



# Banco Latinoamericano de Comercio Exterior, S.A. ("Bladex")

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1Q22 Earnings Presentation  
May 4, 2022



*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 government actions intended to limit its spread; 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.*

## 1Q22 Highlights: Credit Portfolio at record historical levels

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Credit Portfolio at \$8.4 billion, reaching record levels for the Bank

Increased commercial activity on the back of strong demand, boosted by higher commodity prices and trade flows. Commercial Portfolio up 28% from a year ago and 12% QoQ

Asset quality remains strong, with close to zero percent NPLs to total loans

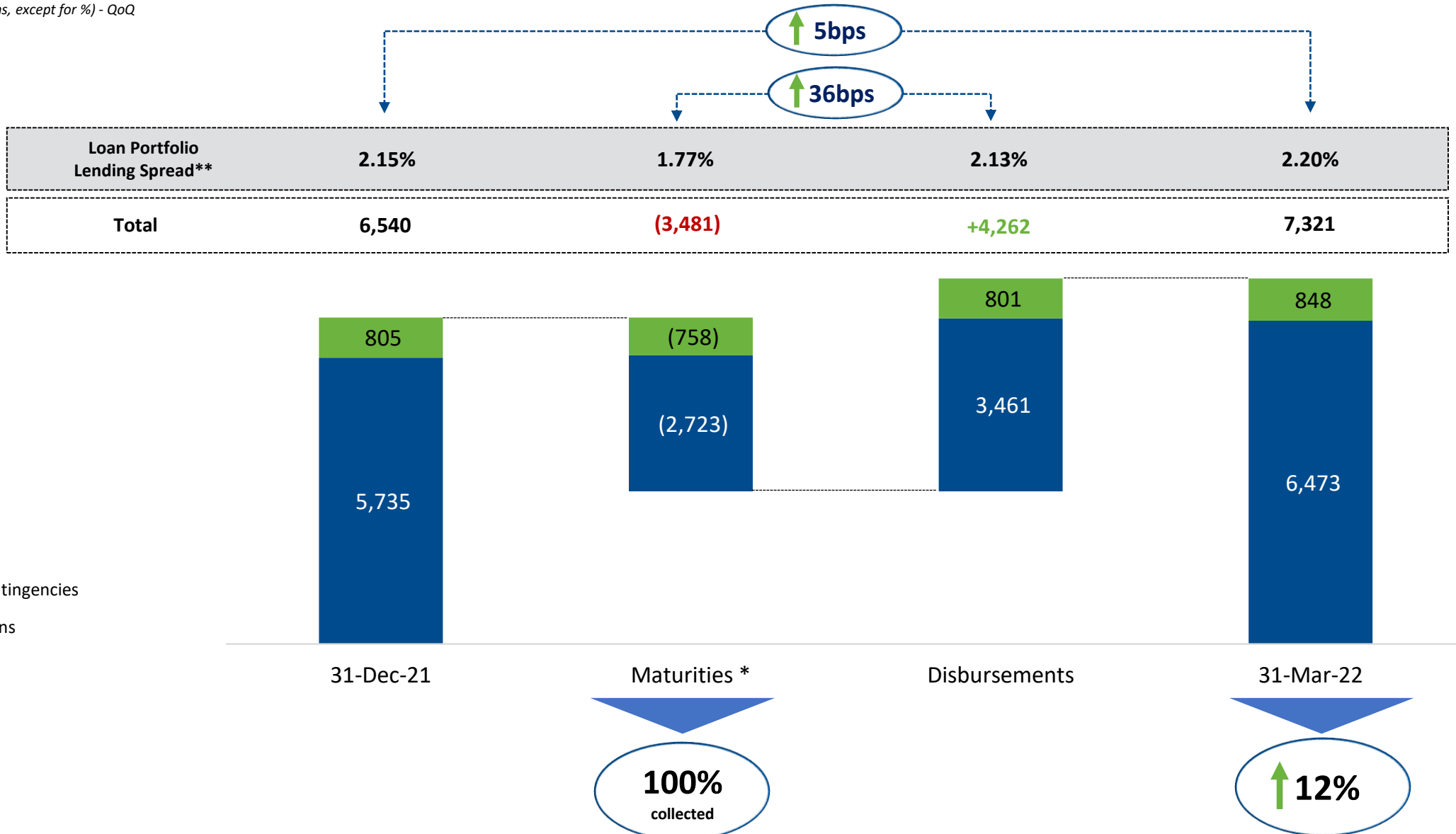
Quarterly results before provisions remained similar to the previous quarter, up 50% YoY. Net Profits down 13% YoY and 45% QoQ, mainly on increased credit loss provisions associated to solid credit growth

Secured relevant medium/long-term funding via a syndicated deal of USD300 million and a bond issuance in Mexican pesos at the equivalent of USD150 million

