



# Banco Latinoamericano de Comercio Exterior, S.A. ("Bladex")

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Corporate Presentation  
As of September 30, 2021

**BLX**  
**LISTED**  
**NYSE**

*This presentation contains forward-looking statements of expected future developments within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements can be identified by words such as: “anticipate”, “intend”, “plan”, “goal”, “seek”, “believe”, “project”, “estimate”, “expect”, “strategy”, “future”, “likely”, “may”, “should”, “will” and similar references to future periods. The forward-looking statements in this presentation include the Bank’s financial position, asset quality and profitability, among others. These forward-looking statements reflect the expectations of the Bank’s management and are based on currently available data; however, actual performance and results are subject to future events and uncertainties, which could materially impact the Bank’s expectations. Among the factors that can cause actual performance and results to differ materially are as follows: the coronavirus (COVID-19) pandemic and government actions intended to limit its spread; the anticipated changes in the Bank’s credit portfolio; the continuation of the Bank’s preferred creditor status; the impact of increasing/decreasing interest rates and of the macroeconomic environment in the Region on the Bank’s financial condition; the execution of the Bank’s strategies and initiatives, including its revenue diversification strategy; the adequacy of the Bank’s allowance for expected credit losses; the need for additional allowance for expected credit losses; the Bank’s ability to achieve future growth, to reduce its liquidity levels and increase its leverage; the Bank’s ability to maintain its investment-grade credit ratings; the availability and mix of future sources of funding for the Bank’s lending operations; potential trading losses; the possibility of fraud; and the adequacy of the Bank’s sources of liquidity to replace deposit withdrawals. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.*



1

Bladex's distinctive structure and business fundamentals support its long-standing franchise throughout the Latin American Region

2

The Bank's unique business model enables proactive management through economic cycles, representing a key differentiating advantage

3

Bladex's sustained portfolio growth and pristine balance sheet structure position the Bank to leverage on new business opportunities



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# Bladex has developed a strong franchise with 40+ years of experience, through a broad footprint across Latin America and deep understanding of the Region's risks and opportunities



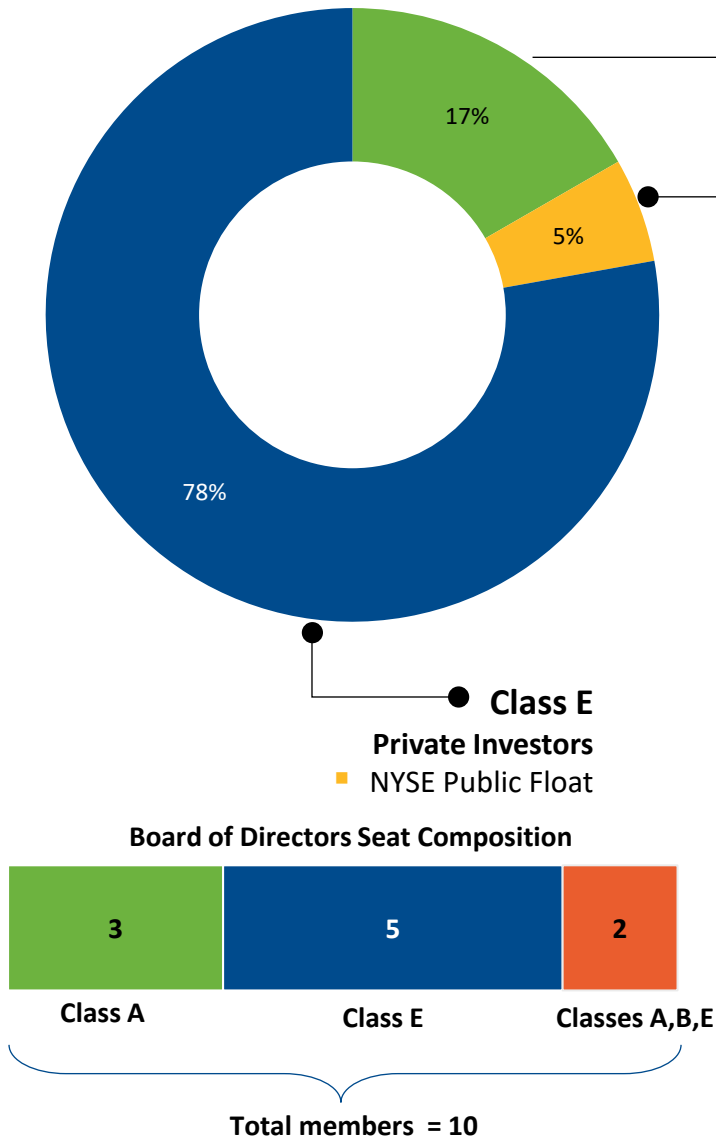
▶ Main Office    
 ▶ Representative Offices    
 ▶ Agency    
 ▶ Representative License

## Credit Ratings

	Rating date	Short-term	Long-term	Outlook
S&P	14 apr 2021	A-2	BBB	Stable
Moody's	27 may 2020	P-2	Baa2	Stable
Fitch	01 sep 2021	F3	BBB	Stable

- Bladex was founded in 1978 by 23 **Central Banks** from Latin American & the Caribbean, with the participation of other financial institutions and the IFC to **promote trade and regional integration**
- Bladex's **multinational DNA** is embedded in its regional presence, ownership structure, management and organizational culture
- In 1992, Bladex became the first Latin American bank to be **listed on the NYSE (BLX)**, and to obtain **Investment Grade** rating
- Bladex is rated by the **three main Rating Agencies**, of which all made a change of outlook to **Stable during the Covid-19 crisis**
- Bladex is subject to multi-country regulators, including:
  - Superintendence of Banks of Panama
  - U.S. Federal Reserve Board (New York)
  - New York State Department of Financial Services
  - U.S. Securities and Exchange Commission
  - Mexican Banking and Securities Commission

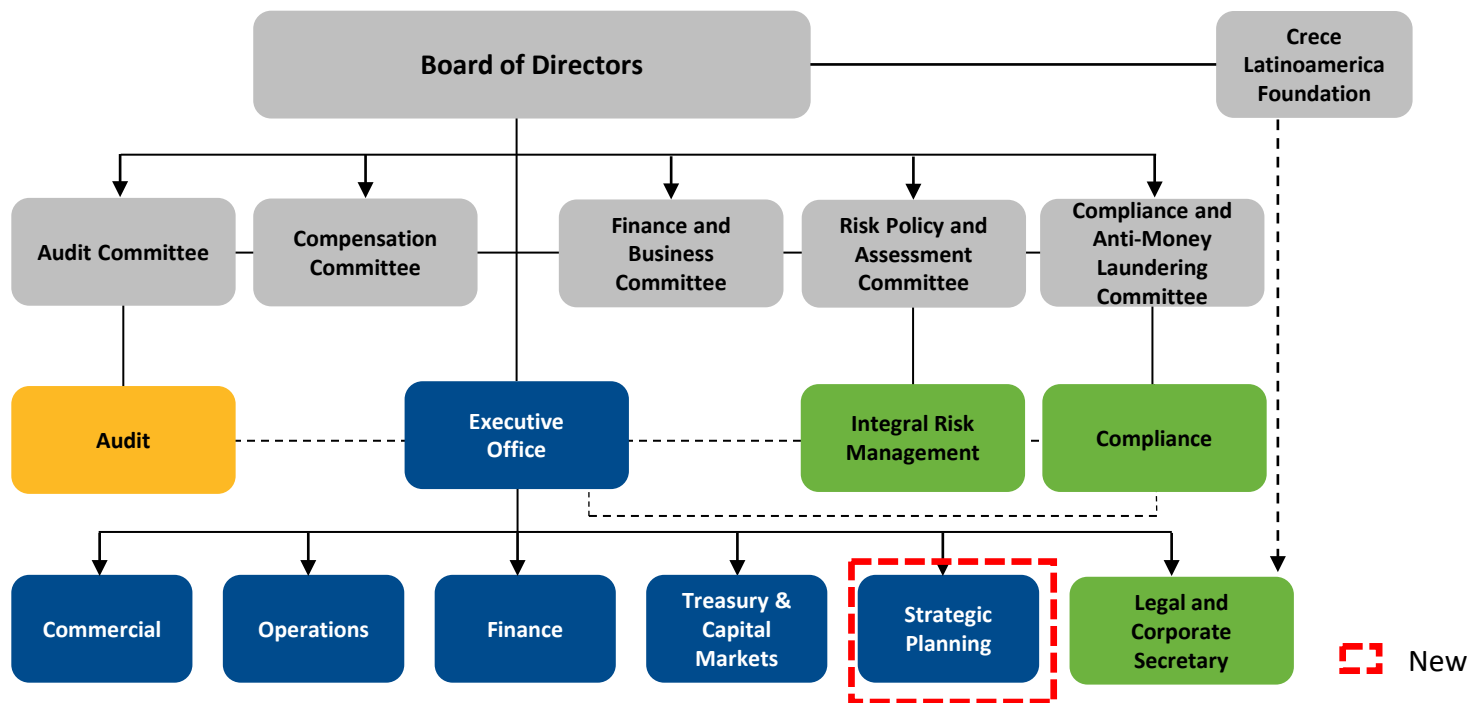
# Bladex's unique shareholder structure reinforces the Bank's Corporate Governance and fosters a holistic view in decision making to fulfill its mission of promoting regional trade and integration



