

FINANCIAL STATEMENTS
FONDO MIVIVIENDA S.A.
JUNE 2024



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Fondo MIVIVIENDA S.A.
Statement of Financial Position
As of jun 30, 2024 and December 31, 2023
(Stated in thousands of Nuevos Soles)

	Notes	As of June 30, 2024	As of December 31, 2023		Notes	As of June 30, 2024	As of December 31, 2023
ASSETS				LIABILITIES			
CASH AND CASH EQUIVALENTS	4	2,091,739	3,069,470	OBLIGATIONS TO THE PUBLIC		237	234
Cash		0	0	Demand deposits		0	0
Banco Central de Reserva del Perú		2,140	2,260	Saving Account Deposits		0	0
Banks and other companies of the financial system		1,776,008	2,750,781	Long-term Saving Account Deposits		0	0
Foreign banks and other companies of the financial system		-98	-94	Other liabilities		237	234
Exchange		0	0	INTERBANK FUNDS		0	0
Other cash and due from banks		313,689	316,523	FINANCIAL ORGANIZATIONS		0	0
		0	0	Demand Deposits		0	0
INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS		0	0	Saving Deposits		0	0
Equity Instrument		0	0	Time Deposits		0	0
Debt instrument		0	0	DUE TO BANKS AND FINANCIAL OBLIGATIONS	13	8,291,705	8,883,130
Investments in commodities		0	0	Dues and Obligations with Banco Central de Reserva del Perú		0	0
AVAILABLE-FOR-SALE INVESTMENTS		51,818	0	Dues and Obligations with Domestic Banks and Other Financial system companies	13.a)	1,018,797	1,004,564
Instruments representing the equity		0	0	Dues and Obligations with Foreign Companies and International Financial Bodies	13.b)	4,140,396	3,281,564
Instruments representing the debt		51,818	0	Other Dues and Obligations of the Country and Abroad		0	0
HELD-TO-MATURITY INVESTMENTS	5	50,974	52,919	Securities	13.c)	3,132,512	4,597,002
						287	0
LOAN PORTFOLIO	6	18,954	21,271	TRADINGS DERIVATIVE FINANCIAL INSTRUMENT	7	256,519	354,493
Current Loan Portfolio		16,832	19,527	HEDGING DERIVATIVE FINANCIAL INSTRUMENT			
Restructured Loan Portfolio		0	0	ACCOUNTS PAYABLES	14	1,316,386	1,365,276
Refinanced Loan Portfolio		2,063	164	PROVISIONS	15	3,271	2,720
Non-performing Loan Portfolio		83,081	85,120	Provisions for Contingent Loans		0	0
Loan Portfolio in Judicial Collection		72	72	Provisions for Lawsuits and Disputes		2,025	1,513
(-) Provisions for Loans		-83,094	-83,612	Others		1,246	1,207
TRADING DERIVATIVE FINANCIAL INSTRUMENT		0	0	CURRENT INCOME TAXES		0	0
HEDGING DERIVATIVE FINANCIAL INSTRUMENT	7	64,679	59,474	DEFERRED INCOME TAXES		0	0
ACCOUNTS RECEIVABLES		11,055,360	10,843,558	OTHER LIABILITIES	15	44,788	50,728
Accounts Receivables for Sale of Goods and Services and Trust (net)	8	11,051,453	10,838,409	TOTAL LIABILITIES		9,913,193	10,656,581
Other Account Receivables (net)	9	3,907	5,149				
REALIZABLE ASSETS RECEIVED IN PAYMENTS, AWARDED		0	0	SHAREHOLDER'S EQUITY			
Realizable Assets		0	0	Shares Capital	18.A	3,562,560	3,479,607
Assets Received in Payment and Awarded		0	0	Additional Capital		0	0
SHARES		0	0	Treasury Shares		0	0
Branch companies		0	0	Reserves	18.B	50,084	40,867
Affiliated and shares in joint ventures		0	0	Retained Earnings		-470	-490
Others		0	0	Net Income for the Year		42,900	92,169
PROPERTY, FURNITURE AND EQUIPMENT (NET)	10	1,400	1,370	Adjustment to Equity	18.C	-119,890	-111,829
INTANGIBLE ASSET DIFFERENT THAT THE CAPITAL GAIN	11	9,156	8,813	TOTAL SHAREHOLDER'S EQUITY		3,535,184	3,500,324
CAPITAL GAIN		0	0				
CURRENT INCOME TAXES	16.(a)	39,015	31,366	TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		13,448,377	14,156,905
DEFERRED INCOME TAXES	17	62,010	61,191				
NONCURRENTASSETS KEPT FOR SALE		0	0				
OTHER ASSETS	12	3,272	7,473				
TOTAL ASSETS		13,448,377	14,156,905				
MEMORANDA CONTINGENTS		4,963,780	4,695,775				
MEMORANDA ACCOUNTS		14,998,463	14,635,524				
CONTRA CREDIT ACCOUNT		4,473,285	5,059,557				
TRUST, COMMISSIONS OF MEMORANDA TRUSTEE AND CONTRA CREDIT ACCOUNT OF TRUST		51,905	59,236				

Note: The Financial Statements weren't translated by Langrow, because they preserved the same format than other periods.



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Fondo MIVIVIENDA S.A.
Statement of Income
For the periods ended June 30, 2024 and 2023
(Stated in thousands of Nuevos soles)

	Notes	For the specific quarter from January 1 to June 30, 2024	For the specific quarter from January 1 to June 30, 2023	For the period specific from January to June 30, 2024	For the period specific from January to June 30, 2023
INTERESTS INCOME					
Available		25,888	42,749	54,594	77,801
Interbank funds		0	0	0	0
Investments at fair value with changes in results		0	0	0	0
Available-for-sale investments		105	0	105	43
Held-to-maturity investments		796	1,562	1,613	3,343
Direct Loans Portfolio		1,183	1,426	2,245	3,029
Income from hedging transactions		0	0	0	0
Accounts receivables		176,430	160,977	350,211	312,229
Other financial income		2	16	5	27
TOTAL INTEREST INCOME	21	204,404	206,730	408,773	396,472
INTEREST EXPENSES					
Obligations with the public		0	0	0	0
Interbank funds		0	0	0	0
Deposits of companies from the financial system and international financial organizations		0	0	0	0
Dues and Financial obligations		-113,011	-96,827	-228,980	-187,515
Dues and obligations with Banco Central de Reserva del Perú		0	0	0	0
Dues and obligations of the country's financial system		-13,617	-5,840	-28,591	-11,637
Dues and obligations with foreign financial institutions and international financial bodies		-61,286	-27,040	-111,206	-45,492
Other dues and obligations of the country and abroad		0	0	0	0
Commissions and other charges of dues and financial obligations		-272	0	-329	-250
Securities and outstanding liabilities		-37,836	-63,947	-88,854	-130,136
Interests of accounts payable		0	0	0	0
Income from hedging transactions		0	0	0	0
Other financial expenses		-4,545	-10,282	-9,303	-19,601
TOTAL INTEREST EXPENSES	21	-117,556	-107,109	-238,283	-207,116
GROSS FINANCIAL MARGIN		86,848	99,621	170,490	189,356
(-) Provisions for direct loans		635	334	507	2,109
GROSS FINANCIAL MARGIN		87,483	99,955	170,997	191,465
FINANCIAL SERVICE REVENUES	22	1,020	2,208	2,672	3,248
Indirect loans income		0	0	0	0
Trusts and trust commissions income		40	49	80	98
Income from issuing electronic money		0	0	0	0
Miscellaneous income		980	2,159	2,592	3,150
FINANCIAL SERVICE EXPENSES	22	-215	-743	-1,008	-1,279
Indirect loans expenses		0	0	0	0
Trust expenses and trust commissions		-36	-41	-77	-76
Premium for the deposits insurance fund		0	0	0	0
Miscellaneous Expenses		-179	-702	-931	-1,203
NET FINANCIAL MARGIN OF FINANCIAL SERVICES REVENUES AND EXPENSES		88,288	101,420	172,661	193,434
FINANCIAL OPERATING INCOME	23	-26,720	-34,208	-56,288	-66,048
Investments at fair value with changes in results		0	0	0	0
Investments at fair value with changes in results		0	0	0	0
Investments in commodities		0	0	0	0
Available-for-sale investments		31	0	31	0
Trading derivative instruments	23	-809	847	-599	2,067
Income of hedging derivative instruments	23	-27,223	-32,049	-57,211	-63,782
Profits (losses) in shares		0	0	0	0
Profit-loss of exchange rate difference	23	1,209	-2,502	1,397	-3,865
Others	23	72	-504	94	-468
OPERATING MARGIN		61,568	67,212	116,373	127,386
ADMINISTRATIVE EXPENSES					
Personnel and board of directors expenses	24	-7,486	-11,286	-16,831	-19,453
Expenses due to services received from third parties	24	-6,063	-5,255	-11,395	-12,004
Taxes and contributions	24	-119	-112	-229	-366
DEPRECIATIONS AND AMORTIZATIONS NET		-503	-486	-1,047	-1,001
NET FINANCIAL MARGIN		47,397	50,073	86,871	94,562
VALUATION OF ASSETS AND PROVISIONS					
Provisions for indirect loans		0	0	0	0
Provisions for uncollectibility of account receivables		-12,794	-12,168	-23,689	-25,862
Provisions for realizable, received in payment, recovered, awarded and other assets		0	0	0	0
Provision for noncurrent assets kept for sale		0	0	0	0
Investment impairment		0	0	0	0
Impairment of property, furniture and equipment		0	0	0	0
Impairment of intangible assets		0	0	0	0
Provisions for litigation and claims		-448	-60	-771	-76
Other provisions		-31	-10	-148	-113
OPERATING INCOME		34,124	37,835	62,263	68,511
Other income and expenses	25	781	-1,244	1,008	1,093
INCOME BEFORE INCOME TAX		34,905	36,591	63,271	69,604
INCOME TAX	16.(b)	-10,406	-11,286	-20,371	-20,729
NET INCOME		24,499	25,305	42,900	48,875
Basic incomes (loss) per share		0.007	0.007	0.012	0.014
Diluted incomes (loss) per share		0.007	0.007	0.012	0.014



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Fondo MIVIVIENDA S.A.
Statement of the Comprehensive Income
For the periods ended June 30, 2024 and 2023
(Stated in thousands of Nuevos Soles)

	Notes	For the specific quarter from January 1 to June 30, 2024	For the specific quarter from January 1 to June 30, 2023	For the period specific from January to June 30, 2024	For the period specific from January to June 30, 2023
Net income (Loss)		24,499	25,305	42,900	48,875
Other comprehensive income:					
Exchange difference due to transactions abroad		0	0	0	0
Gain (loss) of investments in equity instruments at fair value		0	0	0	0
Hedging of cash flow		-3,042	-110,923	-12,070	-68,725
Hedging of net investment of business abroad		0	0	0	0
Share in another comprehensive income of affiliates, associates and joint ventures		0	0	0	0
Revaluation surplus		0	0	0	0
Others		403	1,015	432	1,330
Another comprehensive income before taxes		-2,639	-109,908	-11,638	-67,395
Income tax related to components of another comprehensive Income					
Exchange difference due to transactions abroad		0	0	0	0
Gain (loss) of investments in equity instruments at fair value		0	0	0	0
Hedging of cash flow		898	32,723	3,561	20,274
Hedging of net investment of business abroad		0	0	0	0
Share in another comprehensive income of affiliates, associates and joint ventures		0	0	0	0
Revaluation surplus		0	0	0	0
Others		5	32	17	-19
Sum of income taxes related to components of another comprehensive Income		903	32,755	3,578	20,255
Other comprehensive Income:		-1,736	-77,153	-8,060	-47,140
Total comprehensive Income, net of the Income tax		22,763	-51,848	34,840	1,735



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Fondo MIVIVIENDA S.A.
Statement of Cash Flow
For the periods ended 30 June, 2024 and 2023
(Stated in thousands of Nuevos Soles)

	Note	As of June 30, 2024	As of June 30, 2023
CASH FLOW FROM OPERATING ACTIVITIES			
NET INCOME		42,900	48,875
ADJUSTMENTS			
Depreciation and amortization		1,047	1,001
Provisions		52,661	57,133
Impairment		0	0
Other adjustments		-145,476	289,185
NET CHANGES IN ASSETS AND LIABILITIES			
(Net increase) decrease in assets			
Loans		2,855	4,172
Investments at fair value through profit and loss		0	0
Available-for-sale investments		-51,433	34,883
Accounts receivables and others		-233,493	-640,850
Net increase (decrease) in liabilities			
Financial liabilities, non-subordinated liabilities		-563,781	427,555
Accounts receivables and others		-63,334	860,151
Cash flow and equivalent to cash after adjustments and net change in assets and liabilities		-958,054	1,082,105
Cash collected (paid) from income taxes		-25,295	-24,633
NET CASH FLOW FROM OPERATING ACTIVITIES		-983,349	1,057,472
CASH FLOW FROM INVESTMENT ACTIVITIES			
Cash from the sale of shares		0	0
Cash paid to purchase shares		0	0
Sale proceeds from intangibles and property, furniture and equipment		0	0
Acquisition of intangibles and property, furniture and equipment		-1,420	-1,537
Sale proceeds from held-to-maturity investments		2,034	50,057
Acquisition of held-to-maturity investments		0	0
Other inflows related to investment activities		2,886	87,722
Other outflows related to investment activities		0	-339,844
NET CASH FLOW FROM INVESTMENT ACTIVITIES		3,500	-203,602
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issuing subordinated financing liabilities		0	0
Outflow from recovery subordinated financial liabilities		0	0
Proceeds from issuing stock		0	0
Dividends paid to shareholders		0	0
Other inflows related to financing activities		0	0
Other outflows related to financing activities		0	0
NET CASH FLOW FINANCING ACTIVITIES		0	0
Net increase (decrease) in cash and cash equivalent before changes on the exchange rate		-979,849	853,870
Effects of the changes on the cash and cash equivalent exchange rate		5,007	-13,137
Net increase (decrease) of cash and cash equivalent		-974,842	840,733
Cash and cash equivalent at the beginning of the period		2,753,108	1,548,553
Cash and cash equivalent at the end of the period		1,778,266	2,389,286



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Fondo MIVIVIENDA S.A.

Statement of Changes in Net Equity
For the periods ended June 30, 2024 and 2023
(Stated in thousands of Nuevos Soles)

	Capital shares	Additional capital	Own Shares in the Portfolio	Legal reserves	Voluntary reserves	Retained Earnings	Net Income	Adjustments to Equity								Total Net Equity		
								Exchange differences in Translation of Foreign Operations	Gain (Losses) of Investment in Equity Instruments at fair value	Cash flow hedging	Hedging of net investment of foreign business	Participation in another Comprehensive Income of Affiliates, Associates and joint Ventures	Revaluation Surplus	Other adjustments	Total adjustments to equity			
Balance as of January 1, 2023	3,423,505	0	0	34,633	0	61,738	0	0	0	0	-36,901	0	0	0	-4,940	-41,841	3,478,035	
1. Adjustments due to changes in the accounting policies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2. Adjustments due to correction of errors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3. Initial balance after adjustments	3,423,505	0	0	34,633	0	61,738	0	0	0	0	-36,901	0	0	0	-4,940	-41,841	3,478,035	
4. Changes in the Equity:																		
5. Comprehensive Income:																		
6. Income							48,875									48,875		
7. Other Comprehensive Income:								0	0	-48,451	0	0	0	1,311	-47,140	-47,140		
8. Total Comprehensive Income:							48,875	0	0	-48,451	0	0	0	1,311	-47,140	1,735		
9. Changes in the net Equity (not included in comprehensive Income)																		
10. Transference of the Income to retained Earnings				0	0	0	0											0
11. Declared cash dividends						0												0
12. Issuance of Capital stock (different than business combination)	56,102	0	0	0	0	-56,102												0
13. Reduction of Capital (different than business combination)	0	0	0	0	0	0												0
14. Increase (decrease) of Business Combination	0	0	0	0	0	0												0
15. Increase (decrease) due to trades of treasury stock	0	0	0	0	0	0												0
16. Increase (decrease) due to Transference and Other Changes	0	0	0	6,234	0	-6,165												69
Total changes in equity	56,102	0	0	6,234	0	-62,267	48,875	0	0	-48,451	0	0	0	1,311	-47,140	1,804		
Balance as of June 30, 2023	3,479,607	0	0	40,867	0	-529	48,875	0	0	-85,352	0	0	0	-3,629	-88,981	3,479,839		
Balance as of January 01, 2024	3,479,607	0	0	40,867	0	91,679	0	0	0	-107,900	0	0	0	-3,929	-111,829	3,500,324		
1. Adjustments due to changes in the accounting policies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
2. Adjustments due to correction of errors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
3. Initial balance after adjustments	3,479,607	0	0	40,867	0	91,679	0	0	0	-107,900	0	0	0	-3,929	-111,829	3,500,324		
4. Changes in the Equity:																		
5. Comprehensive Income:																		
6. Income							42,900											42,900
7. Other Comprehensive Income								0	0	-8,510	0	0	0	449	-8,061	-8,061		
8. Total Comprehensive Income							42,900	0	0	-8,510	0	0	0	449	-8,061	34,839		
9. Changes in the net Equity (not included in Comprehensive Income)																		
10. Transference of the Income to retained Earnings				0	0	0	0											0
11. Declared cash dividends						0												0
12. Issuance of Capital stock (different than business combination)	82,953	0	0	0	0	-82,953												0
13. Reduction of Capital (different than business combination)	0	0	0	0	0	0												0
14. Increase (decrease) of Business Combination	0	0	0	0	0	0												0
15. Increase (decrease) due to trades of treasury stock	0	0	0	0	0	0												0
16. Increase (decrease) due to Transference and Other Changes	0	0	0	9,217	0	-9,196												21
Total changes in equity	82,953	0	0	9,217	0	-92,149	42,900	0	0	-8,510	0	0	0	449	-8,061	34,860		
Balance as of June 30, 2024	3,562,560	0	0	50,084	0	-470	42,900	0	0	-116,410	0	0	0	-3,480	-119,890	3,535,184		

NOTAS

Notes to the Financial Statements

JUNE 30, 2024

Translator: Gressyha Ysabel Gastelú Torres



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CTP N° 0824

Translator's Signature

Notes to the Financial Statements June 30, 2024

1. Identification and Business Activity

A. Identification.

Fondo MIVIVIENDA S.A. (hereinafter "the Fund") is a state-owned company under private law and is governed by Law No. 28579 "Conversion Law of the Housing Mortgage Fund - Fondo MIVIVIENDA to Fondo MIVIVIENDA S.A." and its bylaws. The Fund is included in the National Fund for the Financing of the Business Activities of the State – FONAFE under the Ministry of Housing, Construction and Sanitation (MVCS). The Law No. 28579 disposed the conversion of Mortgage Fund for Housing Promotion – Fondo MIVIVIENDA into a corporation named Fondo MIVIVIENDA S.A., since January 1, 2006.

The legal domicile of the entity is located at Calle Amador Merino Reyna No. 285, San Isidro, Lima, Peru.

B. Business activity

The Fund is engaged in the promotion and financing of acquisition, improvement and construction of homes, especially social interest housing. Likewise, it is engaged in the promotion of capital flow to the housing finance market, participation in the secondary mortgage loans market, and contributing to the development of the Peruvian capital market. All of the Fund's activities are regulated by the Superintendency of Banking, Insurance and AFP (hereinafter "SBS") through SBS Resolution No. 980-2006, Regulations for the Fondo MIVIVIENDA S.A.

As of the date of these financial statements, the Fund manages the following programs and resources:

- i. MIVIVIENDA Program.
- ii. Techo Propio Program - Management of the Household Housing Bonus (BFH), commissioned by the MVCS.
- iii. Resources from the Fund Law No. 27677, commissioned by the Ministry of Economy and Finance (MEF).

The characteristics of each program and resource are as follows:

i. MIVIVIENDA Program

The Trust Agreement with Corporación Financiera de Desarrollo S.A. (COFIDE) allows the Fund to channel resources through the financial institutions from the Peruvian Financial System (IFI) for the granting of mortgage loans. These mortgage loans have certain benefits granted to those who accessed and access them (the final borrowers), or to those who place them (the IFIs), such as: the Good Payer Award (PBP), the Good Payer Bonus (BBP), the Sustainable Bonus MIVIVIENDA (BMS), the Good Payer Award as a complement to the down payment (PBP-CI), the Integration Bonus (BI) and the Credit Risk Coverage (CRC). This is what is known as the Fondo MIVIVIENDA Program.

The following products form part of the Fondo MIVIVIENDA program:

- Nuevo Crédito MIVIVIENDA

Notes to the Financial Statements As of June 30, 2024

- Crédito MICONSTRUCCIÓN (*)
- Crédito MICASA MÁS (*)
- Crédito MITERRENO
- Crédito MIHOGAR (*)
- Crédito MIVIVIENDA Estandarizado (*)
- Crédito MIVIVIENDA Tradicional (*)
- Crédito Complementario Techo Propio (Complementary Financing to the Household Housing Bonus - BFH)
- CRC and PBP Service Trust in Peruvian Soles and U.S. Dollars (*)

(*) *As of June 30, 2024, and December 31, 2023, these products have been discontinued; the balances correspond only to outstanding receivable balances (note 7). The loans MICONSTRUCCIÓN and MICASA MÁS were repealed by Board of Directors' Meeting No. 01-20D-2017, dated August 24, 2017; likewise, an adaptation period was allowed until December 31, 2017 to cease its granting. The CRC - PBP service and the standardized loan MIVIVIENDA were discontinued in November 2009, loan MIHOGAR was discontinued in August 2009 and traditional loan MIVIVIENDA was discontinued since May 2006.*

In order to ensure the servicing of the PBP and CRC payments, as well as the resources to cover the amount equivalent to one third (1/3) of the total placed by each intermediary financial institution (IFI) that contracts this service, the Fund constituted the CRC and PBP Trusts, both in Peruvian Soles and U.S. Dollars. These trusts are regulated by SBS Resolution No. 980-2006 through which the Fund Regulations were approved.

Under the service agreements with the CRC-PBP trusts, the Fund provides the IFIs with the following services:

- CRC service, defined by article 21 of the CRC and PBP Regulation as a guarantee that the Fund provides to the IFIs for either up to one third of the unpaid balance of the covered loan or one-third of the loss, whichever is lower. Said amount shall be notified by the IFI to the Fund, on terms and conditions provided for in the Regulation.
- Good Payer Award service (PBP), defined in Article 24 of the CRC and PBP Regulations as the service provided to the IFI, for which the Fund assumes the payment of the installments corresponding to the concessional tranche (amount of the PBP) charged to the beneficiaries of the covered credits who have complied with the timely payment of the installments corresponding to the non-concessional tranche. This award is used to pay every six months the amount of the installment payable in said period that corresponds to the concessional tranche of the MIVIVIENDA loans.

ii. Techo Propio Program - Management of the Household Housing Bonus (BFH)

The Techo Propio program subsidy, transferred by the MVCS, is granted in three modalities:

- (i) Acquisition of New Housing (AVN);
- (ii) Construction on Own Site (CSP); and
- (iii) House Renovations (MV).

