



U.S.\$2,980,000,000
Republic of Panama
U.S.\$1,490,000,000 5.227% Global Bonds due 2034
U.S.\$1,490,000,000 5.662% Global Bonds due 2038

The Republic of Panama (the “Republic” or “Panama”) will pay interest on the 5.227% Global Bonds due 2034 (the “2034 global bonds”) on February 23 and August 23 of each year, commencing on August 23, 2026, and on the 5.662% Global Bonds due 2038 (the “2038 global bonds”, and together with the 2034 global bonds, the “global bonds”) on February 23 and August 23 of each year, commencing on August 23, 2026. Panama will repay the principal of the 2034 global bonds in two equal installments on February 23 of each year commencing on February 23, 2033. Panama will repay the principal of the 2038 global bonds in two equal installments on February 23 of each year commencing on February 23, 2037. The 2034 global bonds will mature on February 23, 2034, and the 2038 global bonds will mature on February 23, 2038.

The global bonds will be unsubordinated, unsecured (subject to the provisions in the global bonds providing for securing such obligations in the event certain other obligations of Panama are secured), direct, unconditional and general obligations of Panama. The global bonds will be designated equal ranking securities and, as such, the global bonds will rank without any preference among themselves and equally with all other unsecured and unsubordinated public indebtedness of Panama. It is understood that this provision shall not be construed so as to require Panama to make payments under the global bonds ratably with payments being made under any other public indebtedness. See “Debt Securities—Status of the Debt Securities” in the accompanying prospectus. Panama has pledged its full faith and credit for the due and punctual payment of principal and interest on the global bonds and all obligations of Panama in respect of the global bonds.

Panama may, at its option, redeem the global bonds, in whole or in part, before maturity, on not less than 10 nor more than 60 days’ notice on the terms described under “Description of the Global Bonds—Optional Redemption” in this prospectus supplement. The holders of the global bonds will not be entitled to the benefit of any sinking fund.

The global bonds will be designated Aggregated Collective Action Securities and, as such, will contain provisions regarding future modifications to the terms of the global bonds that differ from those applicable to Panama’s outstanding public external indebtedness issued prior to March 16, 2015. Under these provisions, which are described under “Description of the Global Bonds—Meetings, Amendments and Waivers” in this prospectus supplement and “Aggregated Collective Action Securities” in the accompanying prospectus, Panama may amend the payment provisions of any series of debt securities (including the global bonds) and other reserve matters listed in the fiscal agency agreement with the consent of the holders of: (1) with respect to a single series of debt securities, more than 75% of the aggregate principal amount of the outstanding debt securities of such series; (2) with respect to two or more series of debt securities, if certain “uniformly applicable” requirements are met, more than 75% of the aggregate principal amount of the outstanding debt securities of all series affected by the proposed modification, taken in the aggregate; or (3) with respect to two or more series of debt securities, whether or not certain “uniformly applicable” requirements are met, more than 66 2/3% of the aggregate principal amount of the outstanding debt securities of all series affected by the proposed modification, taken in the aggregate, and more than 50% of the aggregate principal amount of the outstanding debt securities of each series affected by the proposed modification, taken individually.

Application will be made to list the global bonds on the Official List of the Luxembourg Stock Exchange and to have such global bonds admitted to trading on the Euro MTF Market.

Section 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) Notification

The global bonds are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

See “[Risk Factors](#)” beginning on page S-10 for a discussion of factors you should consider before investing in the global bonds.

This prospectus supplement, together with the prospectus dated February 20, 2025, constitutes an admission document in accordance with Chapter 401 of part 2 of the Luxembourg Stock Exchange’s rules and regulations.

Neither the United States Securities and Exchange Commission (“SEC”) nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The global bonds will be ready for delivery in book-entry form only through the facilities of The Depository Trust Company, or DTC, for the accounts of its participants, including Clearstream Banking, *société anonyme*, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, against payment in New York, New York, on or about February 23, 2026.

	Price to Public⁽¹⁾	Underwriting Discount	Proceeds to the Republic before expenses
Per 2034 global bond	100.000%	0.050%	99.950%
Total for 2034 global bonds	\$ 1,490,000,000	\$745,000	\$ 1,489,255,000
Per 2038 global bond	100.000%	0.050%	99.950%
Total for 2038 global bonds	\$ 1,490,000,000	\$745,000	\$ 1,489,255,000

(1) Plus additional interest, if any, from February 23, 2026.

Joint Book-Running Managers

BofA Securities

J.P. Morgan

The date of this prospectus supplement is February 17, 2026.

Panama has only provided you with the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. Panama has not, and the underwriters have not, authorized anyone to provide you with different information. Panama and the underwriters are not making an offer of the global bonds in any jurisdiction where the offer is not permitted. You should not assume that the information provided by this prospectus supplement or the accompanying prospectus as supplemented by this prospectus supplement is accurate as of any date other than the date on the front of this prospectus supplement.

TABLE OF CONTENTS

PROSPECTUS SUPPLEMENT

	<u>Page</u>
<u>About This Prospectus Supplement</u>	S-iii
<u>Forward-Looking Statements</u>	S-iv
<u>Jurisdiction and Enforcement</u>	S-v
<u>Certain Legal Restrictions</u>	S-vi
<u>Summary</u>	S-1
<u>The Issuer</u>	S-1
<u>Selected Panamanian Economic Indicators</u>	S-2
<u>The Global Bonds</u>	S-3
<u>Risk Factors</u>	S-8
<u>Incorporation by Reference</u>	S-11
<u>Use of Proceeds</u>	S-12
<u>Presentation of Economic and Other Information</u>	S-13
<u>Recent Developments</u>	S-14
<u>Description of the Global Bonds</u>	S-27
<u>General Terms of the Global Bonds</u>	S-27
<u>Optional Redemption</u>	S-28
<u>Payments of Principal and Interest</u>	S-31
<u>Events of Default; Acceleration of Maturity</u>	S-31
<u>Fiscal Agent</u>	S-32
<u>Paying Agents; Transfer Agents; Registrar</u>	S-32
<u>Definitive Bonds</u>	S-32
<u>Notices</u>	S-32
<u>Further Issues of the Global Bonds</u>	S-33
<u>Meetings, Amendments and Waivers</u>	S-33
<u>Certain Amendments Not Requiring Holder Consent</u>	S-35
<u>Purchase of Global Bonds by Panama</u>	S-35
<u>Governing Law</u>	S-35
<u>Listing</u>	S-35
<u>Global Clearance and Settlement</u>	S-36
<u>Taxation</u>	S-39
<u>Underwriting (Conflicts of Interest)</u>	S-43
<u>Validity of the Global Bonds</u>	S-51
<u>Official Statements and Documents</u>	S-51
<u>General Information</u>	S-52

PROSPECTUS

	<u>Page</u>
Where You Can Find More Information	2
Data Dissemination	3
Use of Proceeds	4
Debt Securities	5
Collective Action Securities	14
Aggregated Collective Action Securities	16
Warrants	20
Governing Law	21
Jurisdiction and Enforcement	22
Plan of Distribution	23
Selling Securityholders	25
Validity of the Securities	26
Official Statements	27
Authorized Representative	28
Glossary	29

ABOUT THIS PROSPECTUS SUPPLEMENT

The Republic of Panama, having made all reasonable inquiries, confirms that this prospectus supplement and the accompanying prospectus and the documents incorporated by reference herein and therein together contain all information with respect to Panama and the global bonds that is material in the context of the offering of the global bonds, and that such information is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed herein are honestly held and that, to the best of Panama's knowledge and belief, there are no other facts the omission of which would make any such information or the expression of any such opinions and intentions materially misleading. Panama accepts responsibility accordingly.

Panama has only provided you with the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. Panama has not authorized anyone else to provide you with any other information. You should not assume that the information in this prospectus supplement or the accompanying prospectus, or the information Panama has previously filed with the SEC and incorporated by reference in this prospectus supplement and the accompanying prospectus, is accurate as of any date other than their respective dates. Panama's economic, fiscal or political circumstances may have changed since such dates. Later information that Panama files with the SEC updates and supersedes earlier information that is filed.

Panama is not offering to sell or soliciting offers to buy any securities other than the global bonds offered under this prospectus supplement and the accompanying prospectus, nor is Panama offering to sell or soliciting offers to buy the global bonds in places where such offers are not permitted by applicable law.

The global bonds described in this prospectus supplement are debt securities of Panama being offered under Registration Statement No. 333-284780 filed with the SEC under the U.S. Securities Act of 1933, as amended (collectively, the "registration statement"); the accompanying prospectus is part of the registration statement. The accompanying prospectus provides you with a general description of the securities that Panama may offer, and this prospectus supplement contains specific information about the terms of this offering and the global bonds. This prospectus supplement also adds, updates or changes information provided or incorporated by reference in the accompanying prospectus. Consequently, before you invest, you should read this prospectus supplement together with the accompanying prospectus as well as the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. Those documents contain information regarding Panama, the global bonds and other matters. The registration statement, any post-effective amendments thereto, the various exhibits thereto and the documents incorporated therein by reference contain additional information about Panama and the global bonds. All such documents may be inspected at the office of the SEC. Certain terms used but not defined in this prospectus supplement are defined in the prospectus.

References to "U.S.\$" or "\$" in this prospectus supplement are to U.S. dollars.

References to the "Republic" or "Panama" are to the Republic of Panama.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the global bonds in certain jurisdictions may be restricted by law. Persons who receive copies of this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. See "Underwriting (Conflicts of Interest)" in this prospectus supplement.

FORWARD-LOOKING STATEMENTS

Panama has made forward-looking statements in this prospectus supplement and the accompanying prospectus. Statements that are not historical facts are forward-looking statements. These statements are based on Panama's current plans, estimates, assumptions and projections. Therefore, you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and Panama undertakes no obligation to update any of them in light of new information or future events.

Forward-looking statements involve inherent risks. Panama cautions you that many factors could affect the future performance of the Panamanian economy. These factors include, but are not limited to:

- interest rates in the United States and financial markets outside Panama;
- political or governmental developments in Panama;
- unintended consequences resulting from the implementation of economic or tax policies;
- the imposition of trade barriers;
- general economic and business conditions in Panama and the global economy;
- the ability of the Panama Canal to remain a competitive route for inter-oceanic transportation;
- war, conflict, hostilities or political unrest in other countries that may affect international trade, commodity prices and the global economy; and
- the occurrence of natural disasters, regional or global pandemics, or similar events.

JURISDICTION AND ENFORCEMENT

Panama is a foreign sovereign state. Consequently, your ability to sue Panama may be limited. Panama will irrevocably submit to the non-exclusive jurisdiction of any New York State or federal court in New York City in any related proceeding and Panama will irrevocably agree that all claims in respect of any related proceeding may be heard and determined in such New York State or federal court.

Panama will appoint and will agree to maintain the person acting as or discharging the function of Consul General of the Republic of Panama in New York City as its process agent to receive, on behalf of Panama and its property, service of copies of the summons and complaint and any other process which may be served in any related proceedings. The address of the office of the process agent is:

244 W 54th Street,
7th Floor, Suite 701,
New York, New York 10019

Panama will irrevocably waive, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any related proceeding and any objection to any related proceeding on the grounds of venue, residence or domicile.

To the extent that Panama has or may acquire any immunity from jurisdiction of the courts or from any legal process in the courts, Panama will irrevocably agree not to claim and will irrevocably waive any immunity in respect of any related proceeding. Panama will agree that these waivers shall have the fullest scope permitted under the Foreign Sovereign Immunities Act of 1976 of the United States.

Notwithstanding the foregoing, the execution on or attachment of revenues, assets and property of Panama located in Panama through the Panamanian courts, both prior to and post-judgment, shall be subject to the provisions of Articles 299, 300, 301, 755(#14) and 795 of the Civil Procedure Code of the Republic of Panama. Under articles 299,300 and 301, the State will be notified through the Ministry of Economy and Finance of a money judgment against it, for its payment. This provision also applies to the enforcement of arbitral awards rendered against the Republic of Panama. If within six (6) months the judgment has not been satisfied, the court will request, through the President of the Supreme Court, that the President of the Republic make the necessary arrangements to comply with the judgment. If one year has elapsed since the date of the judgment without payment, nor has a payment agreement been formalized with the obligated entity, nor has the necessary budgetary allocation been reserved, at the request of the judgment creditor and during the next month following such request, the court will order *Banco Nacional de Panama* (“BNP”) or another banking entity to transfer to the court’s account the amount owed to the judgment creditor. Pursuant to Article 755 the assets of the State cannot be attached. Finally, among the protections afforded to the State in civil proceedings, the State cannot be required to pay court costs and attorneys’ fees and also cannot be subject to prejudgment measures, except regarding evidentiary matters.

Moreover, Panama has not consented to service or waived sovereign immunity with respect to actions brought against it under United States federal securities laws or any State securities laws. In the absence of a waiver of immunity by Panama with respect to these actions, it would not be possible to obtain a judgment in such an action brought against Panama in a court in the United States unless the court were to determine that Panama is not entitled under the Foreign Sovereign Immunities Act to sovereign immunity with respect to such action. Further, even if a United States judgment could be obtained in such an action, it may not be possible to enforce in Panama a judgment based on such a United States judgment. Execution upon property of Panama located in the United States to enforce a United States judgment may not be possible except under the limited circumstances specified in the Foreign Sovereign Immunities Act.

CERTAIN LEGAL RESTRICTIONS

The distribution of materials relating to the offering of the global bonds, and the transactions contemplated by the offering, may be restricted by law in certain jurisdictions. If materials relating to the offering of the global bonds come into your possession, you are required by Panama to inform yourself of and to observe all of these restrictions. The materials relating to the offering of the global bonds do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and either of the Underwriters, or any affiliate of either Underwriter, is a licensed broker or dealer in that jurisdiction, the offering of the global bonds shall be deemed to be made by such Underwriter or such affiliate on behalf of Panama in that jurisdiction.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS—The global bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the global bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the global bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS—The global bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the “EUWA”). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (as amended, the “UK PRIIPs Regulation”) for offering or selling the global bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the global bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

The prospectus supplement is only being distributed to and is only directed at (i) persons who are outside the UK, or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, (as amended, the “Order”), or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). The global bonds will only be available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the global bonds will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

SUMMARY

This summary should be read as an introduction to this prospectus supplement and the accompanying prospectus. Any decision to invest in the global bonds by an investor should be based on consideration of this prospectus supplement and the accompanying prospectus as a whole.

The Issuer

Overview

Panama is a republic located on the narrowest point of the Central American isthmus, which connects the continents of North America and South America. It has a coastline of approximately 1,868 miles on the Caribbean Sea and Pacific Ocean, and is bordered on the east by Colombia and on the west by Costa Rica. Panama has a national territory of approximately 29,157 square miles situated within its coastline and 345 miles of land borders, and includes numerous coastal islands. The Panama Canal, which connects the Atlantic and Pacific Oceans, bisects the country running northwest to southeast.

As of August 2023, Panama had an estimated population of 4.06 million and a population density of 54.6 people per square kilometer. Panama Province, the Republic's largest province, is estimated to be the home of 35.4% of Panama's total population, and Colón Province, located at the northern terminus of the Panama Canal, is estimated to be the home of 6.9% of the total population.

During the period from 2019 to 2023, the population decreased by an average of 0.9% per annum. Approximately 6.3% of the population is indigenous, some of whom are seeking greater autonomy from the Government. Of the Panamanian population, 25.4% is under 15 years of age, 64.8% is between the ages of 15 and 64, and 9.8% is over the age of 65. Average life expectancy in Panama is 79.2 years. The infant mortality rate for 2023 was estimated at 14.8 per 1,000 births. Panama's official language is Spanish.

Panama's estimated per capita GDP for 2023, expressed in chained volume measure, was approximately U.S.\$17,747.7. Estimates for 2023 show that 21.7% of the population is considered to be living in poverty, of which 9.6% is considered to be living in extreme poverty. According to the 2023 census, education indicators show that Panama's literacy rate for people over the age of ten years is approximately 96.3%.

Government

Panama is a republic with a representative form of government. In 1972, the original version of the current Constitution was adopted (the fourth in Panama's history), setting forth the structure of the Government, individual and collective rights and duties, and the division of powers among the executive, legislative and judicial branches.

Executive power is vested in the President and the presidentially appointed Ministers, who constitute the Cabinet. The President and the Vice President are each elected by direct, universal suffrage for a term of five years. The President and the Vice President may not be reelected to the same office within ten years after the expiration of their term. In the event the President is unable to finish a term, the Vice President would succeed to the presidency.

National legislative power is vested in the National Assembly (the "Assembly"), Panama's unicameral legislative body. The number of electoral circuits, each comprising an average of approximately 60,000 persons, determines the number of legislators; the Assembly currently has 71 seats. The full Assembly is elected by universal suffrage every five years. Members of the Assembly are not subject to limits on the number of terms in office to which they may be elected. The Assembly has, among other powers, the authority to enact legislation, ratify treaties, approve the budget and ratify the appointment of the Comptroller General, the Attorney General and justices of the Supreme Court of Justice, referred to as the Supreme Court.

Judicial power is vested in the Supreme Court and various lower tribunals. The President appoints the nine justices of the Supreme Court for staggered ten-year terms, subject to ratification by the Assembly. Lower court judges are appointed by the Supreme Court. The judicial branch prepares its own budget and sends it to the executive branch for inclusion in the general budget presented to the Assembly for approval. The Supreme Court is the final court of appeal and has the power to declare null and void laws, regulations or other acts of the executive or legislative branches that conflict with the Constitution.

Panama is administratively divided into ten provinces and three territories. In each province, executive power is exercised by a governor who is appointed by the President. There are no provincial legislative or judicial bodies. Provincial governments do not have their own independent budgets. Within each province are municipalities that are, in turn, divided into precincts. Each municipality has a municipal council and a mayor who exercises executive power. Mayors and members of municipal councils are elected by direct, universal suffrage for five-year terms. Municipalities levy and collect municipal taxes and adopt their own budgets for financing local projects.

On May 5, 2024, general elections were held in Panama. In the presidential elections, José Raúl Mulino of the *Realizando Metas* party was elected president of the Republic with approximately 34.2% of the votes. In the National Assembly elections, independent candidates won 20 seats, *Realizando Metas* won 14 seats, *Partido Revolucionario Democrático* won 13 seats, *Cambio Democrático Movimiento* won 8 seats, *Partido Panameñista* won 8 seats, *Movimiento Otro Camino* won 3 seats, *Partido Popular* won 2 seats, *Partido Alianza* won 2 seats and *Liberal Republicano Nacionalista* (MOLIRENA) won 1 seat. The new government took office on July 1, 2024, for a five-year term.

Selected Panamanian Economic Indicators⁽¹⁾

The following table sets forth Panama's principal economic indicators for the years 2020 through 2024:

	2020	2021	2022 ^(P)	2023 ^(E)	2024 ^(E)
Economic Data:					
GDP (millions, nominal dollars).....	\$ 57,060	\$ 67,396	\$ 76,276	\$ 83,318	\$ 86,260
GDP (millions, constant dollars) ⁽²⁾	\$ 57,037	\$ 66,429	\$ 73,583	\$ 79,028	\$ 81,289
GDP (% change, constant dollars) ⁽²⁾	(17.8)%	16.5%	10.8%	7.4%	2.9%
Service Sector (% change, constant dollars) ⁽²⁾⁽³⁾	(9.8)%	11.9%	9.9%	5.5%	4.8%
Other (% change, constant dollars) ⁽²⁾⁽⁴⁾	(3.4)%	6.1%	4.0%	2.2%	3.1%
GDP Per Capita (constant dollars) ⁽²⁾	\$ 13,331	\$ 15,315	\$ 16,741	\$ 17,748	\$ 18,026
Population (millions).....	4.28	4.34	4.40	4.06	n/a
CPI—Period Average (% change).....	(1.6)%	1.6%	2.9%	1.5%	0.7%
Unemployment.....	18.5%	11.3%	9.9%	7.4%	9.5%†
Public Finance:					
Total Consolidated Non-Financial Public Sector Revenues (millions).....	\$ 9,894	\$ 11,661	\$ 13,282	\$ 14,652	\$ 13,611
Total Consolidated Non-Financial Public Sector Expenditures (millions) ⁽⁵⁾	\$ 15,416	\$ 16,006	\$ 16,326	\$ 17,922	\$ 20,027
Overall Surplus (Deficit) (millions).....	\$ (5,522)	\$ (4,345)	\$ (3,045)	\$ (3,271)	\$ (6,416)
As % of Current GDP.....	(10.2)%	(6.5)%	(4.0)%	(4.0)%	(7.4)%
Central Government Surplus (Deficit) (millions).....	\$ (4,929)	\$ (4,496)	\$ (3,148)	\$ 3,317	\$ (6,774)
As % of Current GDP.....	(9.1)%	(6.7)%	(4.1)%	(4.0)%	(7.8)%
Public Debt (at December 31):					
Internal Debt (millions).....	\$ 7,142	\$ 7,644	\$ 7,421	\$ 7,037	\$ 9,461
External Debt (millions).....	\$ 29,817	\$ 32,844	\$ 36,853	\$ 39,988	\$ 44,276
Public Debt (as % of Current GDP)					
Internal Debt.....	12.5%	11.3%	9.7%	8.4%	11.0%
External Debt.....	52.2%	48.7%	48.2%	48.0%	51.3%
Total Public Debt (millions).....	\$ 36,959.9	\$ 40,487.8	\$ 44,274.0	\$ 47,025.3	\$ 53,737.0
Trade Data:					
Exports (f.o.b.) Goods ⁽⁶⁾⁽⁷⁾ (millions).....	\$ 10,212	\$ 14,862	\$ 13,715	\$ 17,009	\$ 16,010
Imports (c.i.f.) Goods ⁽⁶⁾⁽⁷⁾ (millions).....	\$ (14,407)	\$ (20,285)	\$ (23,098)	\$ (30,028)	\$ (25,146)
Goods Trade Balance ⁽⁷⁾ (millions).....	\$ (4,195)	\$ (5,423)	\$ (9,383)	\$ (13,019)	\$ (9,137)
Current Account Surplus ⁽⁷⁾ (Deficit) (millions).....	\$ (189)	\$ (2,051)	\$ (3,535)	\$ (2,581)	\$ 1,672
Overall Balance of Payments Surplus (Deficit) ⁽⁷⁾ (millions).....	\$ 4,725	\$ (2,492)	\$ (2,724)	\$ (630)	\$ 86
Total Official Reserves (at December 31) (millions).....	\$ 8,297	\$ 7,328	\$ 4,165	\$ 3,757	\$ 4,020

Note: Totals may differ due to rounding.

(R) Revised Figures.

(E) Estimated Figures.

(P) Preliminary figures.

(1) All monetary amounts in millions of U.S. dollars at current prices, unless otherwise noted.

(2) Constant GDP figures are based on 2018 constant dollars in chained volume measure.

(3) Including real estate, public administration, commerce, restaurants and hotels, financial services, the Colon Free Zone ("CFZ"), the Panama Canal, transportation and communications, public utilities and other services.

(4) Including mining, manufacturing, agriculture and construction.

(5) Including interest payments.

(6) Including the CFZ.

(7) Figures have been calculated pursuant to the sixth edition of the IMF Balance of Payments Manual.

† The unemployment rate corresponds to the end of October 2024.

n/a Figures have not yet been published.

Sources: Directorate of Analysis and Economic Policies, Office of the Comptroller General, *Banco Nacional de Panamá* ("BNP") and Ministry of Economy and Finance.

The Global Bonds

Issuer	Republic of Panama
Securities Offered	5.227% Global Bonds due 2034
	5.662% Global Bonds due 2038
Aggregate Principal Amount Offered	
Hereby	For the 2034 global bonds: U.S.\$1,490,000,000
	For the 2038 global bonds: U.S.\$1,490,000,000
Maturity Date	For the 2034 global bonds: February 23, 2034
	For the 2038 global bonds: February 23, 2038
Repayment of Principal	Panama will repay the principal of the 2034 global bonds in two equal installments on February 23 of each year, commencing on February 23, 2033.
	Panama will repay the principal of the 2038 global bonds in two equal installments on February 23 of each year, commencing on February 23, 2037.
Issue Price	For the 2034 global bonds: U.S.\$1,000 per U.S.\$1,000 principal amount plus accrued interest, if any, from February 23, 2026.
	For the 2038 global bonds: U.S.\$1,000 per U.S.\$1,000 principal amount plus accrued interest, if any, from February 23, 2026.
Interest Rate	For the 2034 global bonds: 5.227% per annum, computed on the basis of a 360-day year, consisting of twelve 30-day months.
	For the 2038 global bonds: 5.662% per annum, computed on the basis of a 360-day year, consisting of twelve 30-day months.
Interest Payment Dates	For the 2034 global bonds: Semi-annually in arrears on February 23 and August 23 of each year. The first interest payment for the 2034 global bonds will be on August 23, 2026, and such payment will include interest from February 23, 2026.
	For the 2038 global bonds: Semi-annually in arrears on February 23 and August 23 of each year. The first interest payment for the 2038 global bonds will be on August 23, 2026, and such payment will include interest from February 23, 2026.
Use of Proceeds	The net proceeds from the sale of the global bonds will be approximately U.S.\$2,977,610,000, after deduction of underwriting discounts (U.S.\$1,490,000) and the net expenses payable by Panama, estimated to be U.S.\$900,000. Panama intends to use the net proceeds of the offering (i) in part, for liability management transactions, which may include payment of the purchase price for all or a portion of outstanding Global Bonds that Panama may purchase pursuant to its Tender Offer (as defined below), on the terms and subject to the conditions of the Tender Offer, and/or (ii) for general budgetary purposes.

The bonds that Panama may purchase in the Tender Offer are set forth below.

Old Global Bonds	Outstanding Principal Amount as of February 9, 2026	Maturity Date	Fixed Interest Coupon
8 ⁷ / ₈ % U.S. Dollar-Denominated Global			
Bonds due 2027.....	US\$ 975,000,000	September 30, 2027	8.875%
3.875% Global Bonds due 2028	US\$ 1,749,990,000	March 17, 2028	3.875%
9.375% U.S. Dollar-Denominated Global			
Bonds due 2029.....	US\$ 951,425,000	April 1, 2029	9.375%
3.160% Global Bonds due 2030	US\$ 1,550,000,000	January 23, 2030	3.160%
7.500% Global Bonds due 2031	US\$ 1,100,000,000	March 1, 2031	7.500%
2.252% Global Bonds due 2032	US\$ 2,500,000,000	September 29, 2032	2.252%
3.298% Global Bonds due 2033	US\$ 1,000,000,000	January 19, 2033	3.298%
8.125% Global Bonds due 2034	US\$ 172,837,000	April 28, 2034	8.125%
6.400% Global Bonds due 2035	US\$ 2,500,000,000	February 14, 2035	6.400%
6.700% U.S. Dollar-Denominated Amortizing			
Global Bonds due 2036.....	US\$ 2,033,893,000	January 26, 2036	6.700%
6.875% Global Bonds due 2036	US\$ 1,000,000,000	January 31, 2036	6.875%
8.000% Global Bonds due 2038	US\$ 1,250,000,000	March 1, 2038	8.000%
4.500% Global Bonds due 2047	US\$ 1,168,292,000	May 15, 2047	4.500%
4.500% Global Bonds due 2050	US\$ 2,500,000,000	April 16, 2050	4.500%
4.30% Global Bonds due 2053	US\$ 1,750,000,000	April 29, 2053	4.30%
6.853% Global Bonds due 2054	US\$ 1,400,000,000	March 28, 2054	6.853%
4.500% Global Bonds due 2056	US\$ 2,500,000,000	April 1, 2056	4.500%
7.875% Global Bonds due 2057	US\$ 750,000,000	March 1, 2057	7.875%
3.870% Global Bonds due 2060	US\$ 2,950,000,000	July 23, 2060	3.870%
4.500% Global Bonds due 2063	US\$ 1,500,000,000	January 19, 2063	4.500%

Aggregated Collective Action Clauses The global bonds will be designated Aggregated Collective Action Securities and, as such, will contain provisions regarding future modifications to the terms of the global bonds that differ from those applicable to Panama’s outstanding public external indebtedness issued prior to March 16, 2015. Under these provisions, which are described under “Description of the Global Bonds—Meetings, Amendments and Waivers” in this prospectus supplement and “Aggregated Collective Action Securities” in the accompanying prospectus, Panama may amend certain key terms of the global bonds, including the maturity date, interest rate and other payment terms, without your consent.

Optional Redemption The global bonds will be subject to redemption at the option of Panama before maturity. See “Description of the Global Bonds—Optional Redemption” in this prospectus supplement.

Sinking Fund The holders of the global bonds will not be entitled to the benefit of any sinking fund.

Status The global bonds will be unsubordinated, unsecured (subject to the provisions in the global bonds providing for securing such obligations in the event certain other obligations of Panama are secured), direct, unconditional and general obligations of Panama. The global bonds will be designated equal ranking securities and, as such, the global bonds will rank without any preference among themselves and equally with all other unsecured and unsubordinated public indebtedness of Panama. It is understood that this provision shall not be construed so as to require Panama to make payments under the global bonds ratably with payments being made under any other public indebtedness. See “Debt Securities—Status of the Debt Securities” in the accompanying prospectus. Panama has pledged its full

faith and credit for the due and punctual payment of principal and interest on the global bonds and all obligations of Panama in respect of the global bonds.