- **Class A**  
**Central Banks and designated state institutions of 23 countries of Latin America and the Caribbean**
  - Direct link between the Bank and the governments of Latin America
  - Main source of Bladex's deposits, which have proven to be a stable funding source, even during periods of market volatility
  - Super-majority rights: changes in the Bank's Articles of Incorporation, dissolution or mergers require 75% Class A approval
  - Preferred Creditor Status in distressed scenarios

- **Class B**  
**LatAm & international banks and financial institutions**
  - 1-to-1 convertibility rights into Class E shares

# Well established world-class Corporate Governance centered on Enterprise-Wide Risk Management. The recently incorporated Strategic Planning unit enhances internal effectiveness and alignment



## First Line of Defense

- Includes the Business Units and related departments, where opportunities that meet the Bank's risk appetite are originated and executed

## Second Line of Defense

- Oversees that risks are managed in line with the defined level of risk appetite and in total compliance with all current regulations
- The Comprehensive Risk Management unit reports directly to the Board's Risk Policy & Assessment Committee
- The Compliance Department reports directly to the Board's Compliance & Anti-Money Laundering Committee

## Third Line of Defense

- The Internal Audit unit reports directly and with complete independence to the Board's Audit Committee
- Its responsibility is focused on regular assessments of the Bank's policies, methods and procedures and their effective implementation

## Bladex's business model focuses on top-tier clients throughout Latin America and the Caribbean, with participation in each country's strategic sectors

### Client Base

#### Top Tier

- Top-tier customer base spanning most of the countries in the Region
- Network of industry-leading clients, with extensive understanding of their financial needs and access to their key decision makers
- Focus on US Dollar generation clients with growth oriented beyond their domestic markets

### Segments / Products


#### Commercial and Treasury

- Bilateral loans (Foreign trade and Working Capital)
- Syndication and Structuring
- Structured foreign trade financing, letters of credit, Stand-by letters of credit, among others.
- Investment Portfolio
- Treasury services

### Industry

#### Strategic Sectors

- Deep and up-to-date knowledge of Latin American economies and most relevant industries
- Main focus on Financial Institutions, complemented by a well diversified exposure to corporates in various industries



**Bladex has a long-standing commitment to the Region, with USD 308 billion in cumulative credits granted since the Bank's inception**



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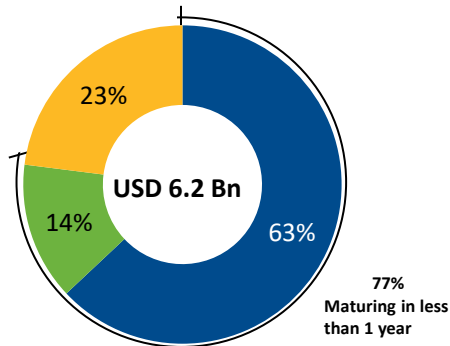
3

Bladex's sustained portfolio growth and pristine balance sheet structure position the Bank to leverage on new business opportunities

# Bladex's Business Model allows to rebalance credit risk swiftly. Its portfolio quality continues to rely upon the short-term nature of its loans, coupled with the high quality of its client base and regional diversification



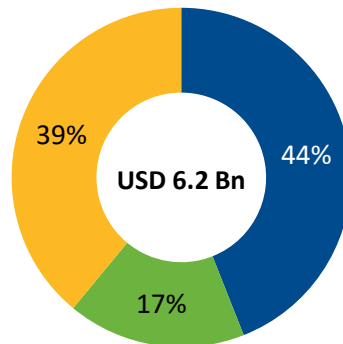
% as of 30Sep21



- Short-term
- Medium & Long-term (current)
- Medium & Long-term

- 77% maturing in less than 1 year
- 69% of its original short-term portfolio in trade finance

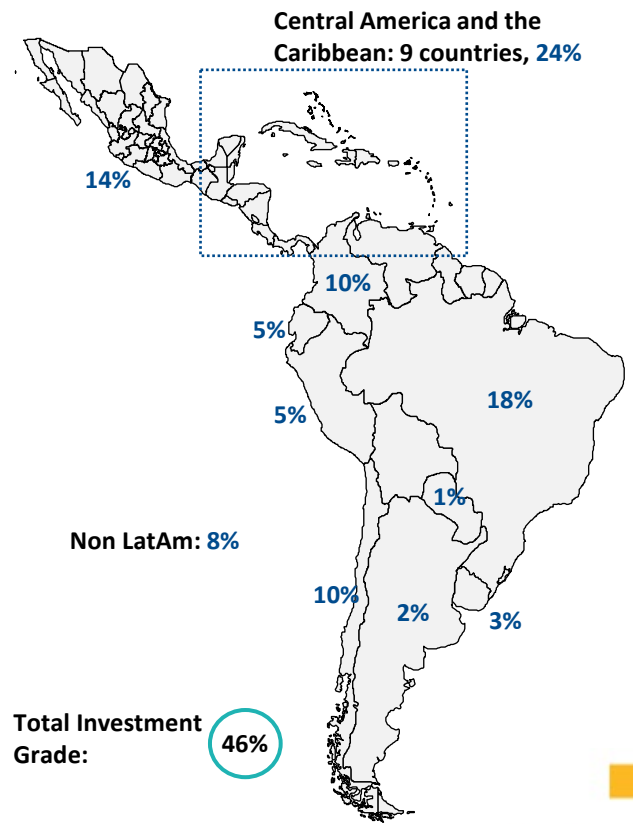
% as of 30Sep21



- Financial Institutions
- Sovereigns/Quasi-sovereigns
- Corporations

- Main financial institutions of each country, systemic
- USD generators
- Access to Capital Markets
- Minimum sales of USD \$200 millions
- Good Corporate Governance practices

