INVATLAN
INVERSIONES ATLANTIDA, S.A.

Condensed Consolidated Financial Statements

March 31, 2025

(Expressed in thousands of Lempiras)

INVERSIONES ATLANTIDA, S.A. AND SUBSIDIARIES
(Tegucigalpa, Honduras)
Consolidated statement of financial position
As of March 31, 2025
(Expressed in thousand of lempiras and U.S. dollars)

			March			December
Assets	**Note**		**2025**		**2025**	**2024**
Cash and cash equivalents		USD	1,129,098	L	28,930,314	32,665,523
Investments:						
Certificates, bonds and other, net	5		1,317,010		33,745,083	30,788,072
Stocks, net	5		70,296		1,801,161	1,661,198
Insurance premiums receivable, net			41,197		1,055,573	905,251
Loans and interest receivable, net	6		6,253,987		160,242,789	156,747,646
Accounts receivable, net			285,046		7,303,598	7,055,675
Property, plant and equipment, net			182,181		4,667,938	4,723,441
Property investment, net	8		3,872		99,211	97,634
Assets held for sale, net	7		8,624		220,974	198,595
Deferred income tax			4,552		116,634	87,570
Other assets, net			345,574		8,854,479	8,362,531
Total Assets		**USD**	**9,641,437**	**L**	**247,037,754**	**243,293,136**
Liabilities						
Deposits	9	USD	6,762,473	L	173,271,457	165,253,367
Financial obligations						
Sectoral loans	10		328,000		8,404,176	7,915,046
Other interbanks loans	10		859,643		22,026,209	28,006,450
Interest payable			48,494		1,242,540	951,131
Accounts payable			52,363		1,341,661	1,198,107
Reserves for claims			31,781		814,320	971,113
Technical and mathematical reserves			45,247		1,159,338	1,095,959
Obligations with reinsurance and counter-guarantors			16,382		419,746	324,867
Other liabilities			12,294		314,993	506,037
Income tax payable			22,809		584,424	410,093
Deferred income tax			5,623		144,082	124,497
Sundry creditors			65,824		1,686,571	1,556,632
Provisions			38,851		995,471	995,818
Special reserves			3,835		98,268	97,990
Bonds and guarranteed notes	11		506,246		12,971,288	12,620,751
Total Liabilities			**8,799,865**		**225,474,544**	**222,027,858**
Noncontrolling interests			106,734		2,734,800	2,770,159
Stockholders' equity						
Common shares	1		253,683		6,500,000	6,499,628
Capital surplus due to par value in excess of the shares			316		8,108	8,108
Noncapitalized contributions			-			-
Accumulated other comprehensive income	12		11,914		305,274	249,470
Retained earnings						
Contingency reserves			1,626		41,668	41,783
Legal reserves			12,542		321,360	321,360
Regulatory reserves			9,537		244,350	244,350
Retained earnings			445,220		11,407,650	11,130,420
Total retained earnings			468,925		12,015,028	11,737,913
Total equity			734,838		18,828,410	18,495,119
Contingent liabilities	16					
Total liabilities and equity		**USD**	**9,641,437**	**L**	**247,037,754**	**243,293,136**

See accompanying notes to consolidated financial statements.

INVERSIONES ATLANTIDA, S.A. AND SUBSIDIARIES
Consolidated statement of Comprehensive Income
For three months ended March 31, 2025 and 2024
(Expressed in thousand of lempiras and U.S. dollars)

	Note		2025		2025	2024
Financial proceeds						
Interest income	13	USD	211,335	L	5,414,934	4,021,661
Interest expense	13		129,558		3,319,588	2,099,765
Financial profit			81,777		2,095,346	1,921,896
Loan impairment charges			22,363		572,992	458,237
Finacial profit, net of loan impairment charges			59,414		1,522,354	1,463,659
Income from insurance activities			62,332		1,597,096	1,308,220
Expenses from insurance activities			53,768		1,377,659	1,171,560
Profit from insurance activities			**8,564**		**219,437**	**136,660**
Commissions and fees:						
Services			2,266		58,053	69,172
Commissions			57,370		1,469,969	1,256,290
Leases			1,144		29,322	4,115
Other income			5,209		133,477	119,392
Total proceeds from services			**65,989**		**1,690,821**	**1,448,969**
Other expenses:						
Staff-expenses			41,184		1,055,238	997,849
General and administrative expenses			70,951		1,817,939	1,519,721
Depreciation and amortization			14,665		375,742	233,891
Total other expenses			126,800		3,248,919	2,751,461
Operating income			**7,167**		**183,693**	**297,827**
Non-operating income (expenses):						
Income from dividends			119		3,049	169
Gain on assets available for sale			1,312		33,605	54,669
Gain on sale of fixed assets			212		5,438	55,359
Interest tax			(953)		(24,411)	(22,987)
Other income, net			14,451		370,280	359,520
Total non-operating income (expenses):			15,141		387,961	446,730
Income before income tax and noncontrolling interest			**22,308**		**571,654**	**744,557**
Income tax	14		8,644		221,481	214,300
Deferred income tax			1,028		26,342	39,231
			9,672		247,823	253,531
Income before noncontrolling interest			**12,636**		**323,831**	**491,026**
Net Income attributable to noncontrolling interest			2,061		52,813	75,042
Net income			**10,575**		**271,018**	**415,984**
Items that may not be reclassified subsequently to profit or loss:						
Profit over fixed assets revaluation surplus	12		411		10,520	-
Items that may be reclassified subsequently to profit or loss:						
Gains from sales of financial foreclosed assets	12		568		14,554	228
Other profit (loss)	12		1,421		36,399	(1,307)
Income tax relating to items that may be reclassified	12		(221)		(5,669)	196
Total comprehensive income for the year	12	**USD**	**12,754**	**L**	**326,822**	**415,101**

See accompanying notes to consolidated financial statements.

INVERSIONES ATLANTIDA, S.A. AND SUBSIDIARIES
Consolidated statement of changes in stockholder´s equity
For three months ended March 31, 2025 and 2024
(Expressed in thousand of lempiras and U.S. dollars)

						Retained earnings					
		Common Stock	Capital Surplus Due to Par Value in Excess of Shares	Non capitalized contributions	Accumulated Other Comprehensive Income	Contingency Reserves	Legal Reserves	Regulatory Reserves	Retained Earnings	Total	Total USD
Balance as of January 1, 2024	L	5,950,000	8,105	200,000	268,972	30,411	312,400	190,056	10,028,855	16,988,799	
Net income		-	-	-	-	-	-	-	1,242,338	1,242,338	
Transfer		-	-	-	-	11,371	8,960	54,294	(74,625)	-	
Change in other comprehensive income		-	-	-	(19,401)	-	-	-	14,232	(5,169)	
Loss of minority interest participation		-	3	(200,000)	(101)	1	-	-	(7,454)	(207,551)	
Incorporation-disincorporation of subsidiaries		-	-	-		-	-	-	(4,182)	(4,182)	
Allowance for loan portfolio		-	-	-	-	-	-	-	(16,869)	(16,869)	
Allowance for assets held for sale		-	-	-	-	-	-	-	(8,149)	(8,149)	
Liability creation		-	-	-	-	-	-	-	6,274	6,274	
Stakeholder contribution		499,628	-	-	-	-	-	-	-	499,628	
Capitalized Contributions		50,000		-	-	-	-	-	(50,000)	-	
Balance as of December 31, 2024	**L**	**6,499,628**	**8,108**	**-**	**249,470**	**41,783**	**321,360**	**244,350**	**11,130,420**	**18,495,119**	
Balance as of January 1, 2025	L	6,499,628	8,108	-	249,470	41,783	321,360	244,350	11,130,420	18,495,119	721,833
Net income		-	-	-	-	-	-	-	271,018	271,018	10,575
Transfer		-	-	-	-	(115)	-	-	115	-	-
Change in other comprehensive income		-	-	-	55,804	-	-	-	7,165	62,969	2,457
Allowance for loan portfolio		-	-	-	-	-	-	-	868	868	34
Allowance for assets held for sale		-	-	-	-	-	-	-	(1,936)	(1,936)	(76)
Stakeholder contribution		372	-	-	-	-	-	-	-	372	15
Balance as of March 31, 2025	**L**	**6,500,000**	**8,108**	**-**	**305,274**	**41,668**	**321,360**	**244,350**	**11,407,650**	**18,828,410**	**734,838**

See accompanying notes to consolidated financial statements.

INVERSIONES ATLANTIDA, S.A. AND SUBSIDIARIES
Consolidated statement of cash flows
For three months ended March 31, 2025 and 2024
(Expressed in thousands of lempiras)

	Note		2025	2024
Cash flow from operating activities:				
Interest income		L	5,132,574	3,804,310
Interest expense			(3,028,179)	(1,848,051)
Fee and other income			1,113,906	791,139
Cash dividends			3,049	169
Insurance premiums, net of claims paid and reinsurance			213,442	158,396
Cash from sales of assets held for sale			72,733	60,922
Staff and procurement payments			(2,477,447)	(2,028,855)
			1,030,078	938,030
Change in operating assets and liabilities				
Net increase in loans			(3,760,765)	(1,919,786)
Net increase in deposits			8,018,090	219,222
Net cash flow from operating activities before income tax			5,287,403	(762,534)
Income tax and solidarity contribution paid			(47,150)	1,466
Net cash flow proceed from (used in) operating activities	26		5,240,253	(761,068)
Cash flow from investment activities:				
Change in investments			(2,992,794)	(102,591)
Acquisition of intangible assets			(691,793)	(415,564)
Acquisition of property, plant and equipment and property investment			(140,655)	(415,471)
Cash from sales of property, plant and equipment and intangible assets			34,746	92,018
Net cash flow used in investment activities			(3,790,496)	(841,608)
Cash flow from financing activities:				
(Decrease) increase in loans from banks			(5,491,111)	2,151,537
Decrease in noncontrolling interest			(89,965)	(62,700)
Increase (decrease) in bonds and guarranteed notes issued			350,537	(174,016)
Stockholder contribution			372	-
Net cash flow (used) proceeds from financing activities			(5,230,167)	1,914,821
(Decrease) increase in cash and cash equivalents			(3,780,410)	312,145
Cash and cash equivalents at the beginning of the year			32,665,523	27,486,633
Effect of movements in exchange rates on cash held			45,201	10,004
Cash and cash equivalents at the end of the period	5	L	28,930,314	27,808,782

See accompanying notes to consolidated financial statements.

(Expressed in thousands of lempiras)

(1) Reporting entity

Inversiones Atlántida, S. A. (the Company) was established under the laws of the Republic of Honduras on October 15th, 1970, for an indefinite period. Inversiones Atlántida, S.A. and Subsidiaries are defined hereinafter as "the Group". The Company is domiciled at: Hato – San Ignacio, Boulevard Centro América, Tegucigalpa, Republic of Honduras.

The Company has been established as a shareholding company for a group of companies (the subsidiaries) providing services in banking, insurance, leasing, pension fund administration, warehousing, brokerage and others service. The subsidiaries incorporated under the laws of Honduras (the Honduran subsidiaries) operate throughout the Honduran territory and have a presence in the main cities of the country. Since September 25, 2017, the Group has a presence in El Salvador, in 2019 in Nicaragua and additionally to December 2022 the Group has a presence in Mexico and Panamá there is also a presence in Ecuador, Perú and Spain since 2023.

The Group's capital share is represented by 32,500,000 common shares with a nominal value of L200 each, which are fully subscribed and paid. As of March 31, 2025, and December 2024, the share capital of the Group is L6,500,000.

(2) Basis of preparation

a) Consolidation principle

The consolidation principle followed by the Group is to include the assets, liabilities, equity and operations of the controlled subsidiaries. The consolidated financial statements of the subsidiaries are included in the consolidated financial statements beginning on the date when control was obtained. All significant transactions among the companies have been eliminated.

The companies included in the consolidated financial statements are the following:

Subsidiary	Percentage of participation
Banco Atlántida, S. A.	87.72%
Servicios Atlántida, S.A. de C.V.	100.00%
Administradora de Fondos de Pensiones Atlántida, S. A.	100.00%
Seguros Atlántida, S.A.	100.00%
Leasing Atlántida, S. A.	65.22%
Compañía Almacenadora, S. A.	100.00%
Informática Atlántida, S. A.	100.00%
Casa de Bolsa Atlántida, S.A.	100.00%
Almacén Temporal Atlántida, S. A.	100.00%
Servicios Digitales GÜIP, S.A.	100.00%
Banco Atlántida Nicaragua, S.A.	100.00%
Informática Atlántida S.A.P.I. de C.V.	100.00%

(Expressed in thousands of Lempiras)

Subsidiary	Percentage of participation
MAPEA, S.A.	100.00%
Lynxs Labs, S.A.	51.00%
Iberoátlantida Inversiones S. L.[1]	100.00%
Inversiones Financieras Atlántida, S. A. (Salvadorian Holding):	**100.00%**
Banco Atlántida El Salvador, S. A. and Subsidiaries	100.00%
Atlántida Securities, S.A. de C.V.	100.00%
Atlántida Capital, S. A.	100.00%
Atlántida Vida, S. A. Seguros de Personas	100.00%
AFP Confía, S. A.	78.03%
Seguros Atlántida, S.A.	100.00%
Atlántida Overseas and Subsidiaries Panamanian (AOI Holding)	**100.00%**
Pacific Bank, S.A.	100.00%
Atlántida Administrador de Inversiones, S.A. and Subsidiary[2]	100.00%
Atlántida Casa de Valores Panamá, S.A.	100.00%
Grupo Sur Atlántida S.A.(GSA):	**80.00%**
Inversiones Financieras Atlántida, Ecuador S. A. (IFAEC Holding) :	**100.00%**
Atlántida Casa de Valores, S.A. (ACCITLAN)	100.00%
Atlántida Inteligencia de Mercados, S.A. (INTELATLAN)	100.00%
Atlántida Insurance S.A.	100.00%
Credi Prime, S.A.	100.00%
Capital Prime, S.A.	100.00%
Fiduciaria Atlántida Administradora de Fondos y Fideicomisos, S.A.	100.00%
Banco D-miro, S. A.[3]	100.00%
Atlántida Advisors Perú, S. A.	100.00%
Inversiones Tres Lagos, S. L. (Holding)	**100.00%**
Microfinanciera Fundeser, S. A.[4]	100.00%

1 Iberoatlántida Inversiones S. L. was acquired during 2024.
2 Atlántida Administrador de Inversiones S.A. was constituted during 2023 and begins operations on February 1, 2024.
3 On April 1, 2024, Banco D-Miro was acquired
4 On April 1, 2024 Banco D-Miro was acquired. Also, during 2024, the Group acquired Microfinanciera Fundeser, S.A., additionally, Seguros Atlántida Ecuador was acquired on June 4, 2025.

b) Basis of accounting

These interim financial statements have been prepared in accordance with accounting standards, procedures, and accounting provisions issued by the National Banking and Insurance Commission (CNBS as abbreviated in Spanish) of the Republic of Honduras (the Commission), the local regulator responsible of the control and vigilance over the financial and insurance system, including the operations of authorized capital markets participants. They do not include all the information required for a complete set of financial statements as requested by the Commission. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group financial position and performance since the last annual financial statements.

These financial statements were approved by senior management of the Group on September 19, 2024.

c) Basis for measurement

The interim financial statements have been prepared using historical cost except for certain property, plant and equipment that have been subject to revaluation, intangible assets resulting from the acquisition of Banco Procredit (now Banco Atlántida El Salvador) by Inversiones Financieras Atlántida, S. A. and the acquisition of Pacific Bank, S.A. by Atlántida Overseas Investment, S.A. measured at its initial recognition at fair value (as cost); and certain type of financial assets and liabilities described below that are measured at amortized cost or at fair value.

- Held to maturity investments in bonds and notes from the Central Bank of Honduras and the government of Honduras and obligations are measured at their amortized cost with the impacts reflected in the income statement.
- Available for sale investments owned by Banco Atlántida, S.A. (a Honduran subsidiary) are registered at fair value.

d) Functional and presentation currencies

The accounts included in the interim financial statements of the Group are measured using the currency of the primary economic environment in Honduras (the Lempira). The consolidated financial statements are presented in lempiras, which is the functional and reporting currency of the Group.