Denominations	The global bonds will be issued in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.
Further Issues	From time to time, without the consent of holders of an applicable series of global bonds, and subject to the required approvals under Panamanian law, Panama may create and issue additional debt securities with the same terms and conditions as those of such series of global bonds (or the same except for the amount of the first interest payment and the issue price); provided, however, that any additional debt securities subsequently issued shall be fungible with the previously outstanding debt securities of such applicable series for U.S. federal income tax purposes. See “Description of the Global Bonds—Further Issues of the Global Bonds” and “Description of the Global Bonds—Meetings, Amendments and Waivers” in this prospectus supplement.
Form	Each series of global bonds will be represented by one or more book-entry securities in fully registered form, without coupons, and will be registered in the name of, and deposited with a custodian for, DTC. Beneficial interests in the global bonds will be shown on, and transfer thereof will be effected only through, records maintained by DTC and its participants, unless certain contingencies occur, in which case the global bonds will be issued in definitive form. See “Description of the Global Bonds—Definitive Bonds” in this prospectus supplement.
Book-Entry System	Upon the issuance of the global bonds as book-entry securities, DTC or its nominee will credit on its book-entry registration and transfer system the respective principal amounts of the global bonds represented by the book-entry securities to the accounts of institutions (“DTC participants”) that have accounts with DTC or its nominee that the underwriter designates. Ownership of beneficial interests in the book-entry securities will be limited to DTC participants or persons that may hold interests through DTC participants. Ownership of beneficial interests in the book-entry securities will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of DTC participants) and on the records of DTC participants (with respect to interests of persons other than DTC participants). Investors may elect to hold interests in the global bonds through any of DTC, Euroclear Bank S.A./N.V., as operator of the Euroclear System (“Euroclear”), and Clearstream Banking, <i>société anonyme</i> (“Clearstream, Luxembourg”), if they are participants of such systems, or indirectly through organizations which are participants in such systems.
Fiscal Agent	The global bonds will be issued pursuant to a fiscal agency agreement, dated as of September 26, 1997, as amended by Amendment No. 1 thereto, dated as of September 4, 2003, Amendment No. 2 thereto, dated as of February 13, 2015, and Amendment No. 3 thereto, dated as of October 26, 2016, between Panama and The Bank of New York Mellon (as successor in interest to JPMorgan Chase Bank, N.A.), as fiscal agent, paying agent, transfer agent and registrar.
Taxation	For a discussion of certain Panama and U.S. federal income tax consequences associated with the global bonds, see “Taxation—Panamanian Taxation” and “—U.S. Taxation” in this prospectus supplement. Investors should consult their own tax advisors in determining the non-U.S., U.S. federal, U.S. state, U.S. local and any other tax consequences to them of the purchase, ownership and disposition of the global bonds.

Payment of Principal and Interest	Principal of and interest on the bonds and any other amounts due with respect to the bonds will be payable in U.S. dollars or other legal tender of the United States. As long as the global bonds are in the form of book-entry securities, payment of principal and interest to investors will be made through the facilities of DTC.
Negative Pledge	The global bonds will contain certain covenants, including restrictions on the incurrence of certain Liens. See “Debt Securities—Negative Pledge” in the accompanying prospectus.
Events of Default	The global bonds of each series will contain events of default, the occurrence of which may result in the acceleration of Panama’s obligations under the global bonds prior to maturity upon notice by holders of at least 25% of the aggregate principal amount of the aggregate of the outstanding global bonds of such series. See “Description of the Global Bonds—Events of Default; Acceleration of Maturity” in this prospectus supplement.
Governing Law	The global bonds will be governed by the laws of the State of New York except with respect to their authorization and execution, which will be governed by the laws of the Republic of Panama.
Listing	Application will be made to list the global bonds on the Official List of the Luxembourg Stock Exchange and to have such global bonds admitted to trading on the Euro MTF Market.
Security Identifiers	For the 2034 global bonds: ISIN: US698299CB89 CUSIP: 698299CB8 Common Code: 324410449 For the 2038 global bonds: ISIN: US698299CC62 CUSIP: 698299CC6 Common Code: 324413049
Concurrent Tender Offer	The Republic has announced a liability management transaction consisting of a tender offer to purchase for cash its 8 ⁷ / ₈ % U.S. Dollar-Denominated Global Bonds due 2027, 3.875% Global Bonds due 2028, 9.375% U.S. Dollar-Denominated Global Bonds due 2029, 3.160% Global Bonds due 2030, 7.500% Global Bonds due 2031, 2.252% Global Bonds due 2032, 3.298% Global Bonds due 2033, 8.125% Global Bonds due 2034, 6.400% Global Bonds due 2035, 6.700% U.S. Dollar-Denominated Amortizing Global Bonds due 2036, 6.875% Global Bonds due 2036, 8.000% Global Bonds due 2038, 4.500% Global Bonds due 2047, 4.500% Global Bonds due 2050, 4.30% Global Bonds due 2053, 6.853% Global Bonds due 2054, 4.500% Global Bonds due 2056, 7.875% Global Bonds due 2057, 3.870% Global Bonds due 2060 and 4.500% Global Bonds due 2063 (the “Tender Offer”) subject to the terms and conditions of the Tender Offer. This prospectus supplement does not constitute a solicitation of an offer to sell any securities of the Republic in the Tender Offer.

BofA Securities, Inc. and J.P. Morgan Securities LLC are acting as dealer managers in connection with the Tender Offer.

Conflicts of Interest As described in “Use of Proceeds,” some of the net proceeds of this offering may be used to fund Panama’s purchase of certain outstanding bonds of Panama from time to time. BofA Securities, Inc. and J.P. Morgan Securities LLC or their affiliates may be holders of certain of the outstanding bonds of Panama as set forth in the offer to purchase, dated February 9, 2026 (the “Offer to Purchase”), and may receive 5% or more of the proceeds from this offering. As a result, this offering will be conducted in accordance with Financial Industry Regulatory Authority (“FINRA”) Rule 5121.

Risk Factors Risk factors relating to the global bonds:

- the price at which the global bonds will trade in the secondary market is uncertain; and
- the global bonds will contain provisions that permit Panama to amend the payment terms without the consent of all holders.

Risk factors relating to Panama:

- Panama is a foreign sovereign state and, accordingly, it may be difficult to obtain or enforce judgments against it;
- certain economic risks are inherent in any investment in an emerging market country such as Panama;
- Panama’s U.S. dollar monetary arrangements impose constraints on fiscal and monetary policies and on its ability to finance deficits;
- an adverse change in Panama’s debt-to-GDP ratio could increase the burden of servicing Panama’s debt;
- Panama’s economy remains vulnerable to external shocks, including those that could be caused by future significant economic difficulties of its major regional trading partners or by more general “contagion” effects, which could have a material adverse effect on Panama’s economic growth and its ability to service its public debt; and
- there can be no assurance that Panama’s credit ratings will improve or remain stable, or that they will not be downgraded, suspended or cancelled by rating agencies.

RISK FACTORS

This section describes certain risks associated with investing in the global bonds. You should consult your financial and legal advisors about the risk of investing in the global bonds. Panama disclaims any responsibility for advising you on these matters.

Risk Factors Relating to the Global Bonds

The price at which the global bonds will trade in the secondary market is uncertain.

Panama has been advised by the underwriters that they intend to make a market in the global bonds but are not obligated to do so and may discontinue market making at any time without notice. Application will be made to list the global bonds on the Luxembourg Stock Exchange and to have the global bonds admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange. No assurance can be given as to the liquidity of the trading market for the global bonds. The price at which the global bonds will trade in the secondary market is uncertain. In addition, government-related entities in Panama may, from time to time, purchase a portion of the global bonds, further reducing the amount of global bonds outstanding and reducing the liquidity of the secondary markets for the global bonds.

The global bonds will contain provisions that permit Panama to amend the payment terms without the consent of all holders.

The global bonds will be designated Aggregated Collective Action Securities and, as such, will contain provisions regarding future modifications to the terms of the global bonds that differ from those applicable to Panama's outstanding public external indebtedness issued prior to March 16, 2015. Under these provisions, which are described under "Description of the Global Bonds—Meetings, Amendments and Waivers" in this prospectus supplement and "Aggregated Collective Action Securities" in the accompanying prospectus, Panama may amend the payment provisions of any series of debt securities (including the global bonds) and other reserve matters listed in the fiscal agency agreement with the consent of the holders of: (1) with respect to a single series of debt securities, more than 75% of the aggregate principal amount of the outstanding debt securities of such series; (2) with respect to two or more series of debt securities, if certain "uniformly applicable" requirements are met, more than 75% of the aggregate principal amount of the outstanding debt securities of all series affected by the proposed modification, taken in the aggregate; or (3) with respect to two or more series of debt securities, more than 66 2/3% of the aggregate principal amount of the outstanding debt securities of all series affected by the proposed modification, taken in the aggregate, and more than 50% of the aggregate principal amount of the outstanding debt securities of each series affected by the proposed modification, taken individually, whether or not certain "uniformly applicable" requirements are met.

Risk Factors Relating to Panama

Panama is a foreign sovereign state and accordingly it may be difficult to obtain or enforce judgments against it.

Panama is a foreign sovereign state. As a result, it may be difficult or impossible for investors to obtain or enforce judgments against Panama, whether in an investor's own jurisdiction or elsewhere. See "Jurisdiction and Enforcement" in the accompanying prospectus.

Certain economic risks are inherent in any investment in an emerging market country such as Panama.

Investing in an emerging market country such as Panama carries economic risks. These risks include many different factors that may affect Panama's economic results, including the following:

- interest rates in the United States and financial markets outside Panama;
- political or governmental developments in Panama;
- changes in economic or tax policies;
- the imposition of trade barriers;
- general economic and business conditions in Panama and the global economy;
- the ability of the Panama Canal to remain a competitive route for inter-oceanic transportation;
- hostilities or political unrest in other countries that may affect international trade, commodity prices and the global economy; and
- the occurrence of natural disasters, regional or global pandemics, or similar events.

Any of these factors, as well as volatility in the markets for securities similar to the global bonds, may adversely affect the liquidity of, and trading markets for, the global bonds. See “Forward-looking Statements” in this prospectus supplement.

Panama’s U.S. dollar monetary arrangements impose constraints on fiscal and monetary policies and on its ability to finance deficits.

Public finance in Panama is heavily influenced by the U.S. dollar-based monetary arrangements in place since 1904. Panama has used the U.S. dollar as its legal tender since shortly after gaining its independence. The national currency, the Balboa, is used primarily as a unit of account linked to the U.S. dollar at a ratio of one dollar per one Balboa. The Government does not print paper currency, although a limited amount of coinage is minted. Although the absence of a printed national currency and the general absence of domestic budgetary financing through the banking system (other than from 1987 to 1989) reduce the risk of runaway inflation, they do impose constraints on fiscal and monetary policy, particularly for responding to external shocks, that are not present in countries that can finance their deficits by printing local currency through central banks that can act as lender of last resort. In 2020, Panama’s non-financial public sector balance recorded an estimated deficit of U.S.\$5,521.5 million (or 10.2% of nominal GDP). In 2021, Panama’s non-financial public sector balance recorded a deficit of U.S.\$4,345.2 million (or 6.5% of nominal GDP). In 2022, Panama’s non-financial public sector balance recorded a deficit of U.S.\$3,044.7 million (or 4.0% of nominal GDP). In 2023, Panama’s non-financial public sector balance recorded a deficit of U.S.\$3,270.6 million (or 3.9% of nominal GDP). In 2024, Panama’s non-financial public sector balance recorded an estimated deficit of U.S.\$6,416.1 million (or 7.4% of nominal GDP). For the nine-month period ended September 30, 2025, Panama’s non-financial public sector balance registered an estimated deficit of approximately U.S.\$4.1 billion (4.6% of nominal GDP). Future deficits could result in an increase in Panama’s debt, which could in turn have an adverse effect on Panama’s ability to service its debt.

An adverse change in Panama’s debt-to-GDP ratio could increase the burden on servicing Panama’s debt.

Panama’s gross public debt to GDP ratio was 44.5% in 2019, 64.7% in 2020, 60.1% in 2021, 58.0% in 2022, 56.4% in 2023, 62.3% in 2024 and 65.5% in 2025. Any significant increase in Panama’s gross public sector debt-to-GDP ratio could have an adverse effect on Panama’s ability to service its debt.

Panama’s economy remains vulnerable to external shocks, including those that could be caused by future significant economic difficulties of its major regional trading partners or by more general “contagion” effects, which could have a material adverse effect on Panama’s economic growth and its ability to service its public debt.

Emerging-market investment generally poses a greater degree of risk than investment in more mature market economies because the economies in the developing world are more susceptible to destabilization resulting from domestic and international developments.

A significant decline in the economic growth of, or relationships with, any of Panama’s major trading partners, or a global slowdown in economic growth, could adversely affect Panama’s economic growth. In addition, because international investors’ reactions to the events occurring in one emerging market country sometimes appear to demonstrate a “contagion” effect, in which an entire region or class of investment is disfavored by international investors, Panama could be adversely affected by negative economic or financial developments in other emerging market countries. Panama is also vulnerable to external developments due to its reliance on foreign creditors.

In 2019, estimated real GDP grew by 3.0% primarily due to the mining sector, as a result of the increase in the extraction of copper, in addition to port activities, air transport and Panama Canal services. In 2020, estimated real GDP fell by 17.7%, primarily due to the economic slowdown caused by the COVID-19 pandemic. In 2021, estimated real GDP grew by 15.8%, and in 2022, estimated real GDP grew by 10.8%, primarily due to the lifting of COVID-19 quarantine measures which allowed economic activities to resume. In 2023, estimated real GDP grew by 7.4%, and in 2024, estimated real GDP growth was 2.9%. In the nine-month period ended September 30, 2025, estimated GDP growth totaled 4.2%. There can be no assurance that any crises such as those described above or similar events will not negatively affect investor confidence in emerging markets or the economies of the principal countries in Latin America, including Panama. In addition, there can be no assurance that these events will not adversely affect Panama’s economy, its ability to raise funding in the external debt markets in the future or its ability to service its public debt.

There can be no assurance that Panama’s credit ratings will improve or remain stable, or that they will not be downgraded, suspended or cancelled by the rating agencies.

Panama’s long-term public external indebtedness are currently rated by S&P Global Ratings (“S&P”) and Moody’s Investors Services Inc. (“Moody’s”). On January 28, 2022, Fitch Ratings, Inc. (“Fitch”) affirmed Panama’s long-term foreign currency rating at BBB- and revised its outlook to stable from negative. On August 10, 2022, S&P affirmed Panama’s long-term foreign currency rating at BBB and maintained the negative outlook. On October 4, 2022, Fitch affirmed Panama’s long-term foreign currency rating at BBB-

and maintained the stable outlook. On October 25, 2022, Moody's affirmed Panama's long-term foreign currency rating at Baa2 and revised its outlook to negative from stable. On August 11, 2023, S&P affirmed Panama's long-term foreign currency rating at BBB and revised its outlook from negative to stable. On September 29, 2023, Fitch affirmed Panama's long-term foreign currency rating at BBB- and revised its outlook from stable to negative. On October 31, 2023, Moody's lowered Panama's long-term foreign currency rating to Baa3 from Baa2 and revised its outlook from negative to stable. On November 7, 2023, S&P affirmed Panama's long-term foreign currency rating at BBB and revised its outlook from stable to negative. On March 28, 2024, Fitch lowered Panama's long-term foreign currency rating from BBB- to BB+ with a stable outlook. On November 26, 2024, S&P lowered Panama's long-term foreign currency rating from BBB to BBB- with a stable outlook. On November 29, 2024, Moody's affirmed Panama's long-term foreign currency rating at Baa3 while shifting the outlook from stable to negative. On November 12, 2025, Moody's affirmed Panama's long-term foreign currency rating of Baa3 with a negative outlook. On November 19, 2025, S&P affirmed Panama's long-term foreign currency rating of BBB- with a stable outlook. On December 17, 2024 and on December 10, 2025, Fitch affirmed Panama's long-term foreign currency rating of BB+ with a stable outlook.

Ratings address the creditworthiness of Panama and the likelihood of timely payment of Panama's long-term debt securities. Ratings are not a recommendation to purchase, hold or sell securities and may be changed, suspended or withdrawn at any time. Panama's current ratings and the rating outlooks currently assigned to it depend, in part, on economic conditions and other factors that affect credit risk and are outside the control of Panama, as well as assessments of the creditworthiness of its productive state-owned enterprises.

There can be no assurance that Panama's credit ratings will be maintained or that they will not be downgraded, suspended or cancelled. Any credit rating downgrade, suspension or cancellation may have an adverse effect on the market price and the trading of the global bonds.

INCORPORATION BY REFERENCE

The SEC allows Panama to incorporate by reference some information that Panama files with the SEC. Panama can disclose important information to you by referring you to those documents. Panama's SEC filings are available to the public from the SEC's website at <http://www.sec.gov>. [Exhibit D](#) to Panama's annual report on [Form 18-K](#) for the year ended December 31, 2024, filed with the SEC on September 30, 2025, as may be amended from time to time (as so amended, the "Annual Report"), is considered part of and incorporated by reference in this prospectus supplement and the accompanying prospectus.

Any person, including any beneficial owner, receiving a copy of this prospectus supplement may obtain, without charge and upon written or oral request, a copy of the above documents (including only the exhibits that are specifically incorporated by reference in it). Requests for such documents should be directed to:

The Republic of Panama
Ministerio de Economía y Finanzas
Dirección de Financiamiento Público
Vía España y Calle 52
Edificio Ogawa, Piso 4
Panama, Republic of Panama
Tel: + 507 507 7000

USE OF PROCEEDS

The net proceeds from the sale of the global bonds will be approximately U.S.\$2,977,610,000, after deduction of underwriting discounts (U.S.\$1,490,000) and the net expenses payable by Panama, estimated to be U.S.\$900,000. Panama intends to use the net proceeds of the offering (i) in part, for liability management transactions, which may include payment of the purchase price for all or a portion of outstanding Global Bonds that Panama may purchase pursuant to its Tender Offer, on the terms and subject to the conditions of the Tender Offer, and/or (ii) for general budgetary purposes.

The bonds that Panama may purchase in the Tender Offer are set forth below.

Old Global Bonds	Outstanding Principal Amount as of February 9, 2026	Maturity Date	Fixed Interest Coupon
8 ⁷ / ₈ % U.S. Dollar-Denominated Global Bonds due 2027.....	US\$ 975,000,000	September 30, 2027	8.875%
3.875% Global Bonds due 2028	US\$ 1,749,990,000	March 17, 2028	3.875%
9.375% U.S. Dollar-Denominated Global Bonds due 2029.....	US\$ 951,425,000	April 1, 2029	9.375%
3.160% Global Bonds due 2030	US\$ 1,550,000,000	January 23, 2030	3.160%
7.500% Global Bonds due 2031	US\$ 1,100,000,000	March 1, 2031	7.500%
2.252% Global Bonds due 2032	US\$ 2,500,000,000	September 29, 2032	2.252%
3.298% Global Bonds due 2033	US\$ 1,000,000,000	January 19, 2033	3.298%
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6.400% Global Bonds due 2035	US\$ 2,500,000,000	February 14, 2035	6.400%
6.700% U.S. Dollar-Denominated Amortizing Global Bonds due 2036.....	US\$ 2,033,893,000	January 26, 2036	6.700%
6.875% Global Bonds due 2036	US\$ 1,000,000,000	January 31, 2036	6.875%
8.000% Global Bonds due 2038	US\$ 1,250,000,000	March 1, 2038	8.000%
4.500% Global Bonds due 2047	US\$ 1,168,292,000	May 15, 2047	4.500%
4.500% Global Bonds due 2050	US\$ 2,500,000,000	April 16, 2050	4.500%
4.30% Global Bonds due 2053	US\$ 1,750,000,000	April 29, 2053	4.30%
6.853% Global Bonds due 2054	US\$ 1,400,000,000	March 28, 2054	6.853%
4.500% Global Bonds due 2056	US\$ 2,500,000,000	April 1, 2056	4.500%
7.875% Global Bonds due 2057	US\$ 750,000,000	March 1, 2057	7.875%
3.870% Global Bonds due 2060	US\$ 2,950,000,000	July 23, 2060	3.870%
4.500% Global Bonds due 2063	US\$ 1,500,000,000	January 19, 2063	4.500%

PRESENTATION OF ECONOMIC AND OTHER INFORMATION

The Office of the Comptroller General has updated the base year used for the System of National Accounts from 2007 to 2018. International best practices call for updating the constant GDP base year at least every 10 years to reflect structural changes in production, consumption and prices, and to ensure that the National Accounts provide an accurate depiction of the economy. In addition, the categories of economic activity have been updated according to the United Nations International Standard Industrial Classification of All Economic Activities (ISIC) Revision 4.0 manual, adapted to Panama, in which economic activities are presented in a more disaggregated manner than in the previous version.

Government financial statistics and related tables are presented in accordance with the IMF Government Finance Statistics Manual 2014 (“GFSM 2014”). Real sector statistics are presented in accordance with the UN 2008 System of National Accounts (“SNA 2008”). Balance of payments statistics were calculated pursuant to the Sixth Edition of the Balance of Payments and International Investment Position Manual published by the International Monetary Fund (“IMF”).

RECENT DEVELOPMENTS

The information included in this section supplements the information about Panama contained in Panama's Annual Report, as previously amended. To the extent the information in this section is inconsistent with the information contained in such Annual Report, the information in this section replaces such information. Initially capitalized terms used in this section have the respective meanings assigned to those terms in such Annual Report, as amended.

Republic of Panama

Immigration

On October 30, 2025, the U.S. Ambassador to Panama, Kevin Marino Cabrera, delivered six vehicles valued at approximately \$600,000 to the Panamanian Minister of Public Security, Frank Ábrego, as part of the ongoing cooperation established in the Memorandum of Understanding between the two countries on irregular migration. This delivery was the second donation of vehicles by the U.S. under this agreement, bringing the total value contributed to more than \$850,000.

In 2025, a total of 3,091 migrants crossed the Darién Gap from Colombia into Panama, which represented a 99% decrease in migration flows through the Darién Gap compared to 2024. Of these, 488 were minors, as recorded at migration reception centers along the Panamanian border. The countries of origin with the highest number of migrants included Venezuela (46%), Colombia (7%), Nepal (5%), and Ecuador (4%).

Despite the decline in northbound migration flows, Panama has become a corridor for reverse migration from the United States. Between January 1, 2025 and December 22, 2025, the number of irregular migrants traveling along this north-to-south route had risen to 22,578, a trend that is beginning to reshape migration patterns across the region.

As of December 22, 2025, as part of the Memorandum of Understanding between Panama and the United States, 2,442 migrants, of whom 1,538 were Colombian, 436 were Ecuadorian, and 236 were from India, had been repatriated from Panama to their home countries.

In the first 25 days of 2026, the flow of irregular migrants traveling from north to south reached 872 people, while 29 migrants entered in the opposite direction through the Darién Gap.

Social and Economic Situation

On October 17, 2025, the Ministry of Commerce and Industries announced the establishment of the Technical Committee to Monitor the Memorandum of Understanding signed between Chiquita Panama and the Government on August 29, 2025, after it was endorsed on October 15, 2025, by Panama's Comptroller General. The Memorandum of Understanding is an agreement that seeks to facilitate the gradual resumption of agricultural activities and job creation in the province of Bocas del Toro, following strikes and disruptions in 2025 that halted banana production in the province and left around 6,000 workers unemployed.

On November 18, 2025, President José Raúl Mulino met with Chiquita Panama's President, Carlos López Flores, to review progress on the recovery of banana production in the province of Bocas del Toro. As of that date, Chiquita had hired 2,000 workers to clean and rehabilitate the plantations under various contracting arrangements.

On January 8, 2026, Chiquita Panama announced the start of its first banana production after reactivating its operations, reaching around 30,000 boxes destined for the domestic market.

On January 22, 2026, the Minister of Labor and Labor Development, Jackeline Muñoz, reported that, following the reactivation of the banana sector in the province of Bocas del Toro, 1,600 employment contracts remain in force and 967 workers have been registered with the Ministry of Labor and Labor Development.

Recent Government Actions

On September 9, 2025, through Cabinet Resolution No. 90, the Government extended Ena Norte S.A.'s toll road concession.

On October 21, 2025, pursuant to Executive Decree No. 90 of October 20, 2025, the Ministry of the Presidency ordered the extraordinary expropriation for social interest of several properties on Margarita Island, Colón, which had been concessioned to the Chinese port company Panama Colon Container Port ("PCCP"). The decree (i) instructs the Public Registry to register the properties in the name of the Government; (ii) authorizes the Public Prosecutor's Office to initiate proceedings before the judicial branch to determine the amount the Government must pay for the expropriations, and (iii) empowers the Ministry of Security to secure access to

the area in the event that access to the expropriated properties is impeded. The Government explained in Decree No. 90 that it believed this expropriation measure was justified due to the country's installed port capacity being at its limit to meet the demand of global trade transiting through Panama, making it imperative that port projects like the one on Margarita Island become operational as soon as possible, which had not been done by PCCP.

On October 27, 2025, the National Assembly approved Panama's 2026 budget. The 2026 budget contemplates total expenditures of U.S.\$34.9 billion, with budget estimates based on an anticipated nominal GDP of U.S.\$95.1 billion (4.0% real growth from 2025) and an anticipated consolidated non-financial public sector deficit of approximately U.S.\$3.2 billion (approximately 3.4% of preliminary nominal GDP) for 2026. The 2026 budget allocates public recurrent and capital expenditures as follows: 39.4% to social services; 18.2% to financial services; 10.0% to general services; 6.3% to infrastructure development; 1.9% to development and promotion of production; 0.8% to environment and technology; and 23.4% to other services.

On October 13, 2025, President Mulino enacted Law No. 489, which approves Economic Complementation Agreement No. 76 between the member states of the Southern Common Market (MERCOSUR) and the Republic of Panama, which was signed on December 6, 2024. Among the main objectives of Economic Complementation Agreement No. 76 are: to create a free trade area through the progressive elimination of tariffs and restrictions that affect the trade of goods, services and investment between the member states; to establish a regulatory framework to promote and encourage reciprocal investments by offering legal certainty to the economic agents of the member states; and to promote economic and trade cooperation between the member states.

Panama Ports Company - Concession Contract

On January 29, 2026, the Plenary of the Supreme Court declared unconstitutional Law No. 5 of January 16, 1997, and its addenda, which set forth the Government's concession contract with Panama Ports Company S.A. ("PPC") relating to the Ports of Balboa and Cristobal.

On January 30, 2026, President Mulino announced that until the Supreme Court's ruling becomes final and is published, PPC will continue operating the ports without any changes. Following this, a transition period will begin until a new concession is awarded. The President appointed Engineer Alberto Alemán Zubieta as the lead coordinator of a technical team encompassing the various areas of expertise related to the ports transition process. Additionally, the Government has held discussions with companies with extensive experience in port operations worldwide to assist as part of the transition process. For example, APM Terminals Panama, a subsidiary of the AP Moller-Maersk group, possesses the necessary capacity and experience to, and expressed its willingness to, temporarily assume the operation of both ports during the transition process.

On February 3, 2026, PPC initiated an arbitration against Panama, within the framework of the port concession contract and in accordance with the Arbitration Rules of the International Chamber of Commerce. The arbitration seeks an affirmation of the concession contract and money damages.

Recent Political Developments

On September 3, 2025, the media reported that Attorney General Luis Carlos Manuel Gómez Rudy confirmed the opening of an investigation into former congressman Héctor Brands. The investigation arose from reports by the Financial Analysis Unit (the *Unidad de Análisis Financiero*, or "UAF") flagging to the Public Ministry suspicious transactions totaling U.S.\$28.3 million in accounts associated with Mr. Brands and three related companies: Multi Servicios Modernos, Services Solutions, and MSM Production & Consulting Corp. These companies have directors with direct family ties to Mr. Brands, including his brother and son.

On October 24, 2025, former congressman Héctor Brands, under investigation by the Attorney General's Office, was denied entry into the United States. Immigration authorities informed Mr. Brands that his visa had been revoked, so he returned to Panama on a flight that same night.

On November 6, 2025, news outlets reported that, through Resolution No. 3757-2025-LEG/PJ, the Comptroller General had ordered the seizure of assets and bank accounts belonging to former Vice President and former Minister of the Presidency, José Gabriel Carrizo Jaén, due to alleged illicit enrichment exceeding U.S.\$1.3 million. According to a report issued by the National Directorate of Investigations and Forensic Auditing, irregularities in the amount of U.S.\$1,313,818.33 were detected in Mr. Carrizo's assets corresponding to the period during which he simultaneously held the positions of Vice President and Minister of the Presidency between 2019 and 2024. The seizure of assets and bank accounts is a precautionary measure based on the powers granted by Articles 279 and 280 of the Political Constitution, as well as by Law 32 of 1984, amended by Law 351 of 2022, which empowers the Comptroller General to suspend payments or order preventive measures when there are indications of serious irregularities in the handling of public funds.

In 2016, Panama began investigating alleged money laundering by construction company Odebrecht, creating a specialized prosecutor's office, and ultimately charging 25 Panamanians, including former presidents Ricardo Martinelli and Juan Carlos Varela, and several former ministers, with the crimes of money laundering and corruption of public servants. On January 12, 2026, hearings in the Odebrecht case began in the Supreme Court. Among the more than twenty defendants are former President Ricardo Martinelli, 2014 presidential candidate José Domingo Arias, and former ministers during Martinelli's term: Demetrio Papadimitriu, Federico Suárez, and Frank De Lima. Neither former President Juan Carlos Varela nor Martinelli's sons, Ricardo and Luis Enrique Martinelli Linares, were mentioned, as their membership in the Central American Parliament (Parlacen) means their case falls outside the jurisdiction of the Supreme Court.