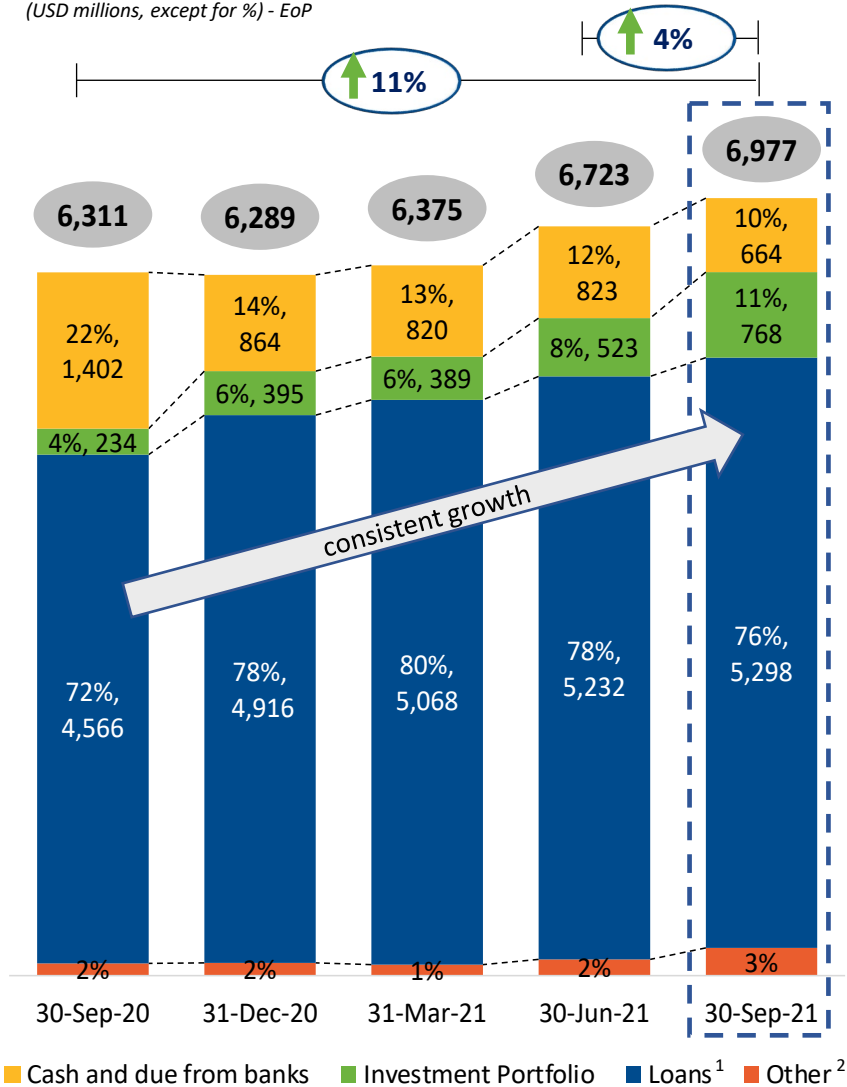
% as of 30Sep21



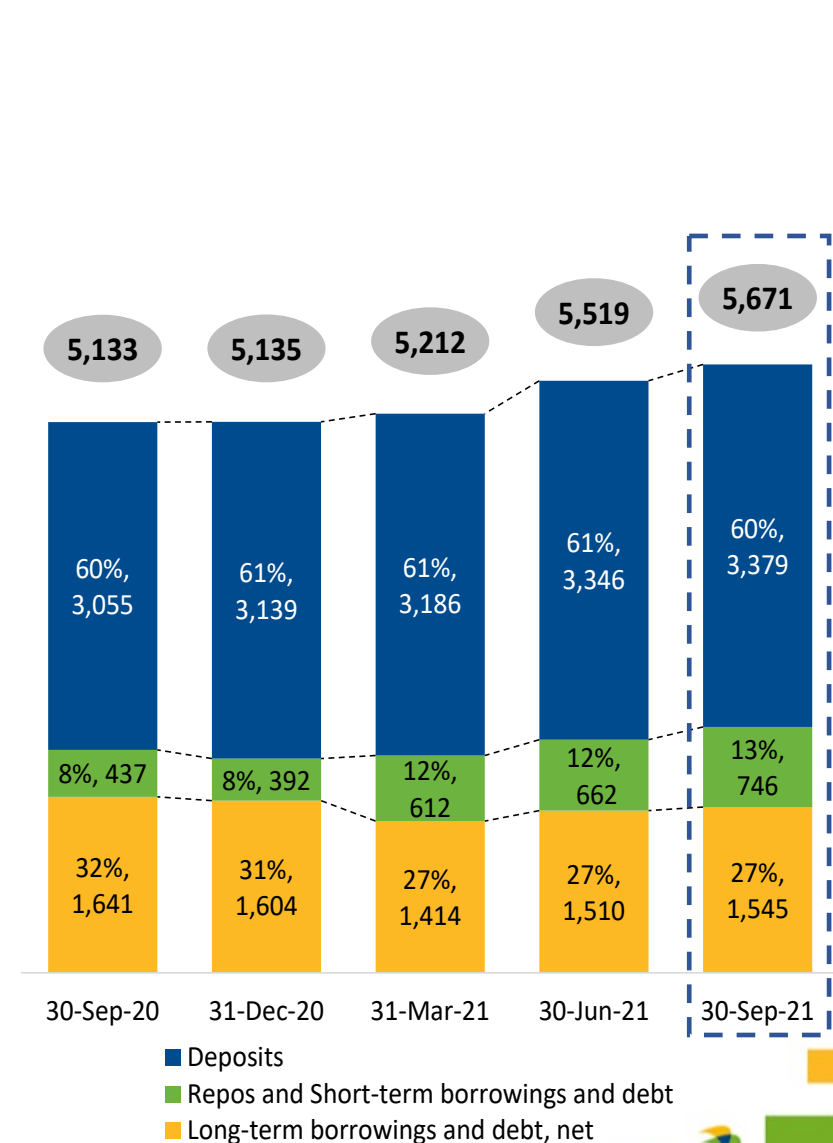
# Assets reaching close to \$7 billion on the back of sustained Credit Portfolio growth, financed by a robust deposit base and ample availability of diversified funding sources in the interbank and capital markets

## Total Assets

(USD millions, except for %) - EoP



## Funding Structure



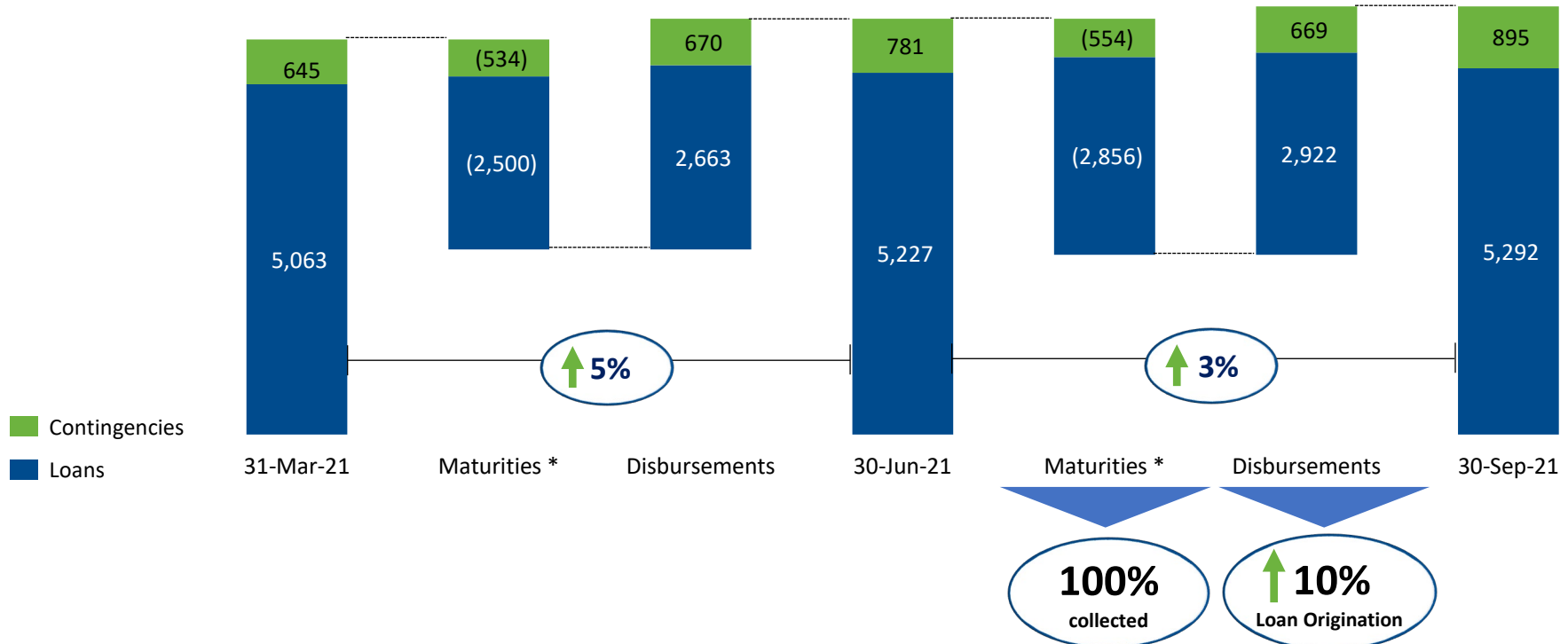
(1) Loans refers to loans at amortized cost and loans at fair value through profit or loss

(2) Other Include Interest receivable securities; Allowance for securities losses; Interest receivable loans; Allowance for loan losses; Unearned interest and deferred fees loans; Customers' liabilities under acceptances; Derivative financial instruments – assets; Equipment and leasehold improvements, net; Intangibles, net; Investment properties and Other assets

# New origination close to \$3.6 billion for the third quarter, with higher lending spreads (+17bps vs maturities), driving the Commercial Portfolio's continued quarterly growth trend and increased average lending spreads QoQ

