Financial Statement of

FIRST OVERSEAS BANK LIMITED

For the year ended December 31, 2025

ECOVIS®

FIRST OVERSEAS BANK LIMITED
Financial Statements

For the year ended December 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of:
First Overseas Bank Limited

Opinion

We have audited the financial statements of First Overseas Bank Limited (the "Bank"), which comprise the statement of financial position as at December 31, 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 independent of the Bank in accordance with the ethical requirements that are relevant to our audit of the financial statements in The Bahamas, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

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INDEPENDENT AUDITORS' REPORT *(Continued)*

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 a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ecovis Bahamas
Chartered Accountants
Nassau, The Bahamas

March 19, 2026

FIRST OVERSEAS BANK LIMITED
Statement of Financial Position

As at December 31, 2025
(Expressed in United States dollars)

	Notes	2025	2024
ASSETS			
Cash and due from banks	***4, 20***	$ 11,872,873	$ 16,811,732
Settlement balances	***5, 20***	1,442,486	6,041,840
Financial instruments at fair value through profit or loss	***6(a)***	62,615,086	79,142,016
Derivative financial instruments	***7***	1,483,309	1,437,697
Other assets	***8***	7,908,717	8,554,784
Financial instruments at amortized cost	***9***	269,163	7,655,706
Long-term investments	***10, 20***	1,713,465	1,928,469
Loans and advances	***11, 20***	6,954,269	12,808,842
Intangible assets	***12***	24,015	17,399
Property and equipment	***13, 14(a)***	1,936,234	1,932,589
TOTAL ASSETS		$ 96,219,617	$ 136,331,074
LIABILITIES AND EQUITY			
Liabilities			
Customers' deposits	***15, 20***	$ 20,543,053	$ 19,625,463
Settlement balances	***5, 20***	107,663	44,227,614
Financial instruments at fair value through profit or loss	***6(b)***	9,098,308	8,017,609
Other liabilities	***14(b), 16***	224,157	379,039
Total liabilities		29,973,181	72,249,725
Equity			
Share capital	***17***	10,000,000	10,000,000
Retained earnings		56,246,436	54,081,349
Total equity		66,246,436	64,081,349
TOTAL LIABILITIES AND EQUITY		$ 96,219,617	$ 136,331,074
Memoranda items	***19, 20***	$ 88,408,346	$ 128,287,999

The accompanying notes form an integral part of these financial statements.

Approved by the Board of Directors on March 19, 2026, and signed on its behalf by:

Director

Director

FIRST OVERSEAS BANK LIMITED
Statement of Comprehensive Income

For the year ended December 31, 2025
(Expressed in United States dollars)

	Notes	2025	2024
NET INTEREST AND COMMISSION INCOME/(EXPENSES)			
Interest income			
Loans		$ 726,889	$ 771,768
Securities		3,205	1,062,418
Banking		1,588	-
Deposits		30	-
		731,712	1,834,186
Interest expense			
Deposits		(278,164)	(799,926)
Net interest income		453,548	1,034,260
Commission income/(expense)			
Commissions received		889,967	329,767
Commissions paid		(345,786)	(338,566)
Net commission income/(expense)		544,181	(8,799)
NET INTEREST AND COMMISSION INCOME		997,729	1,025,461
NON-INTEREST INCOME/(EXPENSES)			
Net result from securities trading		6,690,252	29,963,453
Net foreign exchange difference		710,493	(365,987)
Change in fair value of long-term investments	***10***	(215,004)	753,960
Other gains		172,225	142,450
Increase in provision for expected credit losses	***21***	6,764	22,667
Total non-interest income		7,364,730	30,516,543
OPERATING INCOME		8,362,459	31,542,004
OPERATING EXPENSES			
Other operating expenses		2,373,934	2,406,790
Administration expenses		1,506,670	1,788,808
Depreciation and amortization	***13, 14***	127,040	91,319
Taxes		100,000	100,000
Amortization expense of right-of-use asset	***14(c)***	87,228	78,793
Interest expense on lease liabilities	***14(c)***	2,500	4,869
Total operating expenses		4,197,372	4,470,579
TOTAL COMPREHENSIVE INCOME		$ 4,165,087	$ 27,071,425

The accompanying notes form an integral part of these financial statements.

FIRST OVERSEAS BANK LIMITED
Statement of Changes in Equity

For the year ended December 31, 2025
(Expressed in United States dollars)

	Share Capital	Retained Earnings	Total
Total equity at December 31, 2023	$ 10,000,000	$ 30,009,924	$ 40,009,924
Comprehensive income for the year			
Profit for the year	-	27,071,425	27,071,425
Total comprehensive income for the year	-	27,071,425	27,071,425
Transactions with owners			
Dividends (Note 18)	-	(3,000,000)	(3,000,000)
Total transactions with owners	-	(3,000,000)	(3,000,000)
Total equity at December 31, 2024	10,000,000	54,081,349	64,081,349
Comprehensive income for the year			
Profit for the year	-	4,165,087	4,165,087
Total comprehensive income for the year	-	4,165,087	4,165,087
Transactions with owners			
Dividends (Note 18)	-	(2,000,000)	(2,000,000)
Total transactions with owners	-	(2,000,000)	(2,000,000)
Total equity at December 31, 2025	$ 10,000,000	$ 56,246,436	$ 66,246,436

The accompanying notes form an integral part of these financial statements.

FIRST OVERSEAS BANK LIMITED
Statement of Cash Flows

For the year ended December 31, 2025
(Expressed in United States dollars)

	Notes	2025	2024
Cash flows from operating activities:			
Profit for the year		$ 4,165,087	$ 27,071,425
Adjustments for:			
Change in fair value of long-term investments	***10***	215,004	(753,960)
Depreciation and amortization	***13, 14***	214,268	170,112
Increase in provision for expected credit losses	***21***	(6,764)	(22,667)
		4,587,595	26,464,910
Changes in operating assets and liabilities:			
Net (increase)/decrease in settlement balances		(39,520,597)	72,863,419
Net decrease/(increase) in financial instruments at fair value through profit or loss		17,607,629	(118,602,924)
Net (increase)/decrease in derivative financial instruments		(45,612)	4,922,789
Net decrease in other assets		647,872	11,479,669
Net decrease in financial intstruments at amortized cost		7,390,098	6,295,010
Net decrease/(increase) in loans and advances		5,855,977	(4,197,403)
Net increase in customers' deposits		917,590	6,171,099
Net decrease in other liabilities		(65,154)	(2,167,041)
Net cash (used in)/provided by operating activities		(2,624,602)	3,229,528
Cash flows from investing activities:			
Acquisition of intangible assets	***12***	(38,346)	(14,206)
Purchase of property and equipment	***13***	(186,183)	(26,518)
Net cash used in investing activities		(224,529)	(40,724)
Cash flows from financing activities:			
Payment of lease liabilities	***14(b)***	(89,728)	(83,662)
Dividends paid	***18***	(2,000,000)	(3,000,000)
Net cash used in financing activities		(2,089,728)	(3,083,662)
Net (decrease)/increase in cash and cash equivalents		(4,938,859)	105,142
Cash and cash equivalents, beginning of year		16,811,732	16,706,590
CASH AND CASH EQUIVALENTS, END OF YEAR		$ 11,872,873	$ 16,811,732

The accompanying notes form an integral part of these financial statements.

