MANAGEMENT'S DISCUSSION AND ANALYSIS OF OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS AS OF DECEMBER 31, 2025

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The following discussion of our financial position and results of operations should be read in conjunction with our consolidated financial statements and other financial information related to this. Our consolidated financial statements have been prepared in accordance with the accounting standard, procedures and provisions issued by the National Baking and Insurance Commission of The Republic of Honduras. Our future results may vary materially from those discussed in this document due to several factors that affect our business.

Overview

We are one of the largest financial services groups in Honduras and, through our subsidiaries, we offer a wide range of corporate and retail banking, insurance, pension fund management and other financial services to more than 4.7 million clients as of December 31, 2025. We were recognized as a Financial Group by the National Banking and Insurance Commission (CNBS by its acronym in Spanish) in 2012 and our main subsidiary, Banco Atlántida, was founded in 1913. We believe that our businesses benefit from important synergies of being part of a Financial Group.

Our businesses are mainly focused on three segments: (i) banks, through our subsidiaries Banco Atlántida, one of the largest banks in Honduras based on total assets as of December 31, 2025, according to data from the CNBS, Banco Atlántida El Salvador, Banco Atlántida Nicaragua, Pacific Bank in Panama, Banco Atlántida Ecuador and Atlantic Bank (Belize); (ii) insurance, through our subsidiaries Seguros Atlántida, one of the largest insurance providers in Honduras based on total assets as of December 31, 2025, according to data from CNBS, Atlántida Vida, Seguros de Personas, Seguros Atlántida El Salvador, Seguros Atlántida Ecuador and Atlantic Insurance (Belize) and (iii) pension fund management, through our subsidiary AFP Atlántida, the largest private pension fund manager in Honduras based on assets under management as of December 31, 2025, according to data published by our competitors, and AFP Confia, El Salvador's largest private pension fund manager based on assets under management, as of December 31, 2025, according to data from the Superintendence of the Financial System of El Salvador. Atlantic Bank (Belize), Atlantic Insurance (Belize) and Seguros Atlántida Ecuador are the latest incorporation of the Group realized during 2025.

Our operations in Honduras include Banco Atlántida, Seguros Atlántida and AFP Atlántida, these entities are among the most profitable entities in the Honduran banking, insurance and pension fund management industries, according to CNBS data. As of December 31, 2025, and 2024, Banco Atlántida had a net income of L1,629,961 thousand and L1,172,153 thousand and a ROAE of 10.3% and 8.0%; Seguros Atlántida had a net profit of L 348,662 thousand and L252,423 thousand and a ROAE of 24.6% and 19.2% and AFP Atlántida had a net profit of L272,150 thousand and L236,002 thousand and a ROAE of 28.7% and 27.1%, respectively. Banco Atlántida occupies a prominent position in the local market in terms of total assets, loans and interest receivable and deposits, with market shares of 19.6%, 20.7% and 20.9%, respectively, as of December 31, 2025, according to data from the CNBS. Seguros Atlántida is one of the largest insurers in terms of gross written premiums, with a market share of 15.2% and 14.7% as of December 31, 2025, and 2024, respectively, according to CNBS data. AFP Atlántida is the largest private pension fund manager in

Honduras with a 59.0% market share in terms of assets under management as of December 31, 2025.

The Group has one of the largest banking distribution networks in Honduras. As of December 31, 2025, we had 5,810 service points in Honduras, which together with our insurance distribution network and other operations in Honduras, El Salvador, Nicaragua, Panama, and Ecuador added 6,316 service points as follows:

- 386 branches (183 agencies, 92 teller windows embedded within corporate client offices, 23 drive through and 88 branches related to the other business lines of the Group).
- 1,542 ATMs (574 proprietary ATMs and 968 third-party network ATMs) and
- 4,388 non-correspondent banking agents.

As of December 31, 2025, and 2024, Banco Atlántida El Salvador had net income of L158,113 thousand and L84,547 thousand and an ROAE of 4.6% and 2.8%, respectively. Banco Atlántida El Salvador´s market share of 5.3%, 5.1% and 5.3%, in total assets, loans and deposits, respectively, as of December 31, 2025, according to SSF data. As of April 30, 2023, AFP CONFIA had a 51.1% market share in terms of total assets under management and 48.0% in terms of total number of clients according to SSF data. Furthermore, we have three small operations in Nicaragua (Banco Atlántida Nicaragua), Panama (Pacific Bank), and Ecuador (Banco Atlantida Ecuador).

As of December 31, 2025, Banco Atlántida Belize had net income of L191,655 thousand; a ROAE of 7.8%. Banco Atlántida Belize market share of 40.7%, 38.9% and 42.5%, in total assets, loans and deposits, respectively, as of December 31, 2025, according to Central Bank of Belize data.

Effects of changes in interest rates

- volume of loans originated.
- market value of our financial assets; and
- gains or losses from sales of loans and securities.

Increases in short-term interest rates can reduce our financial margin, which comprises most of our income. A significant portion of our subsidiaries' assets, including loans, are long-term assets. In contrast, most deposits are short-term deposits. When interest rates increase, Banco Atlántida and the other Banking Subsidiaries must pay higher interest on deposits, while accrued interest on assets does not increase as rapidly. This can cause a decrease in profits. Interest rate increases could result in adverse changes in our financial margin, thus reducing our growth rate or even resulting in decreases compared to previous periods.

