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# Corporate Presentation

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JULY 2023



Assets Size  
\$10.1Bn

RoE  
13.4%

CET1  
15.7%

Efficiency  
27%



Founded in 1979 by 23 central banks and government institutions from Latin America & the Caribbean (Latam)



Mission: Supports trade and regional integration across Latam



In 1992 became the first Latam bank to be listed on the NYSE and achieved Investment Grade rating

- NY Agency
- Representation license
- Representation Office
- Headquarters

# Board of Directors



**Miguel Heras**

Director since 2015

Chairman since 2019  
MKH Capital Partners  
Bs Economics & Finance  
Wharton U. Pennsylvania



**Ricardo Arango**

Director since 2016

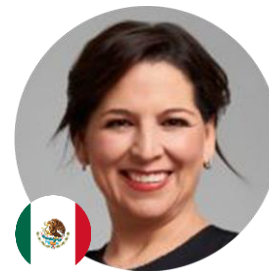
Arias, Fábrega & Fábrega  
LLM Law degree  
Harvard & Yale



**Isela Costantini**

Director since 2019

GST Financial Services  
MBA Marketing & International  
Business  
Loyola University



**Angelica Ruiz**

Director since 2023

SVP BP Group and Mexico  
President  
MBA Operations and Supervision  
IPADE Business School



**Mario Covo**

Director since 1999

DanaMar LLC (Hedge Fund)  
PhD Economics  
Rice University



**Alexandra Aguirre**

Director since 2020

Holland & Knight  
Juris Doctor  
Northeastern University School  
of Law



**Roland Holst**

Director since 2017

Sudameris Bank  
PhD Public Policy  
Msc. Economics  
Chicago Univeristy

## Class A



**Fausto Ribeiro**

Director since 2022

Banco do Brasil  
MBA Finance  
IBMEC



**Jose Alberto Garzon**

Director since 2017

Bancoldex  
Law and Msc. Financial Law  
Universidad del Rosario



**Silvina Batakis**

Director since 2023

Banco Nación de Argentina  
Msc. Envirnonmental Economics  
University of York, UK

# Executive Committee



## Jorge Salas

Chief Executive Officer / 3y at Bladex  
Former CEO Banesco USA & Panama  
MBA, MPP, University of Chicago



## Ana Méndez

Chief Financial Officer / +30y at Bladex  
Several roles in Finance at Bladex.  
University of Tulane



## Samuel Canineu

Chief Commercial Officer / 2y at Bladex  
Former CEO ING Brazil.  
MBA, University of Columbia



## Alejandro Tizzoni

Chief Risk Officer / +15y at Bladex  
Several roles at Banking.  
MBA, University of New York



## Jorge Real

Chief Legal Officer / 9y at Bladex  
Former Coordinator of Legal Affairs at BNP Paribas.  
Université de Paris II - Panthéon-Assas



## Olazhir Ledezma

Chief Strategy Officer / 2y at Bladex  
Former Partner at McKinsey Peru.  
MBA, University of Chicago



## Eduardo Vivone

EVP Treasury & Capital Markets / 10y at Bladex  
Capital Markets at HSBC.  
University of Buenos Aires



## Carlos Raad

Chief Investor Relations Officer / 1y at Bladex  
Former IRO at Bancolombia.  
MBA, Los Andes University



## Lizzeth Diaz

Chief Auditor / 2y at Bladex  
Former VP Audit at Multibank.  
MBA, Los Andes University

Bladex is subject to oversight by Panamanian and International Regulators

Banking  
Regulators

Capital Markets  
Regulators

Stock Exchange  
Listings

Panama



USA



Mexico



Rep Offices





# Committed to Promoting Prosperity in Latam with a Solid ESG Foundation

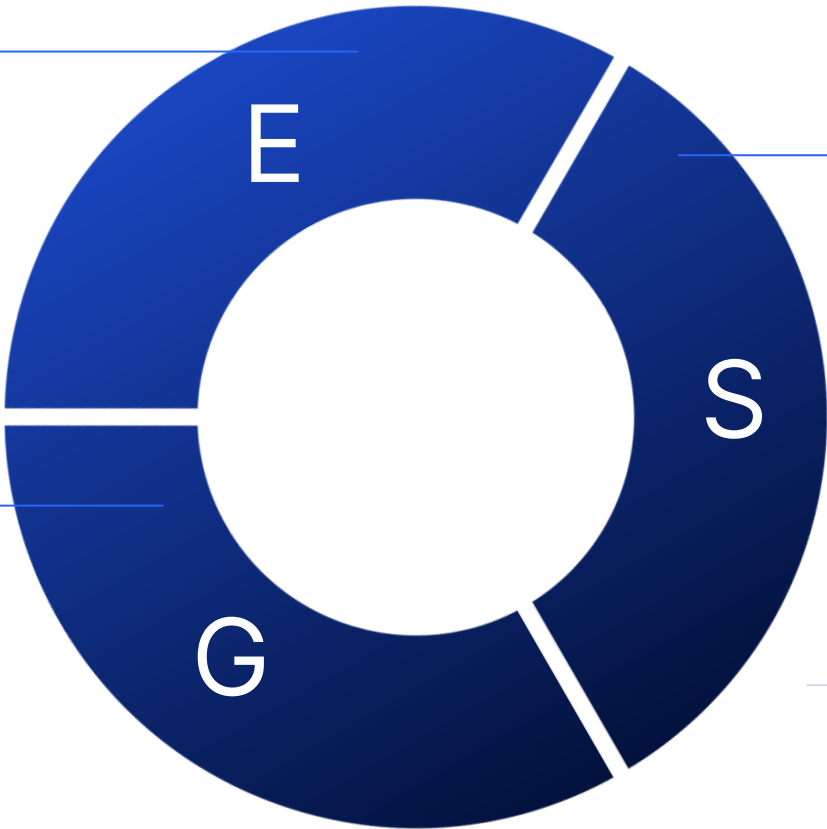
## Environmental

- Portfolio Evaluation Criteria
- HQ LEED Certified



## Governance

- 40% Female Board of Directors Representation
- Board and Management ESG Oversight
- Risk Management Framework



## Social

- Fundación Crece: Community Investment and Impact strategy
- Privacy & Data Security Policy
- Employee Training and Development



Members of U.N Global Compact since 2012



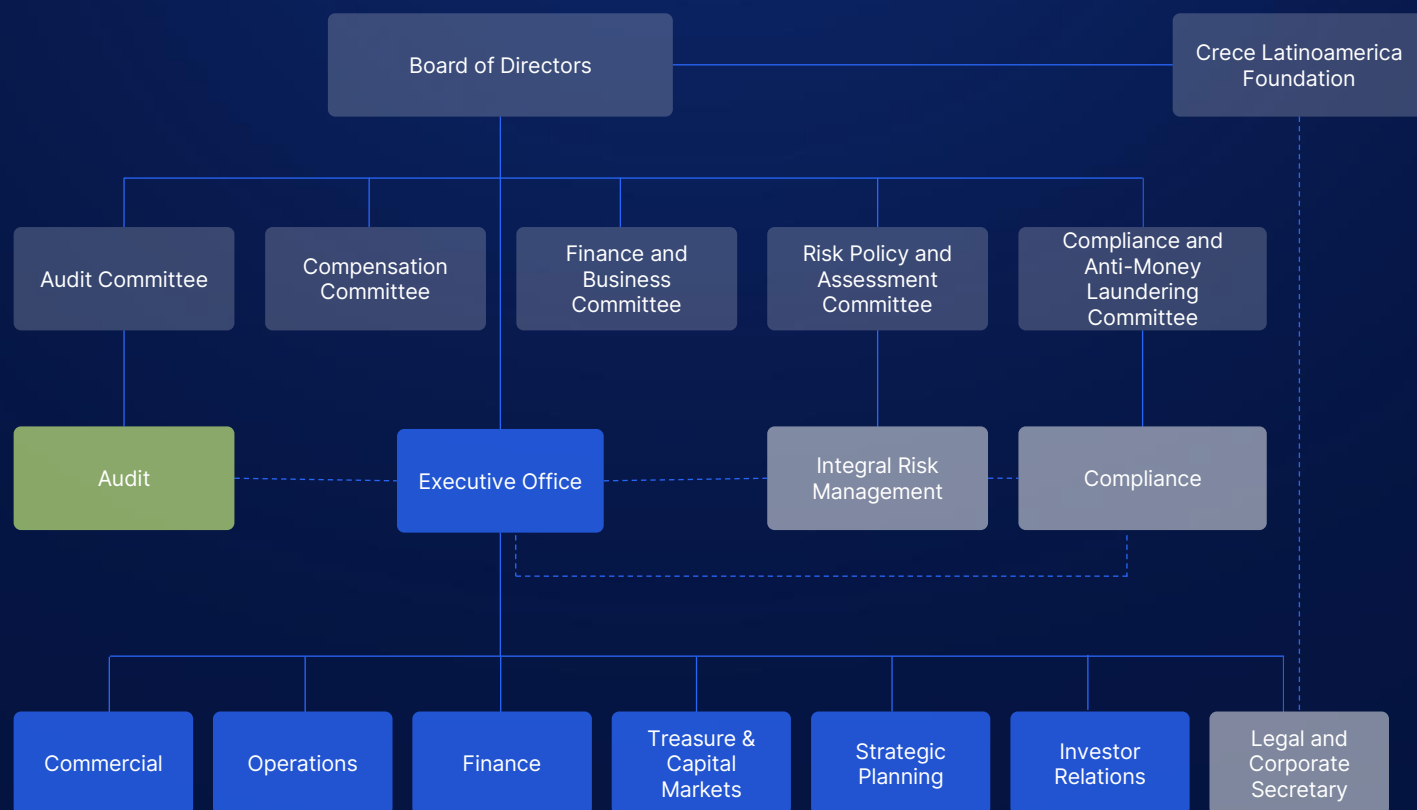
United Nations Global Compact

MSCI score of AA as of September 2021



# Well established world-class Corporate Governance centered on Enterprise-Wide Risk Management

## *Three lines of defense Risk Management Model*



### First Line of Defense

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

### Second Line of Defense

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

### Third Line of Defense

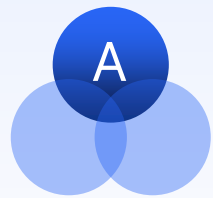
- The Internal Audit unit reports directly and with complete independence to the Board's Audit Committee
- Its responsibility is focused on regular assessments of the Bank's policies, methods and procedures and their effective implementation

