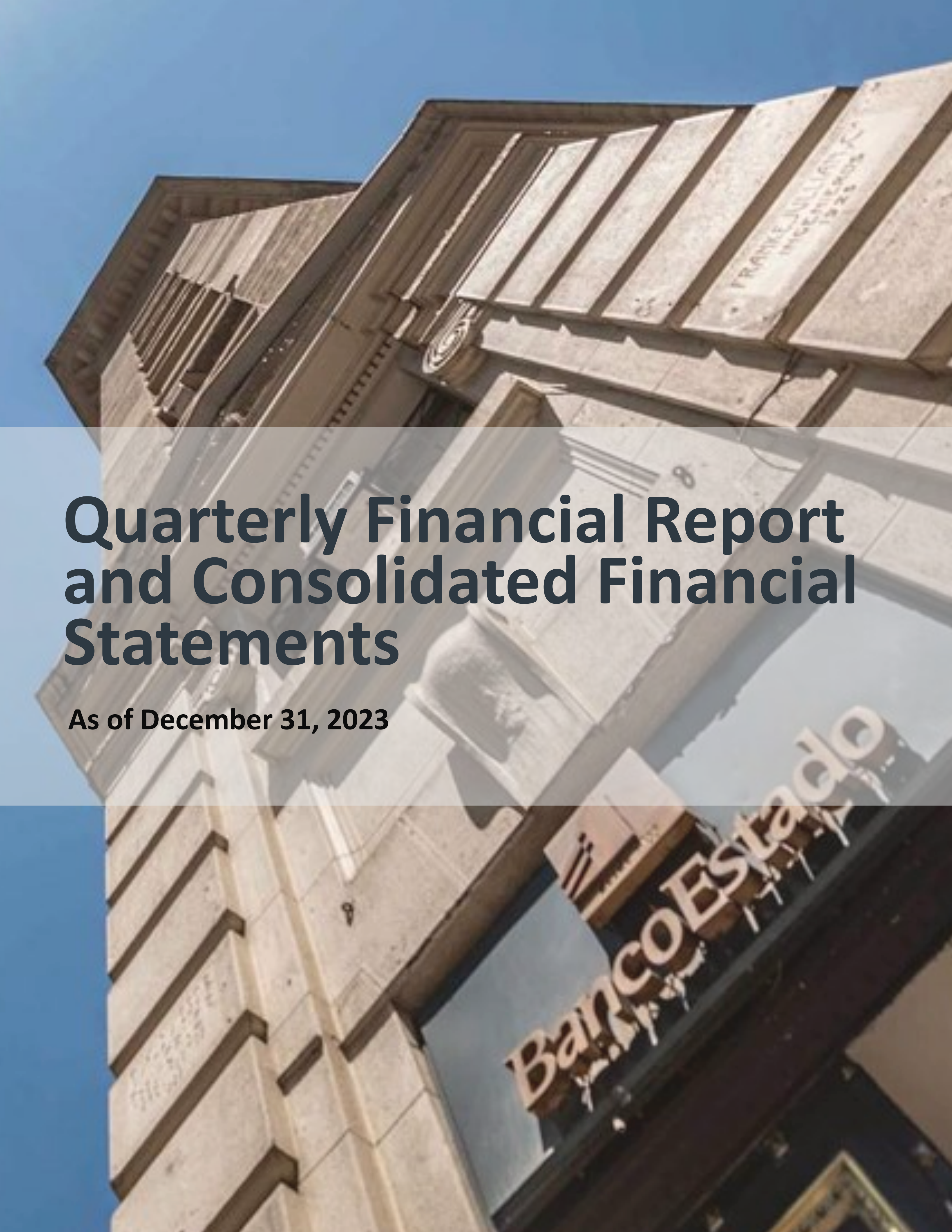


Quarterly Financial Report and Consolidated Financial Statements

As of December 31, 2023

Contents

Quarterly Financial Report

As of December 31, 2023

Important information

This information is based on the Consolidated Financial Statements of BancoEstado for the three months ended December 31, 2023 and 2022, for the three months ended September 30, 2023 and for the twelve months periods ended December 31, 2023 and 2022. By current legislation, for the preparation of the Consolidated Financial Statements, BancoEstado must apply the instructions issued by the Financial Market Commission in the Compendium of Accounting Standards for Banks, and for all those aspects not covered therein, provided that it does not contravene its instructions, generally accepted accounting principles should be used, which refer to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). In the event of a discrepancy between the generally accepted accounting principles and the accounting standards issued by the Financial Market Commission, the latter shall prevail.

It should be noted that U.S. dollar (US$) amounts in this disclosure have been converted from nominal Chilean pesos (Ch$) at the accounting exchange rate of Ch$873.0 per U.S. dollar as of December 31, 2023. Economic context data was derived from information from the Central Bank of Chile and industry data from the Financial Market Commission.

Amounts in this report have been rounded for ease of presentation. Percentages included in this information have always been calculated using such amounts before rounding. As a result, amounts and percentages in this release may differ slightly from those derived by performing the same calculations using the figures in the consolidated financial statements.

All amounts are in nominal terms unless otherwise stated. Historical figures have not been adjusted for inflation. Please note that this information is provided for comparative purposes only and may change during the year. Therefore, historical amounts, including financial ratios, presented in this report may differ from future amounts given by the Bank.

Milestones economic environment

On the external front, headline inflation has continued to decline, beyond some heterogeneity among economies and basket components. This occurred in a scenario where global activity maintains low dynamism and its prospects remain constrained. Again the resilience of the United States stood out, whose fourth-quarter figures exceeded expectations.

In this context, the markets' outlook for U.S. monetary policy has delayed the first cut in the fed funds rate towards the end of the first half, affecting global financial conditions. Compared to the previous quarter, long-term interest rates have shown moderate increases in some major economies, while the dollar has strengthened globally and stock markets have generally moved upwards. In the same period, the conflict in the Red Sea has been boosting shipping costs on some international routes, while at the same time triggering some increase in the price of oil. Copper's price stands at around US$3.8 per pound.

Trends in global financial markets and the faster-than-expected decline in local inflation have impacted the Chilean financial market. Since the last Monetary Policy Meeting, long-term rates –more sensitive to external conditions– have slightly increased, while short-term rates have decreased. The peso has depreciated by 6% and the IPSA has shown no significant changes. In turn, the Bank Lending Survey for the fourth quarter of 2023 still indicates tight supply conditions, especially for large firms and in sectors such as construction and real estate. Demand for credit shows improvements in the consumer portfolio, but remains sluggish in other segments. Interest rates on commercial credit continued to fall, while mortgage rates—longer term—remain high by historical standards.

Domestic activity has evolved in line with the forecasts in the Monetary Policy Report. In December, the Imacec decreased 0.9% month-on-month in its seasonally adjusted series (0.9% year-on-year). On the demand side, indicators linked to consumption and investment have seen no significant changes in the most recent period. The labor market remains consistent with the trajectory of the economic cycle. The unemployment rate stood at 8.5% in the moving quarter ending in December, amid a gradual recovery in labor supply. Beyond some variations in the margin, the expectations of individuals and businesses are still in pessimistic territory.

In December, headline and core inflation posted negative monthly variations, below what was expected in the last Monetary Policy Report. There was a significant difference in the core components of goods and in most volatile items. As a result, their annual variation continued at 3.9% and 5.4% for total and core CPI, respectively. The Economic Expectations Survey and the Financial Traders Survey remain around 3%.

In this context, the Central Bank Board considers that the inflation's convergence to the 3% target will materialize sooner than was foreseen and that the Monetary Policy Rate will reach its neutral level during the second half of 2024. The magnitude and timing of the process of MPR cuts will factor in the evolution of the macroeconomic scenario and its implications for the inflation trajectory.[1]

4Q23 Milestones BancoEstado

- "Mundo Verde". Two companies were financed with irrigation bonds from the National Irrigation Commission, endorsed to the Bank for the installation of irrigation systems, for a total of Ch$1,270 million (90% of the bond, with a government guarantee, paid upon completion of the work).
- BancoEstado is the first financial institution in the Chilean market to issue a CLF 1 million Green Bond. The proceeds will finance two projects: Ecovivienda mortgage loans and renewable energy loans.
- The digital business card (e-card) was activated, replacing the physical card. This is another contribution to reducing our carbon footprint.
- New savings cards have a die-cut edge to make them more accessible for blind, helping to improve the experience and inclusion of all our customers.

2023 Awards

- Avonni 2023. "Bolsillo Familiar Electrónico" was highlighted in the IADB Public Innovation category.
- IMAD Ranking 2023. First place in the IMAD Ranking (Index of Women in Top Management).
- Morningstar. "BancoEstado AGF" awarded as the best international equity fund.
- Conecta. BE highlighted in the Prosperity category, with Conecta points.
- Global Finance. Only bank in the country to receive the Sustainable Finance 2023 award.
- Banking Tech Project Award. "Pasaje QR" and "Bolsillo Familiar Electrónico" were recognized in the category "Best Contribution to Economic Mobility for Consumers".
- Marcas Ciudadanas—CADEM. BancoEstado is recognized as the country's Democratic Brand for the development of CuentaRUT and CajaVecina.
- Premio Salmón. BancoEstado Mutual Funds APV Series.

1– Source: Press Release of Monetary Policy Meeting January 2024, Central Bank of Chile.

Executive Summary

- BancoEstado is the number one bank in Chile regarding demand and time deposits, which reached Ch$33.1 trillion (US$ 37.9 billion). In the last 12 months, we ranked second in total assets and third in total loans, with market shares[1] of 16.0% and 14.8%, respectively.
- Our business model is oriented to public banking, with financial products and services focused on low-income people and SMEs through the largest network of physical service points in Chile, which are key agents in the country's transformation to a more prosperous and sustainable Chile.
- Law No. 21,384 in October 2021, authorizes BancoEstado to be capitalized for up to US$1,500 million (Basel III) until 2025. As of October 2022, a total of Ch$452.5 billion had been capitalized, out of the total amount authorized by the law.
- Chile's first and only public bank in the world joined the Race to Zero campaign, defining a roadmap to be carbon neutral by 2030 for its own emissions and by 2050 for the emissions it finances.

4Q23 Comparative overview

The following is BancoEstado's consolidated information for the three months ended December 31, 2023 and 2022, for the three months ended September 30, 2023 and as of twelve-months periods ended December 31, 2023 and 2022.

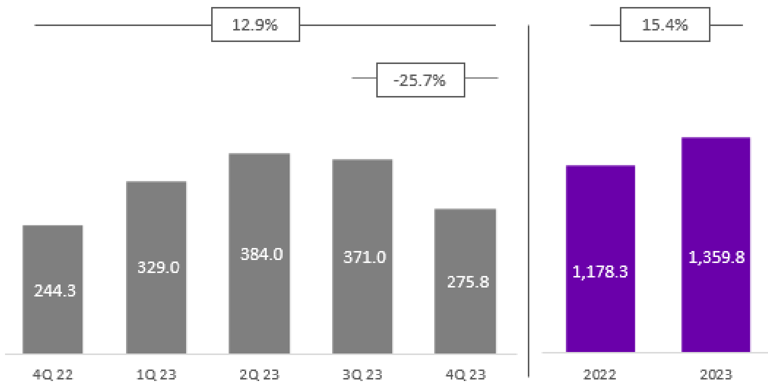
In Ch$ billion and %, end of period	4Q23	3Q23	4Q22	2023	2022
Results					
Net Income after taxes	148.5	143.9	123.6	633.0	712.1
Operating Income [2]	700.4	779.6	764.6	3,010.3	2,816.9
Net interest income, inflation-indexed net income & net fee and commission income	724.2	715.8	709.4	2,888.6	2,613.7
Profitability and Efficiency					
Pre-tax return on avg. equity (RoAE) [3]	33.0%	45.7%	34.3%	42.9%	47.4%
After-tax return on avg. equity (RoAE) [3]	17.8%	17.7%	17.4%	20.0%	28.6%
Pre-tax return on avg. assets (RoAA) [4]	1.9%	2.6%	1.7%	2.4%	2.1%
After-tax return on avg. assets (RoAA) [4]	1.0%	1.0%	0.9%	1.1%	1.3%
Efficiency ratio (Operating expenses / Total operating income)	39.7%	32.9%	33.2%	35.1%	33.2%
Net interest margin (NIM) [5]	5.2%	5.0%	5.1%	5.1%	5.0%
Credit Risk and Highlights					
Non-performing loans Ratio 90 days overdue (NPL)	4.0%	3.6%	3.0%	4.0%	3.0%
Net provisions for loan losses/ Total loan portfolio	1.7%	1.6%	1.9%	1.6%	1.2%
Credit loss expense/ Average loan portfolio	1.7%	1.8%	3.4%	1.8%	2.4%
PDL/ Total loans	1.4%	1.4%	1.0%	1.4%	1.0%
Coverage of PDL (Loan loss allowances/ PDL)	269.7%	263.2%	323.7%	269.7%	323.7%
Risk Index (Loan loss allowances/ Total loans)	3.8%	3.6%	3.4%	3.8%	3.4%
Allowances for loan losses / Average loan portfolio	3.7%	3.6%	3.4%	3.9%	3.6%
Coverage Ratio (Loan Losses/ NPL 90 days overdue)	92.2%	95.5%	110.9%	92.2%	110.9%
Operating income / Average assets	4.9%	5.4%	5.5%	5.2%	5.1%
Solvency					
BIS Ratio	14.2%	14.0%	13.9%		
CET 1 ratio	9.7%	9.6%	9.3%		
Tier 1 ratio	9.7%	10.1%	9.8%		
Tier 2 ratio	4.5%	3.9%	4.2%		
Leverage ratio	5.4%	5.6%	4.9%		
Tier 2 / Tier 1	46.4%	39.2%	42.7%		
Balance Sheet					
Total assets	58,305.3	56,521.8	57,090.8		
Total credit portfolio	34,031.0	34,158.3	31,368.8		
Total deposits	33,110.3	32,458.7	32,882.7		
Loan portfolio / Total deposits	102.8%	105.2%	95.4%		
Shareholders equity	3,348.7	3,297.0	2,951.7		
Others					
Headcount	16,380	16,025	15,352		
Branches	406	399	399		
ATM	2,588	2,480	2,360		

