

**BANCO GENERAL, S. A.
AND SUBSIDIARIES**
(Panama, Republic of Panama)

**Condensed Consolidated Interim
Financial Information**

September 30, 2025

"This document has been prepared with the knowledge that its contents shall be made available to the investing and general public"

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

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BANCO GENERAL, S. A. AND SUBSIDIARIES
(Panama, Republic of Panama)

Condensed Consolidated Statement of Financial Position

September 30, 2025, December 31, 2024 and September 30, 2024

(Expressed in Balboas)

		(Unaudited) September 2025	(Audited) December 2024	(Unaudited) September 2024
Assets	Note			
Cash and cash items	5	158,838,722	170,110,069	163,218,431
Deposits with banks:				
Demand deposits		391,542,616	337,468,951	479,975,149
Time deposits		20,935,333	20,929,461	18,380,994
Accrued interest receivable		83,395	46,790	10,672
Total deposits with banks		412,561,344	358,445,202	498,366,815
Total cash, cash items and deposits with banks		571,400,066	528,555,271	661,585,246
Investments and other financial assets at FVTPL		847,961,844	829,554,142	867,937,219
Investments and other financial assets at FVOCI		4,781,163,947	4,511,601,422	4,435,472,142
Investments and other financial at amortized cost, net		27,228,558	6,613,664	15,041,621
Accrued interest receivable		3,100	1,474	1,890
Investments and other financial assets, net		5,656,357,449	5,347,770,702	5,318,452,872
Loans	6	13,161,767,367	12,762,271,656	12,535,405,392
Accrued interest receivable		62,212,591	58,854,224	62,806,080
Less:				
Loan losses allowance		349,036,870	364,917,778	372,502,451
Unearned commissions		45,779,717	41,596,410	40,780,121
Loans, net		12,829,163,371	12,414,611,692	12,184,928,900
Investments in associates		39,679,016	30,071,382	34,963,435
Properties, furniture, equipment and improvements, net of accumulated depreciation and amortization	7	279,960,340	271,468,124	268,663,332
Right-of-use assets, net	8	15,842,922	14,903,899	15,080,606
Investments and other financial assets sold pending settlement		310,609,135	272,708,272	341,908,243
Deferred tax assets		83,041,412	87,378,058	90,149,002
Goodwill and other intangible assets, net	9	43,073,813	44,263,222	44,659,692
Other assets		607,360,200	435,768,404	500,908,054
Total assets		20,436,487,724	19,447,499,026	19,461,299,382

The condensed consolidated statement of financial position should be read along with the accompanying notes which are an integral part of the condensed consolidated interim financial information.

		(Unaudited) September 2025	(Audited) December 2024	(Unaudited) September 2024
<u>Liabilities and Equity</u>	<u>Note</u>			
Liabilities:				
Deposits:				
Local:				
Demand		2,811,648,892	2,785,908,732	2,556,985,712
Savings		4,791,819,278	4,753,968,000	4,705,658,758
Time:				
Customers		6,662,081,862	6,191,290,635	6,091,949,482
Banks		96,629,665	9,697,344	16,866,217
Accrued interest payable		108,640,156	110,904,654	104,383,925
Total deposits		<u>14,470,819,853</u>	<u>13,851,769,365</u>	<u>13,475,844,094</u>
Financing:				
Securities sold under repurchase agreements		0	93,561,000	0
Borrowings and debt securities issued, net	11	604,754,853	699,614,895	731,105,175
Perpetual bonds		400,000,000	400,000,000	400,000,000
Accrued interest payable		12,031,496	13,402,415	14,804,445
Total financing		<u>1,016,786,349</u>	<u>1,206,578,310</u>	<u>1,145,909,620</u>
Lease Liabilities	12	17,833,657	16,843,420	16,994,502
Investments and other financial assets purchased pending settlement		592,583,302	538,873,658	616,029,637
Reserves of insurance operations	13	27,826,075	24,728,077	26,232,119
Deferred tax liabilities		1,168,576	1,158,762	1,156,079
Other liabilities	10	730,134,229	634,888,555	856,965,216
Total liabilities		<u>16,857,152,041</u>	<u>16,274,840,147</u>	<u>16,139,131,267</u>
Equity:	15			
Common shares		500,000,000	500,000,000	500,000,000
Legal reserves		229,688,849	223,681,409	219,612,710
Capital reserves		(10,673,997)	(119,335,155)	(63,159,857)
Retained earnings		2,860,320,831	2,568,312,625	2,665,715,262
Total equity		<u>3,579,335,683</u>	<u>3,172,658,879</u>	<u>3,322,168,115</u>
Total liabilities and equity		<u>20,436,487,724</u>	<u>19,447,499,026</u>	<u>19,461,299,382</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES
(Panama, Republic of Panama)

Condensed Consolidated Statement of Income

For the nine months ended September 30, 2025 and 2024

(Expressed in Balboas)

		(Unaudited) (3rd Quarter)		(Unaudited) (Accumulated)	
	Note	2025	2024	2025	2024
Interest and commission income:					
Interest:					
Loans		259,915,113	246,175,634	761,339,261	716,603,532
Deposits with banks		2,825,778	4,519,631	9,191,027	12,228,546
Investments and other financial assets		72,258,605	65,027,266	209,830,170	197,685,648
Commissions on loans		13,639,294	11,321,615	39,008,492	32,417,495
Total interest and commission income		348,638,790	327,044,146	1,019,368,950	958,935,221
Interest expenses:					
Deposits		95,878,623	85,432,764	278,311,180	243,166,354
Financing		12,398,215	13,167,689	39,216,358	41,650,184
Total interest expenses		108,276,838	98,600,453	317,527,538	284,816,538
Net interest and commission income		240,361,952	228,443,693	701,841,412	674,118,683
Provision (reversal) for loan losses, net	6	5,744,259	(13,981,395)	19,403,998	(13,888,820)
Provision (reversal) for impairment of investments, net		(383,142)	550,241	641,893	(746,246)
Provision for foreclosed assets, net		1,422,205	739,148	3,606,153	1,594,378
Net interest and commission income, after provisions		233,578,630	241,135,699	678,189,368	687,159,371
Other income (expenses):					
Fees and other commissions		115,972,055	101,596,606	335,887,662	299,929,677
Insurance premiums, net		13,602,460	12,428,834	40,440,230	36,118,713
Loss on financial instruments, net		(313,948)	(3,504,150)	(797,962)	(7,396,795)
Other income, net		15,512,818	13,550,296	45,239,067	37,311,652
Commission expenses and other expenses	12	(44,795,728)	(41,629,086)	(133,537,319)	(125,374,977)
Total other income, net		99,977,657	82,442,500	287,231,678	240,588,270
General and administrative expenses:					
Salaries and other personnel expenses	16	54,319,164	50,664,151	159,867,966	149,363,043
Depreciation and amortization	7 and 8	10,993,296	9,289,253	31,367,338	26,642,632
Properties, furniture and equipment expenses		10,049,447	9,518,480	30,541,728	27,588,932
Other expenses		21,815,118	20,661,228	61,894,059	58,936,934
Total general and administrative expenses		97,177,025	90,133,112	283,671,091	262,531,541
Net operating income		236,379,262	233,445,087	681,749,955	665,216,100
Equity participation in associates		4,106,705	3,672,555	11,661,518	11,827,981
Net income before tax		240,485,967	237,117,642	693,411,473	677,044,081
Income tax, estimated		27,149,270	29,812,923	79,252,241	84,710,376
Income tax, deferred		2,025,029	5,285,311	4,346,533	5,762,549
Income tax, net	17	29,174,299	35,098,234	83,598,774	90,472,925
Net income		211,311,668	202,019,408	609,812,699	586,571,156

The condensed consolidated statement of income should be read along with the accompanying notes which are an integral part of the condensed consolidated interim financial information.

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Condensed Consolidated Statement of Comprehensive Income

For the nine months ended September 30, 2025 and 2024

(Expressed in Balboas)

	(Unaudited)	
	<u>2025</u>	<u>2024</u>
Net income	<u>609,812,699</u>	<u>586,571,156</u>
Other comprehensive income (expense):		
Items that are or may be reclassified to the condensed consolidated statement of income:		
Valuation of investments and other financial assets:		
Net changes in valuation of investments at FVOCI	117,295,527	112,883,953
Transfer to profit or loss for sales of investments at FVOCI	(9,288,730)	(12,628,129)
Valuation of investment credit risk at FVOCI	<u>654,361</u>	<u>(737,509)</u>
Total other comprehensive income, net	<u>108,661,158</u>	<u>99,518,315</u>
Total comprehensive income	<u><u>718,473,857</u></u>	<u><u>686,089,471</u></u>

The condensed consolidated statement of comprehensive income should be read along with the accompanying notes which are an integral part of the condensed consolidated interim financial information.

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Condensed Consolidated Statement of Changes in Equity

For the nine months ended September 30, 2025 and 2024

(Expressed in Balboas)

			Capital reserves		Total capital reserves	Retained earnings	Total equity
	Common shares	Legal reserves	Insurance reserve	Valuation of investments and other financial assets			
Balance as of December 31, 2024 (Audited)	500,000,000	223,681,409	1,000,000	(120,335,155)	(119,335,155)	2,568,312,625	3,172,658,879
Net income	0	0	0	0	0	609,812,699	609,812,699
Other comprehensive income (expense):							
Items that are or may be reclassified to the condensed consolidated statement of income							
Valuation of investments and other financial assets:							
Net changes in valuation of investments at FVOCI	0	0	0	117,295,527	117,295,527	0	117,295,527
Transfer to profit or loss for sales of investments at FVOCI	0	0	0	(9,288,730)	(9,288,730)	0	(9,288,730)
Valuation of investment credit risk at FVOCI	0	0	0	654,361	654,361	0	654,361
Total other comprehensive income, net	0	0	0	108,661,158	108,661,158	0	108,661,158
Total comprehensive income	0	0	0	108,661,158	108,661,158	609,812,699	718,473,857
Transactions with owner:							
Dividends paid on common shares	0	0	0	0	0	(306,000,000)	(306,000,000)
Dividends tax	0	0	0	0	0	(2,214,529)	(2,214,529)
Complementary tax	0	0	0	0	0	(1,266,829)	(1,266,829)
Transfer of retained earnings	0	6,007,440	0	0	0	(6,007,440)	0
Changes due to adoption of IFRS 17, net	0	0	0	0	0	(2,315,695)	(2,315,695)
Total transactions attributable to the shareholder	0	6,007,440	0	0	0	(317,804,493)	(311,797,053)
Balance as of September 30, 2025 (Unaudited)	500,000,000	229,688,849	1,000,000	(11,673,997)	(10,673,997)	2,860,320,831	3,579,335,683
Balance as of December 31, 2023 (Audited)	500,000,000	213,274,003	1,000,000	(163,678,172)	(162,678,172)	2,376,750,787	2,927,346,618
Net income	0	0	0	0	0	586,571,156	586,571,156
Other comprehensive income (expense):							
Items that are or may be reclassified to the condensed consolidated statement of income							
Valuation of investments and other financial assets:							
Net changes in valuation of investments at FVOCI	0	0	0	112,883,953	112,883,953	0	112,883,953
Transfer to profit or loss for sales of investments at FVOCI	0	0	0	(12,628,129)	(12,628,129)	0	(12,628,129)
Valuation of investment credit risk at FVOCI	0	0	0	(737,509)	(737,509)	0	(737,509)
Total other comprehensive income, net	0	0	0	99,518,315	99,518,315	0	99,518,315
Total comprehensive income	0	0	0	99,518,315	99,518,315	586,571,156	686,089,471
Transactions with owner:							
Dividends paid on common shares	0	0	0	0	0	(285,000,000)	(285,000,000)
Dividends tax	0	0	0	0	0	(1,855,466)	(1,855,466)
Complementary tax	0	0	0	0	0	(4,412,508)	(4,412,508)
Transfer of retained earnings	0	6,338,707	0	0	0	(6,338,707)	0
Total transactions attributable to the shareholder	0	6,338,707	0	0	0	(297,606,681)	(291,267,974)
Balance as of September 30, 2024 (Unaudited)	500,000,000	219,612,710	1,000,000	(64,159,857)	(63,159,857)	2,665,715,262	3,322,168,115

The condensed consolidated statement of changes in equity should be read along with the accompanying notes which are an integral part of the condensed consolidated interim financial information.