On January 15, 2026, the media reported that the Superior Court for the Settlement of Criminal Cases, through Second Instance Judgment No. 27, dated December 1, 2025, overturned the acquittal issued in the first instance and sentenced former Minister of Public Works Federico Pepe Suárez to eight years in prison for the crime of aggravated embezzlement in a case related to the expansion of the Arraiján-La Chorrera highway. The case arose from alleged irregularities in the contract for the design, construction, rehabilitation, and expansion of the Arraiján-La Chorrera highway, which was carried out between 2010 and 2017. In addition to the prison sentence, the Court imposed on Mr. Suárez a ban from holding public office for eight years after the completion of his prison term.

On January 26, 2026, former Vice President José Gabriel Carrizo Jaén was arrested upon his arrival at Tocumen International Airport, in compliance with a formal arrest and detention order issued by the Anti-Corruption Prosecutor's Office, within the framework of an investigation for the alleged commission of crimes against public administration in the form of unjustified enrichment.

On January 28, 2026, Judge Oris Medina charged former Vice President José Gabriel Carrizo with the crime of unjustified enrichment and imposed precautionary measures of house arrest and prohibition from leaving the country.

The Economy

In the nine-month period ended September 30, 2025, estimated GDP growth totaled 4.2%, compared to 2.0% GDP growth for the same period in 2024. Prices declined (deflation) by 0.4% in August 2025 compared to August 2024.

The transportation, storage and mail sector grew by an estimated 15.3% in the nine-month period ended September 30, 2025, compared to the same period in 2024, representing 13.7% of GDP. Growth in the transportation, storage and mail sector was primarily due to increased operations in the Panama Canal as well as increased activity in air transportation, passenger ground transport and the national port system.

Mining activities increased by an estimated 2.7% in the nine-month period ended September 30, 2025, compared to the same period in 2024, representing 1.0% of GDP. Growth in mining activities was primarily due to an increase in the consumption of basic construction materials, especially stone, sand, and clay, by the construction sector.

The information and communications sector grew by an estimated 1.0% in the nine-month period ended September 30, 2025, compared to the same period in 2024, representing 2.3% of GDP. Growth in the information and communications sector was primarily due to an increase in internet access and demand for digital services.

The construction sector grew by an estimated 2.2% in the nine-month period ended September 30, 2025, compared to the same period in 2024, representing 16.4% of GDP. Growth in the construction sector was primarily due to an increase in the development of private residential projects.

The financial and insurance sector grew by an estimated 5.5% in the nine-month period ended September 30, 2025, compared to the same period in 2024, representing 6.1% of GDP. Growth in the financial and insurance sector was attributable mainly to higher performance of the banking sector, due in part to an increase in commissions received.

The manufacturing sector grew by an estimated 0.8% in the nine-month period ended September 30, 2025, compared to the same period in 2024, representing 4.8% of GDP. Growth in the manufacturing sector was primarily due to an increase in the processing and preservation of shrimp; the manufacture of ready-mix concrete; and the manufacture of cement, lime, and gypsum.

The agricultural and fisheries sector contracted by an estimated 0.9% in the nine-month period ended September 30, 2025, compared to the same period in 2024, representing 2.5% of GDP. Contraction in the agricultural and fisheries sector was primarily due to a decrease in the production of bananas and melon.

The commerce, hotels and restaurants sector grew by 3.3% in the nine-month period ended September 30, 2025, compared to the same period in 2024, representing 19.0% of GDP. The growth in the commerce, hotels and restaurants sector was mainly due to an increase in the sales volume of wholesale food products, beverages, textiles and car sales as well as an increase in restaurant services and in tourist arrivals to the country.

In 2025, the Central Government's current savings registered a deficit of U.S.\$2,001.5 million (2.2% of nominal GDP) compared to a deficit of U.S.\$2,849.6 million in 2024 (3.3% of nominal GDP). In 2025, the Central Government's overall deficit decreased to U.S.\$4,701.2 million (5.2% of nominal GDP) from U.S.\$6,557.2 million in 2024 (7.6% of nominal GDP). In 2025, Panama's non-financial public sector balance registered a deficit of U.S.\$3,320.8 million (3.7% of nominal GDP), a decrease from a deficit of U.S.\$5,390.3 million (6.2% of nominal GDP) in 2024.

Panama and certain Panamanian government-owned companies and agencies have used payment obligation certificates called *Cuentas de Pago Parcial* ("CPPs"), *Certificados de No Objeción* ("CNOs") and *Informes de Progreso de Trabajo* ("IPTs") to pay for certain infrastructure projects. As of June 30, 2025, the total estimated amount of payments scheduled under CPPs, CNOs and IPTs from 2025 to 2029 was approximately U.S.\$3,153.6 million, up from U.S.\$2,949.5 million as of June 30, 2024. As of July 31, 2025, the total estimated amount of payments scheduled under CPPs, CNOs and IPTs from 2025 to 2029 was approximately U.S.\$3,215.2 million, up from U.S.\$2,999.9 million as of July 31, 2024.

Structure of the Panamanian Economy

Principal Sectors of the Economy

Service Sector. The Panamanian economy is based primarily on the service sector. Services include real estate; transportation, storage and communications; commerce, restaurants and hotels; financial intermediation; public administration; the Panama Canal; the Colon Free Zone (the "CFZ"); and public utilities. While the commerce sector, real estate sector and transportation sector represent significant percentages of real GDP (estimated to be 19.0%, 14.4% and 13.7%, respectively, of real GDP in the nine-month period ended September 30, 2025), the Panamanian economy is distinguished by the economic benefits generated by the Panama Canal and the CFZ.

Commerce — which includes wholesale and retail activities as well as restaurants and hotels — is the largest component of the service sector and represented an estimated 19.0% of real GDP in the nine-month period ended September 30, 2025. In the nine-month period ended September 30, 2025, commerce activities increased 3.3% compared to the same period in 2024, mainly due to an increase in the sales volume of wholesale food products, beverages, textiles, and cars and an increase in restaurant services and in tourist arrivals to the country.

The second largest component of the service sector is real estate, which consists of rental income and the imputed rental value of real estate that is occupied but not rented. Real estate represented an estimated 14.4% of GDP in chained volume measure in the nine-month period ended September 30, 2025.

The transportation, storage and mail sector, which includes ports, airports, rails and is the third largest component of the service sector, has been an important component of the Panamanian economy in recent years. It represented an estimated 13.7% of real GDP in chained volume measure in the nine-month period ended September 30, 2025.

An important component of the financial services and insurance sector's contribution to GDP (6.1% in the nine-month period ended September 30, 2025) is attributable to the banking sector, which, as of September 30, 2025, consisted of two state-owned banks (BNP and Caja de Ahorros) and 61 private banks, including general license banks, international license banks, and foreign banks with representative offices. As of September 30, 2025, banking sector assets and deposits totaled approximately U.S.\$158.8 billion and U.S.\$113.9 billion, respectively.

The CFZ has become the largest duty-free zone in the Western Hemisphere in terms of commercial activity. For the eleven-month period ended November 30, 2025, CFZ value added (implied by the value of re-exports minus the value of imports) decreased by an estimated 9.7%, compared to the same period in 2024.

Industrial Sector. After the service sector, the next largest segment of the economy consists of the industrial activities of manufacturing and construction, collectively representing an estimated 21.2% of GDP in chained volume measure in the nine-month period ended September 30, 2025. Manufacturing represented an estimated 4.8% of GDP in chained volume measure the nine-month period ended September 30, 2025. Manufacturing is principally geared to the production of processed foods and beverages and, to a lesser extent, clothing, chemical products and construction materials for the domestic market. Construction activity represented an estimated 16.4% of GDP and increased by 2.2% in the nine-month period ended September 30, 2025, compared to the same period in 2024. Growth in the construction sector was primarily due to an increase in the development of private residential projects.

Agriculture, Fisheries and Mining Sector. The agriculture, fisheries and mining sector accounted for an estimated 3.4% of real GDP in the nine-month period ended September 30, 2025. Principal agricultural products include bananas, fish, shrimp, sugar, coffee, meat, dairy products, tropical fruits, rice, corn and beans. During the nine-month period ended September 30, 2025, the value of agricultural production (which includes fisheries production) is estimated to have decreased by 0.9%, compared to the same period in 2024.

Role of the Government in the Economy

General Government current expenditures (including the Central Government, Caja de Seguro Social and consolidated agencies, but excluding state-owned financial institutions and interest payments) totaled U.S.\$9.0 billion in the nine-month period ended September 30, 2025.

The FAP's total assets were U.S.\$3.1 billion and U.S.\$1.6 billion as of September 30, 2025, and September 30, 2024, respectively. On August 26, 2025, Cabinet Decree No. 33 authorized the Ministry of Economy and Finance to exchange a series of promissory notes previously delivered to the FAP in 2024 for marketable government bonds. The promissory notes, which represented past contributions owed to the FAP, were not marketable and therefore were not recognized as assets under management, nor included in the Government's net debt calculations. Pursuant to Decree No. 33, on September 30, 2025, the Ministry of Economy and Finance delivered to the FAP government bonds with a face value of U.S.\$1.5 billion, equivalent to approximately U.S.\$1.39 billion in market value. Because these bonds are liquid and negotiable, they are recognized as financial assets, resulting in a corresponding increase in the FAP's reported assets.

Public Sector Enterprises

ETESA's electric transmission system consists of transmission lines of 230 kV and 115 kV. In 2025, the total length of the 230 kV lines was 2,885.9 km in double circuit lines and 93.9 km in simple circuit lines, while the total length of the 115 kV lines was 272.3 km in double circuit lines and 40.8 km in simple circuit lines.

Panama currently has high electricity rates (an average of 18.4 cents per kilowatt-hour for the second half of 2025), and demand for electricity for the seven-month period ended July 31, 2025 decreased by 1.6% compared to electricity demand for the same period in 2024.

Telecommunications

During the first nine months of 2025, Cable & Wireless (Panamá) S.A. experienced a 6.0% increase in revenues compared to the same period in 2024, mainly due to 14.0% growth, driven largely by higher revenue from large enterprise and government projects.

Air Transportation

In 2025, the Tocumen International Airport (*Aeropuerto Internacional de Tocumen, S.A.* or "AITSA") handled a total of 21.0 million passengers, compared to 19.3 million in 2024. In 2025, AITSA had 45 airlines in operation.

Ports

In 2025, the Manzanillo International Terminal ("MIT") handled approximately 2.9 million TEUs of cargo containers, compared to approximately 2.7 million TEUs in 2024. In 2025, the container port in Colón handled approximately 1.7 million TEUs of containers, compared to approximately 1.6 million TEUs in 2024. In 2025, Port Balboa handled approximately 2.7 million TEUs of containers, compared to approximately 2.6 million TEUs in 2024. In 2025, the Port of Cristobal handled approximately 1.2 million TEUs of containers, compared to approximately 1.1 million TEUs in 2024.

Banking

Collectively, BNP and Caja de Ahorros had approximately 14.9% of deposits and 14.2% of assets in the national banking system as of September 30, 2025. See "Financial System—Public Sector Banking Institutions" for more information on BNP and Caja de Ahorros. As of February 9, 2026, the Government had not announced any plans to privatize these financial institutions.

Panama Canal

During the fiscal year ended September 30, 2024, approximately 423.1 million tons of cargo transited the locks of Cocolí, on the Pacific side of the Canal, and Agua Clara, on the Atlantic side of the Canal. During the fiscal year ended September 30, 2025,

approximately 489.2 million tons of cargo transited the locks of Cocolí, on the Pacific side of the Canal, and Agua Clara, on the Atlantic side of the Canal.

For fiscal year 2025 (which ended September 30, 2025), the Panama Canal reported revenues of U.S.\$5.7 billion, a 14.4% increase over revenues of U.S.\$5.0 billion in fiscal year 2024. The Panama Canal reported revenues of U.S.\$5.0 million in fiscal year 2023, U.S.\$4.3 million in fiscal year 2022, U.S.\$4.0 billion in fiscal year 2021 and U.S.\$3.4 billion in fiscal year 2020. The Canal's revenues represented 6.3% of Panama's GDP in 2025, 5.8% of GDP in 2024, 6.0% of GDP in 2023, 5.7% of GDP in 2022, 5.9% of GDP in 2021 and 6.0% of GDP in 2020.

For the 2025-2026 Panama Canal cruise season, which began on October 9, 2025, 195 cruise ships are scheduled to transit the canal.

On December 17, 2025, the Panama Canal Authority (the "PCA") made a direct contribution to the National Treasury of U.S.\$2,965 million for fiscal year 2025. This direct contribution consisted of surplus funds, transit tolls, and payments for services provided by the Government to the PCA.

On December 17, 2025, the PCA received two new tugboats for its fleet, bringing its total to 48 tugboats. The new tugboats "Isla Popa" and "Isla Uva," each with a length of 25.9 meters and a beam of 12.8 meters, are part of the PCA's strategy to strengthen operational efficiency and maintain a safe, reliable, and competitive service. These two tugboats are part of a charter agreement signed with the Danish company Svitzer, which allows for expanded operational capacity without compromising financial efficiency or fleet management flexibility.

On December 31, 2025, the PCA commemorated the 26th anniversary of the transfer of the Canal to Panamanian administration. Over these 26 years, the Canal has contributed approximately U.S.\$31,231 billion to the National Treasury, helping to strengthen the country's economy and supporting investments in Panama's national development.

During the two-month period ended November 30, 2025, vessel traffic through the Panama Canal increased by 2.5%, compared to the same period of 2024. During the two-month period ended November 30, 2025, the Panama Canal collected U.S.\$695,519 million in toll revenue, an increase of 13.5% compared to the U.S.\$612,993 million collected in the same period of 2024.

Transits through the Panama Canal increased by 22% between October 1 and December 31, 2025 (the first quarter of the Panama Canal's fiscal year), reaching 3,336 ship crossings (with Neopanamax vessels accounting for 12.5% and Panamax vessels accounting for 23.1% of the crossings) compared to 2,774 ship crossings in the same period in 2024.

On February 2, 2026, the Panama Canal reached a milestone with the inaugural transit of the Disney Adventure, the largest and highest-capacity passenger cruise ship ever to cross the Canal, weighing 208,000 gross tons, measuring 342 meters in length and 46.4 meters in beam, and having an approximate capacity for 6,700 passengers, in addition to 2,500 crew members and 2,111 cabins. This transit surpasses the previous record set by the Norwegian Bliss by 40,000 tons, equivalent to a 24% increase in tonnage.

As of February 3, 2026, the tunnel boring machine for the Panama Metro Line 3 tunnel crossing under the Panama Canal, which began work on September 18, 2024, had completed 3.1 kilometers of underground excavation, equivalent to approximately 70% of the planned tunnel section. To support this structure, 1,560 concrete rings have been installed, and more than 800,000 cubic meters of material have been removed, a volume similar to that of 320 Olympic swimming pools. The tunnel reaches a maximum depth of 65 to 75 meters below sea level.

Water Conservation and Management

On October 30, 2025, the Panama Canal began implementing its 2025-2026 Flood Control Plan to protect communities, ensure continued Canal navigation, and manage water in the face of increased rainfall. The Flood Control Plan includes measures such as constant monitoring, adjustments to floodgates, and emergency plans while the Gatún and Alhajuela lakes are near their maximum operating levels, which reduces their storage capacity and increases the risk of flooding.

On February 4, 2026, the Panama Canal implemented an Early Warning System in the Indio River basin that benefits more than 2,000 residents in communities such as Quebrada Bonita, El Chilar, Santa Rosa, Guayabalito, El Jobo, La Encantada, Boca de Río Indio, and Pueblo Viejo, all located in areas historically affected by recurrent flooding and prolonged droughts. The project strengthened two hydrometeorological stations, and continues strengthening additional stations, which allow for real-time monitoring of rainfall and river behavior in order to issue timely flood warnings.

The Fourth Bridge over the Panama Canal

On December 18, 2025, President Mulino visited the construction site of the Fourth Bridge over the Panama Canal, accompanied by Minister of Public Works, José Luis Andrade. During the tour, the Minister of Public Works reported that the project was approximately 30% complete. On the West side, 50% of the viaduct piles and 80% of the soil improvement had already been completed. Likewise, work on Cerro Sosa, where profiling and cutting work is being carried out, was 34% complete. On the Eastern viaduct, the footings were 67% complete, while the columns were 19% complete, gradually consolidating the support structure for this section. In order to maintain the pace of execution on both the eastern and western fronts as well as on the access roads, approximately 1,500 new workers are expected to be hired in 2026.

The Colón Free Zone

During the eleven-month period ended November 30, 2025, imports to the CFZ were preliminarily estimated at U.S.\$10.8 billion, a decrease from U.S.\$11.8 billion during the eleven-month period ended November 30, 2024. In comparison, during the eleven-month period ended November 30, 2025, Panama's non-CFZ merchandise imports were preliminarily estimated at U.S.\$12.9 billion, a slight increase from U.S.\$12.8 billion during the eleven-month period ended November 30, 2024.

During the eleven-month period ended November 30, 2025, re-exports to the CFZ were preliminarily estimated at U.S.\$10.1 billion, a decrease from U.S.\$11.3 billion during the eleven-month period ended November 30, 2024. In comparison, during the eleven-month period ended November 30, 2025, Panama's non-CFZ merchandise exports were preliminarily estimated at U.S.\$1.2 billion, an increase from U.S.\$0.9 billion during the eleven-month period ended November 30, 2024, mainly due to the export of copper concentrate, which began again in June 2025 as part of the Government-approved Preservation and Safe Management Plan of the Cobre Panama mine.

Employment and Labor

Salaries and Wages

By law, the minimum wage in Panama is subject to review every two years. On December 31, 2025, the Government published Executive Decree No. 13, which increased the minimum wage to between U.S.\$1.64 per hour and U.S.\$5.01 per hour, depending on the area of the country, type of economic activity, type of profession and size of the employer company, effective January 16, 2026.

In 2024, the average monthly wage in all sectors of the Panamanian economy was U.S.\$1,310.4, an increase of 1.7% compared to 2023. In 2024, the average monthly wage for Central Government employees was U.S.\$1,616.0, an increase of 1.8% compared to 2023. In 2024, the average monthly wage for municipal public sector employees was U.S.\$834.4, an increase of 3.1% compared to 2023. In 2024, the average monthly banana plantation wage was U.S.\$723.6, an increase of 4.1% compared to 2023. In 2024, the average monthly public sector wage was U.S.\$1,689.3, an increase of 2.6% compared to 2023.

The following table presents average real monthly wage data for the five-year period from August 2020 through August 2024:

TABLE NO. 12
Average Real Monthly Wages

	2020	2021	2022 ^(R)	2023	2024
Public Sector:					
Central Government	\$ 1,533.9	\$ 1,563.8	\$ 1,596.1	\$ 1,587.2	\$ 1,616.0
Autonomous agencies.....	1,513.8	1,577.0	1,569.3	1,639.1	1,669.1
Social Security.....	1,705.2	1,733.1	1,766.9	1,791.9	1,827.6
Municipalities.....	773.1	775.1	787.4	809.4	834.4
Public Enterprises.....	2,069.6	1,993.5	2,087.4	2,156.5	2,208.8
All Public Sector.....	1,579.8	1,603.0	1,631.7	1,646.4	1,689.3
Private Enterprise.....	1,047.1	1,097.3	1,111.2	1,125.0	1,145.3
Banana Plantations.....	586.7 ⁽¹⁾	579.0 ⁽¹⁾	669.0 ⁽²⁾	694.8 ⁽²⁾	723.6 ⁽²⁾
All Employees.....	\$ 1,248.7	\$ 1,278.5	\$ 1,275.3	\$ 1,287.9	\$ 1,310.4
	2020	2021	2022 ^(R)	2023	2024
	(annual percentage change)				
Public Sector:					
Central Government	8.5%	1.9%	2.1%	(0.6)%	1.8%
Autonomous Agencies	7.8%	4.2%	(0.5)%	4.4%	1.8%
Social Security.....	2.4%	1.6%	2.0%	1.4%	2.0%
Municipalities.....	2.4%	0.3%	1.6%	2.8%	3.1%
Public Enterprises.....	(3.6)%	(3.7)%	4.7%	3.3%	2.4%
All Public Sector.....	5.2%	1.5%	1.8%	0.9%	2.6%
Private Enterprise.....	(1.1)%	4.8%	1.3%	1.2%	1.8%
Banana Plantations.....	10.9%	(1.3)%	15.5%	3.9%	4.1%
All Employees.....	5.4%	2.4%	(0.3)%	1.0%	1.7%

Note: Totals may differ due to rounding.

Notes:

(R) Revised

(1) For 2020 and 2021, the calculation of the average monthly banana plantation salary excludes workers who worked less than 22 days in a referenced month.

(2) For 2022, 2023 and 2024, the calculation of the average monthly banana plantation salary was based on the administrative records of the Directory of Companies and Premises.

Source: Office of the Comptroller General.

SIACAP

Since its inception in July 2000 through December 31, 2025, the Savings and Pension Capitalization System for Public Servants (*Sistema de Ahorro y Capitalización de Pensiones de los Servidores Públicos*, or “SIACAP”) has managed approximately U.S.\$2.3 billion in participant contributions and revenues, a 9.5% increase from the U.S.\$2.1 billion in aggregate contributions and revenues administered as of December 31, 2024.

As of December 31, 2025, SIACAP had 607,455 participants, reflecting a 3.0% increase from the 590,018 participants registered as of December 31, 2024. As of December 31, 2025, SIACAP carried a balance of U.S.\$1,024.2 million under management in participant contributions, representing a 8.6% increase from U.S.\$942.9 million as of December 31, 2024.

Public Finance

Central Government Budget

In 2025, Panama’s non-financial public sector balance registered a deficit of approximately U.S.\$3.3 billion (3.7% of nominal GDP), a decrease of 38.4% compared to a deficit of approximately U.S.\$5.4 billion (6.2% of nominal GDP) in 2024, in part due to a 9.6% increase in the Central Government’s current revenues and a 9.4% decrease in the Central Government’s current expenditures.

In 2025, the Central Government's overall balance registered a deficit of approximately U.S.\$4.7 billion (5.2% of nominal GDP), a decrease of 28.3% compared to a deficit of approximately U.S.\$6.6 billion (7.6% of nominal GDP) in 2024. The increase in current revenues was influenced in part by increased direct tax revenues (mainly as a result of higher income tax, payroll tax and corporate tax collections as well as higher property tax and capital gains tax collections) and by an increase in non-tax revenues (mainly as a result of 13.5% growth in the Panama Canal's tolls and services income due to increased cargo passage and also as a result of increased contributions received from state-owned companies, such as the Tocumen International Airport).

The National Assembly approved Panama's 2026 budget on October 27, 2025. The 2026 budget contemplates total expenditures of U.S.\$34.9 billion, with budget estimates based on an anticipated nominal GDP of U.S.\$95.1 billion (4.0% real growth from 2025) and an anticipated consolidated non-financial public sector deficit of approximately U.S.\$3.2 billion (approximately 3.5% of anticipated nominal GDP) for 2026. The assumptions set forth above represent Panama's estimates of the 2026 economic results prepared for budgetary purposes. While Panama believes that these assumptions were reasonable when made, some are beyond the control or significant influence of Panama, and actual outcomes will depend on future events. Accordingly, no assurance can be given that economic results will not differ materially from the figures set forth above. The 2026 budget allocates public recurrent and capital expenditures as follows: 39.4% to social services; 18.2% to financial services; 10.0% to general services; 6.3% to infrastructure development; 1.9% to development and promotion of production; 0.8% to environment and technology; and 23.4% to other services.

Taxation

In 2025, preliminary figures indicate that approximately 60.9% of the Central Government's current revenues came from various forms of taxation. In 2025, Central Government tax revenues were U.S.\$6.4 billion, an increase of 9.0% from U.S.\$5.9 billion in tax revenues in 2024. In 2025, approximately 58.0% of tax revenues were from direct taxes, compared to 55.3% of tax revenues in 2024. In 2025, direct tax revenues were U.S.\$3.7 billion, a 14.4% increase from U.S.\$3.2 billion in 2024, primarily due to an increase in income tax collections.

Revenues and Expenditures

In 2025, the Central Government's total revenues were approximately U.S.\$10.6 billion, a 9.3% increase compared to approximately U.S.\$9.7 billion in 2024. In 2025, capital expenditures were approximately U.S.\$2.7 billion, a 27.2% decrease compared to approximately U.S.\$3.7 billion in 2024. In 2025, the Central Government's current savings registered a deficit of approximately U.S.\$2.0 billion, a 29.8% decrease compared to a deficit of approximately U.S.\$2.8 billion in 2024, in part due to a 3.6% decrease in transfers to governmental entities.

In 2025, the non-financial public sector, which includes the Central Government, decentralized agencies (including CSS and principal universities) and non-financial public enterprises, had total revenues of approximately U.S.\$15.6 billion, a 6.9% increase compared to approximately U.S.\$14.6 billion in 2024, in part due to a 9.6% increase in the Central Government's current revenues. In 2025, current savings for the non-financial public sector registered a surplus of approximately U.S.\$292.0 million, a 134.6% increase compared to a deficit of approximately U.S.\$842.8 million in 2024, mainly due to a 9.4% decrease in the Central Government's current expenditures.

International Reserves

As of September 30, 2025, BNP's foreign assets amounted to U.S.\$2.6 billion, a decrease of 16.3% compared to U.S.\$3.1 billion as of September 30, 2024, mainly due to a 9.7% decrease in foreign term deposits.

Financial System

The Banking Sector

As of November 30, 2025, two state-owned banks, 37 private sector general license banks, 14 international license banks and 10 representative offices constituted Panama's banking sector. Of the 37 private sector general license banks, 12 were incorporated in Panama and the rest abroad.

As of September 30, 2025, measured by assets, the largest bank based in Panama was *Banco General, S.A.*, with U.S.\$19.0 billion in assets, and the second largest bank based in Panama was *Banco Nacional de Panamá* with U.S.\$13.1 billion in assets. Two of the other largest banks, based on assets, are BAC International Bank Inc. and *Banco Latinoamericano de Comercio Exterior, S.A. (BLADEX)*. The largest international license banks, based on assets, are *Bancolombia (Panama), S.A.*, GNB Sudameris Bank, S.A. and Popular Bank Ltd., Inc.

As of November 30, 2025, total assets of the banking sector were approximately U.S.\$161.7 billion, 5.7% more than approximately U.S.\$153.0 billion as of November 30, 2024. As of November 30, 2025, deposits in the banking sector were approximately U.S.\$115.1 billion, 7.2% higher than approximately U.S.\$107.4 billion as of November 30, 2024.

As of November 30, 2025, the liquidity of the banking sector reached 54.1% of total assets. As of November 30, 2025, the capital adequacy ratio across the banking sector was 16.3%.

As of November 30, 2025, the balance of the local banking sector credit portfolio was approximately U.S.\$65.0 billion, 1.2% higher than as of November 30, 2024.

Public Sector Banking Institutions

Banco Nacional de Panamá. BNP offers a wide range of commercial banking services through its 96 branches and 474 ATMs throughout Panama as of December 31, 2025. In accordance with the law that governs BNP, the Republic of Panama is responsible for the liabilities of BNP. BNP is the largest public sector banking institution in Panama in terms of domestic credit, local deposits and savings deposits. BNP's total assets as of September 30, 2025, were U.S.\$13.1 billion, its bank deposits were U.S.\$2.7 billion, and its net loans were U.S.\$7.0 billion.

As of September 30, 2025, BNP's capital and reserves represented 57.7% of its bank deposits and 11.9% of its total assets. As of December 31, 2024, BNP's capital reserves made up 7.3% of its assets. BNP generated net income of U.S.\$191.6 million during the nine-month period ended September 30, 2025, compared to net income of U.S.\$261.7 million for the same period in 2024. The decrease is largely due to a contraction in rates in international markets, which impacted returns on BNP's investment portfolio and term deposits.

Caja de Ahorros. Caja de Ahorros, the state-owned savings bank, had 60 branches and 316 ATMs throughout Panama as of December 31, 2025. In accordance with the law that governs Caja de Ahorros, the Republic of Panama is responsible for the liabilities of Caja de Ahorros. Caja de Ahorros is primarily a mortgage lender specializing in financing for medium-income customers. Due to its liquidity position in recent years, however, Caja de Ahorros has begun to promote personal loans. Total assets of Caja de Ahorros as of November 30, 2025, amounted to U.S.\$6.8 billion (a 1.4% increase from November 30, 2024), and total deposits amounted to U.S.\$5.4 billion (a 0.03% increase from November 30, 2024). Total net loans held by Caja de Ahorros as of November 30, 2025, amounted to U.S.\$4.9 billion (a 3.9% increase from November 30, 2024), and its bank deposits were U.S.\$28.2 million as of November 30, 2025 (a 53.8% decrease from November 30, 2024). Caja de Ahorros had net income of U.S.\$39.6 million as of November 30, 2025, compared to net income of U.S.\$35.2 million as of November 30, 2024.

