

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

**Condensed Consolidated Interim  
Financial Information**

March 31, 2026

“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)

Table of Contents

Condensed Consolidated Statement of Financial Position  
Condensed Consolidated Statement of Income  
Condensed Consolidated Statement of Comprehensive Income  
Condensed Consolidated Statement of Changes in Equity  
Condensed Consolidated Statement of Cash Flows  
Notes to the Condensed Consolidated Interim Financial Information

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

**Condensed Consolidated Statement of Financial Position**

March 31, 2026, December 31, 2025 and March 31, 2025

(Expressed in Balboas)

<b>Assets</b>	<b>Note</b>	<b>(Unaudited) March 2026</b>	<b>(Audited) December 2025</b>	<b>(Unaudited) March 2025</b>
Cash and cash items	5	151,225,496	156,443,269	168,157,221
Deposits with banks:		(231,516,843)		
Demand deposits		382,742,339	442,905,176	445,454,242
Time deposits		75,916,085	45,935,535	45,931,008
Accrued interest receivable		72,393	84,179	79,616
<b>Total deposits with banks</b>		<b>458,730,817</b>	<b>488,924,890</b>	<b>491,464,866</b>
<b>Total cash, cash items and deposits with banks</b>		<b>609,956,313</b>	<b>645,368,159</b>	<b>659,622,087</b>
Investments and other financial assets at FVTPL		869,967,677	942,225,934	848,529,468
Investments and other financial assets at FVOCI		5,083,044,613	5,022,886,623	4,403,639,934
Investments and other financial at amortized cost, net		32,561,889	3,189,406	40,756,450
Accrued interest receivable		3,262	576	4,858
<b>Investments and other financial assets, net</b>		<b>5,985,577,441</b>	<b>5,968,302,539</b>	<b>5,292,930,710</b>
Loans	6	13,225,589,338	13,288,950,141	12,878,861,632
Accrued interest receivable		60,064,109	62,294,386	60,346,087
Less:				
Loan losses allowance		345,087,302	345,231,052	362,107,161
Unearned commissions		49,150,886	46,529,437	42,957,820
<b>Loans, net</b>		<b>12,891,415,259</b>	<b>12,959,484,038</b>	<b>12,534,142,738</b>
Investments in associates		36,590,985	32,072,947	33,528,852
Properties, furniture, equipment and improvements, net of accumulated depreciation and amortization	7	282,468,898	283,520,770	275,296,719
Right-of-use assets, net	8	15,392,216	15,115,471	15,729,914
Investments and other financial assets sold pending settlement		448,564,809	309,118,600	348,366,181
Deferred tax assets		82,881,463	82,796,534	86,339,171
Goodwill and other intangible assets, net	9	42,280,873	42,677,343	43,866,752
Other assets		570,724,447	541,337,986	469,165,648
<b>Total assets</b>		<b>20,965,852,704</b>	<b>20,879,794,387</b>	<b>19,758,988,772</b>

*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.*

<b><u>Liabilities and Equity</u></b>	<b>Note</b>	<b>(Unaudited) March 2026</b>	<b>(Audited) December 2025</b>	<b>(Unaudited) March 2025</b>
Liabilities:				
Deposits:				
Local:				
Demand		2,994,758,528	3,148,454,461	2,779,850,118
Savings		4,931,840,498	4,907,020,467	4,702,900,317
Time:				
Customers		6,702,508,767	6,683,611,758	6,342,928,712
Banks		114,555,410	78,836,177	66,659,116
Accrued interest payable		108,610,788	114,781,580	105,571,393
<b>Total deposits</b>		<u>14,852,273,991</u>	<u>14,932,704,443</u>	<u>13,997,909,656</u>
Financing:				
Securities sold under repurchase agreements		99,562,522	101,575,748	0
Borrowings and debt securities issued, net	11	584,075,090	598,261,510	665,431,544
Perpetual bonds		400,000,000	400,000,000	400,000,000
Accrued interest payable		11,939,281	12,433,079	13,038,522
<b>Total financing</b>		<u>1,095,576,893</u>	<u>1,112,270,337</u>	<u>1,078,470,066</u>
Lease Liabilities	12	17,421,134	17,135,012	17,677,270
Investments and other financial assets purchased pending settlement		709,025,495	655,459,118	600,542,752
Reserves of insurance operations	13	29,723,275	28,442,132	26,701,118
Deferred tax liabilities		1,929,238	1,924,351	1,158,700
Other liabilities	10	731,143,045	636,388,747	742,321,020
<b>Total liabilities</b>		<u>17,437,093,071</u>	<u>17,384,324,140</u>	<u>16,464,780,582</u>
Equity:	15			
Common shares		500,000,000	500,000,000	500,000,000
Legal reserves		235,273,481	228,252,204	224,391,019
Capital reserves		(37,445,570)	4,330,585	(85,977,063)
Retained earnings		2,830,931,722	2,762,887,458	2,655,794,234
<b>Total equity</b>		<u>3,528,759,633</u>	<u>3,495,470,247</u>	<u>3,294,208,190</u>
<b>Total liabilities and equity</b>		<u>20,965,852,704</u>	<u>20,879,794,387</u>	<u>19,758,988,772</u>

**BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

**Condensed Consolidated Statement of Income**

For the three months ended March 31, 2026 and 2025

(Expressed in Balboas)

	<u>Note</u>	<u>(Unaudited)</u>	
		<u>2026</u>	<u>2025</u>
Interest and commission income:			
Interest:			
Loans		258,063,715	248,741,843
Deposits with banks		2,137,974	3,262,100
Investments and other financial assets		73,406,405	67,896,754
Commissions on loans		14,086,563	12,460,111
<b>Total interest and commission income</b>		<u>347,694,657</u>	<u>332,360,808</u>
Interest expenses:			
Deposits		93,004,390	89,650,904
Financing		11,946,115	13,976,411
<b>Total interest expenses</b>		<u>104,950,505</u>	<u>103,627,315</u>
<b>Net interest and commission income</b>		242,744,152	228,733,493
Provision for loan losses, net	6	15,775,122	7,823,160
Provision (reversal) for impairment of investments, net		408,041	(37,662)
(Reversal) provision for foreclosed assets, net		(54,021)	494,534
<b>Net interest and commission income, after provisions</b>		<u>226,615,010</u>	<u>220,453,461</u>
Other income (expenses):			
Fees and other commissions		122,810,825	109,040,279
Insurance premiums, net		14,897,666	12,636,093
Gain (loss) on financial instruments, net		1,341,214	(566,382)
Other income, net		16,460,897	14,756,502
Commission expenses and other expenses	12	(50,889,862)	(44,930,971)
<b>Total other income, net</b>		<u>104,620,740</u>	<u>90,935,521</u>
General and administrative expenses:			
Salaries and other personnel expenses	16	55,596,503	51,995,088
Depreciation and amortization	7 and 8	11,840,605	10,062,611
Properties, furniture and equipment expenses		11,758,846	9,896,219
Other expenses		19,694,725	20,445,602
<b>Total general and administrative expenses</b>		<u>98,890,679</u>	<u>92,399,520</u>
<b>Net operating income</b>		232,345,071	218,989,462
Equity participation in associates		4,579,598	3,519,030
<b>Net income before income tax</b>		<u>236,924,669</u>	<u>222,508,492</u>
Income tax, estimated		27,143,575	25,878,691
Income tax, deferred		(79,814)	1,038,880
<b>Income tax, net</b>	17	<u>27,063,761</u>	<u>26,917,571</u>
<b>Net income</b>		<u><u>209,860,908</u></u>	<u><u>195,590,921</u></u>

*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 three months ended March 31, 2026 and 2025

(Expressed in Balboas)

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	(Unaudited)	
	<u>2026</u>	<u>2025</u>
Net income	<u>209,860,908</u>	<u>195,590,921</u>
<b>Other comprehensive (expense) income:</b>		
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	(42,736,324)	34,333,319
Transfer to profit or loss for sales of investments at FVOCI	555,994	(948,260)
Valuation of investment credit risk at FVOCI	<u>404,175</u>	<u>(26,967)</u>
<b>Total other comprehensive (expense) income, net</b>	<u>(41,776,155)</u>	<u>33,358,092</u>
<b>Total comprehensive income</b>	<u><u>168,084,753</u></u>	<u><u>228,949,013</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 three months ended March 31, 2026 and 2025

(Expressed in Balboas)

	Common shares	Legal reserves	Capital reserves			Retained earnings	Total equity
			Insurance reserve	Valuation of investments and other financial assets	Total capital reserves		
<b>Balance as of December 31, 2025 (Audited)</b>	500,000,000	228,252,204	1,000,000	3,330,585	4,330,585	2,762,887,458	3,495,470,247
Net income	0	0	0	0	0	209,860,908	209,860,908
<b>Other comprehensive (expense) income:</b>							
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	(42,736,324)	(42,736,324)	0	(42,736,324)
Transfer to profit or loss for sales of investments at FVOCI	0	0	0	555,994	555,994	0	555,994
Valuation of investment credit risk at FVOCI	0	0	0	404,175	404,175	0	404,175
<b>Total other comprehensive expense, net</b>	0	0	0	(41,776,155)	(41,776,155)	0	(41,776,155)
<b>Total comprehensive income</b>	0	0	0	(41,776,155)	(41,776,155)	209,860,908	168,084,753
<b>Transactions attributable to the shareholder:</b>							
Dividends paid on common shares	0	0	0	0	0	(125,000,000)	(125,000,000)
Dividends tax	0	0	0	0	0	(2,599,567)	(2,599,567)
Complementary tax	0	0	0	0	0	(7,195,800)	(7,195,800)
Transfer of retained earnings	0	7,021,277	0	0	0	(7,021,277)	0
<b>Total transactions attributable to the shareholder</b>	0	7,021,277	0	0	0	(141,816,644)	(134,795,367)
<b>Balance as of March 31, 2026 (Unaudited)</b>	500,000,000	235,273,481	1,000,000	(38,445,570)	(37,445,570)	2,830,931,722	3,528,759,633
<b>Balance as of December 31, 2024 (Audited)</b>	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	195,590,921	195,590,921
<b>Other comprehensive income (expense):</b>							
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	34,333,319	34,333,319	0	34,333,319
Transfer to profit or loss for sales of investments at FVOCI	0	0	0	(948,260)	(948,260)	0	(948,260)
Valuation of investment credit risk at FVOCI	0	0	0	(26,967)	(26,967)	0	(26,967)
<b>Total other comprehensive income, net</b>	0	0	0	33,358,092	33,358,092	0	33,358,092
<b>Total comprehensive income</b>	0	0	0	33,358,092	33,358,092	195,590,921	228,949,013
<b>Transactions attributable to the shareholder:</b>							
Dividends paid on common shares	0	0	0	0	0	(102,000,000)	(102,000,000)
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	709,610	0	0	0	(709,610)	0
Changes due to adoption of IFRS 17, net	0	0	0	0	0	(1,918,344)	(1,918,344)
<b>Total transactions attributable to the shareholder</b>	0	709,610	0	0	0	(108,109,312)	(107,399,702)
<b>Balance as of March 31, 2025 (Unaudited)</b>	500,000,000	224,391,019	1,000,000	(86,977,063)	(85,977,063)	2,655,794,234	3,294,208,190

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 three months ended March 31, 2026 and 2025

(Expressed in Balboas)