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Condensed Consolidated Statement of Cash Flows

For the nine months ended September 30, 2025 and 2024

(Expressed in Balboas)

		(Unaudited)	
	Note	2025	2024
Operating activities:			
Net income		609,812,699	586,571,156
Adjustments to reconcile net income and cash from operating activities:			
Provision (reversal) for loan losses, net	6	19,403,998	(13,888,820)
Provision (reversal) for valuation of investments, net		641,893	(746,246)
Provision for foreclosed assets, net		3,606,153	1,594,378
Unrealized gain on investments and other financial assets		(16,504,602)	(7,565,981)
Unrealized loss on derivative instruments		9,086,119	4,017,220
Gain on sale of investments and other financial assets at FVTPL, net		(7,726,392)	(7,500,738)
Loss on sale of investments and other financial assets at FVOCI, net		4,090,627	14,114,810
Realized loss on derivative instruments		11,852,210	4,331,484
Foreign exchange fluctuations, net		(21,249)	30,629
Gain on sale of fixed assets, net		(215,227)	(43,414)
Depreciation and amortization	7 and 8	31,367,338	26,642,632
Amortization of intangible assets	9	1,189,409	1,361,323
Equity participation in associates		(11,661,518)	(11,827,981)
Income tax, net		83,598,774	90,472,925
Interest and commission income		(1,019,368,950)	(958,935,221)
Interest expense		317,527,538	284,816,538
Dividends income		(1,706,517)	(1,292,774)
Changes in operating assets and liabilities:			
Time deposits with banks		(19,005,872)	74,648
Investments and other financial assets at FVTPL		1,740,054	(60,771,741)
Loans		(434,780,617)	(568,840,175)
Unearned commissions		43,191,799	34,236,388
Tax credit from preferential interest		(46,046,674)	(50,455,204)
Other assets		(185,139,440)	(59,615,113)
Demand deposits		25,740,160	(320,240,946)
Savings deposits		37,851,278	(179,978,956)
Time deposits		557,723,548	637,028,127
Reserves of insurance operations		3,097,998	2,403,641
Other liabilities		58,898,280	223,310,329
Cash provided by operations:			
Interest received		974,091,247	929,113,541
Interest paid		(321,123,431)	(271,094,478)
Dividends received		1,706,517	1,292,774
Total		123,104,451	(257,956,401)
Cash flows from operating activities		732,917,150	328,614,755
Investing activities:			
Purchases of investments and other financial assets at FVOCI		(2,414,766,367)	(3,188,882,031)
Sale and redemptions of investments and other financial assets at FVOCI		2,260,393,241	3,169,195,518
Purchases of securities at amortized cost		(41,133,597)	(59,462,606)
Redemptions of securities at amortized cost		20,531,171	50,093,896
Dividends received from associates		2,053,884	6,976,667
Sale of properties, furniture and equipment		269,522	155,170
Purchases of properties, furniture and equipment	7	(37,200,605)	(32,833,854)
Cash flows used investing activities		(209,852,751)	(54,757,240)
Financing activities:			
Borrowings and debt securities issued		20,000,000	0
Redemption of debt securities issued and cancellation of borrowings		(113,557,693)	(128,249,994)
Securities sold under repurchase agreements		(93,561,000)	0
Payment of lease liabilities		(2,662,030)	(2,535,651)
Dividends paid on common shares		(306,000,000)	(285,000,000)
Complementary and dividends tax		(3,481,358)	(6,267,974)
Cash flows used financing activities		(499,262,081)	(422,053,619)
Net increases (decreased) in cash and cash equivalents		23,802,318	(148,196,104)
Cash and cash equivalents at the beginning of the period		527,079,020	809,389,684
Cash and cash equivalents at the end of the period	5	550,881,338	661,193,580

The condensed consolidated statement of cash flows should be read along with the accompanying notes which are an integral part of the condensed consolidated interim financial information.

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information

September 30, 2025

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BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information

September 30, 2025

(Expressed in Balboas)

(1) General Information

Banco General, S. A. is incorporated under the laws of the Republic of Panama since 1954 and started operations in 1955. The Bank operates under a general license granted by the Superintendence of Banks of Panama which allows it to engage in the banking business in Panama or abroad. Banco General, S. A. and its subsidiaries will be referred to collectively as “the Bank”.

The Bank provides a wide variety of financial services, mainly corporate, mortgage and consumer banking, investment, insurance, reinsurance, wealth management, pensions, retirement and severance funds.

The Bank has a network of Representation Offices in the following countries: Colombia, El Salvador, Guatemala, Peru.

Grupo Financiero BG, S. A., a 59.55% (December 31, 2024: 59.65%) subsidiary of Empresa General de Inversiones, S. A., owns 100% of the common shares issued and outstanding of Banco General, S. A.

On December 31, 2024, the subsidiary BG Valores, S. A. absorbed its subsidiary BG Investment, Co., Inc., by merger, for which reason all the asset, liability and equity accounts of the latter were incorporated into the statement of financial position of subsidiary BG Valores, S.A. on that date.

Banco General, S. A. which in turn owns 100% of the following subsidiaries that are presented below and which form part of the consolidation:

- General de Seguros, S. A.: insurance and reinsurance in Panama.
- Overseas Capital Markets, Inc.: holder of shares in the Cayman Islands. It in turn has the following subsidiaries:
 - Banco General (Overseas), Inc.: international banking in the Cayman Islands.
 - Commercial Re. Overseas, Ltd.: international reinsurance in the British Virgin Islands.
- BG Valores, S. A.: securities brokerage, asset management and brokerage company in Panama.
- Banco General (Costa Rica), S. A.: banking business in Costa Rica.
- ProFuturo Administradora de Fondos de Pensiones y Cesantía, S. A.: management of pension and retirement, severance and investment funds in Panama.
- Yappy, S. A.: digital platform for money transfers and payments between people and businesses in Panama.
- BG Trust, Inc.: trust administration in Panama.
- Vale General, S. A.: administration and marketing of food vouchers in Panama. This in turn has the subsidiary:
 - Inmobiliaria de Bienes, S. A.: real estate in Panama, which began operations in August 2024.

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information

The Bank's main office is located at Banco General Tower, Marbella Urbanization, Aquilino de la Guardia Avenue, Panama City, Republic of Panama.

(2) Basis of Preparation

(a) *Statement of Compliance*

The condensed consolidated interim financial information have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standard Board (IFRS Accounting Standards).

These condensed consolidated interim financial information were authorized by management issue on October 27, 2025.

(b) *Basis of Measurement*

These condensed consolidated interim financial information have been prepared on a historical cost basis or amortized cost, except for financial assets and liabilities at fair value, securities at fair value through other comprehensive income and derivative financial instruments, which are measured at fair value; and foreclosed assets, which are measured at the lower of their carrying value or estimated value of realization.

The Bank initially recognizes loans and receivables and deposits on the date on which they originated. All other financial assets (including assets designated at fair value through profit or loss) are recognized on the trade date initially, which is the date on which the Bank compromises to buy or sell an instrument.

(c) *Functional and Presentation Currency*

The condensed consolidated interim financial information are expressed in balboas (B/.), the monetary unit of the Republic of Panama, which is at par and freely exchangeable with the United States dollar (US\$). The Republic of Panama does not issue its own paper currency and, in lieu, the dollar (US\$) of the United States of America is used as legal tender and functional currency.

(3) Materials Accounting Policies

The accounting policies used by the Bank in this condensed consolidated interim financial information are the same as those applied by the Bank in its consolidated financial statements as of December 31, 2024.

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information**(4) Balances and Transactions with Related Parties**

The condensed consolidated statement of financial position and the condensed consolidated statement of income include balances and transactions with related parties, which are summarized as follows:

	September 30, 2025			
	Directors and Management	Related Companies	Affiliated Companies	Total
<u>Assets:</u>				
Investments and other financial assets	<u>0</u>	<u>184,793,258</u>	<u>32,994,301</u>	<u>217,787,559</u>
Loans	<u>15,312,903</u>	<u>168,918,759</u>	<u>235,547</u>	<u>184,467,209</u>
Investments in associates	<u>0</u>	<u>39,679,016</u>	<u>0</u>	<u>39,679,016</u>
<u>Liabilities:</u>				
Deposits:				
Demand	884,902	118,826,781	160,460,863	280,172,546
Savings	5,026,305	50,179,284	48,431	55,254,020
Time	<u>6,845,792</u>	<u>339,918,408</u>	<u>180,113,424</u>	<u>526,877,624</u>
	<u>12,756,999</u>	<u>508,924,473</u>	<u>340,622,718</u>	<u>862,304,190</u>
Perpetual bonds	<u>0</u>	<u>17,000,000</u>	<u>127,984,000</u>	<u>144,984,000</u>
Commitments and contingencies	<u>520,000</u>	<u>12,247,593</u>	<u>5,700,000</u>	<u>18,467,593</u>
<u>Interest income:</u>				
Loans	<u>626,609</u>	<u>7,077,732</u>	<u>20,666</u>	<u>7,725,007</u>
Investments and other financial assets	<u>0</u>	<u>8,088,265</u>	<u>1,919,264</u>	<u>10,007,529</u>
<u>Interest expenses:</u>				
Deposits	<u>284,633</u>	<u>14,853,431</u>	<u>7,915,979</u>	<u>23,054,043</u>
Financing	<u>0</u>	<u>692,932</u>	<u>5,104,039</u>	<u>5,796,971</u>
<u>Other income:</u>				
Equity participation in associates	<u>0</u>	<u>11,661,518</u>	<u>0</u>	<u>11,661,518</u>
Received dividends	<u>0</u>	<u>684,718</u>	<u>0</u>	<u>684,718</u>
<u>General and administrative expenses:</u>				
Directors' fees	<u>740,405</u>	<u>0</u>	<u>0</u>	<u>740,405</u>
Benefits to key management personnel	<u>2,097,210</u>	<u>0</u>	<u>0</u>	<u>2,097,210</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information**(4) Balances and Transactions with Related Parties, continued**

	December 31, 2024			
	Directors and Management	Related Companies	Affiliated Companies	Total
Assets:				
Investments and other financial assets	<u>0</u>	<u>187,514,260</u>	<u>32,918,130</u>	<u>220,432,390</u>
Loans	<u>15,650,432</u>	<u>196,494,064</u>	<u>289,004</u>	<u>212,433,500</u>
Investments in associates	<u>0</u>	<u>30,071,382</u>	<u>0</u>	<u>30,071,382</u>
Liabilities:				
Deposits:				
Demand	962,991	96,370,332	133,966,595	231,299,918
Savings	6,424,518	47,681,535	48,431	54,154,484
Time	<u>6,265,985</u>	<u>304,733,303</u>	<u>135,950,344</u>	<u>446,949,632</u>
	<u>13,653,494</u>	<u>448,785,170</u>	<u>269,965,370</u>	<u>732,404,034</u>
Perpetual bonds	<u>0</u>	<u>17,000,000</u>	<u>127,984,000</u>	<u>144,984,000</u>
Commitments and contingencies	<u>0</u>	<u>11,232,112</u>	<u>5,781,868</u>	<u>17,013,980</u>
	September 30, 2024			
	Directors and Management	Related Companies	Affiliated Companies	Total
Assets:				
Investments and other financial assets	<u>0</u>	<u>192,021,011</u>	<u>33,169,751</u>	<u>225,190,762</u>
Loans	<u>16,861,981</u>	<u>203,035,231</u>	<u>305,506</u>	<u>220,202,718</u>
Investments in associates	<u>0</u>	<u>34,963,435</u>	<u>0</u>	<u>34,963,435</u>
Liabilities:				
Deposits:				
Demand	917,312	113,773,637	80,109,776	194,800,725
Savings	5,884,575	34,346,262	48,431	40,279,268
Time	<u>6,661,969</u>	<u>305,564,205</u>	<u>141,912,521</u>	<u>454,138,695</u>
	<u>13,463,856</u>	<u>453,684,104</u>	<u>222,070,728</u>	<u>689,218,688</u>
Perpetual bonds	<u>0</u>	<u>17,000,000</u>	<u>127,984,000</u>	<u>144,984,000</u>
Commitments and contingencies	<u>1,350,000</u>	<u>11,098,193</u>	<u>35,886,541</u>	<u>48,334,734</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information**(4) Balances and Transactions with Related Parties, continued**

		September 30, 2024		
	Directors and Management	Related Companies	Affiliated Companies	Total
<u>Interest income:</u>				
Loans	<u>653,957</u>	<u>11,126,262</u>	<u>42,074</u>	<u>11,822,293</u>
Investments and other financial assets	<u>0</u>	<u>8,528,757</u>	<u>2,165,766</u>	<u>10,694,523</u>
<u>Interest expenses:</u>				
Deposits	<u>244,738</u>	<u>12,662,292</u>	<u>4,755,691</u>	<u>17,662,721</u>
Financing	<u>0</u>	<u>693,756</u>	<u>5,047,232</u>	<u>5,740,988</u>
<u>Other income:</u>				
Equity participation in associates	<u>0</u>	<u>11,827,981</u>	<u>0</u>	<u>11,827,981</u>
Received dividends	<u>0</u>	<u>595,119</u>	<u>0</u>	<u>595,119</u>
<u>General and administrative expenses:</u>				
Directors' fees	<u>727,755</u>	<u>0</u>	<u>0</u>	<u>727,755</u>
Benefits to key management personnel	<u>1,691,821</u>	<u>0</u>	<u>0</u>	<u>1,691,821</u>

The conditions granted in transactions with related parties are substantially similar to those granted to third parties not related to the Bank.

(5) Cash and Cash Equivalents

Cash and cash equivalents are detailed as follows for purposes of reconciliation with the condensed consolidated statement of cash flows:

	September 30	
	<u>2025</u>	<u>2024</u>
Cash and cash items	158,838,722	163,218,431
Demand deposits with banks	391,542,616	479,975,149
Time deposits with banks	<u>20,935,333</u>	<u>18,380,994</u>
Total deposits with banks	<u>412,477,949</u>	<u>498,356,143</u>
Less: Deposits with banks, with original maturities greater than three months	<u>20,435,333</u>	<u>380,994</u>
Cash and cash equivalents in the condensed consolidated statement of cash flows	<u>550,881,338</u>	<u>661,193,580</u>

Demand deposits with banks include cash collateral accounts for B/.22,750,322 (December 31, 2024: B/.26,057,411) that secure derivative operations and the next payments of principal, interest of certain obligations.

