

Orco Bank N.V.
Consolidated
Financial Highlights
December 31, 2025

Report of the Management Board

Introduction

The markets in which Orco Bank operate continued to grow, notwithstanding a turbulent global landscape marked by heightened geopolitical tensions, wars and extreme weather conditions. The tourism sector and the real estate / construction sector are serving as the main drivers of growth across the islands of Curaçao, Sint Maarten and Bonaire. The Bank maintained its commitment to being the go-to banking choice across all the regions where the Bank operates. The Bank's dedication is to offer innovative, efficient, and client-centric solutions that empower its customers to attain financial independence in a responsible and sustainable manner. Simultaneously, the Bank aims to generate mutual benefits for the communities the Bank is a part of.

The economic situation of the islands

Curaçao

Curaçao's economy grew by an estimated 3.5% in 2025, driven mainly by a strong tourism rebound, renewed investment activity, and continued expansion in business services. Inflation remained moderate at roughly 2.4%, while public finances improved further, supported by stronger revenues and prudent fiscal management. Market sentiment was cautiously optimistic, with ongoing diversification in tourism, digital services, renewable energy, and logistics helping to strengthen the island's long-term competitiveness.

Sint Maarten

Sint Maarten recorded real GDP growth of about 3.1% in 2025, supported by steady stayover tourism recovery, hotel development, and infrastructure projects. Inflation eased to around 1.8%, largely driven by imported costs and tourism related expenses. Fiscal performance improved, with a primary surplus reinforcing resilience, while investor sentiment remained positive but mindful of global demand risks and climate related vulnerabilities. Key opportunities lie in high value tourism, airport expansion, utilities and energy investments, and digital business services.

Bonaire

Bonaire's economy remained resilient, supported by a tourism sector that accounts for roughly half of GDP and employment. Inflation decelerated notably, with year-on-year consumer prices rising 3.3% and a quarterly decline driven by lower housing, water, and energy costs. Future opportunities include sustainable high-value tourism, renewable-energy initiatives, logistics, and expanded agricultural and marine-resource value chains.

Major developments within the Bank

Change in leadership

During 2025 Mr. Gijbert Turkenburg succeeded Mrs. Désirée Alberto- Martina as Managing Director Finance and Operations. We take this opportunity to express our gratitude to Mrs. Désirée Alberto- Martina for her input and dedication to the Bank.

Successful CIBC Sint Maarten Transition

In 2025, Orco Bank advanced its regional growth strategy with the acquisition of the CIBC FirstCaribbean portfolio in Sint Maarten, following the successful acquisition of the portfolio of CIBC First Caribbean Curaçao in 2024. This strategic acquisition marks a major step in Orco Bank's regional expansion and its long-term commitment to serving clients across multiple jurisdictions.

Currency conversion ANG to XCG

In 2025, the Bank successfully completed the conversion, from the Netherlands Antillean Guilder (ANG) to the Caribbean Guilder (XCG). This conversion required coordinated adjustments across systems, processes, and cash operations—including the controlled intake, safeguarding, and distribution of XCG banknotes and coins. Thanks to strong interdepartmental collaboration and proactive preparation, the Bank executed the transition smoothly, without service disruption to clients, ensuring full compliance with the Central Bank's requirements and strengthening operational readiness for the new monetary framework.

Expansion of ATM and Self-Service Locations

In 2025, Orco Bank expanded its self-service network across Curaçao and Sint Maarten to enhance accessibility and customer convenience. In Curaçao, new ATMs were installed at Saliña Galleries and Roosevelt Center, extending banking access to more residential and commercial areas. In Sint Maarten, additional ATMs were introduced at the Emmaplein branch, and the Maho Hotel, providing greater service coverage for both residents and visitors. This initiative reflects Orco Bank's commitment to digital transformation and customer-focused innovation, aligning with global banking trends that emphasize flexibility, self-service, and inclusion.

New Merchant Services

In 2025, Orco Bank significantly upgraded its merchant-service infrastructure in Curaçao and Sint Maarten by expanding its point-of-sale (POS) terminal network, enabling businesses to accept payments wherever their customer base takes them. The bank also enhanced merchant-support services on both islands, reinforcing its commitment to helping local businesses optimize operations, improve payment security, and enhance the overall customer experience.