1. GENERAL

First Overseas Bank Limited (the "Bank") was incorporated under the laws of the Commonwealth of The Bahamas on November 23, 1981. The Bank is licensed under the Banks and Trust Companies Regulation Act 1965 (as amended) to conduct banking business.

The Bank is also licensed with the Securities Commission of The Bahamas as i) Dealing in Capital Market Instruments as Agent or Principal; and ii) Advising on Capital Market Instruments.

The Bank's principal activity is the provision of offshore banking services, which includes buying and selling securities issued by the Argentine government and private Argentine companies.

The Bank's principal place of business is located at Office #2, in Building #8, Caves Village, West Bay Street, Nassau, The Bahamas.

The Bank is a wholly owned subsidiary of Mariva International Co. Ltd., a company incorporated and domiciled in the Commonwealth of The Bahamas. The financial statements of First Overseas Bank Limited are consolidated into the financial statements of Banco Mariva S.A., a company incorporated and domiciled in Argentina, and under common ownership with the parent of First Overseas Bank Limited. The Bank is considered an indirect subsidiary of Banco Mariva S.A. and is required to be consolidated in accordance with the regulations issued by the Central Bank of Argentina (BCRA).

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

a) ***Statement of compliance*** – These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as promulgated by the International Accounting Standards Board ("IASB").

b) ***Basis of measurement*** – These financial statements have been prepared under the historical cost convention, except for certain financial assets and financial liabilities that have been measured at fair value.

c) ***Going concern*** – The Bank's management has made an assessment of the Bank's ability to continue as a going concern and is satisfied that the Bank has the resources to sustain its operations for the foreseeable future. Furthermore, management is not aware of any material uncertainties relating to events or conditions that may cast doubt upon the Bank's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

d) ***Functional and presentation currency*** – The financial statements are presented in the United States dollars ("US$"), which is the Bank's functional currency and presentation.

e) ***Foreign currency translation*** – Transactions in foreign currencies are translated at exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Gains and losses resulting from the translation of foreign currency transactions are recognized in the statement of comprehensive income as "Net foreign exchange difference".

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

f) ***Changes in accounting policies and disclosures*** – Certain new standards and amendments to existing standards have been published by the International Accounting Standards Board ("IASB"); the effect on the Bank's financial statements are set out below:

f.1) Adoption of amended standard effective January 1, 2025
The Bank adopted the following amended standard during the year:

- Amendment to *IAS 21 – Non-convertibility (Effective for annual periods beginning on or after January 1, 2025)* – The amendments introduce criteria for assessing whether a currency is convertible into another, and when it is not, require estimating the spot exchange rate that would reflect an orderly transaction between market participants, as well as incorporating specific disclosures when non-convertibility exists.

f.2) New and amended standards published but not yet effective
The following new and amended standards have been issued but are not yet effective and have not been early adopted. The Bank intends to adopt these standards when they become effective:

- *Amendments to IFRS 9 and IFRS 7, 'Classification and Measurement of Financial Instruments' (Effective for annual periods beginning on or after January 1, 2026)* – These amendments address, among other things, the settlement of financial liabilities by electronic transfer and the classification of financial assets (including non-recourse and contractually linked instruments), as well as new/adjusted disclosures in IFRS 7.

- *Annual Improvements to IFRS, Volume 11 (Effective for annual periods beginning on or after January 1, 2026)* – The IASB issued the Annual Improvements package, which includes specific amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 (primarily clarifications and consistency updates to wording/guidance).

- *Amendments to IFRS 9 and IFRS 7, 'Nature-dependent Electricity Contracts' (Effective for annual periods beginning on or after January 1, 2026)* – These amendments improve the accounting treatment and disclosures for certain electricity supply contracts including clarifications on "own use" the possibility of hedge accounting and new disclosure requirements.

- *IFRS 18, 'Presentation and Disclosure in Financial Statements' (Effective for annual periods beginning on or after January 1, 2027)* – This standard will focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
  - the structure of the statement of profit or loss;
  - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures);
  - and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

- IFRS 19, 'Non-Publicly Accountable Subsidiaries: Disclosures' *(Effective for annual periods beginning on or after January 1, 2027)* – Allows eligible subsidiaries to apply IFRS with reduced disclosure requirements.

- *Amendments to IAS 21, 'Translation into a Hyperinflationary Presentation Currency' (Effective for annual periods beginning on or after January 1, 2027)* – These amendments require, in certain cases, the translation of all amounts (including comparative amounts) at the closing exchange rate of the most recent statement of financial position and establish specific requirements when hyperinflationary economies are involved.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

f) ***Changes in accounting policies and disclosures*** *(Continued)*

f.2) New and amended standards published but not yet effective *(Continued)*

- *Amendments to illustrative examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37, 'Disclosures of Uncertainties in Financial Statements' (Effective for annual periods beginning on or after January 1, 2027)* – These amendments are intended to improve the information on the effects of uncertainties (including those related to climate) on financial statements. No effective date is established, as the illustrative examples are not an integral part of IFRS Accounting Standards; however, management considers these guidelines when determining the level of detail and consistency of disclosures.

g) ***Cash and due from banks*** – Cash and due from bank are carried at amortized cost in the statement of financial position. For the purpose of the statement of cash flows, cash due from banks comprises cash on hand and balances at banks with original maturities of 90 days or less.

h) ***Offsetting financial instruments*** – Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Bank or the counterparty.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

i) ***Related parties*** – Parties are considered related if one party has the ability to control or exercise significant influence over the other party in making financial or operational decisions. The Bank's shareholders, directors and entities in which the Bank or its shareholders and directors exercise significant influence over are classified in these financial statements as related parties.

j) ***Long-term investments*** – These investments represent equity shareholdings that the Bank plans to hold for the long term. The shareholdings are less than 20% and the Bank has no control or significant influence over these entities. These investments are carried at fair value as determined by management, using the share of net asset of the investees.

k) ***Intangible assets*** – Acquired computer software licenses are capitalized on the basis of the costs incurred to use the specific software. These costs are amortized over their expected useful lives of five (5) years.

l) ***Property and equipment*** – Property and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs include expenditures that are directly related to the acquisition of the asset. The cost of self-constructed assets includes the cost of material and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use.

The subsequent cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item, if it is probable that the future economic benefits embodied within the part flow to the Bank and its cost can be measured reliably. The costs of day-to-day servicing of property and equipment are recognized in the statement of comprehensive income.

Depreciation is recognized in profit or loss on the straight-line basis at rates estimated to write-off the relevant assets over their expected useful lives as follows:

Buildings	-	2%
Leasehold Improvements	-	20%
Furniture and Equipment	-	20%
Vehicles	-	20%

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

l) ***Property and equipment*** *(Continued)*

Property and equipment are reviewed periodically for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the statement of comprehensive income.

