BANCO GENERAL, S. A.
AND SUBSIDIARIES

(Panama, Republic of Panama)

Condensed Consolidated Interim Financial Information

June 30, 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)

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

Condensed Consolidated Statement of Financial Position

June 30, 2026, December 31, 2025 and June 30, 2025

(Expressed in Balboas)

Assets	Note	(Unaudited) June 2026	(Audited) December 2025	(Unaudited) June 2025
Cash and cash items	5	154,593,669	156,443,269	169,122,653
Deposits with banks:				
Demand deposits		261,455,295	442,905,176	416,621,747
Time deposits		20,914,484	45,935,535	20,932,987
Accrued interest receivable		69,659	84,179	83,541
Total deposits with banks		282,439,438	488,924,890	437,638,275
Total cash, cash items and deposits with banks		437,033,107	645,368,159	606,760,928
Investments and other financial assets at FVTPL		929,544,694	942,225,934	856,641,347
Investments and other financial assets at FVOCI		5,395,678,729	5,022,886,623	4,581,063,781
Investments and other financial at amortized cost, net		42,654,894	3,189,406	72,391,016
Accrued interest receivable		4,385	576	8,860
Investments and other financial assets, net		6,367,882,702	5,968,302,539	5,510,105,004
Loans	6	13,450,247,905	13,288,950,141	13,013,108,881
Accrued interest receivable		61,717,401	62,294,386	59,215,681
Less:				
Loan losses allowance		344,301,987	345,231,052	356,939,781
Unearned commissions		50,837,457	46,529,437	44,428,996
Loans, net		13,116,825,862	12,959,484,038	12,670,955,785
Investments in associates		40,206,294	32,072,947	37,183,463
Properties, furniture, equipment and improvements, net of accumulated depreciation and amortization	7	300,177,524	283,520,770	279,282,627
Right-of-use assets, net	8	14,289,657	15,115,471	15,502,638
Investments and other financial assets sold pending settlement		280,541,884	309,118,600	266,546,553
Deferred tax assets		82,674,857	82,796,534	85,059,445
Goodwill and other intangible assets, net	9	41,884,404	42,677,343	43,470,283
Other assets		610,461,143	541,337,986	510,036,152
Total assets		21,291,977,434	20,879,794,387	20,024,902,878

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.

Liabilities and Equity	Note	(Unaudited) June 2026	(Audited) December 2025	(Unaudited) June 2025
Liabilities:				
Deposits:				
Local:				
Demand		2,970,996,821	3,148,454,461	2,755,132,604
Savings		5,048,265,043	4,907,020,467	4,728,452,114
Time:				
Customers		6,769,731,779	6,683,611,758	6,454,458,522
Banks		154,266,295	78,836,177	77,543,185
Accrued interest payable		111,826,888	114,781,580	107,969,357
Total deposits		15,055,086,826	14,932,704,443	14,123,555,782
Financing:				
Securities sold under repurchase agreements		249,726,015	101,575,748	152,483,985
Borrowings and debt securities issued, net	11	577,580,208	598,261,510	608,939,735
Perpetual bonds		400,000,000	400,000,000	400,000,000
Accrued interest payable		12,217,000	12,433,079	12,414,808
Total financing		1,239,523,223	1,112,270,337	1,173,838,528
Lease Liabilities	12	16,286,787	17,135,012	17,461,807
Investments and other financial assets purchased pending settlement		586,061,689	655,459,118	554,176,584
Reserves of insurance operations	13	30,706,046	28,442,132	27,333,907
Deferred tax liabilities		1,932,691	1,924,351	1,161,613
Other liabilities	10	722,246,433	636,388,747	714,441,978
Total liabilities		17,651,843,695	17,384,324,140	16,611,970,199
Equity:	15			
Common shares		500,000,000	500,000,000	500,000,000
Legal reserves		236,411,285	228,252,204	225,471,317
Capital reserves		(19,646,850)	4,330,585	(67,765,331)
Retained earnings		2,923,369,304	2,762,887,458	2,755,226,693
Total equity		3,640,133,739	3,495,470,247	3,412,932,679
Total liabilities and equity		21,291,977,434	20,879,794,387	20,024,902,878

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

Condensed Consolidated Statement of Income

For the six months ended June 30, 2026 and 2025

(Expressed in Balboas)

		(Unaudited) (2nd Quarter)		(Unaudited) (Accumulated)	
	Note	2026	2025	2026	2025
Interest and commission income:					
Interest:					
Loans		261,873,635	252,682,305	519,937,350	501,424,148
Deposits with banks		1,869,957	3,103,149	4,007,931	6,365,249
Investments and other financial assets		77,955,463	69,674,811	151,361,868	137,571,565
Commissions on loans		15,142,076	12,909,087	29,228,639	25,369,198
Total interest and commission income		356,841,131	338,369,352	704,535,788	670,730,160
Interest expenses:					
Deposits		93,202,014	92,781,653	186,206,404	182,432,557
Financing		12,250,555	12,841,732	24,196,670	26,818,143
Total interest expenses		105,452,569	105,623,385	210,403,074	209,250,700
Net interest and commission income		251,388,562	232,745,967	494,132,714	461,479,460
Provision for loan losses, net	6	15,127,532	5,836,579	30,902,654	13,659,739
Provision (reversal) for impairment of investments, net		(20,613)	1,062,697	387,428	1,025,035
(Reversal) provision for foreclosed assets, net		(25,248)	1,689,414	(79,269)	2,183,948
Net interest and commission income, after provisions		236,306,891	224,157,277	462,921,901	444,610,738
Other income (expenses):					
Fees and other commissions		127,085,909	110,875,328	249,896,734	219,915,607
Insurance premiums, net		15,657,624	14,201,677	30,555,290	26,837,770
Gain (loss) on financial instruments, net		1,007,735	82,368	2,348,949	(484,014)
Other income, net		16,717,240	14,969,747	33,178,137	29,726,249
Commission expenses and other expenses	12	(52,428,036)	(43,810,620)	(103,317,898)	(88,741,591)
Total other income, net		108,040,472	96,318,500	212,661,212	187,254,021
General and administrative expenses:					
Salaries and other personnel expenses	16	56,477,248	53,553,714	112,073,751	105,548,802
Depreciation and amortization	7 and 8	11,959,734	10,311,431	23,800,339	20,374,042
Properties, furniture and equipment expenses		12,066,827	10,596,062	23,825,673	20,492,281
Other expenses		19,627,935	19,633,339	39,322,660	40,078,941
Total general and administrative expenses		100,131,744	94,094,546	199,022,423	186,494,066
Net operating income		244,215,619	226,381,231	476,560,690	445,370,693
Equity participation in associates		4,082,499	4,035,783	8,662,097	7,554,813
Net income before income tax		248,298,118	230,417,014	485,222,787	452,925,506
Income tax, estimated		29,512,755	26,224,280	56,656,330	52,102,971
Income tax, deferred		209,977	1,282,624	130,163	2,321,504
Income tax, net	17	29,722,732	27,506,904	56,786,493	54,424,475
Net income		218,575,386	202,910,110	428,436,294	398,501,031

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 six months ended June 30, 2026 and 2025

(Expressed in Balboas)

	(Unaudited) 2026	2025
Net income	428,436,294	398,501,031
Other comprehensive (expense) income:		
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	(26,888,863)	60,389,090
Transfer to profit or loss for sales of investments at FVOCI	2,529,453	(9,847,307)
Valuation of investment credit risk at FVOCI	381,975	1,028,041
Total other comprehensive (expense) income, net	(23,977,435)	51,569,824
Total comprehensive income	404,458,859	450,070,855

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 six months ended June 30, 2026 and 2025

(Expressed in Balboas)

