NBFI's Sector

Sector Analysis

Credit Rating Agency

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HR Ratings comments on the historical performance of the NBFIs sector in Mexico, which exhibits a solvency position at levels of strength and an improvement in its profitability levels

At the end of June 2025, the Non-Banking Financial Institutions (NBFI's) sector had a solid solvency position with a capitalization ratio of 32.8%, an adjusted leverage ratio of 2.1x and an outstanding portfolio to net debt ratio of 1.8x in 2Q25 (vs. 34.0%, 2.1x and 1.8x in 2Q24). These results reflect a high financial capacity of the NBFI sector to withstand unexpected losses. Regarding the quality of the portfolio under management, the sector maintains moderate levels of non-performing loans, exhibiting an adjusted delinquency and delinquency ratio of 3.9% and 7.1% in 2Q25 (vs. 3.8% and 6.8% in 2Q24). The levels of delinquency in the sector are influenced by the high levels of non-performing loans and the application of penalties in the Microfinance sector given the nature of its products and the population they serve. As a result, the Microfinance sector reports an adjusted delinquency ratio of 14.2% as of 2Q25 (vs. 13.3% as of 2Q24), while the sector with the lowest levels of delinquency is the Microfinance sector, with an adjusted delinquency ratio of 2.9% as of 2Q25 (vs. 2.5% as of 2Q24). For its part, the sector generated net profits of P$10,477 million pesos (m) at the end of June 2025, which translates into an annual increase of 25.4% and an Average ROA of 3.3% (vs. P$8,358m and 3.1% at the end of June 2024). This result is mainly attributable to: i) the environment of high reference rates, which boosted the generation of interest income and ii) the controlled growth of administrative expenses.

Historical Performance of the Qualified Sample by HR Ratings

- **High solvency position with a capitalization ratio of 32.8%, an adjusted leverage ratio of 2.1x and an outstanding portfolio to net debt ratio of 1.8x as of 2Q25 (vs. 34.0%, 2.1x and 1.8x as of 2Q24).** This indicates that the financial institutions considered in the sample exhibit an adequate financial capacity to deal with possible unforeseen losses. Likewise, this indicator remains at adequate levels for the growth of its total risk assets in the coming periods.

- **Credit portfolio quality at moderate levels, exhibiting an adjusted delinquency and delinquency ratio of 3.9% and 7.1% in 2Q25 (vs. 3.8% and 6.8% in 2Q24).** The levels of delinquency in the sector were influenced by the high levels of non-performing loans and the application of punishments in the Microfinance sector given the nature of its products and the population it serves. That said, the Microfinance sector reports an adjusted delinquency ratio of 14.2% as of 2Q25 (vs. 13.3% as of 2Q24), while the sector with the lowest levels of delinquency is the Microfinance sector with an adjusted delinquency ratio of 2.9% as of 2Q25 (vs. 2.5% as of 2Q24).
- **High profitability position, with an Average ROA of 3.3% in 2Q25 (vs. 3.1% in 2Q24).** The sector reported net profits of P$12m of P$10,477m at the end of June 2025 (vs. P$8,358m at the end of June 2024), where the sectors that contribute the most to the generation of results are the Payroll Discount sector, with an Average ROA of 5.1%; followed by the Microfinance sector, with an Average ROA of 3.5% as of 2Q25 (vs. 4.4% and 4.0% as of 2Q24).
- **Reduction of efficiency levels by closing with an efficiency index at levels of 50.5% in 2Q25 (vs. 53.0% in 2Q24).** Despite reporting a higher administrative expense of P$12m of P$24,601m at the end of June 2025 (vs. P$22,488m at the end of June 2024), the strengthening of total revenues (expenses) of the 12m operation of 13.9% favored the efficiency position of the sector, placing it at adequate levels.
- **Stability in the rate *spread* at 9.5% in 2Q25 (vs. 9.6% in 2Q24).** Despite observing a decrease in the reference rate of 300 basis points, which went from 11.0% at the end of June 2024 to 8.0% at the end of June 2025, the sector's rate spread remained stable due to the rate structure typically observed in the Microfinance and Payroll Discount sector. which originate their loans mostly at fixed rates.

Situation and Challenges of the Sector

- **Decrease in the reference rate, which could limit the generation of interest income in the sector, which would have to be compensated through portfolio volume.** According to the macroeconomic scenarios carried out by HR Ratings, the benchmark interest rate is expected to close at a level of 7.5% at the end of 2025 and 7.0% in 2026[1], which would impact the lending rate of sectors with variable-rate portfolio origination and could limit the generation of interest income.
- **Low economic growth and control in the quality of the portfolio.** HR Ratings estimates that economic activity will expand 0.6% in 2025 and 1.7% in 2026; this could affect the volume of financing and the demand for credits. Likewise, the lower expected economic dynamism could impact the payment capacity of borrowers, mainly within the population most vulnerable to adverse economic movements.
- **Moderate growth in the loan portfolio.** Due to the environment of falling reference rates and lower economic growth, NBFIs could face lower demand for loans and financial products.
- **Digitalization and technological innovation.** The adoption of new technological tools would allow financial institutions greater efficiency in origination processes, as well as greater control in the processes of monitoring and collection of loans. This could have a positive impact on the level of expenses, as well as maintaining control of the quality of the portfolio.

[1] HR Ratings presents the update of its macroeconomic scenarios for the second quarter of 2025 (2Q25). HR Ratings Quarterly Update: https://www.hrratings.com/pdf/Escenarios_MacroeconAmicos_2T25.pdf

This sector report details the historical performance observed from 2022 to 2024, as well as until the end of June 2025 (2Q25), of the Non-Banking Financial Intermediaries sector, which considers a sample of 106 financial institutions rated by HR Ratings. Within the sample considered, 83 are Non-Banking Financial Institutions, ten are Credit Unions, five are Popular Savings Banks, five are Popular Financial Societies, two are banking institutions and one is a Decentralized Public Body. For the analysis, the segmentation of these intermediaries into four sectors is considered: Agriculture, Microfinance, Payroll Discount and Microfinance financing.

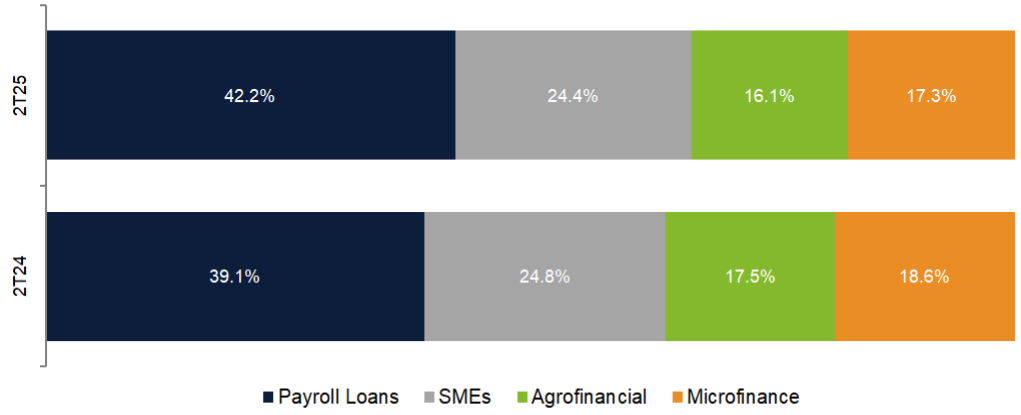
Portfolio Analysis

Credit Portfolio Distribution

At the end of the second quarter of 2025, the balance of the total portfolio of the sample showed an annual growth of 16.1% to close with a balance of P$274,471m (vs. 14.7% and P$236,438m in the second quarter of 2024). The growth in the total portfolio of the sample is explained to a greater extent by the favorable dynamism observed in the portfolio of the Payroll Discount sector, which grew 25.4% annually and the portfolio balance amounted to P$115,852m at the end of June 2025 (vs. 27.0% and P$92,416m in June 2024). Subsequently, the second sector of the sample that favored the growth of the total portfolio was the Microfinance sector, since the portfolio balance stood at P$67,001m, which represented an annual increase of 14.2% (vs. 7.1% and P$58,693m at the end of June 2024). On the other hand, the Microfinance sector contributed with an annual growth of 7.8% and a portfolio balance of P$47,378m (vs. 16.2% and P$43,968.1m at the end of June 2024). Finally, the sector of the sample that presented the least dynamism in the placement of loans was the Agro-finance sector, showing an annual growth of 7.0% annually and a portfolio balance of P$44,240m (vs. 1.5% and P$41,360m at the end of June 2024).

On the other hand, in terms of the participation of the credit portfolio within the sample, the sector with the highest preponderance is the Payroll Discount sector, since it represents 43.0% of the total portfolio, followed by the Microfinance sector with 22.4% participation; in third place is the Agro-finance sector with 17.0% and, finally, the Microfinance sector with 17.7% in 2Q25 (vs. 38.9%, 24.9%, 17.8% and 18.5% in 2Q24).

