,420 for December and March 2024, respectively).

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BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

13). Other obligations with the public

Other obligations with the public are as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Obligations for confirmed letters of credit	¢ 8,712,538,398	1,334,028,723	2,867,706,132
	<b>¢ 8,712,538,398</b>	<b>1,334,028,723</b>	<b>2,867,706,132</b>

Repurchase agreements:

The Bank raises funds through the sale of financial instruments under agreements in which the Bank undertakes to repurchase them at future dates and at a predetermined price and yield.

As of March 2025, March and December 2024, there are no repurchase agreements.

Changes in the amendment to the Securities Clearing and Settlement Regulations (SUGEVAL) have no impact on the custodian. In the event of a default on payments, the Default Guarantee Fund would be used.

14). Obligations with entities and the Central Bank of Costa Rica

Obligations with entities and with the Central Bank of Costa Rica are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Term obligations with the Central Bank of Costa Rica	¢ 12,001,583,333	161,929,838,016	99,002,909,685
Charges payable for obligations with the Central Bank of Costa Rica	0	2,513,142,840	2,268,761,081
	12,001,583,333	164,442,980,856	101,271,670,766
Checking accounts of local financial entities	28,922,319,496	40,750,221,851	43,986,669,203
Checking accounts of foreign financial entities	465,740,532	324,630,288	514,716,750
Overdrafts in demand checking accounts of foreign financial entities	5,947,348,651	1,614,866,941	13,464,913,593
Obligations for check deposits	897,423,795	526,095,018	609,187,948
Overnight deposits	35,424,786,180	34,352,994,160	34,649,920,200
Term deposits from local financial entities	95,718,750,765	75,183,197,113	72,327,515,061
Term deposits from financial entities abroad	25,714,710,000	52,298,460,000	22,543,700,000
Loan from foreign financial entities (See note 14-a)	250,679,858,996	240,066,173,446	287,585,161,001
Obligations for assets for the right-of-use received under leases (note 14-a)	14,682,107,708	15,755,971,653	17,296,927,925
Obligations with resources from the Development Credit Fund (DCF)	131,569,720,722	138,097,549,701	138,781,730,311
Charges payable for obligations with financial and non-financial entities	5,017,354,389	5,518,249,417	8,581,154,750
Charges payable for obligations with related parties	17,684,266	15,494,275	0
	595,057,535,500	604,503,903,863	640,341,596,742
Loans from local financial entities (See note 14-a)	108,903,309,478	118,255,534,468	95,290,446,797
Obligations for deferred liquidity operations (See note 14-a)	135,755,233,610	171,416,601,245	36,016,481,600
	839,716,078,588	894,176,039,576	771,648,525,139
Loans of subsidiaries			
Subordinated obligations	49,961,562,336	49,960,796,648	49,958,633,180
Charges payable for subordinated obligations	184,422,222	184,422,222	184,422,222
	50,145,984,558	50,145,218,870	50,143,055,402
	<b>¢ 901,863,646,479</b>	<b>1,108,764,239,302</b>	<b>923,063,251,307</b>

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

The maturities of the term obligations with entities are from March 1, 2025, to March 15, 2026.

Annual interest rates for the new obligations with entities are as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Colones	3.99% to 4.75%	0.20% to 5.50%	6.03% to 9.75%
US dollars	1.79% to 6.00%	2.66% to 8.91%	2.66% to 8.72%

As of March 31, 2025, March and December 2024, there are no term obligations with foreign financial entities for international issuance.

a) Maturity of loans payable

As of March 31, 2025, the maturities of loans payable are detailed as follows:

	<b>Central Bank of Costa Rica</b>	<b>Local financial entities</b>	<b>Foreign financial entities</b>	<b>International organizations</b>	<b>Total</b>
Less than one year	¢ 102,011,688,216	99,184,661,728	168,523,410,262	25,865,973,000	395,585,733,206
From one to two years	0	2,268,945,000	13,382,836,125	491,604,750	16,143,385,875
From three to five years	0	7,449,702,750	29,810,784,860	0	37,260,487,610
Over five years	49,961,562,336	0	0	12,605,250,000	62,566,812,336
<b>Total</b>	¢ <b>151,973,250,552</b>	<b>108,903,309,478</b>	<b>211,717,031,246</b>	<b>38,962,827,750</b>	<b>511,556,419,026</b>

As of December 31, 2024, the maturities of loans payable are detailed as follows:

	<b>Central Bank of Costa Rica</b>	<b>Local financial entities</b>	<b>Foreign financial entities</b>	<b>International organizations</b>	<b>Total</b>
Less than one year	¢ 287,471,103,210	111,561,844,320	188,244,807,974	666,549,000	587,944,304,504
From one to two years	0	3,332,745,000	5,423,440,390	499,911,750	9,256,097,140
From three to five years	0	3,360,945,150	32,246,577,082	166,637,250	35,774,159,482
Over five years	49,960,796,648	0	0	12,818,250,000	62,779,046,648
<b>Total</b>	¢ <b>337,431,899,858</b>	<b>118,255,534,470</b>	<b>225,914,825,446</b>	<b>14,151,348,000</b>	<b>695,753,607,774</b>

As of March 31, 2024, the maturities of loans payable are detailed as follows:

	<b>Central Bank of Costa Rica</b>	<b>Local financial entities</b>	<b>Foreign financial entities</b>	<b>International organizations</b>	<b>Total</b>
Less than one year	¢ 2,108,456,619	74,893,210,997	168,303,148,975	26,344,000,000	271,648,816,590
From one to two years	103,950,578,331	18,117,535,800	59,109,696,740	0	181,177,810,872
From three to five years	0	2,279,700,000	27,965,220,349	2,054,832,000	32,299,752,349
<b>Total</b>	¢ <b>106,059,034,950</b>	<b>95,290,446,797</b>	<b>255,378,066,064</b>	<b>28,398,832,000</b>	<b>485,126,379,811</b>

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BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

b) Lease obligations

As of March 31, 2025, there are obligations for the right of use – leased assets received.

	<u>Fee</u>	<u>Interest</u>	<u>Maintenance</u>	<u>Present value</u>
Less than one year	¢ 3,785,654,943	779,175,497	0	3,006,479,446
From one to five years	13,158,722,119	1,384,695,233	0	11,774,026,886
	<b>¢ 16,944,377,062</b>	<b>2,163,870,730</b>	<b>0</b>	<b>14,780,506,332</b>

As of December 31, 2024, there are obligations for the right of use – leased assets received.

	<u>Fee</u>	<u>Interest</u>	<u>Maintenance</u>	<u>Present value</u>
Less than one year	¢ 4,062,602,352	832,735,847	0	3,229,866,506
From one to five years	14,302,792,933	1,584,115,833	0	12,718,677,100
	<b>¢ 18,365,395,285</b>	<b>2,416,851,680</b>	<b>0</b>	<b>15,948,543,606</b>

As of March 31, 2024, there are obligations for the right of use – leased assets received.

	<u>Fee</u>	<u>Interest</u>	<u>Maintenance</u>	<u>Present value</u>
Less than one year	¢ 4,519,522,175	976,067,841	0	3,543,454,334
From one to five years	16,426,018,861	2,179,613,240	0	14,246,405,621
	<b>¢ 20,945,541,036</b>	<b>3,155,681,081</b>	<b>0</b>	<b>17,789,859,955</b>

As of March 31, 2025, the allowance for future lease payments is as follows:

	<u>Colones</u>	<u>US\$ translated to colones</u>
1 year	¢ 848,546,986	2,299,098,883
2 years	885,256,615	2,094,131,707
3 years	866,128,355	1,885,215,683
4 years	1,008,554,117	2,155,993,772
5 years	894,491,928	1,843,088,287
	<b>¢ 4,502,978,001</b>	<b>10,277,528,332</b>

As of December 31, 2024, the allowance for future lease payments is as follows:

	<u>Colones</u>	<u>US\$ translated to colones</u>
1 year	¢ 862,683,273	2,649,232,920
2 years	870,327,398	2,117,917,987
3 years	931,598,447	2,055,298,720
4 years	911,468,852	1,998,842,813
5 years	1,061,350,386	2,213,881,381
Over 5 years	91,748,668	184,192,761
	<b>¢ 4,729,177,024</b>	<b>11,219,366,582</b>

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Notes to the Consolidated Financial Statements

As of March 31, 2024, the allowance for future lease payments is as follows:

		<u>Colones</u>	<u>US\$ translated to colones</u>
1 year	¢	913,794,397	2,895,532,575
2 years		864,098,059	2,087,536,345
3 years		885,256,615	1,811,764,046
4 years		866,128,355	1,756,122,101
5 years		1,008,554,117	2,025,837,198
Over 5 years		894,491,928	1,780,744,219
	¢	<u><b>5,432,323,470</b></u>	<u><b>12,357,536,485</b></u>

As of March 31, 2025, future payments of the lease liability are presented as follows:

	<b>Year</b>	<b>Payments</b>	<b>Present value</b>	<b>Amortization</b>	<b>Interest</b>	<b>Balance of the agreement</b>
1	31/12/2024	3,942,081,562	3,082,597,077	2,271,823,664	866,525,982	11,847,554,453
2	31/12/2025	3,608,209,632	2,995,369,511	2,402,699,044	619,945,031	8,702,539,703
3	31/12/2026	3,448,140,826	3,013,306,857	2,583,281,625	439,642,705	5,689,232,846
4	31/12/2027	3,450,476,262	3,198,052,835	2,948,102,710	254,896,728	2,491,180,012
5	31/12/2028	2,553,816,887	2,491,180,012	2,428,891,614	62,985,356	0
6	31/12/2029	0	0	0	0	(0)
7	31/12/2030	0	0	0	0	0
8	31/12/2031	0	0	0	0	0
9	31/12/2032	0	0	0	0	0
10	31/12/2033	0	0	0	0	0
		<u>¢ 17,002,725,169</u>	<u>14,780,506,332</u>	<u>12,634,798,657</u>	<u>2,243,995,802</u>	

As of December 31, 2024, future payments of the lease liability are presented as follows:

	<b>Year</b>	<b>Payments</b>	<b>Present value</b>	<b>Amortization</b>	<b>Interest</b>	<b>Balance of the agreement</b>
1	31/12/2022	4,345,434,980	3,403,109,230	2,508,182,295	929,435,064	12,699,683,559
2	31/12/2023	3,705,436,819	3,043,003,633	2,403,012,308	669,658,386	9,502,430,743
3	31/12/2024	3,487,696,709	3,003,874,390	2,524,942,065	488,712,312	6,498,556,352
4	31/12/2025	3,490,071,608	3,187,788,427	2,888,020,341	304,798,275	3,310,767,925
5	31/12/2026	3,419,937,404	3,310,767,925	3,201,952,814	109,523,847	(0)
6	31/12/2027	0	0	0	0	(0)
7	31/12/2028	0	0	0	0	0
8	31/12/2029	0	0	0	0	0
9	31/12/2030	0	0	0	0	0
10	31/12/2031	0	0	0	0	0
		<u>¢ 18,448,577,520</u>	<u>15,948,543,606</u>	<u>13,526,109,824</u>	<u>2,502,127,884</u>	

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Notes to the Consolidated Financial Statements

As of March 31, 2024, future payments of the lease liability are presented as follows:

Year	Payments	Present value	Amortization	Interest	Balance of the agreement
1 31/12/2022	4,816,102,053	3,728,821,697	2,644,247,342	1,118,260,347	14,150,865,130
2 31/12/2023	3,712,590,770	2,966,782,549	2,165,950,890	774,555,830	11,176,841,524
3 31/12/2024	3,321,207,232	2,713,077,642	2,104,948,053	608,129,589	8,381,178,067
4 31/12/2025	3,321,207,232	2,885,068,922	2,448,930,612	436,138,310	5,496,109,145
5 31/12/2026	3,321,207,232	3,068,027,897	2,814,848,563	253,179,334	2,428,081,247
6 31/12/2027	2,490,905,424	2,428,081,247	2,365,257,071	62,824,177	0
7 31/12/2028	0	0	0	0	0
	<u>¢ 20,983,219,941</u>	<u>17,789,859,955</u>	<u>14,544,182,531</u>	<u>3,253,087,587</u>	

15). Income tax

Pursuant to the Costa Rican Income Tax Law, the Bank and its subsidiaries are required to file income tax returns for the twelve months period ending December 31 of each year.

As of March 31, 2025, the consolidated balance of income tax payable amounts to ¢1,785,725,558, (¢27,528,054,931 and ¢9,415,944,449 for December and March 2024, respectively) (see note 17) and the income tax advance payments amounted to ¢4,917,346,279, (¢28,345,415,363 and ¢4,253,294,495 for December and March 2024, respectively) (see note 10.c), recorded as other assets.

Income tax expenses are detailed below:

	<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
Current income tax	¢ 1,568,466,268	29,716,392,211	8,965,170,243
Decrease in income tax	0	(527,833,234)	(5,259,288)
Increase in income tax	134,130,472	(937,832,415)	456,033,494
Adjustment for income tax of the previous period	83,128,818	(7,509)	0
Advances of settled income taxes	0	(722,664,122)	0
	<u>1,785,725,558</u>	<u>27,528,054,931</u>	<u>9,415,944,449</u>
<b><u>Expenses for income taxes:</u></b>			
Expense for current income tax of the period	1,651,595,086	29,716,384,702	8,965,170,243
Income tax expense from the prior period	(83,128,818)	7,509	
Expense for deferred income tax	19,401,211,010	8,346,476,245	1,624,421,126
	<u>20,969,677,278</u>	<u>38,062,868,456</u>	<u>10,589,591,369</u>
<b><u>Income for income taxes</u></b>			
Decrease of income taxes for the period	0	(521,811,269)	0
Income for deferred income tax	(13,017,227,763)	(11,215,324,970)	(2,211,047,652)
Decrease in the deferred income tax from the previous period	(1,350,104,723)	(74,754,495)	0
	<u>(14,367,332,486)</u>	<u>(11,811,890,734)</u>	<u>(2,211,047,652)</u>
<b>Income tax, net</b>	<u>¢ 6,602,344,792</u>	<u>26,250,977,722</u>	<u>8,378,543,717</u>
<b>Realization of deferred income tax</b>	<u>¢ (6,383,983,247)</u>	<u>2,868,848,724</u>	<u>586,626,526</u>

BICSA is subject to tax legislation in the following jurisdictions.

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Panamá

According to tax legislation in effect in Panama, BICSA is exempt from payment of income tax on foreign source income. BICSA is further exempt from payment of income tax on interest income earned on term deposits placed in local banks, on securities issued by the Panamanian and foreign governments and on investments in securities traded in the Panamanian Stock Exchange.

Miami

Income tax is not levied on any income that is unrelated to transactions or business dealings in the United States of America. Finance expense is calculated based on the cost of liabilities denominated in U.S. dollars.

A deferred tax liability represents a taxable temporary difference, and a deferred tax asset represents a deductible temporary difference.

Deferred tax assets and liabilities are attributed to the following:

As of March 31, 2025

	<u>Assets</u>	<u>Liabilities</u>	<u>Net</u>
Valuation of investments	¢ 864,497,910	(4,498,776,660)	(3,634,278,750)
Revaluation of assets	242,823,928	(13,785,802,577)	(13,542,978,649)
Provisions	50,823,996	(27,204,192)	23,619,804
Financial leases	4,164,364,151	(4,349,931,452)	(185,567,301)
Deferred taxes for exchange differences	16,719,642,545	(38,711,857,975)	(21,992,215,426)
Allowance for doubtful accounts	40,045,447	0	40,045,447
Taxes for deferred tax losses	7,414,653,471	0	7,414,653,471
	<u>¢ 29,496,854,447</u>	<u>(61,373,572,856)</u>	<u>(31,876,721,405)</u>

As of December 31, 2024

	<u>Assets</u>	<u>Liabilities</u>	<u>Net</u>
Valuation of investments	¢ 1,009,005,251	(5,298,913,855)	(4,289,908,604)
Revaluation of assets	242,823,928	(13,868,482,973)	(13,625,659,045)
Provisions	(33,068,044)	(9,715,782)	(42,783,826)
Financial leases	4,480,776,530	(4,583,442,924)	(102,666,394)
Deferred taxes for exchange differences	14,767,039,029	(23,394,196,945)	(8,627,157,916)
Allowance for doubtful accounts	372,867,457	0	372,867,457
	<u>¢ 20,839,444,151</u>	<u>(47,154,752,479)</u>	<u>(26,315,308,328)</u>

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As of March 31, 2024

	<u>Assets</u>	<u>Liabilities</u>	<u>Net</u>
Valuation of investments	¢ 1,885,819,011	(4,693,152,187)	(2,807,333,176)
Revaluation of assets	242,823,928	(14,193,334,587)	(13,950,510,659)
Provisions	(13,115,400)	(27,204,192)	(40,319,592)
Financial leases	5,218,006,198	(5,290,554,350)	(72,548,152)
Deferred taxes for exchange differences	11,060,463,649	(21,605,566,470)	(10,545,102,820)
Losses and unused tax credits	383,455,404	0	383,455,404
Allowance for doubtful accounts	88,456,126	0	88,456,126
	<u>¢ 18,865,908,916</u>	<u>(45,809,811,786)</u>	<u>(26,943,902,869)</u>

The movement of temporary differences is as follows:

As of March 31, 2025

	<u>December 31, 2024</u>	<u>Effects on income statement</u>	<u>Effects on equity</u>	<u>March 31, 2025</u>
<b>On liabilities account</b>				
Valuation of investments	¢ (5,298,913,856)	0	800,137,196	(4,498,776,660)
Revaluation of assets	(8,091,378,967)	69,294,051	0	(8,022,084,916)
Revaluation of land	(5,763,717,661)	0	0	(5,763,717,661)
Financial leases	(4,583,442,924)	229,961,474	3,549,998	(4,349,931,452)
For exchange differences	(23,407,583,288)	(15,304,274,685)	0	(38,711,857,973)
Allowance for doubtful accounts	(9,715,782)	(17,488,410)	0	(27,204,192)
<b>On assets account</b>				
Valuation of investments	1,009,005,251	0	(144,507,341)	864,497,910
Financial leases	4,480,776,531	(316,412,380)	0	4,164,364,151
Income tax for asset revaluation	242,823,928	0	0	242,823,928
Provisions	55,333,629	(4,509,633)	0	50,823,996
Allowance for doubtful accounts	284,465,785	(244,420,338)	0	40,045,447
For exchange differences	14,767,039,029	1,789,213,203	163,390,315	16,719,642,547
Taxes for deferred tax losses	0	7,414,653,471	0	7,414,653,471
	<u>¢ (26,315,308,325)</u>	<u>(6,383,983,247)</u>	<u>822,570,168</u>	<u>(31,876,721,405)</u>

As of December 31, 2024

	<u>December 31, 2023</u>	<u>Effects on income statement</u>	<u>Effects on equity</u>	<u>December 31, 2024</u>
<b>On liabilities account</b>				
Valuation of investments	¢ (3,767,810,512)	0	(1,531,103,343)	(5,298,913,855)
Revaluation of assets	(8,485,524,632)	407,532,009	(13,386,344)	(8,091,378,967)
Revaluation of land	(5,777,104,006)	0	0	(5,777,104,006)
Financial leases	(5,579,520,286)	1,146,880,732	(150,803,370)	(4,583,442,924)
For exchange differences	(21,585,796,102)	(1,821,787,187)	13,386,344	(23,394,196,945)
Allowance for doubtful accounts	(34,976,819)	25,261,037	0	(9,715,782)
<b>On assets account</b>				
Valuation of investments	3,218,370,397	0	(2,209,365,146)	1,009,005,251
Financial leases	5,646,614,597	(1,165,838,067)	0	4,480,776,530
Income tax for asset revaluation	242,823,928	0	0	242,823,928
Losses and unused tax credits	240,624,914	(400,837,786)	160,212,872	0
Provisions	(8,404,053)	(24,663,991)	0	(33,068,044)
Allowance for doubtful accounts	88,456,126	284,411,331	0	372,867,457
For exchange differences	10,392,860,154	4,417,890,646	(43,711,771)	14,767,039,029
	<u>¢ (25,409,386,294)</u>	<u>2,868,848,724</u>	<u>(3,774,770,758)</u>	<u>(26,315,308,328)</u>

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Notes to the Consolidated Financial Statements

As of March 31, 2024

	December 31, 2023	Effects on income statement	Effects on equity	March 31, 2024
<b>On liabilities account</b>				
Valuation of investments	¢ (3,767,810,512)	0	(925,341,675)	(4,693,152,187)
Revaluation of assets	(8,485,524,632)	69,294,051	0	(8,416,230,581)
Revaluation of land	(5,777,104,006)	0	0	(5,777,104,006)
Financial leases	(5,579,520,286)	288,965,936	0	(5,290,554,350)
For exchange differences	(21,585,796,102)	(19,770,368)	0	(21,605,566,470)
Allowance for doubtful accounts	(34,976,819)	7,772,627	0	(27,204,192)
<b>On assets account</b>				
Valuation of investments	3,218,370,397	0	(1,332,551,386)	1,885,819,011
Financial leases	5,646,614,597	(428,608,399)	0	5,218,006,198
Income tax for asset revaluation	242,823,928	0	0	242,823,928
Losses and unused tax credits	240,624,914	6,080,531	(136,749,959)	383,455,404
Provisions	(8,404,053)	(4,711,347)	0	(13,115,400)
Allowance for doubtful accounts	88,456,126	0	0	88,456,126
For exchange differences	10,392,860,154	667,603,495	0	11,060,463,649
	<b>¢ (25,409,386,294)</b>	<b>586,626,526</b>	<b>(2,121,143,102)</b>	<b>(26,943,902,870)</b>

As of March 31, 2025, the consolidated group presents a balance for income tax receivable of ¢15,871,806,158, (¢14,037,349,762, and ¢23,633,824,162 for December and March 2024, respectively) in addition to supported value added tax for ¢930,454,770 (¢2,427,003,785 and ¢670,156,108 for December and March 2024, respectively) and deductible value added tax for ¢36,307,356, (¢35,894,383, and ¢34,986,188, for December and March 2024, respectively).

The balance of income tax receivable originated by an excess of advanced payments for the returns on investments of the Development Credit Fund which are exempt from the obligation and from income and value added tax advances.

In conducting the analysis of the deferred tax BICSA's management considers whether it is probable that some or all portion of the deferred tax asset is not realizable. Performing or not the deferred tax assets depend on the generation of future taxable income during the periods in which those temporary differences become deductible. BICSA's management considers the details of reversals of deferred tax assets and liabilities. Project future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income for the periods in which the deferred tax assets will be deductible. BICSA's management considers it may be able to realize the benefits of this deductible temporary difference.

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

IFRIC – “Uncertainty over Income Tax Treatments” establishes that an entity must assess how an uncertain tax treatment affects the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits, and tax rates. In making this assessment, the entity shall assume that a taxation authority will examine amounts it has a right to examine and will have full knowledge of all related information when conducting such examinations. Therefore, the provision made is detailed below, covering amounts related to uncertain tax treatments between the Tax Administration and the BCR Financial Group for the periods from 2020 to 2024:

		<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Banco de Costa Rica	¢	18,640,703,526	18,640,703,526	18,640,703,527
BCR Valores, S.A.- Puesto de Bolsa		0	0	323,346,107
BCR Sociedad Administradora de Fondos de inversión, S.A.		627,202,110	621,557,437	231,390,940
BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A.		21,606,321	21,606,321	55,794,630
BCR Corredora de Seguros, S.A.		0	0	65,297,213
	¢	<b><u>19,289,511,958</u></b>	<b><u>19,283,867,285</u></b>	<b><u>¢ 19,316,532,418</u></b>

As of December 31, 2024, the amount recorded by the Bank as a provision under IFRIC 23 is ¢18,640,703,526 (¢18,640,703,526 and ¢23,633,824,162, for December and March 2024, respectively). The Bank's Management considers that this amount covers matters related to uncertain tax treatments between the Tax Administration and Banco de Costa Rica for the periods from 2020 to 2025.

On April 04, 2022, resolution No. DGT-R-09-2022, “Quantification exchange differences in entities subject to surveillance and inspection of the General Superintendence of Financial Entities (SUGEF) and the General Superintendence of Securities (SUGEVAL)” of the General Directorate of Taxation is published in the official paper La Gaceta, in effect from the 2022 period.

In articles 1 (paragraph 1) and 5 (paragraphs 2 and 27 bis) of the Income Tax Law (LSIR), the General Directorate of Taxation has defined the exchange differential that may arise, taxable or deductible as appropriate, for the Tax on Income, Capital Gains and Losses (IRGPC for its acronym in Spanish), and for the Income Tax (ISU for its acronym in Spanish). Therefore, the line to follow related to the treatment of the exchange differential under the realization criterion, has been established.

For tax purposes, in article 4 of the LSIR, on the closing day of the fiscal period, the entity must quantify the exchange differential, in accordance with the regulation of the position in foreign currency on that day, using the selling exchange rate of the US dollar, suggested by the Central Bank of Costa Rica, for that day. The result must be compared with the position in foreign currency corresponding to the closing day of the previous fiscal period, using the selling exchange rate for the US dollar, suggested by the Central Bank of Costa Rica, for that day.

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If, as a result of that comparison (the foreign currency position of the entity, at the end of the current fiscal period, compared to the foreign currency position of the entity, at the end of the previous fiscal period), a decrease is determined, it will be considered as a loss and, therefore, the amount corresponding to that decrease will be applied as a deductible expense of the Income Tax. Otherwise, if an increase is determined, it will be considered as a profit and, therefore, the amount corresponding to that increase will be included as income within the gross income of the Income Tax.

As of March 31, 2025, the application of the resolution described above gave rise to a temporary difference which required the recording of a deferred income tax liability of ¢38,711,857,973, (¢23,394,196,945 and ¢27,204,192, for December and March 2024, respectively) and assets of ¢16,719,642,547, (¢14,767,039,029 and ¢11,060,463,649 for December and March 2024, respectively).

16). Provisions

The movement of provision is as follows:

	<u>Legal benefits</u>	<u>Lawsuits</u>	<u>Other</u>	<u>Total</u>
<b>Balance as of December 31, 2023</b>	¢ 9,842,446,314	22,208,038,768	20,196,641,692	52,247,126,773
Currency conversion effect	(10,257,802)	(1,022,400)	0	(11,280,202)
<b>Adjusted balance</b>	9,832,188,513	22,207,016,367	20,196,641,692	52,235,846,572
Provision made	83,992,814	336,080,037	314,187,350	734,260,201
Provision used	(4,795,169)	(92,002,797)	(264,358,054)	(361,156,020)
Provisions reversed	(299,260,082)	(806,786,061)	0	(1,106,046,143)
<b>Balance as of March 31, 2025</b>	¢ 9,612,126,076	21,636,627,711	20,246,470,988	51,495,224,775

	<u>Legal benefits</u>	<u>Lawsuits</u>	<u>Other</u>	<u>Total</u>
<b>Balance as of December 31, 2023</b>	¢ 10,412,806,247	20,906,202,424	20,332,530,532	51,651,539,203
Currency conversion effect	(22,382,450)	(1,698,000)	0	(24,080,451)
<b>Adjusted balance</b>	10,390,423,797	20,904,504,424	20,332,530,532	51,627,458,752
Provision made	166,438,261	2,549,845,049	1,865,931,984	4,582,215,294
Provision used	(71,716,073)	(687,277,169)	(936,468,128)	(1,695,461,370)
Reversal of restructured social security charges	0	(8,174,069)	0	(8,174,069)
Provisions reversed	(642,699,671)	(550,859,467)	(1,065,352,697)	(2,258,911,835)
<b>Balance as of December 31, 2024</b>	¢ 9,842,446,314	22,208,038,768	20,196,641,691	52,247,126,773

	<u>Legal benefits</u>	<u>Lawsuits</u>	<u>Other</u>	<u>Total</u>
<b>Balance as of December 31, 2023</b>	¢ 10,412,806,247	20,906,202,424	20,332,530,532	51,651,539,203
Currency conversion effect	(31,760,656)	(2,433,606)	0	(34,194,262)
<b>Adjusted balance</b>	10,381,045,591	20,903,768,818	20,332,530,532	51,617,344,941
Provision made	35,885,268	783,273,146	578,841,075	1,397,999,489
Provision used	(7,639,686)	(552,354,311)	(83,095,711)	(643,089,708)
Adjustment for exchange rate differences	0	(105,797)	0	(105,797)
Provisions reversed	(282,583,304)	(146,523,918)	0	(429,107,222)
<b>Balance as of March 31, 2024</b>	¢ 10,126,707,869	20,988,057,938	20,828,275,896	51,943,041,703

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As of March 2025, the number of litigations with the probability of occurrence is detailed as follows:

Type	Number	High	Low	Pending evaluation	Total amount in colones	Total amount in US dollars	Provision in colones	Provision in US dollars
Contentious	226	21	205	0	36,922,122,735	366,008,756	2,425,680,238	795,214
Criminal	7	1	6	0	461,219,445	0	187,989,445	0
Labor	259	49	210	0	3,948,900,142	825,000	2,125,779,913	0
Proceedings	29	3	26	0	64,026,744	12,100	13,767,320	0
<b>Total</b>	<b>521</b>	<b>74</b>	<b>447</b>	<b>0</b>	<b>€41,396,269,066</b>	<b>\$366,845,856.12</b>	<b>€4,753,216,916</b>	<b>\$795,213.73</b>

As of March 31, 2025, there are no high-risk legal proceedings without a corresponding provision estimate (5 lawsuits as of March 2024 and for December 2024, there are no lawsuits in this category).

As of December 2024, the number of litigations with the probability of occurrence is detailed as follows:

Type	Number	High	Low	Pending evaluation	Total amount in colones	Total amount in US dollars	Provision in colones	Provision in US dollars
Contentious	224	20	202	2	37,673,827,735	365,961,985	2,377,231,945	820,058
Criminal	7	1	6	0	461,219,445	0	187,989,445	0
Labor	264	54	210	0	4,367,132,650	825,000	2,547,595,263	0
Proceedings	29	3	26	0	64,026,744	12,100	13,665,611	0
<b>Total</b>	<b>524</b>	<b>78</b>	<b>444</b>	<b>2</b>	<b>€42,566,206,574.01</b>	<b>\$366,799,084.89</b>	<b>€5,126,482,263.17</b>	<b>\$820,058.32</b>

As of March 2024, the number of litigations with the probability of occurrence is detailed as follows:

Type	Number	High	Low	Pending evaluation	Total amount in colones	Total amount in US dollars	Provision in colones	Provision in US dollars
Contentious	231	22	207	2	34,708,729,402.56	370,404,084.89	2,465,724,301.12	2,948.58
Criminal	19	2	17	0	636,829,601.60	5,856.98	190,614,797.56	0
Labor	352	63	289	0	6,200,791,032.80	825,001.00	2,366,390,196.70	0
Proceedings	22	0	22	0	15,096,422.44	2,000.00	0	0
<b>Total</b>	<b>624</b>	<b>87</b>	<b>535</b>	<b>2</b>	<b>€41,561,446,459.40</b>	<b>\$371,236,942.87</b>	<b>€5,022,729,295.38</b>	<b>\$2,948.58</b>

As of March 31, 2025, the Bank is a defendant in litigation, for which the following provisions have been recorded:

- Ordinary suits against the Bank have been estimated for €36,922,122,735 and US\$366,008,756 for which the Bank has provisions recorded in the amounts of €2,425,680,238 and US\$ 795,214.
- The criminal lawsuits against the Bank have been estimated in € 461,219,445 for which the Bank has recorded a provision in the amount of €187,989,445.

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### Notes to the Consolidated Financial Statements

- For their nature, labor suits are difficult to estimate, however they are estimated in ¢3,948,900,142 and US\$825,000 for which the Bank has provisions recorded in the amount ¢2,125,779,913, in the cases in which there is no firm condemnatory.
- There are administrative proceedings in different stages, estimated in ¢64,026,744 and US\$12,100 for which the Bank recorded provisions in the amount of ¢13,767,320.
- A provision in the amount of ¢301,395,421 corresponding to the Deposit Guarantee Fund is created and recorded in "Others".

As of March 31, 2025, BCR Valores is subject to legal proceedings under court file number 23-000523-1178-LA. On March 27, 2025, the court ruled on an objection concerning the improper accumulation of claims.

As of March 31, 2025, there are no provisions for litigation in BICSA.

As of December 31, 2024, the Bank is a defendant in litigation, for which the following provisions have been recorded:

- Ordinary suits against the Bank have been estimated for ¢37,673,827,735 and US\$365,961,985 for which the Bank has provisions recorded in the amounts of ¢2,377,231,945 and US\$820,058.
- The criminal lawsuits against the Bank have been estimated in ¢461,219,445 for which the Bank has recorded a provision in the amount of ¢187,989,445.
- For their nature, labor suits are difficult to estimate, however they are estimated in ¢4,367,132,650 and US\$825,000 for which the Bank has provisions recorded in the amount ¢2,547,595,263, in the cases in which there is no firm condemnatory.
- There are administrative proceedings in different stages, estimated in ¢64,026,744 and US\$12,100 for which the Bank recorded provisions in the amount of ¢13,665,611
- A provision in the amount of ¢282,187,390 corresponding to the Deposit Guarantee Fund is created and recorded in "Others".

As of December 31, 2024, BCR Sociedad Administradora de Fondos de Inversión, S.A. keeps provisions for ¢164,769,008 related to the BCR Fondo de Inversión Inmobiliario.

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Notes to the Consolidated Financial Statements

As of December 31, 2024, there is a process against BCR Valores S.A. in the amount of US\$465,000, processed under file 16-000208-1027-CA-2 of the Contentious Administrative and Civil Tax Court of the Second Judicial Circuit of San José, is as follows: By resolution 105-F-S1-2024 of January 23, 2024, at 2:15 pm, the First Chamber declared the appeal filed by the plaintiff against the ruling of the Contentious Administrative Court void. As a result, the legal proceedings are definitively concluded.

As of December 31, 2024, the current status of the case brought by BCR Valores S.A. against the Central Bank of Costa Rica (BCCR), the General Superintendency of Securities (SUGEVAL), and the National Council of Financial Supervision (CONASSIF), with an estimated amount of ₡43,236,411.88, filed under case number 19-005051-1027-CA before the Administrative and Civil Tax Court, is as follows: By resolution 1501-F-S1-1027-CA issued at 3:49 p.m. on October 24, 2024, the First Chamber of the Supreme Court of Justice dismissed in its entirety the cassation appeal filed by BCR Valores, ordering the claimant to bear the legal costs. As a result, the legal proceedings are definitively concluded.

As of December 31, 2024, BCR Valores is involved in a legal process under judicial file number 23-000523-1178-LA. On July 12, 2023, the lawsuit was received and a response with supporting evidence was submitted. On November 29, 2023, a hearing was held regarding the improper joinder of claims.

As of December 31, 2024, there are no provisions for litigation in BICSA.

As of March 31, 2024, the Bank is a defendant in litigation, for which the following provisions have been recorded:

- Ordinary suits against the Bank have been estimated for ₡34,708,729,403 and US\$370,404,085 for which the Bank has provisions recorded in the amounts of ₡2,465,724,301 and US\$2,949, respectively.
- The criminal lawsuits against the Bank have been estimated in ₡636,829,602 and US\$5,857, for which the Bank has recorded a provision in the amount of ₡190,614,798.
- For their nature, labor suits are difficult to estimate, however they are estimated in ₡6,200,791,033 and US\$825,001 for which the Bank has provisions recorded in the amount ₡2,366,390,197, in the cases in which there is no firm condemnatory.
- There are administrative proceedings in different stages, estimated for ₡15,096,422 and US\$2,000.
- A provision in the amount of ₡282,912,999 corresponding to the Deposit Guarantee Fund is created and recorded in "Others".

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Notes to the Consolidated Financial Statements

As of March 31, 2024, BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A. maintains amounts provisioned for ₡1,708,743 for legal processes in labor matters.

As of March 31, 2024, BCR Sociedad Administradora de Fondos de Inversión, S.A. keeps provisions for ₡164,769,008 related to the BCR Fondo de Inversión Inmobiliario.

As of March 31, 2024, there is a process against BCR Valores S.A. in the amount of US\$465,000, processed under file 16-000208-1027-CA-2 of the Contentious Administrative and Civil Tax Court of the Second Judicial Circuit of San José. On February 7, 2023, BCR Valores filed an appeal for revocation against the resolution of the First Chamber that processed the appeal. On September 12, 2023, the First Chamber rejected the appeal filed by BCR Valores. By resolution 105-F-S1-2024 of January 23, 2024, at 2:15 pm, the First Chamber declared the appeal filed by the plaintiff against the ruling of the Contentious Administrative Court void. With this, this process is completed. BCR Valores may file a judgment execution process to try to collect the costs of the process (legal fees).

As of March 31, 2024, there is a process against BCR Valores S.A. in the amount of US\$175,000, under file number 16-000207-1027-CA-8 from the Tribunal Contencioso Administrativo y Civil de Hacienda of the II Judicial Circuit of San José. The oral and public trial of the process took place on January 24, 2024, at the TCA headquarters in San José. By ruling 2024-871 of February 14, 2024, at 12:03 pm the TCA issued the resolution of the process in which it partially declared the plaintiff's claim admissible and sentenced BCR Valores, but only to pay moral damages for ₡2.5 million, as well as the costs (lawyer fees of both parties and expenses of the process).