1– The market shares presented in this report do not consider the subsidiaries and branches that banks own abroad. 2– Operating income: net interest income + inflation-indexed net income + net commission income + net financial results + income from investment in other companies + results of non-current assets + net other operating income (expenses). 3– Pre-tax (and after-tax) return on average equity: net income before taxes (and after taxes) divided by average equity. 4– Pre-tax (and after-tax) return on average assets: net income before taxes (and after taxes) divided by average assets. 5– Net interest margin: Net interest income and inflation-indexed net income divided by interest earning assets.

Key Financial Information

Net income before taxes

Ch$ billion

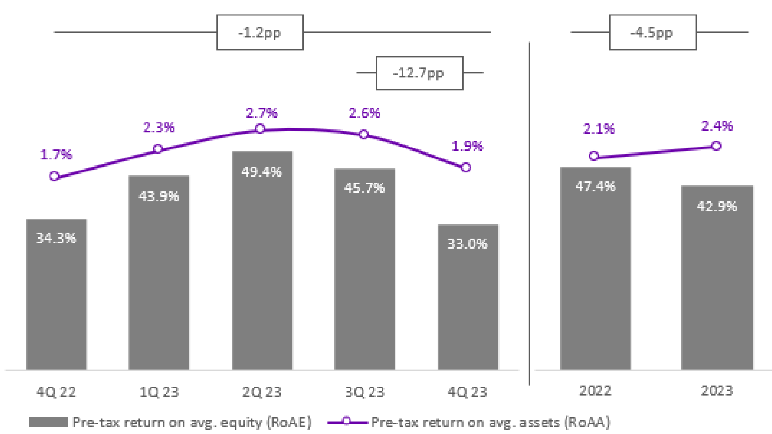


Net income before taxes for the fourth quarter of 2023 was Ch$275.8 billion (US$316.0 million), a decrease of 25.7% compared to the previous quarter, due to the decline in net interest income, reflecting the 125 basis point reduction in the monetary policy rate, which had an unfavorable impact on interest income on financial instruments. In addition, interest expense was higher due to increased issuance of short-term debt and regulatory capital instruments, particularly subordinated debt. This was partially offset by higher quarterly UF[1] variation and its impact on the adjustments to the accrued inflation-indexed net income.

Compared with the same period last year, net income before taxes increased by 12.9% due to lower credit loss expense, reflecting lower expense in special allowances for credit risk, and higher net interest income, due to the impact of the Monetary Policy Rate on the interest on financial investments, which, although it has begun its downward cycle, is still remains high. This was partially offset by higher other operating expenses, including fraud write-offs, and lower inflation observed during the quarter and its impact on the adjustments accrued by the UF on inflation-indexed net income.

Pre-tax—RoAE & RoAA

%

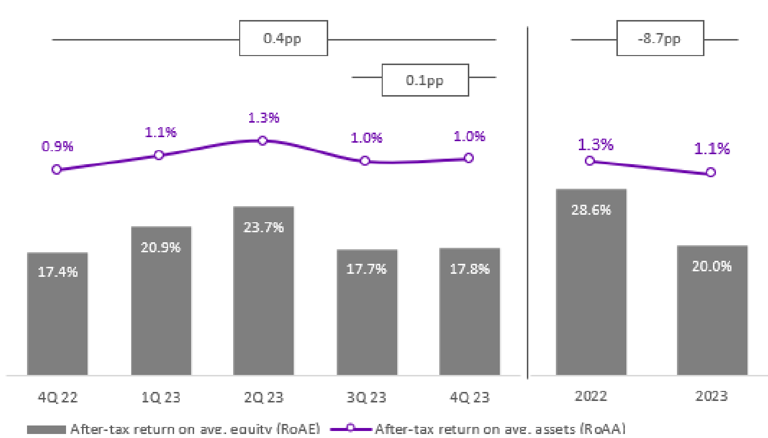


Pre-tax return on average equity was 33.0% in the fourth quarter of 2023, 12.7 percentage points lower than in the previous quarter and 1.2 percentage points lower than in the fourth quarter of 2022. Average holders equity was to Ch$3,338.4 billion, an increase of 2.8% compared to the previous quarter and a 17.2% compared to the same period in 2022, due to an additional Ch$452.5 billion capital contribution in October 2022 and the higher results achieved in 2023.

Pre-tax return on average assets was 1.9% in the fourth quarter of 2023, a decrease of 0.7 percentage points compared to the previous quarter and an increase of 0.2 percentage points compared to the fourth quarter of 2022. This reflects the higher results achieved in the current year.

After-tax—RoAE & RoAA

%



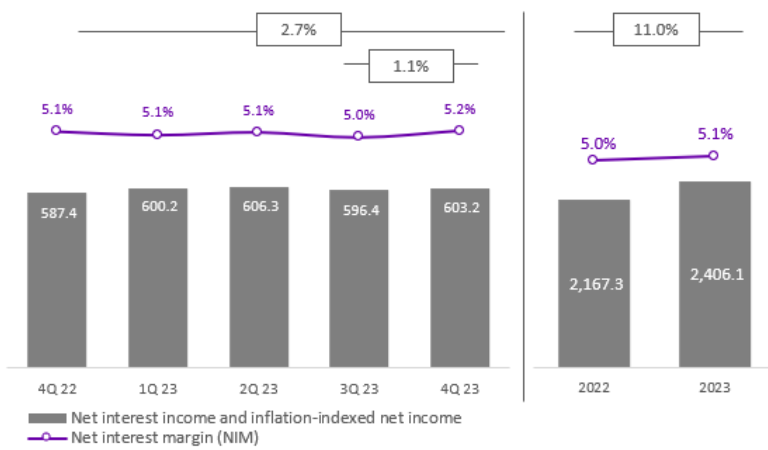
After-tax return on average equity was 17.8% in the fourth quarter of 2023, 0.1 percentage points higher than in the previous quarter and 0.4 percentage points higher than in the fourth quarter of 2022.

After-tax return on average assets was 1.0% in the fourth quarter of 2023, flat compared to the previous quarter and an increase of 0.2 percentage points compared to the fourth quarter of 2022, reflecting the higher after-tax results in the current year.

1- Unidad de Fomento (UF) is an official unit of account in Chile. It is one of the indexation systems authorized by the Central Bank of Chile for money credit transactions in domestic currency performed by banking and financial institutions, and savings and credit cooperatives. This unit is indexed daily as from the tenth day of each month until the ninth day of the following month to the geometric average rate of variation of the consumer price index (CPI) during the calendar month preceding the period for which it is being determined.

Net interest margin (NIM)

%



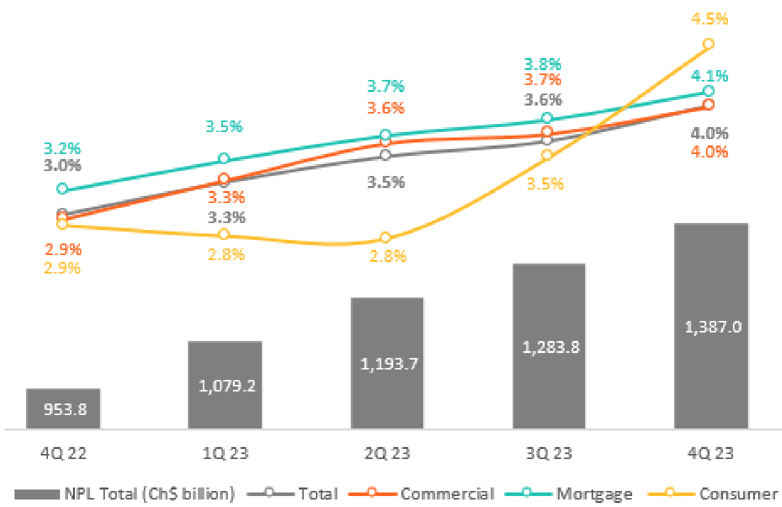
Net interest income and inflation-indexed net income increased by 1.1% in the fourth quarter of 2023, compared to the previous quarter, due to a higher quarterly UF variation and its impact on the adjustments to the accrued inflation-indexed net income.

Compared to the same period of the previous year, net interest income and inflation-indexed net income increased by 2.7% due to the impact of the Monetary Policy Rate on the interest on financial investments, which, although it has begun its downward cycle, remains high. This was partially offset by the lower inflation observed during the quarter and its impact on the adjustments accrued by the UF on inflation-indexed net income.

In addition, average interest-earning assets decreased by 1.4% quarter-on-quarter and increased by 2.3% compared to the same quarter in 2022. This reflects an increase in NIM of 13 basis points versus the previous quarter and 2 basis points versus the same period in 2022.

Non-performing loans & NPL ratio (%) | over 90 days

Ch$ billion, %

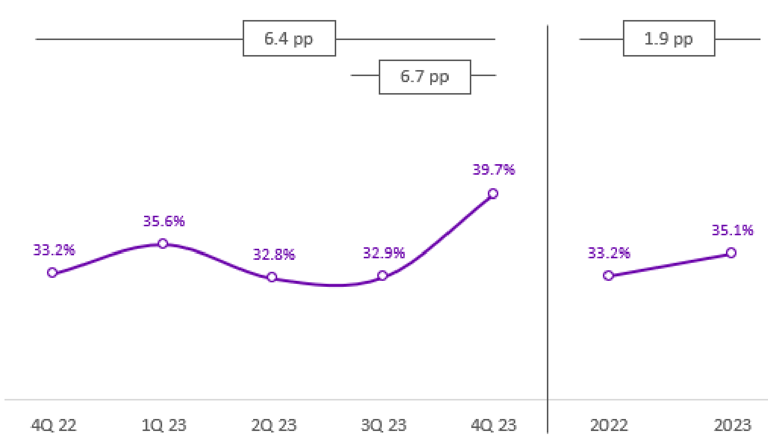


The total NPL ratio was 4.0% in the fourth quarter of 2023, an increase of 33 basis points compared to the previous quarter. This increase in the ratio was mainly due to the higher volume of the non-performing loan portfolio in general, especially the increase in the non-performing consumer portfolio. As a result, the consumer NPL ratio increased by 103 basis points in the quarter.

Despite higher consumer charge-offs, the consumer NPL ratio increased by 166 basis points compared to last year´s period. This increase was driven by a slower pace of new restructurings beyond September 2023, which favors renegotiations with customers with a high probability of payment. The effect of this increase is partially offset by the low weight of the segment in the total and the high coverage of the provisions recorded.

Efficiency ratio

%



In the fourth quarter of 2023, our efficiency ratio was 39.7%, a deterioration of 6.7 percentage points compared to the previous quarter driven by 10.2% decrease in operating income and 8.2% increase in operating expenses.

Compared to the fourth quarter of 2022, the efficiency ratio was 33.2%, a deterioration of 6.4 percentage points, mainly due to higher operating expenses and lower operating income.