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information**(6) Loans**

The composition of the loan portfolio is summarized as follows:

	September 30 2025	December 31 2024	September 30 2024
Internal sector:			
Residential mortgages	4,527,718,347	4,574,595,919	4,606,866,512
Personal, auto and credit cards	2,434,629,313	2,203,922,414	2,116,491,955
Commercial mortgages	1,831,905,820	1,773,621,765	1,790,363,015
Lines of credit and commercial loans	1,791,399,507	1,680,520,164	1,643,664,830
Interim financing	243,126,315	293,807,622	278,114,472
Finance leases, net	118,307,032	110,162,091	107,016,264
Other secured loans	192,726,910	198,524,473	199,787,537
Overdrafts	135,256,361	129,967,985	148,514,040
Total internal sector	<u>11,275,069,605</u>	<u>10,965,122,433</u>	<u>10,890,818,625</u>
External sector:			
Residential mortgages	131,201,021	135,832,352	138,778,482
Personal, auto and credit cards	13,497,157	11,936,623	11,148,785
Commercial mortgages	190,357,671	140,403,064	138,927,401
Lines of credit and commercial loans	1,516,953,532	1,462,160,261	1,295,465,628
Other secured loans	7,688,957	10,196,389	15,844,980
Overdrafts	26,999,424	36,620,534	44,421,491
Total external sector	<u>1,886,697,762</u>	<u>1,797,149,223</u>	<u>1,644,586,767</u>
Total	<u>13,161,767,367</u>	<u>12,762,271,656</u>	<u>12,535,405,392</u>

The movement of the loan loss allowance is summarized as follows:

	September 30, 2025			
	12-month ECL	Lifetime ECL Not credit- impaired	Lifetime ECL credit- impaired	Total
Balance at the beginning of the period	88,758,852	220,844,924	55,314,002	364,917,778
Transferred to 12-month ECL	45,142,179	(45,127,162)	(15,017)	0
Transferred to lifetime ECL not credit-impaired	(2,852,821)	11,612,124	(8,759,303)	0
Transferred to lifetime ECL credit-impaired	(1,425,193)	(23,115,097)	24,540,290	0
Net remeasurement of portfolio	(59,580,596)	28,889,840	52,541,178	21,850,422
New loans	18,183,505	38,574,479	2,546,998	59,304,982
Loans that have been derecognized	(9,417,672)	(29,806,352)	(22,527,382)	(61,751,406)
Recovery of loan write-off	0	0	29,579,796	29,579,796
Loans written-off	0	0	(64,864,702)	(64,864,702)
Balance at the end of the period	<u>78,808,254</u>	<u>201,872,756</u>	<u>68,355,860</u>	<u>349,036,870</u>

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Notes to the Condensed Consolidated Interim Financial Information**(6) Loans, continued**

	December 31, 2024			
	12-month ECL	Lifetime ECL Not credit- impaired	Lifetime ECL credit- impaired	Total
Balance at the beginning of the year	132,011,957	208,039,313	54,735,809	394,787,079
Transferred to 12-month ECL	47,751,008	(47,733,985)	(17,023)	0
Transferred to lifetime ECL not credit-impaired	(16,134,328)	28,139,657	(12,005,329)	0
Transferred to lifetime ECL credit-impaired	(6,541,755)	(13,232,924)	19,774,679	0
Net remeasurement of portfolio	(74,059,988)	47,558,092	19,308,597	(7,193,299)
New loans	19,747,230	42,291,510	5,961,706	68,000,446
Loans that have been derecognized	(14,015,272)	(44,216,739)	(19,063,880)	(77,295,891)
Recovery of loan write-off	0	0	48,500,695	48,500,695
Loans written-off	0	0	(61,881,252)	(61,881,252)
Balance at the end of the year	<u>88,758,852</u>	<u>220,844,924</u>	<u>55,314,002</u>	<u>364,917,778</u>

	September 30, 2024			
	12-month ECL	Lifetime ECL Not credit- impaired	Lifetime ECL credit- impaired	Total
Balance at the beginning of the period	132,011,957	208,039,313	54,735,809	394,787,079
Transferred to 12-month ECL	15,166,728	(11,147,927)	(4,018,801)	0
Transferred to lifetime ECL not credit-impaired	(4,646,729)	12,320,237	(7,673,508)	0
Transferred to lifetime ECL credit-impaired	(6,390,709)	(11,827,287)	18,217,996	0
Net remeasurement of portfolio	(10,007,687)	(2,082,920)	15,969,103	3,878,496
New loans	16,538,305	20,970,438	4,233,388	41,742,131
Loans that have been derecognized	(11,028,271)	(32,685,378)	(15,795,798)	(59,509,447)
Recovery of loan write-off	0	0	37,958,868	37,958,868
Loans written-off	0	0	(46,354,676)	(46,354,676)
Balance at the end of the period	<u>131,643,594</u>	<u>183,586,476</u>	<u>57,272,381</u>	<u>372,502,451</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information**(7) Properties, Furniture, Equipment and Improvements**

Properties, furniture, equipment and improvements are summarized as follows:

	September 30, 2025					
	Land	Buildings	Licenses and internally developed projects	Furniture and Equipment	Improvements	Total
Cost:						
At the beginning of the period	34,943,143	138,673,446	226,186,514	136,795,597	51,820,467	588,419,167
Additions	0	506,488	19,926,891	12,558,543	4,208,683	37,200,605
Sales and disposals	0	0	158,548	8,768,813	0	8,927,361
At the end of the period	<u>34,943,143</u>	<u>139,179,934</u>	<u>245,954,857</u>	<u>140,585,327</u>	<u>56,029,150</u>	<u>616,692,411</u>
Accumulated depreciation and amortization:						
At the beginning of the period	0	49,317,795	144,345,480	86,034,461	37,253,307	316,951,043
Expense of the period	0	2,733,410	15,425,607	8,955,031	1,540,046	28,654,094
Sales and disposal	0	0	158,548	8,714,518	0	8,873,066
At the end of the period	0	<u>52,051,205</u>	<u>159,612,539</u>	<u>86,274,974</u>	<u>38,793,353</u>	<u>336,732,071</u>
Net balance	<u>34,943,143</u>	<u>87,128,729</u>	<u>86,342,318</u>	<u>54,310,353</u>	<u>17,235,797</u>	<u>279,960,340</u>

	December 31, 2024					
	Land	Buildings	Licenses and internally developed projects	Furniture and Equipment	Improvements	Total
Cost:						
At the beginning of the year	34,943,143	138,901,310	203,963,748	127,465,817	48,104,869	553,378,887
Additions	0	0	22,223,291	19,799,259	3,715,598	45,738,148
Sales and disposals	0	227,864	525	10,469,479	0	10,697,868
At the end of the year	<u>34,943,143</u>	<u>138,673,446</u>	<u>226,186,514</u>	<u>136,795,597</u>	<u>51,820,467</u>	<u>588,419,167</u>
Accumulated depreciation and amortization:						
At the beginning of the year	0	45,816,994	127,048,289	85,198,524	35,341,467	293,405,274
Expense of the year	0	3,616,862	17,297,716	11,305,368	1,911,840	34,131,786
Sales and disposal	0	116,061	525	10,469,431	0	10,586,017
At the end of the year	0	<u>49,317,795</u>	<u>144,345,480</u>	<u>86,034,461</u>	<u>37,253,307</u>	<u>316,951,043</u>
Net balance	<u>34,943,143</u>	<u>89,355,651</u>	<u>81,841,034</u>	<u>50,761,136</u>	<u>14,567,160</u>	<u>271,468,124</u>

	September 30, 2024					
	Land	Buildings	Licenses and internally developed projects	Furniture and Equipment	Improvements	Total
Cost:						
At the beginning of the period	34,943,143	138,901,310	203,963,748	127,465,817	48,104,869	553,378,887
Additions	0	0	16,365,302	13,849,971	2,618,581	32,833,854
Sales and disposals	0	227,797	0	7,265,484	0	7,493,281
At the end of the period	<u>34,943,143</u>	<u>138,673,513</u>	<u>220,329,050</u>	<u>134,050,304</u>	<u>50,723,450</u>	<u>578,719,460</u>
Accumulated depreciation and amortization:						
At the beginning of the period	0	45,816,994	127,048,289	85,198,524	35,341,467	293,405,274
Expense of the period	0	2,708,749	12,606,779	7,274,371	1,442,480	24,032,379
Sales and disposal	0	116,061	0	7,265,464	0	7,381,525
At the end of the period	0	<u>48,409,682</u>	<u>139,655,068</u>	<u>85,207,431</u>	<u>36,783,947</u>	<u>310,056,128</u>
Net balance	<u>34,943,143</u>	<u>90,263,831</u>	<u>80,673,982</u>	<u>48,842,873</u>	<u>13,939,503</u>	<u>268,663,332</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information**(8) Right-of-Use Assets**

The movement of right of use assets is detailed as follows:

	September 30 2025	December 31 2024	September 30 2024
Cost:			
At the beginning of the period	28,840,132	28,510,025	28,510,025
New	3,739,034	2,162,107	1,395,166
Cancellations	<u>(2,329,995)</u>	<u>(1,832,000)</u>	<u>(1,372,591)</u>
At the end of the period	<u>30,249,171</u>	<u>28,840,132</u>	<u>28,532,600</u>
Accumulated depreciation:			
At the beginning of the period	13,936,233	12,047,726	12,047,726
Expense of the period	2,713,244	3,553,901	2,610,253
Cancellations	<u>(2,243,228)</u>	<u>(1,665,394)</u>	<u>(1,205,985)</u>
At the end of the period	<u>14,406,249</u>	<u>13,936,233</u>	<u>13,451,994</u>
Net balance	<u>15,842,922</u>	<u>14,903,899</u>	<u>15,080,606</u>

The expense depreciation of right-of-use assets is included in the depreciation and amortization expense line in the condensed consolidated statement of income.

(9) Goodwill and Intangible Assets, Net

The following table summarizes the goodwill generated from the acquisition and/or participation acquired of the following entities:

Company	Date of acquisition	Participation acquired	% of Acquired Participation	Balance
Banco General, S. A. (1)	March 2004	ProFuturo-Administradora de Fondos de Pensiones y Cesantía, S. A.	17%	679,018
Banco General, S. A. (1)	March 2005	BankBoston, N.A. – Panama (banking operations)	100%	12,056,144
ProFuturo – Administradora de Fondos de Pensiones y Cesantía, S. A. (2)	March 2005	Purchase of trust fund businesses	100%	861,615
Banco General, S. A. (1)	March 2007	Banco Continental de Panama, S. A. and subsidiaries (banking and fiduciary activities)	100%	<u>27,494,722</u>
Total				<u>41,091,499</u>
(1) Banking CGU				
(2) Pension and Retirement Fund				

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Notes to the Condensed Consolidated Interim Financial Information**(9) Goodwill and Intangible Assets, Net, continued**

The movement of goodwill and intangible assets is summarized as follows:

	<u>September 30, 2025</u>		
	<u>Goodwill</u>	<u>Intangible assets</u>	<u>Total</u>
Cost:			
Balance at the beginning and end of the period	<u>41,091,499</u>	<u>47,462,084</u>	<u>88,553,583</u>
Accumulated amortization:			
Balance at the beginning of the period	0	44,290,361	44,290,361
Amortization of the period	<u>0</u>	<u>1,189,409</u>	<u>1,189,409</u>
Balance at the end of the period	<u>0</u>	<u>45,479,770</u>	<u>45,479,770</u>
Net balance at the end of the period	<u>41,091,499</u>	<u>1,982,314</u>	<u>43,073,813</u>

	<u>December 31, 2024</u>		
	<u>Goodwill</u>	<u>Intangible assets</u>	<u>Total</u>
Cost:			
Balance at the beginning and end of the year	<u>41,091,499</u>	<u>47,462,084</u>	<u>88,553,583</u>
Accumulated amortization:			
Balance at the beginning of the year	0	42,532,568	42,532,568
Amortization of the year	<u>0</u>	<u>1,757,793</u>	<u>1,757,793</u>
Balance at the end of the year	<u>0</u>	<u>44,290,361</u>	<u>44,290,361</u>
Net balance at the end of the year	<u>41,091,499</u>	<u>3,171,723</u>	<u>44,263,222</u>

	<u>September 30, 2024</u>		
	<u>Goodwill</u>	<u>Intangible assets</u>	<u>Total</u>
Cost:			
Balance at the beginning and end of the period	<u>41,091,499</u>	<u>47,462,084</u>	<u>88,553,583</u>
Accumulated amortization:			
Balance at the beginning of the period	0	42,532,568	42,532,568
Amortization of the period	<u>0</u>	<u>1,361,323</u>	<u>1,361,323</u>
Balance at the end of the period	<u>0</u>	<u>43,893,891</u>	<u>43,893,891</u>
Net balance at the end of the period	<u>41,091,499</u>	<u>3,568,193</u>	<u>44,659,692</u>

It is the Bank's policy to conduct an impairment test on an annual basis or when there is evidence of impairment. As of September 30, 2025, no evaluation was necessary.

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Notes to the Condensed Consolidated Interim Financial Information**(10) Other Financial Liabilities at Fair Value**

The Bank holds, within other liabilities line, financial liabilities of debt instruments at fair value arising from short sales, which are summarized as follows:

	<u>Level</u>	<u>September 30 2025</u>	<u>December 31 2024</u>	<u>September 30 2024</u>
Bonds of the US Government	1	3,536,242	0	3,471,376
Mortgage Backed Securities (MBS)	2	<u>189,717,853</u>	<u>176,152,762</u>	<u>220,767,150</u>
Total		<u>193,254,095</u>	<u>176,152,762</u>	<u>224,238,526</u>

See the description of the levels in Note 19.

(11) Borrowings and Debt Securities Issued, Net

The Bank issued bonds and other borrowings, as follows:

	<u>September 30 2025</u>	<u>December 31 2024</u>	<u>September 30 2024</u>
Corporate bonds with maturities in 2026, at an interest rate of 3 month SOFR plus a margin	2,680,000	2,680,000	2,680,000
Corporate bonds with maturities in 2027, at an annual interest rate of 4.125%	537,217,000	537,217,000	537,217,000
Borrowings with maturity in 2024, at interest rates of 6 and 12 month Libor/SOFR plus a margin	0	0	65,000,000
Borrowings with maturity in 2025, at interest rates of 3 and 6 month SOFR plus a margin	0	40,000,000	0
Borrowings with maturity in 2026, at interest rates of 6 month SOFR plus a margin	10,000,000	50,000,000	50,000,000
Borrowings with maturity in 2030, at a fixed interest rate	25,384,615	27,692,308	30,000,000
Notes with maturities in 2027, at a fixed interest rate	<u>26,250,000</u>	<u>33,750,000</u>	<u>41,250,000</u>
Subtotal of borrowings and debt securities issued	<u>601,531,615</u>	<u>695,089,308</u>	<u>726,147,000</u>
Revaluation coverage	<u>3,223,238</u>	<u>4,525,587</u>	<u>4,958,175</u>
Total borrowings and debt securities issued, net	<u>604,754,853</u>	<u>699,614,895</u>	<u>731,105,175</u>

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Notes to the Condensed Consolidated Interim Financial Information**(11) Borrowings and Debt Securities Issued, Net, continued**

The Bank had no default events as to principal, interest or other contractual clauses relating to its borrowings and debt securities issued.