The plaintiff must now propose a process of execution of the sentence for the payment of moral damages of 2.5 million, as well as costs (lawyer fees for both parties and expenses of the process). BCR Valores must be notified of this process and will have the opportunity to defend itself before the respective Court.

As of March 31, 2024, there are no provisions for litigation in BICSA.

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17). Other miscellaneous accounts payable

Other miscellaneous accounts payable are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Fees payable	¢ 69,596,352	54,861,559	106,880,279
Due for goods and services	534,513,682	571,405,073	494,792,456
Current income tax	1,785,725,558	27,528,054,931	9,415,944,449
Tax on DU propts	11,427,621	11,408,206	24,177,904
Value added tax	262,941,547	328,754,014	192,406,685
Other taxes payable	18,913,886	0	19,246,420
Employer contributions	2,253,688,278	2,353,803,467	3,801,513,106
Court-ordered withholdings	836,020,837	866,843,033	1,064,335,963
Tax withholdings payable	4,328,885,803	3,336,068,708	3,321,448,059
Withhold employer contributions payable	1,326,450,878	1,283,072,589	1,894,187,063
Other third-party withholdings payable	7,041,895,164	9,667,031,742	13,525,177,862
Compensations and salaries payable	3,097,678,116	9,406,675,049	2,829,060,650
Interests (distributions) payable on results of the period (see note 33)	7,119,560,761	21,838,867,280	6,730,946,218
Accrued vacations	7,181,656,101	7,516,422,057	7,109,441,800
Accrued statutory Christmas bonus	2,701,502,390	1,282,107,379	2,606,622,852
Commissions payable from insurance placement	61,935,119	56,816,797	425,900,835
Commissions payable related parties	28,405,299	23,531,909	9,159,066
Contribution to the Superintendence budget	18,360,027	6,960,669	11,785,931
Miscellaneous creditors	25,320,113,976	25,521,251,442	21,618,731,538
	<b>¢ 63,999,271,395</b>	<b>111,653,935,904</b>	<b>75,201,759,136</b>

18). Equity

a) Capital Stock

The Bank's capital stock is as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Capital under Law No. 1644	¢ 30,000,000	30,000,000	30,000,000
Bank capitalization bonds	1,288,059,486	1,288,059,486	1,288,059,486
Capital increase per Law No. 7107	118,737,742,219	118,737,742,219	118,737,742,219
Capital increase per Law No. 8703	27,619,000,002	27,619,000,002	27,619,000,002
Capital increase per Law No. 9605	18,907,432,694	18,907,432,694	18,907,432,694
Increase for revaluation of assets	14,130,125,230	14,130,125,230	14,130,125,230
Other	697,630,970	697,630,970	697,630,970
	<b>¢ 181,409,990,601</b>	<b>181,409,990,601</b>	<b>181,409,990,601</b>

On December 23, 2008, the Executive Branch of the Costa Rican Government authorized a capital contribution funded under Law No. 8703 "Amendment to the Law on Ordinary and Extraordinary Budget of the Republic for Tax Year 2008 (Law No. 8627)." Such law grants funds to capitalize three State owned banks, including Banco de Costa Rica, in order to stimulate productive sectors and particularly small and medium sized enterprises. For such purposes, the Bank received four securities for a total of US\$50,000,000, equivalent to ¢27,619,000,002.

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b) Surplus from revaluation of property, furniture, and equipment

This includes the increase in fair value of real property (land and buildings) owned by the Bank.

As of March 31, 2025, the revaluation surplus amounts to ¢41,085,212,831, (¢41,085,212,831 and ¢41,085,212,831, for December and March 2024, respectively).

c) Adjustments for revaluation of investments at fair value with changes in other comprehensive income.

They include variations in the fair value with changes through comprehensive income.

As of March 31, 2025, the balance of adjustment for valuation of investments at fair value with changes through other comprehensive income corresponds to unrealized net profits in the amount of ¢2,809,983,096, (¢1,138,615,082 and ¢4,721,707,758, for December and March 2024, respectively).

d) Adjustments for valuations of interest in other companies

This mainly corresponds to foreign exchange differences arising from translation of BICSA's consolidated financial statements and the unrealized gain or loss on valuation of investments in subsidiaries.

As of March 31, 2025, changes in equity include foreign exchange differences corresponding to investments in other companies in the amount of ¢6,959,585,722, (¢8,094,363,883 and ¢7,111,497,868 for December and March 2024, respectively).

e) Equity of the Development Financing Fund (FOFIDE)

As of March 31, 2025, the amount for the constitution of the equity of the Development Financing Fund is ¢53,678,819,200, (¢36,671,365,413 and ¢48,866,249,077 for December and March 2024, respectively). In compliance with Law 9605 "Merger by absorption of Banco Crédito Agrícola de Cartago and Banco de Costa Rica", the amount of ¢2,627,265,346 of the assets managed by the entity was transferred.

f) Special reserves of retained earnings from BICSA

As of March 31, 2025, from Banco de Costa Rica's retained earnings resulting from the investment in other companies, it should be considered for any purpose that there are amounts related to special reserves applied to equity accounts of BICSA for US\$49,958,106, (51% of US\$97,957,071,) (US\$ 47,454,023 and US\$47,454,023, equivalent to 51% for US\$93,047,103 and US\$81,688,285 for December and March 2024, respectively) due to changes made to policies concerning the subsidiary.

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### Notes to the Consolidated Financial Statements

Laws and regulations applicable in the Republic of Panama establish that, for purposes of compliance with standards issued by the Superintendence of Banks of Panama, from the year 2014 on, an estimated of credits reserves should be prepared based on regulatory guidelines.

The General Board of Directors resolution SBP-GJD-003-2013 dated July 9, 2013 establishes the accounting for the differences that may arise between the regulations issued by the Superintendence of Banks and the IFRS, so that: 1) the accounting records and the financial statements are prepared in accordance with IFRS as required by agreement No.006-2012 dated December 18, 2012; 2) according to standards applicable to banks and presenting additional specific accounting aspects than those required by IFRS, in the event that an estimate of provision or reserve is greater than the correspondent calculation under IFRS, the excess of provision or reserve will be recognized in the equity.

This general resolution came into effect for the accounting periods ending on or after December 31, 2014. Subject to prior authorization of the Superintendence of Banks, banks can reverse the established provision, partially or totally, based on justification duly evidenced and presented to the Superintendence of Banks.

Agreement No.004-2013 indicates that specific provisions originate from concrete and objective evidence of impairment. These provisions should be constituted for credit facilities classified in the risk category known as special, subnormal, doubtful or irrecoverable, both for individual credit facilities or a group of them. At least from December 31, 2014, banks must calculate and always maintain the amount of specific provision determined by the methodology specified in this agreement, which considers the balance due from each credit facility in any of the categories subject to provision, the present value of each available collateral as mitigation of risk, as established by type of guarantee in this agreement, and a table of weightings applied to the net amount exposed to loss of such credit facilities.

Calculated in accordance with such Agreement, if there is an excess of specific provision over the provision calculated in accordance with IFRS, this excess will be accounted for in a regulatory reserve in equity that increases or decreases with allocations from or to undistributed profits. The balance of the regulatory reserves will not be considered as capital funds for purposes of calculating certain indices or prudential relationships mentioned in the Agreement. The Bank determines its country risk reserve in accordance with the provisions established in General Resolutions No. 7 2000 and No.1-2001 issued by the Superintendence of Banks of Panama.

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Agreement No.004-2013 indicates that the dynamic provision is a reserve constituted to meet possible future needs of specific provisions ruled by prudential banking regulations criteria. It is constituted with quarterly periodicity on credit facilities that do not have a specific provision assigned. i.e., credit facilities classified in normal category. This agreement regulates the methodology to calculate the amount of the dynamic provision, considering a minimum or maximum restriction applicable to the provision's amount determined on credit facilities classified in normal category. The dynamic provision is an equity account that increases or decreases with assignments to or from undistributed earnings. The credit balance of the dynamic provision is part of the regulatory capital but does not replace or compensates for the net worth equity requirements set forth by the Superintendence.

g) Equity reserves

As of March 31, 2025, changes in equity include amounts for equity reserves for ¢385,220,658,667, (¢364,708,053,622 and ¢364,708,053,622 for December and March 2024, respectively).

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Regulatory capital

As of March 31, 2025, the net worth equity for the BCR Financial Conglomerate is detailed as follows:

Companies of the Financial Conglomerate	Capital base	Minimum individual capital requirement	Individual surplus or deficit	Non-transferable items	Transferable surplus and individual deficit
<b>Parent Company</b>					
Banco de Costa Rica	¢ 626,421,547,585	402,410,829,675	224,010,717,910	0	224,010,717,910
	<u>626,421,547,585</u>	<u>402,410,829,675</u>	<u>224,010,717,910</u>	<u>0</u>	<u>224,010,717,910</u>
<b>Regulated entities</b>					
Banco Internacional de Costa Rica, S. A and subsidiary	141,904,862,400	101,235,283,80	40,669,578,600	19,928,093,514	20,741,485,086
BCR Valores, S. A.- Puesto de Bolsa	21,696,050,220	3,879,879,237	17,816,170,983	0	17,816,170,983
BCR Sociedad Administradora de Fondos de inversión, S.A.	27,665,209,270	1,908,467,430	25,756,741,840	0	25,756,741,840
BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A.	4,650,408,141	4,092,281,614	558,126,526	0	558,126,526
BCR Comercializadora de Seguros, S.A.	4,650,775,490	1,899,500,210	2,751,275,280	0	2,751,275,280
	<u>¢ 200,567,305,521</u>	<u>113,015,412,292</u>	<u>87,551,893,229</u>	<u>19,928,093,514</u>	<u>67,623,799,715</u>
<b>Non-regulated entities</b>					
Banprocesa R.L.	1,306,725,300	314,828,200	991,897,100	0	991,897,100
Depósito Agrícola de Cartago S.A. and subsidiary	1,028,899,700	346,323,400	682,576,300	0	682,576,300
	<u>¢ 2,335,625,00</u>	<u>661,151,600</u>	<u>1,674,473,400</u>	<u>0</u>	<u>1,674,473,400</u>
<b>Global surplus or deficit of the Financial Conglomerate</b>				<b>¢</b>	<b><u>293,308,991,024</u></b>

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Notes to the Consolidated Financial Statements

As of December 31, 2024, the net worth equity for the BCR Financial Conglomerate is detailed as follows:

Companies of the Financial Conglomerate	<u>Capital base</u>	<u>Minimum individual capital requirement</u>	<u>Individual surplus or deficit</u>	<u>Non-transferable items</u>	<u>Transferable surplus and individual deficit</u>
<b>Parent Company</b>					
Banco de Costa Rica	¢ 619,638,576,167	385,692,116,831	233,946,459,336	0	233,946,459,336
	<u>619,638,576,167</u>	<u>385,692,116,831</u>	<u>233,946,459,336</u>	<u>0</u>	<u>233,946,459,336</u>
<b>Regulated entities</b>					
Banco Internacional de Costa Rica, S. A and subsidiary	141,964,682,400	103,694,515,200	38,270,167,200	18,752,381,928	19,517,785,272
BCR Valores, S. A.- Puesto de Bolsa	21,282,134,992	3,520,842,142	17,761,292,850	0	17,761,292,850
BCR Sociedad Administradora de Fondos de inversión, S.A.	10,287,035,940	2,125,269,350	8,161,766,590	0	8,161,766,590
BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A.	4,250,408,141	4,051,462,827	198,945,314	0	198,945,314
BCR Comercializadora de Seguros, S.A.	4,609,519,200	1,973,479,540	2,636,039,660	0	2,636,039,660
	¢ <u>182,393,780,672</u>	<u>115,365,569,059</u>	<u>67,028,211,614</u>	<u>18,752,381,928</u>	<u>48,275,829,686</u>
<b>Non-regulated entities</b>					
Banprocesa R.L.	1,245,847,303	313,153,242	932,694,061	0	932,694,061
Depósito Agrícola de Cartago S.A. and subsidiary	1,056,940,100	362,518,700	694,421,400	0	694,421,400
	¢ <u>2,302,787,403</u>	<u>675,671,942</u>	<u>1,627,115,461</u>	<u>0</u>	<u>1,627,115,461</u>
<b>Global surplus or deficit of the Financial Conglomerate</b>				¢	<u><b>283,849,404,483</b></u>

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As of March 31, 2024, the net worth equity for the BCR Financial Conglomerate is detailed as follows:

Companies of the Financial Conglomerate	<u>Capital base</u>	<u>Minimum individual capital requirement</u>	<u>Individual surplus or deficit</u>	<u>Non-transferable items</u>	<u>Transferable surplus and individual deficit</u>
<b>Parent Company</b>					
Banco de Costa Rica	¢ 615,774,231,157	386,279,765,181	229,494,465,976	0	229,494,465,976
	<u>615,774,231,157</u>	<u>386,279,765,181</u>	<u>229,494,465,976</u>	<u>0</u>	<u>229,494,465,976</u>
<b>Regulated entities</b>					
Banco Internacional de Costa Rica, S. A and subsidiary	133,902,995,310	97,719,745,167	36,183,250,143	17,729,792,570	18,453,457,573
BCR Valores, S. A.- Puesto de Bolsa	20,474,599,500	7,853,703,837	12,620,895,663	0	12,620,895,663
BCR Sociedad Administradora de Fondos de inversión, S.A.	5,549,092,380	2,450,893,030	3,098,199,350	0	3,098,199,350
BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A.	4,250,408,141	3,779,861,631	470,546,509	0	470,546,509
BCR Comercializadora de Seguros, S.A.	4,699,415,186	1,817,714,561	2,881,700,625	0	2,881,700,625
	<u>¢ 168,876,510,517</u>	<u>113,621,918,226</u>	<u>55,254,592,291</u>	<u>17,729,792,570</u>	<u>37,524,799,721</u>
<b>Non-regulated entities</b>					
Banprocesa R.L.	1,248,344,100	296,564,300	951,779,800	0	951,779,800
Depósito Agrícola de Cartago S.A. and subsidiary	1,052,771,800	259,867,300	792,904,500	0	792,904,500
	<u>¢ 2,301,115,900</u>	<u>556,431,600</u>	<u>1,744,684,300</u>	<u>0</u>	<u>1,744,684,300</u>
<b>Global surplus or deficit of the Financial Conglomerate</b>				¢	<u><u>268,763,949,997</u></u>

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Notes to the Consolidated Financial Statements

19). Contingent accounts

The Bank has consolidated off balance sheet commitments and contingencies that arise in the ordinary course of business and involve elements of credit and liquidity risk.

Off-balance financial instruments with risk are as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Guarantees granted:			
Performance bonds	¢ 56,879,688,755	56,531,129,335	60,768,445,904
Bid bonds	586,218,562	8,524,854	60,520,378
Other guarantees	74,952,511,482	53,453,096,867	46,392,037,862
Issued non-negotiated letters of credit	32,425,715,473	38,838,060,529	24,470,870,404
Confirmed non-negotiated letters of credit	4,512,979,122	1,377,562,628	1,474,219,172
Credit lines to be used automatically	190,361,249,378	183,482,816,046	145,953,020,445
Other contingencies	221,518,924,688	225,088,150,604	224,605,858,671
Credits pending disbursement	49,418,494	49,425,566	49,420,478
	<b>¢ 581,286,705,954</b>	<b>558,828,766,429</b>	<b>503,774,393,314</b>

Off-balance financial instruments involving risk by type of deposit are as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
With prior deposit	¢ 15,089,511,732	16,838,517,597	11,967,841,491
Without prior deposit	344,678,269,534	316,902,098,228	267,200,693,152
Pending lawsuits and claims	221,518,924,688	225,088,150,604	224,605,858,671
	<b>¢ 581,286,705,954</b>	<b>558,828,766,429</b>	<b>503,774,393,314</b>

These commitments and contingent liabilities expose the Bank to credit risk since commissions and losses are recognized in the consolidated balance sheet until the obligations are fulfilled or expired.

As of March 31, 2025, letters of credit are backed 100% by guaranteed deposits or credit facilities.

As of March 31, 2025, floating guarantees in custody are for ¢219,236,331,856 (¢223,652,134,881 and ¢234,576,449,745 for December and March 2024, respectively).

The Bank has off balance financial instruments with risks arising in the ordinary course of business to meet the financial needs of its customers. These financial instruments include letters of credit and guarantee that involve varying levels of credit risk.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

#### Other contingencies

As of March 31, 2025, the Bank's Legal Division reported the following contingencies and commitments:

- In contentious matters, there are active processes established against the Bank estimated in the amount of ₡34,496,442,497 and US\$365,213,542. In addition, other contentious processes are filed for preliminary injunction with no estimate.
- In criminal matters there are active ordinary labor processes which were estimated at ₡273,230,000.
- In labor matters there are active ordinary processes estimated in the amounts of ₡1,823,120,229 and US\$825,000.
- Administrative proceedings against the Bank have been estimated in the amounts of ₡50,259,424 and US\$12,100.

As of March 31, 2025, legal proceedings involving subsidiary BCR SAFI are ongoing at various levels; further details are provided in the note on significant and subsequent events (see Note 39).

As of March 31, 2025, there are legal claims filed against BICSA and its subsidiaries which, in the opinion of Management and external legal counsel, are not expected to have a material adverse effect on the entity's consolidated financial position, performance, or operations.

As of March 31, 2025, BCR Valores, S.A. is involved in a labor-related legal proceeding, judicial case number 17-002581-1178-LA, for which a provision in the amount of ₡8,441,966 has been recorded. On February 5, 2025, the constitutional challenge was resolved, a three-day period was granted to the parties, and a trial hearing was scheduled for June 23, 2025, at 8:30 a.m.

As of December 31, 2024, the Bank's Legal Division reported the following contingencies and commitments:

- In contentious matters, there are active processes established against the Bank estimated in the amount of ₡35,296,597,790 and US\$365,141,927. In addition, other contentious processes are filed for preliminary injunction with no estimate.
- In criminal matters there are active ordinary labor processes which were estimated at ₡273,230,000.

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### Notes to the Consolidated Financial Statements

- In labor matters there are active ordinary processes estimated in the amounts of ₡1,819,537,387 and US\$825,000.
- Administrative proceedings against the Bank have been estimated in the amounts of ₡50,361,133 and US\$12,100.

As of December 31, 2024, there are legal claims filed against BICSA and its subsidiaries that, in the opinion of Management and external attorneys, are not expected to have a material adverse effect on the consolidated position, the consolidated performance or the entity's operations.

As of December 31, 2024, BCR Valores is facing a lawsuit for US\$175,000, which is being processed under file number 16-000207-1027-CA-8 of the Administrative and Civil Court of the Treasury of the Second Judicial Circuit of San José, as follows: By judgment 2024-8841 issued at 10:57 a.m. on November 27, 2024, the Court ordered payment in favor of the plaintiff in the amount of ₡500,000 for personal legal costs and ₡339,000 for procedural expenses, in addition to ₡2,500,000 for moral damages paid to the plaintiff. All the amounts have already been paid by BCR Valores. There is no record that the plaintiff has appealed the Court's decision; therefore, the case is considered closed.

As of December 31, 2024, BCR Valores S.A. is involved in a labor-related case, judicial file number 17-002581-1178-LA, for which a provision of ₡8,441,966 has been set aside. On July 16, 2024, a new suspension of the proceedings was received due to constitutional action 23-023832-0007-CO.

As of March 31, 2024, letters of credit are backed 100% by guaranteed deposits or credit facilities.

As of March 31, 2024, floating guarantees in custody are for ₡234,576,449,745 (₡238,214,652,955 and ₡228,345,841,944 for December and March 2023, respectively).

The Bank has off balance financial instruments with risks that arise in the ordinary course of business to meet the financial needs of its customers. These financial instruments include letters of credit and guarantee that involve varying levels of credit risk.

#### Other contingencies

As of March 31, 2024, the Bank's Legal Division reported the following contingencies and commitments:

- In contentious matters, there are active processes established against the Bank estimated in the amount of ₡32,243,005,101 and US\$370,401,136. In addition, other contentious processes are filed for preliminary injunction with no estimate.

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### Notes to the Consolidated Financial Statements

- In criminal matters there are active ordinary labor processes which were estimated at ₡446,214,804 and US\$5,857.
- In labor matters there are active ordinary processes estimated in the amounts of ₡3,834,400,836 and US\$825,001.
- Administrative proceedings against the Bank have been estimated in the amounts of ₡15,096,422 y US\$2,000.

As of March 31, 2024, there are legal claims filed against BICSA and its subsidiaries that, in the opinion of Management and external attorneys, are not expected to have a material adverse effect on the consolidated position, the consolidated performance or the entity's operations.

As of March 31, 2024, due to the merger between INS Pensiones Operadora de Pensiones Complementarias, S.A. and BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A., a series of contingencies arose that have been reasonably covered with pledged securities from the seller.

As of March 31, 2024, there is a legal labor process, judicial file number 17-002581-1178-LA, provisioned in the amount of ₡8,441,966. The process is currently suspended for unconstitutional action N° 19-014055-0007-CO. As of March 31, 2024, BCR Valores S.A. has an established process, file number 23-000523-1178-LA. The demand was received and the response with the corresponding proof is sent.

#### 20). Trusts

The Bank provides trust services, whereby it manages assets in the direction of the customer. The Bank receives a fee for giving those services. The underlying assets and liabilities are not recognized in the Bank's consolidated financial statements. The Bank is not exposed to any credit risk and does not guarantee these assets or liabilities.

The types of trusts managed by the Bank are as follows:

- Management and investment trusts
- Management trusts with a testamentary clause
- Guarantee trust
- Housing trusts
- Management and investment public trusts.

The assets on which capital trust is invested are detailed as follows:

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Notes to the Consolidated Financial Statements

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Cash and due from banks	¢ 48,449,566,338	43,455,014,241	46,507,562,056
Investments in financial instruments	160,727,734,284	173,946,474,346	187,068,255,868
Loan portfolio	25,925,541,517	25,642,902,165	29,561,662,248
Allowance for doubtful accounts	(6,792,144,870)	(6,748,792,221)	(6,903,894,611)
Realizable assets	123,538,093,752	124,695,292,932	124,543,693,553
Investments in other companies	795,609,900	795,609,900	795,609,900
Other accounts receivable	17,500,267,905	26,727,848,775	32,435,462,332
Property, furniture, and equipment	94,718,681,119	97,028,966,280	100,674,329,702
Other assets	298,076,119,724	302,284,830,136	337,243,143,109
	<b>¢ 762,939,469,669</b>	<b>787,828,146,554</b>	<b>851,925,824,157</b>

Trust capital held by subsidiaries and invested in assets is detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Banco de Costa Rica	¢ 714,254,273,601	741,512,653,451	805,916,182,668
Banco Internacional de Costa Rica, S.A.	48,685,196,068	46,315,493,103	46,009,641,489
	<b>¢ 762,939,469,669</b>	<b>787,828,146,554</b>	<b>851,925,824,157</b>

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Notes to the Consolidated Financial Statements

21). Other debit memoranda accounts

Other debit memoranda accounts are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Own assets and securities held in			
Custody	¢ 9,619,534,055	10,374,116,571	9,053,218,867
Guarantees received and held in custody	7,680,849,746,676	7,396,570,892,196	5,279,857,438,765
Guarantees received and held by third parties	279,331,818,055	284,879,326,990	4,008,430,864
Granted and unused credit lines	659,611,392,529	667,984,457,627	618,747,287,389
Write-offs	268,328,948,932	261,727,510,271	251,368,662,261
Suspense interest receivable	36,302,855,575	35,220,599,289	24,713,630,788
Other memoranda accounts	9,119,543,168,912	7,323,091,789,651	6,799,540,485,154
Assets and securities held in custody			
for third parties	127,619,067,042	54,106,247,365	130,511,546,891
Managed funds assets	2,328,913,233,884	2,295,747,544,794	2,239,871,257,613
Management of individual portfolios			
by the stock market	293,341,093,069	289,788,537,890	259,541,665,924
Marketable securities received as collateral (Guarantee Trust)	0	414,001,634	0
Confirmed cash contracts pending settlement	0	239,146,429	0
Own held-for-trading securities	1,094,688,212,386	1,029,229,514,818	809,062,162,567
Cash and accounts receivable for custodial activities	51,640,465,823	52,226,403,776	27,501,841,613
Held-for-trading securities held in custody for third parties as guarantee (guarantee trust)	61,491,916,566	43,377,662,941	39,904,141,416
Held-for-trading securities pending receipt	69,195,962,104	39,322,753,643	12,960,973,029
Confirmed spot agreements pending Settlement	79,769,145,963	39,618,244,522	15,848,483,497
Futures pending settlement	64,340,821,193	56,336,980,696	57,602,589,142
Third parties held-for-trading securities	8,678,517,628,774	7,937,928,484,826	7,939,635,851,205
	<b>¢ 30,903,105,011,538</b>	<b>27,818,184,215,929</b>	<b>24,519,729,666,985</b>

Other memoranda accounts by subsidiaries are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Banco de Costa Rica	¢ 26,350,512,215,834	23,338,735,853,372	20,868,349,433,233
Banco Internacional de Costa Rica, S.A.	1,117,552,917,406	1,099,925,565,528	426,516,229,119
BCR Valores, S.A.- Puesto de Bolsa (see note 22)	1,094,070,734,168	1,070,927,854,042	972,449,512,366
BCR Sociedad Administradora de Fondos de Inversión, S.A. (see note 23)	526,234,757,755	511,398,177,375	575,352,157,433
BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A. (see note 24)	1,812,456,448,063	1,794,897,577,618	1,673,748,308,857
Depósito Agrícola de Cartago S. A.	2,277,938,312	2,299,187,994	3,314,025,977
	<b>¢ 30,903,105,011,538</b>	<b>27,818,184,215,929</b>	<b>24,519,729,666,985</b>

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Notes to the Consolidated Financial Statements

22). Current and term brokerage operations and portfolio management operations

Memoranda accounts of BCR Valores. S.A. - Puesto de Bolsa are detailed as follows:

In repurchase and term operations, BCR Valores is contingently liable for the short balance that arises when a security is settled for an amount that is less than the amount payable to the respective buyer. In accordance with the Regulations for Repurchase Operations and the Regulations for Term Operations, all such transactions have collaterals to cover those contingencies.

Securities backing repurchase agreements are held in custody at Central de Valores de la Bolsa Nacional de Valores. S.A. (CEVAL) or foreign depositories with which CEVAL has custody agreements.

a) Repurchase

BCR Valores subscribes to agreements to buy or sell securities at certain future dates (repurchase agreements). Those agreements are comprised of securities that the parties undertake to sell or buy on an agreed date and at a stated price. The difference between the contractual value and the value of the security represents additional collateral for the operation and corresponds to a portion of the security held in custody.

As of March 31, 2025, forward buyer and seller positions in repurchase and reverse repurchase agreements in which BCR Valores, S.A. Puesto de Bolsa participates, are as follows:

	Forward buyer			Forward seller		
	Colones	US Dollars	Total	Colones	US Dollars	Total
Third parties						
1 to 30 days	¢ 4,747,965,930	16,143,605,549	20,891,571,478	3,009,651,669	7,307,031,962	10,316,683,632
31 to 60 days	0	672,650,231	672,650,231	0	1,826,757,99	1,826,757,991
<b>Third parties</b>	<b>4,747,965,930</b>	<b>16,816,255,780</b>	<b>21,564,221,710</b>	<b>3,009,651,669</b>	<b>9,133,789,953</b>	<b>12,143,441,622</b>
<b>Total</b>	<b>¢ 4,747,965,930</b>	<b>16,816,255,780</b>	<b>21,564,221,710</b>	<b>3,009,651,669</b>	<b>9,133,789,953</b>	<b>12,143,441,622</b>

As of December 31, 2024, forward buyer and seller positions in repurchase and reverse repurchase agreements in which BCR Valores, S.A. Puesto de Bolsa (Brokerage House) participates, are as follows:

	Forward buyer			Forward seller		
	Colones	US Dollars	Total	Colones	US Dollars	Total
Third parties						
1 to 30 days	¢ 5,978,763,648	19,965,853,471	25,944,617,119	3,072,492,110	8,476,294,097	11,548,786,207
31 to 60 days	0	940,422,787	940,442,787	0	2,119,073,524	2,119,073,524
<b>Third parties</b>	<b>5,978,763,648</b>	<b>20,906,276,258</b>	<b>26,885,039,906</b>	<b>3,072,492,110</b>	<b>10,595,367,622</b>	<b>13,667,859,732</b>
<b>Total</b>	<b>¢ 5,978,763,648</b>	<b>20,906,276,258</b>	<b>26,885,039,906</b>	<b>3,072,492,110</b>	<b>10,595,367,622</b>	<b>13,667,859,732</b>

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As of March 31, 2024, forward buyer and seller positions in repurchase and reverse repurchase agreements in which BCR Valores, S.A. Puesto de Bolsa (Stock Exchange) participates, are as follows:

	Forward buyer			Forward seller		
	Colones	US Dollars	Total	Colones	US Dollars	Total
<b>Third parties</b>						
1 to 30 days	¢ 3,753,262,625	6,571,273,175	10,324,535,800	5,231,872,836	1,775,298,835	7,007,171,671
31 to 60 days	5,614,256,277	13,708,046,106	19,322,302,383	1,703,936,353	0	1,703,936,353
61 to 90 days	0	154,227,779	154,227,779	0	0	0
<b>Third parties</b>	¢ <b>9,367,518,902</b>	<b>20,433,547,060</b>	<b>29,801,065,962</b>	<b>6,935,809,189</b>	<b>1,775,298,835</b>	<b>8,711,108,024</b>
<b>Total</b>	¢ <b>9,367,518,902</b>	<b>20,433,547,060</b>	<b>29,801,065,962</b>	<b>6,935,809,189</b>	<b>1,775,298,835</b>	<b>8,711,108,024</b>

b) Guarantees granted

To comply with Bolsa Nacional de Valores, S.A., requirement for a system of guarantees to secure operations executed by the Brokerage House on behalf of third parties, the Brokerage Firm may either hold a performance bond in colones issued by a private Costa Rican bank or contribute to the Guarantee Fund as described below.

To establish a risk management system, SUGEVAL set up a guarantee fund comprised of contributions from brokerage firms. Contributions are made proportionally based on the net buyer positions during the last six months. As of March 31, 2025, the Brokerage House made contributions for a total of ¢375,604,920, (¢58,969,930 for December and March 2024, respectively). These contributions are registered in the subaccount "Guarantee fund - National Stock Exchange".

c) Agreements entered with customers of BCR Valores, S.A. - Puesto de Bolsa

Starting 2012, a multiple agreement was implemented, which includes all the products offered by BCR Valores, except for individual portfolio management services. Accordingly, the BCR Valores has two types of agreements available:

- Commission agreement to perform brokerage operations, foreign exchange operations, and operations with foreign exchange and financial derivatives.
- Individual portfolio management agreement.

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Notes to the Consolidated Financial Statements

d) Customer securities and own securities in custody

As of March 31, 2025, BCR Valores, S.A. has following securities in custody:

<u>Place of Custody</u>	<u>Custody Type</u>	<u>Balance</u>
<i>Colones</i>		
Local	Custody free	¢ 466,531,097,623
Local	Repurchase operations	2,484,365,193
		¢ <u>469,015,462,816</u>
<i>US dollars</i>		
Local	Custody free	¢ 73,634,866,606
Local	Repurchase operations	131,748,016
Foreign custodians	Custody at available face value	129,653,959,997
Foreign custodians	Custody at purchase value of shares	1,195,041,735
		¢ <u>204,615,616,354</u>
<i>Canadian dollars</i>		
Foreign custodians	Custody free	¢ 355,004
<b>Total own custody, colones, US dollars and other currencies</b>		¢ <u><b>673,631,434,174</b></u>
<b>US Dollars and others</b>		¢ <u><b>673,631,434,174</b></u>

As of December 31, 2024, BCR Valores, S.A. has following securities in custody:

<u>Place of Custody</u>	<u>Custody Type</u>	<u>Balance</u>
<i>Colones</i>		
Local	Custody free	¢ 301,833,946,812
Local	Repurchase operations	6,981,079,910
		¢ <u>308,815,026,722</u>
<i>US dollars</i>		
Local	Custody free	¢ 311,439,760,108
Local	Repurchase operations	31,415,938,679
		¢ <u>342,855,698,787</u>
<i>Canadian dollars</i>		
Foreign custodians	Custody free	¢ 530,455
<b>Total own custody, colones, US dollars and other currencies</b>		¢ <u><b>651,671,255,964</b></u>
<b>US Dollars and others</b>		¢ <u><b>651,671,255,964</b></u>

As of March 31, 2024, BCR Valores, S.A. has following securities in custody:

<u>Place of Custody</u>	<u>Custody Type</u>	<u>Balance</u>
<i>Colones</i>		
Local	Custody free	¢ 292,436,362,548
Local	Repurchase operations	11,311,124,200
		¢ <u>303,747,486,748</u>
<i>US dollars</i>		
Local	Custody free	¢ 283,813,043,872
Local	Repurchase operations	30,285,813,611
Foreign custodians	Custody available at face value	35,462,000
Foreign custodians	Shares at purchase value	1,785,368,636
		¢ <u>315,919,688,119</u>
<b>Total own custody, colones, US dollars and other currencies</b>		¢ <u><b>619,667,174,867</b></u>
Total custody, third parties,		
<b>US Dollars and others</b>		¢ <u><b>619,667,174,867</b></u>

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Notes to the Consolidated Financial Statements

23). Investment fund management agreements

The value of net assets in each investment fund managed by the BCR Sociedad Administradora de Fondos de Inversión, S.A. (Investment Fund Manager) is as follows:

<u>Investment Fund</u>	<u>Type of fund</u>		<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
<i>In Colones</i>					
BCR Short-term colones, undiversified	Financial, open	¢	54,663,694,435	50,378,730,208	45,216,041,768
BCR quarterly colones, undiversified	Financial, open, medium-term		529,770,090	423,646,651	421,925,242
BCR mixed colones, undiversified	Open, medium-term		42,457,506,093	32,371,502,404	44,672,435,309
BCR Portfolio Fund colones	Open, medium-term		47,742,935,819	34,289,126,274	46,610,371,268
BCR Real Estate, colones Undiversified	Closed, non-financial and mixed portfolio		17,097,603,939	16,984,351,599	16,227,655,867
		¢	<u>162,491,510,376</u>	<u>134,447,357,136</u>	<u>153,148,429,454</u>
<i>In US dollars</i>					
Investment Funds in US Dollars, equivalent in colones (See note 21)			<u>363,743,247,379</u>	<u>376,950,820,239</u>	<u>486,073,632,138</u>
		¢	<u><b>526,234,757,755</b></u>	<u><b>511,398,177,375</b></u>	<u><b>575,352,157,433</b></u>
<i>Investment Funds in US dollars</i>					
BCR Liquidity Dollars, undiversified	Open	US\$	69,275,021	87,349,275	63,300,805
BCR Real Estate Dollars, undiversified	Real estate, closed, long-term		238,302,731	239,887,339	239,315,162
BCR Real Estate Trade and Industry, undiversified	Real estate, closed, long-term		196,818,456	196,501,514	191,731,796
BCR Liquidity Fund Dollars international, undiversified	Open, money market		81,675,109	75,195,447	131,922,037
BCR Portfolio Fund, US dollars	Open, medium-term		25,587,740	28,671,529	31,415,598
BCR Evolution	Open, medium-term		4,283,081	1,462,224	1,399,143
BCR Real Estate Progress Fund, undiversified	Real estate, closed		87,026,328	87,440,672	85,111,047
PEL Development Investment Fund	Real estate, closed		18,443,739	18,675,859	89,210,901
		US\$	<u><b>721,412,205</b></u>	<u><b>735,183,859</b></u>	<u><b>833,406,489</b></u>

24). Pension fund management agreements

The value of assets for each investment fund managed by BCR Pensión Operadora de Planes de Pensiones Complementarias, S.A. (Pension Fund Manager) is as follows:

		<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
Own assets and securities held in custody	¢	9,619,534,055	10,374,116,571	9,053,218,867
Assets and securities held in custody by third parties		158,437,879	174,093,628	175,989,810
Mandatory pension fund		1,530,001,123,059	1,515,284,732,986	1,410,245,485,325
Voluntary pension fund		37,621,276,681	37,690,847,325	38,738,777,056
Labor capitalization fund		69,290,246,051	67,609,550,369	62,960,390,130
Supplementary pension funds created by special laws (see note 21)		165,765,830,338	163,764,236,739	152,574,447,669
	¢	<u><b>1,812,456,448,063</b></u>	<u><b>1,794,897,577,618</b></u>	<u><b>1,673,748,308,857</b></u>

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The details of assets for each pension fund in the separately issued reports are detailed as follows.