	Common shares	Legal reserves	Capital reserves: Insurance reserve	Capital reserves: Valuation of investments and other financial assets	Capital reserves: Total capital reserves	Retained earnings	Total equity
Balance as of December 31, 2025 (Audited)	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	428,436,294	428,436,294
Other comprehensive (expense) income:							
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	(26,888,863)	(26,888,863)	0	(26,888,863)
Transfer to profit or loss for sales of investments at FVOCI	0	0	0	2,529,453	2,529,453	0	2,529,453
Valuation of investment credit risk at FVOCI	0	0	0	381,975	381,975	0	381,975
Total other comprehensive expense, net	0	0	0	(23,977,435)	(23,977,435)	0	(23,977,435)
Total comprehensive income	0	0	0	(23,977,435)	(23,977,435)	428,436,294	404,458,859
Transactions attributable to the shareholder:							
Dividends paid on common shares	0	0	0	0	0	(250,000,000)	(250,000,000)
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	8,159,081	0	0	0	(8,159,081)	0
Total transactions attributable to the shareholder	0	8,159,081	0	0	0	(267,954,448)	(259,795,367)
Balance as of June 30, 2026 (Unaudited)	500,000,000	236,411,285	1,000,000	(20,646,850)	(19,646,850)	2,923,369,304	3,640,133,739
Balance as of December 31, 2024 (Audited)	500,000,000	223,681,409	1,000,000	(120,335,155)	(119,335,155)	2,568,312,625	3,172,658,879
Net income	0	0	0	0	0	398,501,031	398,501,031
Other comprehensive income (expense):							
Items that are or may be reclassified to the condensed consolidated statement of income:							
Valuation of investments and other financial assets:							
Net changes in valuation of investments at FVOCI	0	0	0	60,389,090	60,389,090	0	60,389,090
Transfer to profit or loss for sales of investments at FVOCI	0	0	0	(9,847,307)	(9,847,307)	0	(9,847,307)
Valuation of investment credit risk at FVOCI	0	0	0	1,028,041	1,028,041	0	1,028,041
Total other comprehensive income, net	0	0	0	51,569,824	51,569,824	0	51,569,824
Total comprehensive income	0	0	0	51,569,824	51,569,824	398,501,031	450,070,855
Transactions attributable to the shareholder:							
Dividends paid on common shares	0	0	0	0	0	(204,000,000)	(204,000,000)
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	1,789,908	0	0	0	(1,789,908)	0
Changes due to adoption of IFRS 17, net	0	0	0	0	0	(2,315,697)	(2,315,697)
Total transactions attributable to the shareholder	0	1,789,908	0	0	0	(211,586,963)	(209,797,055)
Balance as of June 30, 2025 (Unaudited)	500,000,000	225,471,317	1,000,000	(68,765,331)	(67,765,331)	2,755,226,693	3,412,932,679

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 six months ended June 30, 2026 and 2025

(Expressed in Balboas)

	Note	(Unaudited) 2026	2025
Operating activities:			
Net income		428,436,294	398,501,031
Adjustments to reconcile net income and cash from operating activities:			
Provision for loan losses, net	6	30,902,654	13,659,739
Provision for valuation of investments, net		387,428	1,025,035
(Reversal) provision for foreclosed assets, net		(79,269)	2,183,948
Unrealized gain on investments and other financial assets		(790,229)	(21,988,208)
Unrealized (gain) loss on derivative instruments		(12,795,984)	9,958,421
Gain on sale of investments and other financial assets at FVTPL, net		(1,973,148)	(2,161,997)
(Gain) loss on sale of investments and other financial assets at FVOCI, net		(316,359)	6,216,441
Realized loss on derivative instruments		13,526,771	8,459,357
Foreign exchange fluctuations, net		70,957	(65,537)
Gain on sale of fixed assets, net		(667,642)	(153,169)
Other net income from cancellations of right-of-use assets		(28,592)	0
Depreciation and amortization	7 and 8	23,800,339	20,374,042
Amortization of intangible assets	9	792,939	792,939
Equity participation in associates		(8,662,097)	(7,554,813)
Income tax, net	17	56,786,493	54,424,475
Interest and commission income		(704,535,788)	(670,730,160)
Interest expense		210,403,074	209,250,700
Dividends income		(1,584,927)	(1,219,559)
Changes in operating assets and liabilities:			
Time deposits with banks		21,051	(19,003,526)
Investments and other financial assets at FVTPL		17,516,272	(12,100,003)
Loans		(193,129,483)	(272,474,961)
Unearned commissions		33,536,659	28,201,784
Tax credit from preferential interest		(31,739,477)	(30,771,200)
Other assets		(3,947,229)	(61,879,069)
Demand deposits		(177,457,640)	(30,776,128)
Savings deposits		141,244,576	(25,515,886)
Time deposits		161,550,139	331,013,728
Reserves of insurance operations		2,263,914	2,605,830
Other liabilities		(43,082,548)	40,351,151
Cash provided by operations:			
Interest received		673,738,078	644,493,687
Interest paid		(213,567,512)	(213,153,448)
Dividends received		1,584,927	1,219,559
Total		(26,231,653)	4,683,172
Cash flows from operating activities		402,204,641	403,184,203
Investing activities:			
Purchases of investments and other financial assets at FVOCI		(2,298,973,076)	(1,745,146,423)
Sale and redemptions of investments and other financial assets at FVOCI		1,898,647,207	1,732,841,008
Purchases of securities at amortized cost		(42,661,879)	(77,605,517)
Redemptions of securities at amortized cost		3,190,938	11,831,171
Dividends received from associates		528,750	442,732
Sale of properties, furniture and equipment		2,048,726	155,485
Purchases of properties, furniture and equipment	7	(40,012,156)	(26,383,698)
Cash flows used investing activities		(477,231,490)	(103,865,242)
Financing activities:			
Borrowings and debt securities issued		0	10,000,000
Redemption of debt securities issued and cancellation of borrowings		(19,807,692)	(99,807,693)
Securities sold under repurchase agreements		148,150,267	58,922,985
Payment of lease liabilities		(1,819,840)	(1,787,515)
Dividends paid on common shares		(250,000,000)	(204,000,000)
Complementary and dividends tax		(9,795,367)	(3,481,358)
Cash flows used financing activities		(133,272,632)	(240,153,581)
Net (decreased) increases in cash and cash equivalents		(208,299,481)	59,165,380
Cash and cash equivalents at the beginning of the period		624,848,445	527,079,020
Cash and cash equivalents at the end of the period	5	416,548,964	586,244,400

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.

Index of Notes:

(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 59.31% (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.

(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 Standards Board (IFRS Accounting Standards).

This condensed consolidated interim financial information were authorized by management issue on July 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.

(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:

	June 30, 2026			
	Directors and Management	Related Companies	Affiliated Companies	Total
Assets:				
Investments and other financial assets	0	183,159,788	33,019,615	216,179,403
Loans	14,594,502	157,931,619	1,281,337	173,807,458
Investments in associates	0	40,206,294	0	40,206,294
Liabilities:				
Deposits:				
Demand	687,325	97,889,003	141,783,252	240,359,580
Savings	6,504,052	73,531,837	48,431	80,084,320
Time	7,029,002	336,918,180	233,000,000	576,947,182
	14,220,379	508,339,020	374,831,683	897,391,082
Perpetual bonds	0	17,000,000	127,984,000	144,984,000
Commitments and contingencies	148,009	14,398,846	5,700,000	20,246,855
Interest income:				
Loans	419,908	4,174,613	53,114	4,647,635
Investments and other financial assets	0	4,964,917	1,138,602	6,103,519
Interest expenses:				
Deposits	166,693	9,307,453	5,728,411	15,202,557
Financing	0	463,005	3,374,659	3,837,664
Other income:				
Equity participation in associates	0	8,662,097	0	8,662,097
Received dividends	0	509,870	0	509,870
General and administrative expenses:				
Directors' fees	640,158	0	0	640,158
Benefits to key management personnel	1,926,586	0	0	1,926,586

(4) Balances and Transactions with Related Parties, continued

	December 31, 2025			
	Directors and Management	**Related Companies**	**Affiliated Companies**	**Total**
Assets:				
Investments and other financial assets	0	183,994,032	33,093,094	217,087,126
Loans	14,369,340	161,250,037	1,516,384	177,135,761
Investments in associates	0	32,072,947	0	32,072,947
Liabilities:				
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	5,685,916	350,249,969	167,113,425	523,049,310
	13,061,541	548,812,062	345,501,599	907,375,202
Perpetual bonds	0	17,000,000	127,984,000	144,984,000
Commitments and contingencies	0	11,932,124	5,700,000	17,632,124

