March 31st, 2022

EARNINGS REPORT

Nine-month period for the fiscal year ending on June 30th, 2022

GLOBAL BANK

GLOBAL BANK CORPORATION

Disclaimer

Global Bank Corporation is an issuer of securities in Panama, and as such, it is required to comply with periodic reporting requirements and corporate governance practices. As a financial institution, the Bank is subject to inspection and surveillance from Panama's Superintendency of Banks.

The financial information included in this report was prepared with non-audited consolidated financial information in accordance with IFRS. However, details of the calculations and IFRS measures such as Adjusted Net Income, ROAA, ROAE, among others, are explained when required throughout the report.

Our Financial Statements are expressed in Balboas (B/.), Panama's official monetary unit. The Balboa is freely exchangeable for the U.S. dollar on a one-to-one basis. Panama does not issue paper currency; instead, it uses the U.S. dollar as its legal currency. For ease of reference, all amounts discussed herein are expressed in U.S. dollars ($), the lawful currency of the United States of America.

This report includes forward-looking statements. In some cases, you can identify these forward-looking statements by words such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," or "continue," or the negative of these and other comparable words.

Actual results and events may differ materially from those anticipated herein because of general economic and business conditions, changes in interest rates, or other risk factors. Recipients of this document are responsible for the assessment and use of the information provided herein. Matters described in this report and our knowledge of them may change extensively and materially over time. Still, we expressly disclaim any obligation to review, update or correct the information provided in this report, including any forward-looking statements, and do not intend to provide any update for such material developments before our next earnings report. This document's content and the figures included herein are designed to provide a summary of the subjects discussed rather than a comprehensive description.

GLOBAL BANK CORPORATION REPORTS A CONSOLIDATED NET INCOME OF $26.9 MILLION FOR THE NINE-MONTH PERIOD ENDING ON MARCH 31st, 2022.

Management Highlights:

- **As of March 31st, 2022, Global Bank reported a cumulative net income of $26.9 million,** representing an increase of 69.6% when compared to the same period last year. The increase in net income was mainly driven by a $28.8 million decline in provisioning for loan losses when compared against the same period in 2021, supporting a normalization of credit post- pandemic as well as a more stabilized economy.
- **Our financial margin increased in Q3´22 to 43.0% vis-à-vis Q3'21 of 40.1%. This increase resulted from lower LIBOR/SOFR costs and the change in strategy of corporate bond financing to more bilateral funding and changes in our deposit mix. Additionally,** we experienced a sustained increase in loan volume coupled with lower yields. This has resulted in an annualized NIM increase when compared against the same period last year (2.46% vs. 2.35%).
- **Loan loss provision expense declined to $46.3 million for the quarter ended on March 31st, 2022, a $28.8 million or (38.4%) decline when compared to the same period last year.** The decrease in provisions for loan losses is a key component of the positive evolution of the modified loans portfolio which has eased our expected loss model provision requirements for the quarter. We foresee similar levels of provisioning during the last quarter of our fiscal year.
- **As of March 31st, 2022, Global Bank's assets totaled $8.3 billion,** remaining almost flat at 0.4% when compared to Q2´22 and experiencing a 2.0% drop when compared to the same period last year. This flat variance in total assets during the quarter was mainly driven by a 3.0% decrease in cash and deposits, coupled with a 6.6% decrease in the investment portfolio and a 2.1% growth in the loan portfolio when compared to Q2´22.
- **Liquidity levels remain stable.** For Q3'22, our cash and equivalents totaled $438.6 million, a decrease of 3.0% from last quarter. Our deposit base experienced a 2.0% reduction -or $105.6 million change from Q2'22- to total $5.3 billion.
- **Gross loans increased by 2.1% to $6.1 billion quarter-over-quarter as of March 31st, 2022.** Consumer loans increased by 1.1% (or $32.3 million) and corporate loans increased by 3.2% (or $96.6 million).
- **Our non-performing loans remained flat at 3.4% of Total Loans ($205.5 million in Q3'22 vs. $205.4 million in Q2'22)**. Non-performing loans were split 63.5% within the corporate banking segment and 36.5% in the consumer banking segment. The NPL ratio declined 7 basis points, from 3.43% in Q2'22

to 3.36% in Q3’22. Our loan loss reserves ended the quarter at $226.3 million, an increase of 4.1% versus Q2’22; this, in turn, resulted in an increase in our NPL coverage ratio to 110.1% for Q3’22.