Funds received by the Pension Fund Manager are invested in the following securities and other investments:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>Voluntary Pension Fund (colones)</b>	<b>¢ 28,785,515,172</b>	<b>35,511,837,417</b>	<b>30,257,230,199</b>
<b>At fair value through other comprehensive income</b>	<b>26,132,433,112</b>	<b>32,842,445,525</b>	<b>29 026 776 394</b>
<b>Entities from the public sector of the country</b>	<b>21,020,129,456</b>	<b>27,788,934,311</b>	<b>21,125,332,433</b>
Ministry of Finance	19,659,299,330	18,728,954,309	17,205,883,259
Banco Central de Costa Rica	1,052,556,807	7,191,400,850	1,950,081,628
Other issuers from the public sector	308,273,319	1,868,579,152	1,969,367,546
<b>Entities from the private sector of the country</b>	<b>5,112,303,656</b>	<b>5,053,511,214</b>	<b>7,901,443,961</b>
Financial	5,062,309,426	4,453,602,139	7,301,766,734
Non-financial	49,994,230	599,909,075	599,677,227
<b>At fair value with changes through profit or loss</b>	<b>2,653,082,060</b>	<b>2,669,391,982</b>	<b>1,230,453,805</b>
<b>Entities from the private sector of the country Financial</b>	<b>2,653,082,060</b>	<b>2,669,391,982</b>	<b>1,230,453,805</b>
Financial entities abroad from the private sector financial	388,995,807	362,090,549	1,230,453,805
Financial entities abroad from the private sector financial	2,264,086,253	2,307,301,343	0
<b>Voluntary Pension Fund (US\$)</b>	<b>US 7,681,762,901</b>	<b>7,820,262,582</b>	<b>7,048,389,551</b>
<b>At fair value through other comprehensive income</b>	<b>6,814,633,666</b>	<b>6,823,711,453</b>	<b>6 958 767 112</b>
<b>Entities from the public sector of the country</b>	<b>5,685,398,320</b>	<b>5,702,697,993</b>	<b>4,385,613,378</b>
Ministry of Finance	5,357,791,506	5,462,812,556	4,149,907,013
Central Bank of Costa Rica	0	0	0
Other issuers from the public sector	327,426,814	239,885,437	235,706,365
<b>Entities from the private sector of the country</b>	<b>1,129,235,346</b>	<b>1,121,013,460</b>	<b>2,573,153,734</b>
Financial	1,129,235,346	1,121,013,460	2,573,153,734
<b>At fair value through profit or loss</b>	<b>867,129,235</b>	<b>996,551,129</b>	<b>89,622,439</b>
<b>Entities from the private sector of the country</b>	<b>867,129,235</b>	<b>996,551,129</b>	<b>89,622,439</b>
Financial	19,966,716	107,616,377	89,622,439
<b>Entities from the private sector abroad</b>	<b>847,162,519</b>	<b>888,934,752</b>	<b>0</b>
Financial entities	847,162,519	888,934,752	0

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	March 2024	December 2024	March 2024
<b>Mandatory Regime of Supplementary Pensions (colones) €</b>	<b>1,678,872,353,845</b>	<b>1,665,392,030,003</b>	<b>1,534,861,140,143</b>
<b>At fair value through other comprehensive income</b>	<b>1,163,274,739,223</b>	<b>1,191,189,763,242</b>	<b>1,186,352,748,679</b>
<b>Entities from the public sector of the country</b>	<b>1,085,412,491,724</b>	<b>1,095,169,668,438</b>	<b>1,012,644,279,590</b>
Ministry of Finance	971,741,901,356	965,910,796,910	899,678,082,970
Banco Central de Costa Rica	47,053,944,487	50,002,388,888	28,236,648,663
Other issuers from the public sector	66,616,645,881	79,256,482,640	84,729,547,957
<b>Entities from the private sector of the country</b>	<b>77,862,247,499</b>	<b>96,020,094,804</b>	<b>173,708,469,089</b>
Financial	70,240,110,097	82,882,495,726	160,606,939,082
Non-financial	7,622,137,402	13,137,599,078	13,101,530,007
In public entities abroad	0	0	0
<b>At fair value through profit or loss</b>	<b>506,793,199,176</b>	<b>465,396,524,192</b>	<b>348,508,391,464</b>
<b>Entities from the private sector of the country</b>	<b>8,918,834,232</b>	<b>9,960,756,461</b>	<b>29,799,598,085</b>
Financial	8,918,834,232	9,960,756,461	29,799,598,085
Entities from the foreign the public sector	0	0	0
<b>Entities from the public sector of the country</b>	<b>497,874,364,944</b>	<b>455,705,767,731</b>	<b>318,708,793,379</b>
Financial	0	0	5,328,041,787
In public entities abroad	471,461,118,607	429,288,540,022	313,380,751,592
At amortized cost	8,804,415,446	8,805,742,570	
<b>Entities from the public sector of the country</b>	<b>8,804,415,446</b>	<b>8,805,742,570</b>	
Ministry of Finance	8,804,415,446	8,805,742,570	
<b>Labor Capitalization Fund (colones) €</b>	<b>69,451,881,486</b>	<b>67,974,181,373</b>	<b>64,987,265,998</b>
<b>At fair value through other comprehensive income</b>	<b>63,576,297,418</b>	<b>60,954,132,610</b>	<b>59,059,812,071</b>
<b>Entities from the public sector of the country</b>	<b>49,425,990,979</b>	<b>49,403,561,084</b>	<b>44,070,120,015</b>
Ministry of Finance	47,095,625,296	40,348,624,413	36,886,177,623
Banco Central de Costa Rica	1,311,959,253	7,187,664,511	5,284,497,827
Other issuers from the public sector	1,018,406,430	1,867,272,160	1,899,444,565
<b>Entities from the private sector of the country</b>	<b>14,150,306,439</b>	<b>11,550,571,526</b>	<b>14,989,692,056</b>
Financial	13,800,346,829	10,701,739,683	14,146,288,678
Non-financial	349,959,610	848,831,843	843,403,378
<b>At fair value through profit or loss</b>	<b>769,734,935</b>	<b>1,834,155,007</b>	<b>5,927,453,927</b>
<b>Entities from the private sector of the country</b>	<b>769,734,935</b>	<b>1,834,155,007</b>	<b>5,927,453,927</b>
Financial	769,734,935	1,834,155,007	5,927,453,927
In public entities of the country	5,105,849,133	5,185,893,756	0

The agreements entered by the Pension Fund Manager are found in chapter II of the Labor Protection Law, articles 14, 15, and thereafter. The applicable agreement is known as "Voluntary Supplemental Pension Plan Affiliation Agreement."

The following is a general description of the nature of the agreements entered:

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The Labor Protection Law seeks to establish mechanisms to expand coverage and strengthen the funding base for the Disability, Old Age, and Death System of the CCSS through supplemental pension funds. The Law establishes a voluntary personal savings system, whereby contributions are recorded and controlled by the Centralized Collection System of the CCSS, or directly by the pension fund operators. A close relationship exists between the funds, plans, and agreements, the latter being a formal requirement for eligibility to access pension funds. The agreements define and stipulate the rights and obligations of both parties. The funds are separate equity funds administered by pension fund operators for a stated purpose, i.e. long-term savings to be used by the member as a supplemental pension fund. The funds are comprised of voluntary contributions from members and third-party contributors.

The plans are a set of complementary conditions and benefits offered to the plan's beneficiaries.

25). Contract for custody and storage of goods

As of March 31, 2025, March and December 2024, Depósito Agrícola de Cartago and its subsidiary have current contracts that are detailed below:

- a) Logistics services provided to the duty-free shops of Instituto Mixto de Ayuda Social (IMAS)

Logistics services provided to the duty-free shops of Instituto Mixto de Ayuda Social (IMAS), management of General and Auxiliary Warehouses, transportation and distributions of goods.

- b) Administrative services agreement signed between Depósito Agrícola de Cartago, S.A. and Banco de Costa Rica.

On December 23, 2019, an administrative services agreement was signed with the purpose of having the Bank provide the support or auxiliary services required by the company for the performance of its activities.

The purpose of the agreement is for Depósito Agrícola to engage Banco de Costa Rica to provide all administrative services that the former deems necessary for its proper functioning and efficient operation.

- c) Forklift Lease Agreement signed between Depósito Agrícola de Cartago, S.A. and Forklift Equipment S.A.

The Company maintains a forklift lease agreement with FORKLIF for a one-year period.

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- d) Warehouse Lease Agreement for the Document Storage and Management Project entered into between Depósito Agrícola de Cartago S.A. and Cía Las Brisas S.A.

The purpose of the agreement is to provide document transfer and custody services, under the modality of closed-box and/or open-box on-demand service, as well as document digitization and inquiry response. The term of the contract is five years.

- e) Agreement for the Provision of Logistic, Administrative, and Operational Services signed between Depósito Agrícola de Cartago S.A. and Banco de Costa Rica.

On November 20, 2023, Contract No. 2023PX-000005-0005300001 was executed between Depósito Agrícola and Banco de Costa Rica, with the objective of establishing a framework agreement under which the Bank may engage Depósito Agrícola for the provision of all logistic, operational, and administrative services deemed necessary for its proper functioning and efficient operation.

On the same date, Addendum No. 1 was also signed, allowing Depósito Agrícola to provide sales collection services at IMAS stores. This service consists of issuing invoices at the cash registers of IMAS duty-free stores through the designated information system or any other mechanism established either permanently or temporarily for this purpose. It also includes verifying passenger requirements and recording pertinent information.

For the year 2024, new addenda were signed to incorporate the new services implemented by the Subsidiary for Banco de Costa Rica, in alignment with its role as an exclusive service provider to the Bank. These include Addendum No. 2, corresponding to the Document Storage and Management Service, Addendum No. 3, covering services for document archive transfer, reception and registration of files, uploading of digitized images, and file review, and Addendum No. 4, corresponding to miscellaneous support services.

26). Financial income on investments in financial instruments

Financial income from investments in financial instruments is as follows:

	<b>March 2025</b>	<b>March 2024</b>
Interest in investments in financial instruments at fair value through profit or loss	13,952,891	4,234,974
Interest in investments in financial instruments at fair value through comprehensive income	24,544,231,480	18,412,351,496
Interests for investments at amortized cost	1,234,120,598	4,006,931,181
Income from investments in due and restricted financial instruments	1,068,825,946	736,882,855
	<b>26,861,130,915</b>	<b>23,160,400,506</b>

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27). Financial income on loan portfolio and other financial interests

Financial income on loan portfolio and the financial interests is detailed as follows:

	<b>March 2025</b>	<b>March 2024</b>
Personal	¢ 37,388,120,365	33,688,187,546
Development Banking System	1,046,663,481	1,079,208,258
Business	6,066,630,960	5,520,075,393
Corporate	38,776,899,224	40,104,396,446
Public sector	920,679,401	1,129,523,251
Financial sector	28,319,169	401,637,865
Amortization of the net commission of the incremental direct costs associated with loans	1,257,366,792	1,051,846,916
Interest in accounts receivable related to loan portfolio and other financial instruments for other concepts not included in the previous subaccounts and analytical accounts	557,764,523	355,783,525
	<b>¢ 86,042,443,915</b>	<b>83,330,659,200</b>

28). Expenses from obligations with the public

Financial expenses from obligations with the public are as follows:

	<b>March 2025</b>	<b>March 2024</b>
Expenses from demand deposits	¢ 14,842,310,854	17,534,072,286
Expenses from term deposits	26,525,534,867	26,275,118,854
Expenses from securities in repurchase agreements	0	16
	<b>¢ 41,367,845,721</b>	<b>43,809,191,156</b>

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Notes to the Consolidated Financial Statements

29). Expenses for allowance for impairment of the loan portfolio and accounts and commissions receivable

Expenses from allowances for impairment of loan portfolio are as follows:

	<b>March 2025</b>	<b>March 2024</b>
Decrease in specific allowance for loan portfolio (See note 6-f) ¢	4,082,465,483	710,398,792
Expense for allowance for impairment and bad debts from other accounts receivable	878,005,278	2,122,301,923
Decrease in generic allowance and counter cycle for loan portfolio (See note 6-f)	0	620,074,271
Expenses for allowance for impairment of investments at fair value through other comprehensive income	12,523,086	11,606,277
Expenses for allowance for impairment of financial instruments at amortized cost.	36,049	1,345
Expenses for allowance for impairment of expired and restricted financial instruments	487,726	266,257
¢	<b><u>4,973,517,622</u></b>	<b><u>3,464,648,865</u></b>

30). Income from recovery of assets and decreases in allowances and provisions

Income from recovery of assets and decreases in allowances and provisions is detailed as follows:

	<b>March 2025</b>	<b>March 2024</b>
Recovery of written-down loans ¢	1,499,294,473	1,068,671,435
Decrease in allowance for other bad receivables	789,447,363	1,965,608,598
Decrease in allowance for bad investment securities	103,754,243	83,944,153
¢	<b><u>2,392,496,079</u></b>	<b><u>3,118,224,186</u></b>

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31). Income from service fees and commissions

Income from service fees and commissions is detailed as follows:

	<b>March 2025</b>	<b>March 2024</b>
Drafts and transfers	¢ 645,657,897	652,992,599
Foreign trade	293,252,188	256,554,296
Certified checks	10,676,520	851,897
Trust management	686,444,462	843,642,981
Custodial services	105,063,065	113,967,108
For mandates	228,308	303,399
Collections	182,053,836	160,769,352
Credit Cards	12,717,362,249	10,998,635,707
Investment Fund management	1,019,327,744	1,244,028,129
Pension Fund management	1,948,390,447	1,809,673,598
Insurance underwriting	1,863,489,151	1,616,544,657
Brokerage fees (by third parties in local market)	382,495,145	172,092,927
Brokerage fees (by third parties in other markets)	161,384,913	240,536,183
Individual portfolio management fee	225,229,639	257,736,369
Commissions from operations with related parties	195,927,722	106,446,724
Commission from custodial services of authorized securities	99,681,451	146,547,515
Other commissions	10,764,571,835	10,089,724,809
	<b>¢ 31,301,236,572</b>	<b>28,711,048,250</b>

32). Income from interests in other companies

As of March 31, 2025, and March 2024, there are no amounts recorded as income from equity participation in other companies.

As of March 31, 2025, an amount of ¢77,266,090 is recorded in the expense account for equity participation related to Banprocesa SRL, and ¢79,514,231 in BCR Leasing (As of December 31, 2024, there are ¢216,780,896, in account for participation expenses referring to Banprocesa SRL and ¢623,109,827 in BCR Leasing and for March, 2024 there are ¢41,543,949, in account for participation expenses referring to Banprocesa SRL and ¢171,366,400 in BCR Leasing).

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33). Administrative expenses

Administrative expenses are detailed as follows:

	<b>March 2025</b>	<b>March 2024</b>
Salaries and bonuses, permanent staff	¢ 17,433,603,668	16,968,159,011
Salaries and bonuses, contractors	341,417,638	204,257,760
Compensation for directors and auditors	55,338,360	60,574,019
Overtime	329,315,379	248,903,966
Per diem	126,339,659	87,794,147
Statutory Christmas Bonus	1,565,617,706	1,511,362,327
Vacation	1,398,974,672	1,613,411,038
Incentives	0	1,730,417
Fixed representation expenses	240,472,798	222,641,579
Other compensation	529,146,683	481,280,696
Contribution to severance payment	811,943,541	788,102,160
Social security charges	6,629,750,192	6,390,140,020
Refreshments	13,165,901	12,801,444
Uniforms	881,307	22,400,983
Training	142,593,294	73,271,524
Employee insurance	141,323,219	108,244,767
Assets for personal use	18,584	335,156
School bonus	1,647,869,540	1,598,438,321
Labor Capitalization Fund	263,353,893	253,600,936
Other personnel expenses	202,616,323	208,622,159
Outsourcing expenses	7,591,114,692	6,817,809,284
Transportation and communication expenses	421,527,234	566,712,287
Property insurance	4,607,219	16,379,383
Property maintenance and repair	1,134,654,808	1,102,928,685
Public utilities	480,361,734	533,433,291
By right of use-properties	1,011,914,611	860,444,095
By right of use-furniture, equipment, and other assets	237,593,986	151,119,797
Depreciation of property, plant and equipment, except vehicles	2,354,655,258	2,714,537,721
Amortization of leasehold property	64,056,830	60,186,841
Other infrastructure expenses	1,159,461,588	788,742,407
Overhead	6,215,655,558	6,387,022,839
	¢ <b><u>52,549,345,875</u></b>	<b><u>50,855,389,060</u></b>

34). Legal profit allocation

Legal allocations of profit (statutory allocations) for the period are detailed as follows:

	<b>March 2025</b>	<b>March 2024</b>
Allocation for CONAPE	¢ 1,084,052,802	1,167,629,751
Allocation for Instituto Nacional de Fomento Cooperativo	1,804,451,787	1,041,099,865
Allocation for National Emergency Commission	745,305,803	777,358,819
Allocation for Public Pension Fund Operators	230,349,686	241,968,528
Allocation for Invalidation, Old Age and Death Regime	3,252,158,407	3,502,889,254
	¢ <b><u>7,116,318,485</u></b>	<b><u>6,730,946,217</u></b>

As of March 31, 2025, there are no additional adjustments on legal participation (as of December and March 2024 there is no amount).

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35). Components of other comprehensive income

The components of other comprehensive income are detailed as follows:

	<b>December 2024</b>		
	<b>Amount before taxes</b>	<b>Tax benefit (expense)</b>	<b>Net taxes</b>
Adjustment for valuation of investments at fair value through other comprehensive income.	¢ (2,464,952,790)	822,570,168	(1,642,382,622)
Impairment – Investments at fair value through other comprehensive income	(89,593,471)	0	(89,593,471)
Exchange differences from conversion of financial statements of foreign entities	(2,225,055,218)	0	(2,225,055,218)
	<u>¢ (4,779,601,479)</u>	<u>822,570,168</u>	<u>(3,957,031,311)</u>

	<b>March 2024</b>		
	<b>Amount before taxes</b>	<b>Tax benefit (expense)</b>	<b>Net taxes</b>
Adjustment for valuation of investments at fair value through other comprehensive income.	¢ 6,956,309,224	(2,121,143,102)	4,835,166,122
Impairment – Investments at fair value through other comprehensive income	(76,875,238)	0	(76,875,238)
Exchange differences from conversion of financial statements of foreign entities	(5,131,775,988)	0	(5,131,775,988)
	<u>¢ 1,747,657,998</u>	<u>(2,121,143,102)</u>	<u>(373,485,104)</u>

36). Operating leases

Lessee

As of March 31, 2025, December and March 2024, there are no amounts in these accounts.

37). Fair value of financial instruments

The fair values of the Bank's main financial assets and liabilities are as follows:

	<b>March 2025</b>		<b>December 2024</b>		<b>March 2024</b>	
	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
Cash and due from banks	¢ 900,793,374,321	900,793,374,321	912,828,480,144	912,828,480,144	855,700,383,212	855,700,383,212
Investment	1,685,072,921,266	1,664,526,101,162	1,826,352,745,127	1,799,249,860,233	1,643,392,756,531	1,570,284,855,059
Loan portfolio	4,427,360,741,403	4,494,647,491,781	4,372,610,466,969	4,591,365,563,076	4,112,325,863,535	4,379,469,067,746
	<u>7,013,227,039,990</u>	<u>7,059,966,967,264</u>	<u>7,111,791,692,240</u>	<u>7,303,443,903,453</u>	<u>6,611,419,003,278</u>	<u>5,868,484,808,224</u>
Demand deposits	3,318,680,877,514	3,318,680,877,514	3,410,571,620,345	3,410,571,620,345	3,219,351,016,928	3,219,351,016,928
Term deposits	1,970,919,527,339	1,958,398,946,185	1,766,526,057,777	1,752,813,633,212	1,723,500,511,186	1,342,388,131,768
Financial obligations	901,892,028,268	858,576,465,509	1,108,786,152,493	1,064,271,398,045	923,086,616,237	436,267,510,991
	<u>¢ 6,191,492,433,121</u>	<u>6,135,656,289,208</u>	<u>6,285,883,830,615</u>	<u>6,227,656,651,603</u>	<u>5,865,938,144,351</u>	<u>4,998,006,659,687</u>

(Continued)

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

As of March 31, 2025, the financial obligations for subordinated obligations are for ¢50,145,984,558, (¢50,145,218,871 and ¢50,143,055,402 for December and March 2024, respectively).

Where practicable, the following assumptions were used by management to estimate the fair value of each class of financial instruments both on and off the consolidated balance sheet:

- a) Cash and cash equivalents, interest receivable, other accounts receivable, demand deposits and customer savings deposits, interest payable, and other liabilities.

The carrying amounts approximate fair value because of the short maturity of these instruments.

- b) Investments in financial instruments

For financial instruments through other comprehensive income, the fair value is based on market price quotes or quotes from brokers.

- c) Securities sold under repurchase agreements

The carrying amount of funds owed under repurchase agreements maturing in one year or less approximates their fair value because of the short maturity of these instruments.

- d) Loan portfolio

Management determined the fair value of the loan portfolio by the discounted cash flow method.

- e) Term deposits and loans payable

Management determined the fair value of term deposits and loans payable by the discounted cash flow method.

Fair value estimates are made at a specific date, based on relevant market information and information concerning the financial instruments. These estimates do not reflect any premium or discount that could result from the sale of a particular financial instrument at a given date. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and. Therefore, it cannot be determined with precision. Estimates could vary significantly if changes are made to those assumptions.

### 38). Segments

The Bank has defined its business segments based on the administrative and reporting structure, and on the structure of banking, stock brokerage, investment and pension fund management, and insurance brokerage services it provides.

**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

As of March 31, 2025, assets and liabilities for each segment are presented as follows:

	<u>Bank</u>	<u>Pension Fund Operator</u>	<u>Investment Fund Manager</u>	<u>Brokerage House</u>	<u>Foreign Bank</u>	<u>Insurance Broker</u>	<u>Depósito Agrícola</u>	<u>Banprocesa</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>Assets</b>											
Cash and due from banks	€ 855,689,913,103	120,920,110	844,311,047	2,991,033,008	60,876,152,884	405,538,951	6,840,437	11,422,368	920,946,131,908	(20,152,757,586)	900,793,374,322
Investment in financial instruments	1,463,491,448,764	7,829,508,447	28,196,174,527	78,919,569,758	97,361,178,071	8,600,393,924	793,551,245	971,056,312	1,686,162,881,048	(1,266,594,868)	1,684,896,286,180
Loan portfolio	3,455,232,287,235	0	0	0	830,438,934,401	0	0	0	4,285,671,221,636	(12,080,834,236)	4,273,590,387,400
Accounts and fees receivable	49,078,891,268	691,591,354	1,136,762,782	997,208,646	3,122,045,878	781,950,039	88,946,038	572,374,389	56,469,770,394	(367,569,711)	56,102,200,683
Foreclosed assets	23,477,088,848	0	0	0	14,839,177,000	0	39	0	38,316,265,887	1	38,316,265,888
Interest in other companies (net)	144,975,912,840	0	0	65,417,188	0	0	0	0	145,041,330,028	(143,221,451,524)	1,819,878,504
Property, furniture and equipment, net	129,699,439,415	23,183,733	31,424,546	31,753,132	5,729,029,205	28,554,001	718,334,025	2,963,073	136,264,674,130	(1,505,893)	136,263,168,237
Properties investments	6,831,625,000	0	0	0	0	0	0	0	6,831,625,000	0	6,831,625,000
Other assets	96,430,265,728	650,329,647	218,177,667	714,926,512	26,231,165,421	430,288,620	123,945,279	16,324,622	124,815,423,496	(2,109,272,920)	122,706,150,576
<b>TOTAL ASSETS</b>	<b>€ 6,224,906,872,201</b>	<b>9,315,526,291</b>	<b>30,426,850,569</b>	<b>83,719,908,244</b>	<b>1,038,597,682,860</b>	<b>10,246,725,535</b>	<b>1,731,617,063</b>	<b>1,574,140,764</b>	<b>7,400,519,323,527</b>	<b>(179,199,986,737)</b>	<b>7,221,319,336,790</b>
<b>Liabilities and equity</b>											
<b>Liabilities</b>											
Obligations with the public	€ 4,808,998,408,289	0	0	0	483,271,309,166	18,638,352	0	0	5,292,288,355,807	(2,687,950,955)	5,289,600,404,852
Obligations with the Central Bank of Costa Rica	12,001,583,333	0	0	0	0	0	0	0	12,001,583,333	0	12,001,583,333
Obligations with entities	406,485,555,653	18,331,618	31,702,945	57,926,168,477	405,550,588,968	23,007,130	588,645,961	2,712,196	870,626,712,948	(30,910,634,360)	839,716,078,588
Accounts payable and provisions	166,653,221,317	1,184,866,790	1,371,176,328	1,986,471,668	5,234,183,282	1,350,655,170	114,071,369	264,703,277	178,159,349,201	(1,180,391,377)	176,978,957,824
Other liabilities	37,753,144,983	0	0	0	2,636,947,810	83,974,760	0	1	40,474,067,554	(1)	40,474,067,553
Subordinated obligations	50,145,984,558	0	0	0	0	0	0	0	50,145,984,558	0	50,145,984,558
<b>Total liabilities</b>	<b>€ 5,482,037,898,133</b>	<b>1,203,198,408</b>	<b>1,402,879,273</b>	<b>59,912,640,145</b>	<b>896,693,029,226</b>	<b>1,476,275,412</b>	<b>702,717,330</b>	<b>267,415,474</b>	<b>6,443,696,053,401</b>	<b>(34,778,976,693)</b>	<b>6,408,917,076,708</b>
<b>Equity</b>											
Capital	181,409,990,601	5,371,731,614	27,957,200,000	12,626,000,000	38,609,421,071	2,250,000,000	305,842,762	710,000,000	269,240,186,048	(87,830,195,447)	181,409,990,601
Unfunded capital contributions	0	558,126,526	0	0	0	0	0	0	558,126,526	(558,126,526)	0
Equity adjustments	45,234,815,456	62,994,696	(38,827,088)	1,197,774,319	29,929,981,785	7,941,591	(114,597)	0	76,394,566,162	(31,159,750,705)	45,234,815,457
Capital reserves	385,220,658,667	225,890,000	967,840,000	1,883,789,418	47,600,261,572	449,999,998	42,911,146	86,382,669	436,507,733,470	(51,287,074,803)	385,220,658,667
Prior periods retained earnings	64,628,254,759	1,633,235,362	(22,972,871)	7,544,621,840	23,475,545,586	5,217,505,937	708,181,440	44,946,633	103,633,836,686	(39,005,581,927)	64,628,254,759
Profit for the period	12,696,435,385	230,349,685	160,731,255	555,082,522	2,289,443,620	845,002,594	(27,921,018)	60,877,988	16,810,002,034	(4,113,566,649)	12,696,435,385
Development financing fund	53,678,819,200	0	0	0	0	0	0	0	53,678,819,200	0	53,678,819,200
Minority interest	0	0	0	0	0	0	0	0	0	69,533,286,013	69,533,286,013
<b>Total equity</b>	<b>742,868,974,068</b>	<b>8,112,327,883</b>	<b>29,023,971,296</b>	<b>23,807,268,099</b>	<b>141,904,653,634</b>	<b>8,770,450,123</b>	<b>1,028,899,733</b>	<b>1,306,725,290</b>	<b>956,823,270,126</b>	<b>(144,421,010,044)</b>	<b>812,402,260,082</b>
<b>Total liabilities and equity</b>	<b>6,224,906,872,201</b>	<b>9,315,526,291</b>	<b>30,426,850,569</b>	<b>83,719,908,244</b>	<b>1,038,597,682,860</b>	<b>10,246,725,535</b>	<b>1,731,617,063</b>	<b>1,574,140,764</b>	<b>7,400,519,323,527</b>	<b>(179,199,986,737)</b>	<b>7,221,319,336,790</b>
<b>Debit contingent accounts</b>											
Trust assets	€ 478,888,582,744	0	0	0	102,394,123,210	0	0	0	581,286,705,954	0	581,286,705,954
Trust liabilities	€ 714,254,273,603	0	0	0	48,685,196,066	0	0	0	762,939,469,669	0	762,939,469,669
Trust equity	€ 226,602,472,666	0	0	0	0	0	0	0	226,602,472,666	0	226,602,472,666
Other debit memoranda accounts	€ 487,651,800,937	0	0	0	48,685,196,066	0	0	0	536,336,997,003	0	536,336,997,003
	€ 26,350,512,215,834	1,812,456,448,063	526,234,757,755	1,094,070,734,168	1,117,552,917,406	0	2,277,938,312	0	30,903,105,011,538	0	30,903,105,011,538

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**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

As of December 31, 2024, assets and liabilities for each segment are presented as follows:

	<u>Bank</u>	<u>Pension Fund Operator</u>	<u>Investment Fund Manager</u>	<u>Brokerage House</u>	<u>Foreign Bank</u>	<u>Insurance Broker</u>	<u>Depósito Agrícola</u>	<u>Banprocesa</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>Assets</b>											
Cash and due from banks	€ 887,752,569,846	183,088,450	590,359,380	1,834,382,699	40,810,941,505	630,463,138	5,254,768	33,056,714	931,840,116,500	(19,011,636,356)	912,828,480,144
Investment in financial instruments	1,594,928,255,528	8,449,521,238	28,308,142,801	74,619,342,046	111,923,676,870	7,597,420,481	718,059,195	877,216,952	1,827,421,635,111	(1,277,860,978)	1,826,143,774,133
Loan portfolio	3,358,675,979,445	0	0	0	862,776,066,860	0	0	0	4,221,452,046,305	(6,462,294,912)	4,214,989,751,393
Accounts and fees receivable	40,007,133,801	687,176,921	566,144,353	567,225,250	3,619,498,394	831,221,550	109,816,756	488,666,475	46,876,883,500	(517,329,667)	46,359,553,833
Foreclosed assets	23,528,476,143	0	0	0	15,737,559,307	0	39	0	39,266,035,489	1	39,266,035,490
Interest in other companies (net)	143,483,005,077	0	0	65,417,188	0	0	0	0	143,548,422,265	(141,649,029,530)	1,899,392,735
Property, furniture and equipment, net	132,243,287,299	41,426,663	61,773,661	51,910,562	5,905,172,276	49,914,691	771,371,608	4,673,257	139,129,530,017	(6,023,570)	139,123,506,447
Properties investments	6,831,625,000	0	0	0	0	0	0	0	6,831,625,000	0	6,831,625,000
Other assets	114,748,421,840	646,880,394	747,109,642	1,353,579,491	25,320,378,277	1,548,858,618	208,091,180	162,152,812	144,735,472,254	(2,035,745,228)	142,699,727,026
<b>TOTAL ASSETS</b>	<b>€ 6,302,198,753,979</b>	<b>10,008,093,666</b>	<b>30,273,529,837</b>	<b>78,491,857,236</b>	<b>1,066,093,293,489</b>	<b>10,657,878,478</b>	<b>1,812,593,546</b>	<b>1,565,766,210</b>	<b>7,501,101,766,441</b>	<b>(170,959,920,240)</b>	<b>7,330,141,846,201</b>
<b>Liabilities and equity</b>											
<b>Liabilities</b>											
Obligations with the public	€ 4,717,952,140,819	0	0	0	461,917,834,587	17,296,582	0	0	5,179,887,271,988	(2,789,593,866)	5,177,097,678,122
Obligations with the Central Bank of Costa Rica	164,442,980,856	0	0	0	0	0	0	0	164,442,980,856	0	164,442,980,856
Obligations with entities	411,766,883,735	36,977,025	63,894,659	52,487,921,029	453,281,741,239	46,109,573	643,167,673	4,114,977	918,330,809,910	(24,154,770,334)	894,176,039,576
Accounts payable and provisions	198,421,677,167	2,087,570,833	1,355,637,743	2,600,053,431	4,886,584,571	2,616,877,746	112,485,743	315,803,931	212,396,691,165	(1,244,233,811)	211,152,457,354
Other liabilities	26,491,167,672	0	0	0	4,043,165,465	52,109,785	0	1	30,586,442,923	(2)	30,586,442,921
Subordinated obligations	50,145,218,870	0	0	0	0	0	0	0	50,145,218,870	0	50,145,218,870
<b>Total liabilities</b>	<b>€ 5,569,220,069,119</b>	<b>2,124,547,858</b>	<b>1,419,532,402</b>	<b>55,087,974,460</b>	<b>924,129,325,862</b>	<b>2,732,393,686</b>	<b>755,653,416</b>	<b>319,918,909</b>	<b>6,555,789,415,712</b>	<b>(28,188,598,013)</b>	<b>6,527,600,817,699</b>
<b>Equity</b>											
Capital	181,409,990,601	5,330,912,827	4,839,200,000	12,626,000,000	38,609,421,071	2,250,000,000	305,842,762	710,000,000	246,081,367,261	(64,671,376,660)	181,409,990,601
Unfunded capital contributions	0	198,945,314	22,000,000,000	0	0	0	0	0	22,198,945,314	(22,198,945,314)	0
Equity adjustments	48,040,961,633	64,562,305	(48,069,694)	1,349,471,518	32,123,423,301	7,978,857	4,784	0	81,538,332,704	(33,497,371,072)	48,040,961,632
Capital reserves	364,708,053,622	255,890,000	967,839,999	1,883,789,418	45,168,136,093	449,999,999	42,911,144	75,243,346	413,551,863,621	(48,843,809,999)	364,708,053,622
Prior periods retained earnings	47,328,475,171	993,532,097	1,118,746,669	5,353,702,778	17,972,848,246	2,229,780,036	711,810,925	237,817,523	75,946,713,445	(28,618,238,274)	47,328,475,171
Profit for the period	42,624,954,756	1,039,703,265	(23,719,539)	2,190,919,062	8,090,138,916	2,987,725,900	(3,629,485)	222,786,432	57,128,879,307	(14,503,924,551)	42,624,954,756
Development financing fund	48,866,249,077	0	0	0	0	0	0	0	48,866,249,077	0	48,866,249,077
Minority interest	0	0	0	0	0	0	0	0	0	69,562,343,643	69,562,343,643
<b>Total equity</b>	<b>732,978,684,860</b>	<b>7,883,545,808</b>	<b>28,853,997,435</b>	<b>23,403,882,776</b>	<b>141,963,967,627</b>	<b>7,925,484,792</b>	<b>1,056,940,130</b>	<b>1,245,847,301</b>	<b>945,312,350,729</b>	<b>(142,771,322,227)</b>	<b>802,541,028,502</b>
<b>Total liabilities and equity</b>	<b>6,302,198,753,979</b>	<b>10,008,093,666</b>	<b>30,273,529,837</b>	<b>78,491,857,236</b>	<b>1,066,093,293,489</b>	<b>10,657,878,478</b>	<b>1,812,593,546</b>	<b>1,565,766,210</b>	<b>7,501,101,766,441</b>	<b>(170,959,920,240)</b>	<b>7,330,141,846,201</b>
<b>Debit contingent accounts</b>											
Trust assets	€ 480,507,277,315	0	0	0	78,321,489,114	0	0	0	558,828,766,429	0	558,828,766,429
Trust liabilities	€ 741,512,653,451	0	0	0	46,315,493,103	0	0	0	787,828,146,554	0	787,828,146,554
Trust equity	€ 247,173,104,139	0	0	0	0	0	0	0	247,173,104,139	0	247,173,104,139
Other debit memoranda accounts	€ 494,339,549,312	0	0	0	46,315,493,103	0	0	0	247,173,104,139	0	247,173,104,139
	€ 23,338,735,853,372	1,794,897,577,618	511,398,177,375	1,070,927,854,042	1,099,925,565,528	0	2,299,187,994	0	27,818,184,215,929	0	27,818,184,215,929

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**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

As of March 31, 2024, assets and liabilities for each segment are presented as follows:

	<u>Bank</u>	<u>Pension Fund Operator</u>	<u>Investment Fund Manager</u>	<u>Brokerage House</u>	<u>Foreign Bank</u>	<u>Insurance Broker</u>	<u>Depósito Agrícola</u>	<u>Banprocesa</u>	<u>Total</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>Assets</b>											
Cash and due from banks	€ 844,460,580,063	139,290,826	768,533,486	306,499,554	33,902,789,443	271,007,714	25,177,814	15,686,441	879,889,565,341	(24,189,192,263)	855,700,373,078
Investment in financial instruments	1,488,472,222,211	7,265,516,608	5,649,786,095	62,289,655,441	70,955,743,615	8,527,655,571	620,291,385	766,259,860	1,644,547,130,786	(1,304,726,838)	1,643,242,403,948
Loan portfolio	3,122,011,913,379	0	0	0	859,879,393,245	0	0	0	3,981,891,306,624	(3,771,934,191)	3,978,119,372,433
Accounts and fees receivable	46,514,440,262	689,808,375	1,059,948,570	1,076,001,000	3,814,538,877	744,698,371	341,577,486	675,360,499	54,916,373,440	(830,060,081)	54,086,313,359
Foreclosed assets	25,641,195,031	0	0	0	15,775,629,702	0	39	0	41,416,824,772	(1)	41,416,824,771
Interest in other companies (net)	116,132,643,855	0	0	65,417,188	0	0	0	0	116,198,061,043	(115,486,025,054)	712,035,989
Property, furniture and equipment, net	134,291,386,664	74,017,193	153,164,936	112,382,851	5,756,524,869	113,996,762	197,263,795	16,379,153	140,715,116,223	(53,000,609)	140,662,115,614
Properties investments	6,831,625,000	0	0	0	0	0	0	0	6,831,625,000	0	6,831,625,000
Other assets	88,266,400,365	674,424,591	230,673,299	1,140,233,199	25,514,081,312	131,799,198	115,026,123	9,135,665	116,081,773,752	(1,787,721,004)	114,294,052,748
<b>TOTAL ASSETS</b>	<b>€ 5,872,622,406,830</b>	<b>8,843,057,593</b>	<b>7,862,106,386</b>	<b>64,990,189,233</b>	<b>1,015,598,701,063</b>	<b>9,789,157,616</b>	<b>1,299,336,642</b>	<b>1,482,821,618</b>	<b>6,982,487,776,981</b>	<b>(147,422,649,908)</b>	<b>6,835,065,116,940</b>
<b>Liabilities and equity</b>											
<b>Liabilities</b>											
Obligations with the public	€ 4,511,916,733,474	0	0	0	433,439,034,420	15,359,188	0	0	4,945,371,127,082	(2,519,609,101)	4,942,851,517,981
Obligations with the Central Bank of Costa Rica	101,271,670,766	0	0	0	0	0	0	0	101,271,670,766	0	101,271,670,766
Obligations with entities	318,369,566,794	90,622,770	154,354,353	39,973,968,592	440,070,312,206	111,299,103	103,891,016	13,686,525	798,887,701,359	(27,239,176,220)	771,648,525,139
Accounts payable and provisions	162,774,901,963	1,083,139,792	815,120,000	2,185,948,123	5,866,427,255	1,004,216,768	142,484,858	220,790,952	174,093,029,711	(1,098,837,844)	172,994,191,867
Other liabilities	30,283,236,803	0	0	0	2,319,884,919	77,110,041	188,954	1	32,680,420,718	(3)	32,680,420,715
Subordinated obligations	50,143,055,403	0	0	0	0	0	0	0	50,143,055,403	(1)	50,143,055,402
<b>Total liabilities</b>	<b>€ 5,174,759,165,203</b>	<b>1,173,762,562</b>	<b>969,474,353</b>	<b>42,159,916,715</b>	<b>881,695,658,800</b>	<b>1,207,985,100</b>	<b>246,564,828</b>	<b>234,477,478</b>	<b>6,102,447,005,039</b>	<b>(30,857,623,169)</b>	<b>6,071,589,381,870</b>
<b>Equity</b>											
Capital	181,409,990,601	5,059,311,631	4,839,200,000	12,626,000,000	38,609,421,071	2,250,000,000	305,842,762	710,000,000	245,809,766,065	(64,399,775,464)	181,409,990,601
Unfunded capital contributions	0	470,546,509	0	0	0	0	0	0	470,546,509	(470,546,509)	0
Equity adjustments	43,475,002,940	48,046,266	(80,242,610)	1,625,858,503	29,969,450,958	(6,923,889)	(140,350)	0	75,031,051,818	(31,556,048,877)	43,475,002,941
Capital reserves	364,708,053,622	255,889,999	967,840,001	1,774,243,466	39,557,110,978	449,999,999	42,911,144	75,243,348	407,831,292,557	(43,123,238,935)	364,708,053,622
Prior periods retained earnings	47,328,475,171	1,593,532,097	1,118,746,669	6,463,248,731	23,983,391,093	5,229,780,036	711,810,925	437,817,523	86,866,802,245	(39,538,327,074)	47,328,475,171
Profit for the period	12,075,470,216	241,968,529	47,087,973	340,921,818	1,783,668,163	658,316,370	(7,652,667)	25,283,269	15,165,063,671	(3,089,593,455)	12,075,470,216
Development financing fund	48,866,249,077	0	0	0	0	0	0	0	48,866,249,077	0	48,866,249,077
Minority interest	0	0	0	0	0	0	0	0	0	65,612,493,442	65,612,493,442
<b>Total equity</b>	<b>697,863,241,627</b>	<b>7,669,295,031</b>	<b>6,892,632,033</b>	<b>22,830,272,518</b>	<b>133,903,042,263</b>	<b>8,581,172,516</b>	<b>1,052,771,814</b>	<b>1,248,344,140</b>	<b>880,040,771,942</b>	<b>(116,565,036,872)</b>	<b>763,475,735,070</b>
<b>Total liabilities and equity</b>	<b>5,872,622,406,830</b>	<b>8,843,057,593</b>	<b>7,862,106,386</b>	<b>64,990,189,233</b>	<b>1,015,598,701,063</b>	<b>9,789,157,616</b>	<b>1,299,336,642</b>	<b>1,482,821,618</b>	<b>6,982,487,776,981</b>	<b>(147,422,649,908)</b>	<b>6,835,065,116,940</b>
<b>Debit contingent accounts</b>	<b>€ 444,946,255,570</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>58,828,137,744</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>503,774,393,314</b>	<b>0</b>	<b>503,774,393,314</b>
<b>Trust assets</b>	<b>€ 805,916,182,667</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,009,641,490</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>851,925,824,157</b>	<b>0</b>	<b>851,925,824,157</b>
<b>Trust liabilities</b>	<b>€ 245,654,948,241</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>245,654,948,241</b>	<b>0</b>	<b>245,654,948,241</b>
<b>Trust equity</b>	<b>€ 560,261,234,427</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,009,641,490</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>606,270,875,917</b>	<b>0</b>	<b>606,270,875,917</b>
<b>Other debit memoranda accounts</b>	<b>€ 20,868,349,433,233</b>	<b>1,673,748,308,857</b>	<b>575,352,157,433</b>	<b>972,449,512,366</b>	<b>426,516,229,120</b>	<b>0</b>	<b>3,314,025,977</b>	<b>0</b>	<b>24,519,729,666,986</b>	<b>(1)</b>	<b>24,519,729,666,985</b>

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**BANCO DE COSTA RICA**  
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As of March 31, 2025, the results of each segment are as follows:

	<b>Bank</b>	<b>Pension Fund Operator</b>	<b>Investment Fund Manager</b>	<b>Brokerage House</b>	<b>Foreign Bank</b>	<b>Insurance Broker</b>	<b>Depósito Agrícola</b>	<b>Banprocesa</b>	<b>Total</b>	<b>Eliminations</b>	<b>Consolidated</b>
Financial income	€ 94,597,589,095	144,917,578	310,731,248	1,496,212,610	18,919,458,477	125,002,008	10,659,883	6,414,190	115,610,985,089	(352,783,712)	115,258,201,377
Financial expenses	43,252,933,990	26,873,040	51,054,992	648,592,951	11,841,457,070	34,710,274	2,823,938	126,197	55,858,572,452	(358,215,005)	55,500,357,447
Expenses from allowance for assets impairment	4,073,582,238	241,549	41,551	165,607,283	732,465,484	1,491,397	84,903	3,216	4,973,517,621	(1)	4,973,517,620
Income from recovery of assets and decrease in allowance	<u>2,377,713,831</u>	<u>607,722</u>	<u>2,623,396</u>	<u>10,917,292</u>	<u>0</u>	<u>629,055</u>	<u>4,784</u>	<u>0</u>	<u>2,392,496,080</u>	<u>1</u>	<u>2,392,496,081</u>
<b>Financial income</b>	<b>49,648,786,698</b>	<b>118,410,711</b>	<b>262,258,101</b>	<b>692,929,668</b>	<b>6,345,535,923</b>	<b>89,429,392</b>	<b>7,755,826</b>	<b>6,284,777</b>	<b>57,171,391,096</b>	<b>5,431,295</b>	<b>57,176,822,391</b>
Other operating income	43,418,413,803	2,020,520,685	1,020,226,124	1,241,741,697	778,291,998	2,033,495,122	261,131,592	824,001,461	51,597,822,482	(4,779,343,524)	46,818,478,958
Other operating expenses	22,890,921,107	452,347,022	231,116,722	224,596,338	782,637,897	202,420,864	80,125,754	28,428,494	24,892,594,198	(983,564,899)	23,909,029,299
<b>Gross operating income</b>	<b>70,176,279,394</b>	<b>1,686,584,374</b>	<b>1,051,367,503</b>	<b>1,710,075,027</b>	<b>6,341,190,024</b>	<b>1,920,503,65</b>	<b>188,761,664</b>	<b>801,857,744</b>	<b>83,876,619,380</b>	<b>(3,790,347,330)</b>	<b>80,086,272,050</b>
Personnel expenses	26,883,633,901	837,521,948	658,324,947	767,247,593	1,989,527,443	598,147,194	139,339,328	709,054,346	32,582,796,700	(709,054,346)	31,873,742,354
Other administrative expenses	18,776,630,362	150,005,656	150,412,046	90,493,791	1,461,818,204	59,939,323	74,038,138	1,819,846	20,765,157,366	(89,553,846)	20,675,603,520
<b>Administrative expenses</b>	<b>45,660,264,263</b>	<b>987,527,604</b>	<b>808,736,993</b>	<b>857,741,384</b>	<b>3,451,345,647</b>	<b>658,086,517</b>	<b>213,377,466</b>	<b>710,874,192</b>	<b>53,347,954,066</b>	<b>(798,608,192)</b>	<b>52,549,345,874</b>
<b>Net operating income before taxes and statutory allocations</b>	<b>24,516,015,131</b>	<b>699,056,770</b>	<b>242,630,510</b>	<b>852,333,643</b>	<b>2,889,844,377</b>	<b>1,262,417,133</b>	<b>(24,615,802)</b>	<b>90,983,552</b>	<b>30,528,665,314</b>	<b>(2,991,739,138)</b>	<b>27,536,926,176</b>
Income tax	0	216,928,660	155,562,245	494,642,325	292,645,591	379,573,067	2,853,742	26,230,637	1,568,466,267	2	1,568,466,269
Deferred income tax	19,046,185,707	5,593,622	9,540,833	29,293,609	307,755,163	188,717	0	2,653,359	19,401,211,011	1	19,401,211,011
Decrease in income tax	14,017,700,637	5,136,588	90,482,740	252,254,823	0	219,760	0	1,537,938	14,367,332,486	1	14,367,332,487
Profit sharing	6,791,094,676	251,321,389	7,278,913	25,570,009	0	37,872,515	451,473	2,729,508	7,116,318,483	2	7,116,318,485
<b>Net profit for the year</b>	<b>12,696,435,385</b>	<b>230,349,687</b>	<b>160,731,259</b>	<b>555,082,523</b>	<b>2,289,443,623</b>	<b>845,002,594</b>	<b>(27,921,017)</b>	<b>60,877,986</b>	<b>16,812,002,040</b>	<b>(2,991,739,142)</b>	<b>13,818,262,898</b>
Results for the period attributable to minority interests	0	0	0	0	0	0	0	0	0	1,121,827,506	1,121,827,506
<b>Results for the period attributable to the comptroller</b>	<b>12,696,435,385</b>	<b>230,349,687</b>	<b>160,731,259</b>	<b>555,082,523</b>	<b>2,289,443,623</b>	<b>845,002,594</b>	<b>(27,921,017)</b>	<b>60,877,986</b>	<b>16,812,002,040</b>	<b>(1,869,911,636)</b>	<b>12,696,435,392</b>
<b>Net income for the periods</b>	<b>€ 12,696,435,385</b>	<b>230,349,687</b>	<b>160,731,259</b>	<b>555,082,523</b>	<b>2,289,443,623</b>	<b>845,002,594</b>	<b>(27,921,017)</b>	<b>60,877,986</b>	<b>16,812,002,040</b>	<b>(1,869,911,636)</b>	<b>12,696,435,392</b>

As of March 31, 2024, the results of each segment are as follows:

	<b>Bank</b>	<b>Pension Fund Operator</b>	<b>Investment Fund Manager</b>	<b>Brokerage House</b>	<b>Foreign Bank</b>	<b>Insurance Broker</b>	<b>Depósito Agrícola</b>	<b>Banprocesa</b>	<b>Total</b>	<b>Eliminations</b>	<b>Consolidated</b>
Financial income	€ 93,706,800,565	138,368,174	70,165,643	1,338,046,073	18,691,721,055	109,799,686	8,865,073	8,861,845	114,072,628,114	(10,005,561)	114,062,622,553
Financial expenses	45,386,042,156	28,986,451	156,549,505	619,158,806	12,599,965,888	86,175,875	2,888,040	15,148,889	58,894,915,610	(35,465,931)	58,859,449,679
Expenses from allowance for assets impairment	2,733,263,397	1,184,545	98,802	16,505,077	710,398,793	3,198,252	0	0	3,464,648,866	(1)	3,464,648,865
Income from recovery of assets and decrease in allowance	3,108,928,860	754,772	125,108	3,405,709	0	5,009,737	0	0	3,118,224,186	0	3,118,224,186
<b>Financial income</b>	<b>48,696,423,872</b>	<b>108,951,950</b>	<b>(86,357,556)</b>	<b>705,787,899</b>	<b>5,381,356,374</b>	<b>25,435,296</b>	<b>5,977,033</b>	<b>(6,287,044)</b>	<b>54,831,287,824</b>	<b>25,460,371</b>	<b>54,856,748,195</b>
Other operating income	42,225,873,458	1,890,448,154	1,244,941,359	1,028,509,993	846,896,609	1,785,546,668	310,872,144	645,588,900	49,978,677,285	(3,723,524,815)	46,255,152,470
Other operating expenses	21,055,017,761	388,749,637	229,689,073	220,810,476	759,825,539	158,321,674	51,676,234	27,512,279	22,891,602,673	(694,048,756)	22,197,553,917
<b>Gross operating income</b>	<b>69,867,279,569</b>	<b>1,610,650,467</b>	<b>928,894,730</b>	<b>1,513,487,416</b>	<b>5,468,427,444</b>	<b>1,652,660,290</b>	<b>265,172,943</b>	<b>611,789,577</b>	<b>81,918,362,436</b>	<b>(3,004,015,688)</b>	<b>78,914,346,748</b>
Personnel expenses	26,010,504,268	716,918,126	762,938,165	709,597,270	1,871,189,573	591,171,906	193,753,122	568,410,798	31,424,483,228	(568,410,798)	30,856,072,430
Other administrative expenses	18,387,785,206	169,573,386	87,778,235	69,762,451	1,353,088,369	79,092,972	69,371,423	2,873,569	20,219,325,611	(220,008,981)	19,999,316,630
<b>Administrative expenses</b>	<b>44,398,289,474</b>	<b>886,491,512</b>	<b>850,716,400</b>	<b>779,359,721</b>	<b>3,224,277,942</b>	<b>670,264,878</b>	<b>263,124,545</b>	<b>571,284,367</b>	<b>51,643,808,839</b>	<b>(788,419,779)</b>	<b>50,855,389,060</b>
<b>Net operating income before taxes and statutory allocations</b>	<b>25,468,990,095</b>	<b>724,158,955</b>	<b>78,178,330</b>	<b>734,127,695</b>	<b>2,244,149,502</b>	<b>982,395,412</b>	<b>2,048,398</b>	<b>40,505,210</b>	<b>30,274,553,597</b>	<b>(2,215,595,909)</b>	<b>28,058,957,688</b>
Income tax	7,570,499,515	218,544,116	6,945,668	391,891,807	460,481,349	294,063,734	9,701,065	13,042,991	8,965,170,245	(2)	8,965,170,243
Deferred income tax	1,443,650,996	6,493,922	130,460,025	37,901,596	(10)	1,502,921	0	4,411,666	1,624,421,116	9	1,624,421,125
Profit sharing	2,032,827,353	6,540,908	108,660,687	58,611,356	0	959,476	0	3,447,872	2,211,047,652	0	2,211,047,652
Decrease in allocation of profit	6,412,196,721	263,693,296	2,345,351	22,023,830	0	29,471,863	0	1,215,156	6,730,946,217	0	6,730,946,217
<b>Net profit for the year</b>	<b>12,075,470,216</b>	<b>241,968,529</b>	<b>47,087,973</b>	<b>340,921,818</b>	<b>1,783,668,163</b>	<b>658,316,370</b>	<b>(7,652,667)</b>	<b>25,283,269</b>	<b>15,165,063,671</b>	<b>(2,215,595,916)</b>	<b>12,949,467,755</b>
Results for the period attributable to minority interests	0	0	0	0	0	0	0	0	0	(873,997,539)	873,997,539
<b>Results for the period attributable to the comptroller</b>	<b>12,075,470,216</b>	<b>241,968,529</b>	<b>47,087,973</b>	<b>340,921,818</b>	<b>1,783,668,163</b>	<b>658,316,370</b>	<b>(7,652,667)</b>	<b>25,283,269</b>	<b>15,165,063,671</b>	<b>(3,089,593,455)</b>	<b>12,075,470,216</b>
<b>Net income for the periods</b>	<b>€ 12,075,470,216</b>	<b>241,968,529</b>	<b>47,087,973</b>	<b>340,921,818</b>	<b>1,783,668,163</b>	<b>658,316,370</b>	<b>(7,652,667)</b>	<b>25,283,269</b>	<b>15,165,063,671</b>	<b>(3,089,593,455)</b>	<b>12,075,470,216</b>

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39). Risk management

The sophistication and uncertainty of financial markets involve managing risks that may impair the value of entities and of third-party resources it manages. Given this reality, the Bank implemented a System of Comprehensive Risk management, (Hereinafter SIGIR or System), enabling it to achieve a proper balance between the expected benefits of the business strategy and the acceptance of a certain level of risk, through an effective risk-based management.

Corporate governance of the risk management area

Boards of Directors, committees, and senior managers of member institutions of the BCR Financial Conglomerate strengthen and ensure the above-mentioned system, aware that it contributes to the improvement of institutional processes, and hence to the achievement of objectives and goals.

Corporate risk management is led by Corporate Risk Management reporting to the General Board of Directors, which has various administrative areas, responsible for the specific and comprehensive management of relevant risk to which the entity is exposed while in the subsidiaries there are risk managing areas responsible for this work.

Objective of the Comprehensive Risk Management System

The System aims to generate information that will support the decision making to locate the entity at a risk level consistent with its profile and risk appetite as well as its business flows, complexity, operations volume and economic environment, and thus lead to the achievement of institutional objective and goals.

General Risk Principles and Policies

The BCR Financial Conglomerate has established general principles and policies for effective comprehensive risk management, among which the following stand out:

- A robust regulatory framework to provide legal, technical, and administrative certainty for the functioning, evaluation, and improvement of the System.
- Strategies that seek to strengthen the system's maturity level.
- The risk management culture is promoted at all levels of the organization, thereby raising awareness of the importance of effective risk-based management.
- Methodologies and measurement models are available for the valuation of the different types of risk, which are periodically subjected to retrospective and stress tests, to adjust the variables and factors that influence the exposure to risks.
- Updated tools and systems are available to meet the needs of managing each type of risk.

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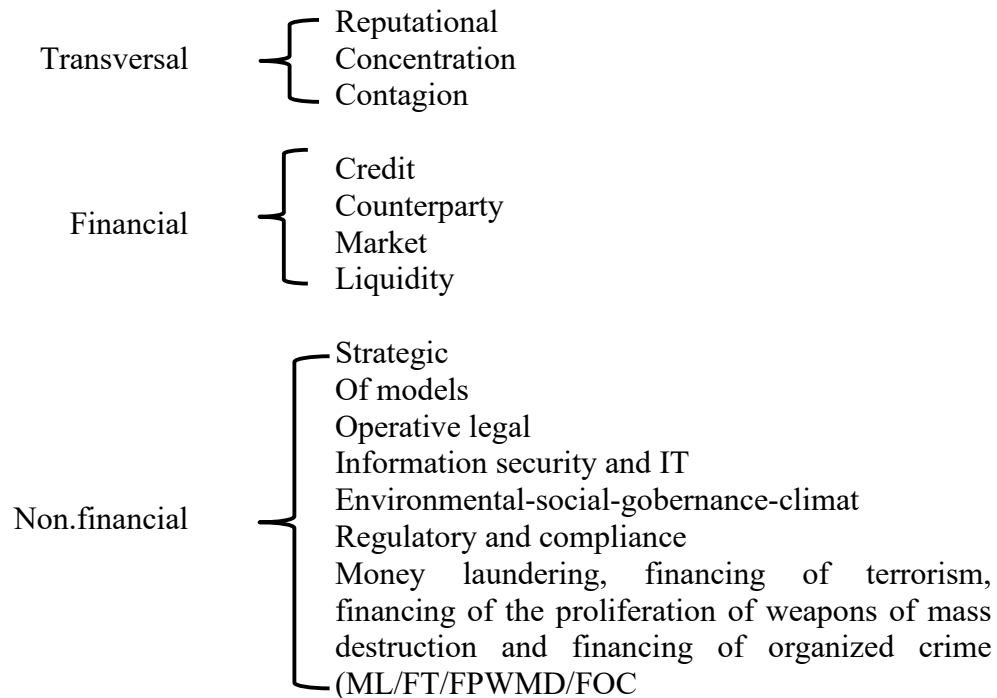
- Risk and contingency management plans are in place to deal with situations that prevent the fulfillment of the objectives defined, as well as for materialized events whose consequences may generate negative impacts on the entities.

Classification of significant risks

The relevant risks to the Bank are classified as follows:

The relevant risks for the Bank are classified as follows:

Classification of risk



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Types of risks related to the strategic plan

The following table details the types of risk associated with the strategic objectives of the BCR Financial Conglomerate.

Indicator by type of risk	Strategic objective				
	Strengthen BCR's profitability	Be a market leader with a robust business model and growing diversified portfolios	Prioritize the external customer experience, promoting digital and internal transformation, and employee satisfaction	Promote efficient management of the business and conglomerate, based on an agile culture	Promote the development and the sustainability of the country
Capital	Equity adequacy				
Credit	Expected loss for credit risk				
	Debtors with exposure to high-risk currency risk				
Marketing	Capital requirement for foreign exchange risk				
	Value at Risk by SUGEF 3-06				
	Sensitivity of the financial margin to movements in the interest rate				
Liquidity	Liquidity coverage ratio by currency	Banking cycle by currency			
Operative	Expected loss due to operational risk		Number of negative mentions / total mentions		
	VaR for litigations.				
TI			Availability of the technological platform		
			Vulnerability analysis of the technological platform		
			Management of changes in applications		

A Risk Appetite Statement is established for the CFBCR approved by the General Board of Directors and a Risk Appetite Statement for each member entity of the Conglomerate approved by its boards of directors. These documents are part of the comprehensive risk management framework, which is periodically reviewed and updated.

Its purpose is to declare the acceptability parameters of the risks to which Banco de Costa Rica and its subsidiaries are exposed.

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## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

They establish qualitative and quantitative definitions of risk appetite that include indicators by type of risk for which the parameters related to appetite, tolerance and capacity are determined defining the levels of exposure to be assumed. Reports with alerts are generated when deviations from normal business behavior occur, supporting timely decision-making for normalization.

#### Process of comprehensive risk management

The process of risk assessment includes identification, analysis, evaluation, Management, review, documentation, and risk communication.

#### Types of risk assessments

The process of risk management includes qualitative and quantitative assessments. The first corresponds to specific analysis of the objectives of activities and substantial processes of the BCR Financial Conglomerate. The second refers to global analysis with quantitative risk measurements using mathematical and statistical methods and models.

In addition, during the period under study, the management generated reports about risk on new services and products or modifications to existing ones, which are issued prior to its release to the market or the contracting of services.

#### Risk control framework

Risk Control arises as a result of the operation of the Internal Control System established in each of the BCR Financial Conglomerate members, incorporating flow of processes and internal control activities to minimize risk exposure.

Risk assessment generates various alerts, recommendations, and treatment of risk plans, contributing to its overall and specific mitigation. Contributing those risks are located at an acceptable level of exposure, congruent with the defined risk profile, supporting the sustainability, solvency, and value of the members of the Conglomerate.

In addition, there is a continuous monitoring of tolerance limits and risk indicators, to reflect the degree of exposure in which each of its relevant risk types is found. Contingency plans are available to deal with unexpected events that affect compliance.

#### Coverage

In accordance with the regulations, estimates and provisions are maintained. Implemented risk assessment models seek to establish additional capital requirements to cover non-expected losses. Likewise, BCR net worth equity indicator is evaluated to analyze its ability to respond to different types of risk, and it went to normality 1 (equal or greater than 14.00%) in accordance with the General Superintendence of Financial Entities.

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Evaluation of the effectiveness and maturity of the System

Risk managing areas apply critical judgment on the effectiveness and maturity of the System using self-assessment tools for continuous improvement. Annually, a Model of Corporate Maturity is applied to evaluate progress in management by type of risk. The results of this assessment are used to define strategies and work plans.

Information generated by the Comprehensive Risk Management System

During the period under analysis, the system generated timely and periodic reports for the Boards of Directors, Committees, and other risk-taking areas of the BCR Financial Conglomerate, as a result of Comprehensive Risk Management, or by the occurrence of significant events that should be known for suitable decision making based on risk exposure and risk-based business management.

(a) Credit risk management

Definition

Credit risk is the possibility of economic losses due to the breach of the agreed conditions by the debtor, issuer, or counterparty. The risk of default against a counterparty is defined as the possibility that one of the parties to a transaction using financial instruments may breach its obligations. In such a case, an economic loss would occur if the operations or the portfolio of operations with that party had a positive economic value at the time of default.

Unlike the exposure of an entity to credit risk through a loan or investment, which is only unilateral for the entity that grants the loan or makes the investment, the counterparty risk produces a risk of bilateral loss, since the fair value of the transaction can be positive or negative for both parties, is uncertain and can vary over time as the underlying market factors do. Likewise, when the entity makes international loans and investments, it is also exposed to country risk and transfer risk.

Exposure to credit risk can also increase due to movements in the exchange rate and interest rates. In the first case, the risk is assumed when granting credits denominated in a currency other than the currency in which the debtor's net income or cash flows are mainly generated, and in the second case, the risk is assumed when granting credits with adjustable interest rates.

Management of this risk contributes to the strength of BCR's equity in the long term by providing both tools and information to improve decision making, minimize losses and maintain risk exposure of the loan portfolio within established parameters.

The General Board of Directors of the BCR has defined management strategies to control credit risk from portfolios to individual debtors, using tools and methodologies framed within the existing regulations developed internally.

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Notes to the Consolidated Financial Statements

Management methodology

In general terms, automated systems such as SAS are used for credit risk management and models are applied for their measurement that accurately reflect the value of positions and their sensitivity to various risk factors, incorporating information from reliable sources.

Statistical support is complemented with expert criteria to analyze the borrower's ability to pay, as well a stress analysis on exposures to macroeconomic variables that are related to microeconomic and Bank's internal variables. From January 2024 the Standard Methodology, referred to in the Regulation for Calculation of Credit Estimates (CNF 14-21, for the analysis of estimates, came into force, with the objective to establish the methodology to quantify the credit risk of credit operations or debtors, and constitute the corresponding estimates to safeguard the stability and solvency of the supervised entities, as well as financial groups and conglomerates.

For the quantitative analysis of the loan portfolio, there is a model for the quantification of the expected loss, the Value at Risk (VaR) and economic capital, which is aligned with the standards of Basel II. Additionally, there are a series of indicators that seek to maintain the balance between profitability and risk, within them there are indicators of expected loss, delinquency, guarantees, payment arrangements, harvests, economic activities and geographical area, all of the above broken down to the general level of the Bank as well as for the different lines of business.

Moreover, the risk inherent to the activities and products of the Bank is identified and analyzed, as well as its feedback to the organization through the Executive Corporate Committee. Finally, there are limits established on exposure to credit risk, to control exposure levels, both at loan portfolio and investments (by issuer).

On the other hand, during the year different stress and retrospective tests are carried out to check the validity of the indicator parameters.

There are models for classifying the level of credit risk of clients, such as rating and scoring models.

In the case of credit risk of the investment portfolio, disclosed in Note 5: Investments in Financial Instruments, there is a methodology for determining the expected loss under IFRS 9, that improved in 2020 through adjustments to the methodology. The determination of a significant increase in risk is made by means of two factors, changes in the issuer's international risk rating, issued by risk rating agencies and sustained changes in the prices of "Credit Default Swaps" associated with the issuer. It is important to note that the measurement of the expected loss is made for each instrument considering the issuer's risk, while default is understood only when an issuer stops paying.

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Exposure and risk management

As of March 31, 2025, the percentage of arrears greater than 90 days was 2.30% (2.70% for March 2024). This last indicator is within the risk appetite according to the Risk Appetite Declaration.

Regarding the 1-to-30-day portfolio, as of the end of March 2025, the indicator stands at 3.19% and remains outside the appetite zone of 3.13% established in the Risk Appetite Statement.

The dollar portfolio accounts for 22.61% at the closing of March (23.07% for March 2024) of the total portfolio. It is important to mention that the loan portfolio has been managed strategically to attract customers with an acceptable risk profile. In addition, regular monitoring of the loans in foreign currency is given, and the portfolio of clients with exposure to exchange risk.

The activities with greater relative importance are housing, services and commerce, as shown in note 6.a of the financial statements (Loan Portfolio by Sector), in addition, the exposure limits for the loan portfolio are monitored, as well as all its indicators, which are within the risk appetite according to the appetite defined by the General Board of Directors.

In addition, appropriate and timely communication mechanisms on exposure of the Bank to credit risk are implemented at all levels of the organizational structure, thus allowing a prospective view of the impact on the credit estimates and equity. The reports consider both the exposure and possible deviations arising regarding the limits and defined tolerance levels.

The commercial area is kept informed on the inherent risks of the economic activities associated with credit underwriting, through specific studies and analysis of the credit underwriting goals previously approved by the General Board of Directors, as well as new credit instruments the Bank is planning to offer.

With respect to the counterparty risk of the investment portfolio, compliance with the internal investment limits per issuer is monitored weekly. In addition, as of January 2020, the calculation of the expected loss for the investment portfolio under IFRS 9 begins, the foregoing allows for a buffer of resources to mitigate eventual defaults that may occur in the portfolio, thus maintaining a conservative profile. By the end of March 2025, the expected loss of the investment portfolio corresponded to 0,07% of the portfolio (0,06%, and 0.03% for December and March 2024, respectively).

Expected credit losses are disclosed in the following table:

**BANCO DE COSTA RICA**  
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Banco de Costa Rica, expected losses of the investment portfolio by currency December 2024 vs March 2025			
Value correction for losses	12-month expected credit losses	Lifetime expected credit losses	Financial assets with loan impairment
Value correction for losses as of December 31, 2024			
Colones	767,676,649	4,247,578	57,336,452,678
US dollars	170,948	0	21,752,838
UDES	564	0	0
Value correction for losses As of December 31, 2023			
Colones	830,231,778	4,064,332	55,916,719,864
US dollars	158,803	0	24,285,004
UDES	565	0	0
Rollover to 12-month expected credit losses			
Colones	(66,429,619)	(183,246)	(1,419,732,814)
US dollars	(42,523)	0	2,532,167
UDES	(1)	0	0

Banco de Costa Rica, expected losses of the investment portfolio by currency December 2023 vs December 2024			
Value correction for losses	12-month expected credit losses	Lifetime expected credit losses	Financial assets with loan impairment
Value correction for losses as of December 31, 2024			
Colones	806,320,686	6,914,486	41,018,322,284
US dollars	163,361	0	4,909,708
UDES	565	0	0
Value correction for losses As of December 31, 2023			
Colones	517,742,018	4,247,578	57,336,452,678
US dollars	235,138	0	21,752,838
UDES	1,300	0	0
Rollover to 12-month expected credit losses			
Colones	340,284,909	(2,666,908)	16,318,130,394
US dollars	(26,225)	0	16,843,130
UDES	(735)	0	0

(Continued)

**BANCO DE COSTA RICA**  
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March 2024,

Banco de Costa Rica, expected losses of the investment portfolio  
by currency

December 2023 vs March 2024

Value correction for losses	12-month expected credit losses	Lifetime expected credit losses	Financial assets with loan impairment
Value correction for losses as of March 31, 2024			
Colones	424,613,197	6,914,486	41,018,932,310
US dollars	203,944	0	4,908,505
UDES	928	0	0
Value correction for losses As of December 31, 2023			
Colones	492,505,313	6,662,972	52,563,569,429
US dollars	210,291	0	8,588,829
UDES	1,300	0	0
Rollover to 12-month expected credit losses			
Colones	(57,257,356)	(251,514)	11,544,999,887
US dollars	2,527	0	3,680,436
UDES	(372)	0	0

For the closing of March 2025, the expected loss of the investment portfolio was 0.07%, with a variation 0.01% compared to prior quarter (December 2024).