Partnerships

Orco Bank further strengthened its digital banking offering with the introduction of Sentoo.me, an innovative peer-to-peer payment solution available in Curaçao, Bonaire, and St. Maarten. The platform enables customers to send and receive local payments instantly and securely by linking their Orco Bank account directly to the Sentoo.me app. This initiative underscores Orco Bank's continued commitment to innovation, convenience, and the advancement of seamless, cashless payment experiences across its markets.

AutoXperience 2025

Orco Bank hosted its first-ever AutoXperience Car Sales Campaign and Event, held between September and October 2025. This milestone initiative brought together all major car dealerships on the island for a unique, customer-centered auto sales experience. The event positioned Orco Bank as a leading player in auto financing, generating strong loan performance and demonstrating the bank's ability to create high-impact partnerships and innovative market experiences.

Corporate Social Responsibility

In 2025, Orco Bank demonstrated its commitment to Corporate Social Responsibility (CSR) through initiatives across Curaçao, Bonaire, and Sint Maarten. Across our regional footprint, the Bank continued to support initiatives that promote health, education, cultural development, environmental stewardship, and community inclusion. Notably, Orco Bank remained the principal sponsor of Ride for the Roses, expanding its involvement to Bonaire and reinforcing its longstanding commitment to cancer awareness and support.

Throughout the year, the Bank contributed to a wide range of programs that addressed community wellbeing, youth development, digital readiness, cultural expression, and responsible leadership. These efforts included partnerships with organizations focused on mental health, educational enrichment, sports and wellness, sustainable environmental practices, and artistic and cultural advancement. By investing consistently in these areas, Orco Bank reaffirmed its purpose of remaining closely connected to the communities it serves, ensuring that its impact extends beyond financial services and contributes meaningfully to social and economic resilience.

Bank's performance – financial highlights

In 2025, Orco Bank continued its trajectory of robust growth and further solidified its market position, building on the successful integration of CIBC FirstCaribbean's portfolios in both Curaçao and Sint Maarten. This strategic expansion was complemented by investments in digital banking, self-service infrastructure, and merchant services, which enhanced accessibility and customer experience across the region.

The bank's financial performance reflected this momentum, with total assets rising by 18.2% to reach 2,545 million. This increase was supported by stable liquidity, with cash and amounts due from banks remaining strong at 697 million, and a further expansion of the investment securities portfolio to 327 million. Loans and advances to customers saw a substantial increase of 34.2%, reaching 1,485 million, underscoring the bank's commitment to supporting both retail and corporate clients.

Orco Bank's solvency remained robust, with shareholder's equity increasing to 233 million, driven by retained earnings and prudent risk management. On the liabilities side, deposits from customers grew by 18.7% to 2,297 million, reflecting continued confidence in the bank's deposit base. Profitability also improved markedly: net interest income rose by 23.8% to 64.9 million, fueled by higher interest income of 101 million. Total income increased to 83.3 million, while operating expenses (excluding net impairment losses) rose to 56 million, primarily due to costs associated with the acquisition and integration of CIBC Sint Maarten. Despite these higher expenses, the bank achieved a solid net result of 29.1 million.

Outlook for 2026

Looking ahead to 2026, Orco Bank remains committed to deepening relationships with existing clients, attracting new ones, expanding sales and service capabilities, and continuing the development of our Online and Mobile Banking applications. The bank will enhance self-service and product options across Curaçao, Bonaire, and Sint Maarten, reflecting our ongoing commitment to service excellence and sustainable growth.

In the Dutch Caribbean, the economic outlook for 2026 aligns closely with our vision for fostering stability and development. The outlook remains positive, with growth supported by sustainable tourism development, market diversification, and ongoing efforts to strengthen fiscal management and employment opportunities. Risks have become more externally driven, particularly due to heightened geopolitical tensions and the volatile global trade conditions. The Bank acknowledges that rising geopolitical uncertainty – especially escalating tensions between the United States and Venezuela – poses downside risks for tourism and foreign investment. Orco Bank's strategic focus for 2026 positions the institution to navigate these evolving economic conditions effectively, leveraging opportunities for growth while meeting the needs of its clients across Curaçao, Bonaire, and Sint Maarten.