Right-of-Use Assets
The Bank recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Bank is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

The right-of-use asset is presented in property and equipment in the statement of financial position, while the lease liability is presented in other liabilities. When measuring the lease liability, the Bank discounted lease payments using its incremental borrowing rate of 5%.

m) ***Customers' deposits*** – Customers' deposits are initially stated at the nominal amount when funds are received and subsequently stated at amortized cost using the effective interest method.

n) ***Financial instruments*** – A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity of another enterprise.

n.1) Recognition, classification and measurement
The Bank recognizes a financial asset or financial liability in its financial statements, as applicable, when it becomes a party to the contractual clauses of the financial instrument. Purchases and sales are recognized on the trading date on which the Bank buys or sells the instruments.

On initial recognition, the Bank measures its financial assets or liabilities at their fair value plus or minus, in the case of financial instruments not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or liabilities, such as fees and commissions.

Transaction costs of financial assets and financial liabilities carried a fair value through profit or loss are expensed in profit or loss. Immediately after recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortized cost, which results in an accounting loss being recognized in profit or loss when an asset is newly originated.

When the fair value of a financial instrument differs from the transaction price on initial recognition, the Bank recognizes the difference as follows:

- When the fair value is commensurate with the market value of the financial asset or liability or is based on a valuation technique that uses only market values, the difference is recognized as a gain or loss as appropriate.
- In other cases, the difference is deferred and the recognition in time of the gain or loss is determined individually. It is amortized over the life of the instrument until the fair value can be measured based on market values.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

n) ***Financial instruments*** *(Continued)*

n.1) Recognition, classification and measurement *(Continued)*

n.1.i) Financial assets

The Bank classifies its financial assets in the following measurement categories:

- Amortized cost; and
- Fair value through profit or loss (FVTPL).

The classification requirements for debt and equity instruments are described below:

Debt instruments
Debt instruments are those financial instruments that are considered financial liabilities for the issuer, such as loans, public and private bonds, and accounts receivable from client arrangements without recourse.

Classification and subsequent measurement of debt instruments depend on:

- The Bank's business model for managing the asset; and
- The cash flow characteristics of the asset.

Business model
The business model refers to the way in which the Bank manages a set of financial assets to achieve a specific business objective. It represents the way in which the Bank maintains the instruments for the generation of funds.

The business models followed by the Bank are:

- Keep the instruments until expiration;
- Keep the instruments in the portfolio for the collection of the flow of funds and, in turn, sell them in case it is convenient; or
- Keep the instruments for negotiation.

The Bank's business model does not depend on management's intentions for an individual instrument. Therefore, this condition is not a classification approach instrument by instrument but is determined from a higher level of aggregation.

The Bank only realizes the reclassification of an instrument when, and only when, the business model for the management of the assets is modified.

Characteristics of the flow of funds
The Bank evaluates whether the performance of the cash flow of the pooled instruments is not significantly different from the contribution that would be received solely by interest, otherwise, they should be measured at fair value with changes in profit or loss.

Based on these factors, the Bank classified its debt instruments into one of the following measurement categories:

- *Amortized cost* – Financial assets are measured at amortized cost when: (1) the asset is conserved within a business model whose objective is to maintain the financial asset to obtain the contractual cash flows; and (2) the contractual terms of the financial asset give rise, on specific dates, to cash flows that are solely payments of principal and interest (SPPI) on the amount of outstanding capital.

  These financial instruments are initially recognized at fair value plus incremental and directly attributable transactions and are subsequently measured at amortized cost.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

n) ***Financial instruments*** *(Continued)*

n.1) Recognition, classification and measurement *(Continued)*

n.1.i) Financial assets (Continued)

Debt instruments *(Continued)*

Characteristics of the flow of funds (Continued)

- *Amortized cost (Continued)*
  The amortized cost of a financial asset is equal to its acquisition cost less accumulated amortization plus accrued interest (calculated according to the effective interest rate method), net of any impairment loss.

- *Fair value through profit and loss* – Financial assets at fair value includes:
  - Instruments maintained to negotiate;
  - Instruments specifically designated at fair value with changes in results; and
  - Instruments with contractual terms that do not represent cash flows that are only payments of the principal and interest on the outstanding principal amount.

  These financial instruments are initially recognized at fair value and any gain or loss is recognized in the income statement as they are realized.

  The Bank classifies a financial instrument as held for trading if it is acquired or incurred mainly for the purpose of selling or repurchasing in the short term, or if it is part of a portfolio of financial instruments that are jointly managed and for which there is evidence of short-term earnings or is a derivative that is not in a qualified coverage relationship. Derivatives and trading securities are classified as held for trading and recognized at fair value.

  Only financial assets are valued at fair value through profit or loss when, in doing so, the Bank eliminates or significantly reduces the inconsistencies in measurement or recognition that would otherwise be exposed in the valuation.

  The fair value of financial instruments that are not quoted in active markets are determined using valuation techniques. These techniques are validated and reviewed periodically by qualified personnel independent of the area that created them. All models are evaluated and adjusted before being used, to ensure that the results reflect the current information and comparative market prices. Where possible, the models use only observable information; however, factors such as credit risk (own and counterparty), volatilities and correlations require the use of estimates. Changes in assumptions about these factors may affect the reported fair value of financial instruments.

Equity instruments
Equity instruments are instruments that meet the definition from the issuer's perspective, this means instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

Such instruments are valued at fair value through profit or loss. Dividends receivable arising from said instrument are recognized as income only when the right to receive payment is received.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

n) ***Financial instruments*** *(Continued)*

n.1) Recognition, classification and measurement *(Continued)*

n.1.ii) Financial liabilities

Financial liabilities are classified into one of the following measurement categories:

- Amortized cost; and
- Fair value through profit or loss (FVTPL).

Financial liabilities at fair value normally fall within the following categories:

- *Financial liabilities that are valued at fair value through profit and loss* – These financial instruments, which include derivatives and liabilities held for trading, are designated as such at initial recognition.
- *Liabilities arising from the transfer of financial assets* – These occur when the transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies. When the transfer of the financial asset did not qualify for derecognition, a financial liability is recognized for the consideration received for the transfer. In the subsequent periods, the Bank recognizes any expense incurred on the financial liability, when the continuing involvement approach applies.
- *Financial guarantee contracts* – These are contacts that require the issuer to make specific payments to reimburse the holder for the loss it incurs when a specific debtor breaches its payment obligation when due, in accordance with the conditions, original or modified, or a debt instrument. These are measured initially at fair value and subsequently measured at the higher of: i) the amount of the ECL allowance; and ii) the amount initially recognized less, when appropriate the cumulative amount of income recognized in accordance with IFRS 15.
- *Lending commitments at a lower rate than the market rate* – These are measured initially at fair value and subsequently measured at the higher of: i) the amount of the ECL allowance; and ii) the amount initially recognized less, when appropriate the cumulative amount of income recognized in accordance with IFRS 15.