(USD millions, except for %) - QoQ

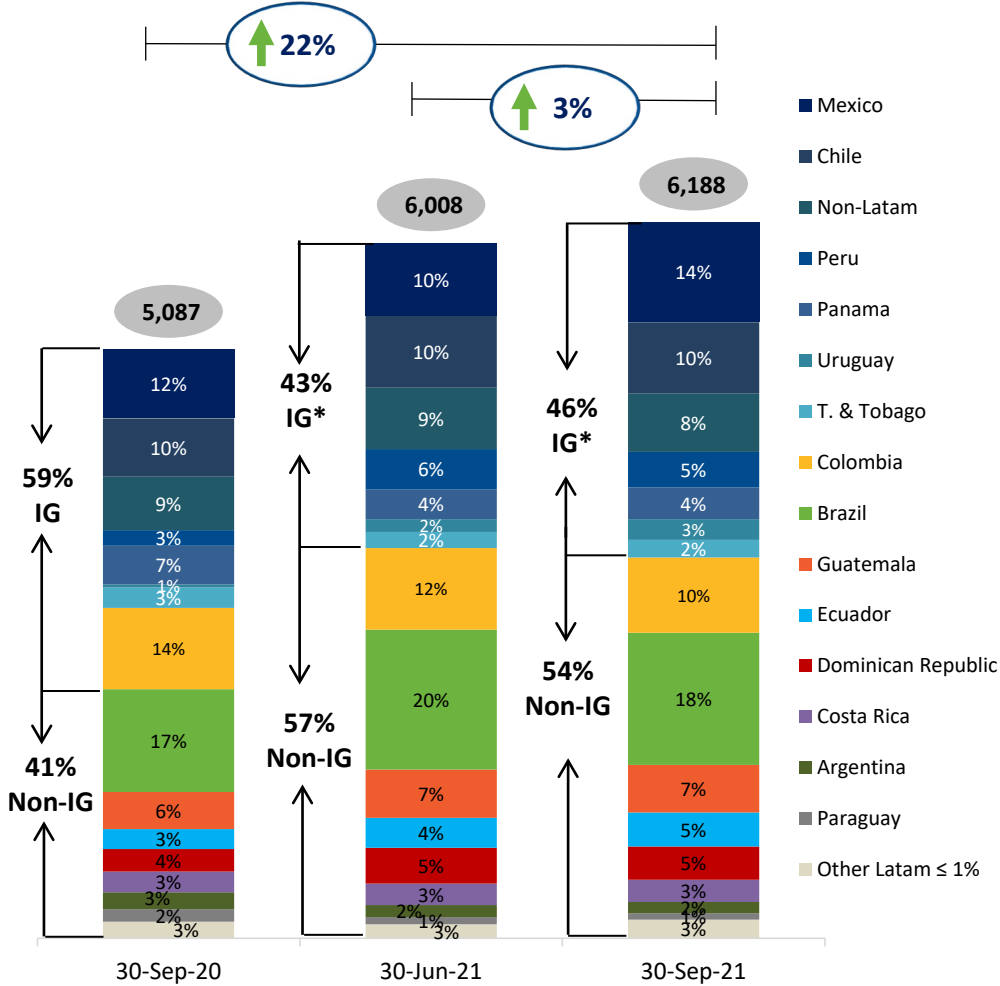
	1Q21 AVG L+2.10%			2Q21 AVG L+1.98%			3Q21 AVG L+2.07%		
Loan Portfolio Average Interest Rate	L+ 2.04%	L+ 1.83%	L+ 1.75%	L+ 1.99%	L+ 1.64%	L+ 1.81%	L+ 2.08%		
Total	5,708	(3,033)	+3,333	6,008	(3,411)	+3,591	6,188		



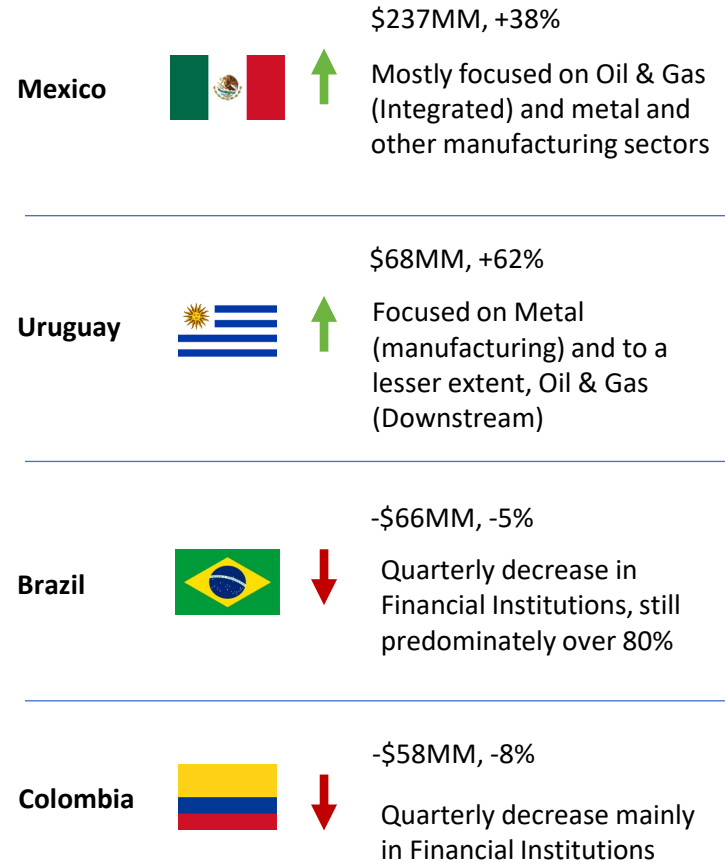
(\*) Includes prepayments and sales

# The Commercial Portfolio's expansion was centered on investment grade countries, preserving sound credit quality and well diversified exposure across the Region