Notes to the Financial Statements As of June 30, 2024

In all cases, the financing of housing under this program involves the participation of up to three components:

- (a) a subsidy channeled by the Fund with resources from the State called Household Housing Bonus (BFH);
- (b) family savings and;
- (c) if necessary, Complementary Financing to the Household Housing Bonus (Techo Propio Program) that must be provided by an IFI.

In accordance with the provisions of the Third Temporary Provision of Law No. 28579, after the end of the year 2005, the Fund was commissioned by the Executive Branch to administer the Household Housing Bonus and the funds of the Techo Propio Program, through the execution of an agreement with the MVCS.

On April 28, 2006, the Fund, the MVCS and FONAFE signed the "Management Agreement of the Household Housing Bonus and the funds of the Techo Propio Program", under which the Fund is responsible for managing of the BFH and the funds of the Techo Propio Program. It includes the promotion, registration, recording and verification of information, the qualification of applicants, allocation, and transfer of the BFH to the developer, seller-builder, or the respective technical unit. This Agreement establishes that FONAFE is the entity that will allocate to the Fund the resources that will allow it to meet the costs and expenses of the administration of the Program. By Ministerial Resolution No. 236-2018-VIVIENDA dated June 26, 2018, the Operating Regulations for Access to the Household Housing Bonus - BFH were amended, for the Application of Construction on Own Site modality.

iii. Law Fund No. 27677

The Fund was entrusted with the management, reimbursement and channeling of resources resulting from the liquidation of the National Housing Fund – FONAVI, according with Law No. 27677, dated March 1, 2002.

Law No. 29625, effective since December 8, 2010, decreed the reimbursement of contributions to workers who contributed to FONAVI. Article 4 of Law No. 29625 contemplates the constitution of an Ad Hoc Committee, which shall be responsible for conducting and supervising all procedures related to the reimbursement of contributions to FONAVI. The constitution of the Ad Hoc Committee was approved on September 24, 2012, through Ministerial Resolution No. 609-2012-EF/10. Pursuant to these rules, the Fund would provide to the Ad Hoc Committee with all relevant documentation and reports so that it will be in charge of the management and recovery of debts, funds and assets of FONAVI, as well as the liabilities. Since 2014, the Fund has transferred the managed resources for S/ 454,668 thousand, in accordance with the requirements of the Ad Hoc Committee.

On the other hand, through Decree No. 280-2023-EF, published in the official newspaper "El Peruano" on December 14, 2023, whose article 3 indicates the incorporation of the 2nd and 3rd paragraphs to article 14 of the Regulations of Law No. 29625, approved by Supreme Decree No. 006-2012-EF, which states:

"Article 14.- Resource administration" -
(...)

**Notes to the Financial Statements
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Without prejudice to the provisions of the Fifth Final Complementary Provision of Law No. 31173, incorporated by Law No. 31454, the entities that manage funds, assets and liabilities owned by FONAVI, maintain the administration, and the Commission may evaluate said continuity. within the framework of the applicable regulations. To this end, the current administrators are obliged, under functional responsibility, to provide adequate and sufficient information linked to the quality of the portfolio and recovery rates, management carried out and the financial statements of said funds, among others, on a monthly basis. so that the Commission, through the Technical Secretariat, can prepare an analysis that allows proposing alternatives that optimize the administration of resources, and must progressively transfer the liquid resources resulting from its administration to the Commission.

The Technical Secretariat consolidates and evaluates on a monthly basis the information provided by the fund administrators, reporting it to the Ad Hoc Commission, so that the latter can issue, if applicable, the policies, guidelines and other management documents that enable, if applicable, "optimizing the recovery and administration of FONAVI resources."

In this sense, through Official Letter No. 012-2024-PCM/PE-ST.01, the Fund is requested to arrange the pertinent actions in order to implement the processes related to the administration of the Fund Law No. 27677.

iv. *CRC and PBP Peruvian Soles Trusts and CRC and PBP U.S. dollars Trusts*

Likewise, the Fund constituted the CRC and PBP Peruvian Soles Trusts and CRC and PBP U.S. Dollars Trusts to cover the Fund's obligations to provide PBP and CRC payments, and, on the other hand, to assure the resources to attend the amount equivalent to a third (1/3) of the total registered by each IFI that contracts such service. It should be noted that these trusts are regulated by SBS Resolution No. 980-2006, which approves the Regulations for the Fund.

Under the service agreements with the CRC and PBP Trusts, the Fund provides the IFI with the following services:

- Credit Risk Coverage Service (CRC service), as defined by Article 21 of the CRC and PBP Regulation, is a guarantee that the Fund provides to the IFI for either up to one third (1/3) of the unpaid balance of the covered loan or one third (1/3) of the loss, whichever the lower. Said amount shall be notified by the IFI to the Fund, on terms and conditions provided for in the Regulation.
- Good Payer Award Service (PBP service), defined in Article 24 of the CRC and PBP Regulations as the service provided to the IFI, for which the Fund assumes the payment of the installments corresponding to the concessional tranche (amount of the good payer award) charged to the beneficiaries of the covered credits who have complied with the timely payment of the installments corresponding to the non-concessional tranche. This award is used to pay every six months the amount of the installment payable in the said period that corresponds to the concessional tranche of the MIVIVIENDA loan.

c. *Approval of the financial statements*



Notes to the Financial Statements As of June 30, 2024

The financial statements as of June 30, 2024, have been approved by the Board of Directors of Fondo MIVIVIENDA S.A. on July 25, 2024.

The General Stockholders' Meeting held on March 25, 2024 approved the audited financial statements as of December 31, 2023.

2. Trust Agreement with Corporación Financiera de Desarrollo - COFIDE

On March 25, 1999, a Trust Agreement was signed between Fondo MIVIVIENDA S.A., former Mortgage Fund for Housing Promotion – Fondo MIVIVIENDA, and COFIDE. The Trust Agreement's purpose was the creation of a trust by means of which COFIDE receives the resources from the Fund and performs as the executing agency thereof. COFIDE channels through the IFIs the funds to the final borrowers that intend to use such funds for the acquisition, expansion or improvement of homes and residences, in accordance with Article 12 of Supreme Decree No. 001-99-MTC Regulation on the Fund.

The main liabilities of COFIDE are as follows:

- Compliance with Articles 241 to 274 of Law No. 26702 "General Law of the Financial and Insurance Systems and SBS Organic Law" and its amendments (hereinafter the Banking Law);
- Verifying compliance with IFIs requirements and conditions according to Supreme Decree No. 001-99-MTC;
- Signing the Resources Intermediary Agreement with the IFIs that have fulfilled the corresponding requirements and conditions;
- Monitoring the use of resources, according to the provisions of the Fund's Regulation and the Resources Intermediary Agreement;
- Collecting the loans granted to the IFI;
- Contracting the necessary audit services covered by the Fund;
- Periodically submitting reports on the development of the Trust Agreement, as well as recommendations for exposure limits of the IFI;
- Establishing operating procedures necessary for the proper management of the funds; and
- Other duties necessary to ensure the normal development of the Trust Agreement activities.

On May 18, 2012, the Fund signed Addendum No. 1 to the Trust Agreement annulling the obligation of COFIDE to issue recommendations on exposure limits of the IFI with the Fund, since the Fund is a corporation supervised by the SBS.

SBS Resolution No. 3586-2013, states that the Fund is not subject to the limits established in the Article 204 of the Banking Law, because it acts as a second-tier bank. However, the Fund has established internal limits to prevent the loans concentration to IFI, considering factors such as the regulatory capital size, risk rating and risk-weighted regulatory capital ratio.

The main liabilities of the Fund are as follows:

- Establishing the policies for the management and use of the Fund's resources;

**Notes to the Financial Statements
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- Approving eligibility criteria of the IFI that will receive resources from the Fund for financing the acquisition of homes and the borrowing limits for each of them; and
- Establishing terms and conditions under which the Fund shall make available to the IFI the resources and the mode of resource allocation.

The main faculties of COFIDE are as follows:

- Intermediating and monitoring the Fund's resources, being able to enter into all public and private deeds and documents necessary for that purpose;
- Demanding that the IFIs require the constitution of guarantees from the final borrowers;
- Exercising all the powers contained in Articles 74 and 75 of the Code of Civil Procedure necessary for carrying out the assignment given. Consequently, COFIDE may sue, counterclaim, answer complaints and counterclaims, desist processes or claims, agree to claims, reconcile, settle and arbitrate the claims in the process; and
- It is stated that COFIDE is not responsible for the solvency of the IFI.

On December 30, 2016, Addendum No. 2 to the Trust Agreement in order to modify the commissions paid to COFIDE for the services provided to the Fund, as well as the validity of the Trust Agreement, as detailed below:

- There two commissions for the services provided by COFIDE, in force since January 2, 2017, are the following:
- A monthly commission on the Trust Agreement payable by the Fund amounting to S/ 10 thousand plus value added tax. This commission will be charged on the last business day of each month covered by the Fund's resources; and
- An annual collection commission equivalent to 0.23% effective rate to rebate on outstanding balances for accounts receivable beginning January 2, 2017, and covered by the IFI. This commission shall be charged on collection dates of loan installments granted by the IFI.
- The term of the Trust agreement will be 3 years from January 2, 2017, and will be automatically renewed if, within 30 days prior to its expiration, none of the parties expresses it will terminate the agreement. As of reporting date, the Trust Agreement is in force.

Notes to the Financial Statements As of June 30, 2024

3. Significant Principles and Accounting Practices

A. Basis of presentation and use of estimates and accounting changes

i. Basis of preparation and use of estimates

The accompanying financial statements have been prepared from the Fund's accounting records, which are maintained in nominal monetary terms at each transaction's date, in accordance with SBS regulations established for the Fund, in force in Peru as of June 30, 2024, and December 31, 2023, and in a supplemental manner, in the absence of specific SBS regulations, with the International Financial Reporting Standards (henceforth "IFRS") approved in Peru through resolutions issued by the Peruvian Accounting Council (CNC, for its Spanish acronym) in force in Peru as of June 30, 2024, and December 31, 2023.

The preparation of the accompanying financial statements requires the Management perform estimates that affect the reported amounts of assets and liabilities, income and expenses and the disclosure of material events in the notes to the financial statements. Estimates are continually evaluated and are based on historical experience and other factors. Actual results could differ from those estimates. The most significant estimates in relation to the accompanying financial statements correspond to the provision for doubtful accounts, valuation of investments, valuation of derivative financial instruments, estimation of useful life and recoverable value of property, furniture and equipment and intangible assets, and assets and liabilities for deferred income tax, whose accounting criteria are described in this note.

ii. Changes in accounting policies

Applicable from year 2024 and 2023 onwards

The accounting policies of the Fund as of June 30, 2024 have not changed in relation to what is indicated in the report audited by Gaveglío, Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada, member of the global network of PricewaterhouseCoopers International Limited for the year ended as of December 31, 2023.

B. Currency

The Fund considers the Sol as its functional and presentation currency, since it reflects the nature of the economic events and circumstances relevant to the Fund, given that its main operations and/or transactions such as: loans granted, financing obtained, interest income and expenses, as well as the main purchases, are established and settled in soles.

Transactions and balance in foreign currency

Assets and liabilities in foreign currency are recorded at the exchange rate at the date that the transactions are performed. Monetary assets and liabilities denominated in foreign currency are translated into soles at the closing exchange rate of the corresponding month by using the exchange rate set by the SBS, see **Note 26.B.iii**. Gains or losses resulting from the translation of monetary assets and liabilities from foreign currency at the exchange rates prevailing at the date of the statements of financial position are recorded in the income statements of the year as "(Loss) gain on exchange

Notes to the Financial Statements

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difference and exchange operations, net" of the caption "Income from financial transactions", see **Note 21**.

c. Financial instruments

Financial instruments are classified as Assets, Liabilities or Equity according to the substance of the contractual agreement that originated them. Interests, dividends, gains and losses generated by a financial instrument classified as assets or liabilities are recorded as income or expense. Financial instruments are offset when the Fund has a legal enforceable right to offset them and Management has the intention to settle them on a net basis or to realize the asset and settle the liability simultaneously. Likewise, see **Note 3.I** regarding the criteria for accounting policy of accounts receivable from the CRC and PBP Trusts.

Financial assets and liabilities presented on the statement of financial position correspond to: "Available", "Available-for-sale and held to maturity investments", "Loan portfolio, net", "Accounts receivable for derivative financial products", "Accounts receivable, net", "Other accounts receivable, net" and other liabilities in general, except for the identified in the caption "Provisions and other liabilities", see **Note 15**. Likewise, all derivative financial products are considered financial instruments.

Accounting policies on recognition and valuation of these items are disclosed then in this note.

D. Recognition of income and expenses

i. Interest income and expenses

Interest income and expenses are recorded in the income statement of the period in which they are accrued, based on the term of the transactions that generate them and the interest rates established. Likewise, for the interest income corresponding to loan portfolio and accounts receivable (Trust Agreement - COFIDE), the accounting treatment is as follows:

- ***Interest income corresponding to loan portfolio***

Loan portfolio interest income is recognized in the income statement of the period in which they are accrued, based on the effective term of the underlying transactions and the interest rates freely agreed upon with the borrowers; except for the interest accrued on past due loans, refinanced, restructured and under legal collection; as well as loans classified as doubtful or loss categories, which interest is recognized as earned as it is collected. When Management determines that the debtor's financial condition has improved and the loan is reclassified as current and/or in normal, potential problems or substandard the category, such interests are recognized again on an accrual basis.

- ***Interest income corresponding to accounts receivable (Trust Agreement - COFIDE)***

Because the Fund grants credit lines to the IFI to channel its resources, which disbursements of loans are made through the COFIDE Trust, and not when they are placed to subborrower, in accordance with the SBS Accounting Manual for Financial Companies, the yields are recorded on an accrual basis and suspended interest is only recognized when an IFI does not honor its debt, and therefore the accounting treatment stipulated by the SBS for the Fund is applied.

Notes to the Financial Statements As of June 30, 2024

ii. Good Payer Bonus and Award

In accordance with the accounting treatment accepted by SBS for the Fund, the Good Payer Bonus and Award, including their interests, are recognized as follows:

- The Good Payer Bonus (henceforth "BBP") was created in compliance with Law No. 29033, issued on June 7, 2007, as a nonrepayable direct assistance to eligible final borrowers in a maximum of S/ 12,500 in force since April 22, 2010, (S/ 10,000 before April 22, 2010) which is granted to borrowers who have complied with promptly cancellation of six consecutive monthly installments of the non-concessional tranche of MIVIVIENDA Loan. For these purposes, the Fund divides the total amount of MIVIVIENDA Loan disbursement plus its related interest into 2 schedules:
 - A half-annual amortization schedule called "concessional tranche" corresponding to the amount of the Good Payer Bonus (capital and interest); and
 - A monthly amortization schedule called "non-concessional tranche" corresponding to total amount of Crédito MIVIVIENDA disbursement less the amount of the concessional tranche (capital and interest).

In these cases, the BBP is received from the MVCS (to the extent the MVCS has funds available) at the request of the Fund, and it is recorded for financial reporting and control, in the statement of financial position as a liability in "Good Payer Bonus (capital) received from MVCS" of the caption "Other accounts payable" of the statement of financial position.

When a MIVIVIENDA Loan is disbursed through the COFIDE Trust, the Fund records the full amount disbursed in the account "Accounts receivable, net (Trust Agreement - COFIDE)" and generates the two schedules mentioned above.

The interests of both tranches are recognized on an accrual basis, based on the preferential rates agreed with financial entities with which agreements have been signed, recognizing the resulting interest as financial income.

Subsequently, the Fund sends to the MVCS the list of BBP beneficiaries, reclassifying such bonus due to eligible beneficiaries from the liability account "Good Payer Bonus received to the liability account "Good Payer Bonus – assigned".

- In the cases where the Good Payer Bonus is directly assumed by the Fund (when the requirements of Law No. 29033 and its amendments are not met; for instance, where the value of the house to purchase is greater than 25 Tax Units or when the bonus is granted with the Fund's own resources, among others), it is called "Good Payer Award (PBP)".
- In both cases, the bonus or award are granted for the timely compliance with six installments of the payment schedule of the concessional tranche, said amount varies depending on the type of loan granted.
- By means of Emergency Decree No. 002-2014 published on July 28, 2014, as per indicated in the Article 14.2, it has been established for the granting of Good Payer Bonus the value of the property to be acquired is greater than 14 Tax Units and does not exceed 50 Tax Units. The BBP shall be used as a non-reimbursable financial

Notes to the Financial Statements As of June 30, 2024

support up to a maximum amount of S/ 12,500. For that purpose, Banco de la Nación was authorized to lend to the Fund an amount of S/ 500,000,000 through the participation of MVCS for payment purposes, as established in the loan agreement. In these cases, the Fund previously received all BBP resources for its assignment during 2014.

For these purposes, the Fondo MIVIVIENDA had two modalities of BBP application in accordance with said Emergency Decree:

- Applied to finance the Good Payer Bonus (PBP) for an amount of S/ 10,000 for housing values over 14 Tax Units and not exceeding 25 Tax Units for MIVIVIENDA loans granted from January 1, 2014, to July 28, 2014. From July 29, 2014, to finance for an amount of S/ 12,500 for housing values greater than 14 Tax Units and lower than 50 Tax Units.
- Applied as a complement to the down payment, the BBP will serve as a complement to the beneficial owners' contribution to reach the required minimum down payment and is applied at the time of loan disbursement, therefore, it is not part of the loan.
- Under the guidelines of Supreme Decree No. 003-2015-VIVIENDA published on January 22, 2015, the tranching application of the BBP was established for housing values of 14 up to 50 Tax Units, as follows:

<i>In soles</i>	BBP Value
Home Value	
Up to 17 Tax Units	17,000
More than 17 Tax Units up to 20 Tax Units	16,000
More than 20 Tax Units up to 35 Tax Units	14,000
More than 35 Tax Units up to 50 Tax Units	12,500

For these purposes, the Fondo MIVIVIENDA has two modalities of BBP:

- BBP applied as a complement to the down payment, which will serve as a complement to the clients' contribution to reach the minimum down payment required and is applied at the time of disbursement of the loan to the IFI, and therefore does not form part of the loan.
- BBP granted to finance the PBP for the timely payment of six consecutive monthly installments corresponding to the non-concessional tranche of the loan. This BBP applies to those PBP that were granted to housing value between thirty-five (35) and fifty (50) Tax Units, corresponding to the previous PBP modality, which was set at S/ 12,500.
- By means of Supreme Decree No. 001-2017 of January 13, 2017, the Regulation of Law No. 29033, Creation of the Good Payer Bonus Law was modified, approved by Supreme Decree No. 003-2015, in which was established the following tranching application of the BBP:

<i>In soles</i>	BBP Value
Home Value	
More than 20 Tax Units up to 30 Tax Units	14,000
More than 30 Tax Units up to 38 Tax Units	12,500

Notes to the Financial Statements As of June 30, 2024

For these purposes, the Fund had the modality of considering the BBP as a complement to the down payment, which will serve as a complement to the clients' contribution to reach the minimum down payment required and is applied at the time of disbursement of the loan to the IFI, and therefore does not form part of the loan.

The BBP guidelines established in Supreme Decree No. 003-2015-VIVIENDA were applicable until the entry into force of the Supreme Decree No. 001-2017.

- By means of Supreme Decree No. 017-2017 of June 24, 2017, the Regulation of Law No. 29033 approved by Supreme Decree No. 003-2015, and modified by Supreme Decree No. 001-2017 was modified, which established the following housing values and BBP values:

<i>In Tax Units</i>	BBP Value	BBP Amount
Home Value (CPI)		
From S/ 56,700 to S/ 81,000	4.19753	17,000
More than S/ 81,000 up to S/ 121,500	3.45679	14,000
More than S/ 121,500 up to S/ 202,500	3.08642	12,500
More than S/ 202,500 up to S/ 300,000	0.74074	3,000

- By means of Supreme Decree No. 002-2018 of January 24, 2018, which amended the Regulation of Law No. 29033 approved by Supreme Decree No. 017-2017. The home values and BBP were established as follows:

<i>In Tax Units</i>	BBP Value	BBP Amount
Home Value (CPI)		
From S/ 57,500 to S/ 82,200	4.19753	17,500
More than S/ 82,200 up to S/ 123,200	3.45679	14,400
More than S/ 123,200 up to S/ 205,300	3.08642	12,900
More than S/ 205,300 up to S/ 304,100	0.74074	3,100

- By Supreme Decree No. 004-2019 of January 23, 2019, which amended the Regulations of Law No. 29033 approved by Supreme Decree No. 002-2018. The home values and BBP were established as follows:

<i>In Tax Units</i>	BBP Value	BBP Amount
Home Value (CPI)		
From S/ 58,800 to S/ 84,100	4.19753	17,700
More than S/ 84,100 up to S/ 125,900	3.45679	14,600
More than S/ 125,900 up to S/ 209,800	3.08642	13,000
More than S/ 209,800 up to S/ 310,800	0.74074	3,200

- By Supreme Decree No. 003-2020 of January 24, 2020, which amended the Regulations of Law No. 29033 approved by Supreme Decree No. 004-2019. The home values and BBP were established as follows:

<i>In Tax Units</i>	BBP Value	BBP Traditional Amount	BBP Sustainable Amount
Home Value (CPI)			
From S/ 60,000 to S/ 85,700	4.19753	18,100	5,000
More than S/ 85,700 up to S/ 128,300	3.45679	14,900	5,000

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More than S/ 128,300 up to S/ 213,800	3.08642	13,300	5,000
More than S/ 213,800 up to S/ 316,800	0.74074	3,200	5,000

- By Supreme Decree No. 007-2020 of May 16, 2020, which amended the Regulations of Law No. 29033 approved by Supreme Decree No. 003-2020. The home values and BBP were established as follows:

<i>In Tax Units</i>	BBP Value	BBP Traditional Amount	BBP Sustainable Amount
Home Value (CPI)			
From S/ 60,000 to S/ 85,700	5.58139	24,000	5,000
More than S/ 85,700 up to S/ 128,300	4.65116	20,000	5,000
More than S/ 128,300 up to S/ 213,800	4.25581	18,300	5,000
More than S/ 213,800 up to S/ 316,800	1.58139	6,800	5,000

- As of the date of this report, by Supreme Decree No. 003-2022 of May 1, 2022, which amended the Regulations of Law No. 29033 approved by Supreme Decree No. 003-2021, home and BBP values were established as follows:

<i>In Tax Units</i>	BBP Value	BBP Traditional Amount	BBP Sustainable Amount
Home Value (CPI)			
From S/ 61,200 to S/ 87,400	5.58139	25,700	5,400
More than S/ 87,400 up to S/ 130,900	4.65116	21,400	5,400
More than S/ 130,900 up to S/ 218,100	4.25581	19,600	5,400
More than S/ 218,100 up to S/ 323,100	1.58139	10,800	5,400

- By Supreme Decree No. 004-2024 of March 1, 2024, the Regulations of Law No. 29033 were modified again, establishing new housing values and BBP is in force to date as follows:

Home Value (CPI)	BBP Value In Tax Units	BBP Traditional Amount in S/ 000	BBP Sustainable Amount in S/ 000	BBP Integrator Amount in S/ 000
From thousands of S/ 67 to thousands of S/ 96	5.58139	26,900	6,000	3,400
More than thousands of S/ 96 and up to thousands of S/ 144	4.65116	22,400	6,000	3,400
More than thousands of S/ 144 and up to thousands of S/ 239	4.25581	20,500	6,000	3,400
More than thousands of S/ 239 and up to thousands of S/ 355	1.58139	7,600	6,000	3,400

These BBP values will be updated by the Tax Unit variation, with rounding to the nearest hundred. In relation to the housing ranges value of the product, they will be expressed in soles and will be updated as a result of the multiplication of the previous year's home value by the annual change in the Consumer Price Index - CPI of Lima Metropolitana, of 5% to the NCMV, entered into COFIDE, with rounding to the nearest hundred.