	June 30, 2025			
	Directors and Management	**Related Companies**	**Affiliated Companies**	**Total**
Assets:				
Investments and other financial assets	0	186,617,770	32,908,148	219,525,918
Loans	15,572,691	186,452,384	254,025	202,279,100
Investments in associates	0	37,183,463	0	37,183,463
Liabilities:				
Deposits:				
Demand	1,021,113	131,545,977	148,256,763	280,823,853
Savings	5,441,430	62,118,872	48,431	67,608,733
Time	6,343,553	308,241,713	171,032,137	485,617,403
	12,806,096	501,906,562	319,337,331	834,049,989
Perpetual bonds	0	17,000,000	127,984,000	144,984,000
Commitments and contingencies	0	13,524,152	5,700,000	19,224,152

(4) Balances and Transactions with Related Parties, continued

	June 30, 2025			
	Directors and Management	Related Companies	Affiliated Companies	Total
Interest income:				
Loans	414,525	4,844,091	14,809	5,273,425
Investments and other financial assets	0	5,389,713	1,277,397	6,667,110
Interest expenses:				
Deposits	188,556	9,907,814	5,136,517	15,232,887
Financing	0	461,771	3,396,538	3,858,309
Other income:				
Equity participation in associates	0	7,554,813	0	7,554,813
Received dividends	0	445,436	0	445,436
General and administrative expenses:				
Directors' fees	490,844	0	0	490,844
Benefits to key management personnel	1,293,810	0	0	1,293,810

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:

	June 30	
	2026	2025
Cash and cash items	154,593,669	169,122,653
Demand deposits with banks	261,455,295	416,621,747
Time deposits with banks	20,914,484	20,932,987
Total deposits with banks	282,369,779	437,554,734
Less: Time deposits with banks, with original maturities greater than three months	20,414,484	20,432,987
Cash and cash equivalents in the condensed consolidated statement of cash flows	416,548,964	586,244,400

Demand deposits with banks include cash collateral accounts for B/.21,648,916 (December 31, 2025: B/.22,510,198) that secure derivative operations and the next payments of principal, interest of certain obligations.

(6) Loans

The composition of the loan portfolio is summarized as follows:

	June 30 2026	December 31 2025	June 30 2025
Internal sector:			
Residential mortgages	4,531,012,901	4,563,249,478	4,512,832,924
Personal, auto and credit cards	2,628,427,759	2,508,062,511	2,360,259,444
Commercial mortgages	1,776,200,757	1,766,411,340	1,818,284,774
Lines of credit and commercial loans	1,981,423,453	1,897,876,079	1,642,450,782
Interim financing	218,986,393	221,581,762	286,173,480
Finance leases, net	131,832,421	121,805,976	114,775,029
Invoices discounting	11,408,937	0	0
Other secured loans	193,214,995	195,655,159	189,127,858
Overdrafts	146,548,033	129,571,101	139,364,510
Total internal sector	11,619,055,649	11,404,213,406	11,063,268,801
External sector:			
Residential mortgages	124,461,131	129,846,291	130,271,275
Personal, auto and credit cards	15,075,122	14,243,761	13,240,179
Commercial mortgages	179,032,704	184,117,389	187,021,569
Lines of credit and commercial loans	1,474,348,841	1,519,792,412	1,579,203,438
Other secured loans	4,462,992	7,120,050	8,375,196
Overdrafts	33,811,466	29,616,832	31,728,423
Total external sector	1,831,192,256	1,884,736,735	1,949,840,080
Total	13,450,247,905	13,288,950,141	13,013,108,881

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

	June 30, 2026			
	12-month ECL	Lifetime ECL Not credit-impaired	Lifetime ECL credit-impaired	Total
Balance at the beginning of the period	86,844,629	191,247,685	67,138,738	345,231,052
Transferred to 12-month ECL	26,199,105	(26,158,926)	(40,179)	0
Transferred to lifetime ECL not credit-impaired	(2,830,769)	11,441,782	(8,611,013)	0
Transferred to lifetime ECL credit-impaired	(1,291,773)	(14,746,543)	16,038,316	0
Net remeasurement of portfolio	(27,711,886)	22,679,971	48,402,577	43,370,662
New loans	11,904,439	19,311,316	452,240	31,667,995
Loans that have been derecognized	(6,437,915)	(15,497,403)	(22,200,685)	(44,136,003)
Recovery of loan write-off	0	0	21,046,182	21,046,182
Loans written-off	0	0	(52,877,901)	(52,877,901)
Balance at the end of the period	86,675,830	188,277,882	69,348,275	344,301,987

(6) Loans, continued

	December 31, 2025			
	12-month ECL	**Lifetime ECL Not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
Balance at the beginning of the year	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)
Balance at the end of the year	86,844,629	191,247,685	67,138,738	345,231,052

	June 30, 2025			
	12-month ECL	**Lifetime ECL Not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
Balance at the beginning of the period	88,758,852	220,844,924	55,314,002	364,917,778
Transferred to 12-month ECL	39,166,465	(39,151,619)	(14,846)	0
Transferred to lifetime ECL not credit-impaired	(3,070,154)	11,445,991	(8,375,837)	0
Transferred to lifetime ECL credit-impaired	(1,209,410)	(22,223,665)	23,433,075	0
Net remeasurement of portfolio	(44,700,226)	26,017,326	37,026,732	18,343,832
New loans	12,876,694	24,944,806	762,767	38,584,267
Loans that have been derecognized	(6,396,786)	(19,281,364)	(17,590,210)	(43,268,360)
Recovery of loan write-off	0	0	18,798,887	18,798,887
Loans written-off	0	0	(40,436,623)	(40,436,623)
Balance at the end of the period	85,425,435	202,596,399	68,917,947	356,939,781

(7) Properties, Furniture, Equipment and Improvements

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

			June 30, 2026			
	Land	**Buildings**	**Licenses and internally developed projects**	**Furniture and Equipment**	**Improvements**	**Total**
Cost:						
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	15,241,880	14,334,552	6,959,442	3,476,282	40,012,156
Sales and disposals	0	2,010,261	525	3,374,361	1,802,241	7,187,388
At the end of the period	34,943,143	152,794,275	266,977,111	148,008,921	59,572,886	662,296,336
Accumulated depreciation and amortization:						
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	1,800,419	11,767,752	7,123,587	1,282,560	21,974,318
Sales and disposal	0	765,982	525	3,365,216	1,674,581	5,806,304
At the end of the period	0	53,995,230	177,153,451	92,014,147	38,955,984	362,118,812
Net balance	34,943,143	98,799,045	89,823,660	55,994,774	20,616,902	300,177,524

			December 31, 2025			
	Land	**Buildings**	**Licenses and internally developed projects**	**Furniture and Equipment**	**Improvements**	**Total**
Cost:						
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	0	0	1,146,168	10,155,852	0	11,302,020
At the end of the year	34,943,143	139,562,656	252,643,084	144,423,840	57,898,845	629,471,568
Accumulated depreciation and amortization:						
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	0	0	198,084	10,078,820	0	10,276,904
At the end of the year	0	52,960,793	165,386,224	88,255,776	39,348,005	345,950,798
Net balance	34,943,143	86,601,863	87,256,860	56,168,064	18,550,840	283,520,770

			June 30, 2025			
	Land	**Buildings**	**Licenses and internally developed projects**	**Furniture and Equipment**	**Improvements**	**Total**
Cost:						
At the beginning of the period	34,943,143	138,673,446	226,186,514	136,795,597	51,820,467	588,419,167
Additions	0	501,712	13,119,388	9,781,441	2,981,157	26,383,698
Sales and disposals	0	0	0	6,016,586	0	6,016,586
At the end of the period	34,943,143	139,175,158	239,305,902	140,560,452	54,801,624	608,786,279
Accumulated depreciation and amortization:						
At the beginning of the period	0	49,317,795	144,345,480	86,034,461	37,253,307	316,951,043
Expense of the period	0	1,822,274	9,903,493	5,841,869	999,243	18,566,879
Sales and disposal	0	0	0	6,014,270	0	6,014,270
At the end of the period	0	51,140,069	154,248,973	85,862,060	38,252,550	329,503,652
Net balance	34,943,143	88,035,089	85,056,929	54,698,392	16,549,074	279,282,627