		<b>(Unaudited)</b>	
	<b>Note</b>	<b>2026</b>	<b>2025</b>
<b>Operating activities:</b>			
Net income		209,860,908	195,590,921
Adjustments to reconcile net income and cash from operating activities:			
Provision for loan losses, net	6	15,775,122	7,823,160
Provision (reversal) for valuation of investments, net		408,041	(37,662)
(Reversal) provision for foreclosed assets, net		(54,021)	494,534
Unrealized loss (gain) on investments and other financial assets		15,103	(7,900,747)
Unrealized (gain) loss on derivative instruments		(9,002,660)	8,437,868
Gain on sale of investments and other financial assets at FVTPL, net		(1,387,860)	(2,928,250)
(Gain) loss on sale of investments and other financial assets at FVOCI, net		(172,152)	2,291,333
Realized loss on derivative instruments		9,206,355	666,178
Foreign exchange fluctuations, net		26,666	(30,370)
Gain on sale of fixed assets, net		(39,584)	(153,169)
Depreciation and amortization	7 and 8	11,840,605	10,062,611
Amortization of intangible assets	9	396,470	396,470
Equity participation in associates		(4,579,598)	(3,519,030)
Income tax, net		27,063,761	26,917,571
Interest and commission income		(347,694,657)	(332,360,808)
Interest expense		104,950,505	103,627,315
Dividends income		(1,069,584)	(572,879)
Changes in operating assets and liabilities:			
Time deposits with banks		19,450	(19,001,547)
Investments and other financial assets at FVTPL		74,344,002	(9,845,448)
Loans		47,441,931	(127,223,753)
Unearned commissions		16,708,012	13,821,521
Tax credit from preferential interest		(15,828,186)	(15,281,302)
Other assets		(151,124,726)	(113,166,143)
Demand deposits		(153,695,933)	(6,058,614)
Savings deposits		24,820,031	(51,067,683)
Time deposits		54,616,242	208,599,849
Reserves of insurance operations		1,281,143	1,973,041
Other liabilities		122,779,711	147,735,643
Cash provided by operations:			
Interest received		333,073,882	317,522,324
Interest paid		(111,595,990)	(109,313,200)
Dividends received		1,069,584	572,879
<b>Total</b>		<b>49,591,665</b>	<b>52,481,692</b>
<b>Cash flows from operating activities</b>		<b>259,452,573</b>	<b>248,072,613</b>
<b>Investing activities:</b>			
Purchases of investments and other financial assets at FVOCI		(1,195,858,008)	(646,750,695)
Sale and redemptions of investments and other financial assets at FVOCI		1,091,637,979	791,303,616
Purchases of securities at amortized cost		(32,567,287)	(40,763,261)
Redemptions of securities at amortized cost		3,190,938	6,631,170
Dividends received from associates		61,560	61,560
Sale of properties, furniture and equipment		40,206	153,189
Purchases of properties, furniture and equipment	7	(9,866,807)	(12,989,370)
<b>Cash flows (used) from investing activities</b>		<b>(143,361,419)</b>	<b>97,646,209</b>
<b>Financing activities:</b>			
Borrowings and debt securities issued		0	10,000,000
Redemption of debt securities issued and cancellation of borrowings		(13,750,000)	(43,750,000)
Securities sold under repurchase agreements		(2,013,226)	(93,561,000)
Payment of lease liabilities		(913,171)	(894,021)
Dividends paid on common shares		(125,000,000)	(102,000,000)
Complementary and dividends tax		(9,795,367)	(3,481,358)
<b>Cash flows used financing activities</b>		<b>(151,471,764)</b>	<b>(233,686,379)</b>
<b>Net (decreased) increases in cash and cash equivalents</b>		<b>(35,380,610)</b>	<b>112,032,443</b>
Cash and cash equivalents at the beginning of the period		624,848,445	527,079,020
<b>Cash and cash equivalents at the end of the period</b>	5	<b>589,467,835</b>	<b>639,111,463</b>

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**

March 31, 2026

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Index of Notes:

1. General Information  
(see page 9)
2. Basis of Preparation  
(see page 10)
3. Materials Accounting Policies  
(see page 10)
4. Balances and Transactions with Related Parties  
(see page 11)
5. Cash and Cash Equivalents  
(see page 13)
6. Loans  
(see page 14)
7. Properties, Furniture, Equipment, and Improvements  
(see page 16)
8. Right-of-use Assets  
(see page 17)
9. Goodwill and Intangible Assets, Net  
(see page 17)
10. Other Financial Liabilities at Fair Value  
(see page 19)
11. Borrowings and Debt Securities Issued, Net  
(see page 19)
12. Lease Liabilities  
(see page 20)
13. Reserves of Insurance Operations  
(see page 21)
14. Segment Information  
(see page 22)
15. Equity  
(see page 23)
16. Personnel Benefits  
(see page 25)
17. Income Tax  
(see page 25)
18. Derivative Financial Instruments  
(see page 26)
19. Fair Value of Financial Instrument  
(see page 31)
20. Financial Instruments Risk Management  
(see page 39)
21. Main Applicable Laws and Regulations  
(see page 48)

# **BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

## **Notes to the Condensed Consolidated Interim Financial Information**

March 31, 2026

(Expressed in Balboas)

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### **(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 Superintendency 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, severance funds, administration and marketing of food vouchers and a digital platform for money transfers and payments.

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

Grupo Financiero BG, S. A., a 59.33% (December 31, 2025: 59.39%) subsidiary of Empresa General de Inversiones, S. A., owns 100% of the common shares issued and outstanding of Banco General, S. A.

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.

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

## **BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

### **Notes to the Condensed Consolidated Interim Financial Information**

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#### **(2) Basis of Preparation**

##### *(a) Statement of Compliance*

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

This condensed consolidated interim financial information were authorized by management issue on April 28, 2026.

##### *(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, 2025.

**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:

	<b>March 31, 2026</b>			<b>Total</b>
	<b>Directors and Management</b>	<b>Related Companies</b>	<b>Affiliated Companies</b>	
<b>Assets:</b>				
Investments and other financial assets	<u>0</u>	<u>183,751,401</u>	<u>32,940,300</u>	<u>216,691,701</u>
Loans	<u>17,227,897</u>	<u>150,644,292</u>	<u>1,496,605</u>	<u>169,368,794</u>
Investments in associates	<u>0</u>	<u>36,590,985</u>	<u>0</u>	<u>36,590,985</u>
<b>Liabilities:</b>				
Deposits:				
Demand	636,557	107,542,155	157,735,276	265,913,988
Savings	6,911,600	60,243,213	48,431	67,203,244
Time	<u>6,325,338</u>	<u>352,883,869</u>	<u>217,000,000</u>	<u>576,209,207</u>
	<u>13,873,495</u>	<u>520,669,237</u>	<u>374,783,707</u>	<u>909,326,439</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>17,515,298</u>	<u>5,700,000</u>	<u>23,215,298</u>
<b>Interest income:</b>				
Loans	<u>200,331</u>	<u>2,303,082</u>	<u>27,034</u>	<u>2,530,447</u>
Investments and other financial assets	<u>0</u>	<u>2,531,366</u>	<u>586,648</u>	<u>3,118,014</u>
<b>Interest expenses:</b>				
Deposits	<u>83,345</u>	<u>4,344,055</u>	<u>2,747,841</u>	<u>7,175,241</u>
Financing	<u>0</u>	<u>231,471</u>	<u>1,686,249</u>	<u>1,917,720</u>
<b>Other income:</b>				
Equity participation in associates	<u>0</u>	<u>4,579,598</u>	<u>0</u>	<u>4,579,598</u>
Received dividends	<u>0</u>	<u>251,768</u>	<u>0</u>	<u>251,768</u>
<b>General and administrative expenses:</b>				
Directors' fees	<u>332,641</u>	<u>0</u>	<u>0</u>	<u>332,641</u>
Benefits to key management personnel	<u>903,565</u>	<u>0</u>	<u>0</u>	<u>903,565</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**

	<b>December 31, 2025</b>			<b>Total</b>
	<b>Directors and Management</b>	<b>Related Companies</b>	<b>Affiliated Companies</b>	
<b>Assets:</b>				
Investments and other financial assets	<u>0</u>	<u>183,994,032</u>	<u>33,093,094</u>	<u>217,087,126</u>
Loans	<u>14,369,340</u>	<u>161,250,037</u>	<u>1,516,384</u>	<u>177,135,761</u>
Investments in associates	<u>0</u>	<u>32,072,947</u>	<u>0</u>	<u>32,072,947</u>
<b>Liabilities:</b>				
Deposits:				
Demand	1,354,975	119,897,625	178,339,743	299,592,343
Savings	6,020,650	78,664,468	48,431	84,733,549
Time	<u>5,685,916</u>	<u>350,249,969</u>	<u>167,113,425</u>	<u>523,049,310</u>
	<u>13,061,541</u>	<u>548,812,062</u>	<u>345,501,599</u>	<u>907,375,202</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>11,932,124</u>	<u>5,700,000</u>	<u>17,632,124</u>
<b>March 31, 2025</b>				
	<b>Directors and Management</b>	<b>Related Companies</b>	<b>Affiliated Companies</b>	<b>Total</b>
<b>Assets:</b>				
Investments and other financial assets	<u>0</u>	<u>187,052,940</u>	<u>32,927,167</u>	<u>219,980,107</u>
Loans	<u>15,199,842</u>	<u>191,104,391</u>	<u>271,646</u>	<u>206,575,879</u>
Investments in associates	<u>0</u>	<u>33,528,852</u>	<u>0</u>	<u>33,528,852</u>
<b>Liabilities:</b>				
Deposits:				
Demand	959,766	124,639,842	136,515,453	262,115,061
Savings	4,662,142	42,118,773	48,431	46,829,346
Time	<u>7,186,568</u>	<u>313,223,190</u>	<u>162,000,000</u>	<u>482,409,758</u>
	<u>12,808,476</u>	<u>479,981,805</u>	<u>298,563,884</u>	<u>791,354,165</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>9,242,471</u>	<u>5,700,000</u>	<u>14,942,471</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**

	<b>March 31, 2025</b>			<b>Total</b>
	<b>Directors and Management</b>	<b>Related Companies</b>	<b>Affiliated Companies</b>	
<b>Interest income:</b>				
Loans	<u>203,743</u>	<u>3,512,366</u>	<u>7,634</u>	<u>3,723,743</u>
Investments and other financial assets	<u>0</u>	<u>2,698,240</u>	<u>639,119</u>	<u>3,337,359</u>
<b>Interest expenses:</b>				
Deposits	<u>95,033</u>	<u>4,937,634</u>	<u>2,522,637</u>	<u>7,555,304</u>
Financing	<u>0</u>	<u>230,860</u>	<u>1,686,040</u>	<u>1,916,900</u>
<b>Other income:</b>				
Equity participation in associates	<u>0</u>	<u>3,519,030</u>	<u>0</u>	<u>3,519,030</u>
Received dividends	<u>0</u>	<u>222,718</u>	<u>0</u>	<u>222,718</u>
<b>General and administrative expenses:</b>				
Directors' fees	<u>257,159</u>	<u>0</u>	<u>0</u>	<u>257,159</u>
Benefits to key management personnel	<u>617,177</u>	<u>0</u>	<u>0</u>	<u>617,177</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:

	<b>March 31</b>	
	<b>2026</b>	<b>2025</b>
Cash and cash items	151,225,496	168,157,221
Demand deposits with banks	382,742,339	445,454,242
Time deposits with banks	<u>75,916,085</u>	<u>45,931,008</u>
Total deposits with banks	<u>458,658,424</u>	<u>491,385,250</u>
Less: Time deposits with banks, with original maturities greater than three months	<u>20,416,085</u>	<u>20,431,008</u>
Cash and cash equivalents in the condensed consolidated statement of cash flows	<u>589,467,835</u>	<u>639,111,463</u>

Demand deposits with banks include cash collateral accounts for B/.23,354,254 (December 31, 2025: B/.22,510,198) that secure derivative operations and the next payments of principal, interest of certain obligations.

**BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

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

The composition of the loan portfolio is summarized as follows:

	<b>March 31 2026</b>	<b>December 31 2025</b>	<b>March 31 2025</b>
Internal sector:			
Residential mortgages	4,535,077,031	4,563,249,478	4,549,882,773
Personal, auto and credit cards	2,561,087,046	2,508,062,511	2,276,142,076
Commercial mortgages	1,778,422,456	1,766,411,340	1,787,152,757
Lines of credit and commercial loans	1,911,145,115	1,897,876,079	1,661,656,336
Interim financing	216,580,925	221,581,762	291,845,585
Finance leases, net	124,512,094	121,805,976	112,018,836
Other secured loans	196,633,129	195,655,159	192,103,557
Overdrafts	<u>138,028,876</u>	<u>129,571,101</u>	<u>129,161,904</u>
Total internal sector	<u>11,461,486,672</u>	<u>11,404,213,406</u>	<u>10,999,963,824</u>
External sector:			
Residential mortgages	125,776,018	129,846,291	133,273,374
Personal, auto and credit cards	14,640,878	14,243,761	12,076,129
Commercial mortgages	182,655,359	184,117,389	135,632,873
Lines of credit and commercial loans	1,404,594,972	1,519,792,412	1,551,516,691
Other secured loans	4,933,944	7,120,050	8,546,082
Overdrafts	<u>31,501,495</u>	<u>29,616,832</u>	<u>37,852,659</u>
Total external sector	<u>1,764,102,666</u>	<u>1,884,736,735</u>	<u>1,878,897,808</u>
Total	<u>13,225,589,338</u>	<u>13,288,950,141</u>	<u>12,878,861,632</u>

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

	<b>March 31, 2026</b>			
	<b>12-month ECL</b>	<b>Lifetime ECL Not credit- impaired</b>	<b>Lifetime ECL credit- impaired</b>	<b>Total</b>
<b>Balance at the beginning of the period</b>	86,844,629	191,247,685	67,138,738	345,231,052
Transferred to 12-month ECL	20,801,718	(20,794,703)	(7,015)	0
Transferred to lifetime ECL not credit-impaired	(2,147,985)	9,394,846	(7,246,861)	0
Transferred to lifetime ECL credit-impaired	(516,397)	(16,647,769)	17,164,166	0
Net remeasurement of portfolio	(17,352,272)	21,112,409	21,055,246	24,815,383
New loans	6,435,112	9,142,663	15,079	15,592,854
Loans that have been derecognized	(3,483,325)	(3,587,048)	(17,562,742)	(24,633,115)
Recovery of loan write-off	0	0	10,131,383	10,131,383
Loans written-off	<u>0</u>	<u>0</u>	<u>(26,050,255)</u>	<u>(26,050,255)</u>
<b>Balance at the end of the period</b>	<u>90,581,480</u>	<u>189,868,083</u>	<u>64,637,739</u>	<u>345,087,302</u>

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

**Notes to the Condensed Consolidated Interim Financial Information**

**(6) Loans, continued**

	<b>December 31, 2025</b>			<b>Total</b>
	<b>12-month ECL</b>	<b>Lifetime ECL Not credit- impaired</b>	<b>Lifetime ECL credit- impaired</b>	
<b>Balance at the beginning of the year</b>	88,758,852	220,844,924	55,314,002	364,917,778
Transferred to 12-month ECL	41,388,506	(41,373,729)	(14,777)	0
Transferred to lifetime ECL not credit-impaired	(2,841,223)	11,667,167	(8,825,944)	0
Transferred to lifetime ECL credit-impaired	(1,521,189)	(23,074,472)	24,595,661	0
Net remeasurement of portfolio	(47,835,777)	22,737,358	70,079,205	44,980,786
New loans	20,468,193	36,109,041	6,310,998	62,888,232
Loans that have been derecognized	(11,572,733)	(35,662,604)	(26,355,005)	(73,590,342)
Recovery of loan write-off	0	0	38,189,538	38,189,538
Loans written-off	0	0	(92,154,940)	(92,154,940)
<b>Balance at the end of the year</b>	<u>86,844,629</u>	<u>191,247,685</u>	<u>67,138,738</u>	<u>345,231,052</u>

	<b>March 31, 2025</b>			<b>Total</b>
	<b>12-month ECL</b>	<b>Lifetime ECL Not credit- impaired</b>	<b>Lifetime ECL credit- impaired</b>	
<b>Balance at the beginning of the period</b>	88,758,852	220,844,924	55,314,002	364,917,778
Transferred to 12-month ECL	21,640,593	(21,625,748)	(14,845)	0
Transferred to lifetime ECL not credit-impaired	(2,772,330)	7,703,214	(4,930,884)	0
Transferred to lifetime ECL credit-impaired	(506,379)	(14,809,005)	15,315,384	0
Net remeasurement of portfolio	(27,516,215)	23,473,761	14,808,283	10,765,829
New loans	7,178,244	11,300,531	19,779	18,498,554
Loans that have been derecognized	(2,975,599)	(5,974,593)	(12,491,031)	(21,441,223)
Recovery of loan write-off	0	0	9,040,120	9,040,120
Loans written-off	0	0	(19,673,897)	(19,673,897)
<b>Balance at the end of the period</b>	<u>83,807,166</u>	<u>220,913,084</u>	<u>57,386,911</u>	<u>362,107,161</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:

	<b>March 31, 2026</b>					
	<b>Land</b>	<b>Buildings</b>	<b>Licenses and internally developed projects</b>	<b>Furniture and Equipment</b>	<b>Improvements</b>	<b>Total</b>
<b>Cost:</b>						
At the beginning of the period	34,943,143	139,562,656	252,643,084	144,423,840	57,898,845	629,471,568
Additions	0	0	6,226,262	2,416,981	1,223,564	9,866,807
Sales and disposals	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,626,930</u>	<u>0</u>	<u>1,626,930</u>
At the end of the period	<u>34,943,143</u>	<u>139,562,656</u>	<u>258,869,346</u>	<u>145,213,891</u>	<u>59,122,409</u>	<u>637,711,445</u>
<b>Accumulated depreciation and amortization:</b>						
At the beginning of the period	0	52,960,793	165,386,224	88,255,776	39,348,005	345,950,798
Expense of the period	0	906,492	5,774,468	3,611,915	625,182	10,918,057
Sales and disposal	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,626,308</u>	<u>0</u>	<u>1,626,308</u>
At the end of the period	<u>0</u>	<u>53,867,285</u>	<u>171,160,692</u>	<u>90,241,383</u>	<u>39,973,187</u>	<u>355,242,547</u>
Net balance	<u>34,943,143</u>	<u>85,695,371</u>	<u>87,708,654</u>	<u>54,972,508</u>	<u>19,149,222</u>	<u>282,468,898</u>
	<b>December 31, 2025</b>					
	<b>Land</b>	<b>Buildings</b>	<b>Licenses and internally developed projects</b>	<b>Furniture and Equipment</b>	<b>Improvements</b>	<b>Total</b>
<b>Cost:</b>						
At the beginning of the year	34,943,143	138,673,446	226,186,514	136,795,597	51,820,467	588,419,167
Additions	0	889,210	27,602,738	17,784,095	6,078,378	52,354,421
Sales and disposals	<u>0</u>	<u>0</u>	<u>1,146,168</u>	<u>10,155,852</u>	<u>0</u>	<u>11,302,020</u>
At the end of the year	<u>34,943,143</u>	<u>139,562,656</u>	<u>252,643,084</u>	<u>144,423,840</u>	<u>57,898,845</u>	<u>629,471,568</u>
<b>Accumulated depreciation and amortization:</b>						
At the beginning of the year	0	49,317,795	144,345,480	86,034,461	37,253,307	316,951,043
Expense of the year	0	3,642,998	21,238,828	12,300,135	2,094,698	39,276,659
Sales and disposal	<u>0</u>	<u>0</u>	<u>198,084</u>	<u>10,078,820</u>	<u>0</u>	<u>10,276,904</u>
At the end of the year	<u>0</u>	<u>52,960,793</u>	<u>165,386,224</u>	<u>88,255,776</u>	<u>39,348,005</u>	<u>345,950,798</u>
Net balance	<u>34,943,143</u>	<u>86,601,863</u>	<u>87,256,860</u>	<u>56,168,064</u>	<u>18,550,840</u>	<u>283,520,770</u>
	<b>March 31, 2025</b>					
	<b>Land</b>	<b>Buildings</b>	<b>Licenses and internally developed projects</b>	<b>Furniture and Equipment</b>	<b>Improvements</b>	<b>Total</b>
<b>Cost:</b>						
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	491,406	6,303,086	4,918,772	1,276,106	12,989,370
Sales and disposals	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,341,772</u>	<u>0</u>	<u>1,341,772</u>
At the end of the period	<u>34,943,143</u>	<u>139,164,852</u>	<u>232,489,600</u>	<u>140,372,597</u>	<u>53,096,573</u>	<u>600,066,765</u>
<b>Accumulated depreciation and amortization:</b>						
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	911,136	4,890,633	2,867,101	491,885	9,160,755
Sales and disposal	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,341,752</u>	<u>0</u>	<u>1,341,752</u>
At the end of the period	<u>0</u>	<u>50,228,931</u>	<u>149,236,113</u>	<u>87,559,810</u>	<u>37,745,192</u>	<u>324,770,046</u>
Net balance	<u>34,943,143</u>	<u>88,935,921</u>	<u>83,253,487</u>	<u>52,812,787</u>	<u>15,351,381</u>	<u>275,296,719</u>

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

**Notes to the Condensed Consolidated Interim Financial Information**

**(8) Right-of-Use Assets**

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

	<b>March 31</b> <b><u>2026</u></b>	<b>December 31</b> <b><u>2025</u></b>	<b>March 31</b> <b><u>2025</u></b>
<b>Cost:</b>			
At the beginning of the period	30,432,164	28,840,132	28,840,132
New	1,199,293	3,922,027	1,727,871
Cancellations	<u>(677,899)</u>	<u>(2,329,995)</u>	<u>(1,252,760)</u>
At the end of the period	<u>30,953,558</u>	<u>30,432,164</u>	<u>29,315,243</u>
<b>Accumulated depreciation:</b>			
At the beginning of the period	15,316,693	13,936,233	13,936,233
Expense of the period	922,548	3,623,688	901,856
Cancellations	<u>(677,899)</u>	<u>(2,243,228)</u>	<u>(1,252,760)</u>
At the end of the period	<u>15,561,342</u>	<u>15,316,693</u>	<u>13,585,329</u>
<b>Net balance</b>	<u>15,392,216</u>	<u>15,115,471</u>	<u>15,729,914</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:

<b><u>Company</u></b>	<b><u>Date of acquisition</u></b>	<b><u>Participation acquired</u></b>	<b><u>% of Acquired Participation</u></b>	<b><u>Balance</u></b>
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>
<b>Total</b>				<u>41,091,499</u>

(1) Banking CGU

(2) Pension and Retirement Fund

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

**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:

	<b><u>March 31, 2026</u></b>		
	<b><u>Goodwill</u></b>	<b><u>Intangible assets</u></b>	<b><u>Total</u></b>
<b>Cost:</b>			
Balance at the beginning and end of the period	<u>41,091,499</u>	<u>47,462,084</u>	<u>88,553,583</u>
<b>Accumulated amortization:</b>			
Balance at the beginning of the period	0	45,876,240	45,876,240
Amortization of the period	<u>0</u>	<u>396,470</u>	<u>396,470</u>
Balance at the end of the period	<u>0</u>	<u>46,272,710</u>	<u>46,272,710</u>
Net balance at the end of the period	<u>41,091,499</u>	<u>1,189,374</u>	<u>42,280,873</u>

	<b><u>December 31, 2025</u></b>		
	<b><u>Goodwill</u></b>	<b><u>Intangible assets</u></b>	<b><u>Total</u></b>
<b>Cost:</b>			
Balance at the beginning and end of the year	<u>41,091,499</u>	<u>47,462,084</u>	<u>88,553,583</u>
<b>Accumulated amortization:</b>			
Balance at the beginning of the year	0	44,290,361	44,290,361
Amortization of the year	<u>0</u>	<u>1,585,879</u>	<u>1,585,879</u>
Balance at the end of the year	<u>0</u>	<u>45,876,240</u>	<u>45,876,240</u>
Net balance at the end of the year	<u>41,091,499</u>	<u>1,585,844</u>	<u>42,677,343</u>

	<b><u>March 31, 2025</u></b>		
	<b><u>Goodwill</u></b>	<b><u>Intangible assets</u></b>	<b><u>Total</u></b>
<b>Cost:</b>			
Balance at the beginning and end of the period	<u>41,091,499</u>	<u>47,462,084</u>	<u>88,553,583</u>
<b>Accumulated amortization:</b>			
Balance at the beginning of the period	0	44,290,361	44,290,361
Amortization of the period	<u>0</u>	<u>396,470</u>	<u>396,470</u>
Balance at the end of the period	<u>0</u>	<u>44,686,831</u>	<u>44,686,831</u>
Net balance at the end of the period	<u>41,091,499</u>	<u>2,775,253</u>	<u>43,866,752</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 March 31, 2026, no evaluation was necessary.

