

**SUPPLEMENT NO. 2 TO BASE PROSPECTUS
DATED JUNE 8, 2026**

US\$15,000,000,000
Central American Bank for Economic Integration
Medium-Term Note Program

This Supplement (this “Supplement”) to the Base Prospectus dated May 30, 2025, as supplemented on January 13, 2026, (the “Base Prospectus”) constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC and is prepared in connection with the US\$15,000,000,000 Medium-Term Note Program established by the Central American Bank for Economic Integration (“CABEI”).

This supplement is being filed to, among other things, incorporate by reference CABEI’s financial statements for the year ended December 31, 2025. This supplement also extends the effective date of the Base Prospectus to August 1, 2026. The Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus. Terms defined in the Base Prospectus have the same meaning when used in the Supplement.

Except as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus. CABEI accepts responsibility for the information contained in this Supplement.

You should rely only on the information contained or incorporated by reference in this Supplement. CABEI has not authorized anyone to provide you with different information. CABEI is not making an offer of the Notes in any state where the offer is not permitted. You should not assume that the information contained in this Supplement is accurate as of any date other than the date on the front of this Supplement.

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CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION
(CABEI)

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**CENTRAL AMERICAN BANK
FOR ECONOMIC INTEGRATION**

Financial Statements

December 31, 2025

(With Independent Auditors' Report Thereon)

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MANAGEMENT'S REPORT REGARDING THE EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING

April 10, 2026

The Management of the Central American Bank for Economic Integration (the Bank) is responsible for establishing and maintaining an effective internal control system over financial reporting. Therefore, Management assessed the Bank's internal control over financial reporting as of December 31st, 2025. This assessment was based on the criteria for effective internal control established in the Internal Control-Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Bank's internal control over financial reporting is a process designed and executed under the supervision its principal executives and financial officers or personnel that performs similar functions, intended to provide reasonable assurance regarding the elaboration of reliable financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America. The Bank's internal control over financial reporting includes those norms and procedures that, (1) pertain to the maintenance of records that, at reasonably detailed level, accurately and fairly reflect the transactions and dispositions of the assets of the entity, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles in the United States of America, and that receipts and expenditures of the entity are being made only in accordance with the authorization of management and those charged with governance and (3) provide reasonable assurance regarding prevention, or timely detection and correction of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements. Based on this assessment, Management believes that the Bank's internal control over financial reporting is effective as of December 31st, 2025.

Nevertheless, there are inherent limitations in assessing the effectiveness of any internal control system, which may include a human error, or the possibility to elude or override the established controls intentionally. Accordingly, even an effective internal control can provide only a reasonable assurance regarding the financial statements preparation. Furthermore, there may be changes in certain conditions that would impact on the effectiveness of the internal control in a period of time.

However, the Bank has been subject to an integrated audit of its the internal control system and financial statements as of December 31st, 2025 by the firm KPMG Panama, an independent registered public accounting firm. KPMG Panama has issued a report regarding the effectiveness of the Bank's internal control over financial reporting, which states that the Bank's internal control is effective as of that date, based on the criteria established in the Internal Control-Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).


Ana Gisela Sánchez (Apr 10, 2026 12:12:21 MDT)
Ana Gisela Sánchez Maroto
Executive President
Humberto Rodríguez (Apr 10, 2026 10:46:02 MDT)
Humberto Rodríguez
Chief Financial Officer



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INDEPENDENT AUDITORS' REPORT

To the Executive President, Directors and Board of Governors:
Central American Bank for Economic Integration
Tegucigalpa, Honduras

Opinion on Internal Control Over Financial Reporting

We have audited Central American Bank for Economic Integration's (the "Bank") internal control over financial reporting as of December 31, 2025, based on criteria established in the Internal Control — Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Bank maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in the Internal Control — Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with auditing standards generally accepted in the United States of America (GAAS), the balance sheet of the Bank of December 31, 2025, and the related statements of income, comprehensive income, changes in equity and cash flows for the year then ended and the related notes to the financial statements, and our report dated April 10, 2026 expressed an unmodified opinion on the financial statements.

Basis for Opinion

We conducted our audit in accordance with GAAS. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Internal Control Over Financial Reporting section of our report. We are required to be independent of the Bank and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for Internal Control Over Financial Reporting

Management is responsible for designing, implementing, and maintaining effective internal control over financial reporting, and for its assessment about the effectiveness of internal control over financial reporting, included in the accompanying "Management's Report on the Effectiveness of Internal Control over Financial Reporting".

Auditors' Responsibilities for the Audit of Internal Control Over Financial Reporting

Our objectives are to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects and to issue an auditors' report that includes our opinion on internal control over financial reporting. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of internal control over financial reporting conducted in accordance with GAAS will always detect a material weakness when it exists.

In performing an audit of internal control over financial reporting in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Obtain an understanding of internal control over financial reporting, assess the risks that a material weakness exists, and test and evaluate the design and operating effectiveness of internal control over financial reporting based on the assessed risk.

Definition and Inherent Limitations of Internal Control Over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with U.S. generally accepted accounting principles. An entity's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorizations of management and those charged with governance; and (3) provide reasonable assurance regarding prevention, or timely detection and correction, of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct, misstatements. Also, projections of any assessment of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Report on Other Legal Requirements

In compliance with Law 280 of December 30, 2021, which regulates the profession of the certified public accountant in the Republic of Panama, we declare the following:

- The management, execution, and supervision of this audit work have carried out physically in Panamanian territory.
- The partner who prepared this independent auditors' report is Gastón G. González F.
- The team that participated in the audit mentioned in this report is composed includes Gastón G. González F., partner; and Pedro A. Coché P., senior manager.

KPMG

Panama, Republic of Panama
April 10, 2026


Gastón G. González F.
Partner
C.P.A. No. 7846



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INDEPENDENT AUDITORS' REPORT

To the Executive President, Board of Directors and Board of Governors:
Central American Bank for Economic Integration
Tegucigalpa, Honduras

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Central American Bank for Economic Integration (the "Bank"), which comprise the balance sheet as of December 31, 2025, and the related statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

We also have audited, in accordance with auditing standards generally accepted in the United States of America (GAAS), the Bank's internal control over financial reporting as of December 31, 2025, based on criteria established in the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated April 10, 2026 expressed an unmodified opinion on the effectiveness of the Bank's internal control over financial reporting.

Basis for Opinion

We conducted our audit in accordance with GAAS. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Bank and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The accompanying financial statements of the Bank as of December 31, 2024, and for the year then ended were audited by other auditors whose report thereon dated February 28, 2025, expressed an unmodified opinion on those financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bank's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bank's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Other Legal and Regulatory Requirements

In compliance with Law 280 of December 30, 2021, which regulates the profession of the certified public accountant in the Republic of Panama, we declare the following:

- The management, execution, and supervision of this audit work have been carried out physically in Panamanian territory.
- The partner who prepared the independent auditors' report is Gastón G. González F.
- The team that participated in the audit mentioned in this report includes Gastón G. González F., partner; and Pedro A. Coché P., senior manager.

KPMG

Panama, Republic of Panama
April 10, 2026


Gastón G. González F.

Partner
C.P.A. No. 7846

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION



Balance Sheets

As of December 31, 2025 and 2024

(Expressed in thousands of U.S. dollars)

	2025	2024
Assets		
Cash and demand deposits (note 4)	12,898	7,533
Interest-bearing deposits with banks (note 5)	3,807,668	3,806,661
Securities available for sale, net (436,617 in 2025 and 474,670 in 2024 under securities lending agreements) (note 6)	3,050,673	2,285,913
Loans, net of deferred origination fees	12,345,794	11,772,634
Less: Allowance for credit losses on loans	(59,615)	(48,386)
Net loans (note 7)	12,286,179	11,724,248
Accrued interest receivable (note 8)	221,553	218,732
Property and equipment, net (note 9)	101,260	74,933
Derivative financial instruments (note 19)	36,866	44,587
Equity investments (note 10)	20,540	11,437
Other assets (note 11)	224,611	64,701
Total assets	19,762,248	18,238,745
Liabilities		
Loans payable (306,294 in 2025 and 290,070 in 2024 measured at fair value) (note 12)	1,332,179	1,582,008
Bonds payable (5,495,066 in 2025 and 4,014,691 in 2024 measured at fair value) (note 13(a))	11,003,077	9,063,394
Commercial paper programs (note 13(b))	0	184,146
Certificates of deposit (note 14)	1,562,067	2,116,542
Accrued interest payable (note 15)	205,175	180,629
Derivative financial instruments (note 19)	37,111	7,110
Other liabilities (note 16)	252,572	74,890
Total liabilities	14,392,181	13,208,719
Equity		
Subscribed capital	6,963,100	6,923,100
Less: callable capital	(5,222,324)	(5,192,324)
Less: capital payable in cash receivable	(154,037)	(195,132)
Paid-in capital (note 17)	1,586,739	1,535,644
General reserve	3,467,515	3,199,148
Retained earnings	277,934	268,367
Accumulated other comprehensive income (note 22)	37,879	26,867
Total equity	5,370,067	5,030,026
Total liabilities and equity	19,762,248	18,238,745

See accompanying notes to financial statements.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

Statement of Income

For the years ended December 31, 2025 and 2024

(Expressed in thousands of U.S. dollars)



	2025	2024
Financial income		
Public sector loans	798,001	840,111
Private sector loans	24,909	26,490
Marketable securities	125,806	97,725
Due from banks	203,390	210,794
Realized gain on investment funds (note 6)	10,780	0
Total financial income	1,162,886	1,175,120
Financial expenses		
Loans payable	71,834	80,889
Bonds payable	601,098	583,712
Commercial paper programs	854	7,894
Certificates of deposit and investment	83,684	109,668
Total financial expenses	757,470	782,163
Net financial income	405,416	392,957
Provisions (reversal of provision) for credit losses		
Loans (note 7)	11,099	17,016
Securities available for sale (note 6)	(1,062)	(5,551)
Undisbursed loan commitments (note 16)	(3,118)	(5,868)
Contingencies	1,320	(36)
Total of provisions for credit losses	8,239	5,561
Net financial income after provision for credit losses	397,177	387,396
Other operating income (expenses)		
Financial services and other fees	212	1,454
Monitoring and administration fees	3,568	2,858
(Loss) gain on equity investments, net	(753)	156
Expenses on investments in risk capital	(1,257)	0
Dividends from equity investments	1,029	0
Gain on sale of foreclosed assets	344	264
Realized gain (loss) on securities available for sale (note 6)	3,674	(3,685)
Foreign exchange gain (loss), net	520	(612)
Other operating income	5,024	3,390
Total other operating income	12,361	3,825
Administrative expenses		
Salaries and employee benefits	53,786	53,159
Other administrative expenses	30,612	28,873
Depreciation and amortization	10,528	9,391
Other	412	469
Total administrative expenses	95,338	91,892
Income, before special and other contributions and valuation of derivative financial instruments and debt	314,200	299,329
Special and other contributions (note 23)	(18,376)	(24,261)
Income, before valuation of derivative financial instruments and debt	295,824	275,068
Valuation of derivative financial instruments and debt	(17,890)	(6,701)
Net income	277,934	268,367

See accompanying notes to financial statements.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION**Statement of Comprehensive Income**

For the years ended December 31, 2025 and 2024

(Expressed in thousands of U.S. dollars)



	2025	2024
Net income	<u>277,934</u>	<u>268,367</u>
Other comprehensive income:		
Unrealized gain on securities available for sale, net	45,395	29,968
Reclassification adjustments for net realized (gain) loss included in earnings	<u>(14,454)</u>	<u>3,685</u>
Subtotal - securities available for sale (note 22)	<u>30,941</u>	<u>33,653</u>
Change in credit risk of debt instruments at fair value (note 3(vi))	(32,075)	(2,657)
Reclassification of realized net loss (gain) by maturity of debt instruments at fair value (note 22)	<u>3,138</u>	<u>(7,741)</u>
Subtotal - change in credit risk of debt instruments at fair value (note 22)	<u>(28,937)</u>	<u>(10,398)</u>
Retirement plans, pensions and other social benefits:		
Change in actuarial loss (note 22)	<u>9,008</u>	<u>2,541</u>
Other comprehensive income	<u>11,012</u>	<u>25,796</u>
Comprehensive income	<u><u>288,946</u></u>	<u><u>294,163</u></u>

See accompanying notes to financial statements.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

Statement of Changes in Equity

For the years ended December 31, 2025 and 2024

(Expressed in thousands of U.S. dollars)



	Paid-in Capital	General Reserve	Retained Earnings	Accumulated Other Comprehensive Income	Total Equity
Balances as of December 31, 2023	1,492,423	2,768,082	431,066	1,071	4,692,642
Net income	0	0	268,367	0	268,367
Other comprehensive income	0	0	0	25,796	25,796
Comprehensive income	0	0	268,367	25,796	294,163
Capital contributions, in cash (note 17(c))	43,221	0	0	0	43,221
Transfer to general reserve	0	431,066	(431,066)	0	0
Balances as of December 31, 2024	<u>1,535,644</u>	<u>3,199,148</u>	<u>268,367</u>	<u>26,867</u>	<u>5,030,026</u>
Balances at the beginning of 2024	1,535,644	3,199,148	268,367	26,867	5,030,026
Net income	0	0	277,934	0	277,934
Other comprehensive income	0	0	0	11,012	11,012
Comprehensive income	0	0	277,934	11,012	288,946
Capital contributions, in cash (note 17(c))	51,095	0	0	0	51,095
Transfer to general reserve	0	268,367	(268,367)	0	0
Balances as of December 31, 2025	<u>1,586,739</u>	<u>3,467,515</u>	<u>277,934</u>	<u>37,879</u>	<u>5,370,067</u>

See accompanying notes to financial statements.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION
Statement of Cash Flows

For the years ended December 31, 2025 and 2024

(Expressed in thousands of U.S. dollars)



	2025	2024
Cash flows from operating activities		
Net income	277,934	268,367
Items to reconcile net income to net cash provided by operating activities:		
Provisions for credit losses	8,239	5,561
Valuation of derivative financial instruments and debt	17,580	13,064
Depreciation and amortization	10,528	9,391
Realized gains on investment funds	(10,780)	0
Loss on fair value of equity investments, net	753	0
Gain on sale of foreclosed assets	(344)	(264)
Foreign exchange (gain) loss, net	(520)	612
Realized (gain) loss on securities available for sale	(3,674)	3,685
Net increase in accrued interest receivable	(2,763)	(6,973)
Net increase in accrued interest payable	24,546	23,965
Net increase in other assets	(194,684)	(7,651)
Net increase (decrease) in other liabilities	188,490	(412)
Net cash provided by operating activities	315,305	309,345
Cash flows from investing activities		
Net increase in interest-bearing deposits with banks	(1,007)	(39,581)
Purchases of securities available for sale	(3,520,885)	(2,372,950)
Proceeds from sales and redemptions of securities available for sale	2,802,995	2,203,049
Increase in property and equipment	(1,738)	(743)
Net decrease (increase) in cash collateral for derivative financial instruments	748,060	(543,060)
Disbursements of loans	(2,357,413)	(1,909,792)
Collections of loans	1,788,296	960,754
Net increase on equity investments	(9,856)	0
Net cash used in investing activities	(551,548)	(1,702,323)
Cash flows from financing activities		
Capital contributions	51,095	43,221
Proceeds from loans payable	113,679	328,640
Repayments of loans payable	(412,225)	(167,509)
Net decrease in commercial paper programs	(184,146)	(128,498)
Proceeds from issuance of bonds payable	2,897,803	2,592,154
Repayments of bonds payable	(1,669,012)	(1,297,531)
Net decrease in certificates of deposit	(554,475)	(29,718)
Net decrease in certificates of investment	0	(15)
Net cash provided by financing activities	242,719	1,340,744
Effect of exchange rate fluctuations on held cash	(1,111)	(441)
Net increase (decrease) in cash and cash equivalents	5,365	(52,675)
Cash and demand deposits at beginning of the year	7,533	60,208
Cash and demand deposits at end of the year	12,898	7,533
Supplemental information of cash flows		
Cash paid for interest	732,924	758,197
Unrealized gain on securities available for sale, net	30,941	33,653
Actuarial gain under the Social Benefits Plan (note 22)	9,008	2,541

See accompanying notes to financial statements.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

Notes to Financial Statements



(Expressed in thousands of U.S. dollars)

(1) Origin and Nature of the Bank

The Central American Bank for Economic Integration (hereinafter CABEI or the Bank) is a financial institution under public international law, founded by the governments of Guatemala, El Salvador, Honduras and Nicaragua pursuant to the Constitutive Agreement dated December 13, 1960. In addition, on September 23, 1963, the Republic of Costa Rica was included as a founding member. Pursuant to protocol subscribed on September 2, 1989, and effective since 1992, the participation of non-regional members was allowed. The Bank commenced operations on May 31, 1961, and has its headquarters in Tegucigalpa, Honduras.