The movement during the period of borrowings and debt securities issued, net is detailed below for the reconciliation with the condensed consolidated statement of cash flows:

	September 30	
	<u>2025</u>	<u>2024</u>
Balance at the beginning of the period	699,614,895	860,648,364
New borrowings and debt securities	20,000,000	0
Redemption of debt securities issued and cancellation of borrowings	(113,557,693)	(128,249,994)
Revaluation coverage	<u>(1,302,349)</u>	<u>(1,293,195)</u>
Balance at the end of the period	<u><u>604,754,853</u></u>	<u><u>731,105,175</u></u>

(12) Lease Liabilities

The movement of lease liabilities is detailed as follows:

	September 30	December 31	September 30
	<u>2025</u>	<u>2024</u>	<u>2024</u>
Balance at the beginning of the period	16,843,420	18,301,593	18,301,593
New	3,739,034	2,162,107	1,395,166
Payments	(2,662,030)	(3,453,674)	(2,535,651)
Cancellations	<u>(86,767)</u>	<u>(166,606)</u>	<u>(166,606)</u>
Balance at the end of the period	<u><u>17,833,657</u></u>	<u><u>16,843,420</u></u>	<u><u>16,994,502</u></u>

Interest expense on lease liabilities for B/.657,195 (2024: B/.610,968) is included in the line as of commission expenses and other expenses in the condensed consolidated statement of income.

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information**(13) Reserves of Insurance Operations**

Reserves of insurance operations amounted to B/.27,826,075 (December 31, 2024: B/.24,728,077) and (September 30, 2024: B/.26,232,119) and are composed of the liability for remaining coverage and liabilities for claims incurred.

The movement of the reserves of insurance operations is summarized as follows:

	September 30 2025	December 31 2024	September 30 2024
Liability for Remaining Coverage			
Balance at the beginning of the period	26,640,804	23,126,177	23,126,177
Adoption of IFRS 17	73,853	0	0
Issued premiums	68,861,803	51,324,616	39,772,392
Earned premiums	<u>(65,249,824)</u>	<u>(47,809,989)</u>	<u>(36,287,057)</u>
Balance at the end of the period	30,326,636	26,640,804	26,611,512
Reinsurers participation	<u>(7,738,291)</u>	<u>(6,541,308)</u>	<u>(6,608,138)</u>
Liability for remaining coverage, net	<u>22,588,345</u>	<u>20,099,496</u>	<u>20,003,374</u>
Liability for Incurred Claims			
Balance at the beginning of the period	5,811,992	6,609,172	6,609,172
Adoption of IFRS 17	601,271	0	0
Incurred claims	10,636,823	12,427,110	9,761,641
Paid claims	<u>(8,933,388)</u>	<u>(13,224,290)</u>	<u>(8,280,772)</u>
Balance at the end of the period	8,116,698	5,811,992	8,090,041
Reinsurer participation	<u>(2,878,968)</u>	<u>(1,183,411)</u>	<u>(1,861,296)</u>
Liability for incurred claims, net	<u>5,237,730</u>	<u>4,628,581</u>	<u>6,228,745</u>
Total reserves of insurance operations	<u>27,826,075</u>	<u>24,728,077</u>	<u>26,232,119</u>

(14) Segment Information

The Bank maintains three business segments for its financial analysis, which offer different products and services and are managed separately, consistent with the form in which management receives data, budgets and assesses their performance.

Segments**Operations****Banking and Financial Activities**

Various financial services, mainly corporate, mortgage and consumer banking, finance leases, administration of trusts, administration and marketing of food vouchers, asset management and securities brokerage

Insurance and Reinsurance

Insurance and reinsurance of policies of general lines, collective life and various risks

Pension and Retirement Fund

Administration of pension and retirement, severance and investment funds

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information

(14) Segment Information, continued

Management prepared the following segment information based on the bank's businesses for its financial analysis:

	September 30, 2025				
	Banking and Financial Activities	Insurance and Reinsurance	Pension and retirement Fund	Eliminations	Total
Interest and commission income	1,015,672,388	16,347,542	2,341,663	14,992,643	1,019,368,950
Interest and provision expenses	356,279,596	(107,371)	0	14,992,643	341,179,582
Other income, net	242,520,939	29,966,239	14,754,738	10,238	287,231,678
General and administrative expenses	245,846,782	2,315,597	4,151,612	10,238	252,303,753
Depreciation and amortization expense	31,114,927	14,896	237,515	0	31,367,338
Equity participation in associates	11,661,518	0	0	0	11,661,518
Net income before income tax	636,613,540	44,090,659	12,707,274	0	693,411,473
Net Income tax, estimated	71,165,849	5,214,920	2,871,472	0	79,252,241
Net Income tax, deferred	4,346,533	0	0	0	4,346,533
Net Income tax	75,512,382	5,214,920	2,871,472	0	83,598,774
Net income	561,101,158	38,875,739	9,835,802	0	609,812,699
Total assets	20,327,196,499	455,208,481	77,636,599	423,553,855	20,436,487,724
Total liabilities	17,180,717,802	77,700,304	4,181,728	405,447,793	16,857,152,041

	September 30, 2024				
	Banking and Financial Activities	Insurance and Reinsurance	Pension and retirement Fund	Eliminations	Total
Interest and commission income	955,352,645	14,013,576	2,085,898	12,516,898	958,935,221
Interest and provision expenses	284,292,263	485	0	12,516,898	271,775,850
Other income, net	199,703,105	27,240,585	13,654,603	10,023	240,588,270
General and administrative expenses	228,986,769	2,564,244	4,347,919	10,023	235,888,909
Depreciation and amortization expense	26,426,085	15,236	201,311	0	26,642,632
Equity participation in associates	11,827,981	0	0	0	11,827,981
Net income before income tax	627,178,614	38,674,196	11,191,271	0	677,044,081
Net Income tax, estimated	77,475,328	4,829,390	2,405,658	0	84,710,376
Net Income tax, deferred	5,762,549	0	0	0	5,762,549
Net Income tax	83,237,877	4,829,390	2,405,658	0	90,472,925
Net income	543,940,737	33,844,806	8,785,613	0	586,571,156
Total assets	19,359,712,142	407,205,264	68,912,331	374,530,355	19,461,299,382
Total liabilities	16,423,059,753	68,679,147	3,816,660	356,424,293	16,139,131,267

The composition of the secondary segment based on geographical distribution is as follows:

	September 30, 2025			
	Panama	Latin America and the Caribbean	United States of America and Others	Total
Interest and commission income, other income, net and Equity participation in associates	1,016,937,192	160,624,894	140,700,060	1,318,262,146
Non-financial	319,906,645	3,127,508	0	323,034,153

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information**(14) Segment Information, continued**

	<u>September 30, 2024</u>			
	<u>Panama</u>	<u>Latin America and the Caribbean</u>	<u>United States of America and Others</u>	<u>Total</u>
Interest and commission income, other income, net and Equity participation in associates	<u>927,201,155</u>	<u>154,484,373</u>	<u>129,665,944</u>	<u>1,211,351,472</u>
Non-financial	<u>310,136,195</u>	<u>3,186,829</u>	<u>0</u>	<u>313,323,024</u>

(15) Equity

The authorized share capital of Banco General, S. A. is represented by 10,000,000 common shares with no par value (December 31, 2024: 10,000,000 common shares); of which there are 9,787,108 common shares issued and outstanding (December 31, 2024: 9,787,108 common shares).

The legal reserves are established by the regulations of the Superintendence of Banks of Panama, the Superintendence of Insurance and Reinsurance of Panama and the General Superintendence of Financial Entities of Costa Rica.

The detail of the legal reserves and its transfer from retained earnings is summarized as follows:

	<u>September 30, 2025</u>					
	<u>Reserves</u>					
	<u>Dynamic</u>	<u>Foreclosed Assets</u>	<u>Loans in the process of awarding</u>	<u>Legal</u>	<u>Insurance</u>	<u>Total</u>
Banco General, S. A.	142,445,674	4,372,221	14,471,350	0	0	161,289,245
General de Seguros, S. A.	0	0	0	0	45,546,626	45,546,626
Banco General (Overseas), Inc.	14,928,539	0	0	0	0	14,928,539
Banco General (Costa Rica), S. A.	<u>3,783,023</u>	<u>0</u>	<u>0</u>	<u>4,141,416</u>	<u>0</u>	<u>7,924,439</u>
Total	<u>161,157,236</u>	<u>4,372,221</u>	<u>14,471,350</u>	<u>4,141,416</u>	<u>45,546,626</u>	<u>229,688,849</u>

	<u>December 31, 2024</u>					
	<u>Reserves</u>					
	<u>Dynamic</u>	<u>Foreclosed Assets</u>	<u>Loans in the process of awarding</u>	<u>Legal</u>	<u>Insurance</u>	<u>Total</u>
Banco General, S. A.	139,009,941	4,738,127	14,682,221	0	0	158,430,289
General de Seguros, S. A.	0	0	0	0	43,308,077	43,308,077
Banco General (Overseas), Inc.	14,018,604	0	0	0	0	14,018,604
Banco General (Costa Rica), S. A.	<u>3,783,023</u>	<u>0</u>	<u>0</u>	<u>4,141,416</u>	<u>0</u>	<u>7,924,439</u>
Total	<u>156,811,568</u>	<u>4,738,127</u>	<u>14,682,221</u>	<u>4,141,416</u>	<u>43,308,077</u>	<u>223,681,409</u>
Transfer (reversal) from retained earnings of the period	<u>4,345,668</u>	<u>(365,906)</u>	<u>(210,871)</u>	<u>0</u>	<u>2,238,549</u>	<u>6,007,440</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information**(15) Equity, continued**

	<u>September 30, 2024</u>					
	<u>Reserves</u>					
	<u>Dynamic</u>	<u>Foreclosed Assets</u>	<u>Loans in the process of awarding</u>	<u>Legal</u>	<u>Insurance</u>	<u>Total</u>
Banco General, S. A.	135,787,439	4,219,095	15,495,497	0	0	155,502,031
General de Seguros, S. A.	0	0	0	0	42,633,741	42,633,741
Banco General (Overseas), Inc.	14,018,604	0	0	0	0	14,018,604
Banco General (Costa Rica), S. A.	<u>3,783,023</u>	<u>0</u>	<u>0</u>	<u>3,675,311</u>	<u>0</u>	<u>7,458,334</u>
Total	<u>153,589,066</u>	<u>4,219,095</u>	<u>15,495,497</u>	<u>3,675,311</u>	<u>42,633,741</u>	<u>219,612,710</u>

The Bank, through its subsidiary General de Seguros, S. A., maintains legal reserves and reserves for statistical deviations and reserves for catastrophic risks as established by the Superintendence of Insurance and Reinsurance of Panama. The use and restitution of these reserves shall be regulated by the Superintendence of Insurance and Reinsurance of the Republic of Panama.

The complementary tax of companies established in the Republic of Panama corresponds to the advance of the dividend tax that is applied to the net income of the year and that the taxpayer must retain and pay to the tax authorities within the stipulated years. The tax is attributable to the shareholder and it is applied as a tax credit at the time of distribution of dividends.

(16) Personnel Benefits

Contributions made by the Bank corresponding to personnel benefits are recognized as expenses in the consolidated statement of income, in the line of salaries and other personnel expenses.

Share-Based Compensation Plan

The total expense relating to options granted to the participants for the purchase of shares of Grupo Financiero BG, S. A, based on their fair value, amounted to B/.1,179,145 (2024: B/.1,036,979). These options may be exercised by the executives until the year 2032.

Restricted Share Plan

The Bank did not grant restricted shares in the period ended September 30, 2025 and 2024.

Retirement Plan

The Bank maintains a closed retirement plan, which was amended and approved by the Board of Directors in 1998; this plan is under independent administration by a fiduciary agent.

The contribution to the retirement plan was B/.61,200 (2024: B/.61,200) and the disbursements to former employees who are covered under the retirement plan amount to B/.115,304 (2024: B/.117,131).

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information**(17) Income Tax**

Income tax returns of companies incorporated in the Republic of Panama, are subject to examination by local tax authorities for the last three years.

In accordance with current tax regulations, companies incorporated in Panama are exempt from income taxes on the following: profits derived from foreign operations, interest earned on deposits with local banks, on bonds or other securities listed with the Superintendence of the Securities Markets and the Bolsa Latinoamericana de Valores S. A. and, lastly, securities and loans to the Panamanian Government and its autonomous and semi-autonomous institutions.

Companies incorporated in the following jurisdictions are subject to income tax rates imposed by the local tax authorities of each country:

<u>Country</u>	<u>Tax rate</u>
Panama	25%
Costa Rica	30%

The companies incorporated in Cayman Islands and British Virgin Islands are not subject to the payment of income tax, due to the nature of their foreign operations.

The estimated income tax for the year is calculated based on the effective rate of the previous fiscal year. Based on Management's assessment, historically, this rate has not differed significantly from the current year's effective rate.