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

**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>March 31 2026</u>	<u>December 31 2025</u>	<u>March 31 2025</u>
Bonds of the US Government	1	3,555,508	3,569,036	3,463,624
Foreign Corporate Shares	1	2,128,140	0	0
Mortgage Backed Securities (MBS)	2	200,483,740	197,117,037	206,991,332
Local Corporate Shares	3	17,798	0	0
Total		<u>206,185,186</u>	<u>200,686,073</u>	<u>210,454,956</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>March 31 2026</u>	<u>December 31 2025</u>	<u>March 31 2025</u>
Corporate bonds with maturities in 2026, at an interest rate of 3 month SOFR plus a margin	0	0	2,680,000
Corporate bonds with maturities in 2036, at an interest rate of 3 month SOFR plus a margin	2,680,000	2,680,000	0
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 2025, at interest rates of 3 and 6 month SOFR plus a margin	0	0	10,000,000
Borrowings with maturity in 2026, at interest rates of 6 month SOFR plus a margin	0	10,000,000	50,000,000
Borrowings with maturity in 2030, at a fixed interest rate	23,076,923	23,076,923	27,692,000
Notes with maturities in 2027, at a fixed interest rate	<u>18,750,000</u>	<u>22,500,000</u>	<u>33,750,000</u>
<b>Subtotal of borrowings and debt securities issued</b>	<b>581,723,923</b>	<b>595,473,923</b>	<b>661,339,308</b>
Revaluation coverage	<u>2,351,167</u>	<u>2,787,587</u>	<u>4,092,236</u>
<b>Total borrowings and debt securities issued, net</b>	<b><u>584,075,090</u></b>	<b><u>598,261,510</u></b>	<b><u>665,431,544</u></b>

**BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

**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:

	<b>March 31</b>	
	<b><u>2026</u></b>	<b><u>2025</u></b>
Balance at the beginning of the period	598,261,510	699,614,895
New borrowings and debt securities issued	0	10,000,000
Redemption of debt securities issued and cancellation of borrowings	(13,750,000)	(43,750,000)
Revaluation coverage	(436,420)	(433,351)
Balance at the end of the period	<u>584,075,090</u>	<u>665,431,544</u>

**(12) Lease Liabilities**

The movement of lease liabilities is detailed as follows:

	<b><u>March 31</u></b>	<b><u>December 31</u></b>	<b><u>March 31</u></b>
	<b><u>2026</u></b>	<b><u>2025</u></b>	<b><u>2025</u></b>
Balance at the beginning of the period	17,135,012	16,843,420	16,843,420
New	1,199,293	3,922,027	1,727,871
Payments	(913,171)	(3,543,668)	(894,021)
Cancellations	0	(86,767)	0
Balance at the end of the period	<u>17,421,134</u>	<u>17,135,012</u>	<u>17,677,270</u>

Interest expense on lease liabilities for B/.227,922 (2025: B/.205,713) 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 amount to B/.29,723,275 (December 31, 2025: B/.28,442,132) and (March 31, 2025: B/.26,701,118) are detailed below:

	<b>March 31 2026</b>	<b>December 31 2025</b>	<b>March 31 2025</b>
Liability for Remaining Coverage	30,322,621	28,610,432	27,444,482
Asset for Remaining Coverage	(6,533,472)	(5,748,543)	(6,273,719)
Liability for Incurred Claims	8,205,299	7,750,973	8,058,948
Asset for Incurred Claims	<u>(2,271,173)</u>	<u>(2,170,730)</u>	<u>(2,528,593)</u>
<b>Total reserves of insurance operations</b>	<b><u>29,723,275</u></b>	<b><u>28,442,132</u></b>	<b><u>26,701,118</u></b>

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

	<b>March 31 2026</b>	<b>December 31 2025</b>	<b>March 31 2025</b>
<b>Liability for Remaining Coverage</b>			
Balance at the beginning of the period	28,610,432	26,640,804	26,640,804
Adoption of IFRS 17	0	73,851	175,624
Issued premiums	25,048,565	91,939,200	23,059,649
Earned premiums	<u>(23,336,376)</u>	<u>(90,043,423)</u>	<u>(22,431,595)</u>
Balance at the end of the period	<b><u>30,322,621</u></b>	<b><u>28,610,432</u></b>	<b><u>27,444,482</u></b>
<b>Asset for Remaining Coverage</b>			
Balance at the beginning of the period	(5,748,543)	(6,541,308)	(6,541,308)
Adoption of IFRS 17	0	(95,780)	(417,055)
Premiums issued and assigned	(6,527,530)	(22,979,930)	(6,280,248)
Premiums allocated in reinsurance	<u>5,742,601</u>	<u>23,868,475</u>	<u>6,964,890</u>
Balance at the end of the period	<b><u>(6,533,472)</u></b>	<b><u>(5,748,543)</u></b>	<b><u>(6,273,719)</u></b>
<b>Liability for Incurred Claims</b>			
Balance at the beginning of the period	7,750,973	5,811,992	5,811,992
Adoption of IFRS 17	0	601,271	601,271
Incurred claims, net	3,575,701	13,639,941	3,616,561
Paid claims	<u>(3,121,375)</u>	<u>(12,302,231)</u>	<u>(1,970,876)</u>
Balance at the end of the period	<b><u>8,205,299</u></b>	<b><u>7,750,973</u></b>	<b><u>8,058,948</u></b>
<b>Asset for Incurred Claims</b>			
Balance at the beginning of the period	(2,170,730)	(1,183,411)	(1,183,411)
Adoption of IFRS 17	0	(195,812)	(195,812)
Claims recovered, net	(892,960)	(6,414,292)	(2,374,835)
Other movements of the period	<u>792,517</u>	<u>5,622,785</u>	<u>1,885,465</u>
Balance at the end of the period	<b><u>(2,271,173)</u></b>	<b><u>(2,170,730)</u></b>	<b><u>(2,528,593)</u></b>

During 2025, as a result of the adoption of IFRS 17 in the subsidiary General de Seguros, S.A., the acquisition cost of the liability for remaining coverage was reduced by the sum of B/.778,736, and the reinsurance commission of the asset for remaining coverage was increased by the sum of B/.1,153,429.

# BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

## Notes to the Condensed Consolidated Interim Financial Information

### (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.

<u>Segments</u>	<u>Operations</u>
<b>Banking and Financial Activities</b>	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
<b>Insurance and Reinsurance</b>	Insurance and reinsurance of policies of general lines, collective life and various risks
<b>Pension and Retirement Fund</b>	Management of pension and retirement, severance and investment funds

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

	<u>March 31, 2026</u>				
	<u>Banking and Financial Activities</u>	<u>Insurance and Reinsurance</u>	<u>Pension and Retirement Fund</u>	<u>Eliminations</u>	<u>Total</u>
Interest and commission income	346,466,486	5,826,805	864,326	5,462,960	347,694,657
Interest and provision expenses	126,588,085	(45,478)	0	5,462,960	121,079,647
Other income, net	88,174,220	11,061,627	5,388,986	4,093	104,620,740
General and administrative expenses	84,922,176	815,444	1,316,547	4,093	87,050,074
Depreciation and amortization expense	11,757,359	4,858	78,388	0	11,840,605
Equity participation in associates	<u>4,579,598</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,579,598</u>
Net income before income tax	215,952,684	16,113,608	4,858,377	0	236,924,669
Income tax, estimated	24,132,485	1,896,999	1,114,091	0	27,143,575
Income tax, deferred	<u>(79,814)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(79,814)</u>
Income tax, net	<u>24,052,671</u>	<u>1,896,999</u>	<u>1,114,091</u>	<u>0</u>	<u>27,063,761</u>
Net income	<u>191,900,013</u>	<u>14,216,609</u>	<u>3,744,286</u>	<u>0</u>	<u>209,860,908</u>
Total assets	<u>20,873,799,397</u>	<u>469,711,663</u>	<u>78,187,475</u>	<u>455,845,831</u>	<u>20,965,852,704</u>
Total liabilities	<u>17,797,159,508</u>	<u>75,357,822</u>	<u>2,315,510</u>	<u>437,739,769</u>	<u>17,437,093,071</u>

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

**Notes to the Condensed Consolidated Interim Financial Information**

**(14) Segment Information, continued**

	<b>March 31, 2025</b>				
	<b>Banking and Financial Activities</b>	<b>Insurance and Reinsurance</b>	<b>Pension and Retirement Fund</b>	<b>Eliminations</b>	<b>Total</b>
Interest and commission income	331,186,241	5,213,536	747,814	4,786,783	332,360,808
Interest and provision expenses	116,704,318	(10,188)	0	4,786,783	111,907,347
Other income, net	76,801,252	9,358,033	4,779,964	3,728	90,935,521
General and administrative expenses	80,243,865	770,072	1,326,700	3,728	82,336,909
Depreciation and amortization expense	9,975,281	4,702	82,628	0	10,062,611
Equity participation in associates	<u>3,519,030</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,519,030</u>
Net income before income tax	204,583,059	13,806,983	4,118,450	0	222,508,492
Income tax, estimated	23,251,908	1,682,208	944,575	0	25,878,691
Income tax, deferred	<u>1,038,880</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,038,880</u>
Income tax, net	<u>24,290,788</u>	<u>1,682,208</u>	<u>944,575</u>	<u>0</u>	<u>26,917,571</u>
Net income	<u>180,292,271</u>	<u>12,124,775</u>	<u>3,173,875</u>	<u>0</u>	<u>195,590,921</u>
Total assets	<u>19,663,630,748</u>	<u>419,069,001</u>	<u>68,823,811</u>	<u>392,534,788</u>	<u>19,758,988,772</u>
Total liabilities	<u>16,768,291,525</u>	<u>68,886,916</u>	<u>2,030,867</u>	<u>374,428,726</u>	<u>16,464,780,582</u>

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

	<b>March 31, 2026</b>			
	<b>Panama</b>	<b>Latin America and the Caribbean</b>	<b>United States of America and Others</b>	<b>Total</b>
Income from interest and commissions, other net income and equity participation in associates	<u>351,563,466</u>	<u>51,968,556</u>	<u>53,362,973</u>	<u>456,894,995</u>
Non-financial	<u>321,581,823</u>	<u>3,167,948</u>	<u>0</u>	<u>324,749,771</u>

	<b>March 31, 2025</b>			
	<b>Panama</b>	<b>Latin America and the Caribbean</b>	<b>United States of America and Others</b>	<b>Total</b>
Income from interest and commissions, other net income and equity participation in associates	<u>334,699,079</u>	<u>50,708,495</u>	<u>41,407,785</u>	<u>426,815,359</u>
Non-financial	<u>316,000,528</u>	<u>3,162,943</u>	<u>0</u>	<u>319,163,471</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, 2025: 10,000,000 common shares); of which there are 9,787,108 common shares issued and outstanding (December 31, 2025: 9,787,108 common shares).