Increases in interest rates can reduce the value of our financial assets. The Company owns a substantial portfolio of loans and debt securities that have both fixed and variable interest rates. The market value of security with a fixed interest rate generally decreases when prevailing interest rates increase. This may have an adverse effect on our earnings and financial condition. In addition, we may incur costs (which, in turn, could affect our results) as our subsidiaries implement strategies to reduce and mitigate future exposure to interest rates. The market value of an obligation with a variable interest rate may be adversely affected when interest rates increase due to a delay in the application of price change terms.

The assets and liabilities have been classified by Banco Atlántida's domicile as domestic (operations in Honduras) or foreign (operations outside Honduras) and by currency denomination *(lempiras* or United States Dollar (USD)). Domestic operations include *lempiras* (local currency of our operations in Honduras) and USD-denominated assets and liabilities. Foreign operations include assets and liabilities denominated in USD. USD have been translated to *lempiras* using the exchange rate published by the Central Bank on the relevant dates. For more information, see "Exchange Rates" For the purposes of this section, U.S. dollar-denominated assets and liabilities include: (i) domestic USD, which includes all transactions conducted in Honduras or on behalf of Honduran residents in USD, and (ii) foreign USD, which includes all transactions conducted with entities outside of Honduras, such as multilateral banks and correspondents.

Asset and Liability Rates

Given that 73.2% of our consolidated interest income for the year ended December 31, 2025, comes from Banco Atlántida, our analysis is focused on the behavior of Banco Atlantida's interest rates. The following tables establish the weighted average interest rates of assets and liabilities in lempiras and USD as of December 31, 2025, December 31, 2024, and 2023, compared to the average rates of the Honduran Financial System published by the Central Bank of Honduras

The rates of assets and liabilities in lempiras are as follows:

	2025	**2024**	**2023**
Assets (loans-BASA)	13.1%	8.8%	9.9%
System Average Assets Rate	14.5%	14.0%	11.4%
Liabilities (deposits-BASA)	6.1%	4.4%	3.1%
Monetary Policy Rate	5.8%	5.8%	3.0%

The Honduran banking industry does not typically set interest rates based on a formal benchmark. However, the weighted average interest rates on lempira-denominated assets and liabilities are indirectly influenced by the minimum bid rate established by the Central Bank for its treasury notes.

In this context, the reference rate was increased to 4.0% on August 5, 2024, representing a 100-basis point adjustment in line with the measures outlined in the 2024–2025 Monetary Program, aimed at mitigating domestic inflationary pressures and safeguarding the country's external position. Subsequently, on October 28, 2024, the Central Bank raised the policy rate to 5.75%, further reinforcing its monetary tightening stance in response to persistent inflationary risks. This rate has remained unchanged since then. Prior to these adjustments, the minimum bid rate had remained constant since November 27, 2020, when it was reduced to 3.0%, equivalent to a 75-basis point decrease.

Banco Atlántida’s average interest rate on assets (loans) denominated in lempiras was 13.1% as of December 31, 2025, compared to 8.8% as of December 31, 2024. For the year ended December 31, 2025, the loan portfolio denominated in lempiras grew 3.5% while the local financial system grew 1.5%, according to CNBS data.

Banco Atlántida’s average interest rate on Lempira-denominated liabilities (deposits) increased to 6.1% as of December 31, 2025, compared to 4.4% as of December 31, 2024. As of December 31, 2025, deposits denominated in lempiras increased 9.5%, while the local financial system grew 9.7% during the same period, according to CNBS data.

The assets and liabilities rates in USD are as follows:

	2025	**2024**	**2023**
Assets (loans-BASA)	10.0%	7.2%	7.5%
System Average Assets Rate	10.6%	10.7%	9.4%
Liabilities (Deposits-BASA)	4.3%	3.6%	2.3%
System Average Liabilities Rate	2.8%	3.2%	2.4%

As of December 31, 2025, and December 31,2024, Banco Atlántida’s average interest rate on assets (loans) denominated in USD was 10.0%, and 7.2%, respectively. The loan portfolio denominated in USD grew 14.1% as of December 31, 2025, while the local financial system increased 10.9% during the same period, according to data from CNBS.

Banco Atlántida’s average interest rate on liabilities (deposits) denominated in USD was 4.3% as of December 31, 2025, and 3.6% as of December 31, 2024. Deposits denominated in USD increased by 20.9% as of December 31, 2025, while deposits for the local financial system grew 12.0% during the same period, according to CNBS data.

Effect of Family Remittances

As of December 31, 2025, family remittances that entered Honduras were USD12,211.9 million, which represented an increase of 25.3% compared to the corresponding period in 2024, while for the previous comparative periods, they were as shown in the following table:

Period	**Amount***		**Change %**
31/12/2025	12,211.9	(r)	25.3%
31/12/2024	9,743.0	(r)	6.2%
31/12/2023	9,177.5	(r)	5.7%
31/12/2022	8,683.6	(r)	17.8%

expressed in millions of USD
(p) preliminary data
(r) revised data

The income obtained by Banco Atlántida as a result of handling family remittances consisted mainly of commissions on foreign exchange transactions, fees for money orders and other related fees, as well as gains on currency exchange transactions. Banco Atlántida processed USD3,548.0 million in family remittances during the period ended December 31, 2025, 37.1% more than the corresponding period of 2024, during which USD2,588.3 million were processed. As of December 31, 2025, Banco Atlántida's market share was 29.1%, while for the corresponding period of 2024 it was 26.6%.