01. A distinctive business model that offers strong comparative advantages
02. A business plan designed to capitalize on clear upside potential
03. Performance to date validates our strategy

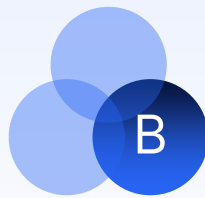


01. A distinctive business model that offers strong comparative advantages
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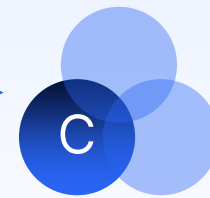
# A Distinctive Business Model that Offers Strong Comparative Advantages



Extensive knowledge of the region across main industries and sectors accumulated by serving top corporations and banks in the region uninterrupted for over 40 years



Combined shareholder structure strengthens the competitive positioning



Unique Business model has provided resiliency across business cycles and stress scenarios



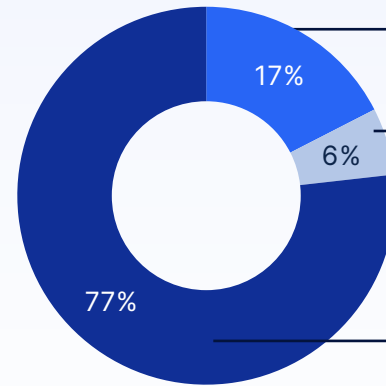
## Extensive Knowledge of the Region

Over 40 years of operations in the region, analyzing multiple countries and industries across different economic cycles.

Long-standing relationships with top corporate clients and leading financial groups



## Robust Shareholder Structure



### Class A

Central banks and designated government institutions of 23 Latin American and Caribbean countries

### Class B

Latin American and international financial institutions  
1-for-1 conversion rights to Class E shares

### Class E

Private Investors  
Listed in NYSE

Direct communication between the Bank and Latin American governments

Stable source of funding, even during periods of market volatility

Proven preferred creditor treatment in stress scenarios

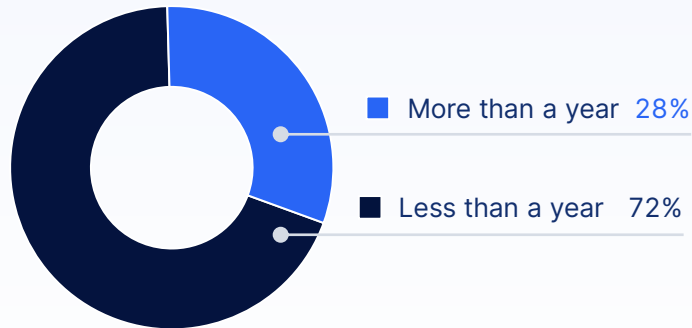
Wide access to Capital Markets

Robust Corporate Governance



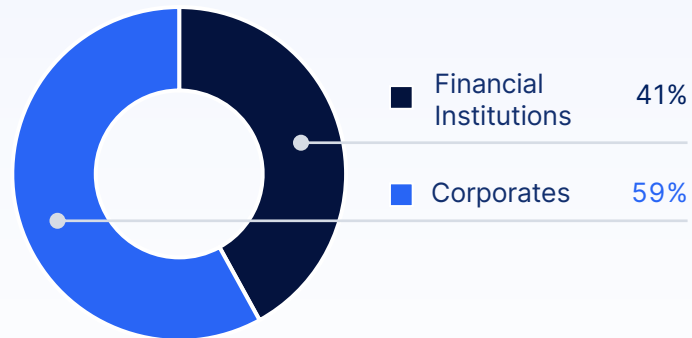
# Three Key Aspects Combined Define Our Unique and Flexible Business Model

## Short-term US dollar-based Balance Sheet



12 months  
Average  
Duration

## Blue Chip Clients








-  Large corporations with average annual sales over \$300M
-  Local & regional industry leaders and large economic groups
-  Strong corporate governance
-  Focused on foreign trade strategic sectors
-  Corporates with local or international ratings
-  Systemically Important Financial institutions

## Regional Footprint with a single point of contact

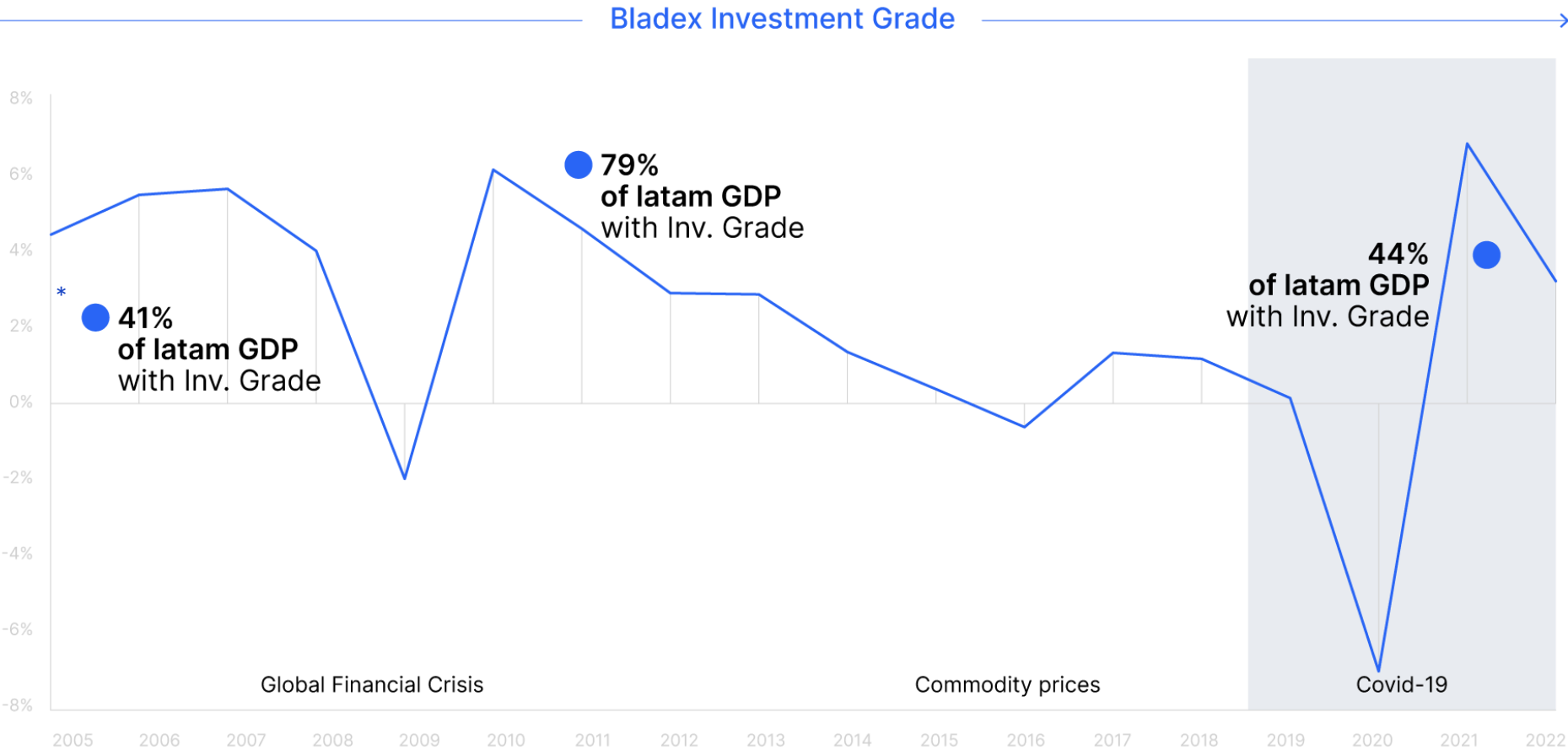


As a % of Total Commercial Portfolio  
Powered by Bing  
© GeoNames, Microsoft, OpenStreetMap, TomTom

# Clients' needs are consistently met through a Single Point of Contact in the Region

	CLIENT	NEED	BLADEX CAPACITY
	LATAM Top Tier Corporates	Reliable, fast, and flexible access to long term and short-term USD financing	Tailor-made solutions through international trade services and syndications with deep market knowledge (Includes L/C )
	"Multilatinas"	Expand cross border operations in the Region	Provides regional umbrella facilities and access to the syndicated loan market
	Latam Banks	Stable reliable access to US dollar financing	Consistent access to trade and working capital financing
	Global Commodity Traders	Offload Latam client and country risk	Capacity to discount invoices across an ample base of counterparties in Latam
	Global Financial Institutions	Premium access to Latam risk	Steady record of top underwriting standards and knowledge of LATAM market dynamics

# Bladex has a Consistent Investment Grade Rating Through Credit Cycles, in a Highly Volatile Region



\*GDP for latam, 2000 -2022, average annual variation. \*Rating of issuances in the mexican market.