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

**BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

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

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

	<u>March 31, 2026</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.	148,847,919	6,582,394	9,286,848	0	0	164,717,161
General de Seguros, S. A.	0	0	0	0	47,124,229	47,124,229
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>4,720,529</u>	<u>0</u>	<u>8,503,552</u>
<b>Total</b>	<u>167,559,481</u>	<u>6,582,394</u>	<u>9,286,848</u>	<u>4,720,529</u>	<u>47,124,229</u>	<u>235,273,481</u>
	<u>December 31, 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	6,069,723	10,569,862	0	0	159,085,259
General de Seguros, S. A.	0	0	0	0	46,313,967	46,313,967
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>
<b>Total</b>	<u>161,157,236</u>	<u>6,069,723</u>	<u>10,569,862</u>	<u>4,141,416</u>	<u>46,313,967</u>	<u>228,252,204</u>
<b>Transfer (reversal) from retained earnings of the period</b>	<u>6,402,245</u>	<u>512,671</u>	<u>(1,283,014)</u>	<u>579,113</u>	<u>810,262</u>	<u>7,021,277</u>
	<u>March 31, 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.	139,009,941	4,385,969	14,106,130	0	0	157,502,040
General de Seguros, S. A.	0	0	0	0	44,036,001	44,036,001
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>
<b>Total</b>	<u>157,721,503</u>	<u>4,385,969</u>	<u>14,106,130</u>	<u>4,141,416</u>	<u>44,036,001</u>	<u>224,391,019</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 Superintendency of Insurance and Reinsurance of Panama. The use and restitution of these reserves shall be regulated by the Superintendency 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.

# BANCO GENERAL, S. A. AND SUBSIDIARIES

(Panama, Republic of Panama)

## Notes to the Condensed Consolidated Interim Financial Information

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### (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/.389,036 (2025: B/.437,601). These options may be exercised by the executives until the year 2033.

#### Restricted Share Plan

The Bank did not grant restricted shares in the period ended March 31, 2026 and 2025.

#### 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/.20,400 (2025: B/.20,400) and the disbursements to former employees who are covered under the retirement plan amount to B/.37,929 (2025: B/.38,579).

### (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 Superintendency 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.

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

**Notes to the Condensed Consolidated Interim Financial Information**

**(17) Income Tax, continued**

Net income tax is detailed as follows:

	<b>March 31</b>	
	<b><u>2026</u></b>	<b><u>2025</u></b>
Estimated income tax	27,296,063	25,360,557
Prior year income tax adjustments	(152,488)	518,134
Deferred income tax	<u>(79,814)</u>	<u>1,038,880</u>
Total income tax, net	<u>27,063,761</u>	<u>26,917,571</u>

**(18) Derivative Financial Instruments**

The Bank uses interest rate swaps contracts 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.

Below is the summary of derivative contracts is as follow:

	<b><u>Over the Counter (OTC)</u></b>							
	<b><u>Total</u></b>		<b><u>Exchange-Traded</u></b>		<b><u>Liquidated in a securities exchange</u></b>		<b><u>Other bilateral counterparties</u></b>	
	<b><u>Notional Value</u></b>	<b><u>Book Value</u></b>	<b><u>Notional Value</u></b>	<b><u>Book Value</u></b>	<b><u>Notional Value</u></b>	<b><u>Book Value</u></b>	<b><u>Notional Value</u></b>	<b><u>Book Value</u></b>
<b><u>March 31, 2026</u></b>								
Derivative assets	1,795,332,542	36,021,068	445,153,840	0	654,934,721	30,748,212	695,243,981	5,272,856
Derivative liabilities	984,556,491	4,120,208	215,362,331	0	486,370,000	3,331,996	282,824,160	788,212
<b><u>December 31, 2025</u></b>								
Derivative assets	2,160,011,058	33,907,883	750,802,520	0	866,159,082	30,704,465	543,049,456	3,203,418
Derivative liabilities	780,370,427	4,130,461	208,220,915	0	346,986,000	3,253,448	225,163,512	877,013
<b><u>March 31, 2025</u></b>								
Derivative assets	1,697,107,749	34,584,250	328,847,570	0	860,317,854	32,880,549	507,942,325	1,703,701
Derivative liabilities	760,875,581	7,703,103	212,016,085	0	310,590,000	3,985,014	238,269,496	3,718,089

The Bank maintains cash and cash equivalents as collateral in institutions that maintain risk ratings between AA and A- (December 31, 2025: AA and A-) and (March 31, 2025: AA+ and A-), which support derivative operations in the amount of B/.15.9MM (December 31, 2025: B/.17.5MM) and (March 31, 2025: B/.18.7MM).

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

**Notes to the Condensed Consolidated Interim Financial Information**

**(18) Derivative Financial Instruments, continued**

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

Other Derivatives classified by Risk:

	<u>March 31, 2026</u>		<u>December 31, 2025</u>		<u>March 31, 2025</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Others derivatives:						
Credit	892,766	0	771,410	0	564,151	52,557
Interest	<u>21,210,142</u>	<u>3,963,740</u>	<u>20,140,489</u>	<u>3,344,978</u>	<u>20,906,661</u>	<u>4,346,879</u>
Total	<u>22,102,908</u>	<u>3,963,740</u>	<u>20,911,899</u>	<u>3,344,978</u>	<u>21,470,812</u>	<u>4,399,436</u>

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

Hedge Derivatives for Risk Management:

	<u>March 31, 2026</u>		<u>December 31, 2025</u>		<u>March 31, 2025</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
<b>Exposure to risk:</b>						
<b>Interest rate</b>						
Fair value hedge	10,841,285	0	10,826,703	0	10,486,978	0
Others	<u>2,117,183</u>	<u>0</u>	<u>2,071,628</u>	<u>0</u>	<u>2,026,141</u>	<u>0</u>
Total interest rate	<u>12,958,468</u>	<u>0</u>	<u>12,898,331</u>	<u>0</u>	<u>12,513,119</u>	<u>0</u>
<b>Currency</b>						
Others	<u>959,692</u>	<u>156,468</u>	<u>97,653</u>	<u>785,483</u>	<u>600,319</u>	<u>3,303,667</u>
Total Currency	<u>959,692</u>	<u>156,468</u>	<u>97,653</u>	<u>785,483</u>	<u>600,319</u>	<u>3,303,667</u>
Total derivatives for risk exposure	<u>13,918,160</u>	<u>156,468</u>	<u>12,995,984</u>	<u>785,483</u>	<u>13,113,438</u>	<u>3,303,667</u>

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

<u>Risk Category</u>	<u>March 31, 2026</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>
<b>Interest rate risk</b>					
<b>Hedging of Bonds</b>					
Notional Value	0	0	0	20,000,000	29,900,000
Average interest rate				5.25%	5.13%

<u>Risk Category</u>	<u>December 31, 2025</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>
<b>Interest rate risk</b>					
<b>Hedging of Bonds</b>					
Notional Value	0	0	0	20,000,000	29,900,000
Average interest rate				5.25%	5.13%

<u>Risk Category</u>	<u>March 31, 2025</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>
<b>Interest rate risk</b>					
<b>Hedging of Bonds</b>					
Notional Value	0	0	0	20,000,000	29,900,000
Average interest rate				5.25%	5.13%

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

**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:

	Notional Value	Book Value		March 31, 2026	Change in fair value used for calculating hedge ineffectiveness	Ineffectiveness recognized in profit or loss
		Assets	Liabilities	Item in the consolidated statement of financial position that includes hedge instruments		
<b>Interest rate risk:</b>						
Interest rate derivatives – Bonds Hedge	49,900,000	10,841,285	0	Other assets (liabilities)	0	0
<b>Total interest rate risk</b>	<b>49,900,000</b>	<b>10,841,285</b>	<b>0</b>			

	Notional Value	Book Value		December 31, 2025	Change in fair value used for calculating hedge ineffectiveness	Ineffectiveness recognized in profit or loss
		Assets	Liabilities	Item in the consolidated statement of financial position that includes hedge instruments		
<b>Interest rate risk:</b>						
Interest rate derivatives – Bonds Hedge	49,900,000	10,826,703	0	Other assets (liabilities)	0	0
<b>Total interest rate risk</b>	<b>49,900,000</b>	<b>10,826,703</b>	<b>0</b>			

	Notional Value	Book Value		March 31, 2025	Change in fair value used for calculating hedge ineffectiveness	Ineffectiveness recognized in profit or loss
		Assets	Liabilities	Item in the consolidated statement of financial position that includes hedge instruments		
<b>Interest rate risk:</b>						
Interest rate derivatives – Bonds Hedge	49,900,000	10,486,978	0	Other assets (liabilities)	0	0
<b>Total interest rate risk</b>	<b>49,900,000</b>	<b>10,486,978</b>	<b>0</b>			

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

	Book Value		Accumulated amount of fair value hedge item adjustments included in the carrying amount of the hedge item		March 31, 2026	Change in the value used for calculating hedge ineffectiveness	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
	Assets	Liabilities	Assets	Liabilities	Item in the statement of financial position in which the hedge item is included		
Bonds	43,399,903	0	0	9,078,192	Investment securities FVOCI	0	0

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

**Notes to the Condensed Consolidated Interim Financial Information**

**(18) Derivative Financial Instruments, continued**

<u>December 31, 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	43,568,051	0	0	9,035,468	Investment securities FVOCI	0	0

  

<u>March 31, 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	40,210,250	0	0	8,613,090	Investment securities FVOCI	0	0

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

	<u>March 31, 2026</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
Other derivatives:				
Credit	0	892,766	0	892,766
Interest	0	21,210,142	0	21,210,142
Total	0	22,102,908	0	22,102,908
Hedge derivatives for risk management:				
Interest	0	12,958,468	0	12,958,468
Currency	0	959,692	0	959,692
Total	0	13,918,160	0	13,918,160
<b>Total derivatives assets</b>	<b>0</b>	<b>36,021,068</b>	<b>0</b>	<b>36,021,068</b>
<b>Liabilities</b>				
Other derivatives:				
Interest	0	3,963,740	0	3,963,740
Total	0	3,963,740	0	3,963,740
Hedge derivatives for risk management:				
Currency	0	156,468	0	156,468
Total	0	156,468	0	156,468
<b>Total derivatives liabilities</b>	<b>0</b>	<b>4,120,208</b>	<b>0</b>	<b>4,120,208</b>

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

**Notes to the Condensed Consolidated Interim Financial Information**

**(18) Derivative Financial Instruments, continued**

	<u>Level 1</u>	<u>December 31, 2025</u>		<u>Total</u>
		<u>Level 2</u>	<u>Level 3</u>	
<b><u>Assets</u></b>				
Other derivatives:				
Credit	0	771,410	0	771,410
Interest	<u>0</u>	<u>20,140,489</u>	<u>0</u>	<u>20,140,489</u>
Total	<u>0</u>	<u>20,911,899</u>	<u>0</u>	<u>20,911,899</u>
Hedge derivatives for risk management:				
Interest	0	12,898,331	0	12,898,331
Currency	<u>0</u>	<u>97,653</u>	<u>0</u>	<u>97,653</u>
Total	<u>0</u>	<u>12,995,984</u>	<u>0</u>	<u>12,995,984</u>
<b>Total derivatives assets</b>	<u>0</u>	<u>33,907,883</u>	<u>0</u>	<u>33,907,883</u>
<b><u>Liabilities</u></b>				
Other derivatives:				
Interest	<u>0</u>	<u>3,344,978</u>	<u>0</u>	<u>3,344,978</u>
Total	<u>0</u>	<u>3,344,978</u>	<u>0</u>	<u>3,344,978</u>
Hedge derivatives for risk management:				
Currency	<u>0</u>	<u>785,483</u>	<u>0</u>	<u>785,483</u>
Total	<u>0</u>	<u>785,483</u>	<u>0</u>	<u>785,483</u>
<b>Total derivatives liabilities</b>	<u>0</u>	<u>4,130,461</u>	<u>0</u>	<u>4,130,461</u>
<b><u>March 31, 2025</u></b>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b><u>Assets</u></b>				
Other derivatives:				
Credit	0	564,151	0	564,151
Interest	<u>0</u>	<u>20,906,661</u>	<u>0</u>	<u>20,906,661</u>
Total	<u>0</u>	<u>21,470,812</u>	<u>0</u>	<u>21,470,812</u>
Hedge derivatives for risk management:				
Interest	0	12,513,119	0	12,513,119
Currency	<u>0</u>	<u>600,319</u>	<u>0</u>	<u>600,319</u>
Total	<u>0</u>	<u>13,113,438</u>	<u>0</u>	<u>13,113,438</u>
<b>Total derivatives assets</b>	<u>0</u>	<u>34,584,250</u>	<u>0</u>	<u>34,584,250</u>
<b><u>Liabilities</u></b>				
Other derivatives:				
Interest	0	52,557	0	52,557
Currency	<u>0</u>	<u>4,346,879</u>	<u>0</u>	<u>4,346,879</u>
Total	<u>0</u>	<u>4,399,436</u>	<u>0</u>	<u>4,399,436</u>
Hedge derivatives for risk management:				
Currency	<u>0</u>	<u>3,303,667</u>	<u>0</u>	<u>3,303,667</u>
Total	<u>0</u>	<u>3,303,667</u>	<u>0</u>	<u>3,303,667</u>
<b>Total derivatives liabilities</b>	<u>0</u>	<u>7,703,103</u>	<u>0</u>	<u>7,703,103</u>

## **BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

### **Notes to the Condensed Consolidated Interim Financial Information**

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#### **(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 some assets and liabilities at fair value classified at level 3 of fair value. The calculation of fair values using internal methodologies is the responsibility of the VPE of Treasury, Asset Banking and Investment Banking, and is 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.