(8) Right-of-Use Assets

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

	June 30 2026	December 31 2025	June 30 2025
Cost:			
At the beginning of the period	30,432,164	28,840,132	28,840,132
New	1,278,032	3,922,027	2,492,669
Cancellations	(1,522,512)	(2,329,995)	(1,607,060)
At the end of the period	30,187,684	30,432,164	29,725,741
Accumulated depreciation:			
At the beginning of the period	15,316,693	13,936,233	13,936,233
Expense of the period	1,826,021	3,623,688	1,807,163
Cancellations	(1,244,687)	(2,243,228)	(1,520,293)
At the end of the period	15,898,027	15,316,693	14,223,103
Net balance	14,289,657	15,115,471	15,502,638

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

(9) Goodwill and Intangible Assets, Net

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

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

(1) Banking CGU
(2) Pension and Retirement Fund

(9) Goodwill and Intangible Assets, Net, continued

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

	June 30, 2026		
	Goodwill	**Intangible assets**	**Total**
Cost:			
Balance at the beginning and end of the period	41,091,499	47,462,084	88,553,583
Accumulated amortization:			
Balance at the beginning of the period	0	45,876,240	45,876,240
Amortization of the period	0	792,939	792,939
Balance at the end of the period	0	46,669,179	46,669,179
Net balance at the end of the period	41,091,499	792,905	41,884,404

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

	June 30, 2025		
	Goodwill	**Intangible assets**	**Total**
Cost:			
Balance at the beginning and end of the period	41,091,499	47,462,084	88,553,583
Accumulated amortization:			
Balance at the beginning of the period	0	44,290,361	44,290,361
Amortization of the period	0	792,939	792,939
Balance at the end of the period	0	45,083,300	45,083,300
Net balance at the end of the period	41,091,499	2,378,784	43,470,283

It is the Bank's policy to conduct an impairment test on an annual basis or when there is evidence of impairment. As of June 30, 2026 and 31 December 2025, no evaluation was necessary.

(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:

	Level	June 30 2026	December 31 2025	June 30 2025
Bonds of the US Government	1	3,554,330	3,569,036	3,506,108
Foreign Corporate Shares	2	1,403,640	0	0
Mortgage Backed Securities (MBS)	2	197,975,226	197,117,037	177,112,191
Foreign Variable Income Mutual Funds	3	0	0	135
Total		202,933,196	200,686,073	180,618,434

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:

	June 30 2026	December 31 2025	June 30 2025
Corporate bonds with maturity in 2036, at an interest rate of 3 months SOFR plus a margin	2,680,000	2,680,000	2,680,000
Corporate bonds with maturity 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 months SOFR plus a margin	0	0	10,000,000
Borrowings with maturity in 2026, at interest rates of 3 and 6 months SOFR plus a margin	0	10,000,000	0
Borrowings with maturity in 2030, at a fixed interest rate	20,769,231	23,076,923	25,384,615
Notes with maturity in 2027, at a fixed interest rate	15,000,000	22,500,000	30,000,000
Subtotal of borrowings and debt securities issued	575,666,231	595,473,923	605,281,615
Revaluation coverage	1,913,977	2,787,587	3,658,120
Total borrowings and debt securities issued, net	577,580,208	598,261,510	608,939,735

(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:

	June 30	
	2026	**2025**
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	(19,807,692)	(99,807,693)
Revaluation coverage	(873,610)	(867,467)
Balance at the end of the period	577,580,208	608,939,735

(12) Lease Liabilities

The movement of lease liabilities is detailed as follows:

	June 30 **2026**	December 31 **2025**	June 30 **2025**
Balance at the beginning of the period	17,135,012	16,843,420	16,843,420
New	1,278,032	3,922,027	2,492,669
Payments	(1,819,840)	(3,543,668)	(1,787,515)
Cancellations	(306,417)	(86,767)	(86,767)
Balance at the end of the period	16,286,787	17,135,012	17,461,807

Interest expense on lease liabilities for B/.443,781 (2025: B/.430,083) is included in the line as of commission expenses and other expenses in the condensed consolidated statement of income.

(13) Reserves of Insurance Operations

Reserves of insurance operations amount to B/.30,706,046 (December 31, 2025: B/.28,442,132) and (June 30, 2025: B/.27,333,907) are detailed bellow:

	June 30 2026	**December 31 2025**	**June 30 2025**
Liability for Remaining Coverage	30,994,961	28,610,432	29,440,784
Asset for Remaining Coverage	(6,388,375)	(5,748,543)	(7,396,204)
Liability for Incurred Claims	8,170,341	7,750,973	8,146,042
Asset for Incurred Claims	(2,070,881)	(2,170,730)	(2,856,715)
Total reserves of insurance operations	30,706,046	28,442,132	27,333,907

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

	June 30 2026	**December 31 2025**	**June 30 2025**
Liability for Remaining Coverage			
Balance at the beginning of the period	28,610,432	26,640,804	26,640,804
Adoption of IFRS 17	0	73,851	73,851
Issued premiums	49,661,140	91,939,200	45,457,914
Earned premiums	(47,276,611)	(90,043,423)	(42,731,785)
Balance at the end of the period	30,994,961	28,610,432	29,440,784
Asset for Remaining Coverage			
Balance at the beginning of the period	(5,748,543)	(6,541,308)	(6,541,308)
Adoption of IFRS 17	0	(95,780)	(95,780)
Premiums issued and assigned	(12,048,627)	(22,979,930)	(11,406,798)
Premiums allocated in reinsurance	11,408,795	23,868,475	10,647,682
Balance at the end of the period	(6,388,375)	(5,748,543)	(7,396,204)
Liability for Incurred Claims			
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	6,987,804	13,639,941	6,621,755
Paid claims	(6,568,436)	(12,302,231)	(4,888,976)
Balance at the end of the period	8,170,341	7,750,973	8,146,042
Asset for Incurred Claims			
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	(1,389,939)	(6,414,292)	(4,075,760)
Other movements of the period	1,489,788	5,622,785	3,258,268
Balance at the end of the period	(2,070,881)	(2,170,730)	(2,856,715)

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.

(14) Segment Information

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

Segments	Operations
Banking and Financial Activities	Various financial services, mainly corporate, mortgage and consumer banking, finance leases, administration of trusts, administration and marketing of food vouchers, asset management and securities brokerage
Insurance and Reinsurance	Insurance and reinsurance of policies of general lines, collective life and various risks
Pension and Retirement Fund	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:

	June 30, 2026				
	Banking and Financial Activities	Insurance and Reinsurance	Pension and Retirement Fund	Eliminations	Total
Interest and commission income	702,163,193	11,648,049	1,754,874	11,030,328	704,535,788
Interest and provision expenses	252,758,204	(113,989)	0	11,030,328	241,613,887
Other income, net	178,368,802	22,826,386	11,473,482	7,458	212,661,212
General and administrative expenses	170,889,073	1,565,954	2,774,515	7,458	175,222,084
Depreciation and amortization expense	23,626,298	9,769	164,272	0	23,800,339
Equity participation in associates	8,662,097	0	0	0	8,662,097
Net income before income tax	441,920,517	33,012,701	10,289,569	0	485,222,787
Income tax, estimated	50,307,798	4,102,601	2,245,931	0	56,656,330
Income tax, deferred	130,163	0	0	0	130,163
Income tax, net	50,437,961	4,102,601	2,245,931	0	56,786,493
Net income	391,482,556	28,910,100	8,043,638	0	428,436,294
Total assets	21,191,496,427	486,811,274	83,574,017	469,904,284	21,291,977,434
Total liabilities	18,022,330,091	77,909,126	3,402,700	451,798,222	17,651,843,695