- When the Good Payer Bonus is granted, at the time the beneficiary has complied timely with the payment of six consecutive monthly installments, the Fund credits

Notes to the Financial Statements As of June 30, 2024

the accounts receivable (capital) of the concessional tranche and charges the liability "Good Payer Bonus (capital) assigned to COFIDE", see Note 13(e). Interest of the concessional tranche installment are recognized as an expense of the Fund and is presented net of the "Income from accounts receivable (Trust Agreement – COFIDE)" included in the caption "Interest Income" of income statements.

- The Good Payer Award (henceforth "PBP") are resources assumed directly by the Fund to grant a Bonus.

Until June 2017, the home values in force for the PBP were as follows:

<i>In soles</i>	BBP Value
Home Value	
More than 50 Tax Units up to 70 Tax Units	5,000

For these purposes, the Fondo MIVIVIENDA had two modalities of PBP:

- PBP as a complement to the down payment, which will serve as a complement to the clients' contribution to reach the minimum down payment required and is applied at the time of disbursement of the loan, and therefore does not form part of the loan.
- PBP granted for the timely payment of six consecutive monthly installments corresponding to the non-concessional tranche of the loan. It is recognized in the accounts on a semiannual basis.

By means of Board of Directors Agreement No. 04-16D-2017 dated July 3, 2017, the modification of the home values and the PBP value was approved as a complement to the down payment according to the following detail:

<i>In Tax Units</i>	PBP Value	PBP Amount
Home Value		
More than S/ 202,500 up to S/ 300,000	0.74074	3,000

The PBP as a complement to the initial installment was disbursed until November 2023.

E. **Accounts receivable (Trust - COFIDE) and provision for doubtful accounts**

Accounts receivable are recorded when conducting the disbursement of funds through COFIDE to IFI that channel the Fund's resources for the placement of the MIVIVIENDA product portfolio.

The calculation of the provision for uncollectability of accounts receivable (Trust Agreement - COFIDE) is carried out considering the criteria established by the SBS in the Regulations for the Evaluation and Classification of the Debtor and the Requirement of Provisions, SBS Resolution No. 11356-2008, in accordance with the following methodology:

Preliminarily, the Capital Balance of each disbursement is divided into Balance with Coverage and Balance without Coverage, considering the Total Coverage Factor (CRC and CRCA) of each loan, according to the following detail:

Notes to the Financial Statements As of June 30, 2024

- Balance with Coverage is obtained by multiplying the Capital Balance by the Total Coverage Factor.
- Balance without Coverage is obtained from the difference of Capital Balance minus the Balance with CRC.

Likewise, the following restrictions must be considered for the calculation of the Covered Balance:

Note 1: The credits reported by the Operations Management without guarantee constituted or with CRC withdrawal instruction, due to failure to comply with the deadlines to constitute guarantee or that register CRC Activation Request with status "Observed/Rejected", have a Balance with Coverage equal to zero "0".

Note 2: For credits that have a current CRC/CRCA application, the Covered Balance will correspond to the balance of the suspended schedule "frozen balance" defined on the date the CRC or CRCA was approved.

First Component: Provision for IFI Risk

The IFI Risk Provision is calculated on the Uncovered Balance and considering the credit classification of the IFI.

- For Unsecured Credits: The IFI Risk Provision is calculated as the product of the Uncovered Balance times the SBS rate in Table 1, considering the credit classification of the IFI.
- For Guaranteed Credits: The IFI Risk Provision is calculated as the product of the Uncovered Balance times the SBS rate in Table 2, considering the credit classification of the IFI.

Second Component: Provision for Credit Risk Coverage (CRC)

The CRC Provision is calculated only for loans secured on the Covered Balance and considering the credit classification of the subborrower.

- If the uncovered balance is less than the guarantee amount, the provision is calculated according to the following: (total balance (ST) - guarantee amount (MG)) by the SBS rate in Table 1 according to the classification subborrower, plus (collateral amount - uncovered balance (SSCRC)) times the SBS rate in Table 2 according to the subborrower classification. The representation of the calculation is as follows:

$$\text{Provision} = (\text{ST} - \text{MG}) * (\text{SBS Rate Table 1}) + (\text{MG} - \text{SSCRC}) * (\text{SBS Rate Table 2})$$

- If the Uncovered balance is greater than or equal to the guarantee amount, the corresponding provision is calculated as the product of the covered balance times the SBS Table 1 Rate, according to the credit classification of the subborrower. The representation of the calculation is as follows:

$$\text{Provision} = \text{SSCRC} * (\text{SBS Rate Table 1})$$

The Fund applies the following percentages to determine its provision for uncollectibility of accounts receivable (COFIDE Trust Agreement):

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Risk category	Table 1	Table 2
Normal	0.70%	0.70%
With potential problems (CPP)	5.00%	2.50%
Deficient	25.00%	12.50%
Doubtful	60.00%	30.00%
Loss	100.00%	60.00%

To determine the risk classification by IFI, the Fund has established, within its internal regulations, a methodology for the regulatory classification of IFIs equivalent to the risk category established by the SBS.

Given the intervention of the SBS to COOPAC AELU in Liquidation in 2021 and Financiera TFC in Liquidation in 2019, as of June 30, 2024 and December 31, 2023, the accounts receivable from these IFIs, backed by credits MIVIVIENDA mortgage loans are provisioned considering subborrower risk. These debts are still recorded as part of the accounts receivable item (Trust Agreement - COFIDE) as of June 30, 2024 and December 31, 2023.

Likewise, given the intervention of the SBS to CRAC Raíz during 2023, the accounts receivable from this IFI, backed by MIVIVIENDA mortgage loans, are provisioned considering the subborrower risk from January 2023 due to activation of the thirteenth clause of the resource channeling agreement. These debts are still recorded as part of the accounts receivable item (Trust Agreement - COFIDE) as of June 30, 2024.

Additionally, given the activation of the thirteenth clause of the agreement to channel resources to CAC Quillacoop in June 2020, CAC San Francisco in July 2021, CMAC Tacna in August 2021, CRAC Prymera in November 2021, CAC Santa María Magdalena in December 2021 and CAC Pacífico in August 2023, the accounts receivable from these IFIs are provisioned considering the subborrower risk, however, these credits are still recorded as part of the accounts receivable item (Trust Agreement - COFIDE) as of June 30, 2024.

F. Loan portfolio and provision for uncollectibility of the direct loan portfolio

As of June 30, 2024 and December 31, 2023, the loan portfolio corresponds mainly to mortgage loans received from the former Caja Rural de Ahorro y Crédito Señor de Luren (hereinafter "Caja Luren") and the former Cooperativa de Ahorro and Crédito PrestaPerú (hereinafter "COOPAC PrestaPerú"), product of the execution of clause 13 of the resource channeling agreement signed with these IFIs.

(i) Types of credit -

In accordance with SBS Resolution No. 11356-2008, the classification of loans by type is as follows: corporate loans, loans to large companies, loans to medium-sized companies, loans to small companies, loans to microenterprises, revolving consumer loans, non-revolving consumer loans and housing mortgage loans. This classification considers the nature of the client, the purpose of the credit, the size of the business measured by income, the level of debt, among others.

Credit risk classification categories -

Notes to the Financial Statements

As of June 30, 2024

The debtor classification categories by credit risk established by the SBS are the following: Normal, With Potential Problems (CPP), Deficient, Doubtful and Loss, which are assigned based on the debtor's level of compliance with their credit payments.

(ii) Provision for uncollectibility of the direct loan portfolio -

The Fund determines the provision for uncollectibility of the direct loan portfolio in accordance with the provisions of SBS Resolution No. 11356-2008 "Regulations for the Evaluation and Classification of the Debtor and Provision Requirements."

According to SBS Resolution No. 11356-2008, there are two types of provisions for the direct credit portfolio: the generic provision and the specific provision. The generic provision is recorded preventively for those direct credits from debtors with a Normal credit risk rating; in addition, a procyclical component is recorded when the SBS orders its application. The specific provision is recorded for direct credits from debtors with a risk rating.

The calculation of the provision is carried out according to the classification granted and considering specific percentages, which vary depending on whether the credits are backed by preferred self-liquidating guarantees - CGPA (cash deposits and letter of credit rights), or preferred guarantees that are very quickly realized - CGPMRR (public debt instruments issued by the Central Government, securities belonging to the Selective Index of the Lima Stock Exchange, among others) or preferred guarantees - CGP (first pledge on instruments financial or movable and immovable property, first agricultural or mining pledge, export credit insurance, among others). The guarantees received are considered at their estimated performance value, determined by independent appraisers. Likewise, to calculate the provision, the classification of the guarantor or guarantor must be considered, in case the credits have the subsidiary responsibility of a company of the Financial or Insurance System (credits subject to substitution of credit counterparty). The percentages applied to determine the provision for uncollectibility of the direct loan portfolio are the following:

Credit risk category	Without guarantee	Preferred guarantee	Preferred guarantee of very fast completion	Guarantee
Normal	0.70%	0.70%	0.70%	0.70%
With potential problems (CPP)	5.00%	2.50%	1.25%	1.00%
Deficient	25.00%	12.50%	6.25%	1.00%
Doubtful	60.00%	30.00%	15.00%	1.00%
Loss	100.00%	60.00%	30.00%	1.00%

The provision for uncollectibility of the direct loan portfolio is presented discounted from the balance of the corresponding asset (note 8).

As a result of the pandemic, as of September 30, 2023, there has been a rescheduling of loans from the mortgage portfolio for housing, which are provided in accordance with the current methodology with the balances reported to that cut.

G. Derivative financial instruments

In accordance with SBS Resolution No. 1737-2006 "Regulations for the Negotiation and Accounting of Derivative Financial Products in companies of the Financial System" and its amendments, derivative financial instruments are recorded on the date of negotiation; as explained below:

Notes to the Financial Statements As of June 30, 2024

Negotiation

Initially, derivative financial instruments for trading are recognized in the statement of financial position at cost, and are subsequently measured at fair value, recognizing an asset or liability in the statement of financial position as appropriate, and the valuation gain or loss in the result of the year. The nominal value of derivative financial instruments is recorded in risk and contingent commitment accounts (off-balance sheet accounts) in the committed currency.

The fair value of trading derivative financial instruments is estimated based on exchange rates and market interest rates.

Fair values are obtained on the basis of exchange rates and market interest rates.

Hedging derivatives

A hedging derivative financial instrument is recorded as such if, at the date of its negotiation, it is expected that the changes in its fair value or in the cash flows it generates will be highly effective in offsetting the changes in the fair value or in the cash flows of the hedged item, directly attributable to the hedged risk from the beginning, which must be documented on the date of negotiation of the derivative financial instrument, and during the coverage term. A hedge is considered highly effective if the changes in the fair value or cash flows of the hedged instrument and the one used as a hedge are expected to be in the range of 80 to 125 percent.

As of June 30, 2024, and December 31, 2023, the Fund maintains instruments for hedging cash flows and fair value, note 7. For cash flow hedges, the effective part of the changes in fair value is recognized directly in Equity under the caption "Unrealized Results" as a cash flow coverage reserve, net of its tax effect, and the gain or loss related to the ineffective portion is recognized immediately in the income statement. The amounts recorded in the Equity are transferred to the income statement in the periods when the hedged item is recorded in the income statement or when an expected transaction occurs.

For the fair value hedging, gains and losses resulting from the variation of the fair value of the derivative financial instrument are recorded in the income statements of the period, and the gain or loss of the item hedged, of financial assets or liabilities, corresponding to the changes of its fair value are recognized in the income statements for the fiscal year.

In the event that the SBS considers that the documentation is insufficient or finds weaknesses in the methodology applied, it may require the elimination of the hedging accounting and record the derivative financial instrument as a trading instrument; in consequence, from that moment on any change in the fair value must be recorded in the income statements for the fiscal year.

On the other hand, if the hedging instrument expires, is sold, settled or exercised, or at the moment that the hedging instrument does not comply with the required accounting criteria for hedges, the hedge is terminated in a prospective manner and the balances recorded in the Equity are transferred to the income statements during the hedged item's term.

Embedded derivatives

As of June 30, 2024, and December 31, 2023, the Fund does not hold any financial instruments with embedded derivatives that must be separated.

Notes to the Financial Statements
As of June 30, 2024

H. Investments

(iii) Investments to maturity -

This category includes debt instruments with fixed or determinable payments and fixed maturities, and which also meet the following requirements:

- a) have been acquired or reclassified with the intention of holding them to maturity;
- b) the Fund must have the financial capacity to hold them to maturity; and iii) are instruments other than those which, at initial recognition, the Fund had designated to be carried at fair value through profit or loss or as available-for-sale assets.

Likewise, they must have the classification of at least two local or foreign risk rating agencies, and the ratings must be within the parameters established by the SBS, excluding from this requirement the instruments of Central Banks of countries whose sovereign debt receives at least the classification that corresponds to Peru's sovereign debt.

Their initial accounting of these financial assets is made at fair value, including the transaction costs that are directly attributable to their acquisition.

The subsequent measurement of these investments is carried out at amortized cost, using the effective interest rate method. Any impairment loss is recognized in the statement of income.

(iv) Available-for-sale Investments -

This category includes all investment instruments that are not classified as investments at fair value through profit or loss, investments to maturity or investments in subsidiaries and associates and interests in joint ventures. Likewise, all the values that the SBS establishes by rule will be included.

Their initial accounting of these investments is made at fair value, including the transaction costs that are directly attributable to their acquisition. Subsequent measurement of these investments is at fair value; in the case of equity instruments that do not have quoted prices in active markets and whose fair value cannot be reliably estimated, they are measured at cost. Likewise, in the case of instruments representing debt, prior to measuring at fair value, their amortized cost must be updated, and from this the gain or loss on changes in fair value must be recognized.

The gain or loss arising from fluctuations in the fair value of available-for-sale investments is recognized directly in equity until the instrument is sold or realized, at which time the gain or loss that had previously been recognized in equity is transferred and recorded in income for the year, except for impairment losses, which are recorded in income when they arise.

If an available-for-sale investment has been impaired, the accumulated loss (measured as the difference between the acquisition cost, net of any repayment and amortization, and its current fair value; less any impairment that was previously recognized in the statement of results) will be removed from equity and recognized in the income statement. In the case of unlisted shares, the impairment corresponds to the difference between the carrying amount and the present value of the estimated net cash flows, discounted using the current rate for similar securities.

Notes to the Financial Statements As of June 30, 2024

Exchange rate gains or losses related to equity instruments are recognized in the "Unrealized results" account of equity, while those related to debt instruments are recognized in the year's results.

Interest income from available-for-sale investments is recognized using the effective interest rate method, considering the term of the instrument. Premiums or discounts derived from the purchase are considered in the calculation of the effective interest rate.

Dividends are recognized in the income statement when the right to receive payment is established.

(v) Impairment assessment -

SBS Resolution No. 7033-2012 and its respective amendments, as well as SBS Resolution No. 2610-2018, establish a standard methodology for the identification of impairment of financial instruments classified as available-for-sale investment and investment to maturity. Said methodology contemplates the following analysis:

Debt instruments

At the end of each quarter, for the entire investment portfolio in debt instruments, the following occurrences should be evaluated:

1. Weakening in the financial situation or financial ratios of the issuer and its economic group.
2. Discount in any of the credit ratings of the instrument or the issuer, in at least 2 "notches", from the moment the instrument was acquired; where a "notch" corresponds to the minimum difference between two risk ratings within the same rating scale.
3. Interruption of transactions or of an active market for the financial asset, due to financial difficulties of the issuer.
4. The observable data indicate that, since the initial recognition of a group of financial assets with characteristics similar to the instrument evaluated, there is a measurable decrease in its estimated future cash flows, although it cannot yet be identified with individual financial assets of the group.
5. Decrease in value due to regulatory changes (tax, regulatory or other governmental).
6. Significant decrease in fair value below amortized cost. It is considered a significant decrease if the fair value at the closing date has decreased at least 40% below its amortized cost as of that date.
7. Prolonged decrease in fair value. It is considered a prolonged decrease if the fair value at the closing date has decreased by at least 20% compared to the amortized cost of the previous 12 months and the fair value at the closing date of each month during the previous 12-month period, has always remained below the amortized cost corresponding to the closing date of each month.

The fair value to be used for the purpose of evaluating criteria 6 and 7 is that considered for the purpose of the valuation of debt instruments available for sale, in accordance with the criteria established by the aforementioned Resolution, regardless of the accounting

Notes to the Financial Statements As of June 30, 2024

classification that has the debt instrument. However, if the decrease in the fair value of the debt instrument is the result of an increase in the risk-free interest rate, this decrease should not be considered an indication of impairment.

If at least 2 of the situations described above are met, it will be considered that there is impairment. In the event that at least two (2) of the situations described above have not been given, it is sufficient that one of the following specific situations be presented to consider that impairment exists:

- Breaching of contractual clauses, such as an interruption in the payment of interest or capital.
- Renegotiation of the instrument's contractual conditions of the instrument due to legal factors or financial problems related to the issuer.
- Evidence that the issuer is in the process of forced restructuring or bankruptcy.
- When the risk rating of an instrument that was classified as investment grade is reduced, towards a classification that is below the investment grade.

On the other hand, when the SBS considers it necessary to establish any additional provision for any type of investment, such provision must be determined on the basis of each individual instrument, and should be recorded in the results of the year in which the SBS requests it.

I. Accounts receivable related to CRC and PBP Trusts

Includes the assets of the CRC and PBP Trusts, which correspond to assets (due from banks, investments and accrued yields) and liabilities of the Fund, but that in accordance with SBS regulation (SBS Resolution No. 980-2006, "Regulation for the Fondo MIVIVIENDA S.A.") they must be recorded as a net balance in the caption "Other accounts receivable, net" on the statement of financial position since the Fund acts like both trustee and trustor. The assets and liabilities included in such trusts are valued according to the criteria of the Fund for similar items, as described in this note.

Also, the surplus (deficit) generated by the aforementioned trusts is recorded in the caption "Interest income and expenses" of the income statements, see **note 21**.

The CRC and PBP Trusts were established in 2007 to ensure that sufficient resources are available to meet the Fund's obligations that come from the contracts to provide CRC and PBP coverage, signed with certain IFI; as well as to manage the resources efficiently.

J. Other accounts receivable, net

Includes accounts receivable for term deposits, certificates of deposit, assets received in lieu of payment related to banks in liquidation, and other accounts receivable that, since they are under litigation, do not accrue interest. Any related recovery is recorded on a cash basis.

To determine the provisions for loan losses of these accounts, the Fund assigns a risk rating in accordance with SBS Resolution No. 11356-2008.

The provision for the classification of the portfolio is performed based on the review that which Fund's Management regularly conducts in order to classify it into the categories of "Standard", "With potential problem", "Substandard", "Doubtful" or "Loss", depending on the degree of each borrower's risk of failure to pay. Guarantees received are considered by the Fund only to the extent they are registered in the Public Registries without observations or annotations.

Notes to the Financial Statements As of June 30, 2024

The provision for borrowers classified as doubtful or loss for over 36 and 24 months, respectively, is determined without considering the value of the guarantees.

Details of the rates by risk category are set forth in item 3.E, corresponding to the accounts receivable with CRC.

K. **Property, furniture and equipment, net**

Assets in the property, furniture and equipment caption are recorded at acquisition cost, less accumulated depreciation.

Depreciation is calculated on a straight-line basis using the following estimated useful lives:

	Years
Buildings	20
Facilities	10
Furniture and equipment	10
Miscellaneous equipment	10
Vehicles	5
Computer equipment	4

Maintenance and repair costs are charged to the results of the period; all renewals and improvements are capitalized only when disbursements improve the condition of the asset and increase its useful life beyond the time originally estimated. The cost and related accumulated depreciation of assets sold or retired are eliminated from the respective accounts and the gain or loss generated is included in the income statement for the year.

L. **Assets received as payments and assets seized through legal actions**

Assets received as payment and assets seized through legal actions (from the resolution of a leasing contract) are initially recorded at the value of judicial adjudication, extrajudicial, market value or debt outstanding value, the lowest; recognizing in turn a provision equivalent to 20 percent of the seized or recovered value of the asset and can be maintained for this purpose the provision that was made by the related credit.

Subsequently, in accordance with SBS regulations, uniform monthly provisions will be established on the net carrying amount from the twelfth month. Additionally, SBS Resolution No. 1535-2005 allows the granting of a six-month extension, in which case, monthly provisions will be established on the net carrying amount from the eighteenth month. In both cases, the provisions will be constituted until reaching one hundred percent of the net carrying amount within a period of three and a half years, counted from the date on which the monthly provisions began to be constituted. As of June 30, 2024, and December 31, 2023, the Management of the Fund has provisioned the assets received in payment and adjudicated at 100 percent.

Subsequently, additional provisions should be recorded as follows:

- Moveable property - A uniform monthly provision starting the first month of grant, the award or recovery, for a period of twelve months, until providing for one hundred percent of the net seized or recovered value.
- Real estate - Uniform monthly provisions are constituted on the net carrying amount obtained at the twelfth month; provided that the six-month extension contemplated in SBS Resolution No. 1535-2005 has not been obtained, in which case uniform monthly provisions will be constituted on the net carrying amount obtained at the eighteenth month. On both situations, provisions must be made until providing for one hundred percent of the net carrying amount in a term of three and a half years, starting the date monthly provisions began to be provided.

**Notes to the Financial Statements
As of June 30, 2024**

The annual update of these assets' fair value, determined by an independent appraiser, involves, if necessary, the constitution of an impairment provision.

M. Intangible assets, net

Intangible assets, included in the caption "Other assets, net" of the statement of financial position comprise development and licensing of computer software used in the Fund's operations. Software licenses purchased by the Fund are capitalized on the basis of costs incurred to acquire and bring to use the specific program. These intangible assets are amortized on a straight-line basis over the estimated useful life of 5 years.

The amortization method is periodically reviewed to ensure that it is consistent with the expected pattern of economic benefits from intangible items.

N. Impairment of long-lived assets

When events or economic changes indicate that the value of property, furniture and equipment and intangibles may not be recoverable, the Management of the Fund reviews the value of those assets in order to verify that there is no permanent impairment in value. When the carrying amount of the asset exceeds its recoverable amount, an impairment loss shall be recognized in the income statement. An asset's recoverable amount is the highest between the net selling price and its value in use. The net selling price is the amount that can be obtained from the sale of an asset in a free market, while the value in use is the present value of future expected cash flows from the continued use of an asset and its disposal at the end of its depreciation period. In Management's opinion, there are no evidence of impairment in the value of such assets as of June 30, 2024, and as of December 31, 2023.

