

# Bladex

## Q4 2025 EARNINGS CALL

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### **Participants:**

- Jorge Salas, Chief Executive Officer
- Annette van Hoorde, Chief Financial Officer
- Samuel Canineu, Chief Commercial Officer

### **Conference Call Participants**

Ricardo Buchpiguel - Banco BTG Pactual S.A., Research Division

Daniel Mora - CrediCorp Capital, Research Division

Danele Miranda de Abiega - Santander Investment Securities Inc., Research Division

### **Operator**

Good morning, ladies and gentlemen, and welcome to Bladex Fourth Quarter 2025 Earnings Conference Call. A slide presentation is accompanying today's webcast and is also available on the Investors section of the company's website, [www.bladex.com](http://www.bladex.com). Please note today's conference call is being recorded.

I would now like to turn the call over to Mr. Jorge Salas, Chief Executive Officer. Sir, please go ahead.

### **Jorge Salas**

#### **Chief Executive Officer**

Good morning, everyone, and thank you for joining. Today, we will discuss Bladex's fourth quarter and full year 2025 results. I will begin with the key highlights and then, Annette, our CFO, will walk you through the financial results in more detail. After that, I will comment on the macro environment and its implications for Latin America and for Bladex. Finally, I will discuss our guidance for 2026. After that, we will open the call for questions.

This same week a year ago, we shared detailed guidance for 2025. As you can see from our 2025 guidance slide, we delivered in all key metrics we guided for in 2025. Achieving this in a year marked by high global liquidity, declining market rates and elevated geopolitical volatility, speaks to our execution capacity and focus on building an even more resilient earnings profile through different cycles.

Moving on to the next slide on the highlights of the year. 2025 was the fourth consecutive year of record results. And turning to the balance sheet, our commercial portfolio grew 11.5% year-over-year, driven by a solid expansion in our loan book and an even stronger increase in our contingent portfolio of more than 20% year-on-year.

Loan growth was led by Guatemala, Colombia, Mexico, the Dominican Republic and Argentina, reflecting our ability to originate selectively where we see attractive risk-adjusted opportunities and strong client activity. On the funding side, deposits grew 22% year over-year and now represent more than 60% of total funding. Class A shareholder deposits remain a core anchor of our funding base, and our Yankee CD program performed strongly, reaching \$1.5 billion by year-end.

Beyond deposits, we remain active across capital markets and syndicated financing. As you probably recall, in September 2025, we successfully completed our first AT1 issuance, marking an important step in further strengthening our capital structure and enhancing our ability to support the growth of our commercial portfolio going forward.

Moving on to the P&L. Despite rate cuts and a more competitive environment, net interest income reached another record, increasing by 5% year-over-year, supported by volume growth and active balance sheet management. Our net interest margin ended the year at 2.36%, slightly above guidance, reflecting a very active optimization of our portfolio exposures by type of client, industry and geography.

In 2025, we continue our progress on revenue diversification. Noninterest income also set a new record, growing 54% year-over-year, and now representing 20% of total revenues coming from 13% 4 years ago when we started executing this plan. This was driven by strong performance of our 2 main fee-generating businesses.

Letters of credit, was definitely a very good year for letters of credit team. Fees were up 20% year-on-year while the team completed the implementation of the new trade platform. It was also a record year for our syndication team. Fee generation increased more than 70% from last year. The team was able to close on a record of 13 transactions across 11 countries totaling over \$5 billion.

On expenses, operating costs grew according to plan as we continue to invest in transformation. We ended the year with an efficiency ratio of 26.7%, again within guidance, reflecting our ongoing cost discipline. All of this translated into a record net income of \$227 million, up 10% year-over-year, and a return on equity of 15.4%.

In summary, we continue to strengthen our balance sheet, and we continue to diversify our revenue streams, delivering record results year after year. We're doing so while we implement top-of-the-line IT platforms that will enable us to scale our fee businesses going forward in an even more efficient manner.