Figure 1. Distribution of the Consolidated Portfolio by Sector

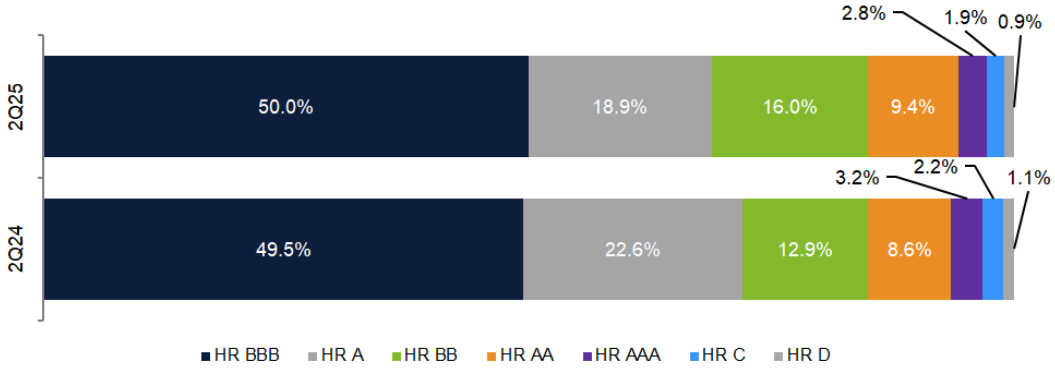


Source: Analysis performed by HR Ratings based on internal information provided by the rated entities.

Of the 106 financial institutions analyzed, it is observed that the predominant counterparty rating is located in the HR BBB rating range with 50.0% of the sample, followed by the HR A rating range with 18.9% and HR BB with 16.0% in 2Q25 (vs. 49.5%, 22.6% and 12.9% in 2Q24). Following this, the rating range of HR AA is located with 9.4% participation, HR AAA with 2.8% and HR C with 1.9% (vs. 8.6%, 3.2%, 2.2% and 1.1% in 2Q24). Likewise, at the end of the second quarter of 2025, 0.9% of the financial institutions considered in the sample are in a rating range of HR D (vs. 1.1% in 2Q24).

In line with the previous year, 68.9% of the sample are in the rating ranges between HR BBB and HR A (vs. 72.0% as of 2Q24). It is important to mention that in the rating ranges there are different levels of relative "+" strength and "-" weakness, which were not differentiated in the distribution of the rating presented.

Figure 2. Sample Distribution by Rating



Source: Analysis performed by HR Ratings based on internal information provided by the rated entities.

On the other hand, regarding the range of credit ratings of financial institutions classified by sector, it is observed that both in the Agrofinancial sector and in the Payroll Discount and Microfinances', the preponderant credit rating range is HR BBB. This indicates that the financial institutions considered in the sample of these sectors offer moderate security for the timely payment of debt obligations and maintain a moderate credit risk, with weakness in the ability to pay in the face of adverse economic changes. In this sense, of the financial institutions considered in the Agrofinancial sector, 50.0% are in the HR BBB rating range,

while in the Payroll sector they represent 78.6% and, finally, 54.8% of the financial institutions in the Microfinance sector are located in that range. On the other hand, the Microfinance sector shows greater dispersion in the rating ranges, since the financial institutions classified in this sector are mostly located in the HR A rating range with a share of 36.0% followed by 28.0% in the HR BBB rating range.

Finally, it should be noted that of the entities considered in the sector, there is no rating lower than the HR BB rating range, while the ratings that are in the range of HR C and HR D correspond to entities in the Agrofinancial sector.

Figure 3. Distribution of the Sample by Rating by Sector

Sector	HR AAA	HR AA	HR A	HR BBB	HR BB	HR B	HR C	HR D
Agrofinancial	5.6%	8.3%	16.7%	50.0%	11.1%	0.0%	5.6%	2.8%
Payroll Loans	7.1%	0.0%	7.1%	78.6%	7.1%	0.0%	0.0%	0.0%
SMEs	0.0%	12.9%	12.9%	54.8%	19.4%	0.0%	0.0%	0.0%
Microfinance	0.0%	12.0%	36.0%	28.0%	24.0%	0.0%	0.0%	0.0%
Sectorial	**2.8%**	**16.0%**	**18.9%**	**50.0%**	**9.4%**	**0.0%**	**1.9%**	**0.9%**

Source: Analysis performed by HR Ratings based on internal information provided by the rated entities.

Financial situation

HR Ratings carried out the analysis of the financial evolution of the 106 financial institutions considered in the sample belonging to the Agricultural, Microfinance, Payroll Discount and Microfinance sectors for the last four years and the comparison to the second quarter of 2025 *versus* the second quarter of 2024.

Figure 4. Historical Results

(Amounts in Millions of Pesos)	Annual				Quarter	
	2021	2022	2023	2024	2Q24	2Q25
Total Loan Portfolio	162,978	197,238	223,803	259,116	236,438	274,471
Current Loan Portfolio	156,657	190,242	215,998	249,798	227,397	263,841
Non-performing Loan Portfolio	6,321	6,996	7,805	9,319	9,041	10,630
Allowances for Credit Losses 12m	6,616	7,231	8,587	10,791	9,948	11,677
Administration Expenses 12m	17,527	19,221	21,469	23,635	22,488	24,601
Net Income 12m	7,446	7,955	7,979	9,678	8,358	10,477
Delinquency Ratio	3.9%	3.5%	3.5%	3.6%	3.8%	3.9%
Adjusted Delinquency Ratio	7.4%	6.3%	6.6%	6.5%	6.8%	7.1%
Adjusted NIM	13.0%	13.1%	12.1%	11.6%	11.8%	11.5%
Efficiency Ratio	53.8%	54.1%	54.4%	51.6%	53.0%	50.5%
Coverage Index	1.3	1.4	1.4	1.5	1.4	1.4
Average ROA	3.9%	3.6%	3.1%	3.3%	3.1%	3.3%
Capitalization Ratio	37.3%	35.2%	33.9%	33.8%	34.0%	32.8%
Adjusted Leverage Ratio	2.0	2.0	2.1	2.1	2.1	2.1
Performing Loan Portfolio to Net Debt Ratio	1.8	1.8	1.8	1.8	1.8	1.8
Ratio of Asset Maturities to Liability Maturities	2.4	2.4	2.3	2.3	2.3	2.3
Interest Rate Spread	13.3%	12.0%	9.7%	9.3%	9.6%	9.5%
Active Interest Rate	22.0%	23.3%	24.5%	24.8%	25.0%	24.3%
Passive Interest Rate	8.7%	11.3%	14.8%	15.6%	15.4%	14.8%

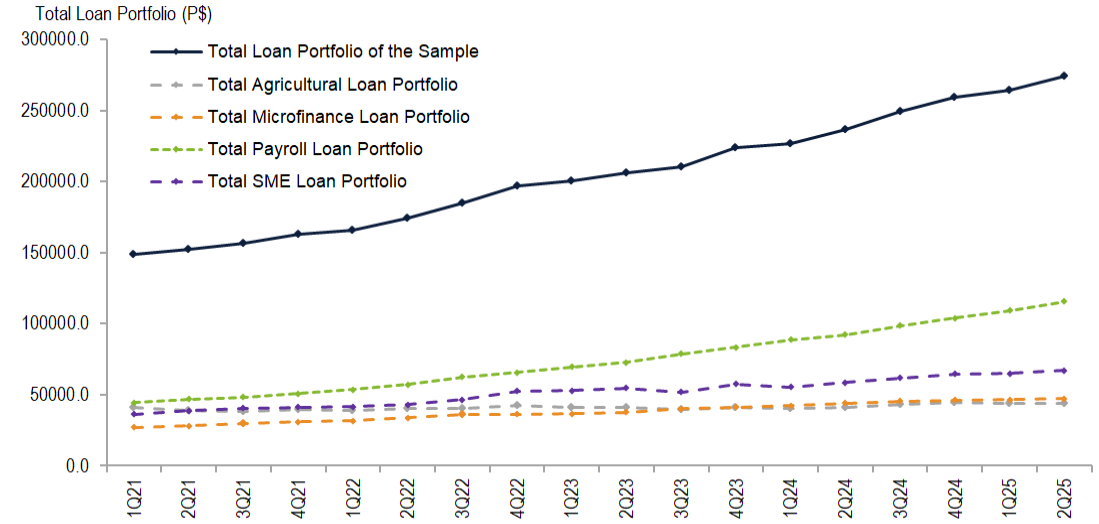
Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Evolution of the Credit Portfolio

The total portfolio of the sample reports sustained growth in the last four years, since it presented a Compound Annual Growth Rate ($TCAC_{2021-2024}$)[2] in the last three years of 16.7%. That said, the behavior observed from 2021 to 2022 stands out, as the portfolio balance stood at P$197,238m at the end of 2022, which represents an annual increase of 21.0% (vs. P$162,978m at the end of December 2021). Subsequently, the total portfolio of the sample reported lower growth, as the portfolio balance stood at P$223,803m, which represented an annual increase of 13.5% at the end of 2023 and, finally, of P$259,116m at the end of 2024 with an annual increase of 15.8%. Regarding the performance of the total portfolio of the sector during the last 12m, a good dynamism is observed, since the balance of the portfolio amounted to P$274,471m at the end of June 2025, showing an annual growth of 16.1% (vs. P$236,438m at the end of June 2024).