The Bank's financial instruments exposed to credit risk are as follows:

	Note	Direct loan portfolio		Contingent loan portfolio		Contingent loan portfolio		Contingent loan portfolio	
		March 2025	December 2024	March 2024	March 2025	December 2024	March 2024		
Principal	6a	€ 3,605,347,301,631	3,510,991,880,205	3,247,021,166,563	242,280,146,324	238,580,609,113	208,372,555,408		
Interest		18,014,199,402	17,248,944,943	19,315,352,510	0	0	0		
Allowance for bad debts		3,623,361,501,033	3,528,240,825,148	3,266,336,519,073	242,280,146,324	238,580,609,113	208,372,555,408		
Carrying amount		€ (135,630,311,257)	(145,340,683,522)	(116,853,484,743)	(6,818,527,541)	(6,852,732,208)	(6,828,122,512)		
		<u>3,487,731,189,776</u>	<u>3,382,900,141,626</u>	<u>3,149,483,034,330</u>	<u>235,461,618,783</u>	<u>231,727,876,905</u>	<u>(6,828,122,512)</u>		
Loan portfolio									
Total balances:									
1	€	2,803,903,339,831	2,749,092,866,825	2,616,859,958,442	197,017,702,736	193,851,465,308	156,815,026,842		
2		594,999,366,378	544,434,432,248	302,969,148,684	2,931,374,721	2,859,156,216	2,487,809,215		
3		34,225,076,235	30,709,648,881	27,634,000,205	0	0	2,750,000		
4		57,726,992,796	58,825,684,745	147,655,665,520	39,492,635,520	38,926,607,426	44,626,418,620		
5		49,455,267,928	58,491,107,677	80,684,711,122	2,825,473,108	2,909,990,246	4,419,767,463		
6		3,051,817,209	2,684,300,294	2,386,058,248	0	0	0		
7		1,243,870,844	893,983,205	2,404,163,984	0	20,941,050	7,713,043		
8		78,755,769,812	83,108,801,273	85,742,812,868	12,960,239	12,448,867	13,070,225		
		3,623,361,501,033	3,528,240,825,148	3,266,336,519,073	242,280,146,324	238,580,609,113	208,372,555,408		
Allowance for bad debts		(54,170,827,491)	(56,993,861,684)	(56,989,544,014)	0	0	0		
Carrying amount, net		<u>3,569,190,673,542</u>	<u>3,471,246,963,464</u>	<u>3,209,346,975,059</u>	<u>242,280,146,324</u>	<u>238,580,609,113</u>	<u>208,372,555,408</u>		
Carrying amount		3,623,361,501,033	3,528,240,825,148	3,266,336,519,073	242,280,146,324	238,580,609,113	208,372,555,408		
Allowance for bad debts		(54,170,827,491)	(56,993,861,684)	(56,989,544,014)	0	0	0		
(Surplus) inadequacy of allowance on structural estimate		(81,459,483,766)	(88,346,824,838)	(59,863,940,729)	(6,818,527,541)	(6,852,732,208)	(6,828,122,512)		
Carrying amount, net	6.a	€ <u>3,487,731,189,776</u>	<u>3,382,900,141,626</u>	<u>3,149,483,034,330</u>	<u>235,461,618,783</u>	<u>231,727,876,905</u>	<u>201,544,432,896</u>		

(Continued)

**BANCO DE COSTA RICA**  
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The Bank's financial instruments exposed to credit risk are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>Banco de Costa Rica</b>			
Loan portfolio, gross	¢ 3,605,347,301,630	3,510,991,880,205	3,247,021,166,563
Plus, interest receivable	18,014,199,402	17,248,944,943	19,315,352,510
Minus, allowance for impairment	(142,448,838,798)	(145,340,683,522)	(123,681,607,255)
<b>Loan portfolio, net</b>	<b>¢ 3,480,912,662,235</b>	<b>3,382,900,141,626</b>	<b>3,142,654,911,818</b>
<b>Banco Internacional de Costa Rica, S.A. and subsidiary</b>			
Loan portfolio, gross	¢ 836,831,659,742	869,779,665,368	864,939,789,753
Plus, interest receivable	4,944,528,145	5,294,076,077	5,489,130,466
Minus, allowance for impairment	(11,324,515,205)	(12,280,032,053)	(10,524,883,848)
<b>Loan portfolio, Net</b>	<b>¢ 830,454,672,682</b>	<b>862,793,709,392</b>	<b>859,904,036,371</b>
<b>Total consolidated loan portfolio, net</b>	<b>¢ 4,311,367,334,917</b>	<b>4,245,693,851,018</b>	<b>4,002,558,948,189</b>

The evaluated loan portfolio with an estimate is detailed as follows:

Loan Portfolio	Direct loan portfolio		Contingent loan portfolio
	Principal	Allowance	Principal
Direct specific allowance			
1	2,803,903,339,831	(8,369,066,296)	197,017,702,736
2	594,999,366,378	(5,261,868,595)	2,931,374,721
3	34,225,076,235	(1,250,749,765)	0
4	57,726,992,796	(3,507,375,241)	39,492,635,520
5	49,455,267,928	(3,340,733,858)	2,825,473,108
6	3,051,817,209	(992,705,991)	0
7	1,243,870,844	(921,939,333)	0
8	78,755,769,812	(30,526,388,412)	12,960,239
	<b>¢ 3,623,361,501,033</b>	<b>(54,170,827,491)</b>	<b>242,280,146,324</b>
Direct specific allowance			
Aging of loan portfolio			
Direct specific allowance			
Up to date	3,365,603,512,288	(17,432,910,063)	242,280,146,324
Equal or less than 30 days	112,325,788,469	(1,638,888,884)	0
Equal or less than 60 days	36,676,865,818	(1,364,541,774)	0
Equal or less than 90 days	21,506,458,454	(1,017,692,794)	0
Equal or less than 180 days	9,039,680,383	(2,870,169,306)	0
More than 180 days	78,209,195,621	(29,846,628,670)	0
	<b>¢ 3,623,361,501,033</b>	<b>(54,170,827,491)</b>	<b>242,280,146,324</b>

As of December 2024, the evaluated loan portfolio with an estimate is detailed as follows:

(Continued)

**BANCO DE COSTA RICA**  
**Notes to the Consolidated Financial Statements**

Loan Portfolio		Direct loan portfolio		Contingent loan portfolio
Loan Portfolio	Principal	Allowance	Principal	Principal
Direct specific allowance				
1	2,749,092,866,825	(7,903,890,407)	193,851,465,308	
2	544,434,432,248	(4,619,185,733)	2,859,156,216	
3	30,709,648,881	(1,017,974,104)	0	
4	58,825,684,745	(3,473,425,915)	38,926,607,426	
5	58,491,107,677	(4,697,127,161)	2,909,990,246	
6	2,684,300,294	(928,561,015)	0	
7	893,983,205	(962,743,205)	20,941,050	
8	83,108,801,273	(33,390,951,144)	12,448,867	
€	<b>3,528,240,825,148</b>	<b>(56,993,861,684)</b>	<b>238,580,609,113</b>	
€	<b>3,528,240,825,148</b>	<b>(56,993,861,684)</b>	<b>238,580,609,113</b>	

Direct specific allowance		Direct loan portfolio		Contingent loan portfolio
Aging of loan portfolio	Principal	Allowance	Principal	Principal
Direct specific allowance				
Up to date	3,284,438,836,324	(18,193,859,969)	238,580,609,113	
Equal or less than 30 days	117,026,338,110	(1,728,694,627)	0	
Equal or less than 60 days	28,034,974,531	(1,043,141,244)	0	
Equal or less than 90 days	8,305,644,192	(839,337,519)	0	
Equal or less than 180 days	16,093,718,589	(4,654,624,210)	0	
More than 180 days	74,341,313,402	(30,534,204,115)	0	
€	<b>3,528,240,825,148</b>	<b>(56,993,861,684)</b>	<b>238,580,609,113</b>	
€	<b>3,528,240,825,148</b>	<b>(56,993,861,684)</b>	<b>238,580,609,113</b>	

As of March 31, 2024

Loan Portfolio		Direct loan portfolio	Contingent loan portfolio
Loan Portfolio	Principal	Principal	Principal
Direct specific allowance			
1	2,616,859,958,442	156,815,026,842	
2	302,969,148,684	2,487,809,215	
3	27,634,000,205	2,750,000	
4	147,655,665,520	44,626,418,620	
5	80,684,711,122	4,419,767,463	
6	2,386,058,248	0	
7	2,404,163,984	7,713,043	
8	85,742,812,868	13,070,225	
€	<b>3,266,336,519,073</b>	<b>208,372,555,408</b>	
€	<b>3,266,336,519,073</b>	<b>208,372,555,408</b>	

Direct specific allowance		Direct loan portfolio	Contingent loan portfolio
Aging of loan portfolio	Principal	Principal	Principal
Direct specific allowance			
Up to date	3,029,380,081,634	208,372,555,408	
Equal or less than 30 days	101,295,216,213	0	
Equal or less than 60 days	28,685,317,046	0	
Equal or less than 90 days	13,652,590,961	0	
Equal or less than 180 days	9,340,477,296	0	
More than 180 days	83,982,835,923	0	
€	<b>3,266,336,519,073</b>	<b>208,372,555,408</b>	
€	<b>3,266,336,519,073</b>	<b>208,372,555,408</b>	

Following is an analysis of the balance of the loan portfolio of Banco de Costa Rica, assessed individually with allowance, according to gross and net amounts, after deducting the allowance for loan losses, by risk classification in accordance with the applicable regulations:

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Notes to the Consolidated Financial Statements

		Loans receivable from customer	
		Gross	Net
On March 31, 2025			
Risk Category:			
1	¢	2,803,903,339,831	2,795,534,273,372
2		594,999,366,378	289,737,497,819
3		34,225,076,235	32,974,326,474
4		57,726,992,796	54,219,617,555
5		49,455,267,928	46,114,534,142
6		3,051,817,209	2,059,111,218
7		1,243,870,844	321,931,510
8		78,755,769,812	48,229,381,452
	¢	<u>3,623,361,501,033</u>	<u>3,569,190,673,542</u>
		Loans receivable from customer	
		Gross	Net
On December 31, 2024			
Risk Category:			
1	¢	2,749,092,866,825	2,741,188,976,418
2		544,434,432,248	539,815,246,515
3		30,709,648,881	29,691,674,778
4		58,825,684,745	55,352,258,830
5		58,491,107,677	53,422,341,198
6		2,684,300,294	1,755,739,278
7		893,983,205	302,879,318
8		83,108,801,273	49,717,847,129
	¢	<u>3,528,240,825,148</u>	<u>3,471,246,963,464</u>
		Loans receivable from customer	
		Gross	Net
On March 31, 2024			
Risk Category:			
1	¢	2,616,859,958,442	2,609,840,019,833
2		302,969,148,684	300,807,977,218
3		27,634,000,205	26,740,924,620
4		147,655,665,520	141,277,676,437
5		80,684,711,122	77,529,059,129
6		2,386,058,248	1,697,935,675
7		2,404,163,984	1,733,772,100
8		85,742,812,868	49,719,610,047
	¢	<u>3,266,336,519,073</u>	<u>3,209,346,975,059</u>

In compliance with SUGEF Directive 1-05, as of March 31, 2025, the Bank must maintain a minimum allowance in the amount of ¢54,170,827,491, (¢56,993,861,68 and ¢56,989,544,014, for December and March 2024, respectively) of which ¢54,170,827,491, (¢¢56,993,861,684, and ¢56,989,544,014, for December and March 2024, respectively) is allocated to the valuation of the direct loan portfolio and ¢0.00, (¢0 and for ¢0 for December and March 2024, respectively) to the contingent loan portfolio. In addition, the countercyclical allowance is of ¢66,613,117,400, (¢66,996,345,825 and ¢43,357,256,419 for December and March 2024, respectively).

(Continued)

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The following is an analysis of the balances of BICSA's loan portfolio, individually evaluated with an allowance according to the gross amount and the net amount after deducting the allowance for doubtful accounts resulting from the risk assessment in accordance with the applicable regulations:

	<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
<b>Banco Internacional de Costa Rica, S.A. and subsidiaries</b>			
Principal	¢ 836,831,659,595	869,779,664,994	864,939,789,530
Interest	4,944,528,306	5,294,076,200	5,489,130,559
	<u>841,776,187,901</u>	<u>875,073,741,194</u>	<u>870,428,920,089</u>
Allowance for doubtful accounts	(11,321,515,250)	(12,280,032,192)	(10,524,884,005)
Carrying amount	¢ <u><b>830,454,672,696</b></u>	<u>862,793,709,002</u>	<u><b>859,904,036,084</b></u>
<b>Loan portfolio, net of allowance</b>	¢ <u><b>816,959,334,733</b></u>	<u><b>856,272,468,922</b></u>	<u><b>851,680,032,012</b></u>
<b>At amortized cost</b>			
Level 1: Normal or low risk	783,277,952,444	821,637,263,115	822,666,135,598
Level 2: Special mention	26,685,491,732	19,623,892,182	14,915,279,712
Level 3: Subnormal	9,518,486,968	9,411,953,369	9,370,519,915
Level 4: Doubtful	660,282,155	892,266,077	9,407,581,757
Level 5: Uncollectable	16,689,446,296	18,214,290,251	8,580,272,549
	<u>836,831,659,595</u>	<u>869,779,664,994</u>	<u>864,939,789,531</u>
Allowance for impairment	(11,321,515,205)	(12,280,032,192)	(10,524,884,005)
Carrying amount	¢ <u><b>825,510,144,390</b></u>	<u><b>857,499,632,802</b></u>	<u><b>854,414,905,526</b></u>
<b>Impaired renegotiated loans</b>			
Gross amount	6,385,361,827	2,640,467,209	2,601,558,685
Impaired amount	<u><b>6,385,361,827</b></u>	<u><b>2,640,467,209</b></u>	<u><b>2,601,558,685</b></u>
Allowance for impairment	543,306,948	570,002,966	956,023,605
<b>Total, net</b>	<u><b>5,842,054,879</b></u>	<u><b>2,070,464,243</b></u>	<u><b>1,645,535,080</b></u>
<b>Not in arrears or impaired:</b>			
Level 1: Normal or low risk	783,277,952,444	821,637,263,115	822,666,135,598
Level 2: Special mention	26,685,491,732	19,623,892,182	14,915,279,712
<b>Sub-total</b>	<u><b>809,963,444,176</b></u>	<u><b>841,261,155,297</b></u>	<u><b>837,581,415,310</b></u>
<b>Individually impaired</b>			
Level 3: Subnormal	9,518,486,968	9,411,953,369	9,370,519,915
Level 4: Doubtful	660,282,155	892,266,077	9,407,581,757
Level 5: Uncollectable	16,689,446,296	18,214,290,251	8,580,272,548
<b>Sub-total</b>	<u><b>26,868,215,419</b></u>	<u><b>28,518,509,697</b></u>	<u><b>27,358,374,220</b></u>
<b>Allowance for impairment</b>			
Specific	11,321,515,205	12,280,032,192	10,524,884,005
Total allowance for impairment	¢ <u><b>11,321,515,205</b></u>	<u><b>12,280,032,192</b></u>	<u><b>10,524,884,005</b></u>
<b>Clients' obligations for acceptances</b>			
Carrying amount	¢ <u><b>8,550,809,657</b></u>	<u><b>1,227,163,880</b></u>	<u><b>2,734,873,514</b></u>
Interest receivable	¢ <u><b>4,944,528,306</b></u>	<u><b>5,294,076,200</b></u>	<u><b>5,489,130,558</b></u>
<b>Net loan portfolio (carrying amount)</b>	¢ <u><b>830,454,672,696</b></u>	<u><b>862,793,709,002</b></u>	<u><b>859,904,036,084</b></u>

As of March 31, 2025, the allowance for impairment of BICSA's loan portfolio is of ¢11,321,515,205, (¢12,280,032,053 and ¢10,524,884,005 for December and March 2024, respectively).

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**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

The concentration of the portfolio of direct loans and contingent loans by sector (economic activity) is as follows:

	<b>March 2025</b>		<b>December 2024</b>		<b>March 2024</b>	
	<b>Loan Portfolio</b>	<b>Contingent Accounts</b>	<b>Loan Portfolio</b>	<b>Contingent Accounts</b>	<b>Loan Portfolio</b>	<b>Contingent Accounts</b>
Artistic, entertainment and recreative activities	2,790,208,969	40,920,053,018	2,859,988,259	40,175,102,788	0	0
Human health care and social assistance activities	244,391,733	0	257,094,640	0	0	0
Household activities as employers of domestic staff	15,949,607	0	16,400,000	0	0	0
Administrative and support services activities	18,699,246,754	0	19,297,232,766	0	0	0
Professional, scientific and technical activities	570,287,124	0	614,117,003	0	0	0
Trade	491,207,415,925	19,307,873,999	469,183,159,220	24,245,194,191	460,493,091,742	25,915,284,987
Manufacturing	344,661,744,711	6,092,070,640	350,565,301,990	1,961,187,203	368,268,493,335	1,809,950,084
Construction, purchase and repair of real estate	277,795,038,253	8,77,410,345	326,663,980,730	9,214,964,116	339,356,419,214	9,813,756,177
Agriculture, livestock. Hunting and related services	161,484,021,419	18,435,619,813	161,917,452,590	7,777,088,640	152,419,761,967	1,638,401,139
Fishing and aquaculture	0	0	0	0	20,214,265	0
Consumer	640,219,415,919	184,040,916,442	597,893,969,856	175,877,812,241	818,195,648,506	0
Education	92,771,754	0	103,925,570	0	506,930,755	0
Transportation	30,731,276,3833	555,712,433	31,010,081,168	563,972,006	83,822,555,546	475,860,019
Financial and stock exchange	16,861,895	41,841,438	13,449,200	47,362,693	1,270,939,227,291	7,856,520,482
Telecommunications and public utilities	78,738,055,992	0	79,255,365,808	0	432,955,900	0
Services	699,630,499,480	65,327,413,011	685,249,033,065	52,408,596,455	109,531,731,332	85,650,570,699
Hospitality	89,721,441,350	0	91,254,076,071	0	30,909,405,453	43,195,312
Mining and quarrying	12,963,464	0	14,788,851	0	198,757,538,693	6,554,821
Real estate. business and leasing activities	1,272,899,035,970	0	1,264,669,423,151	0	2,603,093,757	0
Public Administration	320,585,184,671	16,275,870,127	293,485,125,885	19,761,239,074	0	0
financial private sector	0	0	0	0	271,934,784,560	145,958,440,923
	<b>4,430,115,811,373</b>	<b>359,767,781,266</b>	<b>4,374,323,965,823</b>	<b>332,032,519,407</b>	<b>4,108,191,852,316</b>	<b>279,168,534,643</b>
Other contingencies	0	221,518,924,688	0	225,088,150,604	0	224,605,858,671
	<b>4,430,115,811,373</b>	<b>581,286,705,954</b>	<b>4,374,323,965,823</b>	<b>557,120,670,011</b>	<b>4,108,191,852,316</b>	<b>503,774,393,314</b>

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

The concentration by geographical region of the loan portfolio of the subsidiary Banco Internacional de Costa Rica, S.A., is detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Germany	¢ 1,857,216,694	2,502,767,927	337,757,733
Brazil	94,791,480	0	0
Chile	8,426,049,952	10,961,960,770	5,709,915,490
China	4,176,206,553	1,599,861,677	5,070,301,120
Colombia	7,876,342,563	7,501,832,103	2,424,151,022
Costa Rica	251,775,767,509	248,565,081,031	235,076,557,659
Denmark	1,462,209,000	743,458,500	1,077,873,412
Ecuador	58,253,266,037	69,416,617,599	66,345,942,839
El Salvador	87,773,433,448	93,717,184,202	85,363,805,844
Spain	15,732,714,880	16,071,486,984	16,296,661,890
United States of America	18,544,671,360	13,301,867,703	6,589,999,704
Guatemala	47,863,131,577	42,454,903,848	40,562,514,471
Honduras	32,878,749,045	25,589,795,937	29,840,783,391
Virgin British Islands	2,521,050,000	0	0
England	7,487,518,500	7,639,677,000	2,507,670,000
México	36,647,928,148	39,504,944,608	40,583,862,448
Nicaragua	5,361,830,195	5,849,285,368	6,650,446,598
Panamá	215,891,562,085	250,046,251,866	303,695,906,571
Paraguay	115,968,300	0	0
Peru	2,124,769,191	2,432,037,849	2,461,136,870
Hong Kong	77,144,130	0	0
Dominican Republic	14,954,755,153	14,841,333,888	4,096,746,233
Singapore	79,404,503	58,096,924	5,619,030
Switzerland	7,951,417,919	8,189,061,555	8,163,821,122
Uruguay	88,740,960	0	0
Others *	6,815,020,560	8,792,158,029	2,078,316,632
	<b>¢ 836,831,659,742</b>	<b>869,779,665,368</b>	<b>864,939,790,079</b>

The concentration by geographical region of the loan portfolio of Banco de Costa Rica is as follows:

	<b>March 2024</b>	<b>December 2024</b>	<b>March 2024</b>
Costa Rica	¢ 3,605,347,301,631	3,510,991,880,205	3,247,021,166,563
	<b>¢ 3,605,347,301,631</b>	<b>3,510,991,880,205</b>	<b>3,247,021,166,563</b>

As of March 31, 2025, the Bank keeps trust commissions in the amount of ¢230,169, (¢522,519 and ¢522,519 for December and March 2024, respectively).

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Notes to the Consolidated Financial Statements

The balance of foreclosed assets is as follows (See note 7):

		<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Properties	¢	39,370,078,127	39,718,340,508	99,241,862,386
Other		173,009,570	148,670,417	465,137,862
	¢	<b><u>39,543,087,697</u></b>	<b><u>39,867,010,925</u></b>	<b><u>99,707,000,248</u></b>

BICSA has a five-year term to transfer the real property acquired as payment of unpaid loans as of the registration date of the property; if after such a term the property has not been sold, there must be an independent appraisal to estimate its value.

On the other hand, a reserve is made in the equity account through the following allocation: a) non-distributed profits and b) profits of the year. The reserve will be kept until an effective transfer of the acquired property has taken place.

The direct loan portfolio by type of guarantee is detailed below (See notes 6 and 19):

		<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>Guarantee</b>				
Pledged assets	¢	36,661,215,488	37,145,125,805	33,559,745,876
Fiduciary		542,790,190,610	544,493,900,879	432,425,658,499
Mortgage		1,721,241,974,442	1,718,598,297,229	1,660,738,905,841
Chattel		193,388,330,319	207,805,697,828	155,956,826,381
Others		1,936,034,100,517	1,866,280,944,082	1,825,510,715,719
	¢	<b><u>4,430,115,811,373</u></b>	<b><u>4,374,323,965,823</u></b>	<b><u>4,108,191,852,316</u></b>

As of March 31, 2025, 43% of the loan portfolio is secured by mortgage or chattel collaterals, (44% and 44% for December and March 2024, respectively).

In compliance with SUGEF Regulation 4-22 “Regulation on limits to direct and indirect lending operations of a supervised entity” (formerly SUGEF Directive 5-04, “Regulations on Credit Limits to Individual Persons and Economic Interest Groups”), the Bank debugs information on reported data of economic interest groups as part of their responsibility to identify significant administrative and equity relationships among debtors with total active operations.

As of March 31, 2025, groups of borrowers (members) having operations that add 2% or more of adjusted capital and in groups report 5% or more of adjusted capital, are reported.

The concentration of the loan portfolio by economic interest group is as follows:

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Notes to the Consolidated Financial Statements

As of March 31, 2025:

	<u>Percentage</u>	<u>Band</u>	<u>Total value</u>	<u>N° customers</u>
1	0-4,99%	28,331,532,463 ¢	252,811,890,691	2,757
2	5-9,99%	56,663,064,927	1,062,107,178,427	395
3	10-14,99%	84,994,597,390	369,912,623,290	314
4	15-20%	113,326,129,854	171,307,607,369	37
<b>Total</b>		¢	<b><u>1,856,139,299,777</u></b>	<b><u>3,503</u></b>

As of December 31, 2024:

	<u>Percentage</u>	<u>Band</u>	<u>Total value</u>	<u>N° customers</u>
1	0-4,99%	27,305,902,211 ¢	261,043,929,953	3,664
2	5-9,99%	54,611,804,422	1,058,119,706,046	396
3	10-14,99%	81,917,706,633	364,611,279,364	316
4	15-20%	109,223,608,845	205,312,390,325	45
<b>Total</b>		¢	<b><u>1,889,087,305,688</u></b>	<b><u>4,421</u></b>

As of March 31, 2024:

	<u>Percentage</u>	<u>Band</u>	<u>Total value</u>	<u>N° customers</u>
1	0-4,99%	27,305,902,211	242,481,685,438	4,265
2	5-9,99%	54,611,804,422	795,264,278,304	366
3	10-14,99%	81,917,706,633	377,319,941,519	333
4	15-20%	109,223,608,845	218,537,620,679	46
<b>Total</b>		¢	<b><u>1,633,603,525,940</u></b>	<b><u>5,010</u></b>

(b) Management of market and liquidity risk

Definitions

Market risk is defined as the possibility to potential losses that may occur in on- and off-balance positions due to adverse movements in the factors that determine their price, also known as risk factors, such as liquidity, interest rates, exchange rate and inflation, including the portfolios under management.

Liquidity risk arises when a financial institution is unable to meet its obligations to third parties due to insufficient cash flow. This risk may stem from mismatches between the maturity of asset recovery (lending operations) and the maturity of liabilities (borrowing operations), or from inadequate pricing mechanisms that prevent the conversion of an asset and/or liability into liquidity.

The risk of asset price and inflation measures the possible losses that can occur in financial assets that are part of the investment portfolios, and the loss of purchasing power of the cash flows received by the Bank.

(Continued)

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Interest rate risk is defined as the possibility that the Entity incurs losses as a result of changes in the present value of the assets and liabilities in which the Bank maintains positions on or off the balance sheet.

Finally, the exchange rate risk is the possibility of suffering losses because of variations in the exchange rate. It is made up of conversion risks, foreign currency position risks and transaction risks. This risk also manifests itself when the net result of the exchange rate adjustment does not proportionally compensate for the adjustment in the value of assets denominated in foreign currency, causing a reduction in the equity sufficiency indicator or in any model that in the event of variations in this macro price has a negative effect on the determination of exchange risk.

#### Management methodology of market and liquidity risk

Two methodologies are used to measure exposure to price risk:

- Regulatory methodology: Conducted monthly using historical simulation, the results of which are weighted in the calculation of price risk associated with capital adequacy.
- Internal methodology: Uses a parametric Value at Risk (VaR) model with daily exponential smoothing, which measures the impact of factors such as interest rates and exchange rates on the performance of the investment portfolio.

In terms of interest rates, the Bank exhibits sensitivity due to the mix of rates and terms, both in assets and liabilities. This sensibility is mitigated by means of the management of variable rates and the combination of terms monitored by internal models.

Furthermore, the management of operational liquidity risk is periodically evaluated by updating the Bank's six months projected cash flow and calculating the liquidity coverage indicator; the deadlines are prepared on a weekly basis. All liquidity risk indicators are calculated by currency. And structural liquidity through the Net Stable Funding Ratio (NSFR) indicator.

The Bank uses other internal methodologies that serve as early warnings in the management of this risk: deposits volatility, debt levels, liability structure, and liquidity degree of assets, availability of funding and the overall effectiveness of the gap of timelines.

#### Tolerance limits and risk indicators

The main indicators for controlling the market risk limits are the following:

- Liquidity risk: Maximum expected outflow of deposits of the public, match at one- and three months match and liquidity coverage ratio (ICL) by currency as well as the Net Stable Funding Ratio (NSFR) indicator.
- Price risk: VaR of the Investment portfolio through internal and regulatory models.
- Exchange risk: Capital requirement for exchange risk, through internal models.

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Notes to the Consolidated Financial Statements

- Interest rate risk: Sensitivity of the financial margin due to movements in reference interest rates.

These indicators include parameters of acceptability and limits that are approved by the General Board of Directors.

(c) Liquidity risk

Cash and cash equivalents show a year-over-year variation of -16.24%, mainly due to changes in cash, current accounts and demand deposits in foreign financial institutions, immediate collection documents, and investments in financial instruments held for trading (see cash and cash equivalents table in Note 4).

Demand deposits increase by 2.48% on a year-on-year basis, due to the increase in current account balances, savings deposits and other demand obligations with the public (see chart of demand obligations with the public in note 12).

Wholesale funding showed a year-over-year decrease of 0.25%, mainly in term obligations with the BCCR, accrued expenses for obligations with the BCCR, current accounts of domestic financial institutions (see table of obligations with financial institutions and the Central Bank in Note 14).

In the following table, the year-on-year results for the end of March 2024 are observed:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Liquidity coverage indicator (colones)	1.59	1.19	1.56
Liquidity coverage indicator (US dollars)	1.78	1.51	1.66
Regulatory limit	1.00	1.00	1.00

On the other hand, the term matches, another regulatory indicator, had the following results:

Regulatory liquidity matches by currency and term		March 2025	December 2024	March 2024	Approved levels	
Indicator	Interpretation	Observation	Observation	Observation		
1-month term matching US dollars		1.95	1.79	2.03	Limite:	1.13
1-month term matching colones	Ratio between assets	2.70	1.69	2.75	Limite:	1.03
3-months term matching US dollars	and liabilities with	1.47	1.31	1.54	Limite:	0.98
3-months term matching colones	account's volatility	1.77	1.29	1.57	Limite:	0.88

The matching of terms shows ease with respect to the limits, which is a direct effect of the measures taken in cash flow management.

The Bank maintains reports that allow monitoring of the main operational and structural indicators, as well as an alignment of liquidity management with credit and market risk.

The maturity dates of the Bank's assets and liabilities are as follows:

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**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

As of March 31, 2025

Assets	Demand	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	More than 365 days	Items overdue for more than thirty days	Total
Availabilities	€ 259,338,365,258	0	0	0	0	0	11,000,000	0	259,349,365,258
Legal cash requirement BCCR	430,406,814,033	25,157,674,860	19,174,501,194	16,391,003,147	46,265,493,119	76,595,981,762	27,352,540,947	0	641,444,009,062
Investment in securities	665,855,270	264,568,143,810	18,652,118,459	10,422,600,900	79,293,062,779	179,131,110,462	1,111,793,209,482	0	1,664,526,101,162
Interest on investments	1,292,380	12,357,272,896	2,143,390,739	866,627,215	4,020,531,489	124,275,221	1,033,430,164	0	20,546,820,104
Loan portfolio	0	132,816,378,427	119,552,511,607	128,774,266,829	317,038,954,481	279,412,061,892	3,295,754,074,708	131,041,273,800	4,404,389,521,744
Interest on loan portfolio	0	9,940,387,684	2,167,567,548	333,060,044	1,353,142,957	754,644,282	1,956,668,034	6,465,749,111	22,971,219,660
	<b>€ 690,512,326,941</b>	<b>444,839,857,677</b>	<b>161,690,089,547</b>	<b>156,787,558,135</b>	<b>447,971,184,825</b>	<b>536,018,073,619</b>	<b>4,437,900,923,335</b>	<b>137,507,022,911</b>	<b>7,013,227,036,990</b>
<b>Liabilities</b>									
Obligations with the public	€ 3,289,737,133,948	232,866,818,627	169,398,844,171	134,283,654,955	440,989,297,752	663,143,999,360	338,930,812,519	0	5,269,350,561,332
Obligations with BCCR	0	12,001,583,333	0	0	0	0	0	0	12,001,583,333
Obligations with financial entities	71,949,579,389	223,163,861,996	81,434,039,855	44,345,766,705	107,284,599,702	138,816,205,817	167,686,986,471	0	834,681,039,935
Charges payable on obligations	1,512,030,199	4,906,282,625	4,316,433,776	2,764,579,042	4,645,880,569	4,748,731,709	2,419,326,042	0	25,313,263,962
	<b>3,363,198,743,536</b>	<b>472,938,546,581</b>	<b>255,149,317,802</b>	<b>181,394,000,702</b>	<b>552,919,778,023</b>	<b>806,708,936,886</b>	<b>509,037,125,032</b>	<b>0</b>	<b>6,141,346,448,562</b>
<b>Asset-liability gap</b>	<b>€ (2,672,686,416,595)</b>	<b>(28,098,688,904)</b>	<b>(93,459,228,255)</b>	<b>(24,606,442,567)</b>	<b>(104,948,593,198)</b>	<b>(270,690,863,267)</b>	<b>3,928,863,798,303</b>	<b>137,507,022,911</b>	<b>871,880,588,428</b>

As of December 31, 2024

Assets	Demand	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	181 to 360 days	More than 365 days	Items overdue for more than thirty days	Total
Availabilities	€ 244,682,098,424	0	0	0	0	0	192,880,601	0	244,874,979,025
Legal cash requirement BCCR	473,169,742,600	29,108,481,246	25,154,578,597	19,339,334,376	40,001,641,453	48,816,626,091	32,363,096,755	0	667,953,501,118
Investment in securities	272,039,551	240,336,825,560	7,332,276,292	31,813,665,438	100,742,364,002	171,849,514,729	1,246,903,174,660	0	1,799,249,860,232
Interest on investments	2,377,201	4,518,047,859	6,762,408,683	8,058,597,050	6,781,157,700	655,542,336	324,754,067	0	27,102,884,896
Loan portfolio	0	158,247,001,910	121,201,020,919	136,805,343,169	319,345,463,047	275,169,104,273	3,223,758,239,759	115,555,988,033	4,350,082,161,110
Interest on loan portfolio	0	9,403,060,762	618,855,975	587,386,723	2,147,619,898	519,726,593	2,129,013,638	7,122,642,270	22,528,305,859
	<b>€ 718,126,257,776</b>	<b>441,613,417,337</b>	<b>161,069,140,466</b>	<b>196,604,326,756</b>	<b>469,018,246,100</b>	<b>497,010,514,022</b>	<b>4,505,671,159,480</b>	<b>122,678,630,303</b>	<b>7,111,791,692,240</b>
<b>Liabilities</b>									
Obligations with the public	€ 3,437,828,981,237	190,827,263,323	196,007,603,788	156,726,305,033	343,170,438,429	469,589,795,635	359,082,137,229	0	5,153,232,524,674
Obligations with BCCR	0	161,929,838,016	0	0	0	0	0	0	161,929,838,016
Obligations with financial entities	25,023,399,217	375,403,858,587	112,994,697,039	54,877,701,125	103,307,170,442	143,980,093,222	73,055,376,253	0	888,642,295,885
Charges payable on obligations	3,791,218,101	6,096,203,265	8,546,828,629	2,870,752,031	4,469,658,407	3,760,564,806	2,398,727,930	0	31,933,953,169
	<b>3,466,643,598,555</b>	<b>734,257,163,191</b>	<b>317,549,129,456</b>	<b>214,474,758,189</b>	<b>450,947,267,278</b>	<b>617,330,453,663</b>	<b>434,536,241,412</b>	<b>0</b>	<b>6,235,738,611,744</b>
<b>Asset-liability gap</b>	<b>€ (2,748,517,340,779)</b>	<b>(292,643,745,854)</b>	<b>(156,479,988,990)</b>	<b>(17,870,431,433)</b>	<b>18,070,978,822</b>	<b>(120,319,939,641)</b>	<b>4,071,134,918,068</b>	<b>122,678,630,303</b>	<b>876,053,080,496</b>

(Continued)

**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

As of March 31, 2024

<b>Assets</b>	<b>Demand</b>	<b>1 to 30 days</b>	<b>31 to 60 days</b>	<b>61 to 90 days</b>	<b>91 to 180 days</b>	<b>181 to 360 days</b>	<b>More than 365 days</b>	<b>Items overdue for more than thirty days</b>	<b>Total</b>
Availabilities	€ 254,388,540,399	0	0	0	0	0	0	0	254,388,540,399
Legal cash requirement BCCR	419,863,267,074	20,965,731,452	17,029,184,379	18,070,582,123	41,207,622,341	50,112,599,707	34,062,855,737	0	601,311,842,813
Investment in securities	997,514,732	473,848,768,449	8,772,523,075	64,855,070,857	121,104,844,326	139,105,827,180	813,784,888,112	0	1,622,469,436,731
Interest on investments	1,577,853	10,507,907,544	1,464,024,256	2,468,924,674	5,437,366,368	88,237,561	955,281,544	0	20,923,319,800
Loan portfolio	0	174,348,111,415	118,645,206,591	126,642,425,893	281,168,476,015	286,381,740,575	2,974,776,763,323	0	4,087,524,210,750
Interest on loan portfolio	0	9,483,753,395	2,690,381,494	480,753,082	1,393,779,354	635,289,320	2,437,622,744	0	24,801,652,785
	€ <u>675,250,889,925</u>	<u>689,154,272,255</u>	<u>148,601,319,795</u>	<u>212,517,756,629</u>	<u>450,312,088,404</u>	<u>476,323,694,343</u>	<u>3,826,017,411,460</u>	<u>133,241,560,334</u>	<u>6,611,419,003,278</u>
<b>Liabilities</b>									
Obligations with the public	€ 3,196,501,406,894	177,484,776,173	143,924,197,647	153,315,363,545	364,028,976,396	469,677,570,027	418,629,315,765	0	4,923,561,606,447
Obligations with BCCR	0	0	0	0	0	99,002,909,685	0	0	99,002,909,685
Obligations with financial									
Entities	92,785,398,675	236,700,566,766	54,955,396,483	20,709,385,790	107,559,626,737	122,308,021,464	128,048,974,479	0	763,067,370,394
Charges payable on obligations	1,601,772,824	4,637,066,546	4,453,535,313	3,067,658,423	5,027,240,276	7,861,374,367	3,514,554,673	0	30,163,202,422
	<u>3,290,888,578,393</u>	<u>418,822,409,485</u>	<u>203,333,129,443</u>	<u>177,092,407,758</u>	<u>476,615,843,409</u>	<u>698,849,875,543</u>	<u>550,192,844,917</u>	<u>0</u>	<u>5,815,795,088,948</u>
<b>Asset-liability gap</b>	€ <u>(2,615,637,678,335)</u>	<u>270,331,862,770</u>	<u>(54,731,809,648)</u>	<u>35,425,348,871</u>	<u>(26,303,755,005)</u>	<u>(222,526,181,200)</u>	<u>3,275,824,566,543</u>	<u>133,241,560,334</u>	<u>795,623,914,330</u>

(Continued)

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

(d) Price risk of the portfolio

The Bank manages two investment portfolios: own Funds and Development Credit Funds.

In the case of own funds, a concentration of 41,32% is observed in instruments issued by the Ministry of Finance, in this sense and with the purpose of mitigating the market risk of these instruments, a strategy was defined in the investment position of this issuer.

The following are the results of the VaR methodology-SUGEF 03-06, considering both portfolios:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
VaR	¢ 1,402,875,348	1,097,076,397	11,935,766,782

The year-on-year increase in the indicator is an effect of the increase in price volatility of investment instruments because of the global pandemic, the election year, the Russia-Ukraine war and the market value of the portfolio and the removal of the 25 worst observations r, given the calculation methodology.

(e) Interest rate risk

The Bank has a credit portfolio, investments, and obligations with the public and with entities subject to variable interest rates which creates a risk both for cash flow and for the present value of financial instruments.

To manage this risk, the Bank applies a gap model that identifies the structure of interest rate-sensitive assets and liabilities. This model allows for sensitivity analysis under two scenarios:

- Base scenario: based on the monthly projections of Corporate Risk Management.
- Adverse scenario: based on interest rates reflecting a less likely but plausible behavior.

In applying these scenarios, the projected rate variations from the 2025 BUST were used.