Let me now hand it over to Annette, our CFO, for a detailed financial analysis. Annette, your turn.

**Annette van de Solis**

**Executive VP & CFO**

Thank you, Jorge, and good morning, everyone. Let me start with the net income and returns for the year.

As Jorge mentioned, 2025 was a record year for the bank. We delivered net income of \$227 million and an adjusted return on equity of 15.8%, reflecting another year of strong and consistent profitability. These results were driven by sustained commercial portfolio growth, solid revenue generation across both net interest and fee income, disciplined cost management, well-contained credit costs and a strong capital position that continues to support expansion. Importantly, 2025 also shows that Bladex is becoming structurally less rate sensitive.

Over the past year, the Federal Reserve implemented 75 basis points of rate cuts. Despite that, we increased net income year-over-year, maintained stable return on assets and kept margin above our target range. This reflects 2 structural improvements in our model, a more diversified revenue base with record noninterest income and a more balanced funding mix with growing deposit balances.

Full year net income grew more than 10% year-over-year, demonstrating our ability to perform in a declining rate environment. In the fourth quarter, we generated \$56 million in net income, one of the strongest quarters in our history, supported by robust top line generation across both interest and fee income.

Moving to returns. Full year adjusted ROE was 15.8% compared to 16.2% in 2024, and fourth quarter adjusted ROE was 14.2% compared to 15.1% in the third quarter. While both comparisons show a moderate decline, it is important to frame this correctly. Returns on assets remained stable in both cases, confirming that underlying operating performance and asset profitability were unchanged. The moderation in ROE was driven primarily by the impact of the 175 basis points of rate cuts since late 2024 and the higher capital base following the AT1 issuance. In other words, the core earning power of the balance sheet remains intact even as rate decline.

Looking ahead to 2026 as we expect 2 additional rate cuts, returns will continue to be influenced by rate environment. However, as we deploy the balance sheet capacity created by the AT1 issuance and move forward towards our target capitalization levels, we expect that continued commercial portfolio growth, further improvement in funding mix and increasing contribution from free base income will support profitability and returns over time.

With that context on profitability and returns, let me now walk you through the evolution of our credit portfolio. At year-end, our total credit portfolio reached \$12.6 billion, representing 12% year-over-year growth. This was driven by loan growth of roughly \$800 million or 10% year-over-year, while contingent business grew 21% versus 2024. Importantly, this growth was achieved without compromising sector or geographic diversification and was supported by a 9% expansion in our client base. This outcome reflects a planned growth strategy, aligned with prudent capital management and our focus on preserving margin and maintaining strong risk discipline.

During the first half of the year, growth was primarily driven by off-balance sheet capital-light activity, particularly in letter of credits and commitments. This allows us to support client activity while preserving balance sheet flexibility in a highly liquid and competitive market.

In the second half of the year, loan growth became more pronounced as we began to selectively deploy balance sheet capacity. This was especially visible in the fourth quarter. Following the AT1 when the loan balances increased by 5% quarter-on-quarter, driven mainly by longer-tenor transactions with attractive risk-adjusted returns. As a result, medium-term loan balances increased by more than \$750 million in 2025, while short-term balances remain broadly stable. This mix is reflective of our business model. Short-term loans provide flexibility and active risk management while medium-term transactions allow us to lock in returns where pricing and structure justifies the use of capital.

As shown in the chart, the commercial portfolio remains well diversified with a duration of approximately 15 months and about 67% of exposures maturing within the next 12 months, supporting an agile business model.

Geographically, growth during 2025 was driven mainly by Guatemala, Argentina and Colombia, with the Dominican Republic contributing in the fourth quarter. From a sector perspective, growth was well diversified across corporate clients, while exposure to financial institutions remain a stable and meaningful component of the portfolio. Overall, this evolution reflects disciplined execution, a capital-aware approach to growth and a prudent risk management.

As we move into 2026, the bank is well positioned to continue expanding the loan book without altering its credit risk profile, deploying capital selectively and in line with our return thresholds to support sustainable and resilient profitability.