- **Our Capital Adequacy Ratio was 15.56%, Common Tier 1 (CT1) 12.24%, Total Tier 1 (TT1) 15.56%**. Our capital ratios continue to be well above the regulatory minimum for each capital category (Total: 8.0%, CT1: 4.5%, TT1: 6.0%).

Income Statement Summary[1]

Global Bank Corporation and Subsidiaries - Income Statement				
			Δ 9M 22/9M 21	
(Data in US$ thousands)	**9M 22**	**9M 21**	**$**	**%**
Loans	285,549	304,268	*(18,719)*	(6.2%)
Deposits	827	1,247	*(420)*	(33.7%)
Investments	28,228	25,668	*2,560*	10.0%
Total Interest income	314,603	331,183	(16,580)	(5.0%)
Deposits	(119,522)	(129,015)	*9,493*	(7.4%)
Financing	(25,216)	(18,153)	*(7,063)*	38.9%
Bonds & Commercial Paper	(34,721)	(51,147)	*16,426*	(32.1%)
Total Interest expense	(179,459)	(198,316)	18,857	(9.5%)
Net interest income	**135,145**	**132,868**	**2,277**	**1.7%**
Margin	***43.0%***	***40.1%***		
Net fee income	29,348	26,113	3,235	12.4%
Other income	10,359	18,944	(8,585)	(45.3%)
General and administrative expenses [1]	(103,458)	(95,969)	(7,489)	7.8%
Net income before Loan loss allowance	**71,394**	**81,956**	**(10,562)**	**(12.9%)**
Margin	***22.7%***	***24.7%***		
Loan loss allowance	(46,261)	(75,056)	28,794	(38.4%)
Profit before income tax	**25,133**	**6,900**	**18,233**	**264.2%**
Income tax	1,796	8,976	(7,181)	(80.0%)
Net income	**26,929**	**15,877**	**11,052**	**69.6%**

[1] Provision expense related to investments and sovereign risk in 9M´22 of $2,865K; and 9M´21 of $2,562K were included in G&A.

Balance Sheet Summary

Global Bank Corporation and Subsidiaries - Balance Sheet				
			Δ Q3´22/ Q2´22	
(Data in US$ thousands)	Q3´22	Q2´22	$	%
Assets				
Cash and deposits	350,757	291,584	59,173	20.3%
Interbank Deposits	87,646	160,502	(72,856)	(45.4%)
Interest Receivable	175	182	(7)	(3.9%)
Total Cash and deposits	438,578	452,269	(13,690)	(3.0%)
Gross loans	6,125,134	5,996,281	128,853	2.1%
Interest Receivable	165,687	170,092	(4,405)	(2.6%)
Allowance for loan losses	(226,252)	(217,391)	(8,861)	4.1%
Unearned Interest & Commissions	(10,267)	(10,362)	95	(0.9%)
Total Net Loans	6,054,301	5,938,619	115,682	1.9%
Investments	1,068,827	1,144,870	(76,043)	(6.6%)
Interest Receivable	7,458	7,228	230	3.2%
Total Investments	1,076,285	1,152,098	(75,813)	(6.6%)
Other assets	730,667	722,858	7,809	1.1%
Total assets	**8,299,832**	**8,265,844**	**33,988**	**0.4%**
Liabilities & Shareholder's Equity				
Demand	514,234	513,082	1,152	0.2%
Savings	1,281,911	1,276,937	4,973	0.4%
Time Deposits	3,372,694	3,476,444	(103,750)	(3.0%)
Interbank Deposits	66,039	63,925	2,114	3.3%
Interest Payable	31,226	41,308	(10,081)	(24.4%)
Total Deposits	5,266,104	5,371,696	(105,592)	(2.0%)
Repos & financings	1,485,824	1,335,917	149,907	11.2%
Bonds and commercial paper	619,570	618,320	1,250	0.2%
Interest Payable	13,913	10,065	3,848	38.2%
Total Financing	2,119,307	1,964,302	155,005	7.9%
Other liabilities	136,401	143,590	(7,189)	(5.0%)
Total liabilities	**7,521,812**	**7,479,588**	**42,224**	**0.6%**
Shareholder's equity	**778,020**	**786,256**	**(8,236)**	**(1.0%)**