Competition

We face intense competition in all our segments, which can materially affect our growth, market share, margins, and profitability. For more information, see "Honduras Financial Services Industry."

Inflation

An increase in inflation may adversely affect our financial performance, primarily because a significant portion of our assets is not indexed to inflation. Sustained inflationary pressures could also weaken demand for our products and services and limit our ability to adjust pricing accordingly. Furthermore, given that a considerable share of our cost structure is fixed in the short term, our capacity to offset inflationary impacts through cost adjustments may be constrained. Rising inflation may also deteriorate borrowers' repayment capacity, thereby affecting the quality of our loan portfolio. Historically, the Honduran economy has been characterized by moderate inflation levels;

Inflation began to normalize in 2023, declining to 5.19% by December year-end, consistent with the Central Bank's target range of 5%–6% established under the Monetary Program agreed with the IMF. This disinflationary trend continued into 2024, with inflation reaching 3.88% as of December, marking the lowest year-end level in the past eight years and positioning inflation within the revised target range of 4.0% ± 1.0 percentage points under the 2024–2025 Monetary Program. By December 2025, inflation stood at 4.98%, remaining within the tolerance band defined by the Monetary Authority (4.0% ± 1.0 percentage points). Throughout the year, inflation dynamics were primarily influenced by increases in housing-related costs, transportation, and services such as restaurants and hotels, while food prices showed a more contained behavior, contributing to overall stability. Other categories, including household goods, clothing, and personal care, exhibited moderate and stable price variations.

Overall, inflation dynamics in recent years reflect a transition from externally driven price shocks toward a more stable environment, supported by prudent monetary policy and improved external conditions. Nonetheless, inflationary risks remain relevant, particularly in the context of global commodity price volatility and domestic demand pressures, which could continue to influence the Group´s operating.

Exchange Rates

The Group is exposed to foreign exchange risk whenever it maintains open positions in currencies other than Honduran Lempiras. Movements in the exchange rate may increase the volatility of these positions and, consequently, the level of financial risk assumed. In addition, any depreciation of the Lempira against the U.S. dollar could adversely affect the repayment capacity of clients with obligations denominated in foreign currency or linked to dollar dynamics, potentially impacting loan performance and insurance premium collections, and ultimately affecting the Group's financial condition and results of operations. The behavior of the exchange rate in Honduras is influenced by both structural and cyclical factors, including the seasonality of export flows—particularly coffee and other agricultural commodities—as well as the demand for foreign currency to finance imports. Within the framework of a managed exchange rate regime, adjustments tend to occur in a gradual and orderly manner, reflecting underlying market conditions.

As of December 2024, the exchange rate stood at L25.3800 per US$1.00, reflecting orderly adjustments supported by adequate foreign exchange supply, including remittances and export revenues. By December 2025, the exchange rate reached L26.3737 per US$1.00, consistent with a moderate annual depreciation driven by higher import demand and evolving external financial conditions.

More recently, exchange rate movements have been influenced by strong foreign currency inflows particularly remittance solid international reserve levels, and central bank interventions through foreign exchange auctions. These factors have contributed to periods of relative stability and even temporary appreciation pressures. Overall, exchange rate dynamics continue to reflect a balance between external inflows and domestic demand for foreign currency, within the Central Bank's managed exchange rate framework.

Demographic trends

During the last 4 years the main demographic variables of the country have behaved as shown in the following table:

Period	Population (millions)	% Change	GDP * (USD)	% Change	Poverty rate	% Change	Unemployment rate	% Change
2025	10.0	1.4%	3,951	5.5%	60.1%	-4.4%	4.9%	0.2%
2024	9.9	1.5%	3,745	6.0%	62.9%	-1.9%	4.9%	19.1%
2023	9.7	1.5%	3,534	8.0%	64.1%	N/A	6.1%	-30.8%
2022	9.6	1.6%	3,272	10.0%	N/A	N/A	8.8%	3.2%

GDP per capita
The source for the Poverty Rate was changed to the National Statistics Institute (INE, by its acronym in Spanish) due to lack of updated information from the World Bank. For the Unemployment Rate, the World Bank updated its database on April 8, 2025, which is why the percentages presented in the table above underwent changes, due to new data obtained to update the calculating methodology for this indicator.

Bank loans

Banco Atlántida’s loan portfolio growth, particularly within the retail banking segment, continues to be driven by structural factors such as relatively low financial penetration in Honduras, leaving significant runway for further credit expansion. In this context, the total credit-to-GDP ratio is estimated to have reached approximately 65.5% as of December 2025, reflecting the financial system's steady deepening. According to data from the Central Bank of Honduras, private sector credit growth slowed to approximately 5.0% year-on-year in December 2025, down from 12.1% in 2024 and 18.0% in 2023. In this context, total credit to GDP is estimated to have reached approximately 65.5% as of December 2025, reflecting a gradual deepening of the financial system. According to data from the Central Bank of Honduras, credit to the private sector grew by approximately 5.0% year-over-year as of December 2025, compared to 12.1% in 2024, and 18.0% in 2023. By segment, lending to businesses expanded by approximately 6.0% year-over-year, while credit to households grew by around 4.0%, maintaining a relatively balanced contribution to overall credit growth. Household lending continued to be driven primarily by consumer and housing loans, supported by stable income flows—particularly remittances—and sustained, albeit moderating, domestic demand.