Before turning to asset quality, a brief update on liquidity and the investment portfolio. At year-end, the investment portfolio totaled

\$1.4 billion, representing a 19% increase year-over-year, in line with balance sheet growth and our liquidity objectives.

The portfolio is managed with a conservative risk framework with approximately 91% investment-grade exposure and a composition largely outside Latin America, supporting credit diversification and our liquidity contingency planning. By design, the portfolio remains short in duration and is held through our New York agency with their securities are eligible for use as collateral at the Federal Reserve Bank of New York discount window.

Total liquidity closed the quarter at \$1.9 billion, representing about 15% of total assets within our target range. As of December 31, approximately 91% of liquidity was placed with the Federal Reserve, reinforcing our conservative liquidity management approach. Overall, our liquidity position remains strong and prudently managed.

With that, let me now turn to asset quality. Asset quality remains very strong and stable. As of the fourth quarter, Stage 1 exposures represented 98.2% of total credit portfolio, up from 97.2% in the third quarter, reflecting the high-quality profile of the book. Stage 2 exposures declined to 1.5% from 2.6% in the prior quarter, representing a decrease of roughly \$128 million, driven mainly by improvement in credit quality with exposures migrating back to Stage 1, scheduled repayments and maturities and the migration of a single exposure of approximately \$20 million to Stage 3.

As mentioned in the prior call, Stage 2 provisions this year were largely driven by a single client exposure added in the third quarter from the petrochemical sector. This exposure represents just under 1% of the total credit portfolio and is split roughly 50-50 between trade acceptances and uncommitted bilateral facilities, all with a short remaining tenor.

This was an isolated situation, and we continue to see no sign of systemic risk in the portfolio. During the fourth quarter, the client made a scheduled payment, further supporting our Credit assessment. At the same time, we increased coverage as part of our ongoing credit oversight. This explains the increase in Stage 2 provisions even as overall Stage 2 balances decline.

Stage 3 exposures remain very limited, representing just 0.3% of total credit portfolio at quarter end. The increase reflects the reclassification of the small exposure that had been in Stage 2 since 2024. Importantly, this exposure was already closely monitored and well provisioned while in Stage 2, so its migration to Stage 3 did not require a material increase in provisions.

Exposure represents less than 0.2% of total portfolio and relates to a client in the upstream gas sector. From a reserve perspective, coverage remains very strong. Total allowance for credit losses stood at \$107 million at year-end, representing 276% of impaired credits, underscoring the discipline of our provisioning approach and providing a solid buffer against potential credit deterioration.

In addition, during the fourth quarter, we recorded \$0.6 million in recoveries related to a loan previously written off, reflecting the continued effectiveness of our recovery processes. Overall, while provisions increased modestly due to this single client, they were partially offset by recoveries and upgrades in other exposures that migrated back to Stage 1. The portfolio continues to demonstrate strong credit quality and disciplined forward-looking provisioning.

Let me now turn to funding. Throughout 2025, our funding strategy remains centered on supporting balance sheet growth while strengthening funding stability and optimizing our cost of funds. Deposits continue to be the foundation of our liability structure, representing 62% of total funding at year-end despite the usual seasonality we see in the fourth quarter. This funding structure has allowed us to grow the balance sheet with lower reliance on wholesale markets, reinforcing funding resilience and supporting a more efficient cost structure as volumes expanded.

From a composition perspective, Class A shareholders remain a structural anchor, representing 35% of total deposits at year-end. Deposits from financial institutions increased steadily during the year, reaching 27%, while corporate deposits remain a stable component of the mix, representing roughly 24% of deposits in the fourth quarter. This growth was accompanied by a broader and more diversified depositor base with the number of depositors increasing by approximately 10% during last year, further strengthening the resilience and the granularity of our funding profile.

From a product perspective, the bank's deposit offering remains primarily investment oriented, including demand deposits, time deposits and Yankee CDs. Within this structure, Yankee CDs represented 23% of total deposits at year-end, with about 13% distributed through brokers, contributing to a more diversified and longer tenor financial liabilities.