Net income tax is detailed as follows:

	<u>3rd Quarter</u> <u>September 30</u>		<u>Accumulated</u> <u>September 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Estimated income tax	27,149,270	29,812,923	78,734,107	85,164,518
Prior year income tax adjustments	0	0	518,134	(454,142)
Deferred income tax	<u>2,025,029</u>	<u>5,285,311</u>	<u>4,346,533</u>	<u>5,762,549</u>
Total income tax, net	<u>29,174,299</u>	<u>35,098,234</u>	<u>83,598,774</u>	<u>90,472,925</u>

(18) Derivative Financial Instruments

The Bank uses interest rate swaps to reduce interest rate risk of both financial assets and financial liabilities. The Bank reduces the credit risk of these contracts by using solid financial institutions as counterparties and liquidating operations with organized markets. These contracts are recorded in the condensed consolidated statement of financial position at fair value using the fair value hedge or cash flows hedge method, in other assets and other liabilities.

For fixed income portfolios under management of third parties, the Bank sometimes makes use of derivatives on fixed income instruments and currencies under defined limits and parameters. These derivatives are recorded at fair value in the condensed consolidated statement of financial position.

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information

(18) Derivative Financial Instruments, continued

Below is the summary of derivative contracts is as follow:

	Over the Counter (OTC)							
	Total		Exchange-Traded		Liquidated in a securities exchange		Other bilateral counterparts	
	Notional Value	Book Value	Notional Value	Book Value	Notional Value	Book Value	Notional Value	Book Value
September 30, 2025								
Derivative assets	2,033,449,231	33,050,234	399,875,060	0	938,161,918	29,491,580	695,412,253	3,558,654
Derivative liabilities	764,226,215	5,083,268	153,729,990	0	358,077,500	4,409,600	252,418,725	673,668
December 31, 2024								
Derivative assets	1,849,774,471	43,344,266	247,956,620	0	907,312,215	38,372,380	694,505,636	4,971,886
Derivative liabilities	670,524,460	6,108,920	174,458,830	0	330,730,000	4,667,119	165,335,630	1,441,801
September 30, 2024								
Derivative assets	1,482,791,261	27,528,317	267,449,478	0	533,737,159	25,311,018	681,604,624	2,217,299
Derivative liabilities	885,808,737	10,848,931	184,419,050	0	519,117,290	8,805,063	182,272,397	2,043,868

The Bank maintains cash and cash equivalents as collateral in institutions that maintain risk ratings between AA and A- (December 31, 2024: AA+ and A-) and (September 30, 2024: AA+ and A-), which support derivative operations in the amount of B/.18.7MM (December 31, 2024: B/.18.1MM) and (September 30, 2024: B/.25.8MM).

The following table presents assets and liabilities derivatives by type of derivative instrument:

Other Derivatives classified by Risk:

	<u>September 30, 2025</u>		<u>December 31, 2024</u>		<u>September 30, 2024</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Others derivatives:						
Credit	706,344	0	409,192	131,023	323,302	187,860
Interest	<u>19,773,056</u>	<u>4,883,698</u>	<u>25,670,930</u>	<u>5,892,807</u>	<u>16,959,377</u>	<u>8,730,385</u>
Total	<u>20,479,400</u>	<u>4,883,698</u>	<u>26,080,122</u>	<u>6,023,830</u>	<u>17,282,679</u>	<u>8,918,245</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information

(18) Derivative Financial Instruments, continued

The following table presents assets and liabilities derivatives hedge for risk management:

Hedge Derivatives for Risk Management:

	<u>September 30, 2025</u>		<u>December 31, 2024</u>		<u>September 30, 2024</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Exposure to risk:						
Interest rate						
Fair value hedge	10,288,806	0	11,170,195	0	9,413,551	0
Others	1,814,558	0	2,288,237	0	711,924	0
Total interest rate	12,103,364	0	13,458,432	0	10,125,475	0
Currency						
Others	467,470	199,570	3,805,712	85,090	120,163	1,930,686
Total Currency	467,470	199,570	3,805,712	85,090	120,163	1,930,686
Total derivatives for risk exposure	12,570,834	199,570	17,264,144	85,090	10,245,638	1,930,686

The Bank held the following interest rate derivatives as fair value hedges for risk management:

	<u>September 30, 2025</u>				
	<u>Maturity</u>				
<u>Risk Category</u>	<u>Up to 1 month</u>	<u>From 1 to 3 months</u>	<u>From 3 months to 1 year</u>	<u>From 1 to 5 years</u>	<u>More than 5 years</u>
Interest rate risk					
Hedging of Bonds					
Notional Value	0	0	0	20,000,000	29,900,000
Average interest rate				5.25%	5.13%

	<u>December 31, 2024</u>				
	<u>Maturity</u>				
<u>Risk Category</u>	<u>Up to 1 month</u>	<u>From 1 to 3 months</u>	<u>From 3 months to 1 year</u>	<u>From 1 to 5 years</u>	<u>More than 5 years</u>
Interest rate risk					
Hedging of Bonds					
Notional Value	0	0	0	20,000,000	29,900,000
Average interest rate				5.25%	5.13%

	<u>September 30, 2024</u>				
	<u>Maturity</u>				
<u>Risk Category</u>	<u>Up to 1 month</u>	<u>From 1 to 3 months</u>	<u>From 3 months to 1 year</u>	<u>From 1 to 5 years</u>	<u>More than 5 years</u>
Interest rate risk					
Hedging of Bonds					
Notional Value	0	0	0	40,000,000	29,900,000
Average interest rate				3.45%	5.13%

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information

(18) Derivative Financial Instruments, continued

The effects of hedge accounting on the financial situation are detailed as follows:

<u>September 30, 2025</u>						
	<u>Notional Value</u>	<u>Book Value</u>		<u>Item in the consolidated statement of financial position that includes hedge instruments</u>	<u>Change in fair value used for calculating hedge ineffectiveness</u>	<u>Ineffectiveness recognized in profit or loss</u>
		<u>Assets</u>	<u>Liabilities</u>			
Interest rate risk:						
Interest rate derivatives – Bonds Hedge	<u>49,900,000</u>	<u>10,288,806</u>	<u>0</u>	Other assets (liabilities)	0	0
Total interest rate risk	49,900,000	10,288,806	0			

<u>December 31, 2024</u>						
	<u>Notional Value</u>	<u>Book Value</u>		<u>Item in the consolidated statement of financial position that includes hedge instruments</u>	<u>Change in fair value used for calculating hedge ineffectiveness</u>	<u>Ineffectiveness recognized in profit or loss</u>
		<u>Assets</u>	<u>Liabilities</u>			
Interest rate risk:						
Interest rate derivatives – Bonds Hedge	<u>49,900,000</u>	<u>11,170,195</u>	<u>0</u>	Other assets (liabilities)	0	0
Total interest rate risk	<u>49,900,000</u>	<u>11,170,195</u>	<u>0</u>			

<u>September 30, 2024</u>						
	<u>Notional Value</u>	<u>Book Value</u>		<u>Item in the consolidated statement of financial position that includes hedge instruments</u>	<u>Change in fair value used for calculating hedge ineffectiveness</u>	<u>Ineffectiveness recognized in profit or loss</u>
		<u>Assets</u>	<u>Liabilities</u>			
Interest rate risk:						
Interest rate derivatives – Bonds Hedge	<u>69,900,000</u>	<u>9,413,551</u>	<u>0</u>	Other assets (liabilities)	0	0
Total interest rate risk	<u>69,900,000</u>	<u>9,413,551</u>	<u>0</u>			

The amounts relating to items designated as hedged items were as follows:

<u>September 30, 2025</u>							
	<u>Book Value</u>		<u>Accumulated amount of fair value hedge item adjustments included in the carrying amount of the hedge item</u>		<u>Item in the statement of financial position in which the hedge item is included</u>	<u>Change in the value used for calculating hedge ineffectiveness</u>	<u>Accumulated amount of fair value hedge adjustments remaining in the statement of financial position for any hedge items that have ceased to be adjusted for hedging gains and losses</u>
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>			
Bonds	43,129,348	0	0	8,469,903	Investment securities FVOCI	0	0

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information

(18) Derivative Financial Instruments, continued

<u>December 31, 2024</u>						
	<u>Book Value</u>		<u>Accumulated amount of fair value hedge item adjustments included in the carrying amount of the hedge item</u>		<u>Item in the statement of financial position in which the hedge item is included</u>	<u>Change in the value used for calculating hedge ineffectiveness</u>
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>		
Bonds	40,242,085	0	0	9,269,172	Investment securities FVOCI	0
						0

<u>September 30, 2024</u>						
	<u>Book Value</u>		<u>Accumulated amount of fair value hedge item adjustments included in the carrying amount of the hedge item</u>		<u>Item in the statement of financial position in which the hedge item is included</u>	<u>Change in the value used for calculating hedge ineffectiveness</u>
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>		
Bonds	62,313,657	0	25,965	6,768,618	Investment securities FVOCI	0
						0

The three levels of fair value that were categorized for derivatives are as follows:

		<u>September 30, 2025</u>			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
<u>Assets</u>					
Other derivatives:					
Credit		0	706,344	0	706,344
Interest		0	19,773,056	0	19,773,056
Total		0	20,479,400	0	20,479,400
Hedge derivatives for risk management:					
Interest		0	12,103,364	0	12,103,364
Currency		0	467,470	0	467,470
Total		0	12,570,834	0	12,570,834
Total derivatives assets		<u>0</u>	<u>33,050,234</u>	<u>0</u>	<u>33,050,234</u>
<u>Liabilities</u>					
Other derivatives:					
Interest		0	4,883,698	0	4,883,698
Total		0	4,883,698	0	4,883,698
Hedge derivatives for risk management:					
Currency		0	199,570	0	199,570
Total		0	199,570	0	199,570
Total derivatives liabilities		<u>0</u>	<u>5,083,268</u>	<u>0</u>	<u>5,083,268</u>

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Notes to the Condensed Consolidated Interim Financial Information**(18) Derivative Financial Instruments, continued**

		December 31, 2024			
		Level 1	Level 2	Level 3	Total
<u>Assets</u>					
Other derivatives:					
Credit	0	409,192	0		409,192
Interest	0	25,670,930	0		25,670,930
Total	0	26,080,122	0		26,080,122
Hedge derivatives for risk management:					
Interest	0	13,458,432	0		13,458,432
Currency	0	3,805,712	0		3,805,712
Total	0	17,264,144	0		17,264,144
Total derivatives assets	0	43,344,266	0		43,344,266
<u>Liabilities</u>					
Other derivatives:					
Credit	0	131,023	0		131,023
Interest	0	5,892,807	0		5,892,807
Total	0	6,023,830	0		6,023,830
Hedge derivatives for risk management:					
Currency	0	85,090	0		85,090
Total	0	85,090	0		85,090
Total derivatives liabilities	0	6,108,920	0		6,108,920
<u>September 30, 2024</u>					
		Level 1	Level 2	Level 3	Total
<u>Assets</u>					
Other derivatives:					
Credit	0	323,302	0		323,302
Interest	0	16,959,377	0		16,959,377
Total	0	17,282,679	0		17,282,679
Hedge derivatives for risk management:					
Interest	0	10,125,475	0		10,125,475
Currency	0	120,163	0		120,163
Total	0	10,245,638	0		10,245,638
Total derivatives assets	0	27,528,317	0		27,528,317
<u>Liabilities</u>					
Other derivatives:					
Interest	0	187,860	0		187,860
Currency	0	8,730,385	0		8,730,385
Total	0	8,918,245	0		8,918,245
Hedge derivatives for risk management:					
Currency	0	1,930,686	0		1,930,686
Total	0	1,930,686	0		1,930,686
Total derivatives liabilities	0	10,848,931	0		10,848,931

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Notes to the Condensed Consolidated Interim Financial Information

(19) Fair Value of Financial Instruments

The Bank has in place a documented procedure to determine fair value and the responsibilities of the areas involved in this process, which has been approved by the Assets and Liabilities Committee, the Risk Committee of the Board of Directors, and the Bank's Board of Directors.

The Bank uses price vendors for most of the prices of assets and liabilities at fair value which are processed by the operations area and validated by the administrative and treasury control area and the risk department.

The Bank uses internal valuation methodologies for certain assets and liabilities at fair value classified in Level 3 of the fair value hierarchy. The calculation of fair values using internal methodologies is performed by the administration and control of the treasury area and validated by the risk department.

The Bank measures fair value using the fair value hierarchy, which categorizes the variables used in valuation techniques to measure fair value into three levels. The hierarchy is based on the transparency of the inputs used in measuring the fair values of financial assets and liabilities at their valuation date. The three levels are defined as follows:

Level 1: Quoted prices, unadjusted, in active markets for assets or liabilities identical to those that the Bank can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant input are directly or indirectly observable from market data.

Level 3: Unobservable inputs for assets or liabilities. This category includes all instruments for which the valuation technique includes unobservable variables and such have a significant effect on the instrument's fair value measurement. This category also includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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Notes to the Condensed Consolidated Interim Financial Information**(19) Fair Value of Financial Instruments, continued**

The classification of the valuation of fair value is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The relevance of a variable should be evaluated in relation to the entire fair value measurement.