Economic Environment

Economic outlook

Annual change, %

	2022	2023 (f)	2024 (f)	2025 (f)
GDP	2.4	0.0	1.25 - 2.25	2.0 - 3.0
Domestic demand	2.3	-4.6	2.0	2.7
Domestic demand (w/o) inventory change	3.0	-3.0	1.5	1.9
Gross fixed capital formation	2.8	-1.9	0.0	2.4
Total consumption	3.1	-3.3	2.0	1.8
Private consumption	2.9	-4.6	2.1	1.8
Exports-goods and services	1.4	1.0	3.4	1.9
Imports-goods and services	0.9	-11.1	4.3	2.9
Current account (% of GDP)	-9.0	-3.3	-4.0	-3.9

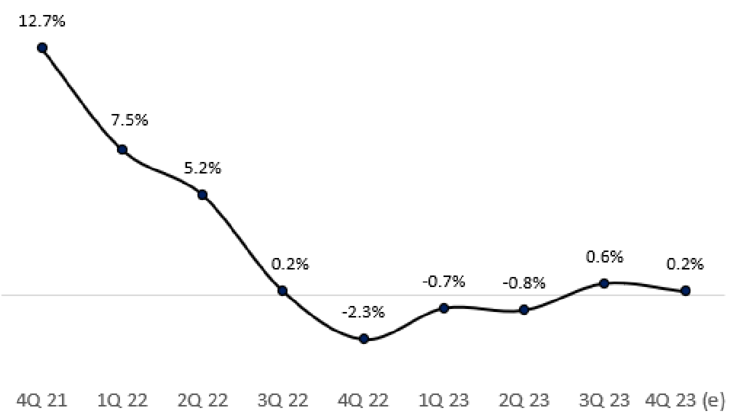
Source: Central Bank of Chile.

The Chilean economy has evolved in line with the central bank's projections. Inflation has continued to decline despite the resolution of macroeconomic imbalances, including the closing of the activity gap, the normalization of aggregate demand and the easing of recent cost shocks.

There are few revisions to the activity and demand projections. Zero GDP growth is projected for 2023. In addition to the upward revision of the figures for the first three quarters of 2023, the estimate considers a slightly better outlook for year-end nonmining GDP. Domestic demand is also expected to return to favorable growth rates in 2024, and private consumption is revised slightly higher for the next two years. In addition, the current account deficit is projected at 3.3% this year and around 4% in the following two years. In the short term, the Chilean economy will benefit from the higher growth expected in its trading partners.

GDP

Annual growth, %



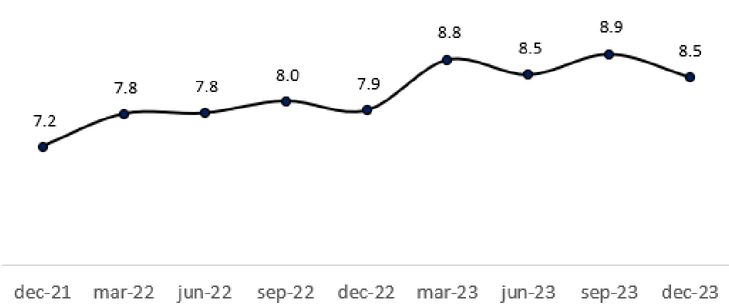
Source: Central Bank of Chile.

International financial conditions have improved in recent weeks, returning to levels seen at the beginning of the year. In this context, it is estimated to close this year with zero growth. In the fourth quarter of 2023, GDP is estimated to grow at an annual rate of 0.2%, after reaching -0.8% and 0.6% in the second and third quarters of 2023, respectively.

According to the Central Bank, the Chilean economy will show favorable growth rates in 2024 and 2025: between 1.25% and 2.25% and 2% and 3%, respectively. The economy's performance is improving due to the upward revision of the GDP for the first three quarters of the year, according to the publication of the national accounts, which added a positive result in the January IMACEC. Estimates for the next years consider that the mining GDP is projected to make an important contribution to GDP expansion next year, due to the recent commissioning of new copper mines and the growing dynamism of lithium production.

Unemployment

%



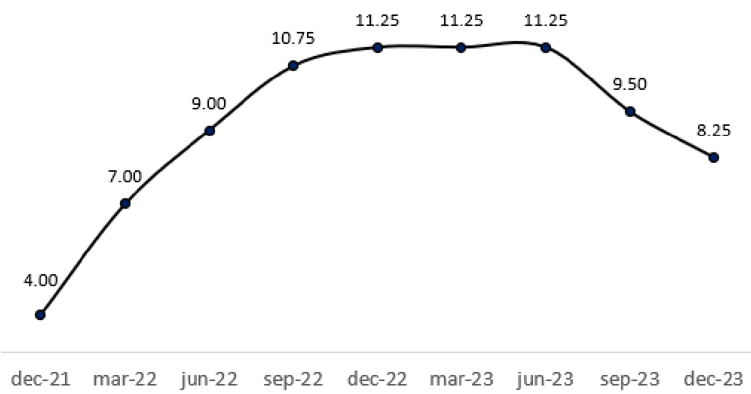
Source: Central Bank of Chile.

The labor market has behaved in line with the state of the economy. Labor supply and demand remain with limited dynamism. The unemployment rate for the moving quarter ending in December reached 8.5%, with no significant changes compared to previous data, but almost 1 percentage point above the level of a year ago. The labor force grew by 3.6% and the number of employed persons by 2.9%. Employment and participation rates have remained stable in recent months, although they are still low by historical standards for people near or at retirement age.

On the demand side, the Internet job ad index continues at low levels. Employment expectations in the monthly business confidence indicator are deteriorating in all sectors except mining. Overall, real labor income has continued to normalize, aided by the decline in inflation.

Monetary policy rate (MPR)

%



Source: Central Bank of Chile.

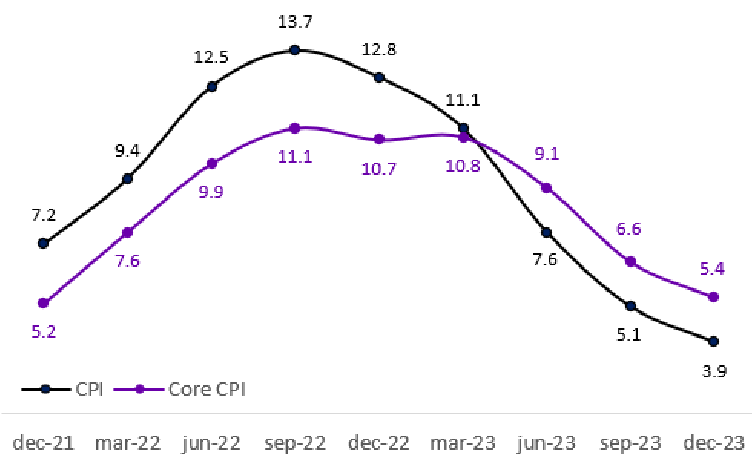
The monetary policy interest rate has accumulated a reduction of 300 basis points since July standing at 8.25%.

The Board considers that, in line with the central scenario, inflation's convergence to the target will require further cuts in the MPR. The magnitude and timing of these cuts will consider the evolution of the macroeconomic scenario and its implications for inflation's trajectory. The Board reaffirms its commitment to act with flexibility if any internal or external risks materialize and macroeconomic conditions so require.

The MPR trajectory expected by the market and specialists suggests that the process of monetary policy normalization will continue. Towards the end of the monetary policy horizon, different projections place the MPR between 4.25% and 4.5%.

Inflation

CPI, % YoY



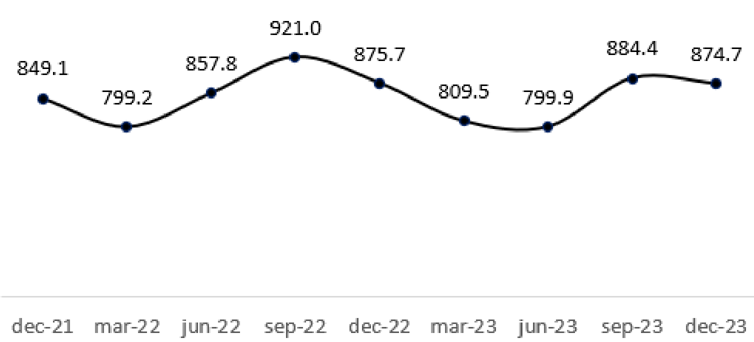
Source: Central Bank of Chile.

The central scenario assumes that headline inflation will converge to the 3% target in the second half of 2024, with the outlook broadly unchanged from September. In December, the annual rate of change in headline and core CPI (CPI excluding volatile items) was 3.9% and 5.4% respectively. This path combines a core component that will approach 3% more quickly than expected with a less favorable development in the fuel prices and other volatile items. Within core inflation, the lower outlook for the core component of goods stands out, influenced by the more substantial decline in recent months.

At the same time, two-year inflation expectations are at 3% and the various measures show an earlier convergence to the target.

Exchange rate

Ch$ per US$, monthly average



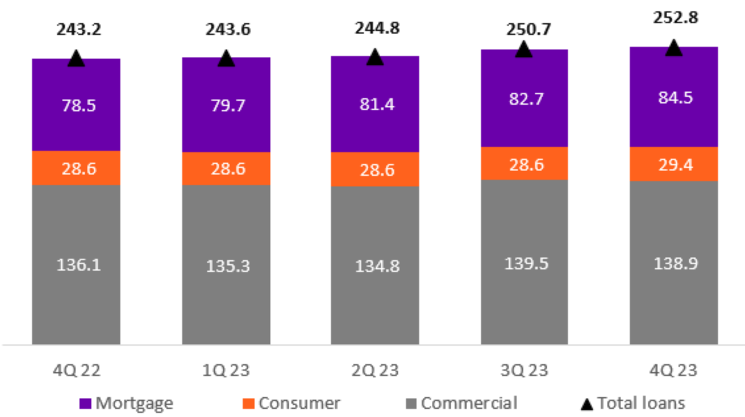
Source: Central Bank of Chile.

At the end of December 2023, the Chilean peso appreciated by 0.1%, from a monthly average of Ch$875.7 per dollar in December 2022 to Ch$874.7 per dollar in December 2023. At the end of December 2023, the dollar fluctuated between Ch$781.5 and Ch$945.6 per dollar.

The impact of the real exchange rate's appreciation from the peaks reached in mid-2022 is accompanied by a decline in the local uncertainty indices.

Banking Industry

Total loans
Ch$ trillion



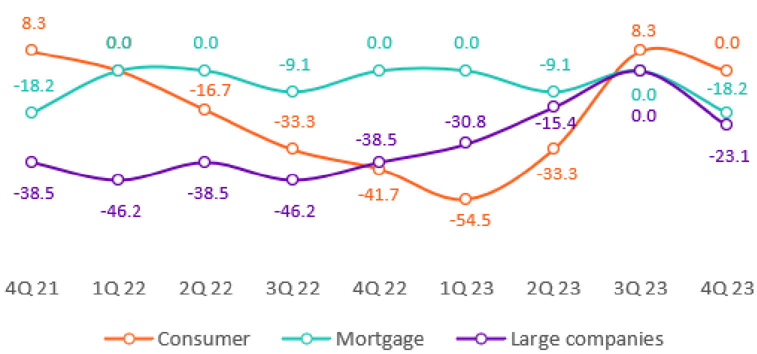
Source: Financial Market Commission.

Total banking system loans amounted to Ch$252.8 trillion (US$289.5 billion) in the fourth quarter of 2023, an increase of 0.8% compared to the previous quarter. Compared to the same period in 2022, total loans in the banking system increased by 3.9%. Excluding foreign subsidiaries and branches, total loans amounted to Ch$229.6 trillion.

Over the twelve months, loan growth was driven by mortgage, consumer and commercial loans, which increased by 7.6%, 2.6% and 2.1%, respectively. The inflation rare positively affected mortgage loans denominated in UF, although to a lesser extent than in previous quarters.

It should be noted that inflation increased by 3.9% year-on-year and by 0.6% quarter-on-quarter. Consumer and mortgage loans increased by 2.7% and 2.2%, respectively, above the inflation rate recorded in the quarter. Nevertheless, commercial loans in the system declined by 0.4% in the last quarter.

Credit supply
Change QoQ, points



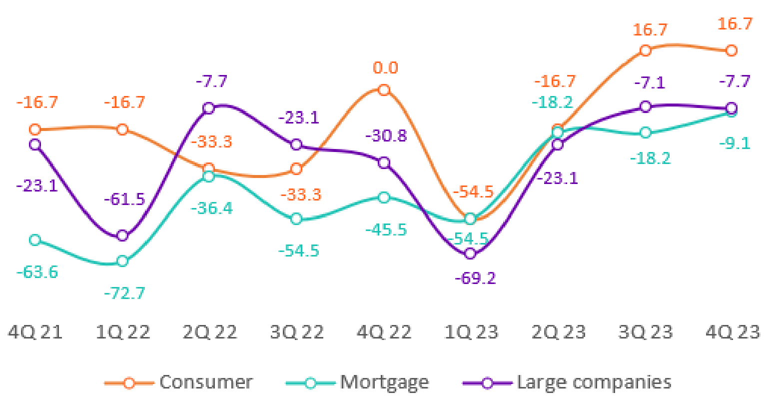
Source: Central Bank of Chile.