In particular, the sector that has shown the greatest dynamism during the last four years is the Payroll Discount sector, as it exhibits a $CAGR_{2021-2024}$ of 26.8%. Following this, there is the Microfinance sector with a $CAGR_{2021-2024}$ of 16.2%, the Microfinance sector with a $CAGR_{2021-2024}$ of 14.4% and, finally, the Agro-finance sector presents the lowest growth within the total portfolio of the sample, since it presents a $CAGR_{2021-2024}$ in the last four years of 3.5%. The lower growth of the credit portfolio of the Agri-financial sector is mainly attributed to the fact that this sector is more susceptible to macroeconomic and climatological movements.

Figure 5. Total Portfolio vs. Non-performing loan ratios



Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Quality of the Credit Portfolio

For its part, the quality of the credit portfolio in the sample has remained stable in the four years analyzed, with the exception of 2021, where there was a certain impact on the levels of delinquency derived from the lower economic activity caused by COVID-19. That said, the non-performing loan portfolio stood at P$6,321m at the end of 2021, P$6,996m at the end of 2022, P$7,805m at the end of 2023 and subsequently P$9,319m at the end of 2024. This placed the delinquency ratio at low levels

[2] CAGR = ((final value / initial value) ^ (1/number of years)) - 1.

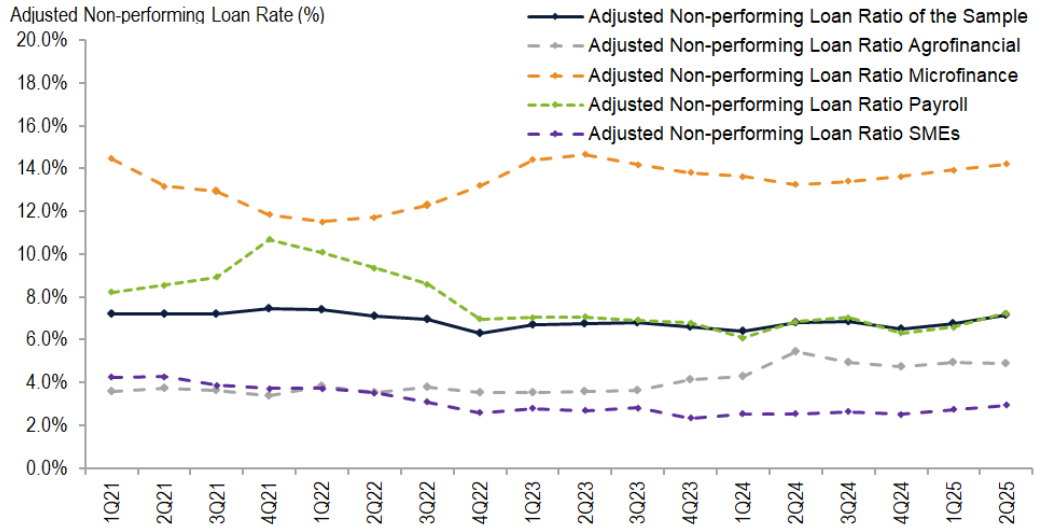
of 3.9% in 4Q21, 3.5% in 4Q22, 3.5% in 4Q23 and finally 3.6% in 4Q24. Regarding the quality of the portfolio observed during the last 12, the non-performing loan portfolio increased, and the balance amounted to P$10,630m at the end of June 2025 (vs. P$9,041m at the end of June 2024). Despite the increase observed in the non-performing loans, non-performing loan levels remained stable due to the continued growth of the total portfolio, so the delinquency ratio stood at levels of 3.9% in 2Q25, remaining at low levels (vs. 3.8% in 2Q24).

On the other hand, regarding the adjusted delinquency ratio of the sample, mixed behavior is observed in the last four years, where the maximum level is reported at the end of 2021. That said, the number of punishments carried out by the entities considered in the sample was P$6,283m at the end of 2021 and, subsequently, a reduction in the application of punishments was reported to be P$5,821m at the end of 2022. This reduction is attributed to the economic reactivation associated with the normalization of activities due to the end of the COVID-19 health contingency. Following this, the portfolio write-offs reported in 2023 were higher and stood at P$7,386m and, finally, P$8,075m at the end of 2024. This placed the adjusted delinquency ratio at levels of 7.4% in 4Q21, 6.3% in 4Q22, 6.6% in 4Q23 and 6.5% in 4Q24. In general terms, the delinquency levels of the NBFIs considered in the sample have remained stable in the last four years, with fluctuations in the adjusted delinquency indicator, but maintaining an average of 3.6% in the delinquency ratio and 6.7% in the adjusted delinquency ratio. Likewise, the adjusted delinquency ratio closed at 7.1%, showing a 12m penalty of P$9,636m at the end of June 2025 (vs. 6.8% and P$7,573m at the end of June 2024).

Regarding the levels of delinquency by sector, it is observed that the sector with the highest volumes of non-performing loans and the application of penalties is the Microfinance sector, since it reports an adjusted delinquency ratio of 14.2% in 2Q25 (vs. 13.3% in 2Q24). The high levels of delinquency in the microfinance sector are attributed to the nature of the credit products offered by these institutions, as well as to the economic sector to which they are directed. In general, the loans granted by the microfinance sector are aimed at the lowest-income population and microenterprises, who show limited access to traditional banking due to the lack of guarantees. In second place is the Payroll Discount sector, which reports adjusted delinquency levels of 7.2% in 2Q25 (vs. 6.8% in 2Q24).

In third place is the Agri-financial sector, with an adjusted delinquency ratio of 4.9% as of 2Q25 (vs. 5.4% in 2Q24). The improvement in non-performing loan levels in the Agri-financial sector can be attributed to the improvement in weather conditions observed in the last 12m, in addition to the adoption of satellite technologies that allow knowing the status of crops and minimizing the risk of default. Finally, the sector with the lowest and most stable delinquency levels is the Microfinance sector, which exhibited an adjusted delinquency ratio of 2.9% in 2Q25 (vs. 2.5% in 2Q24). This is attributed to the fact that the small and medium-sized enterprise sector has shown a strengthening in credit origination processes through the improvement of collateral that backs loans and technologies that strengthen monitoring and collection processes.

Figure 6. Sector-Adjusted Delinquency Ratio



Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Sector Coverage

It should be noted that with respect to the generation of preventive estimates for credit risks, there is no standardized methodology in the sector for the generation and calculation of preventive reserves among non-bank financial intermediaries. This derives from the high percentage of entities that operate under the figure of SOFOM[3], Non-Regulated Entity, so they do not have a specific requirement to adhere to the methodology established by the National Banking and Securities Commission (CNBV) of expected loss used for regulated entities.

Despite the above, the sector's coverage levels show a stable behavior, which stands at levels of 1.4x on average in the last four years analyzed. As for the level of coverage observed in the last 12m, it does not show relevant changes, since it stood at 1.4x in 2Q25 (vs. 1.4x in 2Q24). This reflects adequate prudential practices by NBFIs to generate additional reserves as a measure of anticipation of possible negative portfolio impacts.

Regarding the levels of non-performing loan coverage by sector, the sector with the lowest level of coverage is the Agrifinancial sector, which reports a level of 0.9x in 2Q25 (vs. 0.9x in 2Q24). The level of coverage in the Agrifinancial sector is attributed to the fact that a large part of the financial institutions considered in the sample use the expected loss methodology for the generation of preventive estimates, which considers, among other factors, the level of guarantees granted by each of the borrowers. Another important factor in the agri-financial sector is the guarantees granted by FIRA[4] to the agricultural, forestry and fishing sectors through various programs such as FONAGA,[5] FEGA[6] and FEFA[7], which are operated as second-tier banks and allocate resources to facilitate access to financing through a network of banks and non-bank financial institutions.

[3] Sociedad Financiera de Objeto Múltiple (SOFOM).
[4] Trusts Instituted in Relation to Agriculture (FIRA).
[5] National Guarantee Fund for the Agricultural, Forestry, Fisheries and Rural Sectors of Mexico (FONAGA).
[6] Special Fund for Technical Assistance and Guarantee for Agricultural Credits (FEGA).
[7] Special Fund for Agricultural Financing (FEFA).

On the other hand, the Microfinance sector maintains a higher coverage of non-performing loans with a coverage ratio of 1.6x, followed by the Payroll sector with a level of 1.5x, and the Microfinance sector with 1.4x as of 2Q25 (vs. 1.6x, 1.5x and 1.6x respectively in 2Q24). In HR Ratings' opinion, the NBFIs sector exhibits adequate levels of non-performing loan coverage, which are considered sufficient to mitigate possible portfolio impairments.