Beyond deposits, we maintain ample access to corresponding bank's credit lines, preserving flexibility to support loan portfolio growth as capital deployments accelerate. During 2025, we executed 2 important transactions that expanded our funding capabilities and investor reach. We completed a Costa Rican colón issuance under our Panamanian program, the first foreign currency bond ever issued in the Panamanian market, which enabled us to begin offering local currency financing to our Costa Rican clients. We also executed a 3-year global syndicated loan with first-time participation from several Middle Eastern banks, raising \$150 million and further diversifying our funding sources.

Looking ahead, while the pace of deposit growth is expected to normalize, we expect deposit balances to continue increasing in 2026, preserving deposits as our core funding source. At the same time, we are advancing in initiatives aimed at attracting more stable transactional balances, which should support a gradual improvement in our cost of funds over time, with initial contributions beginning in 2026.

Now let me briefly turn to capital. Following the AT1 issuance completed in September, its full impact is now reflected in our capital ratio and returns, moderating ROE in the fourth quarter ahead of full deployment. Capital deployment has already begun through new medium-term transactions, reducing our Basel III Tier 1 ratio from 18.1% to 17.4%, still with ample headroom as we continue deploying capital to support portfolio expansion.

From a regulatory perspective, our capital position remains very strong. Our Panama regulatory capital adequacy ratio stood at 15.5%, well above the required minimum. Given our fourth quarter performance, the Board approved an increase in the quarterly cash dividend to \$0.6875 per share, up from \$0.625, representing a 46% payout of fourth quarter earnings. We believe this level appropriately balances returning capital to shareholders, maintaining strong capitalization and preserving financial flexibility to support growth while safeguarding our investment-grade profile.

Overall, Bladex enters 2026 with strong capital buffers, a solid transaction pipeline and the flexibility to support balance sheet growth while maintaining prudent capital management and full regulatory compliance.

Let me now turn to net interest income and margins. During 2025, we delivered another year of growth in net interest income and maintain margin resilience despite a more challenging rate environment. Since late 2024, policy rates have declined by 175 basis points and the yield curve remain inverted in 2025, creating a less supportive environment for spread generation. At the same time, we experienced the rollover of fixed rate funding raised during the low rate period of 2020, which was replaced this year at higher rates, adding pressure to interest spreads.

Active balance sheet management allow us to absorb these headwinds gradually over roughly a 12-month horizon. Strong deposit growth improve our funding mix and supported a more efficient cost of funds. In addition, we maintained disciplined loan pricing and efficient yet prudent liquidity levels. As a result of these combined actions, the fourth quarter delivered the strongest margin of the year with a NIM of 2.39%. For the full year, net interest income increased by 5% year-over-year, and we closed 2025 with a net interest margin of 2.36%, above our guidance of 2.30%.

Net interest spread declined modestly to 1.67% compared to 1.75% in the prior year, reflecting the rate environment and funding repricing dynamics. Looking ahead to 2026, while additional rate cuts are expected, we believe that continued deposit growth, disciplined pricing and active funding and liquidity management will allow us to keep margins broadly in line with our guidance.

Let me now turn to fees and noninterest income. For the full year, noninterest income reached \$68.4 million, reflecting strong execution and continued progress in diversifying our revenue base. As a result, fees and other noninterest income represented close to 19% of total revenues, up from 15% last year, reinforcing the growing structural contribution of fee-based income.

In the fourth quarter, noninterest income totaled \$18 million. Excluding the extraordinary fee associated with the Staatsolie transaction earlier in the year, quarterly performance remained above our historical run rate with contributions across all major fee lines.

The largest component on noninterest income continues to come from fees and commissions linked to our core trade finance and structuring activities, which generated \$59 million in 2025, mainly driven by letter of credits and guarantees steady growth throughout the year, generating \$31.8 million. Loan structuring and distribution was another important contributor, executing 13 transactions across 11 countries with total transaction volume of approximately \$5 billion. Bladex underwrote about 30% of that volume and retained roughly 24% on balance sheet, generating \$17.7 million in upfront structuring and syndication fees.