Banking Lending Survey

The Bank Lending Survey for the fourth quarter, shows that lending standards for the consumer and mortgage loans did not show major variations with the previous quarter. Meanwhile, credit conditions for large companies tightened compared with the previous period, as reflected in a 31% increase in the number of banks that reported tighter lending standards, while the share of firms that eased standards remained unchanged. No major changes were observed for SMEs, where 91% of banks reported no change in their conditions.

In terms of economic activity, lending conditions tightened for construction, with 40% of institutions reporting tighter conditions. Similarly, 46% of banks reported tighter standards for real estate companies.

Credit demand
Change QoQ, points



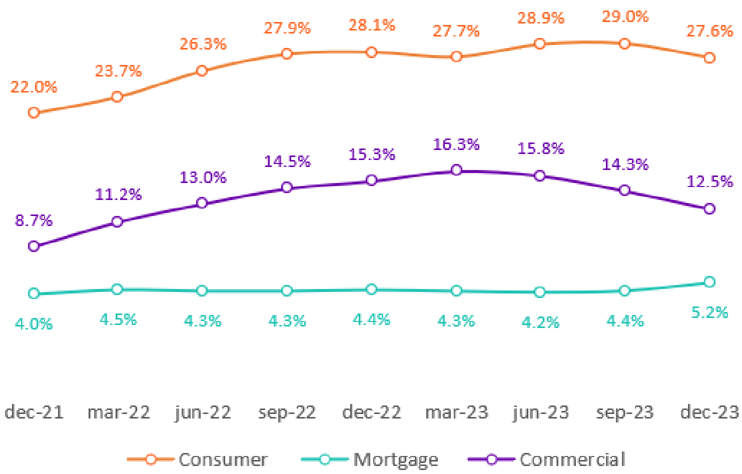
Source: Central Bank of Chile.

Demand for consumer loans strengthened compared to the previous quarter, as banks' share reporting a more pronounced weakness fell to 8%. In contrast, banks' perceptions of demand for mortgage loans continued to weaken. While the share of banks reporting weaker demand declined to 18% in the fourth quarter, the share of more robust demand also fell to 9%. On the other hand, the demand for loans from large companies shows a slight recovery compared to the previous period, while there are no significant changes in the case of SMEs.

Finally, the perception of low dynamism in the real estate sector persists, with 45% of banks reporting a decline in demand. A similar perception is reported in the construction sector, where 40% of companies reporting weaker demand.

Interest rates

%



Source: Central Bank of Chile.

Interest rates on commercial and consumer loans, more linked to monetary policy, have continued to decline in recent months, reflecting the pass-through of reductions in the monetary policy rate. By contrast, mortgage rates, which are more related to long-term financing conditions, have increased compared with the previous period. This is explained by the increase in long-term interest rates that was observed internationally and locally until the beginning of November.

The average interest rate on commercial loans decreased by 181 basis points to 12.5% as of December 2023, and the average interest rate on consumer loans decreased by 140 basis points to 27.6% compared to the previous quarter. The Monetary Policy Rate decreased by 125 basis points to 8.25% in the last quarter. On the other hand, the average interest rate on mortgage loans increased by 86 basis points to 5.2% compared to the previous quarter.

Similarly, the average interest rate on commercial loans decreased by 281 basis points and the average interest rate on consumer loans decreased by 55 basis points, compared to last year, reflecting a more pronounced decline in the Monetary Policy Rate over the past twelve months. In addition, the average interest rate on mortgage loans increased by 77 basis points.

System key ratios

% as of December 2023

	Index	Annual change
Pre-tax ROE	18.9%	-4.1 pp
After-tax ROE	14.3%	-5.1 pp
Efficiency	43.6%	3 pp
NPL	2.1%	45 bp
Tier1	11.9%	70 bp
BIS	16.2%	56 bp

Source: Financial Market Commission.

Banking System Results

For the twelve months ended December 31, 2023, the System's pre-tax return on equity was 18.9%, a decrease of 4.1 percentage points compared to the same period in the prior year.

For the twelve months ended December 31, 2023, the System's after-tax return on equity was 14.3%, a decrease of 5.1 percentage points compared to the same period in the prior year.

Compared to the same period in 2022, the System's net income before taxes was Ch$6,014.2 billion, a decrease of 7.1% due to lower inflation observed during the year and its impact on the adjustments accrued by the UF on inflation-indexed net income (6.2% lower over twelve months) partially offset by higher net interest income (22.5% over twelve months) and lower credit loss expense (0.5% over twelve months).

Regarding credit risk, the System's the total non-performing loans (NPL ratio) was 2.1% for the twelve months ended December 31, 2023, an increase of 45 basis points compared to the same period in the prior year. The increase was mainly due to the higher volume of the non-performing loan portfolio in general and the increase in the non-performing commercial portfolio in particular. As a result, the commercial NPL ratio increased by 50 basis points compared to the same period of the previous year.

For the twelve months ended December 31, 2023, the System's efficiency ratio was 43.6%, a deterioration of 3.0 percentage points compared to the same period in the prior year, due to the 7.8% increase in operating expenses.

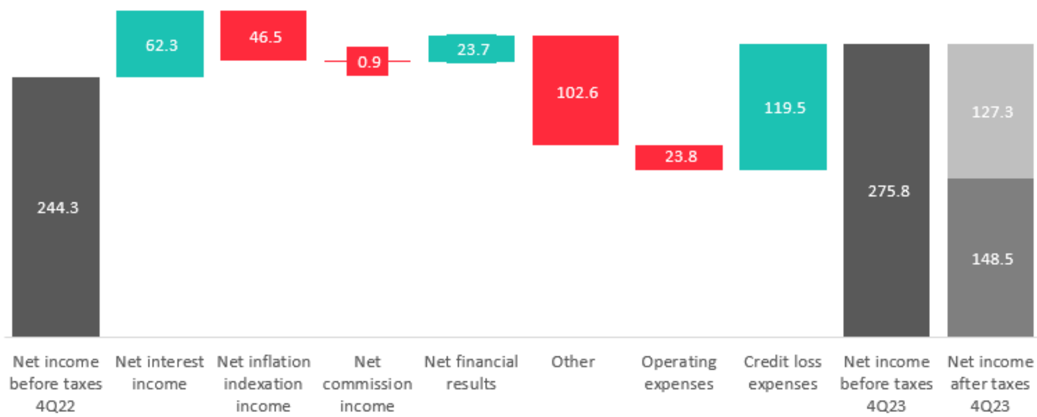
BancoEstado Results

Quarterly Income Statements

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	2023	2022	change %	change $	4Q23 US$ million
Interest income	887.7	952.7	-6.8%	-65.0	877.9	1.1%	9.8	3,715.3	2,818.4	31.8%	896.8	1,016.8
Interest expenses	-422.5	-389.3	8.5%	-33.1	-474.9	-11.0%	52.5	-1,681.0	-1,502.3	11.9%	-178.8	-483.9
Net interest income	**465.2**	**563.4**	**-17.4%**	**-98.2**	**402.9**	**15.5%**	**62.3**	**2,034.3**	**1,316.2**	**54.6%**	**718.1**	**532.9**
Inflation-indexed net income	**137.9**	**33.0**	**317.6%**	**104.9**	**184.4**	**-25.2%**	**-46.5**	**371.8**	**851.2**	**-56.3%**	**-479.3**	**158.0**
Commission income	213.7	211.0	1.3%	2.7	208.7	2.4%	5.1	827.0	748.1	10.6%	79.0	244.8
Commission expenses	-92.7	-91.6	1.2%	-1.1	-86.7	6.9%	-6.0	-344.5	-301.7	14.2%	-42.8	-106.2
Net fee & commission income	**121.0**	**119.4**	**1.4%**	**1.6**	**122.0**	**-0.8%**	**-0.9**	**482.5**	**446.3**	**8.1%**	**36.2**	**138.6**
Net interest income, inflation-indexed net income & net fee and commission income	**724.2**	**715.8**	**1.2%**	**8.4**	**709.4**	**2.1%**	**14.8**	**2,888.6**	**2,613.7**	**10.5%**	**274.9**	**829.5**
Net income (expense) from financial operations	79.4	-62.7	-226.6%	142.1	88.6	-10.4%	-9.2	135.5	168.0	-19.4%	-32.5	90.9
Net foreign exchange income (expense)	-29.7	139.0	-121.4%	-168.7	-62.6	-52.5%	32.9	112.4	10.1	1010.8%	102.3	-34.0
Net financial results	**49.7**	**76.3**	**-34.9%**	**-26.6**	**26.0**	**91.0%**	**23.7**	**247.8**	**178.1**	**39.1%**	**69.7**	**56.9**
Other operating income (expense), net	**-75.2**	**-13.5**	**455.6%**	**-61.7**	**27.7**	**-372.0%**	**-102.9**	**- 131.0**	**21.1**	**-721.8%**	**-152.1**	**-86.2**
Income from investments in other companies & result of non-current assets	**1.8**	**1.1**	**71.5%**	**0.8**	**1.5**	**17.0%**	**0.3**	**4.8**	**4.0**	**19.0%**	**0.8**	**2.1**
Operating income	**700.4**	**779.6**	**-10.2%**	**-79.2**	**764.6**	**-8.4%**	**-64.1**	**3,010.3**	**2,816.9**	**6.9%**	**193.3**	**802.3**
Employee benefit obligation expenses	-155.7	-144.5	7.8%	-11.2	-146.7	6.2%	-9.0	-599.9	-539.2	11.3%	-60.7	-178.4
Administrative expenses	-104.1	-94.3	10.4%	-9.8	-87.9	18.4%	-16.2	-384.7	-320.1	20.2%	-64.6	-119.3
Depreciation & amortization	-18.0	-17.9	0.3%	-0.1	-19.4	-7.3%	1.4	-73.0	-77.3	-5.6%	4.3	-20.6
Impairments	0.0	0.0	0.0%	-	0.0	0.0%	-	-	-	0.0%	-	-
Operating expenses	**-277.8**	**-256.7**	**8.2%**	**-21.1**	**-254.0**	**9.4%**	**-23.8**	**-1,057.5**	**-936.5**	**12.9%**	**-121.0**	**-318.2**
Operating income before credit losses	**422.6**	**522.9**	**-19.2%**	**-100.3**	**510.6**	**-17.2%**	**-88.0**	**1,952.7**	**1,880.4**	**3.8%**	**72.3**	**484.1**
Credit loss expense	**-146.8**	**-151.9**	**-3.4%**	**5.1**	**-266.3**	**-44.9%**	**119.5**	**-592.9**	**-702.1**	**-15.6%**	**109.3**	**-168.1**
Net income before taxes	**275.8**	**371.0**	**-25.7%**	**-95.2**	**244.3**	**12.9%**	**31.6**	**1,359.8**	**1,178.3**	**15.4%**	**181.6**	**316.0**
Income tax	-127.3	-227.1	-43.9%	99.8	-120.6	5.5%	-6.7	-726.9	-466.2	55.9%	-260.7	-145.8
Net income after taxes	**148.5**	**143.9**	**3.2%**	**4.6**	**123.6**	**20.2%**	**24.9**	**633.0**	**712.1**	**-11.1%**	**-79.1**	**170.2**
Non-controlling interest	**4.6**	**5.5**	**-16.1%**	**-0.9**	**5.2**	**-10.0%**	**-0.5**	**20.2**	**18.1**	**12.0%**	**2.2**	**5.3**
Net income attributable to equity holders of the Bank	**143.9**	**138.4**	**4.0%**	**5.5**	**118.5**	**21.5%**	**25.4**	**612.7**	**694.1**	**-11.7%**	**-81.3**	**164.8**

Net income after taxes

Ch$ billion



Net income after tax for the fourth quarter of 2023 was Ch$148.5 billion (US$170.2 million), an increase of 3.2% compared to the previous quarter, as a result of a higher quarterly UF variation and its impact on the adjustments to the accrued inflation-indexed net income. This was partially offset by lower net interest income, reflecting the 125 basis point reduction in the monetary policy rate, which unfavorable impact interest income on financial instruments. In addition, interest expense was higher due to increased issuance of short-term debt and regulatory capital instruments, particularly subordinated debt.

Compared to the same period in 2022, net income after tax increased 20.2%, driven by lower credit loss expense, reflecting lower expense in special allowances for credit risk and higher net interest income due to the impact of the monetary policy rate on the interest on financial investments, which, although it has begun its downward cycle, remains high. This was partially offset by higher other operating expenses, including fraud write-offs, and lower inflation observed during the quarter and its impact on the adjustments accrued by the UF on inflation-indexed net income.