Option to designate a financial liability at fair value through profit and loss
The Bank may choose to use, at the outset, the irrevocable option of designating a liability at fair value through profit or loss if and only if, in doing so, it reflects more adequately the financial information because:

- the Bank eliminates or significantly reduces the inconsistencies in measurement or recognition that would otherwise be exposed in the valuation;
- if the financial assets and liabilities are managed and their performance is evaluated on a fair value basis in accordance with a documented investment or risk management strategy; or
- a main contract contains one or more implicit derivatives.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

n) ***Financial instruments*** *(Continued)*

n.1) Recognition, classification and measurement *(Continued)*

n.1.iii) Derivative financial instruments

Derivative financial instruments, including currency contracts, interest rate futures, forward contracts, interest rate and currency swaps, and currency and interest rate options, are initially recognized at fair value on the date on which the derivative contract is entered into are subsequently re-measured at fair value.

All derivative instruments are accounted for as assets when the fair value is positive and as liabilities when the fair value is negative, in relation to the agreed price. Changes in the fair value of derivative instruments are included in profit or loss. The Bank does not apply hedge accounting.

n.1.iv) Sale and repurchase agreements

Sale and repurchase agreements (“repos”), which effectively provide the performance of the lender to the counterparty, are treated as guaranteed financing transactions. The securities sold under such sale and repurchase agreements must not be derecognized. The securities should not be reclassified in the statement of financial position unless the transferee has the right by contract or custom to sell or replace the securities, in which case they are reclassified as accounts receivable for repurchase. The corresponding liability must be presented within the item financing.

The securities purchased under resale agreements, which effectively provide the lender's performance to the Bank, are recorded as credits under the Financing item.

n.2) Derecognition of financial instruments

n.2.i) Derecognition of financial assets

The Bank derecognizes financial assets, or a portion thereof, when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred.

The Bank derecognize financial assets that have been transferred only when it meets the following characteristics:

- It has transferred the contractual rights to receive future cash flows; and
- It retains the contractual rights to receive cash flows but assumes a repurchase obligation when the following three requirements are met:
  - the Bank is not obliged to pay any amount without receiving the cash flows for the transfer of the asset;
  - the Bank is prohibited from selling the financial asset; and
  - the Bank has to remit the cash flows to which it has committed.

n.2.ii) Derecognition of financial liabilities

The Bank derecognizes financial liabilities (or a part of a financial liability) when, and only when, they are extinguished, that is, when the contract has been discharged, cancelled or expired.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

n) ***Financial instruments*** *(Continued)*

n.3) Impairment of financial instruments
Equity instruments and financial assets measured at FVTPL are not subjected to impairment under IFRS 9.

n.3.i) Impairment of financial assets

The adoption of IFRS 9 has fundamentally changed the Bank's accounting for loan loss impairment by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Bank to record an allowance for ECLs for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts. The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since its origination. If the financial asset meets the definition of purchased or originated credit impaired (POCI), the allowance is based on the change in the ECLs over the life of the asset.

The Bank assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortized cost and with the exposure arising from loan commitments and financial guarantee contracts. The Bank recognizes a loss allowance for such losses at each reporting date.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

Note 22.1 provides more details on how the provision for expected credit losses is measured.

o) ***Lease liabilities*** – At the commencement date of the lease, the Bank recognizes lease liabilities at the present value lease payments to be made over the lease term. In calculating the present value of lease payments, the Bank uses the incremental borrowing rate at the commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset ad is recognized under other liabilities in the statement of financial position.

p) ***Share capital*** – Ordinary shares which are non-redeemable and for which declaration of dividends is discretionary are classified as equity.

q) ***Dividend distribution*** – Dividend distribution to the Bank's shareholders is recognized as a liability in the Bank's financial statements in the period in which the dividends are approved by the Board of Directors.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

r) ***Income recognition***

Interest income
Interest income is recognized in the statement of comprehensive income on the accrual basis, using the effective interest method, for all interest-bearing instruments. Investment interest income is recognized net of any irrecoverable withholding tax.

Fee and commission income
Fee and commission income is recognized in the statement of comprehensive income on the accrual basis when the service has been provided.

s) ***Expenses***

Interest expense
Interest expense is recognized in the statement of comprehensive income on the accrual basis, using the effective interest method.

Other expenses
Other expenses are recognized in the statement of comprehensive income on the accrual basis.

3. USE OF JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial period are discussed below:

Impairment losses on loans and advances
The measurement of impairment losses both under IFRS 9 and IAS 39 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Bank's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Bank's internal credit grading model, which assigns probability of default (PDs) to the individual grades; and
- The Bank's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime expected credit loss (LTECL) basis and the qualitative assessment.

3. USE OF JUDGEMENTS AND ESTIMATES *(Continued)*

Fair value of financial instruments

The fair value of financial instruments that are not quoted in active markets are determined using valuation techniques. These techniques are validated and reviewed periodically by qualified personnel independent of the area that created them. All models are evaluated and adjusted before being used, to ensure that the results reflect the current information and comparative market prices.

Where possible, the models use only observable information. However, factors such as credit risk (own and counterparty) volatilities and correlations require the use of estimates. Changes in assumptions about these factors may affect the reported fair value of financial instruments.

It is possible that outcomes within the next financial period that are different from these assumptions could require a material adjustment to the carrying amount reflected in the financial statements.

The information referring to the instruments that have not been valued based on market information is detailed in Note 24. In this regard, Management determines whether the significant risks and benefits of ownership of financial assets and financial leases are transferred to the counterpart, particularly those of greater risk.

4. CASH AND DUE FROM BANKS

Cash and due from banks are as follows:

	2025	2024
Bank current accounts (Note 20)	$ 11,866,873	$ 16,805,732
Cash on hand	6,000	6,000
	$ 11,872,873	$ 16,811,732

5. SETTLEMENT BALANCES

These balances represent amounts outstanding on trade transactions that are due to be settled within three (3) days of the trade date. Settlement balances are non-interest bearing.

6. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial instruments at fair value through profit or loss are as follows:

a) Debt and equity financial assets:

	2025	2024
Debt securities		
Corporate bonds	$ 37,244,725	$ 16,941,859
Treasury bills	11,764,044	45,738
Government bonds (Note 6(c))	9,504,500	33,996,119
Argentina Central Bank bills	2,935,705	28,135,455
Total debt securities	61,448,974	79,119,171
Equity securities		
Shares in public entities	1,166,112	22,845
Total equity securities	1,166,112	22,845
	$ 62,615,086	$ 79,142,016

At December 31, 2025, the maximum exposure to credit risk for debt securities carried at fair value above is $61,448,974 (2024: $79,119,171). This is the current credit risk exposure, but not the maximum exposure that could arise in the future as a result of changes in their value.

b) Debt securities financial liabilities:

	2025	2024
Government bonds (Note 6(c))	$ 8,289,306	$ 5,149,347
Argentina Central Bank bills	735,100	2,789,789
Corporate Bonds	73,902	78,473
	$ 9,098,308	$ 8,017,609

c) Financial instruments with foreign governments:

	2025	2024
Foreign government bonds (Assets)		
Bonds	$ 9,504,500	$ 33,996,119
Foreign government bonds (Liabilities)		
Bonds	$ 8,289,306	$ 5,149,347

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments include future and forward contracts and are recorded at fair value.