Key Performance Metrics[2,3,4,5]

	Q3´22	Q2´22	Q1´22	Q4´21	Q3´21	Q2´21	Q1´21	Q4´20
Profitability								
Net Interest Margin	2.46%	2.43%	2.33%	2.31%	2.35%	2.42%	2.42%	2.30%
Efficiency Ratio	59.17%	60.97%	62.05%	56.10%	53.94%	54.55%	56.75%	56.28%
ROAA	0.43%	0.30%	0.24%	0.32%	0.25%	0.19%	0.06%	0.49%
ROAE	4.57%	3.18%	2.60%	3.38%	2.70%	2.03%	0.68%	5.38%
Loan Quality								
Overdue (NPLs)/ Gross Loans	3.36%	3.43%	3.31%	3.18%	2.97%	3.18%	2.88%	2.03%
Allowance / Overdue (NPLs)	110.08%	105.84%	102.91%	108.12%	112.43%	100.81%	98.91%	120.74%
Allowance/ Gross Loans	3.69%	3.63%	3.40%	3.44%	3.34%	3.21%	2.85%	2.45%
Loan to Deposit Ratio	117.01%	112.49%	114.38%	115.75%	114.78%	119.55%	122.04%	122.51%
Loan to Deposits + Corporate Bonds Ratio [4]	108.56%	104.51%	105.51%	106.73%	105.92%	110.09%	100.95%	100.49%
Capital Ratios								
Capital Adequacy Ratio	15.56%	15.91%	16.07%	15.97%	15.49%	15.62%	15.09%	14.58%
Tier 1 Common	12.24%	12.57%	12.74%	12.74%	12.32%	12.45%	12.31%	11.94%
Additional Tier 1 Capital	3.32%	3.34%	3.33%	3.08%	3.02%	3.02%	2.63%	2.49%
Tier 2 Capital	0.00%	0.00%	0.00%	0.15%	0.15%	0.15%	0.15%	0.14%

[2] Ratios calculated on an annualized basis

[3] Ratio calculated using gross deposits (excludes interest payable).

[4] Ratio includes corporate bonds with a maturity over 1 year.

[5] Capital Adequacy Ratio includes financial relief measures according to the Bank Superintendency Board of Directors General Resolutions SBP-GJD-0004-2020 and SBP-GJD-0005-2020.

Income Statement

1.0 Net Interest Income

(Data in US$ millions)	9M 22	9M 21	Δ 9M 22/9M 21 $	%
Interest Income				
Loans	285.5	304.3	-18.7	(6.2%)
Deposits	0.8	1.2	-0.4	(33.7%)
Investments	28.2	25.7	2.6	10.0%
Total Interest Income	**314.6**	**331.2**	**-16.6**	**(5.0%)**
Interest Expense				
Deposits	119.5	129.0	-9.5	(7.4%)
Loans	25.2	18.2	7.1	38.9%
Bonds & Commercial Paper	34.7	51.1	-16.4	(32.1%)
Total Interest Expense	**179.5**	**198.3**	**-18.9**	**(9.5%)**
Net Interest Income	**135.1**	**132.9**	**2.3**	**1.7%**
Margin	*43.0%*	*40.1%*		

- Net interest income for the nine months ending March 31st, 2022, reached $135.1 million, an increase of 1.7% when compared to the same period last year. The increase in loan volume, coupled with lower funding costs due to the repricing of our LIBOR/SOFR related facilities and the switch from corporate bonds to lower funding-cost alternatives drove an improvement in this metric on an LTM basis.
- As a result of the changes described above, our financial margin increased to 43.0% for Q3’22 vs. 40.1% for Q3’21. Going forward, short term, we expect our margin to experience some pressure as deposits in Panama have begun to command higher yields while loans have lagged on effecting such repricing. We believe this dynamic to be temporary and self-correcting as Panama continues to experience favorable re-opening and macro-economic conditions.