## Internacional

S&P Global Ratings	BBB
MOODY'S	Baa2
FitchRatings	BBB

## Panama

FitchRatings	AAA
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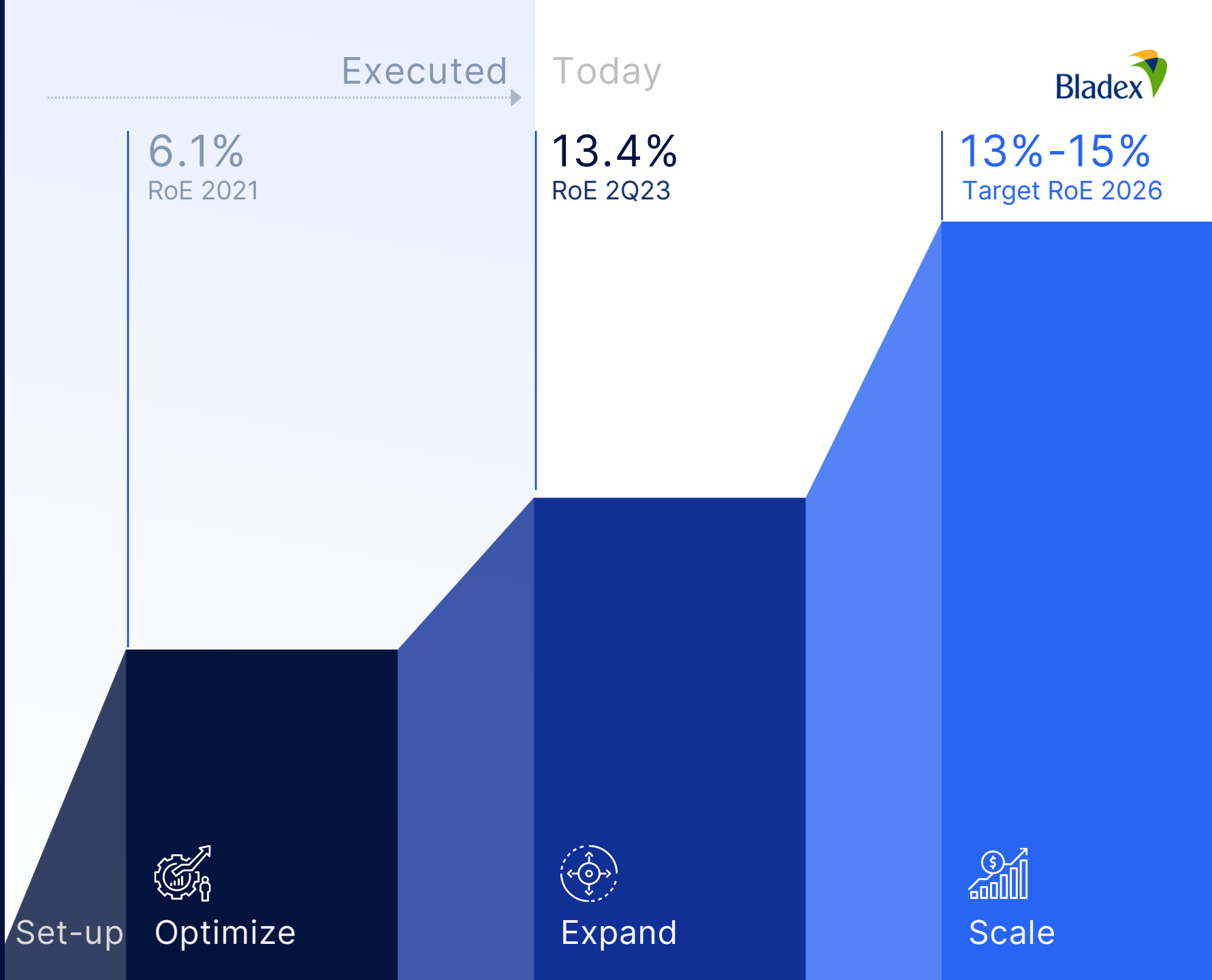
## Mexico

FitchRatings	AAA
S&P Global Ratings	



01. A distinctive business model that offers strong comparative advantages
02. A business plan designed to capitalize on clear upside potential
03. Performance to date validates our strategy

# Executing a 5-year Strategic Program to Capture Our Full Potential



# Established the Basis for Successful Execution

Expanded  
Executive  
Committee

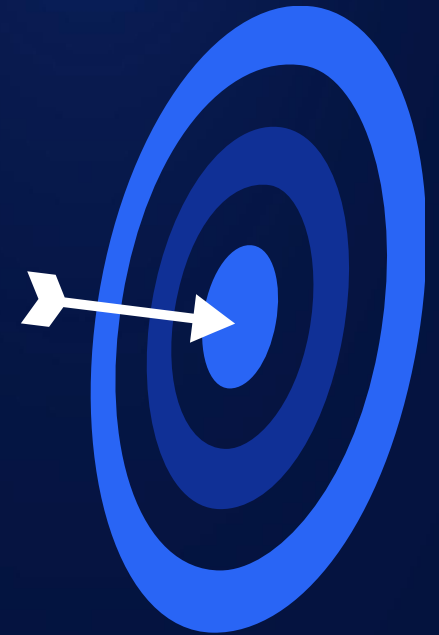
Launched new  
variable  
compensation  
scheme

Strengthened  
execution  
capacity

Assured a shared  
2026 vision

1. Short-Term loan book allows rebalancing through cycles ➡
2. Geographically and industry-wise diversified portfolio ➡
3. Robust capitalization ➡
4. No FX risk ➡
5. Essentially a matched balance sheet ➡
6. Same customer profile ➡

**Intrinsically Low Risk  
Business Model Will  
Not Change with the  
Strategic Plan**



# Clear and Strong Upside Potential

## Core Business Improvement



Significantly expand client base while maintaining the same target profile



Expand corporate & financial institutions deposit base



Enhance operational efficiency through key processes redesign and automation

## Product suite Enhancement



Structured solutions for Supply Chain Finance



Enhance Treasury services to provide derivatives for customers

## Opportunistic Initiatives



Selected Project Finance deals



Engage in Local Lending in specific geographies without FX risk

# Our 2026 Goals: Fully Capitalizing On Our Strategic Initiatives Even in a Conservative Macro Scenario

		Investor Day 3Q 2022	2026 TARGET
\$	Commercial Portfolio	\$7.8 BN	\$10 – 11 BN
	Lending Spread	2.46%	> 2.80%
	Cost to Income	31.6%	27 – 29%
	Reserve Coverage	0.7%	≈ 1.0%
	Tier 1 Ratio Basel III	14.4%	15 – 16%
	ROE	10.3%	13 – 15 %



## 2026 Macro Assumptions

US\$ Interest Rates (Normalized levels)  
Fed Funds Rate ≈ 2.5%

Latam  
GDP  
+2 to 3%

Latam Trade  
Flows  
+5 to 6%



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# 2Q23 Earnings Results

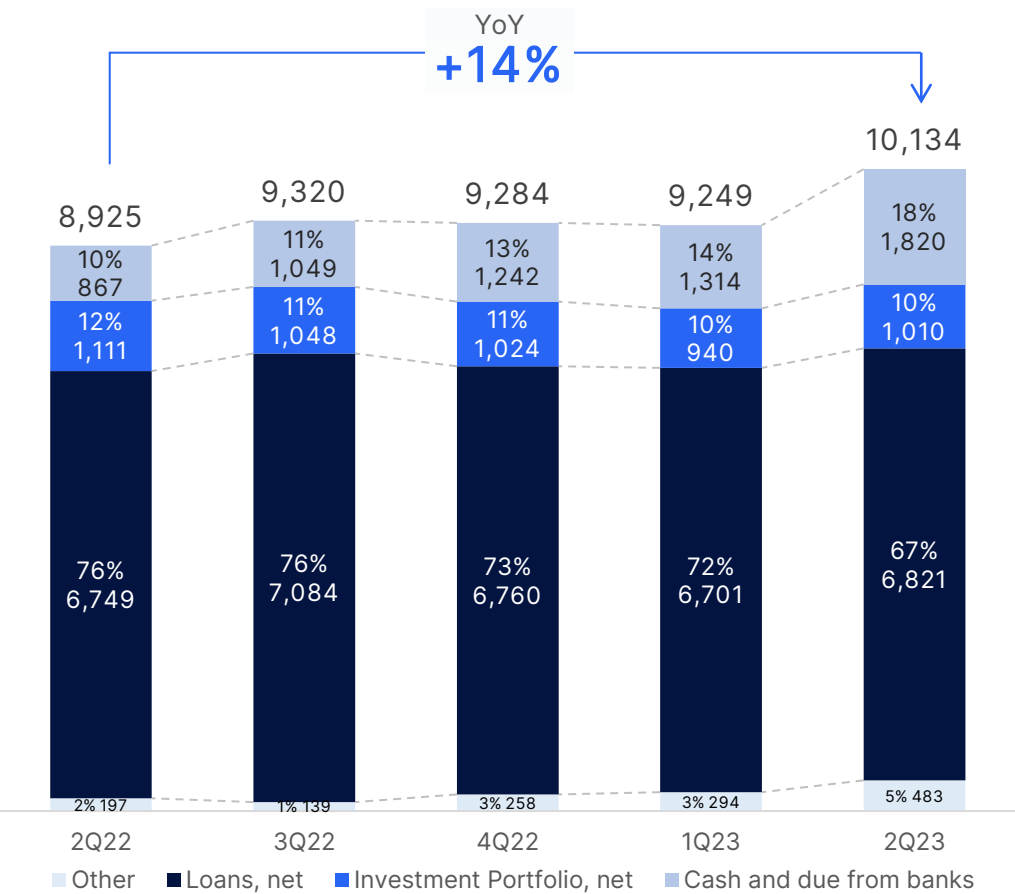
July 2023

# Record Total Assets and Optimal Capital Allocation in Challenging Macro Environment with Well-Diversified Commercial and Investment Portfolios