As our participation in medium-term structured transaction continues to expand, credit commitment have become an increasingly stable and recurring source of fees, contributing \$11.6 million during the year. Secondary market loan activity was an important complementary source of income as well, generating \$2.6 million as we proactively manage capital and optimize client credit lines. While activity may normalize following the capital raise, we continue to see selective opportunities in 2026, where pricing and balance sheet optimization justifies execution.

In derivatives, income remains modest for strategically important, totaling \$1.1 million in 2025. Our focus remains on building the commercial pipeline and deepening client engagement. These early transactions are positioning us to scale derivative-related income meaningfully once the treasury platform is fully deployed in the second half of 2026.

Overall, fees and noninterest income performance in 2025 reflects stronger diversification, disciplined execution and growing momentum across trade finance, restructuring, commitment and treasury-related activities. As our platforms mature and client penetration deepens, we expect fee income to play a progressively larger and more stable role in the bank's earnings profile.

Let me now turn to operating expenses and efficiency. Total operating expenses for 2025 reached \$90.6 million, representing a 13% increase year-over-year. This increase reflects investments to support the bank's strategic priorities, particularly in technology, digital capabilities and business initiatives, including its associated operating cost and depreciation. Personnel expenses also increased, reflecting selective headcount growth aligned with the strengthening of our execution capacity. These investments are directly linked to higher business volumes and long-term strategic execution, and we expect revenue growth to absorb incremental expenses over time.

In the fourth quarter, operating expenses totaled \$27.4 million, up 20% year-over-year and 28% quarter-on-quarter. This increase primarily reflects seasonal year-end effects, including higher accruals and variable compensation adjustments aligned with the full year performance as well as the continued implementation of key initiatives. As a result, the fourth quarter efficiency ratio was temporarily elevated. However, for the full year, the efficiency ratio closed at 26.7%, broadly in line with 26.5% in 2024, demonstrating our ability to absorb strategic investment while maintaining cost discipline.

Looking ahead to 2026, we expect expenses to normalize toward a more consistent quarterly run rate. Cost disciplines will remain a core management priority. We will continue to invest selectively in a strategic initiative and capabilities while carefully managing our talent base to support the next phase of execution. This balanced approach is designed to preserve operating leverage and maintain efficiency ratios around 28%.

Overall, 2025 reflects disciplined execution across growth, profitability capital and cost management, positioning the bank to continue delivering sustainable returns as we move into 2026.

With that, let me now turn the call back to Jorge and thank you very much.

## **Jorge Salas**

### **Chief Executive Officer**

Thank you, Annette. Let me now share our perspective on the macro and trade environment and our guidance for this year. 2025 was clearly a year of heightened uncertainty and renewed trade frictions, yet global activity remained resilient and trade flows held up better than many expected. This was in part by a pull forward of shipments ahead of policy changes and ongoing supply chain adjustments. There is no doubt that policy uncertainty, particularly in tariffs, and pace of rate cuts will continue to shape confidence and risk appetite.

In the United States, our base case scenario is a soft landing with inflation gradually converging towards the Federal Reserve's target. In that scenario, we are assuming that the Fed will proceed

with gradual easing, including 2 additional rate cuts in 2026. We anticipate, however, that the markets may remain sensitive to policy changes and political developments during the year.

Now turning into Latin America, the region remained relatively insulated from global trade tensions in 2025. Latin America has had relatively low tariff exposures compared to other parts of the world. Fundamentals were broadly resilient. International flows into LatAm improved on the back of ample global liquidity and better risk sentiment. This is all consistent with tighter credit spreads and a constructive FX backdrop across several markets, including Colombia, Mexico and Brazil.

Looking ahead, we expect regional growth to converge towards potential, supported by the easing cycle and the recovery in consumption and investment. At the same time, elections in several countries, including Peru, Colombia and Brazil, can create pockets of volatility, and therefore, potential opportunities as the year progresses.