Fair Value Measurement of Investments and Other Financial Assets at Fair Value Through Profit or Loss

	September 30			
	2025	Level 1	Level 2	Level 3
Local Corporate Bonds and Fixed Income Funds	51,441,125	0	0	51,441,125
Bonds of the Republic of Panama	2,727,696	0	2,727,696	0
Local Corporate Shares	34,612,740	0	0	34,612,740
Foreign Treasury Bills	101,926	101,926	0	0
Mortgage Backed Securities (MBS) and Collateralized				
Mortgage Obligations (CMOs)	535,762,558	0	535,762,558	0
Asset Backed Securities (ABS)	79,851,160	0	79,851,160	0
Foreign Corporate Bonds and Fixed Income Funds	142,358,900	0	3,944,228	138,414,672
Foreign Corporate Shares and Variable Income Mutual Funds	1,105,739	0	345,614	760,125
Total	<u>847,961,844</u>	<u>101,926</u>	<u>622,631,256</u>	<u>225,228,662</u>
	December 31			
	2024	Level 1	Level 2	Level 3
Local Corporate Bonds and Fixed Income Funds	51,950,168	0	0	51,950,168
Bonds of the Republic of Panama	2,619,000	0	2,619,000	0
Local Corporate Shares	31,915,176	0	0	31,915,176
Foreign Treasury Bills	309,434	309,434	0	0
Mortgage Backed Securities (MBS) and Collateralized				
Mortgage Obligations (CMOs)	537,177,189	0	537,177,189	0
Asset Backed Securities (ABS)	71,649,083	0	71,649,083	0
Foreign Corporate Bonds and Fixed Income Funds	133,306,564	0	1,133,135	132,173,429
Foreign Corporate Shares and Variable Income Mutual Funds	627,528	0	0	627,528
Total	<u>829,554,142</u>	<u>309,434</u>	<u>612,578,407</u>	<u>216,666,301</u>
	September 30			
	2024	Level 1	Level 2	Level 3
Local Corporate Bonds and Fixed Income Funds	53,873,056	0	0	53,873,056
Bonds of the Republic of Panama	1,687,750	0	1,687,750	0
Local Corporate Shares	31,306,631	0	0	31,306,631
Foreign Treasury Bills	306,274	306,274	0	0
Mortgage Backed Securities (MBS) and Collateralized				
Mortgage Obligations (CMOs)	577,280,919	0	577,280,919	0
Asset Backed Securities (ABS)	72,174,891	0	72,174,891	0
Foreign Corporate Bonds and Fixed Income Funds	130,918,697	0	1,199,903	129,718,794
Foreign Corporate Shares and Variable Income Mutual Funds	389,001	0	155,741	233,260
Total	<u>867,937,219</u>	<u>306,274</u>	<u>652,499,204</u>	<u>215,131,741</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information**(19) Fair Value of Financial Instruments, continued****Fair Value Measurement of Investments and Other Financial Assets at Fair Value Through OCI**

	<u>September 30</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
	<u>2025</u>			
Local Commercial Paper and Treasury Bills	61,615,277	0	0	61,615,277
Local Corporate Bonds	1,104,547,201	0	420,785,919	683,761,282
Bonds of the Republic of Panama	89,828,935	0	89,828,935	0
Bonds of the US Government	124,101,306	124,101,306	0	0
Foreign Commercial Paper and Treasury Bills	93,086,781	92,046,167	1,040,614	0
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	2,278,284,588	0	2,278,284,588	0
Asset Backed Securities (ABS)	124,345,834	0	124,345,834	0
Foreign Corporate Bonds	895,886,608	0	895,886,608	0
Other Governments Bonds	9,467,417	0	9,467,417	0
Total	<u>4,781,163,947</u>	<u>216,147,473</u>	<u>3,819,639,915</u>	<u>745,376,559</u>

	<u>December 31</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
	<u>2024</u>			
Local Commercial Paper and Treasury Bills	59,495,878	0	0	59,495,878
Local Corporate Bonds	1,097,481,422	0	392,424,079	705,057,343
Bonds of the Republic of Panama	92,273,856	0	92,273,856	0
Bonds of the US Government	148,829,594	148,829,594	0	0
Foreign Commercial Paper and Treasury Bills	70,097,487	70,097,487	0	0
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	1,970,915,361	0	1,970,915,361	0
Asset Backed Securities (ABS)	135,423,082	0	135,423,082	0
Foreign Corporate Bonds	922,213,746	0	922,213,746	0
Other Governments Bonds	14,870,996	0	14,870,996	0
Total	<u>4,511,601,422</u>	<u>218,927,081</u>	<u>3,528,121,120</u>	<u>764,553,221</u>

	<u>September 30</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
	<u>2024</u>			
Local Commercial Paper	6,310,817	0	0	6,310,817
Local Corporate Bonds	1,080,180,568	0	399,603,140	680,577,428
Bonds of the Republic of Panama	94,127,982	0	94,127,982	0
Bonds of the US Government	138,807,999	138,807,999	0	0
Foreign Commercial Paper and Treasury Bills	268,122,105	202,206,993	65,915,112	0
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	1,547,033,750	0	1,547,033,750	0
Asset Backed Securities (ABS)	152,513,634	0	152,513,634	0
Foreign Corporate Bonds	1,137,631,400	0	1,137,631,400	0
Other Governments Bonds	10,743,887	0	10,743,887	0
Total	<u>4,435,472,142</u>	<u>341,014,992</u>	<u>3,407,568,905</u>	<u>686,888,245</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information**(19) Fair Value of Financial Instruments, continued**

	<u>Changes in Fair Value Measurement of Level 3 hierarchy</u>		<u>Total</u>
	<u>Fair Value through Profit or Loss</u>	<u>Investments and other financial assets Fair Value through OCI</u>	
December 31, 2024	216,666,301	764,553,221	981,219,522
Gain recognized in income	1,135,411	0	1,135,411
Gain recognized in equity	0	1,549,942	1,549,942
Purchases	61,793,271	170,080,084	231,873,355
Amortization, sales and redemptions	<u>(54,366,321)</u>	<u>(190,806,688)</u>	<u>(245,173,009)</u>
September 30, 2025	<u>225,228,662</u>	<u>745,376,559</u>	<u>970,605,221</u>
Total gain related to instruments held as of September 30, 2025	<u>974,682</u>	<u>1,625,379</u>	<u>2,600,061</u>
December 31, 2023	250,256,873	710,544,414	960,801,287
Gain recognized in income	4,196,034	0	4,196,034
Loss recognized in equity	0	(2,585,252)	(2,585,252)
Purchases	35,406,707	147,404,500	182,811,207
Amortization, sales and redemptions	<u>(73,353,963)</u>	<u>(90,810,441)</u>	<u>(164,164,404)</u>
Transferred to Level 3	160,650	0	160,650
December 31, 2024	<u>216,666,301</u>	<u>764,553,221</u>	<u>981,219,522</u>
Total (loss) gain related to instruments held as of December 31, 2024	<u>245,383</u>	<u>(1,073,201)</u>	<u>(827,818)</u>
December 31, 2023	250,256,873	710,544,414	960,801,287
Gain recognized in income	4,198,525	0	4,198,525
Loss recognized in equity	0	(1,140,943)	(1,140,943)
Purchases	30,726,863	57,254,000	87,980,863
Amortization, sales and redemptions	<u>(70,050,520)</u>	<u>(79,769,226)</u>	<u>(149,819,746)</u>
September 30, 2024	<u>215,131,741</u>	<u>686,888,245</u>	<u>902,019,986</u>
Total gain (loss) related to instruments held as of September 30, 2024	<u>(143,700)</u>	<u>371,108</u>	<u>227,408</u>

The Bank recognizes transfers between levels of the fair value hierarchy at the date in which the change occurred.

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Notes to the Condensed Consolidated Interim Financial Information

(19) Fair Value of Financial Instruments, continued

The table below presents information about significant unobservable inputs used in measuring financial instruments categorized as Level 3 in the fair value hierarchy:

Instruments	Valuation technique	Unobservable inputs used	Range for unobservable inputs			Fair value sensitivity to unobservable inputs
			September 30 2025	December 31 2024	September 30 2024	
Corporate Shares	Dividend discount model and Discount free cash flow model (DCF)	Equity risk premium	Min 5.70% Max 11.86%	Min 5.70% Max 11.86%	Min 5.90% Max 11.76%	If equity risk premiums increase, the price decreases and vice versa
		Growth rate of assets, liabilities, equity, profits and dividends	Min (24.25%) Max 91.25%	Min (24.25%) Max 91.25%	Min (35.64%) Max 80.56%	If the growth increases the price increases and vice versa
Fixed Income	Discounted cash flow	Credit spreads	Min 0.99% Max 7.92% Ave 1.97%	Min 1.12% Max 7.44% Ave 2.08%	Min 1.29% Max 8.15% Ave 2.30%	If the credit spreads increase, the price decreases and vice versa

The main valuation techniques, assumptions and inputs used to measure the fair value of financial instruments are as follows:

Instrument	Valuation technique	Inputs used	Level
Local Fixed Income	Quoted market prices	Observable quoted prices	2-3
	Discounted cash flows	Benchmark interest rate Liquidity risk premiums Credit spreads	
Local Shares	Quoted market prices	Observable quoted prices	3
	Dividend discount model Discount free cash flows model (DCF), which are compared to the stock prices	Benchmark interest rate Equity risk premium Growth rate of assets, liabilities, equity, profits and dividends	
	Carrying amount model	Equity Issued and outstanding shares	
Foreign Fixed Income	Quoted market prices	Quoted prices in active markets	1-2
	Quoted observable market prices for similar instruments	Observable quoted prices	
	Bid and ask prices from market participants	Buying/Selling prices from a broker	
	Discounted cash flows model	Credit spreads Benchmark interest rate Liquidity risk premiums	
Agencies' MBS / CMOs	Discounted cash flows model	Features of collateral TBA's price Treasury yield Yield curves Prepayment speeds Market analysis	2

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Notes to the Condensed Consolidated Interim Financial Information

(19) Fair Value of Financial Instruments, continued

<u>Instrument</u>	<u>Valuation technique</u>	<u>Inputs used</u>	<u>Level</u>
Private MBS / CMOs and ABS	Discounted cash flows model	Features of collateral Treasury yield Yield curves Expected cash flow and losses Market assumptions related to discount rates, prepayments, losses and recoveries	2
Foreign Shares	Quoted market prices	Observable quoted prices	2-3
	Carrying amount model	Carrying amount of the shares of the company	
Investment Vehicles	Net asset value	Net asset value	3

The Bank considers that its methodologies for valuation of investments classified as Level 3 are appropriate; however, the use of different estimates for the unobservable inputs could lead to different measurements of fair value. For investments classified in Level 3, adjustments to the credit spread (in the case of fixed income) and to the equity risk premium (in the case of the corporate shares) of +50bp and -50bp would result in favorable and unfavorable impacts in the Bank's statement of income and equity, as described below:

	<u>September 30, 2025</u>			
	<u>Fair Value</u>		<u>FV OCI</u>	
	<u>Effect in profit or loss</u>		<u>Effect in equity</u>	
	<u>Favorable</u>	<u>(Unfavorable)</u>	<u>Favorable</u>	<u>(Unfavorable)</u>
Fixed Income	2,710	(14,913)	4,613,011	(6,288,809)
Corporate Shares	<u>1,775,874</u>	<u>(1,622,805)</u>	<u>0</u>	<u>0</u>
Total	<u>1,778,584</u>	<u>(1,637,718)</u>	<u>4,613,011</u>	<u>(6,288,809)</u>

	<u>December 31, 2024</u>			
	<u>Fair Value</u>		<u>FV OCI</u>	
	<u>Effect in profit or loss</u>		<u>Effect in equity</u>	
	<u>Favorable</u>	<u>(Unfavorable)</u>	<u>Favorable</u>	<u>(Unfavorable)</u>
Fixed Income	17,828	(18,755)	6,947,129	(9,149,988)
Corporate Shares	<u>1,664,530</u>	<u>(1,528,438)</u>	<u>0</u>	<u>0</u>
Total	<u>1,682,358</u>	<u>(1,547,193)</u>	<u>6,947,129</u>	<u>(9,149,988)</u>

	<u>September 30, 2024</u>			
	<u>Fair Value</u>		<u>FV OCI</u>	
	<u>Effect in profit or loss</u>		<u>Effect in equity</u>	
	<u>Favorable</u>	<u>(Unfavorable)</u>	<u>Favorable</u>	<u>(Unfavorable)</u>
Fixed Income	20,852	(20,490)	6,505,589	(9,261,871)
Corporate Shares	<u>1,685,129</u>	<u>(1,554,634)</u>	<u>0</u>	<u>0</u>
Total	<u>1,705,981</u>	<u>(1,575,124)</u>	<u>6,505,589</u>	<u>(9,261,871)</u>

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Notes to the Condensed Consolidated Interim Financial Information**(19) Fair Value of Financial Instruments, continued**

The following assumptions, where practical, have been made by Management to estimate the fair value of financial assets and liabilities not measured at fair value:

(a) Investments and other financial assets

For investments and others financial assets, the fair value measurement is determined using quoted prices in active markets, prices from a third party pricing vendors, brokers, custodians, investment management companies and banks. In addition, for some cases the Bank uses valuation techniques to calculate their investments mainly by discounting cash flows at the appropriate discount rate for that instrument.

(b) Loans

The fair value of the loan portfolio was determined by discounting the future cash flows at an interest rate that represents: (i) current market rates, and (ii) the future expected interest rates, for a term that considers the expected anticipated prepayments in the loan portfolio.

(c) Demand deposits from customers/savings deposits from customers/securities sold under repurchase agreements/other financial assets/other financial liabilities

For these financial instruments described above, the carrying value approximates their fair value due to their short-term nature.

(d) Time deposits from banks/time deposits from customers/borrowings and debt securities issued /perpetual bonds

The fair value of these financial instruments was determined by discounting the future cash flows at an interest rate that reflects: (i) current market rates, and (ii) the future expected interest rates, for a term that shows the remaining life of these instruments.

Fair value estimates are made at a specific date based on relevant market estimates and information about the financial instruments. These estimates do not reflect any premium or discount that could result from the offer to sell a specific financial instrument at a given date. These estimates are subjective in nature and involve uncertainties and significant judgment; therefore, these estimates cannot be determined with precision. Changes in the assumptions or criteria could significantly affect the estimates.