The Bank's objective is to promote the economic integration and the balanced economic and social development of the Central American region, which includes the founding countries and non-founding regional countries, attending to and aligning itself with the interests of all members.

The activities of the Bank are complemented by the activities carried out by the Technical Cooperation Fund (FONTEC) and by the Social Benefit Fund (SBF). These funds are regulated by their own by-laws and their equities are independent and separate from the Bank, although they are managed by the Bank. These financial statements include, solely, the assets, liabilities and operations of the Bank. The net assets relating to the other funds have been disclosed in notes 20 and 21.

Furthermore, as detailed in note 20, the Bank administers third-party cooperation funds, destined to finance programs agreed with each organization, which are in line with the Bank's policies and strategies.

(2) Summary of Significant Accounting Policies

The Bank's accounting policies and financial information are in accordance with accounting principles generally accepted in the United States of America (US GAAP).

A summary of significant accounting policies is as follows:

(a) *Functional and foreign currencies*

The Bank's functional currency is the United States dollar (U.S. dollar). Transactions in currencies other than the U.S. dollar are recorded at the effective exchange rates prevailing on the transaction date. Assets and liabilities denominated in currencies other than the U.S. dollar are expressed in such currency using the prevailing exchange rates at Balance sheet date. Net foreign currency gains and losses resulting from transactions denominated in currencies other than the U.S. dollar are presented as other operating income (expenses) in the statement of income.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

(b) Cash and cash equivalents

For purposes of the statements of cash flows, cash and cash equivalents represent the amounts included in cash and demand deposits, which are due at the Bank's request.

(c) Fair value measurements

For fair value measurements, the Bank uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, and for other required disclosures, the Bank considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability. When possible, the Bank looks to active and observable markets to price identical assets and liabilities. When identical assets and liabilities are not traded in active markets, the Bank looks to market observable data for similar assets and liabilities. Nevertheless, certain assets and liabilities are not actively traded in observable markets and the Bank must use alternative valuation techniques to derive a fair value measurement. A financial instrument's level within the fair value hierarchy is based on the input of the highest level in the hierarchy that is significant to the fair value measurement.

When considering the assumptions from market participants in fair value measurements, the hierarchy distinguishes between observable and unobservable assumptions, which are categorized in one of the following levels:

- Level 1 - Assets and liabilities for which there are price quotes in active markets for identical items.
- Level 2 - Assets and liabilities valued based on observable market assumptions for the entire term of the assets and liabilities that include: price quotes for similar instruments in active markets; price quotes for identical or similar instruments in markets that are not active; assumptions other than price quotes that are observable or assumptions that can be corroborated by market information.
- Level 3 - Assets and liabilities for which the relevant assumptions of the valuation are not observable in the market; instruments valued using the best available information to measure the fair value of the asset or liability.

As stated in note 3, the Bank has elected the fair value measurement for certain assets and liabilities which do not require such measurement.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

(d) Securities available for sale

Marketable securities are classified as available for sale and recorded at fair value. Unrealized gains and losses produced by such investments are excluded from the results of operations and reported as accumulated other comprehensive income, as a separate component of equity, until such time as they are realized and reclassified to the statement of income.

CABEI shall maintain at least 80% of its total investment securities portfolio in deposits with banks and bonds placed by issuers holding an international rating of "A" or better, and a maximum of 20% in unrated or below "A" (including A-, A, A+) rated securities.

As of December 31, 2025, the Bank conducts periodic reviews of all securities available for sale with unrealized losses to evaluate whether the impairment resulted from expected credit losses or from other factors and to evaluate the Bank's intent to sell such securities. A security available for sale is impaired when the current fair value of an individual security available for sale is less than its amortized cost basis. For those securities available for sale that the Bank does not intend to sell and is not likely to be required to sell, the Bank evaluates the expected credit losses and only the loss component corresponding to the change in credit risk is recorded in the statement of income by recording a provision for credit losses in securities available for sale. Any remaining fair value decline for such securities is recorded in accumulated other comprehensive income. The Bank recognizes the entire difference between amortized cost and fair value in the statement of income for impaired securities available for sale that it intends to sell or for which the Bank believes it will be more-likely-than-not be required to sell prior to recovery of the amortized cost basis.

The Bank does not consider the length of time that the fair value of a security is below its amortized cost when determining if a credit loss exists. For securities available for sale, credit losses exist where the Bank does not expect to receive contractual principal and interest cash flows sufficient to recover the entire amortized cost basis of a security.

Interest income on securities available for sale is recorded using the accrual method. Gains and losses on the sale of securities are recorded on the settlement date basis, using the specific identification method and are presented as other operating income (expenses). When the Bank realizes gains on investment funds, these are presented under realized gain on investment funds, as part of financial income.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

Premiums and discounts are recognized as an adjustment to yield over the contractual term of the security using a method that approximates to the effective interest method. If prepayment occurs on a security, any premium or discount on the value is recognized as an adjustment to yield in the period in which the prepayment occurs.

The Bank engages in securities lending agreements of up to 40% of its securities portfolio. Counterparties provide the same lent titles or other titles with equivalent characteristics, as collateral. The entirety of the securities portfolio in custody by the counterparty is eligible for the program. For this program, CABEI earns a fee which is recorded in other operating income.

The Bank's securities custodian guarantees and manages the transactions made under the program and performs daily valuations of the securities lent under the program to ensure there is sufficient collateral to guarantee the securities lent by CABEI.

Securities under lending agreements are reported at fair value. The securities transferred under security lending agreements have not met the accounting criteria for treatment as a sale. The Bank maintains, at all times, the right to sell the securities under lending agreements and to terminate the loans. Therefore, securities transferred under security lending agreements are retained as assets on the balance sheet.

(e) Concentration of credit risk

In compliance with its objective and financial policies, the Bank grants loans and guarantees to entities, both public and private, established in the beneficiary member countries, which meet the financial needs of projects and programs that contribute to the development of the Central American region, which includes the founding countries and regional non-founding countries.

The Bank annually reviews its credit risk concentration policies. The significant parameters applicable to the concentration of credit risk are described as follows:

- The total of its loan portfolio cannot exceed 3.5 times the Bank's equity.
- The Bank's capital adequacy should be maintained at a level not lower than 35%.
- The exposure to any of the member countries must not exceed 100% of the Bank's equity. To maintain an optimal level of exposure to each of the member countries, limits have been established that allow generating alerts for the implementation of measures that allow their regularization. A soft limit of exposure to the member countries is established at 23% and a hard limit at 25% on CABEI's total exposure.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

Total exposure includes the public sector (sovereign and non-sovereign) and the private sector, as well as 50% of undisbursed loan commitments.

- Exposure to a single financial institution is determined based on its credit rating shall not exceed 5% and 6% and a future limit between 5.5% and 6.6% of the Bank's equity. For a corporate company, the limits remain in the range of 3% to 5%.
- Exposure to a single public sector company or mixed institution with government majority ownership, without a solidarity sovereign guarantee, shall not exceed 22% of the Bank's equity, considering its internal credit risk rating.

(f) Loans

Loans are stated at the outstanding principal balance less the allowance for credit losses on loans and deferred origination fees on loans.

Interest income is recognized on the accrual basis according to the contractual terms of the loans.

The accounting guidance defines a portfolio segment as the level at which an entity develops and documents a systematic methodology to determine the allowance for credit losses on loans. In addition, it defines a class as the level of disaggregation of portfolio segments based on the initial measurement attribute, risk characteristics and methods for risk evaluation.

The Bank's loan portfolio segments are public sector and private sector. The classes for public and private sector loans represent each country in which the loans are granted to these sectors.

Public Sector

Loans to the public sector are granted to the governments of member countries, to local and municipal governments of member countries, to central banks of member countries, to public institutions, to entities, institutions and/or companies whose capital structure has a majority share participation of the State or other public entities, either directly or indirectly, as well as to entities that develop a public interest project, whose economic ownership or control is by the State or in which there are direct and enforceable financial commitments by the State in order to ensure the financial balance of such project.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

Private Sector

Loans to the private sector are granted mainly to borrowers in the member countries, as well as to entities, institutions and/or companies whose capital structure has a majority share participation of the private sector, either directly or indirectly. In these loans, CABEI obtains the guarantees which deems appropriate, such as mortgages, pledges, cession of cash flows, assets in trust, bank guarantees and credit default swaps.

Policies on arrears and non-accrual loans

Loan installments are considered in arrears the moment there is a default in their effective date of payment.

In accordance with the Bank's policies, interest recognition on all loan installments is discontinued when they are 90 days or more in arrears on principal and/or interest based on contractual terms, for private sector loans, and when they are 180 days or more in arrears for public sector loans.

Loans for which the recognition of interest income has been discontinued are designated as non-accruing. All interest accrued but not collected on loans classified as non-accrual is reversed against financial income. Subsequent collections are accounted for on a cash basis, until qualifying to return to accrual status.

Interest on non-accrual loans for which the original conditions have been modified, are recorded on a cash basis until the debtor demonstrates for a reasonable period of time, its ability to repay the loan according to the contractual terms of the loan; at which time, the loan is returned to accrual status.

(g) Allowance for credit losses

Upon initial recognition of each loan and security available for sale, the Bank recognizes an allowance for expected credit losses in accordance with its current estimate of collectability risk over the contractual life of such assets. The estimate of expected credit losses incorporates the effects of past events, current conditions and reasonable and sustainable forecasts of future economic conditions.

Additionally, the Bank recognizes a liability for estimated expected credit losses for certain off-balance sheet exposures, such as undisbursed loan commitments and contingent commitments, during the contractual period in which the Bank is exposed to credit risk through a present contractual obligation to grant credit.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

The amount required to adjust the allowance and liability for credit losses at the date of the financial statements reflects management's best estimate and is recognized in the statement of income as a provision for (reversal of) credit losses. The Bank elects not to recognize an allowance for credit losses for accrued interest receivable, as the Bank reverses uncollected accrued interest on a timely basis in line with its non-accrual interest policy.

Credit operations

For credit operations (loans, undisbursed loan commitments and contingent commitments), provisions are determined based on the future exposure balances that are generated considering the contractual conditions of the operations, their status and the loss rate that is related to the level of risk and institutional sector of a particular counterparty or operation.

The expected credit loss at a point in time is defined as the product of the exposure at default (EAD), the probability of default (PD) and the loss given default (LGD).

The expected credit loss for each period is discounted to present value with the effective rate of the operation. Finally, the sum of the expected losses of each future period comprises the total expected loss or generic reserve of the operation.

i. Exposure at Default (EAD)

The EAD at each moment of time to be evaluated will be the estimated exposure in the face of a possible event of default due to arrears greater than the period established for each institutional sector, which is why the exposure reached at the end of the period is considered as EAD. Depending on the type of credit operation, the EAD is determined as follows:

- **Loans:** The loan balance is adjusted for the risk coverage granted by the counterparty and for the expected prepayment, if applicable. The interest payable corresponding to the next interest and principal payment installment will be added to the loan balance.
- **Undisbursed loan commitments:** Determined with the estimate of disbursement flows and future amortization in accordance with the approved amount pending disbursement of a credit operation, utilization factors by sector, credit conversion factors to loan and financial conditions approved for the operation. Likewise, the interest payable that corresponds to the next interest payment installment is considered and risk coverage is deducted, if applicable.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

- Contingent commitments: The EAD consists of credit exposure less any credit risk coverage and adjusted by the credit conversion factor established by current regulations for the different existing products. The effective rate for the discount will be based on the minimum interest rate approved by the Assets and Liabilities Committee (ALCO) for the corresponding term and sector.

ii. Probability of Default (PD)

The PD is the model parameter that determines the level of credit risk that a counterparty or a particular operation presents at the time of estimation. For this parameter, the probabilities of default published annually by the Credit Rating Agencies (Standard & Poor's, Fitch Ratings and Moody's) are used in all their available terms.

For the public sector that has a solidarity sovereign guarantee and loans granted to central banks, the Bank determines the nature and degree of exposure to credit risk, considering the risk rating assigned to each country by the Credit Rating Agencies, the available market information on the probability of default from international Credit Rating Agencies, the forward-looking adjustment to the risk level and whether the operation has a solidarity sovereign guarantee or not.

Given that the Bank holds preferred creditor status for the loans with solidarity sovereign guarantee, this factor is considered to adjust the probabilities of default with respect to market information.

In addition, a methodology is established to determine the adjustment to the probabilities of default of the public sector considering that the preferred creditor status is better determined with the multilateral debt ratio, which measures multilateral debt as a percentage of a country's total external debt, and with the external debt stock as a percentage of gross national income.