Other Public Sector Institutions. Panama created *Banco de Desarrollo Agropecuario* ("BDA") to provide a source of financing for agricultural development. During the twelve-month period ended December 31, 2025, BDA had U.S.\$256.1 million in net loans, U.S.\$480.2 million in total assets, and a net loss of U.S.\$10.1 million.

Banco Hipotecario Nacional ("BHN") was established in 1973 to provide a source of financing for national housing projects and to foster the development of savings associations. During the six-month period ended June 30, 2025, BHN's net loan portfolio was U.S.\$99.0 million and its total assets amounted to U.S.\$335.1 million. During the six-month period ended June 30, 2025, BHN had a net loss of U.S.\$1.6 million.

Private Sector Banking Institutions

As of November 30, 2025, total assets of the private banking sector were U.S.\$123.0 billion, approximately 7.2% higher than U.S.\$114.8 billion as of November 30, 2024. Total net loans of the private banking sector as of November 30, 2025, were U.S.\$79.1 billion (a 5.7% increase compared to total net loans as of November 30, 2024). As of November 30, 2025, deposits in the private banking sector were U.S.\$84.3 billion, approximately 7.3% higher than U.S.\$78.6 billion as of November 30, 2024.

Other Financial System Components

While the *Bolsa Latinoamericana de Valores* (also known as *Latinex*) has experienced considerable growth, with aggregate trades increasing from U.S.\$30.6 million in 1991 to U.S.\$9.6 billion during 2025, Latinex remains a small portion of the financial services sector. Equity trades represented 15% of trading volume during 2025. During 2025, local secondary market transactions (which include both equity and debt trades) in Panama totaled U.S.\$1.5 billion.

Interest Rates. During 2025, the average interest rate paid by Panamanian banks for one-year deposits was 4.9%, while the interest rate charged for personal credit transactions averaged 8.9%. In general terms, the differential between borrowing and lending interest rates for Panamanian banks was 4.04% during the twelve-month period ended December 31, 2025.

Insurance. As of September 30, 2025, there were 22 insurance companies and 3,443 insurance brokerages in Panama. The 3,443 brokerages consisted of 2,800 individual brokers, 377 brokerage companies and 266 operating under temporary licenses. The registered assets of insurance companies as of September 30, 2025, totaled U.S.\$4.7 billion.

Financial Services. A small non-deposit-taking financial services industry provides leasing, consumer durables financing and other small-scale lending. As of August 31, 2025, there were 204 locally incorporated companies participating in this industry.

Financial Action Task Force

Panama was removed from the European Union's list of high-risk jurisdictions on June 9, 2025, as evidenced in Delegated Regulation C(2025) 3815, consistent with its removal from the FATF gray list in October 2023.

Foreign Trade and Balance of Payments

Composition of Foreign Trade

In the eleven-month period ended November 30, 2025, Panama's exports of goods (FOB), excluding the CFZ, recorded a preliminary total of U.S.\$1,245.3 million, an increase of 41.5% compared to U.S.\$879.8 million in the same period of 2024. This growth was mainly driven by higher agricultural exports, particularly increased shipments of watermelon and pineapple to European and North American markets, which boosted the sector's overall performance.

In the eleven-month period ended November 30, 2025, Panama's imports of goods (CIF), excluding the CFZ, recorded a total of U.S.\$12.86 billion, an increase of 0.1% compared to U.S.\$12.85 billion in the same period of 2024, particularly influenced by an increase in imports of non-durable and semi-durable consumer goods, as well as household goods, and food products for human consumption, which was practically offset by lower purchases of intermediate goods, especially construction materials and fuel.

In the eleven-month period ended November 30, 2025, banana and pineapple exports recorded a preliminary total of U.S.\$83.0 million, a decrease of 42.0% compared to U.S.\$143.8 million in the same period of 2024, primarily due to the temporary closing of Chiquita Banana's agriculture operations in the Bocas del Toro province.

In the eleven-month period ended November 30, 2025, shrimp exports recorded a preliminary total of U.S.\$118.0 million, a 27.5 % increase from U.S.\$92.5 million in the same period of 2024, due in part to a moderate expansion of the export sector in a context of supply restructuring, marked by a shift in the main products being exported, with frozen shrimp becoming the leading export product, and an increase in the diversification of the export basket.

In the eleven-month period ended November 30, 2025, exports of fish, including fresh and frozen fish filets, recorded a preliminary total of U.S.\$75.6 million, a 3.9% decrease from U.S.\$78.7 million in the same period of 2024.

In the eleven-month period ended November 30, 2025, fishmeal and fish oil exports recorded a preliminary total of U.S.\$36.6 million, a 48.6% decrease from U.S.\$71.2 million in the same period of 2024, due to 6.8% decrease in the fishing and aquaculture sector, which resulted in less raw material available to produce fishmeal and fish oil.

Foreign Direct Investment

Panama's foreign direct investment ("FDI") in the nine-month period ending September 30, 2025 totaled U.S.\$1.4 billion, a decrease of U.S.\$385.5 million compared to U.S.\$1.8 billion in the nine-month period ending September 30, 2024. For the nine-month period ended September 30, 2025, reinvested earnings were the source of U.S.\$350.6 million of FDI, and there was an additional FDI inflow of U.S.\$3.2 billion from other capital. For the nine-month period ended September 30, 2025, there was an FDI outflow of U.S.\$60.8 million from purchases of shares of domestic companies by non-resident investors. Of gross FDI, U.S.\$445.4 million corresponded to capital invested in the CFZ in the nine-month period ended September 30, 2025, compared to U.S.\$293.6 million in the same period of 2024.

Cobre Panama Copper Mine and Mining Concession Contract

An integral audit on mining company Cobre Panama began in late 2025 for a term of eight months, at the end of which Panama will begin to develop a roadmap forward for the mine.

As of today's date, the arbitrations initiated by First Quantum Minerals, Ltd. and Franco-Nevada Corporation against Panama in connection with the Cobre Panama mine have been suspended.

For more information on the Cobre Panama mine and mining concession contract, please see "Foreign Trade and Balance of Payments—Foreign Direct Investment—Cobre Panama Copper Mine and Mining Concession Contract" in Panama's Annual Report.

Balance of Payments

For the nine-month period ended September 30, 2025, Panama registered an overall balance of payments deficit of U.S.\$3.7 billion, compared to a U.S.\$1.5 billion deficit in the same period of 2024, mainly due to a decrease in the financial account, which was influenced by other investments like debt securities and loans.

For the nine-month period ended September 30, 2025, the current account balance totaled U.S.\$194.4 million, compared to U.S.\$122.7 million in the nine-month period ended September 30, 2024, due in part to a 36.9% increase in goods, services, rent and transfers. More specifically, services increased 12.6%, from U.S.\$11.1 billion to U.S.\$12.5 billion, while the balance of goods fell 16.5%, with the balance of goods deficit rising from U.S.\$7.9 billion to U.S.\$9.2 billion during the same period.

For the nine-month period ended September 30, 2025, the capital and financial account balance recorded a deficit of U.S.\$1.4 billion, compared to a surplus of U.S.\$1.5 billion in the same period of 2024.

Public Debt

As of December 31, 2025, Panama's public debt totaled U.S.\$59,349.3 million, an increase from U.S.\$53,736.7 million as of December 31, 2024. As of December 31, 2025, Panama's internal public debt accounted for 18.0% of total debt (an increase from 17.6% as of December 31, 2024), while external public debt accounted for 82.0% of total debt (a decrease from 82.4% as of December 31, 2024). As of December 31, 2025, the average maturity of the debt portfolio was 12.0 years, with an average duration of 7.5 years. The average maturity of the debt portfolio as of December 31, 2024, was 13.8 years, with an average duration of 8.4 years. During 2025, local secondary market transactions in treasury securities reached U.S.\$702.9 million, a decrease from U.S.\$562.0 million during 2024.

Internal Debt

During 2025, Panama issued U.S.\$2,414.2 million in Treasury Bills. Of this amount, U.S.\$2,172.9 million was sold through public auctions, while U.S.\$241.3 million was sold in direct placements executed on the same day as the corresponding auction, and using the same debt instrument being auctioned.

MEF initiated a direct placement mechanism following the amendments adopted in Cabinet Decree No. 15 of March 18, 2025, and subsequently in Cabinet Decree No. 12 of April 10, 2025, which authorized the Ministry of Economy and Finance to issue Treasury Bills for the payment of tax credits, including obligations related to the payment of preferential interest subsidies to financial institutions. This measure expands the traditional use of Treasury Bills beyond liquidity management, allowing them to be used as instruments to meet specific fiscal commitments established by law. Based on this legal framework, the Ministry of Economy and Finance has decided to allocate, effective June 13, 2025, an approximate amount of U.S.\$40 million per Treasury Bill auction for the payment of preferential interest subsidies, regardless of the amount actually negotiated in the auction.

On September 26, 2025, Panama issued an eighth tranche in the amount of U.S.\$222,896,000 of its 6.625% Treasury Notes due 2029.

BNP

On December 23, 2025, BNP issued U.S.\$266,000,000 of 5.00% Notes due 2030 with the proceeds used to partially cover the Government's mandatory annual contribution towards the IVM system's U.S.\$966,000,000 deficit.

External Debt

On December 10, 2025 the Ministry of Economy and Finance entered into a loan agreement to borrow up to JPY75,000,000,000 from Sumitomo Mitsui Banking Corporation to partially finance the liquidity needs of the Government's budget, as authorized by Ministry Resolution 2025-3469. The loan has a base interest rate based on the Tokyo Overnight Average Rate ("TONAR"), and a spread, the sum of which may not exceed 3.00% or be less than 2.90% per annum. The loan matures on January 30, 2029. On December 15, 2025, the loan was disbursed in full.

On December 23, 2025, Cabinet Decree No. 41 authorized the Ministry of Economy and Finance to enter into (i) a loan agreement in an amount of U.S.\$500,000,000 with the International Bank for Reconstruction and Development (the "IBRD") as a guarantor; (ii) a Guarantee-Based Program with the IBRD in an amount of U.S.\$600,000,000; and (iii) a financing structure with international financial institutions in an amount of U.S.\$1,400,000,000, partially backed by guarantees from the IBRD and MIG A; to partially finance the General State Budget for fiscal year 2026 and other fiscal years.

On January 16, 2026, Ministry Resolution 2026-96, authorized the Ministry of Economy and Finance to sign a loan on behalf of the Republic of Panama with certain lenders for an amount of JPY 219,478,000,000, disbursed in its equivalent in United States dollars, with guarantees provided by the World Bank Group. The loan has an interest rate based on daily compounded TONAR plus a 0.47% margin. On January 26, 2026, the loan was disbursed in full.

DESCRIPTION OF THE GLOBAL BONDS

Panama will issue the global bonds under the fiscal agency agreement, dated as of September 26, 1997, as amended by Amendment No. 1 thereto, dated September 4, 2003, Amendment No. 2 thereto, dated February 13, 2015, and Amendment No. 3 thereto, dated October 26, 2016, between Panama and The Bank of New York Mellon (as successor in interest to JPMorgan Chase Bank, N.A.), as fiscal agent. Panama has appointed a registrar, paying agent and transfer agent in accordance with the fiscal agency agreement.

The following description is a summary of the material provisions of the global bonds and the fiscal agency agreement. Because it is only a summary, the description may not contain all of the information that is important to you as a potential investor in the global bonds. Therefore, Panama urges you to read the fiscal agency agreement and the forms of global bond in making your decision on whether to invest in the global bonds. Panama has filed a copy of these documents with the SEC, and copies of these documents are available at the office of the fiscal agent in New York City.

The following description of the particular terms of the global bonds offered hereby supplements and, to the extent inconsistent therewith, replaces information contained in the description of the general terms and provisions of the debt securities set forth in the prospectus.

General Terms of the Global Bonds

Terms applicable to the 2034 Global Bonds

The 2034 global bonds:

- will be issued in an aggregate principal amount of U.S.\$1,490,000,000;
- will mature at par, including any accrued and unpaid interest, on February 23, 2034;
- will bear interest at 5.227% per annum accruing from February 23, 2026, calculated on the basis of a 360-day year, consisting of twelve 30-day months;
- will be repaid in two equal annual installments on February 23 of each year, commencing on February 23, 2033;
- will pay interest semi-annually in arrears in equal installments on February 23 and August 23 of each year, beginning August 23, 2026, to be paid to the person in whose name the global bond is registered at the close of business on the preceding February 8 or August 8, respectively, whether or not a business day;
- will be redeemable at the option of Panama before maturity (see “—Optional Redemption”);
- will not entitle its holders to the benefit of any sinking fund;
- will be unsubordinated, unsecured (subject to the provisions in the global bonds providing for securing such obligations in the event certain other obligations of Panama are secured), direct, unconditional and general obligations of Panama. The global bonds will be designated equal ranking securities and, as such, the global bonds will rank without any preference among themselves and equally with all other unsecured and unsubordinated public indebtedness of Panama. It is understood that this provision shall not be construed so as to require Panama to make payments under the global bonds ratably with payments being made under any other public indebtedness. See “Debt Securities—Status of the Debt Securities” in the accompanying prospectus. Panama has pledged its full faith and credit for the due and punctual payment of principal and interest on the global bonds and all obligations of Panama in respect of the global bonds;
- will be recorded on, and transferred through, the records maintained by DTC and its direct and indirect participants, including Euroclear and Clearstream, Luxembourg;
- will be issued in fully registered book-entry form, without coupons, registered in the name of DTC or its nominee in denominations of \$200,000 and integral multiples of \$1,000 in excess thereof; and
- will be available in definitive form only under certain limited circumstances.

Terms applicable to the 2038 Global Bonds

The 2038 global bonds:

- will be issued in an aggregate principal amount of U.S.\$1,490,000,000;
- will mature at par, including any accrued and unpaid interest, on February 23, 2038;

- will bear interest at 5.662% per annum accruing from February 23, 2026, calculated on the basis of a 360-day year, consisting of twelve 30-day months;
- will be repaid in two equal annual installments on February 23 of each year, commencing on February 23, 2037;
- will pay interest semi-annually in arrears in equal installments on February 23 and August 23 of each year, beginning August 23, 2026, to be paid to the person in whose name the global bond is registered at the close of business on the preceding February 8 or August 8, respectively, whether or not a business day;
- will be redeemable at the option of Panama before maturity (see “—Optional Redemption”);
- will not entitle its holders to the benefit of any sinking fund;
- will be unsubordinated, unsecured (subject to the provisions in the global bonds providing for securing such obligations in the event certain other obligations of Panama are secured), direct, unconditional and general obligations of Panama. The global bonds will be designated equal ranking securities and, as such, the global bonds will rank without any preference among themselves and equally with all other unsecured and unsubordinated public indebtedness of Panama. It is understood that this provision shall not be construed so as to require Panama to make payments under the global bonds ratably with payments being made under any other public indebtedness. See “Debt Securities—Status of the Debt Securities” in the accompanying prospectus. Panama has pledged its full faith and credit for the due and punctual payment of principal and interest on the global bonds and all obligations of Panama in respect of the global bonds;
- will be recorded on, and transferred through, the records maintained by DTC and its direct and indirect participants, including Euroclear and Clearstream, Luxembourg;
- will be issued in fully registered book-entry form, without coupons, registered in the name of DTC or its nominee in denominations of \$200,000 and integral multiples of \$1,000 in excess thereof; and
- will be available in definitive form only under certain limited circumstances.

Terms applicable to the Global Bonds

The global bonds will contain provisions regarding acceleration and voting on amendments, modifications, changes and waivers that differ from those applicable to the Republic’s outstanding Public External Indebtedness issued prior to March 16, 2015. These provisions are referred to as “aggregated collective action clauses.” Under these provisions, Panama may amend the payment provisions of the global bonds and other reserve matters listed in the fiscal agency agreement with the consent of the holders of: (1) with respect to a single series of debt securities, more than 75% of the aggregate principal amount of the outstanding debt securities of such series; (2) with respect to two or more series of debt securities, if certain “uniformly applicable” requirements are met, more than 75% of the aggregate principal amount of the outstanding debt securities of all series affected by the proposed modification, taken in the aggregate; or (3) with respect to two or more series of debt securities, whether or not certain “uniformly applicable” requirements are met, more than 66 2/3% of the aggregate principal amount of the outstanding bonds of all series affected by the proposed modification, taken in the aggregate, and more than 50% of the aggregate principal amount of the outstanding debt securities of each series affected by the proposed modification, taken individually.

Additionally, if an event of default has occurred and is continuing with respect to the global bonds, the global bonds of a series may be declared to be due and payable immediately by holders of not less than 25% of the outstanding aggregate principal amount of such series of the global bonds. Those provisions are described in the sections entitled “—Events of Default; Acceleration of Maturity” and “—Meetings, Amendments and Waivers” in this prospectus supplement and “Aggregated Collective Action Securities” in the accompanying prospectus.

Optional Redemption

Optional Redemption of the 2034 Global Bonds

Prior to December 23, 2033 (two months prior to their final maturity date) (the “2034 Par Call Date”), Panama may redeem the 2038 global bonds at its option, in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

(1) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the 2034 global bonds matured on the 2034 Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 25 basis points less (b) interest accrued to the date of redemption, and

(2) 100% of the principal amount of the 2034 global bonds to be redeemed,

plus, in either case, accrued and unpaid interest thereon to the redemption date.

On or after the 2034 Par Call Date, Panama may redeem the 2034 global bonds, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the 2034 global bonds being redeemed plus accrued and unpaid interest thereon to the redemption date.

Definitions and Terms Applicable to the Optional Redemption of the 2034 Global Bonds

“*Treasury Rate*” means, with respect to any redemption date, the yield determined by Panama in accordance with the following two paragraphs.

The Treasury Rate shall be determined by Panama after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily)—H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities—Treasury constant maturities—Nominal” (or any successor caption or heading). In determining the Treasury Rate, Panama shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period (the “Remaining Life”) from the redemption date to the date that reflects the remaining Weighted Average Life of the 2034 global bonds (assuming the last amortization payment on the 2034 global bonds is made on the 2034 Par Call Date) (the “WAL Date”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the WAL Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third business day preceding the redemption date H.15 or any successor designation or publication is no longer published, Panama shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second business day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the WAL Date, as applicable. If there is no United States Treasury security maturing on the WAL Date but there are two or more United States Treasury securities with a maturity date equally distant from the WAL Date, one with a maturity date preceding the WAL Date and one with a maturity date following the WAL Date, Panama shall select the United States Treasury security with a maturity date preceding the WAL Date. If there are two or more United States Treasury securities maturing on the WAL Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, Panama shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

“Weighted Average Life” at any date means the number of years obtained by dividing: (1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment in respect of the 2034 global bonds, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such installment payment; by (2) the then outstanding principal amount of the 2034 global bonds.

Optional Redemption of the 2038 Global Bonds

Prior to November 23, 2037 (three months prior to their maturity date) (the “2038 Par Call Date”), Panama may redeem the 2038 global bonds at its option, in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

(1) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the 2038 global bonds matured on the 2038 Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 25 basis points less (b) interest accrued to the date of redemption, and

(2) 100% of the principal amount of the 2038 global bonds to be redeemed,

plus, in either case, accrued and unpaid interest thereon to the redemption date.

On or after the 2038 Par Call Date, Panama may redeem the 2038 global bonds, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the 2038 global bonds being redeemed plus accrued and unpaid interest thereon to the redemption date.

Definitions and Terms Applicable to the Optional Redemption of the 2038 Global Bonds

“*Treasury Rate*” means, with respect to any redemption date, the yield determined by Panama in accordance with the following two paragraphs.

The Treasury Rate shall be determined by Panama after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily)—H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities—Treasury constant maturities—Nominal” (or any successor caption or heading). In determining the Treasury Rate, Panama shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period (the “Remaining Life”) from the redemption date to the date that reflects the remaining Weighted Average Life of the 2038 global bonds (assuming the last amortization payment on the 2038 global bonds is made on the 2038 Par Call Date) (the “WAL Date”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the WAL Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third business day preceding the redemption date H.15 or any successor designation or publication is no longer published, Panama shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second business day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the WAL Date, as applicable. If there is no United States Treasury security maturing on the WAL Date but there are two or more United States Treasury securities with a maturity date equally distant from the WAL Date, one with a maturity date preceding the WAL Date and one with a maturity date following the WAL Date, Panama shall select the United States Treasury security with a maturity date preceding the WAL Date. If there are two or more United States Treasury securities maturing on the WAL Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, Panama shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

“*Weighted Average Life*” at any date means the number of years obtained by dividing: (1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment in respect of the 2038 global bonds, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such installment payment; by (2) the then outstanding principal amount of the 2038 global bonds.

Terms Applicable to the Optional Redemption of the Global Bonds

Panama’s actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error.

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depository’s procedures) at least 10 days but not more than 60 days before the redemption date to each holder of global bonds to be redeemed.

In the case of a partial redemption, selection of the global bonds for redemption will be made on a pro rata basis as a “Pro Rata Pass-Through Distribution of Principal” in accordance with the applicable rules and procedures of DTC, or in the case of certificated notes, any other method in accordance with the policies and procedures of the fiscal agent. No global bonds of a principal amount of

U.S.\$200,000 or less will be redeemed in part. If any global bond is to be redeemed in part only, the notice of redemption that relates to the global bond will state the portion of the principal amount of the global bond to be redeemed. A new global bond in a principal amount equal to the unredeemed portion of the global bond will be issued in the name of the holder of the global bond upon surrender for cancellation of the original global bond. For so long as the global bonds are held by DTC (or another depository), the redemption of the global bonds shall be done in accordance with the policies and procedures of the depository. Unless Panama defaults in the payment of the redemption price, on and after the redemption date interest will cease to accrue on the global bonds or portions thereof called for redemption.

Payments of Principal and Interest

Panama will make payments of principal of and premium and interest on the global bonds in U.S. dollars through the fiscal agent to DTC, which will receive the funds for distribution to the holders of the global bonds.

Panama expects that holders of the global bonds will be paid in accordance with the procedures of DTC and its direct and indirect participants. Neither Panama nor the fiscal agent will have any responsibility or liability for any aspect of the records of, or payments made by, DTC or any failure on the part of DTC to make payments to holders of the global bonds from the funds it receives.

If any date for an interest or principal payment is a day on which banking institutions in New York City are authorized or obligated by law or executive order to be closed, Panama will make the payment on the next New York City banking day. No interest on the global bonds will accrue as a result of this delay in payment.

If any money that Panama pays to the fiscal agent or to any paying agent for the payment of principal of or premium or interest on the global bonds is not claimed prior to the expiration of two years after the principal or premium or interest was due and paid by Panama, then the fiscal agent or paying agent will repay the money to Panama. If this occurs, Panama will promptly confirm the receipt of this repayment in writing to the fiscal agent. After any such repayment, the fiscal agent or paying agent will not be liable with respect to the payments.

However, Panama's obligations to pay the principal of and premium and interest on the global bonds as they become due will not be affected by such repayment. To the extent permitted by law, the global bonds will become void unless presented for payment within five years after the maturity date thereof (or such shorter period as may be prescribed by applicable law).

Events of Default; Acceleration of Maturity

Any of the following events will be an event of default with respect to each series of global bonds:

- (a) a default by Panama in any payment of principal of the global bonds which continues for 15 calendar days;
- (b) a default by Panama in any payment of interest on the global bonds which continues for 30 calendar days;
- (c) a default by Panama in the performance of any other obligation under such series of global bonds which continues for 60 calendar days after the holder of any of the global bonds has provided to the fiscal agent written notice requiring this default be remedied;
- (d) an acceleration of any aggregate principal amount of public indebtedness of Panama that exceeds U.S.\$25,000,000 (or its equivalent in any other currency) by reason of an event of default resulting from Panama's failure to make any payment of principal, premium or interest under this public indebtedness when due;
- (e) a failure of Panama to make any payment in respect of public indebtedness of Panama in an aggregate principal amount in excess of U.S.\$25,000,000 (or its equivalent in any other currency) when due (whether at stated maturity, by acceleration or otherwise), which continues for 30 calendar days after the holder of any of the global bonds has provided to the fiscal agent written notice requiring this default be remedied;
- (f) a declaration by Panama of a moratorium with respect to the payment of principal of, or premium or interest on, public external indebtedness of Panama which does not expressly exclude the global bonds; or
- (g) a denial or repudiation by Panama of its obligations under the global bonds.

If an event of default described above occurs and is continuing with respect to any series of global bonds, the holders of at least 25% of the outstanding aggregate principal amount of such series of global bonds may, by notice to the fiscal agent, declare all the global bonds of such series to be due and payable immediately. Holders of less than 25% of the outstanding aggregate principal amount of the global bonds may not, on their own, declare the global bonds of such series to be due and payable immediately. Holders

of global bonds may exercise these rights only by providing a written demand to Panama and the fiscal agent at a time when the event of default is continuing.

Upon any declaration of acceleration, the principal, interest and all other amounts payable on the such series of global bonds will be immediately due and payable on the date Panama receives written notice of the declaration, unless Panama has remedied the event or events of default prior to receiving the notice. The holders of 50% or more of the outstanding aggregate principal amount of such series of global bonds may rescind a declaration of acceleration if the event or events of default giving rise to the declaration have been cured or waived.

Fiscal Agent

The fiscal agency agreement contains provisions relating to the obligations and duties of the fiscal agent, to the indemnification of the fiscal agent and to the fiscal agent's relief from responsibility for actions that it takes. The fiscal agent is entitled to enter into business transactions with Panama or any of its respective affiliates without accounting for any profit resulting from such transactions. The Bank of New York Mellon, in each of its capacities, including without limitation as fiscal agent, registrar, and transfer agent, assumes no responsibility for the accuracy or completeness of the information contained in this document or the related documents or for any failure by us or any other party to disclose events that may have occurred and may affect the significance or accuracy of such information.

Paying Agents; Transfer Agents; Registrar

Panama has initially appointed The Bank of New York Mellon (as successor in interest to JPMorgan Chase Bank, N.A.), acting through its Corporate Trust Office in New York, as paying agent, transfer agent and registrar. Panama may at any time appoint new paying agents, transfer agents and registrars. Panama, however, will at all times maintain:

- a principal paying agent in New York City, and
- a registrar in New York City.

Panama will promptly provide notice (as described under “—Notices”) of the termination or appointment of, or of any change in the office of, any paying agent, transfer agent or registrar.

Definitive Bonds

Panama will issue global bonds in definitive form in exchange for the book-entry securities only if:

- DTC is unwilling or unable to continue as depository, is ineligible to act as depository or ceases to be a “clearing agency” registered under the U.S. Securities Exchange Act of 1934, as amended, and Panama does not appoint a qualified successor within ninety (90) days after DTC notifies Panama or Panama becomes aware that DTC is unwilling, unable or ineligible to act as depository or is no longer registered to be a “clearing agency”;
- Panama, at its option, elects to terminate the book-entry system through DTC; or
- an event of default with respect to the global bonds shall have occurred and be continuing.

Payments on any definitive global bonds will be made at the Corporate Trust Office of the fiscal agent in New York City (against surrender of the relevant definitive global bond, in the case of payments of principal). You will not be charged a fee for the registration of transfers or exchanges of definitive global bonds. You may transfer any of the definitive registered global bonds, according to the procedures in the fiscal agency agreement, by presenting and surrendering it at the office of any transfer agent.

Notices

In the case of securities in definitive form, Panama will publish notices to the holders of the global bonds in a leading newspaper having general circulation in London and New York. Panama expects that it will make such publication in the Financial Times and The Wall Street Journal. In the case of the book-entry securities, notices will be sent to DTC or its nominee, as the holder thereof, and DTC will communicate such notices to DTC participants in accordance with its standard procedures. So long as the global bonds are listed on the Luxembourg Stock Exchange and the rules of that Exchange so require, Panama will publish notices to the holders of the global bonds on the website of the Luxembourg Stock Exchange (www.luxse.com) or in a leading newspaper having general circulation in Luxembourg. Panama will consider a notice to be given on the date of its first publication.

Further Issues of the Global Bonds

From time to time, without the consent of holders of an applicable series of global bonds, and subject to the required approvals under Panamanian law, Panama may create and issue additional debt securities with the same terms and conditions as those of such series of global bonds (or the same except for the amount of the first interest payment and the issue price); provided, however, that any additional debt securities subsequently issued shall be fungible with the previously outstanding debt securities of such applicable series for U.S. federal income tax purposes. Panama may also consolidate the additional debt securities to form a single series with the outstanding global bonds.

Meetings, Amendments and Waivers

Panama may call a meeting of the holders of a series of the global bonds at any time regarding the fiscal agency agreement or the global bonds. Panama will determine the time and place of the meeting. Panama will notify the holders of the time and place and in general terms the actions proposed to be taken at the meeting not less than 30 nor more than 60 days before the date on which the meeting is scheduled.

In addition, if after the occurrence and during the continuance of any event of default (or any event that with the giving of notice or lapse of time or both could constitute an event of default), Panama or the holders of at least 10% in principal amount of all global bonds of such series then outstanding have requested a meeting of holders of the global bonds, the fiscal agent will call such meeting. The fiscal agent will call such meeting by written notice to the holders, such notice specifying the time and place of the meeting and in reasonable detail the action proposed to be taken at the meeting.

Only holders and their proxies are entitled to vote at a meeting of holders. The Fiscal Agent will set such reasonable and customary regulations as it deems advisable to govern the conduct of the meeting.

Modifications may also be approved by holders of global bonds pursuant to the written consent of the requisite percentage holders of global bonds. Panama will solicit the consent of the relevant holders to the modification not less than 10, nor more than 30, days before the expiration date for the receipt of such consents as specified by Panama.