Stable quarterly dividends at 25 cents per share were declared by our Board, representing 82% of quarterly earnings

# Sequential Commercial Portfolio growth, resulting from higher end-of-period balances (+28% YoY; +12% QoQ), with higher average lending spreads (+5bps)

(USD millions, except for %) - QoQ

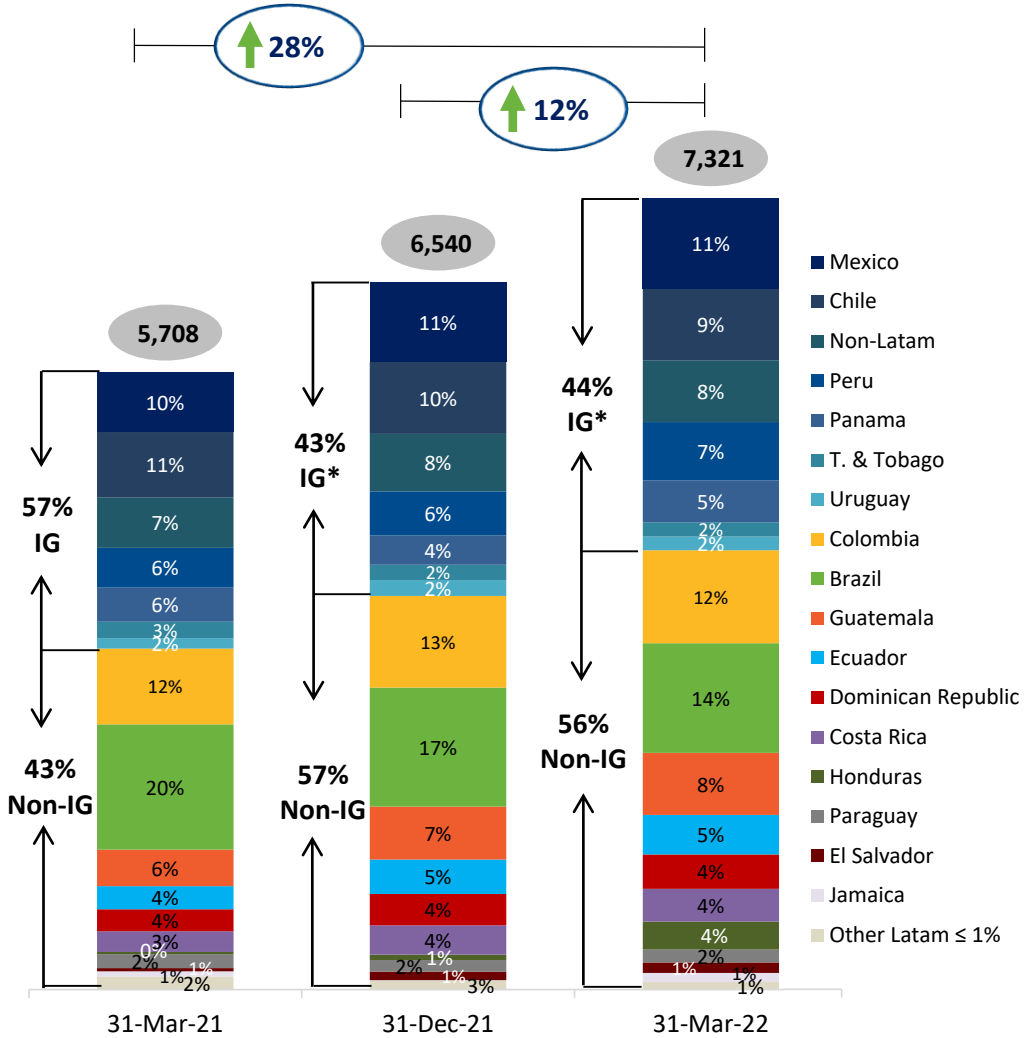


(\*) Includes prepayments and sales

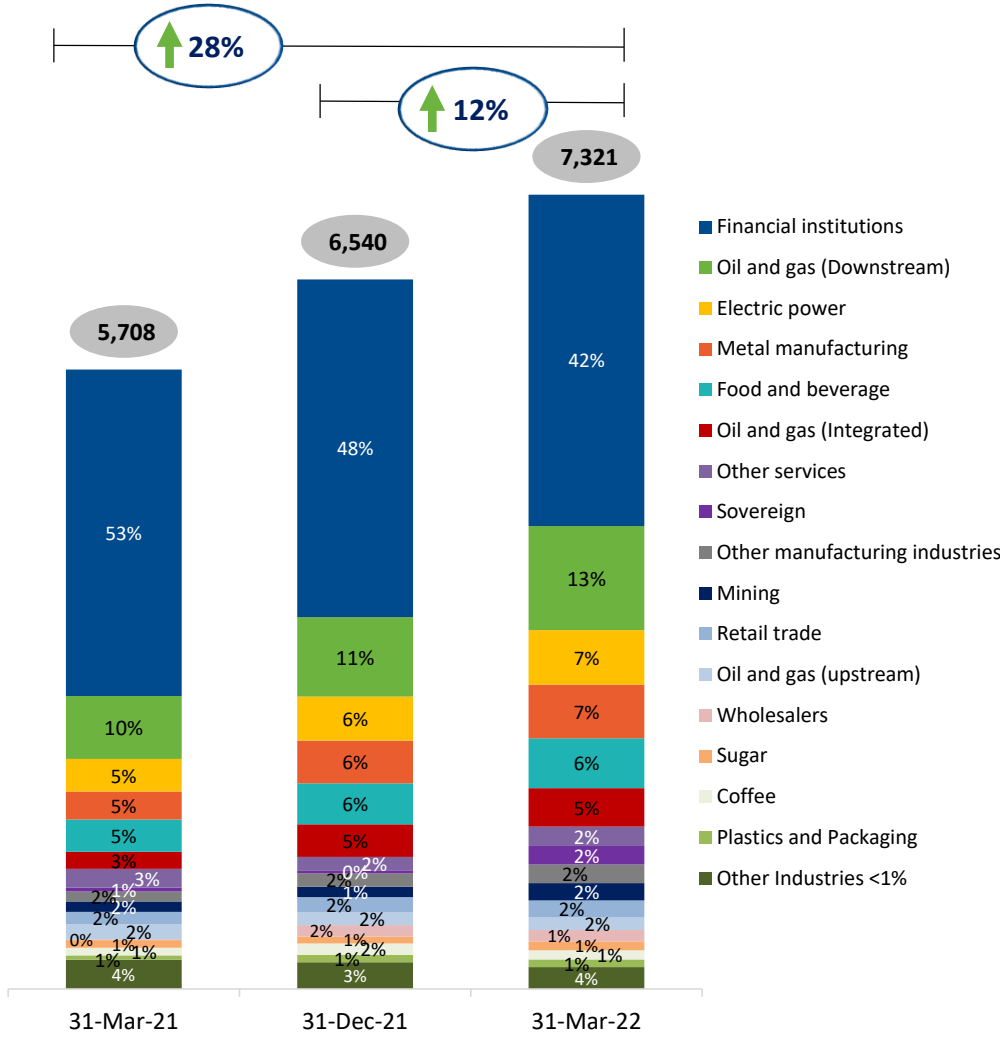
(\*\*) Refers to lending spread over base rate. Lending spreads shown at 31-Dec-21 and 31-Mar-22 represent the average lending spread on total Loan Portfolio for the quarter ended at each of those dates.

# The Commercial Portfolio's growth was mainly focused on the commodities and manufacturing sector, preserving sound credit quality through well diversified exposures with top-tier clients across the Region