The following are the results by currency:

		<b>Results March 2025</b>	<b>Base scenario</b>	<b>Adverse scenario</b>	<b>Scenario +-100 pb</b>	<b>Scenario +-200 pb</b>
Colones	Cumulative one-year gap	1,181,884.50	1,003,162.90	1,003,162.90	1,003,162.90	1,003,162.90
	TBP (one-year projection)	3.83%	6.5%	3.01%	5.02%	6.02%
	Impact on the margin	(2,217.74)	(6,145.80)	(11,937.03)	(+)-11,818.84	(+)-23,637.69
US dollars	Cumulative one-year gap	254,331.82	195,060.28	195,060.28	195,060.28	195,060.28
	Prime (one-year projection)	7.02%	7.09%	5.51%	8.5%	9.5%
	Impact on the margin	(1,232.671)	(1,042.76)	(5,061.20)	(+)-2,543.32	(+)-5,086.64

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

As of March 31, 2025, interest rate terms for assets and liabilities are matched as follows:

	<u>Effective rate</u>	<u>1 to 30 days</u>	<u>31 to 90 days</u>	<u>91 to 180 days</u>	<u>181 to 360 days</u>	<u>361 to 720 days</u>	<u>More than 720 days</u>	<u>Total</u>
<b>Colones</b>								
<b>Assets</b>								
Investments	7.11%	¢ 117,114,750,621	34,110,919,251	91,536,816,301	102,373,365,995	267,819,604,934	825,744,825,370	1,438,690,282,472
Loan portfolio	8.09%	1,573,957,160,974	145,655,716,104	121,729,090,088	74,254,941,715	106,371,217,549	1,562,244,461,211	3,584,212,587,641
<b>Total recovered assets (*)</b>		<b>1,691,071,911,595</b>	<b>179,756,635,355</b>	<b>213,265,906,389</b>	<b>176,628,307,710</b>	<b>374,190,822,483</b>	<b>2,387,989,286,581</b>	<b>5,022,902,870,113</b>
<b>Liabilities</b>								
Obligations with the public		160,887,124,841	222,464,847,361	218,143,664,693	252,441,681,336	109,542,052,642	48,136,320,570	1,011,596,691,443
Obligations with financial entities	3.10%	163,408,386,776	123,507,601,574	22,944,941,614	7,869,321,576	153,969,150	0	317,884,220,690
<b>Total matured liabilities (*)</b>		<b>399,315,301,978</b>	<b>345,972,448,935</b>	<b>241,088,606,307</b>	<b>260,292,002,912</b>	<b>109,696,021,792</b>	<b>48,136,320,570</b>	<b>1,404,500,702,494</b>
<b>Assets and liabilities spread</b>		<b>¢ 1,291,756,609,617</b>	<b>(166,215,813,580)</b>	<b>(27,822,699,918)</b>	<b>(83,663,695,202)</b>	<b>264,494,800,691</b>	<b>2,339,852,966,011</b>	<b>3,618,402,167,619</b>
<b>Dollars</b>								
<b>Assets</b>								
Investments	4.21%	¢ 160,765,259,310	39,564,378,560	133,782,940,480	105,281,807,502	258,960,489,393	662,5550,167,928	1,360,905,043,173
Loan portfolio	7.17%	244,082,510,609	54,673,620,152	43,860,030,220	38,793,955,709	65,829,135,169	662,737,435,430	1,109,976,687,289
<b>Total recovered assets (*)</b>		<b>404,847,769,919</b>	<b>94,237,998,712</b>	<b>177,642,970,700</b>	<b>144,075,763,211</b>	<b>324,789,624,562</b>	<b>1,325,287,603,358</b>	<b>2,470,881,730,462</b>
<b>Liabilities</b>								
Obligations with the public		64,445,333,016	86,292,290,307	78,412,337,677	72,070,537,689	29,657,587,619	14,244,895,512	345,122,981,820
Demand obligations	0.46%	195,469,660,326	27,041,807,177	98,650,225,193	97,669,766,148	71,564,393,287	61,194,860,924	551,590,713,055
Obligations with financial entities	2.02%	(13,528,061,901)	1,020,007,320	677,894,331	1,298,976,341	1,840,965,299	19,769,654,217	11,079,435,607
<b>Total matured liabilities (*)</b>		<b>50,917,271,115</b>	<b>87,312,297,627</b>	<b>79,090,232,008</b>	<b>73,369,514,030</b>	<b>31,498,552,918</b>	<b>34,014,549,729</b>	<b>356,202,417,427</b>
<b>Assets and liabilities spread</b>		<b>¢ 353,930,498,804</b>	<b>6,925,701,085</b>	<b>98,552,738,692</b>	<b>70,706,249,181</b>	<b>293,291,071,644</b>	<b>1,291,273,053,629</b>	<b>2,114,679,313,035</b>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

As of December 31, 2024, interest rate terms for assets and liabilities are matched as follows:

	<u>Effective rate</u>	<u>1 to 30 days</u>	<u>31 to 90 days</u>	<u>91 to 180 days</u>	<u>181 to 360 days</u>	<u>361 to 720 days</u>	<u>More than 720 days</u>	<u>Total</u>
<b>Colones</b>								
<b>Assets</b>								
Investments	6.48%	¢ 106,082,184,808	37,927,871,661	102,762,404,539	98,160,651,151	268,281,824,388	821,891,096,630	1,435,106,033,177
Loan portfolio	8.06%	1,573,957,160,974	145,655,716,104	121,729,090,088	74,254,941,715	106,371,217,549	1,562,244,461,211	3,584,212,587,641
<b>Total recovered assets (*)</b>		<b>1,680,039,345,782</b>	<b>183,583,587,765</b>	<b>224,491,494,627</b>	<b>175,415,592,866</b>	<b>374,653,041,937</b>	<b>2,384,135,557,841</b>	<b>5,019,318,620,818</b>
<b>Liabilities</b>								
Obligations with the public		160,442,873,338	222,464,847,361	218,143,664,693	252,411,846,336	109,542,052,642	48,136,320,570	1,011,141,604,940
Obligations with financial entities	4.11%	128,043,154,432	123,508,508,911	22,944,495,838	7,870,710,798	132,329,512	0	282,499,199,491
<b>Total matured liabilities (*)</b>		<b>363,505,818,131</b>	<b>345,973,356,272</b>	<b>241,088,160,531</b>	<b>260,282,557,134</b>	<b>109,674,382,154</b>	<b>48,136,320,570</b>	<b>1,368,660,594,792</b>
<b>Assets and liabilities spread</b>		<b>¢ 1,316,533,527,651</b>	<b>(162,389,768,507)</b>	<b>(16,596,665,904)</b>	<b>(87,866,964,268)</b>	<b>264,978,659,783</b>	<b>2,335,999,237,271</b>	<b>3,650,658,026,026</b>
<b>Dollars</b>								
<b>Assets</b>								
Investments	4.91%	¢ 127,626,189,943	15,426,867,262	118,772,062,118	89,052,905,031	258,009,812,260	654,601,043,463	1,263,488,880,077
Loan portfolio	7.29%	244,082,510,609	54,673,620,152	43,860,030,220	38,793,955,709	65,829,135,169	662,737,435,430	1,109,976,687,289
<b>Total recovered assets (*)</b>		<b>371,708,700,552</b>	<b>70,100,487,414</b>	<b>162,632,092,338</b>	<b>127,846,860,740</b>	<b>323,838,947,429</b>	<b>1,317,338,478,893</b>	<b>2,373,465,567,366</b>
<b>Liabilities</b>								
Obligations with the public		64,791,029,879	86,292,290,307	78,412,337,677	72,070,537,689	29,657,587,619	14,244,895,512	345,468,678,683
Demand obligations	0.46%	341,537,571	40,578,208	192,830,492	278,386,767	123,661,060	123,900,037	1,100,894,135
Obligations with financial entities	4.05%	(17,092,123,849)	1,020,007,320	677,894,331	1,298,976,341	1,840,965,299	19,801,845,932	7,547,565,374
<b>Total matured liabilities (*)</b>		<b>47,698,906,030</b>	<b>87,312,297,627</b>	<b>79,090,232,008</b>	<b>73,369,514,030</b>	<b>31,498,552,918</b>	<b>34,046,741,444</b>	<b>353,016,244,057</b>
<b>Assets and liabilities spread</b>		<b>¢ 324,009,794,522</b>	<b>(17,211,810,213)</b>	<b>83,541,860,330</b>	<b>54,477,346,710</b>	<b>292,340,394,511</b>	<b>1,283,291,737,449</b>	<b>2,020,449,323,309</b>

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BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

As of March 31, 2024, interest rate terms for assets and liabilities are as follows:

	<u>Effective rate</u>	<u>1 to 30 days</u>	<u>31 to 90 days</u>	<u>91 to 180 days</u>	<u>181 to 360 days</u>	<u>361 to 720 days</u>	<u>More than 720 days</u>	<u>Total</u>
<b>Colones</b>								
<b>Assets</b>								
Investments	8.15%	¢ 260,693,005,356	61,002,588,413	115,196,133,570	114,357,977,885	205,728,896,146	464,265,947,747	1,221,244,549,117
Loan portfolio	8.32%	1,414,712,959,927	284,079,500,219	26,926,173,320	47,598,348,713	103,134,118,500	1,384,123,828,393	3,260,574,929,072
<b>Total recovered assets (*)</b>		<b>1,675,405,965,283</b>	<b>345,082,088,632</b>	<b>142,122,306,890</b>	<b>161,956,326,598</b>	<b>308,863,014,646</b>	<b>1,848,389,776,140</b>	<b>4,481,819,478,189</b>
<b>Liabilities</b>								
Obligations with the public		102,037,208,389	213,889,652,910	247,421,606,521	288,524,313,256	113,564,095,853	54,559,888,436	1,019,996,765,365
Obligations with financial entities	2.56%	142,164,611,971	237,731,376,754	273,447,404,352	405,146,320,480	113,516,523,016	54,559,888,436	1,226,566,125,009
<b>Total matured liabilities (*)</b>		<b>251,320,541,570</b>	<b>475,462,013,460</b>	<b>546,892,572,558</b>	<b>809,035,805,200</b>	<b>227,080,618,869</b>	<b>109,119,776,872</b>	<b>2,418,902,404,661</b>
<b>Assets and liabilities spread</b>		<b>¢ 1,424,085,423,713</b>	<b>(130,379,924,828)</b>	<b>(404,770,265,668)</b>	<b>(647,079,478,602)</b>	<b>81,782,395,777</b>	<b>1,739,269,999,268</b>	<b>2,062,917,073,528</b>
<b>Dollars</b>								
<b>Assets</b>								
Investments	4.64	¢ 207,879,863,318	37,162,886,785	24,281,115,133	26,454,001,947	46,256,971,120	66,689,465,931	408,724,304,234
Loan portfolio	7.47	320,056,089,991	65,645,385,785	31,946,942,339	35,075,853,128	46,538,286,043	385,036,207,387	884,298,764,673
<b>Total recovered assets (*)</b>		<b>527,935,953,309</b>	<b>102,808,272,570</b>	<b>56,228,057,472</b>	<b>61,529,855,075</b>	<b>92,795,257,163</b>	<b>451,725,673,318</b>	<b>1,293,023,068,907</b>
<b>Liabilities</b>								
Obligations with the public		50,731,247,022	62,279,824,725	75,092,985,888	93,742,942,270	18,542,740,327	12,375,068,316	312,764,808,548
Demand obligations	0.30%	155,910,007,759	38,099,129,604	54,821,973,820	98,241,065,043	113,753,284,200	47,755,505,661	508,580,966,087
Obligations with financial entities	3.74%	(22,616,713,488)	608,251,787	26,108,830,872	1,776,510,451	2,002,512,052	13,930,475,338	21,809,867,012
<b>Total matured liabilities (*)</b>		<b>28,114,533,534</b>	<b>62,888,076,512</b>	<b>101,201,816,760</b>	<b>95,519,452,721</b>	<b>20,545,252,379</b>	<b>26,305,543,654</b>	<b>334,574,675,560</b>
<b>Assets and liabilities spread</b>		<b>¢ 499,821,419,775</b>	<b>39,920,196,058</b>	<b>(44,973,759,288)</b>	<b>(33,989,597,646)</b>	<b>72,250,004,784</b>	<b>425,420,129,664</b>	<b>958,448,393,347</b>

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BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Within the gap report (rate-sensitive assets and liabilities) in local currency, a total difference of asset recovery less maturity of liabilities as of March 31, 2025, for ₡3,618,402,167,619 (₡3,542,948,688,856 and ₡2,062,917,073,528 for December and March 2024, respectively) while in foreign currency the same difference is of ₡2,114,679,313,035, (₡1,983,214,040,539 and ₡958,448,393,347 for December and March 2024, respectively) being an improved inference in the balance sheet due to positive changes in interest rates, since the entity presents more assets than liabilities in both currencies. Regarding term matching (sum of liquidity of assets and liabilities), as of December 31, 2024, the total amount in local currency was of ₡871,880,588,428, (₡876,053,080,496 and ₡795,623,914,330, for December and March 2024, respectively) while in foreign currency, the collected data for the compliance of obligations was of \$258,529,507, (\$354,673,724 and \$337,014,237 for December and March 2024, respectively) which shows the necessary solvency to meet the liquid liabilities of the Organization.

(f) Foreign exchange risk

The Bank incurs transactions denominated in US dollars and minority Euros.

These currencies experience periodic fluctuations with respect to the Costa Rican colon, in accordance with the monetary and exchange policies of the Central Bank of Costa Rica (BCCR). Therefore, any fluctuation in the value of the US Dollar affects the results, financial position and cash flows of the entity.

The Bank uses two indicators to manage the foreign exchange risk: term matching of assets and liabilities denominated in foreign currency and sensitivity of the foreign currency position.

To comply with the Own Position in Foreign Currency, the Treasury Management had to maintain a positive position in foreign currency, reaching US\$68.7 million as of March 2025 (US\$175 million for March 2024), given that the appetite for the ratio of position in foreign currency (PME) to base capital (CB) decreased.

The monetary assets and liabilities in US dollars are detailed as follows:

		<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>Assets:</b>				
Cash and due from banks	US\$	527,519,457	490,150,174	509,993,817
Investments in financial instruments		777,130,946	721,534,963	800,373,721
Loan portfolio				
Accounts and accrued interest receivable		3,170,311,999	3,185,264,269	3,083,623,680
Investments in other companies		3,991,897	6,714,075	3,694,145
Other		22,645,624	17,834,734	35,049,993
<b>Total assets</b>		<b>4,501,599,923</b>	<b>4,421,498,215</b>	<b>4,432,735,336</b>
<b>Liabilities:</b>				
Obligations with the public		3,303,850,413	3,097,891,481	3,086,012,604
Other financial obligations		1,017,910,548	1,057,008,606	1,082,949,328
Other account payable and provisions		34,849,009	35,189,067	34,331,162
Other liabilities		20,939,569	17,382,870	9,742,966
<b>Total liabilities</b>		<b>4,377,549,539</b>	<b>4,207,472,024</b>	<b>4,213,036,060</b>
<b>Net position</b>	US\$	<b>124,050,384</b>	<b>214,026,191</b>	<b>219,699,276</b>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The valuation of monetary assets and liabilities in foreign currency is carried out with reference to the purchase exchange rate set by the BCCR the last business day of each month for March 31, 2025 the exchange rate of ¢ 504.21 for US \$1.00 (¢512.75 and ¢506.60 for December and March 2024, respectively) was used.

The net position is not covered with any instrument; however, the Bank considers it remains at an acceptable level for buying and selling US dollars in the market at the time it is considered, as necessary.

The Bank faces this type of risk when the value of its assets and liabilities in US dollars is affected by variations in the exchange rate, which is recognized in the income statement.

The following table shows the possible annual profit (loss) if there are variations of 5 percentage points in the exchange rates, respectively:

Sensitivity to an increase in the exchange rate

		<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Net position	US\$	124,050,384	214,026,191	219,699,276
Closing exchange rate		504.21	512.73	506.60
Increase in the exchange rate by 5%		25.21	25.64	25.33
<b>Profit</b>	¢	<u>3,127,310,181</u>	<u>5,487,631,537</u>	<u>5,564,982,661</u>

Sensitivity to a decrease in the exchange rate

		<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Net position	US\$	124,050,384	214,026,191	219,699,276
Closing exchange rate		504.21	512.73	506.60
Decrease in the exchange rate of 5%		(25.21)	(25.64)	(25.33)
<b>Loss</b>	¢	<u>(3,127,310,181)</u>	<u>(5,487,631,537)</u>	<u>(5,564,982,661)</u>

Assets and liabilities in Euros are detailed as follows:

		<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Assets:				
Cash and due from banks	EUR€	6,366,897	6,981,872	5,801,526
Other assets		140	13,425	265,030
<b>Total assets</b>		<u>6,367,037</u>	<u>6,995,297</u>	<u>6,066,556</u>
Liabilities:				
Obligations with the public		6,723,064	6,774,642	6,405,015
Other financial obligations		1,077,843	1,077,843	1,147,077
Other accounts payable and provisions		79,760	27,334	23,902
Other liabilities		(825)	(1,951)	21,328
<b>Total liabilities</b>		<u>7,879,842</u>	<u>7,877,868</u>	<u>7,597,322</u>
<b>Net position (excess of monetary assets over monetary liabilities)</b>	EUR€	<u>(1,512,805)</u>	<u>(882,571)</u>	<u>(1,530,766)</u>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

As of March 31, 2025, in compliance with SUGEF's regulations, the term matching the most important US dollars (US\$) accounts are as follows:

<b>Assets</b>		<b>Demand</b>	<b>1 to 30 days</b>	<b>31 to 60 days</b>	<b>61 to 90 days</b>	<b>91 to 180 days</b>	<b>181 to 365 days</b>	<b>More than 365 days</b>	<b>More than 30 days past due</b>	<b>Total</b>
Cash and due from banks	US\$	235,460,271	0	0	0	0	0	0	0	235,460,271
Cash Reserve- BCCR		199,176,429	15,473,739	15,473,739	9,792,366	9,742,973	20,104,884	8,371,695	0	292,217,971
Investments		798,549	376,255,378	376,255,378	2,107,479	2,803,846	109,458,074	219,242,440	0	771,866,406
Interest on investments		2,466	817,792	817,792	2,500,711	(23,190)	1,838,054	848,789	0	6,030,860
Loan portfolio		0	162,274,992	162,274,992	148,715,866	177,661,761	476,886,491	1,875,705,375	99,780,807	3,273,126,094
Interest on loans		0	4,271,956	4,271,956	603,499	502,799	2,593,670	3,864,103	4,098,808	17,389,295
		<b>435,437,715</b>	<b>559,093,857</b>	<b>559,093,857</b>	<b>163,719,921</b>	<b>190,688,189</b>	<b>610,881,173</b>	<b>2,108,032,402</b>	<b>103,879,615</b>	<b>4,596,090,897</b>
<b>Liabilities</b>										
Obligations with public		1,739,842,972	210,261,208	210,261,208	129,549,685	99,901,694	350,799,839	336,826,055	0	3,290,356,742
Obligations with financial entities		86,798,742	268,576,467	268,576,467	38,301,614	76,108,857	160,968,615	146,845,780	0	1,026,636,081
Charges payable		226,898	3,215,466	3,215,466	1,875,699	3,122,782	3,986,438	3,453,456	0	20,929,291
		<b>1,826,868,612</b>	<b>480,053,141</b>	<b>482,053,141</b>	<b>169,726,998</b>	<b>179,133,333</b>	<b>515,754,892</b>	<b>487,125,291</b>	<b>0</b>	<b>4,337,922,114</b>
<b>Assets and liabilities spread</b>	US\$	<b>(1,391,430,897)</b>	<b>77,040,716</b>	<b>77,040,716</b>	<b>(6,007,077)</b>	<b>11,554,856</b>	<b>95,126,281</b>	<b>1,620,907,111</b>	<b>103,879,615</b>	<b>258,168,783</b>

As of December 31, 2024, in compliance with SUGEF's regulations, the term matching the most important US dollars (US\$) accounts are as follows:

<b>Assets</b>		<b>Demand</b>	<b>1 to 30 days</b>	<b>31 to 60 days</b>	<b>61 to 90 days</b>	<b>91 to 180 days</b>	<b>181 to 365 days</b>	<b>More than 365 days</b>	<b>More than 30 days past due</b>	<b>Total</b>
Cash and due from banks	US\$	193,292,881	0	0	0	0	0	354,730	0	193,647,611
Cash Reserve- BCCR		201,296,818	16,424,120	14,053,028	8,955,898	20,089,903	25,590,125	10,290,746	0	296,700,638
Investments		258,773	270,932,065	2,637,203	40,903,164	19,145,968	147,054,815	235,644,721	0	716,576,709
Interest on investments		2,894	1,635,039	285,070	1,260,179	1,234,311	883,911	333,279	0	5,634,683
Loan portfolio		0	209,596,456	158,549,656	209,727,468	480,224,185	311,016,200	1,840,052,536	81,892,102	3,291,058,603
Interest on loans		0	4,605,486	679,573	999,444	2,815,738	961,282	4,141,827	5,629,121	19,832,471
		<b>394,851,366</b>	<b>503,193,166</b>	<b>176,204,530</b>	<b>261,846,153</b>	<b>523,510,105</b>	<b>485,506,333</b>	<b>2,090,817,839</b>	<b>87,521,223</b>	<b>4,523,450,715</b>
<b>Liabilities</b>										
Obligations with public		1,706,231,685	92,606,830	139,670,475	106,335,791	267,844,557	435,794,066	334,213,262	0	3,082,696,666
Obligations with financial entities		(25,472,744)	352,861,655	98,502,315	79,982,786	158,018,866	265,056,218	135,020,737	0	1,063,969,833
Charges payable		793,164	5,369,901	2,547,631	2,516,545	3,537,016	4,025,816	3,320,419	0	22,110,492
		<b>1,681,552,105</b>	<b>450,838,386</b>	<b>240,720,421</b>	<b>188,835,122</b>	<b>429,400,439</b>	<b>704,876,100</b>	<b>472,554,418</b>	<b>0</b>	<b>4,168,776,991</b>
<b>Assets and liabilities spread</b>	US\$	<b>(1,286,700,739)</b>	<b>52,354,780</b>	<b>(64,515,891)</b>	<b>73,011,031</b>	<b>94,109,666</b>	<b>(219,369,767)</b>	<b>1,618,263,421</b>	<b>87,521,223</b>	<b>354,673,724</b>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

As of March 31, 2024, in US dollars:

		<u>Demand</u>	<u>1 to 30 days</u>	<u>31 to 60 days</u>	<u>61 to 90 days</u>	<u>91 to 180 days</u>	<u>181 to 365 days</u>	<u>More than 365 days</u>	<u>More than 30 days past due</u>	<u>Total</u>
<b>Assets</b>										
Cash and due from banks	US\$	211,058,374	0	0	0	0	0	0	0	211,058,374
Cash reserve - BCCR		209,975,227	15,948,867	9,630,464	8,583,255	17,342,983	23,347,782	14,130,617	0	298,959,195
Investments		136,419	442,614,148	5,768,726	26,781,257	43,739,512	52,465,314	219,770,223	0	791,275,599
Interest on investments		1,771	2,509,159	2,285,281	1,198,551	2,893,608	53,484	483,969	0	9,425,823
Loan portfolio		0	242,435,839	172,897,752	181,252,845	419,573,111	381,986,793	1,692,741,731	92,136,351	3,183,024,422
Interest on loans		0	4,235,807	1,139,169	837,527	2,620,743	1,216,176	4,808,154	4,595,482	19,453,058
		<u>421,171,791</u>	<u>707,743,820</u>	<u>191,721,392</u>	<u>218,653,435</u>	<u>486,169,957</u>	<u>459,069,549</u>	<u>1,931,934,694</u>	<u>96,731,833</u>	<u>4,513,196,471</u>
<b>Liabilities</b>										
Obligations with public		1,677,776,134	159,930,352	104,507,456	99,811,163	239,359,054	363,717,172	428,687,627	0	3,073,788,958
Obligations with financial entities		99,845,587	255,938,682	72,990,996	30,881,155	162,378,420	210,165,944	243,618,149	0	1,075,818,933
Charges payable		254,551	3,654,862	3,070,769	2,737,711	4,412,211	6,967,122	5,477,117	0	26,574,343
		<u>1,777,876,272</u>	<u>419,523,896</u>	<u>180,569,221</u>	<u>133,430,029</u>	<u>406,149,685</u>	<u>580,850,238</u>	<u>677,782,893</u>	<u>0</u>	<u>4,176,182,234</u>
<b>Assets and liabilities spread</b>	US\$	<u>(1,356,704,481)</u>	<u>288,219,924</u>	<u>11,152,171</u>	<u>85,223,406</u>	<u>80,020,272</u>	<u>(121,780,689)</u>	<u>1,254,151,801</u>	<u>96,731,833</u>	<u>337,014,237</u>

(Continued)

## BANCO DE COSTA RICA AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The Bank faces this kind of risk when the value of its dollar-denominated assets and liabilities is affected by exchange rate variations, which is recognized in the income statement.

As of March 31, 2025, the financial statements show a net foreign exchange loss of ¢3,220,296,419, (¢15,307,631,261 and ¢3,547,613,389 net loss for December and March 2024, respectively

(g) Capital Management

The Capital Management Process in the BCR Financial Conglomerate is analyzed by entity, type of risk, line of business and jointly, so that the information generated can be easily used in decision-making at the different levels of the organization.

In 2025, the credit risk requirement shows higher levels than in 2024 due to the increase in credit placement.

(h) Systemic risk

The BCR within the national financial system, occupies the second position in total assets and is among the most active issuers in the country's stock market.

The size of the BCR Financial Conglomerate is according to assets of the most updated data, equivalent to the end of March 2025 of 14.01% of annual GDP. Due to the size and complexity of its operations, BCR is a systemic Entity, therefore, its performance and the decisions made have effects on the financial system.

The National Banking System has a medium concentration level, where BNCR, BCR, BPDC and BAC are the main participants.

The systemic risk analysis is carried out considering several dimensions. The first dimension corresponds to the economic context, the second the size, the third refers to concentration indicators, the fourth contagion, the fifth an index of fiscal conditions and in 2023 a sixth dimension is added that correlates the previous five that acts transversally on the other dimensions.

(i) Operational risk management

The operational risk is defined as the possibility of loss resulting from inadequate use or unforeseen failure of processes, personnel, and internal and even automated systems or due to external events. This definition includes technological and legal risks but excludes the strategic and reputational risk.

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The operational risk establishes an evaluation process that includes the stages of identification and analysis, through a set of qualitative and quantitative techniques and tools that allow determining the risk level, based on the estimate of the probability of occurrence and impact of the risk event, to continue with the stages of assessment, risk treatment, recording and reporting, communication, and monitoring.

The objective of operational risk management is aimed at minimizing the Entity's financial losses, as well as contributing to achieving efficiency and effectiveness in the execution of processes.

The gross operating losses that are observed in the following table, are fed with the reports of materialized events recorded by the different offices of the Bank, which is consolidated, complying with the provisions of SUGEF Agreement 2-10 Regulations for comprehensive risk management.

**Gross operating losses**

**- Percentage distribution by type of risk-**

<b>Type of operational risk</b>	<b>Accumulated</b>	<b>March</b>	<b>December</b>	<b>March</b>
	<b>gross losses</b>			
	<b>2025</b>	<b>2025</b>	<b>2024</b>	<b>2024</b>
Clients, products, and business practices	0	0.00%	0.22%	20.53%
Execution, delivery, and management of processes	28,243,689	17.13%	0.62%	14.55%
External fraud	28,374,492	17.20%	76.22%	57.27%
Internal fraud	0	0.00%	0.00%	0.00%
Business interruption and system failures	29,133,146	17.67%	22.94%	7.65%
Labor relations and safety in the workplace	79,165,469	48.00%	0.00%	0.00%
<b>Total</b>	<b>€ 164,916,796</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

*Source: Operational Risk Unit*

The results are obtained from the compilation of the losses by type of operational risk, to which the BCR has been exposed in the evaluated period, which allows studying the effectiveness of the implemented measures.

As shown in the table above, the amounts of operational losses due to external fraud, internal fraud, and business disruption and system failures are similar for the period from January to March 2025. However, in the case of labor relations and occupational safety, labor claim settlements stand out, for which the implementation of established controls for human capital management will continue.

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(j) Information security and IT Risk

Information security and IT risks are managed by the BCR with a conglomerate scope, among its main pillars are the following:

- Conducting evaluations: They are carried out through a process aligned with best practices such as ISO 31000 and strict follow-up is given to the treatment actions generated.
- Definition of risk appetite statement: Information and IT security risk indicators are developed and monitored, supporting compliance with IT and business objectives.
- Maintenance of the technology risk profile: In compliance with the guidelines issued by the Superintendency of Financial Institutions (SUGEF), the entity's risk profile is established and updated, ensuring that it aligns with the risk tolerance level defined by the entity.
- Update of the regulatory framework: In compliance with regulatory bodies and internal policies, the regulatory framework is reviewed and updated at least once a year.
- Definition of risk strategy: The risk strategy is established to anticipate, prepare for, and respond effectively to events that may impact the organization's objectives.
- Maturity assessment: Conducted annually to gain a clear view of the current state of the risk management process, to identify strengths and weaknesses, prioritize improvements, facilitate alignment with standards and regulations, justify resources to senior management, and strengthen the risk culture.
- Automation and improvements: the use of automated tools is being implemented to support the process of evaluations, monitoring of risk treatment plans, and follow-up of indicators, projecting to have greater scope and agility in their execution.

Evaluations related to requirements under the PCI DSS (Payment Card Industry Data Security Standard) processes, projects, applications, strategy, services, platforms, hiring, criteria and IT security are included in the annual work plan. In addition, risk indicators are reviewed and proposed, to monitor and control different events to which the BCR Financial Conglomerate may be exposed.

As part of the evaluations and monitoring of the indicators, corrective actions are applied if required. They are defined, together with the risk takers, as part of the continuous improvement of the process.

Reports related to management of technological risk are periodically sent to the corresponding bodies of corporate governance, as part of the System of Management Information.

All in line with prudential regulations applicable and best international practices, allowing Corporate Risk Management to support the fulfillment of institutional strategic objectives, and minimize the materialization of impacts sensitive to the services provided to customers.

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(k) Business Continuity

Business Continuity Testing

In the area of Business Continuity, in compliance with SUGEF Agreement 2-10 “Regulations on Operational Risk Management,” specifically the section on Business Continuity, clause E) Execution of periodic testing and evaluation of results, Banco de Costa Rica has established a Testing Plan that includes the Contingency Plan for its Commercial Branches.

Commercial Branches serve as the physical channel through which the Bank delivers its products and services to customers. It is crucial to have a contingency plan in place in the event of disruption to the bank’s priority services.

The contingency plan for commercial branches includes customer service protocols and defined steps for addressing critical services identified in the Business Impact Analysis (BIA). The most common disruption scenario involves the unavailability of services, which affects communication between a Commercial Branch and the Bank’s Data Center.

Contingency plan testing enables personnel to train for real-life incidents, identify weaknesses, propose improvements, and adjust existing procedures.

The Business Continuity Unit is responsible for coordinating with commercial branches to implement the necessary adjustments to ensure the proper functioning of the contingency plan, based on the errors identified and results obtained from the tests. Additionally, it develops training programs to strengthen the organization's business continuity culture.

These tests allow the institution to measure and evaluate the effectiveness and efficiency of its business continuity plans. The outcomes enable the organization to build the capacity to withstand, respond to, and resume normal operations within a reasonable timeframe, thereby avoiding business compromise and minimizing the negative impacts of disruptions.

As part of the Business Continuity Management System, the Technology Management Department has also developed a testing plan for the applications that support the bank’s critical business processes. The purpose is to validate the effectiveness and relevance of the recovery protocols for each critical application.

Business Continuity Testing and Digital Operational Resilience

As part of the Business Continuity framework and in compliance with SUGEF Agreement 2-10, Regulation on Operational Risk Management, specifically section E) Execution of periodic tests and evaluation of their results, Banco de Costa Rica has established a Testing Plan that includes the Contingency Plan for Commercial Offices.

## BANCO DE COSTA RICA AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

The Commercial Offices represent a key channel for delivering financial products and services to customers. Therefore, it is essential to have contingency strategies that ensure operational continuity in the event of disruptions to the bank's priority services.

This contingency plan includes specific protocols for customer service and the management of critical services, which have been previously identified in the Business Impact Analysis (BIA). The most common disruption scenario involves service unavailability, affecting connectivity between a Commercial Office and the Bank's Data Center.

Contingency tests allow staff to simulate crisis scenarios, strengthen their response capabilities to real incidents, identify vulnerabilities, optimize procedures, and enhance the bank's operational resilience.

The Business Continuity Unit is responsible for coordinating with the commercial offices to implement necessary adjustments based on the findings obtained during the tests. It also develops training programs to strengthen the organizational culture regarding business continuity.

The tests not only allow the evaluation of the continuity plans' effectiveness, but also reinforce the bank's ability to withstand, respond to, and recover operational capacity within a reasonable time frame, minimizing negative impacts and ensuring business stability.

As part of the Digital Operational Resilience approach, Technology Management has implemented a testing plan for the applications that support the bank's critical processes. This plan aims to validate the effectiveness and currency of the technological recovery protocols, ensuring the availability of digital systems in the face of disruptive events.

In an increasingly digital and dynamic financial environment, such tests are essential to ensuring operational continuity, reinforcing customer confidence, and complying with the highest standards of security and operational resilience.

(1) Risk of money laundering, financing of terrorism and financing of the proliferation of weapons of mass destruction

Finally, in terms of managing the risk of money laundering, financing terrorism and financing proliferation of weapons of mass destruction, this continues to be a high priority at institutional level. The permanent reinforcement of the culture in the business areas regarding the mitigation of this risk is maintained.

This management integrates normatively defined evaluation factors such as clients, products, services, channels, and geographical areas as well as the evaluation of new products and initiatives and the continuous monitoring of clients. Permanent monitoring is provided through the Corporate Compliance Committee and the Management Body, to strengthen and promote actions that ensure the application of policies and procedures by all officials of the BCR Financial Conglomerate.

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(m) Management of Regulatory Risk and Compliance

The management of regulatory risk and compliance within the Financial Conglomerate (CFBCR) has the fundamental purpose of ensuring that all its entities operate with integrity, in accordance with the applicable legal, regulatory, and ethical framework. This includes compliance with laws, regulations, internal policies, codes of conduct, and other applicable provisions, while promoting an organizational culture based on transparency, accountability, and continuous improvement.

Implemented actions

1. Periodic compliance and risk management assessments: Systematic evaluations and self-assessments are carried out to identify gaps in relation to applicable external regulations. These allow for the assessment of the effectiveness of existing controls, the establishment of action plans, and the monitoring of their execution. This process contributes to strengthening the compliance management system and reinforcing a culture of integrity.
2. Regulatory integration into internal processes: The conglomerate has a structured mechanism in place to incorporate new regulatory provisions and normative updates into its operational processes. This integration ensures alignment with current standards and supports a zero-tolerance policy toward non-compliance, guaranteeing that functions, activities, and operational decisions remain within the regulatory framework.
3. Supervision of hiring and procurement processes: Specific reviews are applied to the hiring processes of personnel, suppliers, and strategic partners. These evaluations aim to verify compliance with the legal, ethical, and regulatory requirements established by the conglomerate, and to mitigate risks related to conflicts of interest, integrity, and reputation.

In compliance with these actions for the close of the first half of 2024, the following stands out: the execution of 39 risk assessments related to internal and external regulations applicable to the Bank, as well as the monitoring of the integration of regulations issued by supervisory bodies. These include SUGEF Agreement 10-07 on the Regulation for the Disclosure of Information and Advertising of Financial Products and Services, CONASSIF 5-24 on the General Regulation of Corporate Governance and Information Technology Management, and Chapter IV of SUGEF Agreement 2-10 regarding the Assessment of ESG Risks, among others.

These actions reflect the commitment of the Regulatory Risk Unit to integrity-driven management and regulatory compliance, fostering an organizational culture based on transparency, ethics, and responsibility. This approach helps minimize legal and reputational risks, strengthening the trust of all stakeholders.

## BANCO DE COSTA RICA AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### Legal risk management

Legal Risk Management at the BCR Financial Conglomerate focuses on the identification, assessment, and proactive mitigation of potential legal risks arising from non-compliance with legal, regulatory, contractual provisions, and judicial rulings. These risks may impact on the entity's operations and reputation, as well as, more broadly, the protection of intangible assets such as intellectual property and image rights. This approach ensures regulatory compliance and business sustainability.

#### Actions and results

1. Monitoring legal risk indicators:
  - Continuous monitoring is conducted on the behavior of indicators associated with lawsuits filed against BCRFC with higher exposure, assessing potential impacts based on adverse scenarios defined by the process director.
  - Timely and compliant registration of notarial acts derived from credit transactions managed by the commercial areas is verified, including those handled by institutional and external notaries.
  - The Litigation VaR indicator continues to be monitored to proactively manage the reserve allocated for contingencies related to the payment of judicial rulings.
2. Compliance with the General Procurement Law (Law 9986 of May 2021):
  - In accordance with Article 37 of this legislation, the initial decision of the procedure must include, among other elements, a risk identification process that, under no circumstances, should exceed the benefit obtained from the procurement, in accordance with the provisions of Law 9986 and its regulations, by the end of the semester, 89 evaluations of public procurement processes were carried out for minor and reduced bidding procedures, while evaluations are carried out for major or invaluable procedures.
3. Supervision of binding external regulations:
  - The self-assessments conducted on the applicable external regulations have shown that the entity maintains a low-risk level in regulatory compliance analysis.
4. Self-assessments of critical suppliers:
  - As part of the risk management strategy, the process of analyzing the contractual monitoring of suppliers providing services to the Bank's critical processes was strengthened. Through the self-assessment mechanism, 69 contracts with critical suppliers were executed, identifying 204 risks and generating 27 treatment plans that are currently being executed by the contract administrator.

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Given the above, it can be concluded that the entity maintains a technical and preventive approach to legal risk management, ensuring alignment with current regulations and mitigating potential legal and contractual exposures. This strengthens the conglomerate's ability to manage contingencies and ensures compliance with its regulatory and legal obligations in business operations.