In 2026, the Deposit Guarantee Scheme (DGS) will continue its rollout across the monetary union. Building on Curaçao's 2025 launch, the scheme will be extended to Sint Maarten, further strengthening confidence and resilience by protecting deposits at licensed institutions up to XCG 50,000 per depositor. For the Bank, this introduces mandatory recurring contributions to the DGS based on our covered deposit base, resulting in a modest increase in operating expenses.

The Management Board recognizes that Orco Bank's success in 2025 was made possible by the passion and commitment of our people. Their dedication, creativity, and drive continue to power our progress and define who we are as an organization.

We extend our sincere appreciation to our colleagues for their commitment, our clients for their trust and loyalty, the Supervisory Board for their leadership and to our Shareholder for their continued confidence and support. Together, these partnerships strengthen our purpose and inspire us to keep evolving, growing, and delivering meaningful value in a rapidly changing financial landscape.

Willemstad, Curaçao, 29 January 2026

The Management Board of Orco Bank N.V.

Consolidated Balance Sheet Of Orco Bank N.V.

(All amounts are expressed in thousands of Caribbean Guilders)

	December 31, 2025	December 31, 2024
Assets		
Cash and due from banks	696,689	697,024
Investment securities	327,238	318,989
Loans and advances to customers	1,485,279	1,106,556
Bank premises and equipment	17,495	17,144
Goodwill and other intangible assets	44	297
Other assets	17,816	12,059
Total assets	2,544,561	2,152,068
Liabilities and stockholders' equity		
Customer deposits	2,296,813	1,935,067
Profit tax payable	1,950	1,330
Deferred tax liabilities	3,876	4,234
Provisions	1,071	960
Other liabilities	7,586	6,314
	2,311,296	1,947,905
Shareholder's equity		
Issued capital	7,774	7,774
Share premium	50,018	50,018
General provision on loans	44,558	44,262
Retained earnings	130,915	102,109
	233,265	204,163
Total shareholder's equity and liabilities	2,544,561	2,152,068

Consolidated Income Statement Of Orco Bank N.V.

(All amounts are expressed in thousands of Caribbean Guilders)

	2025	2024
Interest income	100,982	80,325
Interest expense	36,101	27,925
Total net interest income	64,881	52,400
Fee and commission income	8,713	5,806
Fee and commission expense	(516)	(575)
Total net fee and commission income	8,197	5,232
Net trading income	10,108	6,326
Other operating income	188	805
Total net operating income	10,276	7,131
Total income	83,354	64,763
Salaries and other employee expenses	28,404	20,886
Occupancy expenses	6,557	4,695
Net impairment losses on loans and advances	(2,233)	1,412
Other operating expenses	21,007	25,557
Operating expenses	53,736	52,351
Net result from operations	29,618	12,411
Income from associates	-	-
Net result before tax	29,618	12,411
Profit tax expenses	516	(1,349)
Net result after tax	29,102	13,760

Specification of accounts

(All amounts are expressed in thousands of Caribbean Guilders)

	December 31, 2025	December 31, 2024
I. Assets		
Investment securities		
Debt securities at amortized cost	327,232	318,983
Financial assets at fair value through profit or loss	6	6
Total investments	327,238	318,989
Allowance for ECL	-	-
Net investments	327,238	318,989
Loans and advances to customers		
Retail customers	838,925	659,315
Corporate customers	655,462	453,783
Other	-	-
Total loans and advances	1,494,387	1,113,099
Accrued interest receivable	4,329	4,702
Allowance for ECL	(13,437)	(11,245)
Net loans and advances	1,485,279	1,106,556
II. Liabilities		
Customers' deposits		
Retail customers	762,162	618,925
Corporate customers	1,518,694	1,301,800
Other	-	-
	2,280,856	1,920,725
Accrued interest payable on customers' deposits	15,957	14,342
Total customers' deposits	2,296,813	1,935,067

Explanatory Notes To The Consolidated Financial Highlights Of Orco Bank N.V.

1. General

The principal accounting policies adopted in the preparation of the Consolidated Financial Highlights of Orco Bank N.V. and its subsidiaries (the 'Bank') are set out below. These explanatory notes are an extract of the detailed notes included in the consolidated financial statements and are consistent in all material respects with those from which they have been derived.