(USD millions, except for %)

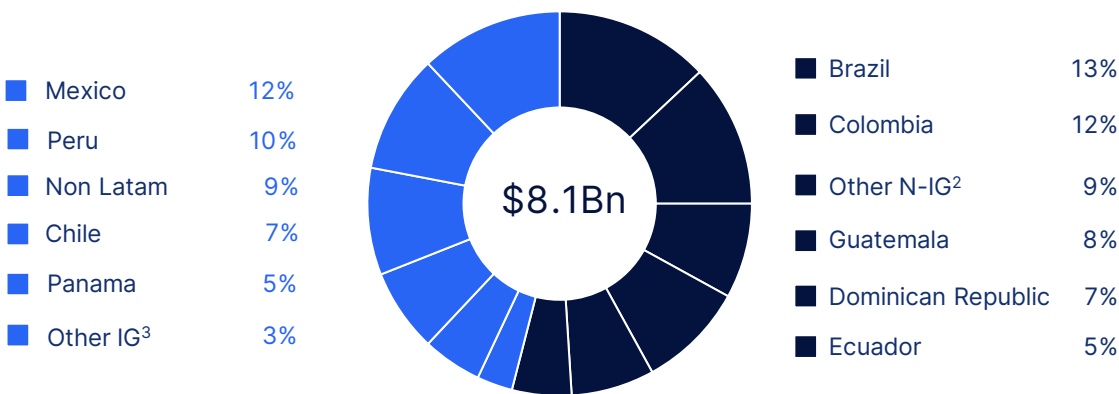
## Total Assets



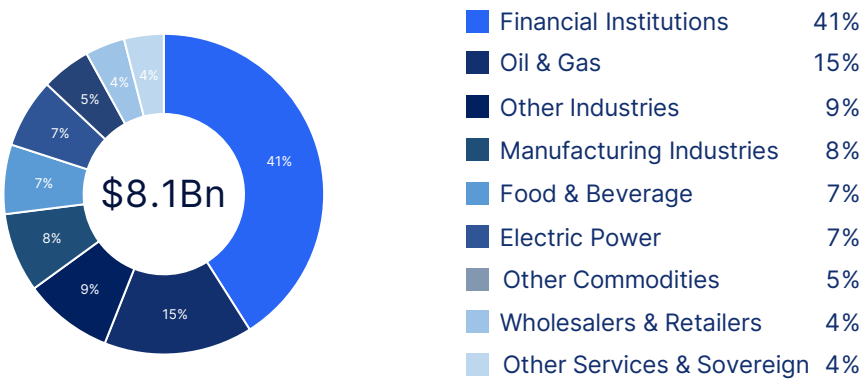
## Commercial Portfolio<sup>1</sup> by Country

46% Investment Grade

54% Non-Investment Grade



## Commercial Portfolio by Industry



(1) The Bank's "Commercial Portfolio" includes gross loans at amortized cost (or the "Loan Portfolio"), loan commitments and financial guarantee contracts, such as issued and confirmed letters of credit, stand-by letters of credit, guarantees covering commercial risk and other assets consisting of customers' liabilities under acceptances.  
(2) Other N-IG: Costa Rica, Honduras, Paraguay, Argentina and Other Latam ≤ 1%. (3) Other IG: Trinidad & Tobago and Uruguay. (4) Other: Costa Rica, Dominican Republic, Non Latam: Japan, United Kingdom, Canada, Germany, Israel, Norway, Ireland and Italy.

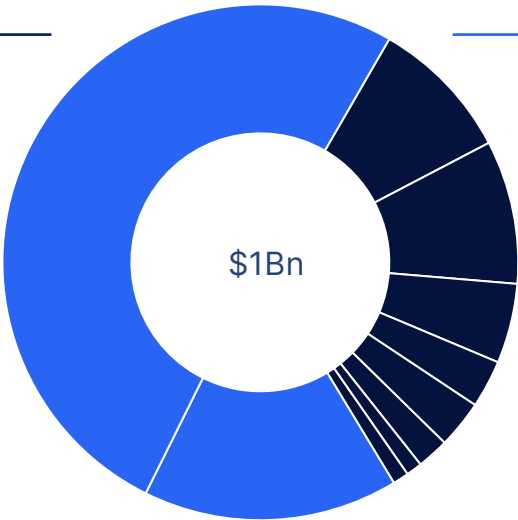
## Credit Investment Portfolio

EOP Balances (in USD millions)	1,000
Avg. Term to Maturity	2.4 years

### Ex-Latam Countries

67% ←  
\$675 MM USD

United States	51%
Other Non-Latam*	16%

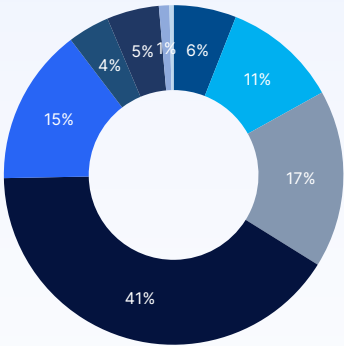


### Latam Countries

→ 33%  
\$325 MM USD

Chile	9%
Mexico	9%
Brazil	5%
Colombia	3%
Panama	3%
Peru	2%
Costa Rica	1%
Dominican Republic	1%

## Rating



A-	6%
BBB+	11%
BBB	17%
BBB-	41%
BB+	15%
BB	4%
BB-	5%
B+	1%

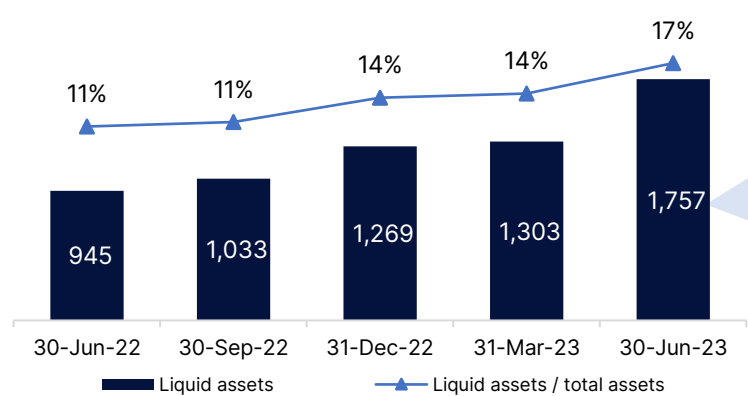
(\*) Others Non-Latam: Japan, United Kingdom, Canada, Germany, Israel, Norway, Ireland, and Italy.

(USD millions, except for %)

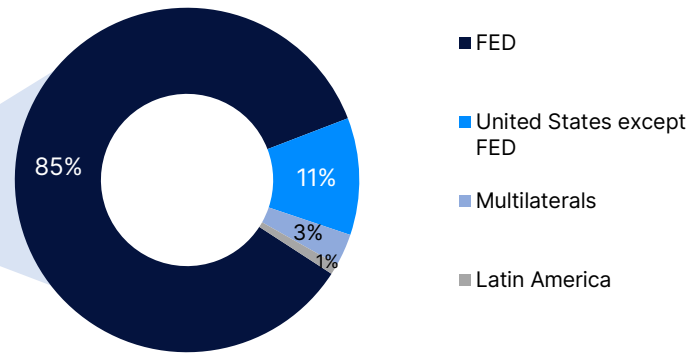
Bladex has a continued proven capacity to secure funding and maintain steady liquidity levels; the Bank's cash position is mainly placed with the Federal Reserve Bank of New York