Let me now turn into our longer-term strategy and positioning. At our Investor Day back in 2022, we laid out a 5-year plan with clear targets for 2026. 4 years into the plan, we have achieved 1 year ahead of schedule every single objective in the guidance we shared back then, size of our commercial portfolio, margins, efficiency, reserve coverage, capital and return on equity. The significance of reaching these goals a year early goes far beyond the metrics themselves. It reflects the renewed culture of focus and execution in Bladex.

Our next phase is essentially about scalability. Our Investor Day on March 24, will revolve essentially about scalability and our 2030 vision. That day, we will walk you through the next phase of Bladex's evolution, including how we're expanding our role from a specialized trade lender to a more transactional trade banking platform for Latin America, scaling fee-based products and capturing trade flows across the region. We strongly believe that this, together with a robust enterprise risk management framework, will be key in our path to a sustainable value creation.

Going on to the next slide. Let me close with our guidance for 2026. We see 2026 as a transition year for Bladex, bridging the final stretch of our 2022-2026 plan, and the next stage of our evolution as we look towards 2030. We enter this transition year with strong momentum as we continue to scale what we have built.

Having said that, in 2026, we expect a highly liquid and competitive environment, with additional rate cuts and ongoing spread compression in the region. In that setting, our guidance reflects a disciplined approach on profitable growth, price discipline and prudent risk management, while we keep investing in the capabilities that will support the next phase of our franchise.

So for 2026, we expect commercial portfolio growth between 13% and 15%, average deposit grow at a similar pace, net interest margin around 2.3%, efficiency ratio in the 28% area, reflecting disciplined expense control while continuing to invest in our strategic IT platforms. ROE will end up between 14% and 15%, and Tier 1 capital will be in the 15% to 16% range.

Thank you again for your time and your continued interest in Bladex. Operator, please open the call for questions.

### **Question-and-Answer Session**

#### **Operator**

Our first question comes from **Ricardo Buchpiguel from BTG**.

**Ricardo Buchpiguel**

Everyone of making questions. First, I just wanted to clarify if the ROE guidance is for the accounting or the adjusted figure?

And for my questions, we noticed that 2025 was a very strong year in terms of fee income, particularly if you look at the restructuring fees pipeline, which is naturally provides a tougher comp for 2026, right? But at the same time, you have all these new initiatives that you mentioned with treasury products picking up and also the new trade finance platform. So my question is, what is reasonable for us to expect in terms of noninterest income with these moving parts for 2026?

And for my second question, if you can provide more color on how much the duration of the portfolio increased in Q4? And how much that contributed for a higher NIM during the period? And also, if you should see a continued increase in the duration of the portfolio being a tailwind for NIM?

**Jorge Salas****Chief Executive Officer**

Thank you, Ricardo, for your 3 questions. First question, yes, the guidance is adjusted ROEs where it doesn't take into account the additional Tier 1 capital we issued back in September. Guidance for 2026 in terms of fee income will be around what we saw back in 2025. Recall that 2 things, 1, we had some one-off important transactions that generated fee income, including, but not limited to the statutorily big loan. And then the other thing is that, as I mentioned, 2026 is a transition year, right, a transition year because it's where we'll be transitioning to the scalable business model.

So this is where the 2 IT platforms gradually start to gain traction. So that's why we're targeting a similar fee income for next year in terms -- in relative terms. So it will be higher in nominal value, but around between 18% and 20% for next year.

Do you want to add something, Annette?

**Annete van Hoorde de Solís****Executive VP & CFO**

Yes. Just to complement to the last part of your question regarding how duration is impacting the NIM of the bank, especially in the fourth quarter. I think there is more than one factor that impacted the record NIM of 2025, which is, it does include the impact of medium-term transactions that were deployed during the fourth quarter resulting from the strong pipeline that we've been building up.