O. Securities and bonds outstanding

The liabilities from the issuance of outstanding securities and bonds are accounted for at their nominal value, recognizing accrued interest in the income statements. The discounts granted or incomes generated in the placement are deferred and presented net of its issuance value and is amortized over the life of the securities and bonds outstanding by applying the effective interest method.

P. Income tax

Current Income Tax is computed based on the taxable income determined for tax purposes, which is determined using criteria that differ from the accounting principles used by the Fund.

Therefore, the Fund recorded deferred income taxes, considering the guidelines of IAS 12 - Income Tax. The deferred Income Tax reflects the effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the amounts determined for tax purposes. Deferred assets and liabilities are measured using the tax rates expected to be applied to taxable income in the years in which temporary differences are expected to be recovered or settled. The measurement of deferred assets and liabilities reflects the tax consequences arising from the manner in which the value of the assets and liabilities is expected to be recovered or settled at the date of the statement of financial position.

Deferred assets and liabilities are recognized regardless of when it is estimated that the temporary differences will be reversed. Deferred tax assets are recognized when it is probable that sufficient taxable income will be generated against which the deferred tax assets can be offset. At the date of each statement of financial position, Management

Notes to the Financial Statements As of June 30, 2024

evaluates the non-recognized deferred assets and the carrying amount of the recognized deferred tax assets, recording deferred assets not previously recognized to the extent that probable future tax benefits will allow their recovery, or reducing a deferred asset to the extent that it is not likely that future tax benefits will be sufficient to allow the use of part or all of the deferred assets previously recognized.

In accordance with IAS 12, the Fund determines its income tax considering the tax rate applicable to its non-distributed earnings; any additional tax on dividends distribution is recorded on the date a liability is recognized.

Q. Provisions

Provisions are recognized only when the Fund has a present obligation (legal or implicit) as a result of past events, it is probable that an outflow of resources will be required to settle such obligation, and also has been possible to estimate a reliable amount. Provisions are reviewed in each period and are adjusted to reflect their best estimate as of the statement of financial position date. When the effect of the time value of money is significant, the amount recorded as a provision is the present value of future payments required to settle the obligation.

R. Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed in notes to the financial statements unless the possibility of an economic flow being disbursed is remote.

Contingent assets are not recorded in the financial statements; they are disclosed if it is probable that an inflow of economic benefits will be realized.

S. Cash and cash equivalents

Cash and cash equivalents considered in the statements of cash flows correspond to balances of available funds of the statement of financial position; which include deposits with original maturities less than or equal to 91 days, excluding the available funds included in the trusts, see note 8 (b).

T. Balances in foreign currency

The statement of financial position includes balances of operations in foreign currency, mainly in U.S. dollars (US\$), which are recorded at the exchange rate in soles (S/) established by the SBS, as of June 30, 2024, and December 31, 2023, is US\$ 1 = S/ 3.831 and US\$ 1 = S/ 3.709, respectively. Also, positions are maintained in Euros (EUR), which are recorded at the exchange rate in soles (S/) established by the SBS, which as of June 30, 2024 and December 31, 2023, was EUR 1= S/ 4.104790 and EUR 1= S/ 4.099702, respectively.

Foreign currency operations in the country and international trade operations, referring to the concepts authorized by the Central Reserve Bank of Peru, are channeled through the free banking market. As of June 30, 2024 and December 31, 2023, the buying and selling exchange rates used are US\$ 1= S/ 3.827 and US\$ 1= S/ 3.837, respectively (US\$ 1= S/ 3.705 purchase and US\$ 1= S/ 3.713 sale as of December 31, 2023).

June 30, 2024, and as of December 31, 2023, foreign currency balances in the Statement of Financial Position are summarized as follows:

**Notes to the Financial Statements
As of June 30, 2024**

	06.30.2024	12.31.2023
	US\$ 000	US\$ 000
Assets		
Cash	98,073	113,559
Investments	12,808	8,390
Accounts receivable (Trust agreement - COFIDE), net	2,833	4,293
Loan portfolio, net	6	8
Other accounts receivable, net	121	121
Derivatives	5,715	6,059
Other assets, net	90	160
Total assets	119,646	132,590
Liabilities		
Borrowings and financial obligations	(1,039,201)	(1,038,060)
Derivatives	(75)	-
Accounts payable	(441)	(567)
Provisions and other liabilities	(206)	(206)
Total liabilities	(1,039,923)	(1,038,833)
Net liability position	(920,277)	(906,243)
Derivative financial instruments, net	930,000	910,000
Net position in U.S. dollars	9,723	3,757

	06.30.2024	12.31.2023
	€ 000	€ 000
Assets		
Cash	3	10,006
Other accounts receivable, net	0	800
Hedging derivatives	1,603	1,109
Total assets	1,606	11,915
Liabilities		
Borrowings and financial obligations	(320,631)	(276,135)
Accounts payable	0	0
Total liabilities	(320,631)	(276,135)
Net liability position	(319,025)	(264,220)
Derivative financial instruments, net	320,193	265,395
Net position in euros	1,168	1,175

U. International Financial Reporting Standards (IFRS)
IFRS issued and in force in Peru as of June 30, 2024, and as of December 31, 2023

On June 23, 2023, through Resolution No. 002-2023-EF/30, the Peruvian Accounting Board (hereinafter "CNC") approved the complete set of International Financial Reporting Standards version 2023, that includes the Conceptual Framework for Financial Reporting.

Notes to the Financial Statements As of June 30, 2024

On September 16, 2022, through Resolution No. 002-2022-EF/30, CNC approved the complete set of International Financial Reporting Standards version 2022, that includes the Conceptual Framework for Financial Reporting.

Since the above standards only apply in addition to those developed in the SBS standards, they will not have any significant effect on the preparation of the accompanying financial statements unless the SBS adopts them in the future through the modification of the Accounting Manual for financial system companies or the issuance of specific standards. The Fund has not estimated the effect on its financial statements if such standards were adopted by the SBS.

v. Main statements issued by SBS

During 2024, the SBS has published the following statements:

- SBS Resolution No. 04342-2023 of 01/01/2024 Modifies procedure No. 32 Proof of irrecoverability for tax write-off of credits and/or accounts receivable of multiple operation companies and specialized companies of the TUPA of the SBS.
- SBS Resolution No. 04345-2023 of 01/04/2024 Modifies the Regulations for the Evaluation and Classification of the Debtor and the Requirement of Provisions and other rules to incorporate definitions of commitments in the rules applicable to the Financial System.
- SBS Resolution No. 00361-2024 of 02/02/2024 Modifies the Regulations for the opening, conversion, transfer or closing of offices, due to the implementation of the Office Inventory System (SIOFI).
- SBS Resolution No. 525-2024 of 02/12/2024 Modifies the Regulation for the Market Risk Cash Equity Requirement and the Regulation for the Operational Risk Cash Equity Requirement.
- SBS Resolution No. 1088-2024 of 03/27/2024 Modifies the Regulations for the Credit Risk Cash Equity Requirement and Chapter V of the Accounting Manual for Financial System Companies.

During 2023, the SBS has published the following statements:

- SBS Resolutions No. 0066-2023 of 01.13.23 and No. 468-2023 of 02.14.2023 Modification of Report No. 13 "Control of Global and Individual Limits Applicable to Financial System Companies".
- SBS Resolutions No. 467-2023 of 02.13.2023; No. 01214-2023 of 04.05.2023; No. 01828-2023 of 05.29.2023 and No. 01829-2023 of 05.29.2023 Modifications to Chapters II, III, IV and V of the Accounting Manual for Financial System Companies.

During 2022, the SBS has published, among others, the following statements:

- Multiple Official Letter No. 21952-2022-SBS of 05.30.2022 Channel and deadline for submission of Dispute Reports.
- Multiple Official Letter No. 25858-2021-SBS of 06.23.2022 Clarifications on the measures established by Emergency Decree No. 015-2022
- Multiple Official Letter No. 290101-2022-SBS of 07.13.2022 Clarifications on the rescheduling of loans guaranteed by the Reactiva Peru Program referred to in Emergency Decree No. 011-2022.

Notes to the Financial Statements As of June 30, 2024

4. Cash

This caption includes:

<i>In thousands of soles</i>	06.30.2024	12.31.2023
Banco Central de Reserva del Perú (a)	2,140	2,260
Current and savings accounts (b)	1,776,008	2,713,592
Term deposits (c)	0	37,000
Accrued income from cash	0	189
Cash and cash equivalents	1,778,148	2,753,041
Plus		
Other cash (e)	312,061	315,118
<u>Accrued income – Other cash (e)</u>	<u>1,628</u>	<u>1,405</u>
Total restricted funds	313,689	316,523
(Minus)		
Country Risk Prov. – Deposit abroad (d)	(98)	(94)
Restricted funds net of provisions:	(98)	(94)
Total cash	2,091,739	3,069,470

- (a) Deposits in the Central Reserve Bank of Peru correspond to balances in soles, in U.S. dollars, which are freely available do not generate interest, and are used mainly in the operations carried out by the Fund with COFIDE, by virtue of the Trust Agreement signed.
- (b) Current and saving accounts correspond mainly to balances in soles and U.S. dollars, which are freely available and bear interest at market rates. The table below presents the current and saving accounts as of June 30, 2024, and December 31, 2023:

<i>In thousands of soles</i>	2024	2023
Current accounts		
Banco Internacional del Perú S.A.A. - Interbank	445,031	1,086,784
Banco de la Nación S.A.	313,445	346,124
Banco Interamericano de Finanzas S.A.	111,580	311,436
BBVA Banco Continental S.A.	104	325,986
Banco de Crédito del Perú S.A.	905,704	300,195
Scotiabank Peru S.A.A.	144	343,067
Total	1,776,008	2,713,592

- (c) As of June 30, 2024, there are no time deposits outstanding. As of December 31, 2023, it has time deposits in domestic banks denominated in soles, which are freely available and generate interest at annual effective rates in U.S. dollars of 7.05%, with original maturities of less than or equal to 90 days.
- (d) In accordance with SBS regulations in the Country Risk Management Regulation, as of June 30, 2024, the Fund maintains a provision for country risk of USD 25 thousand equivalent to S/ 98 thousand for the margin call made with Banco Santander S.A., NY Branch, which for presentation of the Financial Statements in accordance with SBS regulations is shown under "Banks and other Foreign Financial Institutions".

Notes to the Financial Statements

As of June 30, 2024

Country	Country Risk Category	Counterparty	Category	Instrument	Total country risk exposure ¹ (USD)	% Provision	Amount to Provision (USD)	Amount to Provision (Equiv. thousands PEN)
Spain	III	BANCO SANTANDER S.A., NY BRANCH	Derivates	Swaps Purchase	0	1.50%	0	0
			Other accounts receivable	Margin Call	1,698	1.50%	25	98
			Total		1,698		25	98

- (e) The balance of the caption "Other Cash" corresponds to the Restricted Funds for the funds in guarantee coming from i) deposit of withdrawals and petty cash and ii) Margin Call of the hedging SWAPS according to the following detail, amounts in thousands of S/:

BANK ENTITY	RESTRICTED CASH	ACCRUED INCOME - Margin Call Interests -	06.30.2024	12.31.2023
RESTRICTED CASH DUE TO MARGIN CALL:				
Bank Of America - Merrill Lynch	109,758	637	110,395	124,334
JP Morgan Chase Bank N.A.	70,720	379	71,099	70,049
Citibank	69,325	309	69,634	65,624
Morgan Stanley	37,544	194	37,737	35,919
The Bank of Nova Scotia	14,941	67	15,007	12,669
Banco Santander SA	6,474	29	6,503	6,297
Barclays Bank PLC	3,180	14	3,194	1,565
Total Funds in Guarantee - Margin Call	311,942	1,628	313,570	316,456
RESTRICTED CASH DUE TO WITHDRAWALS AND PETTY CASH:				
Withdrawals	116	0	116	67
Fixed Fund:	3	0	3	0
Total Funds for withdrawals and petty cash	119	0	119	67
TOTAL RESTRICTED CASH	312,061	1,628	313,689	316,523

As of June 30, 2024, the balance of restricted cash for margin calls amounts to USD 82 thousand (equivalent to S/ 314 thousand) "currency forwards (FWD)", for a nominal amount of USD 10 thousand (equivalent to S/ 38 thousand).

Notes to the Financial Statements As of June 30, 2024

5. Available-for-sale investments and investments to maturity

The detail of Investments to maturity is as follows:

	2024			2023		
	Amorti zed cost	Gains (losses)	Carrying amount	Amortized cost	Gains (losses)	Carrying amount
<i>In thousands of soles</i>						
Available-for-sale Investments						
Corporate bonds (a)	27,835	3	27,838	0		0
Sovereign Bonds of the Republic of Peru (b)	22,891	350	23,241	0		0
Plus						
Accrued income			739			0
	50,726	353	51,818	0	-	0
	2024			2023		
	Amorti zed cost	Gains (losses)	Carrying amount	Amortized cost	Gains (losses)	Carrying amount
<i>In thousands of soles</i>						
Investments to maturity						
Corporate bonds (c)	29,115		29,115	31,088		31,088
Sovereign Bonds of the Republic of Peru (d)	21,230		21,230	21,194		21,194
Plus						
Accrued income			629			637
	50,345	-	50,974	52,282	-	52,919
	101,071	353	102,792	52,282		52,919

As of June 30, 2024, available-for-sale bonds correspond to bonds acquired from sovereign bonds and from corporate and first level Financial System companies in the country, as detailed below:

	2024	2023
(a) Issued by Peruvian entities		
BANCO DE CRÉDITO DEL PERÚ S.A.	14,803	
COFIDE	5,754	
BANCO INTERNACIONAL DEL PERÚ S.A.A. - INTERBANK	7,278	
Total corporate bonds	27,835	
(b) Sovereign bonds		
MEF – SB12AGO33	4,079	
MEF – SB12AGO37	5,704	
MEF – SB12AGO42	13,108	
Total sovereign bonds	22,891	
Total available-for-sale investments	50,726	

Notes to the Financial Statements As of June 30, 2024

As of June 30, 2024, bonds to maturity correspond to bonds acquired from sovereign bonds and from corporate and first level Financial System companies in the country, as detailed below:

	2024	2023
(c) Issued by Peruvian entities		
ATN - Abengoa Transmisión Norte S.A.	29,115	31,088
Total corporate bonds	29,115	31,088
(d) Sovereign bonds		
MEF – SB12AGO31	5,500	5,489
MEF – SB12AGO37	12,132	12,113
MEF – SB12AGO42	3,598	3,592
Total sovereign bonds	21,230	21,194
Total investments to maturity	50,345	52,282

During 2016, the Fund reclassified corporate and Peruvian sovereign bonds classified as available-for-sale investments into investments to maturity. The carrying amount at the date of reclassification amounted to approximately S/ 620,965 thousand and the unrealized loss accumulated in equity amounted to S/ 11,846 thousand; this latter amount shall be transferred to results during the remaining term of the instruments, which expire in full until 2042. During 2024 and 2023, S/ 53 thousand and S/ 99 thousand, have been transferred to income, respectively. As of June 30, 2024, and December 2023, the carrying amount of these investments, which includes accrued interest, amounts to S/ 50,974 thousand and S/ 52,919 thousand, respectively.

As of June 30, 2024, the maturities and annual rates of return on investments to maturity are as follows:

			Annual effective interest rates							
			2024				2023			
			Maturities		S/		USD		PEN	
	2024	2023	Min. %	Max. %	Min. %	Max. %	Min. %	Max. %	Min. %	Max. %
Available-for-sale investments										
Corporate bonds	Sep-24 / Oct-26		7.07	7.63	5.64	5.91	-	-	-	-
Sovereign Bonds of the Republic of Peru	Aug-33 / Aug-39		7.021	7.65	-	-	-	-	-	-
Investments to maturity										
Corporate bonds	Sep-28	Sep-28	-	-		6.21	-	-		6.21
Sovereign Bonds of the Republic of Peru	Aug-31 / Feb-42	Aug-31 / Feb-42	4.81	6.95	-	-	4.81	6.95	-	-

Notes to the Financial Statements As of June 30, 2024

As of June 30, 2024, corporate bonds in U.S. dollars, classified as investments to maturity, are not hedged for currency risk, (They are not hedged for currency risk as of December 31, 2023).

As of June 30, the investments to maturity, have the following maturity dates:

<i>In thousands of soles</i>	2024		2023	
	Available- for-sale Investments	Investments to maturity	Available- for-sale Investments	Investments to maturity
From 0 to 12 months	8,094			
From 1 to 5 years	20,211	29,139		31,119
More than 5 years	23,513	21,835		21,800
	51,818	50,974		52,919

6. Loan Portfolio, Net

This caption includes, as of June 30, 2024:

<i>In thousands of soles</i>	2024	2023
Current Loan Portfolio		
Current Loans	17,549	20,326
(-) Deferred Income	-1,027	-1,140
Accrued income	310	341
	16,832	19,527
Refunded Loan Portfolio		
Refunded Loans	2,826	224
(-) Deferred Income	-763	-60
	2,063	164
Overdue Loan Portfolio		
Overdue Loans (a)	93,623	96,637
Overdue Refunded Loans (b)	2,362	1,314
(-) Deferred Income	-12,904	-12,831
	83,081	85,120
Loan Portfolio in Judicial Collection		
Loans in Judicial Collection (c)	72	72
(-) Deferred Income	0	0
	72	72
(-) Provisions for Loans		
(-) Specific Provisions for Loans	-82,987	-83,495
(-) Generic Provisions for Loans	-107	-117
	-83,094	-83,612
	18,954	21,271

As of June 30, 2024, the loan portfolio consists mainly of the mortgage loans portfolio transferred to the Fund by Caja Rural de Ahorro y Crédito Señor de Luren (hereinafter Ex CRAC Luren), and Ex Cooperativa de Ahorro y Crédito PrestaPerú, which through SBS Resolutions No. 3503-2015 dated June 19, 2015 and No. 5826-2019 dated December 11, 2019, entered into liquidation process respectively.

Notes to the Financial Statements As of June 30, 2024

As of June 30, 2024, the balance of the direct loan portfolio classified by type of MIVIVIENDA product is as follows:

<i>In thousands of soles</i>	Number of borrowers		Balances	
	2024	2023	2024	2023
Nuevo Crédito MIVIVIENDA	1,376	1,486	91,918	93,699
Techo Propio Complementary Financing	883	909	12,236	12,415
Crédito MIVIVIENDA Tradicional	6	7	238	236
Crédito MIHOGAR	1	1	40	41
Crédito MI CONSTRUCCIÓN	473	481	12,000	12,182
Deferred income	-	-	(14,694)	(14,031)
	2,739	2,884	101,738	104,542

As of June 30, 2024, the direct loan portfolio is backed by preferred guarantees for S/ 79,617 thousand (S/ 43,083 thousand as of December 31, 2023) and non-preferred guarantees for S/ 71,978 thousand (S/ 82,110 thousand as of December 31, 2023). During 2024 and 2023, the collections from the direct credit portfolio amount to S/ 4,864 thousand and S/ 13,813 thousand, respectively.

According to SBS regulations, as of June 30, 2024, the credit risk rating of borrowers in the direct loan portfolio is as follows:

<i>In thousands of soles</i>	Number of borrowers		Balances	
	2024	2023	2024	2023
Normal	442	539	15,328	16,785
With potential problems	11	42	151	1,481
Deficient	50	48	1,274	1,111
Doubtful	98	108	2,571	2,498
Loss	2,138	2,147	82,414	82,667
	2,739	2,884	101,738	104,542

The effective annual interest rate of this loan portfolio has been fixed based on market conditions. As of June 30, 2024, and December 31, 2023, the minimum and maximum annual interest rate in the local currency of the direct loan portfolio is 8% and 16%, respectively.

As of June 30, 2024, and December 31, 2023, the suspended interest on loans that are past due, in judicial collection or classified in the credit risk categories "Doubtful" or "Loss" amounted to S/ 43,412 thousand and S/ 41,827 thousand, respectively. These interests are recognized in the income statement when they are collected.

As of June 30, 2024 and December 31, 2023, the balance of the direct loan portfolio classified by maturity is as follows:

<i>In thousands of soles</i>	2024		2023	
Current and refunded loans				
Up to 1 month	111	0.11%	112	0.11%

Notes to the Financial Statements As of June 30, 2024

From 1 to 3 months	226	0.22%	228	0.22%
From 3 months to 1 year	1,042	1.02%	1,050	1.00%
From 1 to 5 years	7,010	6.89%	7,070	6.76%
More than 5 years	11,987	11.78%	12,091	11.57%
	20,376	20.03%	20,551	19.66%
Plus (minus):				
Overdue loans and in judicial collection (a) + (b) + (c)	96,056	94.42%	98,022	93.76%
Deferred income from overdue loans and in judicial collection	(12,904)	(12.6%)	(12,831)	(12.27%)
Deferred income from current and refunded loans	(1,790)	(1.84%)	(1,200)	(1.15%)
	101,738	100.00%	104,542	100.00%

The movement of provision for uncollectibility of direct loans is as follows:

<i>In thousands of soles</i>	2024	2023
Balance at the beginning of the year	83,612	86,926
Additions	1,362	1,574
Recovery of provisions	(1,869)	(4,887)
Exchange difference	2	(1)
Forgiveness	(13)	0
Balance at the end of the year	83,094	83,612

Management considers that the level of provision for uncollectability of the direct loan portfolio covers the eventual losses that may be generated as of the date of the statement of financial position, and has been made in compliance with the regulatory requirements of the SBS in force as of June 30, 2024, and December 31, 2023.

7. Trading and Hedging Derivatives

Risk in derivative contracts arises from the possibility that the counterparty will not comply with the agreed terms and conditions and that the reference rates, at which the transaction was agreed, will change.

Notes to the Financial Statements June 30, 2024

<i>In thousands of soles</i>	06-30-2024				12-31-2023				2023 and 2024
	Assets	Liabilities	Reference amount (*)	Maturity	Assets	Liabilities	Reference amount (*)	Maturity	Hedging instruments
Derivatives for trading									
Foreign currency forward	0	287	41,048	July 2024	0	0	-	-	-
Total derivatives for trading:	0	287	41,048						
Derivatives designated as hedge									
Cash flow									
Cross Currency Swaps (CCS) (**) <i>Fair value</i>	923	9,194	2,030,430	Between 2027 (April), 2029 (December), 2031 (September) 2032 (June and December), 2035 (October) and 2036 (May)	53,343	334,696	4,241,653	Between 2027 (April), 2029 (December), 2031 (May, September and November) and 2032 (June and December)	Investments, debts and securities
Foreign currency forward	0	327	38,310	Between August 2024 and September 2024 -	1,308	19,797	111,270	Between February, March and April 2024	Margin Call
Cross Currency Swaps (CCS)	63,756	246,998	2,843,987	Between June 2024 and August 2025	4,909	0	332,846	Between 2024 (May and August) and 2025 (June)	Debts
Country Risk Provision	0	0	0		(86)				
Total derivatives: hedging	64,679	256,519	4,912,727		59,474	354,493	4,685,769		
TOTAL	64,679	256,806	4,953,775		59,474	354,493	4,685,769		

(*) As of June 30, 2024 and December 31, 2023, the reference values of transactions with derivative financial instruments are recorded in off-balance committed currency.