The amounts disclosed in United States Dollars (USD) in the accompanying consolidated financial statements are presented solely for the convenience of the reader, dividing the Lempira amounts by the exchange rate of L25.6225 per USD1.00, which is the market exchange rate as of March 31, 2025, as calculated by the Central Bank of Honduras. The use of this methodology in converting Lempiras to USD is referred to as the "U.S. dollar conversion methodology," and should not be construed as a representation that Lempira amounts represent, have been, or could be, converted into U.S. dollars at that rate or at any other rate.

For consolidation purposes, the financial statements of the foreign and holdings companies and its respectively subsidiaries are translated from its functional currency to Lempira the presentation currency of the Group, using the exchange rates showed below:

(Expressed in thousands of Lempiras)

Companies:

		Translation rate		
2025	**Functional currency**	**US Dollar**	**Spot**	**Average**
IFA and Subsidiaries	USD1.00	USD1.00	25.6225	25.5351
IFAEC and Subsidiaries	USD1.00	USD1.00	25.6225	25.5351
Inversiones Tres Lagos S. L. and Subsidiary	USD1.00	USD1.00	25.6225	25.5351
Banco Atlántida Nicaragua, S. A	NIO 36.6243	USD1.00	25.6225	25.5351
Overseas Investment, S. A., and Subsidiaries	B/.1.00	USD1.00	25.6225	25.5351
Informática Atlántida, S.A.P.I. de C.V.	MXN20.42233	USD1.00	25.6225	25.5351
Capital Advisors, S.A, Perú	PEN 3.69688	USD1.00	25.6225	25.5351
Grupo Sur Atlántida	USD1.00	USD1.00	25.6225	25.5351
Iberoátlantida Inversiones, S. L.	EUR1.00	USD1.05	25.6225	25.5351
2024				
IFA and Subsidiaries	USD1.00	USD1.00	25.3800	24.8009
IFAEC and Subsidiaries	USD1.00	USD1.00	25.3800	24.8009
Inversiones Tres Lagos S. L. and Subsidiary	USD1.00	USD1.00	25.3800	24.8009
Banco Atlántida Nicaragua, S. A	NIO 36.6243	USD1.00	25.3800	24.8009
Overseas Investment, S. A., and Subsidiaries	B/.1.00	USD1.00	25.3800	24.8009
Informática Atlántida, S.A.P.I. de C.V.	MXN18.3023	USD1.00	25.3800	24.8009
Capital Advisors, S.A, Perú	PEN 3.7475	USD1.00	25.3800	24.8009
Grupo Sur Atlántida	USD1.00	USD1.00	25.3800	24.8009
Iberoátlantida Inversiones, S. L.	EUR1.00	USD1.04	25.3800	24.8009

As of March 31, 2025, and December 31, 2024, the assets and liabilities of foreign and holdings companies and its respectively subsidiaries are translated into the reporting currency at the spot rate at that date of L 25.6225 and L25.3800 per USD1.00, respectively. Shareholder´s equity is measured in terms of historical cost while income and expenses are translated using the average exchange rate recorded for the period, or L25.5351 (2025), and L24.8009 (2024) per USD1.00.

The translation to lempiras of the subsidiaries' financial statements which functional currency is different from Lempira, must not be interpreted as an affirmation that all records translated into lempiras can be converted without restrictions into such currency at the stated exchange rate.

Foreign currency differences resulting from the translation of the financial statements are recognized in other comprehensive income and presented as equity. When a foreign operation is disposed of such control, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss.

e) Use of Management estimates

Preparing the interim financial statements requires Management to make many judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, incomes and expenses. Actual results may differ from those estimates and assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Assessments to accounting estimates are recognized in the period in which the estimates are evaluated and in any future periods affected.

In preparing these interim financial statements, significant judgments made by Management when applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as of and for the year ended December 31, 2024.

Allowance for loan and interest losses.

Establishment of Reserves

The allowance for loan and interest losses is created based on the evaluation and classification criteria for the loans and the minimum provision percentages required by the Commission, which classifies loans into five risk categories, depending on the degree of the debtors' risk of nonpayment.

The allowances for loans and interest losses are constituted in accordance with assessment and classification criteria for loans and the minimum percentages of allowances required by the Commission for each of the classification categories. The allowance balance represents the amount that the Group´s management considers sufficient to cover expected losses to which the institutions are exposed according to the risk level and the impairment degree of credit operations, including those credits granted with resources from trusts under different types of management even if they are not presented on the Group's consolidated financial statements when the institutions assume the risks.

Through Resolution GRD No. 004/09-01-2025 of January 10, 2025 (the "Resolution"), the Commission issued the Standards for the Evaluation and Classification of the Credit Portfolio (the "Standards"), which aim to establish procedures for Supervised Institutions that carry out credit operations to evaluate and classify the assumed risk, in order to determine the reasonableness of the figures presented in their financial statements, timely constituting the required impairment estimates. These procedures seek to classify credit assets according to the assumed risk and the degree of impairment of the credit operations. This Resolution repealed GRD Resolution No. 184/29-03-2022 of March 29, 2022, as well as any other provision that opposed it, including GES Resolution No. 919/19-20-2018 that governed the provision requirements for doubtful loans and interest as of December 31, 2021. Among the reasons that justify updating the Standards, the following is required:

- Incorporate the standards approved by the National Congress of Honduras consigned in the Legislative Decree No. 33-2020, "Assistance Law to Manufacturing Sector and Workers Facing the effects of the pandemic caused by Covid-19", published in the Official La Gaceta No. 35,217 on April 3, 2020, in the eight section titled "Administrative Simplification in the Implementation of e-commerce Mechanism and Electronic Signature, Authorization to Import Raw Materials and Supplies Free Zones", authorizes to

Supervised Institutions by the Commission, they can comply with the authorized transactions to be executed with their clients, rights and obligations, contained in the Financial System Law by electronic transmission or to subscribe contracts with their clients by electronic transmission and substituting the original copies or documents for digital images, with the understanding that the records kept by the banks about the transactions realized by their clients by electronic transmission and following the regulations that the Commission may issue in this regard will support evidence in court.

- Amend the provision relative to managing and archive of electronic files of the debtors to allow the continuity of the financial operations of the institutions that are subject to the supervision of the Commission, those of which have a relevant impact in the economy of the country.

The criteria in accordance with the Standards allow to classify credit assets according to the risk assumed and the loan operations impairment degree, starting by grouping commercial credits and personal credits, are described and defined below.

1. **Commercial loans**: loans granted to natural or legal persons that finance various sectors of the economy, such as industrial, tourism, trade, export, mining, construction, communications and other financial activities. These loans are subdivided into major commercial loans, small Commercial loans, and microcredit loans in accordance with their indebtedness that they maintain with the institutions subject to these regulations, taking into consideration their obligations coming from trusts or assets under management.

   1.1 Major Commercial loans: debtors with commercial loans indebtedness that represent six percent (6%) or more of the current minimum capital established for banks, which must be computed considering the total outstanding obligations of the institutions subject to the standards.

   1.2 Small Commercial loans: credits granted to natural or legal persons, to finance industrial, commercial or service activities, which are not considered microcredit or major commercial loans. The Supervised Institutions will separate the loan of this segment into 1) loans with mortgage guarantee on real estate; 2) loans with pledged deposit guarantee in the same institution, reciprocal guarantee or against guarantees issued firstly by financial institutions and 3) loans with other guarantees.

   1.3 Microcredits: loans granted to a customer, natural or a legal person or a group of customers that finance small scale activities, such as: small scale industry, merchandising, services through specific loan methodologies. Some characteristics to identify these credits are as follows:

   a) To operate in formal or informal sector of the economy.
   b) The total indebtedness must not exceed L720, which must be computed considering the total outstanding obligations of the institutions subject to the Standards, except for the balances corresponding to mortgages loans.
   c) The main source of payment is comprised by the sales and income generated by these activities that are financed and not for a continuous income.
   d) The payment is generally made in periodic installments or under other forms of amortization determined through cash flow; and
   e) The guarantees can be fiduciary (individual, joint or several), mortgage, secured, reciprocal guarantees or others.

   Microcredits cannot be granted to natural persons whose main source of income is a salary.

The Group does not report loan operations under this category as of March 31, 2025, and December 31, 2024.

1.4 Agricultural loans: the assessment and classification of the credit portfolio of the agricultural sector will be subject to Standards issued by the Commission.

1.5 Financial Leases: Supervised Institutions, as lessors, are obligated to acquire certain property and equipment in accordance with the specifications indicated by the lessee, to grant their use, benefits or economic exploitation to another natural or legal person for a specified period in exchange of an amount of money that includes amortization of the acquisition cost, interest, Commissions and expected surcharges, documented in a contract upon the expiration, the lessor grants the lessee the possibility to exercise one of several alternatives in accordance with the leased assets, for a residual price freely agreed between the parties. The lease will be classified as financial when it transfers substantially all the risks and advantages inherent to the ownership of the asset, to the lessee or debtor.

2. **Personal loans**: These credits have special differentiator characteristics from commercial loans such as, amount terms, payment method, guarantee, type of client, loans management process, etc., which merits their classification based on the single delinquency criteria; even more if it is considered that due to the amounts which they operate (especially consumer loans) and their high number, it does not seem necessary to attempt a classification case by case. Consequently, Personal loans for classification purposes are subdivided in Consumer Loans and Mortgage Loans.

2.1 Consumer loans: Consumer loans are direct and contingent obligations contracted by natural persons including those contracted through credit cards, which main objective is to finance the acquisition of consumer goods or services payment. The main source of payment of the borrower can be the salary, wage, rents, remittances or similar. If the source of payment of the credit is productive or commercial activities, these credits will be treated as microcredit, small commercial loans or major commercial loans, depending on the indebtedness amount.

2.2 Mortgage loans: The loans that must be classified under this group are those contracted by natural persons, the purpose is to finance the acquisition, expansion, repair, improvement, subdivision or construction of a living place for own use and land for housing. In all cases, the loan must have a mortgage duly registered or in registration process no more than six (6) months have passed from the presentation date of the deed to the corresponding registry or with reciprocal guarantee when the credit for financing social housing. While the registration process lasts, the contracts and/ or promises of purchase and sale, duly legalized, will be accepted. Otherwise, it is considered as a consumer credit.

After defining the grouping and subdivision corresponding to each loan, the criteria are established to assign one of the five (5) classification categories to be used by the Supervised Institutions in the assessment process. These five (5) classifications categories are as follows:

Category	Name
I	Good loans
II	Special mention loans
III	Loans under Standards
IV	Doubtful recovery loans

(Expressed in thousands of Lempiras)

V Loss loans

Depending on the grouping and subdivision for each loan, each loan category can be disaggregated to denote special considerations in accordance with attributes such as past due days or guarantee type. The applicable classification criteria are described below.

- **For major commercial loans**, loan risk management requires sufficient information and continuous monitoring due to the complexity of these operations. The risk assessment will be bases on an analysis of a series of characteristics of the debtor, as well as certain peculiarities of several kinds of credits, considering in their application the order of the following four (4) classification factors: payment, capacity, historical payment behavior, which support the credits and economic environment.
- **For small commercial loans,** all the credit portfolios will be classified by delinquency.
- **For Microcredits**, the Supervised Institutions will classify the total of the portfolio based on the delinquency ranges.
- **For Agricultural loans**, the assessment and classification of the credit portfolio will be subject to different dispositions issued by the Commission for this purpose.
- **For Financial Leases**, the constitution of allowances will be done in accordance with the type of loan with which the financial lease is subscribed.
- **For Consumer loans**, the classification of the credit portfolio will be realized based on the delinquency base in the amortization payments.

For Mortgages loans, the classification of the mortgage loans will be done based on the delinquency base in the amortization payments.

Based on the criteria that allows to establish the classification category, the Standard establishes for each grouping and subdivisions the allowance for loan losses as follows:

- **For Major Commercial loans:** allowance for loan losses will apply the allowance percentages of the following table:

	Past due days range by type of guarantee / allowance for loan losses					
Category	**Mortgage guarantees on real estate**	**Allowances for loan losses**	**Pledged deposits guarantee in the same institution, against reciprocal guarantees or guarantees issued by first-order financial institutions**	**Allowances for loan losses**	**Other guarantees**	**Allowances for loan losses**
I-A	From 0 to 15 days	0%	From 0 to 15 days	0%	From 0 to 15 days	0%
I-B	From 16 to 30 days	0%	From 16 to 30 days	0%	From 16 to 30 days	0.5%
II	From 31 to 90 days	4%	From 31 to 90 days	0%	From 31 to 60 days	4%
III	From 91 to 180 days	25%	From 91 to 180 days	25%	From 61 to 90 days	25%
IV	From 181 to 360 days	60%	From 181 to 360 days	60%	From 91 to 180 days	60%
V	More than 360 days	100%	More than 360 days	100%	More than 180 days	100%

The range past due days that are indicated in each classification categories in the previous table is a condition that does not justify the final classification of the customer by itself. The payment capacity analysis and information availability predominate over this factor unless the past due days give a result of higher risk.

(Expressed in thousands of Lempiras)

If a Major commercial loan maintains more than one loan and at least one of them has a mortgage guarantee on real estate, a guarantee on pledged deposits in the same institution or against guarantees issued first order, it can be consider these guarantees for the different obligations, applying for these effects the percentages of the allowance for loan losses available on the following table, as long as the net value discount guarantees covers at least one hundred percent (100%) of all pending obligations, classifying all credits according to the greatest delay recorded. For applying the allowance for loan losses, the percentages established according to the type of guarantee will be considered when it exceeds fifty percent (50%). When the guarantee is 50% mortgage and 50% on pledged deposits in the same institution or against guarantees issued first order by Financial Institutions, the allowance for loan losses will be constituted in accordance with the percentages established for mortgage guarantee.

If it is not possible to cover one hundred percent (100%) of the obligations, the credit operations will be classified according to the type of guarantee.

To apply the aforementioned and ensure transparency to the customer, in structuring operations and the legal constitution of those guarantees, it must be expressly agreed by the parties and formally accepted by the customer, that mortgage guarantees on real estate, guarantees on pledged deposits in the same institution or against guarantees issued first-order by financial institutions may be used to guarantee operations with other guarantees.

- **For Small Commercial loans**, it will be applied the table shown below:

	Past due days range by type of guarantee / allowance for loan losses					
Category	**Mortgage guarantees on real estate**	**allowance for loan losses**	**Pledged deposits guarantee in the same institution, against reciprocal guarantees or guarantees issued by first-order financial institutions**	**allowance for loan losses**	**Other guarantees**	**allowance for loan losses**
I-A	From 0 to 15 days	0%	From 0 to 15 days	0%	From 0 to 15 days	0%
I-B	From 16 to 30 days	0%	From 16 to 30 days	0%	From 16 to 30 days	0.75%
II	From 31 to 90 days	4%	From 31 to 90 days	0%	From 31 to 60 days	4%
III	From 91 to 180 days	25%	From 91 to 180 days	25%	From 61 to 90 days	25%
IV	From 181 to 360 days	60%	From 181 to 360 days	60%	From 91 to 180 days	60%
V	More than 360 days	100%	More than 360 days	100%	More than 180 days	100%

If a small commercial loan maintains more than a loan and at least one of them has a mortgage guarantee on real estate, a guarantee pledged on deposits in the same institution or against guarantees issued first-order by Financial Institutions, guarantees can be considered for different obligations, applying for these purposes the percentages of allowance for loan losses provided in the previous table, as long as the net discounted guarantees amount covers at least one hundred (100%) of all pending obligations, classifying all loans according to the greatest delay recorded. For purposes of applying the allowance for loan losses will be considered the established percentages according to the type of guarantee indicated above, which exceed fifty percent (50%). If the guarantee is 50% mortgage and 50% on pledged deposits in the same institution or against first order by Financial Institutions, the allowance for loan losses will be constituted in accordance with the percentages established for mortgage guarantee.
In case it is not possible to cover one hundred percent (100%) of the aforementioned obligations, the credit operations will be classified according to their type of guarantee.

(Expressed in thousands of Lempiras)

To apply the aforementioned and ensure transparency to the customer, in structuring operations and the legal constitution of those guarantees, it must be expressly agreed by the parties and formally accepted by the customer, that mortgage guarantees on real estate, guarantees on pledged deposits in the same institution or against guarantees issued first-order by Financial Institutions may be used to guarantee operations with other guarantees.