**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**

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**

	<b>March 31</b>			
	<b>2026</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Local Corporate Bonds and Fixed Income Funds	51,890,022	0	0	51,890,022
Bonds of the Republic of Panama	4,737,900	0	4,737,900	0
Local Corporate Shares	42,333,894	0	0	42,333,894
Foreign Treasury Bills	103,842	103,842	0	0
Mortgage Backed Securities (MBS) and Collateralized				
Mortgage Obligations (CMOs)	541,669,271	0	541,669,271	0
Asset Backed Securities (ABS)	84,813,597	0	84,813,597	0
Foreign Corporate Bonds and Fixed Income Funds	143,813,382	0	2,993,229	140,820,153
Foreign Corporate Shares and Variable Income Mutual Funds	605,769	0	0	605,769
<b>Total</b>	<u>869,967,677</u>	<u>103,842</u>	<u>634,213,997</u>	<u>235,649,838</u>
	<b>December 31</b>			
	<b>2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Local Corporate Bonds and Fixed Income Funds	51,521,523	0	0	51,521,523
Bonds of the Republic of Panama	2,745,420	0	2,745,420	0
Local Corporate Shares	36,843,789	0	0	36,843,789
Foreign Treasury Bills	102,938	102,938	0	0
Mortgage Backed Securities (MBS) and Collateralized				
Mortgage Obligations (CMOs)	626,082,836	0	626,082,836	0
Asset Backed Securities (ABS)	83,336,533	0	83,336,533	0
Foreign Corporate Bonds and Fixed Income Funds	141,346,855	0	4,310,195	137,036,660
Foreign Corporate Shares	246,040	0	0	246,040
<b>Total</b>	<u>942,225,934</u>	<u>102,938</u>	<u>716,474,984</u>	<u>225,648,012</u>
	<b>March 31</b>			
	<b>2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Local Corporate Bonds and Fixed Income Funds	51,500,058	0	0	51,500,058
Bonds of the Republic of Panama	2,602,120	0	2,602,120	0
Local Corporate Shares	33,826,622	0	0	33,826,622
Foreign Treasury Bills	311,614	311,614	0	0
Mortgage Backed Securities (MBS) and Collateralized				
Mortgage Obligations (CMOs)	554,458,803	0	554,458,803	0
Asset Backed Securities (ABS)	70,288,177	0	70,288,177	0
Foreign Corporate Bonds and Fixed Income Funds	134,898,920	0	1,975,287	132,923,633
Foreign Corporate Shares and Variable Income Mutual Funds	643,154	0	0	643,154
<b>Total</b>	<u>848,529,468</u>	<u>311,614</u>	<u>629,324,387</u>	<u>218,893,467</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**

**Fair Value Measurement of Investments and Other Financial Assets at Fair Value Through OCI**

	<b>March 31</b>			
	<b>2026</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Local Commercial Paper and Treasury Bills	60,955,895	0	0	60,955,895
Local Corporate Bonds	1,113,918,133	0	422,310,678	691,607,455
Bonds of the Republic of Panama	79,762,090	0	79,762,090	0
Bonds of the US Government	81,213,828	81,213,828	0	0
Foreign Treasury Bills	88,987,824	88,713,412	274,412	0
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	2,509,093,576	0	2,509,093,576	0
Asset Backed Securities (ABS)	119,450,242	0	119,450,242	0
Foreign Corporate Bonds	1,015,438,678	0	1,015,438,678	0
Other Governments Bonds	14,224,347	0	14,224,347	0
<b>Total</b>	<b>5,083,044,613</b>	<b>169,927,240</b>	<b>4,160,554,023</b>	<b>752,563,350</b>
	<b>December 31</b>			
	<b>2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Local Commercial Paper and Treasury Bills	57,282,152	0	0	57,282,152
Local Corporate Bonds	1,125,810,430	0	415,981,297	709,829,133
Bonds of the Republic of Panama	95,385,648	0	95,385,648	0
Bonds of the US Government	130,257,733	130,257,733	0	0
Foreign Treasury Bills	92,913,657	92,913,657	0	0
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	2,429,509,411	0	2,429,509,411	0
Asset Backed Securities (ABS)	124,551,097	0	124,551,097	0
Foreign Corporate Bonds	954,509,572	0	954,509,572	0
Other Governments Bonds	12,666,923	0	12,666,923	0
<b>Total</b>	<b>5,022,886,623</b>	<b>223,171,390</b>	<b>4,032,603,948</b>	<b>767,111,285</b>
	<b>March 31</b>			
	<b>2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Local Commercial Paper and Treasury Bills	57,437,445	0	0	57,437,445
Local Corporate Bonds	1,100,304,962	0	393,347,832	706,957,130
Bonds of the Republic of Panama	93,932,817	0	93,932,817	0
Bonds of the US Government	147,503,879	147,503,879	0	0
Foreign Commercial Paper and Treasury Bills	75,527,660	73,517,271	2,010,389	0
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	1,982,226,794	0	1,982,226,794	0
Asset Backed Securities (ABS)	113,508,115	0	113,508,115	0
Foreign Corporate Bonds	823,201,024	0	823,201,024	0
Other Governments Bonds	9,997,238	0	9,997,238	0
<b>Total</b>	<b>4,403,639,934</b>	<b>221,021,150</b>	<b>3,418,224,209</b>	<b>764,394,575</b>

**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>Investments and other</u>		
	<u>financial assets</u>		
	<u>Fair Value through</u>	<u>Fair Value</u>	<u>Total</u>
	<u>Profit or Loss</u>	<u>through OCI</u>	
<b>December 31, 2025</b>	225,648,012	767,111,285	992,759,297
Gain recognized in income	6,148,579	0	6,148,579
Loss recognized in equity	0	(4,153,278)	(4,153,278)
Purchases	7,465,265	67,601,461	75,066,726
Amortization, sales and redemptions	<u>(3,612,018)</u>	<u>(77,996,118)</u>	<u>(81,608,136)</u>
<b>March 31, 2026</b>	<u>235,649,838</u>	<u>752,563,350</u>	<u>988,213,188</u>
<b>Total gain (loss) related to instruments held as of</b>			
<b>March 31, 2026</b>	<u>6,136,505</u>	<u>(5,179,275)</u>	<u>957,230</u>
<b>December 31, 2024</b>	216,666,301	764,553,221	981,219,522
Loss recognized in income	(935,018)	0	(935,018)
Gain recognized in equity	0	4,327,091	4,327,091
Purchases	67,288,448	257,980,138	325,268,586
Amortization, sales and redemptions	<u>(57,371,719)</u>	<u>(259,749,165)</u>	<u>(317,120,884)</u>
<b>December 31, 2025</b>	<u>225,648,012</u>	<u>767,111,285</u>	<u>992,759,297</u>
<b>Total gain (loss) related to instruments held as of</b>			
<b>December 31, 2025</b>	<u>(1,100,933)</u>	<u>4,329,147</u>	<u>3,228,214</u>
<b>December 31, 2024</b>	216,666,301	764,553,221	981,219,522
Loss recognized in income	(15,248)	0	(15,248)
Gain recognized in equity	0	895,090	895,090
Purchases	3,724,784	17,831,712	21,556,496
Amortization, sales and redemptions	<u>(1,482,370)</u>	<u>(18,885,448)</u>	<u>(20,367,818)</u>
<b>March 31, 2025</b>	<u>218,893,467</u>	<u>764,394,575</u>	<u>983,288,042</u>
<b>Total gain (loss) related to instruments held as of</b>			
<b>March 31, 2025</b>	<u>(46,296)</u>	<u>904,197</u>	<u>857,901</u>

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

**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**

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
			March 31 2026	December 31 2025	March 31 2025	
Corporate Shares	Dividend discount model and Discount free cash flow model (DCF)	Equity risk premium	Min 5.70% Max 12.00%	Min 5.70% Max 12.00%	Min 5.70% Max 11.86%	If equity risk premiums increase, the price decreases and vice versa
		Growth rate of assets, liabilities, equity, profits and dividends	Min (46.43%) Max 36.47%	Min (46.43%) Max 36.47%	Min (24.25%) Max 91.25%	If the growth increases the price increases and vice versa
Fixed Income	Discounted cash flow	Credit spreads	Min 0.62% Max 10.07% Ave 1.95%	Min 0.99% Max 7.92% Ave 2.17%	Min 1.14% Max 7.98% Ave 2.16%	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

**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>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 Carrying Amount Model	Observable quoted prices Equity Issued and outstanding shares	3
Investment Vehicles	Net asset value	Net asset value	2-3

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>March 31, 2026</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	11,399	(12,117)	5,710,014	(7,058,788)
Corporate Shares	<u>2,691,787</u>	<u>(2,387,043)</u>	<u>0</u>	<u>0</u>
Total	<u>2,703,186</u>	<u>(2,399,160)</u>	<u>5,710,014</u>	<u>(7,058,788)</u>

	<u>December 31, 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	1,692	(13,581)	4,403,427	(5,813,651)
Corporate Shares	<u>2,325,708</u>	<u>(2,071,731)</u>	<u>0</u>	<u>0</u>
Total	<u>2,327,400</u>	<u>(2,085,312)</u>	<u>4,403,427</u>	<u>(5,813,651)</u>

	<u>March 31, 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	15,286	(17,456)	6,384,114	(8,599,790)
Corporate Shares	<u>1,769,020</u>	<u>(1,620,739)</u>	<u>0</u>	<u>0</u>
Total	<u>1,784,306</u>	<u>(1,638,195)</u>	<u>6,384,114</u>	<u>(8,599,790)</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**

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:

	<u>March 31, 2026</u>		<u>December 31, 2025</u>		<u>March 31, 2025</u>	
	<u>Book Value</u>	<u>Fair Value</u>	<u>Book Value</u>	<u>Fair Value</u>	<u>Book Value</u>	<u>Fair Value</u>
<b>Assets:</b>						
Time deposits with banks	75,988,478	75,980,608	46,019,714	46,018,323	46,010,624	46,006,372
Investments at amortized cost, net	32,565,151	32,570,548	3,189,982	3,191,513	40,761,308	40,768,119
Loans, net	12,891,415,259	12,650,449,356	12,959,484,038	12,819,288,283	12,534,142,738	12,361,972,676
Other financial assets	<u>448,564,809</u>	<u>448,564,809</u>	<u>309,118,600</u>	<u>309,118,600</u>	<u>348,366,181</u>	<u>348,366,181</u>
	<u>13,448,533,697</u>	<u>13,207,565,321</u>	<u>13,317,812,334</u>	<u>13,177,616,719</u>	<u>12,969,280,851</u>	<u>12,797,113,348</u>
<b>Liabilities:</b>						
Deposits	14,852,273,991	14,891,142,582	14,932,704,443	14,974,746,919	13,997,909,656	13,942,325,501
Securities sold under repurchase agreements, borrowings, debt securities issued and perpetual bonds	1,095,576,893	957,172,330	1,112,270,337	977,026,969	1,078,470,066	930,805,260
Other financial liabilities	<u>709,025,495</u>	<u>709,025,495</u>	<u>655,459,118</u>	<u>655,459,118</u>	<u>600,542,752</u>	<u>600,542,752</u>
	<u>16,656,876,379</u>	<u>16,557,340,407</u>	<u>16,700,433,898</u>	<u>16,607,233,006</u>	<u>15,676,922,474</u>	<u>15,473,673,513</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**