Notes to the Financial Statements June 30, 2024

The above table presents as of June 30, 2024, and December 31, 2023, the fair value of derivative financial instruments, recorded as an asset or liability, with their nominal amounts and maturities. The reference amount, presented gross, is the amount of the underlying asset and is the basis on which changes in the fair value of the derivatives are measured. In June 2024 and June 2023, the Fund recognized for trading derivatives a gain of S/ 2,067 thousand and a net loss of S/ 599 thousand, respectively, and a net loss for hedging derivatives in S/ 57,211 and S/ 63,782 thousand, respectively, Note 23.

8. Accounts Receivable for Trusts, Net

This caption includes:

<i>In thousands of soles</i>	2024	2023
Nuevo Crédito MIVIVIENDA	11,066,865	10,817,454
Crédito MIVIVIENDA Tradicional	10,751	15,870
Techo Propio Complementary Financing	222,173	227,149
Crédito MIHOGAR	16,575	19,097
Crédito MICONSTRUCCIÓN	1,881	2,463
Crédito MICASA MAS	3,367	3,530
Crédito MIVIVIENDA Estandarizado	1,317	1,538
Crédito MITERRENO	97	108
	11,323,026	11,087,209
Plus (minus)		
Accrued income from accounts receivable	19,118	18,756
Prov. for doubtful accounts receivable	(310,293)	(286,439)
Total, Accounts Receivable-COFIDE Trust (a)	11,031,851	10,819,526
Accounts receivable from CRC and PBP Trusts Peruvian Soles and U.S. Dollars (b)	19,602	18,883
	11,051,453	10,838,409

As described in Note 2, on a monthly basis the Fund disburses resources to the Trust - COFIDE for it to channel them to the final borrowers through the IFI. Also, on a monthly basis, the Trust - COFIDE transfers to the Fund the recoveries, prepayments or cancellations of accounts receivable made by the IFI.

As of June 30, 2024 and March 31, 2024, the number of final borrowers is 112,481 and 112,247 respectively. There is no significant concentration of credit risk in Accounts receivable (Trust agreement - COFIDE) due to the type of credit transactions maintained by the Fund.

The resources that the Fund channels through the IFI are used in the granting of mortgage loans for the acquisition of housing in accordance with the provisions of Article 12 of Supreme Decree No. 001-99-MTC.

As of June 30, 2024, the composition of the balance of Accounts Receivable (Trust Agreement - COFIDE) according to the characteristics of the credits promoted by the Fund, is as follows:

Notes to the Financial Statements As of June 30, 2024

	Jun-24			2023		
	With credit risk coverage	Without credit risk coverage	Total	With credit risk coverage	Without credit risk coverage	Total
	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000
Nuevo Crédito MIVIVIENDA	3,798,042	7,268,823	11,066,865	3,373,667	7,443,787	10,817,454
Techo Propio Complementary Financing	39,599	182,574	222,173	33,798	193,351	227,149
Crédito MIVIVIENDA Tradicional	4,751	6,000	10,751	7,094	8,776	15,870
Crédito MIHOGAR	6,316	10,259	16,575	7,313	11,783	19,096
Crédito MICONSTRUCCIÓN	1,061	820	1,881	1,411	1,051	2,462
Crédito MICASA MÁS	1,583	1,784	3,367	1,662	1,870	3,532
Crédito MIVIVIENDA Estandarizado	439	878	1,317	513	1,025	1,538
Crédito MITERRENO	19	78	97	28	80	108
	<u>3,851,810</u>	<u>7,471,216</u>	<u>11,323,026</u>	<u>3,425,486</u>	<u>7,661,723</u>	<u>11,087,209</u>

Accounts receivable (Trust Agreement - COFIDE) are classified by credit risk rating of the debtor, as established by the SBS regulations in force as of June 30, 2024 and December 31, 2023. According to what is indicated in Note 4.C, the provision for uncollectability of accounts receivable (Trust Agreement - COFIDE) is determined based on the classification of the IFI and the final borrowers (or subborrowers).

As of June 30, 2024, the balance of accounts receivable (Trust Agreement - COFIDE) without credit risk coverage classified by credit risk of the IFIs is as follows:

IFI credit risk category	June - 2024		2023	
	S/ 000	%	S / 000	%
Normal	7,194,916	63.54%	7,372,557	66.49%
With potential problem	9,318	0.08%	17,611	0.16%
	<u>7,204,234</u>	<u>63.62</u>	<u>7,390,168</u>	<u>66.65</u>
	<u>11,323,026</u>	<u>100.00</u>	<u>11,087,209</u>	<u>100.00</u>

(*) As of June 30, the balance of accounts receivable (Trust Agreement - COFIDE) with credit risk coverage (CRC) classified by credit risk of the final borrower is as follows:

Credit risk category of the Final Borrower	June 2024		2023	
	S/ 000	%	S/ 000	%
Normal	3,384,678	29.89	3,032,590	27.35
With potential problem	90,804	0.80	72,812	0.66
Deficient	81,464	0.72	64,063	0.58
Doubtful	123,533	1.09	101,375	0.91
Loss	171,330	1.51	154,646	1.40
	<u>3,851,809</u>	<u>34.02</u>	<u>3,425,486</u>	<u>30.90</u>
	<u>11,323,026</u>	<u>100.00</u>	<u>11,087,209</u>	<u>100.00</u>

Additionally, as of June 30, 2024, the balance of accounts receivable (Trust Agreement - COFIDE) with activation of the thirteenth clause by IFI is as follows:

Notes to the Financial Statements As of June 30, 2024

IFI	June 2024		2023	
	S/ 000	%	S/ 000	%
Financial TFC in Liquidation	220,551	1.95	220,551	1.99
COOPAC AELU in Liquidation	1,798	0.02	1,798	0.01
CRAC Raíz in Liquidation	8,599	0.08	8,599	0.08
COOPAC Quillacoop	619	0.01	707	0.01
COOPAC San Francisco	1,587	0.01	1,771	0.02
CMAC Tacna	813	0.01	2,688	0.02
CRAC Prymera	27	0.00	37	0.00
COOPAC Santa María Magdalena	184	0.00	207	0.00
COOPAC Pacífico	32,805	0.29	35,196	0.32
	266,983	2.36	271,555	2.45
	11,323,026	100.00	11,087,209	100.00

As of June 30, 2024, and December 31, 2023, these accounts receivable have been provisioned considering the subborrower's credit risk rating, due to the fact that Financiera TFC, COOPAC AELU and CRAC Raíz were intervened by the SBS on December 12, 2019, August 23, 2021, and August 10, 2023, respectively, in addition, given the activation of the thirteenth clause of the resource channeling agreement signed with the IFIs COOPAC Quillacoop in June 2020, COOPAC San Francisco in July 2021, CMAC Tacna in August 2021, CRAC Prymera in November 2021, COOPAC Santa María Magdalena in December 2021 and COOPAC Pacífico in August 2023, due to the deterioration of their financial indicators.

As of June 30, 2024, the balance of accounts receivable (Trust Agreement - COFIDE) with activation of the thirteenth clause classified by credit risk of the final borrower is as follows:

Credit risk category of the Final Borrower	June-2024		2023	
	S/ 000	%	S/ 000	%
Normal	172,642	1.52	178,400	1.61
With potential problem	9,404	0.08	11,094	0.10
Deficient	11,463	0.10	12,681	0.11
Doubtful	36,159	0.32	32,868	0.30
Loss	37,315	0.33	36,512	0.33
	266,983	2.36	271,555	2.45
	11,323,026	100.00	11,087,209	100.00

The balance of these accounts receivable has been provisioned considering the credit risk rating of the subborrower. As of June 30, 2024, and December 31, 2023, the provision related to these accounts receivable amounts to S/ 55,794 thousand and S/ 54,646 thousand, respectively.

The annual interest rates for the active products offered by the Fund are fixed, and have been established with the purpose of promoting the granting of mortgage loans. As of June 30, 2024, and December 31, 2023, they are as follows:

Notes to the Financial Statements As of June 30, 2024

	%
Nuevo Crédito MIVIVIENDA (*)	7.90, 7.70 and 7.30
Crédito MIVIVIENDA Tradicional	6
Crédito Complementario Techo Propio (*)	7.30
Crédito MIHOGAR	7.60
Crédito MI CONSTRUCCIÓN	8
Crédito MIVIVIENDA Estandarizado	6.90 and 7.30
Crédito MICASA MAS	7.70
Crédito MITERRENO	9

(*) By Board of Directors agreement No. 03-42D-2023 of November 23, 2023, the increase in the interest rate of the Nuevo Crédito MIVIVIENDA and Crédito Complementario Techo Propio was approved, according to dates established in said agreement.

As of June 30, 2024, and December 31, 2023, accounts receivable (Trust Agreement-COFIDE) have the following maturities:

	2024	2023
	S/ 000	S/ 000
Up to 1 month	88,994	90,276
From 1 month to 3 months	232,475	214,077
From 3 months to 1 year	654,006	753,647
From 1 to 3 years	2,194,404	1,447,765
From 3 years to more	8,153,147	8,699,465
	<u>11,323,026</u>	<u>11,205,230</u>

The movement of the provision for uncollectability of accounts receivable (Trust Agreement - COFIDE) determined according to the criteria described in Note 4.C, is as follows:

	2024	2023
	S/ 000	S/ 000
Balance at the beginning of the year	286,439	221,013
Additions debited to results	63,991	115,636
Recovery of provisions	(40,153)	(50,181)
Exchange difference	16	(29)
Balance at the end of the year	<u>310,293</u>	<u>286,439</u>

Management considers that the provision for uncollectability of accounts receivable (Trust Agreement - COFIDE) covers the eventual losses that may be generated at the date of the statement of financial position, and has been made in compliance with the regulatory requirements of the SBS in force as of June 30, 2024.

- (b) It corresponds to the balance of the net assets (total assets minus total liabilities) of the trusts administered by the Fund, which ensure the payment of credit risk coverage (CRC) to the IFI and the good payer award (PBP) to those who access this benefit as part of the credit programs offered by the Fund. The balances mentioned above are presented below:

<i>In thousands of soles</i>	2024	2023
CRC and PBP Trust (Peruvian Soles)	8,635	8,384
CRC and PBP Trust (U.S. Dollars)	10,967	10,499

Notes to the Financial Statements As of June 30, 2024

Net	19,602	18,883
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By means of constitutive acts subscribed in June 2007 by the Fund, as trustee and trustor, both Trusts in administration were constituted, with the purpose of ensuring the availability of resources for the Fund to comply with the obligations arising from the CRC and PBP service contracts subscribed with certain IFI, as well as to ensure that such resources are managed in an efficient manner.

The accounting of these trusts is carried out in accordance with the provisions of SBS Resolution No. 980-2006 "Regulations of the Fondo MIVIVIENDA S.A."; i.e., in a single account in the Fund's statement of financial position. The accounting of the trusts is kept separate for control purposes.

The financial statements of the CRC and PBP Trust (Peruvian Soles) as of June 30, 2024, and December 31, 2023, are as follows:

<i>In thousands of soles</i>	2024	2023
Statement of financial position		
Assets		
Cash	6,658	6,410
Investments to maturity (*)	1,977	1,974
Total assets	8,635	8,384
Equity and net surplus		
Accumulative results	5,681	5,466
Surplus collections, net	2,979	2,944
Unrealized results	(25)	(26)
Total equity and net surplus	8,635	8,384

(*) During 2016, the CRC and PBP Trust – Peruvian Soles reclassified investments classified as available-for-sale to investments into investments to maturity. The carrying amount at the date of reclassification amounted to approximately S/ 33,683 thousand and the unrealized loss accumulated in equity amounted to S/ 1,344 thousand; this latter amount shall be transferred to results during the remaining term of the instruments. During 2024 and 2023, S/ 2 thousand and S/ 13 thousand, have been transferred to income, respectively.

<i>In thousands of soles</i>	2024	2023
Income statement		
Income		
Interest income	245	254
Reversal of impairment provision		
Total income	245	254
Expenses		
Administration fee	(25)	(24)
Miscellaneous financial services expense	(4)	(3)
Total expenses	(29)	(27)
Net profit	216	227

The financial statements of the CRC and PBP Trust (U.S. Dollars) as of June 30, 2024:

Notes to the Financial Statements As of June 30, 2024

<i>In thousands of soles</i>	2024	2023
Statement of financial position		
Assets		
Cash	3,027	2,635
Investments to maturity (*)	7,940	7,864
Total assets	10,967	10,499
Equity and net surplus		
Initial equity		
Surplus collections, net	10,698	10,589
Accumulative results	714	374
Unrealized results	(445)	(464)
Total equity and net surplus	10,967	10,499

(*) In 2016, the Equity in the CRC and PBP Trust – U.S. Dollars, reclassified investments classified as available-for-sale investments into investments to maturity. The carrying amount at the date of reclassification amounted to approximately S/ 35,327 thousand and the unrealized loss accumulated in equity amounted to S/ 1,784 thousand; this latter amount shall be transferred to results during the remaining term of the instruments. In 2024 and 2023, S/ 19 thousand and S/ 15 thousand, have been transferred to income, respectively.

<i>In thousands of soles</i>	2024	2023
Income statement		
Income		
Interest income	263	289
Exchange difference gain, net	116	
Total income	379	289
Expenses		
Administration fee		
Exchange difference loss, net	(32)	(52)
Miscellaneous financial services expense		(177)
	(6)	(5)
Total expenses	(38)	(234)
Net profit	341	55

9. Other Accounts Receivable, Net

<i>In thousands of soles</i>	2024	2023
Accounts Receivable from Banks in Liquidation (a)	99,421	99,202
Accounts Receivable Ex - CONEMINSA Portfolio (b)	12,658	12,663
Account receivable from ICCGSA (c)	3,794	3,794
Accounts receivable from CAC Presta Perú (d)	8,775	8,775
Account receivable from CRAC Sr de Luren in Liquidation	150	150
BFH disbursed in excess, to be recovered (e)	2,468	2,468
Accounts receivable from Las Garzas Trust	88	87
Account receivable from Urb. Ucayali Municipality Trust	471	471
Account Receivable from Trusts linked to MarkaGroup (f)	2,875	2,402
Security deposits - Rentals	402	390
Invoices receivable	679	740
Accounts receivable from CONEMINSA	21	21
Other claims to third parties	20	1,720
Other accounts receivable	531	533
	132,353	133,416

Notes to the Financial Statements As of June 30, 2024

Less - Provision for doubtful accounts receivable (g)		
Banks in Liquidation (a)	-99,421	-99,202
Ex - CONEMINSA Portfolio (b)	-12,594	-12,595
Account receivable from ICCGSA (c)	-3,794	-3,794
Accounts receivable from CAC Presta Perú (d)	-8,775	-8,775
BFH disbursed in excess, to be recovered (VRAEM)	-2,468	-2,468
Accounts receivable from Las Garzas Trust	-88	-87
Account receivable from Urb. Ucayali Municipality Trust	-471	-471
Invoices receivable	-664	-704
Other accounts receivable from Coneminsa	-21	-21
Account receivable from CRAC Sr de Luren in Liquidation	-150	-150
	-128,446	-128,267
Total	3,907	5,149

- (a) It corresponds to accounts receivable for term deposits, certificates of deposit, among others, that the Fund, before being a financial company supervised by the SBS (before January 2006), and held in certain financial institutions that entered into liquidation.

The detail of balances and their provision as of June 30, 2024, and December 31, 2023, is as follows:

<i>In thousands of soles</i>	2024	2023
Capital		
Banco Nuevo Mundo in Liquidation	51,651	51,652
Banco República in Liquidation	39,922	39,922
Banco Banex in Liquidation - Dation in payment	5,309	5,140
Banco República in Liquidation - Dation in payment	2,539	2,488
	99,421	99,202
Less: Provision for uncollectability		
Banco Nuevo Mundo in Liquidation	(51,651)	(51,652)
Banco República in Liquidation	(39,922)	(39,922)
Banco Banex in Liquidation - Dation in payment	(5,309)	(5,140)
Banco República in Liquidation - Dation in payment	(2,539)	(2,488)
	(99,421)	(99,202)
	0	0

During the liquidation process, carried out under the supervision and intervention of the SBS, the Fund has been receiving movable and immovable property and collection of credits as part of the payment of these claims.

The Management of the Fund provided for 100% of the accounts receivable of Bancos Nuevo Mundo, Banco República and Banco Banex, all of which are in liquidation, and recognizes the recoveries it receives when they are realized. In 2024, the Fund has not received recoveries from the banks in liquidation, while in 2023 it has received recoveries from Banco Nuevo Mundo in Liquidation for thousands of S/ 553 from the banks in liquidation.

The Management of the Fund believes that the provision for uncollectibility of accounts receivable from banks in liquidation established as of June 30, 2024, and December 31, 2023, is sufficient to cover the related risk of uncollectibility.

- (b) It corresponds to the accounts receivable of the mortgage loan portfolio granted by the Compañía de Negociaciones Mobiliarias e Inmobiliarias S.A. - CONEMINSA, which was received by the Fund under a payment in kind agreement signed on December 30, 2003, for its management and recovery. As of June 30, 2024 and December 31, 2023, this account receivable is provided for.

Notes to the Financial Statements As of June 30, 2024

- (c) It corresponds to the account receivable from Ingenieros Civiles Contratistas Generales S.A.C. - ICCGSA, for the commercial papers that the Fund held, which expired on October 22, 2018, and for which an account receivable was recognized with its respective provision for doubtful collection in the amount of S/ 3'794,000 approximately, of which S/ 3'500,000 corresponded to capital and S/ 294,000 to interest as of December 31, 2018, Note 5(e). As of June 30, 2024, and December 31, 2023, this account receivable is 100% provisioned.
- (d) In August 2019, after activating the thirteenth clause of the Resource Channeling Agreement subscribed with COOPAC PrestaPerú, the Fund authorized the removal of the balance owed to said IFI from the administration of the COFIDE Trust for S/ 74,462 thousand. Directly demanding payment of the outstanding installments owed to the Fund for the period from February to August 2019, in the amount of S/ 4,230 thousand.
- During 2021, after the transfer of the mortgage loan portfolio from COOPAC Presta Perú to the Fund, S/ 4,534 thousand were reclassified from other accounts receivable from customers of COOPAC Presta Perú to Accounts receivable from COOPAC Presta Perú and S/ 69,928 thousand to Loan portfolio (note 8).
- During 2022, S/ 10 thousand were added to Accounts receivable from COOPAC Presta Perú for the payment of installments of the client Vargas Romero Sara Jessica made to the Temporary Administrators in the CAC Prestaperú).
- As of June 30, 2024, the other accounts receivable to COOPAC Presta Perú have a provision for uncollectability of 100%.
- (e) It corresponds to the excess grant of the Household Housing Bonus (BFH) in areas of the VRAE pending recovery.
- (f) This account receivable from the trusts linked to Marka Group corresponds mainly to the BFH pending recovery.

Trust	Account Receivable S/
Piura Bonita Trust	250
Barranca Bonita Trust	1,007
Villas de Alto Laran 2 Trust	756
Lima Bonita Trust	599
TOTAL	2,612

- (g) The movement of provision for uncollectability of other accounts receivable is as follows:

In thousands of soles	2024	2023
Balance at the beginning of the year	128,267	129,205
Additions	0	121
Recovery of provisions	(1)	(591)
Exchange difference, net	180	(209)
Reclassification to Cash	0	(259)
Balance at the end of the year	128,446	128,267

In Management's opinion, the provision for uncollectability of accounts receivable recorded as of June 30, 2024, and December 31, 2023, adequately covers the credit risk of this caption at those dates.

Notes to the Financial Statements June 30, 2024

10. Property, Furniture and Equipment, Net

Movement of the caption so far in 2024 and during 2023:

<i>In thousands of soles</i>	Lands	Buildings	Facilities	Furniture and equipment	Computer equipment	Miscellaneous equipment	Vehicles	Works in progress	Total
Cost									
Balance as of January 1, 2023	103	36	146	657	1,155	940	759	2	3,591
Additions			302	112	112	358	0	32	916
Disposals			-137					-34	-171
Balance as of December 31, 2023	103	36	311	769	1,267	1,298	759	0	4,543
Additions			0	25	21	89	0	0	135
Disposals			0					0	0
Balance as of June 30, 2024	103	36	311	794	1,288	1,387	759	0	4,678
Accumulated depreciation									
Balance as of January 1, 2023	0	12	89	538	1,088	632	759	0	3,118
Additions		0	24	30	35	58			147
Disposals			-92						-92
Balance as of December 31, 2023	0	12	21	568	1,123	690	759	0	3,173
Additions		0	16	19	23	47	0	0	105
Disposals			0						0
Balance as of June 30, 2024	0	12	37	587	1,146	737	759	0	3,278
Net carrying amount									
As of December 31, 2023	103	24	290	201	144	608	0	0	1,370
As of June 30, 2024	103	24	274	207	142	650	0	0	1,400

Notes to the Financial Statements June 30, 2024

- (a) Financial entities established in Peru are prohibited from pledging their fixed assets as guarantees.
- (b) In Management's opinion, there are no evidences of impairment in the fixed assets as of June 30, 2024, and as of December 31, 2023. As of June 30, 2024, the Fund maintains fully depreciated assets of approximately S/ 2,667,000 (approximately S/ 2,648,000 as of December 31, 2023).
- (c) The Fund maintains insurance policies on its principal property, furniture and equipment in accordance with policies established by the Management. In this regard, as of June 30, 2024 and 2023, the Fund has taken out an all-risk insurance policy covering the value of the Fund's net assets including property, furniture and equipment. In Management's opinion, its insurance policies are consistent with the usual practices in the industry.

11. Intangible Assets Other than Capital Gains

As of June 30, 2024, and December 31, 2023, this caption includes:

	In thousands of S/			
	<u>Balance as of 06.30.2024</u>	<u>Additions</u>	<u>Withdrawals and other adjustments</u>	<u>Balance as of 12.31.2023</u>
Cost:				
Software	15,705	0	0	15,705
Licenses	2,199	35		2,164
Software in Development	5,411	1,250	0	4,161
	<u>23,315</u>	<u>1,285</u>	<u>0</u>	<u>22,030</u>
Accumulated amortization:				
Software	12,608	859	0	11,749
Licenses	1,551	83		1,468
	<u>14,159</u>	<u>942</u>	<u>0</u>	<u>13,217</u>
Net cost	<u>9,156</u>			<u>8,813</u>

Intangible assets comprise software and licenses for the use of computer equipment which total cost as of June 30, 2024 is approximately of S/ 23'315,000 and its accumulated amortization amounted to approximately S/ 14,159,000 (total cost as of December 31, 2023, amounted approximately S/ 22'030,000 and its accumulated amortization amounted to approximately S/ 13,217,000). As of June 2024, and during 2023, Intangibles increased mainly due to software under development for approximately S/ 1,285,000 and S/ 3,386,000, respectively. These intangible assets are amortized using the straight-line method over a maximum of 5 years.

12. Other Assets, Net

As of June 30, 2024, and December 31, 2023, this caption includes:

<i>In thousands of soles</i>	2024	2023
Prepaid expenses (a)	2,385	3,265
Other (b)	887	4,208
	<u>3,272</u>	<u>7,473</u>

Notes to the Financial Statements
As of June 30, 2024

a) Prepaid expenses include: prepayment for corporate data center services, subscriptions, insurance, among others.

b) The caption "Other" groups together mainly transactions in process for collections pending receipt of the mortgage loan portfolio.