Generally, derivative financial instruments serve as components of the Bank's investment strategy and are utilized primarily to structure and hedge investments to enhance performance and reduce risk to the Bank (the Bank does not designate any derivatives as hedges for hedge accounting purposes as described by IFRS 9 - Financial Instruments).

Forward contracts entered into by the Bank represent a firm commitment to buy or sell an underlying security at a specified value and point in time based upon an agreed or contracted quantity.

The realized/unrealized gain or loss is equal to the difference between the value of the contract at the onset and the value of the contract at settlement date and is included in the statement of comprehensive income.

Details of the Bank's derivative financial instruments are set out below:

	2025	2024
Assets	$1,496,756	$1,443,674
Liabilities	(13,447)	(5,977)
	$ 1,483,309	$ 1,437,697

8. OTHER ASSETS

Other assets are comprised of the following:

	2025	2024
Investment interest and other receivables	$ 7,836,328	$ 8,444,965
Prepaid expenses	58,548	97,783
Refundable deposits	14,006	14,006
	7,908,882	8,556,754
Less: allowance for credit losses	(165)	(1,970)
	$ 7,908,717	$ 8,554,784

The maximum exposure to credit risk is presented in Note 22.1.

The movements in allowance for ECL are as follows:

	Expected Credit Loss Allowance				
	Stage 1	Stage 2	Stage 3	2025	2024
Allowance for ECL, beginning of year	$ 1,970	$ -	$ -	$ 1,970	$ 150
(Decrease)/increase in provision during the year	(1,805)	-	-	(1,805)	1,820
Allowance for ECL, end of year	$ 165	$ -	$ -	$ 165	$ 1,970

9. FINANCIAL INSTRUMENTS AT AMORTIZED COST

The financial instruments at amortized cost are as follows:

	2025	2024
Assets		
Corporate bonds	$ 269,503	$ 1,385,514
Non-bank treasury bills	-	6,274,087
	269,503	7,659,601
Less: allowance for credit losses	(340)	(3,895)
	$ 269,163	$ 7,655,706

The maximum exposure to credit risk is presented in Note 22.1.

The movements in allowance for ECL are as follows:

	Expected Credit Loss Allowance				
	Stage 1	Stage 2	Stage 3	2025	2024
Allowance for ECL, beginning of year	$ 3,895	$ -	$ -	$ 3,895	$ 9,652
Decrease in provision during the year	(3,555)	-	-	(3,555)	(5,757)
Allowance for ECL, end of year	$ 340	$ -	$ -	$ 340	$ 3,895

10. LONG-TERM INVESTMENTS

Details of long-term investments are as follows:

	2025	2024
Balance, beginning of year	$ 1,928,469	$ 1,174,509
Fair value adjustments	(215,004)	753,960
Balance, end of year	$ 1,713,465	$ 1,928,469

The Bank has non-controlling interests in one (1) entity (shareholdings of 12%). This investment is carried at fair value through profit or loss in the statement of financial position.

11. LOANS AND ADVANCES

Loans and advances consist of the following:

	2025	2024
Principal		
Loans secured with term deposits	$ 2,550,000	$ 6,885,000
Guaranteed loans	22,400	-
Unguaranteed loans	4,309,604	5,847,253
Total principal	6,882,004	12,732,253
Accrued interest receivable	193,838	199,566
	7,075,842	12,931,819
Less: allowance for credit losses	(121,573)	(122,977)
	$ 6,954,269	$ 12,808,842

The average interest rate on loans and advances is approximately 4.59% per annum. The maximum exposure to credit risk is presented in Note 22.1.

The movements in the provision for impairment losses are as follows:

	Expected Credit Loss Allowance				
	Stage 1	Stage 2	Stage 3	2025	2024
Balance, beginning of year	$ 122,977	$ -	$ -	$ 122,977	$ 141,707
Decrease in provision during the year	(1,404)	-	-	(1,404)	(18,730)
Balance, end of year	$ 121,573	$ -	$ -	$ 121,573	$ 122,977

12. INTANGIBLE ASSETS

Details of the Bank's intangible assets are as follows:

	2025	2024
Cost		
Balance, beginning of year	$ 176,928	$ 162,722
Additions	38,346	14,206
Deductions	(176,928)	-
Balance, end of year	38,346	176,928
Amortization		
Balance, beginning of year	159,529	128,917
Additions	31,730	30,612
Deductions	(176,928)	-
Balance, end of year	14,331	159,529
Net book value	$ 24,015	$ 17,399

13. PROPERTY AND EQUIPMENT

Property and equipment are comprised of the following:

	Land & Buildings	Furniture & Equipment	Motor Vehicles	Right-of-Use	Total
Cost					
Balance as at December 31, 2023	$ 2,096,183	$ 366,342	$ 84,234	$ 509,284	$ 3,056,043
Additions	-	26,518	-	-	26,518
Balance as at December 31, 2024	2,096,183	392,860	84,234	509,284	3,082,561
Additions	-	85,522	-	100,661	186,183
Disposals	-	-	-	(350,957)	(350,957)
Balance as at December 31, 2025	2,096,183	478,382	84,234	258,988	2,917,787
Accumulated depreciation					
Balance as at December 31, 2023	313,031	274,971	46,210	376,260	1,010,472
Additions	33,538	18,222	8,947	78,793	139,500
Balance as at December 31, 2024	346,569	293,193	55,157	455,053	1,149,972
Additions	33,539	52,824	8,947	87,228	182,538
Disposals	-	-	-	(350,957)	(350,957)
Balance as at December 31, 2025	380,108	346,017	64,104	191,324	981,553
Carrying value					
As at December 31, 2025	**$ 1,716,075**	**$ 132,365**	**$ 20,130**	**$ 67,664**	**$ 1,936,234**
As at December 31, 2024	**$ 1,749,614**	**$ 99,667**	**$ 29,077**	**$ 54,231**	**$ 1,932,589**

Property and equipment are reviewed for impairment at the end of the reporting period, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

At December 31, 2025, there were no adjustments made for this impairment (2024: no adjustments).

14. LEASES

The Bank operates from leased premises, with lease terms renewable every two (2) years. The current lease was renewed effective September 1, 2023, and matures on August 31, 2025.