Total Liquid Assets<sup>1</sup>

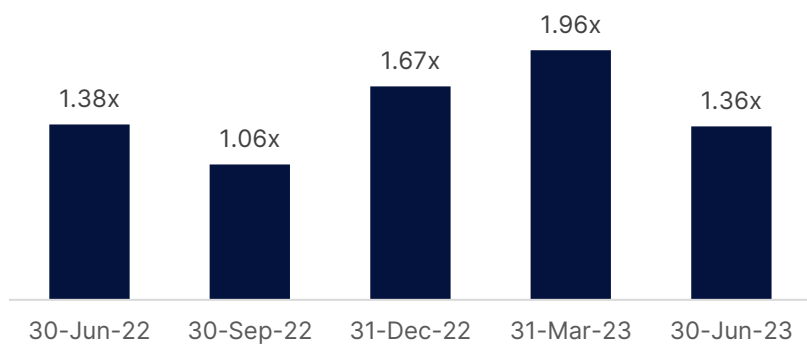


Liquid Assets Placements by Credit Risk



% as of 30Jun23

Liquidity Coverage Ratio<sup>2</sup>

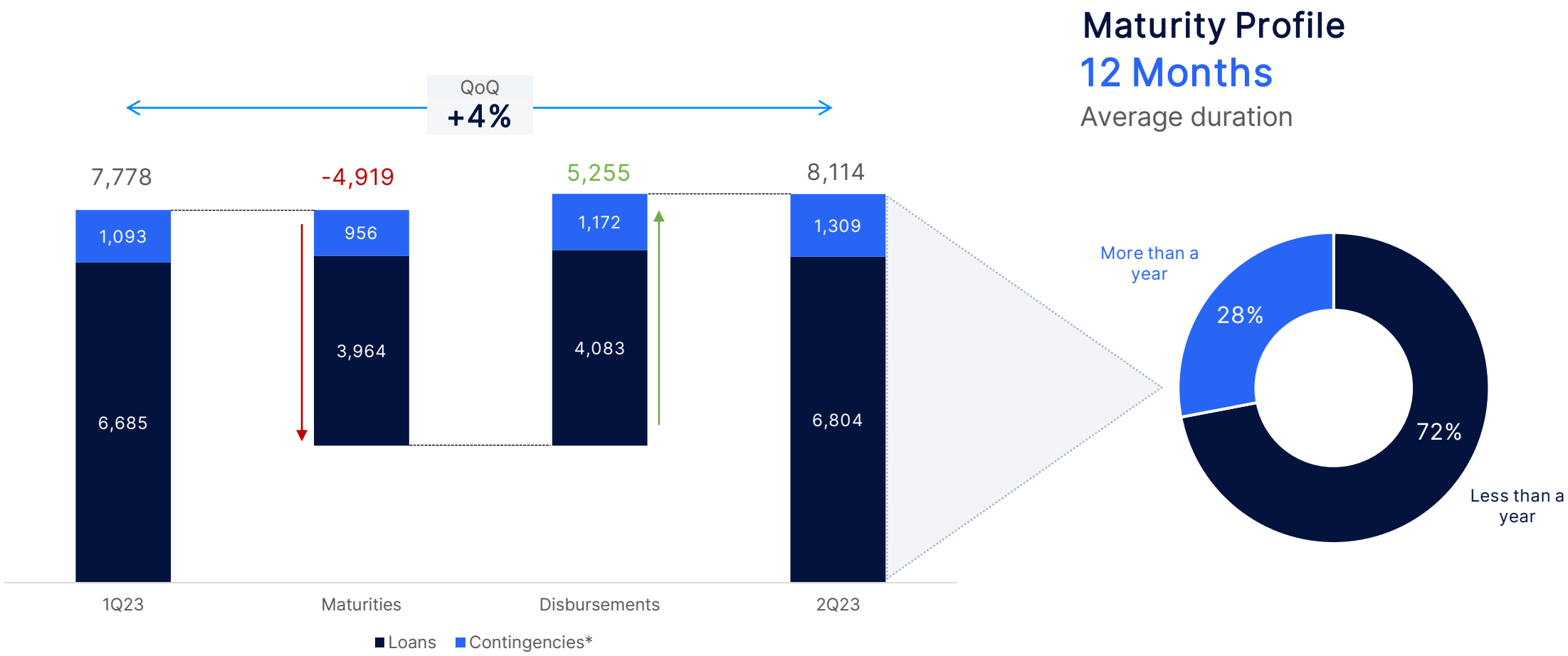


- Proactive and prudent liquidity management under LCR standards with ample access to funding sources globally
- At the end of 2Q23, liquid assets represented 17% of total assets.

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

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

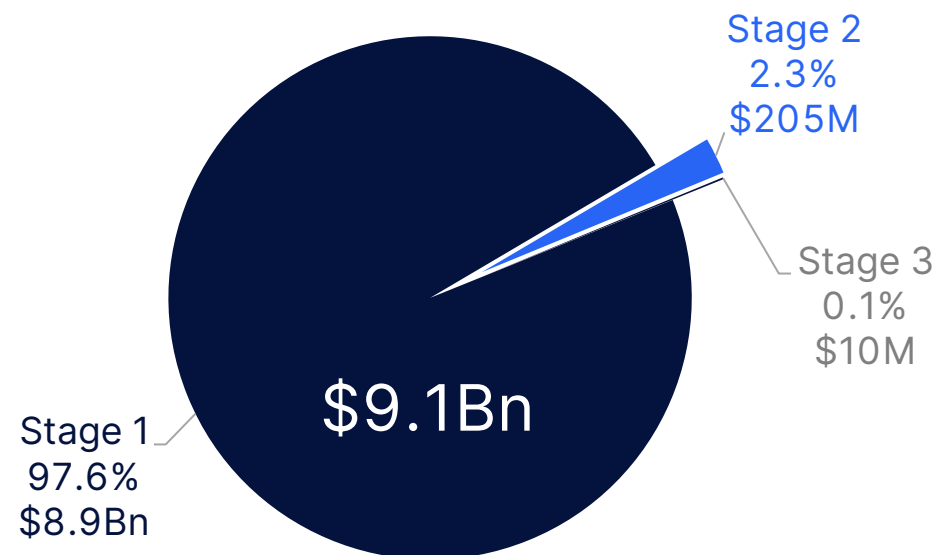
# Bank's Short –Term Loan Book Generates High Turnover and Capitalizes on Market Trends





Strong Asset  
Quality, Low Credit  
Risk and Robust  
Reserve Coverage

## Exposure by Stages



(USD millions, except for %)

Total Allowance for Credit  
Losses to Impaired Credits

497%

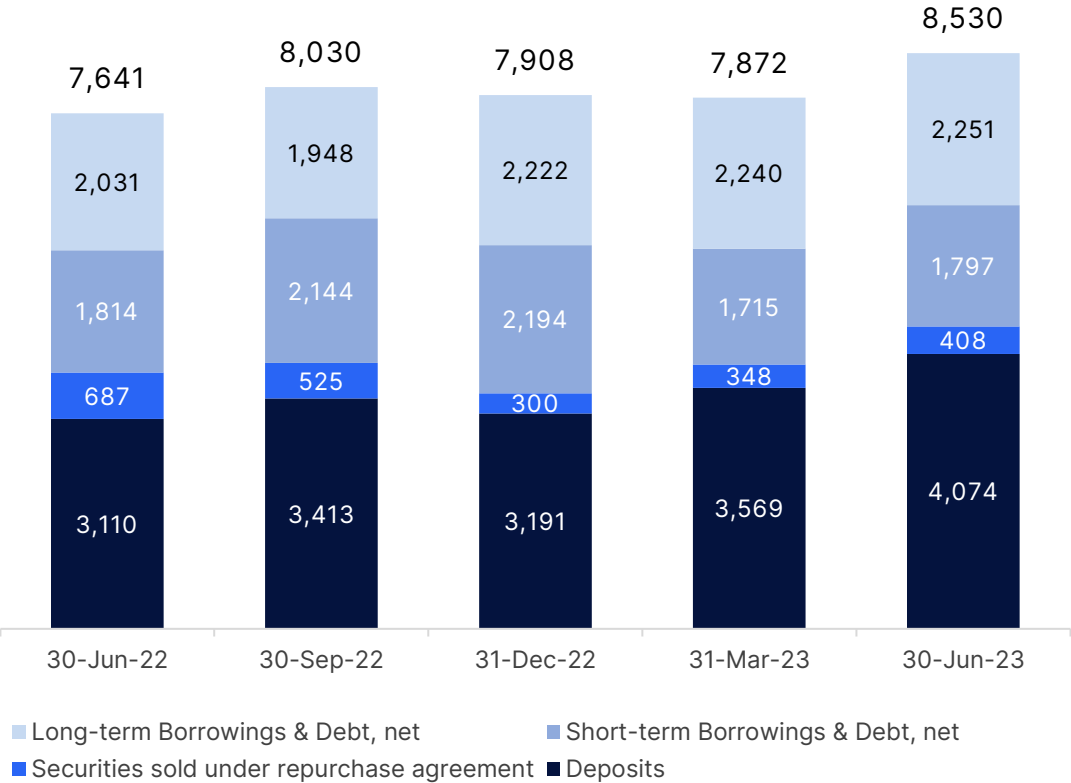
(USD millions, except for %)	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23
<b>Allowance for losses<sup>1</sup></b>					
Balance at beginning of the period	\$55.2	\$56.0	\$61.8	\$66.8	\$72.4
Provisions (reversals)	0.8	4.8	5.8	6.3	4.7
Recoveries (write-offs)	0.0	1.0	(0.8)	(0.7)	(26.9)
<b>End of period balance</b>	<b>\$56.0</b>	<b>\$61.8</b>	<b>\$66.8</b>	<b>\$72.4</b>	<b>\$50.2</b>
Impaired Credits to Total Credit Portfolio	0.1%	0.1%	0.4%	0.4%	0.1%

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

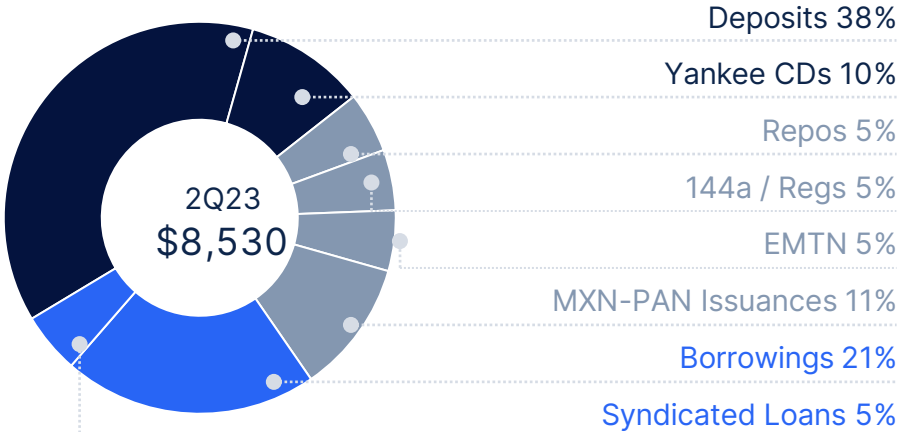
# Record Level of Deposits and Diverse Funding Structure Provide a Solid Base for Balance Sheet Growth



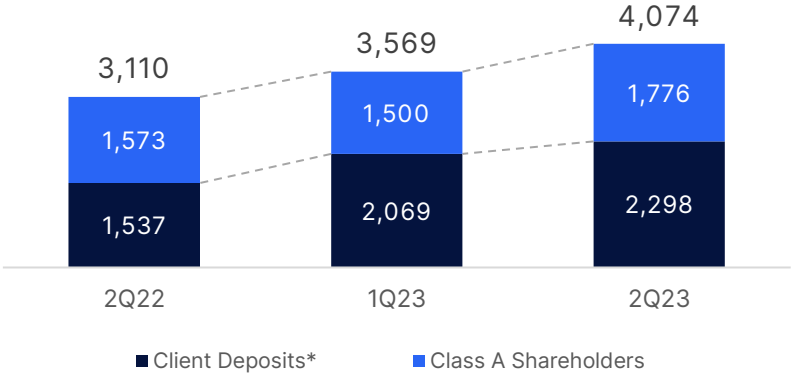
### Funding Sources



### Funding by Product



### Deposits Evolution



(\*) Client deposits includes deposits from corporations and Financial institutions.