- **For Microcredits**, it will be applied the table shown below:

Category	Credits	Past due days	Estimates for impairment with other guarantees	Guarantee on deposits pledged in the same institution, reciprocal guarantee or against guarantee issued by first-rate financial institutions
I	Good credits	Until 30 days	0.75%	0%
II	Special mention credits	From 31 to 60 days	5%	0%
III	Below the standard credits	From 61 to 90 days	25%	25%
IV	Doubtful recovery credits	From 91 to 120 days	60%	60%
V	Loss credits	More than 120 days	100%	100%

Supervised Institutions must classify all commercial loans. The Commission, through its inspections will evaluate a sample of major commercial and small commercial loans classification. If one hundred percent (100%) of the sample complies with the classification parameters of these standards, the rest of it will be considered acceptable, otherwise, the non-evaluated portfolio will apply the coefficient risk of the evaluated portfolio, the percentage resulting from applying the required allowance for loan losses to the portfolio under examination over the balances of this portfolio.

The allowances for loan losses percentages are applied to determine the allowance for loan losses for Major Commercial loans, Small Commercial Debtors and Microcredit, according to each table are as follows: a) Categories I and II: the percentages of the allowance for loan losses is applied the outstanding balance, b) Categories III, IV and V: the percentages of reserve are applied to the difference between the outstanding balance and the appraised value of the guarantees net discounted established by the Commission. However, these allowances cannot be lower than the minimum percentages applied to the outstanding balances, as follows: 15% for Category III, 50% for Category IV and 60% for Category V.

- **For Consumer loans**, the classification will be one hundred percent (100%) and to determine allowances for loan losses for these customers will be applied the percentages of allowances of the amount owed in accordance with the following three (3) conditions:

  1. Consumer Credits, whose amortization plan has been agreed with periodic payments in terms of greater or equal to thirty (30) days, will be classified in accordance with the categories in the following table:

(Expressed in thousands of Lempiras)

Category	Name	Past due days	allowance for loan losses with other guarantees	Allowance for loan losses of credits for education with reciprocal /
I	Good credits	Until 30 days	1%	0%
II	Special mention credits	From 31 to 60 days	5%	0%
III	Below the standard credits	From 61 to 90 days	25%	25%
IV	Doubtful recovery credits	From 91 to 120 days	60%	60%
V	Loss credits	More than 120 days	100%	100%

2. Consumer credits granted through credit cards will be classified the allowance for loan losses in accordance with the following table:

Category	Name	Past due days	Allowance for loan losses
I-A	Good credits	Until 7 days	0.5%
I-B	Good credits	From 8 to 30 days	1%
II	Special mention credits	From 31 to 60 days	5.25%
III	Below the standard credits	From 61 to 90 days	25%
IV-A	Doubtful recovery credits	From 91 to 120 days	60%
IV-B	Doubtful recovery credits	From 121 to 180 days	80%
V	Loss credits	More than 120 days	100%

3. Consumer loans whose amortization plan has been agreed with periodic payments in terms of greater to thirty (30) days will be classified in accordance with the categories of the following table:

Category	Name	Past due days	Allowance for loan losses
I	Good credits	Until 8 days	1%
II	Special mention credits	From 9 to 30 days	5.25%
III	Below the standard credits	From 31 to 60 days	25%
IV	Doubtful recovery credits	From 61 to 120 days	60%
V	Loss credits	More than 120 days	100%

If a consumer loan has guarantee on pledged deposits in the same institution, for categories I and II, the reserve percentages will be zero percent (0%), as long as the value of the guarantee net discounted covers at least one hundred percent (100%) of all outstanding consumer obligations.

If a customer maintains more than one consumer loan all of them will be classified according to the greatest delay recorded.

The consumer loans have a mortgage guarantee for purposes of establishing the allowance for loan losses the percentages indicated in the previous tables will be applied, as follows: a) Categories I and II: The percentages of the allowance for loan losses are applied the outstanding balance, b) Categories III, IV and V: The percentages of the allowance are applied to the difference between the outstanding balance and the appraised value of the guarantees net of the discount established by the Commission. However, these allowances cannot be lower than the minimum percentages applied to the outstanding balance, as follows: 15% for Category III, 50% for Category IV and 60% for Category V.

(Expressed in thousands of Lempiras)

To apply the aforementioned and ensure due transparency between Supervised Institutions and the customer, in structuring operations and legal constitution of these guarantees, it must be expressly agreed by the parties and formally accepted by the client, that mortgage guarantees on real estate, guarantees on pledged deposits in the same institution or against guarantees issued by first-order Financial Institutions may be used to guarantee operations with other guarantees.

- **For Mortgages loans**, the classification will be one hundred percent (100%) and to determine allowance for loan losses for these customers the percentages of the allowances will be applied to the outstanding balance, following the classification categories described in the following table:

Category	Name	due days Past	Mortgage guarantees only	Mortgage guarantee plus guarantee on pledged deposits in the same institution reciprocal guarantee or against guarantees issued by first-order institutions
I-A	Good Credits	Until 30 days	0%	0%
I-B	Good Credits	From 31 to 60 days	0.75%	0%
II	Specially Mentioned Credits	From 61 to 120 days	3%	3%
III	Under Standard Credits	From 121 to 210 days	20%	20%
IV	Doubtful Recovery Credits	From 211 to 360 days	50%	50%
V	Loss Credits	More than 360 days	70%	70%

For the purposes of establishing the allowance for loan losses, the above percentages are applied to the outstanding balance and the appraised value of the mortgage guarantees will not be discounted for the corresponding calculation.

If a mortgage loan has a guarantee on pledged deposits with the same institution, for category I-B, the percentage allowance will be zero percent (0%), if the net discounted value of the guarantee covers at least one hundred percent (100%) of all outstanding mortgage obligations.

In the case that it is not possible to cover one hundred percent (100%) of the obligations, the loan operations will be classified as Mortgage Guarantee only.

For the classification of mortgage loans, you should consider the older past due date. If a customer maintains more than one mortgage credit, all of them will be classified in accordance with the major past due day.

Unique Category Loan: In the case that the customer has several types of loans in the same Supervised Institution, their classification will be the one corresponding to the category of higher risk, according to the following procedure:

- The Supervised Institution must establish the category for each loan operation.
- If a customer has several operations of the same type of loan, the category will be assigned according to latest past due date from a single category.
- If the category of highest risk by type of loan represents at least fifteen percent (15%) of the customer's obligations in the same institution, such category will be applied to the rest of the obligations, resulting in the classification only of the customer in the same institution; or
- If the category with the highest risk by type of loan represents less than fifteen percent (15%) of the customer's obligations in the same institution, the classification of the loan will be maintained according to the criteria of the second statement; keeping each type of loan the category of highest risk.

Notwithstanding that the Commission subsequently establishes the use of the Unique Category for the purposes of constitution of the allowance for loan losses, the Supervised Institutions may use this category for such purposes when they consider its application necessary in accordance with the profile risk of the customer, in which case, the allowance for loan losses must be established in accordance with the applicable table according to the category and subdivision of the credit, segregating operations by guarantees when it is appropriate.

Debtor Alignment: If the debtor has loans in two or more Supervised Institutions, it will be reclassified in a different category with respect to the higher risk category that has been assigned by any of the institutions. The aforementioned applies when the obligations classified as the highest risk category represent at least twenty percent (20%) of the total indebtedness. The category acquired by the customer will be titled "reclassification by alignment" and will be used to calculate the estimates for all the customer's operations in the supervised institution in accordance with the allowance percentages of each of the types of loans as appropriate. The supervised institution that executes the monthly alignment must consider the classification of the customer based on the latest information available in the Confidential Customer Report. Additionally, it must report the classification without alignment in the field assigned for that purpose in the information presented to the Commission, who will establish the application of this numeral.

Additional requirements for allowance for loan losses and reciprocal guarantees application: The percentages allowance for loan losses established in the tables that contain the preceding classification categories will be applied without prejudice to additional requirements determined once the credit risk has been evaluated in the reviews that the Commission issues. When it is determined that the policies, practices and procedures in the granting, management, monitoring and control of credits do not comply with the guidelines of the applicable regulations on credit risk management, and according to the level of deficiencies found, the Commission may order the financial institution to establish generic allowances in addition to those referred in these Regulations.

Likewise, each institution may increase these percentages, if it considers that the loss risk assumed is greater than what is determined in these Regulations.

For loans that have reciprocal guarantees issued by reciprocal guarantee fund management established in article 2, subsection 1) of Legislative Decree No. 205-2011, Reciprocal Law Guarantee Fund System for the Promotion of Social Mortgage and Technical-Professional Education, the Supervised Institutions should not constitute an allowance for loan losses on the portion of the credit secured with reciprocal guarantee, as long as the guarantee is in force, that is, as long as the term of one hundred and eighty (180) calendar days that the intermediary has to collect before the Reciprocal Guarantee Fund Management Company, in accordance with the provisions of the minimum guidelines approved by this Commission, for the credit administration of the funds. The provisions above must apply to any credit obligation regardless of its destination.

Once the period indicated in the previous paragraph has expired, the Supervised Institution must establish the allowance for loan losses in accordance with the percentages established in the tables in these Regulations in accordance with the type of loan.

Accounting Accounts Subject to Classification and Constitution of Allowance for Loan Losses: For portfolio classification purposes, the amount recorded in the following accounts will be considered: a) Loans, Discounts and Trades, b) Sundry Debtors - Overdrafts; c) Commissions Receivable; d) Interest and Dividends Receivable of Loans; e) Loans and Discounts; f) Acceptances; g) Bank Guarantees; h) Guarantees; i) Endorsements; j) Standby Credit Letters; k) Credit Letters and Documented Credits; I) Financial Leases; m) Interest Receivable-Financial Leases; and n) all other obligations of the customers not registered in previous accounts including financing granted with resources from trust. For purposes of establishing an impairment allowance, will not compute the customer obligations where the institution is not assuming the risk (managed loan and trust loans with resources without risk for the institution).

If acceptances, bank guarantees, endorsements, guarantees, unexpired credit letters, the allowance for loan losses will be applied to fifty percent (50%) of their book value, considering the type of loan and the risk category of the customer in accordance with the percentages indicated in the tables contained in the Standard. The supervised institutions must have auxiliary records of these operations by type of loan and by risk category of the customer, which will be available to the Commission when it is required.

Considerations Applicable to refinancing and Readjustment Operations: The Commission distinguishes between refinanced loans and readjusted loans. It defines refinanced loans as those that suffer variations in their main conditions (period, form of payment, amount or rate) due to the customers' ability to pay. In the same way, loans granted to the same customer or third party, to pay another loan with problems of the customer's ability to pay the original loan, including those loan operations agreed upon at maturity date or other special forms of payment, without that evidence of payment of the previous loan, through the entry in cash or any other means of payment. Loans granted to third parties will not be considered as refinancing when the following conditions are met:

- There is a risk analysis realized by the supervised institution that evidences the ability to pay to the third party that acquires the debt.
- The third party has independent flows in relation to the original loan; and
- The loan granted to a third party is not granted under preferential conditions in terms of payment method, interest rate and period.

The readjusted loan is the one that has changes in the principal conditions and that in any case is due to difficulties in the debtor's ability to pay.

It is no considered refinancing when:
- The customer evidence good payment behavior, this means that in the six (6) prior months to the disbursement of the new loan, a risk category I has been maintained, and the institution grants a new loan or extension of the current loan.
- There is no discrepancy between the loan payment program and the customer's financial availability, backed by an analysis that shows a greater ability to pay, because of a higher business volume.

To refinance or to readjust, the institutions subject to the Regulations must have policies on this matter approved by the Board of Directors. Revolving credit lines must be evaluated at least every twelve (12) months. The institutions subject to these Regulations must inform the Commission about the refinancing and readjustment realized during the month, through the report contained in the Credit Information Center, in the first ten (10) working days of the following month.

Classification of Refinanced and Readjusted Loans: Customers with refinanced loans must maintain the classification that corresponds before cancelling the original loan with the new loan or modifying the conditions of this one, except in if Category I Credits - Good, in this case it must be classified at least in Category II - Specially Mentioned Loans. The track record of the loan preceding the refinanced loan must be recorded in the information systems of the supervised institutions, specifically what is related to their interest rates, amount granted, loan obligations balances, categories, period and days default, creating a control mechanism that allows the refinancing operation to be identified and related to the preceding credits. Customers with readjusted credits do not merit a change in the classification category, however, they must be recorded as such.

The treatment of refinanced customers will be realized according to the following table:

Number of refinances	Categories to constitute allowance for loan losses
Two times	III
Tree times	IV
Four times or more	V

Customers who are refinanced four (4) times or more must recognized one hundred percent (100%) of the reserve if they do not have a mortgage guarantee.

Under no circumstances refinanced loans can improve the category, except if each quarter the following conditions are fulfill, if the customer has always made punctual capital payments of the agreed payments for that period and is complying with refinancing conditions, according to the payment method:

Payment	Payment period
Monthly or less	Three months
More than a month to six	One year
More than six months	Two years

The customers that should have been registered as refinanced were registered as readjusted or current, must be classified at least in Category III - Credits under standard and consequently registered in the corresponding accounting item.

Accounting Write-off on Past Due Loans: The Supervised Institutions must constitute one hundred percent (100%) of the allowances for loan losses on the outstanding balance after two (2) years of default for Major and small commercial loans and agricultural loans with mortgage guarantees on real estate and mortgage; if microcredits and consumer credits with a mortgage guarantee on real estate, it will be one year. To proceed with the loans write-off to related parties, the institution must previously request the authorization of the Commission.

The following are legal and accounting requirements for write-offs of any loan:

a) Board of Directors approval, Management Committee or the body acting in its place.
b) Proof of uncollectibility; and
c) Constitute or have constituted one hundred percent (100%) of the allowance for loan losses for the loans that will be written off. The institutions must establish and maintain policies and procedures approved by Board of Directors for loan write-off.

The supervised institutions must report a detail of the loans written-off to Commission's Credit Information Center within ten (10) working days after month end. In these cases, the institution should send the approval act to the Board of Directors.

Supervised Institutions are prohibited from applying for the write-off of any loan without having previously complied with the requirements indicated in the previous paragraph.

Coverage of Allowance for Loan Losses. The Supervised Institutions must maintain a minimum coverage of one hundred and ten percent (110%) on the total of the delinquent loans.

Temporary Reliefs of Covid-19 and Eta e lota Storms: As a consequence of the national health emergency declared by the government, the Commission made temporary modifications to loan criteria applicable for loan classification as part of a major number of measures that allows Supervised Institutions that have loan operations to mitigate the impairment exposure of their loan portfolio, an income reduction, and consequently, to the effect on the performance of its capital. Additionally, these measures will promote the recovery of loans destined to economic activities affected by the measures adopted to prevent the COVID-19 spread, allowing the institutions to provide the necessary resources to rehabilitate the productive capacity in the country without affecting financial stability.

In its first resolution on this matter, GES No.175 / 03-21-2020, literal “f”; The Commission established that loan operations of affected debtors and that have temporary relief, until October 2020, would have the risk category reported until February 29 of that year. Once that period ends, the loans would be evaluated and classified in the category according to the criteria established in the current regulations issued, according with the payment behavior. Supervised institutions may evaluate the risk category of affected customers’ operations, whose plans have expiration dates prior to that date, in accordance with current regulations, as long as these debtors have complied with their obligations. In paragraph "i" of the same Resolution, it was established that these provisions do not imply for the supervised institutions by the Commission, the reduction or elimination of the allowance for loan losses already constituted by the loans that are benefited by the relief measures.

Subsequently, through GES Resolution No. 278 / 06-25-2020, the Commission extended the term for loans subject to relief measures to have the same risk category reported until February 29, 2020. Through this resolution, it was established that during the period from July to December 2020, supervised institutions that granted loan operations could realize more than one readjustment or refinancing to customers affected by COVID-19, preserving the risk category that they remained as of February 29, 2020, until December 31, 2020. Once that period ends, the credits will be evaluated and classified in the category according to the criteria established in the current regulations issued by this Commission, according to the payment behavior. As a recommendation, the Commission urged the supervised institutions to design an adjustment plan for the gradual constitution of the allowance for loan losses corresponding to the loan portfolio that is subject to temporary relief measures as a preventive measure to anticipate the possible impairment of the credit portfolio during the period of application of the benefit associated with the preservation of the risk category, from March to December 2020.