Income and Expenses

With respect to the generation of interest income 12m of the sample that make up the sector, sustained growth is observed in the last four years, exhibiting a Compound Annual Growth Rate TCAC2021-2024 in the last four years of 20.4%. The growth in interest income generation is largely attributed to the gradual increase in the volume of lending operations and the economic environment observed in reference rates.

It is worth mentioning that, as of March 2024, Banco de México changed the trend in the monetary policy position for inflation control in accordance with the Central Bank's priority objective, so that during the last twelve months a decrease in the reference rate of 300 basis points was observed. which went from 11.0% at the end of June 2024 to 8.0% at the end of June 2025. Despite the above, interest income reported during the last 12m showed an annual increase of 13.4% to accumulate an amount of P$71,924m at the end of June 2025 as a result of the constant increase in the volume of its operations (vs. P$63,451m at the end of June 2024). In line with the above, the sector's lending rate did not report relevant variations, standing at 24.3% in 2Q25, however, the downward trend observed in the reference rate (vs. 25.0% in 2Q24) is beginning to appear.

It should be noted that the behavior in the sector's lending rate is mainly influenced by the rate scheme of the Microfinance sector and the Payroll sector, since the products originate to a greater extent at fixed rates due to the population they serve. In this sense, the lending rate reported by the Microfinance sector stands at 36.9% as of 2Q25, while the Payroll Discount sector reports an active rate level of 24.9% as of 2Q25 (vs. 38.6% and 25.7% in 2Q24). On the other hand, the Microfinance sector reports an lending rate level of 19.3%, a sector that mainly presents its portfolio placement at variable rates linked to the reference rate, and the Agro-finance sector exhibits an lending rate of 15.3% in 2Q25, (vs. 19.4% and 16.2% in 2Q24). It is worth mentioning that the latter sector generally exhibits a mixed rate scheme, that is, loans originated at a fixed rate and a variable rate due to the seasonality of the agricultural cycle.

With respect to interest expenses of the sample that make up the sector, greater growth is observed in the last four years, exhibiting a TCAC2021-2024 in the last four years of 39.8%. In particular, interest expense amounted to P$26,674m at the end of June 2025, which represents an annual increase of 11.2% compared to the P$23,987m reported at the end of June 2024. Regarding its funding cost, the sector's passive rate reported a slight decrease to 14.8% in 2Q25 (vs. 15.4% in 2Q24). It is worth mentioning that the reduction in the sector's passive rate was influenced by the behavior of the reference rate observed during the last 12m.

As a result of the greater increase in the lending rate during the last four periods analyzed and the stability in the lending rate, the rate *spread* has shown a reduction in all the periods analyzed, standing at 13.3% in 4Q21, 12.0% in 4Q22, 9.7% in 4Q23 and 9.3% in 4Q24. For its part, during the last 12m, the rate *spread* did not show relevant variations, as it remained at levels of

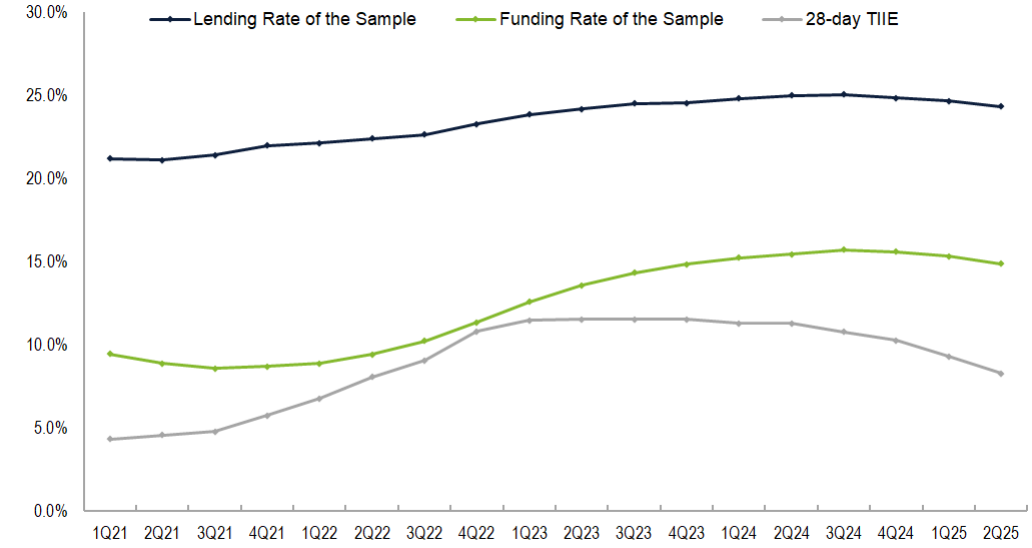
9.5% in 2Q25 (vs. 9.6% in 2Q24). In HR Ratings' opinion, the sector's rate spread is at adequate levels. Despite the reduction in the rate *spread*, the 12m financial margin has shown an upward trend, as it reached an amount of P$29,424m at the end of 2021, subsequently, it increased to P$33,375m at the end of 2022, P$36,927m at the end of 2023 and, finally, amounted to P$42,364m at the end of 2024. On the other hand, the 12m financial margin increased 14.5% year-on-year and reached an amount of P$45,316m at the end of June 2025 (vs. P$39,581m at the end of June 2024).

On the other hand, as a result of the control in the non-performing loan portfolio and the moderate increase in the application of portfolio write-offs, the 12m preventive estimates observed in the income statement stood at P$6,616m at the end of 2021, P$7,231m at the end of 2022, P$8,587m at the end of 2023 and, subsequently, increased to P$10,791m at the end of 2024 as a result of the higher amount of portfolio write-offs made in the period. Regarding the precautionary estimates at the end of June 2025, these increased to P$11,677m (vs. P$9,948m at the end of June 2024). The growth in the generation of preventive estimates is in line with the observed increase in non-performing loans and the greater application of portfolio write-offs.

As a result of the above, the Adjusted MIN has shown a decreasing trend in the last two years analyzed, as it was placed 13.0% in 4Q21, 13.1% in 4Q22, 12.1% in 4Q23 and 11.6% in 4Q24. It is worth mentioning that the reduction observed in the Adjusted MIN is attributed to the downward trend of the rate *spread*. On the other hand, as a result of the strengthening of the 12m adjusted financial margin, the Adjusted MIN remained relatively stable and stood at levels of 11.5% in 2Q25 (vs. 11.8% in 2Q24). In HR Ratings' opinion, the Adjusted MIN continues at moderate levels.

As for commissions and net fees, they have shown an upward trend, but with significant growth in 2022 and 2024. That said, net fees and commissions stood at P$506m at the end of 2021, P$669m at the end of 2022, P$687m at the end of 2023 and P$838m at the end of 2024. On the other hand, during the last 12m, net fees and commissions amounted to P$827m at the end of June 2025 (vs. P$710m at the end of June 2024).

Figure 7. Sector Lending Rate and Passive Rate vs. Reference Rate

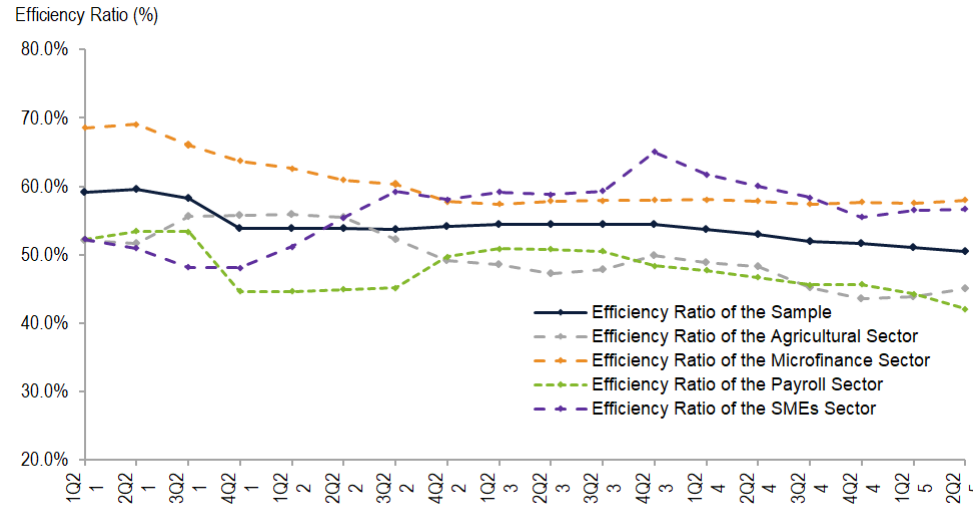


Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

On the other hand, administrative expenses have gradually increased by observing a Compound Annual Growth Rate TCAC2021-2024 of 10.5% in the last four years. In this sense, the administration expenses of the sample went from P$17,527m at the end of 2021 to P$19,221m at the end of 2022, which represented an increase of 11.7% year-on-year. Subsequently, administrative expenses stood at P$21,469m at the end of 2023 and finally at P$23,635m at the end of 2024, which represented an increase of 10.1% year-on-year. That said, the sector's efficiency position has remained stable in the last four years analyzed, as the efficiency index stood at levels of 53.8% in 4Q21, 54.1% in 4Q22, 54.4% in 4Q23 and 51.6% in 4Q24.