The following table summarizes the carrying value and fair value of those significant financial assets and liabilities not measured at fair value in the Bank's condensed consolidated statement of financial position:

	September 30, 2025		December 31, 2024		September 30, 2024	
	Book Value	Fair Value	Book Value	Fair Value	Book Value	Fair Value
Assets:						
Time deposits with banks	21,018,728	21,019,381	20,964,082	20,963,477	18,391,666	18,389,871
Investments at amortized cost, net	27,231,658	27,236,696	6,615,138	6,632,644	15,043,511	15,064,496
Loans, net	12,829,163,371	12,712,548,576	12,414,611,692	12,255,102,495	12,184,928,900	12,060,339,199
Other financial assets	310,609,135	310,609,135	272,708,272	272,708,272	341,908,243	341,908,243
	<u>13,188,022,892</u>	<u>13,071,413,788</u>	<u>12,714,899,184</u>	<u>12,555,406,888</u>	<u>12,560,272,320</u>	<u>12,435,701,809</u>
Liabilities:						
Deposits	14,470,819,853	14,454,593,982	13,851,769,365	13,789,756,357	13,475,844,094	13,406,986,181
Securities sold under repurchase agreements, borrowings, debt securities issued and perpetual bonds	1,016,786,349	877,984,267	1,206,578,310	1,047,318,034	1,145,909,620	1,014,072,973
Other financial liabilities	592,583,302	592,583,302	538,873,658	538,873,658	616,029,637	616,029,637
	<u>16,080,189,504</u>	<u>15,925,161,551</u>	<u>15,597,221,333</u>	<u>15,375,948,049</u>	<u>15,237,783,351</u>	<u>15,037,088,791</u>

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Notes to the Condensed Consolidated Interim Financial Information**(19) Fair Value of Financial Instruments, continued**

The table below summarizes the fair value hierarchy of financial instruments which are not measured at fair value in the Bank's condensed consolidated statement of financial position:

	September 30 2025	Level 1	Level 2	Level 3
<u>Assets:</u>				
Time deposits with banks	21,019,381	0	0	21,019,381
Investments at amortized cost, net	27,236,696	0	21,702,562	5,534,134
Loans, net	12,712,548,576	0	0	12,712,548,576
Other financial assets	310,609,135	0	0	310,609,135
	<u>13,071,413,788</u>	<u>0</u>	<u>21,702,562</u>	<u>13,049,711,226</u>
<u>Liabilities:</u>				
Deposits	14,454,593,982	0	0	14,454,593,982
Borrowings, debt securities issued and perpetual bonds	877,984,267	0	0	877,984,267
Other financial liabilities	592,583,302	0	0	592,583,302
	<u>15,925,161,551</u>	<u>0</u>	<u>0</u>	<u>15,925,161,551</u>
	December 31 2024	Level 1	Level 2	Level 3
<u>Assets:</u>				
Time deposits with banks	20,963,477	0	0	20,963,477
Investments at amortized cost, net	6,632,644	0	0	6,632,644
Loans, net	12,255,102,495	0	0	12,255,102,495
Other financial assets	272,708,272	0	0	272,708,272
	<u>12,555,406,888</u>	<u>0</u>	<u>0</u>	<u>12,555,406,888</u>
<u>Liabilities:</u>				
Deposits	13,789,756,357	0	0	13,789,756,357
Securities sold under repurchase agreements, borrowings, debt securities issued and perpetual bonds	1,047,318,034	0	0	1,047,318,034
Other financial liabilities	538,873,658	0	0	538,873,658
	<u>15,375,948,049</u>	<u>0</u>	<u>0</u>	<u>15,375,948,049</u>
	September 30 2024	Level 1	Level 2	Level 3
<u>Assets:</u>				
Time deposits with banks	18,389,871	0	0	18,389,871
Investments at amortized cost, net	15,064,496	0	5,500,761	9,563,735
Loans, net	12,060,339,199	0	0	12,060,339,199
Other financial assets	341,908,243	0	0	341,908,243
	<u>12,435,701,809</u>	<u>0</u>	<u>5,500,761</u>	<u>12,430,201,048</u>
<u>Liabilities:</u>				
Deposits	13,406,986,181	0	0	13,406,986,181
Borrowings, debt securities issued and perpetual bonds	1,014,072,973	0	0	1,014,072,973
Other financial liabilities	616,029,637	0	0	616,029,637
	<u>15,037,088,791</u>	<u>0</u>	<u>0</u>	<u>15,037,088,791</u>

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Notes to the Condensed Consolidated Interim Financial Information

(20) Financial Instruments Risk Management

A financial instrument is any contract that originates a financial asset in one enterprise and a financial liability or equity instrument in another enterprise. The Bank's condensed consolidated statement of financial position is primarily composed of financial instruments.

Financial instruments expose the Bank to various types of risks. The Bank's Board of Directors has approved a Risk Management Policy to identify each significant risk the Bank is exposed to. In order to manage the several risks faced by the Bank, the Board of Directors has created the Credit Risk Committee of the Board of Directors, to oversee the credit, liquidity, market, interest rate, exchange rate and counterparty risks. Likewise, the Board of Directors has established executive Committees, which are composed of key executives that monitor several risks faced by the Bank. These committees have established policies and limits in order to control and manage these risks. There is also an Audit Committee, composed of members of the Bank's Board of Directors that oversees the establishment of appropriate internal controls for reporting the Bank's financial information.

The main risks identified by the Bank are credit, counter-party, market, liquidity and financing, operational and capital management risks which are described as follows:

(a) *Credit Risk*

Credit Risk is the risk that the debtor or issuer of a financial asset owned by the Bank does not fully and timely comply with any required payment, in conformity with terms and conditions agreed upon when the respective financial asset was acquired or originated by the Bank.

To mitigate credit risk, risk management policies establish limits by country, industry, and debtor. The Credit Committee appointed by the Board of Directors, periodically watches over the financial condition of debtors and issuers of financial instruments in the condensed consolidated statement of financial position of the Bank.

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information**(20) Financial Instruments Risk Management, continued***Credit Quality Analysis*

The table below sets out information on the credit quality of the loan portfolio including contagion of operations for classification and calculation of the expected credit loss reserve (ECL) maintained by the Bank:

	September 30, 2025 (in thousands)			
	12-month ECL	Lifetime ECL Not credit- impaired	Lifetime ECL credit- impaired	Total
<u>Loans at amortized cost</u>				
Grade 1: Standard	11,264,821	453,394	0	11,718,215
Grade 2: Special mention	77,282	519,433	16,411	613,126
Grade 3: Sub-standard	3,982	419,895	59,405	483,282
Grade 4: Doubtful	0	4,951	107,881	112,832
Grade 5: Uncollectible	0	2,293	113,712	116,005
Gross amount	11,346,085	1,399,966	297,409	13,043,460
Loan losses allowance	(78,445)	(201,723)	(68,336)	(348,504)
Net carrying amount	<u>11,267,640</u>	<u>1,198,243</u>	<u>229,073</u>	<u>12,694,956</u>
<u>Finance leases</u>				
Grade 1: Standard	113,088	2,143	0	115,231
Grade 2: Special mention	57	2,205	0	2,262
Grade 3: Sub-standard	0	713	76	789
Grade 4: Doubtful	0	1	24	25
Gross amount	113,145	5,062	100	118,307
Loan losses allowance	(363)	(150)	(20)	(533)
Net carrying amount	<u>112,782</u>	<u>4,912</u>	<u>80</u>	<u>117,774</u>
Total loans	<u>11,459,230</u>	<u>1,405,028</u>	<u>297,509</u>	<u>13,161,767</u>
Loan losses allowance	<u>(78,808)</u>	<u>(201,873)</u>	<u>(68,356)</u>	<u>(349,037)</u>
Net carrying amount	<u>11,380,422</u>	<u>1,203,155</u>	<u>229,153</u>	<u>12,812,730</u>
<u>Restructured loans</u>				
Gross amount	78	492,374	156,958	649,410
Loan losses allowance	(5)	(73,523)	(31,356)	(104,884)
Net carrying amount	<u>73</u>	<u>418,851</u>	<u>125,602</u>	<u>544,526</u>

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Notes to the Condensed Consolidated Interim Financial Information**(20) Financial Instruments Risk Management, continued**

	December 31, 2024 (in thousands)			
	12-month ECL	Lifetime ECL Not credit- impaired	Lifetime ECL credit- impaired	Total
<u>Loans at amortized cost</u>				
Grade 1: Standard	10,624,692	505,805	0	11,130,497
Grade 2: Special mention	175,407	556,805	14,764	746,976
Grade 3: Sub-standard	16,691	495,360	67,294	579,345
Grade 4: Doubtful	41	8,133	64,556	72,730
Grade 5: Uncollectible	151	4,884	117,527	122,562
Gross amount	10,816,982	1,570,987	264,141	12,652,110
Loan losses allowance	(88,356)	(220,719)	(55,312)	(364,387)
Net carrying amount	<u>10,728,626</u>	<u>1,350,268</u>	<u>208,829</u>	<u>12,287,723</u>
<u>Finance leases</u>				
Grade 1: Standard	107,305	455	0	107,760
Grade 2: Special mention	0	1,472	0	1,472
Grade 3: Sub-standard	0	907	0	907
Grade 4: Doubtful	0	0	23	23
Gross amount	107,305	2,834	23	110,162
Loan losses allowance	(403)	(126)	(2)	(531)
Net carrying amount	<u>106,902</u>	<u>2,708</u>	<u>21</u>	<u>109,631</u>
Total loans	<u>10,924,287</u>	<u>1,573,821</u>	<u>264,164</u>	<u>12,762,272</u>
Loan losses allowance	(88,759)	(220,845)	(55,314)	(364,918)
Net carrying amount	<u>10,835,528</u>	<u>1,352,976</u>	<u>208,850</u>	<u>12,397,354</u>
<u>Restructured loans</u>				
Gross amount	1,463	611,753	129,383	742,599
Loan losses allowance	(163)	(90,598)	(24,937)	(115,698)
Net carrying amount	<u>1,300</u>	<u>521,155</u>	<u>104,446</u>	<u>626,901</u>

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Notes to the Condensed Consolidated Interim Financial Information**(20) Financial Instruments Risk Management, continued**

	September 30, 2024 (in thousands)			
	12-month ECL	Lifetime ECL Not credit- impaired	Lifetime ECL credit- impaired	Total
<u>Loans at amortized cost</u>				
Grade 1: Standard	10,397,001	484,200	0	10,881,201
Grade 2: Special mention	190,669	542,481	16,533	749,683
Grade 3: Sub-standard	44,227	492,113	48,371	584,711
Grade 4: Doubtful	9,129	6,368	64,599	80,096
Grade 5: Uncollectible	8,099	1,722	122,877	132,698
Gross amount	10,649,125	1,526,884	252,380	12,428,389
Loan losses allowance	(131,279)	(183,541)	(57,025)	(371,845)
Net carrying amount	<u>10,517,846</u>	<u>1,343,343</u>	<u>195,355</u>	<u>12,056,544</u>
<u>Finance leases</u>				
Grade 1: Standard	104,271	18	0	104,289
Grade 2: Special mention	778	786	2	1,566
Grade 3: Sub-standard	54	139	940	1,133
Grade 4: Doubtful	1	17	9	27
Grade 5: Uncollectible	0	0	1	1
Gross amount	105,104	960	952	107,016
Loan losses allowance	(365)	(45)	(247)	(657)
Net carrying amount	<u>104,739</u>	<u>915</u>	<u>705</u>	<u>106,359</u>
Total loans	<u>10,754,229</u>	<u>1,527,844</u>	<u>253,332</u>	<u>12,535,405</u>
Loan losses allowance	<u>(131,644)</u>	<u>(183,586)</u>	<u>(57,272)</u>	<u>(372,502)</u>
Net carrying amount	<u>10,622,585</u>	<u>1,344,258</u>	<u>196,060</u>	<u>12,162,903</u>
<u>Restructured loans</u>				
Gross amount	81,279	552,089	118,415	751,783
Loan losses allowance	(4,785)	(68,297)	(26,232)	(99,314)
Net carrying amount	<u>76,494</u>	<u>483,792</u>	<u>92,183</u>	<u>652,469</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information**(20) Financial Instruments Risk Management, continued**

The aging of the loan portfolio delinquency is presented as follows:

	<u>September 30, 2025</u>		<u>Total</u>
	<u>Banco General, S. A.</u>	<u>Subsidiaries</u>	
Current	11,325,058,434	1,009,287,414	12,334,345,848
From 31 to 90 days	482,733,854	5,459,380	488,193,234
More than 90 days (capital or interest)	258,732,741	3,421,195	262,153,936
More than 30 days past due (capital at maturity)	<u>77,046,143</u>	<u>28,206</u>	<u>77,074,349</u>
Total	<u>12,143,571,172</u>	<u>1,018,196,195</u>	<u>13,161,767,367</u>

	<u>December 31, 2024</u>		<u>Total</u>
	<u>Banco General, S. A.</u>	<u>Subsidiaries</u>	
Current	10,997,686,330	957,578,231	11,955,264,561
From 31 to 90 days	495,180,625	5,602,565	500,783,190
More than 90 days (capital or interest)	273,544,845	4,225,878	277,770,723
More than 30 days past due (capital at maturity)	<u>27,656,317</u>	<u>796,865</u>	<u>28,453,182</u>
Total	<u>11,794,068,117</u>	<u>968,203,539</u>	<u>12,762,271,656</u>

	<u>September 30, 2024</u>		<u>Total</u>
	<u>Banco General, S. A.</u>	<u>Subsidiaries</u>	
Current	10,829,641,244	866,845,321	11,696,486,565
From 31 to 90 days	531,017,834	5,335,045	536,352,879
More than 90 days (capital or interest)	284,393,245	3,948,966	288,342,211
More than 30 days past due (capital at maturity)	<u>14,196,755</u>	<u>26,982</u>	<u>14,223,737</u>
Total	<u>11,659,249,078</u>	<u>876,156,314</u>	<u>12,535,405,392</u>