And that indeed represented a higher margin and -- but -- and that protected the short-term margin that we are seeing in the short-term loan origination that we have mentioned that we -- there is a lot of margin pressure in the market and ample liquidity. So that protected on the asset side of the balance sheet.

Another component that was important was a very efficient level of liquidity especially compared to the third quarter in which we had the \$400 million maturity, and we were in the execution of the AT1.

So since we did not have any clear date for the -- going back to -- going to the market and issuing the AT1, we did cap a little bit of extra liquidity during the third quarter. So that impact is another factor that improved the NII -- I'm sorry, the NIM in the fourth quarter.

And the last factor, which is very important is that during the fourth quarter, even though the end-of-period balances of deposits are lower in the third quarter, the average balances of deposits were higher than the third quarter and the overall cost of funds of the other liabilities that we have in the balance sheet also improved margins just as we're seeing pressure on the asset side, we are also capturing those tightened margins in the liability side. And all of that allow us to improve our net income spread resulting in a higher NIM in the fourth quarter.

As far as looking at 2026, regarding our guidance of the NIM of 2.30%, we are factoring the rate dynamics not only the ones that we are projecting for 2026, but also the cuts that happened in late 2025 that will impact the results of 2026. However, this is compensated by growing deposits and active asset and liability management as well as very disciplined pricing on the loan side.

### **Operator**

Our next question comes from **Ms. Danele Miranda from Santander.**

### **Danele Miranda de Abiega**

#### ***Santander Investment Securities Inc., Research Division***

Just 2 quick ones from my side. The first 1 is regarding the 13% to 15% portfolio growth guidance. How much of this is driven by overall market growth? And how much is market share gains?

And my second question, a quick follow-up on NIM. I understand there were extraordinary factors helping NIM in the fourth quarter, and your 2026 guidance shows stability, but more on a medium-term sense, is that 2.3% NIM through the cycle margin? Or should we expect it to normalize more in the 2028?

### **Jorge Salas**

#### **Chief Executive Officer**

Thank you, Danele. Let me tackle the first part of both questions and then probably Sam can give you some additional color. In terms of market share, it's hard to understand what Bladex's market share is. We are essentially a very small fish in a big pond, if you consider trade flows in and out of Latin America. I mean we're talking -- we're essentially a trade bank and trade in Latin America is

\$3 trillion, and we're a \$12 billion bank. So we are seeing a lot of opportunities all across the region, but it's hard to put it in terms of market share.

I don't know if you want to give additional color there?

### **Samuel Canineu**

#### **Executive Vice President of Business**

Yes. Not sure. Thanks. I mean, to be honest, we don't even look at market share. I mean it's not how we measure our business, our opportunities. We feel that the -- well, the region in which we play is not only growing, but we're still very small to what we can become. So that's not a relevant metric for us.

But that said, Yes, like Jorge said, the growth in 2025 came, I would say, well balanced. Of course, there were some countries like Guatemala that we, let's say, grew more than the average and for all the good reasons, sorry. And we see, for example, a country like Guatemala, as a very attractive market to us, given the combination of a persistent moderate growth, fueled by the drive of a very punching private sector. And that's a -- and as those conditions persist in a country like Guatemala, we will continue to grow, always, of course, with clear boundaries and very defined risk appetite.

But for 2026, would that grow as -- what we see right now, it should be balanced as always. For example, a country like Argentina is a country that we're still very underexposed by the size of the economy, but that was deliberately because of what the whole -- what the country was going through. But now, for example, there is quite some good opportunities and investments in the Vaca Muerta complex, which is very competitive, and we see as could be a driver for growth for us. So that's how...

**Jorge Salas**

**Chief Executive Officer**

I don't know if that answers your first question, Danele?

**Danele Miranda de Abiega**

***Santander Investment Securities Inc., Research Division***

Yes, very clear the first one.

**Jorge Salas**

**Chief Executive Officer**

And then so targeting your second question, as far as margins going forward, yes, it will certainly be a challenge as we're all seeing, there is significant pressure on margins. Currently, they have reached probably the lowest level of spreads in the last 20 years.