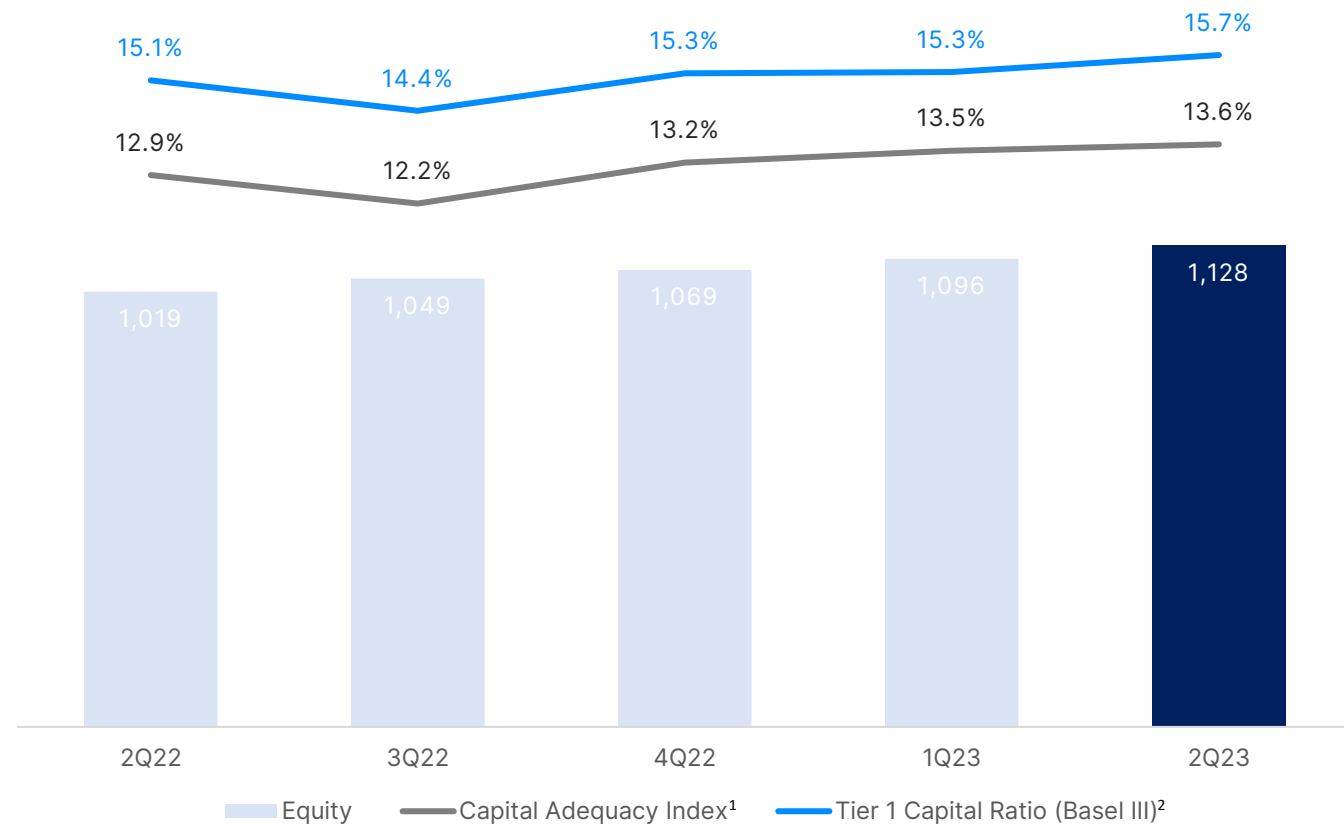
(USD millions, except for %)

Strong  
Capitalization and  
Constant Dividend  
amidst Strategic  
Focus on  
Profitability

Declared dividends  
2Q23

**\$0.25**  
per share

## Capital



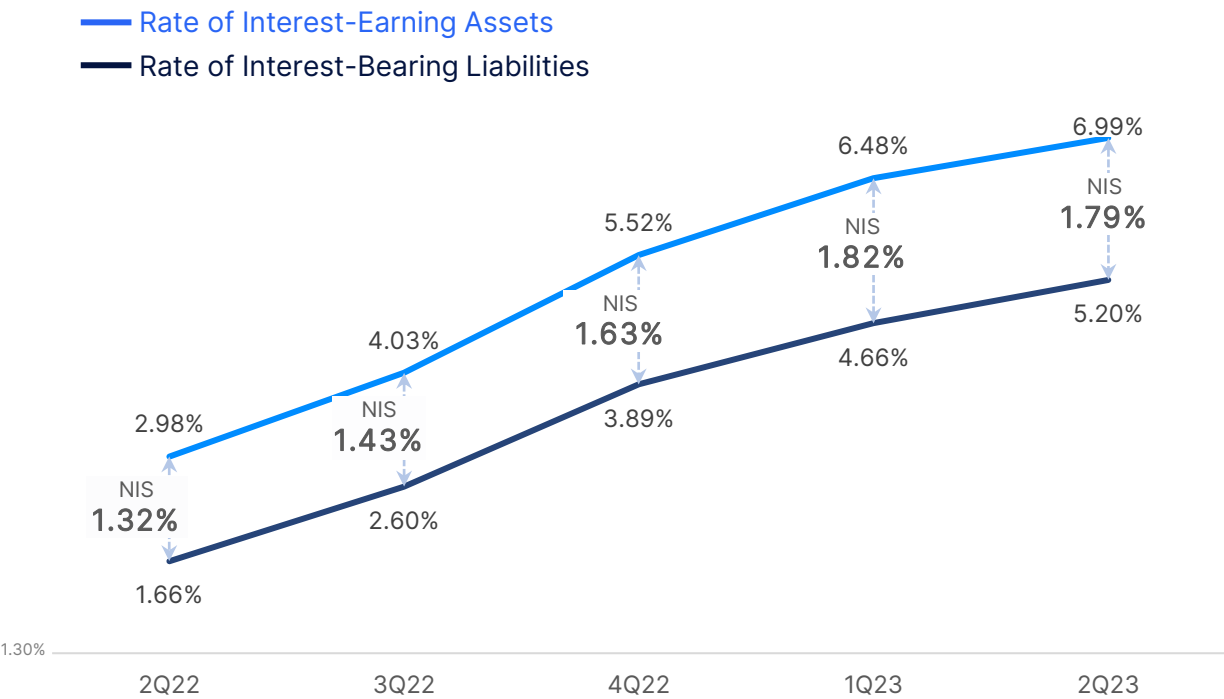
(USD millions, except for %)

(1) As defined by the SBP, in which risk-weighted assets are calculated under the Basel Standardized Approach for Credit Risk. The minimum Regulatory Total Capital Adequacy Ratio should be of no less than 8.0% of total risk-weighted assets. (2) Tier 1 Capital ratio is calculated according to Basel III capital adequacy guidelines, and as a percentage of risk-weighted assets. Risk-weighted assets are estimated based on Basel III capital adequacy guidelines, utilizing internal-ratings based approach or "IRB" for credit risk and standardized approach for operational risk.