## Commercial Portfolio by Country



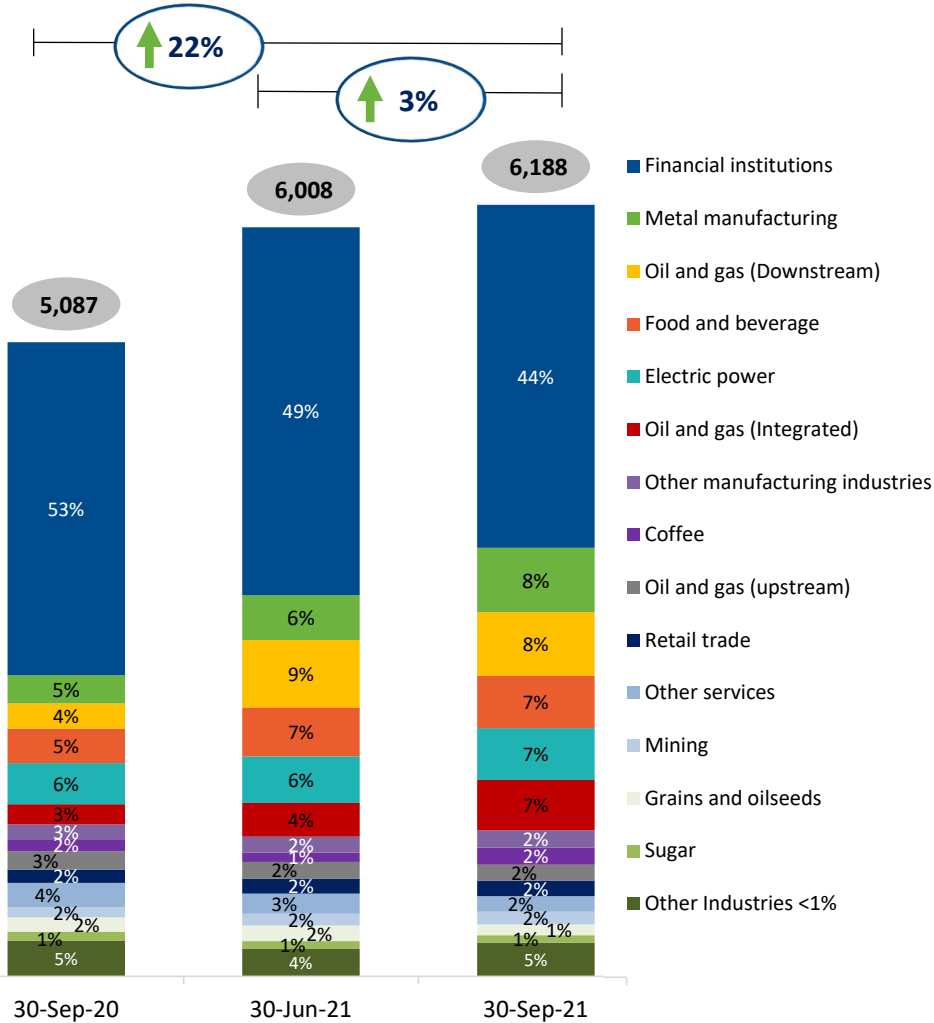
## QoQ Variation



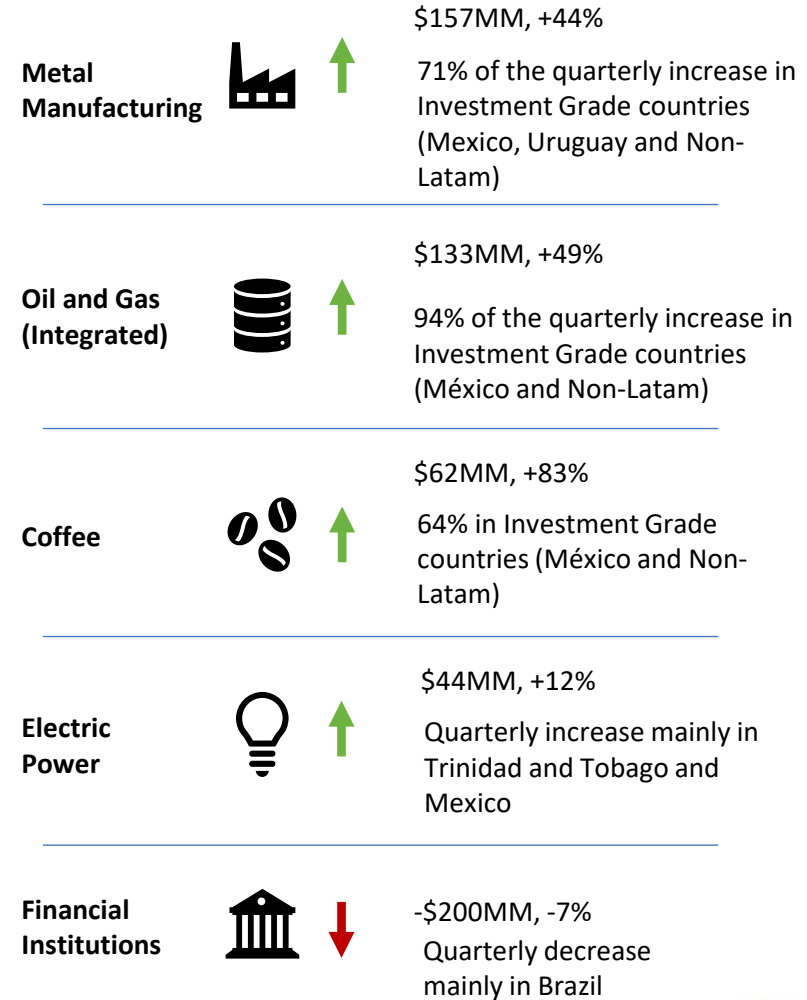
\* Even though Colombia is still rated investment grade by one of the major credit rating agencies, as of 2Q21, Bladex decided to classify it as non-investment grade following the downgrades by the two remaining main credit rating agencies

# Exposure by industry reflects growth tied to energy and commodity-related sectors, driven by elevated prices and trade flows

## Commercial Portfolio by Industry



## QoQ Variation

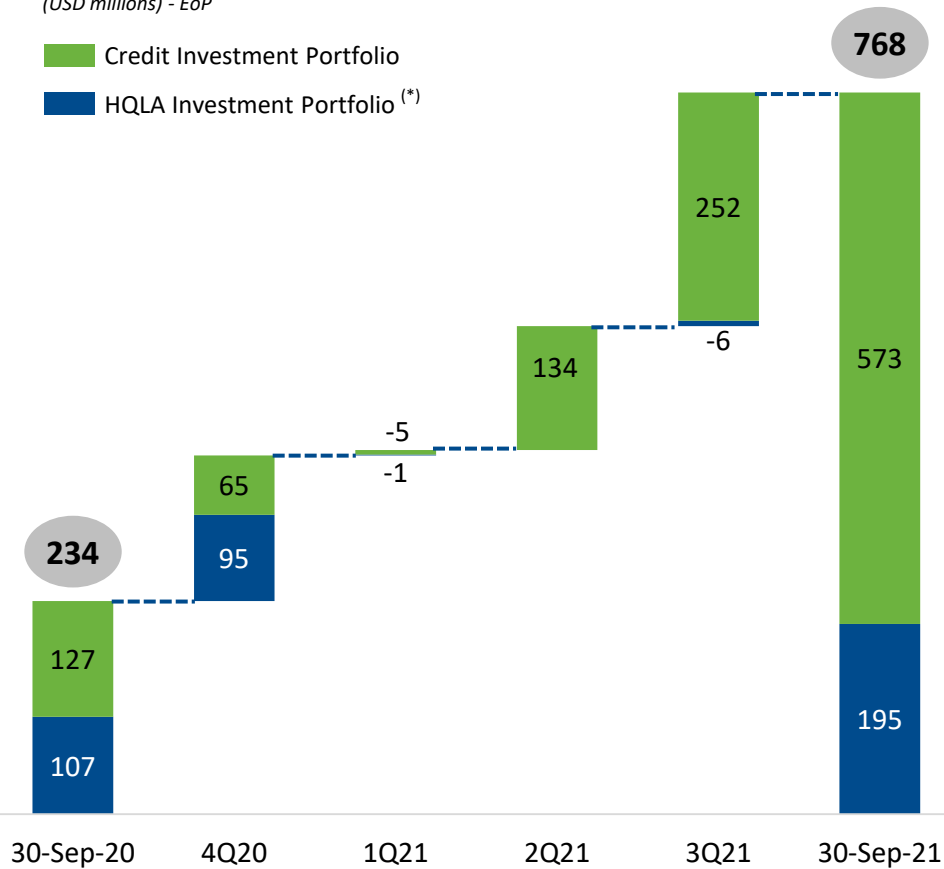


# Higher Credit Investment Portfolio aimed at complementing commercial initiatives; Stable HQLA\* Investment Portfolio enhancing liquidity yields

## Investment Portfolio

(USD millions) - EoP

■ Credit Investment Portfolio  
■ HQLA Investment Portfolio (\*)



**2.22%**  
Avg. Return

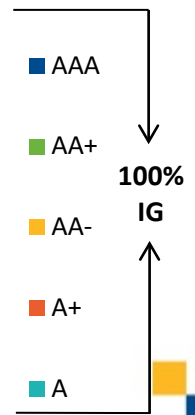
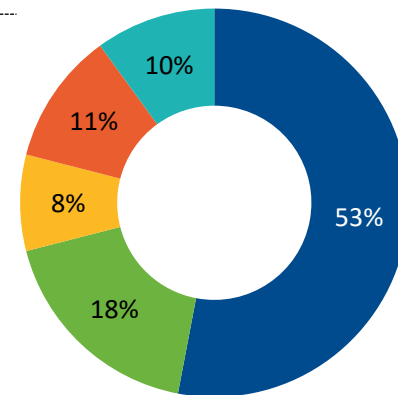
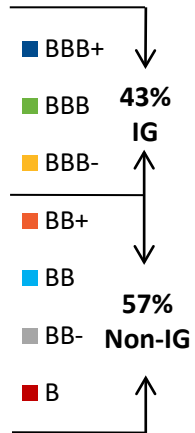
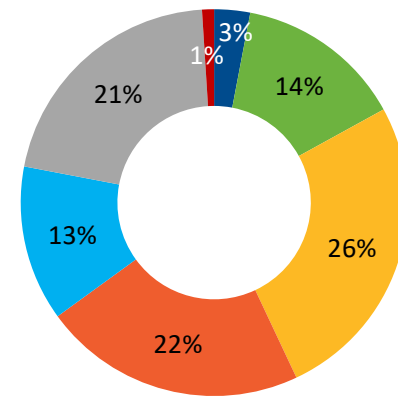
**2.5 years**  
Avg. Term to Maturity

**0.35%**  
Avg. Return

**1.1 years**  
Avg. Term to Maturity

## Credit Rating

% as of 30Sep21

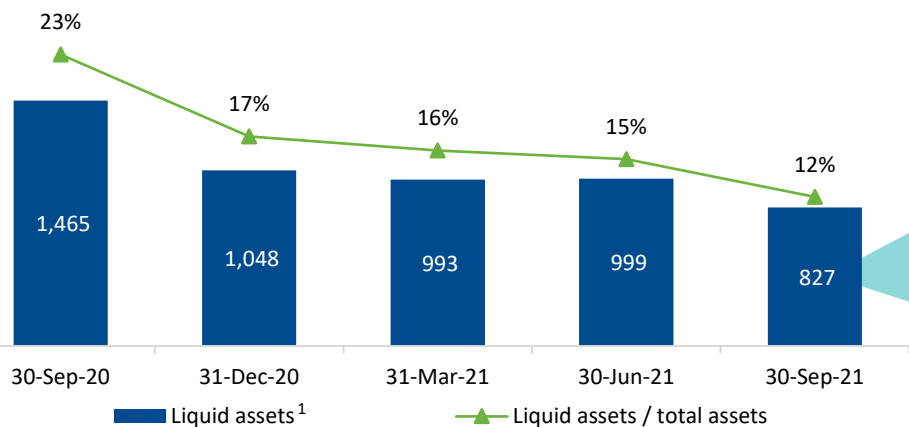


(\*) HQLA refers to "High Quality Liquid Assets" in accordance with the specifications of the Basel Committee.