The holders may generally approve any proposal by Panama, other than a reserve matter modification, to modify the fiscal agency agreement or the terms of the global bonds with the affirmative vote (if approved at a meeting of the holders) or consent (if approved by written action) of holders of more than 50% of the outstanding principal amount of the global bonds of the applicable series.

However, holders may approve, by vote or consent through one of three modification methods below, any proposed modification by Panama that would do any of the following with respect to the applicable series (such subjects referred to as “reserve matters”):

- change the date on which any amount of principal, premium or interest is due on the global bonds;
- reduce the principal amount of the global bonds, the portion of such principal amount that is payable upon acceleration of the maturity of the global bonds, the interest rate on the global bonds or the premium payable upon redemption of the global bonds;
- change the currency or place of payment of any amount of principal, premium or interest payable on the global bonds;
- shorten the period in which Panama is not permitted to redeem the global bonds or permit Panama to redeem the global bonds if, prior to such modification, Panama is not permitted to do so;
- reduce the percentage of affirmative votes or written consents, as the case may be, required to modify, amend or supplement the fiscal agency agreement or the terms and conditions of the global bonds or to take any action provided by the global bonds or fiscal agency agreement;
- change the obligation of Panama to pay additional amounts, if any, pursuant to the global bonds;
- change the definition of “uniformly applicable,” “reserve matter,” “reserve matter modification” or “outstanding”;
- change the method used to calculate any amount payable on the global bonds (other than in accordance with the express terms of the global bonds and the fiscal agency agreement);
- change the ranking of the global bonds (unless, as a technical modification, the ranking is changed for the purpose of securing the global bonds);
- change the identity of the obligor under the global bonds; or

- change the governing law, appointment of an agent for the service of process, submission to jurisdiction or agreement not to raise certain immunity defenses, as provided in the terms of the global bonds.

A change to a reserve matter, including the payment terms of the global bonds, can be made without your consent, as long as the change is consented to by Panama and approved, pursuant to one of the three following modification methods, by vote or consent by:

- (a) the holders of more than 75% of the aggregate principal amount of the outstanding global bonds of the applicable series;
- (b) where such proposed modification would affect the outstanding debt securities of two or more series, the holders of more than 75% of the aggregate principal amount of outstanding debt securities of all of the series affected by the proposed modification, taken in the aggregate, if certain “uniformly applicable” requirements are met; or
- (c) where such proposed modification would affect the outstanding debt securities of two or more series, the holders of more than 66 2/3% of the aggregate principal amount of the outstanding debt securities of all of the series affected by the proposed modification, taken in the aggregate, and the holders of more than 50% of the aggregate principal amount of the outstanding debt securities of each series affected by the modification, taken individually, whether or not certain “uniformly applicable” requirements are met.

It is understood that a cross-series modification constituting or including a reserve matter modification to the terms and conditions of the global bonds that is not uniformly applicable must be effected pursuant to clause (c) above; a cross-series modification that is uniformly applicable may be effected pursuant to clause (b) or (c) above, at Panama’s option.

The term “uniformly applicable,” as referred to above, in the context of a proposed cross-series modification, means a modification by which holders of debt securities of any series affected by that modification are invited to exchange, convert or substitute their debt securities on the same terms for (x) the same new instruments or other consideration or (y) new instruments or other consideration from an identical menu of instruments or other consideration. A modification will not be considered to be uniformly applicable if each exchanging, converting or substituting holder of debt securities of any series affected by that modification is not offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting or substituting holder of debt securities of any series affected by that modification (or, where a menu of instruments or other consideration is offered, each exchanging, converting or substituting holder of debt securities of any series affected by that modification is not offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting or substituting holder of debt securities of any series affected by that modification electing the same option under such menu of instruments).

Panama may select, in its discretion, any modification method for a reserve matter modification in accordance with the fiscal agency agreement and to designate which series of securities will be included for approval in the aggregate of modifications affecting two or more series of debt securities. Any selection of a modification method or designation of series to be included will be final for the purpose of that vote or consent solicitation.

Before soliciting the written consent or the vote of any holder of debt securities for any change to a reserve matter, Panama will provide the following information to the fiscal agent for distribution to the holders of debt securities of any series that would be affected by the proposed modification:

- a description of Panama’s economic and financial circumstances that are in Panama’s opinion relevant to the request for the proposed modification, a description of Panama’s existing debts and description of its broad policy reform program and provisional macroeconomic outlook;
- if Panama shall at the time have entered into an arrangement for financial assistance with multilateral and/or other major creditors or creditor groups and/or an agreement with any such creditors regarding debt relief, (x) a description of any such arrangement or agreement and (y) where permitted under the information disclosure policies of the multilateral or other creditors, as applicable, a copy of the arrangement or agreement;
- a description of Panama’s proposed treatment of external debt instruments that are not affected by the proposed modification and its intentions with respect to any other major creditor groups; and
- if Panama is then seeking any reserve matter modification affecting any other series of debt securities, a description of that proposed modification.

For purposes of determining whether the holders of the requisite principal amount of the debt securities of a series have approved any request, demand, authorization, direction, notice, consent, amendment, modification or supplement to, or waiver of, the global bonds or the fiscal agency agreement, or whether the holders of the requisite principal amount of the debt securities of a series have delivered a notice of acceleration of the global bonds, global bonds owned, directly or indirectly, by Panama or any public sector instrumentality of Panama will be disregarded and deemed not to be “outstanding”, except that in determining whether the fiscal agent shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, amendment, modification, supplement, waiver, or any notice from holders, only global bonds that a responsible officer of the fiscal agent knows to be so owned shall be so disregarded.

As used in the preceding paragraph, “public sector instrumentality” means any department, ministry or agency of the national government of Panama, any political subdivision of Panama, or any corporation, trust, financial institution or other entity owned or controlled by the national government of Panama or any of the foregoing, and “control” means the power, directly or indirectly, through the ownership of voting securities or other ownership interests, by contract or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of a corporation, trust, financial institution or other entity.

Certain Amendments Not Requiring Holder Consent

Panama and the fiscal agent may, without the vote or consent of any holder of global bonds of a series, amend the fiscal agency agreement or the global bonds for the purpose of:

- adding to Panama’s covenants for the benefit of the holders;
- surrendering any of Panama’s rights or powers with respect to the global bonds;
- securing the global bonds;
- curing any ambiguity or curing, correcting or supplementing any defective provision in the global bonds or the fiscal agency agreement; or
- amending the global bonds or the fiscal agency agreement in any manner that Panama and the fiscal agent may determine and that does not materially adversely affect the interest of any holders of the global bonds.

Purchase of Global Bonds by Panama

Panama may at any time purchase any of the global bonds in any manner and for any consideration. All global bonds which are purchased by or on behalf of Panama may be held, resold or surrendered for cancellation.

Governing Law

The fiscal agency agreement is, and the global bonds will be, governed by the laws of the State of New York, except with respect to their authorization and execution, which will be governed by the laws of Panama.

Listing

Application will be made to list the global bonds on the Official List of the Luxembourg Stock Exchange and to have the global bonds admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange.

GLOBAL CLEARANCE AND SETTLEMENT

Panama has obtained the information in this section from sources it believes to be reliable, including from DTC, Euroclear and Clearstream, Luxembourg, and Panama takes responsibility for the accurate reproduction of this information. Panama takes no responsibility, however, for the accuracy of this information. DTC, Euroclear and Clearstream, Luxembourg are under no obligation to perform or continue to perform the procedures described below, and they may modify or discontinue them at any time. None of Panama, the fiscal agent, the registrar, the paying agent nor the transfer agent will be responsible for DTC's, Euroclear's or Clearstream, Luxembourg's performance of their obligations under their rules and procedures. Nor will Panama, the fiscal agent, the registrar, the paying agent or the transfer agent be responsible for the performance by direct or indirect participants of their obligations under their rules and procedures.

Introduction

The Depository Trust Company

DTC is:

- a limited-purpose trust company organized within the meaning of the New York Banking Law;
- a “banking organization” under the New York Banking Law;
- a member of the Federal Reserve System;
- a “clearing corporation” within the meaning of the New York Uniform Commercial Code; and
- a “clearing agency” registered under Section 17A of the Securities Exchange Act of 1934, as amended.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of transactions between its participants. It does this through electronic book-entry changes in accounts of its participants, eliminating the need for physical movement of securities certificates. DTC is owned by a number of its direct participants and by institutions such as NYSE Euronext and The NASDAQ OMX Group, Inc.

Euroclear and Clearstream, Luxembourg

Like DTC, Euroclear and Clearstream, Luxembourg hold securities for their participants and facilitate the clearance and settlement of securities transactions between their participants through electronic book-entry changes in their accounts. Euroclear and Clearstream, Luxembourg provide various services to their participants, including the safekeeping, administration, clearance and settlement, and lending and borrowing of internationally traded securities. Euroclear and Clearstream, Luxembourg participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and other organizations. Other banks, brokers, dealers and trust companies have indirect access to Euroclear or Clearstream, Luxembourg by clearing through or maintaining a custodial relationship with Euroclear or Clearstream, Luxembourg participants.

Distributions with respect to global bonds held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg participants in accordance with its rules and procedures to the extent received by the depository for Clearstream, Luxembourg.

Ownership of Bonds through DTC, Euroclear and Clearstream, Luxembourg

Panama will issue the global bonds of each series in the form of one or more fully registered book-entry securities, registered in the name of Cede & Co. or another nominee of DTC. Financial institutions, acting as direct and indirect participants in DTC, will represent your beneficial interests in the book-entry securities. These financial institutions will record the ownership and transfer of your beneficial interests through book-entry accounts. You may hold your beneficial interest in the book-entry securities through Euroclear or Clearstream, Luxembourg, if you are a participant in such systems, or indirectly through organizations that are participants in such systems. Euroclear and Clearstream, Luxembourg will hold their participants' beneficial interests in the book-entry securities in their customers' securities accounts with their depositories. These depositories of Euroclear and Clearstream, Luxembourg in turn will hold such interests in their customers' securities accounts with DTC.

Panama and the fiscal agent generally will treat the registered holder of the global bonds, initially Cede & Co. (or such other nominee as DTC shall have designated), as the absolute owner of the global bonds for all purposes. Once Panama and the fiscal agent make payments to the registered holders, Panama and the fiscal agent will no longer be liable on the global bonds for the amounts so paid. Accordingly, if you own a beneficial interest in the book-entry securities, you must rely on the procedures of the institutions through which you hold your interests in the book-entry securities (including DTC, Euroclear, Clearstream, Luxembourg and their

participants) to exercise any of the rights granted to the holder of the book-entry securities. Under existing industry practice, if you desire to take any action that Cede & Co., as the holder of such book-entry securities, is entitled to take, then Cede & Co. would authorize the DTC participant through which you own your beneficial interest to take such action, and that DTC participant would then either authorize you to take the action or act for you on your instructions.

DTC may grant proxies or authorize its participants (or persons holding beneficial interests in the global bonds through such participants) to exercise any rights of a holder or take any other actions that a holder is entitled to take under the fiscal agency agreement or the global bonds. Euroclear's or Clearstream, Luxembourg's ability to take actions as a holder under the global bonds or the fiscal agency agreement will be limited by the ability of their respective depositaries to carry out such actions for them through DTC. Euroclear and Clearstream, Luxembourg will take such actions only in accordance with their respective rules and procedures.

The fiscal agent will not charge you any fees for the global bonds, other than reasonable fees for the replacement of lost, stolen, mutilated or destroyed global bonds. However, you may incur fees for the maintenance and operation of the book-entry accounts with the clearing systems in which your beneficial interests are held.

Transfers Within and Between DTC, Euroclear and Clearstream, Luxembourg

Trading Between DTC Purchasers and Sellers

DTC Participants will transfer interests in the securities among themselves in the ordinary way according to DTC rules governing global security issues. The laws of some states require certain purchasers of securities to take physical delivery of the securities in definitive form. These laws may impair your ability to transfer beneficial interests in the global bonds to such purchasers. DTC can act only on behalf of its direct participants, who in turn act on behalf of indirect participants and certain banks. Thus, your ability to pledge a beneficial interest in the global bonds to persons that do not participate in the DTC system, and to take other actions, may be limited because you will not possess a physical certificate that represents your interest.

Trading Between Euroclear and/or Clearstream, Luxembourg Participants

Participants in Euroclear and Clearstream, Luxembourg will transfer interests in the global bonds among themselves in the ordinary way according to the rules and operating procedures of Euroclear and Clearstream, Luxembourg governing conventional eurobonds.

Trading Between a DTC Seller and a Euroclear or Clearstream, Luxembourg Purchaser

When the global bonds are to be transferred from the account of a DTC Participant to the account of a Euroclear or Clearstream, Luxembourg participant, the purchaser must first send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to the closing date. Euroclear or Clearstream, Luxembourg will then instruct its depositary to receive the global bonds and make payment for them. On the closing date, the depositary will make payment to the DTC Participant's account and the global bonds will be credited to the depositary's account. After settlement has been completed, DTC will credit the global bonds to Euroclear or Clearstream, Luxembourg. Euroclear or Clearstream, Luxembourg will credit the global bonds, in accordance with its usual procedures, to the participant's account, and the participant will then credit the purchaser's account. These global bond credits will appear the next day (European time) after the closing date. The cash debit from the account of Euroclear or Clearstream, Luxembourg will be back-valued to the value date (which will be the preceding day if settlement occurs in New York). If settlement is not completed on the intended value date (i.e., the trade fails), the cash debit will instead be valued at the actual closing date.

Participants in Euroclear and Clearstream, Luxembourg will need to make funds available to Euroclear or Clearstream, Luxembourg in order to pay for the global bonds by wire transfer on the value date. The most direct way of doing this is to preposition funds (*i.e.*, have funds in place at Euroclear or Clearstream, Luxembourg before the value date), either from cash on hand or existing lines of credit. Under this approach, however, participants may take on credit exposure to Euroclear and Clearstream, Luxembourg until the global bonds are credited to their accounts one day later.

Since the settlement will occur during New York business hours, a DTC Participant selling an interest in the global bonds can use its usual procedures for transferring global securities to the depositaries of Euroclear or Clearstream, Luxembourg for the benefit of Euroclear or Clearstream, Luxembourg participants. The DTC seller will receive the sale proceeds on the closing date. Thus, to the DTC seller, a cross-market sale will settle no differently than a trade between two DTC Participants.

Trading Between a Euroclear or Clearstream, Luxembourg Seller and DTC Purchaser

Due to time zone differences in their favor, Euroclear and Clearstream, Luxembourg participants can use their usual procedures to transfer securities through their depositaries to a DTC Participant. The seller must first send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to the closing date. Euroclear or Clearstream, Luxembourg will then instruct its depositary to credit the global bonds to the DTC Participant's account and receive payment. The payment will be credited in the account of the Euroclear or Clearstream, Luxembourg participant on the following day, but the receipt of the cash proceeds will be back-valued to the value date (which will be the preceding day if settlement occurs in New York). If settlement is not completed on the intended value date (i.e., the trade fails), the receipt of the cash proceeds will instead be valued at the actual closing date.

TAXATION

Panamanian Taxation

The following is a summary of certain Panamanian income and estate tax considerations that may be relevant to a prospective investor in the global bonds. The summary is based on laws, decrees, regulations, rulings and judicial and administrative interpretations in effect on the date of this prospectus supplement, all of which are subject to change. This summary is not intended to constitute a complete analysis of the tax consequences under Panamanian law of an investment in the global bonds. Prospective holders of the global bonds should consult their own tax advisors to determine the tax consequences arising from the purchase, ownership and disposition of the global bonds.

Taxation of Global Bonds

Interest payable on the global bonds will not be subject to income tax or withholding requirements in Panama. Gains realized by a holder of the global bonds on the sale or other disposition of the global bonds will be exempt from income or capital gain tax in Panama. Losses recognized on the sale or disposition of global bonds will be disallowed as a deduction for income tax purposes. Transfers of global bonds are not subject to stamp or estate taxes in Panama.

U.S. Taxation

The following summary describes the material U.S. federal income tax consequences of the purchase, ownership and disposition of a global bond acquired at the issue price pursuant to this offering. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the “Code”), its legislative history, existing and proposed regulations promulgated thereunder by the U.S. Department of the Treasury (“Treasury Regulations”), published rulings and court decisions, all as in effect on the date of this prospectus supplement. All of these laws and authorities are subject to change at any time, perhaps with retroactive effect. No assurances can be given that any changes in these laws or authorities will not affect the accuracy of the discussions set forth in this summary. This summary does not cover any U.S. state, U.S. local, non-U.S. or other tax issues, nor does it cover issues under the U.S. federal estate or gift tax laws.

Panama has not sought any ruling from the U.S. Internal Revenue Service (the “IRS”) with respect to the statements made and the conclusions reached in this summary, and there can be no assurance that the IRS will agree with all of such statements and conclusions. A different treatment from that described below could adversely affect the amount, timing, and character of income, gain or loss in respect of an investment in the global bonds.

This summary addresses only beneficial owners that hold a global bond as a capital asset for U.S. federal income tax purposes (generally, property held for investment). This summary does not purport to deal with all aspects of U.S. federal income taxation that may be relevant to a particular holder in light of the holder’s circumstances (for example, persons subject to the alternative minimum tax provisions of the Code). In particular, this summary does not address all tax considerations applicable to special classes of taxpayers, such as:

- investors who do not purchase the global bonds in this offering at the offering price;
- dealers in securities or currencies, banks, regulated investment companies, real estate investment trusts, tax-exempt organizations and life insurance companies;
- traders in securities that elect to use a mark-to-market method of accounting;
- persons that purchase or sell the global bonds as part of a wash sale for U.S. federal income tax purposes;
- persons that hold the global bonds as part of a hedging transaction or as a position in a straddle or conversion transaction for U.S. federal income tax purposes;
- persons subject to special tax accounting rules under Section 451(b) of the Code;
- partnerships or other entities treated as partnerships for U.S. federal income tax purposes, or persons holding the global bonds through partnerships or other pass-through entities; and
- U.S. Holders (as defined below) whose functional currency for U.S. federal income tax purposes is not the U.S. dollar.

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of a global bond, the U.S. federal income tax treatment of a partner in that partnership generally will depend on the status of the partner and the activities of the partnership. Holders of global bonds that are partnerships and partners in those partnerships should consult their own tax advisors regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of global bonds.

In certain circumstances (see “Description of the Global Bonds—Optional Redemption”), Panama may be obligated to pay a premium to the principal amount of the global bonds if it elects to optionally redeem the global bonds. These potential payments may implicate the provisions of the Treasury Regulations relating to “contingent payment debt instruments.” Under these Treasury Regulations, however, one or more contingencies will not cause a debt instrument to be treated as a contingent payment debt instrument if, as of the issue date, such contingencies in the aggregate are considered “remote” or “incidental” or, in certain circumstances, either it is significantly more likely than not that none of the contingencies will occur or the contingency results from an option of the issuer which, if exercised, would increase the yield to maturity of the global bond. Panama believes that these contingencies should not cause the global bonds to be treated as contingent payment debt instruments for U.S. federal income tax purposes. Accordingly, Panama does not intend to treat the possibility of paying such premium as causing the global bonds to be treated as contingent payment debt instruments. Panama’s determination generally is binding on a holder unless such holder discloses its contrary position in the manner required by the applicable Treasury Regulations. It is possible that the IRS may take a different position, in which case, if such position is sustained, the timing and amount of income included and the character of the income recognized with respect to the global bonds may be materially and adversely different from the consequences discussed herein. The remainder of this discussion assumes that the global bonds will not be treated as contingent payment debt instruments. You should consult your own tax advisors regarding the possible application of the contingent payment debt instrument rules to the global bonds.

Panama expects, and the remainder of this summary assumes, that the global bonds will be issued with less than a *de minimis* amount of “original issue discount” (“OID”) for U.S. federal income tax purposes.

This summary is for general informational purposes only. You should consult your own tax advisor regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of the global bonds in light of your particular circumstances, as well as the effect of any relevant U.S. state, U.S. local, non-U.S. or other tax laws.

Deemed Taxable Exchange

A change made to the terms of the global bonds pursuant to the “aggregated collective action clauses” may give rise to a deemed taxable exchange of the global bonds for U.S. federal income tax purposes upon which gain or loss is realized if such change constitutes a “significant modification” (as defined in the Treasury Regulations). Such gain or loss would generally be measured by the difference between the fair market value of the global bond after the modification and the holder’s tax basis in such global bond before the modification. A modification of a global bond that is not a significant modification does not create a deemed exchange for U.S. federal income tax purposes. Under applicable Treasury Regulations, the modification of a global bond is a significant modification if, based on all of the facts and circumstances and taking into account all modifications of the global bond collectively (other than modifications that are subject to special rules), the legal rights or obligations that are altered and the degree to which they are altered is “economically significant.” The applicable Treasury Regulations also provide specific rules to determine whether certain modifications, such as a change in the timing of payments, are significant. See the discussion under “Description of the Global Bonds—Meetings, Amendments and Waivers” for more information about potential amendments of certain key terms of the global bonds.

U.S. Holders

The following discussion applies to you if you are a U.S. Holder. As used herein, a “U.S. Holder” means a beneficial owner of a global bond who or that is:

- an individual who is a citizen or resident of the United States for U.S. federal income tax purposes;
- a corporation (or other entity classified as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation without regard to its source; or
- a trust (A) if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more “United States persons” as defined in the Code and Treasury Regulations (each a “U.S. Person”) have the authority to control all substantial decisions of the trust, or (B) that was in existence on August 20, 1996 and that has made a valid election under the applicable Treasury Regulations to be treated as a U.S. trust.

If you are not a U.S. Holder, this discussion does not apply to you and you should refer to “—Non-U.S. Holders” below.

Interest on a Global Bond. Payments or accruals of stated interest on a global bond generally will be taxable to you as ordinary income at the time they are accrued or actually or constructively received, depending on your regular method of accounting for U.S. federal income tax purposes. Interest paid by Panama on a global bond will constitute income from sources outside the United States and, under the “foreign tax credit” rules, that interest generally will, depending on your circumstances, be categorized as “passive” or

another category of income for purposes of computing the “foreign tax credit” allowable to you under the U.S. federal income tax laws.

Disposition of a Global Bond. You generally will recognize capital gain or loss on the sale, exchange, retirement, redemption or other taxable disposition of a global bond equal to the difference between the amount realized on such disposition (not including any amounts attributable to accrued but unpaid interest, which will be taxed as ordinary income to the extent not previously included in income) and your adjusted tax basis in the global bond. In addition, if the principal of a global bond is repaid in two equal installments, you will recognize capital gain upon the receipt of each principal installment payment on such bond prior to maturity in an amount equal to one half of any *de minimis* OID on such global bond (*i.e.*, the excess, if any, of the principal amount of the global bond over the offering price for the global bond). Your “amount realized” generally will be the sum of cash plus the fair market value of any property received upon the sale, exchange, retirement, redemption or other disposition of a global bond. With respect to global bonds the principal of which is paid in two equal installments, your “adjusted tax basis” in such global bond generally will equal its cost to you, decreased (but not below zero) by the excess of any previous principal installment payments that you have received on such global bond over any *de minimis* OID that you have previously included in income upon the receipt of such payments.

Generally, such capital gain or loss will be long-term capital gain or loss if at the time you recognize such gain or loss, you held the global bond for more than one year, and will be short-term capital gain or loss if you held the global bond for one year or less. Long-term capital gains of non-corporate U.S. Holders generally will be taxed at lower rates than items of ordinary income. Your ability to offset capital losses against ordinary income is limited. Any gain or loss you recognize on the sale, exchange, retirement, redemption, or other taxable disposition of a global bond generally will be treated as income from sources within the United States or loss allocable to income from sources within the United States for “foreign tax credit” limitation purposes.

Medicare Tax. If you are a U.S. Holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, you will be subject to a 3.8% Medicare tax on the lesser of (i) your “net investment income” (or, in the case of an estate or trust, the “undistributed net investment income”) for the relevant taxable year and (ii) the excess of your modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between \$125,000 and \$250,000, depending on the individual’s circumstances). Your net investment income generally includes your interest income and your net gains from the disposition of a global bond, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are an individual, estate or trust, you should consult your own tax advisor regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the global bonds.

Information with Respect to Foreign Financial Assets. Owners of “specified foreign financial assets” with an aggregate value in excess of \$50,000 on the last day of the taxable year, or \$75,000 at any time during the taxable year may be required to file information reports with respect to such assets with their U.S. federal income tax returns. Depending on the holder’s circumstances, higher threshold amounts may apply. “Specified foreign financial assets” include any financial accounts maintained by non-U.S. financial institutions, as well as securities held for investment and issued by non-U.S. Persons (which includes the global bonds) that are not held in accounts maintained by financial institutions. Failure to file information reports may subject you to penalties. In addition, the statute of limitations for assessment for tax would be suspended in whole or part. You should consult your own tax advisor regarding your obligation to file information reports with respect to the global bonds.

Non-U.S. Holders

The following discussion applies to you if you are a beneficial owner of a global bond and are not a partnership for U.S. federal income tax purposes and not a U.S. Holder as defined above (a “Non-U.S. Holder”).

Interest on a Global Bond. Subject to the discussion of backup withholding below, you generally will not be subject to U.S. federal income tax, including withholding tax, on payments of interest and additional amounts, if any, on a global bond unless the interest on the global bond is treated for U.S. federal income tax purposes as “effectively connected” with your conduct of a trade or business within the United States (and in addition, if you are claiming benefits under an applicable income tax treaty, the interest is attributable to a permanent establishment or fixed base (in each case, within the meaning of such treaty) maintained by you within the United States). If you are engaged in a U.S. trade or business and the interest income is deemed to be effectively connected to that trade or business, you generally will be subject to U.S. federal income tax on such interest in the same manner as a U.S. Holder, as described above (unless the interest is excluded under an applicable tax treaty). If you are treated as a corporation for U.S. federal income tax purposes you may, in certain circumstances, also be subject to an additional U.S. “branch profits tax” in respect of any such “effectively connected” interest income currently imposed at a 30% rate (or a lower rate under an applicable tax treaty).

Disposition of a Global Bond. Subject to the discussion of backup withholding below, you generally will not be subject to U.S. federal income tax or withholding tax on any capital gain realized upon the sale, exchange, retirement, redemption or other disposition of a global bond unless: (1) the gain is treated for U.S. federal income tax purposes as “effectively connected” with your conduct of a trade or business within the United States (and in addition, if you are claiming benefits under an applicable income tax treaty, the gain is attributable to a permanent establishment or fixed base (in each case, within the meaning of such treaty) maintained by you within the United States); or (2) you are a nonresident alien individual who is present in the United States for a total of 183 days or more during the taxable year in which you recognize the capital gain, and either: (i) the gain is attributable to an office or fixed place of business maintained by you in the United States; or (ii) you have a “tax home” (as defined in the Code) in the United States during the taxable year in which you recognize the capital gain.

If you are described under (1) above, you generally will be subject to U.S. federal income tax on such gain in the same manner as a U.S. Holder, as described above, and, if you are a corporation for U.S. federal income tax purposes, you may, in certain circumstances, also be subject to the U.S. branch profits tax as described above. If you are described under (2) above, you generally will be subject to a 30% U.S. federal tax on such gain, which may be offset by certain U.S. source capital losses (notwithstanding the fact that you are not considered a U.S. resident for U.S. federal income tax purposes). Any amount attributable to accrued but unpaid interest on a global bond generally will be treated in the same manner as payments of interest made to you, as described above under “Interest on a Global Bond.”

Backup Withholding and Information Reporting. If you are a U.S. Holder, and unless you prove that you are exempt, information reporting requirements will apply to payments of principal and interest on a global bond if such payments are made within the United States. Such payments will be considered made within the United States if transferred to an account maintained in the United States or mailed to a United States address, and the amount is paid by or through a custodian, nominee or other agent that is a “U.S. Controlled Person,” as defined below. Backup withholding will apply to such payments of principal and interest if you fail to demonstrate your eligibility for an exemption and you (i) fail to provide an accurate taxpayer identification number, or (ii) in the case of interest payments, fail to certify that you are not subject to backup withholding or are notified by the IRS that you have failed to report all interest and dividend income required to be shown on your U.S. federal income tax returns.

If you are a Non-U.S. Holder, backup withholding and information reporting generally will not apply to payments of principal and interest on a global bond, but you may be required to comply with certification and identification procedures or otherwise establish your eligibility for an exemption. The payment of proceeds of a sale or redemption of a global bond effected at the U.S. office of a broker generally will be subject to the information reporting and backup withholding rules. In addition, the information reporting rules will apply to payments of proceeds of a sale effected at a non-U.S. office of a broker that is a “U.S. Controlled Person,” as defined below, unless the broker has documentary evidence that you are not a U.S. Person (and has no actual knowledge or reason to know to the contrary) or you otherwise establish an exemption. The backup withholding rules will apply to such payments if the broker has actual knowledge that you are a U.S. Person.

A “U.S. Controlled Person” is a broker that is, for U.S. federal income tax purposes:

- a U.S. Person;
- a “controlled foreign corporation”;
- a non-U.S. Person 50% or more of whose gross income is “effectively connected” with a U.S. trade or business for a specified three-year period; or
- a non-U.S. partnership in which U.S. Persons hold, at any time during the non-U.S. partnership’s tax year, more than 50% of the income or capital interests or which is engaged in a U.S. trade or business.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a holder of a global bond generally will be allowed as a refund or a credit against the holder’s U.S. federal income tax liability as long as the holder provides the required information to the IRS in a timely manner.