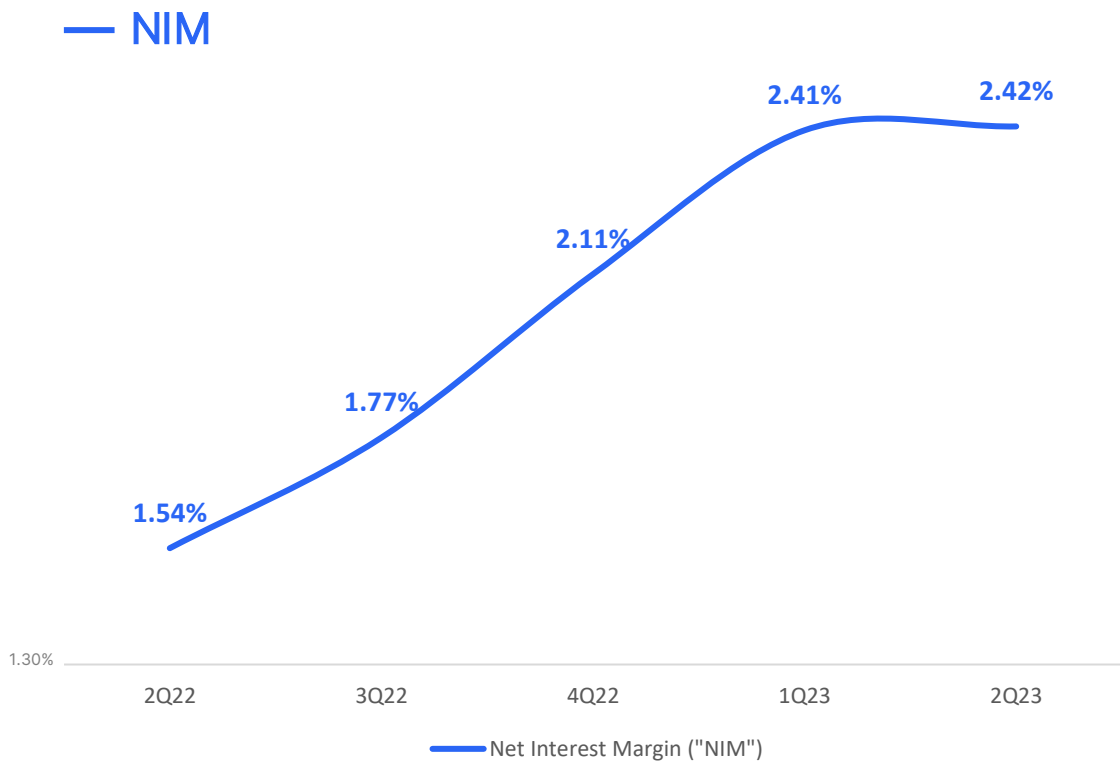
# Strong Net Interest Margin and Spread Drive Robust Top-line Performance