The forward-looking adjustment at the risk level may be positive or negative depending on the macroeconomic projections and the market variables that are periodically updated for this purpose. It is possible that the analysis will show that there are no relevant changes that could impact on the risk level of a country.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

For public sector loans without solidarity sovereign guarantee of the State, and for private sector borrowers, PDs are assigned based on the internal credit risk rating system (Sistema de Calificación de Riesgo – SCR), which has eight levels:

Rating	Definition
From SCR-1 to SCR-4	Normal
SCR-5	Special Mention
SCR-6	Substandard
SCR-7	Doubtful
SCR-8	Loss

- Normal: Credit operations with the highest quality of credit risk or with an average quality within the group of peers in the industry but could also be assigned to smaller borrowers with the quality of those with the highest quality of credit risk. These operations remain up to date with their payments and cover a level of credit quality from superior to acceptable.
- Special mention: Credit operations that have a potential weakness to comply with the debt service and deserve management's close attention. If left uncorrected, this potential weakness may weaken the primary source of payment.
- Substandard: Rating for credit operations inadequately protected by their payment capacity or by the value of the collateral and guarantees. Weaknesses are considered well defined. If the credit operation is in SCR-6 and it is probable that it will be subject to restructuring due to experiencing financial difficulties, or that there is a request for restructuring by the client or by internal initiative, the expected credit loss will be evaluated individually.
- Doubtful: Rating for credit operations with weaknesses so severe that the total recovery of the debt, based on the information, conditions and values at the time of the review, is highly unlikely and doubtful. This level includes credit operations whose expected credit losses are evaluated individually.
- Loss: Rating for borrowers with loans considered uncollectible or with such little value that they do not merit remaining in the Bank's books. Expected credit losses for credit operations classified under this level are evaluated individually.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

To determine PDs for the public sector without solidarity sovereign guarantee of the State and for private sector borrowers, the risk ratings based on the SCR and the risk definitions of the Credit Rating Agencies are considered, in a way that each SCR risk rating level corresponds to one or more risk levels of the Credit Rating Agencies. Next, considering the corporate default probabilities of each risk rating agency, the probability of default is calculated for each risk rating level of the SCR model. Given that in most terms there are PDs at two or more risk levels for each SCR, the PD to be used will be determined based on a macroeconomic adjustment based on the country where the counterparty is domiciled.

iii. Loss Given Default (LGD)

To determine the LGD applicable to the public sector, a loss projection model is used based on the impact of differences in the value of money over time between the expected flows, in the event of default, and the contractual flows. Expected arrears given a default event are considered for the public sector with a solidarity sovereign guarantee and for the public sector without a solidarity sovereign guarantee of 18 and 30 months, respectively, which is determined based on CABEI's historical defaults and the debt restructuring period of sovereign issuers in international markets. In the case of subordinate public sector operations, the LGD to be used will be the 75% proposed by the Basel Committee.

In the case of the LGD applicable to the private sector, parameters are used based on data from external sources, including recommendations from the Basel Committee and data published by the Global Emerging Markets Risk Database Consortium (GEMS).

Securities available for sale

The allowance for credit losses on securities available for sale is limited to the amount by which the amortized cost of the debt security exceeds its fair value. The allowance increases or decreases if credit conditions subsequently worsen or improve. Reversals of provisions for credit losses on securities available for sale are recorded in the statement of income.

To determine whether there is impairment of a security available for sale, the Bank considers the following criteria:

- i. Degree of loss of market price or fair value of the security available for sale compared to its amortized cost. This criterion will not apply to securities available for sale whose issuers have a composite rating equal to or greater than AA-.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

- ii. Negative changes in the composite credit risk rating since its origination, as long as it drops to levels below AA-.
- iii. Negative change in the Risk Rating System (SCR).
- iv. Credit event (e.g., arrears of principal or interest).
- v. Significant Change: If the issuer of the security available for sale makes a significant change in its operation, it will be necessary to evaluate whether the event had an impact on credit risk and has resulted in a change in value due to credit factors.

When applicable, the allowance will be estimated using a discounted cash flow model to determine the present value of expected future flows. To determine the expected recovery, the contractual flows are adjusted through an expected loss exercise based on the available information.

Individually evaluated financial instruments

The Bank may individually evaluate the credit loss of a credit operation or security available for sale, when it does not share risk characteristics with the rest of a portfolio.

The estimation of allowances for financial instruments with risk characteristics different from those of the rest of a portfolio corresponds to management's best possible estimate, is based on an appropriate analysis and is applied consistently over time.

A financial instrument is considered to have different risk characteristics from the rest of a portfolio when it presents certain risk characteristics higher than expected at the time of its origination or acquisition. These risk characteristics can be obtained from updated information and events that could increase the probability that an operation will not make payment of the amounts owed (to CABEI) in accordance with the agreed contractual terms. This means that the source of repayment or the joint guarantor, if any, do not have the capacity to honor the debt service; Therefore, it is considered that the particularities of the credit or debtor do not fit into the generic reserves model.

The Bank considers payment capacity, credit rating, restructuring and default criteria to determine that a credit operation or security available for sale does not share risk characteristics with the rest of a portfolio. The amount of the expected credit loss results from the difference between the amortized cost of the financial instrument and the estimated net realizable value, which may be estimated through the application of specific PD and LGD, a discount of expected cash flows or the realization value of collateral.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

The Bank permanently monitors the credit quality of the loan portfolio by reviewing the credit risk with the Internal Risk Rating System (SCR), at least twice a year, of each exposure that does not have a solidarity sovereign guarantee and monitoring the country risk assigned by the Credit Rating Agencies.

Likewise, the Bank annually hires an independent external reviewer to assess the risk rating of the non-sovereign loan portfolio and the adequacy of allowances.

Debt Restructurings

When an operation is refinanced or restructured in the event that a borrower presents financial difficulties, whether through a forgiveness of principal, an interest rate reduction, a non-insignificant delay in payment, an extension of maturity or a combination of those types of modifications, the Bank evaluates whether the resulting loan is considered as a new loan if two conditions are met, otherwise it will be considered as a continuation of the original loan. The two conditions that must be met to determine if a loan is considered a new loan are the following:

- The effective interest rate under the financial conditions of the new loan is equal to or greater than the effective interest rate that would be offered on a loan to another debtor with similar risk characteristics that has not been subject to restructuring.
- The modifications to the original loan are more than minor. To determine whether changes are more than minor in a restructured loan, the difference between the present value of the future flows of the restructured loan and the present value of the remaining future flows of the original loan must be at least 10%.

In the event that a loan restructuring is determined to result in a new loan, any deferred fees and prepayment penalties on the original loan will be recognized in other operating income and interest income, respectively, when the new loan is granted. In the event that no new loan is originated or if only minor modifications are made to the original loan agreement, the deferred fees from the original loan and any prepayment penalties will be carried forward as part of the investment recorded in the restructured loan.

A restructured loan generally has remained in non-accrual status at the time of the modification.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

Once the borrower complies with the new terms of the restructured loan for a reasonable period and if the remaining balance of the restructured loan is deemed recoverable, the loan may be moved to interest accrual status.

Use of Allowance

Losses on credit operations and securities available for sale are written off against the allowance when management confirms partial or full uncollectability of these instruments. Subsequent recoveries, if any, increase the allowance for credit losses in the balance sheet.

(h) Property and equipment

Property and equipment are carried at cost less accumulated depreciation and amortization. Renewals and major improvements are capitalized, while minor replacements, repairs and maintenance which do not improve the asset nor extend its remaining useful life are charged as expenses when incurred.

During the year ended December 31, 2025, the Bank reviewed the estimated useful lives of certain categories of property and equipment as part of its periodic process for assessing the usage, condition, and expected future service of assets. As a result of this review, the following changes were made: the estimated useful life of vehicles was modified from 4 to 5 years, and for facilities and improvements, it was changed from 10 to 15 years. These changes represent changes in accounting estimates in accordance with ASC 250, Accounting Changes and Error Corrections, and have been recognized prospectively from the period in which the modification was approved. These changes did not have a material impact on the Bank's financial statements.

The Bank depreciates property and equipment, except land, under the straight-line method, estimating the number of years of useful life as follows:

	Years
Buildings	40
Facilities and improvements	15
Furniture and equipment	5 and 10
Vehicles	5
Hardware and software	3, 5 and 10

(i) Derivative financial instruments and hedging activities

The Bank records the derivative financial instruments at their fair value in the balance sheet, regardless of the purpose or intention of their contracting. The accounting for changes in the fair value of derivative financial instruments varies, depending on whether the derivative is considered a hedge for accounting purposes and if the hedging instrument is considered as a fair value or cash flow hedge.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

The derivative financial instruments maintained by the Bank, although considered effective hedges from an economic perspective, have not been designated as hedges for accounting purposes. The Bank enters into these derivative instruments for the purpose of hedging the market risks that it maintains in its investment and debt portfolios. Therefore, these derivatives are recognized in the balance sheet at their fair value and changes in their fair value are recognized in the valuation account of derivative financial instruments and debt in the statement of income simultaneously with the change in fair value of the underlying assets or liabilities.

Likewise, the Bank separately presents in other comprehensive income, the portion of the total change in the fair value of a liability that results from a change in the credit risk of a specific instrument.

The inherent credit risk is the counterparty's possible non-compliance in the delivery of collateral to recover the balance due. In line with its policies, the Bank minimizes the credit risk in derivative financial instruments through transactions with highly qualified counterparties with a credit rating of "A" (or equivalent) or better, and the master netting agreements with its derivatives counterparties, through which all its operations with its counterparties are almost 100% collateralized.

The Bank also enters into derivatives that although being used as economic hedges of risk they do not qualify for hedge accounting in accordance with the guidelines of ASC 815 *"Derivatives and Hedging"*.

It is the Bank's policy to recognize in its balance sheet, the offset amounts of its financial instruments, including derivatives.

CABEI establishes that changes in fair value attributable to the credit risk of a specific financial instrument, when the Fair Value Option has been chosen for financial liabilities, must be recognized separately in other comprehensive income in the balance sheet, instead of in the statement of income (note 3(vi)).

The accounting regulations establish that an entity must present separately in other comprehensive income, the portion of the total change in the fair value of a liability that results from a change in the credit risk of a specific instrument.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

(j) Equity investments

Equity investments in other entities have been recognized at cost, less impairment, except those recorded at fair value, whose changes are reported in the statement of income under (loss) gain on equity investments.

Equity investments that do not have readily determinable fair values are reported at cost. The Bank has determined that it is impractical to estimate the fair value of these investments reported at cost. These investments are evaluated quarterly and when impairment is determined, the balance of the investment is decreased, and the amount of the impairment is recognized as other operating expense. When the impairment in the investment is identified and considered as other than temporary, the investment in participations is written off and the impaired value becomes the new cost base.

(k) Foreclosed assets in satisfaction of loans

Foreclosed real estate acquired in satisfaction of loans is held for sale and is initially recorded at fair value less cost to sell of the real estate at the date of foreclosure. Any excess of the recorded investment in the loan over the fair value of the asset is recognized as a loss in the statement of income.

After foreclosure, management carries on periodic assessments, and these properties are carried at fair value less estimated costs to sell based on recent appraised values. Maintenance expenses associated to holding these properties in portfolio and the changes to the related valuation allowance are recorded as other administrative expenses and other operating expenses, respectively.

(l) Social Benefit Plan

The funded status of the Bank's Social Benefit Plan (the Plan) is recognized on the balance sheet. The funded status is measured as the difference between the fair value of Plan assets and the projected benefit obligation. Overfunded benefit plans, where the fair value of Plan assets exceeds the projected benefit obligation, are aggregated and recorded as assets under the Plan while underfunded benefit plans, where the projected benefit obligation exceeds the fair value of Plan assets, are aggregated and recorded as liabilities under the Social Benefit Plan. The Bank recognizes the projected benefit obligation considering future service cost based on an actuarial study performed annually by an independent actuary. Actuarial gains and losses are recognized as a component of accumulated other comprehensive income, as a separate component of equity.

(m) Taxes

According to the Bank's Constitutive Agreement, the Bank's income and related transactions within its member countries are exempt from any payment, withholding or collection of any income or duty tax.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

(n) General reserve and annual net income

According to the Constitutive Agreement, the general reserve is increased by the total annual net income, when authorized by the Bank's Board of Governors.

The general reserve is reduced through the use of "E" series certificates by the members who are holders of "A" and "B" shares in order to pay, the subscription of new shares of the unsubscribed authorized share capital made available by the Bank.

(o) Revenue and expense recognition

Financial income is recognized in accordance with the terms of the loan agreements, when the earnings process is complete, and collectability is assured.

Loan origination fees are deferred and recognized in earnings over the term of the related loans as an adjustment to yield in the accounts of monitoring and administration fees and financial services and other fees classified in other operating income. Fees related to loan syndication are recognized when the Bank has concluded all the required services. Asset management fees, measured by the amount of assets managed at a particular date, are accrued as earned.

Fees on endorsements and guarantees granted and other commitments are amortized using a method that approximates the effective interest method over the term of these instruments.

Interest expense is recognized under the effective interest method. Fees expense is recognized when the related service is received. Transaction costs are recognized when incurred.

Incremental direct costs associated with originating loans are expensed as incurred as such amounts are immaterial to net earnings.

Issue costs for debt measured at fair value are expensed at the moment of issuance while those related to debt carried at amortized cost are deferred and amortized using a method that approximates to the effective interest method, over the term of the respective debt instrument.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

(p) Donations received and contributions granted

Donations are recorded as other operating income when they are received, unless the donations are received with donor-imposed conditions, whereby they are recorded as a liability until the conditions have been satisfied in all material respects or the donor has explicitly waived the conditions.

Contributions made by the Bank to public or private sector institutions and to funds or programs administered by CABEI, which are considered unconditional, are recognized as an expense, and at the same time as a liability, once the Bank's Board of Directors' approval is obtained. Such contributions are presented as special contributions in the statement of income.

(q) Guarantees

The main objective of the endorsements and guarantees granted by the Bank is to support the regional banking systems. In addition, such off-balance sheet arrangements support the development and integration projects of the Central American region to expand and diversify the banking services offered by CABEI so that its customers may have access to a broad range of services and low financial costs in developing their projects.

To achieve its objective, the Bank grants two main types of endorsements and guarantees:

- Those that replace financing: generally long-term arrangements, such as bank endorsements or payment guarantees that support a financial document or credit contract which in itself secures compliance with obligations related to execution of a project. These endorsements and guarantees are granted taking into account the policies on credit risk concentration limits to CABEI's borrowers.
- Those that do not replace financing: which are granted to support projects for the development of the Central American region and are generally short-term arrangements that are fully collateralized by liquid assets and are generally related to letters of credit and acquisitions of goods and services.