Administrative expenses of 12m reported at the end of June 2025 increased by 9.4% year-on-year to P$24,601m (vs. P$22,488m at the end of June 2024). In this sense, despite reporting a higher administrative expense of 12m, the efficiency index fell and stood at levels of 50.5% in 2Q25 (vs. 53.0% in 2Q24). The improvement in the sector's efficiency position is attributed to the strengthening of total revenues (expenses) from the 12m operation, which increased 24.3% year-on-year. In HR Ratings' opinion, the sector's efficiency position continues at adequate levels.

Figure 8. Efficiency Index by Sector



Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

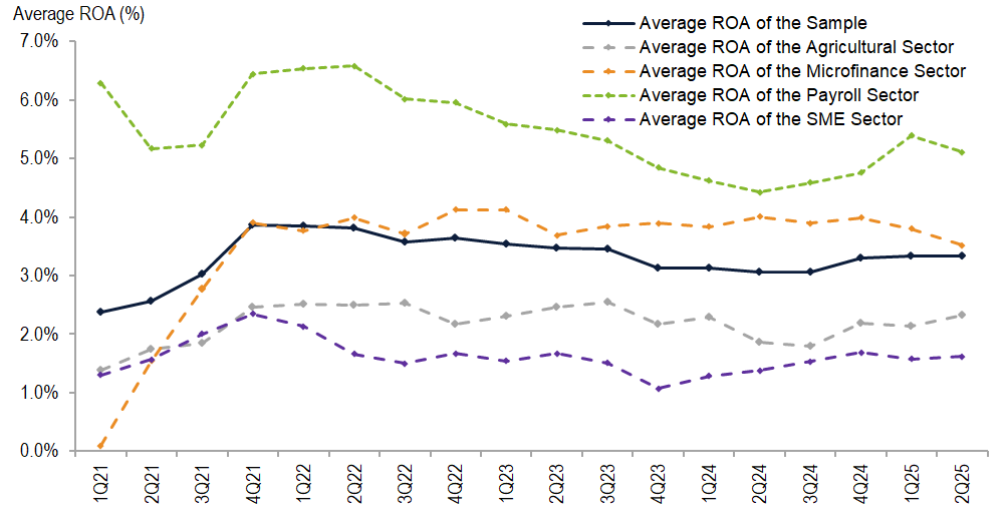
Profitability

Regarding the generation of net results, these have shown favorable behavior, as the sector reported net results in the amount of P$7,446m at the end of 2021, P$7,955m at the end of 2022, P$7,979m at the end of 2023 and subsequently P$9,678m at the end of 2024. Despite the above, the Average ROA exhibited a downward trend in the first three years analyzed and, subsequently, showed an improvement. That said, the sector's Average ROA stood at levels of 3.9% in 4Q21, 3.6% in 4Q22, 3.1% in 4Q23 and subsequently an improvement to 3.3% in 4Q24.

For its part, at the end of June 2025, the sector recorded net profits in the amount of P$10,477m at the end of June 2025, showing an annual growth of 25.4% (vs. P$8,358m at the end of June 2024). This favored the Average ROA by placing it at levels higher than those reported in the last revision of 3.3% in 2Q25 (vs. 3.1% in 2Q24). The sector's adequate profitability position is mainly attributable to i) the stability of the Adjusted NIR and the rate *spread* and, to a greater extent, ii) the control of administrative expenses. In HR Ratings' opinion, the sector's profitability is at adequate levels, although below the levels observed historically, mainly due to higher funding cost.

In particular, the sector that exhibits a profitability position above the sample is the Payroll Discount sector, since the Average ROA of this sector amounted to 5.1% in 2Q25 (vs. 4.4% in 2Q24). In second place is the Microfinance sector, with an Average ROA of 3.5% in 2Q25 (vs. 4.0% in 2Q24). In third place is the Agri-finance sector, with an Average ROA of 2.3% and, finally, the Microfinance sector is the one that exhibits the lowest level of profitability with a level of 1.6% in 2Q25 (vs. 1.9% and 1.6% in 2Q24).

Figure 9. Average ROA by Sector



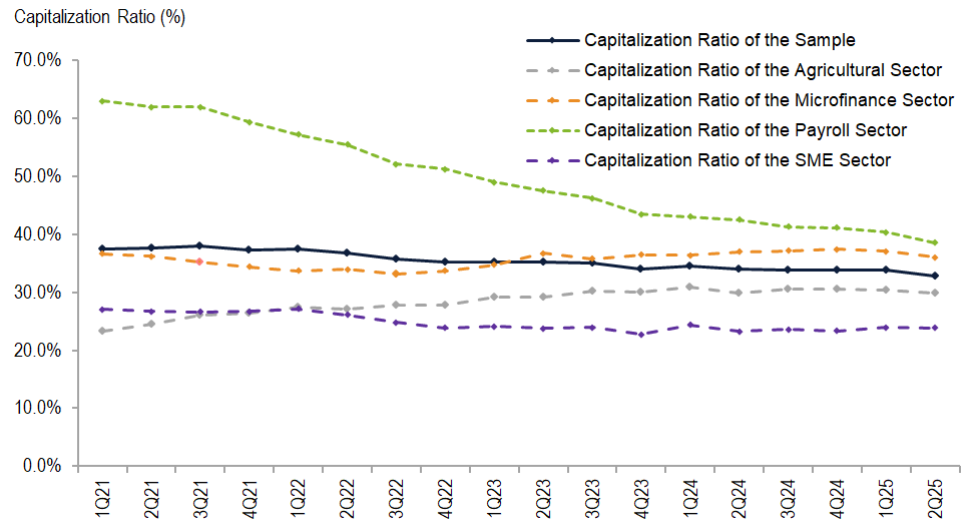
Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Solvency

Regarding the solvency position, the sector has shown solvency indicators at adequate and stable levels in the last four years analyzed, since the capitalization ratio stood at 37.3% in 4Q21, 35.2% in 4Q22, 33.9% in 4Q23 and later 33.8% in 4Q24. As for the capitalization ratio observed during the last 12m, it stood at levels of 32.8% in 2Q25 (vs. 34.0% in 2Q24). The stability of the indicator is based on the continuous generation of net profits, which has made it possible to mitigate the impact that the indicator could have in the face of the increase in assets subject to risk due to portfolio placement by financial institutions.

In particular, the Payroll Discount sector has the highest levels of capitalization in a range of 38.5% in 2Q25 (vs. 42.5% in 2Q24). The reduction in the indicator is attributed to the higher volume of assets subject to risk due to the growth of the credit portfolio observed during the last 12m. On the other hand, the Microfinance sector exhibits a capitalization ratio of 36.0% in 2Q25 (vs. 37.0% in 2Q24), the Agri-finance sector shows a capitalization ratio of 29.9% and the Microfinance sector of 23.9% in 2Q25 (vs. 29.8% and 23.3% in 2Q24). HR Ratings considers that the sector maintains a capitalization ratio at adequate levels.

Figure 10. Capitalization Index by Sector

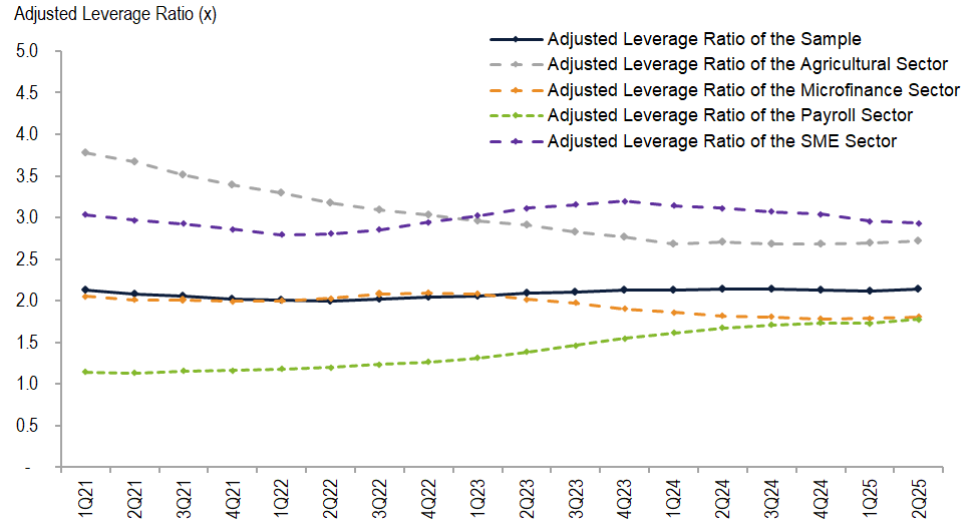


Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Leverage

The sector's leverage position has not shown significant changes in the four years analyzed, as the adjusted leverage ratio stood at levels of 2.0x in 4Q21, 2.0x in 4Q22 and 2.1x in 4Q23 and, subsequently, at 2.1x in 4Q24. As for the adjusted leverage ratio reported at the end of June 2025, it showed stability at 2.1x levels remaining at good levels (vs. 2.1x at 2Q24). In the opinion of HR Ratings, the levels of appeasement of the financial institutions considered in the sector are at adequate levels.