The economic situation of the country is affected because of the damage caused by storms Eta and Iota. The Commission proceeds to issue GES Resolution No. 601 / 02-12-2020 to extend relief measures to the affected productive sectors. It modifies the first resolution (subsection "f") of GES Resolution No. 278 / 06-25-2020, where the credit operations of the affected customers, who are subject of the temporary relief measures referred in this Resolution, will retain until June 30, 2021, the risk category that they maintained as of February 29, 2020 (this particular point is ratified by the Commission in resolution GES No. 602 / 02-12-2020). It is contemplated a modification of the second resolution so that during the period from July 2020 to March 2021, supervised institutions that grant credit operations may carry out more than one readjustment or refinancing to debtors affected by COVID-19, maintaining the risk category that they had as of February 29, 2020, until June 30, 2021.

Through SBO Resolution No. 526 / 10-29-2020 the Commission allowed temporarily to maintain until December 31, 2021, a minimum coverage of one hundred percent (100%) of the total balances of their past due loans.

Through SBO Regulation No. 23/2020 of November 12, 2020, the Commission in response to the agreement signed by the Executive authority and Honduran Association of Banking Institutions (AHIBA) for the Financial Relief of the Micro, Small and Medium Enterprise Sector (MSME); established the accounting guidelines applicable to restructured operations (refinanced or readjusted) for the loans granted to this sector, considering that unpaid interest at the time of the restructuring will not be capitalized. These interests will be charged separately from the restructured capital, through an additional loan at a zero-interest rate, and these operations must be evaluated and classified in the corresponding risk category according to the criteria established in the current regulations issued by the Commission.

Through Resolution GES NO-654 / 12-22-2020, the Commission approved the "Exceptional Regulatory Measures that contribute to the Rehabilitation and Reactivation of the National Economy due to the effects caused by the COVID-19 Health Emergency and the Tropical Storms Eta and Iota". Its objective is to develop prudential regulatory mechanisms that Financial System Institutions facilitate about the constitution and use of "Restricted Non-Distributable Capital Reserve", which must be created and used exclusively to cover deterioration of the loan portfolio affected by both the Covid-19 sanitary emergency and the Tropical storms Eta and Iota. This reserve will be constituted by the accumulated balance in the "Profit from Previous Years" account, plus the profits recorded at year end 2020.

The "Restricted Non-Distributable Capital Reserve" will be temporary until December 31, 2025. If there are residual or "Restricted Non-Distributable Capital Reserve" balances, these amounts must be transferred to the Prior Year Income (Loss)/Retained profit account. The use of the special account named "Restricted Non-Distributable Capital Reserve" is withdrawn as of January 2, 2026.

When it is determined that the constituted amount of the "Restricted Non-Distributable Capital Reserve" and the allowance for loan losses recorded as of December 31, 2020, is insufficient to cover one hundred percent (100%) of the allowance for loan losses of the loan portfolio and that these cause the Capital Adequacy Ratio (CAR) in the Institutions of the Financial System to be reduced to twelve percent (12%), must be submitted for approval of the Commission no later than April 30 of 2021, a gradual adjustment plan to cover the allowances associated with the impairment of the loans affected by the three (3) events, considering the evaluation of its loan portfolio as of June 30, 2021.

As of January 27, 2021, through Resolution SBO No.072/27-01-2021, the Commission decided to grant the request presented by the Bank, in the sense of being able to discretionally dispose of the Restricted Capital

Reserve subaccount no distributable, required in Roman IV of Resolution GES No. 654/22-12-2020, and must be communicated in advance to this entity at the time its use and constitution is deemed necessary.

Additionally, through Resolution SBO No.674/26-08-2021 issued on August 26, 2021, the Commission authorized the Gradual Adjustment Plan for the Constitution of Credit Impairment Estimates approved by the Bank's Board of Directors for an amount of L655,570 in a term of five (5) years. The foregoing in order to anticipate the impact of the deterioration of the portfolio that was used for temporary relief mechanisms by COVID-19 and that affected by the natural phenomena Eta and Iota. Likewise, the Commission ordered that said estimates must be constituted monthly for L10,930 until June 30, 2026, in compliance with the provisions of Romana V, subsection A of Resolution GES No.654/22-12-2020 referring to the "Exceptional Regulatory Measures that contribute to the Rehabilitation and Reactivation of the National Economy due to the effects caused by the Health Emergency by COVID-19 and the Tropical Storms Eta and Iota".

With the foregoing, Banco Atlántida S.A. to comply with the provisions of SBO Circular No.10/2021 of July 15, 2021, regarding the accounting record in memorandum accounts that must be made, for those Institutions of the Financial System and OPDF's to which the National Commission of Banks and Insurance approved the Gradual Adjustment Plan of estimates established by Resolution GES No.654/22-12-2020 "Exceptional Regulatory Measures that contribute to the Rehabilitation and Reactivation of the National Economy due to the effects caused by the Health Emergency due to COVID-19 and Tropical Storms Eta and Iota". As of September 30, 2024, the balance in account 7390901 - Accumulated loan impairment estimate (Portfolio included in the gradual adjustment plan) increased to L491,788.

The Board of Directors of Honduran Central Bank, through the Agreement No. 06/2020 of May 20, 2020, approved the Regulation of the Guarantee Fund for the Reactivation of MSMEs Affected by the Covid-19 Pandemic, applicable regulations for loans granted by the Intermediary Financial Institution (IFIs) with its own resources and backed with resources from the BCH-FG Mipymes Trust. Through this mechanism, it is encouraged the access to loan for the reactivation of the economic activity of MSMEs that have been affected by the decrease in their cash flows, derived from the restrictive mobilization measures taken by the Government of the Republic to prevent the spread of Covid-19, through the issuance of credit guarantees. The Guarantee Fund, through the coverage guarantee certificates issuance managed by the Honduran Bank for Production and Housing (Banhprovi), partially guarantees to IFIs the loans granted to MSMEs according to the conditions detailed in their regulations, benefiting micro, SMEs and commercial companies with loans between L300 and L36 million. Through Agreement No. 07/2020 of May 28, the Board of Directors of the Honduran Central Bank modifies the Regulation of the Guarantee Fund for the MSMEs in relation to the conditions of the interest rate applied by IFI to the credit. Therefore, this always must be at least two (2) percentage point (pp) lower than the weighted average active interest rate in national currency of each institution applied to Micro Enterprises and applied to Small and Medium Enterprises (SMEs) through the month before to the credit approval date, excluding the portfolio granted with this guaranteed fund.

Subsequently, larger companies (EMTs) with loans exceeding L5 million were included in their benefits according to Agreement No. 08/2020 of the Board of Directors of the Central Bank of Honduras of June 11, 2020, where it was approved the Regulation of the Regulation of Guarantee Fund for the Reactivation of Major Companies Affected by the Pandemic Caused by Covid-19.

As a complement to the treatment of loans guaranteed by the “Guarantee Fund for the Reactivation of Micro, Small and Medium Enterprises (MSMEs) affected by the pandemic caused by Covid-19, the Commission in its Resolution No. GES No. 246/12-06-2020 of June 12, 2020, established the risk weights applicable to the loans that the Bank grant under this mechanism for the purposes of calculating the Capital Adequacy Ratio (CAR). Described as follows:

- Average assets with 0% of risk: Share of credit guaranteed by the aforementioned Fund.
- Average assets with 20% of risk: Share of credit non-guaranteed by the aforementioned Fund.

f) Business Combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at date of acquisition, if an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

g) Non-Controlling Interests

Non-controlling interests are measured initially at their proportionate share of the acquirer's identifiable net assets at the date of acquisition.

Changes in the Group losses control over a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(3) Significant Accounting Policies

The accounting policies applied by the Group in these interim financial statements are the same as those applied by the Group in its consolidated financial statements as of December 31, 2024.

(4) Risk Management

The Group is exposed to the following risks from financial instruments, for which it conducts risk management efforts:

- credit risk
- comprehensive risk management
- liquidity risk

The Group´s financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as of and for the year ended December 31, 2024.

This section provides details regarding risk exposure and describes the methods used by management to control those risks. The most important types of financial risks to which the Group are exposed are credit risk, liquidity risk, and market risk. Market risk includes exchange rate risk, prices for capital instruments and interest rate risk.

Other significant business risks are those which are related to the prevention and detection of improper use of the Group's products and financial services including: money laundering, fiduciary, operations, technological, reputational, and strategic risks.

Credit risk.

Credit risk is the risk of that one of the parties involved in a financial instrument fails to comply with their obligations and causes the other party to incur in financial losses. The assets which potentially expose the Group to concentrations of credit risk consist primarily in deposits in national and foreign banks, investments, loans, and interest receivable and other receivables.

A large percentage of bank deposits and investments in bonds are placed with the Ministry of Finance, and with foreign banks.

Comprehensive risk management

Comprehensive risk management is the process through which the management structure of the Group, based on their risk tolerance, establish the amounts of exposure and the strategies by which Senior management and the staff at all levels of the Group implement procedures and systematic tasks to identify, evaluate, mitigate, monitor, and communicate the inherent risks which may affect the achievement of institutional goals.

The Group have formal, comprehensive, administrative risk management processes which allow the identification, measurement, control/mitigation, and monitoring of risk exposure which is assumed based on the risk profile inherent in their business strategy, policies, procedures, organizational structure, target market segment, and based on the products and services offered to their clients.

The Group has credit committees, which oversees establishing and overseeing compliance with credit policies, which establish limits focused on the efficient management of credit risk, while at the same time, some subsidiaries are regulated and supervised by the Commission.

The magnitude and concentration of exposure of the Group to credit risk can be seen in the balance sheet, which describes the size and composition of the financial assets of the Group by type of investment, the Group in some cases do not have collateral agreements related to their exposure to credit risk.

Liquidity risk

This represents the risk that the Group would have difficulties obtaining the funds necessary to meet commitments associated with the financial instruments. This may be the result of the inability to quickly sell an asset and receive from the sale a value which is like its fair value.

The Group substantially finances the loan portfolio through client deposits and loans payable.
Banco Atlántida, Leasing Atlántida, Banco Atlántida El Salvador, Banco Atlántida Nicaragua and Pacific Bank are subject to the liquidity requirements stablished. Additionally, all the banks and leasing company of the Group except Pacific Bank are subject to legal reserves.

INVERSIONES ATLANTIDA, S. A. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
March 31, 2025
(Expressed in thousands of Lempiras)

The following table provides the tenor analysis of financial assets and liabilities according to the period remaining until their maturity.

As of March 31, 2025,

Financial assets:		**Less than one month**	**Between one and six months**	**Between six months and one year**	**Between one and five years**	**More than 5 years**	**Total**
Cash and cash. Equivalents	L	28,260,988	22,426	39,184	607,588	128	28,930,314
Investments		4,380,635	1,794,975	7,336,326	8,880,895	11,352,252	33,745,083
Loans		6,375,607	9,500,662	26,792,218	39,431,925	79,702,947	161,803,359
Insurance premiums Receivable		296,622	617,716	168,110	-	-	1,082,448
Interest and commissions receivable		1,303,729	1,362,896	209,496	96,434	137,740	3,110,295
Accounts receivable		867,838	453,667	552,098	4,371,706	777,005	7,022,314
	L	41,485,419	13,752,342	35,097,432	53,388,548	91,970,072	235,693,813
Financial liabilities							
Deposits	L	45,628,622	42,587,807	43,109,418	30,560,508	11,385,102	173,271,457
Financial obligations		10,888,048	1,534,440	8,480,106	4,346,862	5,180,929	30,430,385
Interest payable		645,342	367,413	170,101	59,579	105	1,242,540
Obligations with reinsurance and counter-guarantors		182,286	155,402	82,058	-	-	419,746
Accounts payable		1,093,749	135,830	104,932	5,914	1,236	1,341,661
Sundry Creditors		837,059	232,473	306,443	310,596	-	1,686,571
Income tax payable		194,456	151,543	275,751	-	-	621,750
Bonds and guaranteed notes		-	459,034	2,103,420	10,207,062	332,504	13,102,020
	L	59,469,562	45,623,942	54,632,229	45,490,521	16,899,876	222,116,130

As of December 31, 2024,

Financial assets:		**Less than one month**	**Between one and six months**	**Between six months and one year**	**Between one and five years**	**More than 5 years**	**Total**
Cash and cash. Equivalents	L	31,909,481	108,442	54,029	593,445	126	32,665,523
Investments		3,808,270	1,033,774	5,342,276	9,063,975	11,539,777	30,788,072
Loans		4,004,115	9,961,260	26,186,623	42,294,011	76,096,409	158,542,418
Insurance premiums Receivable		208,418	601,151	117,521	-	-	927,090
Interest and commissions receivable		2,164,370	60,643	262,885	87,307	81,943	2,657,148
Accounts receivable		784,835	447,366	632,260	4,202,742	593,696	6,660,899
	L	42,879,489	12,212,636	32,595,594	56,241,480	88,311,951	232,241,150
Financial liabilities							
Deposits	L	45,670,945	42,249,462	41,169,525	30,527,773	5,635,662	165,253,367
Financial obligations		10,807,711	1,542,061	8,691,670	7,715,412	7,164,642	35,921,496
Interest payable		654,307	40,402	210,619	45,712	91	951,131
Obligations with reinsurance and counter-guarantors		52,237	164,904	107,726	-	-	324,867
Accounts payable		1,061,236	32,707	103,535	(1,577)	2,206	1,198,107
Sundry Creditors		780,665	263,283	172,071	340,613	-	1,556,632
Income tax payable		16,664	153,119	240,310	-	-	410,093
Bonds and guaranteed notes		-	25,360	2,528,057	9,887,945	329,314	12,770,676
	L	59,043,765	44,471,298	53,223,513	48,515,878	13,131,915	218,386,369

(Expressed in thousands of Lempiras)

Market risk

Is the risk that changes in market prices, such as interest rates, prices for capital instruments, and exchange rates with respect to foreign currency may affect the income of the Group or the value of their participation in financial instruments. The objective of market risk management is to control the exposure within acceptable parameters, while optimizing the return in relation to the risk assumed.

Market risk includes the analysis of the following Components:

a) Exchange rate risk
b) Interest rate risk
c) Price risk

Exchange rate risk

This is the risk to which the Group is exposed because of fluctuations in the value of financial assets and liabilities caused by variations in the exchange rates. The magnitude of this risk depends on:

- The unbalance between assets and liabilities in the foreign currency of the Bank; and
- The exchange rate of the underlying contract for the transactions in foreign exchange at the date of execution of the contract.

As of March 31, 2025, and December 31, 2024, the total assets, liabilities, and off-balance sheet operations in foreign currency, are the following:

		March 31, 2024,				December 31, 2024		
Cash & cash equivalents	USD	632,867	L	16,215,627	USD	635,255	L	16,122,778
Investments		725,013		18,576,648		628,816		15,959,343
Loans		2,620,770		67,150,690		2,506,897		63,625,035
Total assets	USD	3,978,650	L	101,942,965	USD	3,770,968		95,707,156
Deposits	USD	2,572,648	L	65,917,686	USD	2,480,510	L	62,955,346
Loans from banks		783,817		20,083,352		666,429		16,913,975
Bonds and guaranteed notes		476,801		12,216,840		562,724		14,281,931
Total liabilities		3,833,266		98,217,878		3,709,663		94,151,252
	USD	**190,611**	**L**	**4,883,916**	USD	**61,305**	**L**	**1,555,904**
Off balance-sheet accounts		(214,283)		(5,490,459)		(215,333)		(5,465,162)
Net position	**USD**	**(23,672)**	**L**	**(606,543)**	**USD**	**(154,028)**	**L**	**(3,909,258)**

For purposes of this analysis, the values in USD above mentioned include balances in US dollars, euros, nicaraguan córdobas, mexican pesos, panamanian balboas and peruvian soles.

To adequately manage and reduce appropriately the exposure to exchange risk, especially in accounts off the balance sheets, as of March 31, 2025, and December 31, 2024, the Group holds stand-by letters of credit in foreign currency for the amounts of USD74,211 (L1,901,471) and USD74,236 (L1,883,979) respectively.

(Expressed in thousands of Lempiras)

Interest rate risk

This is the risk to which the Group is exposed due to fluctuations in the value of financial assets and liabilities resulting from changes in the interest rate.

The magnitude of this risks depends upon:

- The underlying and relevant interest rate of the financial assets and liabilities; and
- The maturities of the portfolio of financial instruments of the banks.