Bank endorsements and guarantees issued are contingencies to the Bank to guarantee the performance of borrowers to third parties. A guarantee is considered a contingency when the borrower incurs the underlying financial obligation and are called when the borrower defaults and the beneficiary executes the guarantee.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

The Bank issues guarantees and can require counter guarantees from debtor. The Bank would be required to perform under its guarantees if the payments guaranteed were not made by the debtor and the guaranteed party called the guarantee by demanding payment from the Bank. In the event that a guarantee of a debtor is called, the Bank has the contractual right to require payment from the debtor that has provided the counter guarantee to the Bank.

Loan commitments represent agreements to disburse loans to borrowers at a future date. Such agreements are recognized as commitments on the date of formalization and until the culmination of disbursements. These commitments have fixed expiration dates and in some cases the commitments expire without disbursing the loans; as such, the total amount committed does not necessarily represent required future cash flows.

Letters of credit represent contingent commitments assumed by the Bank, in the event of a possible non-payment to the creditor by the Bank's clients.

The Bank also estimates the expected credit losses on its undisbursed loan commitments and contingent operations, such as contractual commitments to disburse loans and endorsements and guarantees granted, respectively, which are recorded as other liabilities in the balance sheet.

Exposure Exchange Agreements

Exposure Exchange Agreements (EEA) are hedging financial instruments through which two or more Multilateral Development Banks (MDB) agree to exchange synthetic credit protection on equivalent reference portfolios of sovereign exposure in order to reduce concentration risk in the loan portfolio.

Under an EEA the reference portfolios have a nominal value that is aggregated and risk-weighted at inception (risk neutrality principle), and the theoretical risk premium each MDB must pay is equal and offset. In transactions where the MDB credit ratings are not equivalent, and to maintain the risk-neutrality principle, the higher-rated MDB will be compensated for the risk difference by an adjustment factor applied to the swapped exposure portfolios. In any case, the methodology will be agreed by both MDB for each transaction.

Under that premise, in the event of a non-accrual of interest on an exposure in the reference portfolio, the MDB that received that exposure as part of the EEA will pay a premium/coupon to the other MDB to compensate for the interest not received due to the non-accrual event. These payments are reimbursed once the non-accrual event has normalized and the interest not received during the period the event occurred has been recovered, in whole or in part.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

In this regard, it is important to mention that, to date, and in the context of the EEA, no non-accrual events have occurred that would have generated a flow exchange between the MDB that have executed these transactions.

The fair value of the guarantee provided is initially recognized as an asset, equivalent to the net present value of the hypothetical guarantee fees to be received, and as a liability for the non-contingent portion of the guarantee to be assumed, included in other assets and other liabilities, respectively, in the balance sheet.

Based on the received guarantee, an asset is recorded and the corresponding income for an amount equal to the implicit reduction in the provision for credit losses associated with the transferred exposures, which are included in other assets and other income, respectively. Similarly, based on the provided guarantee, a liability is recorded and an expense equal to the potential loss based on the credit loss provision of the portfolio associated with the received exposure, and is included in other liabilities and other expenses, respectively.

(r) Use of estimates

To prepare the financial statements in conformity with US GAAP, the Bank's management relies on certain estimates and assumptions that have an impact on the amounts of reported assets and liabilities and the disclosure of contingent assets and liabilities as of the dates of the financial statements, and the amounts reported in income and expenses during the reporting period. Actual results could differ from such estimates.

Material estimates that are particularly susceptible to significant change include allowances for credit losses, the fair value of securities available for sale and derivative financial instruments, valuation of foreclosed assets, valuation of liabilities measured at fair value, valuation of projected benefit obligations, and the status of contingencies.

(s) Segment reporting

Management has determined that the Bank has only one operating segment, since it does not internally manage or report the results of operations at levels other than the Bank's financial statements to assess performance or allocate its resources based on the contribution of individual operations to the net income of the Bank.

(Expressed in thousands of U.S. dollars)

(2) Summary of Significant Accounting Policies, continued

(t) Recent accounting standards not yet adopted

In September 2025, the FASB issued ASU 2025-06, Intangibles–Goodwill and Other–Internal-Use Software (Subtopic 350-40). The ASU amends the criteria for determining when an entity is required to start capitalizing costs for internal-use software. The ASU is effective for annual periods beginning after December 15, 2027. Adoption is on either a prospective, modified retrospective, or fully retrospective basis. Early adoption is permitted. The adoption of ASU 2025-06 is not expected to have a material effect on the Bank’s financial statements.

In September 2025, the FASB issued ASU 2025-07, Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606), which (i) granted a scope exception for applying derivative accounting to contracts with features based on the operations or activities of one of the parties to the contract, and (ii) clarified the application of Topic 606 guidance when non-cash consideration based on shares is received from a customer in exchange for the transfer of goods or services. The ASU is effective for annual reporting periods beginning after December 15, 2026, and for interim periods within those annual reporting periods. The Bank is currently evaluating the impact of this standard on its financial statements.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270). The ASU clarifies the scope of interim financial reporting requirements, expands disclosure obligations, and requires disclosure of material subsequent events. The ASU will be effective for annual periods beginning after December 15, 2028. Adoption will require increased disclosures in interim financial statements but is not expected to have a material impact on recognition or measurement.

In December 2025, the FASB issued ASU 2025-12, Codification Improvements. The ASU makes technical corrections and clarifications to the Accounting Standards Codification. The ASU is effective for annual periods beginning after December 15, 2026. Adoption may be applied on a prospective or full retrospective basis. Early adoption is permitted for each individual amendment. The Bank does not expect the adoption of ASU 2025-12 to have a material effect on its financial statements.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(3) Fair Values and Fair Value Option

Bank's management has established a process for determining fair value. The fair value is primarily based on quoted market prices when available. If market prices or quotations are not available, fair value is determined based on internally developed models that primarily use as input, information independently obtained of market or market parameters, including but not limited to yield curves, interest rates, debt prices, foreign currency exchange rates and credit curves.

However, in situations where there is little or no activity in the market for an asset or liability at the measurement date, the fair value measurement reflects the Bank's own judgments about assumptions that market participants would use in pricing the asset or liability.

The assumptions are developed by the Bank based on the best information available in the circumstances, including expected cash flows, discount rates appropriately adjusted for risk and the availability of observable and unobservable inputs.

Management establishes policies and methodologies for the valuation of financial instruments. These policies and methodologies are applied to determine the valuation of derivative financial instruments.

The methods described above can generate fair value estimates that are not indicative of net realizable value or that do not reflect future values. Furthermore, while the Bank believes that its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different estimates of fair value at the reporting date.

(i) Valuation techniques applied

A significant portion of the Bank's financial assets and liabilities are short-term financial instruments, with maturity of less than one year, and/or with floating interest rates.

These short-term instruments and/or with floating interest rates are considered to have a fair value equivalent to their recorded value as of the date of the financial statements. The foregoing applies to cash and demand deposits, interest-bearing deposits with banks, loans issued at floating interest rates, loans payable in U.S. dollars at floating interest rates, and accrued interest receivable and payable.

(Expressed in thousands of U.S. dollars)

(3) Fair Values and Fair Value Option, continued

For assets and liabilities recognized, on a recurring or non-recurring basis (including those for which the fair value option has been elected), or disclosed at fair value, the Bank uses the following valuation techniques:

Investments in securities: Fair value has been calculated on the basis of the prices as quoted in the market and, in their absence, they have been calculated based on discounted future cash flows using the current yields of similar securities.

Loans, net: The fair values for fixed-rates performing loans are estimated on the basis of an analysis of discounted future cash flows, using the Commercial Interest Reference Rate (CIRR) as a reference. CIRR is the official rate applied by Export Credit Agencies, as published by the Export-Import Bank of the United States of America and is based on the rates accrued on U.S. Treasury bonds.

Equity investments: they are recognized as cost, less impairment, except for those that are reported at fair value. None of the equity investments in other entities in which the Bank has investments are negotiable and, consequently, have no price quotes available in the market. These entities are of special purpose and are entities in which the Bank has no control or significant influence. For those recorded at cost, it is currently impractical to determine the fair value of these investments without incurring an excessive cost, and for those recorded at fair value, the measurement is based on the practical expedient using the net asset value per share (or equivalent) from the investee's financial information, given that the investee's assets and liabilities are recorded at fair value.

Derivative financial instruments: Fair values have been determined on the basis of valuation models that use parameters constructed from market data. Furthermore, the Bank determines CABEI's and its counterparties' credit risk in the valuation of derivative financial instruments (note 19).

Loans and bonds payable: Fair values for loans and bonds payable and with hedge are determined through the use of valuation models based on interest rate yield curves constructed from market data. Those yield curves are adjusted to incorporate the Bank's credit risk spread. This fair value does not represent a current indicator of an exit price. The Bank includes its own credit risk and exchange rate, among other inputs, in the valuation of its debt instruments.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(3) Fair Values and Fair Value Option, continued

The fair values for loans payable at fixed-rates and not hedges, are estimated on the basis of an analysis of discounted cash flows, using the CIRR as a reference.

The fair values for bonds payable issued in U.S. dollars, at fixed-rates and no hedge, are estimated on the basis of an analysis of discounted future cash flows, based on the 10 years swap rate reported by Bloomberg.

The financial liabilities, which are not valued at fair value, are recorded at amortized cost.

Commercial paper programs and certificates of deposit: The fair values are estimated on the basis of an analysis of discounted future cash flows, using as a reference the interest rates of the most recent transactions agreed upon with the Bank prior to each year-end.

The fair values corresponding to the guarantee provided and received under exposure exchange agreements are calculated as the net present value of the theoretical commissions for guarantee to be provided and received over the term of such agreements.

Contingent commitments: The fair value of these financial instruments is based on the counterparty credit risk.

As of December 31, 2025 and 2024, the Bank has no recurring fair value measurements categorized within Level 3 of the fair value hierarchy.

(ii) Recurring Fair Value Measurements

The following table presents the assets and liabilities valued at their fair value on a recurring basis as of December 31, 2025 and 2024, classified according to the fair value hierarchy:

	Level 1	Level 2	Compensation adjustment¹	Total 2025
Assets				
Securities available for sale	340,611	2,710,062	0	3,050,673
Derivative financial instruments	0	553,101	(516,235)	36,866
Liabilities				
Loans payable	0	306,294	0	306,294
Bonds payable	0	5,495,066	0	5,495,066
Derivative financial instruments	0	553,445	(516,334)	37,111

¹Amounts represent the impact of master netting agreements, the effect of cash collateral received/paid with the same counterparty and the credit risk valuation adjustment of counterparties under netting agreements (see note 19).

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(3) Fair Values and Fair Value Option, continued

	Level 1	Level 2	Compensation adjustment¹	Total 2024
<u>Assets</u>				
Securities available for sale	491,302	1,794,611	0	2,285,913
Derivative financial instruments	0	893,626	(849,039)	44,587
<u>Liabilities</u>				
Loans payable	0	290,070	0	290,070
Bonds payable	0	4,014,691	0	4,014,691
Derivative financial instruments	0	856,382	(849,272)	7,110

(iii) Changes in Fair Value Level 3 Category

When an instrument is classified in Level 3, the decision is based on the significance of unobservable assumptions in determining the overall fair value. During the years ended December 31, 2025 and 2024, there were no changes in the Level 3 category.

(iv) Transfers between Fair Value Level 1 and Level 2 Categories

The Bank's accounting policies include the recognition of transfers between levels of the fair value hierarchy at the date of any event or change in circumstances that caused the transfer. During the years ended December 31, 2025 and 2024, there were no transfers between Levels 1 and 2.

(v) Non-Recurring Fair Value Measurements

Some assets held by the Bank that are not measured at fair value on a recurring basis are subject to fair value adjustments in certain circumstances. These assets include those assets that are available for sale (at time of initial recognition or further impairment), some loans that are reduced to fair value of collateral, when considering their present impairment, equity investments in other entities recorded at fair value measured using a convenient practice and other long-lived non-financial assets when determined to show impairment.

Fair value for loans is estimated using the discounted future cash flows method, the value of collateral, or the observed market value of the loan, when applicable. This fair value does not represent a current indicator of an exit price. The fair values of foreclosed assets are estimated by deducting from such fair value the costs to sell, which does not differ significantly from their highest and best use. The fair value of shares and equity interests in other entities is estimated based on net asset value per share and does not require classification within the fair value hierarchy.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(3) Fair Values and Fair Value Option, continued

The following table presents the fair value measurements of assets that are measured at fair value on a nonrecurring basis and the increase in fair value, which has been included in the statement of income for the years ended December 31, 2025 and 2024:

	2025		2024	
	Fair value	Increase (Decrease)	Fair value	(Decrease)
Loans, net ²	11,362	13,835	9,741	(28,470)
Equity investments	7,129	857	105	0
Foreclosed assets, net	11,648	0	11,648	0
	<u>30,139</u>	<u>14,692</u>	<u>21,494</u>	<u>(28,470)</u>

As of December, 2025 and 2024, loans and foreclosed assets included in the table above, are categorized within Level 3 of the fair value hierarchy.

(vi) Fair Value Option

Guideline of ASC 825-10-25 refers to "*Fair Value Option*" which allows the option to elect measuring at fair value certain financial assets and liabilities that do not require such measurement. Once the option has been elected it becomes irrevocable. The standard also requires that changes to the fair value of these financial assets and liabilities be recorded in the statement of income.

The Bank has elected to measure at fair value the financial liabilities in a currency other than the U.S. dollar for which it has contracted a derivative for fair value hedging of foreign currency or interest rate fluctuations.

The principal purpose for applying ASC 825-10-25 is to reduce the volatility of the Bank's results, considering that both the financial liabilities and the related hedging instruments are generally maintained until maturity.

Changes in the fair value of financial liabilities result from changes in interest rates, foreign exchange rates and the Bank's credit risk spread. The Bank periodically reviews its credit margin in every market in which it operates.

² Loans from the public and private sector are included.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(3) Fair Values and Fair Value Option, continued

For years ended December 31, 2025 and 2024, for loans payable at fair value, the Bank recorded losses and gains of 40,403 and 7,966, respectively, in the statement of income. For bonds payable at fair value for years ended December 31, 2025 and 2024, the Bank recorded losses and gains of 615,620 and 600,574, respectively, in the Statement of income.

These gains and losses are a result of changes in fair values of financial liabilities, for which the fair value option was elected based on the methods stated in section (i) of this note; they are presented as valuation of derivative financial instruments and debt, in the statement of income.

Interest and fees generated by these loans and bonds payable were calculated on an accrual basis in accordance with the contractual terms of each transaction and have been recorded as financial expenses in the statement of income.