Net interest income & inflation-indexed net income

			change			change				change		4Q23
Ch$ billion	4Q23	3Q23	%	$	4Q22	%	$	2023	2022	%	$	US$ million
Interest income	887.7	952.7	-6.8%	-65.0	877.9	1.1%	9.8	3,715.3	2,818.4	31.8%	896.8	1,016.8
Interest expense	-422.5	-389.3	8.5%	-33.1	-474.9	-11.0%	52.5	-1,681.0	- 1,502.3	11.9%	-178.8	-483.9
Inflation-indexed net income	137.9	33.0	317.6%	104.9	184.4	-25.2%	-46.5	371.8	851.2	-56.3%	-479.3	158.0
Net interest income & inflation-indexed net income	**603.2**	**596.4**	**1.1%**	**6.7**	**587.4**	**2.7%**	**15.8**	**2,406.1**	**2,167.3**	**11.0%**	**238.7**	**690.9**
Average interest-earning assets	46,740.8	47,412.4	-1.4%	-671.6	45,668.1	2.3%	1,072.7	47,315.3	43,542.0	8.7%	3,773.3	53,540.5
Average loans	34,141.1	33,718.5	1.3%	422.6	30,985.8	10.2%	3,155.4	33,199.2	29,546.8	12.4%	3,652.3	39,107.8
Interest-earning asset yield	7.6%	8.0%	-44 bp		7.7%	-9 bp		7.9%	6.5%	138 bp		
Net interest margin (NIM)	5.2%	5.0%	13 bp		5.1%	2 bp		5.1%	5.0%	11 bp		
Quarterly UF variation	1.6%	0.3%	134 bp		2.5%	-85 bp						
Central Bank reference rate (end of period)	8.3%	9.5%	-125 bp		11.3%	-300 bp						
Avg.10-year Central Bank yield (real)	2.4%	2.9%	-49 bp		1.7%	73 bp						

Net interest income and inflation-indexed net income for the fourth quarter of 2023 was Ch$603.2 billion (US$690.9 million), an increase of 1.1% compared to the previous quarter, as a result of a higher quarterly UF variation and its impact on the adjustments to the accrued inflation-indexed net income.

Compared to the same period of the previous year, net interest income and inflation-indexed net income increased by 2.7% due to the impact of the monetary policy rate on the interest on financial investments, which, although it has begun its downward cycle, still remains high. This was partially offset by the lower inflation observed during the quarter and its impact on the adjustments accrued by the UF on inflation-indexed net income.

Net fee and commission income

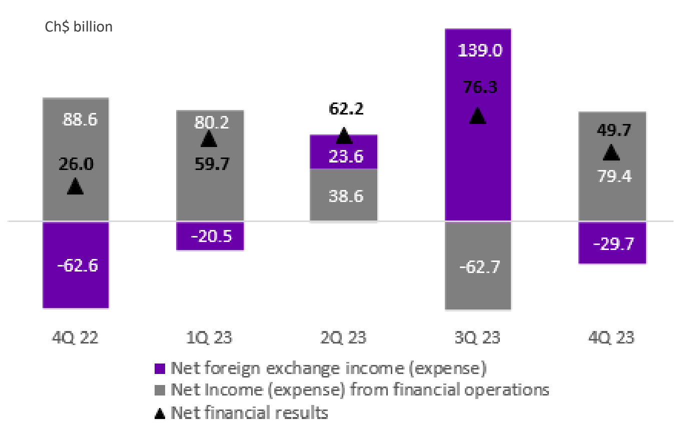
Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	2023	2022	change %	change $	4Q23 US$ million
Collections	38.8	39.1	-0.7%	-0.3	35.5	9.4%	3.4	155.8	131.2	18.8%	24.6	44.5
Current account services and overdraft fees	0.6	0.6	8.0%	0.0	0.6	1.8%	0.0	2.3	2.3	-1.0%	-0.0	0.7
Accounts administration & card fees	54.9	61.7	-11.0%	-6.8	44.0	24.8%	10.9	236.6	195.9	20.8%	40.7	62.9
Insurance brokerage	9.8	12.7	-23.4%	-3.0	14.1	-30.8%	-4.3	45.1	44.1	2.2%	1.0	11.2
Credit operations and guarantees provided	5.1	3.9	29.6%	1.2	4.5	12.3%	0.6	18.1	16.9	7.3%	1.2	5.8
Brokerage and custody of securities	-13.2	-0.9	1326.3%	-12.3	9.2	-243.5%	-22.4	-14.0	7.3	-293.7%	-21.3	-15.1
Prepayment of loans	3.3	3.3	1.9%	0.1	3.5	-4.7%	-0.2	13.1	14.9	-11.8%	-1.8	3.8
Other	21.7	-1.0	-2275.5%	22.7	10.5	105.9%	11.2	25.6	33.8	-24.3%	-8.2	24.9
Net fee and commission income	**121.0**	**119.4**	**1.4%**	**1.6**	**122.0**	**-0.8%**	**-0.9**	**482.5**	**446.3**	**8.1%**	**36.2**	**138.6**

Net fee and commission income for the fourth quarter of 2023 was Ch$121.0 billion (US$138.6 million), an increase of 1.4% compared to the previous quarter. Due to an increase in "other fees" as a result of the reclassification of the accounting account related to fees earned on the management of guarantee funds, as required by CMF. This was partially offset by lower brokerage and custody of securities and lower accounts administration & card fees.

Compared with last year's period, net fee and commission income decreased 0.8% due to lower brokerage and custody of securities fees. This was partially offset by an increase in "other fees" due to the reclassification of the accounting account related to commissions earned on the management of guarantee funds, as required by the CMF, and higher accounts administration & card fees.

Net financial results

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	2023	2022	change %	change $	4Q23 US$ million
Assets for trading at fair value	28.2	10.1	179.9%	18.1	28.7	-1.7%	-0.5	85.9	56.5	52.0%	29.4	32.3
Financial assets and liabilities for trading	19.4	-84.1	-123.1%	103.5	43.2	-55.1%	-23.8	-34.8	64.7	-153.8%	-99.5	22.2
Financial assets at fair value with changes in other comprehensive income	7.4	4.2	76.0%	3.2	9.7	-23.2%	-2.2	38.7	19.0	103.4%	19.7	8.5
Other	24.4	7.1	244.1%	17.3	7.0	245.9%	17.3	45.6	27.7	64.6%	17.9	27.9
Net income (expense) from financial operations	**79.4**	**-62.7**	**-226.6%**	**142.1**	**88.6**	**-10.4%**	**-9.2**	**135.5**	**168.0**	**-19.4%**	**-32.5**	**90.9**
Foreign exchange differences	-94.2	-89.8	5.0%	-4.4	123.8	-176.1%	-218.1	14.4	113.8	-87.4%	-99.5	-108.0
Foreign currency indexing	-5.1	12.1	-141.8%	-17.2	-4.0	27.0%	-1.1	2.9	16.5	-82.5%	-13.6	-5.8
Net hedging income	69.6	216.7	-67.9%	-147.1	-182.4	-138.2%	252.0	95.1	- 120.2	-179.1%	215.3	79.7
Net foreign exchange income (expense)	**-29.7**	**139.0**	**-121.4%**	**-168.7**	**-62.6**	**-52.5%**	**32.9**	**112.4**	**10.1**	**1010.8%**	**102.3**	**-34.0**
Net financial results	**49.7**	**76.3**	**-34.9%**	**-26.6**	**26.0**	**91.0%**	**23.7**	**247.8**	**178.1**	**39.1%**	**69.7**	**56.9**



Net financial results were Ch$49.7 billion (US$56.9 million) in the fourth quarter of 2023, a decrease of 34.9% from the previous quarter, due to lower net foreign exchange income of Ch$168.7 billion. This was partially offset by higher income from financial assets and liabilities for trading of Ch$103.5 billion.

Compared with the same period last year, net financial results increased by 91.0% as a result of an improvement in net foreign exchange income (expense). This was partially offset by lower income from financial assets and liabilities for trading of Ch$23.8 billion.

Net other operating income

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	2023	2022	change %	change $	4Q23 US$ million
Other operating income	8.0	5.2	53.1%	2.8	18.4	-56.6%	-10.4	27.8	82.5	-66.3%	-54.7	9.2
Other operating expenses	-83.2	-18.8	343.5%	-64.5	9.2	-1,001.8%	-92.5	-158.7	-61.4	158.6%	-97.3	-95.3
Other operating income (expense), net	**-75.2**	**-13.5**	**455.6%**	**-61.7**	**27.7**	**-372.0%**	**-102.9**	**-131.0**	**21.1**	**-721.8%**	**-152.1**	**-86.2**
Income from investment in associates	1.4	0.9	52.9%	0.5	1.5	-5.4%	-0.1	3.9	3.8	2.4%	0.1	1.7
Results from non-current assets and non-continued operations	0.4	0.1	235.8%	0.3	0.0	2,728.1%	0.3	0.9	0.2	338.1%	0.7	0.4
Income tax	-127.3	-227.1	-43.9%	99.8	-120.6	5.5%	-6.7	-726.9	-466.2	55.9%	-260.7	-145.8
Tax rate	46.1%	61.2%	-15.1 pp		49.4%	-3.2 pp		53.5%	39.6%	13.9 pp		

Other operating income (expense), net was Ch$-75.2 billion (US$-86.2 million) in the fourth quarter of 2023. Other operating expenses were higher than in the previous quarter, reflecting the highest level of fraud write-offs. Income from investments in associates and results from non-current assets and discontinued operations was Ch$1.8 billion in the quarter. In addition, income taxes were Ch$-127.3 billion, reflecting an effective tax rate of 46.1% in the quarter.

Other operating income (expense), net was Ch$27.7 billion compared to the same period last year, due to higher other operating expenses, reflecting the highest fraud write-offs. In addition, income taxes were Ch$-120.6 billion, reflecting a higher effective tax rate of 49.4% in the quarter.

Operating expenses

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	2023	2022	change %	change $	4Q23 US$ million
Employee benefit obligations expenses	-155.7	-144.5	7.8%	-11.2	-146.7	6.2%	-9.0	- 599.9	-539.2	11.3%	-60.7	-178.4
Administrative expenses	-104.1	-94.3	10.4%	-9.8	-87.9	18.4%	-16.2	-384.7	-320.1	20.2%	-64.6	-119.3
Depreciation and amortization	-18.0	-17.9	0.3%	-0.1	-19.4	-7.3%	1.4	-73.0	-77.3	-5.6%	4.3	-20.6
Impairment of non-financial assets	0.0	0.0	0.0%	-	0.0	0.0%	-	-	-	0.0%	-	-
Total operating expenses	**-277.8**	**-256.7**	**8.2%**	**-21.1**	**-254.0**	**9.4%**	**-23.8**	**-1,057.5**	**- 936.5**	**12.9%**	**-121.0**	**-318.2**
Efficiency ratio (Total operating expenses / Total operating income)	39.7%	32.9%	6.7 pp		33.2%	6.4 pp		35.1%	33.2%	1.9 pp		

Total operating expenses were Ch$277.8 billion (US$318.2 million) in the fourth quarter of 2023, an increase of 8.2% from the previous quarter due to higher expenses for employee benefit obligations and higher administrative expenses.

Compared to the same period in the prior year, total operating expenses increased 9.4% due to a higher administrative expenses, driven by higher IT and communication expenses, and legal and professional fees. The latter is due to the enactment of the regulation that shifts legal collections from clients to banks and higher employee benefit obligations expenses for compensation and incentives, partially offset by the lower depreciation and amortization.

Credit loss expense

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	2023	2022	change %	change $	4Q23 US$ million
Gross provision for loan losses	-180.7	-154.2	17.2%	-26.6	-155.8	16.0%	-25.0	-644.8	-448.7	43.7%	-196.2	-207.0
Recovery of loans written off as losses	25.4	23.2	9.4%	2.2	15.6	62.6%	9.8	90.6	75.7	19.6%	14.9	29.1
Net provisions for loan losses	**-155.4**	**-131.0**	**18.6%**	**-24.4**	**-140.2**	**10.8%**	**-15.2**	**-554.3**	**-372.9**	**48.6%**	**-181.3**	**-178.0**
Special allowances for credit risk	12.1	-22.8	-153.3%	34.9	-94.9	-112.8%	107.0	-64.1	-277.3	-76.9%	213.2	13.9
Impairment for credit risk	-3.5	1.9	-287.5%	-5.4	-31.3	-88.7%	27.7	25.5	-51.9	-149.2%	77.4	-4.0
Credit loss expense	**-146.8**	**-151.9**	**-3.4%**	**5.1**	**-266.3**	**-44.9%**	**119.5**	**-592.9**	**-702.1**	**-15.6%**	**109.3**	**-168.1**
Credit quality ratios												
Non-performing loans Ratio 90 days overdue (NPL)	4.0%	3.6%	33 bp		3.0%	101 bp		4.0%	3.0%	101 bp		
Net provisions for loan losses/ Total loan portfolio	1.7%	1.6%	13 bp		1.9%	-22 bp		1.6%	1.2%	40 bp		
Credit loss expense/ Average loan portfolio	1.7%	1.8%	-8 bp		3.4%	-172 bp		1.8%	2.4%	-59 bp		
Past due loans (PDL)/ Total loans	1.4%	1.4%	3 bp		1.0%	35 bp		1.4%	1.0%	35 bp		
Coverage of PDL (Loan loss allowances/ PDL)	269.7%	263.2%	6.5 pp		323.7%	-54 pp		269.7%	323.7%	-54 pp		
Risk Index (Loan loss allowances/ Total loans)	3.8%	3.6%	17 bp		3.4%	38 bp		3.8%	3.4%	38 bp		
Allowances for loan losses / Average loan portfolio	3.7%	3.6%	11 bp		3.4%	33 bp		3.9%	3.6%	27 bp		
Coverage Ratio (Loan Losses/NPL 90 days overdue)	92.2%	95.5%	-3.3 pp		110.9%	-18.8 pp		92.2%	110.9%	-18.8 pp		

Credit loss expense was Ch$146.8 billion (US$168.1 million) for the fourth quarter of 2023, a decrease of 3.4% compared to the previous quarter. Due to lower expense in special allowances for credit risk, partially offset by increase net provisions for loan losses.