Commercial Portfolio by Country



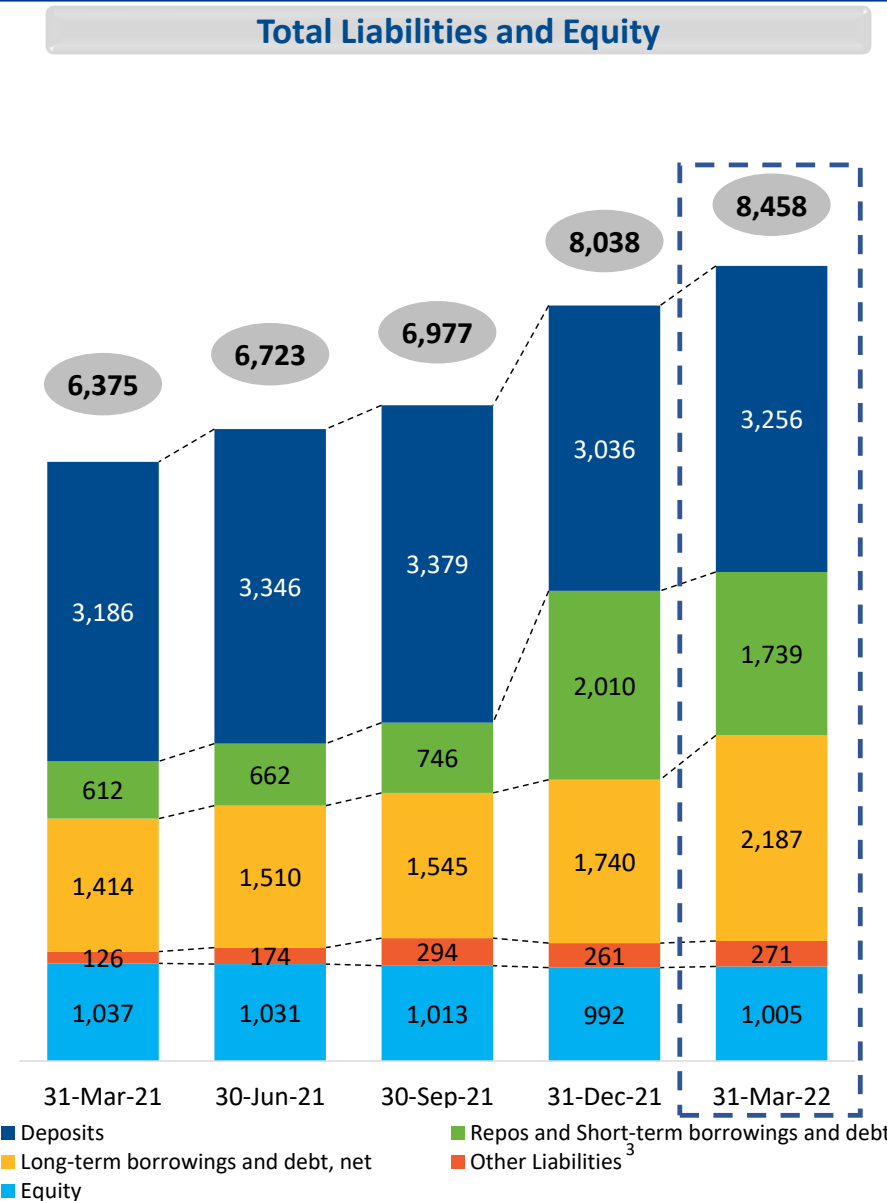
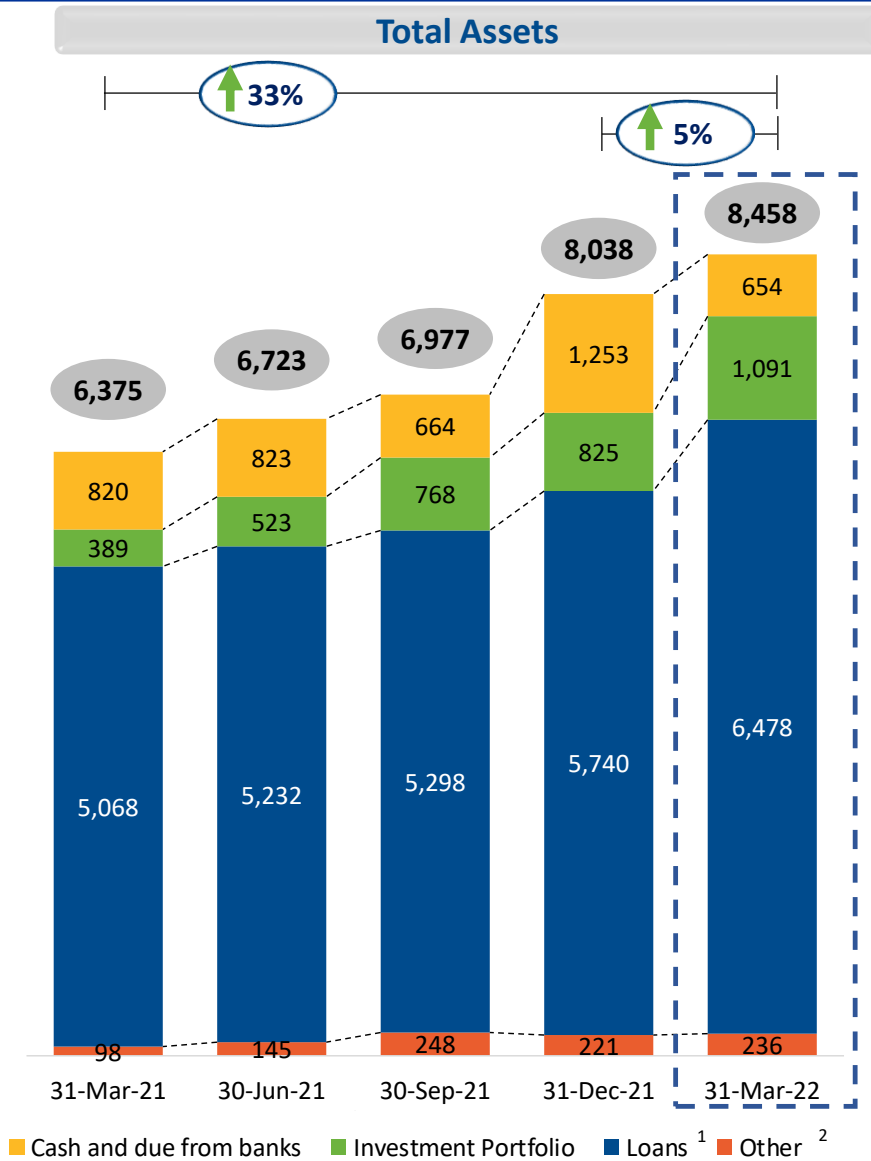
Commercial Portfolio by Industry