Substantially, all the financial assets of the Group earn interest. The financial liabilities of the Group include liabilities which do not bare interest, as well as liabilities which bare interest. The assets and liabilities of the Group which bare interest are based on rates which have been established in accordance with the market rates.

The maturity structure of the financial assets and liabilities of the Group and the Subsidiaries can be seen in the previous tables.

The financial instruments of the Group include conditions of variable interest rates.

The following table details the weighted average interest rates by type of currency of the financial instruments of the Group:

	March 31, 2025,		December 31, 2024	
	Lempiras	**Dollars**	**Lempiras**	**Dollars**
Financial Assets				
Cash and cash equivalents	1.5%	3.5%	0.1%	3.9%
Investments	6.4%	6.0%	5.9%	7.1%
Loan's receivable	12.5%	10.4%	10.8%	9.3%
Financial Liabilities				
Deposits	6.4%	5.1%	4.5%	4.5%
Financial Obligation	5.6%	8.6%	5.3%	9.1%
Corporate bonds and guaranteed notes	6.6%	8.3%	7.2%	8.5%

Price Risk

The Group is exposed to price risk as owner of equity investments in other non-consolidating entities that are trade in international stock exchanges and therefore subject to changes in its pricing.

To mitigate the price risk of these investments, the Group uses a portfolio diversification strategy based on the share´s volatility or beta.

Regulatory risk

The Commission and the Central Bank of Honduras (the BCH) periodically establish minimum capital requirements for banking and insurance companies and evaluates these requirements from time to time. Banco Atlántida, S.A and Seguros Atlántida, S. A are subject to these minimum capital requirements. Pursuant to the Commission Resolution No.1035-03-12-2018, the minimum regulatory capital requirement for banks was set at L600 million. As of March 31, 2025, Banco Atlántida, S.A. had a capital surplus of L10,125 million, which represented a 1,688 % surplus with respect to the applicable minimum regulatory capital requirement. Pursuant to Central Bank Resolution No. 054-02/2020, the minimum regulatory capital requirement for insurance companies was set at L180 million. As of March 31, 2025, Seguros Atlántida, S. A had a capital surplus of L770 million, which represented a 428% surplus with respect to the applicable minimum regulatory capital requirement. According to The Commission Resolution GES No.1035/03-12-2018, Leasing Atlántida, S. A. is subject to a minimum capital requirement of L85 million. As of March 31, 2025, Leasing Atlántida, S.A. had a capital surplus of L490 million. According to Decretory Legislative No.12-2021 Administradora de Fondos de Pensiones Atlántida, S.A. is subject to a minimum capital requirement of L150 million. As of March, 2025, Administradora de Fondos de Pensiones Atlántida, S.A. has a capital surplus of L450 million.

If Banco Atlántida, S.A, Leasing Atlántida, S. A., or Seguros Atlántida, S. A. fails to comply with these minimum capital requirements, the Commission or the BCH may request to these entities, take certain corrective actions to ensure compliance. In addition, the Commission or the Central Bank may impose certain regulatory sanctions in their discretion, which would have a material adverse effect on our regulatory license, financial condition and results of operations.

Based on the provisions of article 36 of the Banking Law of the Republic of El Salvador, the Direction Council of the Super Intendent of the Financial System of that country in session No. CD-64/2022 dated December 18, 2022, based on the monthly accumulated variation of the Consumer Price Index (CPI), it agreed to approve to maintain the minimum capital stock of the banks in USD20,620 and will be effective at from January 1, 2023 to December 31, 2024. As of March 31, 2025, the Bank has a capital surplus of USD93,084.

AFP Confía, S.A. it is also subject to a minimum capital requirement. In accordance with article N°35 of the Penson Savings System Law, AFP Confía, S. A. must have at all times a minimum equity that may not be less than 3% of the assents of the managed fund, without exceeding USD10,000; Furthermore, it may not be less than the minimum capital of operations, regulated in article No.28 of the law of the pensions savings system of USD2,861. As of March 31, 2025, AFP Confía, S. A. it has a capital surplus of USD10,119.

The minimum capital required to operate a Bank in the Republic of Nicaragua is NIO417,107, according to Resolution SIBOIF-1296-1-FEB15-2022. As of March 31, 2025, and December 31, 2024, the Bank has a capital surplus of NIO691,151, respectively.

In Panamá the minimum capital required or transferred capital stock, net of Lost, required to apply for and maintain a banking license is ten million balboas for the general license, and three million balboas for the international license. The bank may not, in any case, at the moment, suffer the reduction of its capital below the minimum required, according to article 68 of the banking law of Panamá. As of March 31, 2025, and December 31, 2024, the Bank has a capital surplus of (Panamanian Balboas) B/.16,250.

The minimum capital required to operate a Bank in the Republic of Ecuador is USD11,000, according the stablished in the Organic Monetary and Financial Code. As of March 31, 2025, the Bank has a capital surplus of USD10,750.

Insurance risk

Technical risks are those risks which arise from the actual activity of the insurance business and are a direct result of the underwritten policies and include:

a) Underwriting risk is the risk derived from underwriting policies for life insurance, indemnity insurance, and performance bonds.

b) Concentration and catastrophic risk: correspond to the probability of losses that may be incurred by the Group as the result of a concentration of assumed risks, whether that is by age groups, by regions, or by the occurrence of catastrophic events that affect a high number of insured policyholders.

c) Risk of insufficiency of technical reserves corresponds to the probability of losses because of underestimating in the calculation of technical reserves and other contractual obligations, such as guaranteed benefits or returns.

d) Reinsurance risk: corresponds to the probability of losses for inadequate management of reinsurance, normally due to the following factors: errors in the contracts written, changes between the originally accepted contract conditions by the policy owners and those which are accepted by the reinsurance companies, and noncompliance with the obligations of the reinsurance group due to insolvency or financial problems on their part.

Underwriting risk in any one of its different modalities, is the possibility that an insured event occurs and therefore the uncertainty regarding the total number of possible claims is resolved, while by the very nature of this type of contract, the actual risk is random and therefore unpredictable.

As far as the case of a portfolio of insurance policies where the theory of large numbers and probabilities is applied to set prices and make provisions, the primary risk faced by the Group is that the rates, premiums, and reserves are insufficient to cover all the claims and payments of the beneficiaries covered by the policies. This could occur to the extent that the frequency and/or severity of claims and beneficiaries is greater than what has been calculated. The factors which are considered to evaluate the insurance risks are:

- The frequency and severity of claims and incidents by business area.
- The accumulation of risks and the ability of the Group to absorb these.
- The number of incidents by contract and by business area, and the adequacy of premiums.

The Group has contracted reinsurance coverage which protects against losses related to frequency and severity. The negotiations for reinsurance include coverage for excessive losses and catastrophes. The objective of these negotiations for reinsurance is that the total net insurance losses do not affect the equity and liquidity of the Group in any given year. In addition to the program of total reinsurance by the Group, the Group also acquires additional reinsurance protection under the modality of options contracts or whenever an evaluation of risks shows that this is necessary. The reinsurance companies with which the Group contracts for this coverage are first level companies and are included in the registry of reinsurance companies of the National Banking and Insurance Commission.

(Expressed in thousands of Lempiras)

The factors which increase the risks of insurance and performance bonds include the lack of diversification of risk in terms of the types and amounts of risk, geographic location, and the quality of the contracting party for the risks, among others. The underwriting strategy attempts to guarantee that the underwritten risks are well diversified in terms of types and amounts of risk. The underwriting limits are used to set the selection criteria for adequate risks, and in addition the Group has the right to refuse any underwriting requests for insurance policies and performance bonds which present unacceptable risk conditions according to the acceptability criteria, and also has the right to adjust rates and premiums in policy renewals, as well as the value or percentage of deductibles and also the right to refuse claims for fraudulent incidents or when these incidents occur under conditions not foreseen in the insurance contract.

Most the insurance policies currently underwritten by the Group are short term policies, limiting the responsibility to the agreed insurance amounts in each insurance policy.

The process of claims for incidents carried out, is made up of a series of controls applied by management to verify the occurrence of the incident and assure that the circumstances of the event which caused the incident are covered by the general conditions and/or clauses of the insurance policy, and that the proper coverage amount is duly established to carry out the corresponding liquidation.

(5) Investments

Financial investments composition is as follows:

Certificates, bonds and others:		**March 31, 2025**	**December 31, 2024**
1. Financial Investments at Amortized Cost			
Obligatory Investments		2,477,842	2,533,648
Non-obligatory investments	L	27,311,236	24,364,142
Investments in special funds		2,845,589	2,391,657
		32,634,667	**29,289,447**
2. Financial Investments at Fair value			
Non-obligatory investment		1,110,416	1,498,625
	L	**33,745,083**	**30,788,072**

Stocks, net are detailed as follows:

		March 31, 2025,	**December 31, 2024**
1. Financial Investments at Fair value			
Stocks and shares (non-obligatory investments)	L	1,223,303	1,100,613
		1,223,303	**1,100,613**
2. Financial Investments at Cost			
Stock and Shares (Non-obligatory investments)		738,431	716,995
Less investment reserve		(160,573)	(156,410)
		577,858	**560,585**
	L	**1,801,161**	**1,661,198**

Certificates, bonds and other are grouped by issuer, as follows:

As of March 31, 2025, certificates, bonds and other at amortized cost are detailed as follows:

(Expressed in thousands of Lempiras)

Certificates, bonds and other at amortized cost:		Balance	Weighted average interest Rate	Minimum interest rate	Maximum interest rate	Nearest maturity date	Furthest maturity Date
Notes from the Central Bank of Honduras	L	3,376,557	5.8%	4.3%	7.5%	04/09/2025	03/03/2027
Bonds from the Ministry of Finance		19,693,598	7.5%	0.8%	11.0%	04/01/2025	11/21/2054
Certificates of deposit		6,706,084	6.7%	2.2%	20.0%	04/01/2025	06/24/2030
Bonds from Foreign Institutions		686,156	4.9%	0.8%	8.5%	05/06/2025	05/15/2038
Notes from the Central Bank of Nicaragua		106,184	5.7%	5.0%	6.0%	04/01/2025	04/11/2025
Others		2,066,088	6.6%	2.8%	13.0%	Without a maturity date	Without a maturity date
	L	**32,634,667**					

As of December 31, 2024, certificates, bonds and other at amortized cost are detailed as follows:

Certificates, bonds and other at amortized cost:		Balance	Weighted Average Interest Rate	Minimum Interest Rate	Maximum Interest Rate	Nearest Maturity Date	Furthest Maturity Date
Bonds from the Ministry of Finance	L	19,445,337	7.7%	0.8%	11.0%	01/02/2025	11/21/2054
Certificates of deposit		4,714,053	6.5%	2.5%	15.8%	01/01/2025	12/20/2028
Notes from the Central Bank of Honduras		2,774,432	5.2%	4.3%	7.5%	01/01/2025	12/02/2026
Bonds from Foreign Institutions		748,103	4.7%	0.8%	8.5%	01/08/2025	08/15/2034
Others		1,607,522	6.7%	2.8%	13.0%	Without a maturity date	Without a maturity date
	L	**29,289,447**					

Certificates, bonds and other are grouped by issuer, as follows:
As of March 31, 2025, certificates, bonds and other at fair value are detailed as follows:

Certificates and Bonds:		Balance	Weighted Average Interest Rate	Minimum Interest Rate	Maximum Interest Rate	Nearest Maturity Date	Furthest Maturity Date
Bonds from Foreign Institutions	L	198,230	6.4%	4.7%	8.0%	04/02/2025	11/01/2032
Bonds from the Ministry of Finance		688,896	6.2%	3.8%	9.5%	04/10/2025	06/15/2035
Certificates of deposit		187,548	7.9%	4.7%	12.5%	04/25/2025	04/19/2030
Notes from the Central Bank of Nicaragua		4,409	8.5%	8.5%	8.5%	07/18/2025	07/18/2025
Others		31,333	7.0%	6.1%	9.0%	Without a maturity date	Without a maturity date
	L	**1,110,416**					

As of December 31, 2024, certificates, bonds and other at fair value are detailed as follows:

(Expressed in thousands of Lempiras)

Certificates and Bonds:		Balance	Weighted Average Interest Rate	Minimum Interest Rate	Maximum Interest Rate	Nearest Maturity Date	Furthest Maturity Date
Bonds from the Ministry of Finance	L	428,217	5.4%	3.5%	7.7%	01/02/2025	06/15/2035
Bonds from Foreign Institutions		85,406	5.5%	3.5%	7.3%	01/16/2025	11/01/2032
Certificates of deposit		759,926	10.1%	3.0%	20.0%	01/03/2025	12/20/2029
Notes from the central Bank of Nicaragua		48,108	9.7%	9.7%	9.7%	03/28/2025	03/28/2025
Others		176,968	6.7%	6.1%	9.0%	Without a maturity date	Without a maturity date
	L	**1,498,625**					

The investments in stocks are detailed as follows:

Financial investments at fair value:		March 31, 2025	December 31, 2024
Banco Latinoamericano de Comercio Exterior, S. A. (BLADEX)	L	38,296	36,898
Visa Inc.		1,168,768	1,045,048
SWIFT		2,894	2,757
Bolsa de Valores de Quito		12,239	11,341
Bienes y Raíces e Inversiones de Capital Brikapital		-	3,642
Others		1,106	927
	L	**1,223,303**	**1,100,613**

Investments in other entities at cost:		March 31, 2025	December 31, 2024
Desarrollos Turísticos de Tela, S. A.	L	178,476	178,476
Roca Inversiones y Bienes Raíces, S. A.		23,331	23,331
Hospitales de Honduras, S. A.		29,677	29,677
Inversiones Bermejo, S. A.		10,491	10,491
Fondo Crediticio para la Producción		-	1,602
Fondo Hondureño de Inversiones Turística, S. A.		4,798	4,798
Sociedad Confianza S.A. de F.G.R.		8,257	8,257
Sociedad Inversora 20/20		2,393	2,393
Inversiones Marítimas Centroamericanas, S.A. de C.V.		2,000	2,000
EBN Banco de Negocios, S. A.		330,761	315,139
Ocho Corporation, S.A. de C.V.		12,240	12,240
EBN Capital SGIIC, S. A.		121,826	116,072
Others		14,181	12,519
	L	**738,431**	**716,995**

(Expressed in thousands of Lempiras)

The weighted average return on investment as of March 31, 2025, was 6.4% in lempiras, and 6.0% in US dollars, while as of December 31, 2024, was 5.9% in lempiras, and 4.8% in US dollars.

Changes in investments in financial instruments are summarized as follows:

		At Amortized Cost	At Fair value	At Cost	Less provisions	Total
Balance as of January 1, 2025	**L**	**29,289,447**	**2,599,238**	**716,995**	**(156,410)**	**32,449,270**
Plus (minus):						
Purchase of Financial instruments		5,598,556	638,522	452,614	-	**6,689,692**
Cancellation and/or sales of instruments		(3,240,521)	(1,038,167)	(431,211)	-	**(4,709,899)**
Profit (loss) due to changes in fair value		-	108,343	-	-	**108,343**
Foreign exchange gain (loss)		987,185	25,783	33	-	**1,013,001**
Reserves		-	-	-	(4,163)	**(4,163)**
Balance as of March 31, 2025	**L**	**32,634,667**	**2,333,719**	**738,431**	**(160,573)**	**35,546,244**

*As of December 31, 2024, Banco Atlántida, S. A. had 32,543 class "C" shares in VISA, INC, ("VISA") which are shares without voting rights, the fair value of such shares is in line with the reference price of the class "A" share of VISA. Based on the Bank's business model, VISA's class "C" shares are recognized as a financial instrument to trade with changes in earnings.

On March 19, 2015, the Board of Directors of VISA, Inc. approved a 4-to-1 Split, applicable to class "A" shares, establishing in turn a conversion ratio of 4 for class "C" shares, which generated an adjustment associated with the value of the investment in VISA, the Bank recognized with effect on 2024 results. which was authorized by the Commission through Resolution SBO No. 272/04-04-2025, conditional on the sale of at least 50% of that investment no later than June 30, 2025. See income recognized in 2024.