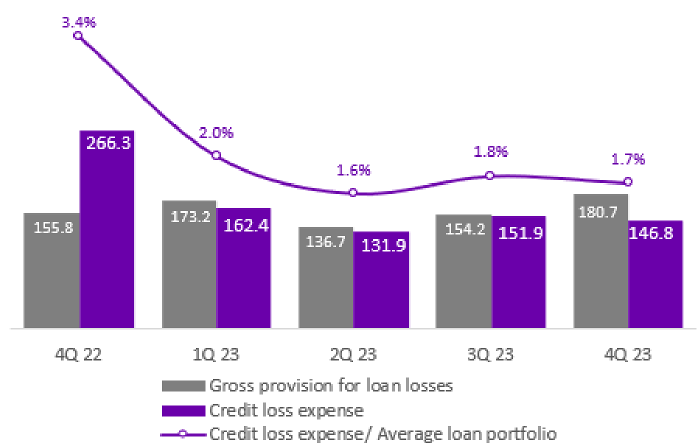
At the end of 4Q23, there were no additional provisions for loans and receivables in the special allowances for credit risk (compared to Ch$10 billion in the previous quarter). In addition, allowances for credit risk for contingent accounts receivable and allowances for country risk for transactions with debtors domiciled abroad were released. Nevertheless, the gross provision for loan losses on commercial and consumer loans increased, in addition to the unfavorable impact of higher credit risk impairment for financial assets.

Compared to the same period of the previous year, credit loss expense decreased by 44.9% due to a lower constitution of additional provision expense and lower impairment of financial assets, from an expense of Ch$31.3 billion to Ch$3.5 billion in the last quarter. On the other hand, gross provision for loan losses increased by 16.0%, mainly due to higher write-offs in the consumer segment and, to a lesser extent, higher write-offs in the commercial segment.

In addition, the ratio of net provisions for loan losses to total loan portfolio increased 13 basis points to 1.7% compared to the prior quarter. This reflects higher net charge[2] in the commercial and consumer segments, which increased 6 and 2 basis points, respectively, driven more by write-offs in the consumer and commercial segments.

Credit loss expense and Loan portfolio

Ch$ billion



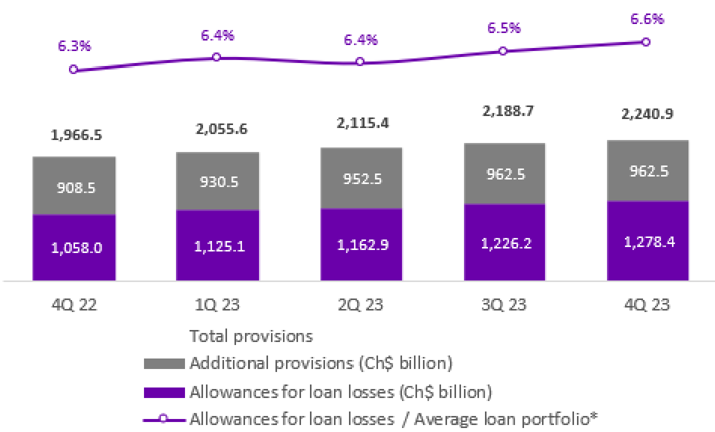
The ratio of credit loss expense to average loan portfolio decreased 8 basis points from the prior quarter, reflecting the lower expense in special allowances for credit risk.

The ratio decreased 172 basis points compared to the same period in the prior year, as credit loss expense decreased due to lower special allowances for credit risk.

2– Net charge ratio includes the gross provision for loan losses, the allowances for credit risk for contingent accounts receivable and recovery of loans written off as losses; on the total loan portfolio at amortized cost.

Allowances for loan losses and loan portfolio

Ch$ billion



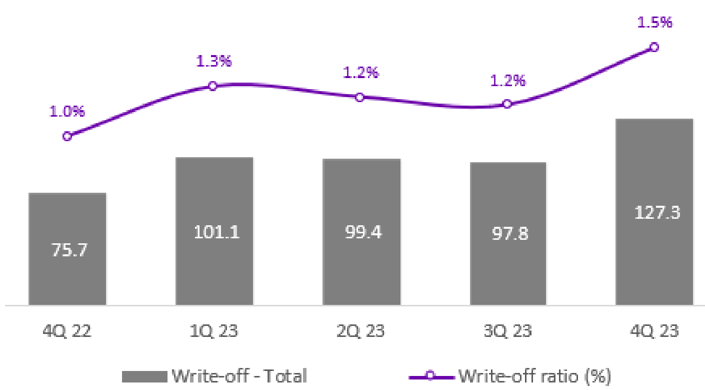
*including additional provisions

In the fourth quarter of 2023, total allowances for loan losses, including additional provisions, increased 2.4% from the previous quarter to Ch$2,240.9 billion, while our average loan portfolio increased by 1.3%.

As a result, the ratio of total allowances for loan losses, including additional provisions, to the loan portfolio increased 7 basis points in the fourth quarter.

Loan portfolio write-offs

Ch$ billion

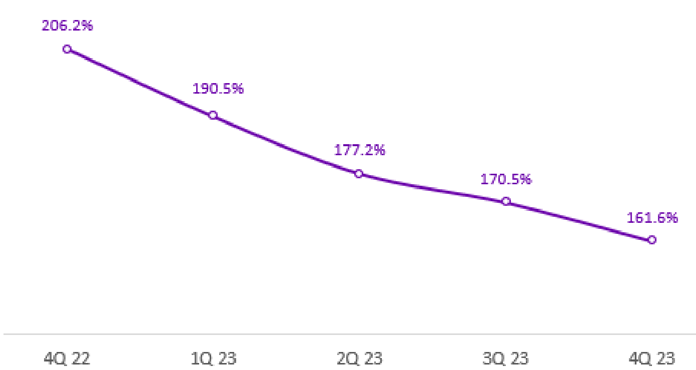


In the fourth quarter of 2023, the loan portfolio write-offs increased by 30.1% from the previous quarter to Ch$127.3 billion, mainly due to higher consumer write-offs and to a lesser extent, commercial write-offs in the last quarter.

As a result, the fourth quarter write-off ratio was 1.5%. The 33 basis point increase in total write-offs was driven by a 29.0% increase in consumer write-offs and a 40.3% increase in commercial write-offs, compared to the previous quarter.

Coverage ratio (90 days)*

%



*including additional provisions

The 90-day coverage ratio was 161.6% in the fourth quarter of 2023, down 8.9 percentage points from the previous quarter, reflecting the 8.0% increase in the NPL portfolio in the fourth quarter, partially offset by higher allowances for loan losses including additional provisions.

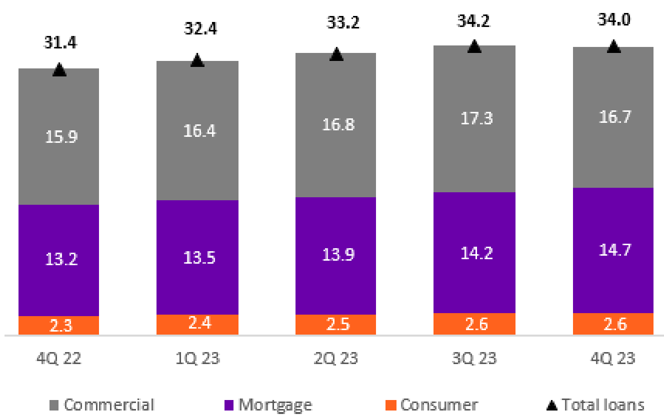
Compared to the same period last year, the ratio decreased by 44.6 percentage points due to the higher NPL portfolio.

Statement of Financial Position

Loan portfolio

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	4Q23 US$ million
Commercial loans	**16,663.7**	**17,314.9**	**-3.8%**	**-651.2**	**15,860.3**	**5.1%**	**803.3**	**19,087.8**
SME[3]	5,220.7	5,121.1	1.9%	99.6	4,824.5	8.2%	396.2	5,980.2
Corporate and others	11,443.0	12,193.8	-6.2%	-750.9	11,035.8	3.7%	407.2	13,107.6
Consumer loans	**2,639.4**	**2,597.4**	**1.6%**	**42.0**	**2,312.3**	**14.1%**	**327.1**	**3,023.4**
Consumer installment loans	2,065.9	2,049.9	0.8%	16.0	1,812.0	14.0%	253.9	2,366.4
Credit card debtors	469.3	443.3	5.9%	26.0	406.1	15.6%	63.3	537.6
Accounts receivable in current accounts	104.3	104.2	0.0%	0.0	94.3	10.6%	10.0	119.4
Mortgage loans	**14,727.9**	**14,246.0**	**3.4%**	**481.9**	**13,196.1**	**11.6%**	**1,531.8**	**16,870.4**
Total loans	**34,031.0**	**34,158.3**	**-0.4%**	**-127.3**	**31,368.8**	**8.5%**	**2,662.2**	**38,981.7**

Total loans
Ch$ trillion



BancoEstado Market Share[4]

	dec-23	dec-22
Market share in total loans	**14.8%**	**14.1%**
Ranking	3rd	4th
Market share in commercial loans	13.8%	13.3%
Ranking	4th	4th
Market share in consumer loans	9.3%	8.3%
Ranking	6th	7th
Market share in mortgage loans	18.3%	17.6%
Ranking	2nd	3rd
Market share in total deposits	**19.9%**	**20.1%**
Ranking	1st	1st
Market share in deposits and other on-demand liabilities	23.7%	23.2%
Ranking	1st	1st
Market share in deposits and other time deposits	17.6%	18.1%
Ranking	1st	1st

4- The market shares presented in this report do not consider the subsidiaries and branches that banks own abroad (BCI, Itaú Chile and BTG Pactual banks).

In nominal terms, the total loan portfolio decreased by 0.4% compared to the previous quarter and increased by 8.5% over the last twelve months, above the inflation rate. Excluding the effects of inflation, which affects the composition of the loan portfolio, these changes represent a decrease of 2.0% and an increase of 3.5%, respectively. BancoEstado continues to rank third in terms of market share of total loans.

The commercial portfolio decreased by 3.8% quarter-on-quarter, but increased by 5.1% year-on-year. In real terms, however, this represents a decline of 5.3% and growth of 0.3%, respectively. In real terms, the Corporate and other segment, which represents 68.7% of commercial loans, declined by 7.7% quarter-on-quarter and by 1.0% year-on-year, respectively. It recorded an abrupt decline in the last two months of the year due to loan maturities that were not renewed. In real terms, the SME segment, which represents 31.3% of commercial loans, grew by 0.3% quarter-on-quarter and 3.3% year-on-year. At the end of the fourth quarter, the microenterprise and small business segments grew by 105.2% and 32.1%, respectively, year-on-year, driven by the FOGAPE Chile Apoya program, which accounted for 70.7% of microenterprise and 45.5% of small business sales. On the other hand, BancoEstado's participation ranks fourth in terms of commercial loans.

In nominal terms, the consumer portfolio grew by 1.6% quarter-on-quarter and 14.1% year-on-year. Excluding the impact of inflation, these changes were flat and increased by 8.9%, respectively. On a 12-month basis, the stronger momentum in consumer installment loans stands out, primarily due to the average loan size. To a lesser extent, the increase in credit card debtors is explained by a lower number of debtors and a lower average amount owed. On the other hand, BancoEstado ranks sixth in terms of market share in consumer loans.

In nominal terms, the mortgage portfolio grew by 3.4% quarter-on-quarter, and 11.6% year-on-year. Excluding the effects of inflation, these changes represent an increase of 1.7% and 6.5%, respectively. This was mainly due to the positive impact of promotional campaigns on sales, which maintained the Bank's second position in terms of mortgage market share.

3– SME: micro, small and medium-sized enterprises.