UNDERWRITING (CONFLICTS OF INTEREST)

Under the terms and subject to the conditions contained in a terms agreement and related underwriting agreement dated February 17, 2026, BofA Securities, Inc. and J.P. Morgan Securities LLC, as underwriters, have severally agreed to purchase, and Panama has agreed to sell to the underwriters, the principal amount of the global bonds indicated in the following table:

Underwriters	Principal Amount of 2034 Global Bonds	Principal Amount of 2038 Global Bonds
BofA Securities, Inc.	U.S.\$ 745,000,000	U.S.\$ 745,000,000
J.P. Morgan Securities LLC	U.S.\$ 745,000,000	U.S.\$ 745,000,000
Total	U.S.\$ 1,490,000,000	U.S.\$ 1,490,000,000

Global bonds sold by the underwriters to the public will initially be offered at the public offering price set forth on the cover of this prospectus supplement. If the global bonds are not all sold at the initial public offering price, the underwriters may change the offering price and the other offering terms.

Government-related entities in Panama may purchase a portion of the global bonds.

The underwriters are offering the global bonds subject to their acceptance of the global bonds from Panama and subject to prior sale. The terms agreement provides that the obligation of the underwriters to pay for and accept delivery of the global bonds is subject to certain conditions. The underwriters are obligated to take and pay for all of the global bonds if any are taken.

Delivery of the global bonds will be made through the facilities of DTC on or about February 23, 2026, which will be the fourth business day following the initial sale of the global bonds (this settlement cycle being referred to as “T+4”). Under Rule 15c6-1 of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), trades in the secondary market generally are required to settle in one business day, unless the parties to that trade expressly agree otherwise. Accordingly, purchasers who wish to trade the global bonds prior to the first business day before the delivery of the bonds will be required, by virtue of the fact that the bonds initially will settle on a delayed basis, to specify alternative settlement arrangements at the time of any such trade to prevent a failed settlement and should consult their own advisor.

In connection with the offering of the global bonds, the underwriters may purchase and sell global bonds in the open market. These transactions may include stabilizing transactions and purchases to cover short positions created by the underwriters, for themselves or a syndicate, if there is a syndicate, in connection with the invitation. Stabilizing transactions consist of certain bids or purchases for the purpose of preventing or retarding a decline in the market price of the securities. Short positions created by the underwriters, for themselves or a syndicate, if there is a syndicate, involve the sale by the underwriters of a greater number of securities than they own or have a right to purchase. These activities may stabilize, maintain or otherwise affect the market prices of the global bonds, which may be higher than the price that might otherwise prevail in the open market. These activities, if commenced, may be discontinued at any time. These transactions may be effected on the Luxembourg Stock Exchange, in the over-the-counter market or otherwise.

The global bonds are new issues of securities with no established trading market. Panama has been advised by the underwriters that they presently intend to make a market in the global bonds. However, they are under no obligation to do so and may discontinue any market-making activities at any time without any notice. Panama cannot assure the liquidity of the trading market for the bonds or that an active public market for the global bonds will develop. If an active public trading market for the global bonds does not develop, or if an active public trading market for either series of global bonds is not maintained, the market price and liquidity of the bonds may be adversely affected. If the global bonds are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, Panama’s operating performance and financial condition, general economic conditions and other factors.

The Republic has announced its concurrent Tender Offer to purchase for cash its 8⁷/₈% U.S. Dollar-Denominated Global Bonds due 2027, 3.875% Global Bonds due 2028, 9.375% U.S. Dollar-Denominated Global Bonds due 2029, 3.160% Global Bonds due 2030, 7.500% Global Bonds due 2031, 2.252% Global Bonds due 2032, 3.298% Global Bonds due 2033, 8.125% Global Bonds due 2034, 6.400% Global Bonds due 2035, 6.700% U.S. Dollar-Denominated Amortizing Global Bonds due 2036, 6.875% Global Bonds due 2036, 8.000% Global Bonds due 2038, 4.500% Global Bonds due 2047, 4.500% Global Bonds due 2050, 4.30% Global Bonds due 2053, 6.853% Global Bonds due 2054, 4.500% Global Bonds due 2056, 7.875% Global Bonds due 2057, 3.870% Global Bonds due 2060 and 4.500% Global Bonds due 2063, subject to the terms and conditions of such offer. This prospectus supplement does not constitute a solicitation of an offer to sell any securities of the Republic in the Tender Offer. BofA Securities, Inc. and J.P. Morgan Securities LLC are acting as dealer managers in connection with the Tender Offer.

As described in “Use of Proceeds,” some of the net proceeds of this offering may be used to fund Panama’s purchase of certain outstanding bonds of Panama from time to time. BofA Securities, Inc. and J.P. Morgan Securities LLC or their affiliates may be holders of certain of the outstanding bonds of Panama as set forth in the offer to purchase, dated February 9, 2026 (the “Offer to Purchase”), and may receive 5% or more of the proceeds from this offering. As a result, this offering will be conducted in accordance with Financial Industry Regulatory Authority (“FINRA”) Rule 5121.

The underwriters and their affiliates may have engaged and may in the future continue to engage in transactions with and perform services for Panama, for which they received or will receive customary fees and expenses. These transactions and services are carried out in the ordinary course of business.

The global bonds are being offered for sale in jurisdictions in the United States, Europe and Asia where it is legal to make such offers. The underwriters have represented and have agreed that they have not offered, sold or delivered and will not offer, sell or deliver any of the global bonds, directly or indirectly, or distribute this prospectus supplement or the accompanying prospectus or any other material relating to the global bonds, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations thereof, and will not impose any obligations on Panama except as set forth in the terms agreement and underwriting agreement.

Panama has agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, and will contribute to payments that the underwriters may be required to make in respect of those liabilities.

The underwriters are offering global bonds, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the global bonds, and other conditions contained in the terms agreement, such as the receipt by the underwriters of officials’ certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The address of BofA Securities, Inc. is One Bryant Park, New York, New York 10036. The address of J.P. Morgan Securities LLC is 270 Park Avenue, New York, New York 10017.

Other Relationships

The Underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with Panama or its instrumentalities. They have received, or may in the future receive, customary fees and commissions for these transactions. In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of Panama or its instrumentalities. If any of the underwriters or their affiliates have a lending relationship with Panama, certain of the underwriters or their affiliates routinely hedge, and certain other of such underwriters or their affiliates may hedge, their credit exposure to Panama consistent with their customary risk management policies. Typically, such underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in Panama’s securities, including potentially the global bonds offered hereby. Any such short positions could adversely affect future trading prices of the global bonds offered hereby. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Canada

The global bonds may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the global bonds must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement and the accompanying prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.4 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Chile

Notice to Chilean Investors

The offer of the notes in Chile is made solely on a private placement basis, pursuant to the CMF General Rule (*Norma de Carácter General*) No. 336, as amended by the Financial Market Commission of Chile (*Comisión para el Mercado Financiero*, or “CMF”) General Rule No. 452 (“Rule 336”), and only to persons in Chile that qualify as “Qualified Investors” (*Inversionistas Calificados*) under CMF General Rule No. 216, including, as applicable, “Institutional Investors” under CMF General Rule No. 410.

Rule 336 requires the following information to be made to prospective investors in Chile:

1. Date of commencement of the offer.
2. the global notes are not registered in the Securities Registry (*Registro de Valores*) or in the Foreign Securities Registry (*Registro de Valores Extranjeros*) kept by the CMF, and therefore are not subject to the supervision of the CMF;
3. Since the global bonds are not registered in Chile there is no obligation by the issuer to provide public information in Chile regarding the global bonds; and
4. The global bonds may not be publicly offered in Chile unless registered with the relevant CMF registries.

The global notes may not be offered, sold, resold, transferred or delivered, directly or indirectly, in Chile or to any person resident or domiciled in Chile, except in transactions that qualify as a private offering under Rule 336. No public marketing, advertising or general solicitation may be conducted in or from Chile and offering materials may not be publicly distributed or made available in Chile (including through unrestricted electronic means). Investors in Chile will be required to represent their status as Qualified Investors and acknowledge these restrictions.

Colombia

The global notes may not be offered, sold or negotiated in Colombia, except in compliance with Part 4 of Decree 2555 of 2010. The global notes have not and will not be registered in the National Registry of Issuers and Securities (*Registro Nacional de Valores y Valores*) managed by the Colombian Superintendence of Finance, therefore, this document does not constitute and may not be used for, or in connection with, a public offering as defined under Colombian law.

Prohibition of Sales to EEA Retail Investors

Each underwriter has, severally and not jointly, represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any global bonds which are the subject of the offering contemplated by this prospectus supplement and the accompanying prospectus in relation thereto to any retail investor in the EEA. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or
- (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

France

The global bonds may not be offered or sold or caused to be offered or sold, directly or indirectly, to the public in France and neither this prospectus supplement and the related prospectus, which have not been submitted to the clearance procedure of the French *Autorité des Marchés Financiers* (“AMF”), nor to a competent authority of another Member State of the European Economic Area that would have notified its approval to the AMF in accordance with the passport procedure provided under Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, and repealing Directive 2003/71/EC (the “Prospectus Regulation”), nor any other offering material or information contained therein relating to the global bonds may be released, issued or distributed or caused to be released, issued or distributed, directly or indirectly, to the public in France, or used in connection with any offer for subscription, exchange or sale of the global bonds to the public in France.

Any such offers, sales and distributions may be made in France only to (i) qualified investors (*investisseurs qualifiés*) acting for their own account, and/or to (ii) investment services providers authorized to engage in portfolio management services on behalf of third parties and/or to (iii) a limited group of investors (*cercle restreint d'investisseurs*) acting for their own account, all as defined in, and in accordance with, Articles L.411-2, II, D.411-1 and D.411-4, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*.

In the event that the global bonds purchased or subscribed by investors listed above are offered or resold, directly or indirectly, to the public in France, the conditions relating to public offers set forth in Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French *Code monétaire et financier* must be complied with. Investors in France and persons into whose possession offering materials come must inform themselves about, and observe, any such restrictions.

Germany

This prospectus does not constitute a prospectus compliant with the Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “Prospectus Regulation”) and does therefore not allow any public offering in the Federal Republic of Germany (“Germany”). No action has been or will be taken in Germany that would permit a public offering of the global bonds, or distribution of a prospectus or any other offering material relating to the global bonds. In particular, no prospectus (*Prospekt*) within the meaning of the Prospectus Regulation and the German Securities Trading Act (*Wertpapierprospektgesetz*) or any other applicable laws in Germany has been or will be published in Germany, nor has this prospectus been filed with or approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) for publication in Germany.

This prospectus is strictly for use of the person who has received it. It may not be forwarded to other persons or published in Germany.

Hong Kong

Each intermediary or purchaser of the global bonds acknowledges that the global bonds have not been and will not be authorized by the Hong Kong Securities and Futures Commission. Each intermediary or purchaser of the global bonds has further represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any global bonds other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Winding Up and Miscellaneous Provisions Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the global bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to global bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

The contents of this prospectus supplement have not been reviewed by any regulatory authority in Hong Kong. Each intermediary or purchaser of the global bonds is advised to exercise caution in relation to any offer of the global bonds and, if in any doubt about any of the contents of this prospectus supplement, should obtain independent professional advice.

The global bonds are not the equivalent to time deposits and are not protected deposits under the Deposit Protection Scheme in Hong Kong.

Italy

The offering of the global bonds has not been registered pursuant to Italian securities legislation and, accordingly, no global bonds may be offered, sold or delivered, nor may copies of the prospectus, the prospectus supplement nor any other document relating to any global bonds be distributed in the Republic of Italy, except, in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

The offering of the global bonds is being carried out in the Republic of Italy as an exempted offer pursuant to article 1, paragraph 4, letter c), of Regulation (EU) 2017/1129.

The global bonds may not be offered, sold or delivered nor any copies of the prospectus, the prospectus supplement and/or any other document relating to the global bonds may be distributed in the Republic of Italy except in circumstances which are exempted from the rules on public offerings, as provided under Regulation (EU) 2017/1129, the Legislative Decree No. 58 of 24 February 1998 (the “Consolidated Financial Act”) and the *Commissione Nazionale per le Società e la Borsa* (“CONSOB”) Regulation No. 11971 of 14 May 1999 (the “Issuer Regulation”).

Any offer, sale or delivery of the global bonds or distribution of copies of the prospectus, the prospectus supplement or any other document relating to the global bonds in the Republic of Italy must be made in compliance with the selling restrictions set out above and be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Consolidated Financial Act, Regulation No. 20307, Legislative Decree No. 385 of 1 September 1993 (the “Banking Act”) (in each case, as amended) and any other applicable laws or regulation;
- (b) in compliance with Article 129 of the Banking Act, and the implementing guidelines of the Bank of Italy, as amended from time to time; and
- (c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or the Bank of Italy or other competent authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the bonds or the relevant offering.

Japan

The global bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “Financial Instruments and Exchange Act”) and each underwriter and agent will represent and agree that it will not offer or sell any global bonds, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act of Japan (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

Luxembourg

The global bonds may not be offered to the public in Luxembourg, except in the following circumstances:

- (a) in the period beginning on the date of publication of a prospectus in relation to those global bonds which have been approved by the *Commission de surveillance du secteur financier* (CSSF) in Luxembourg or, where appropriate, approved in another relevant European Union Member State and notified to ESMA and the CSSF, all in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council on prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market (the “Prospectus Regulation”) and ending on the date which is 12 months after the date of such publication (hereafter a “Public offer”);
- (b) at any time to qualified investors, which, pursuant to the Prospectus Regulation, means persons or entities that are listed in points (1) to (4) of Section I of Annex II to Directive 2014/65/EU, and persons or entities who are, on request, treated as professional clients in accordance with Section II of that Annex, or recognised as eligible counterparties in accordance with Article 30 of Directive 2014/65/EU unless they have entered into an agreement to be treated as non-professional clients in accordance with the fourth paragraph of Section I of that Annex. For the purposes of applying the first sentence of this point, investment firms and credit institutions shall, upon request from the issuer, communicate the classification of their clients to the issuer subject to compliance with the relevant laws on data protection;
- (c) an offer of securities addressed to fewer than 150 natural or legal persons per Member State, other than qualified investors; and/or
- (d) at any time in any other circumstances which do not require the publication by the issuer of a prospectus pursuant to Article 1 (4) of the Prospectus Regulation.

The applicability of the selling restrictions provided by Luxembourg law will depend on whether the invitation is to be treated as a public offer or whether it can be made under one of the exemptions of Article 1 (4) of the Prospectus Regulation (a “private placement”).

For the purposes of this provision, the expression an offer of global bonds to the public in relation to any global bonds in Luxembourg means the communication in any form and by any means of sufficient information on the terms of the offer and the global bonds to be offered so as to enable an investor to decide to purchase the global bonds, as defined in the Prospectus Regulation or any variation thereof or amendment thereto.

Mexico

The global bonds have not been and will not be registered with the Mexican National Securities Registry (*Registro Nacional de Valores*) maintained by the Mexican National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*) (the “CNBV”), and may not be offered or sold publicly in Mexico, except that the global bonds may be offered to institutional or qualified investors pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law (*Ley del Mercado de Valores*). The information contained in this prospectus supplement is exclusively the responsibility of the Issuer and has not been reviewed or authorized by the CNBV. The acquisition of the global bonds by an investor who is a resident of Mexico will be made under such investor’s own responsibility.

The Netherlands

In addition and without prejudice to the EEA selling restrictions above, zero coupon debt securities in bearer form on which interest does not become due and payable during their term but only at maturity and other debt securities in bearer form that qualify as savings certificates (*spaarbewijzen*) within the meaning of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) may be transferred or accepted only through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. and with due observance of the Dutch Savings Certificates Act and its implementing regulations (including the registration requirements), provided that no such mediation is required in respect of (i) the initial issue of such debt securities to the first holders thereof, (ii) any transfer and delivery by natural persons who do not act in the conduct of a profession or trade and (iii) the issue and trading of such debt securities, if such debt securities are physically issued outside the Netherlands and not distributed in the Netherlands in the course of primary trading or immediately thereafter; in addition (i) certain identification requirements in relation to the issue and transfer of, and payment on, such debt securities have to be complied with, (ii) any reference in publications concerning such debt securities to the words “to bearer” is prohibited, (iii) so long as such debt securities are not listed at the regulated market operated by Euronext Amsterdam N.V., each transaction involving a transfer of such debt securities must be recorded in a transaction note, containing, at least, the name and address of the counterparty to the transaction, the nature of the transaction and a description of the amount, registration number(s) and type of the debt securities concerned and (iv) the requirement described under (iii) must be printed on such debt securities.

Panama

This prospectus supplement and the global bonds have not been and will not be registered with the Superintendence of Securities Markets of the Republic of Panama under Decree Law 1 of 1999, as amended as they are exempted from registration. Therefore, the global bonds may be publicly offered and sold in the Republic of Panama to any investor pursuant to registration exemptions applicable to government securities.

Peru

The global bonds and the information contained in this prospectus supplement have not been and will not be registered with or approved by SMV, SBS, as defined under Peruvian law, or the Lima Stock Exchange. Accordingly, the global bonds cannot be offered or sold in Peru, except if such offering is a private offering under the securities laws and regulations of Peru. The Peruvian Securities Market Law establishes that any offering may qualify as a private offering if it is directed exclusively to institutional investors.

Singapore

This prospectus supplement and the accompanying prospectus have not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement, the accompanying prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the global bonds may not be circulated or distributed, nor may the global bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA)

pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Notification under Section 309B of the Securities and Futures Act 2001 of Singapore:

The global bonds are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and “Excluded Investment Products” (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore, and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Spain

The global bonds may not be offered, sold or distributed, nor may any subsequent resale of the global bonds be carried out in Spain except in circumstances which do not require the registration of a prospectus in Spain or without complying with all legal and regulatory requirements under the (i) Spanish Securities Markets Act, Law 6/2023 on the Securities Markets and Investment Services, dated March 17 (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*), the (ii) EU Prospectus Regulation 2017/1129, dated June 14, of the European Parliament and of the Council, and (iii) supplemental rules enacted thereunder.

The global bonds may only be offered in Spain by entities authorized under the Spanish Securities Markets Act and Royal Decree 813/2023, of November 8, on the legal regime applicable to investment services companies and other entities that provide investment services (*Real Decreto 813/2023, de 8 de noviembre, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*) to provide investment services in Spain and in accordance with the provisions thereunder.

Offers of global bonds in Spain shall only be directed specifically at, or made to, professional clients and eligible counterparties, as defined in articles 194 and 196 of the Spanish Securities Market Act, respectively.

None of the global bonds, this offering or this prospectus supplement and its contents have been approved or registered with the Spanish Securities Commission (*Comisión Nacional del Mercado de Valores*).

Switzerland

The offer of the global bonds is made in Switzerland on the basis of a private placement, not as a public offering. The global bonds may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“FinSA”) and no application has or will be made to admit the global bonds to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this prospectus supplement nor any other offering or marketing material relating to the global bonds constitutes a prospectus pursuant to the FinSA, and neither this prospectus supplement nor any other offering or marketing material relating to the global bonds may be publicly distributed or otherwise made publicly available in Switzerland.

Taiwan

The global bonds have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or any other regulatory authorities of Taiwan pursuant to relevant securities laws and regulations of Taiwan and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitute an offer or a solicitation of an offer within the meaning of the Securities and Exchange Act or relevant laws and regulations of Taiwan that requires a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or any other regulatory authorities of Taiwan. No person or entity in Taiwan has been authorized to offer or sell the global bonds in Taiwan.

The United Kingdom

Prohibition of Sales to UK Retail Investors

Each underwriter has, severally and not jointly, represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any global bonds which are the subject of the offering contemplated by this prospectus supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision, the expression “retail investor” means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended.

Each underwriter has, severally and not jointly, represented, warranted and agreed that:

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (as amended, the “FSMA”) received by it in connection with the issue or sale of the global bonds in circumstances in which Section 21(1) of the FSMA does not apply to the issuer; and
- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the global bonds in, from or otherwise involving the United Kingdom.

VALIDITY OF THE GLOBAL BONDS

The validity of the global bonds will be passed upon for Panama by Dr. Grettel Villalaz de Allen, the *Procuradora de la Administración* of Panama, or by a duly authorized attorney of the *Procuraduría de la Administración*, and by Arnold & Porter Kaye Scholer LLP, New York, New York, United States counsel to Panama, and for the underwriters by Sullivan & Cromwell LLP, New York, New York, United States counsel to the Underwriters, and by Arias, Fábrega & Fábrega, Panama counsel to the Underwriters.

As to all matters of Panama law, Arnold & Porter Kaye Scholer LLP may rely on the opinion of the *Procuradora de la Administración* or a duly authorized attorney of the *Procuraduría de la Administración*, and Sullivan & Cromwell LLP may rely on the opinion of Arias, Fábrega & Fábrega and the *Procurador de la Administración* or a duly authorized attorney of the *Procuraduría de la Administración*. As to all matters of United States law, the *Procurador de la Administración* or a duly authorized attorney of the *Procuraduría de la Administración* may rely on the opinion of Arnold & Porter Kaye Scholer LLP, and Arias, Fábrega & Fábrega may rely on the opinion of Sullivan & Cromwell LLP.

OFFICIAL STATEMENTS AND DOCUMENTS

Information included herein which is identified as being derived from a publication of, or supplied by, Panama or one of its agencies or instrumentalities is included on the authority of that publication as a public official document of Panama. All other information is included as a public official statement made on the authority of the Minister of Economy and Finance of Panama.

GENERAL INFORMATION

Due Authorization

Panama is authorized to issue the global bonds pursuant to Cabinet Decree No. 11, dated February 11, 2025.

Listing and Luxembourg Listing Agent

Application will be made to list the global bonds on the Official List of the Luxembourg Stock Exchange and to have the global bonds admitted to trading on the Euro MTF Market. The Luxembourg listing agent is Banque Internationale à Luxembourg S.A., 69, route d'Esch, L-2953 Luxembourg.

Litigation

Except as described herein and in any documents incorporated herein by reference, neither Panama nor any governmental agency of Panama is involved in any litigation, arbitration or administrative proceedings relative to claims or amounts that are material in the context of the issuance of the global bonds and that would materially and adversely affect Panama's ability to meet its obligations under the global bonds and the fiscal agency agreement with respect to the global bonds. No such litigation or arbitration or administrative proceedings are pending or, so far as Panama is aware, threatened.

Documents Relating to the Global Bonds

Copies of the fiscal agency agreement, the related amendments, and the form of the global bonds may be inspected during normal business hours on any day, except Saturdays, Sundays and public holidays, at the offices of the fiscal agent and the paying agent specified on the inside back cover of this prospectus supplement.

Where You Can Find More Information

Panama's annual report for 2024 on [Form 18-K](#) filed with the SEC electronically, as may be amended prior to the termination of the offering of the global bonds, is considered part of and incorporated by reference into this prospectus supplement.

So long as the global bonds are listed on the Official List of the Luxembourg Stock Exchange, copies of the most recent *Panamá en Cifras* (as or when available), or if *Panamá en Cifras* ceases to be published, comparable economic information of the Office of the Comptroller General, this prospectus supplement, and any documents incorporated by reference in this prospectus supplement may be obtained in English at the office of the Luxembourg listing agent for the global bonds and at the office of the fiscal agent during usual business hours on any day (Saturdays, Sundays and public holidays excepted).

Clearing

The global bonds will be accepted for clearance through Euroclear, Clearstream, Luxembourg and DTC (For the 2034 global bonds: CUSIP No.: 698299CB8, ISIN: US698299CB89, Common Code: 324410449; For the 2038 global bonds: CUSIP No.: 698299CC6, ISIN: US698299CC62, Common Code: 324413049).

LEI Code

The Republic of Panama's LEI code is 549300SHS4T08CL0LP14.



REPUBLIC OF PANAMA

\$12,119,739,100

Debt Securities Warrants

The Republic of Panama (referred to as Panama) or *Banco Nacional de Panamá* (BNP), acting not in its individual capacity but solely as trustee of *Fideicomiso FAP*, a trust formed under the laws of Panama which owns the assets of the *Fondo de Ahorro de Panamá (FAP)*, and which is referred to as the Savings Fund Trust (BNP, in such capacity, being referred to as the selling securityholder), may offer up to \$12,119,739,100 (or its equivalent in other currencies) aggregate principal amount of debt securities of Panama, with or without warrants or other similar securities to purchase, sell or exchange such debt securities.

Panama or the selling securityholder may offer any combination of debt securities and/or warrants from time to time in one or more offerings. Panama will provide specific terms of these securities in supplements to this prospectus. You should read this prospectus and any prospectus supplement carefully before you invest.

Panama or the selling securityholder may sell the securities directly, through agents designated from time to time or through underwriters or dealers.

Neither the Securities and Exchange Commission nor any State securities commission has approved or disapproved of these securities or determined whether this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

You should rely only on the information contained or incorporated by reference in this prospectus or any prospectus supplement. Panama has not authorized anyone to provide you with different or additional information. Panama is not making an offer of these debt securities or warrants in any place where the offer is not permitted by law. You should assume that the information in this prospectus, the prospectus supplement accompanying this prospectus and the documents incorporated by reference is accurate only as of the respective dates of those documents.

The date of this prospectus is February 20, 2025.

TABLE OF CONTENTS

	<u>Page</u>
Where You Can Find More Information	2
Data Dissemination	3
Use of Proceeds	4
Debt Securities	5
Collective Action Securities	14
Aggregated Collective Action Securities	16
Warrants	20
Governing Law	21
Jurisdiction and Enforcement	22
Plan of Distribution	23
Selling Securityholder	25
Validity of the Securities	26
Official Statements	27
Authorized Representative	28
Glossary	29

WHERE YOU CAN FIND MORE INFORMATION

Panama voluntarily files annual reports with the Securities and Exchange Commission, or the SEC. These reports and any amendments to these reports include certain financial, statistical and other information about Panama, and may be accompanied by exhibits. You may read and copy any document Panama files with the SEC at the SEC's public reference room in Washington, D.C. You may also obtain copies of these documents from the public reference room in Washington by paying a fee. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room or log on to <http://www.sec.gov>, where the SEC maintains an Internet site that contains reports and other information filed by Panama.

The SEC allows Panama to "incorporate by reference" into this prospectus the information Panama files with it. This means that Panama can disclose important information to you by referring you to those documents. Information that is incorporated by reference is an important part of this prospectus. Panama incorporates by reference the following documents:

- Panama's Annual Report on [Form 18-K](#) for the fiscal year ended December 31, 2023 filed on September 30, 2024 (File No. 333-075558) ("2023 annual report");
- Panama's amendment No. 1 on [Form 18-K/A](#) to the 2023 annual report filed on February 7, 2025; and
- Any amendment on Form 18-K/A to the 2023 annual report filed after the date of this prospectus and prior to the termination of the offering of the securities.

Panama also incorporates by reference all future annual reports and amendments to annual reports until it sells all of the debt securities and warrants covered by this prospectus. Each time Panama files a document with the SEC that is incorporated by reference, the information in that document automatically updates information contained in previously filed documents.

You may request a free copy of these filings by writing or calling the Embassy of Panama at the following address:

Embassy of Panama
2862 McGill Terrace, N.W.
Washington, D.C. 20008
Attn: Finance Section
(202) 483-1407

DATA DISSEMINATION

Panama is a participant in the Enhanced General Data Dissemination System of the International Monetary Fund, or the IMF. Countries that participate in the Enhanced General Data Dissemination System make a commitment to use it as a framework to develop national systems to produce and disseminate economic, financial and socio-demographic data. Participation in the General Data Dissemination System is voluntary. As a participant, Panama has committed to undertaking to:

- designate a country coordinator to act as the main contact with the IMF staff on all issues relating to Panama's participation in and implementation of the Enhanced General Data Dissemination System; and
- prepare descriptions of Panama's statistical practices that the IMF will post on its Dissemination Standards Bulletin Board. These descriptions, or "metadata," are intended to cover Panama's current statistical production and dissemination practices as well as plans for short- and longer-term improvements and, if applicable, associated technical and other assistance required to implement these plans.

The metadata prepared by participants in the Enhanced General Data Dissemination System may be found on the IMF's Dissemination Standard Bulletin Board. The Internet website is located at <http://dsbb.imf.org/Applications/web/dsbbhome>. The website and any information on it are not part of this prospectus. All references in this prospectus to this website are inactive textual references to this URL, or "uniform resource locator," and are for your information only.

USE OF PROCEEDS

Unless otherwise specified in the applicable prospectus supplement, Panama will use the net proceeds from the sale of the securities for the general governmental purposes of Panama, including the refinancing of domestic and external indebtedness of Panama and for other budgetary purposes. Unless otherwise specified in the applicable prospectus supplement, Panama will not receive any proceeds from any sales of debt securities or warrants made by the selling securityholder.

DEBT SECURITIES

Panama may issue debt securities, with or without warrants, in distinct series at various times, and these debt securities will be issued pursuant to a fiscal agency agreement between Panama and the fiscal agent. The financial terms and other specific terms of a particular series of debt securities will be described in a prospectus supplement relating to such securities. If the terms or conditions described in the prospectus supplement that relates to your series of debt securities differ from the terms or conditions described in this prospectus, you should rely on the terms or conditions described in the prospectus supplement.