In terms of currency composition, foreign currency lending to businesses increased by approximately 9.2%, reflecting demand linked to external trade and corporate financing needs, while foreign currency credit to households grew by around 14.0%. These dynamics also incorporate valuation effects associated with exchange rate movements.

Overall, credit growth in 2025 reflects a transition toward more sustainable expansion levels, supported by resilient macroeconomic fundamentals, ongoing financial inclusion efforts, and the continued development of digital banking channels. While nominal factors such as inflation and exchange rate adjustments contributed to portfolio growth, real credit expansion remained aligned with underlying economic activity.

Results of operations for the year ended December 31, 2025, compared to the same period 2024.

	December 31,		Change	
	2025	**2024**	**HNL**	**%**
Interest income	23,723,286	17,772,127	5,951,159	33.5%
Interest expense	13,910,970	9,956,656	3,954,314	39.7%
Financial profit	**9,812,316**	**7,815,471**	**1,996,845**	**25.5%**
Loan impairment charges	2,479,384	2,245,935	233,449	10.4%
Financial profit, net of impairment charges	**7,332,932**	**5,569,536**	**1,763,396**	**31.7%**
Income from insurance activities	7,389,264	5,176,641	2,212,623	42.7%
Expenses from insurance activities	6,484,399	4,745,518	1,738,881	36.6%
Profit from insurance activities	**904,865**	**431,123**	**473,742**	**109.9%**
Services	188,727	201,968	(13,241)	-6.6%
Commissions	6,678,791	5,520,324	1,158,467	21.0%
Leases	142,945	134,332	8,613	6.4%
Other income	692,919	452,654	240,265	53.1%
Total proceeds from services	**7,703,382**	**6,309,278**	**1,394,104**	**22.1%**
Staff-expenses	4,806,669	4,026,740	779,929	19.4%
General and administrative expenses	8,364,710	6,907,092	1,457,618	21.1%
Depreciation and amortization	1,389,291	1,022,154	367,137	35.9%
Total operating expenses	**14,560,670**	**11,955,986**	**2,604,684**	21.8%
Operating income	**1,380,509**	**353,951**	**1,026,558**	**290.0%**
Income from dividends	23,985	32,733	(8,748)	-26.7%
Gain on sale of assets available for sale	306,237	277,513	28,724	10.4%
Gain on sale of property, plant and equipment	33,756	160,888	(127,132)	-79.0%
Other income, net	2,500,235	1,606,196	894,039	55.7%
Total non-operating income	**2,864,213**	**2,077,330**	**786,883**	**37.9%**
Income before income tax	**4,244,722**	**2,431,281**	**1,813,441**	**74.6%**
Income tax/capital gain/net assets tax	1,571,245	895,998	675,247	75.4%
Income before non-controlling interest	**2,673,477**	**1,535,283**	**1,138,194**	**74.1%**
Net income attributable to noncontrolling interest	375,363	292,945	82,418	28.1%
Net income	**2,298,114**	**1,242,338**	**1,055,776**	**85.0%**

(In thousands of L except percentages)

Below is an analysis of the components of our consolidated statement of comprehensive results set out in the table above:

Interest income

The following table shows the components of the income of interest for the year ended, December 31, 2025, and 2024:

	December 31,		Change	
	2025	2024	HNL	%
Loans	20,285,291	14,940,088	5,345,203	35.8%
Certificates, bonds and others	2,253,373	1,893,410	359,963	19.0%
Finance leasing	812,047	622,210	189,837	30.5%
Deposits	372,575	316,419	56,156	17.7%
Total	**23,723,286**	**17,772,127**	**5,951,159**	**33.5%**

(In Thousands of L except percentages)

Interest income increased 33.5%, or L5,951,159 thousand, for the year ended december 31, 2025, compared to same period of 2024, mainly due to a 35.8% increase in interest income on loans: 19.0% due to an increase in interest income on certificates, bonds and others and 30.5% due to an increase in interest income on finance leasing.

Interest income on loans increased by 35.8%, or L5,345,203 thousand, for the year ended December 31, 2025, compared to the same period of 2024, as a result of an increase in loans volume in local and foreign currency by 2.0% and 35.8%, respectively, which led to an increase of thousand L2,325,044 thousand in interest income and an increase due to an upward trend in interest rates which led L3,020,159 thousand interest income.

Interest income on certificates, bonds and others increased by 19.0%, or L359,963 thousand, for the year ended December 31, 2025, compared to the same period of 2024, due to an increase in the volume of investments which led to an increase in interest income by L338,048 thousand and an increase of L21,915 thousand due to a upward trend in interest rates.

Interest in income from financial leases increased by 30.5%, or L189,837 thousand, for the year ended December 31, 2025, compared to the same period of 2024, due to an increase of L102,522 thousand, as a result of an increase in volume of financial leases by 14.2%, and an increase of L87,315 thousand as a result of the upward trend in interest rate.