2.0 Net Fee and Other Income

(Data in US$ millions)	9M 22	9M 21	Δ 9M 22/9M 21 $	%
Fee Income				
Loans	19.1	15.0	4.1	27.3%
Letters of Credit	1.6	2.2	(0.6)	(28.6%)
Savings and debit cards	3.1	3.0	0.1	3.1%
Trust Services	9.1	8.0	1.1	13.7%
Others	10.6	7.6	2.9	38.4%
Fee Expenses	**(14.1)**	**(9.8)**	**(4.4)**	**44.5%**
Net Fee Income	**29.3**	**26.1**	**3.2**	**12.4%**
Other Income				
Net Insurance premiums	9.0	8.9	0.1	0.9%
Others	1.3	10.0	(8.7)	(86.7%)
Total Other Income	**10.4**	**19.0**	**(8.6)**	**(45.4%)**

Net fee income increased by 12.4% or $3.2 million for Q3´22 vs. Q3´21. The increase in fee income was due to higher disbursements in consumer and corporate loans as part of the post-COVID19 economic recovery. Additionally, the bank has been able to command more fee income from additional merchant commissions and fees from corporate finance structuring in our Investment Banking division.

Total Other Income decreased by 45.4%, or $8.6 million for Q3´22 vs. Q3´21 due to the non-realization of sales of securities as they were realized in the same period the previous year and other receivables clean-ups. Insurance premiums increased by 0.9% or $0.1 million.

3.0 Operating Expenses

- General & Administrative Expenses (G&A) totaled $103.5 million for Q3´22, representing a $7.5 million increase or 7.8% gain over the same period last year. The change was primarily driven by cost increases (including marketing, IT, rental, and utilities) as a result of branches reopening and more IT investments to beef-up our digital platform, its footprint and channels. This overall change in G&A is the net result of continuing savings tied to remote working by 43%[6] of our workforce.

- Our operating Efficiency Ratio[7] for the nine months ending March 31st, 2022, was 59.17% vs. 53.94% for the same period last year due to higher expenses as further explained in the above paragraph.

[6] As of March 31st, 2022.
[7] Efficiency ratio: Total G&A expenses, excluding loan loss provision divided by total net revenue.

Balance Sheet

1.0 Cash and Equivalents

Total cash and equivalents decreased by $13.7 million totaling $438.6 million for Q3'22. This represented a -3.0% quarter over quarter change. Our cash balances continued to be stable with the bank raising its liquidity levels to help support an increase of $128.9 million in the loan portfolio by (or 2.1% vs. Q2'22). We also experienced a reduction in deposits of $103.8 million, which was mainly driven by 2 institutional deposits maturing during the quarter. Our liquidity coverage ratio (LCR) was 134.4%, well above the regulatory minimum of 85.0%. Our legal liquidity ratio was 38.7%, well above the 30.0% regulatory minimum.

1.1 Investment Portfolio

In order to help support our loan growth, the Bank decreased its investment portfolio during the quarter by 6.6% or $75.8 million vs. Q2'22. We continue to invest excess liquidity mainly in Agency Papers, US Treasuries and other investment-grade securities. This mix has resulted in a 3.49% average yield for our portfolio or 19 basis points higher when compared to Q3'21 while also helping sustain adequate levels in our LCR ratio.

Of the total investment portfolio, 45.8% are investment-grade securities, 20.5% are non-investment grade, and 33.8% are local investment grade; excluding local investment in bonds, our investment-grade securities represent 69.1% of the international portfolio. Investments in US Agency paper totaled US$239.4 million as of March 31st, 2022.Our investment portfolio is primarily composed of corporate and sovereign fixed income securities, including securities issued by the U.S., Latin American, and European financial institutions.

1.2 Loan Portfolio

As of March 31st, 2022, our gross loan portfolio increased by 2.1% ($128.9 million) closing at $6.1 billion. The Bank's portfolio mix remained unchanged, with the consumer portfolio accounting for 49.2% of our total gross loans and the corporate portfolio stood at 50.8% of total gross loans.

The consumer portfolio increased by 1.1% to $3.0 billion in Q3´22. Within the consumer portfolio, the products that grew during Q3'22 were mortgages by 0.8% representing a $14.9 million increase, personal & retirees by 2.3% representing a $16.8 million increase, car loans by 0.6% representing $1.4 million and overdraft by 14.3% or $2.3 million. All other products declined as follows: pledged -1.0% and credit cards by -1.9%.