(14) Segment Information, continued

	June 30, 2025				
	Banking and Financial Activities	Insurance and Reinsurance	Pension and Retirement Fund	Eliminations	Total
Interest and commission income	668,335,534	10,591,147	1,510,117	9,706,638	670,730,160
Interest and provision expenses	235,863,142	(37,082)	0	9,706,638	226,119,422
Other income, net	157,839,550	19,751,853	9,669,499	6,881	187,254,021
General and administrative expenses	161,868,690	1,502,308	2,755,907	6,881	166,120,024
Depreciation and amortization expense	20,204,831	9,385	159,826	0	20,374,042
Equity participation in associates	7,554,813	0	0	0	7,554,813
Net income before income tax	415,793,234	28,868,389	8,263,883	0	452,925,506
Income tax, estimated	46,591,042	3,616,626	1,895,303	0	52,102,971
Income tax, deferred	2,321,504	0	0	0	2,321,504
Income tax, net	48,912,546	3,616,626	1,895,303	0	54,424,475
Net income	366,880,688	25,251,763	6,368,580	0	398,501,031
Total assets	19,922,176,466	435,548,921	73,087,553	405,910,062	20,024,902,878
Total liabilities	16,924,797,444	71,876,851	3,099,904	387,804,000	16,611,970,199

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

	June 30, 2026			
	Panama	Latin America and the Caribbean	United States of America and Others	Total
Income from interest and commissions, other net income and equity participation in associates	708,566,036	108,403,183	108,889,878	925,859,097
Non-financial	338,926,457	3,135,471	0	342,061,928

	June 30, 2025			
	Panama	Latin America and the Caribbean	United States of America and Others	Total
Income from interest and commissions, other net income and equity participation in associates	674,126,775	104,870,622	86,541,597	865,538,994
Non-financial	319,599,882	3,153,028	0	322,752,910

(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.

(15) Equity, continued

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

	June 30, 2026 Reserves					
	Dynamic	Foreclosed Assets	Loans in the process of awarding	Legal	Insurance	Total
Banco General, S. A.	148,847,919	7,719,269	8,454,160	0	0	165,021,348
General de Seguros, S. A.	0	0	0	0	47,957,846	47,957,846
Banco General (Overseas), Inc.	14,928,539	0	0	0	0	14,928,539
Banco General (Costa Rica), S. A.	3,783,023	0	0	4,720,529	0	8,503,552
Total	167,559,481	7,719,269	8,454,160	4,720,529	47,957,846	236,411,285

	December 31, 2025 Reserves					
	Dynamic	Foreclosed Assets	Loans in the process of awarding	Legal	Insurance	Total
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.	3,783,023	0	0	4,141,416	0	7,924,439
Total	161,157,236	6,069,723	10,569,862	4,141,416	46,313,967	228,252,204
Transfer (reversal) from retained earnings of the period	6,402,245	1,649,546	(2,115,702)	579,113	1,643,879	8,159,081

	June 30, 2025 Reserves					
	Dynamic	Foreclosed Assets	Loans in the process of awarding	Legal	Insurance	Total
Banco General, S. A.	139,009,941	4,402,680	14,418,793	0	0	157,831,414
General de Seguros, S. A.	0	0	0	0	44,786,925	44,786,925
Banco General (Overseas), Inc.	14,928,539	0	0	0	0	14,928,539
Banco General (Costa Rica), S. A.	3,783,023	0	0	4,141,416	0	7,924,439
Total	157,721,503	4,402,680	14,418,793	4,141,416	44,786,925	225,471,317

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.

(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/.778,073 (2025: B/.772,780). 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 June 30, 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/.40,800 (2025: B/.40,800) and the disbursements to former employees who are covered under the retirement plan amount to B/.74,359 (2025: B/.77,158).

(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:

Country	Tax rate
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.

(17) Income Tax, continued

Net income tax is detailed as follows:

	2nd Quarter June 30 2026	2nd Quarter June 30 2025	Accumulated June 30 2026	Accumulated June 30 2025
Estimated income tax	29,512,755	26,224,280	56,808,818	51,584,837
Prior period income tax adjustments	0	0	(152,488)	518,134
Deferred income tax	209,977	1,282,624	130,163	2,321,504
Total income tax, net	29,722,732	27,506,904	56,786,493	54,424,475

(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:

	Total		Exchange-Traded		Over the Counter (OTC) Liquidated in a securities exchange		Over the Counter (OTC) Other bilateral counterparts	
	Notional Value	Book Value	Notional Value	Book Value	Notional Value	Book Value	Notional Value	Book Value
June 30, 2026								
Derivative assets	1,693,566,584	40,231,438	399,789,740	0	622,017,525	33,261,044	671,759,319	6,970,394
Derivative liabilities	1,013,049,950	6,062,463	235,420,900	0	563,120,000	5,340,362	214,509,050	722,101
December 31, 2025								
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
June 30, 2025								
Derivative assets	2,029,954,184	34,394,244	476,155,260	0	787,927,943	32,385,452	765,870,981	2,008,792
Derivative liabilities	1,006,345,136	7,554,324	187,839,064	0	496,735,892	4,187,545	321,770,180	3,366,779

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 (June 30, 2025: AA+ and A-), which support derivative operations in the amount of B/.16.0MM (December 31, 2025: B/.17.5MM) and (June 30, 2025: B/.19.9MM).

(18) Derivative Financial Instruments, continued

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

Other Derivatives classified by Risk:

	June 30, 2026		December 31, 2025		June 30, 2025	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Others derivatives:						
Credit	1,702,075	0	771,410	0	824,186	3
Interest	23,479,619	5,967,727	20,140,489	3,344,978	20,737,238	4,487,538
Total	25,181,694	5,967,727	20,911,899	3,344,978	21,561,424	4,487,541

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

Hedge Derivatives for Risk Management:

	June 30, 2026		December 31, 2025		June 30, 2025	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Exposure to risk:						
Interest rate						
Fair value hedge	10,870,828	0	10,826,703	0	10,614,663	0
Others	2,144,730	0	2,071,628	0	1,926,593	33,640
Total interest rate	13,015,558	0	12,898,331	0	12,541,256	33,640
Currency						
Others	2,034,186	94,736	97,653	785,483	291,564	3,033,143
Total Currency	2,034,186	94,736	97,653	785,483	291,564	3,033,143
Total derivatives for risk exposure	15,049,744	94,736	12,995,984	785,483	12,832,820	3,066,783

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

June 30, 2026
Maturity

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

December 31, 2025
Maturity

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

June 30, 2025
Maturity

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

(18) Derivative Financial Instruments, continued

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

June 30, 2026

Interest rate risk:	Notional Value	Book Value Assets	Book Value Liabilities	Item in the condensed consolidated statement of financial position that includes hedge instruments	Change in fair value used for calculating hedge ineffectiveness	Ineffectiveness recognized in profit or loss
Interest rate derivatives – Bonds Hedge	49,900,000	10,870,828	0	Other assets (liabilities)	0	0
Total interest rate risk	49,900,000	10,870,828	0			

December 31, 2025

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

June 30, 2025

Interest rate risk:	Notional Value	Book Value Assets	Book Value Liabilities	Item in the condensed consolidated statement of financial position that includes hedge instruments	Change in fair value used for calculating hedge ineffectiveness	Ineffectiveness recognized in profit or loss
Interest rate derivatives – Bonds Hedge	49,900,000	10,614,663	0	Other assets (liabilities)	0	0
Total interest rate risk	49,900,000	10,614,663	0			

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

June 30, 2026

	Book Value Assets	Book Value Liabilities	Accumulated amount of fair value hedge item adjustments included in the carrying amount of the hedge item: Assets	Accumulated amount of fair value hedge item adjustments included in the carrying amount of the hedge item: Liabilities	Item in the condensed consolidated statement of financial position in which the hedge item is included	Change in the value used for calculating hedge ineffectiveness	Accumulated amount of fair value hedge adjustments remaining in the condensed consolidated statement of financial position for any hedge items that have ceased to be adjusted for hedging gains and losses
Bonds	44,459,362	0	0	9,135,767	Investment securities FVOCI	0	0