As of December, 2025 and 2024, the difference between the fair value of the instruments elected for application of ASC 825-10-25 and the unpaid principal balances of such instruments is as follows:

	2025			2024		
	Fair value	Amortized cost	Decrease	Fair value	Amortized cost	Decrease
Loans payable	306,294	310,881	(4,587)	290,070	341,034	(50,964)
Bonds payable	5,495,066	5,505,309	(10,243)	4,014,691	4,666,655	(651,964)

For the years ended December 31, 2025 and 2024, for changes in the fair value attributable to the credit risk of debt instruments, when the Fair Value Option has been chosen for financial liabilities, the Bank recorded losses of 32,075 and 2,657, respectively, which are presented in other comprehensive income, under equity.

(vii) Fair Value of Financial Instruments

The Bank's management applies its best judgment to estimate the fair values of its financial instruments. Minor changes in the assumptions used might have a significant impact on the estimates of current values.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION



Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(3) Fair Values and Fair Value Option, continued

As of December 31, 2025 and 2024, the estimated fair values of the Bank's financial instruments are as follows:

	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets				
Cash and demand deposits	12,898	12,898	7,533	7,533
Interest-bearing deposits with banks	3,807,668	3,807,668	3,806,661	3,806,661
Securities available for sale, net	3,050,673	3,050,673	2,285,913	2,285,913
Loans, net	12,286,179	12,135,100	11,724,248	11,613,263
Accrued interest receivable	221,553	221,553	218,732	218,732
Derivative financial instruments	36,866	36,866	44,587	44,587
Other assets ³	224,611	253,094	64,701	64,701
Liabilities				
Loans payable	1,332,179	1,301,979	1,582,008	1,539,304
Bonds payable	11,003,077	10,999,449	9,063,394	9,057,413
Commercial paper programs	0	0	184,146	185,587
Certificates of deposit	1,562,067	1,563,315	2,116,542	2,119,381
Accrued interest payable	205,175	205,175	180,629	180,629
Derivative financial instruments	37,111	37,111	7,110	7,110
Other liabilities ³	252,572	278,602	74,890	74,890

As of December 31, 2025 and 2024, loans payable include 1,025,885 and 1,291,938, respectively, which are recognized at amortized cost, whose fair value has been estimated at 995,685 and 1,249,234, respectively.

Likewise, as of the dates, bonds payable include 5,508,011 and 5,048,703, respectively, which are recognized at amortized cost, whose fair value has been estimated at 5,504,383 and 5,042,722, respectively. As of December 31, 2025 and 2024, the Bank's financial instruments recognized at amortized cost are categorized within Level 2 of the fair value hierarchy.

(4) Cash and Demand Deposits

As of December 31, 2025 and 2024, cash and demand deposits are composed by currency, as follows:

	2025	2024
U.S. dollar	8,422	4,123
Currencies of the founding countries	613	1,503
Other currencies	3,863	1,907
	<u>12,898</u>	<u>7,533</u>

³ The amounts related to guarantees received and granted under the Exposure Exchange Agreements, classified within Level 3 of the fair value hierarchy, are included.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION



Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(5) Interest-bearing Deposits with Banks

Interest-bearing deposits with banks are short-term time deposits, renewable with respect to the term and interest rate; accordingly, face value approximates market value.

As of December 31, 2025 and 2024, their carrying amounts are 3,807,668 and 3,806,661, respectively. All these balances are denominated in United States dollars.

(6) Securities Available for Sale

The amortized cost of securities available for sale, unrealized gross losses and gains recognized in accumulated other comprehensive income, the effect of hedging transactions, fair value and allowance for credit losses on securities available for sale, as of December 31, 2025 and 2024 are as follows:

	2025				
	Amortized cost	Unrealized gross losses	Unrealized gross gains	Effect of hedging transactions	Fair value
Securities available for sale:					
Sovereigns	1,716,853	(546)	5,544	2,059	1,723,910
Supranationals	1,092,748	(979)	2,936	0	1,094,705
Investment funds	203,971	0	28,087	0	232,058
Subtotal	3,013,572	(1,525)	36,567	2,059	3,050,673
Allowance for credit losses on securities available for sale	0	0	0	0	0
Securities Available for Sale, net	3,013,572	(1,525)	36,567	2,059	3,050,673

	2024				
	Amortized cost	Unrealized gross losses	Unrealized gross gains	Effect of hedging transactions	Fair value
Securities available for sale:					
Sovereigns	1,400,224	(6,470)	814	1,645	1,396,213
Supranationals	687,903	(5,691)	696	0	682,908
Investment funds	193,101	0	14,753	0	207,854
Subtotal	2,281,228	(12,161)	16,263	1,645	2,286,975
Allowance for credit losses on securities available for sale	(1,062)	0	0	0	(1,062)
Securities Available for Sale, net	2,280,166	(12,161)	16,263	1,645	2,285,913

The effect of hedging transactions represents the portion of the unrealized gain or loss attributable to the risk covered in those securities by derivatives designated as fair value hedges.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(6) Securities Available for Sale, continued

During the year ended December 31, 2025, a realized gross gain of 10,780 on investment funds and 2,818 on supranational and 856 sovereign securities was recognized, with no realized losses during the period. For the same period in 2024, no realized gains were recorded, but a realized loss of 3,685 on sovereign securities was recognized.

Gains and losses are realized by considering the unamortized cost of each fund or marketable security sold.

For the years ended December 31, 2025 and 2024, the changes in the allowance for credit losses on securities available for sale are as follows:

	2025	2024
At the beginning of the year	1,062	6,614
Reversal of provision for credit losses on securities available for sale	(1,062)	(5,552)
At end of the year	<u>0</u>	<u>1,062</u>

As of December 31, 2025 and 2024, the fair values and unrealized losses on securities available for sale that have been in continuous unrealized loss position are as follows:

	2025				
	Less than 12 months		12 months or longer		Total
	Fair Value	Unrealized gross losses	Fair Value	Unrealized gross losses	
Securities available for sale:					
Sovereigns	89,595	(515)	9,906	(31)	(546)
Supranationals	69,362	(494)	76,515	(485)	(979)
	<u>158,957</u>	<u>(1,009)</u>	<u>86,421</u>	<u>(516)</u>	<u>(1,525)</u>

	2024				
	Less than 12 months		12 months or longer		Total
	Fair Value	Unrealized gross losses	Fair Value	Unrealized gross losses	
Securities available for sale:					
Sovereigns	264,993	(1,150)	343,849	(5,320)	(6,470)
Supranationals	152,162	(2,309)	217,042	(3,382)	(5,691)
	<u>417,155</u>	<u>(3,459)</u>	<u>560,891</u>	<u>(8,702)</u>	<u>(12,161)</u>

At that date, the Bank's management has no intention of selling the securities classified as available for sale, and considers it is more likely than not, that the Bank will not have to sell the afore mentioned securities before it recovers their cost.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

Notes to Financial Statements



(Expressed in thousands of U.S. dollars)

(6) Securities Available for Sale, continued

A summary of securities available for sale measured at amortized cost, as of December 31, 2025, in accordance with their contractual maturities, is presented in the following table:

	Years				
	Within 1	After 1 but within 5	After 5 but within 10	After 10	Total
Amortized cost	2,169,365	792,165	52,042	0	3,013,572

The expected maturities may differ from contractual maturities because issuers might have the right to redeem or prepay obligations without penalty in certain cases.

(7) Loans

As of December 31, 2025 and 2024, the detail of loans by country is as follows:

	2025			2024		
	Public sector	Private sector	Total	Public sector	Private sector	Total
Guatemala	447,985	169,148	617,133	488,520	94,994	583,514
El Salvador	2,599,184	66,848	2,666,032	2,743,373	85,934	2,829,307
Honduras	1,608,598	206,142	1,814,740	1,882,198	113,662	1,995,860
Nicaragua	2,464,497	25,111	2,489,608	2,376,208	51,163	2,427,371
Costa Rica	1,326,270	64,747	1,391,017	1,029,185	61,495	1,090,680
Panama	933,098	103,391	1,036,489	803,299	45,184	848,483
Dominican Republic	772,645	0	772,645	671,817	0	671,817
Belize	17,003	0	17,003	13,105	0	13,105
Colombia	498,925	0	498,925	498,849	0	498,849
Mexico	14,976	0	14,976	29,953	0	29,953
Argentina	972,589	0	972,589	755,669	0	755,669
Cuba ⁴	54,637	0	54,637	28,026	0	28,026
Subtotal	11,710,407	635,387	12,345,794	11,320,202	452,432	11,772,634
Allowance for credit losses on loans	(54,467)	(5,148)	(59,615)	(37,613)	(10,773)	(48,386)
Loans, net	11,655,940	630,239	12,286,179	11,282,589	441,659	11,724,248

Considering the financial policy described in note 2(e), CABEI complies with its concentration limits of credit risk.

As of December 31, 2025, a detail of loans, by maturity, is as follows:

	Years						
Past due	Up to 1	After 1 but within 2	After 2 but within 3	After 3 but within 4	After 4 but within 5	After 5	Total
0	1,293,425	1,067,996	1,072,928	961,583	870,669	7,079,193	12,345,794

⁴ All disbursements and recoveries of loans with the Republic of Cuba are made in euros.

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(Expressed in thousands of U.S. dollars)

(7) Loans, continued

As of December 31, 2025 and 2024, a detail of loans, by economic activity segment is as follows:

	2025	2024
Construction	3,926,498	3,661,442
Other services	1,517,375	1,390,074
Climate change	1,134,052	1,106,866
Supply of electricity, gas, steam, and air conditioning	1,093,222	1,534,832
Public administration and defense, and social security plans	916,140	721,474
Human health care and social assistance	840,090	1,052,570
Water supply; sewage disposal, waste management, and decontamination	439,157	359,340
Multi-sector	435,185	515,464
Food safety	378,720	192,935
Agriculture, cattle ranching, forestry, and fishing	374,044	188,647
Education	318,097	271,401
Transportation and storage	236,497	110,161
Financial and insurance activities	224,258	353,822
Professional, scientific, and technical activities	174,035	64,783
Arts, entertainment, and recreational activities	118,872	119,724
Wholesale and retail	101,368	35,119
Manufacturing industry	54,844	17,610
Monetary intermediation	35,000	45,000
Lodging activities and food services	16,013	17,424
Information and communication	12,327	13,946
	<u>12,345,794</u>	<u>11,772,634</u>

As of December 31, 2025 and 2024, a detail of loans, by currency, is as follows:

	2025	2024
U.S. dollar	12,290,178	11,743,690
Euro	55,616	28,886
Currencies from Central American countries	0	58
	<u>12,345,794</u>	<u>11,772,634</u>

For the year ended December 31, 2025 and 2024, the weighted average yield on loans, after considering swap contracts when applicable, was 6.91% and 7.67% per annum, respectively.

As of December 31, 2025 and 2024, there are no installments in arrears corresponding to public and private sector loans.

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(7) Loans, continued

As of December 31, 2025 and 2024, information about individually evaluated public sector loans is presented in the following tables:

2025						
Individually evaluated loans	Recorded investment	Overdue principal balance	Related allowance	Average balance for the year	Accumulated interest	Interest income recognized
With an allowance for credit losses						
Republic of Cuba ⁵	54,637	0	48,592	35,643	983	1,521
	54,637	0	48,592	35,643	983	1,521
Individually evaluated loans with accrual status	54,637	0	48,592	35,643	983	1,521

2024						
Individually evaluated loans	Recorded investment	Overdue principal balance	Related allowance	Average balance for the year	Accumulated interest	Interest income recognized
With an allowance for credit losses						
Republic of Cuba ⁶	28,026	0	29,347	15,375	487	623
	28,026	0	29,347	15,375	487	623
Individually evaluated loans with accrual status	28,026	0	29,347	15,375	487	623

As of December 31, 2025 and 2024, information about individually evaluated private sector loans is presented in the following tables:

⁵ All disbursements and recoveries of loans with the Republic of Cuba are made in euros.

⁶ All disbursements and recoveries of loans with the Republic of Cuba are made in euros.

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(Expressed in thousands of U.S. dollars)



(7) Loans, continued

Individually evaluated loans	2025					
	Recorded investment	Overdue principal balance	Related allowance	Average balance for the year	Accumulated interest	Interest income recognized
With an allowance for credit losses						
Nicaragua	6,006	0	689	12,154	21	1,245
Costa Rica	0	0	0	785	0	50
	<u>6,006</u>	<u>0</u>	<u>689</u>	<u>12,939</u>	<u>21</u>	<u>1,295</u>
Individually evaluated loans with accrual status	6,006	0	689	12,154	21	1,245
Individually evaluated loans with non-accrual status	0	0	0	785	0	50

Individually evaluated loans	2024					
	Recorded investment	Overdue principal balance	Related allowance	Average balance for the year	Accumulated interest	Interest income recognized
With an allowance for credit losses						
Nicaragua	14,578	0	5,705	15,583	54	1,673
Costa Rica	1,263	0	395	1,587	6	144
	<u>15,841</u>	<u>0</u>	<u>6,100</u>	<u>17,170</u>	<u>60</u>	<u>1,817</u>
Individually evaluated loans with accrual status	15,841	0	6,100	17,170	60	1,817

As of December 31, 2025 and 2024, public sector loans, sovereign and non-sovereign, based on risk ratings assigned by Credit Rating Agencies and date of origination is as follows:

Risk Rating	2025						Total	2024
	2025	2024	2023	2022	2021	Previous years		
BBB+ / BBB / BBB-	199,439	323,292	11,264	0	0	414,079	948,074	1,200,619
BB+ / BB / BB-	737,205	662,255	820,583	725,204	295,514	1,413,672	4,654,433	4,203,203
B+ / B / B-	709,647	516,757	973,369	699,086	1,250,840	913,972	5,063,671	5,119,581
CCC+ / CCC / CCC-	227,323	174,436	451,489	57,067	71,639	7,638	989,592	768,773
CC / C / D	23,000	31,637	0	0	0	0	54,637	28,026
	<u>1,896,614</u>	<u>1,708,377</u>	<u>2,256,705</u>	<u>1,481,357</u>	<u>1,617,993</u>	<u>2,749,361</u>	<u>11,710,407</u>	<u>11,320,202</u>

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

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(Expressed in thousands of U.S. dollars)

(7) Loans, continued

As of December 31, 2025 and 2024, the detail of loans receivable from the private sector according to its credit rating described in note 2(h) and date of origination is as follows:

	2025							2024
Country	2025	2024	2023	2022	2021	Previous years	Total	
Guatemala	130,494	6,755	4,315	18,845	3,428	5,311	169,148	94,994
Normal	130,494	6,755	4,315	18,845	3,428	5,311	169,148	94,994
El Salvador	3,666	1,401	6,004	27,508	1,990	26,280	66,848	85,934
Normal	3,666	1,401	6,004	27,368	1,990	26,249	66,678	85,621
Special Mention	0	0	0	140	0	30	170	313
Honduras	135,948	10,062	5,540	26,847	2,238	25,507	206,142	113,662
Normal	135,948	10,062	5,540	26,847	2,238	25,507	206,142	113,662
Nicaragua	1,808	1,850	4,903	3,373	3,021	10,155	25,111	51,163
Normal	1,808	1,850	4,903	3,373	3,021	4,150	19,105	36,585
Substandard	0	0	0	0	0	6,006	6,006	14,578
Costa Rica	29,953	3,391	5,451	7,756	534	17,662	64,747	61,495
Normal	29,953	3,391	5,451	7,756	534	17,662	64,747	60,232
Doubtful	0	0	0	0	0	0	0	1,263
Panama	80,000	1	20,501	0	0	2,889	103,391	45,184
Normal	80,000	1	20,501	0	0	2,889	103,391	45,184
Total	381,869	23,460	46,713	84,330	11,212	87,803	635,387	452,432

For the years ended December 31, 2025 and 2024, the changes in the allowance for credit losses on loans are as follows:

	2025			2024		
	Sector		Total	Sector		Total
	Public	Private		Public	Private	
At beginning of year	37,613	10,773	48,386	11,051	20,254	31,305
Provision for (reversal of) credit losses on loans	16,854	(5,755)	11,099	26,562	(9,546)	17,016
Recoveries	0	130	130	0	65	65
At end of year	54,467	5,148	59,615	37,613	10,773	48,386

As of December 31, 2025 and 2024, the balances of allowance for credit losses on loans and recorded investment are presented as follows:

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(Expressed in thousands of U.S. dollars)



(7) Loans, continued

	2025			2024		
	Public Sector	Private Sector	Total	Public Sector	Private Sector	Total
Loans Measured Individually						
Specific allowance	48,592	689	49,281	29,347	6,100	35,447
Recorded investment	54,637	6,006	60,643	28,026	15,841	43,867
Loans Measured Collectively						
Generic allowance	5,875	4,459	10,334	8,266	4,673	12,939
Recorded investment	11,655,770	555,991	12,211,761	11,292,176	385,072	11,677,248
Loans Without an Allowance						
Recorded investment	0	73,391	73,391	0	51,519	51,519
Total						
Allowance	54,467	5,148	59,615	37,613	10,773	48,386
Recorded investment	11,710,407	635,387	12,345,794	11,320,202	452,432	11,772,634

Recorded investment means the loan exposure amount reported on the Bank's balance sheet, net of partial write-offs.

For the years ended December 31, 2025 and 2024, the changes in the balance of restructured loans are the following:

	2025	2024
At beginning of the year	14,578	16,327
Recoveries	(8,572)	(1,749)
At end of the year	6,006	14,578

For the years ended December 31, 2025 and 2024, no public or private sector loan restructurings have been carried out.

As of December 31, 2025 and 2024, there are no overdue installments corresponding to restructured loans.

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(Expressed in thousands of U.S. dollars)

(7) Loans, continued*Exposure Exchange Agreements*

As of December 31, 2025, the Bank maintains active exposure exchange agreements with other multilateral development banks, which are detailed below:

Effective Date	Seller Exchange	Buyer Exchange	Maturity Date
May 2025	1,143,600	1,150,000	May 2040
November 2025	450,000	468,000	November 2040

The Bank is a buyer (receiving a financial guarantee) and a seller (providing a financial guarantee) for the following countries and exposure amounts, are detailed below:

Seller of Exposure Exchange		
Country	Amount	S&P's rating
Antigua and Barbuda	21,000	B-
Argentina	184,200	CCC+
Bahamas	114,600	BB-
Barbados	86,000	B+
Belize	49,000	CCC+
Brazil	350,000	BB
Bolivia	117,000	CCC-
Colombia	136,000	BB
Ecuador	214,000	CCC+
Jamaica	23,000	BB-
Paraguay	93,800	BBB-
Saint Vincent and the Grenadines	54,000	B-
Saint Lucia	56,000	B+
Suriname	40,000	CCC+
Uruguay	55,000	BBB+
	<u>1,593,600</u>	

Buyer of Exposure Exchange		
Country	Amount	S&P's rating
Argentina	86,000	CCC+
Costa Rica	175,000	BB
El Salvador	440,000	B-
Honduras	347,000	B+
Nicaragua	294,000	B
Dominican Republic	224,000	BB
Panama	52,000	BBB-
	<u>1,618,000</u>	

As of December 31, 2025, there were no non-accrual interest events related to guarantees issued or received. The carrying amount of the guarantees issued and received is 184,073, recorded in other assets and other liabilities. As of December 31, 2024, the Bank there were no exposure exchange agreements.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

Notes to Financial Statements



(Expressed in thousands of U.S. dollars)

(8) Accrued Interest Receivable

As of December 31, 2025 and 2024, accrued interest receivable is detailed as follows:

	2025	2024
On loans	166,235	171,591
On interest-bearing deposits with banks	39,078	34,603
On securities available for sale	16,240	12,538
	<u>221,553</u>	<u>218,732</u>

(9) Property and Equipment, Net

As of December 31, 2025 and 2024, property and equipment are detailed as follows:

	2025	2024
Buildings	63,755	49,091
Computer equipment and software	48,033	42,533
Installations	49,179	36,619
Office furniture and equipment	15,313	12,292
Vehicles	3,005	3,108
	<u>179,285</u>	<u>143,643</u>
Less accumulated depreciation and amortization	<u>(85,495)</u>	<u>(76,180)</u>
	<u>93,790</u>	<u>67,463</u>
Land	<u>7,470</u>	<u>7,470</u>
	<u>101,260</u>	<u>74,933</u>

(10) Equity Investments

As of December 31, 2025 and 2024, the carrying amount of equity investments in shares and equity interests of other entities are as follows:

Name	Participation	Method	Financial Statements	Equity	2025	2024
Shares						
Garantías y Servicios, Sociedad de Garantía, S. A. de C. V.	23.29%	Cost	11/30/2025	8,738	1,145	1,145
Darby - Pro-Banco Fund II, L. P.	33.30%	Fair value	06/30/2024	0	105	105
Other		Cost			24	24
Subtotal shares					<u>1,169</u>	<u>1,274</u>
Participations						
Central American Mezzanine Infrastructure Fund L.P. (CAMIF)	38.53%	Fair value	09/30/2025	24,420	7,129	10,163
CIFI Sustainable Infrastructure Debt Fund L.P.	19.39%	Cost	09/30/2025	66,367	12,242	0
Subtotal participations					<u>19,371</u>	<u>10,163</u>
					<u>20,540</u>	<u>11,437</u>

In August 2025, the closure and liquidation of Darby-ProBanco Fund II, L.P. was confirmed.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)



(11) Other Assets

As of December 31, 2025 and 2024, the balance of other assets is detailed as follows:

	2025	2024
Exposure Exchange Agreements	184,073	0
Contributions to the Guarantee Fund	13,287	13,335
Foreclosed assets, net of fair value adjustments	11,648	11,648
Advances to suppliers	9,040	35,687
Accounts receivable	5,058	3,292
Recovery of received guarantees	1,206	0
Fees paid in advance	271	714
Other	28	25
	<u>224,611</u>	<u>64,701</u>

Foreclosed assets

As of December 31, 2025 and 2024, the foreclosed assets in payment of loans maintain balances of 11,648, net of fair value adjustments of 9,888 and 11,919 respectively.

(12) Loans Payable

As of December 31, 2025 and 2024, loans payable are as follows:

	2025	2024
CTBC Bank Co., Ltd.	349,940	349,970
Agence Française de Développement	289,854	270,865
Instituto de Crédito Oficial de España	228,940	375,292
Kreditanstalt für Wiederaufbau (KfW)	225,000	272,897
Secretaría de Hacienda y Crédito Público (SHCP)	64,068	90,724
United States International Development Finance Corporation (US DFC)	62,035	74,437
The International Cooperation and Development Fund (Taiwan/CDF)	53,301	110,638
Banco Bilbao Vizcaya Argentaria	24,175	0
Banco Santander, S.A.	15,556	13,780
The Export Import Bank of Korea	14,987	14,987
United States Agency for International Development (USAID)	2,157	2,830
Nordea Bank	1,450	4,347
BNP Paribas Fortis	716	1,241
	<u>1,332,179</u>	<u>1,582,008</u>

As of December 31, 2025, maturities of loans payable are as follows:

	Years					
	Up to 1	After 1 but within 2	After 2 but within 3	After 3 but within 4	After 4 but within 5	After 5
Balance	<u>114,005</u>	<u>372,026</u>	<u>110,225</u>	<u>225,885</u>	<u>93,577</u>	<u>416,461</u>
						<u>1,332,179</u>

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION



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(Expressed in thousands of U.S. dollars)

(12) Loans Payable, continued

For the years ended December 31, 2025 and 2024, the weighted average cost on loans payable, after considering swap contracts when applicable, was 4.86% and 5.79% per annum, respectively.

As of December 31, 2025, loans payable at fixed and variable rates are 426,453 and 905,726, respectively. As of December 31, 2024, loans payable at fixed and variable rates are 468,040 and 1,113,968, respectively.

(13) Bonds Payable and Commercial Paper Programs

(a) As of December 31, 2025 and 2024, bonds payable, classified by currency are as follows:

Currency	2025	2024
U.S. Dollar	5,489,894	5,099,759
Mexican pesos	1,726,501	1,445,106
Pound sterling	1,018,340	0
Swiss francs	854,013	906,139
Australian dollars	521,245	477,168
Costa Rican colones	437,745	282,066
Euros	306,558	242,773
Norwegian kroner	259,868	223,139
Uruguayan pesos	128,200	115,394
Yen	106,477	135,248
Colombian pesos	41,707	68,816
Indonesian Rupiah	33,950	33,640
Turkish Lira	25,628	29,199
Swedish kroner	20,745	16,814
New Zealand dollars	14,091	39,189
	<u>10,984,962</u>	<u>9,114,450</u>
Fair value adjustment	<u>18,115</u>	<u>(51,056)</u>
	<u>11,003,077</u>	<u>9,063,394</u>

As of December 31, 2025, maturities of bonds payable are as follows:

	Years						Total
	Up to 1	After 1 but within 2	After 2 but within 3	After 3 but within 4	After 4 but within 5	After 5	
Balance	<u>2,088,089</u>	<u>2,344,471</u>	<u>3,575,162</u>	<u>395,086</u>	<u>170,238</u>	<u>2,430,031</u>	<u>11,003,077</u>

For the years ended December 31, 2025 and 2024, the weighted average cost on bonds payable, after considering swap contracts when applicable, was 5.49% and 6.29% per annum, respectively.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION



Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(13) Bonds Payable and Commercial Paper Programs, continued

(b) As of December 31, 2025 and 2024, CABEI has the following commercial paper programs:

	2025			
	Authorized Program Size	Amount Issued	Annual Average Cost	Contractual Maturity
Commercial Paper - Global Program in USD	500,000	0	4.06%	Up to 3 months
Commercial Paper - Regional Program in CRC	200,000	0	0.00%	Up to 6 months
	<u>700,000</u>	<u>0</u>		

	2024			
	Authorized Program Size	Amount Issued	Annual Average Cost	Contractual Maturity
Commercial Paper - Global Program in USD	500,000	184,146	4.62%	Up to 3 months
Commercial Paper - Regional Program in CRC	200,000	0	0.00%	Up to 6 months
	<u>700,000</u>	<u>184,146</u>		

(14) Certificates of Deposit

As of December 31, 2025 and 2024, certificates of deposit are as follows:

	2025	2024
Central banks	1,245,366	1,433,867
Public financial institutions	170,000	150,000
Private financial institutions	59,185	67,970
Multilateral institutions	47,672	430,000
Other	39,844	34,705
	<u>1,562,067</u>	<u>2,116,542</u>

As of December 31, 2025, the details of the remaining terms upon maturity of the certificates of deposit are as follows:

	Years					
	Up to 6 months	After 6 months but within 1 year	After 1 but within 2	After 2 but within 3	After 3 but within 4	After 4 but within 5
Balance	<u>1,214,972</u>	<u>315,695</u>	<u>5,817</u>	<u>13,114</u>	<u>5,981</u>	<u>6,488</u>
						<u>1,562,067</u>

For the years ended December 31, 2025 and 2024, the weighted average cost on certificates of deposit was 4.68% and 5.37% per annum, respectively.

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(Expressed in thousands of U.S. dollars)

(15) Accrued Interest Payable

As of December 31, 2025 and 2024, accrued interest payable is as follows:

	2025	2024
On bonds payable	180,342	144,863
On certificates of deposit	15,625	22,877
On loans payable	9,208	12,889
	<u>205,175</u>	<u>180,629</u>

(16) Other Liabilities

As of December 31, 2025 and 2024, other liabilities are detailed below:

	2025	2024
Exposure Exchange Agreements	184,073	0
Deficit of assets over actuarial obligations of the employee benefit plan (note 21)	24,491	33,499
Non-refundable financial cooperations to be disbursed	15,595	15,187
Other creditors	9,907	5,795
Bonuses and supplemental compensation	6,641	6,470
Provision for credit losses on undisbursed loan commitments (note 18)	3,553	6,671
Provision for technical assistance	1,395	1,848
Provision for possible losses of provided guarantees	1,326	0
Transitory deposits	857	1,358
Provision for credit losses on contingencies (note 18)	5	11
Other provisions	4,729	4,051
	<u>252,572</u>	<u>74,890</u>

For the year ended December 31, 2025 and 2024, the changes in the provision for credit losses on undisbursed loan commitments are as follows:

	2025			2024		
	Sector			Sector		
	Public	Private	Total	Public	Private	Total
At the beginning of year	6,671	0	6,671	12,539	0	12,539
(Reversal of) provision for credit losses on unfunded credit commitments	(3,325)	207	(3,118)	(5,868)	0	(5,868)
At end of year	<u>3,346</u>	<u>207</u>	<u>3,553</u>	<u>6,671</u>	<u>0</u>	<u>6,671</u>

For the years ended December 31, 2025 and 2024, the individual evaluation of the credit agreement signed with the Republic of Cuba⁷, included in the provision for credit losses on undisbursed loan commitments, resulted in balances of 0 and 2,539, respectively.

⁷ The credit agreement with the Republic of Cuba is denominated in euros.

(Expressed in thousands of U.S. dollars)

(17) Equity

(a) Authorized, Subscribed, and Paid-in Capital

The Bank's authorized capital is 7,000,000, divided into 3,570,000 for founding countries and 3,430,000 for non-founding regional countries and non-regional countries. The issuance of shares shall be carried out in accordance with the following parameters: Series "A" shares, which are available only to founding countries, composed of up to 357,000 shares, each with a face value of 10; and Series "B" shares, which are available only to non-founding regional countries and non-regional countries, composed of up to 343,000 shares, each with a face value of 10. The "A" and "B" Series shares will at all times represent the Bank's entire authorized capital.