Global Bank's corporate portfolio increased by 3.2% to $3.1 billion for Q3'22. The products that experienced growth during this quarter were commercial by 7.1% representing a $116.1 million increase, agriculture by 1.2% representing 4.0 million, leasing by 4.3% or $1.5 million and overdrafts and pledged by 9.2% and 1.5%, respectively ($2.5 million combined total).

(Data in US$ millions)	Q3´22	Q2´22	Q1´22	Q4´21	Δ Q3´22/Q2´22 $	%
Consumer Banking						
Mortgages	1,841.4	1,826.5	1,806.8	1,788.2	14.9	0.8%
Car Loans	242.6	241.2	240.4	238.7	1.4	0.6%
Personal & Retirees	734.9	718.1	701.0	687.1	16.8	2.3%
Credit Cards	132.4	135.0	134.5	135.5	(2.6)	(1.9%)
Pledged	41.3	41.7	42.6	43.4	(0.4)	(1.0%)
Overdrafts	18.0	15.8	18.1	20.8	2.3	14.3%
Total Consumer Banking	**3,010.5**	**2,978.2**	**2,943.5**	**2,913.7**	**32.3**	**1.1%**
Corporate Banking						
Commerce	1,743.3	1,627.2	1,590.6	1,595.1	116.1	7.1%
Construction	455.1	480.5	560.0	606.4	(25.4)	(5.3%)
Agriculture	345.6	341.6	348.2	358.1	4.0	1.2%
Factoring	243.0	251.5	216.7	208.8	(8.5)	(3.4%)
Overdrafts	149.4	136.8	165.1	179.7	12.6	9.2%
Pledged	67.9	66.9	69.1	68.2	1.0	1.5%
Leasing	36.6	35.1	47.4	48.4	1.5	4.3%
Small & Medium Enterprise	57.7	61.6	61.3	62.2	(3.9)	(6.3%)
Transport	16.1	17.0	17.7	18.4	(0.9)	(5.1%)
Total Corporate Banking	**3,114.6**	**3,018.1**	**3,076.1**	**3,145.1**	**96.6**	**3.2%**
Total Gross Loans	**6,125.1**	**5,996.3**	**6,019.6**	**6,058.8**	**128.9**	**2.1%**
Interest Receivables	165.7	170.1	171.7	170.9	(4.4)	(2.6%)
Allowance for Loan Losses	(226.3)	(217.4)	(204.9)	(208.6)	(8.9)	4.1%
Unearned interest and fees	(10.3)	(10.4)	(12.8)	(13.1)	0.1	(0.9%)
Total Net Loans	**6,054.3**	**5,938.6**	**5,973.6**	**6,008.0**	**115.7**	**1.9%**

Our stage 2 loans remined flat by 0.1% for Q3’22 vs. Q2’22 as we continue to re-calibrate our expected loss model to reflect potential credit losses due to the COVID-19 pandemic post effects. Stage 3 loans also observed a slight increase of 4.2% (explained in more detail in the table below).

	Q3´22				Q2´22			
(Data in US$ millions)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Corporate	2,418.5	511.3	189.7	3,119.6	2,465.6	504.6	182.5	3,152.7
Consumer	2,194.1	704.0	107.4	3,005.6	2,162.0	709.2	102.7	2,973.8
Total	**4,612.7**	**1,215.3**	**297.2**	**6,125.1**	**4,627.6**	**1,213.8**	**285.2**	**6,126.6**

1.3 Impairment Allowance Overview

Impairment allowance increased by $8.9 million, net of charge-offs in Q3´22 to a total of $226.3 million, representing a 4.1% increase versus Q2’22. The Bank continued to build-up loan loss provisions during Q3’22 with an accumulated provision expense of $46.3 million, a 38.4% decrease when compared to the same period last year.

Non-performing loans totaled $205.5 million for Q3’22 vs. $205.4 million for Q2’22. NPLs in our corporate segment decreased q-o-q by $5.4 million in the following segments: commercial loans by $4.7 million, agriculture loans by $1.0 million, factoring loans by $0.5 million; this net of an increase on overdraft loans by $0.8 million and leasing loans by $0.1 million. Our consumer NPLs increased by $5.5 million total - where personal & retirees grew by $2.5 million, auto loans by $0.1 million, mortgages by $2.0 million and credit cards by $1.0 million. Our NPLs are distributed across all segments of the economy, with the three largest amounts related to our commercial portfolio ($66.6 million); agriculture portfolio ($31.9 million) and mortgage portfolio ($32.6 million).