13. Borrowings and financial obligations

As of June 30, 2024, and December 31, 2023, this caption includes:

<i>In thousands of soles</i>	2024	2023
Debts and financial obligations with companies and financial institutions of Peru	1,018,797	1,004,564
Debts and Obligations with Foreign Companies and International Financial Organizations	4,140,396	3,281,564
Securities and Bonds	3,132,512	4,597,002
	8,291,705	8,883,130

As of June 30, 2024, and December 31, 2023, the Fund's Management believes that it has complied with the conditions established for these transactions.

Notes to the Financial Statements June 30, 2024

13.a) Debits and Financial Obligations with Companies and Financial Institutions of Peru:

In soles	Currency	Maturity	Annual Interest Rate	2024				2023			
				Principal	Above/Under par	Interest and Commissions	Total	Principal	Above/Under par	Interest and commissions	Total
Entity											
Banco de la Nacion	Soles	2025-2028	2.5 - 7.15	810,000	0	8,370	818,370	810,000	0	8,149	818,149
Banco BBVA Perú	Soles	2024	7.49	0	0	0	0	185,000	0	1,415	186,415
Banco Scotiabank Perú	Soles	2025	6.6	200,000	0	427	200,427	0	0	0	0
				1,010,000	0	8,797	1,018,797	995,000	0	9,564	1,004,564

13.b) Debits and Obligations with Foreign Companies and International Financial Organizations:

This caption includes:

In soles	Currency	Maturity	Annual Interest Rate	2024				2023			
				Principal	Above/Under par	Interest and Commissions	Total	Principal	Above/Under par	Interest and commissions	Total
Entity											
Banco Bilbao Vizcaya Argentinaria S.A BBVA	Soles	2024	6.65	612,000	-5,614	10,853	617,239	0	0	0	0
Agence Francaise de Developpement (AFD)	Euros	2031-2035	0.7695 - 4.23 / (*)	745,704	-3,327	4,036	746,413	686,700	-2,405	2,999	687,294
Kreditanstalt für Wiederaufbau (KfW)	Euros	2031-2036	(**)	568,621	-2,387	3,474	569,708	442,336	-468	2,909	444,777
JP Morgan Chase Bank	Soles	2029	7.7	551,550	-16,253	2,477	537,774	551,550	-17,837	2,477	536,190
JP Morgan Chase Bank	Dollars	2029-2032	(***)	1,685,640	-45,215	28,837	1,669,262	1,631,960	-48,310	29,653	1,613,303
				4,163,515	-72,796	49,677	4,140,396	3,312,546	-69,020	38,038	3,281,564

(*) Line 4 of credit with AFD was agreed at a variable interest rate of 6-month Euribor + 183 basis points, the rate of the next coupon is fixed in April and October of each year during the life of the loan.

(**) Line 1 of credit with KfW was agreed at a floating interest rate of 6-month Euribor + 110 basis points, credit line 2 with KfW was agreed at a floating interest rate of 6-month Euribor + 81 basis points, credit line 3 with KfW was agreed at a floating interest rate of 6-month Euribor + 22 basis points, all lines fix the rate of the next coupon in May and November of each year during the life of the loan.

(***) The credit lines with JP Morgan are guaranteed by the Multilateral Investment Guarantee Agency (MIGA), both at variable rates. In the case of line 1, it was agreed at a 6-month SOFR Term rate + 60 basis points, while line 2 (USD tranches) was agreed at a 6-month SOFR Term rate + 87 basis points.

Certain loan contracts include standard financial ratio compliance clauses. In the opinion of Management, as of June 30, 2024 and December 31, 2023, these clauses have been complied with and do not represent any restriction on the operations of the Fund.

As of June 30, 2024, the balance of the AFD loan amounts to EUR 181,839 thousand (equivalent to S/ 746,413 thousand) subject to exchange rate risk, being hedged through "full cross currency swaps (CCS)", for a notional amount of EUR 171,667 thousand (equivalent to S/ 704,656 thousand) (note 10). Also, as of June 30, 2024, the KfW loan amounts to EUR 138,791 thousand (equivalent to S/ 569,708 thousand), subject to exchange rate risk, being hedged through a "full cross currency swap (CCS)" for a notional amount of EUR 138,526 thousand (equivalent to S/ 568,621 thousand) (note 10).

As of June 30, 2024, the balance of the loan in U.S. dollars from JP Morgan Chase Bank amounts to US\$ 435,725 thousand (equivalent to S/ 1,669,262 thousand) subject to exchange rate risk, being hedged through "full cross currency swaps (CCS)" for a notional amount of US\$ 340,000 thousand (equivalent to S/ 1,302,540 thousand) (note 10) and the difference is hedged with assets in U.S. dollars.

Notes to the Financial Statements As of June 30, 2024

The balance of financial debts and financial obligations classified by maturity is presented below:

<i>In thousands of soles</i>	2024	2023
Up to 3 months	154,310	0
From 3 months to 1 year	622,717	339,911
From 1 to 5 years	3,266,708	2,683,605
More than 5 years	1,115,458	1,262,612
	5,159,193	4,286,128

13.c) Securities and Bonds

As of June 30, 2024, and December 31, 2023, this caption includes:

	Nominal annual interest rate (%)	Maturity	Amount issued	Carrying amount in S/ 000	
<i>In thousands</i>				2024	2023
Domestic issuances of corporate bonds (a)					
Fourth issuance - A Series Global Depositary Notes (GDN) Issuance	6.72	July 2026	S/ 310,000	309,931	309,940
Fifth issuance - A Series	7.00	February 2024	S/ 1,500,000	0	1,499,605
Sixth issuance - A Series	5.02	July 2026	S/ 250,000	249,870	249,853
	4.7813	January 2027	S/ 240,210	240,028	240,016
International issuances of corporate bonds (b)					
Second program — first issuance	4.625	April 2027	US\$ 600,000	2,288,681	2,214,081
				3,088,510	4,513,495
Interest payable				44,002	83,507
				3,132,512	4,597,002

The resources raised through the issuance of securities and bonds are intended to finance transactions of the Fund's own business.

- (a) At the Board of Directors Meeting held on June 24, 2013, the issuance of the First Corporate Bond Program was approved for US\$ 1,000,000 or its equivalent in soles. In July 2016, July 2019 and January 2020, the Fund made the fourth, fifth and sixth corporate bond issuance under this program, respectively.

At the Board of Directors Meeting held on November 9, 2016, the issuance of Global Depositary Notes (GDN) was approved for S/ 2,000,000 thousand. In February 2017, the Fund issued GDN for S/ 1,500,000 thousand. On February 14, 2024, at maturity, this issue was cancelled for S/ 1,552,500 thousand.

On January 15, 2020, the Fund issued its sixth corporate bonds, issuing 48,042 bonds with a value of S/ 5 thousand each, and a total value of S/ 240,210 thousand, for a term of 7 years with maturity on January 15, 2027, at a nominal annual rate of 4.7813%.

- (b) In April 2022, the Fund issued bonds under Rule 144 and Regulation of the Securities Law, in the international market. The issuance was for a nominal amount of

Notes to the Financial Statements As of June 30, 2024

US\$ 600,000 thousand, with a maturity of 5 years. Bonds were placed below par at a price of 99.652%, at a coupon rate of 4.625%, with semi-annual interest payments and amortization at maturity.

As of June 30, 2024, these bonds are subject to exchange rate risk, being covered by "currency swaps (CCS)" for a nominal amount of US\$ 600,000 thousand" (equivalent to S/ 2,298,600 thousand). As of December 31, 2023, these bonds were subject to exchange rate risk, being covered by "currency swaps (CCS)" for a nominal amount of US\$ 600,000 thousand" (equivalent to S/ 2,225,400 thousand).

Below are the balance for outstanding securities and bonds as of June 30, 2024, classified by maturity:

<i>In thousands of soles</i>	2024	2023
From 1 month to 1 year		1,539,552
From 1 to 2 years		
From 2 to 5 years	3,132,512	3,057,450
More than 5 years		
	3,132,512	4,597,002

(a) Below are the financing activities for outstanding securities and bonds as of June 30, 2024, and December 31, 2023:

<i>In thousands of soles</i>	Cash flows			Exchange difference, net	Movement			June 30, 2024
	January 1, 2024	Provided	Used		Interest	Amortized cost	Changes in the fair value	
Domestic issuances								
Issuance (A Series)	319,674		(10,414)		10,407	(8)		319,659
Third Issuance (A Series)	1,539,552		(1,552,500)		12,554	394		0
Fifth Issuance (A Series)	255,595		(6,289)		6,283	17		255,606
Sixth Issuance (A Series)	245,322		(5,743)		5,738	12		245,329
International issuances								
Second program — first issuance	2,236,859		(51,421)	73,023	51,717	1,740		2,311,918
	4,597,002		(1,626,367)	73,023	86,699	2,155		3,132,512

<i>In thousands of soles</i>	Cash flows			Exchange difference, net	Movement			December 31, 2023
	January 1, 2023	Provided	Used		Interest	Amortized cost	Changes in the fair value	
Domestic issuances								
Issuance (A Series)	319,652		(20,828)		20,828	22		319,674
Third Issuance (A Series)	1,538,582		(105,000)		105,000	970		1,539,552
Fifth Issuance (A Series)	255,541		(12,578)		12,578	54		255,595
Sixth Issuance (A Series)	245,277		(11,485)		11,485	45		245,322
International issuances								
First Issuance	373,122		(378,361)	4,117	1,053	69		0
Reopening First Issuance	296,175		(300,354)	3,268	836	75		0
Second program — first issuance	2,297,057		(105,575)	(61,558)	103,749	3,186		2,236,859
	5,325,406		(934,181)	(54,173)	255,529	4,421		4,597,002

Notes to the Financial Statements As of June 30, 2024

14. Accounts Payable

As of June 30, 2024, and December 31, 2023, this caption includes:

<i>In thousands of soles</i>	06.30.2024	12.31.2023
Other accounts payable:		
FONAVI contributions (a)	8,644	8,644
BFH and bonus for improving quality of houses (b)	804,916	766,750
BBP (capital) received from MVCS (c)	19,864	93,437
BBP (capital) assigned to COFIDE (d)	72,001	74,712
Eligible Household Savings to be transferred to technical entities (e)	16,393	7,844
Eligible Household Group Savings to be transferred from Housing Lease Bonus BAV (f)	12,602	13,463
Employees' profit sharing	3,155	6,650
Resources to transfer for executed bank guarantees	4,210	979
Accounts payable to suppliers	7,361	6,068
Vacation, semiannual bonus, bonus and social benefits liquidation payable	2,813	1,136
Balance Due payable for Reconciliation with the MEF	81,822	81,822
Management Agreement Bonus - FONAFE	362	2,346
LAIF Agreement between AFD and Fund (g)	0	0
Eligible Household Savings to be transferred to BAE (h)	204,700	228,566
Resources Recovered from Real estate Trust	66,783	66,783
Other	10,760	6,076
	1,316,386	1,365,276

- (a) The balance of the caption as of June 30, 2024, and December 31, 2023, is as follows:

<i>In thousands of soles</i>	2024	2023
FONAVI contributions pending transfer to the MEF (i)	8,023	8,023
Refund of not collected FONAVI checks (ii)	621	621
	8,644	8,644

- (i) It corresponds mainly to FONAVI contributions pending transfer to the Ministry of Economy and Finance - MEF for collections made by the National Superintendency of Tax Administration - SUNAT of FONAVI contributions made by taxpayers who have tax stability under Law No. 27071.

During 2018, the Fund maintained a balance in thousands of S/ 65,794 and in November 2018 it reclassified in thousands of S/ 57,771 from the account "FONAVI contributions to be transferred to the MEF" to the account "FONAVI collection according to Law No. 26969", for collections that would be subsequently transferred to the Ad Hoc Commission, leaving a balance payable in thousands of S/ 8,023 as of 2018.

- (ii) It corresponds to checks drawn from 1999 to 2016, pending collection by the beneficiary. These checks were issued for the refund of FONAVI contributions according to communications from the National Tax Superintendence - SUNAT, in charge of collecting these resources.

- (b) It corresponds to Household Housing Bonus (BFH) and/or Vulnerable Housing Protection Bonus (BVPP) to be returned to the MVCS or disbursed to technical

Notes to the Financial Statements As of June 30, 2024

entities (builders) for financing the BFH and that of the family groups that accessed the Techo Propio Program.

In 2024, the Fund received resources from the MVCS for this purpose, through Agreements No. 032-2023 for S/ 335,358 thousand respectively.

In 2023, the Fund received resources from the MVCS for this purpose, through Agreements No. 002-2023 and S/ 29,700 thousand respectively, as well as resources from the Regional Government of Arequipa through agreement No. 104-2023 for S/1,090,012 thousand.

- (c) It corresponds to the balance of the monetary funds received from the MVCS, pending allocation to the beneficiaries who request the products offered by the Fund. The Fund makes the allocation of these resources through COFIDE when the disbursements to the IFI for the approved credits are authorized.
- (d) It corresponds to the funds received from the MVCS that were assigned to the credits authorized to the IFI (for the MIHOGAR Project loan and the New MIVIVIENDA Loans), after reviewing compliance with the requirements established in the respective regulations.
- (e) It corresponds to the balances to be paid to the technical entities on behalf of the eligible family groups that accessed the Techo Propio Program and Acquisition of New Housing. This balance includes the savings deposited by the family group in the Fund's accounts.
- (f) It corresponds to the balances payable to the eligible family groups that accessed the Housing Lease Bonus (BAV). This balance includes the savings deposited by the family group in the Fund's accounts.
- (g) It corresponds to the balances pending allocation of the resources received from the AFD (French Development Agency) under the LAIF Agreement. These resources are an aid to subborrowers to compensate for interest not collected by the Fund.
- (h) It corresponds to the balances payable to the eligible family groups that accessed the Emergency Housing Lease Bonus (BAE).

15. Provisions and Other Liabilities

As of June 30, 2024, and December 31, 2023, this caption includes:

<i>In thousands of soles</i>	2024	2023
Provisions and other liabilities		
Provisions (a)	3,271	2,720
Other liabilities (b)	44,788	50,728
	48,059	53,448

- (a) The caption of provisions mainly includes the provision for litigations and demands. These judicial processes are associated with demands for probable labor and contentious contingencies. In the opinion of Management and its legal advisors, the provision recorded amounting to approximately S/ 2'025,000 as of June 30, 2024, is sufficient to cover the risk of loss from such contingencies.

Notes to the Financial Statements As of June 30, 2024

It also includes the provision for credit risk coverage - portfolio sold, the movement of which is shown below:

<i>In thousands of soles</i>	2024	2023
Balance at the beginning of the year	753	973
Additions debited to results	0	90
Recovery of provisions	(0)	(279)
Exchange difference, net	25	31
Balance at the end of the year	778	753

Additionally, it includes the provisions for credit risk coverage of the portfolio sold to the Investment Funds, for approximately S/ 383 thousand and the provision for the new CRC service for approximately S/ 46 thousand.

- (b) Other liabilities mainly include deferred income from rescheduling of accounts receivable from the COFIDE Trust, amounting to approximately S/ 20,789 thousand, and deferred income receivable from the LAIF subsidy amounting to S/ 23,728 thousand.

16. Current Taxes

- (a) Below is the composition of the balance in favor of the current tax:

<i>In thousands of soles</i>	June 30, 2024	December 31, 2023
Income tax provision	(17,612)	(0)
Balance of unused income tax payments on account	6,414	365
ITAN 2024 Payments	18,881	
Unused ITAN loans	31,388	31,023
General sales tax	(56)	(22)
	39,015	31,366

- (b) The composition of the benefit (expense) in the statement of income as of June 2024 and June 2023, respectively, is as follows:

<i>In thousands of soles</i>	June 2024	June 2023
Current	17,612	39,083
Deferred	2,759	18,354
	20,371	20,729

- (c) Below is the reconciliation of the effective income tax rate to the tax rate:

<i>In thousands of soles</i>	June 2024	June 2023
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Notes to the Financial Statements
As of June 30, 2024

Profit before income tax	63,271	100.00%	69,510	100.00%
Theoretical expense	18,665	(29.50%)	20,506	(29.50%)
Plus (minus)				
Net effect of permanent items	1,706	(2.69%)	223	(0.01%)
Income tax	20,371	(32.20%)	20,729	(29.82%)

17. Deferred Income Tax, Net

In Management's opinion, the net deferred income tax asset and liability will be recovered from future taxable gains generated by the Fund in subsequent years, including the portion recorded in equity.

This caption includes:



Notes to the Financial Statements As of June 30, 2024

	Balance	(Charge) credit to	(Charge)	Balance	(Charge) credit to	(Charge)	Balance
<i>In thousands of soles</i>	as of December 31,	income	credit to equity	as of December 31,	income	credit to equity	as of June 30,
	2022			2023			2024
Deferred assets							
Generic allowance for accounts receivable (Trust Agreement - COFIDE)	19,022	1,739	-	20,761	151	-	20,912
Provision for accounts receivable (Trust Agreement - COFIDE) adjustment 2017 (*)	3,458	(650)	-	2,808	(264)	-	2,544
Unrealized losses on valuation of derivatives for hedging purposes	16,019	1,437	29,684	47,140	(1,670)	3,560	49,030
Unrealized losses on available-for-sale investments	74	-	(74)	-	-	-	-
Deferred income from loan portfolio	4,383	(244)	-	4,139	196	-	4,335
Unrealized loss on investments of CRC-PBP Trusts	7	(7)	-	-	-	-	-
Provision of accounts receivable to Prestaperú clients	2,585	-	-	2,585	-	-	2,585
Provision for accounts receivable from ICCGSA	1,119	-	-	1,119	-	-	1,119
Deferred income from rescheduling of accounts receivable COFIDE Trust	7,259	(771)	-	6,488	(356)	-	6,132
Other	4,811	341	17	5,169	(435)	-	4,734
Total deferred assets	58,737	1,845	29,627	90,209	(2,378)	3,560	91,391



Notes to the Financial Statements As of June 30, 2024

Deferred liabilities

Unrealized gain on debt instruments, reclassified from "Available-for-sale investments" to "Investments to maturity"	(476)		240	(236)	-	18	(218)
Leveling for exchange difference of monetary assets and liabilities	(20,728)	(3,773)		(24,501)	136	-	(24,365)
Debts and financial obligations	(2,401)	4		(2,397)	(946)	-	(3,343)
Costs incurred for Issuances	(2,488)	604		(1,884)	429	-	(1,455)
Total deferred liabilities	(26,093)	(3,165)	240	(29,018)	(381)	18	(29,381)
Total net deferred assets	32,644	(1,320)	29,867	61,191	(2,759)	3,578	62,010

(*) As a result of the observation made by the SBS in its Inspection Visit report No. 06-VIG /2017 "C", the Management of the Fund modified the methodology for calculating the provision of doubtful accounts beginning August 1, 2017, determining a deficit of provisions of accounts receivable (Trust Agreement - COFIDE) amounting to S/ 71,027,000 as of July 31, 2017; which, as authorized by the SBS by means of Resolution No. 4907-2017/SBS dated Dec. 20, 2017, was recorded by the Fund in December 2017 reducing the balance maintained in the "Legal Reserve" account of the equity, Note 3.E and 16.B.

During 2018, the Fund reviewed the tax treatment of the aforementioned provision for doubtful accounts and determined the need to record the deferred income tax related to charging the "Legal Reserve". This treatment was authorized and subsequently approved by the SBS through Official Letter No. 02450-2019-SBS dated January 18, 2019, for S/ 20,953,000. In accordance with the SBS accountings practices, the Fund recorded this amount prospectively, presenting it as an equity movement in 2018 with a charge to the deferred asset for income tax, net.

Notes to the Financial Statements As of June 30, 2024

18. Equity

A. Share capital

As of June 30, 2024, and December 31, 2023, the Fund's capital share is represented by 3,562'559,683 subscribed and paid common shares, respectively with a nominal value of one sol per share. Its sole shareholder is the National Fund for the Financing of the Business Activities of the State – FONAFE.

At the General Shareholders' Meeting held on March 25, 2024, it was agreed to capitalize the 2023 profits, net of the legal reserve for S/ 82,952 thousand.

B. Legal reserve

Pursuant to current legislation, the Fund is required to establish a legal reserve for an amount equivalent to at least 35% of its paid-in capital. This reserve is constituted through an annual appropriation of at least 10% of net profits and can only be used to absorb losses or be capitalized, in both cases there is an obligation to replenish it.

The General Shareholder's Meetings held on March 25, 2024, and March 30, 2023, approved the appropriation of legal reserves for profits in 2023 and 2022 of S/ 9,217 thousand and S/ 6,234 thousand, respectively.

C. Adjustments of Equity

This caption includes the unrealized gains (losses) from the valuation of available-for-sale investments from the Fund and CRC and PBP Trusts, and also from derivatives instruments designated as cash flow hedges. Movements in unrealized results during the 2024 and 2023 were as follows, and are presented net of their tax effect:

	Balance as of January 1, 2023	(Charge) / credit to statements of comprehen sive income	Balance as of December 31, 2023	(Charge) / credit to statements of comprehen sive income	Balance as of June 30, 2024
<i>In thousands of soles</i>					
Available-for-sale investments from the Fund					
Unrealized gain (loss) from available-for-sale investments	(253)	253	-	353	353
Unrealized gain (loss) from debt instruments, reclassified from "Available-for-sale investments" to "Investments to maturity"	(4,286)	593	(3,693)	79	(3,614)
	(4,539)	846	(3,693)	432	(3,261)
Income tax	(401)	165	(236)	17	(219)
Subtotal	(4,940)	1,011	(3,929)	449	(3,480)
Cash flow hedges					
Unrealized gain (loss) from cash flow hedge derivatives	(16,979)	(238,080)	(255,059)	98,817	(156,242)
Transfer to profit (loss) of realized gain (loss) from cash flow hedge derivatives	(35,363)	137,372	102,009	(110,888)	(8,879)
	(52,342)	(100,708)	(153,050)	(12,071)	(165,121)
Income tax	15,441	29,709	45,150	3,561	48,711

Notes to the Financial Statements As of June 30, 2024

Subtotal	(36,901)	(70,999)	(107,900)	(8,510)	(116,410)
Total	(41,841)	(69,988)	(111,829)	(8,061)	(119,890)

D. Effective Equity

In June 2008, through Legislative Decree No. 1028, the General Law was amended, being established that the effective equity must be equal to or greater than 10% of assets and contingent credits by total risk corresponding to the sum of: (i) the effective equity requirement for market risk multiplied by 10, (ii) the effective equity requirement for operational risk multiplied by 10, and (iii) the weighted assets and contingent credits by credit risk.