# Bladex has a proven capacity to secure funding and maintain steady liquidity levels; the Bank's cash position is mainly placed with the Federal Reserve Bank of New York

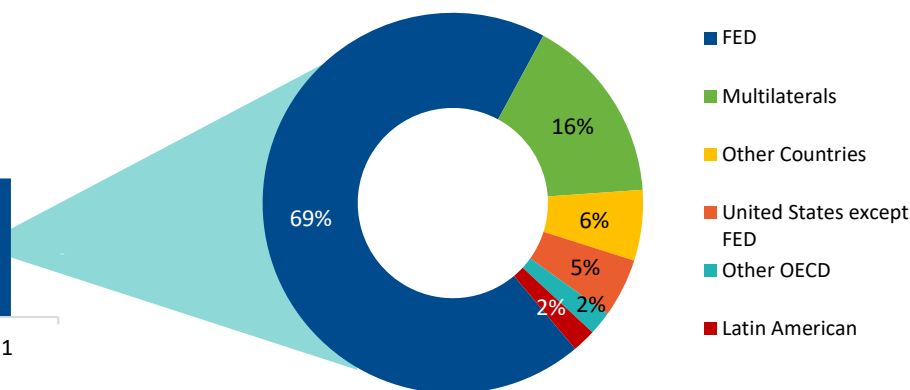
## Total Liquid Assets<sup>1</sup>

(USD millions, except %) EoP

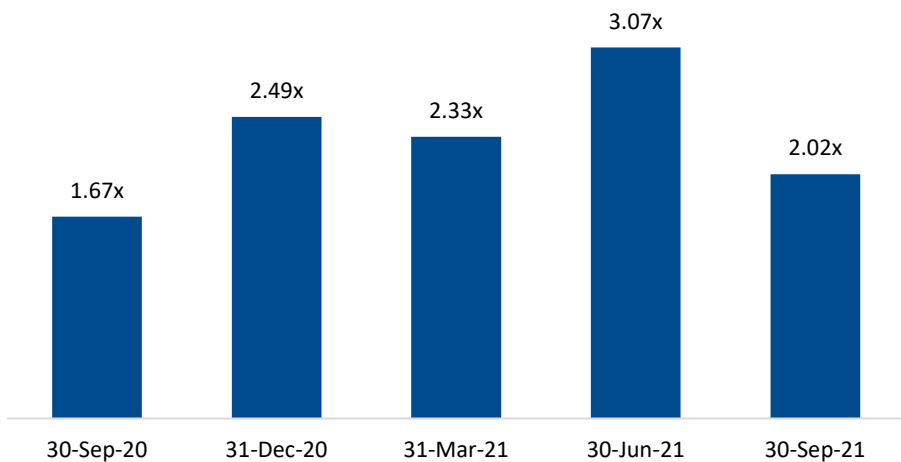


## Liquid Assets Placements by Geographical Location

% as of 30Sep21



## Liquidity Coverage Ratio<sup>2</sup>



- Liquid assets continue to be mainly placed with the Federal Reserve Bank of New York, complemented by an investment portfolio of \$195MM, which qualify as “High Quality Liquid Assets” in accordance with the Basel III LCR definition.
- At the end of the 3Q21, liquid assets represented 12% of the total assets.

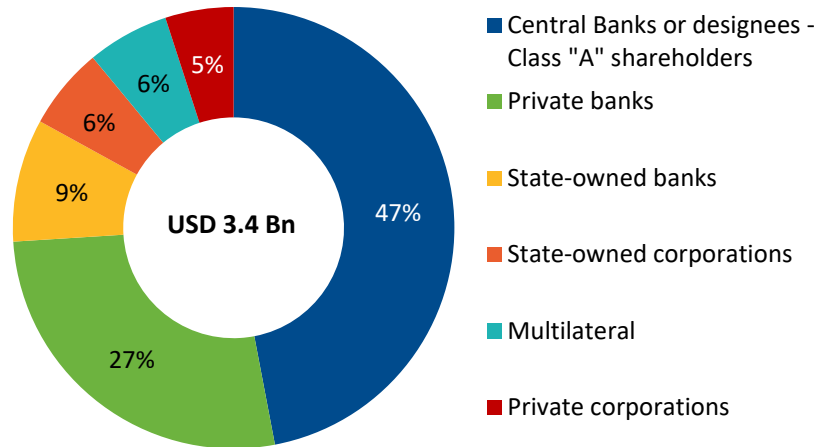
<sup>(1)</sup> Liquid assets refer to total cash and cash equivalents, consisting of cash and due from banks and interest-bearing deposits in banks, excluding pledged deposits and margin calls; as well as corporate debt securities rated ‘A-’ or above.

<sup>(2)</sup> The Superintendency defines the LCR as the stock of high-quality liquid assets over total net cash outflows over the next 30 calendar days. The definition is based on the Basel III Liquidity Coverage Ratio and liquidity risk monitoring tools published by the Basel Committee on Banking Supervision and adjusted by the Superintendency. LCR available on [www.bladex.com/en/investors/quarterly-earnings](http://www.bladex.com/en/investors/quarterly-earnings).

# Bladex actively pursues a wide diversification of funding sources to further enhance its stability and strength, which includes a relevant share of deposits from its Class A shareholders

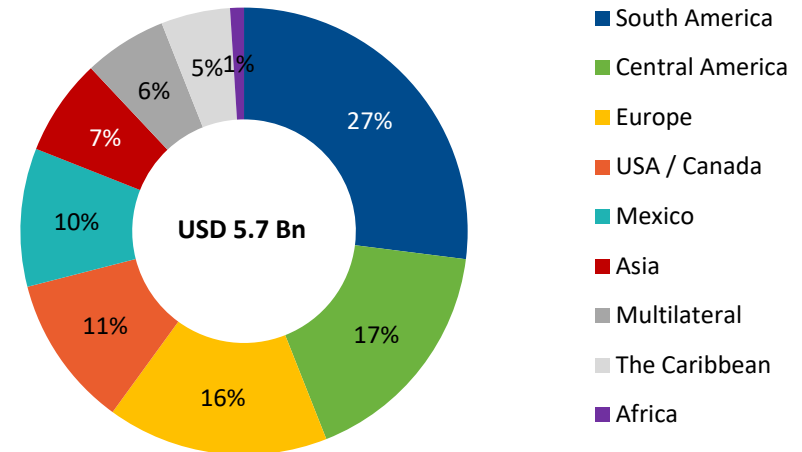
Deposits by Type of Client

% as of 30Sep21



Funding Sources by Region

% as of 30Sep21



- Solid deposit base denotes the steady support from the Bank's Class A shareholders (i.e. central banks and their designees) and its Yankee CD program to complement the Bank's short-term funding structure
- The Bank maintains longstanding relationships with a wide network of more than 40 correspondent banks, across different geographies
- Bladex is a recurrent issuer in the US (third bond issued in the 144A/Reg S market in Sept. 2020) and Mexican debt capital markets (fifth placement in June 2020) and completed its first transaction in the Tokyo Pro-Bond market in 2016
- Additionally, the Bank reaches a large number of global investors in the Americas, Europe and Asia through its EMTN program
- Bladex is also a recurrent participant in the global syndicated loan market



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# Improved 3Q21 profits (up 12% QoQ and 2% YoY) propelled by solid revenue expansion from higher margins and volumes, lower funding costs and increased fee income. 9M21 profits down 11% YoY, mainly due to the net effect of lower market rates on the Bank's assets and liabilities

(USD millions, except for %)

	3TRIM20	2TRIM21	3TRIM21	9M20	9M21
<b>Statement of Profit or Loss</b>					
Net Interest Income ("NII")	\$22.6	\$21.0	\$22.1	\$70.1	\$62.0
Fees and commissions, net	\$2.6	\$4.3	\$4.8	\$7.6	\$12.1
Other income, net	(\$0.0)	\$0.3	(\$0.0)	(\$3.9)	\$0.3
<b>Total revenues</b>	<b>\$25.2</b>	<b>\$25.6</b>	<b>\$26.8</b>	<b>\$73.8</b>	<b>\$74.4</b>
(Provision for) reversal of credit losses	(\$1.5)	(\$1.4)	(\$0.8)	\$1.2	(\$2.2)
Gain on non-financial assets, net	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Operating expenses	(\$8.3)	(\$10.1)	(\$10.3)	(\$27.2)	(\$29.6)
<b>Profit for the period</b>	<b>\$15.4</b>	<b>\$14.1</b>	<b>\$15.7</b>	<b>\$47.9</b>	<b>\$42.6</b>

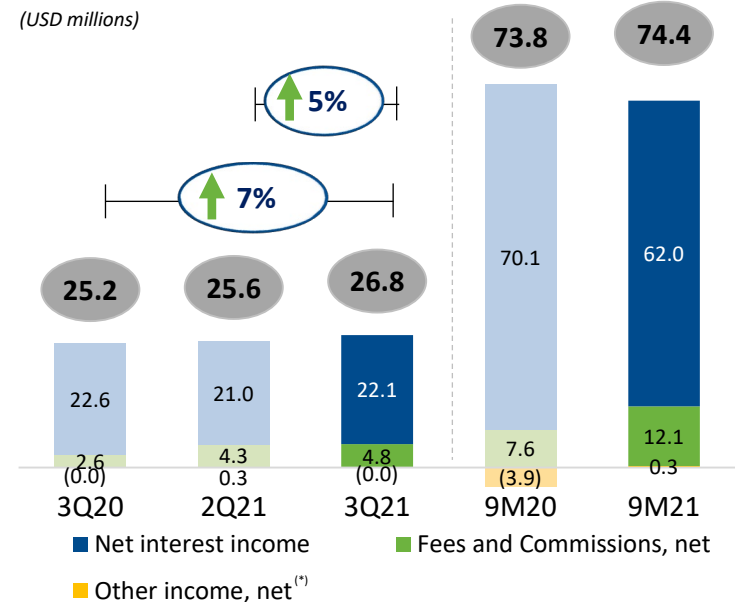
↓ 11%

## Performance Ratios

	3Q20	2Q21	3Q21	9M20	9M21
Net Interest Margin ("NIM")	1.42%	1.27%	<b>1.33%</b>	1.43%	<b>1.28%</b>
Net Interest Spread ("NIS")	1.19%	1.11%	<b>1.17%</b>	1.12%	<b>1.11%</b>
Return on Average Equity ("ROAE")	6.0%	5.4%	<b>6.1%</b>	6.2%	<b>5.5%</b>
Return on Average Assets ("ROAA")	1.0%	0.8%	<b>0.9%</b>	1.0%	<b>0.9%</b>
Efficiency Ratio	33.1%	39.6%	<b>38.5%</b>	36.8%	<b>39.8%</b>