\* Even though Colombia is still rated investment grade by one of the major credit rating agencies, Bladex decided to classify it as non-investment grade following the downgrades by the two remaining main credit rating agencies in May and July of 2021

# Total assets of \$8.5 billion, surpassing historical levels, on the back of the positive trend of the loan portfolio, coupled with increasing securities portfolio. Resilient level of deposits and diversified funding sources with ample access to global debt and capital markets

(USD millions, except for %) - EoP



(1) Loans refers to loans at amortized cost and loans at fair value through profit or loss

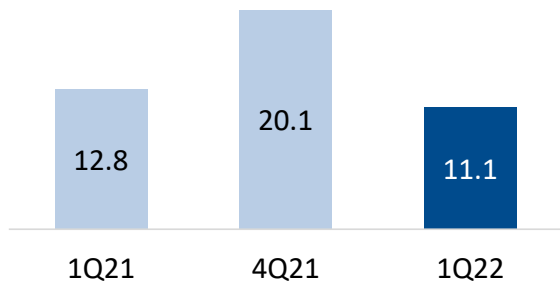
(2) Other Include Interest receivable securities; Allowance for securities losses; Interest receivable loans; Allowance for loan losses; Unearned interest and deferred fees loans; Customers' liabilities under acceptances; Derivative financial instruments – assets; Equipment and leasehold improvements, net; Intangibles, net; Investment properties and Other assets

(3) Other liabilities Includes Interest payable deposits; Interest payable borrowings and debt; Customers' liabilities under acceptances; Derivative financial instruments – liabilities; Allowance for loan commitments and financial guarantee contract losses and Other liabilities

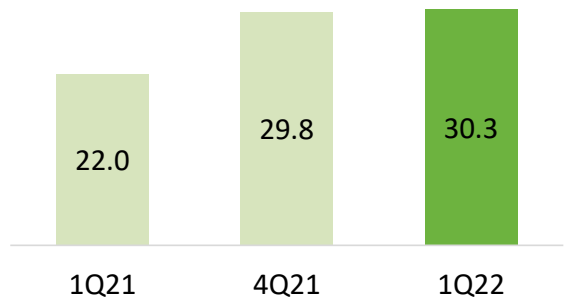
# Improved 1Q22 NII (up 36% YoY and 4% QoQ) on higher volumes and net lending rates; higher provision charges on increased Credit Portfolio balances, resulting in lower quarterly profits (-13% YoY and -45% QoQ)

(USD millions)

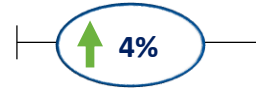
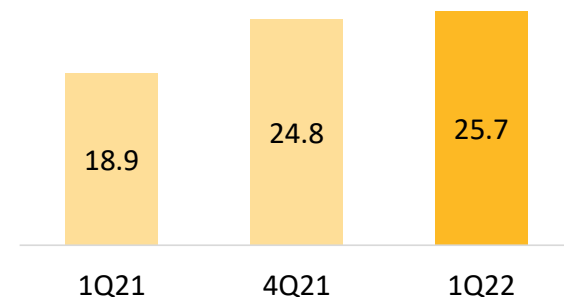
## Profit for the Period