(18) Derivative Financial Instruments, continued

December 31, 2025

	Book Value		Accumulated amount of fair value hedge item adjustments included in the carrying amount of the hedge item		Item in the condensed consolidated statement of financial position in which the hedge item is included	Change in the value used for calculating hedge ineffectiveness	Accumulated amount of fair value hedge adjustments remaining in the condensed consolidated statement of financial position for any hedge items that have ceased to be adjusted for hedging gains and losses
	Assets	Liabilities	Assets	Liabilities			
Bonds	43,568,051	0	0	9,035,468	Investment securities FVOCI	0	0

June 30, 2025

	Book Value		Accumulated amount of fair value hedge item adjustments included in the carrying amount of the hedge item		Item in the condensed consolidated statement of financial position in which the hedge item is included	Change in the value used for calculating hedge ineffectiveness	Accumulated amount of fair value hedge adjustments remaining in the condensed consolidated statement of financial position for any hedge items that have ceased to be adjusted for hedging gains and losses
	Assets	Liabilities	Assets	Liabilities			
Bonds	40,263,700	0	0	8,767,807	Investment securities FVOCI	0	0

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

	June 30, 2026			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Other derivatives:				
Credit	0	1,702,075	0	1,702,075
Interest	0	23,479,619	0	23,479,619
Total	0	25,181,694	0	25,181,694
Hedge derivatives for risk management:				
Interest	0	13,015,558	0	13,015,558
Currency	0	2,034,186	0	2,034,186
Total	0	15,049,744	0	15,049,744
Total derivatives assets	0	40,231,438	0	40,231,438
Liabilities				
Other derivatives:				
Interest	0	5,967,727	0	5,967,727
Total	0	5,967,727	0	5,967,727
Hedge derivatives for risk management:				
Currency	0	94,736	0	94,736
Total	0	94,736	0	94,736
Total derivatives liabilities	0	6,062,463	0	6,062,463

(18) Derivative Financial Instruments, continued

	December 31, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Other derivatives:				
Credit	0	771,410	0	771,410
Interest	0	20,140,489	0	20,140,489
Total	0	20,911,899	0	20,911,899
Hedge derivatives for risk management:				
Interest	0	12,898,331	0	12,898,331
Currency	0	97,653	0	97,653
Total	0	12,995,984	0	12,995,984
Total derivatives assets	0	33,907,883	0	33,907,883
Liabilities				
Other derivatives:				
Interest	0	3,344,978	0	3,344,978
Total	0	3,344,978	0	3,344,978
Hedge derivatives for risk management:				
Currency	0	785,483	0	785,483
Total	0	785,483	0	785,483
Total derivatives liabilities	0	4,130,461	0	4,130,461

	June 30, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Other derivatives:				
Credit	0	824,186	0	824,186
Interest	0	20,737,238	0	20,737,238
Total	0	21,561,424	0	21,561,424
Hedge derivatives for risk management:				
Interest	0	12,541,256	0	12,541,256
Currency	0	291,564	0	291,564
Total	0	12,832,820	0	12,832,820
Total derivatives assets	0	34,394,244	0	34,394,244
Liabilities				
Other derivatives:				
Credit	0	3	0	3
Interest	0	4,487,538	0	4,487,538
Total	0	4,487,541	0	4,487,541
Hedge derivatives for risk management:				
Interest		33,640		33,640
Currency	0	3,033,143	0	3,033,143
Total	0	3,066,783	0	3,066,783
Total derivatives liabilities	0	7,554,324	0	7,554,324

(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.

(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

	June 30 2026	Level 1	Level 2	Level 3
Local Commercial Paper	44,000	0	0	44,000
Local Corporate Bonds and Fixed Income Funds	54,726,303	0	3,644,844	51,081,459
Bonds of the Republic of Panama	2,769,600	0	2,769,600	0
Local Corporate Shares	42,654,417	0	0	42,654,417
Foreign Treasury Bills	100,857	100,857	0	0
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	590,723,979	0	590,723,979	0
Asset Backed Securities (ABS)	77,619,619	0	77,619,619	0
Foreign Corporate Bonds and Fixed Income Funds	160,232,191	0	21,499,048	138,733,143
Foreign Corporate Shares and Variable Income Mutual Funds	673,728	0	0	673,728
Total	929,544,694	100,857	696,257,090	233,186,747

	December 31 2025	Level 1	Level 2	Level 3
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
Total	942,225,934	102,938	716,474,984	225,648,012

	June 30 2025	Level 1	Level 2	Level 3
Local Corporate Bonds and Fixed Income Funds	55,027,268	0	0	55,027,268
Bonds of the Republic of Panama	3,179,795	0	3,179,795	0
Local Corporate Shares	33,765,758	0	0	33,765,758
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	550,058,946	0	550,058,946	0
Asset Backed Securities (ABS)	72,215,202	0	72,215,202	0
Foreign Corporate Bonds and Fixed Income Funds	140,783,913	0	1,984,409	138,799,504
Foreign Corporate Shares and Variable Income Mutual Funds	1,610,465	0	0	1,610,465
Total	856,641,347	0	627,438,352	229,202,995

(19) Fair Value of Financial Instruments, continued

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

	June 30 2026	Level 1	Level 2	Level 3
Local Commercial Paper and Treasury Bills	88,676,342	0	0	88,676,342
Local Corporate Bonds	1,156,960,393	0	433,342,547	723,617,846
Bonds of the Republic of Panama	78,538,214	0	78,538,214	0
Bonds of the US Government	81,345,396	81,345,396	0	0
Foreign Treasury Bills	93,374,252	92,077,921	1,296,331	0
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	2,627,025,093	0	2,627,025,093	0
Asset Backed Securities (ABS)	126,057,014	0	126,057,014	0
Foreign Corporate Bonds	1,126,821,101	0	1,126,821,101	0
Other Governments Bonds	16,880,924	0	16,880,924	0
Total	5,395,678,729	173,423,317	4,409,961,224	812,294,188

	December 31 2025	Level 1	Level 2	Level 3
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
Total	5,022,886,623	223,171,390	4,032,603,948	767,111,285

	June 30 2025	Level 1	Level 2	Level 3
Local Commercial Paper and Treasury Bills	58,119,710	0	0	58,119,710
Local Corporate Bonds	1,142,603,368	0	407,466,797	735,136,571
Bonds of the Republic of Panama	90,856,819	0	90,856,819	0
Bonds of the US Government	119,030,352	119,030,352	0	0
Foreign Commercial Paper and Treasury Bills	75,871,329	74,696,682	1,174,647	0
Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMOs)	2,043,210,678	0	2,043,210,678	0
Asset Backed Securities (ABS)	117,743,762	0	117,743,762	0
Foreign Corporate Bonds	927,363,823	0	927,363,823	0
Other Governments Bonds	6,263,940	0	6,263,940	0
Total	4,581,063,781	193,727,034	3,594,080,466	793,256,281

(19) Fair Value of Financial Instruments, continued

Changes in Fair Value Measurement of Level 3 hierarchy

	Investments and other financial assets		
	Fair Value through Profit or Loss	**Fair Value through OCI**	**Total**
December 31, 2025	225,648,012	767,111,285	992,759,297
Gain recognized in income	4,880,759	0	4,880,759
Loss recognized in equity	0	(3,165,717)	(3,165,717)
Purchases	11,450,095	144,118,503	155,568,598
Amortization, sales and redemptions	(8,792,119)	(95,769,883)	(104,562,002)
June 30, 2026	233,186,747	812,294,188	1,045,480,935
Total gain (loss) related to instruments held as of June 30, 2026	4,702,510	(3,229,020)	1,473,490
December 31, 2024	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	(57,371,719)	(259,749,165)	(317,120,884)
December 31, 2025	225,648,012	767,111,285	992,759,297
Total gain (loss) related to instruments held as of December 31, 2025	(1,100,933)	4,329,147	3,228,214
December 31, 2024	216,666,301	764,553,221	981,219,522
Loss recognized in income	0	(2,870,491)	(2,870,491)
Gain recognized in equity	2,992,857	0	2,992,857
Purchases	55,869,517	165,380,084	221,249,601
Amortization, sales and redemptions	(46,325,680)	(133,806,533)	(180,132,213)
June 30, 2025	229,202,995	793,256,281	1,022,459,276
Total (loss) gain related to instruments held as of June 30, 2025	2,788,078	(2,851,950)	(63,872)