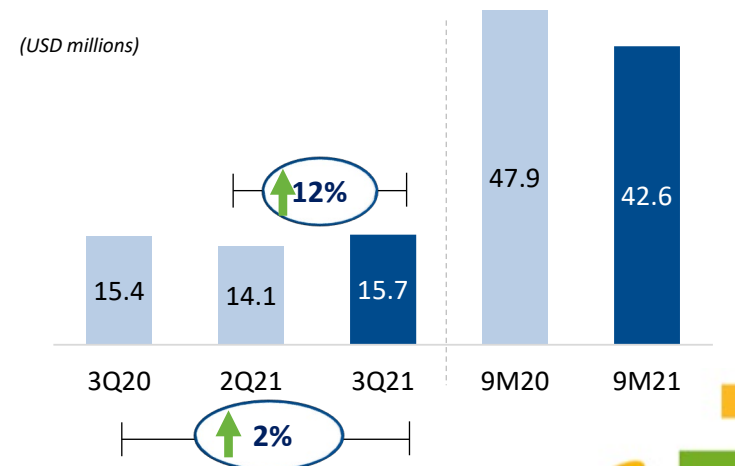
## Total Revenues

(USD millions)



## Profit for the Period

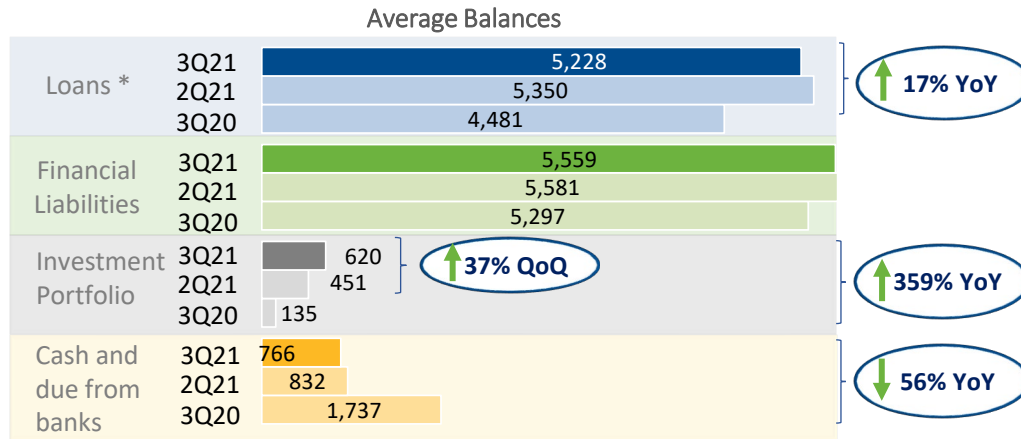
(USD millions)



<sup>(\*)</sup> Includes Gain (loss) on financial instruments, net

# 3Q21 NII up 5% QoQ from higher lending rates, lower funding costs and increased investment portfolio's balances. NII down 2% YoY as volume-driven net positive impact was offset by lower Libor market base rates

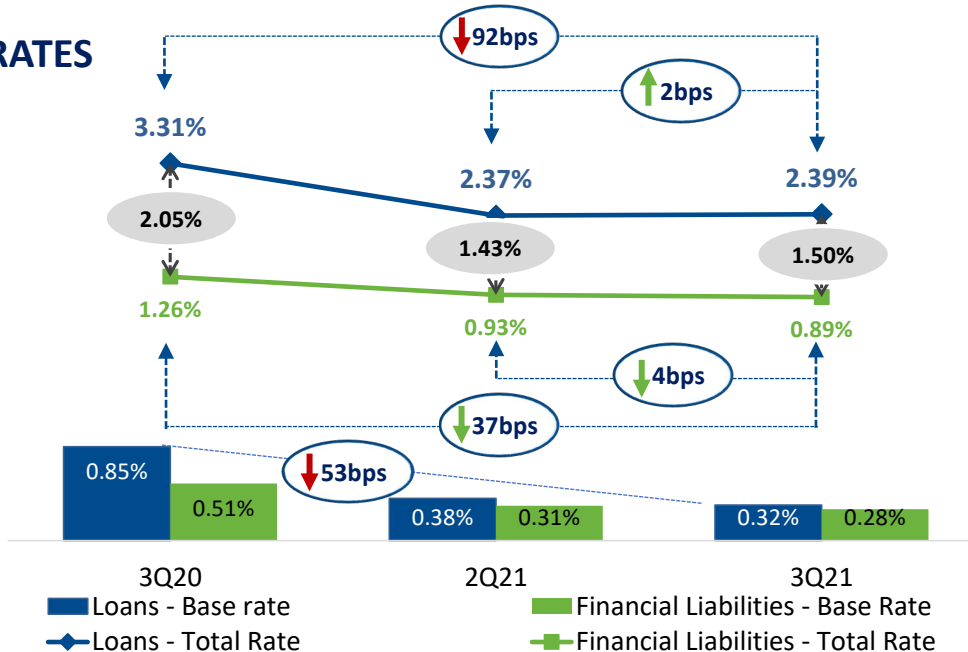
## VOLUMES



\* Gross of unearned interest and deferred fees. Includes NPLs effect

QoQ Impact		
Volume	Rate	NII
↑ +\$0.5MM	↑ +\$0.6MM	↑ +\$1.1MM

## RATES



YoY Impact		
Volume	Rate	NII
↑ +\$7.2MM	↓ -\$7.7MM	↓ -\$0.5MM

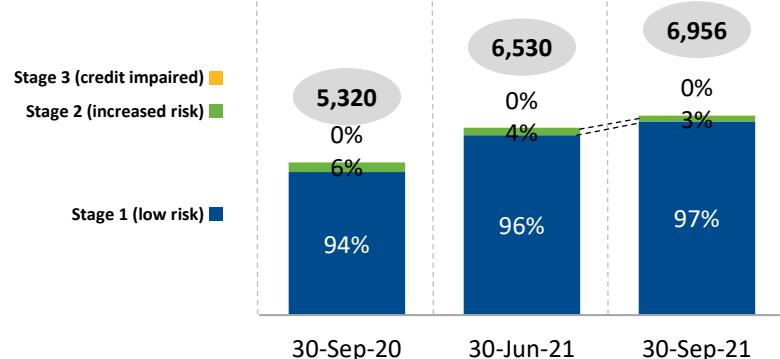
# Close to zero percent NPLs to total loans and relatively low level of credit provisions amounting to \$0.8 million for the quarter –mostly associated to credit growth–, reflecting strong asset quality

## Allowance for Credit Losses

(USD millions, except for %)

Total Allowance for Losses to Credit Portfolio	0.8%	0.7%	0.7%
Allowance for Losses to Stages 1 + 2	0.8%	0.6%	0.6%
Allowance for Losses	44.9	46.1	46.9

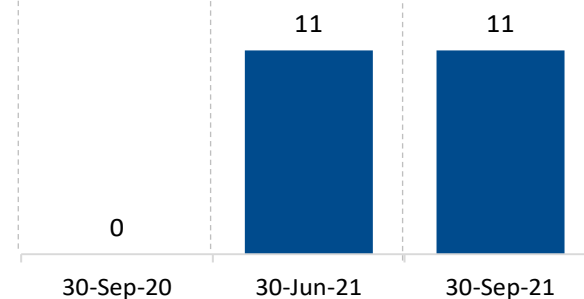
Credit Portfolio



## Credit Impaired Loans

(USD millions, except for %)

Total allowance for losses to Credit impaired loans	n.m.	4.4x	4.4x
Credit impaired loans to Loan Portfolio	n.m.	0.2%	0.2%