Details of the amounts recognized in the statement of financial position and the statement of comprehensive income for the Bank's right-of-use asset and the corresponding lease liability are set out below:

a) Right-of-use asset

	2025	2024
Balance, beginning of year	$ 54,231	$ 133,024
Recognized on adoption of IFRS 16	100,661	-
Amortization expense recognized in profit or loss	(87,228)	(78,793)
Balance, end of year	$ 67,664	$ 54,231

The right-of-use asset is carried in property and equipment in the statement of financial position (Note 13).

b) Lease liabilities

	2025	2024
Balance, beginning of year	$ 54,231	$ 133,024
Operating lease commitments (IFRS 16)	100,661	-
Interest expense recognized in profit or loss	2,500	4,869
Lease payments during the year	(89,728)	(83,662)
Balance, end of year	$ 67,664	$ 54,231

Maturity Analysis:

The future minimum lease payments under this lease at the reporting period are as follows:		
No later than 1 year	$ 67,664	$ 54,231
Later than 1 year and not later than 5 years	-	-
	$ 67,664	$ 54,231

Lease liabilities are included in other liabilities in the statement of financial position.

c) Amounts recognized in profit or loss

	2025	2024
Amortization of right-of-use assets	$ 87,228	$ 78,793
Interest on lease liabilities	2,500	4,869
	$ 89,728	$ 83,662

15. CUSTOMERS' DEPOSITS

Details of customers' deposits are as follows:

	2025	2024
Sight and term deposits		
Demand and call deposits	$ 16,673,805	$ 11,736,564
Time deposits	3,812,458	7,845,709
	20,486,263	19,582,273
Accrued interest payable	56,790	43,190
	$ 20,543,053	$ 19,625,463

Customers' deposits include current accounts and term deposits. These deposits have a maturity ranging from one day to one year. The effective rate of interest on deposits during the year ended December 31, 2025 was 1.32% (2024: 1.39%) per annum, resulting in an average cost of total deposits of 0.26% per annum (2024: 0.48%).

Included in customers' deposits are deposits from related parties totaling $2,039,955 (2024: $7,533,172), see Note 20.

16. OTHER LIABILITIES

Other liabilities are comprised of the following:

	2025	2024
Accrued expenses	$ 146,502	$ 164,900
Lease liabillities (Note 14(b)	67,664	54,231
Clearings and other liabilities	9,991	159,908
	$ 224,157	$ 379,039

17. SHARE CAPITAL

The authorized, issued, and outstanding share capital of the Bank consists of 10,000 ordinary shares of US$1,000 each.

18. DIVIDENDS

Dividends declared are as follows:

	2025	2024
Dividends declared	$ 2,000,000	$ 3,000,000

On June 13, 2025, the shareholders approved the distribution of dividends of $200 per share (2024: May 27, 2024 – $300 per share) to the shareholders on record.

19. MEMORANDA ITEMS

Composition of memoranda items are as follows:

	2025	2024
Securities received for custody	$ 57,526,921	$ 32,535,489
Securities deposits	24,997,439	81,378,386
Guarantees	5,036,100	9,184,290
Futures and derivatives	847,886	5,189,834
	$ 88,408,346	$ 128,287,999

20. RELATED PARTIES

Balances with Banco Mariva S.A. (Argentina) and other related parties are as follows:

	2025	2024
Assets		
Cash and due from banks	$ 1,277,842	$ 501,926
Settlement balances	1,442,486	6,041,840
Long-term investments	1,713,465	1,928,469
Loans and advances	-	4,335,000
	$ 4,433,793	$ 12,807,235
Liabilities		
Customer deposits	$ 2,039,955	$ 7,533,172
Settlement balances	107,663	2,322,250
	$ 2,147,618	$ 9,855,422
Memoranda items		
Bonds received for custody	$ 27,166,074	$ 14,420,940
Bond deposits	14,168,082	17,215,123
	$ 41,334,156	$ 31,636,063

21. ALLOWANCE FOR CREDIT LOSSES

The table below summarizes the (decrease)/increase expected credit losses of financial assets for the year recorded in the statement of comprehensive income.

	Notes	2025	2024
Other assets	***8***	$ (1,805)	$ 1,820
Financial instruments at amortized cost	***9***	(3,555)	(5,757)
Loans and advances	***11***	(1,404)	(18,730)
Net decrease in provision for credit losses		$ (6,764)	$ (22,667)

22. FINANCIAL RISK MANAGEMENT

Risk management strategy

Risk is inherent in the Bank's activities but is managed through a process of ongoing identification, measurement, and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.

The Board of Directors (the "Board") is ultimately responsible for the establishment and oversight of the Bank's risk management framework. The Bank's risk management policies are designed to identify and analyze the risk faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits by means of regularly generated reports. Risk management procedures are closely integrated into all key business processes. The Bank regularly reviews its risk management policies, procedures, and systems to reflect recommendations and best practice, as well as changes in markets and products.

The objective of the Bank's Board of Directors and senior management is to identify, evaluate and mitigate financial risks that may adversely impact the operations and the Bank's financial statements.

By its nature the Bank's activities are principally related to the use of financial instruments. The Bank accepts deposits from customers at both fixed and floating rates and for various periods and seeks to earn above average interest margins by investing these funds in high quality assets.

The Bank also seeks to raise its interest margins by obtaining above average margins, net of provisions, through lending to commercial and retail borrowers with a range of credit standing. Such exposures involve not just on-statement of financial position loans and advances, but the Bank also enters into other commitments such as bonds. The Bank has exposure to the following risks from financial instruments:

22.1. Credit risk;
22.2. Market risk;
22.3. Liquidity risk; and
22.4. Operational risk.

22. FINANCIAL RISK MANAGEMENT *(Continued)*

22.1. Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Bank, by failing to discharge their contractual obligations when they fall due. The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review. The exposure to any one borrower including banks and brokers is further restricted by sub-limits covering on and off-statement of financial position exposures and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts.

In line with IFRS 9, the Bank financial assets measured at amortized cost and off-balance sheet loan commitments using the Expected Credit Loss (ECL) approach.

a) Expected Credit Loss measurement

The Bank's allowance for credit losses calculations are output models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The ECL impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Bank adopts a three-stage approach for impairment assessment based on changes in credit quality since initial recognition. Assets move through the three stages depending on changes in credit risk and the stages dictate how an entity measures impairment losses and applies the effective interest method.

- *Stage 1* - This includes financial instruments that have not had a significant increase in credit risk since their initial recognition or that have a low credit risk at the reporting date. For these instruments, the expected credit losses (ECL) are recognized for 12 months, and the interest income is calculated on the gross carrying amount of the asset (that is, without deduction of the impairment allowance). The 12-month ECLs are those that result from default events that are possible within 12 months after the filing date.

- *Stage 2* - includes financial instruments that have had a significant increase in credit risk since their initial recognition (unless they have a low credit risk at the reporting date) but that have no objective evidence of impairment. For these items, ECLs are recognized throughout the life of the instrument, but interest income is still calculated on the gross carrying amount of the asset. The ECL throughout the life of the instrument is the present value of the losses that would arise as a result of a default that occurred at any time throughout the life of the instrument. It is the weighted average of the loss that would be had in case of a default using the probability of default as a weight.