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

(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 June 30 2026	December 31 2025	June 30 2025	Fair value sensitivity to unobservable inputs
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 0.42% Max 10.33% Ave 1.70%	Min 0.99% Max 7.92% Ave 2.17%	Min 1.11% Max 8.21% 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

(19) Fair Value of Financial Instruments, continued

Instrument	Valuation technique	Inputs used	Level
Private MBS / CMOs and ABS	Discounted cash flows model	Features of collateral Treasury yield Yield curves Expected cash flow and losses Market assumptions related to discount rates, prepayments, losses and recoveries	2
Foreign Shares	Quoted market prices	Observable quoted prices	1-3
	Carrying Amount Model	Equity Issued and outstanding shares	
Investment Vehicles	Net asset value	Net asset value	3

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

	June 30, 2026			
	Fair Value Effect in profit or loss		FV OCI Effect in equity	
	Favorable	(Unfavorable)	Favorable	(Unfavorable)
Fixed Income	4,043	(11,987)	6,897,959	(7,341,508)
Corporate Shares	2,697,176	(2,392,091)	0	0
Total	2,701,219	(2,404,078)	6,897,959	(7,341,508)

	December 31, 2025			
	Fair Value Effect in profit or loss		FV OCI Effect in equity	
	Favorable	(Unfavorable)	Favorable	(Unfavorable)
Fixed Income	1,692	(13,581)	4,403,427	(5,813,651)
Corporate Shares	2,325,708	(2,071,731)	0	0
Total	2,327,400	(2,085,312)	4,403,427	(5,813,651)

	June 30, 2025			
	Fair Value Effect in profit or loss		FV OCI Effect in equity	
	Favorable	(Unfavorable)	Favorable	(Unfavorable)
Fixed Income	48,834	(58,406)	5,933,516	(7,886,435)
Corporate Shares	1,768,468	(1,621,504)	0	0
Total	1,817,302	(1,679,910)	5,933,516	(7,886,435)

(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:

	June 30, 2026		December 31, 2025		June 30, 2025	
	Book Value	Fair Value	Book Value	Fair Value	Book Value	Fair Value
Assets:						
Time deposits with banks	20,984,143	20,972,884	46,019,714	46,018,323	21,016,528	21,012,707
Investments at amortized cost, net	42,659,279	42,666,263	3,189,982	3,191,513	72,399,876	72,414,376
Loans, net	13,116,825,862	12,933,120,353	12,959,484,038	12,819,288,283	12,670,955,785	12,556,670,637
Other financial assets	280,541,884	280,541,884	309,118,600	309,118,600	266,546,553	266,546,553
	13,461,011,168	13,277,301,384	13,317,812,334	13,177,616,719	13,030,918,742	12,916,644,273
Liabilities:						
Deposits	15,055,086,826	15,091,172,690	14,932,704,443	14,974,746,919	14,123,555,782	14,071,691,424
Securities sold under repurchase agreements, borrowings, debt securities issued and perpetual bonds	1,239,523,223	1,096,916,744	1,112,270,337	977,026,969	1,173,838,528	1,026,211,607
Other financial liabilities	586,061,689	586,061,689	655,459,118	655,459,118	554,176,584	554,176,584
	16,880,671,738	16,774,151,123	16,700,433,898	16,607,233,006	15,851,570,894	15,652,079,615

(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:

	Junio 30 2026	Level 1	Level 2	Level 3
Assets:				
Time deposits with banks	20,972,884	0	0	20,972,884
Investments at amortized cost, net	42,666,263	0	30,603,137	12,063,126
Loans, net	12,933,120,353	0	0	12,933,120,353
Other financial assets	280,541,884	0	0	280,541,884
	13,277,301,384	0	30,603,137	13,246,698,247
Liabilities:				
Deposits	15,091,172,690	0	0	15,091,172,690
Securities sold under repurchase agreements, borrowings, debt securities issued and perpetual bonds	1,096,916,744	0	0	1,096,916,744
Other financial liabilities	586,061,689	0	0	586,061,689
	16,774,151,123	0	0	16,774,151,123

	December 31 2025	Level 1	Level 2	Level 3
Assets:				
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
	13,177,616,719	0	0	13,177,616,719
Liabilities:				
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
	16,607,233,006	0	0	16,607,233,006

	June 30 2025	Level 1	Level 2	Level 3
Assets:				
Time deposits with banks	21,012,707	0	0	21,012,707
Investments at amortized cost, net	72,414,376	0	66,708,226	5,706,150
Loans, net	12,556,670,637	0	0	12,556,670,637
Other financial assets	266,546,553	0	0	266,546,553
	12,916,644,273	0	66,708,226	12,849,936,047
Liabilities:				
Deposits	14,071,691,424	0	0	14,071,691,424
Borrowings, debt securities issued and perpetual bonds	1,026,211,607	0	0	1,026,211,607
Other financial liabilities	554,176,584	0	0	554,176,584
	15,652,079,615	0	0	15,652,079,615

(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 polices 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.

(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:

		June 30, 2026 (in thousands)		
	12-month ECL	Lifetime ECL Not credit-impaired	Lifetime ECL credit-impaired	Total
Loans at amortized cost				
Grade 1: Standard	11,699,393	464,513	0	12,163,906
Grade 2: Special mention	31,339	502,902	19,316	553,557
Grade 3: Sub-standard	0	342,099	66,958	409,057
Grade 4: Doubtful	0	2,878	54,921	57,799
Grade 5: Uncollectible	0	1,119	132,978	134,097
Gross amount	11,730,732	1,313,511	274,173	13,318,416
Loan losses allowance	(86,348)	(188,144)	(69,284)	(343,776)
Net carrying amount	11,644,384	1,125,367	204,889	12,974,640
Finance leases				
Grade 1: Standard	126,803	1,038	0	127,841
Grade 2: Special mention	95	3,436	249	3,780
Grade 3: Sub-standard	0	0	211	211
Gross amount	126,898	4,474	460	131,832
Loan losses allowance	(328)	(134)	(64)	(526)
Net carrying amount	126,570	4,340	396	131,306
Total loans	11,857,630	1,317,985	274,633	13,450,248
Loan losses allowance	(86,676)	(188,278)	(69,348)	(344,302)
Net carrying amount	11,770,954	1,129,707	205,285	13,105,946
Restructured loans				
Gross amount	5	406,709	137,932	544,646
Loan losses allowance	(1)	(67,224)	(28,920)	(96,145)
Net carrying amount	4	339,485	109,012	448,501

(20) Financial Instruments Risk Management, continued

	December 31, 2025 (in thousands)			
	12-month ECL	**Lifetime ECL Not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
Loans at amortized cost				
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	11,438,054	1,169,728	214,598	12,822,380
Finance leases				
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	117,632	3,525	182	121,339
Total loans	11,642,531	1,364,501	281,918	13,288,950
Loan losses allowance	(86,845)	(191,248)	(67,138)	(345,231)
Net carrying amount	11,555,686	1,173,253	214,780	12,943,719
Restructured loans				
Gross amount	73	445,304	141,588	586,965
Loan losses allowance	(6)	(69,658)	(29,911)	(99,575)
Net carrying amount	67	375,646	111,677	487,390