Figure 11. Leverage Ratio by Sector

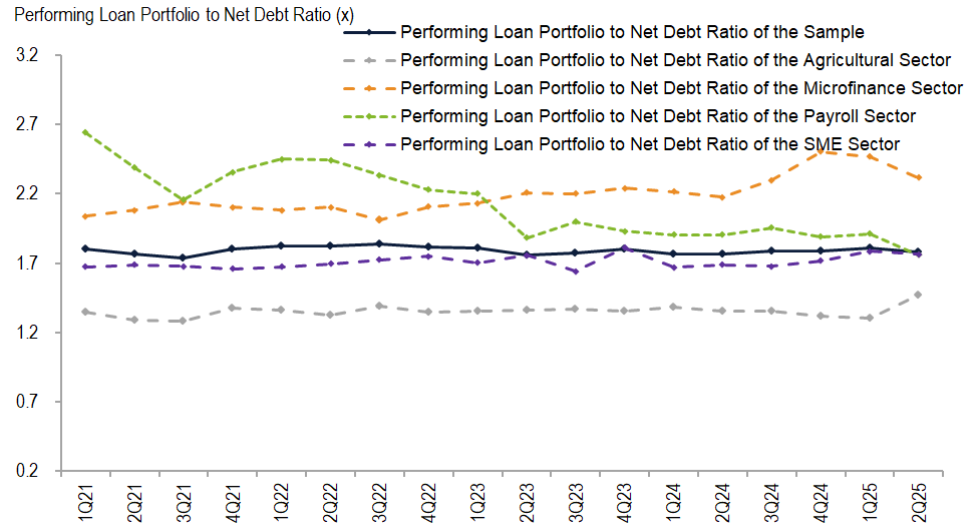


Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

On the other hand, the ratio of outstanding portfolio to net debt has been at adequate and stable levels, since it was placed at levels of 1.8x during the last four years. On the other hand, the ratio of outstanding portfolio to debt stood at 1.8x in 2Q25 (vs. 1.8x in 1Q24). The sector with the highest level of net debt coverage through the current portfolio is the Microfinance sector, as

the indicator stands at 2.3x in 2Q25 (vs. 2.2x in 2Q24). On the other hand, the Agrifinancial sector exhibited the lowest level of coverage at 1.5x in 2Q25, standing at adequate levels (vs. 1.8x in 2Q24). In HR Ratings' opinion, the sector shows a good level of coverage, which translates into adequate capacity to cover its debt obligations through the current portfolio.

Figure 12. Ratio of Current Portfolio to Net Debt by Sector



Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Main Financial Indicators: Agro-financial Sector

(Amounts in Millions of Pesos)	Annual				Quarter	
	2021	2022	2023	2024	2Q24	2Q25
Total Loan Portfolio	40,031	42,593	41,112	44,428	41,360	44,240
Current Loan Portfolio	38,797	41,130	39,744	42,816	39,887	42,561
Non-performing Loan Portfolio	1,135	1,388	1,308	1,642	1,643	1,848
Allowances for Credit Losses 12m	124	325	307	729	551	540
Administration Expenses 12m	1,634	1,511	1,751	1,700	1,781	1,735
Net Income 12m	1,137	1,019	1,037	1,092	902	1,197
Delinquency Ratio	2.8%	3.3%	3.2%	3.7%	4.0%	4.2%
Adjusted Delinquency Ratio	3.4%	3.5%	4.1%	4.7%	5.4%	4.9%
Adjusted NIM	5.2%	5.3%	6.1%	5.6%	5.7%	5.7%
Efficiency Ratio	55.7%	49.1%	49.9%	43.6%	48.3%	45.1%
Coverage Index	1.1	1.1	1.0	1.0	0.9	0.9
Average ROA	2.5%	2.2%	2.2%	2.2%	1.9%	2.3%
Capitalization Ratio	26.4%	27.8%	30.0%	30.5%	29.8%	29.9%
Adjusted Leverage Ratio	3.4	3.0	2.8	2.7	2.7	2.7
Performing Loan Portfolio to Net Debt Ratio	1.4	1.3	1.4	1.3	1.4	1.5
Interest Rate Spread	4.0%	3.7%	3.6%	3.9%	3.6%	3.8%
Active Interest Rate	10.3%	12.5%	15.7%	16.1%	16.2%	15.3%
Passive Interest Rate	6.4%	8.8%	12.2%	12.2%	12.6%	11.5%

Source: HR Ratings, based on quarterly and audited information from 36 financial institutions in the Agrofinancial Sector.

Main Financial Indicators: Microfinance Sector

(Amounts in Millions of Pesos)	Annual				Quarter	
	2021	2022	2023	2024	2Q24	2Q25
Total Loan Portfolio	30,847	36,220	41,388	46,206	43,968	47,378
Current Loan Portfolio	29,315	34,493	39,333	43,939	41,744	45,103
Non-performing Loan Portfolio	1,533	1,726	2,055	2,267	2,224	2,275
Allowances for Credit Losses 12m	2,688	4,168	4,560	4,901	4,656	5,274
Administration Expenses 12m	8,455	9,068	9,762	10,643	10,126	11,215
Net Income 12m	1,639	1,978	2,058	2,409	2,232	2,304
Delinquency Ratio	5.0%	4.8%	5.0%	4.9%	5.1%	4.8%
Adjusted Delinquency Ratio	11.8%	13.2%	13.8%	13.6%	13.3%	14.2%
Adjusted NIM	25.8%	23.5%	22.9%	22.2%	22.8%	21.5%
Efficiency Ratio	63.7%	57.8%	58.0%	57.7%	57.8%	58.0%
Coverage Index	1.5	1.7	1.6	1.6	1.6	1.6
Average ROA	3.9%	4.1%	3.9%	4.0%	4.0%	3.5%
Capitalization Ratio	34.4%	33.7%	36.4%	37.4%	37.0%	36.0%
Adjusted Leverage Ratio	2.0	2.1	1.9	1.8	1.8	1.8
Performing Loan Portfolio to Net Debt Ratio	2.1	2.1	2.2	2.5	2.2	2.3
Interest Rate Spread	29.9%	29.4%	27.1%	25.3%	26.2%	24.9%
Active Interest Rate	37.2%	37.9%	38.5%	37.8%	38.6%	36.9%
Passive Interest Rate	7.3%	8.5%	11.4%	12.5%	12.4%	12.0%

Source: HR Ratings, based on quarterly and audited information from 25 financial institutions in the Microfinance Sector.

Main Financial Indicators: Payroll Discount Sector

(Amounts in Millions of Pesos)	Annual				Quarter	
	2021	2022	2023	2024	2Q24	2Q25
Total Loan Portfolio	50,896	65,868	65,868	83,583	92,416	115,852
Current Loan Portfolio	48,181	62,931	80,012	99,606	88,274	110,782
Non-performing Loan Portfolio	2,715	2,937	3,571	4,272	4,142	5,071
Allowances for Credit Losses 12m	3,206	2,209	3,166	4,324	4,049	4,939
Administration Expenses 12m	5,553	6,457	7,259	8,115	7,705	8,136
Net Income 12m	3,494	4,013	4,148	4,842	4,213	5,614
Delinquency Ratio	5.3%	4.5%	4.3%	4.1%	4.5%	4.4%
Adjusted Delinquency Ratio	10.7%	7.0%	6.8%	6.3%	6.8%	7.2%
Adjusted NIM	16.0%	16.7%	13.7%	12.6%	12.9%	12.3%
Efficiency Ratio	44.7%	49.7%	48.4%	45.7%	46.7%	42.1%
Coverage Index	n.a	1.4	1.4	1.6	1.5	1.5
Average ROA	6.4%	6.0%	4.8%	4.8%	4.4%	5.1%
Capitalization Ratio	59.3%	51.2%	43.5%	41.1%	42.5%	38.5%
Adjusted Leverage Ratio	1.2	1.3	1.5	1.7	1.7	1.8
Performing Loan Portfolio to Net Debt Ratio	2.4	2.2	1.9	1.9	1.9	1.8
Interest Rate Spread	15.9%	12.5%	9.7%	9.3%	9.9%	9.7%
Active Interest Rate	27.6%	26.2%	25.7%	25.4%	25.7%	24.9%
Passive Interest Rate	11.7%	13.7%	16.0%	16.1%	15.8%	15.1%

Source: HR Ratings, based on quarterly and audited information from 14 financial institutions in the Payroll Discount Sector.