- *Stage 3* - includes financial assets that have objective evidence of impairment at the reporting date. For these items, ECLs are recognized over the life of the instrument and interest income is calculated on net book value (that is, net of the impairment allowance).

22. FINANCIAL RISK MANAGEMENT *(Continued)*

22.1. Credit risk *(Continued)*

b) Credit risk exposure

Maximum exposure to credit risk – Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of the financial instruments which an ECL allowance is recognized. The gross carrying amount of financial assets below also represents the Bank's maximum exposure to credit risk.

	Expected Credit Loss Allowance				
	Stage 1	Stage 2	Stage 3		
	12-Month ECL	Lifetime ECL Not Credit Impaired	Lifetime ECL Credit Impaired	2025	2024
Financial instruments at amortized costs	$ 269,503	$ -	$ -	$ 269,503	$ 7,659,601
Loans and advances, including interest receivable	7,075,842	-	-	7,075,842	12,931,819
Other assets	7,850,334	-	-	7,850,334	8,458,971
Gross carrying amount	15,195,679	-	-	15,195,679	29,050,391
Less: allowance for credit losses	(122,079)	-	-	(122,079)	(128,843)
Carrying amount	$ 15,073,600	$ -	$ -	$ 15,073,600	$ 28,921,548

The movements in the provision for impairment are as follows:

	Expected Credit Loss Allowance				
	Stage 1	Stage 2	Stage 3		
	12-Month ECL	Lifetime ECL Not Credit Impaired	Lifetime ECL Credit Impaired	2025	2024
Balance, beginning of year	$ 128,843	$ -	$ -	$ 128,843	$ 151,510
Increase in provision	-	-	-	-	1,820
Reversal of provision	(6,764)	-	-	(6,764)	(24,487)
Balance, end of year	$ 122,079	$ -	$ -	$ 122,079	$ 128,843

c) Derivatives

The Bank maintains strict control limits on net open derivative positions, that is, the difference between purchase and sale contracts, by both amount and term. At any one time the amount subject to credit risk is limited to the current fair value of instruments that are favorable to the Bank (i.e. asset), which in relation to derivatives is only a small fraction of the contract or notional values used to express the volume of instruments outstanding. The credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except where the Bank requires margin deposits from counterparties.

22. FINANCIAL RISK MANAGEMENT *(Continued)*

22.1. Credit risk (Continued)

d) Master netting arrangements

The Bank further restricts its exposure to credit losses by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of statement of financial position assets and liabilities as transactions are usually settled on a gross basis. However, the credit risk associated with favorable contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Bank's overall exposure to credit risk on derivative instruments subject to master netting arrangements can change substantially within a short period since it is affected by each transaction subject to the arrangement.

22.2. Market risk

Market risk arises from the Bank's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

a) Currency risk

Currency risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Bank's financial statements are denominated in the United States Dollar, which is the Bank's functional and presentation currency.

The Bank takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its statement of financial position and statement of cash flows. The statement of financial position net notional position represents the difference between the notional amounts of foreign currency derivative financial instruments, which are principally used to reduce the Bank's exposure to currency movements, and their fair values and are re-priced in a particular time interval then a negative impact on interest margins results. Interest rate gaps are carefully monitored, and interest sensitive assets and liabilities are adjusted in accordance with changing market conditions.

Geographical concentration of assets and liabilities

The following table reflects the geographical concentration of the Bank's main financial assets and liabilities.

	2025		2024	
	Assets	**Liabilities**	**Assets**	**Liabilities**
South America	$ 67,889,397	$ 29,752,193	$ 98,054,912	$ 70,996,175
North America	12,799,254	105,286	17,466,509	1,014,917
Europe	11,541,931	-	16,150,932	6,659
Caribbean	1,964,238	115,702	2,604,950	231,974
	$ 94,194,820	$ 29,973,181	$ 134,277,303	$ 72,249,725

22. FINANCIAL RISK MANAGEMENT *(Continued)*

22.2. Market risk *(Continued)*

a) Currency risk *(Continued)*

Geographical concentration of assets and liabilities *(Continued)*
The tables below summarize the Bank's exposure to foreign currency exchange rate risk at the statement of financial position dates. Included in the tables are the Bank's financial instruments at carrying amounts, categorized by currency.

As at December 31, 2025 (US$)				
	USD	**PESOS**	**EURO**	**TOTAL**
Assets				
Cash and due from banks	$ 10,375,476	$ 1,249,240	$ 242,157	$ 11,866,873
Settlement balances	1,442,486	-	-	1,442,486
Debt and equity securities	62,578,230	2,095	34,761	62,615,086
Forward contracts	1,483,309	-	-	1,483,309
Other assets	7,625,497	224,672	-	7,850,169
Financial instruments at amortized cost	269,163	-	-	269,163
Loans and advances	6,954,269	-	-	6,954,269
Long term investments	1,713,465	-	-	1,713,465
Total assets	92,441,895	1,476,007	276,918	94,194,820
Liabilities				
Customers' deposits	20,543,053	-	-	20,543,053
Settlement balances	107,663	-	-	107,663
Debt and equity securities	9,098,308	-	-	9,098,308
Other liabilities	224,157	-	-	224,157
Total liabilities	29,973,181	-	-	29,973,181
Net position	**$ 62,468,714**	**$ 1,476,007**	**$ 276,918**	**$ 64,221,639**

22. FINANCIAL RISK MANAGEMENT *(Continued)*

22.2. Market risk *(Continued)*

a) Currency risk *(Continued)*

Geographical concentration of assets and liabilities *(Continued)*

	As at December 31, 2024 (US$)			
	USD	**PESOS**	**EURO**	**TOTAL**
Assets				
Cash and due from banks	$ 16,194,619	$ 501,889	$ 109,224	$ 16,805,732
Settlement balances	3,725,000	2,316,840	-	6,041,840
Debt and equity securities	79,109,237	2,229	30,550	79,142,016
Forward contracts	1,437,697	-	-	1,437,697
Other assets	8,457,001	-	-	8,457,001
Financial instruments at amortized cost	7,655,706	-	-	7,655,706
Loans and advances	12,808,842	-	-	12,808,842
Long term investments	1,928,469	-	-	1,928,469
Total assets	131,316,571	2,820,958	139,774	134,277,303
Liabilities				
Customers' deposits	19,625,463	-	-	19,625,463
Settlement balances	44,227,614	-	-	44,227,614
Debt and equity securities	8,017,609	-	-	8,017,609
Other liabilities	379,039	-	-	379,039
Total liabilities	72,249,725	-	-	72,249,725
Net position	**$ 59,066,846**	**$ 2,820,958**	**$ 139,774**	**$ 62,027,578**

b) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Bank is exposed to other price risk on its equity instruments that trade on stock exchanges, forward contracts and equity holdings in investment funds which at December 31, 2025 totaled $2,649,421 (2024: $1,460,542).

Sensitivity analysis:
If prices had been 1% higher/lower at December 31, 2025, total comprehensive income would have increased/decreased by $26,494 (2024: $14,605).