40). Situation of the Development Financing Fund

The Bank presents the following financial information as manager of the Development Financing Fund (DFF):

**DEVELOPMENT FINANCING FUND**  
**STATEMENT OF FINANCIAL POSITION**  
For the periods ended March 31, 2025  
Financial Information  
(In colones without cents)

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>ASSETS</b>			
<b>Available</b>	¢ 513,030,013	0	2,262,345,581
<b>Cash</b>	513,030,013	0	
Central Bank of Costa Rica	0	0	2,064,354,568
<b>Investment in financial instruments</b>	<b>3,700,413,167</b>	<b>4,600,492,217</b>	<b>0</b>
At fair value through profit or loss	3,700,413,167	4,600,492,217	0
<b>Loan portfolio</b>	¢ 49,967,266,564	47,268,427,468	47,098,928,147
Current loans	45,870,970,483	42,388,299,850	42,802,011,681
Past due loans	4,140,217,096	5,158,050,993	4,131,498,137
Loans on legal collection	587,429,481	339,694,497	777,994,335
(Deferred income loan portfolio)	(495,360,740)	(474,765,679)	(473,258,987)
Interest receivable	174,378,599	167,599,365	171,074,676
(Allowance for impairment)	(310,368,355)	(310,451,558)	(310,391,695)
<b>Accounts and commissions receivable</b>	<b>2,089,681</b>	<b>970,744</b>	<b>0</b>
Other accounts receivable	2,788,697	2,473,990	0
(Allowance for impairment)	(699,016)	(1,503,246)	0
<b>Other assets</b>	<b>30,105,529</b>	<b>30,900,441</b>	<b>258,053,342</b>
Other assets	30,105,529	30,900,441	258,053,342
<b>TOTAL ASSETS</b>	¢ <b>54,212,904,954</b>	<b>51,900,790,870</b>	<b>49,619,327,070</b>
<b>LIABILITIES</b>			
<b>Obligations with entities</b>	<b>194</b>	<b>0</b>	<b>0</b>
Other obligation with entities	194	0	0
<b>Accounts payable and provisions</b>	¢ <b>205,589,967</b>	<b>1,039,879,012</b>	<b>179,487,102</b>
Other sundry accounts payable	205,589,967	1,039,879,012	89,642,435
<b>Other liabilities</b>	<b>273,999,043</b>	<b>249,503,438</b>	<b>244,702,805</b>
Other liabilities	273,999,043	249,503,438	244,702,805
<b>TOTAL LIABILITIES</b>	¢ <b>479,589,204</b>	<b>1,289,382,450</b>	<b>424,189,907</b>
<b>EQUITY</b>			
<b>Adjustments to equity - Other comprehensive income</b>	<b>37,738,776,194</b>	<b>34,671,365,413</b>	<b>48,866,249,077</b>
<b>Retained earnings from previous years</b>	<b>15,940,043,006</b>	<b>14,194,883,664</b>	<b>0</b>
<b>Result of current period</b>	<b>54,496,550</b>	<b>1,745,159,343</b>	<b>328,888,086</b>
<b>DEBIT CONTINGENT ACCOUNTS</b>	¢ <b>53,733,315,750</b>	<b>50,611,408,420</b>	<b>49,195,137,163</b>
<b>OTHER DEBIT MEMORANDA ACCOUNTS</b>	¢ <b>54,212,904,954</b>	<b>51,900,790,870</b>	<b>49,619,327,070</b>
<b>DEBIT CONTINGENT ACCOUNTS</b>	¢ <b>0</b>	<b>1,111,500</b>	<b>2,687,500</b>
<b>OTHER DEBIT MEMORANDA ACCOUNTS</b>	¢ <b>5,059,859,334</b>	<b>4,992,802,732</b>	<b>2,545,982,018</b>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES  
Notes to the Consolidated Financial Statements

**DEVELOPMENT FINANCING FUND**

STATEMENT OF INCOME

For the periods ended March 31, 2025

Financial Information

(In colones without cents)

	<b>March 2025</b>	<b>March 2024</b>
<b>Financial income</b>		
For investment in financial instruments	37,283,685	0
For loan portfolio	557,943,384	663,217,134
For profit on exchange differences	3,136,742	0
<b>Total financial income</b>	<b>598,363,811</b>	<b>663,217,134</b>
<b>Financial expenses</b>		
For losses on exchange differences	0	1,806,795
<b>Total financial expenses</b>	<b>0</b>	<b>1,806,795</b>
For allowance of asset impairment	799,606	0
For recovery of assets and decrease in estimates and provisions	1,603,836	1,042,263
<b>FINANCIAL RESULT</b>	<b>599,168,041</b>	<b>662,452,602</b>
<b>Other operating income</b>		
For other operating income	434,853	1,640,861
For currency exchange and arbitration	30,321	0
For services commissions	9,439,630	6,316,979
Recovery of liquid financial assets	107,547	0
<b>Total other operating income</b>	<b>10,012,351</b>	<b>7,957,840</b>
<b>Other operating expenses</b>		
From foreign exchange and currency arbitrage	72,988	0
For other operating expenses	554,610,854	341,522,356
<b>Total other operating expenses</b>	<b>554,683,842</b>	<b>341,522,356</b>
<b>RESULT OF THE PERIOD</b>	<b>54,496,550</b>	<b>328,888,086</b>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Loan Portfolio of the Development Financing Fund

The information contained in notes a) through f) below corresponds to financial information.

a) Loan portfolio by sector

<b>Sector</b>	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Artistic, entertainment and recreative activities	¢ 52,665,129	45,411,637	0
Human health care and social assistance activities	134,655,224	138,683,644	0
Administrative and support services activities	995,873,654	816,026,664	0
Professional, scientific and technical activities	205,469,850	212,631,331	0
Agriculture, livestock, hunting and related services	9,177,844,278	8,932,952,684	8,285,745,969
Public administration	106,090,626	16,917,841	0
Manufacturing	1,713,653,803	945,741,589	0
Exploitation of mines and quarries	0	0	1,107,559,565
Trade	19,766,391,864	20,275,181,200	21,913,150,764
Services	15,910,831,588	14,138,818,684	51,484,190
Transportation	1,347,283,084	1,173,410,745	372,593,964
Financial and stock exchange activities	0	2,108,560	1,041,392,880
Real estate, business, and rental activities	87,505,273	92,954,102	170,697,338
Construction, purchase, and repair of real estate	636,828,144	581,211,912	667,763,028
Retail	0	0	12,805,590,057
Hospitality	63,524,543	513,994,747	1,119,915,178
Education	0	0	175,611,220
	50,598,617,060	47,886,045,340	47,711,504,153
Plus: interest receivable	174,378,599	167,599,365	171,074,676
Less deferred income in loan portfolio	(495,360,740)	(474,765,679)	(473,258,987)
Allowance for impairment	(310,368,355)	(310,451,558)	(310,391,695)
	¢ <b>49,967,266,564</b>	<b>47,268,427,468</b>	<b>47,098,928,147</b>

b) Loan portfolio by arrears:

The loan portfolio by arrears is detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Up to date	¢ 45,870,970,483	42,388,299,850	42,802,011,681
From 1 to 30 days	2,742,368,134	3,392,225,054	2,880,863,576
From 31 to 60 days	530,805,406	680,977,821	549,036,318
From 61 to 90 days	327,249,090	465,351,169	290,757,442
From 91 to 120 days	267,729,615	184,295,437	161,029,446
From 121 to 180 days	173,201,512	100,303,305	130,248,296
Over 180 days	98,863,339	334,898,207	119,563,059
Legal collection	587,429,481	339,694,497	777,994,335
	¢ <b>50,598,617,060</b>	<b>47,886,045,340</b>	<b>47,711,504,153</b>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

c) Past due loans

Past due loans, including loans in accrual status, for which interest are recognized on a cash basis, and unearned interest in past due loans, are as follows:

	<u>March 2025</u>	<u>December 2024</u>	<u>March 2024</u>
Number of operations	168	154	50
Past due loans in non- accrual status of interest	¢ <u>686,292,820</u>	<u>674,592,704</u>	<u>897,557,394</u>
Past due loans for which interest is recognized	¢ 4,041,353,757	4,823,152,786	4,011,935,078
Total unearned interest	¢ 22,592,639	22,592,639	1,250,024

Loans on legal collection as of March 31, 2025:

<u># operations</u>	<u>Percentage</u>	<u>Balance</u>
142	1.16%	¢ <u>587,429,481</u>

Loans on legal collection as of December 31, 2024:

<u># operations</u>	<u>Percentage</u>	<u>Balance</u>
46	0.71%	¢ <u>339,694,497</u>

Loans on legal collection as of March 31, 2024:

<u># operations</u>	<u>Percentage</u>	<u>Balance</u>
20	1.63%	¢ <u>777,994,335</u>

d) Interest receivable on loan portfolio

Interest receivable is as follows:

	<u>March 2025</u>	<u>December 2024</u>	<u>March 2025</u>
Current loans	¢ 100,956,067	95,436,011	106,289,741
Past due loans	32,419,470	55,958,035	44,727,438
Loans in judicial collection	41,003,062	16,205,319	20,057,497
	¢ <u>174,378,599</u>	<u>167,599,365</u>	<u>171,074,676</u>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

e) Allowance for bad loans

The movement in the allowance for bad loans is as follows:

<b>Opening balance 2025</b>	¢	<b>310,451,558</b>
Plus:		
Adjustment for exchange differences		<b>108,691</b>
Less:		
Adjustment for exchange differences		<b>(191,894)</b>
<b>Balance as of March 31, 2025</b>	¢	<b><u>310,368,355</u></b>
<b>Opening balance 2024</b>		<b>310,589,741</b>
Plus:		
Allowance charged to profit or loss		1,120,804
Adjustment for exchange differences		1,763,531
Less:		
Adjustment for exchange differences		(1,760,828)
Reversal of allowance against income		<u>(1,261,690)</u>
<b>Balance as of December 31, 2024</b>		<b><u>310,451,558</u></b>
<b>Opening balance 2024</b>	¢	<b>310,589,741</b>
Plus:		
Adjustment for exchange differences		(198,046)
<b>Balance as of March 31, 2024</b>	¢	<b><u>310,391,695</u></b>

f) Loan portfolio by type of guarantee:

The loan portfolio by type of guarantee is as follows:

		<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>Guarantee</b>				
Fiduciary	¢	226,149,917	264,232,260	378,054,115
Mortgage		27,800,115,521	24,516,781,926	22,890,766,759
Chattel		1,404,206,185	1,237,203,344	743,984,600
Others		21,168,145,437	21,867,827,810	23,698,698,679
	¢	<b><u>50,598,617,060</u></b>	<b><u>47,886,045,430</u></b>	<b><u>47,711,504,153</u></b>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

- g) Financial instruments of the Development Financing Fund with credit risk exposure are detailed as follows:

		<b>Direct Loan Portfolio</b>		
		<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Principal	¢	50,598,617,060	47,886,045,340	47,711,504,153
Interest receivable		174,378,599	167,599,365	171,074,676
		50,772,995,659	48,053,644,705	47,882,578,829
Allowance for bad loans		(310,368,355)	(310,451,558)	(310,391,695)
Carrying amount	¢	50,462,627,304	47,743,193,147	47,572,187,134
Loan portfolio				
Total balances:				
A1	¢	0	0	0
1		46,221,085,086	43,778,274,364	45,280,962,302
2		580,325,443	645,533,586	570,048,166
3		2,602,855,996	2,530,459,303	656,564,978
4		439,088,803	278,152,594	310,019,754
5		196,278,655	103,406,242	135,780,986
6		733,361,676	717,818,616	929,202,643
		50,772,995,659	48,053,644,705	47,882,578,829
Minimum allowance		(485,533,096)	(492,325,941)	(496,216,364)
Carrying amount, net	¢	50,287,462,563	47,561,318,764	47,386,362,465
Carrying amount		50,772,995,659	48,053,644,705	47,882,578,829
Allowance for bad loans		(485,533,096)	(492,325,941)	(496,216,364)
Allowance (surplus) deficit on minimum allowance		175,164,741	181,874,383	185,824,669
Carrying amount, net	6a ¢	50,462,627,304	47,743,193,147	47,572,187,134

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

The loan portfolio assessed with an allowance is detailed as follows:

As of March 31, 2025

Loan Portfolio	Direct Loan Portfolio	
	Principal	Allowance
Direct generic allowance		
1	46,221,085,086	(115,552,713)
2	580,325,443	(9,072,793)
3	2,602,855,996	(73,447,037)
4	439,088,803	(46,265,171)
5	196,278,655	(33,086,373)
6	733,361,676	(208,109,099)
	¢ 50,772,995,659	(485,533,096)
Loan Portfolio		
Aging of loan portfolio		
Direct specific allowance		
Up to date	45,971,926,549	(176,196,787)
Equal or less than 30 days	2,671,786,575	(9,135,344)
Equal or less than 60 days	597,125,570	(8,177,665)
Equal or less than 90 days	349,555,104	(18,332,029)
Equal or less than 180 days	451,357,834	(66,297,298)
Over 180 days	731,244,027	(207,393,973)
	¢ 50,772,995,659	(485,533,096)
	¢ 50,772,995,659	(485,533,096)

As of December 31, 2024

Loan Portfolio	Direct Loan Portfolio	
	Principal	Allowance
Direct generic allowance		
Direct specific allowance		
1	43,778,274,364	(109,446,381)
2	645,533,586	(9,396,526)
3	2,530,459,303	(105,933,575)
4	278,152,594	(26,842,322)
5	103,406,242	(12,332,585)
6	717,818,616	(228,374,552)
	¢ 48,053,644,705	(492,325,941)
Loan Portfolio		
Aging of loan portfolio		
Direct specific allowance		
Up to date	42,483,735,861	(172,949,970)
Equal or less than 30 days	3,388,675,393	(13,494,875)
Equal or less than 60 days	702,634,899	(10,827,566)
Equal or less than 90 days	470,214,080	(29,963,106)
Equal or less than 180 days	298,514,574	(44,664,591)
Over 180 days	709,869,898	(220,425,833)
	¢ 48,053,644,705	(492,325,941)
	¢ 48,053,644,705	(492,325,941)

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

As of March 31, 2024

Loan Portfolio	Direct Loan Portfolio	
	Principal	Allowance
Direct generic allowance		
1	45,280,962,302	(113,204,085)
2	570,048,166	(7,951,481)
3	656,564,978	(43,565,607)
4	310,019,754	(46,587,062)
5	135,780,986	(25,999,951)
6	929,202,643	(258,908,178)
	<u>¢ 47,882,578,829</u>	<u>(496,216,364)</u>
Loan Portfolio		
Aging of loan portfolio		
Direct specific allowance		
Up to date	43,001,802,616	(122,087,312)
Equal or less than 30 days	2,835,535,811	(39,133,419)
Equal or less than 60 days	497,708,546	(19,778,291)
Equal or less than 90 days	343,221,435	(15,328,425)
Equal or less than 180 days	270,888,919	(44,918,785)
Over 180 days	933,421,502	(254,970,132)
	<u>¢ 47,882,578,829</u>	<u>(496,216,364)</u>
	<u>¢ 47,882,578,829</u>	<u>(496,216,364)</u>

As of March 31, 2025	Loans receivable from clients	
	Gross	Net
Risk category:		
1	¢ 46,221,085,086	46,105,532,372
2	580,325,443	571,252,651
3	2,602,855,996	2,529,408,959
4	439,088,803	392,823,632
5	196,278,655	163,192,282
6	733,361,676	525,252,667
	<u>¢ 50,772,995,659</u>	<u>50,287,462,563</u>

As of December 31, 2024	Loans receivable from clients	
	Gross	Net
Risk category:		
1	¢ 43,778,274,364	43,668,827,984
2	645,533,586	636,137,060
3	2,530,459,303	2,424,525,728
4	278,152,594	251,310,272
5	103,406,242	91,073,656
6	717,818,616	489,444,064
	<u>¢ 48,053,644,705</u>	<u>47,561,318,764</u>

(Continued)

BANCO DE COSTA RICA AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

As of March 31, 2024	<b>Loans receivable from clients</b>	
	<b>Gross</b>	<b>Net</b>
Risk category:		
1	¢ 45,280,962,302	45,167,758,217
2	570,048,166	562,096,684
3	656,564,978	612,999,371
4	310,019,754	263,432,692
5	135,780,986	109,781,036
6	929,202,643	670,294,465
	¢ <u>47,882,578,829</u>	<u>47,386,362,465</u>

(Continued)

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

41). Situation of the Development Credit Fund

The Bank presents the following financial information as manager of the Development Credit Fund (DCF):

**DEVELOPMENT FINANCING FUND**  
**STATEMENT OF FINANCIAL POSITION**  
As of March 31, 2025  
Financial Information  
(In colones without cents)

	March 2025	December 2024	March 2024
<b>ASSETS</b>			
<b>Availabilities</b>	¢ 815,064,654	797,179,843	856,687,186
Central Bank of Costa Rica	815,064,654	797,179,843	856,687,186
<b>Investment in financial instruments</b>	69,167,640,906	83,168,607,025	85,467,084,373
At fair value through profit or loss	1,664,832,758	586,104,860	8,264,905,010
At fair value through other comprehensive income	62,908,540,649	78,968,393,969	76,014,503,351
At amortized cost	3,554,034,161	2,729,143,874	0
Interest receivable	1,040,233,338	884,964,322	1,187,676,012
<b>Loan Portfolio</b>	56,401,183,058	50,007,412,745	47,347,605,588
Current loans	54,541,956,115	48,144,414,293	46,563,868,889
Past due loans	1,657,263,727	2,002,981,687	1,032,152,964
Loans in judicial collection	504,833,606	193,348,664	0
(Deferred income loan portfolio)	(390,633,492)	(373,075,185)	(339,389,025)
Interest receivable	175,740,930	128,335,972	179,123,066
(Allowance for impairment)	(87,977,828)	(88,592,686)	(88,150,306)
<b>Accounts and commissions receivable</b>	67,793,970	103,838,873	138,179,198
Tax and deferred income tax	67,793,970	103,838,873	138,179,198
<b>Other assets</b>	39,400,027	43,141,375	307,737
Other assets	39,400,027	43,141,375	307,737
<b>TOTAL ASSETS</b>	¢ <u>126,491,082,615</u>	<u>134,120,179,861</u>	<u>133,809,864,082</u>
<b>LIABILITIES</b>			
<b>Obligations with entities</b>	¢ 131,569,720,722	138,359,054,842	138,781,730,311
On demand	131,569,720,722	0	138,781,730,311
Demand obligations	0	138,097,549,701	0
Other obligations	0	261,505,141	0
<b>Accounts payable and provisions</b>	58,913,922	93,008,281	168,431,418
Accounts receivable	0	0	4,432,604
Deferred income tax	43,667,387	76,846,413	163,055,658
Other sundry accounts payable	15,246,535	16,161,868	943,156
<b>Other liabilities</b>	312,359,799	63,654,441	421,989,517
Other liabilities	312,359,799	63,654,441	421,989,517
<b>TOTAL LIABILITIES</b>	¢ <u>131,940,994,443</u>	<u>138,515,717,564</u>	<u>139,372,151,246</u>
<b>EQUITY</b>			
<b>Adjustments to equity – Other comprehensive income</b>	¢ (33,671,790)	(24,069,173)	122,242,970
<b>Results of the previous period</b>	¢ (5,500,673,306)	(5,500,673,306)	(5,500,673,306)
<b>Results of the current period</b>	84,433,268	1,129,204,776	(183,856,828)
<b>TOTAL EQUITY</b>	¢ <u>(5,449,911,828)</u>	<u>(4,395,537,703)</u>	<u>(5,562,287,164)</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	¢ <u>126,491,082,615</u>	<u>134,120,179,861</u>	<u>133,809,864,082</u>
<b>OWN DEBIT MEMORANDA ACCOUNT</b>			
Own debit memoranda accounts	¢ 21,516,540,333	29,786,066,777	20,442,882,596
Interest receivable memoranda accounts	¢ 13,932,602	10,392,051	12,881,259
Contingent accounts	¢ 82,535,109	9,858,770	0

(Continued)

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

**DEVELOPMENT CREDIT FUND  
INCOME STATEMENT**

For the period ended March 31, 2025

Financial Information

*(In colones without cents)*

		<b>March 2025</b>	<b>March 2024</b>
<b>Financial income</b>			
For investments in financial instruments	¢	1,023,572,352	1,293,305,761
For loan portfolio		650,503,386	567,340,227
Other financial incomes		56,536,611	25,899,171
<b>Total financial income</b>		<b>1,730,612,349</b>	<b>1,886,545,159</b>
<b>Financial expenses</b>			
For obligations with the public		728,422,372	897,725,081
For losses in exchange differences		61,265,555	238,110,467
Other financial expenses		34,498,246	560,502
<b>Total financial expenses</b>		<b>824,186,173</b>	<b>1,136,396,050</b>
For allowance of asset impairment		16,289,663	11,674,596
<b>Financial result</b>	¢	<b>922,715,839</b>	<b>761,823,705</b>
<b>Other operating income</b>			
For commission for services		203,562	0
For arbitrage and currency exchange		16,051,567	39,860,398
For other operating income		2,683	5,181,702
<b>Total, operating income</b>	¢	<b>16,257,813</b>	<b>45,042,100</b>
<b>Other operating expenses</b>			
For arbitrage and currency exchange		12,005	1,963,117
For other operating income		111,712,399	159,549,339
<b>Total other operating income</b>	¢	<b>11,724,404</b>	<b>161,512,456</b>
<b>Other operating expenses</b>	¢	<b>827,249,247</b>	<b>645,353,349</b>
For exchange and arbitration, foreign currency			
For other operating expenses		742,815,979	829,210,177
<b>Total other operating expenses</b>	¢	<b>84,433,268</b>	<b>(183,856,828)</b>
<b>Profit allocation</b>			
Profit transferred to the National Development Trust	¢	742,815,979	829,210,177
Commission for management of the Development Credit Fund, and the fund's own profits		84,433,268	(183,856,828)
	¢	<b>827,249,247</b>	<b>645,353,349</b>

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

Investments in financial instruments of the Development Credit Fund (DCF) are detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
At fair value through profit or loss	¢ 1,664,832,758	586,104,860	8,264,905,010
At fair value through other comprehensive income	62,908,540,649	78,968,393,969	76,014,503,351
At amortized cost	3,554,034,161	2,729,143,874	0
Interest receivable for investments at fair value through comprehensive income	1,040,233,338	884,964,322	1,187,676,012
	<b>¢ 69,167,640,906</b>	<b>83,168,607,025</b>	<b>85,467,084,373</b>
	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>At fair value through profit or loss</b>	<b>Fair value</b>	<b>Fair value</b>	<b>Fair value</b>
<u>Local issuers</u>			
State-owned Banks	¢ 1,664,832,758	586,104,860	8,264,905,010
	<b>¢ 1,664,832,758</b>	<b>586,104,860</b>	<b>8,264,905,010</b>
	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>At fair value through other comprehensive income</b>	<b>Fair value</b>	<b>Fair value</b>	<b>Fair value</b>
<u>Local issuers</u>			
Government	10,375,833,058	78,968,393,969	0
State-owned Banks	52,532,707,591	0	76,014,503,351
	<b>¢ 62,908,540,649</b>	<b>78,968,393,969</b>	<b>76,014,503,351</b>
	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>At amortized cost</b>	<b>Fair value</b>	<b>Fair value</b>	<b>Fair value</b>
<u>Local issuers</u>			
State-owned Banks	¢ 3,554,034,161	2,729,143,874	0
	<b>¢ 3,554,034,161</b>	<b>2,729,143,874</b>	<b>0</b>

As of November 27, 2014, after Law No. 9274 was reformed (Comprehensive Reform of the Development Banking System), as per article 36, the managing bank will receive a commission of maximum 10% of the earnings, set by the Governing Board, to cover operation costs, services and any other cost arising from managing the investments.

(Continued)

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

Loan Portfolio of the Development Credit Fund

The information contained in notes a) through f) below corresponds to financial information.

a) Loan portfolio by sector

<b>Sector</b>	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Artistic, entertainment and recreative activities	¢ 20,357,057	21,813,600	0
Administrative and support services activities	984,541,690	1,028,764,716	0
Professional, scientific and technical activities	107,877,488	113,251,033	0
Agriculture, livestock, hunting and related services	32,113,961,471	24,924,239,982	29,549,109,984
Manufacturing	1,539,081,687	1,557,122,574	0
Public administration	11,595,811	11,988,539	0
Exploitation of mines and quarries	0	0	449,480,545
Trade	9,885,736,496	10,137,670,390	7,165,952,153
Services	10,889,546,982	11,359,090,351	26,034,858
Transportation	758,579,183	798,771,143	43,588,879
Financial and stock market activity	0	0	880,496,199
Real estate activities	104,000,000	104,000,000	
Construction, purchase, and repair of property	229,520,307	220,845,010	164,147,343
Consumption	0	0	8,684,688,663
Hotels and restaurants	59,255,276	63,187,306	587,588,185
Education	0	0	44,935,044
	<u>56,704,053,448</u>	<u>50,340,744,644</u>	<u>47,596,021,853</u>
Plus: interest receivable	175,740,930	128,335,972	179,123,066
Less: deferred income loan portfolio	(390,633,492)	(373,075,185)	(339,389,025)
Allowance for impairment	(87,977,828)	(88,592,686)	(88,150,306)
	<u>¢ 56,401,183,058</u>	<u>50,007,412,745</u>	<u>47,347,605,588</u>

b) Loan portfolio by arrears:

The loan portfolio by arrears is detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Up to date	¢ 54,541,956,115	48,144,414,293	46,563,868,889
From 1 to 30 days	1,364,015,384	1,391,915,528	742,595,282
From 31 to 60 days	107,455,365	155,323,706	100,853,727
From 61 to 90 days	130,417,860	227,490,766	30,355,291
From 91 to 120 days	12,424,593	38,027,971	158,348,664
From 121 to 180 days	10,440,170	188,569,732	0
More than 180 days	32,510,355	1,653,984	0
Judicial collection	54,833,606	193,348,664	0
	<u>¢ 56,704,053,448</u>	<u>50,340,744,644</u>	<u>47,596,021,853</u>

(Continued)

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

c) Delinquent and past due loan portfolio

Delinquent and past due loans, including loans with recognition of interest based on cash and interest not received on these loans, are summarized below:

	<b>March</b>	<b>December</b>	<b>March</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
Number of operations	17	6	0
Delinquent and past due loans not accumulating interests			
	¢ <u>504,833,606</u>	<u>193,348,664</u>	<u>0</u>
Delinquent and past due loans with interest recognition	¢ 1,657,263,727	2,002,981,687	1,032,152,964
Total of not received interest	¢ 13,932,6020	10,392,051	12,881,259

d) Loan portfolio by type of guarantee:

The loan portfolio by type of guarantee is as follows:

	<b>March</b>	<b>December</b>	<b>March</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
Current loans	¢ 156,975,772	110,474,511	173,195,988
Past due loans	7,739,931	13,787,433	5,927,078
Loans in judicial collection	11,025,227	4,074,028	0
	¢ <u>175,740,930</u>	<u>128,335,972</u>	<u>179,123,066</u>

e) Allowance for impairment of loan portfolio

<b>Balance at the beginning of 2025</b>	¢	<b>88,592,686</b>
Plus:		
Adjustment for exchange differences		<b>803,213</b>
Less:		
Adjustment for exchange differences		<b>(1,418,070)</b>
<b>Balance as of March 31, 2025</b>	¢	<u><b>87,977,828</b></u>
<b>Balance at the beginning of 2024</b>	¢	<b>89,613,842</b>
Plus:		
Provision charged to results		1,718,284
Adjustment for exchange differences		
Less:		
Adjustment for exchange differences		<b>(2,739,440)</b>
<b>Balance as of December 31, 2024</b>	¢	<u><b>88,592,686</b></u>
<b>Balance at the beginning of 2024</b>	¢	<b>89,613,842</b>
Less:		
Adjustment for exchange differences		<b>(1,463,536)</b>
<b>Balance as of March 31, 2024</b>	¢	<u><b>88,150,306</b></u>

(Continued)

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

f) Loan portfolio by kind of guarantee:

The loan portfolio by type of guarantee is detailed as follows:

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
<b>Guarantee</b>			
Fiduciary	628,788,453	647,190,224	173,360,758
Mortgage ¢	19,440,549,040	20,085,678,117	13,224,351,710
Chattel	1,498,805,739	1,561,108,482	1,151,666,189
Other	35,135,910,216	28,046,767,821	33,046,643,196
¢	<b><u>56,704,053,448</u></b>	<b><u>50,340,744,644</u></b>	<b><u>47,596,021,853</u></b>

g) DCF financial instruments with exposure to credit risk are detailed as follows:

	<b><u>Direct Loan Portfolio</u></b>		
	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Principal	¢ 56,704,053,448	50,340,744,644	47,596,021,853
Interest receivable	175,740,930	128,335,972	179,123,066
	56,879,794,378	50,469,080,616	47,775,144,919
Allowance for bad loans	(87,977,828)	(88,592,686)	(88,150,306)
Carrying amount	¢ <u>56,791,816,550</u>	<u>50,380,487,930</u>	<u>47,686,994,613</u>
Loan portfolio			
Total, balances:			
1	¢ 54,037,308,346	46,192,555,217	47,456,926,447
2	70,741,813	216,626,473	16,020,267
3	2,047,919,567	3,197,387,536	19,275,903
4	152,128,212	272,446,042	282,922,302
5	17,858,281	386,396,075	0
	56,879,794,378	50,469,080,616	47,775,144,919
Minimum allowance	(298,695,951)	(274,799,543)	(128,363,194)
Carrying amount, net	¢ <u>56,581,098,427</u>	<u>50,194,281,073</u>	<u>47,646,781,725</u>
Carrying amount	56,879,794,378	50,469,080,616	47,775,144,919
Allowance for bad loans	(298,695,951)	(274,799,543)	(128,363,194)
(Surplus) inadequacy of			
Allowance	210,718,123	186,206,857	40,212,888
Carrying amount, net	6a ¢ <u>56,791,816,550</u>	<u>50,380,487,930</u>	<u>47,686,994,613</u>

(Continued)

**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

The assessed loan portfolio including allowance is detailed as follows:

As of March 31, 2025

Loan portfolio	<b>Direct Loan Portfolio</b>	
	Principal	Allowance
Direct specific allowance		
1	54,037,308,346	(135,093,271)
2	70,741,813	(761,330)
3	2,047,919,567	(67,164,782)
4	152,128,212	(2,664,242)
5	17,858,281	(2,624,166)
6	553,838,159	(90,388,160)
	56,879,794,378	(298,695,951)
	¢	
Loan portfolio		
Aging of loan portfolio		
Direct specific allowance		
Up to date	54,698,931,887	(199,258,090)
Equal or less than 30 days	1,349,579,188	(4,230,686)
Equal or less than 60 days	104,542,524	(860,405)
Equal or less than 90 days	154,053,385	(4,960,778)
Equal or less than 180 days	216,211,226	(36,132,533)
More than 180 days	356,476,168	(53,253,459)
	56,879,794,378	(298,695,951)
	¢	

As of December 31, 2024

Loan portfolio	<b>Direct Loan Portfolio</b>	
	Principal	Allowance
Direct specific allowance		
1	46,192,555,217	(115,487,550)
2	216,626,473	(2,058,978)
3	3,197,387,536	(82,367,913)
4	272,446,042	(10,257,854)
5	386,396,075	(40,756,719)
6	203,669,273	(23,870,529)
	50,469,080,616	(274,799,543)
	¢	
Loan portfolio		
Aging of loan portfolio		
Direct specific allowance		
Up to date	48,254,888,803	(197,949,462)
Equal or less than 30 days	1,339,463,977	(7,949,832)
Equal or less than 60 days	214,880,840	(2,017,972)
Equal or less than 90 days	229,941,449	(20,651,836)
Equal or less than 180 days	230,703,400	(26,827,039)
More than 180 days	199,202,147	(19,403,402)
	50,469,080,616	(274,799,543)
	¢	

(Continued)

**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

As of March 31, 2024

Loan portfolio	Direct Loan Portfolio	
	Principal	Allowance
Direct specific allowance		
1	47,456,926,447	(118,642,316)
2	16,020,267	(135,860)
3	19,275,903	(96,380)
4	282,922,302	(9,488,638)
	<u>¢ 47,775,144,919</u>	<u>(128,363,194)</u>

Loan portfolio	Direct Loan Portfolio	
	Principal	Allowance
Aging of loan portfolio		
Direct specific allowance		
Up to date	46,737,064,876	(120,616,595)
Equal or less than 30 days	744,879,680	(1,862,199)
Equal or less than 60 days	101,696,722	(564,242)
Equal or less than 90 days	30,737,819	(1,140,610)
Equal or less than 180 days	160,765,822	(4,179,548)
	<u>¢ 47,775,144,919</u>	<u>(128,363,194)</u>

As of March 31, 2025	Loans receivable from clients	
	Gross	Net
Risk category:		
1	¢ 54,037,308,346	53,902,215,075
2	70,741,813	69,980,483
3	2,047,919,567	1,980,754,785
4	152,128,212	149,463,970
5	17,858,281	15,234,115
6	553,838,159	463,449,999
	<u>¢ 56,879,794,378</u>	<u>56,581,098,427</u>

As of December 31, 2024	Loans receivable from clients	
	Gross	Net
Risk category:		
1	¢ 46,192,555,217	46,077,067,667
2	216,626,473	214,567,495
3	3,197,387,536	3,115,019,623
4	272,446,042	262,188,188
5	386,396,075	345,639,356
6	203,669,273	179,798,744
	<u>¢ 50,469,080,616</u>	<u>50,194,281,073</u>

(Continued)

**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

As of March 31, 2024	Risk category:	<b>Loans receivable from clients</b>	
		<b>Gross</b>	<b>Net</b>
1	¢	47,456,926,447	47,338,284,131
2		16,020,267	15,884,408
3		19,275,903	19,179,523
4		282,922,302	273,433,663
	¢	<u>47,775,144,919</u>	<u>47,646,781,725</u>

By request for change made by private banks to operate in accordance with the provisions of subsection ii) of Law N.1644, Organic Law of the National Banking System, the Governing Council of the Development Banking System authorizes the managing banks to transfer the resources from the Development Credit Fund, the repayment of which will be in monthly installments for a maximum period of six months.

As of March 31, 2025, resources have been transferred from the Development Credit Fund.

	<b>March 2025</b>	<b>December 2024</b>	<b>March 2024</b>
Banco Scotiabank	¢ 522,500,000	6,160,340,000	491,000,000
Banco Promerica	¢ 0	1,971,808,848	2,026,225,588
	<u>¢ 522,500,000</u>	<u>8,132,148,848</u>	<u>2,517,225,588</u>

42). Transition to the International Financing Reporting Standards (IFRSs)

Following is some of the main differences between the accounting standards issued by the Board and IFRSs, as well as the IFRSs or interpretations of the International Financial Reporting Interpretations Committee (IFRICs) yet to be adopted:

a) IAS 1: Presentation of Financial Statements

The new IAS 1 became effective as of the periods beginning on or after January 1, 2009.

The presentation of financial statements required by the Board differs in some respects from presentation under IAS 1. The following are some of the most significant differences:

SUGEF Standards do not allow certain transactions, such as clearing house balances, gains or losses on the sale of financial instruments, income taxes, among others, to be presented on a net basis. Given their nature, IFRSs require those balances to be presented net to prevent assets and liabilities or profit or loss from being overstated.

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

b) IAS 1: Presentation of Financial Statements (revised)

This standard is applicable in periods beginning on or after July 1, 2012. The changes that have been included in IAS 1 are to specific paragraphs related to the presentation of other comprehensive income. These changes will require other comprehensive income to be presented separating those that cannot be reclassified subsequently to the income statement and those that may be subsequently reclassified to the income statement if certain specific conditions are met.

IAS 1 requires an entity to disclose reclassification adjustments and income tax relating to each component of other comprehensive income. Reclassification adjustments are amounts reclassified to profit or loss in the current period that were previously recognized in other comprehensive income.

Revised IAS 1 changes the name of some financial statements, using “statement of financial position” instead of balance sheet.

IAS 1 requires an entity to present a statement of financial position as at the beginning of the earliest comparative period in a complete set of financial statements when the entity applies an accounting policy retrospectively or makes retrospective restatement.

The financial statements presentation format is determined by the Board and can be different from the options permitted on certain IFRS and IAS.

c) IAS 7: Statements of Cash Flows

The Board has only authorized preparation of the cash flow statement using the indirect method. The direct method is also acceptable under IAS 7.

d) IAS 8: Accounting Policies, Changes in Accounting Estimates, and Errors

In some cases, SUGEF has authorized the reporting of notices of deficiencies received from Tax Authorities against prior period retained earnings.

Accounting estimates are the best approximations of values or items that are included in the financial statements to measure the effects of events or economic transactions that have already occurred, or a current situation that is typical of an asset or liability of the entity, including adjustments that occur after the evaluation of an item as a result of new information or new events.

Any change in accounting estimates is prospective and is recorded in income for the period.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Based on its business model, nature, size, complexity, risk profile and other circumstances inherent to its operational activity, the entity must implement policies and procedures to define the representative framework to determine whether the information is material or not, which involves considerations of quantitative and qualitative factors. The entity shall disclose material inaccuracies or omissions, and related accounting policies, in the financial statements.

#### e) IAS 12: Income tax

A company recognizes all the tax consequences of paying dividends in the same way as income tax.

IAS 12 allows assets and liabilities to be presented net when they belong to the same tax entity, income or expense is presented net, as part of total income tax.

In the presentation of the SUGEF chart of accounts, each deferred income tax account must be presented separately.

In the case of a dispute regarding a specific tax treatment by the Tax Authority, which begins with the notification of a transfer of charges, the entity must:

- a. Record against results of the period in the event that, according to the assessment by senior management, it is concluded that the entity has an immediate enforceable obligation with the Tax Administration.
- b. Record a provision for those treatments not considered in the previous paragraph, and whose amount must reflect the uncertainty for each of the tax treatments in dispute, according to the method that best predicts its resolution, as indicated by IFRIC 23.

#### f) IAS 16: Property, Plant and Equipment

The Standard issued by the Board requires the revaluation of property through appraisals made by independent appraisers at least once every five years, eliminating the option to carry these assets at cost or to revalue other types of assets.

The revaluation must be supported by an appraisal made by an independent professional, authorized by the respective college.

Furthermore, SUGEF permits the conversion (capitalize) of the surplus revaluation directly in equity (only for state banks), without having to relocate previously to retained earnings, as required by IAS 16.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Moreover, under IAS 16, depreciation continues on property, plant and equipment, even if the asset is idle. The Standard issued by the Board allows entities to suspend the depreciation of idle assets and reclassify them as held-for-sale.

#### g) IAS 21: The Effects of Changes in Foreign Exchange Rates

The supervised entities must keep their records and present their financial statements in Costa Rican colones.