(20) Financial Instruments Risk Management, continued

	June 30, 2025 (in thousands)			
	12-month ECL	**Lifetime ECL Not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
Loans at amortized cost				
Grade 1: Standard	11,108,933	451,173	0	11,560,106
Grade 2: Special mention	83,804	522,280	17,067	623,151
Grade 3: Sub-standard	3,541	414,108	117,681	535,330
Grade 4: Doubtful	0	5,395	63,871	69,266
Grade 5: Uncollectible	0	2,587	107,894	110,481
Gross amount	11,196,278	1,395,543	306,513	12,898,334
Loan losses allowance	(85,061)	(202,433)	(68,904)	(356,398)
Net carrying amount	11,111,217	1,193,110	237,609	12,541,936
Finance leases				
Grade 1: Standard	109,810	1,751	0	111,561
Grade 2: Special mention	34	2,427	26	2,487
Grade 3: Sub-standard	0	681	38	719
Grade 4: Doubtful	0	0	8	8
Gross amount	109,844	4,859	72	114,775
Loan losses allowance	(365)	(163)	(14)	(542)
Net carrying amount	109,479	4,696	58	114,233
Total loans	11,306,122	1,400,402	306,585	13,013,109
Loan losses allowance	(85,426)	(202,596)	(68,918)	(356,940)
Net carrying amount	11,220,696	1,197,806	237,667	12,656,169
Restructured loans				
Gross amount	1,728	525,687	168,109	695,524
Loan losses allowance	(201)	(79,867)	(32,885)	(112,953)
Net carrying amount	1,527	445,820	135,224	582,571

(20) Financial Instruments Risk Management, continued

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

	June 30, 2026		
	Banco General, S. A.	**Subsidiaries**	**Total**
Current	11,689,189,534	970,078,889	12,659,268,423
From 31 to 90 days	468,455,102	3,507,712	471,962,814
More than 90 days (capital or interest)	241,028,086	3,083,920	244,112,006
More than 30 days past due (capital at maturity)	74,794,913	109,749	74,904,662
Total	12,473,467,635	976,780,270	13,450,247,905

	December 31, 2025		
	Banco General, S. A.	**Subsidiaries**	**Total**
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)	74,287,153	20,726	74,307,879
Total	12,282,559,591	1,006,390,550	13,288,950,141

	June 30, 2025		
	Banco General, S. A.	**Subsidiaries**	**Total**
Current	11,146,300,962	1,039,517,441	12,185,818,403
From 31 to 90 days	481,247,877	4,492,135	485,740,012
More than 90 days (capital or interest)	260,124,075	3,842,044	263,966,119
More than 30 days past due (capital at maturity)	77,560,931	23,416	77,584,347
Total	11,965,233,845	1,047,875,036	13,013,108,881

(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/.43,328,145 (December 31, 2025: B/.37,089,829) and (June 30, 2025: B/.35,376,223) which are not subject to credit risk:

	June 30, 2026				
	12-month ECL	Lifetime ECL Not credit-impaired	Lifetime ECL credit-impaired	Purchased credit-impaired	Total
At Amortized Cost					
Foreign:					
AAA to AA+	30,600,000	0	0	0	30,600,000
Lower than BBB-	12,061,878	0	0	0	12,061,878
Carrying amount	42,661,878	0	0	0	42,661,878
Loss allowance	(6,984)	0	0	0	(6,984)
Total carrying amount, net	42,654,894	0	0	0	42,654,894
At FVOCI					
Local:					
AA to BBB-	235,702,118	0	0	0	235,702,118
Lower than BBB-	1,075,447,529	13,025,302	0	0	1,088,472,831
Carrying amount	1,311,149,647	13,025,302	0	0	1,324,174,949
Valuation of credit risk	(3,384,839)	(88,387)	0	0	(3,473,226)
Foreign:					
AAA to AA+	2,882,350,181	0	0	0	2,882,350,181
AA to BBB-	899,662,534	0	0	0	899,662,534
Lower than BBB-	287,714,181	1,522,032	36,000	218,852	289,491,065
Carrying amount	4,069,726,896	1,522,032	36,000	218,852	4,071,503,780
Valuation of credit risk	(6,765,687)	(651)	(564,000)	(34,035)	(7,364,373)
Total carrying amount	5,380,876,543	14,547,334	36,000	218,852	5,395,678,729
Total valuation of credit risk	(10,150,526)	(89,038)	(564,000)	(34,035)	(10,837,599)
At Fair Value TPL					
Local:					
Lower than BBB-	57,539,903				
Carrying amount	57,539,903				
Foreign:					
AAA to AA+	568,571,102				
AA to BBB-	211,084,071				
Lower than BBB-	49,007,646				
NR	13,827				
Carrying amount	828,676,646				
Total carrying amount	886,216,549				

(20) Financial Instruments Risk Management, continued

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

(20) Financial Instruments Risk Management, continued

			June 30, 2025		
	12-month ECL	Lifetime ECL Not credit-impaired	Lifetime ECL credit-impaired	Purchased credit-impaired	Total
At Amortized Cost					
Foreign:					
AAA to AA+	66,700,000	0	0	0	66,700,000
Lower than BBB-	5,705,516	0	0	0	5,705,516
Carrying amount	72,405,516	0	0	0	72,405,516
Loss allowance	(14,500)	0	0	0	(14,500)
Total carrying amount, net	72,391,016	0	0	0	72,391,016
At FVOCI					
Local:					
AA to BBB-	258,025,483	0	0	0	258,025,483
Lower than BBB-	980,238,085	53,316,329	0	0	1,033,554,414
Carrying amount	1,238,263,568	53,316,329	0	0	1,291,579,897
Valuation of credit risk	(3,927,920)	(480,973)	0	0	(4,408,893)
Foreign:					
AAA to AA+	2,296,066,330	0	0	0	2,296,066,330
AA to BBB-	756,961,371	0	0	0	756,961,371
Lower than BBB-	234,626,575	1,612,784	0	216,824	236,456,183
Carrying amount	3,287,654,276	1,612,784	0	216,824	3,289,483,884
Valuation of credit risk	(5,388,523)	(564,781)	0	(4,673)	(5,957,977)
Total carrying amount	4,525,917,844	54,929,113	0	216,824	4,581,063,781
Total valuation of credit risk	(9,316,443)	(1,045,754)	0	(4,673)	(10,366,870)
At Fair Value TPL					
Local:					
Lower than BBB-	58,207,063				
Carrying amount	58,207,063				
Foreign:					
AAA to AA+	528,598,650				
AA to BBB-	197,054,631				
Lower than BBB-	36,991,103				
NR	413,677				
Carrying amount	763,058,061				
Total carrying amount	821,265,124				

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.

(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:

	June 30, 2026				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased credit-impaired	Total
Balance at the beginning of the period	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	(233,471)	(13,135)	0	8,024	(238,582)
New securities purchased	2,247,010	0	0	0	2,247,010
Investment securities that have been derecognized	(1,395,536)	(230,729)	0	(188)	(1,626,453)
Balance at the end of the period	10,150,526	89,038	564,000	34,035	10,837,599

	December 31, 2025				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased credit-impaired	Total
Balance at the beginning of the year	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 securities purchased	3,010,879	37,331	0	0	3,048,210
Investment securities that have been derecognized	(2,295,933)	(74)	0	(57)	(2,296,064)
Balance at the end of the year	9,532,523	332,902	564,000	26,199	10,455,624

	June 30, 2025				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased credit-impaired	Total
Balance at the beginning of the period	8,615,695	720,047	0	3,087	9,338,829
Transferred to 12-month ECL	0	0	0	0	0
Transfer of 12-month ECL to lifetime ECL not credit-impaired	(34,478)	34,478	0	0	0
Transfer of 12-month ECL to lifetime ECL credit-impaired	0	0	0	0	0
Net remeasurement of portfolio	376,522	291,265	0	1,627	669,414
New securities purchased	1,813,607	0	0	0	1,813,607
Investment securities that have been derecognized	(1,454,903)	(36)	0	(41)	(1,454,980)
Balance at the end of the period	9,316,443	1,045,754	0	4,673	10,366,870

(21) Main Applicable Laws and Regulations

As of June 30, 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%.

(21) Main Applicable Laws and Regulations, continued

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

	June 30 2026	December 31 2025	June 30 2025
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.	3,783,023	3,783,023	3,783,023
Total	167,559,481	161,157,236	157,721,503