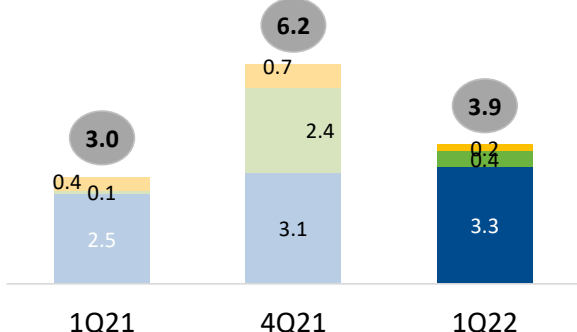
## Total Revenues



## Net Interest Income



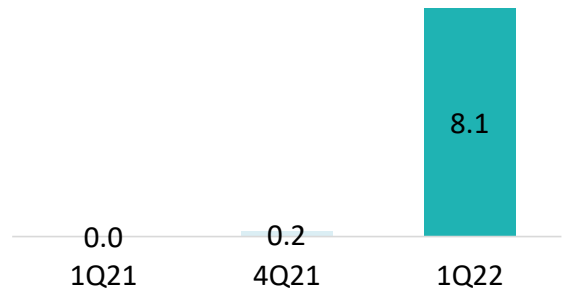
## Fees and Commissions



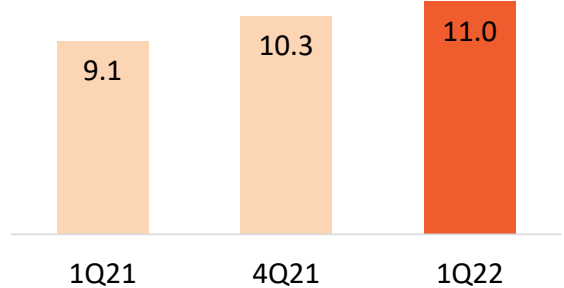
■ Other commissions, net
 ■ Loan syndication fees
 ■ Letters of credit



## Provisions for Credit Losses

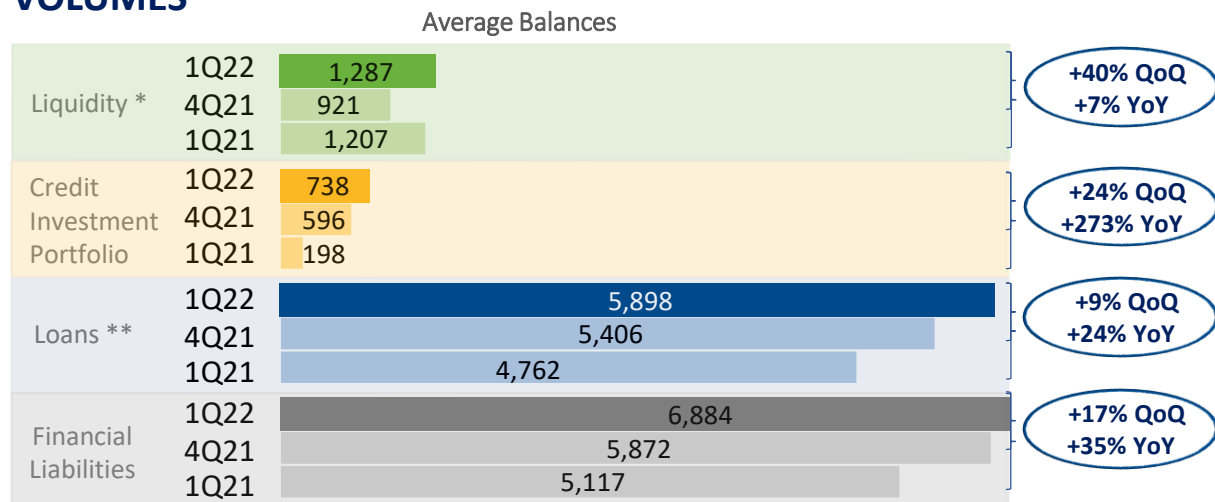


## Operating Expenses



# 1Q22 NII improvement due to higher average credit portfolio volumes and a positive trend in net lending rates

## VOLUMES



## YoY Volume-Rate Variation Analysis



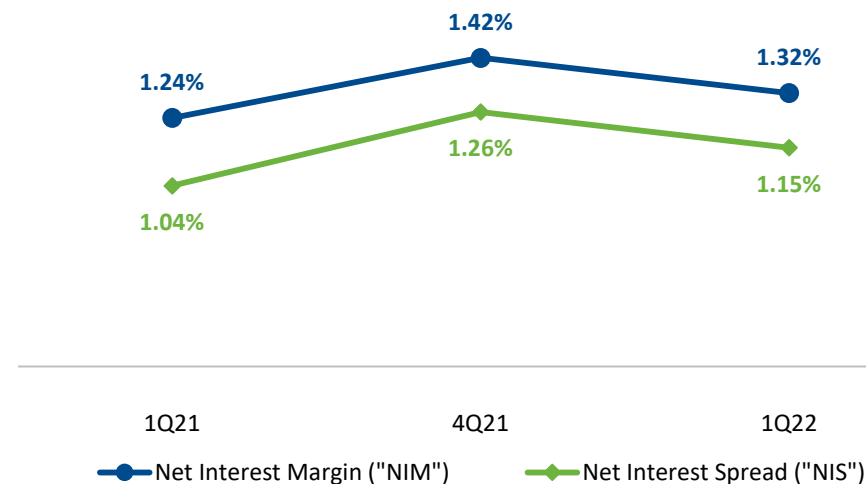
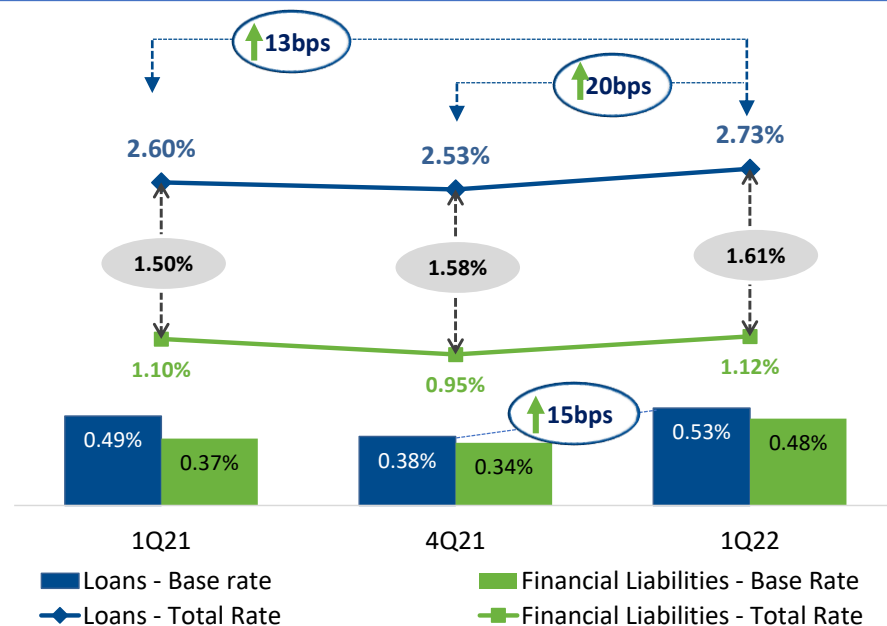
## QoQ Volume-Rate Variation Analysis