Main Financial Indicators: Microfinance Sector

(Amounts in Millions of Pesos)	Annual				Quarter	
	2021	2022	2023	2024	2Q24	2Q25
Total Loan Portfolio	41,204	52,557	57,719	64,604	58,693	67,001
Current Loan Portfolio	40,266	51,612	56,848	63,466	57,661	65,565
Non-performing Loan Portfolio	938	944	871	1,138	1,032	1,436
Allowances for Credit Losses 12m	598	528	553	837	692	923
Administration Expenses 12m	1,884	2,185	2,697	3,177	2,876	3,515
Net Income 12m	1,176	947	741	1,339	1,015	1,367
Delinquency Ratio	2.3%	1.8%	1.5%	1.8%	1.8%	2.1%
Adjusted Delinquency Ratio	3.7%	2.6%	2.3%	2.5%	2.5%	2.9%
Adjusted NIM	6.5%	6.5%	6.1%	5.9%	6.1%	6.0%
Efficiency Ratio	48.1%	58.1%	65.1%	55.5%	60.1%	56.7%
Coverage Index	1.3	1.4	1.6	1.5	1.6	1.4
Average ROA	2.3%	1.7%	1.1%	1.7%	1.4%	1.6%
Capitalization Ratio	26.7%	23.9%	22.7%	23.3%	23.3%	23.9%
Adjusted Leverage Ratio	2.9	2.9	3.2	3.0	3.1	2.9
Performing Loan Portfolio to Net Debt Ratio	1.7	1.7	1.8	1.7	1.7	1.8
Interest Rate Spread	4.1%	2.2%	0.1%	0.2%	0.3%	0.4%
Active Interest Rate	14.4%	16.4%	18.4%	19.6%	19.4%	19.3%
Passive Interest Rate	10.3%	14.2%	18.3%	19.4%	19.1%	18.9%

Source: HR Ratings, based on quarterly and audited information from 30 financial institutions in the SME Sector.

Balance Sheet: Consolidated Sector

(Amounts in Millions of Pesos)	Annual				Quarter	
	2021	2022	2023	2024	2Q24	2Q25
ASSET	**206,822**	**242,711**	**280,133**	**318,297**	**295,238**	**343,280**
Liquid Assets	**8,059**	**9,721**	**13,509**	**15,578**	**13,550**	**16,708**
Investment in Securities	**12,233**	**11,808**	**15,915**	**19,238**	**17,910**	**22,302**
Repurchase Agreement Debtors (Debit Balance)	**3,896**	**1,510**	**2,076**	**3,798**	**4,185**	**6,338**
Derivatives	**694**	**1,174**	**1,548**	**1,056**	**948**	**1,989**
Held for Trading	673	860	1,380	825	598	1,907
Held for Hedging	21	314	168	231	351	81
Total Net Loan Portfolio	**154,498**	**187,347**	**212,711**	**245,309**	**223,721**	**259,713**
Loan Portfolio	162,978	197,238	223,803	259,116	236,438	274,471
Current Loan Portfolio	**156,657**	**190,242**	**215,998**	**249,798**	**227,397**	**263,841**
Trade Receivables	101,361	121,240	131,020	147,714	134,937	153,870
Business or Commercial Activities	94,400	114,118	123,516	138,569	125,466	144,259
Financial Institutions	6,860	6,969	6,946	8,211	8,097	8,697
Government Entities	101	153	558	935	1,374	914
Consumer Loans	54,559	68,157	83,912	101,208	91,617	109,047
Mortgage Loans	737	845	1,065	876	844	925
Non-performing Loans Portfolio	**6,321**	**6,996**	**7,805**	**9,319**	**9,041**	**10,630**
Trade Receivables	3,540	3,868	4,131	4,750	4,657	5,174
Business or Commercial Activities	3,404	3,743	4,015	4,604	4,567	5,057
Financial Institutions	136	118	104	141	78	110
Government Entities	0	7	12	5	12	6
Consumer Loans	2,766	3,122	3,667	4,556	4,378	5,445
Mortgage Loans	15	6	7	13	6	11
Loan Loss Provisions for Credit Risks	**-8,480**	**-9,891**	**-11,092**	**-13,808**	**-12,717**	**-14,758**
Other Receivables[1]	**8,488**	**9,995**	**13,181**	**9,799**	**12,722**	**9,483**
Foreclosed Assets	**1,821**	**2,101**	**2,011**	**2,353**	**2,099**	**2,525**
Property, Furniture and Equipment	**5,742**	**6,027**	**6,269**	**6,271**	**6,198**	**6,407**
Owned Property, Plant and Equipment	4,659	5,389	5,575	5,633	5,523	5,921
Leased Property, Plant and Equipment	1,083	638	694	638	675	486
Other Assets	**7,594**	**8,471**	**6,185**	**7,449**	**7,406**	**10,067**
Deferred Charges, Prepayments and Intangibles	6,478	7,197	4,915	5,789	6,072	8,243
Other Current and Non-Current Assets	1,117	1,274	1,270	1,660	1,334	1,825
Liabilities	**141,239**	**169,057**	**197,707**	**223,342**	**208,363**	**245,093**
Pasivos Bursátiles	**20,371**	**21,576**	**23,626**	**30,280**	**27,921**	**36,461**
Préstamos Interbancarios y de Otros Organismos	**87,888**	**105,971**	**127,467**	**145,112**	**133,768**	**152,878**
Short Term	56,550	66,884	76,908	84,897	81,103	88,097
Long Term	31,339	39,087	50,559	60,215	52,664	64,780
Collateral Sold or Pledged as Security	**14,634**	**16,934**	**21,254**	**29,687**	**24,156**	**32,414**
Repurchase Agreements	10,460	13,001	18,171	24,550	21,007	27,188
Other Collateral Sold	4,174	3,933	3,083	5,137	3,149	5,226
Derivatives	**7**	**196**	**53**	**40**	**23**	**175**
Held for Trading	7	175	1	0	0	44
Held for Hedging	0	21	52	40	23	131
Securitizacion Transaction Liabilities	**1,315**	**1,742**	**2,598**	**3,644**	**3,232**	**3,922**
Other Payables	**15,384**	**20,913**	**21,235**	**12,888**	**18,053**	**17,880**
Income Taxe Payable	317	510	484	486	384	349
Employee Profit-Sharing Payable	2,501	6,103	4,066	150	74	128
Contributions for Future Capital Increases Pending Formalization	47	47	26	26	47	56
Liabilities from Settlement of Transactions	157	226	159	402	197	343
Margin Account Payables	7	3	3	3	3	3
Payables for Cash Collateral Received	251	120	77	76	111	97
Other Creditors and Payables	12,105	13,904	16,419	11,746	17,236	16,904
Outstanding Subordinated Debt	**225**	**83**	**93**	**555**	**99**	**281**
Deferred Taxes and Employee Profit-Sharing (Liability)	486	628	369	570	446	469
Deferred Credits and Advance Collections	929	1,014	1,013	565	666	614
Equity	**65,583**	**73,654**	**82,426**	**94,955**	**86,875**	**98,187**
Participación Controladora	**64,974**	**72,958**	**81,624**	**94,017**	**86,014**	**97,193**
Paid-in Capital	**40,441**	**44,898**	**51,108**	**60,013**	**55,370**	**64,781**
Capital Stock	37,612	41,028	46,679	53,122	50,346	57,039
Contributions for Future Capital Increases	407	1,372	2,225	3,465	2,809	4,281
Share Issuance	2,422	2,492	2,199	3,193	2,210	3,204
Earned Capital	**24,533**	**28,059**	**30,516**	**34,003**	**30,644**	**32,413**
Capital Reserves	4,381	4,971	5,963	6,788	6,900	7,718
Profit from Previous Years	12,229	14,585	16,216	17,401	19,036	19,575
Valuation Result of Available-for-Sale Securities	82	86	76	77	67	88
Gains or losses from the Valuation of Cash Flow Hedging Instruments	37	108	106	-23	245	-470
Cumulative Translation Adjustment	16	-14	-177	-248	-395	-49
Remeasurements of Defined Benefits Plans	190	194	198	202	199	204
Gains or Losses on Holding Non-monetary Assets	152	172	155	128	132	87
Net Income	7,446	7,957	7,979	9,678	4,460	5,260
Non-controlling Interest	**609**	**696**	**801**	**938**	**861**	**994**
Net Income Attributable to Non-Controlling Interest	609	695	796	919	845	976
Other Non-Controlling Interest	0	1	5	19	16	18
Net Debt	**87,281**	**105,041**	**120,174**	**139,560**	**129,303**	**148,515**

Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Income Statement: Consolidated Sector