22. FINANCIAL RISK MANAGEMENT *(Continued)*

22.2. Market risk *(Continued)*

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Bank has significant exposure to interest rate risk from its time and demand deposits. Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Bank takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its fair value and cash flow risks. Floating rate interest financial instruments expose the Bank to cash flow interest risk, whereas fixed rate financial instruments expose the Bank to fair value interest rate risk.

The Bank is exposed to interest rate risk on its interest-bearing financial instruments which are cash at banks, loans and advances, debt securities and customer deposits.

22.3. Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulty in realizing assets or otherwise raising funds to meet commitments. The Bank monitors expected cash outflow on a daily basis. Its policy throughout the period has been to ensure liquidity by maintaining at all times sufficient high quality liquid assets to cover expected net cash flow.

The contractual maturities of liabilities have been determined on the remaining period at the statement of financial position date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

The table below summarizes the Bank's undiscounted cash flows for derivative and non-derivative financial assets and liabilities, based on contractual maturity and repayment obligations:

As at December 31, 2025					
	Due on Demand	1 to 6 Months	6 Months to 1 Year	More than 1 Year	Total
Liabilities					
Customers' deposits	$16,673,805	$ 3,595,836	$ 273,412	$ -	$ 20,543,053
Settlement balances	107,663	-	-	-	107,663
Debt and equity securities	9,098,308	-	-	-	9,098,308
Other liabilities	-	224,157	-	-	224,157
Total liabilities	$ 25,879,776	$ 3,819,993	$ 273,412	$ -	$ 29,973,181

As at December 31, 2024					
	Due on Demand	1 to 6 Months	6 Months to 1 Year	More than 1 Year	Total
Liabilities					
Customers' deposits	$11,736,565	$ 4,976,252	$ 330,956	$ 2,581,690	$ 19,625,463
Settlement balances	44,227,614	-	-	-	44,227,614
Debt and equity securities	8,017,609	-	-	-	8,017,609
Other liabilities	-	365,233	13,806	-	379,039
Total liabilities	$ 63,981,788	$ 5,341,485	$ 344,762	$ 2,581,690	$ 72,249,725

22. FINANCIAL RISK MANAGEMENT *(Continued)*

22.4. Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Bank's operations.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Bank's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

23. CAPITAL MANAGEMENT

The Bank's objectives when managing capital, which is a broader concept than equity on the face of the statement of financial position, are:

- To comply with the capital requirements set by its Regulator, the Central Bank of the Bahamas ("Central Bank");
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored by the Bank's management, employing techniques designed to ensure compliance with regulations and guidelines established by the Central Bank, for the evaluation of capital adequacy of its licensee. The Central Bank has established minimum risk-based capital ratios. The required reporting information is filed with the Central Bank on a quarterly basis, in accordance with these guidelines. At the end of the reporting period, the Bank's management is of the opinion that the Bank has met the established minimum ratios established by the Central Bank.

24. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Bank. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

24. FAIR VALUE MEASUREMENTS *(Continued)*

The fair values of financial instruments are determined as follows:

a) Financial instruments not measured at fair value:

i) Cash and cash equivalents, other receivables, balances with related parties, customer deposits and other liabilities are measured at amortized cost in the statement of financial position. The carrying values of these financial instruments are assumed to equal their fair values due to their short-term nature.

ii) Loans receivables are measured at amortized cost using the effective interest method. The estimated fair value of loans represents the expected amounts of estimated future cash flows that the Bank expects to receive.

b) Financial instruments measured at fair value:

Equity and debt securities, (government bonds, shares, corporate bonds and foreign debt instruments), are acquired principally for the purpose of selling in the short-term and are carried at fair value in the statement of financial position.

c) Fair value hierarchy:

The table below provides an analysis of the Bank's assets and liabilities that are measured at fair value at the reporting date, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 – Fair value measurements are derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. This level consists of listed equity securities and debt instruments traded on exchanges;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). This level includes derivative financial instruments and investment funds; and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). Investments in subsidiaries and other private equities measured at fair values are included in this category.

	As at December 31, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Corporate bonds	$ 37,244,725	$ -	$ -	$ 37,244,725
Treasury bills	11,764,044	-	-	11,764,044
Argentina sovereign bonds	9,504,500	-	-	9,504,500
Argentina Central Bank bills	2,935,705	-	-	2,935,705
Investment in equities	1,166,112	-	1,713,465	2,879,577
	62,615,086	-	1,713,465	64,328,551
Financial liabilities				
Argentina sovereign bonds	8,289,306	-	-	8,289,306
Argentina Central Bank bills	735,100	-	-	735,100
Corporate bonds	73,902	-	-	73,902
	9,098,308	-	-	9,098,308
NET	$ 53,516,778	$ -	$ 1,713,465	$ 55,230,243

24. FAIR VALUE MEASUREMENTS *(Continued)*

c) Fair value hierarchy (Continued)

As at December 31, 2024				
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Argentina sovereign bonds	$ 33,996,119	$ -	$ -	$ 33,996,119
Argentina Central Bank bills	28,135,455	-	-	28,135,455
Corporate bonds	16,941,859	-	-	16,941,859
Treasury bills	45,738	-	-	45,738
Investment in equities	22,845	-	1,928,469	1,951,314
	79,142,016	-	1,928,469	81,070,485
Financial liabilities				
Argentina sovereign bonds	5,149,347	-	-	5,149,347
Argentina Central Bank bills	2,789,789	-	-	2,789,789
Corporate bonds	78,473	-	-	78,473
	8,017,609	-	-	8,017,609
NET	$ 71,124,407	$ -	$ 1,928,469	$ 73,052,876

There were no transfers between categories during the periods presented.

Level 3 fair value measurements

i) Unobservable inputs used in measuring fair value

Level 3 equity securities are comprised of investments in private equities held by the Bank. Management has determined that the fair value of these equity instruments can be measured reliably and has assessed them to be equal to the proportion of the Bank's holdings in the net assets of these entities. The net assets values are obtained from the recent annual audited financial statements and the unaudited interim financial statements. These financial statements are not observable in the market as they are private entities. Therefore, the investments are categorized in Level 3 in the fair value hierarchy.

ii) Reconciliation

The following table shows the movement in Level 3 instruments by class of financial instruments:

Long-term investments		
	2025	**2024**
Balance, beginning of year	$ 1,928,469	$ 1,174,509
Unrealized (loss)/gain recognized in profit or loss	(215,004)	753,960
Balance, end of year	$ 1,713,465	$ 1,928,469

25. COMMITMENTS AND CONTINGENCIES

There are no material commitments and contingencies at the end of the reporting period that require disclosure in the statement of financial statements.

26. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly. Considering this definition, the Bank's key management personnel are represented by the two Senior Officers.

27. EVENTS AFTER THE REPORTING PERIOD

There were no material events of significance impacting the Bank since December 31, 2025, and up to March 19, 2026, that require disclosure in the financial statements.