Our NPL coverage ratio increased from 105.8% in Q2'22 to 110.1% in Q3'22.

(Data in US$ millions)	Q3´22	Q2´22	Δ Q3´22/ Q2´22 $	%
Balance Beginning of year	208.6	208.6	0.0	0.0%
Reserve charged to expenses	46.3	33.2	13.1	39.5%
Recoveries	2.2	1.5	0.7	44.9%
Written-off loans	(30.8)	(25.9)	(4.9)	19.0%
Balance at end of period	**226.3**	**217.4**	**8.9**	**4.1%**

1.3.1 Modified Loans Status

As of Q3'22, the bank had $714 million in modified loans, representing 11.7% of the total gross loans portfolio. When compared against Q3'20 (during the COVID-19 pandemic), we have observed a reduction of $2.9 billion or 80.1% in modified loans. The modified loans portfolio is split 70.9% in consumer and 29.1% in corporate.

Products	No.	Modified	No Modified	Total Loans	%
Internal Segment Corporate					
1. Commercial	385	161,587,859	1,868,241,732	2,029,829,591	
2. Agriculture	146	13,140,909	332,434,260	345,575,170	
3. Overdrafts	11	8,073,870	159,348,576	167,422,447	
4. Industrial	7	16,408,590	277,693,829	294,102,419	
5. Leasing	47	895,595	35,726,231	36,621,826	
6. Transportation	180	7,772,203	8,368,379	16,140,582	
7. Factoring	-	-	242,976,006	242,976,006	
Sub Total	**776**	**207,879,026**	**2,924,789,014**	**3,132,668,041**	**29.10%**
Internal Segment Consumer					
1. Personal	2,385	62,606,663	302,284,595	364,891,258	
2. Mortgages	5,171	360,417,976	1,480,932,030	1,841,350,006	
3. Auto	4,103	44,163,057	198,451,445	242,614,502	
4. Retirees	3	80,195	411,154,637	411,234,832	
5. Credit Cards	7,242	39,096,718	93,278,324	132,375,043	
Sub Total	**18,904**	**506,364,610**	**2,486,101,032**	**2,992,465,641**	**70.90%**
Total	**19,680**	**714,243,636**	**5,410,890,046**	**6,125,133,682**	**100.00%**

The recovery in payments (interest and principal) from our modified loan portfolio continues to perform better than expected. As of Q3'22, we had approximately $200 million in loans under moratorium versus $1.0 billion as of Q3'21; representing a $0.8 billion overall reduction from a year ago and a $0.1 billion reduction when compared to Q2´22. As of March 31st, 2022, we have provisioned 11.19% (regulatory minimum 3.00%) of the modified loan portfolio, fully expensed through provisioning.

Based on the new Bank Superintendency Accord 6-2021, modified loans should be classified and reported based on their risk stage under the IFRS 9 classification, together with the Board of Directors General Resolution SBP-GJD-0003-2021. The reporting under these provisions is as follows:

(Data in US$ millions)	Stage 1	Modified Loans - Mar22 Stage 2	Stage 3	Total
Normal	-	132.5	0.1	132.6
Special Mention	-	0.1	-	0.1
Subnormal	157.7	306.1	24.7	488.4
Doubtful	-	10.2	3.7	13.9
Uncollectible	-	28.3	51.0	79.3
(-) Modified Loans Pledged	0.0	0.4	0.0	0.5
(+) Interests Receivable	8.9	39.8	4.5	53.2
(-) Unearned interests & commissions	0.0	0.1	0.0	0.1
Total Modified Loans subject to Allowance (Accord 6-2021)	**166.6**	**516.3**	**84.0**	**766.9**
Allowance IFRS 9	1.2	35.9	42.9	79.9
Total Allowance and Reserves	**1.2**	**35.9**	**42.9**	**79.9**

2.0 Total Liabilities

As of March 31st, 2022 (Q3’22), Global Bank’s total liabilities amounted to $7.5 billion, increasing by $42.2 million or 0.6% vs. Q2´22. Customer deposits continue to be the largest component of our funding structure, representing 68.7% of total liabilities as of the second quarter of our 2022 FY.