	Annual				Accumulated	
(Amounts in Millions of Pesos)	**2021**	**2022**	**2023**	**2024**	**2Q24**	**2Q25**
Interest Income	39,059	47,064	58,149	68,203	32,596	36,317
Interest Expenditure	9,514	13,682	21,294	25,984	12,525	13,215
Financial Margin	**29,424**	**33,375**	**36,927**	**42,364**	**20,150**	**23,102**
Loan-loss Provisions for Credit Risks	6,616	7,231	8,587	10,791	5,249	6,136
Financial Margin Adjusted for Credit Risks	**22,808**	**26,144**	**28,340**	**31,573**	**14,900**	**16,966**
Comissions and Tariffs Collected	1,194	1,503	1,632	1,797	839	911
Comissions and Tariffs Paid	688	834	945	959	416	500
Intermediation Income	-24	63	67	92	27	0
Operating Lease Income	7	15	16	12	1	5
Other Operating Income (Expenses)	2,642	1,398	1,778	2,504	1,179	1,155
Total Operating Inflows (Expenses)	**25,939**	**28,288**	**30,888**	**35,018**	**16,530**	**18,538**
Administration Expenses	17,527	19,221	21,469	23,635	11,314	12,281
Depreciation and Amortization	96	111	58	43	16	2
Operating Profit	**8,316**	**8,956**	**9,361**	**11,341**	**5,200**	**6,255**
Share of Profit (Loss) of Unconsolidates Subsidiaries	246	16	71	171	94	48
Income Before Tax	**8,562**	**8,972**	**9,432**	**11,512**	**5,294**	**6,302**
Incurred Tax	819	1,199	1,525	1,732	811	957
Deferred Tax	7	-250	-175	-68	-29	26
Resultado antes de Operaciones Discontinuas	**7,737**	**8,023**	**8,083**	**9,849**	**4,511**	**5,319**
Discontinued Operations	291	68	104	171	51	59
Net Income	**7,446**	**7,955**	**7,979**	**9,678**	**4,460**	**5,260**

Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Financial Metrics	**2021**	**2022**	**2023**	**2024**	**2Q24**	**2Q25**
Delinquency Ratio	3.9%	3.5%	3.5%	3.6%	3.8%	3.9%
Adjusted Delinquency Ratio	7.4%	6.3%	6.6%	6.5%	6.8%	7.1%
Adjusted NIM	13.0%	13.1%	12.1%	11.6%	11.8%	11.5%
Efficiency Ratio	53.8%	54.1%	54.4%	51.6%	53.0%	50.5%
Coverage Index	1.3	1.4	1.4	1.5	1.4	1.4
Average ROA	3.9%	3.6%	3.1%	3.3%	3.1%	3.3%
Capitalization Ratio	37.3%	35.2%	33.9%	33.8%	34.0%	32.8%
Adjusted Leverage Ratio	2.0	2.0	2.1	2.1	2.1	2.1
Performing Loan Portfolio to Net Debt Ratio	1.8	1.8	1.8	1.8	1.8	1.8
Ratio of Asset Maturities to Liability Maturities	2.4	2.4	2.3	2.3	2.3	2.3
Interest Rate Spread	13.3%	12.0%	9.7%	9.3%	9.6%	9.5%
Active Interest Rate	22.0%	23.3%	24.5%	24.8%	25.0%	24.3%
Passive Interest Rate	8.7%	11.3%	14.8%	15.6%	15.4%	14.8%

Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Cash Flow: Sectoral Consolidated

	Annual				Accumulated	
(Amounts in Millions of Pesos)	**2021**	**2022**	**2023**	**2024**	**2Q24**	**2Q25**
Net Income	**7,446**	**7,956**	**7,979**	**9,678**	**4,460**	**5,260**
Adjusted for Non-Cash Flow Items:	**6,732**	**7,231**	**8,587**	**10,791**	**5,320**	**6,136**
Loan-loss Provisions for Credit Risks	6,616	7,231	8,587	10,791	5,249	6,136
Operating Activities						
Change in Investment Securities	-1,448	425	-4,107	-3,323	-1,995	-3,064
Change in Repurchase Agreement Receivables	2,418	2,387	-566	-1,722	-2,109	-2,541
Change in Derivatives (Assets)	1,001	-481	-373	491	599	-932
Change in Loan Portfolio	-25,291	-40,080	-33,951	-43,388	-16,259	-20,540
Change in Purchased Receivables	69	-40	-1,425	-279	94	-160
Change in Receivable Benefits from Securitization Transactions	16	-8	-43	33	58	18
Change in Other Accounts Receivable	-2,191	-1,507	-3,186	3,382	459	316
Change in Adjudicated Assets (Net)	6	-280	90	-343	-88	-172
Change in Equity Investments	-166	12	-92	-254	-24	91
Change in Long-term Assets Available for Sale	-137	-353	-105	-52	29	60
Change in Taxes and Deferred Profit Sharing (Assets)	81	-372	-508	-165	76	-307
Change in Other Operating Assets (Net)	189	-877	2,286	-1,264	-1,221	-2,618
Change in Marketable Securities	4,286	1,205	2,050	6,654	4,295	6,181
Change in Receivables form Other Entities and Repossessed Assets	4,543	18,083	21,496	17,645	6,301	7,766
Change in Collateral Sold or Pledged	-202	2,300	4,321	8,433	2,901	2,727
Change in Derivatives (Liabilities)	-123	189	-143	-12	-30	134
Change in Valuation Adjustments for Financial Liabilities	-1	-1	0	0	0	0
Change in Liabilities from Securitization Operations	192	427	857	1,046	634	278
Change in Other Accounts Payable	1,283	5,529	321	-8,346	-3,182	4,991
Change in Subordinated Liabilities	26	-142	10	462	6	-274
Change in Taxes and Deferred Profit Sharing (Liabilities)	126	142	-259	201	77	-101
Change in Other Operating Liabilities	-74	85	-1	-448	-347	48
Cashflow Generated by Operating Activities	**-15,395**	**-13,356**	**-13,329**	**-21,248**	**-9,728**	**-8,102**
Investment Activities						
Payments for Acquisition of Property, Plant and Equipment	0	-285	-242	-2	0	-136
Own Use Property, Plant and Equipment	0	-285	-242	-2	0	-136
Net Cash Flow from Investment Activities	**0**	**-285**	**-242**	**-2**	**0**	**-136**
Financing Activities						
Proceeds from Issuance of Shares	-427	114	793	2,851	-11	-2,028
Net Cash Flow from Investment Activities	**-427**	**114**	**793**	**2,851**	**-11**	**-2,028**
Net Increase (Decrease) in Cash and Cash Equivalents	**-1,644**	**1,660**	**3,788**	**2,070**	**41**	**1,130**
Effects of Changes in Cah and Cash Equivalents	**0**	**1**	**2**	**0**	**0**	**0**
Cash and Cash Equivalents at Beginning of Period	**9,702**	**8,058**	**9,719**	**13,509**	**13,509**	**15,578**
Cash and Cash Equivalents at End of Period	**8,058**	**9,719**	**13,509**	**15,578**	**13,550**	**16,708**

Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Free Cash Flow	**2021**	**2022**	**2023**	**2024**	**2Q24**	**2Q25**
Net Income	7,446	7,956	7,979	9,678	4,460	5,260
+ Loans-loss Provisions	2,506	1,938	2,429	2,462	2,788	3,125
+Depreciation and Amortization	116	0	0	0	71	0
- Write-offs	6,284	5,821	7,386	8,075	3,624	5,186
+Change in Accounts Receivable	-2,191	-1,507	-3,186	3,382	459	316
+Change in Accounts Payable	1,283	5,529	321	-8,346	-3,182	4,991
Free Cash Flow	15,443	19,736	14,930	15,250	8,220	18,878

Source: HR Ratings, based on quarterly and audited information from 106 financial institutions.

Glossary

Total Portfolio. Current Credit Portfolio + Non-Performing Loans (NPL) Portfolio.

Current portfolio to net debt. Current Portfolio / (Liabilities with Cost – Investments in Securities – Liquid Assets).

Free Cash Flow. Net Profit + Preventive Estimates – Penalties + Operating Assets + Operating Liabilities.

Capitalization Index. Equity / Risk-weighted assets.

Coverage Index. Preventive Estimates for Credit Risk / Non-Performing Loans.

Efficiency Index. Administrative Expenses 12m / (Total Operating Revenues 12m + Preventive Estimates for Credit Risks 12m).

Non-performing loan ratio. Overdue Portfolio / Total Portfolio.

Adjusted NPL Ratio. (Overdue Wallet + Penalties 12m) / (Total Portfolio + Penalties 12m).

MIN Adjusted. (Financial Margin Adjusted for Credit Risks 12m / Productive Assets Avg. 12m).

Liabilities with Cost. Bank Loans + Stock Market Liabilities + Partner Loans.

Adjusted Leverage Ratio. Total Liabilities Avg. 12m – Avg. Repos 12m / Avg. Stockholders' Equity 12m.

Average ROA. Consolidated net income 12m / Total assets avg. 12m

Average ROE. Consolidated net income 12m / Avg. stockholders' equity 12m.

Interest Rate Spread. Lending Rate – Passive Rate.

Active Rate. Interest Income 12m / Total Productive Assets Avg. 12m.

Passive Rate. Interest Expense 12m / Liabilities with Avg. Cost 12m.

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