		At Amortized Cost	At Fair value	At Cost	Less provisions	Total
Balance as of January 1, 2024	**L**	**26,486,263**	**910,766**	**736,008**	**(146,334)**	**27,986,703**
Plus (minus):						
Purchase of Financial instruments		10,796,052	1,271,296	429,028	-	**12,496,376**
Acquisition through business Combination		-	58,020	-	-	**58,020**
Cancellation and/or sales of instruments		(7,986,408)	(512,045)	(448,141)	-	**(8,946,594)**
Profit (loss) due to changes in fair value		-	821,815	-	-	**821,815**
Foreign exchange gain (loss)		(6,460)	49,386	100		**43,026**
Reserves		-	-	-	(10,076)	**(10,076)**
Balance as of December 31, 2024	**L**	**29,289,447**	**2,599,238**	**716,995**	**(156,410)**	**32,449,270**

(Expressed in thousands of Lempiras)

(6) Loans and interest receivable

The details of the loan portfolio shown below correspond to the portfolios administered by the Group.

Loans and interest receivable are detailed as follows:

By Status and Type of Credit		**March 31, 2025**	**December 31, 2024**
Current			
Commercial	L	124,551,238	122,037,455
Residential mortgage		9,888,609	9,613,753
Consumer		17,135,739	17,084,334
		151,575,586	**148,735,542**
Past-due[1]			
Commercial		292,498	239,250
Residential mortgage		304,602	275,928
Consumer		751,489	756,147
		1,348,589	**1,271,325**
Over-due[2]			
Commercial		201,741	208,445
Residential mortgage		16,640	17,492
Consumer		8,825	8,643
		227,206	**234,580**
In Legal Execution			
Commercial		810,541	749,535
Residential mortgage		191,325	192,861
Consumer		11,265	7,480
		1,013,131	**949,876**
Refinanced			
Commercial		6,969,944	6,670,765
Residential mortgage		225,476	223,874
Consumer		443,427	456,456
		7,638,847	**7,351,095**
Total Gross portfolio		**161,803,359**	**158,542,418**
(+) Commissions receivable		1,173	1,847
(+) Interest receivable on loans		2,682,982	2,400,622
(-) Allowance for loan and interest losses		(3,978,119)	(3,921,479)
(-) Income from capitalized interest on refinanced loans		(266,606)	(275,762)
Net Total	**L**	**160,242,789**	**156,747,646**

[1] Past due status occurs when there are some installments in default.
[2] Over-due status is reached when all payments are in default.

(Expressed in thousands of Lempiras)

The loan portfolio by economic activity is detailed below:

		March 31, 2025		December 31, 2024	
		Balance	**%**	**Balance**	**%**
Agriculture	L	12,180,697	7.5%	11,953,937	7.5%
Industry and Exports		22,993,920	14.2%	21,555,729	13.6%
Commerce and Consumer		45,368,348	28.1%	45,639,904	28.8%
Residential mortgage		11,367,960	7.0%	11,412,475	7.2%
Services		27,522,640	17.0%	26,528,290	16.7%
Real Estate Property		16,808,799	10.4%	16,223,143	10.2%
Others		25,560,995	15.8%	25,228,940	16.0%
Total	L	**161,803,359**	**100.0%**	**158,542,418**	**100.0%**

The non-performing loan portfolio is detailed as follows:

		March 31, 2025	December 31 ,2024
By status			
Performing loans	L	159,214,433	156,086,637
Non-performing loans: Past-due		1,348,589	1,271,325
Non-performing loans: Over-due		227,206	234,580
Non-Performing loans: Over-due in legal execution		1,013,131	949,876
Total	**L**	**161,803,359**	**158,542,418**

As of March 31, 2025, and December 31,2024, the non-performing loan ratio was 2.5% and 2.2%, respectively.

As of March 31, 2025, the weighted average yield 12.5% and as of December 31, 2024, it was 10.8%.

As of March 31, 2025, and December 31, 2024, the coverage ratio for the non-performing loans was 100.1% (110.0% as of December 31, 2024)

As of March 31,2025, loans guaranteed by client deposits totaled L3,162,674 and L3,457,070 for December 2024.

As of March 31, 2025, the interest accrued on the loan portfolio that was 90 days past due and not recognized in the income statement as of those dates was L1,486,958 and L1,344,110, respectively.

As of March 31, 2025, and December 31, 2024, the balance of loans receivable includes balances to related parties approved by the Board of Directors for L2,863,110 and L2,325,481 respectively. These transactions are under arm´s length conditions and most of them are backed by collateral guarantees.

As of March 31, 2025, and December 31,2024, the balances of loans receivable in the amounts of L8,305,040 and L7,775,507, respectively, are assigned as guarantees for loans from banks.

As of March 31, 2025, and December 31,2024, the loan portfolio includes balances in USD for the amounts of L65,992,672 (USD2,575,576) and L58,401,237 (USD2,301,073), respectively

(Expressed in thousands of Lempiras)

As of March 31, 2025, and December 31,2024, the interest receivable on loans includes balances receivable in USD by L1,150,218 (USD44,891) and L845,345 (USD33,308), respectively.

As of March 31, 2025 , in compliance with a ruling issued by the Honduran Courts, the Office for Impoundment of Assets (OABI in Spanish) confiscated a number of properties which had been pledged as guarantees for loans with a pending balance of L 164,074 Banco Atlántida, S. A., in accordance with its legitimate rights which are protected by the Law on the Definite Confiscation of Property or Assets of Illegal Origin, and following the required process; presented a demand for these properties to be returned since the operations which originated the loan and the encumbrance were conducted under the applicable banking regulations and in good faith. As of the date of this report, the situation has not been resolved.

As of March 31, 2025, the Attorney General of the Republic together with the Specialized Forfeiture Courts of El Salvador, following a resolution issued by a Salvadoran court, seized various properties that were sent as collateral to the Bank, for various loans with outstanding balance of USD86,454 Banco Atlántida El Salvador, S.A., in accordance with its legitimate rights protected by the Asset Forfeiture Law and following due process; has initiated a judicial process in order that third parties be declared in good faith and that these assets can be returned or with the sale of these assets by the State the credits are canceled since the operations that gave rise to the loan and the encumbrances They were executed under the current applicable banking regulations and in good faith. As of the date of this report, the processes are pending.

Regarding to the case described above, on July 31, 2019, the Commission issued Resolution No. SBO No.641/31-07-2019 through which the Bank was required to set aside a 100% reserve for the outstanding loans balances. On August 16, 2019, the Bank filed an appeal arguing the lack of legal basis for such requirement considering that the Bank has enough guarantees to cover the balance of such loans.

The distribution of loans receivable from the largest borrowers is as follows:

Number of Borrowers		**March 31, 2025**	**% Of Gross Portfolio**	**December 31, 2024**	**% Of Gross Portfolio**
10 Largest Clients	L	21,497,063	13.3%	20,640,629	13.0%
11th – 20th Largest Clients		11,857,506	7.3%	11,332,978	7.2%
21st – 50th Largest Clients		18,102,637	11.2%	18,445,851	11.6%
51st Largest Client and above		110,346,153	68.2%	108,122,960	68.2%
Total	**L**	**161,803,359**	**100.0%**	**158,542,418**	**100.0%**

The distribution of loans by risk category is as follows:

Risk Category		**March 31, 2025,**	**% Of Gross Portfolio**	**December 31, 2024**	**% Of Gross Portfolio**
I Good Credit	L	140,353,063	86.7%	139,862,035	88.3%
II Credit with Special Mention		16,334,844	10.1%	13,767,201	8.6%
III Sub-standard Credit		1,259,308	0.7%	1,541,027	1.0%
IV Doubtful collection		1,306,182	0.8%	1,000,007	0.6%
V Loss/Write-off Credit		2,549,962	1.7%	2,372,148	1.5%
Total	**L**	**161,803,359**	**100.0%**	**158,542,418**	**100.0%**

(Expressed in thousands of Lempiras)

As of March 31, 2025, and December 31, 2024, the Group maintained allowance for loan and interest losses for a total of L3,978,119 and L3,921,479, respectively. The composition of these risks is shown below:

		March 2025			December 2024		
		Loans	Off-balance sheet items	Total	Loans	Off-balance sheet items	Total
I. By sector							
a) Commercial	L	820,440	5,177	825,617	752,187	-	752,187
b) Residential mortgage		1,075,759	-	1,075,759	1,055,969	-	1,055,969
c) Consumer		2,076,743	-	2,076,743	2,098,691	14,632	2,113,323
Total		**3,972,942**	**5,177**	**3,978,119**	**3,906,847**	**14,632**	**3,921,479**
II. By risk category							
Category I		199,291	13	199,304	534,860	10,173	545,033
Category II		633,169	3,323	636,492	586,217	2,921	589,138
Category III		289,493	715	290,208	361,057	1,155	362,212
Category IV		730,989	1,126	732,115	538,951	383	539,334
Category V		2,120,000	0	2,120,000	1,885,762	-	1,885,762
Total		**3,947,742**	**5,177**	**3,978,119**	**3,906,847**	**14,632**	**3,921,479**
III. By collateral type							
Mortgage		486,733	1,051	487,784	112,366	40	112,406
Pledged		190,239	0	190,239	198,577	-	198,577
Accessory		719,982	0	719,982	1,125,647	1,510	1,127,157
Non-collateral		171,964	-	171,964	150,190	-	150,190
Others		2,404,024	4,126	2,408,150	2,320,067	13,082	2,333,149
Total	**L**	**3,972,942**	**5,177**	**3,978,119**	**3,906,847**	**14,632**	**3,921,479**

Changes in the allowance for loan and interest losses are detailed below:

		March 31, 2025	December 31, 2024
Balance at the beginning of the year	L	3,921,479	3,764,394
Incorporated from subsidiaries acquired		-	265,787
Provision for the year		539,345	2,114,821
Transfer from retained earnings		-	16,869
Provision for the year (portfolio subject to COVID-19 temporary relief mechanisms and Eta and Iota natural phenomena)		32,779	131,114
Less losses on loans and interest		(499,235)	(2,354,234)
Interest included in loans		4,091	7,630
Foreign currency translation difference		3,996	57,337
Transfer from accounts receivable estimate		2,000	-
Release of reserves		(26,165)	(81,074)
Transfers to assets held for sale		(171)	(1,165)
Balance at the end of the period	**L**	**3,978,119**	**3,921,479**

(Expressed in thousands of Lempiras)

After exhausting all means of recuperation during the three months ended March 31, 2024, and December 31, 2024, the Group made use of the corresponding estimates (portfolio write-offs) in the amounts of L512,376 and L2,376,334, respectively. From the previous amount L13,141 and L22,100, respectively, corresponds to the application of the guarantee, while L499,235 and L2,354,234, respectively, represented the amounts applied against the allowance for loans and interest losses.

(7) Assets held-for-sale.

This account includes foreclosed assets held for sale and asset that the leasing business has repossessed. These are detailed as follows:

		March 31, 2025	December 31, 2024
Securities	L	713	713
Movable assets		90,161	68,464
Real estate		1,297,951	1,309,482
Total		1,388,825	1,378,659
Less amortization		(1,167,851)	(1,180,064)
Net balance	**L**	**220,974**	**198,595**

The changes in assets held-for-sale are summarized in the following table:

		March 31, 2025	December 31, 2024
Securities:			
Balance at the beginning and at the end of the year	L	713	713
Movable assets:			
Balance at the beginning of the year	L	68,464	88,703
Incorporated by business combination		-	70
Transferred from loans		305	-
Reclassified to other accounts		-	(2,508)
Assets recovered from financial leases		39,284	23,636
Transfer from loans and purchases to be assigned in financial lease contracts		553,178	2,321,730
Disposal of inventory ceded in financial lease		(567,069)	(2,334,418)
Sales and disposal		(4,002)	(28,760)
Foreign currency translation difference		1	11
Balance at the end of the period	**L**	**90,161**	**68,464**
Real estate:			
Balance at the beginning of the year	L	1,309,482	1,384,990
Transfer from loans		24,332	75,252
Incorporated by business combination		-	5,603
Transfer to property, plant and equipment		-	-
Sales and disposal		(36,607)	(158,680)
Foreign currency translation differences		744	2,317
Balance at the end of the period	**L**	**1,297,951**	**1,309,482**

(Expressed in thousands of Lempiras)

Changes in the amortization of assets held for sale is detailed as follows:

		March 31, 2025	December 31, 2024
At the beginning of the year	L	1,180,064	1,249,179
Incorporated from subsidiaries acquired		-	5,061
Amortization (expense) for the year		7,651	39,215
Increase charged to Retained Earnings		1,936	-
Decrease in retained earning		-	8,149
Reclassified from loan reserve		171	1,165
Reclassified from accounts receivable reserve		-	406
Less sales and disposals		(22,352)	(124,725)
Foreign currency translation difference		381	1,614
At the end of the period	L	**1,167,851**	**1,180,064**

(8) Property, plant, and equipment

a. Acquisitions and disposals.

During the Three months ended March 31, 2025, and 2024, the Group acquired assets by L139,070, and L415,471 respectively.

Assets with a carrying amount of L35,894 were disposed of during the three months ended March 31, 2025 (Three months ended March 31, 2024, L70,222), resulting in a gain on disposal of L5,438 (Three months ended March 2024, L55,359), which is included in other income (expenses) in the condensed consolidated statements of comprehensive income.

b. Depreciation

The depreciation of property, plant and equipment on March 31, 2025, and 2024 was L169,211 and L139,323 respectively.

c. Impairment loss and subsequent reversals

As of March 31, 2025, and 2024 there are no losses from impairment in the value of long-lived assets, evaluated in accordance with the provision’s impairment of assets.

(9) Deposits

The portfolio of deposits of the Group is distributed as follows:

(Expressed in thousands of Lempiras)

		March 31, 2025	December 31, 2024
By counterpart:			
a) From the public	L	159,718,042	152,743,903
b) From financial institutions		7,588,924	6,970,078
c) From official entities		3,887,613	3,613,789
d) Restricted deposits		2,076,878	1,925,597
Total	**L**	**173,271,457**	**165,253,367**

		March 31, 2025	December 31, 2024
By their classification:			
a) Deposits in checking accounts	L	22,549,647	25,599,819
b) Deposits in savings accounts		61,957,067	58,243,652
c) Term deposits		86,684,199	79,480,638
d) Matured term deposits		3,666	3,661
e) Restricted deposits		2,076,878	1,925,597
Total	**L**	**173,271,457**	**165,253,367**

Foreign currency deposits in USD, represent 34.8% as of March 31, 2025, and 34.0% as of December 31,2024, of the total deposits.

The main depositors with the Group have the following amounts deposited:

Number of Depositors		**Balance as of March 31, 2025,**	**% Of Gross Deposits**	**Balance as of December 31, 2024**	**% Of Gross Deposits**
10 largest depositors	L	37,537,247	21.7%	37,325,879	22.6%
20 largest depositors		6,723,271	3.9%	6,328,020	3.8%
50 largest depositors		9,044,599	5.2%	7,849,039	4.8%
All other depositors		119,966,340	69.2%	113,750,429	68.8%
Total	**L**	**173,271,457**	**100.00%**	**165,253,367**	**100%**

As of March 31, 2025, and December 31, 2024, the deposits which were pledged in favor of the Group against loans provided total L1,127,121 and L1,072,598 respectively.

The average weighted cost percentage for the three-months period ended March 31, 2025, was 6.4% and December 31,2024 was 4.5%.

(Expressed in thousands of Lempiras)

(10) Financial obligations

Financial obligations are detailed as follows:

		March 31, 2025	December 31, 2024
Sectoral (assigned) loans:	L	**8,404,176**	**7,915,046**
Other financial obligations:			
Loans with international banks and financial Institutions	L	21,735,285	21,419,017
Report operations		290,924	6,587,433
Total	L	**22,026,209**	**28,006,450**

The maturity dates of the financial obligations are as follows:

The assigned loans have been obtained from financial institutions, for which the proceeds have been used for financing specific activities of the Group, such loans mature between 2025 and 2055.

The other interbank loans, are obtained from commercial and development banks in and outside Honduras, mature between 2025 and 2039.

As of March 31, 2025, the sector loans in local currency return interest rate between 0.0% and 11.5% and for foreign currency return interest is 3.5% and 10.6%, respectively.

As of March 31, 2025, and December 31, 2024, other bank obligations include repurchase agreements in national currency (all negotiated through DV-BCH) with other financial institutions, totaling L2,550,000 and L9,450,000, respectively, with interest rates between 5.71% and 5.73% and 6.25% and 6.75% due in 2025.