- Current NPLs related to the retail trade business

At and for the three months ended

(USD million)	30-Sep-20	31-Dec-20	31-Mar-21	30-Jun-21	30-Sep-21
<b>Allowance for losses<sup>1</sup></b>					
Balance at beginning of the	\$47.8	\$44.9	\$44.6	\$44.6	\$46.1
Provisions (reversals)	1.5	(0.3)	0.0	1.3	0.8
Write-offs, net of recoveries	(4.4)	0.0	0.0	0.2	0.0
<b>End of period balance</b>	<b>\$44.9</b>	<b>\$44.6</b>	<b>\$44.6</b>	<b>\$46.1</b>	<b>\$46.9</b>

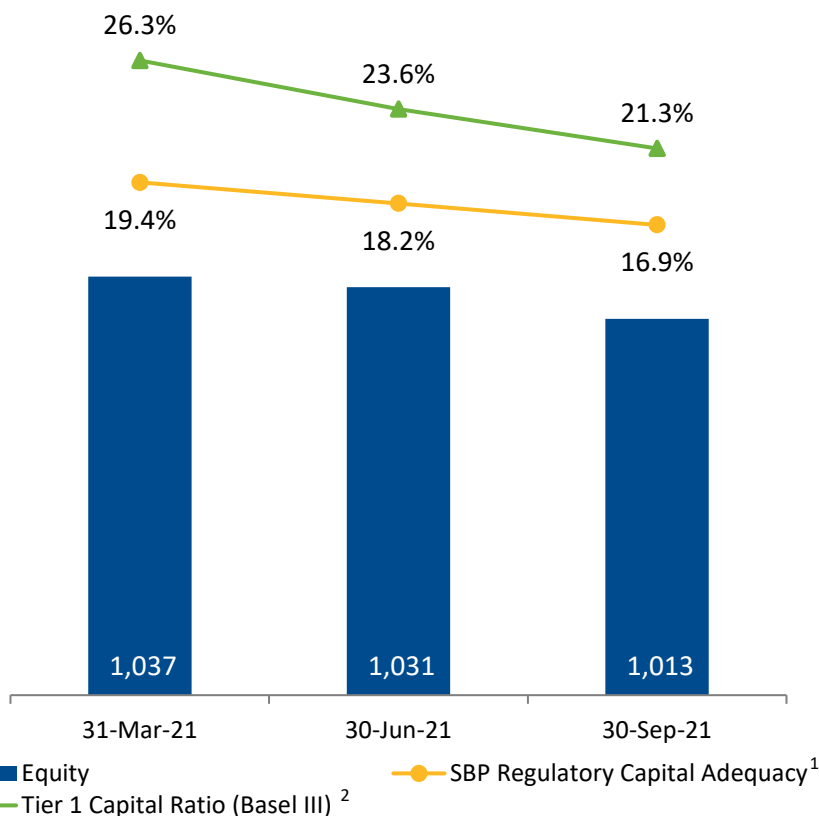
(1) Includes allowance for expected credit losses on loans at amortized cost, on loan commitments and financial guarantees contracts, and on securities at amortized cost and at fair value through other comprehensive income.

# Solid capitalization positions the Bank for future growth opportunities in a post-Covid environment. Ongoing repurchase program and stable quarterly dividends, aligning stakeholders' interests

- At quarter end, since the on-set of the Stock Repurchase Program in mid-May 2021, Bladex has repurchased 1.8 million shares for a total of \$28.6 million with an average price of \$16.17 per share

## Capital Ratios

(USD millions, except for %) - EoP



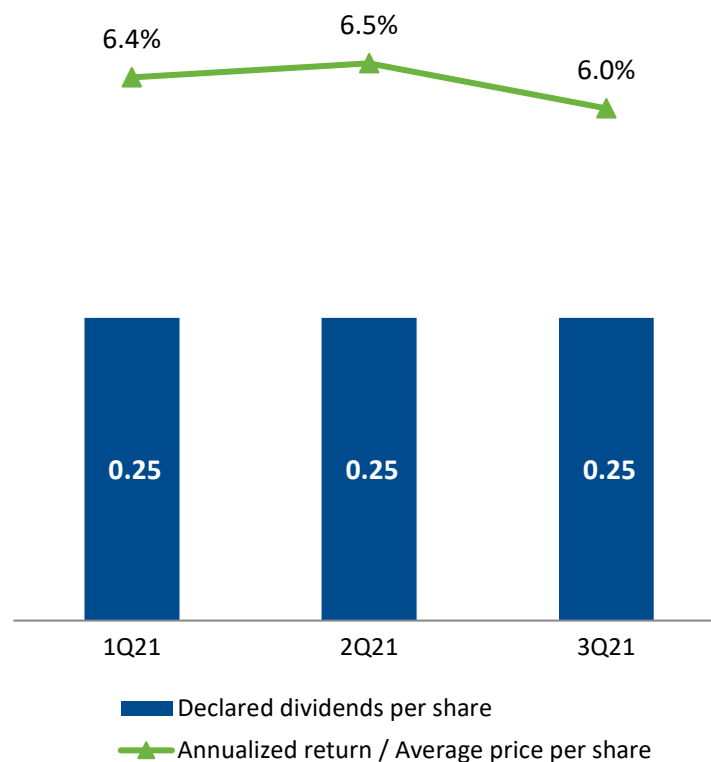
## Dividend Yield

Pay-out Ratio

77%

70%

62%



<sup>(1)</sup> As defined by the SBP, in which risk-weighted assets are calculated under the Basel Standardized Approach for Credit Risk. The minimum Regulatory Total Capital Adequacy Ratio should be of no less than 8.0% of total risk-weighted assets..

<sup>(2)</sup> Tier 1 Capital ratio is calculated according to Basel III capital adequacy guidelines, and as a percentage of risk-weighted assets. Risk-weighted assets are estimated based on Basel III capital adequacy guidelines, utilizing internal-ratings based approach or "IRB" for credit risk and standardized approach for operational risk.



Appendix

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# Selected financial information

(In US\$ million, except percentages and per share amounts)	3Q20	2Q21	3Q21	9M20	9M21
<b>Selected Profit or Loss Data:</b>					
Net Interest Income	22.6	21.0	22.1	70.1	62.0
Fees and commissions, net	2.6	4.3	4.8	7.6	12.1
(Loss) gain on financial instruments, net	(0.4)	0.2	(0.1)	(4.7)	0.1
Other income, net	0.4	0.1	0.1	0.8	0.3
Total revenues	25.2	25.6	26.8	73.8	74.4
(Provision for) reversal of credit losses	(1.5)	(1.4)	(0.8)	1.2	(2.2)
Gain on non-financial assets, net	0.1	-	-	-	-
Operating expenses	(8.3)	(10.1)	(10.3)	(27.2)	(29.6)
Profit for the year	15.4	14.1	15.7	47.9	42.6
<b>Selected Financial Position Data</b>					
Liquidity	1,465	999	827	1,465	827
Loan Portfolio	4,566	5,227	5,292	4,566	5,292
Total Assets	6,311	6,723	6,977	6,311	6,977
Deposits	3,055	3,346	3,379	3,055	3,379
Repos, borrowings and debt, net	2,078	2,172	2,292	2,078	2,292
Total Equity	1,026	1,031	1,013	1,026	1,013
<b>Selected Financial Ratios</b>					
Return on Average Assets (ROAA)	1.0%	0.8%	0.9%	1.0%	0.9%
Return on Average Equity (ROAE)	6.0%	5.4%	6.1%	6.2%	5.5%
Net Interest Margin (NIM)	1.42%	1.27%	1.33%	1.43%	1.28%
Net Interest Spread ("NIS")	1.19%	1.11%	1.17%	1.12%	1.11%
Tier 1 Capital Ratio (Basel III)	26.5%	23.6%	21.3%	26.5%	21.3%
SBP Regulatory Capital Adequacy	21.8%	18.2%	16.9%	21.8%	16.9%
Efficiency Ratio	33%	40%	38%	37%	40%
Credit-impaired loans to Loan Portfolio	0.00%	0.20%	0.20%	0.00%	0.20%
Credit-impaired coverage (x times)	n.a.	4.4	4.4	n.a.	4.4
Total allowance for losses to Credit Portfolio (%)	0.84%	0.71%	0.67%	0.84%	0.67%
<b>Shares and Market Capitalization</b>					
Number of shares outstanding (thousand)	39,672	39,361	38,017	39,672	38,017
Share price (as of period end)	12.15	15.37	17.54	12.15	17.54
Market capitalization	482	605	667	482	667
Earnings per share (EPS)	0.39	0.36	0.41	1.21	1.08
Book value per share (BVPS)	25.85	26.19	26.64	25.85	26.64
Annualized return / Average price per share	8.2%	6.5%	6.0%	7.1%	6.3%
Pay-Out Ratio: Paid Dividend / EPS	64%	70%	62%	73%	69%
Price to EPS (times)	6.9	10.5	11.8	6.9	11.8
Price to BVPS (times)	0.5	0.6	0.7	0.5	0.7