As of June 30, 2024 and December 31, 2023, pursuant to Legislative Decree No. 1028 and amendments, the Fund keeps the following amounts related to weighted assets and contingent credits by risk and effective equity (basic and supplementary), in soles:

<i>In thousands of soles</i>	2024	2023
Weighted assets and contingent credits by risk	433,955	479,612
Total effective equity	3,643,829	3,601,608
Basic effective equity (Level 1)	3,643,722	3,601,608
Global regulatory capital ratio	69.78%	68.18%

As of June 30, 2024 and December 31, 2023, the Fund complies with SBS Resolutions No. 2115-2009 - Regulations for the Effective Equity Requirements for Operational Risk, No. 6328-2009 - Regulations for the Effective Equity Requirement for Market Risk, and No. 14354-2009 - Regulations for the Equity Requirement for Credit Risk, and amendments. These resolutions establish, mainly, the methodologies to be applied by financial entities to calculate the weighted assets and credits for each type of risk.

In July 2011, SBS issued Resolution No. 8425-2011, which establishes that in order to determine the additional effective equity, financial institutions must have a process to evaluate the sufficiency of their effective equity according to its risk profile, according to the methodology described in said Resolution. In application of said regulation, additional effective equity will be equal to the sum of the effective equity requirements calculated for each of the following components: economic cycle, concentration risk, and market concentration risk, interest rate risk in the banking book and other risks.

As of June 30, 2024, and December 31, 2023, the percentage of adaptation established by SBS is 100%, therefore the additional requirement of effective equity estimated by the Fund amounts to S/ 210,608 thousand and S/ 231,674 thousand, respectively.

In Management's opinion, as of June 30, 2024, and December 31, 2023, the Fund has complied with the requirements set forth in the aforementioned resolution and will have no any problem in continuing to comply with them, since the equity covers these requirements completely.

19. Tax Situation

- A. The Fund is subject to the Peruvian tax regime as of June 30, 2024, and December 31, 2023, the Corporate Income Tax rate is 29.5%, on net taxable income as established in Legislative Decree No. 1261, published on December 10, 2016, and effective as of January 1, 2017.

**Notes to the Financial Statements
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In accordance with current Peruvian tax legislation, non-domiciled individuals are taxed only on their Peruvian source income. In general terms, income obtained by non-domiciled individuals for services rendered in our country is subject to income tax at a rate of 30% on a gross basis, unless a Double Taxation Avoidance Agreement (DTA) is applicable. Currently, Peru has signed DTA with the Andean Community, Chile, Canada, Brazil, Portugal, Switzerland, Mexico and South Korea, and has also signed a DTA with Japan (Supreme Decree No. 31098, ratifying Supreme Resolution No. 060-2020-RE, which entered into force on January 29, 2021).

For the purposes of technical assistance services or digital services provided by non-domiciled subjects in favor of domiciled subjects, the place of provision of such services will be indistinct and, in all cases will be subject to income tax at a rate of 15% and 30% on a gross basis, respectively, as long as the application of the DTA does not apply, and therefore no withholding would be applied. The rate applicable to technical assistance services will be 15%, provided that the requirements set forth in the Income Tax Law are met. As indicated in the previous paragraph, the withholding rate in these cases may vary or even the withholding may not be applicable if the provisions of a DTA in force are used.

Temporary tax on net assets

- B. The Fund is subject to the Temporary Tax on Net Assets, the taxable base of which is constituted by the value of the net assets adjusted at the year-end closing prior to the one in which the payment corresponds, deducting depreciation, amortization, reserve requirements and specific provisions for credit risk. The tax rate is 0.4% for 2024 and 2023, applicable to the amount of net assets exceeding S/ 1 million. The aforementioned tax may be paid in cash or in nine successive monthly installments. The amount paid may be used against the payments on account of the General Income Tax Regime for the tax periods from March to December of the taxable year for which the tax was paid up to the due date of each of the payments on account and against the income tax regularization payment of the taxable year to which it corresponds. In the event that a remaining balance is not applied, it may be requested as a refund.
- C. Pursuant to Article 2 of Law No. 31104, SUNAT has 30 working days from the date the application is filed to make the refund of the Net Assets Tax for the year, after which the taxpayer may consider it approved. For the year 2024, according to the presentation of the Affidavit for the year 2023, the Fund filed a refund of the unused ITAN balance of S/ 31'022,831 (thirty-one million twenty-two thousand eight hundred and thirty-one soles) and through file No. 2024-698400 dated 07.18.2024 the Fund filed the request for the refund of the unused ITAN in the year 2023, at the date of this document it is awaiting SUNAT's response.

Financial transaction tax

- D. For 2024 and 2023, by means of Law No. 29667, the Financial Transaction Tax rate is modified to 0.005% and is applicable on charges and credits in bank accounts or movements of funds through the Financial System, unless exempted.

Tax review by the tax authority

**Notes to the Financial Statements
As of June 30, 2024**

- E. The Tax Authority has the power to review and, if applicable, correct the income tax calculated by the Fund in the four years following the tax filing year. The Fund's income tax and general sales tax returns for the years 2019 to 2023 are pending audit by the Tax Authority. It should be noted that in 2022 there was a partial audit of the third category of income tax for the year 2018. In fiscal year 2024, through Letter No. 240011838120-1-SUNAT, the Fund is undergoing a definitive audit process for fiscal year 2021, being the audited tax "Third Category Income".

Thus, in the opinion of Management and its legal advisors, these tax processes and the years pending tax review will not generate significant liabilities that impact the Fund's financial results, which is in accordance with IFRIC 23.

Due to the possible interpretations that the Tax Authority may give to the legal norms in force, it is not possible to determine, at this date, whether or not the reviews will result in liabilities for the Fund; therefore, any higher taxes, late payment interest and penalties that may result from possible tax reviews would be applied to the results of the year in which they are determined. However, in the opinion of Management and its in-house legal advisors, any additional tax assessments would not be material to the Fund's financial statements as of June 30, 2024, and December 31, 2023.

General sales tax regime

- F. In accordance with Law No. 31651, the exemption of Appendix I and II of the General Sales Tax Law is extended until December 31, 2025.

Other laws, regulations, resolutions with tax implications

- G. As of November 13, 2023, Law No. 30424 - Law that regulates the Administrative Liability of Legal Entities was amended, which incorporated new assumptions of administrative liability of legal entities; thus, Law No. 31740 includes the catalog of crimes for which a legal entity or foreigner acquires liability according to the Criminal Tax Law. The crimes include tax fraud, failure to comply with the obligation to keep books and accounting records, among others.
- H. As of 01.01.2024, for third category income tax purposes, according to LD No. 1545, it is presumed that all loans in local currency accrue interest at a rate not lower than the monthly average active market rate in domestic currency (TAMN) published by the SBS, which will be multiplied by the factor 0.42; likewise, for loans in foreign currency, it is presumed that they accrue interest at a rate not lower than the monthly average market rate in foreign currency (TAMEX) published by the SBS, which will be multiplied by the factor 0.65.
- I. Pursuant to Superintendence Resolution 145-2024/SUNAT, the opportunity to keep their Purchase and Sales Records in the Integrated System of Electronic Records - SIRE, is postponed until January 2025.

20. Contingent Risks and Commitments

As of June 30, 2024, and December 31, 2023, the risks and contingent commitments correspond to the portion covered by the Fund of the portfolio sold in 2007 to BBVA Banco Continental, Banco

Notes to the Financial Statements As of June 30, 2024

de Crédito del Perú, Banco Internacional del Perú - Interbank and Scotiabank Peru S.A.A. These are updated according to the recovery of the portfolio.

As of June 30, 2024, the derivative contracts hedge the exchange rate risk of: USD - EUR for 1) Issuances 2) Debts and 3) Investments. These contracts are signed with: National banks such as: BBVA, Citibank Peru and Scotiabank Peru and foreign banks such as: Merrill Lynch, JP Morgan, Santander NA, Citibank NA, Morgan Stanley and Nova Scotia

21. Interest Income and Expenses

This caption includes:

<i>In thousands of soles</i>	06.30.2024	06.30.2023
Interest income		
Cash	54,594	77,801
Investments	1,718	3,386
Direct loan portfolio	2,245	3,029
Accounts receivable	350,211	312,229
Other financial income	5	27
	408,773	396,472
Interest expenses (b)		
Securities and bonds outstanding	88,854	130,136
PBP (capital) granted by the Fund	8,864	19,013
Borrowings and financial obligations	140,126	57,380
PBP (capital and interest) - CRC and PBP Trust	439	587
	238,283	207,116

(a) In the years 2024 and 2023, it corresponds to the interest on accrued returns of the Accounts receivable (Trust Agreement – COFIDE) by S/ 352,716 thousand and S/ 316,471 thousand, respectively, which includes the accrued interest of the reprogrammed portfolio by S/ 1,343 thousand and S/ 1,145 thousand, respectively, net of interest proceeds of the Good Payer Award Bonus by S/ 4,405 thousand and S/ 5,669 thousand, respectively.

(b) In 2024, it mainly corresponds to:

Securities and bonds outstanding, the decrease in this item is mainly due to the cancellation in February 2024 of the interest accrued on the global issuance of soles depositary notes, which generated a variation in interest expense for the year of S/ 39.60 million, netted by a lower interest expense due to the cancellation in January 2023 of the balance of the 1st and reopening of the 1st international issuance of S/ 2.03 million.

The caption of Debts and financial obligations, due to new debts disbursed by Banco Scotiabank Perú for a total of S/ 200MM which generated a higher interest expense of S/ 4.66MM, Banco Bilbao Vizcaya Argénaria for a total of S/ 612MM which generated an interest expense of S/ 12. 2MM, disbursed KfW and AFD for a total of EUR 53MM which generated a higher interest expense with respect to the previous year of KfW and AFD for S/ 8.8MM, and for the interest expense of JP Morgan for S/ 44.72MM, for the higher interest expenses of Banco de la Nación and BBVA generating a higher interest expense with respect to the previous year for S/ 12.29MM.

Notes to the Financial Statements As of June 30, 2024

The caption (capital) granted by the Fund, decreased in PBP Capital - down payment for S/ 7.5MM, PBP New Capital MIVIVIENDA - Without BBP of MVCS for S/ 1.67MM, PBP of traditional housing for S/ 900 thousand, PBP - New Products for S/ 149 thousand.

22. Financial Service Revenue and Expense

This caption includes:

<i>In thousands of soles</i>	2024	2023
Income from financial services		
Commission for CRC and PBP services	1,009	1,076
Execution of letters of guarantee constituted by technical entities - BFH and family savings	1,523	2,070
Other	140	102
	2,672	3,248
Expenses from financial services		
Loan portfolio management service	(830)	(1,072)
Securities custody service and banking fees	(139)	(202)
Other	(39)	(5)
	(1,008)	(1,279)

23. Result from Financial Operations

This caption includes:

<i>In thousands of soles</i>	06.30.2024	06.30.2023
Available-for-sale Investments	31	0
Loss on hedging derivative financial products	(599)	2,067
Gain on trading derivative instruments	(57,211)	(63,782)
Exchange loss	1,397	(3,865)
Other	94	(468)
Result from financial operations	(56,288)	(66,048)

24. Administrative Expenses

This caption includes:

<i>In thousands of soles</i>	06.30.2024	06.30.2023
Personnel and Board of Directors expenses		
(a)	16,831	19,453
Services received from third parties (b)	11,395	12,004
Taxes and contributions	229	366
	28,455	31,823

(a) The table below presents the composition of personnel and Board of Directors expenses:

Notes to the Financial Statements As of June 30, 2024

<i>In thousands of soles</i>	06.30.2024	06.30.2023
Remunerations	6,876	5,807
Employees' profit sharing	3,142	6,972
Gratuities	1,245	1,162
Management Agreement Bonus - FONAFE	378	531
Social security contributions	1,082	979
Compensation for service time	721	636
Vacation	626	22
Food services	454	449
Other Bonuses	442	753
Internship Subsidy	561	597
Remuneration to the Board of Directors' members	126	114
Personnel clothing	449	294
Training	219	140
Oncology insurance	100	86
Other	410	911
	16,831	19,453

(b) The table below presents the composition expenses of services received from third parties:

<i>In thousands of soles</i>	06.30.2024	06.30.2023
Fees and consultancy	2,156	1,440
Property and good rentals	869	1,803
Expenses related to bonds issued	459	681
Repair and maintenance	1,380	1,489
Miscellaneous management services	1,190	1,108
Shared information and communications technology services – FONAFE	1,030	1,313
Communications	494	686
Insurance	695	1226
Other expenses	1,490	868
Telemarketing services	408	449
Advertising	894	641
Document storage	72	93
Miscellaneous supplies	71	101
Transport	106	63
Travel expenses	81	43
	11,395	12,004

25. Other Income and Expenses

It includes the following:

<i>In thousands of soles</i>	06.30.2024	06.30.2023
Other income		
Revenues from Ex - CONEMINSA portfolio	7	36
Reversal of Provision COFIDE Trust-Sold Portfolio 2007	222	260
Other income	853	842
Other expenses	(74)	(45)
Total other income and expenses, net	1,008	1,093

Notes to the Financial Statements As of June 30, 2024

26. Contingencies

As of June 30, 2024 and December 31, 2023, the Fund maintains the following contingency processes:

Various labor processes related to its operations referring to lawsuits for payment of profits and reimbursement of social benefits, recording a provision of approximately S/ 2,004,000 thousand as of June 30, 2024 (S/ 1,491,000 thousand as of December 31, 2023), as well as, the provision for the contentious process has been recorded approximately S/ 21,000 thousand (S/ 21,000 thousand as of December 31, 2023). In the opinion of the Fund's Management and its legal advisors, the provision for legal contingencies recorded as of June 30, 2024, and December 31, 2023, is adequate to cover these contingencies.

Various constitutional processes (amparo actions) related to the restitution of labor rights to former workers of the Fund. Likewise, processes originated by discrimination in the right to participate in awarding and contracting processes, cancellation of registration of technical entities due to violations committed. In the opinion of the Fund's Management and its legal advisors, such contingencies will not generate possible losses at the end of such processes.

27. Financial Risk Management

The Fund's activities are mainly related to the credit placement of resources through financial institutions in the country to natural persons for the acquisition of housing. These financial institutions are evaluated and assigned a long-term line of credit. Likewise, the Fund participates in efforts to encourage construction and the promotion of housing and manages resources received from the State (such as the Household Housing Bonus) and its own, investing them, mainly in remunerated current accounts and time deposits, investments of fixed income and investment grade, with the purpose of making them profitable and preserving their value over time, ensuring the necessary liquidity to comply with their obligations and credit activities.

In this sense, the financial risk management comprises the administration of the main risks, which the Fund faces due to the nature of its operations; these are: credit, market, liquidity and operating risks.

- Credit risk: the possibility of losses due to the inability or unwillingness of debtors, issuers, counterparties or obligated third parties to fulfill their contractual obligations.
- Market risk: is the possibility of losses in the value of positions held, derived from variations in market conditions. It generally includes exchange rate risk, interest rate risk, price risk, among others.
- Liquidity risk: the possibility that the Fund cannot meet with the payment at maturity of its obligations incurring losses that significantly affect its equity position.
- Operating risk: the possibility of losses due to inadequate processes, staff failures, information technology (IT) or external events.

In order to manage said risks, the Fund has a structure and organization specialized in the management, measurement and reporting systems, and mitigation and coverage processes.

(i) Structure and organization of risk management -

The Fund has a governance and management structure that allows it to articulate the management and control of the risks it faces.

Notes to the Financial Statements As of June 30, 2024

Board of Directors -

The Fund's Board of Directors is responsible for establishing an adequate integrated management of risks and for fostering an internal environment that facilitates its development. The Board of Directors is permanently informed about the degree of exposure to the various risks it faces.

The Board of Directors has created a number of specialized committees in which it has delegated specific functions with the objective of strengthening risk management and internal control.

Risk Committee -

The Risk Committee (hereinafter "RC") is a collegiate body created by agreement of the Board of Directors. By delegation of the Board of Directors and within the limits set by it, it may approve the policies and organization for integral management of risks, as well as the modifications that are made to them. The Committee defines the level of tolerance and the degree of exposure to risk that the Fund is willing to assume in the development its business and decides the needed actions for the implementation of corrective measures required, in case there are deviations from the levels of tolerance to the risk and the degrees of exposure assumed. The Committee meets monthly and is made up of a minimum of three, one of whom chairs the Committee, plus the General Manager and the Risk Manager. The Committee reports periodically to the Board of Directors the agreements reached and issues discussed in the Risk Committee meetings.

Special Audit Committee -

The Special Audit Committee (hereinafter "the Special Committee") is a division created in a Board of Directors Meeting. Its main purpose is to assist the Board of Directors in its purpose of ensuring that the accounting and financial reporting processes are appropriate, evaluating the activities carried out by internal and external auditors and monitoring the proper functioning of the internal control system. The Committee is comprised of three members of the Board of Directors who do not hold executive positions in the Fund.

The General Manager and Head of the Internal Audit Office, as well as the officials that the Special Committee deems necessary, participate as guests at the meetings of the Special Committee.

The Special Committee meets at least once a month and reports quarterly to the Board of Directors on the topics discussed. However, it may meet as often as necessary depending on the priority and number of issues to be discussed, when determined by the Chairman of the Committee or when requested by at least two of its members.

Assets and liabilities management committee -

The Assets and Liabilities Management Committee ("ALCO") is a collegiate body created by Board of Directors agreement. Its main function is to manage the financial structure of the Fund's statement of financial position, in accordance with the profitability and risk targets. The Committee is also responsible for proposing new products or operations or strategies that contain market and liquidity risk components. It is also the communication channel with the areas that generate market and liquidity risk. The Committee meets monthly and is comprised by the General Manager, Commercial Manager, Finance Manager and Risk Manager.

Notes to the Financial Statements As of June 30, 2024

General management -

The General Manager is responsible for implementing an adequate integral management of risks in the Fund. He manages and coordinates the efforts of the different management and offices, ensuring an adequate balance between risk and profitability. Risk Management is a line organism and depends directly on the General Management; this management is in charge of proposing the policies, procedures and methodologies for a competent comprehensive risk management, promotes the alignment of the measures of treatment of the Fund's risks with the levels of appetite and risk tolerance and the development of appropriate controls. The Risk Management is comprised of the Market Risk, Liquidity and Operational Department and the Credit Risk and Portfolio Tracking Department.

Internal audit -

The Internal Audit Office reports functionally to the Board of Directors and administratively to the General Manager. It provides independent services, and assurance and consultation objectives. It assists the Fund in achieving its objectives by applying a systematic and disciplined approach to assessing and improving the effectiveness of governance, risk management and control processes.

Its organization and operation are in accordance with the General Law and the Regulation of Internal Audit.

(ii) Risk measurement and reporting systems -

The Fund uses different risk management models and tools for risk management. These tools measure and assess risk to make better decisions at different stages of the credit life cycle or of an investment.

Management indicators are reviewed and analyzed on an ongoing basis in order to identify possible deviations in the risk profile from the stipulated risk appetite and to take corrective measures in a timely manner. This information is presented monthly to the CR Committee and periodically to the Board of Directors.

(iii) Risk concentration -

Through its policies and procedures, the Fund has established the necessary guidelines and mechanisms to avoid an excessive concentration of risks. In the event that a concentration risk is identified, the Fund has specialized units that allow it to control and manage said risk.

(a) **Market risk -**

Market risk is the probability of loss due to variations in financial market conditions. The main variations in market conditions to which the Fund is exposed are the exchange rate and interest rates, which may affect the value of its financial assets and liabilities. The Fund separates market risk exposures as follows:

Value at risk.-

Value at risk (VaR) is a statistical technique that measures the maximum loss that a financial asset or a portfolio of financial assets can experience within a time horizon, given a level of confidence. The VaR model used by the Fund is the Historical VaR for foreign currency exposures (VaR Exchange) and for the investment portfolio (VaR of Interest Rates), both with a confidence level of 99% and a liquidation period of 10 days.

Notes to the Financial Statements As of June 30, 2024

It should be mentioned that this method does not assume any distribution function for gains and losses, and is based only on the observed historical behavior.

Interest rate risk.-

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or financial instruments fair values. The risk of the cash flow interest rate is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The risk on the fair value of interest rates is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The impact of changes in interest rates can be presented in two ways: the first, which translates into an impact on expected earnings, directly related to reinvestment risk and the risk that is generated when movements in interest rates Interest expose the entity to higher costs in financing operations (passive interest rates); or lower returns on their investment operations (active interest rates). The second is related to the valuation of the assets and liabilities of the Fund and, therefore, with the economic value or real value of the equity of the same. This modality occurs when the market interest rates change, used for the valuation of the various instruments that form part of the financial statement of the Fund.

The SBS denominates these two impacts, as Gains at Risk (EAR) and Value at Risk (VAR), which are indicators of short-and long-term structural rate risk, respectively.

As of June 30, 2024 and December 31, 2023, the Fund monitors that the gains at risk are below the regulatory limit of 5% of the net equity. Likewise, for the equity value at risk, the Fund has established an internal limit of 20% for the equity value at risk for both the regulatory calculation and the internal calculation.

As of June 30, 2024, the interest rate risk of the fixed income portfolio is monitored through the calculation of the market value of each investment instrument recorded as available-for-sale divided by its acquisition cost. According to the Investment Policies and Procedures Manual, if the indicator falls 5% or more, the Finance Management, prior opinion of the Risk Management, brings it to the attention of the Assets and Liabilities Management Committee, which will determine if the causes of the deterioration in value are due to market factors or changes in the conditions of the issuer, in order to decide whether to maintain, reduce or eliminate the position in the instrument. It is worth mentioning that at the end of June 2024, the Fund has a portfolio of fixed income instruments registered as available for sale of S/ 37.09 million.

The management of structural interest rate risk is made through the monitoring and reporting of regulatory indicators: gains at risk and equity at risk. These indicators are derived from the regulatory annexes required by the SBS: Annex 7-A "Measuring of the Interest Rate Risk - Gain at Risk" and Annex 7-B "Measuring of Interest Rate Risk – Equity Value". The results of the indicators are reported to the Risk Committee and the Asset and Liability Management Committee, which decide on actions to mitigate exposure to interest rate risk.

Repricing gap.-

In order to determine the impact of interest rate movements, an analysis of repricing gaps is performed. The analysis consists of allocating the balances of the operations that will change the interest rate in different time gaps. Based on this analysis, the impact for each gap of the change in the valuation of assets and liabilities is calculated.