Interest expense

	December 31,		Change	
	2025	2024	HNL	%
Deposits	10,478,758	6,677,841	3,800,917	56.9%
Loans obtained from banks	2,176,949	2,003,721	173,228	8.6%
Bonds and guaranteed notes	1,255,263	1,275,094	(19,831)	-1.6%
Total,	**13,910,970**	**9,956,656**	**3,954,314**	**39.7%**

(In Thousands of L except percentages)

Interest expense increased by 39.7%, or L3,954,314 thousand, for the year ended December 31, 2025, compared to the same period 2024, primarily due to an increase in interest expenses on deposits of 56.9%, and an increase of 8.6% in interest expenses on loans from banks.

Interest expense on deposits increased 56.9% or L3,800,917 thousand, for the year ended December 31, 2025, compared to the same period 2024, mainly due to the upward trend of the interest rates, which led an increase in interest expense of L1,708,462 thousand, and an increase by L2,092,455 thousand due to an increase in volume of deposits.

Interest expense on loans from banks increased by 8.6% or L173,228 thousand, for the year ended December 31, 2025, compared to the same period 2024, mainly as a result of an increase in the volume of loans obtained from banks and the upward trend of interest rate, which led to an increase in interest expense of L103,887 thousand and L69,341 thousand, respectively.

Loan impairment charges

	December 31,		**Change**	
	2025	**2024**		**%**
Loan impairment charges	2,479,384	2,245,935	233,449	10.4%
NPL ratio (1)	1.9%	2.2%	-	-
Coverage ratio (2)	100.9%	110.0%	-	-
Provision for loan losses	3,830,368	3,921,479	(91,111)	-2.3%

(In thousands of L except percentages)

Note:
(1) The NPL ratio is calculated dividing NPLs (including refinanced NPLs) by our gross loan portfolio. (2) The coverage ratio is calculated dividing the provision for loan losses by NPLs (including refinanced NPLs).

Loan impairment charges increased by 10.4%, or L233,449 thousand, for the year ended December 31, 2025, compared to the same 2024, while the delinquency ratio as of December 31, 2025, and December, 31 2024 was 1.9% and 2.2%, respectively, on the other hand, the NPL coverage ratio as of December 31, 2025, and December 31,2024 was 100.9%, and 110.0%, respectively.

For the year ended December 31, 2025, loan portfolio impairment charges were allocated as follows:

a) Attributable to retail banking L 2,059,235 thousand.
b) Attributable to SME banking L72,750 thousand.
c) Attributable to corporate banking L347,399 thousand.

The provision for credit losses decreased by L91,111 thousand as of December 31, 2025, mainly due to the recognition of loan impairment charges by L2,479,384 thousand, and an increase by incorporation of Atlantic Bank Belice by L581,399 thousand, an increase by L24,819 thousand due to exchange fluctuation effect, an increase in interest included in loans by L26,708 thousand, and an increase provision for the year (SBO Resolution No. 674/26-08-2021), and a decrease of L2,814,523 thousand due to portfolio charge-offs, release of reserves by L337,465 thousand, and transfer to foreclosed assets by L51,433 thousand

Proceeds from services.

The following table presents the components of income from services for the year ended, December 31, 2025, and 2024:

	December 31,		Change	
	2025	**2024**	**HNL**	**%**
Services	188,727	201,968	(13,241)	-6.6%
Commissions	6,678,791	5,520,324	1,158,467	21.0%
Leases	142,945	134,332	8,613	6.4%
Other income (1)	692,919	452,654	240,265	53.1%
Total	**7,703,382**	**6,309,278**	**1,394,104**	**22.1%**

(In thousands of L except percentages)

Other income consists of gains on the purchase/sale of foreign currency, changes in value of assets and liabilities held for sale, account management fees, gains on sale of financial assets and other (miscellaneous) income.

Proceeds from services increased by 22.1%, or L1,394,104 thousand, for the year ended December 31, 2025, compared to the same period 2024, primarily due to an increase in commissions and other income of 21.0% and 53.1%, respectively, offset by a decrease of 6.6% in services, as explained below.

The decrease in services income by 6.6%, or L13,241 thousand, for the year ended December 31,2025, compared to the same period 2024, by a decrease in income: (i) portfolio recovery services by L2,877 thousand;(ii) technology services and software development services by L5,366 thousand and (iii) the digital wallet services by L4,424 ; offset by an increase of warehouse by L2,329 thousand mainly due to an increase in volume of clients.

The increase in commission income of 21.0%, or L1,158,467 thousand, for the year ended December 31, 2025, compared to the same period 2024, is mainly explained as follows:

Commissions

Loan commissions	L260,556
Products by services	L118,814
Affiliate commissions	L144,270
Credit and debit card	L268,632
Other fees*	L366,195
Total	**L1,158,467**

(In thousands of L)

Include: collection fees, intra-bank transfer fees, and service fees, among others

Profit from insurance activities.