In this description of debt securities, you will see some initially capitalized terms. These terms have very particular, legal meanings, and you can find their definitions under the heading “Glossary” below.

General

The prospectus supplement that relates to your debt securities will specify the following terms:

- the specific title or designation of the debt securities;
- the principal amount of the debt securities;
- the price of the debt securities;
- the stated maturity date(s) on which Panama must repay principal;
- the rate of any interest the debt securities will bear and, if variable, the method by which the interest rate will be calculated;
- the dates when any interest payments will be made;
- the date or dates from which any interest will accrue;
- the record dates for any interest payable on an interest payment date;
- the circumstances and terms, if any, under which Panama may redeem the debt securities before maturity;
- the circumstances and terms, if any, under which the holders of the debt securities may obligate Panama to redeem, repurchase or repay their respective securities pursuant to any sinking fund or analogous provisions or at the option of those holders;
- the currency or currencies in which such debt securities are denominated, which may be U.S. dollars, another foreign currency or units of two or more currencies;
- the currency or currencies for which such debt securities may be purchased and in which principal, premium, if any, and interest may be payable;
- if any amount payable in respect of the debt securities will be determined based on an index or formula, the method by which such amount will be determined;
- if the debt securities will be issued upon the exchange or conversion of other debt securities, the specific terms relating to this exchange or conversion;
- whether any part or all of the debt securities will be in the form of a global security and the circumstances in which a global security will be exchangeable for certificated (physical) securities;
- if the debt securities will be listed, the stock exchange on which they will be listed;
- whether the debt securities will be designated “Equal Ranking Securities” (as described under the heading “Debt Securities – Status of the Debt Securities” below), “Collective Action Securities” (as described under the heading “Collective Action Securities” below) or “Aggregated Collective Action Securities (as described under the heading “Aggregated Collective Action Securities” below); and
- any other terms of the debt securities.

If applicable, the prospectus supplement may also describe any U.S. federal or Panamanian income tax consequences and special considerations applicable to that particular series of debt securities.

Any moneys held by the fiscal agent in respect of debt securities and remaining unclaimed for two years after those amounts have become due and payable shall be returned to Panama. After the return of these moneys to Panama, the holder of this debt security may thereafter look only to Panama for any payment.

Panama may replace the fiscal agent at any time, subject to the appointment of a replacement fiscal agent. The fiscal agent is an agent of Panama and is not a trustee for the holders of the debt securities.

Status of the Debt Securities

The following description shall apply to any series of debt securities that have been designated “Equal Ranking Securities.”

The debt securities constitute and will constitute direct, unsubordinated, unconditional and general obligations of Panama. Except as described under the heading “Negative Pledge” below, the debt securities are unsecured obligations of Panama. Panama has pledged its full faith and credit for the due and punctual payment of principal, premium, if any, and interest on the debt securities.

The debt securities rank and will rank without any preference among themselves and equally with all other unsecured and unsubordinated Public Indebtedness of Panama. It is understood that this provision shall not be construed so as to require Panama to make payments under the debt securities ratably with payments being made under any other Public Indebtedness.

The following description shall apply to any series of debt securities that have not been designated “Equal Ranking Securities.”

The debt securities will be direct, unconditional and general obligations of Panama. Except as described under the heading “Negative Pledge” below, the debt securities are unsecured obligations of Panama. Panama has pledged its full faith and credit for the due and punctual payment of principal, premium, if any, and interest on the debt securities.

The debt securities of each series will rank equally in right of payment with all other indebtedness issued in accordance with the fiscal agency agreement and with all other unsecured and unsubordinated Indebtedness of Panama.

Form of Debt Securities

Unless otherwise specified in the prospectus supplement, debt securities denominated in U.S. dollars will be issued:

- only in fully registered form;
- without interest coupons; and
- in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000.

Debt securities denominated in another monetary unit will be issued in the denominations set forth in the applicable prospectus supplement.

Payment

Unless otherwise specified in the applicable prospectus supplement, principal of and interest and premium (if any) on the debt securities will be payable in U.S. dollars at the New York office of the fiscal agent to the registered holders of the debt securities on the related record date.

The register of holders of debt securities will be kept at the New York office of the fiscal agent.

Negative Pledge

The following description shall apply to any series of debt securities issued on or after the date hereof, but not to a reopening of a series of debt securities originally issued prior to February 13, 2015.

Unless otherwise specified in the prospectus supplement, Panama undertakes with respect to each series of debt securities that, as long as any debt securities of that series remain outstanding, it will not create or permit to subsist any Lien upon the whole or any part of its assets or revenues to secure any Public External Indebtedness of Panama, unless:

- the debt securities of such series are secured equally and ratably with such Public External Indebtedness; or
- the debt securities of such series have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by the holders of the debt securities of such series as provided under the heading “Meetings and Amendments”, or in the case of a series of debt securities that has been designated “Collective Action Securities” under the heading “Collective Action Securities – Amendments and Waivers”, or in the case of a series of debt securities that

has been designated “Aggregated Collective Action Securities” under the heading “Aggregated Collective Action Securities – Amendments and Waivers” below, as the case may be.

Notwithstanding the foregoing, Panama may create or permit to subsist:

- any Lien upon property to secure Public External Indebtedness of Panama incurred for the purpose of financing the acquisition of such property and any renewal or extension of any such Lien which is limited to the original property covered thereby and which secures only the renewal or extension of the original secured financing;
- any Lien existing on such property at the time of its acquisition to secure Public External Indebtedness of Panama and any renewal or extension of any such Lien which is limited to the original property covered thereby and which secures only the renewal or extension of the original secured financing;
- any Lien in existence on the date of issue of the debt securities, including any renewal or extension thereof which secures only the renewal or extension of the original secured financing;
- any Lien securing Public External Indebtedness incurred for the purpose of financing all or part of the costs of the acquisition, construction or development of a project and any renewal or extension of such Lien, *provided* that:
 - the holders of such Public External Indebtedness expressly agree to limit their recourse to the assets and revenues of such project, and all proceeds (including, without limitation, any insurance proceeds), products and all additions, substitutions, replacements and accessions of or to any such assets or revenues, as the principal source of repayment of such Public External Indebtedness; and
 - the property over which such Lien is granted consists solely of such assets and revenues and proceeds;
- any Lien on the properties or revenues of the FAP or any Lien on the properties or revenues of the Development Trust Fund assumed by the FAP as successor of the Development Trust Fund, provided that the equivalent in U.S. dollars of the amount secured by such Liens shall not at any time exceed the amount of all contributions to the FAP from:
 - the assets of the Development Trust Fund transferred to the FAP;
 - any contribution from the Panama Canal Authority to the National Treasury that is greater than 3.5% of the nominal GDP of the year in effect, starting with the fiscal year 2015;
 - the proceeds from the sale of any stock in Mixed Companies;
 - sums bequeathed or donated to the FAP by any person other than Panama or any governmental agency or affiliate thereof; and
 - any earnings on properties or revenues received pursuant to the four bullet points immediately above, and any renewal or extension of any such Lien which is limited to the original properties or revenues covered thereby; and
- Liens in addition to those permitted under the bullet points above, and any renewal or extension thereof, *provided* that the aggregate amount of Public External Indebtedness secured by such additional Liens shall not exceed the equivalent of U.S.\$25,000,000.

The following description shall apply to a reopening of any series of debt securities originally issued prior to February 13, 2015:

Unless otherwise specified in the prospectus supplement, Panama undertakes with respect to each series of debt securities that, as long as any debt securities of that series remain outstanding, it will not create or permit to subsist any Lien upon the whole or any part of its assets or revenues to secure any Public External Indebtedness of Panama, unless:

- the debt securities of such series are secured equally and ratably with such Public External Indebtedness; or
- the debt securities of such series have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by the holders of the debt securities of such series as provided under the heading “Meetings and Amendments” below.

Notwithstanding the foregoing, Panama may create or permit to subsist:

- any Lien upon property to secure Public External Indebtedness of Panama incurred for the purpose of financing the acquisition of such property and any renewal or extension of any such Lien which is limited to the original property covered thereby and which secures only the renewal or extension of the original secured financing;
- any Lien existing on such property at the time of its acquisition to secure Public External Indebtedness of Panama and any renewal or extension of any such Lien which is limited to the original property covered thereby and which secures only the renewal or extension of the original secured financing;

- any Lien in existence on the date of the fiscal agency agreement, including any renewal or extension thereof which secures only the renewal or extension of the original secured financing;
- any Lien contemplated as of July 17, 1996 under the agreements (as they may be amended) implementing the Republic of Panama 1995 Financing Plan dated October 4, 1995 sent to the international financial community with the communication dated September 15, 1995 from the Minister of Planning and Economic Policy of Panama and explanatory communications relating thereto and implementing documentation therefor, including any Lien to secure obligations under the collateralized bonds issued thereunder (the “Collateralized Bonds”);
- any Lien securing Public External Indebtedness of Panama issued upon surrender for cancellation of the Collateralized Bonds or the principal amount of any indebtedness of Panama outstanding as of the date of the 1995 Financing Plan, in each case, to the extent such Lien is created to secure such Public External Indebtedness on a basis comparable to the Collateralized Bonds and the principal amount of Public External Indebtedness so secured is no greater than the principal amount of Collateralized Bonds or such other indebtedness so cancelled;
- any Lien securing Public External Indebtedness incurred for the purpose of financing all or part of the costs of the acquisition, construction or development of a project and any renewal or extension of such Lien, *provided* that:
 - the holders of such Public External Indebtedness expressly agree to limit their recourse to the assets and revenues of such project as the principal source of repayment of such Public External Indebtedness; and
 - the property over which such Lien is granted consists solely of such assets and revenues;
- any Lien on the properties or revenues of the Development Trust Fund created by Republic of Panama Law No. 20 of May 15, 1995, *provided* that the equivalent in U.S. dollars of the amount secured by such Liens shall not at any time exceed the amount of all contributions to the Development Trust Fund from:
- the net proceeds from the privatization of publicly owned companies or the initial payment for concessions granted to the private sector;
- the proceeds from sales conducted of any Interoceanic Region Assets by the Interoceanic Region Authority;
- sums bequeathed or donated to the Development Trust Fund by any person other than Panama or any governmental agency or affiliate thereof; and
- any earnings on properties or revenues received pursuant to the three bullet points immediately above, and any renewal or extension of any such Lien which is limited to the original properties or revenues covered thereby; and
- Liens in addition to those permitted under the bullet points above, and any renewal or extension thereof, *provided* that the aggregate amount of Public External Indebtedness secured by such additional Liens shall not exceed the equivalent of U.S.\$25,000,000.

Default

Each of the following events will be an event of default with respect to each series of debt securities:

- (a) default by Panama in any payment of principal of any debt securities of such series for 15 calendar days;
- (b) default by Panama in any payment of interest on any debt securities of such series for 30 calendar days;
- (c) failure of Panama to perform any other obligation under the debt securities of that series, which continues for 60 calendar days after the holder of any debt securities of that series provides to the fiscal agent written notice requiring that such default be remedied;
- (d) acceleration of any aggregate principal amount of Public Indebtedness of Panama that exceeds U.S.\$25,000,000 (or its equivalent in any other currency) by reason of an event of default (however described) arising from Panama’s failure to make any payment of principal, premium or interest thereunder when due;
- (e) failure of Panama to make any payment in respect of the Public Indebtedness of Panama in an aggregate principal amount in excess of U.S.\$25,000,000 (or its equivalent in any other currency) when due, which continues for 30 calendar days after the holder of any debt securities of that series provides to the fiscal agent written notice requiring that such default be remedied;
- (f) declaration by Panama of a moratorium with respect to the payment of principal of, or premium or interest on, Public External Indebtedness of Panama which does not expressly exclude the debt securities of that series; or

(g) denial or repudiation by Panama of its obligations under the debt securities of that series.

Acceleration of Maturity

The following description does not apply to any series of debt securities that has been designated Collective Action Securities or Aggregated Collective Action Securities. See “Collective Action Securities – Acceleration of Maturity” or “Aggregated Collective Action Securities – Acceleration of Maturity” below for a description of the corresponding terms of Collective Action Securities or Aggregated Collective Action Securities, as the case may be.

If an event of default described in clause (a), (b), (f) or (g) under the heading “Default” above occurs with respect to any series of debt securities, then each registered holder of debt securities of that series may declare the principal of and any accrued interest on the debt securities it holds immediately due and payable.

If an event of default described in clause (c), (d) or (e) under the heading “Default” above occurs with respect to any series of debt securities, then the holders of not less than 25% in principal amount of all debt securities of that series then outstanding may declare the principal of and any accrued interest on all the debt securities of that series then outstanding immediately due and payable. Debt securities held directly or indirectly by or on behalf of Panama or any political subdivision or instrumentality thereof shall not be considered “outstanding” for this purpose.

Holders of debt securities may exercise these rights only by providing a written demand to Panama and the fiscal agent at its New York office at a time when the event of default is continuing.

Redemption and Repurchase

Unless otherwise set forth in the applicable prospectus supplement, the debt securities will not be redeemable prior to maturity at the option of Panama or the registered holders of these debt securities.

Panama may at any time purchase debt securities in any manner and for any price. Debt securities purchased by Panama may, at its discretion, be held, resold or cancelled.

Meetings and Amendments

The following description does not apply to any series of debt securities that has been designated Aggregated Collective Action Securities. See “Aggregated Collective Action Securities – Meetings” and Aggregated Collective Action Securities – Amendments and Waivers” below for a description of the corresponding terms of Aggregated Collective Action Securities.

General. A meeting of holders of debt securities of any series may be called at any time:

- to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided for in the fiscal agency agreement or the debt securities of that series; or
- to modify, amend or supplement the terms of the debt securities of that series or the fiscal agency agreement.

Panama may at any time call a meeting of holders of debt securities of a series for any purpose described above. This meeting would be held at the time and place determined by Panama. If an event of default occurs and Panama or the holders of at least 10% of the aggregate principal amount of the outstanding debt securities of a series request (in writing) the fiscal agent to call a meeting, the fiscal agent will call such a meeting.

For the purpose of this prospectus, “outstanding” debt securities do not include:

- debt securities cancelled by or delivered for cancellation to the fiscal agent;
- debt securities held for reissuance but not reissued by the fiscal agent;
- debt securities called for redemption;
- debt securities which have become due and payable and for which sufficient funds to pay amounts owed under these debt securities have been paid or provided for; or
- debt securities of a series that have been substituted with another series of debt securities.

Notice. The notice of a meeting will set forth the time and place of the meeting and in general terms the action proposed to be taken at the meeting. This notice shall be given as provided in the terms of the debt securities. In addition, this notice shall be given between 30 and 60 days before the meeting date; however, in the case of any meeting to be reconvened after adjournment for lack of a quorum, this notice shall be given between 10 and 60 days before the meeting date.

Voting; Quorum. A person who holds outstanding debt securities of a series or is duly appointed to act as proxy for a holder of these debt securities will be entitled to vote at a meeting of holders of the debt securities of that series. The presence at the meeting of persons entitled to vote a majority of the principal amount of the outstanding debt securities of a series shall constitute a quorum with respect to that series of debt securities.

If a quorum is not present within 30 minutes of the time appointed for the meeting, the meeting may be adjourned for a period of at least 10 days as determined by the chairman of the meeting prior to the adjournment of the meeting. If the meeting is convened at the request of the holders, however, then the meeting shall be dissolved.

In the absence of a quorum at an adjourned meeting, this adjourned meeting may be further adjourned for a period of at least 10 days as determined by the chairman of the meeting. Notice of the reconvening of an adjourned meeting shall be given only once. This notice shall state expressly the percentage of the principal amount of the outstanding debt securities of that series which shall constitute a quorum. Subject to the foregoing, at the reconvening of a meeting adjourned for a lack of a quorum, the presence of persons entitled to vote 25% in principal amount of the outstanding debt securities of a series shall constitute a quorum with respect to that series of debt securities for the taking of any action set forth in the notice of the original meeting.

In addition, any meeting at which a quorum is present may be adjourned by the vote of a majority of the principal amount of the outstanding debt securities of the series represented at the meeting, and the meeting may be held as so adjourned without further notice.

If a quorum is present at the meeting, any resolution and all matters (other than those matters identified below that require the consent of all holders of the debt securities of a series) shall be effectively passed or decided by the vote of the persons entitled to vote 66 ²/₃% in aggregate principal amount of the outstanding debt securities of such series represented and voting at the meeting.

Regulations. The fiscal agent may make reasonable and customary regulations as it deems advisable for any meeting with respect to:

- the proof of the holding of debt securities of a series;
- the appointment of proxies in respect of holders of registered debt securities of a series;
- the record date for determining the registered owners of registered debt securities of a series;
- the adjournment and chairmanship of such meeting;
- the appointment and duties of inspectors of votes, certificates and other evidence of the right to vote; and
- other matters concerning the conduct of the meeting that the fiscal agent deems appropriate.

Chairman. The fiscal agent will appoint a temporary chairman of the meeting by an instrument in writing. If Panama or the holders of the debt securities of a series called the meeting, however, then Panama or the holders calling the meeting, as the case may be, will appoint a temporary chairman by an instrument in writing.

A permanent chairman and a permanent secretary of the meeting shall be elected by the vote of the persons entitled to vote a majority of the principal amount of the outstanding debt securities of the series represented and voting at the meeting. The chairman of the meeting shall have no right to vote, except as a holder of debt securities of that series or proxy.

Record. A record, and at least one duplicate, of the proceedings of each meeting of holders will be prepared. One copy of the record of each meeting will be delivered to Panama and another to the fiscal agent to be preserved by the fiscal agent.

Amendments. (The following description does not apply to any series of debt securities that has been designated Collective Action Securities or Aggregated Collective Action Securities. See “Collective Action Securities – Amendments and Waivers” or “Aggregated Collective Action Securities” below for a description of the corresponding terms of Collective Action Securities or

Aggregated Collective Action Securities, as the case may be). Unless the unanimous consent of holders of debt securities of an affected series is required as specified below, with:

- the affirmative vote, in person or by proxy, of the holders of at least 66 $\frac{2}{3}$ % of the aggregate principal amount of the outstanding debt securities of a series represented and voting at a duly called and held meeting; or
- the written consent of the holders of at least 66 $\frac{2}{3}$ % in aggregate principal amount of the outstanding debt securities of a series:

(i) Panama and the fiscal agent may modify, amend or supplement the terms of the debt securities of a series or, insofar as it affects the debt securities of that series, the fiscal agency agreement, in any way and (ii) holders of debt securities of a series may make, take or give any request, demand, authorization, direction, notice, consent, waiver or action provided by the fiscal agency agreement or the debt securities of such series to be made, given or taken by holders of debt securities of such series.

The following actions may only be taken with the written consent or affirmative vote of the holder of each debt security of an affected series:

- changing the due date for the payment of the principal of, any installment of interest on, or premium (if any) on the debt securities of such series;
- reducing the principal amount of the debt securities of such series;
- reducing the portion of the principal amount which is payable in the event of an acceleration of the maturity of the debt securities of such series;
- reducing the interest rate on the debt securities of such series;
- reducing the premium, if any, payable upon the redemption of any debt securities of such series;
- changing the currency in which any amount in respect of the debt securities of that series is payable;
- changing the required places at which any amount in respect of the debt securities of that series is payable;
- shortening the period during which Panama is not permitted to redeem the debt securities of that series;
- permitting Panama to redeem the debt securities of the affected series, if Panama is not otherwise permitted to redeem the debt securities of that series;
- reducing the proportion of the principal amount of the debt securities of that series that is required:
 - to modify, amend or supplement the fiscal agency agreement or the terms and conditions of the debt securities of that series, or
 - to make, take or give any request, demand, authorization, direction, notice, consent, waiver or other action, or
 - changing the obligation of Panama to pay additional amounts under the debt securities of that series.

Panama and the fiscal agent may, without the vote or consent of any holder of debt securities of a series, modify, amend or supplement the fiscal agency agreement or the debt securities of any series for the purpose of:

- adding to the covenants of Panama;
- surrendering any right or power conferred upon Panama;
- securing the debt securities of that series pursuant to the requirements of the debt securities or otherwise;
- correcting any defective provision contained in the fiscal agency agreement or in the debt securities of that series; or
- amending the fiscal agency agreement or the debt securities of that series in any manner that Panama and the fiscal agent may determine and that does not adversely affect the interest of any holder of debt securities of that series.

Any modification, amendment or supplement approved in the manner described in this section shall be binding on all holders of debt securities of such series.

Judgment Currency

If a court renders a judgment in respect of amounts due to a holder of a debt security permitting Panama to pay such amounts in a currency (“judgment currency”) other than the currency in which the debt security was required to be paid by its terms (“debt security currency”), Panama and such holder are deemed to have agreed, to the fullest extent permitted under applicable law, that:

- the rate of exchange for determining the amount of such judgment shall be based on the rate at which such holder, using normal banking procedures, could purchase the debt security currency with the judgment currency in the relevant principal financial center for the debt security currency, two business days preceding the date of such judgment; and
- if on the business day following the holder’s receipt of such payment in the judgment currency, such holder is not able, in accordance with normal banking procedures, to purchase with the judgment currency at least the amount of debt security currency that was due to such holder under the original terms of the debt security, Panama will indemnify such holder for the shortfall; if such holder is able to purchase with such judgment currency an amount of debt security currency greater than that to which such holder would have been entitled, and if all of Panama’s obligations to such holder under the debt securities are fully paid, such holder agrees to remit any excess to Panama.

Tax Withholding; Payment of Additional Amounts

All payments of principal and interest in respect of the debt securities of any series by Panama will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by Panama or any other jurisdiction from which or through which payment is made to holders of debt securities in respect of the debt securities, or any political subdivision or authority of or in Panama or such other jurisdiction, having power to tax (together, “Taxes”), unless such withholding or deduction is required by law. In that event, Panama shall pay such additional amounts as will result in receipt by the holders of debt securities of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any debt security of any series:

(a) to a holder where such holder is liable to pay such Taxes in respect of any debt security of such series by reason of such holder’s having some connection with Panama other than the mere holding of such debt security of such series or the receipt of principal and interest in respect thereof;

(b) to a holder who is liable for such Taxes by reason of such holder’s failure to comply with any reasonable certification, identification or other reporting requirement concerning the nationality, residence, identity or connection with Panama, or any political subdivision or taxing authority of or in Panama, of such holder or the holder of any interest in such debt security of such series or rights in respect thereof, if compliance is required by Panama, or any political subdivision or taxing authority of or in Panama, as a precondition to exemption from such deduction or withholding; *provided, however*, that the limitations on Panama’s obligations to pay additional amounts shall not apply if such certification, identification or other reporting requirements would be materially more onerous, in form, in procedure or in substance of information disclosed by the relevant holders or beneficial owners than comparable information or other reporting requirements imposed by United States tax law, regulation or administrative practice; or

(c) to a holder who is liable for such Taxes by reason of the failure of such holder to present such holder’s debt security for payment (where such presentation is required) within 30 calendar days after the date on which such payment thereof became due and payable or is duly provided for and notice thereof is given to the holder, whichever occurs later, except to the extent that such holder would have been entitled to additional amounts in respect of such Taxes on presenting such debt security for payment on any date within such 30 calendar days.

Any reference in this prospectus to “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under the debt securities.

Global Securities

The prospectus supplement that relates to your debt securities indicates whether any of the debt securities you purchase will be represented by a global security. The aggregate principal amount of any global security equals the sum of the principal amount of all the debt securities it represents. The global security will be registered in the name of the depositary identified in the prospectus supplement or its nominee, and will be deposited with the depositary, its nominee or a custodian.

Limitations on Your Ability to Obtain Debt Securities Registered in Your Name. The global security will not be registered in the name of any person other than the depositary or its nominee. Similarly, the global security will not be exchanged for debt securities

that are registered in the name of any person other than the depositary or its nominee. An exception to these restrictions would be made only if:

- the depositary notifies Panama that it is unwilling, unable or no longer qualified to continue to act as depositary and Panama does not appoint a successor depositary within 90 days;
- at any time Panama decides it no longer wishes to have all or part of the debt securities represented by a global security; or
- an event of default has occurred and is continuing with respect to the series of debt securities represented by the global security.

In those circumstances, the depositary will determine in whose names to register any certificated (physical) debt securities issued in exchange for the global security. Unless otherwise specified in the prospectus supplement, these certificated (physical) debt securities will be issued:

- only in fully registered form;
- without interest coupons; and
- in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000.

The depositary or its nominee will be considered the sole owner and holder of the global security for all purposes. As a result:

- you cannot have debt securities registered in your name for so long as they are represented by the global security;
- you cannot receive certificated (physical) debt securities in your name in exchange for your beneficial interest in the global security;
- you will not be considered to be the owner or holder of the global security or any debt securities represented by the global security for any purpose;
- you cannot assert any right of a holder of the debt securities unless you are authorized by the depositary and the participant through which you hold your beneficial interest; and
- all payments on the global security will be made to the depositary or its nominee.

In some jurisdictions, certain types of purchasers (such as some insurance companies) are not permitted to own securities represented by a global security. These laws may limit your ability to sell or transfer your beneficial interest in the global security to these types of purchasers.

Beneficial Interests in and Payments on Global Security. Institutions that have accounts with the depositary or a nominee of the depositary, such as securities brokers and dealers, are called participants. Only participants, and persons who hold beneficial interests through participants, can own a beneficial interest in the global security. The depositary keeps records of the ownership and transfer of beneficial interests in the global security by its participants. In turn, participants keep records of the ownership and transfer of beneficial interests in the global security by other persons (such as their customers). No other records of the ownership and transfer of beneficial interests in the global security will be kept.

When the depositary receives payment of principal or any premium or interest on the global security, the depositary is expected to credit its participants' accounts in amounts that correspond to their respective beneficial interests in the global security. In turn, after the participants' accounts are credited, the participants are expected to credit the accounts of the owners of beneficial interests in the global security in amounts that correspond to the owners' respective beneficial interests in the global security.

The depositary and its participants establish policies and procedures that govern payments, transfers, exchanges and other important matters that affect owners of beneficial interests in the global security. The depositary and its participants may change these policies and procedures from time to time. Panama has no responsibility or liability for the records of the depositary or its participants relating to the ownership of beneficial interests in the global security. Also, Panama is not responsible for maintaining, supervising or reviewing those records or payments. Panama has no responsibility or liability for any aspect of the relationship between the depositary and its participants or for any aspects of the relationship between participants and owners of beneficial interests in the global security.

COLLECTIVE ACTION SECURITIES

Panama may designate a particular series of debt securities to be “Collective Action Securities,” the specific terms of which will be described in the prospectus supplement relating to such securities. Collective Action Securities will have the same terms and conditions as the securities described under the heading “Debt Securities” above, except that such Collective Action Securities shall contain different provisions relating to certain aspects of default, acceleration and voting on amendments, modifications, changes and waivers, as follows:

Acceleration of Maturity

If an event of default described under the heading “Debt Securities – Default” above occurs and is continuing with respect to any series of debt securities that have been designated Collective Action Securities, the holders of at least 25% of the aggregate principal amount of the outstanding debt securities of that series may, by notice to the fiscal agent, declare all the debt securities of that series to be due and payable immediately. Holders of less than 25% of the aggregate principal amount of the outstanding debt securities of that series may not, on their own, declare the debt securities of that series to be due and payable immediately. Holders of debt securities of that series may exercise these rights only by providing a written demand to Panama and the fiscal agent at a time when the event of default is continuing.

Upon any declaration of acceleration, the principal, interest and all other amounts payable on the debt securities of that series will be immediately due and payable on the date Panama receives written notice of the declaration, unless Panama has remedied the event or events of default prior to receiving the notice. The holders of 66 $\frac{2}{3}$ % or more of the aggregate principal amount of the outstanding debt securities of that series may rescind a declaration of acceleration if the event or events of default giving rise to the declaration have been cured or waived.

Amendments and Waivers

Panama, the fiscal agent and the holders may generally modify or take actions with respect to the fiscal agency agreement or the terms of the debt securities of any series that have been designated Collective Action Securities with:

- the affirmative vote of the holders of not less than 66 $\frac{2}{3}$ % in aggregate principal amount of the outstanding debt securities of that series that are represented at a duly called and held meeting; or
- the written consent of the holders of 66 $\frac{2}{3}$ % in aggregate principal amount of the outstanding debt securities of that series.

However, the holders of not less than 75% in aggregate principal amount of the outstanding debt securities of that series, voting at a meeting or by written consent, must consent to any amendment, modification, change or waiver with respect to the debt securities of that series that would:

- change the due date for the payment of the principal of, or any installment of interest on, the debt securities of that series;
- reduce the principal amount of the debt securities of that series;
- reduce the portion of the principal amount that is payable in the event of an acceleration of the maturity of the debt securities of that series;
- reduce the interest rate or the premium payable upon early redemption of the debt securities of that series;
- change the currency in which any amount in respect of the debt securities of that series is payable or the place or places in which such payment is to be made;
- permit early redemption of the debt securities of that series or, if early redemption is already permitted, shorten the period during which Panama is not permitted to redeem the debt securities of that series;
- change Panama’s obligation to pay any additional amounts under the debt securities of that series;
- change the definition of “outstanding” with respect to the debt securities of that series;
- change the governing law provision of the debt securities of that series;
- change Panama’s appointment of an agent for the service of process or Panama’s agreement not to claim and to waive irrevocably immunity (sovereign or otherwise) in respect of any suit, action or proceeding arising out of or relating to the fiscal agency agreement or to the debt securities of that series;

- change the status of the debt securities of that series, as described under the heading “Debt Securities — Status of the Debt Securities” above;
- in connection with an offer to acquire all or any portion of the debt securities of that series, amend any event of default under the debt securities of that series; or
- reduce the proportion of the principal amount of the debt securities of that series that is required:
 - to modify, amend or supplement the fiscal agency agreement or the terms and conditions of the debt securities of that series; or
 - to make, take or give any request, demand, authorization, direction, notice, consent, waiver or other action.