Now structurally, the only way to continue to -- is to continue to be disciplined in executing the strategy we've been working, which is centered on value-added transactions.

Sam, do you want to give more color on that?

**Samuel Canineu**

**Executive Vice President of Business**

Yes. Well, I think in the context that we're seeing in the market, a few have been doing a pretty good job in defending and even more challenging, defending our margins while we

are growing our credit book. In the short run, as Jorge said, the pressure is there. And I think we have enough capital to defend net interest income with more volume, if needed.

In the medium run, as Jorge also mentioned, we just need to continue to execute our strategy. In times like now of a more borrower- friendly market, we noticed a significant more stability in margins in the more structured business such as working capital solutions, event-driven lending, project finance, infrastructure. So our margin stability or, let's say, falling less than the market is not by luck, it's really by design.

## **Operator**

Our next question comes from **Daniel Mora with Credicorp Capital**.

## **Daniel Mora**

### **CrediCorp Capital, Research Division**

I just have 1 follow-up question regarding loan growth. I would like to understand what will be those countries or regions that should drive the growth of 13%, 15% amid favorable cycle for emerging markets? You already mentioned Guatemala and Argentina in that opportunity in Vaca Muerta, but I would like to know if there are other countries and regions that should go to the loan growth of 13%, 15%.

## **Samuel Canineu**

### **Executive Vice President of Business**

I'll start by the second. Well, actually, reinforcing a remark that was already made. I think at this point of the year, besides what was already mentioned, like in a country like Argentina that we're underexposed, in a country like Guatemala that we see a lot of like higher demand compared to other countries for quality indeed, we expect to achieve the guidance. We expect a good balance. We don't expect, at least in what we're seeing right now any like, let's say, a much larger grow in any specific country. But given our businesses is dynamic, our book is so short that could happen as we see good opportunities.

In terms of the like countries that were more concerned, I would say Colombia and Brazil and for 2 different reasons. In case of Colombia, as much we see improving performance from many of our clients there, the country's fiscal situation is a point of concern. And if that continues, there is a real risk of a sovereign rating downgrade.

In case of Brazil, though from a macro perspective, there seems to be good improvements, there is an increased number of bankruptcies as well as potential cases of default from very large corporations that can materially increase refinancing risk to other companies, and that's something that we're watching very closely.

On the other hand, for the same reasons of concern that I've just mentioned, that could open interesting opportunity for Bladex to grow in such countries. So in the past, as we saw deterioration in specific countries, we were able to grow as other banks step down. This could happen with both Brazil and Colombia, while we monitor very closely our current client base. So that takes me back to the first question, and not to be repetitive, I think it's -- it will be well

balanced. And at this point, there's no other than was mentioned. There's no specific ones that we can bring it up.

**Jorge Salas**

**Chief Executive Officer**

Remember also that still 70% -- almost 70% of our portfolio matures in less than a year. So this is - I mean, you have to understand that this is all about a constant reshuffling, trying to maximize risk return exposures. So it's hard really to say. I think, Sam gave a very good -- you want to add something?

**Samuel Canineu**

**Executive Vice President of Business**

Just one last thing that I think it's worth mentioning. In times like this, there could be opportunities in the secondary loan market as for example, the situation of Brazil, situation of Colombia. And today, we have, let's say, a very strong capital base that will allow us to capture opportunities more than in the past. So that's something we're monitoring very closely, and that could drive growth as well.

**Operator**

That's all the questions we have for today. I will pass the line back to Mr. Jorge for his concluding remarks.

**Jorge Salas**

**Chief Executive Officer**

All right. Thank you again for your time and your questions. Just a quick reminder that our Investor Day is on March 24. It will be a virtual event. Sam, Annette and a few other members of the team will cover the next phase of Bladex's evolution, including, as I

said, the shift towards a more transactional trade banking platform in our 2030 vision. We look forward to see you all there. Bye now. Thank you very much.