2. Basis of preparation

The Bank's consolidated financial statements, from which the Consolidated Financial Highlights have been derived, are prepared in accordance with International Financial Reporting Standards ("IFRS"). The figures presented in these highlights are stated in thousands of Caribbean Guilders and are rounded to the nearest thousand. The accounting policies used have been consistently applied by the Bank and are consistent, in all material respects, with those used in the previous year.

3. Basis of consolidation

Subsidiaries are all entities (including special purpose entities, if any) over which the Bank has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Bank. They are de-consolidated from the date that control ceases.

The following subsidiaries have been consolidated as of December 31, 2025: Orco Bank Onroerend Goed N.V., Flamboyant Onroerend Goed N.V., Westpunt Onroerend Goed N.V., Cerrito Onroerend Goed N.V. and Willemsplein Onroerend Goed N.V.

4. Classification and subsequent measurement of financial assets

Classification and subsequent measurement of the financial assets depend on:
 (i) the Bank's business model for managing the asset; and
 (ii) the cash flow characteristics of the asset.

Business model assessment
 The business model reflects how the Bank manages the assets in order to generate cash flows. That is, whether the Bank's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

SPPI

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Bank assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Bank considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. Based on these factors, the Bank classifies its debt instruments into one of the following three measurement categories:

Amortized cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance as further described below. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.

Fair value through other comprehensive income ("FVOCI"):

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance as further described below. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.

Fair value through profit or loss ("FVTPL"):

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented in the profit or loss statement within 'Net trading income' in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately in 'Net investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Derecognition of financial assets

The Bank sometimes renegotiates or otherwise modifies the contractual cash flows to customers. When this happens, the Bank assesses whether or not the new terms are substantially different to the original terms. If the terms are substantially different, the Bank derecognizes the original financial asset and recognizes a 'new' asset at fair value and recalculates a new effective interest rate for the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Bank has transferred substantially all risks and rewards of ownership.

Expected credit loss principles

- Based on IFRS 9, the loans are grouped into Stage 1, Stage 2 and Stage 3 as described below:
- Stage 1: When loans are first recognized, the Bank recognizes an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2;
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3;
- Stage 3: Loans considered credit-impaired. The Bank records an allowance for the LTECLs;

Calculation of Expected credit losses

- The key elements of the ECL calculations are as follows:
- PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.
- EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

In its ECL models, the Bank relies on a broad range of forward-looking information as economic inputs such as GDP growth, Unemployment rates and the Consumer Price Index. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

Independent auditor's report on the audit of the consolidated financial highlights

To: the Shareholder and Management Board of Orco Bank N.V.

Opinion

The accompanying consolidated financial highlights, which comprise the consolidated balance sheet as at 31 December 2025 and consolidated income statement for the year then ended and related notes, are derived from the audited consolidated financial statements of Orco Bank N.V. ('the company') for the year ended 31 December 2025.

In our opinion, the accompanying consolidated financial highlights are consistent, in all material respects, with the audited consolidated financial statements of the company, in accordance with the Provisions for the Disclosure of Consolidated Financial Highlights of Domestic Banking Institutions, as set by the Central Bank of Curaçao and Sint Maarten ("CBCS").

Consolidated financial highlights

The accompanying consolidated financial highlights do not contain all the disclosures required by International Financial Reporting Standards. Reading the accompanying consolidated financial highlights and our report thereon, therefore, is not a substitute for reading the audited consolidated financial statements of the company and our auditor's report thereon.

The audited consolidated financial statements and our auditor's report thereon

We expressed an unmodified audit opinion on the consolidated financial statements 2025 of the company in our auditor's report dated 27 January 2026.

Responsibilities of management for the consolidated financial highlights

Management is responsible for the preparation of the accompanying consolidated financial highlights in accordance with the Provisions for the Disclosure of Consolidated Financial Highlights of Domestic Banking Institutions, as set by the CBCS.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the accompanying consolidated financial highlights are consistent, in all material respects, with the audited consolidated financial statements of the company based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Curaçao, 29 January 2026 for Ernst & Young Accountants C. Smorenburg RA AA