The following table presents the components of income from insurance activities for the year ended December 31, 2025, and 2024:

	December 31,		Change	
	2025	**2024**	**(HNL)**	**%**
Income from insurance activities	7,389,264	5,176,641	2,212,623	42.7%
Expenses from insurance activities	6,484,399	4,745,518	1,738,881	36.6%
Profit from insurance activities	**904,865**	**431,123**	**473,742**	**109.9%**

(In thousands of L except percentages)

Profit from insurance activities increased by 109.9%, or L473,742 thousand, for the year ended December 31, 2025, compared to the same period December 31, 2024, mainly due to movements in the income and expenses as discussed below:

Income from insurance activities increased L2,212,622 thousand, for the year ended December 31, 2025, compared to the same period of 2024, primarily due to an increase in premiums issued by Seguros Atlántida El Salvador, Atlantida Vida and Seguros Atlantida by L271,614 thousand, L68,412 thousand, and L414,736 thousand, respectively; an increase in premiums issued as a consequence of the incorporation of Seguros Atlantida Ecuador and Atlantic Insurance Belize by L661,469 and L135,032 thousand, respectively; an increase by L103,878 thousand in ceded reinsurance commissions, change in reserves for outstanding claims by L636,727 thousand, variation in forecast reserves by L46,110 thousand, and salvage and claims recoveries by L48,406 thousand; partially offset by a decrease of L42,248 in the variation of reserves for risk; and claims recovered from foreign reinsurers by L202,716 thousand.

Expenses from insurance activities increase by L1,738,880 thousand, for the year ended December 31, 2025, compared to the same period in 2024, mainly due to an increase in: (i) premiums ceded to foreign reinsurers by L538,477 thousand (ii) insurance commissions by L214,383 thousand,(iii) variation in forecast reserves by L342,894 thousand,(iv) other technical expenses by L60,639 thousand (v) incurred unreported claims expenses L24,579 thousand (vi) insurance premiums premium return and cancellations by L210,942 thousand and (vii) L169,873 thousand in variation of claims ; partially offset by a decrease of L5,826 thousand in variation in reserves for risks in progress.

Operating expenses

The following table presents the components of operating expenses for the year ended December 31, 2025, and 2024

	December 31,		Change	
	2025	2024	HNL's	%
Staff expenses	4,806,669	4,026,740	779,929	19.4%
General and administrative expenses	8,364,710	6,907,092	1,457,618	21.1%
Depreciations and amortizations	1,389,291	1,022,154	367,137	35.9%
Total	**14,560,670**	**11,955,986**	**2,604,684**	**21.8%**

(In thousands of L except percentages)

Operating expenses increased by 21.8%, or L2,604,684 thousand, for the year ended December 31, 2025, compared to the same period of 2024, primarily due to an increase of 19.4% in staff expenses and an increase in general and administrative expenses by 21.1%, as explained below.

Staff expenses increased by 19.4% or L779,929 thousand, for the year ended december 31, 2025, compared same period of 2024, mainly due to an increase in salary adjustments and headcount by L285,182 thousand; L157,312 thousand as a consequence of the incorporation FUNDESER, Atlantic bank Belize and Atlantic insurance; an increase by L53,404 thousand in employer contributions and an increase by L52,733 thousand in medical care for Group´s employees, and an increase by L214,058 thousand in bonuses; partially offset by a decrease of L4,097 thousand in training expenses.

General and administrative expenses increased 21.1%, or L1,457,618 thousand, for the year ended december 31, 2025, compared same period of 2024, mainly due to: (i) an increase by L573,584 thousand in miscellaneous expenses due to the increases in commission expenses by L284,871 thousand; an increase in other administrative expenses by L83,158 thousand, an increase in loyalty programs by L21,456 thousand, and an increase in subscription by L62,532 thousand; (ii) an increase in expenses for outsourced services by L704,469 thousand; (iii) and an increase in expenses for taxes and contributions to the local governments by L84,828 thousand.

Non-operating income (expenses)

	December 31,		Change	
	2025	2024	HNL	%
Income from dividends	23,985	32,733	(8,748)	-26.7%
Gain on assets available for sale	306,237	277,513	28,724	10.4%
Gain on sale of fixed assets	33,756	160,888	(127,132)	-79.0%
Other income, net	2,500,235	1,606,196	894,039	55.7%
Total	**2,864,213**	**2,077,330**	**786,883**	**37.9%**

(In thousands of L except percentages)

Non-operating income (expenses) increased by 37.9% or L786,883 thousand, for the year ended December 31, 2025, compared to the same period of 2024, primarily due to an increase by 55.7% in other income net and a decrease in profit on sale of property, plant and equipment by 79.0%, as explained below.

Decrease in profit on sale of property, plant and equipment by 79.0%, or L127,133 thousand, due to property sales from Banco Atlantida El Salvador in 2024.

Other income net, increased 55.7%, or L894,039 thousand, for the year ended December 31, 2025, compared to the year ended December 31, 2024, mainly due to: (i) a decrease in net income from valuation of financial assets held for sale by L545,682 thousand, (ii) an increase in other income/(expenses) net by L554,770 thousand,(iii)an increase in other financial income/expenses (net) by L49,298 thousand,(iv) an increase by L208,131 thousand, due to the fluctuation in exchange rates, net,(v)an increase in release of reserve of financial assets by L621,003 thousand mainly due to a loan portfolio sell by L525,785 thousand,(vi) an increase in losses due to theft, assault and fraud by L9,490 thousand; and (vii) an increase in interest tax by L2,971 thousand.