BANCO GENERAL, S. A. AND SUBSIDIARIES

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Notes to the Condensed Consolidated Interim Financial Information**(20) Financial Instruments Risk Management, continued**

The following table presents the credit quality of the investments and other financial assets and impairment reserves held by the Bank, excluding share capital and mutual funds amounting to B/.35,718,479 (December 31, 2024: B/.32,542,704) and (September 30, 2024: B/.31,695,632) which are not subject to credit risk:

		September 30, 2025			
	<u>12-month ECL</u>	<u>Lifetime ECL Not credit-impaired</u>	<u>Lifetime ECL credit-impaired</u>	<u>Purchased credit-impaired</u>	<u>Total</u>
<u>At Amortized Cost</u>					
<i>Foreign:</i>					
AAA to AA+	21,700,000	0	0	0	21,700,000
Lower than BBB-	<u>5,533,596</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,533,596</u>
Carrying amount	<u>27,233,596</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27,233,596</u>
Loss allowance	<u>(5,038)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5,038)</u>
Total carrying amount, net	<u>27,228,558</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27,228,558</u>
<u>At FVOCI</u>					
<i>Local:</i>					
AA to BBB-	304,071,111	0	0	0	304,071,111
Lower than BBB-	<u>897,843,518</u>	<u>54,076,784</u>	<u>0</u>	<u>0</u>	<u>951,920,302</u>
Carrying amount	<u>1,201,914,629</u>	<u>54,076,784</u>	<u>0</u>	<u>0</u>	<u>1,255,991,413</u>
Valuation of credit risk	<u>(3,391,782)</u>	<u>(390,607)</u>	<u>0</u>	<u>0</u>	<u>(3,782,389)</u>
<i>Foreign:</i>					
AAA to AA+	2,552,579,649	0	0	0	2,552,579,649
AA to BBB-	739,673,825	0	0	0	739,673,825
Lower than BBB-	<u>231,090,522</u>	<u>1,610,578</u>	<u>0</u>	<u>217,960</u>	<u>232,919,060</u>
Carrying amount	<u>3,523,343,996</u>	<u>1,610,578</u>	<u>0</u>	<u>217,960</u>	<u>3,525,172,534</u>
Valuation of credit risk	<u>(5,636,744)</u>	<u>(564,735)</u>	<u>0</u>	<u>(9,322)</u>	<u>(6,210,801)</u>
Total carrying amount	<u>4,725,258,625</u>	<u>55,687,362</u>	<u>0</u>	<u>217,960</u>	<u>4,781,163,947</u>
Total valuation of credit risk	<u>(9,028,526)</u>	<u>(955,342)</u>	<u>0</u>	<u>(9,322)</u>	<u>(9,993,190)</u>
<u>At Fair Value TPL</u>					
<i>Local:</i>					
Lower than BBB-	<u>54,168,821</u>				
Carrying amount	<u>54,168,821</u>				
<i>Foreign:</i>					
AAA to AA+	516,354,263				
AA to BBB-	206,855,202				
Lower than BBB-	34,443,330				
NR	<u>421,749</u>				
Carrying amount	<u>758,074,544</u>				
Total carrying amount	<u>812,243,365</u>				

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Notes to the Condensed Consolidated Interim Financial Information
(20) Financial Instruments Risk Management, continued

		December 31, 2024			
	<u>12-month ECL</u>	<u>Lifetime ECL Not credit- impaired</u>	<u>Lifetime ECL credit- impaired</u>	<u>Purchased credit- impaired</u>	<u>Total</u>
<u>At Amortized Cost</u>					
<i>Foreign:</i>					
Lower than BBB-	6,631,170	0	0	0	6,631,170
Carrying amount	6,631,170	0	0	0	6,631,170
Loss allowance	(17,506)	0	0	0	(17,506)
Total carrying amount, net	6,613,664	0	0	0	6,613,664
<u>At FVOCI</u>					
<i>Local:</i>					
AA to BBB-	231,928,652	0	0	0	231,928,652
Lower than BBB-	1,002,017,620	15,304,884	0	0	1,017,322,504
Carrying amount	1,233,946,272	15,304,884	0	0	1,249,251,156
Valuation of credit risk	(3,663,258)	(155,194)	0	0	(3,818,452)
<i>Foreign:</i>					
AAA to AA+	2,281,375,058	0	0	0	2,281,375,058
AA to BBB-	778,279,114	0	0	0	778,279,114
Lower than BBB-	199,162,160	3,311,040	0	23,785	202,496,985
NR	0	0	0	199,109	199,109
Carrying amount	3,258,816,332	3,311,040	0	222,894	3,262,350,266
Valuation of credit risk	(4,952,437)	(564,853)	0	(3,087)	(5,520,377)
Total carrying amount	4,492,762,604	18,615,924	0	222,894	4,511,601,422
Total valuation of credit risk	(8,615,695)	(720,047)	0	(3,087)	(9,338,829)
<u>At Fair Value TPL</u>					
<i>Local:</i>					
Lower than BBB-	54,569,168				54,569,168
Carrying amount	54,569,168				54,569,168
<i>Foreign:</i>					
AAA to AA+	513,481,554				513,481,554
AA to BBB-	193,383,632				193,383,632
Lower than BBB-	33,765,911				33,765,911
NR	1,811,173				1,811,173
Carrying amount	742,442,270				742,442,270
Total carrying amount	797,011,438				797,011,438

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Notes to the Condensed Consolidated Interim Financial Information**(20) Financial Instruments Risk Management, continued**

		September 30, 2024			
	<u>12-month ECL</u>	<u>Lifetime ECL Not credit- impaired</u>	<u>Lifetime ECL credit- impaired</u>	<u>Purchased credit- impaired</u>	<u>Total</u>
<u>At Amortized Cost</u>					
<i>Foreign:</i>					
AA+ to BBB-	5,500,000	0	0	0	5,500,000
Lower than BBB-	<u>9,562,606</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,562,606</u>
Carrying amount	<u>15,062,606</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,062,606</u>
Loss allowance	<u>(20,985)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(20,985)</u>
Total carrying amount, net	<u>15,041,621</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,041,621</u>
<u>At FVOCI</u>					
<i>Local:</i>					
AA+ to BBB-	290,930,441	0	0	0	290,930,441
Lower than BBB-	<u>874,648,728</u>	<u>15,040,198</u>	<u>0</u>	<u>0</u>	<u>889,688,926</u>
Carrying amount	<u>1,165,579,169</u>	<u>15,040,198</u>	<u>0</u>	<u>0</u>	<u>1,180,619,367</u>
Valuation of credit risk	<u>(2,417,330)</u>	<u>(1,061,623)</u>	<u>0</u>	<u>0</u>	<u>(3,478,953)</u>
<i>Foreign:</i>					
AAA	1,683,615,197	0	0	0	1,683,615,197
AA+ to BBB-	1,358,813,944	0	0	0	1,358,813,944
Lower than BBB-	207,911,234	4,279,755	0	24,899	212,215,888
NR	<u>0</u>	<u>0</u>	<u>0</u>	<u>207,746</u>	<u>207,746</u>
Carrying amount	<u>3,250,340,375</u>	<u>4,279,755</u>	<u>0</u>	<u>232,645</u>	<u>3,254,852,775</u>
Valuation of credit risk	<u>(4,629,349)</u>	<u>(565,322)</u>	<u>0</u>	<u>0</u>	<u>(5,194,671)</u>
Total carrying amount	<u>4,415,919,544</u>	<u>19,319,953</u>	<u>0</u>	<u>232,645</u>	<u>4,435,472,142</u>
Total valuation of credit risk	<u>(7,046,679)</u>	<u>(1,626,945)</u>	<u>0</u>	<u>0</u>	<u>(8,673,624)</u>
<u>At Fair Value TPL</u>					
<i>Local:</i>					
Lower than BBB-	<u>55,560,806</u>				
Carrying amount	<u>55,560,806</u>				
<i>Foreign:</i>					
AAA	538,713,913				
AA+ to BBB-	205,595,022				
Lower than BBB-	34,822,309				
NR	<u>1,549,537</u>				
Carrying amount	<u>780,680,781</u>				
Total carrying amount	<u>836,241,587</u>				

Investments were classified based on their international risk rating, taking first the rating from Fitch Ratings Inc., then Standard and Poor's and finally Moody's. In the case of local investments that do not have an international rating, the Bank used an internal rating, which is consistent with international risk ratings.

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Notes to the Condensed Consolidated Interim Financial Information**(20) Financial Instruments Risk Management, continued**

The reconciliation between the initial balance and closing balance of the expected credit losses (ECL) by the type of allowance model is presented as follows:

	September 30, 2025				
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Purchased credit- impaired	Total
Balance at the beginning of the period	8,615,695	720,047	0	3,087	9,338,829
Transferred to 12-month ECL	0	0	0	0	0
Transfer of 12-month ECL to lifetime ECL not credit-impaired	(34,478)	34,478	0	0	0
Transfer of 12-month ECL to lifetime ECL credit-impaired	0	0	0	0	0
Net remeasurement of portfolio	(92,920)	200,872	0	6,284	114,236
New investment securities purchased	2,309,350	0	0	0	2,309,350
Investment securities that have been derecognized	(1,769,121)	(55)	0	(49)	(1,769,225)
Balance at the end of the period	<u>9,028,526</u>	<u>955,342</u>	<u>0</u>	<u>9,322</u>	<u>9,993,190</u>

	December 31, 2024				
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Purchased credit- impaired	Total
Balance at the beginning of the year	7,768,101	1,591,709	0	51,323	9,411,133
Transferred to 12-month ECL	0	0	0	0	0
Transfer of 12-month ECL to lifetime ECL not credit-impaired	0	0	0	0	0
Transfer of 12-month ECL to lifetime ECL credit-impaired	0	0	0	0	0
Net remeasurement of portfolio	443,704	(871,662)	0	3,087	(424,871)
New investment securities purchased	3,031,323	0	0	0	3,031,323
Investment securities that have been derecognized	(2,627,433)	0	0	(51,323)	(2,678,756)
Balance at the end of the year	<u>8,615,695</u>	<u>720,047</u>	<u>0</u>	<u>3,087</u>	<u>9,338,829</u>

	September 30, 2024				
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Purchased credit- impaired	Total
Balance at the beginning of the period	7,768,101	1,591,709	0	51,323	9,411,133
Transferred to 12-month ECL	51,323	0	0	(51,323)	0
Transfer of 12-month ECL to lifetime ECL not credit-impaired	(701)	701	0	0	0
Transfer of 12-month ECL to lifetime ECL credit-impaired	0	0	0	0	0
Net remeasurement of portfolio	(406,545)	34,580	0	0	(371,965)
New investment securities purchased	1,464,587	0	0	0	1,464,587
Investment securities that have been derecognized	(1,830,086)	(45)	0	0	(1,830,131)
Balance at the end of the period	<u>7,046,679</u>	<u>1,626,945</u>	<u>0</u>	<u>0</u>	<u>8,673,624</u>

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Notes to the Condensed Consolidated Interim Financial Information

(21) Main Applicable Laws and Regulations

As of September 30, 2025, there were no significant changes with respect to the applicable regulatory framework disclosed in the audited consolidated financial statements as of December 31, 2024.

Regulatory Reserves

The accounting treatment for the recognition of losses on loans, investment securities and foreclosed assets in conformity with prudential standards enacted by the Superintendence of Banks of Panama, differs in some aspects from the accounting treatment established by International Financial Reporting Standards, specifically IFRS 9 and IFRS 5. The Superintendence of Banks of Panama mandates that general license banks apply these prudential standards.

Dynamic Provision

Agreement No.4-2013 indicates that the dynamic provision is a reserve provided to face possible future needs for specific provisions. They are governed by prudential criteria in the banking regulation. Dynamic reserves are established on a quarterly basis, on loans classified as Standard.

The dynamic reserve is an equity account presented as a legal reserve in the consolidated statement of changes in equity and appropriated from retained earnings. The balance of the dynamic reserve is part of the regulatory capital but cannot be used in satisfying current or future capital adequacy requirements established by this Superintendence.

Through the General Resolution of the Board of Directors SBP-GJD-0007-2020 of July 16, 2020, the Superintendence of Banks of Panama established the temporary suspension of the obligation to constitute dynamic provision according to articles 36, 37 and 38 of Agreement No.4-2013 on credit risk, effective provision from the second quarter of 2020 and will remain until it is revoked.

Through the General Resolution of the Board of Directors SBP-GJD-R-2023-01125 of June 6, 2023, the Superintendence of Banks of Panama repealed the General Resolution of the Board of Directors SBP-GJD-0007-2020 of July 16, 2020, and established the guidelines and parameters for the reestablishment of the constitution of the dynamic provision provided for in Agreement No.4-2013. This Resolution entered into force from its promulgation.

The Resolution establishes a period of gradual adaptation for the restoration of the dynamic provision as detailed below:

- Banks that maintain dynamic provision percentages of less than 1.25%, may benefit from an adjustment period until March 31, 2024.
- Banking entities whose percentage is greater than 2.50% may carry out the return to undistributed profits of any surplus up to the percentage of 2.50%.

BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

Notes to the Condensed Consolidated Interim Financial Information

(21) Main Applicable Laws and Regulations, continued

The balance of the Bank's dynamic reserve is detailed as follows:

	September 30 <u>2025</u>	December 31 <u>2024</u>	September 30 <u>2024</u>
Banco General, S. A.	142,445,674	139,009,941	135,787,439
Banco General (Overseas), Inc.	14,928,539	14,018,604	14,018,604
Banco General (Costa Rica), S. A.	<u>3,783,023</u>	<u>3,783,023</u>	<u>3,783,023</u>
Total	<u>161,157,236</u>	<u>156,811,568</u>	<u>153,589,066</u>