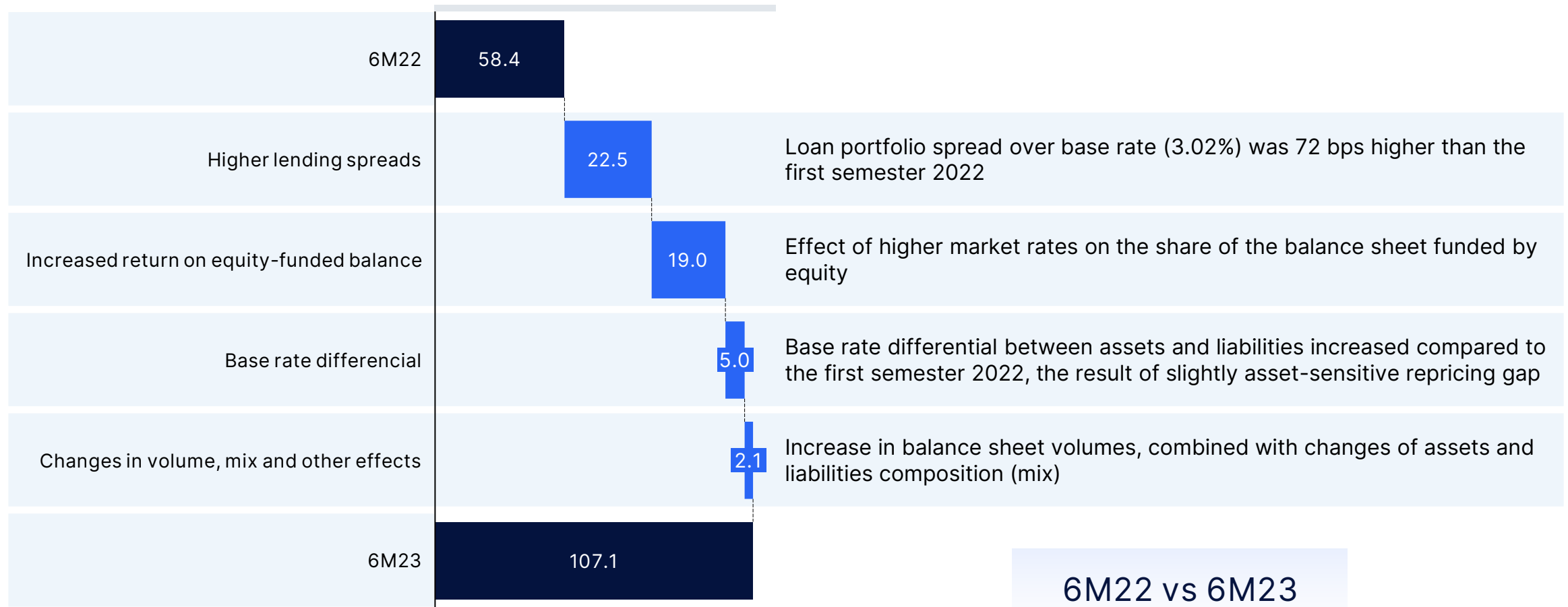
## Net Interest Spread



## Net Interest Margin



# NII Growth Driven by Strong Lending Spreads and the Positive Effect of Higher Market Rates

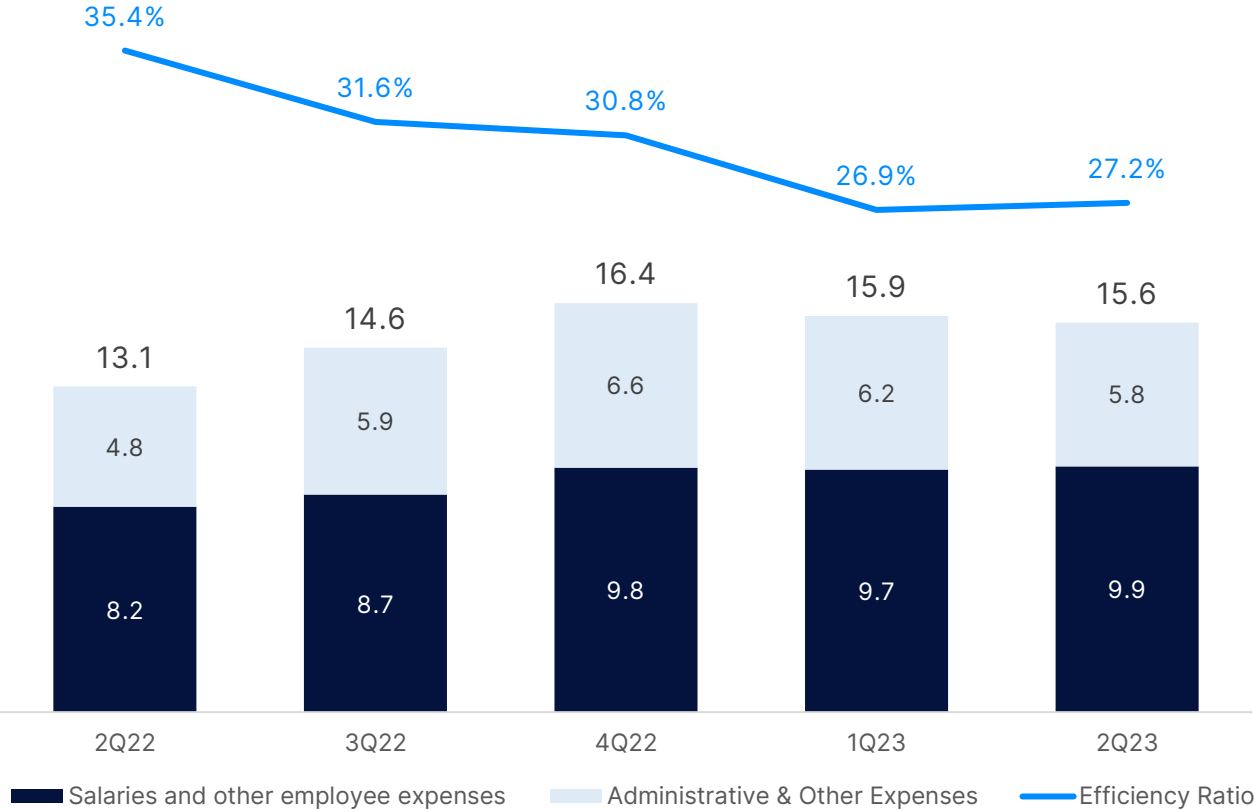


6M22 vs 6M23  
+\$48.7M

Strong Revenue  
Growth Drive  
Lower Cost-to-  
Income Ratio



Opex & Efficiency Ratio



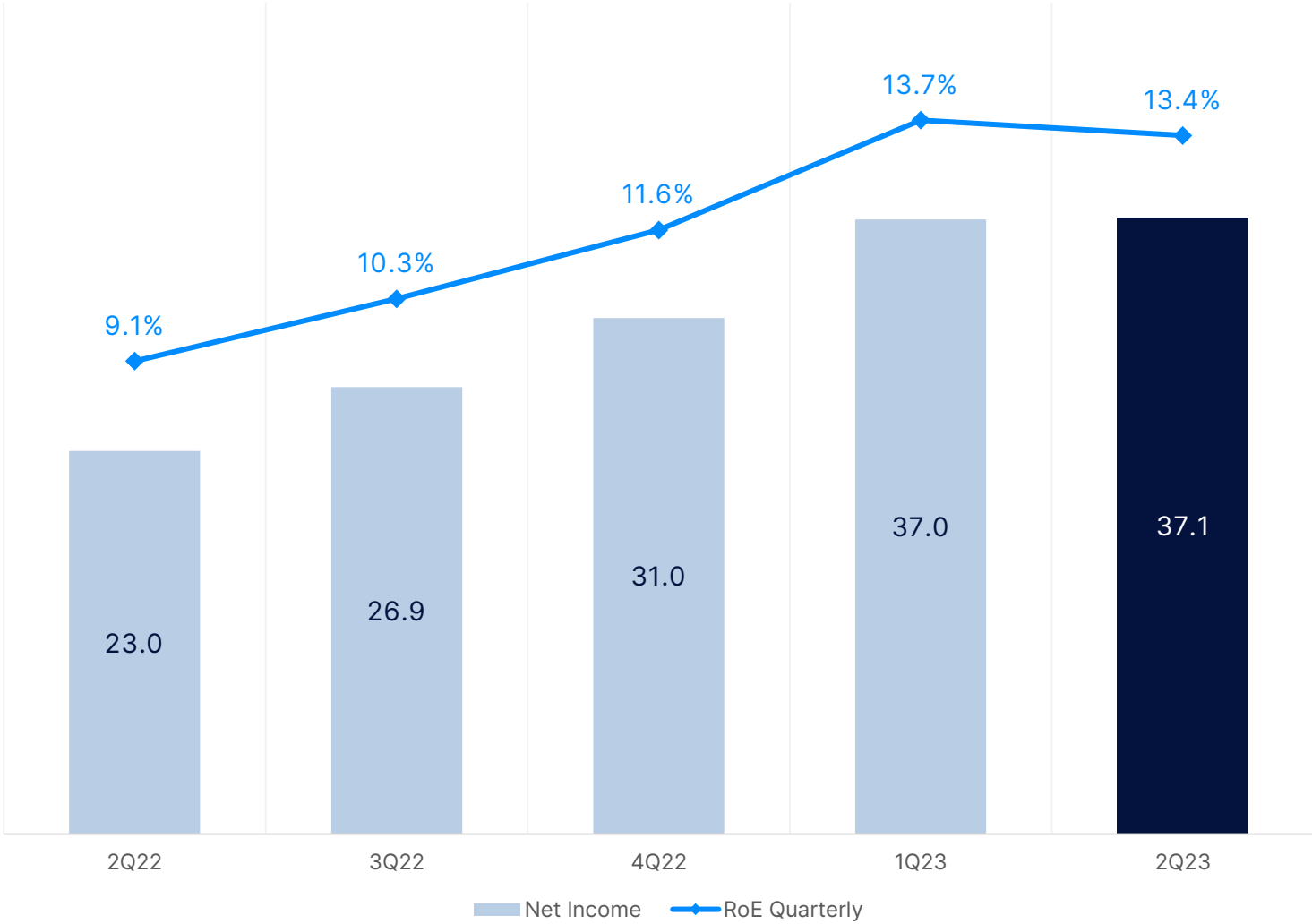
(USD millions, except for %)



Increased Profitability  
Consolidating Sustainable Double-Digit Returns



Net Income & RoE  
Quarterly



(USD millions, except for %)



Capital: Core Equity Tier 1 ratio expected to range between 15% to 16%



NIM: Above 2022 levels at around 2.1- 2.4%, enhanced by increased corporate deposits and the full impact of higher interest rates



Fees: Consistent growth of 8 – 10% trend from Letters of Credit Business and Syndications activity



Efficiency: Efficiency target ratio around 2022 levels, as higher revenues continue to offset Investments in process improvements and technology



ROE: Sustained low double-digit returns. 11-13% in line with the strategic Plan



# BLX: Attractive risk-reward alternative for Latam Exposure

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



# Contact

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Panama

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## Diego Cano

AVP Investor Relations

[dcano@bladex.com](mailto:dcano@bladex.com)

Panama





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# Exhibits

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JULY 2023

	2Q23	1Q23	2Q22	6M23	6M22
<b>Key Income Statement Highlights</b>					
Net Interest Income ("NII")	\$54.5	\$52.6	\$32.7	\$107.1	\$58.4
Fees and commissions, net	\$6.5	\$4.8	\$4.3	\$11.3	\$8.2
(Loss) gain on financial instruments, net	(\$3.6)	\$1.7	(\$0.1)	(\$1.9)	\$0.5
Other income, net	\$0.1	\$0.0	\$0.0	\$0.1	\$0.0
Total revenues	\$57.4	\$59.2	\$36.8	\$116.6	\$67.2
Provision for credit losses	(\$4.7)	(\$6.3)	(\$0.8)	(\$11.0)	(\$8.9)
Operating expenses	(\$15.6)	(\$15.9)	(\$13.1)	(\$31.5)	(\$24.1)
Profit for the period	\$37.1	\$37.0	\$23.0	\$74.0	\$34.1
<b>Profitability Ratios</b>					
Earnings per Share ("EPS") <sup>(1)</sup>	\$1.02	\$1.02	\$0.63	\$2.03	\$0.94
Return on Average Equity ("ROE") <sup>(2)</sup>	13.4%	13.7%	9.1%	13.6%	6.8%
Return on Average Assets ("ROA") <sup>(3)</sup>	1.6%	1.6%	1.1%	1.6%	0.8%
Net Interest Margin ("NIM") <sup>(4)</sup>	2.42%	2.41%	1.54%	2.42%	1.43%
Net Interest Spread ("NIS") <sup>(5)</sup>	1.79%	1.82%	1.32%	1.80%	1.24%
Efficiency Ratio <sup>(6)</sup>	27.2%	26.9%	35.4%	27.0%	35.9%
<b>Assets, Capital, Liquidity &amp; Credit Quality</b>					
Credit Portfolio <sup>(7)</sup>	\$9,114	\$8,716	\$8,685	\$9,114	\$8,685
Commercial Portfolio <sup>(8)</sup>	\$8,114	\$7,778	\$7,583	\$8,114	\$7,583
Investment Portfolio	\$1,000	\$938	\$1,102	\$1,000	\$1,102
Total assets	\$10,134	\$9,249	\$8,925	\$10,134	\$8,925
Total equity	\$1,128	\$1,096	\$1,019	\$1,128	\$1,019
Market capitalization <sup>(9)</sup>	\$804	\$633	\$482	\$804	\$482
Tier 1 Capital to risk-weighted assets (Basel III – IRB) <sup>(10)</sup>	15.7%	15.3%	15.1%	15.7%	15.1%
Capital Adequacy Ratio (Regulatory) <sup>(11)</sup>	13.5%	13.5%	12.9%	13.6%	12.9%
Total assets / Total equity (times)	9.0	8.4	8.8	9.0	8.8
Liquid Assets / Total Assets <sup>(12)</sup>	17.3%	14.1%	10.6%	17.3%	10.6%
Credit-impaired loans to Loan Portfolio <sup>(13)</sup>	0.1%	0.5%	0.2%	0.1%	0.2%
Impaired credits <sup>(14)</sup> to Credit Portfolio	0.1%	0.4%	0.1%	0.1%	0.1%
Total allowance for losses to Credit Portfolio <sup>(15)</sup>	0.6%	0.8%	0.6%	0.6%	0.6%
Total allowance for losses to Impaired credits (times) <sup>(15)</sup>	5.0	2.1	5.3	5.0	5.3

- 1) Earnings per Share ("EPS") calculation is based on the average number of shares outstanding during each period.
- 2) ROE refers to return on average stockholders' equity which is calculated based on unaudited daily average balances.
- 3) ROA refers to return on average assets which is calculated based on unaudited daily average balances.
- 4) NIM refers to net interest margin which constitutes to Net Interest Income ("NII") divided by the average balance of interest-earning assets.
- 5) NIS refers to net interest spread which constitutes the average yield earned on interest-earning assets, less the average yield paid on interest-bearing liabilities.
- 6) Efficiency Ratio refers to consolidated operating expenses as a percentage of total revenues.
- 7) The Bank's "Credit Portfolio" includes gross loans at amortized cost (or the "Loan Portfolio"), securities at FVOCI and at amortized cost, gross of interest receivable and the allowance for expected credit losses, loan commitments and financial guarantee contracts, such as confirmed and stand-by letters of credit, and guarantees covering commercial risk; and other assets consisting of customers' liabilities under acceptances.
- 8) The Bank's "Commercial Portfolio" includes gross loans at amortized cost (or the "Loan Portfolio"), loan commitments and financial guarantee contracts, such as issued and confirmed letters of credit, stand-by letters of credit, guarantees covering commercial risk and other assets consisting of customers' liabilities under acceptances.
- 9) Market capitalization corresponds to total outstanding common shares multiplied by market close price at the end of each corresponding period.
- 10) Tier 1 Capital ratio is calculated according to Basel III capital adequacy guidelines, and as a percentage of risk-weighted assets. Risk-weighted assets are estimated based on Basel III capital adequacy guidelines, utilizing internal-ratings based approach or "IRB" for credit risk and standardized approach for operational risk.
- 11) As defined by the Superintendency of Banks of Panama through Rules No. 01-2015 and 03-2016, based on Basel III standardized approach. The capital adequacy ratio is defined as the ratio of capital funds to risk-weighted assets, rated according to the asset's categories for credit risk. In addition, risk-weighted assets consider calculations for market risk and operating risk.
- 12) Liquid assets refer to total cash and cash equivalents, consisting of cash and due from banks and interest-bearing deposits in banks, excluding pledged deposits and margin calls; as well as highly rated corporate debt securities (above 'A-'). Liquidity ratio refers to liquid assets as a percentage of total assets.
- 13) Loan Portfolio refers to gross loans at amortized cost, excluding interest receivable, the allowance for loan losses, and unearned interest and deferred fees. Credit-impaired loans are also commonly referred to as Non-Performing Loans or NPLs.
- 14) Impaired Credits refers to Non-Performing Loans or NPLs and non-performing securities at FVOCI and at amortized cost.
- 15) Total allowance for losses refers to allowance for loan losses plus allowance for loan commitments and financial guarantee contract losses and allowance for investment securities losses.