Income before taxes and non-controlling interest

Income before taxes and non-controlling interest increased 74.6% to L4,244,722 thousand for the year ended December 31, 2025, compared to L2,431,281thousand for the same period ended 2024, as a result of the factors discussed above.

Income tax

Income tax expenses increased by 75.4%, or L675,247 thousand, for the year ended December 31, 2025, compared to the same period ended December 31, 2024. The effective rate of income tax was 37.0% as of December 31, 2025, compared to 36.9 % as of same period ended 2024.

Net income

Net income increased 85.0% for the year ended December 31, 2025, compared to the year ended December 31, 2024. Average shareholders' equity increased 18.3% to L261,658,052 thousand, for the year ended December 31, 2025, compared to the year ended December 31, 2024. ROAE was 10.7% for the year ended December 31, 2025, compared to 7.2% for the same period ended December 31, 2024.

Liquidity and financing

Banco Atlántida represents our main source of funds, the Group's liquidity comes from deposits, loans from banks and financial institutions and debt securities.

The following table shows the main sources of funds of the Group as of December 31, 2025, and December 31, 2024:

	December 31 2025	December 31 2024	Change	%
Demand deposits	42,349,662	25,599,819	16,749,843	65.4%
Savings deposits	84,359,631	58,243,652	26,115,979	44.8%
Term deposits	86,700,271	79,480,638	7,219,633	9.1%
Other	2,482,977	1,929,258	553,719	28.7%
Total, Deposits	**215,892,541**	**165,253,367**	**50,639,174**	**30.6%**
Banks loans	29,651,848	35,921,496	(6,269,648)	-17.5%
Bonds and guaranteed notes	11,388,831	12,620,751	(1,231,920)	-9.8%
	256,933,220	**213,795,614**	**43,137,606**	**20.2%**

(In thousands of L except percentages)

Deposits increased 30.6% to L215,892,541 thousand as of December 31, 2025, compared to L165,253,367 thousand as of December 31, 2024, mainly due to the change in Banco Atlántida's savings deposit acquisition strategy and the incorporation of Atlantic Bank.

Bank loans were L29,651,848 thousand as of December 31, 2025, compared to L35,921,496 thousand as of December 31, 2024. Banco Atlántida has lines of credit with 17 global financial institutions with which it has had correspondent relationships. Some of its main credit line providers include IFC, US Department of Agriculture - Commodity Credit Corporation, BCIE, Citibank N.A., Wells Fargo Bank N.A. y Commerzbank AG. As of December 31, 2025, Banco Atlántida had a total amount of USD538,789 thousand (L14,209,852 thousand) in uncommitted credit lines from foreign institutions, of which USD250,284 thousand (L6,600,928 thousand) were available for use.

Bonds, and secured notes issued were L11,388,831 thousand as of December 31, 2025, compared to L12,620,751 thousand as of December 31, 2024, which represents a decrease of L1,231,920 thousand of which L4,420,753 thousand of bond cancelations, L2,062,849 thousand corresponds to an increase of new issuances, an increase due to the application of the amortized cost method of L743,395thousand and an increase due to the variation in the exchange rate of L382,603 thousand.

Through our asset and liability management policy, we seek to ensure that sufficient liquidity is available to honor deposit withdrawals, pay other liabilities at maturity, extend loans or other forms of credit to customers, pay liabilities arising from the insurance policies we issue, and meet working capital needs. The minimum amount of liquidity that our main subsidiaries are obliged to maintain depends on the reserve requirements established by the Central Bank, as well as the technical and mathematical legal reserves required by our insurance operations.

We expect deposits, loans and borrowings from banks and debt securities issued to be sufficient to meet our liquidity requirements over the next 12 months.

Regulatory Capital

As a holding company, we are not required to maintain regulatory capital on a consolidated basis. However, in accordance with Honduran, Salvadoran, Nicaraguan, Panamanian capitalization requirements, Banco Atlántida S.A, Banco Atlántida El Salvador, Banco Atlántida Nicaragua, Pacific Bank, Banco Atlantida Ecuador and Atlantic Bank Ltd are required to maintain specific levels of regulatory capital as a percentage of their risk-weighted assets (capital adequacy ratio for Honduras, Nicaragua, Panamá, Ecuador and Belize; and capital fund for El Salvador). As of December 31, 2025, the required capital adequacy ratio for Honduras, Nicaragua, Panama, Ecuador and Belize was 12.5%,10.0%,8.0%,9.0% and 9.0% respectively, while the required capital fund for El Salvador was 12.0%.