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As of June 30, 2024**

The following table summarizes the Fund's exposure to interest rate risk. The Fund's financial and non-financial instruments are presented at carrying amount, classified by the period of the contract's interest rate repricing or maturity date, whichever occurs first:



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	June 2024						
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Non-interest- bearing	Total
	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000
Assets							
Cash	1,778,147	4,717	20,230	241,603	47,139	-	2,091,836
Investments	23,513	2,821	11,465	43,159	21,834	-	102,792
Accounts receivable (Trust agreement - COFIDE), net	58,868	111,190	515,556	3,509,830	6,836,406	-	11,031,850
Loan portfolio, net	224	430	1,908	10,185	6,204	-	18,951
Other accounts receivable, net	-	-	-	-	23,509	-	23,509
Hedging derivatives	-	-	-	-	-	64,679	64,679
Other assets, net	-	-	-	-	-	114,756	114,756
Total assets	1,860,752	119,158	549,159	3,804,777	6,935,092	179,435	13,448,373
Liabilities and equity							
Obligations with the public	-	-	237	-	-	-	237
Borrowings and financial obligations	-	154,310	622,717	3,360,175	1,021,990	-	5,159,192
Securities and bonds outstanding	23,237	-	-	3,109,275	-	-	3,132,512
Hedging derivatives	-	-	-	-	-	256,806	256,806
Other accounts payable, provisions and other liabilities	1,026,877	-	-	-	-	337,568	1,364,445
Equity	-	-	-	-	-	3,535,184	3,535,184
Total liabilities and shareholder's equity	1,050,114	154,310	622,954	6,469,450	1,021,990	4,129,558	13,448,376
Off-balance sheet accounts:							
Hedge derivatives financial instruments (assets)	-	-	-	-	-	4,915,465	4,915,465
Hedge derivatives financial instruments (liability)	-	-	-	-	-	38,310	38,310
Marginal gap	810,638	(35,152)	(73,795)	(2,664,673)	5,913,102	927,032	4,877,152
Accumulated gap	810,638	775,486	701,691	(1,962,982)	3,950,120	4,877,152	



Notes to the Financial Statements As of June 30, 2024

	2023						
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Non-interest- bearing	Total
	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000
Assets							
Cash	2,753,041	-	19,022	253,456	44,045	-	3,069,564
Investments	-	1,422	4,400	25,296	21,801	-	52,919
Accounts receivable (Trust agreement - COFIDE), net	49,510	118,574	500,776	3,426,107	6,724,559	-	10,819,526
Loan portfolio, net	216	465	1,958	10,777	7,851	-	21,267
Other accounts receivable, net	-	-	-	-	24,032	-	24,032
Hedging derivatives	-	-	-	-	-	59,560	59,560
Other assets, net	-	-	-	-	-	110,033	110,033
Total assets	2,802,767	120,461	526,156	3,715,636	6,822,288	169,593	14,156,901
Liabilities and equity							
Obligations with the public	-	-	234	-	-	-	234
Borrowings and financial obligations	-	-	339,911	2,864,071	1,082,146	-	4,286,128
Securities and bonds outstanding	22,778	1,539,552	-	3,034,672	-	-	4,597,002
Hedging derivatives	-	-	-	-	-	354,493	354,493
Other accounts payable, provisions and other liabilities	1,013,629	-	-	-	-	405,095	1,418,724
Equity	-	-	-	-	-	3,500,324	3,500,324
Total liabilities and shareholder's equity	1,036,407	1,539,552	340,145	5,898,743	1,082,146	4,259,912	14,156,905
Off-balance sheet accounts:							
Hedge derivatives financial instruments (assets)	-	-	-	-	-	4,574,499	4,574,499
Hedge derivatives financial instruments (liability)	-	-	-	-	-	111,270	111,270
Marginal gap	1,766,360	(1,419,091)	186,011	(2,183,107)	5,740,142	372,910	4,463,225
Accumulated gap	1,766,360	347,269	533,280	(1,649,827)	4,090,315	4,463,225	



Notes to the Financial Statements As of June 30, 2024

Sensitivity to changes in interest rates.-

The sensitivity of the income statement to interest rate fluctuations is shown below. Fluctuations affect both the expected flows and the value of the balances of assets and liabilities.

In the case of the income statement, the calculation reflects the expected variation of the financial margin for a period equivalent to one year. This is done by considering the current income and expense position and the effect of the variation in rates is annualized. The figures express the expected change in the value of assets minus liabilities for various time gaps. Likewise, it includes the effect of the derivative financial instruments that are subject to interest rates.

The interest rate fluctuations considered are applied equally along the entire yield curve; that is, a parallel movement of the curve is considered. The effects are considered independently for each of the two currencies presented.

The gap calculations are based on the interest rate risk regulatory model approved by the SBS in force at the date of the statements of financial position. The sensitivities are calculated before the Income Tax effect.

Exposure to changes in interest rates is supervised by the Asset and Liability Management Committee, as well as by the Risk Committee, which approves the maximum allowable limits.

The effect of the estimated changes in interest rates as of June 30, 2024 and December 31, 2023, is as follows:

June 2024			
	Change in basic points	Net income sensitivity	Equity sensitivity
		S/ 000	S/ 000
U.S. Dollars	+ / - 25	286	2
U.S. Dollars	+ / - 50	571	4
U.S. Dollars	75	857	5
U.S. Dollars	100	1,142	7
Soles	+ / - 50	2,321	17,889
Soles	+ / - 75	3,482	26,834
Soles	+ / - 100	4,643	35,778
Soles	+ / - 150	6,964	53,667



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	2023			
	Change in basic points	Net income sensitivity	Equity sensitivity	
		S/ 000		S/ 000
U.S. Dollars	+ / - 25	329		12
U.S. Dollars	+ / - 50	658		24
U.S. Dollars	75	987		35
U.S. Dollars	100	1,316		47
Soles	+ / - 50	1,112		17,730
Soles	+ / - 75	1,668		26,596
Soles	+ / - 100	2,224		35,461
Soles	+ / - 150	3,337		53,191

(a) Currency risk.-

The exchange rate risk is related to the variation of the positions both on and off the statements of financial position that may be negatively affected by exchange rate movements.

The Board of Directors sets limits to the exposure to foreign exchange risk and monitors them daily. Most assets and liabilities designated in foreign currency are held in U.S. dollars and euros.

Exchange rate risk is controlled from an internal hedge limit, which is in the range of 95% and 105% with respect to the Fund's exchange position in foreign currency. The Fund also has an internal limit on the value at risk of the global position equal to 0.75% of its effective equity.

The Fund monitors the foreign exchange risk through the internal hedge limit on the accounting foreign currency position. Maximum losses from adverse exchange rate movements are calculated using an internal value-at-risk model.

The results of the regulatory and internal value-at-risk model (at 99% confidence and with a 10-day liquidation period) are shown below:

	June 2024		2023	
	S/ 000	%	S/ 000	%
Internal model	433	0.01%	2,983	0.08%
Global position	42,044	1.16%	18,751	0.52%

Operations in foreign currency are carried out at free market exchange rates.



Notes to the Financial Statements As of June 30, 2024

As of June 30, 2024, the weighted average exchange rate of the free market published by the SBS for the accounting of assets and liabilities in foreign currency is as follows:

	Symbol	2024	2023
		S/	S/
USD	US\$	3.831	3.709
Euro	€	4.10479	4.099702

The Fund manages currency risk through the matching of its asset and liability operations, monitoring the global currency position on a daily basis. The Fund's global exchange position is equal to long positions minus short positions in currencies other than the Sol. The global position includes spot positions and also derivative positions.

Following are the sensitivities for U.S. dollar and euro. Negative variations represent potential losses, while positive variations represent potential earnings.

	Changes in exchange rates	June 2024	2023
		S/ 000	S/ 000
Sensitivity analysis			
Revaluation			
U.S. Dollar	5%	1,862	697
U.S. Dollar	10%	3,725	1,394
Devaluation			
U.S. Dollar	5%	(1,862)	(697)
U.S. Dollar	10%	(3,725)	(1,394)

	Changes in exchange rates	June 2024	2023
		S/ 000	S/ 000
Sensitivity analysis			
Revaluation			
Euro	5%	240	241
Euro	10%	480	481
Devaluation			
Euro	5%	(240)	(241)
Euro	10%	(480)	(481)

(b) Liquidity risk.-

Liquidity risk consists of the inability of the Fund to meet the maturity of its obligations by incurring losses that significantly affect its equity position. This risk can manifest itself as a



Notes to the Financial Statements

As of June 30, 2024

result of various events, such as unexpected reduction of funding sources, inability to liquidate assets quickly, among others.

Liquidity risk management focuses on the development of an asset and liability portfolio, seeking to diversify funding sources in order to achieve a match between the terms of assets and liabilities.

The internal control indicators are the internal liquidity ratio, liquidity gaps, resource duration analysis and stress analysis. These internal control indicators are prepared in accordance with internal and regulatory methodologies (contained in the Fund's Liquidity Risk Policy and in the SBS methodological notes for the preparation of regulatory liquidity annexes, respectively). In any event that could give rise to a liquidity risk, the Fund has a liquidity contingency plan, which considers the liquidation of certain assets, debt issuance or debt collection.

The liquidity risk is managed through the analysis of contractual maturities. The main component of the Fund's assets are accounts receivable (Trust Agreement - COFIDE). Maturities are based on the monthly maturities of the loans made. Another component of the assets is the investments on maturity and available for sale, which are distributed according to contractual term. To date, there is only exposure in investments to maturity.



Notes to the Financial Statements As of June 30, 2024

As of June 30, 2024 and December 31, 2023, the Fund's obligations presented in accordance with the agreed contractual terms, undiscounted and including accrued interest, are as follows:

	Jun 2024					
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
Financial liabilities						
Obligations with the public	-	-	237	-	-	237
Borrowings and financial obligations	-	154,310	622,717	3,360,175	1,021,990	5,159,192
Securities and bonds outstanding	23,237	-	-	3,109,275	-	3,132,512
Accounts payable	1,042,104	196	4,036	-	270,126	1,316,462
Total non-derivative financial liabilities	1,065,341	154,506	626,990	6,469,450	1,292,116	9,608,403
Derivative financial liabilities						
Contractual amounts receivable (inflow)	-	132,941	540,947	4,031,659	934,247	5,639,794
Paid contractual amounts (outflows)	-	(148,749)	(666,380)	(4,390,832)	(975,906)	(6,181,867)
	-	(15,808)	(125,433)	(359,173)	(41,659)	(542,073)
	2023					
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
Financial liabilities						
Obligations with the public	-	-	234	-	-	234
Borrowings and financial obligations	-	-	339,911	2,864,071	1,082,146	4,286,128
Securities and bonds outstanding	22,778	1,539,552	-	3,034,672	-	4,597,002
Accounts payable	1,022,863	6,838	849	-	334,639	1,365,189
Total non-derivative financial liabilities	1,045,641	1,546,390	340,994	5,898,743	1,416,785	10,248,553
Derivative financial liabilities						
Contractual amounts receivable (inflow)	37,627	108,120	512,445	3,783,730	-	4,441,922
Paid contractual amounts (outflows)	(37,090)	(119,065)	(634,787)	(4,268,358)	-	(5,059,300)
	537	(10,945)	(122,342)	(484,628)	-	(617,378)



Notes to the Financial Statements As of June 30, 2024

(b) Credit risk -

It is defined as the likelihood of incurring in financial losses originated from the breaching of the contractual obligations by a counterpart or bound third parties due to insolvency, inability or lack of willingness to pay.

The Fund opts for a risk policy that ensures sustained and profitable growth; for this purpose, incorporates analysis procedures for adequate decision-making, tools and methodologies to identify, measure, mitigate and control the different risks in the most efficient manner and in accordance with the SBS. It also develops management models that allow an adequate measurement, quantification and monitoring of the credits granted to IFI, promoting the continuous improvement of policies, tools, methodologies and processes.

The exposure to Fund's credit risk is managed through the continuous analysis of the capacity of the debtors to comply with the payments of interest and capital of their obligations and through the monitoring of the use of the General Credit Line granted to the IFI.

(c) Maximum exposure to credit risk -

As of June 30, 2024, and December 31, 2023, the Fund Management has estimated that the maximum amount of credit risk to which the Fund is exposed is represented by the book values of financial assets that present a credit risk exposure and that consist mainly of bank deposits, available-for-sale investments, investments to maturity, accounts receivable, loan portfolio, transactions with derivative financial instruments and other monetary assets. Exposure by each counterparty is limited by internal and regulatory guidelines.

In this regard, as of June 30, 2024, and December 31, 2023:

- 100% of the accounts receivable (Trust Agreement - COFIDE) are classified, according to IFI risk, into the two upper levels defined by the SBS (Note 7).
- For both dates, 100% of the available-for-sale investments and investments to maturity of the instruments classified abroad have at least a BBB- classification, for long-term instruments.
- 100% and 100%, respectively, of the available funds represent the amounts deposited in first-level local financial institutions.

With respect to the evaluation of the accounts receivable, (Trust Agreement - COFIDE), and the loan portfolio, the Fund classifies the borrowers into the risk categories established by the SBS and according to the classification criteria indicated for each



Notes to the Financial Statements As of June 30, 2024

type of credit: that is, for the debtors of the mortgage portfolio. The classification of the debtors is determined by a methodology based on the criteria of Resolution SBS No. 11356-2008 "Regulation for the evaluation and classification of the debtor and the requirement of provisions" and their modifications, Notes 4.C and 4.D.

(i) Credit risk management for accounts receivable (Trust Agreement - COFIDE) -

Credit risk is managed mainly through the admission, monitoring and control of the IFI.

Credit risk analysis in IFI is mainly based on: (i) economic, financial and commercial evaluation, (ii) evaluation of market development, (iii) evaluation of IFI management, (iv) evaluation of funding sources and real estate projects to be developed, (v) evaluation of guarantees and collateral, (vi) evaluation of the economic sector.

The main functions of credit risk management are: (i) credit risk analysis of the IFI, (ii) classification and provisioning of the IFI, (iii) review of the IFI's loan portfolio, through the evaluation of its credit policies, operating procedures, and in general, and (iv) monthly monitoring and control of the IFI based on internally defined financial indicators.

Loans financed by the Fund are included in local currency. It is important to note that the Fund still maintains loan balances in US dollars, which correspond to the first products it disbursed (as of June 30, 2024, and December 31, 2023, the US dollar portfolio represents 0.12% and 0.15% of the total portfolio, respectively).

As of June 30, 2024, and December 31, 2023, the maximum credit risk exposure level of the Accounts Receivable Fund (Trust Agreement - COFIDE) is S/ 11,323,025 thousand and S/ 11,087,209 thousand, respectively, which correspond to the balances at those dates.

In accordance with the Resource Channeling Agreements between the Fund and the IFI, the IFI is responsible for about the constitution of mortgage guarantee for each sub borrowing.

Due to its role as trustee, COFIDE has mechanisms through the Resource Channeling Contracts signed with the IFI, which ensure the mass of mortgage loans placed by the Fund, for which the IFI must respond.

The evaluation and proposal of the credit line are carried out by Commercial Management. The Risk Management reviews the proposal, analyzes the risks, issues a conclusive opinion and submits the proposal to the Risk Committee for approval or denial.

As of June 30, 2024, Accounts Receivable (Trust Agreement – COFIDE) without CRC, classified by IFI Risk are as follows:



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	June 2024		2023	
	S/ 000	%	S/ 000	%
Normal	7,194,916	100.59%	7,372,557	100.47%
With potential problem	9,318	0.13%	17,611	0.24%
		100.72%		100.71%
Recoveries (allowance) for other accounts receivable				
(Trust Agreement - COFIDE)	(51,630)	-0.72%	(52,048)	-0.71%
	7,152,604	100.00%	7,338,120	100.00%

Credit risk management in investments -

The Fund controls the credit risk of its investments based on the risk assessment of issuers and instruments. In the case of investments abroad, the assessment takes into account the ratings issued by international agencies as well as the country-risk of the issuer's country, which is assessed considering its main macroeconomic variables.

As of June 30, 2024, and December 31, 2023, the risk classification of the available-for-sale investments and investments to maturity held by the Fund is as follows:



Notes to the Financial Statements As of June 30, 2024

In thousands of soles	June 2024				2023			
	Available-for-sale Investments		Investments to maturity		Available-for-sale Investments		Investments to maturity	
	S/ 000		S/ 000		S/ 000		S/ 000	
Instruments issued and rated in Peru								
AAA	-	-	-	-	-	-	-	-
AA- to AA+	-	-	29,115	97.89%	-	-	31,088	58.75%
CP- 1(+ / -)	-	-	-	-	-	-	-	-
CP- 2(+ / -)	-	-	-	-	-	-	-	-
	-	-	29,115	97.89%	-	-	31,088	58.75%
Instruments issued in Peru and rated abroad								
A- to A+	-	-	-	-	-	-	-	-
BBB- to BBB+	27,838	97.41%	-	-	-	-	21,194	40.05%
BB- to BB+	-	-	-	-	-	-	-	-
	27,838	97.41%	-	-	-	-	21,194	40.05%
	27,838	97.41%	29,115	97.89%	-	-	52,282	98.79%
Accrued income	739	2.59%	629	2.11%	-	-	638	1.21%
	28,577	100.00%	29,744	100.00%	-	-	52,920	100.00%



Notes to the Financial Statements As of June 30, 2024

(i) Financial instruments exposed to credit risk - Concentration -

As of June 30, 2024, and December 31, 2023, the financial instruments exposed to credit risk are distributed according to the following economic sectors:

	June 2024					2023				
	Held for trading or hedging	Available, credits and accounts receivable	Available-for-sale Investments	Investments to maturity	Total	Held for trading or hedging	Available, credits and accounts receivable	Available-for-sale Investments	Investments to maturity	Total
	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000
Financial services	64,679	13,123,115	-	-	13,187,794	59,560	13,891,170	-	-	13,950,730
Central Government	-	-	-	21,230	21,230	-	-	-	21,194	21,194
Electricity, gas and water	-	-	-	29,115	29,115	-	-	-	31,088	31,088
Construction	-	-	-	-	-	-	-	-	-	-
Other	-	23,509	-	-	23,509	-	24,032	-	-	24,032
	64,679	13,146,624	-	50,345	13,261,648	59,560	13,915,202	-	52,282	14,027,044
Interest	-	19,428	-	629	20,057	-	19,096	-	638	19,734
	64,679	13,166,052	-	50,974	13,281,705	59,560	13,934,298	-	52,920	14,046,778



Notes to the Financial Statements As of June 30, 2024

As of June 30, 2024, and December 31, 2023, credit risk exposure is geographically distributed as follows:

	June 2024					2023				
	Held for trading or hedging	Available, credits and accounts receivable	Available-for-sale Investments	Investments to maturity	Total	Held for trading or hedging	Available, credits and accounts receivable	Available-for-sale Investments	Investments to maturity	Total
	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000
Peru	23,483	13,146,624	-	50,345	13,220,452	24,866	13,915,202	-	52,282	13,992,350
USA	24,195	-	-	-	24,195	20,891	-	-	-	20,891
Germany	-	-	-	-	-	-	-	-	-	-
Canada	1,774	-	-	-	1,774	4,554	-	-	-	4,554
UK	15,227	-	-	-	15,227	7,828	-	-	-	7,828
Spain	-	-	-	-	-	1,421	-	-	-	1,421
	64,679	13,146,624	-	50,345	13,261,648	59,560	13,915,202	-	52,282	14,027,044
Interest	-	19,428	-	629	20,057	-	19,096	-	638	19,734
	64,679	13,166,052	-	50,974	13,281,705	59,560	13,934,298	-	52,920	14,046,778

Notes to the Financial Statements June 30, 2024

(c) Capital management.-

As of June 30, 2024, and December 31, 2023, the Fund has complied with the mandates of Legislative Decree No. 1028 and SBS Resolutions No. 2115-2009, No. 6328-2009, No. 14354-2009, No. 3953-2022 and their amendments, which contain the Regulations for Cash Equity Requirements for Operational, Market, Credit and Additional Risks, respectively. These regulations mainly establish the methodologies that financial entities must use to calculate regulatory capital requirements.

28. Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, or the amount for which an obligation can be discharged between a debtor and a knowledgeable creditor, under the terms of an arm's length transaction.

Fair value is a market-based measurement, whereby a financial instrument traded in an actual transaction in a liquid and active market has a price that supports its fair value. When the price for a financial instrument is not observable, fair value should be measured using another valuation technique, seeking to maximize the use of relevant observable inputs and minimize the use of unobservable variables.

To calculate the fair value of an instrument that is not quoted in liquid markets, the market value of an instrument that is actively quoted in the market and has similar characteristics can be used, or can be obtained by means of some analytical technique, such as discounted flow analysis or valuation by multiples.

The assumptions and calculations used to determine fair value for financial assets and liabilities are as follows:

- Financial instruments accounted for at fair value: Fair value is based on market prices or some method of financial valuation. The positions valued at market prices consider mainly investments that are traded in centralized mechanisms. The positions valued by some method of financial valuation include derivative financial instruments and others; their fair value is determined primarily using market rate curves and the price vector provided by the SBS.
- Instruments whose fair value is similar to the carrying amount: For financial assets and liabilities that are liquid or have short-term maturities (less than three months), the carrying is considered to be similar to their fair value. This assumption also applicable to term deposits, savings accounts without a specific maturity and variable-rate financial instruments.
- Fixed-rate financial instruments: The fair value of financial assets and liabilities that are fixed-rate and at amortized cost is determined by comparing market interest rates at the time of initial recognition to current market rates related to similar financial instruments. For quoted debt issued, the fair value is determined based on quoted market prices. The fair value of the loan portfolio and of the obligations with the public, according to SBS Multiple Official Letter No. 1575-2014, corresponds to their carrying value.

- (i) Financial instruments measured at fair value and fair value hierarchy
The following table presents analysis of financial instruments that are measured at

Notes to the Financial Statements As of June 30, 2024

fair value as of June 30, 2024 and December 31, 2023, including their level of fair value hierarchy. The amounts are based on the values recognized in the statement of financial position:

	June 2024				2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000	S/ 000
Financial assets								
Available-for-sale								
Investments	-	51,818	-	51,818	-	-	-	-
Hedging derivatives	-	64,679	-	64,679	-	59,560	-	59,560
	-	116,497	-	116,497	-	59,560	-	59,560
Financial liabilities								
Hedging derivatives	-	256,806	-	256,806	-	354,493	-	354,493

The financial assets included in Level 1 are those measured on the basis of information available in the market, to the extent that their quoted prices reflect an active and liquid market, and that are available in some centralized trading mechanism, trading agent, price supplier or regulatory entity.

The financial instruments included in Level 2 are valued with the market prices of other instruments possessing similar characteristics or with financial valuation models based on information of variables that can be available on the market (interest rate curves, price vectors, etc.).

The financial assets included in Level 3 are valued by using assumptions and data that do not correspond to prices of operations traded on the market.

In 2024 and 2023, the Fund has not transferred financial instruments from Level 2 to Level 1 or Level 3.

(ii) Financial instruments not measured at fair value -

The table below shows a comparison of the carrying amounts and fair values of financial instruments not measured at fair value in the statement of financial position, June 30, 2024 and December 31, 2023.

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	June 2024		2023	
	Fair value	Carrying amount	Fair value	Carrying amount
	S/ 000	S/ 000	S/ 000	S/ 000
Assets				
Cash	2,091,836	2,091,836	3,069,564	3,069,564
Investments to maturity	51,602	50,974	54,103	52,919
Accounts receivable (Trust agreement - COFIDE), net	11,031,850	11,031,850	10,819,526	10,819,526
Loan portfolio, net	18,954	18,954	21,271	21,271
Other accounts receivable, net	23,509	23,509	24,032	24,032
	<u>13,217,751</u>	<u>13,217,123</u>	<u>13,988,496</u>	<u>13,987,312</u>
Liabilities				
Obligations with the public	237	237	234	234
Borrowings and financial obligations	5,159,192	5,159,192	4,286,128	4,286,128
Securities and bonds outstanding	3,070,856	3,132,512	4,573,281	4,597,002
Accounts payable	1,316,462	1,316,462	1,365,189	1,365,189
	<u>9,546,747</u>	<u>9,608,403</u>	<u>10,224,832</u>	<u>10,248,553</u>

29. Subsequent Events

After June 30, 2024, there are no reportable events.