2.1 Customer and Bank Deposits

(Data in US$ millions)	Q3´22	Q2´22	Δ Q3´22/Q2´22 $	%
Demand	514.2	513.1	1.2	0.2%
Savings	1,281.9	1,276.9	5.0	0.4%
Time	3,372.7	3,476.4	(103.7)	(3.0%)
Total customer deposits	**5,168.8**	**5,266.5**	**(97.6)**	**(1.9%)**
Interbank deposits	66.0	63.9	2.1	3.3%
Interest payable	31.2	41.3	(10.1)	(24.4%)
Total deposits	**5,266.1**	**5,371.7**	**(105.6)**	**(2.0%)**

Despite the COVID-19 pandemic effects on the economy, we continue to observe stability in our deposit base. For Q3’22, our deposits totaled $5.3 billion, representing a decrease of $105.6 million or -2.0% when compared to Q2’22. Such decreased resulted mainly from two institutional deposits maturing. Our demand and savings accounts grew by 0.2% and 0.4%, respectively, while our time deposits decreased by -3.0% during such time period. When compared against Q3’21; our demand and savings’ accounts grew by 4.2% and 10.3%, respectively, while time deposits decreased by -5.8%. Growth in savings accounts continues to be driven mainly by time deposits migrating to savings and new savings accounts being opened.

The Bank’s loan-to-deposit ratio increased from 112.5% to 117.0% when compared to Q2’22 and is higher than the 114.8% registered in Q3’21.

2.2 Financings, Bonds & Commercial Paper

During Q3’22, the Bank increased its financing liabilities by $155.0 million when compared to Q2’22. The repos & financings net increase of $149.9 million (or 11.2%) helped not only fund growth in the loan portfolio (by $128.9 million), but also maintain the replacement strategy of corporate bonds to bilaterals. Bonds &

commercial paper in Q3’22 remained flat (+$1.2 million) when compared against Q2´22. Access to liquidity lines and counterparties has been ample and diversified across geographic regions.

Shareholder’s Equity and Regulatory Capital

Shareholder’s equity as of the end of Q3’22 totaled $778.0 million, a 1.0% decrease when compared against Q2’22.

For the nine months ending on March 31st, 2022, the bank paid $17.3 million in dividends, a $2.3 million increase against the same period last year.

Capital Adequacy Ratio

(Data in US$ millions)	Q3´22	Q2´22
Primary Capital (Tier I)		
Paid-in share capital	270.2	270.2
Excess paid-in capital	1.9	1.9
Declared reserves	43.1	42.8
Retained ernings	378.6	371.9
Other items of comprehensive income	(16.9)	(0.9)
Dynamic reserve	87.9	87.9
Less: Regulatory adjustments	(92.0)	(92.0)
Other intangible assets	(19.8)	(20.1)
Total Primary Capital (Tier 1 Common)	**653.0**	**661.7**
Additional Primary Capital (Tier 1)	**177.1**	**176.0**
Tier 2 Capital	**0.0**	**0.0**
Total Capital Funds	**830.1**	**837.6**
Risk-Weighted Assets (RWA's)	**5,336.0**	**5,263.8**
Total Capital Ratio	**15.56%**	**15.91%**
Tier 1 Primary Capital	**12.24%**	**12.57%**
Additional Tier 1 Capital	**3.32%**	**3.34%**
Tier 2 Capital	**0.00%**	**0.00%**

Total regulatory capital reached $830.1 million, a decline of 0.9% when compared to Q2’22. The Bank’s capital ratio declined from 15.91% to 15.56%. This was mainly driven by a 16.0% decrease in the other items of comprehensive income which contains the negative MTM effect on our investment portfolio due to worldwide geo-political events, global inflation risk and rate-increases by the Fed which had already been priced-in by the market at that point in time. Our RWAs increased by 1.4% when compared to Q2’22.

According to the Bank Superintendency Board of Directors General Resolutions SBP-GJD-0004-2020 and SBPGJD-0005-2020, the Capital Adequacy has two temporary measures in place that allow for a limit in the risk weighting of loans up to 100% and forbearance in the aging of appraisals of mortgage loans. Both measures are still in place as of today. If the temporary measures were to be eliminated, our pro forma Capital ratio in Q3´22 would be reduced to 14.11% and 14.49% in Q2´22.