The following tables show the calculation of regulatory capital for Banco Atlántida (capital adequacy ratio), Banco Atlántida El Salvador (capital fund), Banco Atlántida Nicaragua (capital adequacy ratio), Pacific Bank (capital adequacy ratio), and Atlantic Bank Ltd (capital adequacy ratio); according to regulatory requirements;

Banco Atlántida	**December 31,**		
	2025	**2024**	**2023**
Total, level 1	11,879,790	10,392,336	9,873,988
Total, level 2	7,168,722	6,368,066	5,633,360
Total, Regulatory Capital	**19,048,512**	**16,760,402**	**15,507,348**
Total, Risk-weighted assets	150,746,417	137,171,296	126,123,669
Regulatory capital as a percentage of risk-weighted assets	**12.6%**	**12.2%**	**12.3%**

(In thousands of L except percentages)

Banco Atlántida El Salvador	**December 31,**		
	2025	**2024**	**2023**
Total, level 1	127,635	117,038	92,933
Total, level 2	9,083	5,526	16,362
Total, Regulatory Capital	**136,718**	**122,564**	**109,295**
Total, Rick-weighted assets	1,095,142	945,059	844,220
Regulatory capital as a percentage of risk-weighted assets	**12.5%**	**13.0%**	**12.9%**

(In thousands of USD except percentages)

Banco Atlántida Nicaragua	**December 31,**		
	2025	**2024**	**2023**
Total, level 1	1,109,212	805,080	863,784
Total, level 2	-127,757	-63,601	-57,138
Total, Regulatory Capital	**981,455**	**741,479**	**806,646**
Total, Risk-weighted assets	2,394,089	2,474,725	2,026,662
Regulatory capital as a percentage of risk-weighted assets	**41.0%**	**30.0%**	**39.8%**

(In thousands of córdobas except percentages)

Pacific Bank (Panamá)	December 31		
	2025	2024	2023
Total, level 1	29,250	29,250	29,250
Total, level 2	-343	-1,476	-3,286
Total, Regulatory Capital	**28,907**	**27,774**	**25,965**
Total, Risk-weighted assets	184,059	116,585	87,420
Regulatory capital as a percentage of risk-weighted assets	**15.7%**	**23.8%**	**29.7%**

(In thousands of B/. except percentages)

Banco Atlantida Ecuador	December 31,	
	2025	2024
Total, level 1	2,079	430
Total, level 2	87,906	73,273
Total, Regulatory Capital	**89,985**	**73,703**
Total, Risk-weighted assets	11,967	13,310
Regulatory capital as a percentage of risk-weighted assets	**13.3%**	**18.1%**

(In thousands of USD except percentages)

Atlantic Bank	December 31, 2025
Total, level 1	140,035
Total, level 2	7,442
Total, Regulatory Capital	**147,477**
Total, Rick-weighted assets	1,433,532
Regulatory capital as a percentage of risk-weighted assets	**10.3%**

(In thousands of BZ$ except percentages)

Commitments and contractual obligations

The Group assumes several commitments and contractual obligations that may require future payments in cash. The following table summarizes our commitments and contractual obligations as of December 31, 2025.

	Less than 30 days	From 31 to 90 days	From 91 days to 1 year	Betwee 1 and 5 years	More than 5 years	Total
Deposits	76,667,608	52,172,519	60,723,309	19,487,991	6,841,114	215,892,541
Bank loans	4,139,389	4,742,437	6,051,756	7,284,891	7,433,375	29,651,848
Bonds and guaranteed notes	50,131	79,036	7,121,713	4,217,160	-	11,468,040
Total	80,857,128	56,993,992	73,896,778	30,990,042	14,274,489	257,012,429
% del Total	**31.5%**	**22.2%**	**28.8%**	**12.1%**	**5.6%**	**100.0%**

(In thousands of L except percentages)

Capital expenditures

Consolidated capital expenditure decreased to L2,244,125 thousand for the year ended December 31, 2025, compared to L2,308,824 thousand for same period in 2024, mainly due to a decrease in development of intangibles assets such as software and licenses in 2024.

Off-balance sheet agreements

In the normal course of business, the Group engages in various off-balance sheet activities that carry credit, market and operating risk and are not reflected in our financial statements. These activities include commitments to extend credit that would not otherwise be accounted for as contingent loans, such as guarantees, letters of credit and loans under standby contracts, including lines of credit and syndicated loans. We provide our clients with services related to the issuance and confirmation of commercial and stand-by letters of credit and the issuance of bank guarantees. These contingent liabilities are detailed below:

		As of December 31, 2025	2024
Letters of credit and idle credit documents	L	1,744,671	956,647
Securities and bank guarantees issued		6,468,040	6,093,976
Acceptance debtors		76,497	5,612
Idle credits		10,919,626	8,690,882
Other responsibilities		327,081	277,821
	L	19,535,915	16,024,938

(In thousands of L)

The credit risk of both on-and off-balance sheet financial instruments changes based on many factors, including the value of collateral held and other security arrangements. To mitigate credit risk, we generally determine the need for specific requirements for covenants, guarantees and guarantees on a case-by-case basis, depending on the nature of the financial instrument and the solvency of the client. We may also require letters of commitment and oral assurances. The amount and type of collateral held to reduce credit risk varies, but may include real estate, machinery, equipment, inventory, and accounts receivable, as well as cash on deposit, stocks, bonds, and other marketable securities that are generally held in our possession or by another appropriate custodian or depositary. This guarantee is periodically assessed and inspected to ensure both its existence and its adequacy. Additional collateral is required where appropriate as determined by the credit committee of our subsidiaries.

Qualitative and quantitative disclosure on market risks

We are exposed to risks in the ordinary course of business, particularly credit risk, liquidity risk, exchange rate risk and interest rate risk. For a discussion of how we regularly assess and manage our exposure to these risks, please see Note 4 of our consolidated financial statements as of December 31, 2025.