Financial investments

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	4Q23 US$ million
For trading at fair value through profit or loss	1,048.1	1,064.7	-1.6%	-16.6	1,354.3	-22.6%	-306.2	1,200.6
At fair value through other comprehensive income	11,002.8	10,760.5	2.3%	242.3	10,342.0	6.4%	660.8	12,603.4
At amortized cost	2,021.2	2,030.4	-0.5%	-9.1	3,192.2	-36.7%	-1,171.0	2,315.3
Total Financial investments	**14,072.1**	**13,855.6**	**1.6%**	**216.6**	**14,888.5**	**-5.5%**	**-816.3**	**16,119.3**

Total financial investments were Ch$14,072.1 billion (US$16,119.3 million) for the fourth quarter of 2023, an increase of 1.6% compared to the previous quarter. This increase was mainly due to higher financial debt instruments at fair value through other comprehensive income.

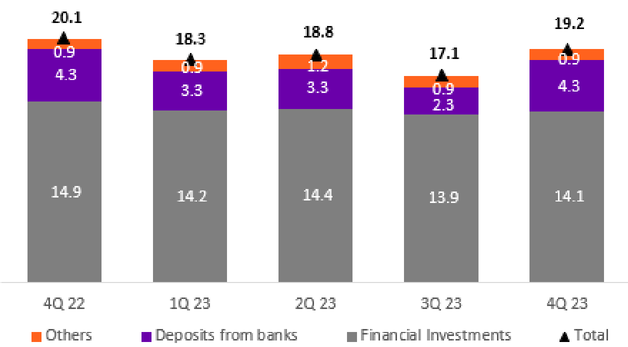
Compared to the same period in the prior year, total financial investments decreased by 5.5% due to lower financial investments at amortized cost and for trading at fair value through profit or loss, partially offset by a higher financial investments at fair value through other comprehensive income.

Liquidity

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	4Q23 US$ million
Total Financial Investments	14,072.1	13,855.6	1.6%	216.6	14,888.5	-5.5%	-816.3	16,119.3
Unsettled transactions	215.9	220.6	-2.1%	-4.7	157.1	37.4%	58.8	247.3
Investments under repurchase agreements	-	49.5	-100.0%	-49.5	94.7	-100.0%	-94.7	-
Deposits with the Central Bank of Chile	3,857.7	1,071.6	260.0%	2,786.0	3,183.7	21.2%	674.0	4,418.8
Deposits in domestic banks	0.4	0.5	-27.7%	-0.1	0.1	147.3%	0.2	0.4
Deposits in foreign banks	397.0	1,217.2	-67.4%	-820.2	1,160.5	-65.8%	-763.5	454.8
Cash	686.8	644.0	6.6%	42.7	617.0	11.3%	69.8	786.7
Liquid assets	**19,229.8**	**17,059.1**	**12.7%**	**2,170.8**	**20,101.6**	**-4.3%**	**-871.7**	**22,027.3**
Total assets	58,305.3	56,521.8	3.2%	1,783.5	57,090.8	2.1%	1,214.5	66,787.3
Liquid assets / Total assets	33.0%	30.2%	9.3%	2.8%	35.2%	-6.3%	-2.2%	

Liquidity assets

Ch$ trillion



Liquid assets were Ch$19,229.8 billion (US$22,027.3 million) at the end of the fourth quarter, an increase of 12.7% compared to the previous quarter. This was primarily due to higher deposits with the Central Bank of Chile, partially offset by lower deposits in foreign banks and lower investments under repurchase agreements.

Compared to the same period last year, liquid assets decreased by 4.3% due to of the lower total financial investments and lower deposits in foreign banks, partially offset by higher deposits with the Central Bank of Chile.

In addition, the Bank's liquid assets represent 33.0% of total assets.

Liquidity Coverage Ratio (LCR)

	4Q23	3Q23	change	4Q22	change
High quality liquid assets	10,759.0	7,566.3		8,688.6	
Net adjusted expenses	3,589.9	2,461.9		2,556.2	
LCR	**299.71%**	**307.34%**	-7.6 pp	**339.91%**	-40.2 pp

Net Stable Funding Ratio (NSFR)

	4Q23	3Q23	change	4Q22	change
Available stable funding	37,942.5	38,535.4		40,746.4	
Required stable funding	32,135.3	32,241.0		34,083.8	
NSFR	**118.07%**	**119.52%**	-1.5 pp	**119.55%**	-1.5 pp

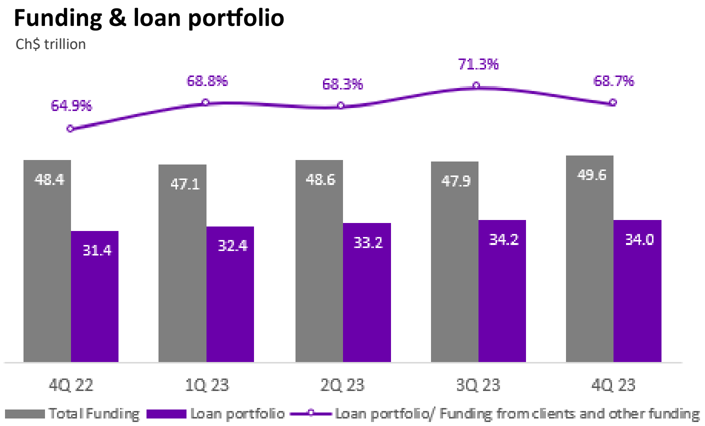
In April 2019, Chilean banks began reporting their local LCR figures with a minimum set by the CMF at 60%, which gradually increased to 100% by June 2022.

The Liquidity Coverage Ratio (LCR) reached 299.71%, a decrease of 7.6 pp in the quarter. Despite the decline, the ratio remains comfortably strong within internal and regulatory limits. The LCR is composed of high quality liquid assets that can be readily converted into cash to cover cash outflows over a 30 calendar day horizon, based on a regulatory critical liquidity stress scenario defined by the regulator.

The Net Stable Funding Ratio (NSFR) reached 118.07%. This ratio is a structural liquidity measure designed to ensure that the Bank maintains a stable funding profile regarding asset composition and off-balance sheet activities.

Funding

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	4Q23 US$ million
Deposits and other on-demand liabilities	15,061.1	14,032.6	7.3%	1,028.5	15,037.6	0.2%	23.5	17,252.2
Deposits and other time deposits	18,049.1	18,426.1	-2.0%	-376.9	17,845.1	1.1%	204.0	20,674.9
Liabilities for repurchase agreements and securities lending	1,572.2	1,068.2	47.2%	504.1	1,182.3	33.0%	389.9	1,800.9
Funding from Clients	**34,682.5**	**33,526.8**	**3.4%**	**1,155.7**	**34,065.1**	**1.8%**	**617.5**	**39,728.0**
Letters of credit	321.4	334.7	-4.0%	-13.3	383.9	-16.3%	-62.5	368.2
Bonds	8,091.1	7,998.3	1.2%	92.8	7,932.8	2.0%	158.3	9,268.1
Subordinated bonds	1,419.3	1,242.0	14.3%	177.3	1,215.4	16.8%	203.9	1,625.8
Interbank borrowings	4,931.1	4,653.1	6.0%	278.0	4,612.9	6.9%	318.1	5,648.4
Other financial liabilities	105.1	176.2	-40.4%	-71.1	160.4	-34.5%	-55.3	120.4
Other funding	**14,868.0**	**14,404.3**	**3.2%**	**463.7**	**14,305.5**	**3.9%**	**562.4**	**17,030.9**
Total Funding	**49,550.5**	**47,931.1**	**3.4%**	**1,619.4**	**48,370.6**	**2.4%**	**1,179.9**	**56,758.8**



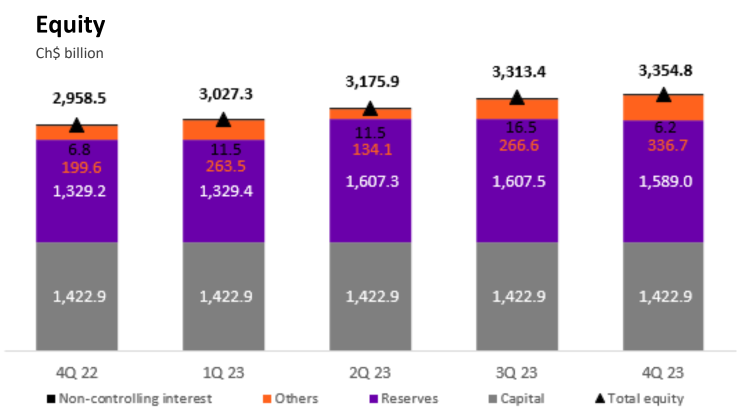
Total funding in the fourth quarter of 2023 was Ch$49,550.5 billion (US$56,758.8 million), an increase of 3.4% from the previous quarter, mainly due to higher deposits and other on-demand liabilities and higher liabilities for repurchase agreements and securities lending, partially offset by lower deposits and other time deposits. As of December 2023, BancoEstado had 19.9% of the system's total deposits, and customer deposits represented 70.0% of the bank's funding base.

Compared to the same period of the previous year, total funding increased by 2.4%, mainly due to the higher liabilities from repurchase agreements and securities lending, higher interbank borrowings, higher deposits and other time deposits and higher subordinated bonds, partially offset by lower letters of credit and other financial liabilities.

At the end of the fourth quarter, the ratio of loan portfolio to funding from clients and other funding was 68.7%.

Equity

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	4Q23 US$ million
Capital	1,422.9	1,422.9	0.0%	-	1,422.9	0.0%	-	1,629.9
Reserves	1,589.0	1,607.5	-1.2%	-18.5	1,329.2	19.5%	259.9	1,820.2
Other accumulated comprehensive income	30.4	32.2	-5.5%	-1.8	-31.8	-195.6%	62.1	34.8
Retained earnings from prior years	-	-	0.0%	-	-	0.0%	-	-
Profit for the period	612.7	468.8	30.7%	143.9	694.1	-11.7%	-81.3	701.9
Less: Provisions for dividends, interest payments and repricing of regulatory capital financial instruments issued	-306.4	-234.4	30.7%	-72.0	-462.7	-33.8%	156.3	-350.9
Equity holders of the bank	**3,348.7**	**3,297.0**	**1.6%**	**51.7**	**2,951.7**	**13.5%**	**397.0**	**3,835.8**
Non-controlling interest	6.2	16.5	-62.6%	-10.3	6.8	-10.1%	-0.7	7.0
Total equity	**3,354.8**	**3,313.4**	**1.2%**	**41.4**	**2,958.5**	**13.4%**	**396.3**	**3,842.9**



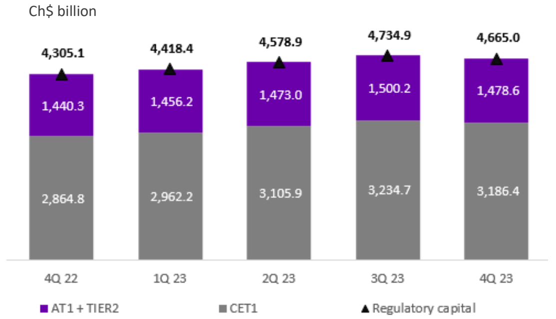
Total equity was Ch$3,354.8 billion (US$3,842.9 million) at the end of the fourth quarter, an increase of 1.2% from the previous quarter. This was mainly due to higher profit for the period, partially offset by lower provisions for dividends, interest payments and repricing of regulatory capital financial instruments issued.

Compared to the same period in the prior year, total equity increased by 13.4%, mainly due to higher reserves and provisions for dividends, interest payments and repricing of regulatory capital financial instruments issued, partially offset by lower profit for the period.