As of March 31, 2025, and December 31, 2024, the sector loans accrued minimum and maximum interest rates in national currency of 0% and 11.50%, respectively, and 3.5% and 10.69% in foreign currency (0.00% and 15% in national currency and 3.5% and 10.69% in foreign currency in 2024).

As of March 31, 2025, and December 31, 2024, the assigned loans and other banking obligations include balances payable in USD, by L17,719,555 (USD691,562) and L16,544,328 (USD651,865), respectively. These loans have been used to provide loans in USD to clients of the Group.

Main lines of credit managed by Banco Atlántida, S. A.:

(Expressed in thousands of Lempiras)

As of March 31, 2025,

Borrowers	Subscription	Activity	Principal		balance used		Date maturity	Interest rate
International Finance Corporation (IFC)	03/27/2009	Foreign trade operations	USD30,000	L768,675	USD30,000	L768,675	1 year	6.47%
Global Climate Partnership Fund S.A., SICAV – SIF (GCPF)	06/12/2023	Financing of renewable energy and energy efficiency projects	USD15,000	L384,338	USD15,000	L384,338	7 years	9.24%
Societé de Promotion et de Participation pour la Cooperation Economies S.A. (PROPARCO)	06/30/2015	Financing of renewable energy and energy efficiency projects	USD 50,000	L 1,281,125	USD5,882	L150,712	10 years	7.11 %
Inter American Investment Corporation (CII) (IDB Invest)	10/29/2014	Foreign trade operations	USD40,000	L1,025,900	USD36,830	L943,677	1 year	5.81%
Eco Business Fund S.A., SICAV-SIF	February 14 and June 18, 2020,	Financing sustainable operations in the agriculture, aquaculture, forestry and tourism sector	USD25,000	L 640,563	USD11,364	L291,174	7 years	9.10%
Central American Bank for Economic Integration (CABEI)	09/04/2020	CABEI Credit Program	USD43,000	L1,101,768	USD2,238	L57,343	8 years	3.50%
JP Morgan Chase Bank, N.A y Export – Import Bank of The United States	12/26/2023	financing facility with JP Morgan	USD34,896	L894,123	USD24,621	L630,852	15 years	6.30%
United States International Development Finance Corporation (DFC	07/02/2024	finance eligible sub-loans to eligible SME sub-borrowers	USD80,000	L2,049,800	USD78,532	L2,012,186	7 years	7.78%

(Expressed in thousands of Lempiras)

As of December 31, 2024

Borrowers	Subscription	activity	Principal		balance used		Date maturity	Interest rate
International Finance Corporation (IFC)	03/27/2009	Foreign trade operations	USD30,000	L761,400	USD21,179	L162,539	1 year	7.11%
Global Climate Partnership Fund S.A., SICAV – SIF (GCPF)	06/12/2023	Financing of renewable energy and energy efficiency projects	USD15,000	L380,700	USD15,000	L369,770	8 years	9.24%
Societé de Promotion et de Participation pour la Cooperation Economies S.A. (PROPARCO)	06/30/2015	Financing of renewable energy and energy efficiency projects	USD50,000	L1,269,000	USD5,882	L290,015	10 years	7.11%
Inter American Investment Corporation (CII) (IDB Invest)	10/29/2014	Foreign trade operations	USD40,000	L1,015,200	USD0	L 98,605	1 year	7.07%
Eco Business Fund S.A., SICAV-SIF	February 14 and June 18, 2020,	Financing sustainable operations in the agriculture, aquaculture, forestry and tourism sector	USD25,000	L634,500	USD11,364	L392,180	7 years	9.10%
Central American Bank for Economic Integration (CABEI)	09/04/2020	CABEI Credit Program	USD43,000	L1,091,340	USD3,357	L210,793	8 years	3.50%
JP Morgan Chase Bank N.A. y Export -Import Bank of the United States	12/26/2023	Financing Facility with JP Morgan	USD34,896	L885,660	USD24,461	L620,817	15 years	9.70%
International Development Finance Corporation (DFC)	07/02/2024	Finance Eligible Sub-loans with eligible SME Sub-borrowers	USD80,000	L2,030,400	USD80,000	L2,030,400	6 months	7.78%

Main lines of credit managed by Banco Atlántida El Salvador, S. A.:

As of March 31, 2025,

Borrowers	Subscription	Activity	Principal	balance used	Date maturity	Interest rate
Banco de Desarrollo de El Salvador (BANDESAL)	04/30/2011	Financing of productive loans	USD40,238	USD40,074	15 years	2.1% and 9.6%

(Expressed in thousands of Lempiras)

BlueOrchard Microfinance Fund	10/28/2020	Working capital	USD33,943	USD33,317	6 years and 9 years	8.4% and 9.2%
Financial Leasing	06/14/2024	Working capital	USD8,881	USD0	8 years	5.5% and 6.8%
Eco Business Fund S.A., SICAV-SIF	09/16/2020	Working capital	USD5,680	USD5,533	7 years	8.6%
Bank international of Costa Rica	03/13/2024	Working capital	USD12,112	USD11,998	1 year	7.6% and 7.7%
Central American Bank for Economic Integration	05/28/2021	Working capital	USD8,404	USD8,360	5 years and 15 years	1.9% and 6.5%
US Century Bank	06/14/2023	Working capital	USD3,010	USD3,000	2 year	5.0% and 5.6%
EMF Microfinance Fund AGMVK	05/31/2022	Working capital	USD9,080	USD8,973	4 years and 5 years	6.0% and 7.2%
OIKOCREDIT Ecumenical	03/29/2023	Working capital	USD5,234	USD5,231	6 years	7.8%
BLADEX	08/07/2024	Working capital	USD5,316	USD5,000	1 year	8.5%

As of December 31, 2024,

Borrowers	Subscription	Activity	Principal	balance used	Date maturity	Interest rate
Banco de Desarrollo de El Salvador (BANDESAL)	04/30/2011	Financing of productive loans	USD44,825	USD41,011	15 years	6.75% and 8.98%
BlueOrchard Microfinance Fund	10/28/2020	Working capital	USD38,266	USD39,192	6 and 9 years	5.25% and 9.74%
Latin American Bank of Foreign Trade	03/29/2019	Working capital	USD 5,000	USD 5,209	-	8.52%
Eco Business Fund S.A., SICAV-SIF	09/16/2020	Working capital	USD5,533	USD5,556	7 years	8.64%
Bank international of Costa Rica	03/16/2023	Working capital	USD14,997	USD15,125	3 years	7.67 and 8.05%
Central American Bank for Economic Integration	05/28/2021	Working capital	USD9,396	USD9,445	5 and 10 years	1.95% and 6.5%

(Expressed in thousands of Lempiras)

Financial Leasing	06/14/2024	Working capital	USD8,719	USD0	-	8.07% and 10.11%
EMF Microfinance Fund AGMVK	05/31/2022	Working capital	USD9,964	USD10,090	4 and 5 years	6 and 7.2%
OIKOCREDIT Ecumenical Development Corporate Society U.A.	03/29/2023	Working capital	USD5,576	USD5,580	6 years	7.85%

Subordinated debt

DEG - Deutsche Investitions- und Entwicklungsgesellschaft MBH and Norfund - The Norwegian Investment Fund for Developing Countries

On October 26, 2022, a subordinated credit line contract signed with DEG and NORFUND for a total amount of USD80,000 (L1,937,408) for maturity date of eight (8) years, intended to finance eligible sub loans. As of March 31, 2025, the balance of this facility is L2,037,578 at an interest rate of 10.61%.

(11) Bonds and guaranteed notes

As of March 31, 2025, and December 31, 2024, the balances of the debt acquired through bonds and notes issued are as follows:

		March 31, 2025	December 31, 2024
Bancatlan General Bonds:			
Local currency	L	745,222	745,347
Foreign currency		315,248	312,371
		1,060,470	1,057,718
Banco Atlántida El Salvador, S. A.		4,124,198	4,098,958
Pacific Bank, S.A.		230,603	-
		5,415,271	5,156,676
Guaranteed notes (INVATLAN):			
Foreign currency		7,556,017	7,464,075
	L	**12,971,288**	**12,620,751**

As of March 31, 2025, and December 31, 2024, the balance of the bonds and guaranteed notes issued in foreign currency amount to USD477,161 and USD467,903, respectively.

Bancatlan General Bonds

When the placement of the Bancatlan Bonds 2016 issuance was completed during July 2018, in accordance with the Resolution adopted at the Bank's Ordinary and Extraordinary Shareholders' Meeting dated April 27, 2018, the Board of Directors agreed to authorize in its session of May 30, 2019, the characteristics of a new issuance for up to L3,000,000, or its equivalent in dollars, called Bancatlan Bonds 2018. The Commission, through Resolution SPV No. 914 / 04- 12-2019 declared valid the request presented by the Bank to register the emission in the Public Registry of the Stock Market under the following characteristics:

(Expressed in thousands of Lempiras)

- Interest rate: The bonds will accrue an interest rate that may be payable quarterly or semi-annually; the rate and the periodicity of payment will be determined at the time of placement of each series. This rate may be fixed during the term of the respective series, or variable (revisable); If the rate is variable (reviewable), the review may be made quarterly or semi-annually, which will be published in the placement announcement of each of the series.

Bancatlan General Bonds 2025

Serial°	Amount issued		placed on	maturity date	payment method	interest rate
K and L	-	L199,750	03/04/2022	5 years	quarterly	5.00%
M and N	-	L199,945	09/23/2022	3 years	quarterly	4.70%
From O to R	-	L345,527	10/20/2022	3 years	quarterly	4.70%
		L745,222				
From H to J	USD12,304	L315,248	06/17/2021	4 years	semiannual	3.5%
Total		**L1,060,470**				

Bancatlan General Bonds 2024

Serial°	Amount issued		placed on	maturity date	payment method	interest rate
K and L	-	L199,718	03/04/2022	5 years	quarterly	5.00%
M and N	-	L199,917	09/23/2022	3 years	quarterly	4.70%
From O to R	-	L345,712	10/20/2022	3 years	quarterly	4.70%
		L745,347				
From F to J	USD12,307	L312,371	06/17/2021	4 years	semiannual	3.5%
Total		**L1,057,718**				

The balances of the debt acquired through these bonds as of March 31, 2025, and December 31, 2024, are as follows:

		March 31, 2025	**December 31, 2024**
Lempiras	L	745,222	745,347
U.S. dollars		315,248	312,371
	L	**1,060,470**	**1,057,718**

As of March 31, 2025, and December 31, 2024, the balance of bonds issued in foreign currency amounts to USD12,304 and USD12,307, respectively.

Banco Atlántida El Salvador

The Board of Directors of Banco Atlántida El Salvador, S.A. held a meeting on November 24, 2017, authorizing the issuance of Bank bonds called “CIBAES1” for an amount of up to USD50,000 in accordance with the Shareholders Extraordinary Assembly resolution issued on November 24, 2017. Interest rate and maturity described as follows:

(Expressed in thousands of Lempiras)

Banco Atlántida El Salvador Bonds 2025

bonds	Serial	Amount issued		placed on	maturity date	payment method	interest rate
CIBAES1-1	1	USD20,366	L521,827	07/31/2018	7 years	semiannual	8.00%
CIBAES2-1	2	USD10,038	L257,198	12/07/2022	5 years	Quarterly	7.00%
CIBAES2-2	2	USD5,504	L141,026	12/23/2022	5 years	Quarterly	7.00%
CIBAES2-3	2	USD806	L20,651	12/23/2022	5 years	Quarterly	7.00%
CIBAES2-4	2	USD20,232	L518,394	04/26/2023	5 years	Quarterly	7.20%
CIBAES2-5	2	USD2,027	L51,936	07/14/2023	5 years	Quarterly	7.20%
CIBAES2-6	2	USD13,065	L334,757	08/29/2023	7 years	Quarterly	7.60%
CIBAES2-7	2	USD14,070	L360,523	08/29/2023	6 years	Quarterly	7.50%
CIBAES2-8	2	USD4,020	L103,002	08/29/2023	5 years	Quarterly	7.40%
CIBAES2-9	2	USD2,010	L51,501	08/29/2023	4 years	Quarterly	7.30%
CIBAES2-10	2	USD10,053	L257,582	08/31/2023	6 years	Quarterly	7.50%
CIBAES2-11	2	USD7,096	L181,817	10/12/2023	3 years	Quarterly	7.00%
CIBAES2-12	2	USD7,102	L181,970	10/12/2023	5 years	Quarterly	7.40%
CIBAES2-13	2	USD453	L11,616	05/17/2024	3 years	Quarterly	7.75%
CIBAES2-13	2	USD102	L2,601	17/05/2024	3 years	Quarterly	7.75%
Stock paper							
PBAES-T15	15	USD15,132	L387,719	12/17/2021	3 years	Quarterly	6.00%
PBAES-T17	17	USD7,070	L181,151	05/26/2022	3 years	Quarterly	6.00%
PBAES-T19	19	USD12,353	L316,514	05/26/2022	3 years	Quarterly	6.00%
PBAES-T20	20	USD9,105	L233,292	07/28/2022	3 years	Quarterly	6.00%
PBAES-T22	22	USD126	L3,228	07/25/2023	3 years	Quarterly	7.00%
PBAES-T23	23	USD230	L5,893	07/28/2023	1 year	Quarterly	7.00%
Total		**USD160,960**	**L4,124,198**				

Banco Atlántida El Salvador Bonds 2024

bonds	Serial	Amount issued		placed on	maturity date	payment method	interest rate
CIBAES1-1	1	USD20,315	L515,586	07/31/2018	7 years	semiannual	8.00%
CIBAES2-1	2	USD9,987	L253,470	12/07/2022	5 years	quarterly	7.00%
CIBAES2-2	2	USD5,493	L139,410	12/23/2022	5 years	quarterly	7.00%
CIBAES2-3	2	USD804	L20,405	12/23/2022	5 years	quarterly	7.00%
CIBAES2-4	2	USD19,973	L506,921	04/26/2023	5 years	quarterly	7.20%
CIBAES2-5	2	USD1,997	L50,672	07/14/2023	5 years	quarterly	7.20%
CIBAES2-6	2	USD12,975	L329,315	08/29/2023	7 years	quarterly	7.60%
CIBAES2-7	2	USD13,974	L354,670	08/29/2023	6 years	quarterly	7.50%
CIBAES2-8	2	USD3,993	L101,345	08/29/2023	5 years	quarterly	7.40%
CIBAES2-9	2	USD1,997	L50,678	08/29/2023	4 years	quarterly	7.30%
CIBAES2-10	2	USD9,984	L253,387	08/31/2023	6 years	quarterly	7.50%
CIBAES2-11	2	USD6,988	L177,660	10/12/2023	3 years	quarterly	7.00%

(Expressed in thousands of Lempiras)

CIBAES2-12	2	USD6,988	L177,660	10/12/2023	5 years	quarterly	7.40%
CIBAES2-13	2	USD449	11,398	05/17/2024	3 years	quarterly	7.75%
CIBAES2-14	2	USD100	2,533	07/12/2024	3 years	quarterly	7.75%
Stock paper							
PBAES-T15	15	USD15,990	L405,829	05/26/2020	3 years	quarterly	7.75%
PBAES-T16	16	USD569	L14,442	05/26/2022	3 years	quarterly	5.99%
PBAES-T17	17	USD6,995	L177,538	07/28/2022	3 years	quarterly	5.99%
PBAES-T19	19	USD12,488	L316,945	07/25/2023	3 years	quarterly	5.99%
PBAES-T20	20	USD8,991	L228,201	07/28/2023	-	quarterly	7.00%
PBAES-T22	22	USD125	L3,168	05/24/2024	1 year	quarterly	7.00%
PBAES-T23	23	USD230	L5,841	06/27/2024	1 year	quarterly	7.38%
PBAES-T27	27	USD99	L2,525	08/29/2024	1 year	quarterly	7.38%
Total		**USD161,503**	**L4,098,958**				

Pacific Bank, S.A. Bonds 2025

bonds	Serial	Amount issued		placed on	maturity date	payment method	interest rate
Bond	A	USD2,000	L51,245	01/28/2025	2 years	quarterly	6.37%
Bond	B	USD3,000	L76,868	01/28/2025	3 years	quarterly	6.50%
Bond	S	USD2,000	L51,245	01/28/2025	5 years	quarterly	6.75%
Negotiable Commercial Securities	D	USD500	L12,811	01/28/2025	7 months	quarterly	6.00%
Negotiable Commercial Securities	E	USD1,000	L25,623	01/28/2025	1 year	quarterly	6.25%
Negotiable Commercial Securities	F	USD500	L12,811	02/28/2025	1 year	quarterly	6.25%
		USD9,000	**L230,603**				

Guaranteed Notes

On May 19, 2021, Inversiones Atlántida, S.A. made a second issuance and placed USD300,000 in Secured Notes (144A / RegS format) with the purpose of using the funds for the early repayment of the first debt issuance (USD150,000) plus pending interest on the cancellation date, make acquisitions and for other general corporate purposes. Its conditions include a 5-year term with a single payment at maturity (in 2026), with a fixed interest annual rate of 7.5% payable semi-annually.