\* Consists of cash and due from banks and highly rated corporate debt securities ('A-' or above)

\*\* Gross of unearned interest and deferred fees.

## RATES





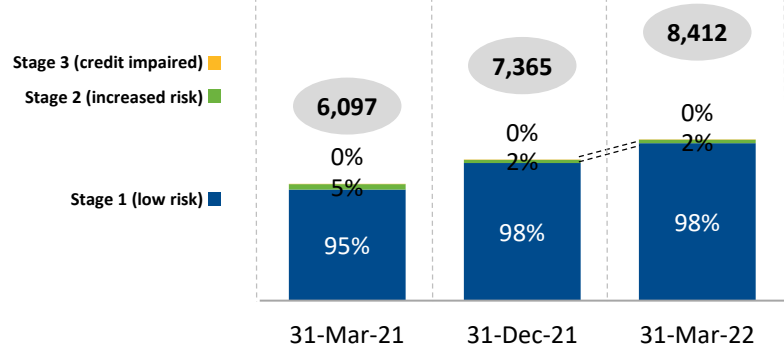
# Continued strong asset quality with no new NPLs during the quarter; credit loss provisions totaling \$8.1 million, mostly associated to credit growth

## Allowance for Credit Losses

(USD millions, except for %)

Total Allowance for Losses to Credit Portfolio	0.7%	0.6%	0.7%
Allowance for Losses to Stages 1 + 2	0.7%	0.6%	0.6%
Allowance for Losses	44.6	47.1	55.2

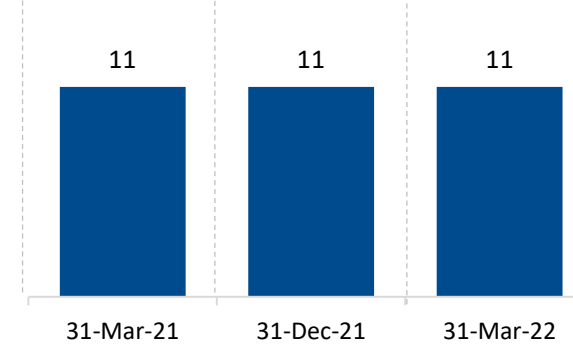
Credit Portfolio



## Credit Impaired Loans

(USD millions, except for %)

Total allowance for losses to Credit impaired loans	4.2x	4.4x	5.2x
Credit impaired loans to Loan Portfolio	0.2%	0.2%	0.2%