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:

	<b>March 31 2026</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Assets:</b>				
Time deposits with banks	75,980,608	0	0	75,980,608
Investments at amortized cost, net	32,570,548	0	25,302,606	7,267,942
Loans, net	12,650,449,356	0	0	12,650,449,356
Other financial assets	448,564,809	0	0	448,564,809
	<u>13,207,565,321</u>	<u>0</u>	<u>25,302,606</u>	<u>13,182,262,715</u>
<b>Liabilities:</b>				
Deposits	14,891,142,582	0	0	14,891,142,582
Borrowings, debt securities issued and perpetual bonds	957,172,330	0	0	957,172,330
Other financial liabilities	709,025,495	0	0	709,025,495
	<u>16,557,340,407</u>	<u>0</u>	<u>0</u>	<u>16,557,340,407</u>
<b>December 31 2025</b>				
<b>Assets:</b>				
Time deposits with banks	46,018,323	0	0	46,018,323
Investments at amortized cost, net	3,191,513	0	0	3,191,513
Loans, net	12,819,288,283	0	0	12,819,288,283
Other financial assets	309,118,600	0	0	309,118,600
	<u>13,177,616,719</u>	<u>0</u>	<u>0</u>	<u>13,177,616,719</u>
<b>Liabilities:</b>				
Deposits	14,974,746,919	0	0	14,974,746,919
Securities sold under repurchase agreements, borrowings, debt securities issued and perpetual bonds	977,026,969	0	0	977,026,969
Other financial liabilities	655,459,118	0	0	655,459,118
	<u>16,607,233,006</u>	<u>0</u>	<u>0</u>	<u>16,607,233,006</u>
<b>March 31 2025</b>				
<b>Assets:</b>				
Time deposits with banks	46,006,372	0	0	46,006,372
Investments at amortized cost, net	40,768,119	0	4,363,746	36,404,373
Other financial assets	12,361,972,676	0	0	12,361,972,676
Loans, net	348,366,181	0	0	348,366,181
	<u>12,797,113,348</u>	<u>0</u>	<u>4,363,746</u>	<u>12,792,749,602</u>
<b>Liabilities:</b>				
Deposits	13,942,325,501	0	0	13,942,325,501
Borrowings, debt securities issued and perpetual bonds	930,805,260	0	0	930,805,260
Other financial liabilities	600,542,752	0	0	600,542,752
	<u>15,473,673,513</u>	<u>0</u>	<u>0</u>	<u>15,473,673,513</u>

## **BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

### **Notes to the Condensed Consolidated Interim Financial Information**

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#### **(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**

(Panama, Republic of Panama)

**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:

	<b>March 31, 2026</b> (in thousands)			
	<b>12-month ECL</b>	<b>Lifetime ECL Not credit- impaired</b>	<b>Lifetime ECL credit- impaired</b>	<b>Total</b>
<b><u>Loans at amortized cost</u></b>				
Grade 1: Standard	11,523,512	436,439	0	11,959,951
Grade 2: Special mention	34,442	466,983	14,713	516,138
Grade 3: Sub-standard	0	370,468	56,304	426,772
Grade 4: Doubtful	0	1,924	53,961	55,885
Grade 5: Uncollectible	0	271	142,060	142,331
Gross amount	11,557,954	1,276,085	267,038	13,101,077
Loan losses allowance	(90,279)	(189,806)	(64,618)	(344,703)
Net carrying amount	<u>11,467,675</u>	<u>1,086,279</u>	<u>202,420</u>	<u>12,756,374</u>
<b><u>Finance leases</u></b>				
Grade 1: Standard	120,102	3,362	11	123,475
Grade 2: Special mention	87	811	5	903
Grade 3: Sub-standard	0	0	122	122
Grade 4: Doubtful	0	0	12	12
Gross amount	120,189	4,173	150	124,512
Loan losses allowance	(302)	(62)	(20)	(384)
Net carrying amount	<u>119,887</u>	<u>4,111</u>	<u>130</u>	<u>124,128</u>
<b>Total loans</b>	<b>11,678,143</b>	<b>1,280,258</b>	<b>267,188</b>	<b>13,225,589</b>
Loan losses allowance	(90,581)	(189,868)	(64,638)	(345,087)
Net carrying amount	<u>11,587,562</u>	<u>1,090,390</u>	<u>202,550</u>	<u>12,880,502</u>
<b><u>Restructured loans</u></b>				
Gross amount	90	419,245	133,925	553,260
Loan losses allowance	(7)	(67,003)	(27,572)	(94,582)
Net carrying amount	<u>83</u>	<u>352,242</u>	<u>106,353</u>	<u>458,678</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**

	<b>December 31, 2025</b> (in thousands)			
	<b>12-month ECL</b>	<b>Lifetime ECL Not credit- impaired</b>	<b>Lifetime ECL credit- impaired</b>	<b>Total</b>
<b><u>Loans at amortized cost</u></b>				
Grade 1: Standard	11,462,752	447,608	0	11,910,360
Grade 2: Special mention	61,822	512,488	16,874	591,184
Grade 3: Sub-standard	0	394,022	61,884	455,906
Grade 4: Doubtful	0	4,900	54,797	59,697
Grade 5: Uncollectible	0	1,851	148,146	149,997
Gross amount	11,524,574	1,360,869	281,701	13,167,144
Loan losses allowance	(86,520)	(191,141)	(67,103)	(344,764)
Net carrying amount	<u>11,438,054</u>	<u>1,169,728</u>	<u>214,598</u>	<u>12,822,380</u>
<b><u>Finance leases</u></b>				
Grade 1: Standard	117,947	731	0	118,678
Grade 2: Special mention	10	1,985	8	2,003
Grade 3: Sub-standard	0	916	183	1,099
Grade 4: Doubtful	0	0	26	26
Gross amount	117,957	3,632	217	121,806
Loan losses allowance	(325)	(107)	(35)	(467)
Net carrying amount	<u>117,632</u>	<u>3,525</u>	<u>182</u>	<u>121,339</u>
<b>Total loans</b>	<b>11,642,531</b>	<b>1,364,501</b>	<b>281,918</b>	<b>13,288,950</b>
Loan losses allowance	(86,845)	(191,248)	(67,138)	(345,231)
Net carrying amount	<u>11,555,686</u>	<u>1,173,253</u>	<u>214,780</u>	<u>12,943,719</u>
<b><u>Restructured loans</u></b>				
Gross amount	73	445,304	141,588	586,965
Loan losses allowance	(6)	(69,658)	(29,911)	(99,575)
Net carrying amount	<u>67</u>	<u>375,646</u>	<u>111,677</u>	<u>487,390</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**

	<b>March 31, 2025</b> (in thousands)			
	<b>12-month ECL</b>	<b>Lifetime ECL Not credit- impaired</b>	<b>Lifetime ECL credit- impaired</b>	<b>Total</b>
<b><u>Loans at amortized cost</u></b>				
Grade 1: Standard	10,780,451	530,250	0	11,310,701
Grade 2: Special mention	137,004	565,232	16,193	718,429
Grade 3: Sub-standard	10,741	468,590	69,286	548,617
Grade 4: Doubtful	0	6,495	66,434	72,929
Grade 5: Uncollectible	0	2,928	113,239	116,167
Gross amount	<u>10,928,196</u>	<u>1,573,495</u>	<u>265,152</u>	<u>12,766,843</u>
Loan losses allowance	<u>(83,467)</u>	<u>(220,759)</u>	<u>(57,383)</u>	<u>(361,609)</u>
Net carrying amount	<u>10,844,729</u>	<u>1,352,736</u>	<u>207,769</u>	<u>12,405,234</u>
<b><u>Finance leases</u></b>				
Grade 1: Standard	107,913	1,390	0	109,303
Grade 2: Special mention	0	1,768	0	1,768
Grade 3: Sub-standard	0	914	22	936
Grade 4: Doubtful	0	0	12	12
Gross amount	<u>107,913</u>	<u>4,072</u>	<u>34</u>	<u>112,019</u>
Loan losses allowance	<u>(340)</u>	<u>(154)</u>	<u>(4)</u>	<u>(498)</u>
Net carrying amount	<u>107,573</u>	<u>3,918</u>	<u>30</u>	<u>111,521</u>
<b>Total loans</b>	<u>11,036,109</u>	<u>1,577,567</u>	<u>265,186</u>	<u>12,878,862</u>
Loan losses allowance	<u>(83,807)</u>	<u>(220,913)</u>	<u>(57,387)</u>	<u>(362,107)</u>
Net carrying amount	<u>10,952,302</u>	<u>1,356,654</u>	<u>207,799</u>	<u>12,516,755</u>
<b><u>Restructured loans</u></b>				
Gross amount	1,622	595,183	125,569	722,374
Loan losses allowance	<u>(177)</u>	<u>(89,714)</u>	<u>(23,729)</u>	<u>(113,620)</u>
Net carrying amount	<u>1,445</u>	<u>505,469</u>	<u>101,840</u>	<u>608,754</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:

	<b>March 31, 2026</b>		<b>Total</b>
	<b><u>Banco General, S. A.</u></b>	<b><u>Subsidiaries</u></b>	
Current	11,464,075,118	954,780,560	12,418,855,678
From 31 to 90 days	487,487,032	3,300,103	490,787,135
More than 90 days (capital or interest)	239,324,035	3,417,048	242,741,083
More than 30 days past due (capital at maturity)	<u>73,173,512</u>	<u>31,930</u>	<u>73,205,442</u>
Total	<u>12,264,059,697</u>	<u>961,529,641</u>	<u>13,225,589,338</u>

  

	<b>December 31, 2025</b>		<b>Total</b>
	<b><u>Banco General, S. A.</u></b>	<b><u>Subsidiaries</u></b>	
Current	11,469,696,463	998,132,723	12,467,829,186
From 31 to 90 days	491,679,673	4,440,581	496,120,254
More than 90 days (capital or interest)	246,896,302	3,796,520	250,692,822
More than 30 days past due (capital at maturity)	<u>74,287,153</u>	<u>20,726</u>	<u>74,307,879</u>
Total	<u>12,282,559,591</u>	<u>1,006,390,550</u>	<u>13,288,950,141</u>

  

	<b>March 31, 2025</b>		<b>Total</b>
	<b><u>Banco General, S. A.</u></b>	<b><u>Subsidiaries</u></b>	
Current	11,043,177,972	1,006,334,610	12,049,512,582
From 31 to 90 days	524,040,735	4,734,702	528,775,437
More than 90 days (capital or interest)	267,052,286	4,165,059	271,217,345
More than 30 days past due (capital at maturity)	<u>29,336,070</u>	<u>20,198</u>	<u>29,356,268</u>
Total	<u>11,863,607,063</u>	<u>1,015,254,569</u>	<u>12,878,861,632</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 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/.42,939,663 (December 31, 2025: B/.37,089,829) and (March 31, 2025: B/.34,469,776) which are not subject to credit risk:

	<u>12-month ECL</u>	<u>Lifetime ECL Not credit- impaired</u>	<u>March 31, 2026 Lifetime ECL credit- impaired</u>	<u>Purchased credit- impaired</u>	<u>Total</u>
<b><u>At Amortized Cost</u></b>					
<i>Foreign:</i>					
AAA to AA+	25,300,000	0	0	0	25,300,000
Lower than BBB-	<u>7,267,286</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,267,286</u>
Carrying amount	<u>32,567,286</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,567,286</u>
Loss allowance	<u>(5,397)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5,397)</u>
<b>Total carrying amount, net</b>	<b><u>32,561,889</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>32,561,889</u></b>
<b><u>At FVOCI</u></b>					
<i>Local:</i>					
AA to BBB-	318,582,939	0	0	0	318,582,939
Lower than BBB-	<u>922,830,986</u>	<u>13,222,193</u>	<u>0</u>	<u>0</u>	<u>936,053,179</u>
Carrying amount	<u>1,241,413,925</u>	<u>13,222,193</u>	<u>0</u>	<u>0</u>	<u>1,254,636,118</u>
Valuation of credit risk	<u>(3,296,450)</u>	<u>(93,625)</u>	<u>0</u>	<u>0</u>	<u>(3,390,075)</u>
<i>Foreign:</i>					
AAA to AA+	2,745,256,461	0	0	0	2,745,256,461
AA to BBB-	809,549,046	0	0	0	809,549,046
Lower than BBB-	<u>272,329,861</u>	<u>1,023,178</u>	<u>36,000</u>	<u>213,949</u>	<u>273,602,988</u>
Carrying amount	<u>3,827,135,368</u>	<u>1,023,178</u>	<u>36,000</u>	<u>213,949</u>	<u>3,828,408,495</u>
Valuation of credit risk	<u>(6,873,685)</u>	<u>(689)</u>	<u>(564,000)</u>	<u>(31,350)</u>	<u>(7,469,724)</u>
<b>Total carrying amount</b>	<b><u>5,068,549,293</u></b>	<b><u>14,245,371</u></b>	<b><u>36,000</u></b>	<b><u>213,949</u></b>	<b><u>5,083,044,613</u></b>
<b>Total valuation of credit risk</b>	<b><u>(10,170,135)</u></b>	<b><u>(94,314)</u></b>	<b><u>(564,000)</u></b>	<b><u>(31,350)</u></b>	<b><u>(10,859,799)</u></b>
<b><u>At Fair Value TPL</u></b>					
<i>Local:</i>					
AA a BBB-	1,984,600				
Lower than BBB-	<u>54,643,322</u>				
Carrying amount	<u>56,627,922</u>				
<i>Foreign:</i>					
AAA to AA+	520,511,950				
AA to BBB-	216,864,202				
Lower than BBB-	33,010,001				
NR	<u>13,939</u>				
Carrying amount	<u>770,400,092</u>				
<b>Total carrying amount</b>	<b><u>827,028,014</u></b>				

**BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

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

	<b>December 31, 2025</b>				<b>Total</b>
	<b><u>12-month ECL</u></b>	<b><u>Lifetime ECL Not credit-impaired</u></b>	<b><u>Lifetime ECL credit-impaired</u></b>	<b><u>Purchased credit-impaired</u></b>	
<b><u>At Amortized Cost</u></b>					
<i>Foreign:</i>					
Lower than BBB-	3,190,937	0	0	0	3,190,937
Carrying amount	<u>3,190,937</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,190,937</u>
Loss allowance	<u>(1,531)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,531)</u>
<b>Total carrying amount, net</b>	<u><u>3,189,406</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>3,189,406</u></u>
<b><u>At FVOCI</u></b>					
<i>Local:</i>					
AA to BBB-	244,240,803	0	0	0	244,240,803
Lower than BBB-	981,712,166	52,525,261	0	0	1,034,237,427
Carrying amount	<u>1,225,952,969</u>	<u>52,525,261</u>	<u>0</u>	<u>0</u>	<u>1,278,478,230</u>
Valuation of credit risk	<u>(3,423,801)</u>	<u>(332,185)</u>	<u>0</u>	<u>0</u>	<u>(3,755,986)</u>
<i>Foreign:</i>					
AAA to AA+	2,725,567,702	0	0	0	2,725,567,702
AA to BBB-	744,702,060	0	0	0	744,702,060
Lower than BBB-	272,906,842	977,200	0	218,589	274,102,631
NR	0	0	36,000	0	36,000
Carrying amount	<u>3,743,176,604</u>	<u>977,200</u>	<u>36,000</u>	<u>218,589</u>	<u>3,744,408,393</u>
Valuation of credit risk	<u>(6,108,722)</u>	<u>(717)</u>	<u>(564,000)</u>	<u>(26,199)</u>	<u>(6,699,638)</u>
<b>Total carrying amount</b>	<u><u>4,969,129,573</u></u>	<u><u>53,502,461</u></u>	<u><u>36,000</u></u>	<u><u>218,589</u></u>	<u><u>5,022,886,623</u></u>
<b>Total valuation of credit risk</b>	<u><u>(9,532,523)</u></u>	<u><u>(332,902)</u></u>	<u><u>(564,000)</u></u>	<u><u>(26,199)</u></u>	<u><u>(10,455,624)</u></u>
<b><u>At Fair Value TPL</u></b>					
<i>Local:</i>					
Lower than BBB-	54,266,943				
Carrying amount	<u>54,266,943</u>				
<i>Foreign:</i>					
AAA to AA+	608,479,212				
AA to BBB-	213,047,240				
Lower than BBB-	29,328,715				
NR	13,995				
Carrying amount	<u>850,869,162</u>				
<b>Total carrying amount</b>	<u><u>905,136,105</u></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**

	<u>12-month ECL</u>	<u>Lifetime ECL Not credit- impaired</u>	<u>March 31, 2025 Lifetime ECL credit- impaired</u>	<u>Purchased credit- impaired</u>	<u>Total</u>
<b><u>At Amortized Cost</u></b>					
<i>Foreign:</i>					
AAA+ to AA+	36,400,000	0	0	0	36,400,000
Lower than BBB-	<u>4,363,261</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,363,261</u>
Carrying amount	<u>40,763,261</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>40,763,261</u>
Loss allowance	<u>(6,811)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(6,811)</u>
<b>Total carrying amount, net</b>	<u><u>40,756,450</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>40,756,450</u></u>
<b><u>At FVOCI</u></b>					
<i>Local:</i>					
AA to BBB-	228,221,261	0	0	0	228,221,261
Lower than BBB-	<u>1,008,710,949</u>	<u>14,743,014</u>	<u>0</u>	<u>0</u>	<u>1,023,453,963</u>
Carrying amount	<u>1,236,932,210</u>	<u>14,743,014</u>	<u>0</u>	<u>0</u>	<u>1,251,675,224</u>
Valuation of credit risk	<u>(3,363,347)</u>	<u>(140,605)</u>	<u>0</u>	<u>0</u>	<u>(3,503,952)</u>
<i>Foreign:</i>					
AAA to AA+	2,256,453,149	0	0	0	2,256,453,149
AA to BBB-	700,985,671	0	0	0	700,985,671
Lower than BBB-	192,678,392	1,625,017	0	23,834	194,327,243
NR	<u>0</u>	<u>0</u>	<u>0</u>	<u>198,647</u>	<u>198,647</u>
Carrying amount	<u>3,150,117,212</u>	<u>1,625,017</u>	<u>0</u>	<u>222,481</u>	<u>3,151,964,710</u>
Valuation of credit risk	<u>(5,243,093)</u>	<u>(564,817)</u>	<u>0</u>	<u>0</u>	<u>(5,807,910)</u>
<b>Total carrying amount</b>	<u><u>4,387,049,422</u></u>	<u><u>16,368,031</u></u>	<u><u>0</u></u>	<u><u>222,481</u></u>	<u><u>4,403,639,934</u></u>
<b>Total valuation of credit risk</b>	<u><u>(8,606,440)</u></u>	<u><u>(705,422)</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>(9,311,862)</u></u>
<b><u>At Fair Value TPL</u></b>					
<i>Local:</i>					
Lower than BBB-	<u>54,102,178</u>				
Carrying amount	<u>54,102,178</u>				
<i>Foreign:</i>					
AAA to AA+	532,260,496				
AA to BBB-	194,059,875				
Lower than BBB-	33,384,505				
NR	<u>252,638</u>				
Carrying amount	<u>759,957,514</u>				
<b>Total carrying amount</b>	<u><u>814,059,692</u></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.

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

	<b>March 31, 2026</b>				<b>Total</b>
	<b>12-month ECL</b>	<b>Lifetime ECL not credit- impaired</b>	<b>Lifetime ECL credit- impaired</b>	<b>Purchased credit- impaired</b>	
<b>Balance at the beginning of the period</b>	9,532,523	332,902	564,000	26,199	10,455,624
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	176,084	(7,876)	0	5,298	173,506
New investment securities purchased	1,279,095	0	0	0	1,279,095
Investment securities that have been derecognized	<u>(817,567)</u>	<u>(230,712)</u>	<u>0</u>	<u>(147)</u>	<u>(1,048,426)</u>
<b>Balance at the end of the period</b>	<u>10,170,135</u>	<u>94,314</u>	<u>564,000</u>	<u>31,350</u>	<u>10,859,799</u>
	<b>December 31, 2025</b>				
	<b>12-month ECL</b>	<b>Lifetime ECL not credit- impaired</b>	<b>Lifetime ECL credit- impaired</b>	<b>Purchased credit- impaired</b>	<b>Total</b>
<b>Balance at the beginning of the year</b>	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	(564,000)	564,000	0	0
Net remeasurement of portfolio	236,360	105,120	0	23,169	364,649
New investment securities purchased	3,010,879	37,331	0	0	3,048,210
Investment securities that have been derecognized	<u>(2,295,933)</u>	<u>(74)</u>	<u>0</u>	<u>(57)</u>	<u>(2,296,064)</u>
<b>Balance at the end of the year</b>	<u>9,532,523</u>	<u>332,902</u>	<u>564,000</u>	<u>26,199</u>	<u>10,455,624</u>
	<b>March 31, 2025</b>				
	<b>12-month ECL</b>	<b>Lifetime ECL not credit- impaired</b>	<b>Lifetime ECL credit- impaired</b>	<b>Purchased credit- impaired</b>	<b>Total</b>
<b>Balance at the beginning of the period</b>	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	0	0	0	0	0
Transfer of 12-month ECL to lifetime ECL credit-impaired	0	0	0	0	0
Net remeasurement of portfolio	(26,367)	(14,607)	0	(3,072)	(44,046)
New investment securities purchased	1,061,667	0	0	0	1,061,667
Investment securities that have been derecognized	<u>(1,044,555)</u>	<u>(18)</u>	<u>0</u>	<u>(15)</u>	<u>(1,044,588)</u>
<b>Balance at the end of the period</b>	<u>8,606,440</u>	<u>705,422</u>	<u>0</u>	<u>0</u>	<u>9,311,862</u>

## **BANCO GENERAL, S. A. AND SUBSIDIARIES**

(Panama, Republic of Panama)

### **Notes to the Condensed Consolidated Interim Financial Information**

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#### **(21) Main Applicable Laws and Regulations**

As of March 31, 2026, there were no significant changes with respect to the applicable regulatory framework disclosed in the audited consolidated financial statements as of December 31, 2025.

##### **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 Superintendency 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 Superintendency 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 provision is an equity item that is presented under legal reserves in the consolidated statement of changes in equity and appropriates undistributed profits. The credit balance of this dynamic provision is part of the regulatory capital but does not replace or compensate for the minimum capital adequacy percentage requirements established by the Superintendency of Banks of Panama.

Through the General Resolution of the Board of Directors SBP-GJD-0007-2020 of July 16, 2020, the Superintendency 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 Superintendency 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 reestablishment of the dynamic provision as detailed below:

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

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**(21) Main Applicable Laws and Regulations, continued**

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

	<b>March 31 <u>2026</u></b>	<b>December 31 <u>2025</u></b>	<b>March 31 <u>2025</u></b>
Banco General, S. A.	148,847,919	142,445,674	139,009,941
Banco General (Overseas), Inc.	14,928,539	14,928,539	14,928,539
Banco General (Costa Rica), S. A.	<u>3,783,023</u>	<u>3,783,023</u>	<u>3,783,023</u>
Total	<u>167,559,481</u>	<u>161,157,236</u>	<u>157,721,503</u>