In addition, there will be a Series "C" shares, issued in favor of the holders of the "A" and "B" Series shares with a face value of zero, which will have the purpose of aligning the equity value of the shares with their nominal value and will be issued as the result of a periodic assignment process, as regulated and approved by the Board of Governors.

The "C" Series shares will be assigned in a proportional manner to the number of "A," "B," and "C" Series shares of each shareholder. The "C" Series shares cannot be used as payment to subscribe "A" or "B" Series shares and will not generate callable capital.

As of December 31, 2025 the founding countries have subscribed 3,570,000 from the total number of shares into equal parts, and the non-founding regional countries and nonregional countries have subscribed 3,393,100, the remaining 36,900 is available for subscription.

The Bank's shares shall not accrue interest or dividends and they may not be pledged or taxed.

Series "E" certificates are issued to "A" and "B" shareholders, each with a face value of 10, to recognize the retained earnings attributable to their capital contributions to the Bank through the passage of time. These certificates do not grant voting rights and may not be transferred. Series "E" certificates may be used by the members who are holders of "A" and "B" shares in order to pay, either fully or partially, the subscription of new shares of the unsubscribed authorized share capital made available by the Bank. Series "E" certificates not used to subscribe for new shares of stock will become part of the Bank's general reserve.

The Bank's authorized capital is divided into shares of callable capital and shares payable in cash. The equivalent to 5,250,000 corresponds to callable capital and the equivalent to 1,750,000 corresponds to capital payable in cash.

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(17) Equity, continued

As of December 31, 2025, the capital structure of the Bank is detailed as follows:

Subscribed capital	Capital				
	Authorized	Callable subscribed	Subscribed payable in cash	Subscribed payable in cash receivable	Paid-in
<u>Founding countries</u>					
Guatemala	714,000	535,500	178,500	19,125	159,375
El Salvador	714,000	535,500	178,500	12,750	165,750
Honduras	714,000	535,500	178,500	19,125	159,375
Nicaragua	714,000	535,500	178,500	12,750	165,750
Costa Rica	714,000	535,500	178,500	19,125	159,375
Subtotal founding countries	3,570,000	2,677,500	892,500	82,875	809,625
<u>Non-founding regional countries</u>					
Dominican Republic	378,400	283,800	94,600	11,475	83,125
Panama	358,400	268,800	89,600	9,600	80,000
Belize	65,000	48,750	16,250	7,500	8,750
Subtotal non-founding regional countries	801,800	601,350	200,450	28,575	171,875
<u>Non-regional countries</u>					
Republic of China (Taiwan)	776,250	582,187	194,063	25,899	168,164
Republic of Korea	630,000	472,500	157,500	11,250	146,250
Argentina	345,800	259,350	86,450	0	86,450
Mexico	306,250	229,687	76,563	0	76,563
Spain	280,000	210,000	70,000	0	70,000
Colombia	203,000	152,250	50,750	5,438	45,312
Cuba ⁸	50,000	37,500	12,500	0	12,500
Subtotal non-regional countries	2,591,300	1,943,474	647,826	42,587	605,239
Subtotal subscribed capital and paid-in capital	6,963,100	5,222,324	1,740,776	154,037	1,586,739
<u>Unsubscribed capital</u>					
Non-founding regional and non-regional countries	36,900				
Authorized capital	7,000,000				

⁸ The capital payments of the Republic of Cuba are made in euros.

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(Expressed in thousands of U.S. dollars)

(17) Equity, continued

As of December 31, 2024, the capital structure of the Bank is detailed as follows:

Subscribed capital	Capital				
	Authorized	Callable subscribed	Subscribed payable in cash	Subscribed payable in cash receivable	Paid-in
<u>Founding countries</u>					
Guatemala	714,000	535,500	178,500	25,500	153,000
El Salvador	714,000	535,500	178,500	19,125	159,375
Honduras	714,000	535,500	178,500	19,125	159,375
Nicaragua	714,000	535,500	178,500	19,125	159,375
Costa Rica	714,000	535,500	178,500	25,500	153,000
Subtotal founding countries	3,570,000	2,677,500	892,500	108,375	784,125
<u>Non-founding regional countries</u>					
Dominican Republic	378,400	283,800	94,600	15,300	79,300
Panama	358,400	268,800	89,600	12,800	76,800
Belize	25,000	18,750	6,250	0	6,250
Subtotal non-founding regional countries	761,800	571,350	190,450	28,100	162,350
<u>Non-regional countries</u>					
Republic of China (Taiwan)	776,250	582,187	194,063	34,531	159,532
Republic of Korea	630,000	472,500	157,500	16,875	140,625
Argentina	345,800	259,350	86,450	0	86,450
Mexico	306,250	229,687	76,563	0	76,563
Spain	280,000	210,000	70,000	0	70,000
Colombia	203,000	152,250	50,750	7,251	43,499
Cuba ⁹	50,000	37,500	12,500	0	12,500
Subtotal non-regional countries	2,591,300	1,943,474	647,826	58,657	589,169
Subtotal subscribed capital and paid-in capital	6,923,100	5,192,324	1,730,776	195,132	1,535,644
<u>Unsubscribed capital</u>					
Non-founding regional and non-regional countries	76,900				
Authorized capital	7,000,000				

(b) Capital Subscriptions

During the year ended December 31, 2025 and 2024, the member countries did not make capital subscriptions.

On October 3, 2025, the Bank received the payment of the first installment from Belize, which brings into effect the subscription of 40,000 shares, corresponding to the increase in participation within the Bank's capital, through Series "B" shares, approved in 2023.

⁹ The capital payments of the Republic of Cuba are made in euros.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

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(Expressed in thousands of U.S. dollars)

(17) Equity, continued

(c) Capital Payments

As a result of the last subscription of shares and amendments to the Constitutive Agreement, during the year ended December 31, 2025 and 2024, the member countries made capital payments as follows:

Capital payments	2025	2024
<u>Founding countries</u>		
Guatemala	6,375	6,375
El Salvador	6,375	0
Honduras	0	6,375
Nicaragua	6,375	0
Costa Rica	6,375	6,375
Sub-total	25,500	19,125
<u>Non-Funding regional countries</u>		
Dominican Republic	3,825	3,825
Panama	3,200	3,200
Belize	2,500	0
Sub-total	9,525	7,025
<u>Non-regional countries</u>		
Republic of China (Taiwan)	8,632	8,633
Republic of Korea	5,625	5,625
Colombia	1,813	1,813
Spain	0	1,000
Sub-total	16,070	17,071
	51,095	43,221

(18) Contingent Commitments

As of December 31, 2025 and 2024, balances of contingent commitments are as follows:

	2025	2024
Subscribed credit agreements (*)	4,010,691	5,203,622
Endorsements and guarantees granted	17,320	23,468
Letters of credit	925	925
	4,028,936	5,228,015

(*) Includes approved and formalized loan commitments.

The Bank's management has performed an analysis of each commitment assumed, based on current information and events to determine material losses for these commitments.

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(Expressed in thousands of U.S. dollars)

(18) Contingent Commitments, continued

As of December 31, 2025, the maturities of endorsements and guarantees granted, and letters of credit, are as follows:

	Years		Total
	2026	2029	
Endorsements and guarantees granted	0	17,320	17,320
Letters of credit	925	0	925

As of December 31, 2025 and 2024, the Bank maintains a provision for credit losses of 5 and 11, respectively, in relation to the endorsements and guarantees granted and letters of credit, which has been recorded as other liabilities in the balance sheet (see note 16).

As of December 31, 2025 and 2024, the Bank maintains a provision for credit losses on unfunded credit commitments for 3,553 and 6,671, respectively, in relation to the deeded credit agreements, which have been recorded as other liabilities on the balance sheet (see note 16).

(19) Derivative Financial Instruments and Hedging Activities

The Bank's primary objective in using derivative instruments is to reduce its risk exposure to changes in interest rates and foreign exchange rates. The Bank does not use derivative instruments for trading or speculative purposes.

By using derivative financial instruments to hedge exposures to changes in interest rates and foreign exchange rates, the Bank exposes itself to credit and liquidity risks.

The Bank maintains counterparty approval policies and maximum limits per counterparty. To measure exposure with counterparties, the Bank establishes a maximum limit measured in relation to the counterparty's credit quality. As of December 31, 2025 and 2024, the Bank is in compliance with this policy.

The Bank's derivative financial instruments are subject to master netting agreements with their derivative counterparties. These legally enforceable master netting agreements obligate the counterparty to deliver cash or securities as collateral and give the Bank the right to liquidate securities held as collateral to offset receivable and payable with the same counterparty, in the event of non-compliance by the counterparty.

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(19) Derivative Financial Instruments and Hedging Activities, continued

As of December 31, 2025 and 2024, the face value of derivative financial instruments are as follows:

	2025		2024	
	Assets Face Value	Liabilities Face Value	Assets Face Value	Liabilities Face Value
Economic hedges				
Interest rate and other contracts	3,070,000	2,605,000	540,000	4,240,000
Other risk management purposes				
Foreign currency contracts	3,168,781	3,014,251	943,291	3,777,668
Total derivative financial instruments, face value	<u>6,238,781</u>	<u>5,619,251</u>	<u>1,483,291</u>	<u>8,017,668</u>

CABEI adopted the accounting policy of offsetting derivative financial instruments, considering the provisions of ASC 815-10-45, which establishes that the right to offset the positions of assets and liabilities in the balance sheet exists when the conditions defined in accounting standards are met. Under such accounting policy, an entity may offset the fair value amounts recognized for derivative financial instruments and the fair value amounts recognized by the obligation to deliver cash as collateral (delivered), or the right to claim cash as collateral (received), which arises from derivative instruments recognized at fair value with the same counterparty under a master netting agreement.

The Bank has entered into master netting agreements with counterparties, which gives it the right to collect cash or settle securities held as collateral and offset accounts receivable and payable with the same counterparty in the event of default by the counterparty.

The following tables present information about the offsetting of derivative financial instruments as of December 31, 2025 and 2024:

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(Expressed in thousands of U.S. dollars)



(19) Derivative Financial Instruments and Hedging Activities, continued

	2025		2024	
	Assets Fair Value	Liabilities Fair Value	Assets Fair Value	Liabilities Fair Value
Fair value hedges				
Interest rate and other contracts	38,962	22,906	27,426	80,128
Other risk management purposes				
Foreign currency contracts	272,449	369,849	37,140	776,254
Subtotal derivative financial instruments	311,411	392,755	64,566	856,382
Cash collateral paid / received	241,690	160,690	829,060	0
Subtotal derivative financial instruments, by gross amounts	553,101	553,445	893,626	856,382
Less: Master netting agreements	(168,609)	(168,609)	(64,566)	(64,566)
Less: Offsetting collateral paid / received	(347,746)	(347,746)	(784,729)	(784,729)
Credit risk valuation adjustment for counterparties under netting agreements	120	21	256	23
Total derivative financial instruments presented in the balance sheet	36,866	37,111	44,587	7,110

The income (loss) of derivative instruments used as hedges, under ASC 815, has been recorded together with the income (loss) of the respective financial instruments hedged in the valuation account of derivative financial instruments and debt presented in the statement of income.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

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(Expressed in thousands of U.S. dollars)



(19) Derivative Financial Instruments and Hedging Activities, continued

For the years ended December 31, 2025 and 2024, such income (loss) on derivative financial instruments are presented below:

	2025		
	Income (loss)		
	Derivative instrument	Hedged financial instrument	Total
Fair value hedges			
Interest rate and other contracts	68,756	(68,756)	0
Undesignated economic hedges			
Foreign currency contracts ¹⁰	641,714	0	641,714
Interest rate contracts	(310)	0	(310)
Credit risk valuation adjustment on derivative financial instruments	(134)	0	(134)
Realized loss, credit risk component on debt at fair value	(3,137)	0	(3,137)
	<u>706,889</u>	<u>(68,756)</u>	<u>638,133</u>
	2024		
	Income (loss)		
	Derivative instrument	Hedged financial instrument	Total
Fair value hedges			
Interest rate and other contracts	4,426	(4,426)	0
Undesignated economic hedges			
Foreign currency contracts ¹¹	(629,448)	0	(629,448)
Interest rate contracts	6,363	0	6,363
Credit risk valuation adjustment on derivative financial instruments	104	0	104
Realized gain, credit risk component on debt at fair value	7,740	0	7,740
	<u>(610,815)</u>	<u>(4,426)</u>	<u>(615,241)</u>

(Loss) income recognized in the statement of income is presented as valuation of derivative financial instruments and debt.

¹⁰ These contracts correspond to economic hedges for which the Bank has elected to measure at fair value the financial liabilities denominated in currencies other than the U.S. dollar (note 3(vi)).

¹¹ These contracts correspond to economic hedges for which the Bank chose to value at fair value the financial liabilities denominated in currencies other than the United States dollar (see note 3(vi)).

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(Expressed in thousands of U.S. dollars)



(20) Funds and Trusts administered by CABEI

In its role as a multilateral financial institution and promoter of both the economic integration and balanced economic and social development of the founding countries, and non-founding regional countries, the Bank administers independent Funds and Trust which are detailed below as of December 31, 2025 and 2024:

Fund and Trust	Net Assets	
	2025	2024
Technical Cooperation Fund - FONTEC	51,989	48,846
Honduras - Spain Fund, Phase II	43,086	42,902
Korea - CABEI Technical Cooperation Trust Fund (KTC) previously Korea - CABEI Partnership Single Donor Trust Fund (KTF)	32,327	32,355
Guarantee Fund of the Financial Intermediation Program of the Support Facility for the Financial Sector of the Program Emergency Support and Preparation for COVID-19 and Economic Reactivation	16,939	23,021
Taiwan ICDF Facility for Assisting the Economic Empowerment of Women in the Post-Pandemic of COVID-19	9,026	8,894
Climate Change Investment Project Preparation Fund (FCC)	5,287	4,278
Taiwan-CABEI Partnership Trust Fund (TCPT)	3,856	2,598
Accelerating Fund investments in Renewable Energy in Central America (ARECA)	2,886	2,745
Ecosystem-Based Adaptation to Increase Climate Resilience in the Central American Dry Corridor and the Arid Zones of the Dominican Republic	2,759	2,787
Technical Assistance Fund for Regional Integration Projects (FATPIR)	1,105	949
The "Use of Nature-Based Solution to Increase Resilience to Extreme Climate Events in the Atlantic Regions of Central America" Project in Belize, Guatemala and Honduras	1,091	174
Productive Investment Initiative for Adaptation to Climate Change (CAMBio II)	820	541
UNOPS - GCF - Readiness and Preparatory Support Programme: "Strengthening the Financial System in the Republic of Nicaragua to Support Priority Investments of the Public and Private Sectors to Meet the NDC Commitments"	650	660
Korea Development Co-Financing Facility for Central America	496	396
Agence Française de Développement - Technical Assistance Program	177	318
Development of an Energy Efficiency Market in Lighting, Air Conditioners and Refrigerators in Costa Rica	11	46
Trust for Administration, Attention, Rehabilitation, Training, and Prevention of Burnt Children (APROQUEN)	5	64
CABEI's Social Support Foundation (FAS-BCIE)	(2,995)	(2,444)
	<u>169,515</u>	<u>169,130</u>

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(21) Social Benefit Fund (SBF)

The Social Benefit Fund's (the Fund or the SBF) objective is to provide the Bank's personnel with benefits for retirement and disability pensions, voluntary retirement, compensation based on years of service, life insurance in the event of disability and death, hospital medical benefits, medium term financing, and other benefits that may be granted in accordance with the financial capacity of the Fund. The SBF is financed by contributions from beneficiaries and the Bank in accordance with the provisions of the Plans. Retirement, pension and life insurance plans are considered as defined benefit plans, whereas the hospital-related medical benefit plan is considered a defined contribution plan.