The supervised entities must use the reference sale exchange rate of the Central Bank of Costa Rica that prevails at the time the operation is carried out for the accounting record of the conversion of foreign currency to the official currency 'colón', except for pension funds and labor capitalization funds, which must use the reference purchase exchange rate of the Central Bank of Costa Rica. Pension funds created by special or basic law managed by non-banking public sector institutions may use the purchase exchange rate referred to in article 89 of the Organic Law of the Central Bank of Costa Rica.

At the end of each month, the corresponding reference exchange rate will be used as indicated in the previous paragraph, in force on the last day of each month for the recognition of the adjustments for exchange rate differences in monetary items in foreign currency.

The provisions of this article do not prevent entities from generating information on a currency other than the Costa Rican colón, in the terms described in IAS 21 on functional currency. However, this information may not be used for the purposes of calculating prudential indicators, for presentation to the respective Superintendence or for publication to the public as required in the legal provisions that regulate the Financial System.

#### h) IAS 27: Consolidated and Separate Financial Statements

The Board requires that the financial statements of a parent entity to be presented separately, measuring its investments by the equity method. Under IAS 27, a parent is required to present consolidated financial statements. A parent company does not need to present consolidated financial statements when the ultimate or any intermediate parent of the parent produces consolidated financial statements available for public use, provided certain other requirements are also met. However, in this case, IAS 27 requires that investments be accounted for at cost.

In the case of financial groups, the holding company must consolidate the financial statements of all of the companies of the group in which it holds an ownership interest of twenty five percent (25%) or more, irrespective of control. For such purposes, proportionate consolidation should not be used, except for the consolidation of investments in joint ventures.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Amended IAS 27 (2008) requires accounting for changes in ownership interests by the Bank in a subsidiary, while maintaining control, to be recognized as an equity transaction. When the Bank loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognized in profit or loss. The amendments to IAS 27 became mandatory for the Bank's 2010 consolidated financial statements. These amendments have not been adopted by the Board.

The objective of this standard is to describe accounting treatment, and disclosures required by subsidiaries, joint ventures and associates when the entity presents separate financial statements.

i) IAS 28: Investments in Associates and Joint Ventures

In application of IAS 28 *Investments in associates and joint ventures*, the entity with legal power to participate in the equity of other companies or special purpose entity, such as joint Ventures, associated, Trusts, must use the equity method, from the date it acquires the investment or from the date it becomes an associate, joint ventures, or special purpose entity.

Supervised entities must present their separate financial statements.

j) Amendments to IAS 32: Financial Instruments 0 Presentation and IAS 1: Presentation of Financial Statements 0 Puttable Financial Instruments and Obligations Arising on Liquidation

The amendments to the standards require puttable instruments and instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation to be classified as equity if certain conditions are met. These changes have not been adopted by the Board.

k) IAS 37: Provisions, Contingent Liabilities and Contingent Assets

SUGEF requires that a provision for possible losses must be booked for contingent assets. IAS 37 does not allow this type of provision.

l) IAS 38: Intangible Assets

The commercial banks listed in article 1 of Internal Regulations National Banking System (Law No. 1644) may present organization and installation expenses as an asset in the balance sheet, however, those expenses must be fully amortized on the straight0line method over a maximum of five years. Similar procedure and term must be used for the amortization of goodwill acquired.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

Automatic applications should be amortized systematically by the straight-line method during the term which produces economic benefits; such term could not exceed five years. Similar proceeding applies to obtained goodwill.

IAS 38 allows different methods to distribute an amortizable asset during useful life. Useful life of automatic applications could be longer than five years as stated by CONASIF standards.

On the other hand, IFRS do not require annual goodwill amortization, only yearly assessment for impairment is required.

After initial recognition, intangible assets with a defined useful life must be accounted for at their acquisition cost less accumulated amortization and accumulated impairment losses that may have affected them.

The supervised entity's senior management must establish the appropriate mechanisms and procedures to determine whether an intangible asset with an indefinite useful life has deteriorated. For the respective verification, it will compare its recoverable amount with its carrying amount. This comparison must be carried out when there is any indication that the value of the asset could have deteriorated or, at least, on an annual basis.

This provision also applies to goodwill acquired in a business combination.

The automated applications in use must be systematically amortized by the straight-line method, in the course of the period in which it is expected to produce economic benefits for the entity, which must be based on its accounting policy.

In the case of commercial banks, indicated in article 1 of the Organic Law of the National Banking System, Law 1644, organization and installation expenses can be presented in the statement of financial position as an asset, but must be fully amortized by the straight-line method within a maximum period of five years.

#### m) IAS 40: Investment Property

Investment properties must be valued at fair value.

For leased investment properties in which the fair value cannot be reliably measured on a continuous basis, its value will be measured by applying the cost model indicated in IAS 16 Property, Plant and Equipment. The residual value of the investment property should be assumed to be zero.

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

n) IFRS 3: Business combinations (revised)

In the application of IFRS 3, non-controlling interests in the acquiree, which are interests in current ownership, and which grant the right to a proportional participation in the net assets of the entity, in the event of settlement must be measured, by the acquirer, at fair value on the acquisition date.

The combination that involves entities or businesses under common control or that the acquiree is a subsidiary of an investment entity, must be carried out by integrating its assets and liabilities measured at carrying value using even accounting policies, for which adjustments in the financial statements of the acquiree will be previously carried out, to ensure that the accounting policies correspond to those used by the acquirer.

o) IFRS 5: Non-current Held-for-Sale Assets and Discontinued Operations

With the changes to the Financial Information Regulation (CONASSIF 6-18), which take effect starting in 2024, Transitory XX details the treatment that must be applied to assets held for sale, including:

a. Determine which assets registered in account 151, 'Assets and Values Acquired in Credit Recovery,' will remain in that account and which will be reclassified to account 188, 'Other Assets Available for Sale Outside the Scope of IFRS 5.'

b. Reclassify the assets registered in account 151, 'Assets and Values Acquired in Credit Recovery,' to account 188, 'Other Assets Available for Sale Outside the Scope of IFRS 5,' along with their corresponding accumulated impairment balances recorded in subaccounts 159.01, 159.02, 159.03, and 159.04. For this purpose, the carrying amount in account 188 must correspond to the original value minus the estimated impairment of the asset as of the reclassification date.

c. The carrying amount of the assets registered in account 151, 'Assets and Values Acquired in Credit Recovery,' must be determined in accordance with the criteria of IFRS 5, 'Non-current Assets Held for Sale and Discontinued Operations.' For this purpose, the carrying amount must correspond to the original value minus the estimated impairment of the asset recorded in subaccounts 159.01, 159.02, 159.03, and 159.04.

d. The carrying amount of the assets registered in account 188, 'Other Assets Available for Sale Outside the Scope of IFRS 5,' must be determined in accordance with IAS 36, 'Impairment of Assets.'

e. In all cases mentioned in sections c) and d) above, where applicable, a prospective approach will be applied. That is, it will not have retroactive effects.

(Continued)

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

The accumulated balance in subaccount 159.10 (Regulatory Estimate for Assets Held for Sale) must be reclassified to subaccount 139.02.M.04 (Generic Component for the Loan Portfolio - Transitional).

In the case of entities supervised by SUGEF, the following assets must be written off:

- a. Assets that the entity is legally restricted from selling, such as forest land, which by law becomes part of the State's forest heritage, except as provided in Law No. 7575, "Forestry Law," when they are declared part of the State's natural heritage after the authorization of a credit operation with entities of the National Banking System.
- b. Shares awarded to the entity in a judicial auction or received as payment in kind for credit operations, in accordance with Article 72 of Law 1644 (LOSBN). In this case, the carrying amount of the shares must be written off within a maximum period of two years from the date of adjudication or receipt of the asset in payment.

In the case of entities supervised by SUGEF, assets awarded in judicial auctions or received in payment of obligations must be valued at the lower level of:

- a) its carrying amount, and
- b) its fair value minus cost of sales.

The entity must implement a sales plan and a program to negotiate those assets at reasonable price that allows the plan to be completed in the shortest possible time.

p) IFRS 9: Financial Instruments

The conventional purchase or sale of financial assets must be recorded applying the accounting of the settlement date.

Financial assets are divided into those that are measured at amortized cost and those that are measured at fair value. Based on the business model for managing financial assets and the characteristics of the contractual cash flows of the financial asset, the entity should classify its own investments or pooled portfolios in financial assets according to the following valuation categories:

- a. At amortized cost. If an entity, in accordance with its business model and the current regulatory framework, classifies a part of its investment portfolio in this category, it will disclose:
  - i. the fair value of financial assets classified in this category, in the quarterly financial statements and in the audited annual financial statement; and

(Continued)

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

- ii. the gain or loss that should have been recognized in profit or loss for the financial statements indicated in the previous section.
- b. At fair value through other comprehensive income.
- c. At fair value through profit or loss: Participations in open investment funds must be registered in this category.

Regulated entities must have policies and procedures to determine when to suspend the accrual of commissions and interest on loan operations.

However, the period of suspension of accrual should not be more than one hundred and eighty days.

q) IFRS 13: Fair Value Measurement

Valuation at fair value of the portfolios of financial assets and financial liabilities exposed to market risk and credit risk will be done individually. Measurement based on the net risk exposure of the entity is not admissible.

Expenses or losses from equity reserves created by law or voluntarily by regulated entities cannot be directly recorded, without having previously gone through profit or loss of the period.

r) International Financial Reporting Standard (IFRS) focused on Sustainability

On June 26, 2023, the International Sustainability Standards Board (ISSB) approved two International Financial Reporting Standards (IFRS) focused on Sustainability. These new standards are IFRS S1 General Requirements for Disclosures of Sustainability-related Financial Information; and IFRS S2 Climate-related Disclosures.

In accordance with Circular No. 33-2023, Adoption of International Sustainability Financial Reporting Standards issued by the College of Public Accountants of Costa Rica and published in La Gaceta No. 3 of January 10, 2024, IFRS Standards S1 and S2 are adopted by the College of Public Accountants of Costa Rica as of January 1, 2024. Its application will be voluntary as of January 1, 2024, and mandatory for Companies and Entities supervised and regulated by CONASSIF that will report in 2026 the information of the fiscal year ending as of December 31, 2025. An entity is not required to disclose comparative information in the first annual reporting period in which such standards apply.

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

43). Figures for 2024

As of March 31, 2025, financial statement figures have not been reclassified for comparison with those of 2024, per modifications to the Chart of Accounts and CONASSIF Directive 06-18: "Regulation on the financial information" approved by CONASSIF.

44). Relevant and subsequent events

As of March 2025, there are relevant and subsequent events to disclose as follows:

a) Transfer of charges and observations

As of July 3, 2020, the BCCR publishes Law 9859 "Law to fight Usury" defining a maximum on interest rates on loans and credit cards equivalent to 37.69% per year in colones and 30.36% in US dollars, in force for the second quarter of 2020. BCR credit cards offer an interest rate of 32% per year, one of the lowest in the market at the time of the entry into force of Law 9859, therefore it did not generate a financial impact on the income for credit card interest.

On the other hand, the law establishes a minimum non-sizable wage amount that cannot be considered in the analysis of the ability to pay, which implied the incorporation of this concept into the current credit regulations.

As of December 31, 2022, an adjustment for ¢11,124,931,039 (¢1,734,981,794.69 for provision reversal for IFRIC 23 is carried out by prescription corresponding to the period 2017, for December 31, 2020, corresponding to 2015 and ¢8,487,028,342, for December 2021, corresponding to 2016).

As of December 31, 2022, BCR Operadora de Pensiones Complementarias does not make a provision reversal adjustment corresponding to 2017 for ¢84,945,625, (¢51,013,093 for December 31, 2020, corresponding to 2015. By prescription, for December 2021, the entity did not perform a reversal adjustment of the IFRIC23 provision).

As of December 31, 2022, BCR Corredora de Seguros carried out the reversal of the respective contingency for ¢34,566,861 corresponding to the 2017 period (¢40,880,144, for December 31, 2020, and ¢54,313,692 for December 2021. Corresponding to the 2015 period).

As of December 2022, BCR Valores S.A. did not perform an adjustment for reversal of provision CINIIF23 (¢194,676,459, for December 31, 2020, and ¢264,905,511 as of December 31, 2021, corresponding to 2015).

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

As of December 31, 2022, BCR Sociedad Administradora de Fondos de Inversión S.A. performed the reversion corresponding to 2017 for ₡78,779,564, (₡42,457,128, for December 31, 2020, and ₡36,435,373 as of December 2021, corresponding to 2015.)

On March 21, 2022, the Regularization Provision Proposal No. DGCN-SFPD-28-2021-4-321-03 is notified, informing the Bank of the differences found in the tax bases and tax quotas, as well as the facts and legal bases supporting it. The total debt is 16,755,470,468 and interest of ₡8,042,094,675, corresponding to the 2017 fiscal period.

The Bank of Costa Rica expressed partial disagreement with the regulation proposal and is awaiting notification of the administrative act of settlement, with concrete expression of the facts and the legal bases that motivate the differences in the taxable bases and the tax quotas.

As of April 5, 2022, the Bank paid ₡32,663,336,583 to the Treasury.

<u>Period</u>		<u>Income tax</u>		<u>Penalties</u>		<u>Interest</u>		<u>Total</u>
2017	₡	16,755,470,469	₡	7,865,771,439	₡	8,042,094,675	₡	32,663,336,583

b) Value added tax

With the enactment of Law No. 9635, Law on Strengthening Public Finances of December 3, 2018, the sales tax system is comprehensively reformed, derogating entirely the General Sales Tax Law, Law No. 6826 of November 8, 1982, and its reforms, migrating its Title I to a new regulatory framework, called the Value Added Tax Law. This tax is regulated in Article 1 of the Law. In this new regulatory framework, all goods and services are taxed generally, presupposing an improvement in the control and oversight of the tax, since the list of exempt goods and services is considerably reduced, according to what is established in Article 8 of the Law. Likewise, the essential elements of the tax, being the taxable event, the accrual, the taxable persons, and the taxable base, were modified with Article 1 of the Law for Strengthening Public Finances.

c) New administration of the Notarial Guarantee Fund

On October 8, 2019, BCR Pensiones started managing the Notarial Guarantee Fund; this fund was created with the enactment of the Notarial Code ruling in 1998.

The National Directorate of Notaries carried out a comprehensive market study to determine the existence of options to manage its fund, thus transferring the Fund to BCR Pensiones.

In official letter BCROPC-048-20 dated February 11, 2020, the deadline for delivery of the audited financial statements of the Individual Capitalization Fund of Notarial Guarantee is extended once the National Directorate of Notaries delivers the corresponding audited financial statements to the period from January 1 to October 7, 2020, which was administered by another Complementary Pension Operator.

(Continued)

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

Declaration of health alert for COVID-19

Measures adopted by the Bank in the face of the health emergency due to COVID-19.  
Measures were generated in three areas:

- 1) Direct loan: A total grace period of 6 or 12 months will be provided, in which the client will pay only what corresponds to credit-related policies, that is, the principal and interest will not be charged during that period; the collection will be carried out after the total grace period and will be treated according to the needs of each client.

The unpaid interest will be charged through a new loan that will take effect at the end of the grace period.

For this new operation, the interest rate will be in colones basic passive rate (TBP) + 1 colones and in US dollars PRIME rate, depending on the currency, and for the remaining term of the main operation.

In the necessary cases, the maturity of the main operation may be extended by up to 11 months.

This facility applies to customers with less than 60 days past due, for which no additional payment capacity analysis will be made.

- 2) Credit cards: With reference to credit cards, at the request of each client, a total grace period will be granted for a period of up to three months. During the months of the full grace period, there will be no charges for fees or default interest. During the months of the full grace period, no late fees nor default interests will be charged.

During the months of the full grace period, no late fees nor default interests will be charged.

- 3) Credit lines: They will be attended to as specific situations, punctually analyzing each client to identify the need and provide a tailor-made solution.

As an immediate response to the corporate sector, the Bank will allocate close to 100 billion colones to support the liquidity of its corporate clients, readjusting its credit operations in direct loans, to improve the cash flows of the companies.

In this first stage, facilities will be provided with emphasis on Tourism and Commerce, which will allow a medium-term solution, ranging between 6 or 12 months in both currencies.

In a second stage, the Transportation and Commercial sector with real estate activity will be addressed with greater emphasis, also covering other economic activities.

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**BANCO DE COSTA RICA**  
Notes to the Consolidated Financial Statements

As of March 31, 2025, Loans are detailed by activity in operations readjusted by Covid-19:

<b>Loans – Balances converted to colones</b>		
<b>Activity</b>	<b>Colones</b>	<b>Converted US dollars</b>
Agriculture	5,638,051,249	17,366,076,265
Trade	42,851,617,114	19,006,823,449
Construction	2,803,944,979	1,439,337,460
Retail	41,091,896,660	541,095,074
Livestock	1,957,993,461	0
Industry	21,302,370,977	0
Services	17,011,206,731	0
Transportation	12,317,223,895	565,947,570
Tourism	3,842,857,207	29,66,184,559
Housing	145,064,852,246	27,453,444,484
<b>Total by currency</b>	<b>¢ 293,882,014,520</b>	<b>96,138,908,861</b>
	<b>390,020,923</b>	

<b>Activity</b>	<b>Colones</b>	<b>Activity</b>	
		<b>US dollars</b>	<b>Total</b>
Agriculture	225	32	257
Trade	422	27	449
Construction	12	7	19
Retail	5,255	92	5,347
Livestock	38		38
Industry	51		51
Services	260	7	267
Transportation	81		81
Tourism	31	13	44
Housing	6,893	817	7,718
<b>Total</b>	<b>13,268</b>	<b>995</b>	<b>14,263</b>

As of December 31, 2024

<b>Loans – Balances converted to colones</b>		
<b>Activity</b>	<b>Colones</b>	<b>Converted US dollars</b>
Agriculture	5,950,996,120	17,924,335,885
Trade	44,590,850,165	19,912,916,779
Construction	4,664,494,734	2,259,316,442
Retail	43,666,117,277	667,936,475
Livestock	2,139,411,672	0
Industry	23,411,310,853	0
Services	18,275,917,192	621,916,162
Transportation	13,181,560,474	0
Tourism	4,302,928,819	30,771,024,348
Housing	151,158,535,969	30,924,811,007
<b>Total by currency</b>	<b>¢ 311,342,123,275</b>	<b>103,082,257,098</b>
	<b>414,424,380,373</b>	

(Continued)

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

Activity	Colones	Activity	
		US dollars	Total
Agriculture	232	33	265
Trade	441	29	470
Construction	16	7	23
Retail	5,454	108	5,562
Livestock	42		42
Industry	59		59
Services	280	8	288
Transportation	89		89
Tourism	34	16	50
Housing	7,159	856	8,015
<b>Total</b>	<b>13,806</b>	<b>1,057</b>	<b>14,863</b>

As of March 31, 2024

Loans – Balances converted to colones		
Activity	Colones	Converted US dollars
Agriculture	6,997,366,476	18,562,824,408
Trade	48,505,558,551	21,964,515,076
Construction	5,013,421,097	3,257,924,666
Retail	51,150,808,878	1,039,892,924
Livestock	2,396,276,745	0
Industry	26,044,398,604	1,679,409,275
Services	21,820,644,848	6,481,092,580
Credit Cards	1,678,167	1,831,871
Transportation	15,372,065,640	0
Tourism	5,057,028,154	32,555,980,989
Housing	159,332,079,712	32,825,726,971
<b>Total by currency</b>	<b>¢ 342,779,653,093</b>	<b>118,548,879,905</b>
	<b>461,328,532,998</b>	

Activity	Colones	Activity	
		US dollars	Total
Agriculture	255	36	291
Trade	506	38	544
Construction	17	9	26
Retail	6,108	171	6,279
Livestock	48		48
Industry	70	1	71
Services	328	15	343
Credit Cards	2	1	3
Transportation	107		107
Tourism	34	26	60
Housing	7,445	933	8,378
<b>Total</b>	<b>14,920</b>	<b>1,230</b>	<b>16,150</b>

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## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

#### Effects of the pandemic on BICSA

As of December 31, 2020, the number of moratoriums granted by BICSA Group reaches an amount of 184.7 million dollars, which represents 12% of the total portfolio and provisions were made to cover the potential effect of macroeconomic impairment of the loan portfolio according to the entity's expected loss models.

Faced with the pandemic, Grupo BICSA was forced to respond quickly to critical questions in the operational and financial areas. In particular, the recalibration and updating of IFRS 9 models are of particular importance as a fundamental task in the current context because of various factors that in turn have an impact on provisions. These reviews considered adjustments to conventional methodological aspects such as the probability of default (PD), the loss given default (LGD) and the forward-looking adjustment (prospective economic effect of the IFRS 9 model). The classification criteria in Stages have also been revised to incorporate the effects that the COVID-19 environment could bring to customers, in this case it is necessary to define criteria for a significant increase in credit risk (ISRC) based on the risk of the economic sector, the activity within the economic sector and the particular characteristics of each client. Finally, based on the methodology defined taking as reference the international regulations and the local regulatory context, the Bank defined the Post Model Adjustments (Overlays) with general guidelines for the classification process of modified loans in the different stages established by IFRS 9. After applying the adjustments, the bank resulted in an increase in its IFRS 9 reserve estimate of \$1.3 million.

#### Management and impacts of the pandemic for COVID-19 at BICSA

As of the second quarter of 2020, the Group increased its volume of current assets to an average greater than 63.65% of the Legal Liquidity indicator, doubling the minimum 30% required (see Note 5 - Liquidity Risk). Finally, the Group's solvency level has improved compared to the previous closing ended on December 31, 2019, and remains well above the requirements of the SBP in 12.76% of weighted equity/assets based on risk (see Note 5 - Capital Management). The final magnitude of the impact of the pandemic for COVID-19 on the Group's business, financial situation and results will depend on future and uncertain events, including the intensity and persistence over time of the consequences derived from the pandemic in the different geographies in which the Group operates.

#### Financial Information Regulation

Through articles 6 and 5 of the minutes of sessions 1442-2018, held on September 11, 2018, CONASSIF approved the Financial Information Regulation, in effect from January 1, 2020.

## BANCO DE COSTA RICA

### Notes to the Consolidated Financial Statements

The purpose of the Regulations is to moderate the application of the International Financial Reporting Standards (IFRS) and their interpretations (SIC and IFRIC), issued by the International Accounting Standards Board (IASB). Considering prudential or regulatory accounting treatments. As well as the definition of a specific treatment or methodology when IFRS propose two or more application alternatives.

#### Incorporation of Banprocesa S.R.L. to the BCR Financial Conglomerate

Banprocesa, S.R.L. will provide exclusive services to the BCR Financial Conglomerate, in the development of software related to information technology. Significant improvements are expected in the management of this process, with an impact on reducing costs for reprocessing, timely attention, custom development and in general, greater efficiency in management as well as supporting the strategic objective of turning Banco de Costa Rica into a digital bank. Due to the nature of the company's services, its impact is seen mainly in the bank's operational risk management, and to a lesser extent, with an impact on its solvency. Therefore, no technical aspects or risk exposure are identified that constitute a disability to its incorporation into the Financial Conglomerate.

By means of official letter GG-04-276-2020, of April 24, 2020, a request for formal authorization it is sent to the General Superintendency of Financial Entities (SUGEF) on April 27, 2020, to incorporate Banprocesa, S.R.L. to the BCR Financial Conglomerate and Subsidiaries, clarifying that, currently Banco de Costa Rica owns 100% of the shares of the entity.

By means of the official letter SGF-2069-2021 SGF-CONFIDENCIAL-202103143, dated July 23, 2021, a favorable opinion is rendered on the request for authorization to incorporate Banprocesa, S.R.L. to the BCR Financial Conglomerate.

#### BCR Leasing Premium Plus S.A

Through official letter No. GG-09-584-2024 sent on September 23, 2024, a request was submitted to SUGEF for the incorporation of the company BCR Leasing Premium Plus S.A. into the Financial Conglomerate; the process is currently underway.

#### Maximum annual interest rates for credits and microcredits

In accordance with the provisions of article 36 bis of Law No. 9859 of June 11, 2020, the calculation of the maximum annual interest rates and their publication is carried out by the Central Bank of Costa Rica in the first week of January and July of each year.

As of July 8, 2022, the publication of the new maximum annual interest rates for credit operations in colones and US dollars and other currencies is made.

BANCO DE COSTA RICA  
Notes to the Consolidated Financial Statements

Every type of credit (except microcredits)	<b>Semiannual</b>		
	<b>1/2024</b>	<b>2/2024</b>	<b>1/2025</b>
Colones	38.55	38.98	38.36
US dollars	30.53	30.36	30.42
<b>Microcredits</b>			
Colones	54.37	54.98	54.11
US dollars	43.23	42.99	43.08
Credits in other currencies	7.56	7.44	7.48

For the purposes of this law, microcredit is understood to be any credit that does not exceed a maximum amount of 1.5 times the base salary of clerk 1 of the Judiciary, according to Law 7337, of May 5, 1993. Credit cards are excluded from microcredits.

CONASSIF Agreement 14-21 Regulation on calculation of credit estimates

Prior to 2024, SUGEF Agreement 1-05 was in effect, under which debtors are individually classified in one of eight risk categories (A1, A2, B1, B2, C1, C2, D and E), with A1 being the lowest risk and E being the higher credit risk.

With the entry into force of the CONASSIF Agreement 14-21 as of January 1, 2024, credit operations or debts must be classified individually in risk categories, according to their classification from 1 to 8, with category 1 corresponding to the one with the lowest credit risk and 8 the one with the highest credit risk.

The details of the current agreement are provided in Note 1 – Summary of Operations and Significant Accounting Policies, section j. Allowance for Uncollectible Loans, of this same document.

**Dividend distribution**

As of April 29, 2024, Banporcesa S.R.L. distributed dividends in the amount of ¢200,000,000, according to the resolution of the Extraordinary General Meeting of Quota Holders No. 05-24, dated April 1, 2024.

As of May 9, 2024, BCR Pensión Operadora de Planes de Pensiones, S.A. distributed dividends in the amount of ¢600,000,000, according to the resolution of the Extraordinary General Meeting of Shareholders No. 09-24, dated March 20, 2024.

As of May 28, 2024, BCR Corredora de Seguros, S.A. distributed dividends in the amount of ¢3,000,000,000, according to the resolution of the Extraordinary General Meeting of Shareholders No. 06-24, dated March 4, 2024.

(Continued)

BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

As of December 24, 2024, BCR Valores, S.A.-Puesto de Bolsa, distributes dividends in the amount of ¢1,000,000,000, according to the resolution of the Extraordinary General Meeting of Shareholders No. 04-24, dated December 11, 2024.

Resolution regarding BCR SAFI

Resolution SGV-R-128-2024

On July 24, 2024, resolution SGV-R-128-2024 was received from the General Superintendency of Securities, by which BCR Sociedad Administradora de Fondos de Inversión S.A. is ordered to:

- i. Use all retained earnings of BCR SAFI as of the end of the 2023 period to strengthen the share capital of this entity, a procedure that must be completed no later than December 31, 2024.*
- ii. Prohibit BCR SAFI from distributing dividends to its shareholder, effective from the issuance of the present resolution and for as long as it remains in force.*
- iii. Require BCR SAFI to request Banco de Costa Rica to make additional capital contributions to BCR SAFI, for an amount of up to 22.000 million colones, no later than December 31, 2024.*
- iv. Instruct BCR SAFI to maintain, in investments in high credit quality securities, an amount equivalent to the capital contributions required in the preceding section of this resolution, so that these funds may be used to meet the obligations arising from the responsibilities that gave rise to this resolution, at the appropriate time and for the final amount to be determined.*
- v. Impose the obligation on BCR SAFI to submit an annual report prepared by the external auditors responsible for issuing an opinion on the audited financial statements, specifically addressing whether the entity has properly assessed if the conditions for recognition and measurement of potential provisions payable are already met, arising from ongoing judicial and administrative proceedings or from decisions regarding the disposition of Parque Empresarial del Pacífico belonging to the asset portfolio of the Non-Diversified Real Estate Investment Fund. These reports must be submitted together with the delivery of the audited annual financial statements.*
- vi. Require XXX to timely record provisions payable at the moment the conditions established in the applicable regulations for their recognition are met.*

In relation to the request, the important dates for addressing the regulator's requirements are outlined below:

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

1. At the shareholders' meeting of BCR SAFI held on September 23, 2024, the following was approved:
  - i. *Acknowledge resolution SGV-R-128-2024, dated July 23, 2024, submitted by Mr. Tomás Soley Pérez, General Superintendent of Securities.*
  - ii. *Approve the capitalization of BCR Sociedad Administradora de Fondos de Inversión, S.A. in the amount of ¢23,118,000,000 (twenty-three billion one hundred eighteen million colones), as detailed below:*
    - a. *Retained earnings from the 2023 period of BCR SAFI: ¢1,118,000,000 (one billion one hundred eighteen million colones).*
    - b. *Contribution from the sole shareholder Banco de Costa Rica: ¢22,000,000,000 (twenty-two billion colones).*
  - iii. *Record that the capitalization of ¢22,000,000,000 will be carried out once Banco de Costa Rica submits the extraordinary budget to the Office of the Comptroller General of the Republic and it is approved by said regulatory authority.*
2. On October 25, 2024, authorization for the extraordinary budget to proceed with the capitalization of ¢22,000,000,000 was received from the Office of the Comptroller General of the Republic.
3. On November 6, BCR SAFI received ¢22,000,000,000 in cash from Banco de Costa Rica in their capacity as sole shareholder, which were subsequently invested in high credit quality securities, as required by the resolution.
4. As required by Article 6 of the Regulation on Management Companies and Investment Funds, the authorization process for the capitalization in the amount of ¢23,118,000,000 was initiated before SUGEVAL on November 15. On December 24, a second request for corrections to the process was received from SUGEVAL; these corrections were addressed and resubmitted to the regulatory authority for review on January 7, 2025.
5. As can be seen from the dates indicated, BCR SAFI and the BCR Finacial Conglomerate fulfilled the capital contribution of ¢22,000,000,000 and the formal approval of the capitalization of retained earnings of BCR SAFI in the amount of ¢1,118,000,000 prior to December 31, 2024, in order to complete a total share capital increase of ¢23,118,000,000.
6. On January 9, 2025, resolution SGV-R-2-2025 was received from SUGEVAL, which states the following:

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BANCO DE COSTA RICA

Notes to the Consolidated Financial Statements

- i. *Authorize, subject to compliance with the provisions established in this Resolution (\*\*), the registration in the National Registry of Securities and Intermediaries of the capital increase of BCR Sociedad Administradora de Fondos de Inversión S.A. in the amount of ₡23,118,000,000, to reach a new share capital of ₡27,957,200,000, consisting of 559,144 shares with a nominal value of ₡50,000 each. The characteristics of the capital increase are as follows:*

<b>CHARACTERISTICS</b>		
Type of modification	Increase in subscribed and paid-in capital	
Amount of the increase	₡23.118.000.000	
Share capital	Before the modification ₡4.839.200.000	After the modification ₡27.957.200.000
Date of the Shareholders' meeting	General Extraordinary Assembly N° 04-2024 dated September 23, 2024, and N° 06-2024 from December 11, 2024	
Source of funds	Capitalization of retained earnings and capital contribution from Banco de Costa Rica	
Reason	Comply with the requirements of the Superintendency as stated resolution SGV-R-128-2024 del 23 from July, 2024	

(\*\*) The requirements to be met are as follows:

- ii. *Instruct BCR Sociedad Administradora de Fondos de Inversión to submit to this Superintendency the notarial or registry certification of the registration of the authorized share capital increase, as stated in section 1 of this Resolution, in the Commercial Registry.*
- iii. *Inform BCR Sociedad Administradora De Fondos de Inversión, S.A. that within a maximum period of 3 business days from its registration in the Public Registry, the controlling company must deposit the shares resulting from this capital increase in one of the securities depository institutions regulated under Law 7732, the Securities Market Regulatory Law. Additionally, XXX must submit to this Superintendency a certification of the share deposit, confirming the existence of all shares owned by the controlling company in the management company.*
7. The documentation was submitted to the National Registry on January 16, 2025, and was registered on January 22, 2025.

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Resolution SGV-R-179-2024

On October 29, 2024, Resolution SGV-R-179-2024 was received from the General Superintendence of Securities, requiring the Board of Directors of BCR Sociedad Administradora de Fondos de Inversión, S.A. and the Board of Directors of Banco de Costa Rica, as the controlling entity, to submit an action plan to the General Superintendence of Securities within 30 business days. This action plan must facilitate the normalization of the BCR Non-Diversified Real Estate Investment Fund, with normalization understood as restoring the Investment Fund to its functional and financial condition prior to the acquisition of Parque Empresarial del Pacífico.

In response to the resolution, on November 1, 2024, BCR Sociedad Administradora de Fondos de Inversión, S.A. filed a motion for revocation with a subsidiary appeal and an absolute nullity incident against Resolution SGV-R-179-2024. Similarly, on the same date by agreement taken in session 54-24, Article II, on November 1, 2024, Banco de Costa Rica filed a motion for revocation with an appeal in higher instance and a concomitant incident against Resolution SGV-R-179-2024.

On November 29, 2024, resolution SGV-R-198-2024 was received from SUGEVAL, through which it was decided:

*To reject in all its aspects the appeals for revocation and the nullity claims filed by BCR Sociedad Administradora de Fondos de Inversión, S.A. and Banco de Costa Rica as the controlling entity, against administrative order SGV-R179-2024 issued at 16:00 hours on October 29, 2024, maintaining the orders established therein.*

***The execution of the imposed administrative order is suspended until the appeal filed by BCR Sociedad Administradora de Fondos de Inversión and Banco de Costa Rica, in their capacity as the controlling entity, is analyzed by the National Council for the Supervision of the Financial System.***

*In accordance with Articles 345, 346, and 349 of the General Law of Public Administration and Articles 170 and 171, subsection (g) of the Securities Market Regulatory Law, the administrative file is submitted to the National Council for the Supervision of the Financial System so that it may issue the corresponding resolution regarding the Subsidiary Appeal filed against said act. For this purpose, the appellants are required to appear before the higher authority within a period of three business days to assert their rights and designate a location for receiving notifications.*

On December 4, 2024, a petition was submitted to CONASSIF requesting that the appeal and the absolute nullity incident be upheld in all its aspects and, consequently, that resolution SGV-R-179-2024 issued at 16:00 hours on October 29, 2024, be revoked and annulled. As of today, the resolution from CONASSIF is still pending.

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45). International Financial Reporting Standards (IFRS) issued but not yet applied

In accordance with the requirements of IFRS 1, "First-time Adoption of International Financial Reporting Standards," the standards, amendments, and improvements issued by the IASB that have not been early adopted in these financial statements are detailed below.

The following standards and amendments have been issued and are effective for future periods:

1. IFRS 18 - Presentation and Disclosure in Financial Statements. Effective date: Annual periods beginning on or after January 1, 2027. Early application permitted.

Expected impact: Introduces improvements in the presentation and disaggregation of information in the financial statements, including defined subtotals and better classification of income and expenses.

2. Amendments to IFRS 9 and IFRS 7 – Financial Instruments. Effective date: Annual periods beginning on January 1, 2026. Early application permitted.

Expected impact: Clarifications on the classification and measurement of financial instruments, particularly regarding changes in contractual cash flows and disclosure requirements.

3. IFRS 19 - Subsidiaries without Public Accountability. Effective date: Annual periods beginning on January 1, 2025.

Expected impact: Significant reduction in disclosure requirements for subsidiaries without public accountability, without altering the recognition and measurement principles.

4. International Financial Reporting Standard (IFRS) focused on Sustainability:

On June 26, 2023, the International Sustainability Standards Board (ISSB) approved two International Financial Reporting Standards (IFRS) focused on sustainability.

These new standards are IFRS S1 – General Requirements for Sustainability-Related Financial Disclosures and IFRS S2 – Climate-Related Disclosures.

Their application will be voluntary starting January 1, 2024. For regulated financial entities within the financial system, the standards are expected to come into effect for the 2027 fiscal year.

5. Annual Standards Review 2024. Effective date: Applicable for annual periods beginning on or after January 1, 2025.

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Key changes:

- a. IFRS 10 – Consolidated Financial Statements: Adjustments related to the treatment of control over entities under specific circumstances, providing greater clarity on the application of the control principle.
- b. IFRS 9 – Financial Instruments: Modifications to enhance the presentation of expected credit losses and clarifications on substantial modifications of contractual terms.
- c. IFRS 1 – First-time Adoption of IFRS: Minor changes to facilitate the transition to IFRS in specific operations, particularly for first-time adopting subsidiaries.
- d. IAS 7 – Statement of Cash Flows: Clarifications on the presentation of cash flows related to financial instruments.
- e. IFRS 7 – Financial Instruments: Disclosures: Inclusion of additional requirements related to liquidity risks and significant changes during the period.

Expected impact: These modifications aim to clarify terms and ensure consistency in application, with limited impact on current accounting policies.

The management of Banco de Costa Rica is analyzing the effects of these standards and amendments on the financial statements. Although no significant material impacts are anticipated, adjustments will be made to the presentation and disclosure of information to comply with the new requirements. Banco de Costa Rica does not apply standards early, as stated in CONASSIF Agreement 6-18, Financial Information Regulation, Article 3: Adoption of Accounting Standards.

46). Authorization date for issuance of financial statements

The General Management of the Bank authorized the issuance of the separate financial statements on April 28, 2025. SUGEF has the possibility of requiring modifications to the financial statements after their date of authorization for issuance.