Panama refers to the above subjects as “reserve matters.” A change to a reserve matter, including the payment terms of any series of debt securities that have been designated Collective Action Securities, can be made without your consent, as long as a supermajority of the holders (that is, the holders of at least 75% in aggregate principal amount of the outstanding debt securities) agrees to the change.

If both Panama and the fiscal agent agree, they may, without the vote or consent of any holder of debt securities of a series, modify, amend or supplement the fiscal agency agreement or the debt securities of any series for the purpose of:

- adding to the covenants of Panama;
- surrendering any right or power conferred upon Panama;
- securing the debt securities of that series pursuant to the requirements of the debt securities or otherwise;
- curing any ambiguity or curing, correcting or supplementing any defective provision contained in the fiscal agency agreement or in the debt securities of that series; or
- amending the fiscal agency agreement or the debt securities of that series in any manner which Panama and the fiscal agent may determine and that does not adversely affect the interest of any holder of debt securities of that series in any material respect.

Any modification, amendment or supplement approved in the manner described in this section shall be binding on all holders of debt securities of such series.

For purposes of determining whether the required percentage of holders of any series of debt securities that have been designated Collective Action Securities is present at a meeting of holders for quorum purposes or has approved any amendment, modification or change to, or waiver of, such debt securities or the fiscal agency agreement, or whether the required percentage of holders has delivered a notice of acceleration, debt securities owned, directly or indirectly, by or on behalf of Panama or any political subdivision or instrumentality of Panama will be disregarded and deemed not to be “outstanding.”

Except as specifically set forth in this prospectus, the other terms set forth under “Debt Securities – Meetings and Amendments”, including notice, quorum and other meeting and consent provisions, remain unchanged with respect to Collective Action Securities.

Further Issues of Debt Securities of a Series

From time to time, without the consent of holders of the debt securities of any series that have been designated Collective Action Securities, and subject to the required approvals under Panamanian law, Panama may create and issue additional debt securities with the same terms and conditions as those of the debt securities of that series (or the same except for the amount of the first interest payment and the issue price), *provided* that such additional debt securities do not have, for purposes of U.S. federal income taxation (regardless of whether any holders of such debt securities are subject to the U.S. federal tax laws), a greater amount of original issue discount than the debt securities of that series have as of the date of issuance of such additional debt securities. Panama may also consolidate the additional debt securities to form a single series with the outstanding debt securities of that series.

AGGREGATED COLLECTIVE ACTION SECURITIES

Panama may designate a particular series of debt securities to be “Aggregated Collective Action Securities,” (as distinguished from Collective Action Securities) the specific terms of which will be described in the prospectus supplement relating to such securities. Aggregated Collective Action Securities will have the same terms and conditions as the securities described under the heading “Debt Securities” above, except that such Aggregated Collective Action Securities shall contain different provisions relating to certain aspects of calling and holding of meetings, default, acceleration and voting on amendments, modifications, changes and waivers, as follows:

Acceleration of Maturity

If an event of default described under the heading “Debt Securities – Default” above occurs and is continuing with respect to any series of debt securities that have been designated Aggregated Collective Action Securities, the holders of at least 25% of the aggregate principal amount of the outstanding debt securities of that series may, by notice to the fiscal agent, declare all the debt securities of that series to be due and payable immediately. Holders of less than 25% of the aggregate principal amount of the outstanding debt securities of that series may not, on their own, declare the debt securities of that series to be due and payable immediately. Holders of debt securities of that series may exercise these rights only by providing a written demand to Panama and the fiscal agent at a time when the event of default is continuing.

Upon any declaration of acceleration, the principal, interest and all other amounts payable on the debt securities of that series will be immediately due and payable on the date Panama receives written notice of the declaration, unless Panama has remedied the event or events of default prior to receiving the notice. The holders of 50% or more of the aggregate principal amount of the outstanding debt securities of that series may rescind a declaration of acceleration if the event or events of default giving rise to the declaration have been cured or waived.

Meetings

General. A meeting of holders of debt securities of any series may be called at any time:

- to make, give or take any request, demand, authorization, direction, notice, consent, modification or other action provided for in the fiscal agency agreement or the debt securities of that series; or
- to modify, amend or supplement the terms of the debt securities of that series or the fiscal agency agreement.

Panama may at any time call a meeting of holders of debt securities of a series for any purpose described above. This meeting would be held at the time and place determined by Panama. If an event of default occurs and Panama or the holders of at least 10% of the aggregate principal amount of the outstanding debt securities of a series request (in writing) the fiscal agent to call a meeting, the fiscal agent will call such a meeting.

For the purpose of this prospectus, “outstanding” debt securities do not include:

- debt securities cancelled by or delivered for cancellation to the fiscal agent;
- debt securities held for reissuance but not reissued by the fiscal agent;
- debt securities called for redemption;
- debt securities which have become due and payable and for which sufficient funds to pay amounts owed under these debt securities have been paid or provided for; or
- debt securities of a series that have been substituted with another series of debt securities.

Notice. The notice of a meeting will set forth the time and place of the meeting and in general terms the action proposed to be taken at the meeting. This notice shall be given as provided in the terms of the debt securities. In addition, this notice shall be given between 30 and 60 days before the meeting date; however, in the case of any meeting to be reconvened after adjournment, this notice shall be given between 10 and 60 days before the meeting date.

Regulations. The fiscal agent may make reasonable and customary regulations as it deems advisable for any meeting with respect to:

- the proof of the holding of debt securities of a series;
- the appointment of proxies in respect of holder of debt securities of a series;

- the record date for determining the owners of debt securities of a series;
- the adjournment and chairmanship of such meeting;
- the appointment and duties of inspectors of votes, certificates and other evidence of the right to vote; and
- other matters concerning the conduct of the meeting that the fiscal agent deems appropriate.

Chairman. The fiscal agent will appoint a temporary chairman of the meeting by an instrument in writing. If Panama or the holders of the debt securities of a series called the meeting, however, then Panama or the holders calling the meeting, as the case may be, will appoint a temporary chairman by an instrument in writing.

A permanent chairman and a permanent secretary of the meeting shall be elected by the vote of the persons entitled to vote a majority of the principal amount of the outstanding debt securities of the series represented and voting at the meeting. The chairman of the meeting shall have no right to vote, except as a holder of debt securities of that series or proxy. To be entitled to vote at a meeting of holders of Securities of a Series, a person shall be a holder of Outstanding Securities of such Series, or, in the case of registered Securities of such Series, a person duly appointed by an instrument in writing as a proxy for such holder. If a meeting is adjourned, such meeting may be adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such meeting. Notice of reconvening of any adjourned meeting shall be given as provided in the fiscal agency agreement, except that such notice need be given only once.

Record. A record, and at least one duplicate, of the proceedings of each meeting of holders will be prepared. One copy of the record of each meeting will be delivered to Panama and another to the fiscal agent to be preserved by the fiscal agent.

Amendments and Waivers

Panama, the fiscal agent and the holders may generally modify or take actions with respect to the fiscal agency agreement or the terms of the debt securities of any series that have been designated Aggregated Collective Action Securities with:

- the affirmative vote of the holders of more than 50% in aggregate principal amount of the outstanding debt securities of that series that are represented at a duly called and held meeting; or
- the written consent of the holders of more than 50% in aggregate principal amount of the outstanding debt securities of that series.

However, the holders may approve, by vote or consent through one of three modification methods, any proposed modification by Panama that would do any of the following:

- change the due date for the payment of the principal of (or premium, if any), or any installment of interest on, the debt securities of that series;
- reduce the principal amount of the debt securities of that series;
- reduce the portion of the principal amount that is payable in the event of an acceleration of the maturity of the debt securities of that series;
- reduce the interest rate or the premium payable upon early redemption of the debt securities of that series;
- change the currency in which any amount in respect of the debt securities of that series is payable or the place or places in which such payment is to be made;
- permit early redemption of the debt securities of that series or, if early redemption is already permitted, shorten the period during which Panama is not permitted to redeem the debt securities of that series;
- change Panama's obligation to pay any additional amounts under the debt securities of that series;
- change the definition of "outstanding", "uniformly applicable", "reserve matter" or "reserve matter modification" with respect to the debt securities of that series;
- change the governing law provision of the debt securities of that series;
- change Panama's appointment of an agent for the service of process or Panama's agreement not to claim and to waive irrevocably immunity (sovereign or otherwise) in respect of any suit, action or proceeding arising out of or relating to the fiscal agency agreement or to the debt securities of that series;
- change the status of the debt securities of that series, as described under the heading "Debt Securities — Status of the Debt Securities" above;

- change the method used to calculate any amount payable on the securities of that series (other than in accordance with the express terms of the securities of that series and the fiscal agency agreement);
- change the identity of the obligor under the securities of that series; or
- reduce the proportion of the principal amount of the debt securities of that series that is required:
 - to modify, amend or supplement the fiscal agency agreement or the terms and conditions of the debt securities of that series; or
 - to make, take or give any request, demand, authorization, direction, notice, consent, waiver or other action.

Panama refers to the above subjects as “reserve matters.” A change to a reserve matter, including the payment terms of the debt securities, can be made without your consent, as long as the change is approved, pursuant to one of the three following modification methods, by vote or consent by:

- the holders of more than 75% of the aggregate principal amount of the outstanding debt securities of a series affected by the proposed modification;
- where such proposed modification would affect the outstanding debt securities of two or more series, the holders of more than 75% of the aggregate principal amount of the outstanding debt securities of all of the series affected by the proposed modification, taken in the aggregate, if certain “uniformly applicable” requirements are met; or
- where such proposed modification would affect the outstanding debt securities of two or more series, whether or not the “uniformly applicable” requirements are met, the holders of more than 66 ²/₃% of the aggregate principal amount of the outstanding debt securities of all of the series affected by the proposed modification, taken in the aggregate, *and* the holders of more than 50% of the aggregate principal amount of the outstanding debt securities of each series affected by the modification, taken individually.

With respect to any such proposed modification that would affect the outstanding debt securities of two or more series, it is understood that any such modification that does not meet the “uniformly applicable” requirements must be effected pursuant to the third bullet above and such modification that is “uniformly applicable” may be effected pursuant to either the second or third bullet, at Panama’s option.

“Uniformly applicable,” as referred to above, means a modification by which holders of debt securities of any series affected by that modification are invited to exchange, convert or substitute their debt securities on the same terms for (x) the same new instruments or other consideration or (y) new instruments or other consideration from an identical menu of instruments or other consideration. It is understood that a modification will not be considered to be uniformly applicable if each exchanging, converting or substituting holder of debt securities of any series affected by that modification is not offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting or substituting holder of debt securities of any series affected by that modification (or, where a menu of instruments or other consideration is offered, each exchanging, converting or substituting holder of debt securities of any series affected by that modification is not offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, converting or substituting holder of debt securities of any series affected by that modification electing the same option under such menu of instruments).

Panama may select, in its discretion, any modification method for a reserve matter modification in accordance with the fiscal agency agreement and designate which series of debt securities will be included for approval in the aggregate of modifications affecting two or more series of debt securities. Any selection of a modification method or designation of series to be included will be final for the purpose of that vote or consent solicitation.

Before soliciting any consent or vote of any holder of debt securities for any change to a reserve matter, Panama will provide the following information to the fiscal agent for distribution to the holders of debt securities of any series that would be affected by the proposed modification:

- a description of Panama’s economic and financial circumstances that are in Panama’s opinion relevant to the request for the proposed modification, a description of Panama’s existing debts and a description of its broad policy reform program and provisional macroeconomic outlook;
- if Panama shall at the time have entered into an arrangement for financial assistance with multilateral and/or other major creditors or creditor groups and/or an agreement with any such creditors regarding debt relief, (x) a description of any

such arrangement or agreement and (y) where permitted under the information disclosure policies of the multilateral or other creditors, as applicable, a copy of the arrangement or agreement;

- a description of Panama's proposed treatment of external debt instruments that are not affected by the proposed modification and its intentions with respect to any other major creditor groups; and
- if Panama is then seeking any reserve matter modification affecting any other series of debt securities, a description of that proposed modification.

For purposes of determining whether the required percentage of holders of global bonds has approved any amendment, modification or change to, or waiver of, the global bonds or the fiscal agency agreement, or whether the required percentage of holders has delivered a notice of acceleration of the global bonds, global bonds owned, directly or indirectly, by Panama or any public sector instrumentality of Panama will be disregarded and deemed not to be "outstanding", except that in determining whether the fiscal agent shall be protected in relying upon any amendment, modification, change or waiver, or any notice from holders, only global bonds that the fiscal agent knows to be so owned shall be so disregarded. As used in this paragraph, "public sector instrumentality" means any department, ministry or agency of the national government of Panama, any political subdivision of Panama, or any corporation, trust, financial institution or other entity owned or controlled by the national government of Panama or any of the foregoing, and "control" means the power, directly or indirectly, through the ownership of voting securities or other ownership interests, by contract or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of a corporation, trust, financial institution or other entity.

If both Panama and the fiscal agent agree, they may, without the vote or consent of any holder of debt securities of a series, modify, amend or supplement the fiscal agency agreement or the debt securities of any series for the purpose of:

- adding to the covenants of Panama;
- surrendering any right or power conferred upon Panama;
- securing the debt securities of that series pursuant to the requirements of the debt securities or otherwise;
- curing any ambiguity or curing, correcting or supplementing any defective provision contained in the fiscal agency agreement or in the debt securities of that series; or
- amending the fiscal agency agreement or the debt securities of that series in any manner which Panama and the fiscal agent may determine and which does not adversely affect the interest of any holder of debt securities of that series in any material respect.

Any modification, amendment or supplement approved in the manner described in this section shall be binding on the holders of debt securities of such series.

Except as specifically set forth in this prospectus, the other terms set forth under "Debt Securities – Meetings and Amendments", including notice, quorum and other meeting and consent provisions, remain unchanged with respect to Aggregated Collective Action Securities.

Further Issues of Debt Securities of a Series

From time to time, without the consent of holders of the debt securities of any series that have been designated Aggregated Collective Action Securities, and subject to the required approvals under Panamanian law, Panama may create and issue additional debt securities with the same terms and conditions as those of the debt securities of that series (or the same except for the amount of the first interest payment and the issue price), *provided* that such additional debt securities do not have, for purposes of U.S. federal income taxation (regardless of whether any holders of such debt securities are subject to the U.S. federal tax laws), a greater amount of original issue discount than the debt securities of that series have as of the date of issuance of such additional debt securities. Panama may also consolidate the additional debt securities to form a single series with the outstanding debt securities of that series.

WARRANTS

Panama may issue warrants or other similar securities, either separately or together with debt securities, that would entitle the holder to purchase debt securities or obligate Panama to repurchase or exchange debt securities. If Panama issues any warrants, each issue of warrants will be issued under a warrant agreement between Panama and a bank or trust company, as warrant agent. The terms of any warrant agreement related to the issue of warrants and the specific terms of the issue of warrants will be described in the prospectus supplement that relates to your particular warrants. The prospectus supplement that relates to your particular warrants or other similar securities will describe the following terms:

- the terms listed under the heading “Debt Securities” above as they relate to the particular debt securities you have the right to purchase if you exercise your warrants;
- the amount of debt securities each warrant entitles you to purchase if you exercise your warrants and the purchase price of those debt securities;
- the amount and type of debt securities that you may obligate Panama to purchase or exchange if you exercise your warrants or other securities and the purchase price for those debt securities;
- the procedures you must follow and the conditions you must satisfy to exercise your warrants or other securities;
- the dates on which your right to exercise your warrants or other securities begins and expires;
- the conditions, if any, under which Panama may cancel or terminate your warrants or other securities;
- whether and when your warrants or other securities and any debt securities issued together with your warrants or other securities may be sold or transferred separately;
- whether the certificates that represent the warrants or other securities will be issued in registered or bearer form, whether they will be exchangeable as between such forms and, if issued in registered form, whether the warrants or other securities can be transferred and registered;
- any special United States federal income tax considerations applicable to the issuance of your warrants or other securities; and
- any other terms of such warrants or other securities.

GOVERNING LAW

The fiscal agency agreement, any warrant agreement, the debt securities and any warrants will be governed by and interpreted in accordance with the laws of the State of New York, without regard to any conflicts of laws principles that would require the application of the laws of a jurisdiction other than the State of New York; *provided, however*, that the laws of Panama will govern all matters concerning authorization and execution of all agreements and securities by Panama. With respect to any Aggregated Collective Action securities, notwithstanding any reserve matter modification, the provisions of the fiscal agency agreement relating to certain aspects of calling and holding of meetings and voting on amendments, modifications, changes and waivers related to such Aggregated Collective Action Securities shall in all cases be governed by and construed in accordance with the laws of the State of New York.

JURISDICTION AND ENFORCEMENT

Panama is a foreign sovereign state. Consequently, your ability to sue Panama may be limited. Panama will irrevocably submit to the non-exclusive jurisdiction of any New York State or federal court in New York City in any related proceeding (*i.e.*, any suit, action or proceeding arising out of or relating to the debt securities or the warrants or other similar securities) and Panama will irrevocably agree that all claims in respect of any related proceeding may be heard and determined in such New York State or federal court.

Panama will appoint and will agree to maintain the person acting as or discharging the function of Consul General of the Republic of Panama in New York City as its process agent to receive, on behalf of Panama and its property, service of copies of the summons and complaint and any other process which may be served in any related proceedings. The address of the office of the process agent is:

244 W 54th Street
Suite 701
New York, New York 10019

Panama will irrevocably waive, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any related proceeding and any objection to any related proceeding on the grounds of venue, residence or domicile.

To the extent that Panama has or may acquire any immunity from jurisdiction of the courts or from any legal process in the courts, Panama will irrevocably agree not to claim and will irrevocably waive any immunity in respect of any related proceeding. Panama will agree that these waivers shall have the fullest scope permitted under the Foreign Sovereign Immunities Act of 1976 of the United States.

Notwithstanding the foregoing, the execution on or attachment of revenues, assets and property of Panama located in Panama through the Panamanian courts, both prior to and post-judgment, shall be subject to the provisions of Articles 1047, 1048, 1650 (#14) and 1939 of the Judicial Code of the Republic of Panama. Under articles 1047 and 1048, the State will be notified through the Ministry of Economy and Finance of a money judgment against it, for its payment. If within a year the judgment has not been satisfied, the court will request, through the President of the Supreme Court, that the President of the Republic make the necessary arrangements to comply with the judgment. If three years have elapsed since the date of the judgment without payment, at the request of the judgment creditor and during the next month following such request, the court will order BNP to transfer to the court's account the amount owed to the judgment creditor. Pursuant to article 1650 the assets of the State cannot be attached. Finally, among the protections afforded to the State in civil proceedings, the State cannot be required to pay court costs and attorneys' fees and also cannot be subject to prejudgment measures, except regarding evidentiary matters.

Moreover, Panama has not consented to service or waived sovereign immunity with respect to actions brought against it under United States federal securities laws or any State securities laws. In the absence of a waiver of immunity by Panama with respect to these actions, it would not be possible to obtain a judgment in such an action brought against Panama in a court in the United States unless the court were to determine that Panama is not entitled under the Foreign Sovereign Immunities Act to sovereign immunity with respect to such action. Further, even if a United States judgment could be obtained in such an action, it may not be possible to enforce in Panama a judgment based on such a United States judgment. Execution upon property of Panama located in the United States to enforce a United States judgment may not be possible except under the limited circumstances specified in the Foreign Sovereign Immunities Act.

PLAN OF DISTRIBUTION

Panama or the selling securityholder may sell any combination of the debt securities and/or warrants or other similar securities in any of the following ways:

- through underwriters or dealers;
- directly by Panama or the selling securityholder to one or more purchasers through a specific bidding or auction process or otherwise;
- through agents;
- through a combination of any such methods of sale; or
- through any other methods described in a prospectus supplement.

In addition, the manner in which Panama may sell some or all of the debt securities and/or warrants covered by this prospectus and the manner in which the selling securityholder may sell its debt securities and/or warrants, include through:

- a block trade in which a broker-dealer will attempt to sell as agent but may position or resell a portion of the block as principal in order to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its own account;
- ordinary brokerage transactions and transactions in which a broker solicits purchasers; and
- privately negotiated transactions.

In addition, the selling securityholder also may sell its debt securities and/or warrants in accordance with Rule 144 or other exemptions available under the United States Securities Act of 1933, rather than under this prospectus.

Each prospectus supplement will set forth:

- the name or names of any underwriters or agents;
- the purchase price of the securities of that series;
- the net proceeds to Panama from the sale of the securities;
- any underwriting discounts, agent commissions or other items constituting underwriters' or agents' compensation;
- any initial public offering price;
- any discounts or concessions allowed or reallocated or paid to dealers; and
- any securities exchanges on which the securities may be listed.

The securities may be sold from time to time in distinct series by different means at different prices that are negotiated and fixed or that vary based on market prices.

If underwriters are used in the sale of securities, the underwriters will acquire these securities for their own account and may resell them from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices to be determined at the time of sale. Panama or the selling securityholder may offer the securities to the public either through underwriting syndicates represented by managing underwriters or directly by underwriters. Unless otherwise set forth in the applicable prospectus supplement, the obligations of the underwriters to purchase the securities will be subject to certain conditions precedent and the underwriters will be obligated to purchase all such securities if any are purchased. The underwriters may change any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers.

Panama or the selling securityholder may also sell securities of any series directly to the public or through agents designated by Panama or the selling securityholder from time to time. Unless otherwise specified in the applicable prospectus supplement, an agent used in the sale of securities will sell the securities on a reasonable best efforts basis for the period of its appointment. To the extent required, the prospectus supplement will describe the terms of any such sales, including the terms of any bidding or auction process, if used.

FINRA guidelines prescribe the maximum compensation to any underwriters or agents in connection with the sale of any securities pursuant to this prospectus and any applicable prospectus supplement.

Panama or the selling securityholder may authorize agents, underwriters or dealers to solicit offers by certain specified entities to purchase the securities from Panama under “delayed delivery” contracts. Purchasers of securities under delayed delivery contracts will pay the public offering price plus accrued interest, if any, and will take delivery of these securities on a date or dates stated in the applicable prospectus supplement. Delayed delivery contracts will be subject only to those conditions set forth in the applicable prospectus supplement. The applicable prospectus supplement will set forth the commission payable for solicitation of these delayed delivery contracts.

Panama may offer the securities of any series to present holders of other securities of Panama as consideration for the purchase or exchange by Panama of other securities. This offer may be in connection with a publicly announced tender, exchange or other offer for these securities or in privately negotiated transactions. This offering may be in addition to or in lieu of sales of securities directly or through underwriters or agents as set forth in the applicable prospectus supplement.

Panama or the selling securityholder may agree to indemnify agents and underwriters against certain liabilities, including liabilities under the United States Securities Act of 1933, or to contribute to payments which the agents or underwriters may be required to make in respect of any of these liabilities. Agents and underwriters may engage in transactions with or perform services for Panama or the selling securityholder in the ordinary course of business.

SELLING SECURITYHOLDER

The Savings Fund Trust is a trust formed under the laws of the Republic of Panama, and was created pursuant to Law No. 38 of June 5, 2012 (as published in the Official Gazette on June 6, 2012), as amended, and Executive Decree 1068 of September 6, 2012, to establish a long-term saving mechanism for the country in order to provide a stabilization mechanism in emergency circumstances and in the event of an economic slowdown and to reduce the need to finance such events with debt instruments. The Ministry of Economy and Finance acts as settlor for the Savings Fund and *Banco Nacional de Panamá* acts as its trustee.

Since January 1, 2015, the selling securityholder may acquire debt securities of the Republic of Panama in the secondary market.

VALIDITY OF THE SECURITIES

The validity of the debt securities and warrants or other similar securities will be passed upon for Panama by the *Procuradora de la Administración* of Panama or by a duly authorized attorney of the *Procuraduría de la Administración* and by Arnold & Porter Kaye Scholer LLP, United States counsel to Panama, and for the underwriters, if any, by United States counsel and Panamanian counsel to the underwriters named in the applicable prospectus supplement.

As to all matters of Panamanian law, Arnold & Porter Kaye Scholer LLP may rely on the opinion of the *Procuradora de la Administración* or a duly authorized attorney of the *Procuraduría de la Administración*. As to all matters of United States law, the *Procuradora de la Administración* or a duly authorized attorney of the *Procuraduría de la Administración* may rely on the opinion of Arnold & Porter Kaye Scholer LLP. Certain statements with respect to matters of Panamanian law in this prospectus have been passed upon by the *Procuradora de la Administración* or a duly authorized attorney of the *Procuraduría de la Administración*, and are made upon the authority of such person.

OFFICIAL STATEMENTS

Information included in this prospectus which is identified as being derived from a publication of, or supplied by, Panama or one of its agencies or instrumentalities is included on the authority of that publication as a public official document of Panama. All other information in this prospectus and the registration statement (of which this prospectus is a part) is included as a public official statement made on the authority of Felipe Eduardo Chapman Arias, the Minister of Economy and Finance of the Republic of Panama.

AUTHORIZED REPRESENTATIVE

The authorized representative of Panama in the United States of America is the Ambassador of Panama to the United States of America, or whoever is acting as Panama's diplomatic representative to the United States of America and whose address is:

Embassy of Panama
2862 McGill Terrace, N.W.
Washington, D.C. 20008

GLOSSARY

“FINRA” means the Financial Industry Regulatory Authority, Inc.

“Indebtedness” means any payment obligation (whether pursuant to a guarantee or otherwise), including any contingent liability, for borrowed money or arising from bonds, debentures, notes or similar instruments.

“Lien” means any lien, pledge, mortgage, security interest, deed of trust, charge or other encumbrance or preferential arrangement which has the practical effect of constituting a security interest with respect to the payment of any obligations with or from revenues or the proceeds of any asset of any kind whether in effect on the date the fiscal agency agreement becomes effective or at any time thereafter.

“Mixed Companies” means the following companies or their successors: AES Panamá, S.R.L.; Bahía Las Minas Corp.; Cable & Wireless Panamá, S.A.; Elektra Noreste, S.A.; Empresa de Distribución Eléctrica Chiriquí, S.A.; Empresa de Distribución Eléctrica Metro-Oeste, S.A.; Enel Fortuna, S.A.; Energía y Servicios de Panamá, S.A.; Panamá Ports Company, S.A. and Petroterminal de Panamá, S.A..

“Public External Indebtedness” means any Public Indebtedness which is not issued pursuant to agreements or evidenced by instruments that submit the resolution of all disputes arising thereunder to the exclusive jurisdiction of the courts of Panama.

“Public Indebtedness” means any Indebtedness of, or guaranteed by, Panama which:

- is publicly offered or privately placed in securities markets;
- is in the form of, or represented by, bonds, notes or other securities or any guarantees thereof;
- is, or was intended at the time of issue to be, quoted, listed or traded on any stock exchange, automated trading system or over-the-counter or other securities market (including, without prejudice to the generality of the foregoing, securities eligible for sale pursuant to Rule 144A under the United States Securities Act of 1933 (or any successor law or regulation of similar effect)); and
- has an original maturity of more than one year or is combined with a commitment so that the original maturity of one year or less may be extended at the option of Panama to a period in excess of one year.

THE ISSUER

The Republic of Panama

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**FISCAL AGENT, PAYING AGENT
AND TRANSFER AGENT**

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240 Greenwich Street, 7th Floor
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United States

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Sullivan & Cromwell LLP

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New York, New York 10004
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To Panama, as to Panamanian law:

Dr. Grettel Villalaz de Allen

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Antiguo Palacio de Arte (nueva)
Republic of Panama

To the Underwriters, as to Panamanian law:

Arias, Fábrega & Fábrega

ARIFA Building, 10th Floor, West Boulevard
Santa Maria Business District Panama
Republic of Panama

LUXEMBOURG LISTING AGENT

Banque International à Luxembourg S.A.
69, route d'Esch
L-2953 Luxembourg

DISCLAIMERS – SECONDARY MARKET LISTING ON LATINEX

This document consists of the disclaimers required in connection with the application for the listing of the Global Bonds Due 2038 on Latinex (Bolsa Latinoamericana de Valores, S.A.), dated April 28, 2026. The following disclaimers are required pursuant to the rules and regulations of Latinex:

Bolsa Latinoamericana de Valores, S.A. (Latinex) is not responsible for the content of this prospectus, memorandum, or offering circular. Latinex makes no representation or warranty, either express or implied, regarding the truthfulness, accuracy, or completeness of the information contained herein. Latinex expressly disclaims any and all liability for any loss or damage arising from the use or interpretation of this document, whether in whole or in part.

The securities and/or financial instruments described in this document are not registered with the Superintendence of the Securities Market of the Republic of Panama (SMV) and therefore they are not subject to its supervision, nor do they benefit from the protection granted by the Securities Market Law to registered issuers. Likewise, the tax treatment provided under said Law is not applicable to these securities and/or financial instruments.