The SBF exists with the exclusive purpose of granting to the Bank's personnel the benefits set forth in the Charter and supplementary regulations currently existing or to be issued to such effect by the Bank.

It also establishes that the SBF's assets will be held and managed separately from the other assets of the Bank, as a pension fund, and will exclusively be used to pay the benefits and expenses under the various benefit plans granted by the SBF.

The Bank pays a special contribution to SBF as a compensation mechanism or supplement to the yield generated by the Social Benefit Plan's investment securities portfolio in order to reach the established technical interest rate, which is currently 7%. In the event that the actuarial position of the Fund is in deficit by a percentage equal to or greater than ten percent (10%), the Bank shall reestablish the balance in the actuarial position of the Fund in a period of up to ten (10) years.

Although there is a periodic monitoring of SBF's Plan benefits, the date the Bank uses to measure this obligation is December 31 of each year. For the years ended December 31, 2025 and 2024, the following table shows the net periodic benefit cost in conformity with the criteria established by currently applicable standards:

	2025	2024
Net periodic benefit cost components		
Interest cost	15,226	14,907
Service cost	9,994	8,114
Return on Plan assets	(12,823)	(12,579)
Net periodic benefit cost	<u>12,397</u>	<u>10,442</u>

Notes to Financial Statements

(Expressed in thousands of U.S. dollars)

(21) Social Benefit Fund (SBF), continued

The following tables show the changes in projected benefit obligation, the changes in Plan assets and the Plan position as they arise from the most recent actuarial appraisal as of December 31, 2025 and 2024 and in conformity with the criteria established by currently applicable standards.

As of December 31, 2025 and 2024, the changes in projected benefit obligation, the changes in Plan assets and the Plan position are detailed as follows:

	2025			
	Retirement and Pension Plan	Life Insurance Plan	Hospital- related Medical Plan	Total
Changes in benefit obligation:				
Benefit obligation at beginning of year	172,307	15,044	30,156	217,507
Interest cost	12,062	1,053	2,111	15,226
Service cost	2,244	154	7,596	9,994
Paid benefits	(15,734)	(685)	(5,502)	(21,921)
Actuarial gains	1,455	96	0	1,551
Benefit obligation at end of year	172,334	15,662	34,361	222,357
Changes in Plan assets:				
Fair value of Plan assets at beginning of year	150,338	27,296	30,156	207,790
Return on Plan assets	8,812	1,766	2,245	12,823
Employer contributions	4,331	791	3,145	8,267
Plan participants contributions	1,523	26	1,740	3,289
Extraordinary contribution for Plan deficit	1,500	0	0	1,500
Paid benefits	(17,119)	(685)	(5,502)	(23,306)
Change in fair value of investments	9,844	2,014	2,577	14,435
Reclassification of reserves due to plan changes	2,271	(2,271)	0	0
Other expenses, net	(270)	0	0	(270)
Subtotal	161,230	28,937	34,361	224,528
Assets assigned to individual savings accounts	(26,662)	0	0	(26,662)
Fair value of Plan assets at end of year	134,568	28,937	34,361	197,866
Net Plan position	(37,766)	13,275	0	(24,491)

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Notes to Financial Statements

(Expressed in thousands of U.S. dollars)



(21) Social Benefit Fund (SBF), continued

	2024			
	Retirement and Pension Plan	Life Insurance Plan	Hospital-related Medical Plan	Total
Changes in benefit obligation:				
Benefit obligation at beginning of year	170,887	14,375	27,700	212,962
Interest cost	11,962	1,006	1,939	14,907
Service cost	2,291	152	5,671	8,114
Paid benefits	(15,651)	(680)	(5,154)	(21,485)
Actuarial gains	2,818	192	0	3,010
Benefit obligation at end of year	172,307	15,045	30,156	217,508
Changes in Plan assets:				
Fair value of Plan assets at beginning of year	140,637	30,160	27,700	198,497
Return on Plan assets	8,573	2,031	1,975	12,579
Employer contributions	4,323	789	3,138	8,250
Plan participants contributions	1,517	21	1,646	3,184
Extraordinary contribution for Plan deficit	3,604	0	0	3,604
Paid benefits	(17,178)	(680)	(5,154)	(23,012)
Change in fair value of investments	3,574	875	851	5,300
Reclassification of reserves due to plan changes	5,899	(5,899)	0	0
Other expenses, net	(611)	0	0	(611)
Subtotal	150,338	27,297	30,156	207,791
Assets assigned to individual savings accounts	(23,782)	0	0	(23,782)
Fair value of Plan assets at end of year	126,556	27,297	30,156	184,009
Net Plan position	(45,751)	12,252	0	(33,499)

As of December 31, 2025 and 2024, the SBF's net Plan assets are detailed as follows:

	2025	2024
Cash	5,748	3,228
Securities available for sale	202,981	189,182
Subtotal	208,729	192,410
Loans	15,205	15,074
Accrued interest receivable	997	1,004
Other, net	(403)	(697)
	224,528	207,791
Less: Assets from individual account balances	(26,662)	(23,782)
Net assets	197,866	184,009

Benefits

Retirement benefits are granted once employees and officials meet the required age and years of service; they are based on a percentage of the compensation of participants in relation to age and years of service. Voluntary retirement benefits are granted once employees and officials leave CABEI either voluntarily or by dismissal.

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(Expressed in thousands of U.S. dollars)

(21) Social Benefit Fund (SBF), continued

The death coverage benefit or life insurance includes: i) compensation for natural death, ii) compensation for accidental death, iii) compensation for complete and permanent disability, iv) compensation for dismemberment or loss of sight, caused by disease or accident, v) allowance for burial and related expenses and vi) compensation for time served.

Medical benefits include medical, hospital and laboratory attention to active employees and officers, retirees by disability and ordinary retirees.

Actuarial assumptions

The actuarial assumptions used are based on financial market interest rates, the current technical interest rate, past experience and management's best estimate of future changes in benefits and economic conditions. Changes in these assumptions may have an impact on the cost of benefits and future obligations.

As of December 31, 2025 and 2024, weighted averages of the actuarial assumptions used in the estimate of the projected benefit obligation were the following:

Discount rate	7 %
Salary increase rate	5 %
Estimated rate of return on assets, considering the special contributions granted by the Bank	7 %

Medical benefits have been considered as a defined contribution plan, for which the mathematical reserve is derived from the accumulated balance of the reserves recognized for accounting purposes corresponding to the medical benefit plan.

The treatment of medical benefits as a defined contribution plan is based on a resolution adopted by the Bank's Board of Directors, pursuant to which the scope of the benefit is limited to the annual availability of funds of the SBF.

Contributions

CABEI contributions to the FPS during 2026 are expected to amount to approximately 16,119. All contributions from CABEI are paid in cash. For the years ended December 31, 2025 and 2024, the Bank has recorded ordinary contributions for 8,267 and 8,250, respectively, and special contributions to supplement the actuarial technical interest rate of 7% of 5,522 for both years. The contributions to complete the actuarial technical interest rate of 7% are included in administrative expenses and special contributions, respectively.

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(Expressed in thousands of U.S. dollars)

(21) Social Benefit Fund (SBF), continued

As of December 31, 2025 and 2024, the accumulated actuarial position of the FPS amounts to a deficit of 10.91% and 16.12%, respectively, which stems mainly from the behavior of interest rates in the case of fixed income instruments as well as from the diversity of macroeconomic factors that affect the stock index levels. With the purpose of restoring balance in the actuarial position of the FPS, the Bank made an extraordinary contribution of 1,500 in December 2025.

Future payments of estimated benefits

The following table shows the benefits that are expected to be payable in each of the next five years and, in aggregate, for the subsequent five years, based upon the same assumptions that were used to determine the projected benefit obligation as of December 31, 2025:

Plans	Years					
	2026	2027	2028	2029	2030	2031-2035
Retirement and Pensions	16,500	16,537	16,270	15,606	15,213	72,651
Life Insurance	1,453	1,517	1,590	1,603	1,658	8,657
Hospital related medical	5,420	5,522	5,592	5,633	5,692	29,493
	<u>23,373</u>	<u>23,576</u>	<u>23,452</u>	<u>22,842</u>	<u>22,563</u>	<u>110,801</u>

Plan Assets

The purpose of the Plan's Asset Allocation Investments Portfolio scheme is to maintain a diversified portfolio of asset classes in order to preserve the assets and generate income, and to achieve an appropriate growth level, based on a return adjusted by the determined risk tolerance, with the intention of attaining the technical rate necessary to meet the Social Benefit Plan's obligations. SBF's investment policies specify the appropriate asset classes for the Plan, asset allocation guides, and the procedures for monitoring investment performance. The Plan's resources must be invested in securities from money and capital markets, in accordance to SBF's Charter, the Bank's Investment Policies and other applicable regulations.

As of December 31, 2025 and 2024, the authorized asset allocation of SBF's investment portfolio is as follows:

2025		
Asset Allocation Objectives		
	Maximum allowed	Actual
Short-term investments	10%	0.0%
Investment grade fixed income instruments	65%	41.2%
US equities	40%	37.2%
Other developed markets equities	30%	21.7%

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(Expressed in thousands of U.S. dollars)



(21) Social Benefit Fund (SBF), continued

2024		
Asset Allocation Objectives		
	Maximum allowed	Actual
Short-term investments	10%	0.8%
Investment grade fixed income instruments	65%	40.8%
US equities	40%	39.4%
Other developed markets equities	30%	19%

Additionally, the authorized asset allocation is complemented by a legacy portfolio composed of bonds that will be sold gradually, except for those that will be held until maturity. As of December 31, 2025 and 2024, this legacy portfolio amounts to 113,693 and 111,805, representing 56% and 59%, respectively, of the securities available for sale. Plan assets are recognized at fair value.

The following table presents the assets valued at their fair value on a recurring basis as of December 31, 2025 and 2024, classified according to the fair value hierarchy:

	Level 1	Level 2	2025
Assets			
Cash	5,748	0	5,748
Fixed income bonds:			
Corporate bonds	0	89,288	89,288
Securities issued by CABEI	0	50,105	50,105
Investment funds	0	31,743	31,743
Sovereign bonds	0	31,845	31,845
	<u>5,748</u>	<u>202,981</u>	<u>208,729</u>
	Level 1	Level 2	2024
Assets			
Cash	3,228	0	3,228
Fixed income bonds:			
Corporate bonds	0	32,803	32,803
Securities issued by CABEI	0	49,050	49,050
Investment funds	0	77,377	77,377
Sovereign bonds	0	29,952	29,952
	<u>3,228</u>	<u>189,182</u>	<u>192,410</u>

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(Expressed in thousands of U.S. dollars)

(22) Accumulated Other Comprehensive Income

For the year ended December 31, 2025 and 2024, accumulated other comprehensive income, is as follows:

	2025			
	Securities available for sale	Actuarial losses under the Social Benefit Plan	Change in credit risk of debt instruments at fair value	Accumulated other comprehensive income
At beginning of year	4,101	(33,471)	56,237	26,867
Changes for the year	30,941	9,008	(28,937)	11,012
At end of year	<u>35,042</u>	<u>(24,463)</u>	<u>27,300</u>	<u>37,879</u>
	2024			
	Securities available for sale	Actuarial losses under the Social Benefit Plan	Change in credit risk of debt instruments at fair value	Accumulated other comprehensive income
At beginning of year	(29,552)	(36,012)	66,635	1,071
Changes for the year	33,653	2,541	(10,398)	25,796
At end of year	<u>4,101</u>	<u>(33,471)</u>	<u>56,237</u>	<u>26,867</u>

For the year ended December 31, 2025 and 2024, the reclassifications of accumulated other comprehensive income balances to the statement of income are detailed below:

	2025	2024	Line in statement of income affected
Securities available for sale	(14,454)	3,685	Realized gains on investment funds and realized gain (loss) on securities available for sale
Derivative Financial Instruments and Debt	3,138	(7,741)	Valuation of derivative financial instruments and debt
	<u>(11,316)</u>	<u>(4,056)</u>	

Reclassifications of valuation of derivative financial instruments and debt arise from losses realized due to the effect of credit risk arising from the maturity of debt instruments at fair value.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION

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(23) Special and Other Contributions

For the year ended December 31, 2025 and 2024, special contributions and other are detailed as follows:

	2025	2024
SBF contributions	7,022	8,199
Contribution to the Social Support Foundation Fund and the Climate Change Investment Project Preparation Fund Initiatives the Sustainable Economic Development Program (PRODES)	6,000	0
Special contribution to FONTEC	2,574	5,625
Emergency aid	2,000	5,500
Other contributions	250	4,279
	530	658
	18,376	24,261

The special contributions to the SBF correspond to the supplement to the actuarial technical interest rate of 7% per annum as well as the extraordinary contribution to restore the Fund's actuarial position, which are recorded as special contributions (note 21).

(24) Litigation

The Bank is involved in claims and legal actions derived from its normal course of business. According to the Bank's management's best knowledge, the result of these actions will not originate an adverse material effect on its financial position, results of operations or liquidity.

(25) Subsequent Events

The Bank has evaluated the subsequent events from the balance sheet date to April 10, 2026, the date on which the financial statements were available for issuance, and the following were identified:

- On January 6, 2026, the credit rating agency Japan Credit Rating Agency (JCR) upgraded the Bank's credit rating from AA to AA+, with a stable outlook.
- In January 2026, the Bank carried out its fifth Global Benchmark issuance in the capital markets for an amount of 2,000,000 at an annual interest rate of 3.75% and a term of 3 years.
- In February 2026, the Bank carried out a Global Benchmark issuance in London for GBP 500,000 at an annual rate of 4.125% for a term of 3 years.

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Central American Bank for Economic Integration

Medium-Term Note Program