Collateral of the secured notes:

For both, the first and the second issuance of guaranteed notes, the agreed collateral is represented by: pledge on 100% of the shares that INVATLAN owns of the capital stock of Seguros Atlántida, S.A., - Reserve Account for Debt Service ("DSRA" for its acronym in English), with a minimum of two interest installments, and - The commitment that INVATLAN will receive from Banco Atlántida, S.A. and Seguros Atlántida, S.A., the payment of annual or special dividends to a trust account subject to certain conditions, and as soon as the applicable laws allow, in the event that the issue is declared as an exception and causes its early redemption.

(Expressed in thousands of Lempiras)

Financial agreements (Covenants):

Additionally, INVATLAN agrees to apply the following financial obligations:

- Financial agreements applicable to Banco Atlántida, S.A. and Seguros Atlántida, S.A., as well as other subsidiaries considered as unrestricted.

- Financial agreements applicable to INVATLAN that include limits to (a) restricted payments, (b) sale of assets, (c) mergers and acquisitions, and (d) transactions with affiliates.

As of March 31, 2025, and December 31, 2024, the outstanding balance of the bond issue in foreign currency amounts were USD 294,898 and USD294,093, respectively.

		March 31, 2025,	December 31, 2024
Proceeds from issue of guaranteed notes	USD	300,000	300,000
Net transaction costs		(5,102)	(5,907)
Total	**USD**	**294,898**	**294,093**

(12) Other comprehensive income and restricted equity

As of March 31, 2025, the other comprehensive income of the Group is comprised as follows:

		As of December 31, 2024	Additions	Release	Net	As of March 31, 2025
Fixed asset revaluation Surplus	L	208,329	-	-	-	208,329
Adjustments for valuation of other comprehensive income		37,679	55,727	30,653	25,074	62,753
Foreign currency translation difference		11,070	103,558	67,159	36,399	47,469
		257,078	159,285	97,812	61,473	318,551
Deferred income tax		(7,608)	1,051	6,720	(5,669)	(13,277)
Total other comprehensive Income	L	**249,470**	**160,336**	**104,532**	**55,804**	**305,274**

As of December 31, 2024, the other comprehensive income of the Group is comprised as follows:

(Expressed in thousands of Lempiras)

Other Comprehensive Income		As of December 31, 2023	Additions	Release	Net	As of December 31, 2024
Fixed asset revaluation Surplus	L	226,342	-	18,013	(18,013)	208,329
Adjustments for valuation of other comprehensive income		42,310	115,082	119,713	(4,631)	37,679
Foreign currency translation difference		10,366	187,731	187,027	704	11,070
		279,018	302,813	324,753	(21,940)	257,078
Deferred income tax		(10,046)	2,895	457	2,438	(7,608)
Total other comprehensive Income	L	**268,972**	**305,708**	**325,210**	**(19,502)**	**249,470**

(13) Financial Income and Expenses

Financial income integrated as follows:

		March 31,	
Interest Income on:		**2025**	**2024**
Loans and advances to customers	L	4,642,688	3,387,101
Investment securities		501,913	427,824
Financial leasing		192,398	130,839
Interest earning deposits		77,935	75,897
Total	**L**	**5,414,934**	**4,021,661**

Financial expense integrated as follows:

		March 31,	
Interest Expenditure on:		**2025**	**2024**
Deposits	L	2,455,739	1,379,753
Financial obligations		554,538	409,291
Bonds and guaranteed notes		309,311	310,721
Total	L	**3,319,588**	**2,099,765**

(14) Income tax and solidarity contribution

Income tax expense recognized based on Management’s best estimate of the weighted average annual income tax rate expected for the full fiscal year applied to the pre-tax income of the interim period. The Group’s consolidated effective tax rate for the three months ended March 31, 2025, 43.4% and 2024 was 34.1%. respectively. As such, the effective tax rate in the interim financial statements may differ from management´s estimate of the effective tax rate for the annual financial statements. The change was caused by an increase in non-deductible expenses and a decrease in non-taxable income at the Bank´s level which causes a significant effect in the calculation of the consolidated effective tax rate.

(Expressed in thousands of Lempiras)

All companies established in Honduras, El Salvador, Nicaragua, Mexico, Panamá, Ecuador and Spain must pay income taxes according to the rates applicable in each country, in accordance with current fiscal legislation in each one of the countries.

(15) Significant transactions with related parties

The balance sheets and income statements include balances and transactions with related parties, as follows:

		March 31, 2025	December 31, 2024
Assets:			
Loans	L	2,337,316	2,325,481
Accounts receivable		70,471	128,324
Financial Investments		212,298	212,298
	L	**2,620,085**	**2,666,103**
Liabilities:			
Deposits		4,149,563	3,878,835
Bancatlan Corporate Bonds		-	-
	L	**4,149,563**	**3,878,835**

		March 31,	
		2025	**2024**
Income (expenses), net	L	**(13,399)**	**(280,357)**

(16) Commitments and Contingencies

Legal contingencies:

Lawsuits against the Group:

Lawsuits against Banco Atlántida, S. A.:

As of March 31, 2025, and December 31, 2024, there are lawsuits or claims in the normal course of business that are not material and therefore have no balance sheet impact.

Lawsuits against Seguros Atlántida, S. A.:

As of March 31, 2025, and December 31, 2024, the lawyers report several commercial, civil and labor lawsuits against the Insurer, according to the opinion of the lawyers, there are high probabilities that the judgments are in favor of the Insurer.

Lawsuits against AFP Confía, S. A.:

As of March 31, 2025, and December 31, 2024, there are lawsuits or claims that are not relevant and therefore do not represent any significant impact.

Lawsuits initiated by the Group:

Lawsuits initiated by Banco Atlántida, S. A.:

There are lawsuits against the National Banking and Insurance Commission objecting to the classification of related parties and their gradual adjustment plan.

Likewise, there are several lawsuits filed in the different Courts of the country against delinquent debtors, in which resolutions favorable to the Bank will surely be obtained.

Lawsuits initiated by Banco Atlántida El Salvador, S. A.:

There are several lawsuits filed in the different Courts of the country against delinquent debtors and other third parties, in which resolutions favorable to the Bank are probable to be obtained.

Lawsuits initiated by AFP Confía, S. A.:

As of March 31, 2025 , and December 31, 2024 , AFP Confía, S. A. had initiated lawsuit against the State of Costa Rica and the Central Reserve Bank of said country, requesting the nullity and return of the amounts withheld in excess plus the interests of the Law due to the withholding tax of 15% instead of 8% as mandated by the Income Tax Law of said country in relation to the yields of securities in which the Pension Fund administered by AFP Confía, S.A. The ruling of the administrative contentious court was favorable, which ordered the restitution of the amounts withheld in excess, however, they are still pending payment.

Labor Contingencies

According to Decree No. 150-2008, issued by the National Congress of the Republic of Honduras on November 5, 2008, employees dismissed without a justified cause shall receive severance payment equivalent to one month of salary for each year employed by the Group, with a maximum of twenty-five months. The Companies and Subsidiaries must also pay 35% of the corresponding amount for the years of service, to those employees who have been with the Group for more than fifteen years, when they freely decide to terminate their work agreement 75% of the severance payment corresponds to the deceased employee's beneficiaries who have worked for six (6) months or more for the Group and Subsidiaries. Although the Group and the Subsidiaries are responsible for the contingent liability, under normal conditions the amount payable during any year will not be significant and the Group and the Subsidiaries charge the disbursements to expenditures when they occur.

Tax Contingencies:

Income tax

The income tax returns, which have not been reviewed by the Tax Administration authorities of each of the countries in which the Group operates, are the following:

(Expressed in thousands of Lempiras)

Country	Years
Honduras	From 2020 to 2025
El Salvador	From 2018 to 2025
Nicaragua	From 2021 to 2025
Panamá	From 2022 to 2025
México	2022 and 2025
Ecuador	2023 and 2025
Perú	From 2020 to 2025

In accordance with the current tax legislation of Honduras and El Salvador and Nicaragua, income tax returns are subject to review by the tax authorities for up to five (5) years in Honduras, Ecuador, México and Perú, ten (10) years in El Salvador, and four (4) years in Nicaragua. Panamá income tax returns, in accordance with current tax regulations in the Republic of Panama, are subject to review by the tax authorities for up to the last three (3) years.

Transfer Prices

Decree No. 232-2011, issued on December 8, 2011, contains the Law on the Regulation of Transfer Prices, which came into force on January 1, 2014. Its primary objective is to regulate commercial and financial operations carried out between linked or related parties, assessed in accordance with the principle of free and full competition.

The Law states that income taxpayers that are related parties carrying out commercial and financial operations between each other, are under the obligation of determining their income, cost and deductions to file their tax returns, applying to those operations and operational results, the prices and profit margins that may have been utilized in comparable commercial and financial operations between independent parties. Resolution No. 027-2015 was published on September 8, 2015, which covers the Regulation of this Law, and the period to present the sworn declaration of annual transfer prices reported for the 2014 fiscal year expired on December 18, 2015. The period of validity for the presentation of the declaration was extended through Decree No. 168-2015, published in the official newspaper “La Gaceta”, therefore the new period ends on June 30, 2016, excluding fines, interests and overcharges.

Off-balance sheet financial instruments

In the normal course of operations of the Group, there are several commitments, derived from securities, letters of credit, etc., which are not reflected in the consolidated financial statements. The Group does not expect any losses resulting from the development of these transactions. These contingent liabilities are detailed as follows:

		March 31, 2025	December 31, 2024
Letters of credit and idle credit documents	L	1,275,083	956,647
Securities and bank guarantees issued		5,521,697	6,093,976
Acceptance debtors		24,883	5,612
Idle credits		9,345,234	8,690,882
Other responsibilities		268,686	277,821
	L	**16,435,583**	**16,024,938**

(Expressed in thousands of Lempiras)

(17) Trust Fund Agreements and Funds Managed

Trust Fund Agreements

As of March 31, 2025, and December 31, 2024, The Group has entered different trust fund and management agreements, to administer real estate properties, loan portfolio shares and other investment securities, with trust equities of L53,575,277 and L52,238,979, respectively.

As of March 31, 2025, and 2024, The Group recognized commission income derived from those agreements totaling L28,691 and L23,322 respectively.

Fund Management Agreements

Pension Funds

As of March 31, 2025, and December 31, 2024, the pension funds managed by the Group added L263,351,143 and L257,537,065 as shown below:

As of March 31, 2025:

		AFP	AFP CONFIA			
Assets		**Atlántida**	**Special**	**Conservative**	**Voluntary**	**Total**
Cash and cash equivalents	L	1,468,046	1,343,526	5,066	6,257	2,822,895
Investments, net		29,680,817	16,331,626	25	32	46,012,500
Loans and accounts receivables		1,619,100	212,540,645	143,886	211,717	214,515,348
Other assets		321	-	9	70	400
Total	**L**	**32,768,284**	**230,215,797**	**148,986**	**218,076**	**263,351,143**
Liabilities and Equity						
Accounts payable	L	39,332	16,434,148	568	524	16,474,572
Individual accounts		-	211,951,231	148,418	217,552	212,317,201
Solidarity guarantee accounts		-	1,830,418	-	-	1,830,418
affiliate contribution		24,599,514	-	-	-	24,599,514
employee contribution		8,132,134	-	-	-	8,132,134
results to be applied		(2,696)	-	-	-	(2,696)
Total Equity		32,728,952	213,781,649	148,418	217,552	246,876,571
Total	**L**	**32,768,284**	**230,215,797**	**148,986**	**218,076**	**263,351,143**

As of December 31, 2024:

(Expressed in thousands of Lempiras)

		AFP	AFP CONFIA			
Assets		**Atlántida**	**Special**	**Conservative**	**Voluntary**	**Total**
Cash and cash equivalents	L	1,323,878	1,386,306	12,129	13,668	2,735,981
Investments, net		1,259,283	16,356,793	213	585	17,616,874
Loans and accounts receivables		29,631,658	207,232,494	138,409	181,583	237,184,144
Other assets		-	-	27	39	66
Total	**L**	**32,214,819**	**224,975,593**	**150,778**	**195,875**	**257,537,065**
Liabilities and Equity						
Accounts payable	L	25,197	16,434,044	574	436	16,460,251
Individual accounts		-	206,673,447	150,204	195,439	207,019,090
Solidarity guarantee accounts		-	1,868,102	-	-	1,868,102
Pension fund contribution		32,200,884	-			32,200,884
IFRS adjustments		(11,262)	-	-	-	(11,262)
Total Equity		**32,189,622**	**208,541,549**	**150,204**	**195,439**	**241,076,814**
Total	**L**	**32,214,819**	**224,975,593**	**150,778**	**195,875**	**257,537,065**

(18) Other Important Disclosures

Exceptional Regulatory measures contributing to Rehabilitation and Reactivation of the National Economy due effects caused by the Health Emergency for COVID-19 and Tropical Storms Eta and Iota.

Relief measures COVID-19

During the first quarter of 2020, the Coronavirus (COVID-19) spread around the world, causing the closure of manufacturing and supply chain, interrupting international trade, which has led to a global economic slowdown which is affecting various industries. During the last few years, this situation has been monitored by the Bank's management to assess the adverse effects that could be generated in the operating results, financial position and liquidity and take all measures to minimize the negative impacts that could be derived from this situation.

As of March 31, 2025, the Group has not defaulted on principal and interest payments of its financial obligations. As a result of the regulatory responses, that the Central Bank and the Regulatory agencies implemented to mitigate the macroeconomic and financial impacts generated by the COVID-19 pandemic, the contractual commitments associated with the specific financial indicators are monitored which may be impacted by such implementations.

As of March 31, 2025, the portfolio also has debt relief mechanisms for covid-19 pandemic and Eta and Iota tropical storms had a balance of L13,640,348 thousand, representing 8.0% of the total portfolio, divided into refinanced with L2,016,706 thousand, readjusted L11,494,007 thousand and deferred in installments L129,635 thousand.

(Expressed in thousands of Lempiras)

As of March 31, 2025, the interests generated by debt relief mechanisms to covid-19 pandemic and Eta & Iota tropical storms had a balance of L343,883 thousand represents 12.8% of the total interest receivable on portfolio, interest is divided into in refinanced with balance L65,326 thousand, readjusted L273,795 thousand and deferred payments L4,762 thousand.

(19) Monetary Unit

The monetary unit of the Republic of Honduras is the lempira (L) and the exchange rate in relation to the United States dollar (USD) is regulated by the Central Bank of Honduras (BCH). By Agreement No.06/2021 issued by the Board of Directors of the BCH on June 3, 2021, the Regulations for Trading in the Organized Foreign Exchange Market, as amended by Agreement No.16/2021 of December 9, 2021, were approved.

The Regulation applies to foreign exchange purchase and sale operations conducted by the Central Bank of Honduras and its foreign exchange agents, as well as those conducted by the public sector.

Only the BCH and the institutions that its Board authorizes to function as foreign exchange agents can trade currencies. Any natural or legal person who is not a foreign exchange agent can hold assets in foreign currency, but at the time of trading them they can only do so with the BCH or with the exchange agents.

Among other provisions, the Regulation also sets out the methodology to be applied by the BCH to determine the reference exchange rate to be published daily.

The exchange rates for the purchase and sale of foreign currency, published by the Central Bank of Honduras, at the date of issuance of the consolidated financial statements and as of March 31, 2025, and December 31, 2024, were as follows:

Date	**Average purchase price (lempiras per USD1)**	**Average selling price (lempiras per USD1)**
September 19, 2024	26.1050	26.2355
March 31,2025	25.6225	25.7506
December 31, 2024	24.8009	25.3800