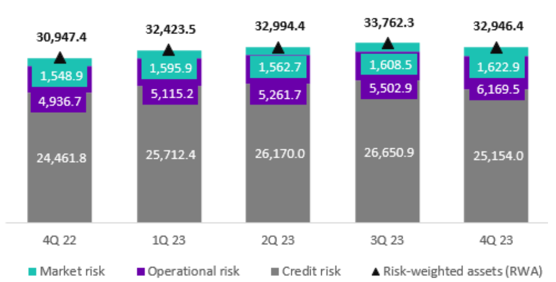
Capital adequacy

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	4Q23 US$ million
Tier 1	**3,186.4**	**3,402.7**	**-6.4%**	**-216.3**	**3,017.8**	**5.6%**	**168.6**	**3,649.9**
Core Capital (CET1)	3,186.4	3,234.7	-1.5%	-48.3	2,864.8	11.2%	321.6	3,649.9
AT1	-	168.0	-100.0%	-168.0	153.0	-100.0%	-153.0	-
Tier 2	**1,478.6**	**1,332.2**	**11.0%**	**146.4**	**1,287.3**	**14.9%**	**191.3**	**1,693.7**
Regulatory capital	**4,665.0**	**4,734.9**	**-1.5%**	**-70.0**	**4,305.1**	**8.4%**	**359.9**	**5,343.6**
Credit risk-weighted assets	25,154.0	26,650.9	-5.6%	-1,496.8	24,461.8	2.8%	692.2	28,813.3
Market risk-weighted assets	1,622.9	1,608.5	0.9%	14.4	1,548.9	4.8%	74.0	1,859.0
Operational risk-weighted assets	6,169.5	5,502.9	12.1%	666.6	4,936.7	25.0%	1,232.8	7,067.0
Risk-weighted assets (RWA)	**32,946.4**	**33,762.3**	**-2.4%**	**-815.9**	**30,947.4**	**6.5%**	**1,999.0**	**37,739.3**
Solvency ratios								
BIS ratio	14.16%	14.02%	13 bp		13.91%	25 bp		
CET1 ratio	9.67%	9.58%	9 bp		9.26%	41 bp		
Additional Tier 1 ratio	0.00%	0.50%	-50 bp		0.49%	-49 bp		
Tier 2 ratio	4.49%	3.95%	54 bp		4.16%	33 bp		
Leverage ratio	5.38%	5.57%	-19 bp		4.92%	46 bp		
Tier 2 / Tier 1	46.40%	39.15%	7.3 pp		42.66%	3.7 pp		

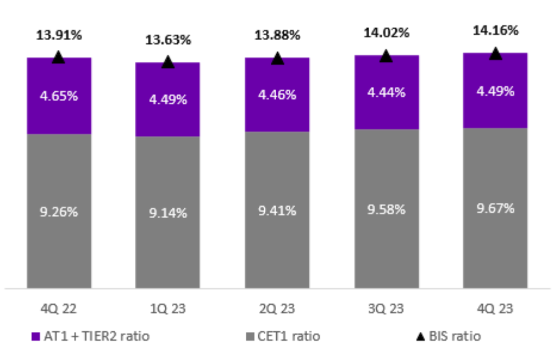
Regulatory capital
Ch$ billion



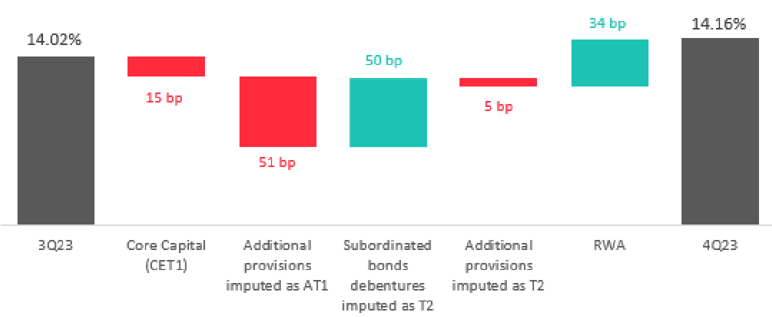
Risk-weighted assets (RWA)
Ch$ billion



BIS ratios
%



Main changes in 4Q23
%



BancoEstado's capital structure complies with the minimum capital requirements established by the Financial Market Commission (CMF), by Law No. 21,130, which established new requirements by the international standards known as "Basel III". In fact, on October 21, 2021, Law No. 21,384 was published, authorizing up to US$1,500 million until December 2025. The purpose is to authorize the capitalization, other measures to comply with the new capital requirements of the Basel III agreements. Thus, on October 28, 2022, a portion of the additional capital contribution of Ch$452.5 billion was received. As a result of this contribution, BancoEstado's capital amounts to Ch$1,422.9 billion as of December 31, 2023 and December 31, 2022, respectively.

At the end of December 2023, core capital amounted to Ch$3,186.4 billion. Since there was no additional Tier 1 capital, the Tier 1 capital totals the Ch$3,186.4 billion. Tier 2 capital, which is the sum of additional provisions plus subordinated bonds, amounted to Ch$1,478.6 billion, resulting in regulatory capital of Ch$4,665.0 billion.

On the other hand, the regulatory limits for the Tier 2 capital components show headroom, as subordinated bonds was used 36.93% of a maximum of 50% of the possible core capital. For additional provisions, these amounted to 1.20% of a maximum of 1.25% of the credit risk-weighted assets.

The BIS ratio reached 14.16%, an increase of 13 basis points in the quarter. This was mainly due to increased in subordinated bonds debentures imputed as T2 and the impact of foreign exchange rate on RWA. This was partially offset by a decrease in additional provisions imputed as AT1, a decrease in core capital due to higher capital deductions and a decrease in additional provisions imputed as T2.

Balance Sheet

Ch$ billion	4Q23	3Q23	change %	change $	4Q22	change %	change $	4Q23 US$ million
Assets								
Cash and deposits in banks	4,941.8	2,933.3	68.5%	2,008.5	4,961.3	-0.4%	-19.5	5,660.7
Unsettled transactions	215.9	220.6	-2.1%	-4.7	157.1	37.4%	58.8	247.3
Financial assets for trading at fair value through earnings	2,838.3	2,959.7	-4.1%	-121.4	3,927.6	-27.7%	-1,089.3	3,251.2
Derivative contracts	1,778.4	1,882.0	-5.5%	-103.7	2,554.6	-30.4%	-776.3	2,037.1
Debt instruments	1,048.1	1,064.7	-1.6%	-16.6	1,354.3	-22.6%	-306.2	1,200.6
Other	11.8	13.0	-8.8%	-1.1	18.7	-36.8%	-6.9	13.6
Financial assets at fair value through other comprehensive income	11,002.8	10,760.5	2.3%	242.3	10,342.0	6.4%	660.8	12,603.4
Debt instruments	11,002.8	10,760.5	2.3%	242.3	10,342.0	6.4%	660.8	12,603.4
Financial derivative contracts for hedge accounting	95.2	64.9	46.7%	30.3	50.3	89.2%	44.9	109.1
Financial assets at amortized cost	35,604.3	36,035.6	-1.2%	-431.3	34,345.4	3.7%	1,258.9	40,783.8
Investments under resale agreements	-	49.5	-100.0%	-49.5	94.7	-100.0%	-94.7	-
Financial debt instruments	2,021.2	2,030.4	-0.5%	-9.1	3,192.2	-36.7%	-1,171.0	2,315.3
Interbank loans	830.5	1,023.6	-18.9%	-193.1	747.7	11.1%	82.8	951.3
Loans and accounts receivable from customers. Commercial	15,882.5	16,565.8	-4.1%	-683.3	15,201.5	4.5%	681.0	18,193.0
Loans and accounts receivable from customers. Mortgage	14,591.1	14,108.3	3.4%	482.8	13,064.7	11.7%	1,526.4	16,713.7
Loans and accounts receivable from customers. Consumer	2,279.0	2,258.0	0.9%	21.0	2,044.6	11.5%	234.4	2,610.6
Investments in other companies	24.9	23.2	7.2%	1.7	21.0	18.4%	3.9	28.5
Intangible assets	47.0	45.5	3.4%	1.6	44.7	5.3%	2.4	53.9
Property, plant and equipment	315.1	309.8	1.7%	5.3	325.0	-3.0%	-9.9	361.0
Right-of-use assets	74.1	75.9	-2.2%	-1.7	79.6	-6.9%	-5.5	84.9
Current taxes	0.6	0.2	297.0%	0.5	2.9	-79.2%	-2.3	0.7
Deferred taxes	1,890.7	1,830.9	3.3%	59.9	1,770.5	6.8%	120.2	2,165.8
Other assets	1,249.8	1,260.2	-0.8%	-10.4	1,062.4	17.6%	187.4	1,431.6
Non-current assets and groups for sale	4.6	1.6	186.2%	3.0	0.9	401.3%	3.7	5.3
Total Assets	**58,305.3**	**56,521.8**	**3.2%**	**1,783.5**	**57,090.8**	**2.1%**	**1,214.5**	**66,787.3**
Liabilities								
Unsettled transactions	189.5	202.4	-6.4%	-12.9	133.7	41.7%	55.8	217.1
Financial liabilities for trading at fair value through earnings	1,826.5	1,927.7	-5.3%	-101.3	2,567.2	-28.9%	-740.7	2,092.2
Financial derivative contracts for hedge accounting	459.8	401.4	14.6%	58.4	469.3	-2.0%	-9.5	526.7
Financial liabilities at amortized cost	48,131.2	46,689.1	3.1%	1,442.1	47,155.1	2.1%	976.0	55,133.1
Deposits and other demand liabilities	15,061.1	14,032.6	7.3%	1,028.5	15,037.6	0.2%	23.5	17,252.2
Time deposits and other time liabilities	18,049.1	18,426.1	-2.0%	-376.9	17,845.1	1.1%	204.0	20,674.9
Investments under repurchase agreements	1,572.2	1,068.2	47.2%	504.1	1,182.3	33.0%	389.9	1,800.9
Interbank borrowings	4,931.1	4,653.1	6.0%	278.0	4,612.9	6.9%	318.1	5,648.4
Issued debt instruments	8,412.5	8,332.9	1.0%	79.5	8,316.8	1.2%	95.7	9,636.3
Other financial liabilities	105.1	176.2	-40.4%	-71.1	160.4	-34.5%	-55.3	120.4
Obligations for leading contracts	74.1	76.6	-3.2%	-2.5	80.3	-7.7%	-6.2	84.9
Financial instruments of issued regulatory capital	1,419.3	1,242.0	14.3%	177.3	1,215.4	16.8%	203.9	1,625.8
Provisions for contingencies	231.1	222.6	3.8%	8.5	207.5	11.4%	23.6	264.7
Provisions for dividend, interest payments and reappreciation of financial issued regulatory capital instruments	306.4	234.4	30.7%	72.0	462.7	-33.8%	-156.3	350.9
Provisions for credit risk	1,039.6	1,051.8	-1.2%	-12.2	975.4	6.6%	64.2	1,190.8
Current taxes	672.0	552.1	21.7%	119.9	184.9	263.3%	487.0	769.7
Deferred taxes	1.2	0.5	121.6%	0.7	0.7	77.7%	0.5	1.4
Other liabilities	599.9	607.8	-1.3%	-7.9	680.0	-11.8%	-80.1	687.2
Liabilities in groups for sale	-	-	0.0%	-	-	0.0%	-	-
Total Liabilities	**54,950.5**	**53,208.4**	**3.3%**	**1,742.1**	**54,132.3**	**1.5%**	**818.2**	**62,944.4**
Equity								
Capital	1,422.9	1,422.9	0.0%	-	1,422.9	0.0%	-	1,629.9
Reserves	1,589.0	1,607.5	-1.2%	-18.5	1,329.2	19.5%	259.9	1,820.2
Other comprehensive income	30.4	32.2	-5.5%	-1.8	-31.8	-195.6%	62.1	34.8
Retained earnings	-	-	0.0%	-	-	0.0%	-	-
Net income for the period	612.7	468.8	30.7%	143.9	694.1	-11.7%	-81.3	701.9
Provisions for dividend, interest payments and reappreciation of financial issued regulatory capital instruments	-306.4	-234.4	30.7%	-72.0	-462.7	-33.8%	156.3	-350.9
Equity holders of the Bank	3,348.7	3,297.0	1.6%	51.7	2,951.7	13.5%	397.0	3,835.8
Non-controlling interest	6.2	16.5	-62.6%	-10.3	6.8	-10.1%	-0.7	7.0
Total Equity	**3,354.8**	**3,313.4**	**1.2%**	**41.4**	**2,958.5**	**13.4%**	**396.3**	**3,842.9**
Total Liabilities and Equity	**58,305.3**	**56,521.8**	**3.2%**	**1,783.5**	**57,090.8**	**2.1%**	**1,214.5**	**66,787.3**

Additional Information

Credit Risk Ratings

International ratings

On a global level, BancoEstado is rated by Standard & Poor's Global Ratings ("S&P”) and Moody's Investors Services ("Moody's"). Further details are provided below:

Standard and Poor's	Rating
Long-term foreign issuer credit	A
Long-term local issuer credit	A
Senior unsecured bonds	A
Short-term foreign issuer credit	A-1
Short-term local issuer credit	A-1
Outlook	Negative

Moody's	Rating
Long-term counterparty risk rating (CRR)	A2
Long-term foreign currency deposits	A2
Long-term foreign currency debt	A2
Senior unsecured	A2
Short-term foreign currency deposits	Prime-1
Outlook	Stable

Local ratings

At the national level, BancoEstado is rated by Fitch Clasificadora de Riesgo ("Fitch Chile") and by ICR Clasificadora de Riesgo ("ICR Chile"). Further details are provided below:

Fitch Chile	Rating
Long-term deposits	AAA (cl)
Letters mortgage	AAA (cl)
Bonds	AAA (cl)
Subordinated bonds	AA (cl)
Short-term deposits	N1+ (cl)
Outlook	Stable

ICR Chile	Rating
Solvency	AAA
Long-term deposits (> 1 year)	AAA
Letters of credit	AAA
Bonds	AAA
Subordinated bonds	AA+
Short-term deposits (< 1 year)	N1+
Outlook	Stable


BancoEstado