

RATING ACTION COMMENTARY

Fitch Downgrades Invatlan's Long-Term IDRs to 'CCC', Maintains Rating Watch Negative

Thu 11 Dec, 2025 - 6:20 p. m. ET

Fitch Ratings - Monterrey - 11 Dec 2025: Fitch Ratings has downgraded Inversiones Atlantida, S.A.'s (Invatlan) Long-Term Foreign and Local Currency Issuer Default Ratings (IDRs) to 'CCC' from 'B', its senior debt rating to 'CCC' with a Recovery Rating of 'RR4' from 'B'/'RR4', and its Short-Term Foreign and Local Currency IDRs to 'C' from 'B'. Fitch has maintained the ratings on Rating Watch Negative (RWN).

The downgrades resulted from the high liquidity and execution risks related to the upcoming USD300 million debt maturity on May 19, 2026. Although the entity has plans to address the bond repayment, Fitch notes that implementation of such measures faces challenges, including the short time remaining until the bond's maturity, an increasingly uncertain local operating environment due to political instability, and the significant size of the bond in relation to the company's current and future liquidity.

The RWN on all ratings reflects the ratings' downside potential if Fitch sees additional delays in the strategy, increasing pressures and less room to meet the maturity debt. Fitch will continue monitoring the execution of Invatlan's liquidity strategy and expects to review the ratings again at least 90 days prior to the bond's maturity date. Future rating actions will be driven by the factual achievements (or lack thereof) in addressing this debt repayment.

Fitch has also downgraded to 'CCC(EXP)'/ 'RR4'/RWN and simultaneously withdrawn Invatlan's senior debt expected rating, as it is no longer expected to convert to a final rating.

KEY RATING DRIVERS

Invatlan's Liquidity and Execution Risks Persist: Fitch considers Invatlan's liquidity management and contingent plans have become significantly less prudent over the past

year, constraining flexibility ahead of the May 2026 bond maturity. Liquidity risk is elevated given the proximity of the maturity, and delays or shortfalls in the execution of identified available sources could further compress the company's capacity to meet obligations in a timely manner. Fitch believes that a timelier execution and materialization of Invatlan's strategy remains critical to mitigate near-term risks and preserve financial flexibility.

Main Subsidiary's Credit Profile Is Factored into Invatlan's Ratings, but Intrinsic Considerations at the Holding Level Are Increasingly Driving the Ratings: Invatlan's ratings are linked to the credit profile of its main subsidiary, Banco Atlantida, S.A. (Atlantida). The holding company is now rated various notches below Atlantida, primarily due to the heightened and rapidly deteriorating liquidity and refinancing risks, although the high double leverage is also considered. Fitch does not rule out the possibility of additional downgrades in the near future, which could lead to a greater rating differentiation between both entities due to the increased liquidity risks, even if double leverage does not change significantly.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--Fitch expects to review the ratings and the RWN after assessing the materialization of Invatlan's contingency plan and their impact on its credit profile. If liquidity and execution risks increase significantly, Fitch does not rule out additional downgrades of the ratings to reflect the potentially increasing possibility of a default;

--A significant reduction in dividend transfers from Invatlan's main subsidiaries that ultimately affects its liquidity to service debt, or a sustained increase of double leverage to above 200%.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--Although it is not the immediate scenario given Invatlan's current challenges, the RWN could be resolved and the ratings eventually upgraded if Invatlan's near-term funding strategies are completed successfully to an extent that materially reduces the current and future liquidity, refinancing and execution risks. A certain degree of notching down from Atlantida's ratings, however, is expected to remain.

OTHER DEBT AND ISSUER RATINGS: KEY RATING DRIVERS

Invatlan's Senior Secured Notes: The rating on the senior secured notes is aligned with Invatlan's issuer ratings. Although the notes are secured, Fitch believes the collateral mechanism does not materially change default risk and/or enhance recovery prospects. Under Fitch's criteria, recoveries are considered average, consistent with a Recovery Rating of 'RR4'.

OTHER DEBT AND ISSUER RATINGS: RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--The global senior secured debt rating would mirror any change to Invatlan's IDRs;

--Negative rating factors are not applicable for the expected rating as it has been withdrawn.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--The global senior secured debt rating would mirror any change to Invatlan's IDRs;

--Positive rating factors are not applicable for the expected rating as it has been withdrawn.

Sources of Information

The principal sources of information used in the analysis are described in the Applicable Criteria.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS

Invatlan's IDRs are linked to Banco Atlantida's IDRs.

ESG CONSIDERATIONS

Invatlan has an ESG Relevance Score of '4' for Management Strategy due to risks associated with the company's ability to execute its strategy to pay its senior unsecured debt. These

execution risks have a negative impact on the credit profile and are relevant to the ratings in conjunction with other factors.

Invatlan has an ESG Relevance Score of '4' for Financial Transparency due to lagging or missing information disclosure. This has a negative impact on the credit profile and is relevant to the ratings in conjunction with other factors.

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/topics/esg/products#esg-relevance-scores.

RATING ACTIONS

ENTITY / DEBT ⚡	RATING ⚡	RECOVERY ⚡	PRIOR ⚡
Inversiones Atlantida S.A.	LT IDR		B Rating
	CCC Rating Watch Negative		Watch
	Downgrade		Negative
	ST IDR		B Rating
	C Rating Watch Negative		Watch
	Downgrade		Negative

LC LT IDR				B Rating
CCC Rating Watch Negative				Watch
Downgrade				Negative
LC ST IDR				B Rating
C Rating Watch Negative				Watch
Downgrade				Negative
senior secured	LT	CCC Rating Watch Negative	RR4	B Rating
		Downgrade		Watch
				Negative
senior secured	LT		RR4	B(EXP) Rating
		CCC(EXP) Rating Watch Negative		Watch
		Downgrade		Negative
senior secured	LT	WD	Withdrawn	

[VIEW ADDITIONAL RATING DETAILS](#)

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APPLICABLE CRITERIA

[Bank Rating Criteria \(pub. 21 Mar 2025\) \(including rating assumption sensitivity\)](#)

ADDITIONAL DISCLOSURES

[Dodd-Frank Rating Information Disclosure Form](#)

[Solicitation Status](#)

[Endorsement Policy](#)

ENDORSEMENT STATUS

Inversiones Atlantida S.A.

EU Endorsed, UK Endorsed



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