■ Current NPLs related to the retail trade business

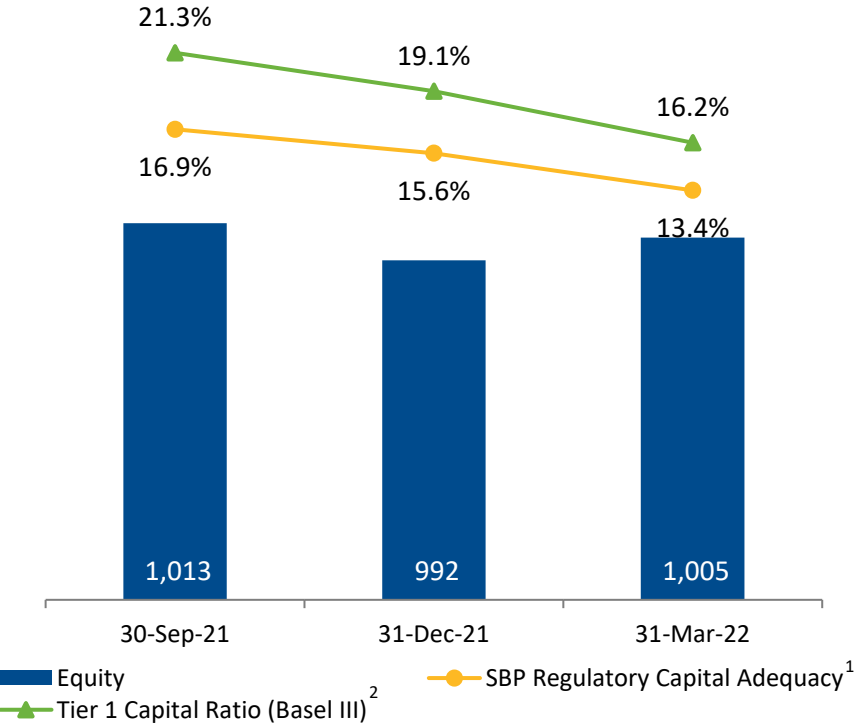
At and for the three months ended

(USD million)	31-Mar-21	30-Jun-21	30-Sep-21	31-Dec-21	31-Mar-22
<b>Allowance for losses<sup>1</sup></b>					
Balance at beginning of the period	\$44.6	\$44.6	\$46.1	\$46.9	\$47.1
Provisions (reversals)	0.0	1.3	0.8	0.2	8.1
Write-offs, net of recoveries	<u>0.0</u>	<u>0.2</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
<b>End of period balance</b>	<b>\$44.6</b>	<b>\$46.1</b>	<b>\$46.9</b>	<b>\$47.1</b>	<b>\$55.2</b>

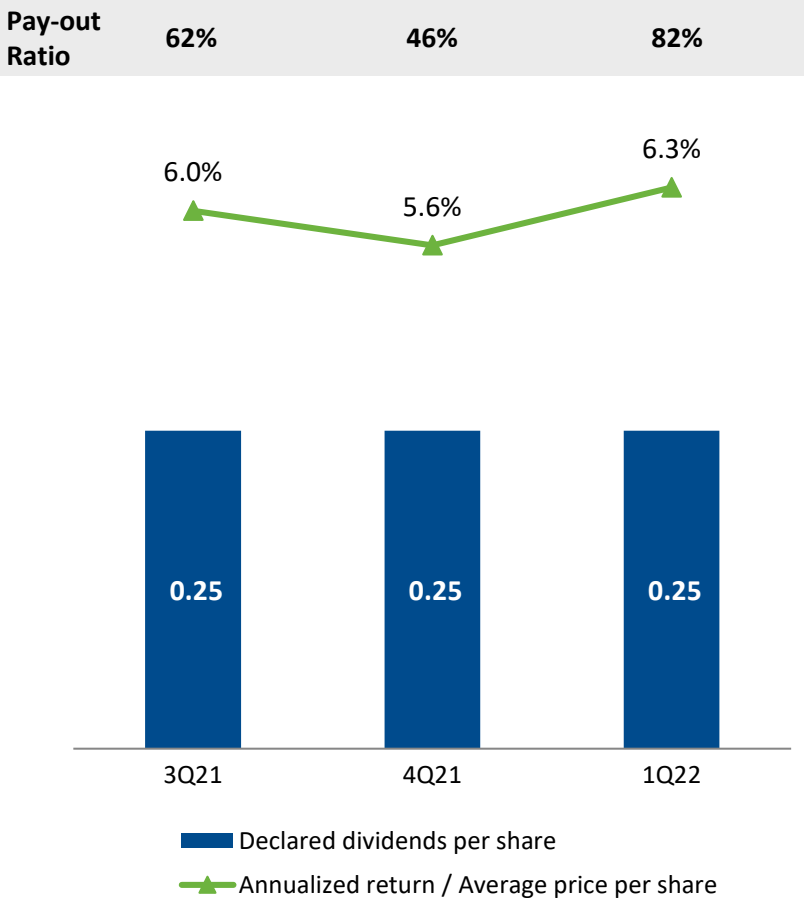
(1) Includes allowance for expected credit losses on loans at amortized cost, on loan commitments and financial guarantees contracts, and on securities at amortized cost and at fair value through other comprehensive income.

# Stable equity levels and robust capitalization, a fundamental component for portfolio growth, while maintaining an attractive dividend pay-out ratio

## Capitalization



## Dividends



<sup>(1)</sup> 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..

<sup>(2)</sup> 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.

**Thank You!**