



# INVESTORS PRESENTATION

FOR THE FISCAL YEAR ENDED JUNE 30, 2019



## Banvivienda acquisition

### Key Metrics

	Pre-acquisition	Post-acquisition
<b>Total assets</b>	US\$6.6bn	US\$8.4bn
<b>Gross loans</b>	US\$5.0bn	US\$6.4bn
<b>Client deposits</b>	US\$3.5bn	US\$4.9bn

### Commentary

- Global Bank solidifies its position as the #2 privately-owned Panamanian bank
- Total assets increased US\$1.9bn (28.5%)
- Gross loans increased US\$1.4bn (27.8%)
- Client deposits increased US\$1.4bn (38.2%)

## Profitability

<b>Net interest &amp; fee income</b>	US\$201.7mm
<b>Adj. Net income</b>	US\$68.1mm
<b>Adj. ROAA</b>	0.9%
<b>Adj. ROAE</b>	9.8%
<b>Net interest margin</b>	2.27%

### Year-over-year change

- Net interest & fee income up 9.9%
- Adjusted net income up 2.0%
- Adjusted Operating Efficiency of 53.8%.
- ROAA in line with 3 year average
- ROAE down 1.4 percentage points
- NIM down 7 basis points

## Asset quality & capitalization

<b>Non-performing loans</b>	2.0%
<b>NPL coverage ratio</b>	92.7%
<b>Tier I capitalization</b>	13.82%
<b>Total capitalization</b>	13.96%

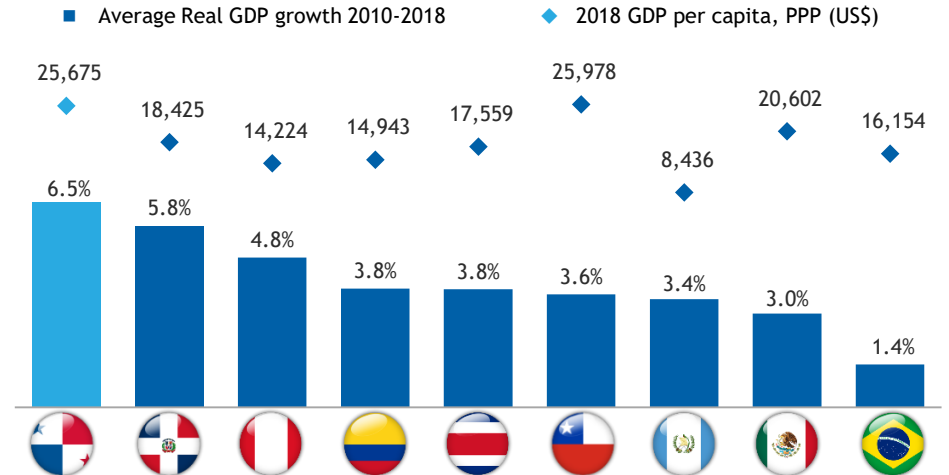
- NPLs down 50 basis points from 3Q19; coverage ratio up to 92.7%.
- Tier I capitalization increased by 1.95 percentage points year-over-year
- Capitalization is well above Panama's regulatory minimum of 8%

# Panama's economic overview

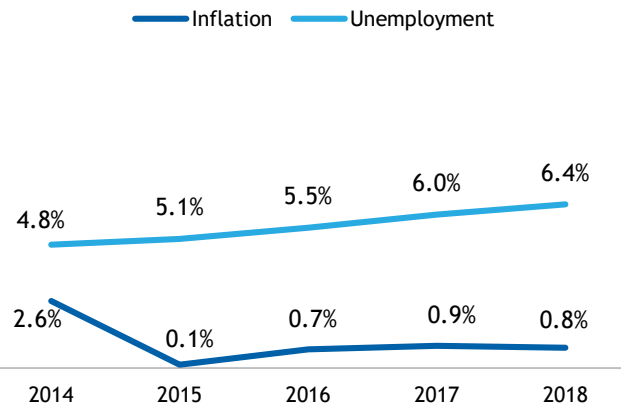
## Dynamic Economic Backdrop

- Robust economy with a nominal GDP of US\$65.2bn and a track record of strong growth, driven by an investment/GDP ratio of 44.5% in 2018.
  - Panama Canal and Tocumen Airport expansion projects
  - Panama City metro expansion, public infrastructure (roads, hospitals, energy)
  - Minera Panama copper and gold mine to start operations in 2019
- Regional logistics and financial hub with a fast growing banking system
- Debt profile free of exchange rate risk and anchored by fiscal discipline
  - Moderate and stable debt burden with improving fiscal account balance metrics
  - Increased revenue from the Canal expected to reach ~2.5% of GDP in 2019
- Investment grade ratings highlight Panama's sound economic and fiscal foundation
  - Moody's: Baa1, Stable
  - S&P: BBB+, Stable
  - Fitch: BBB, Stable

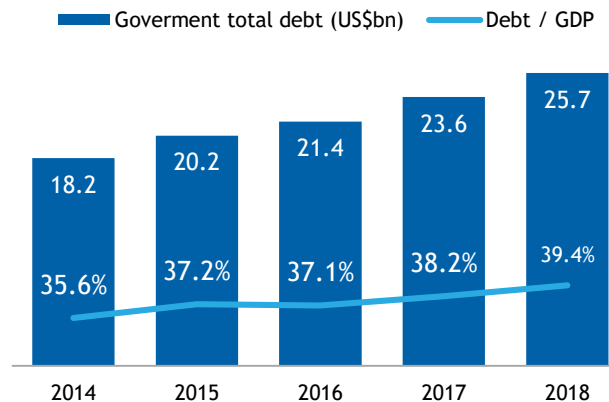
## Economic Power in Latin America



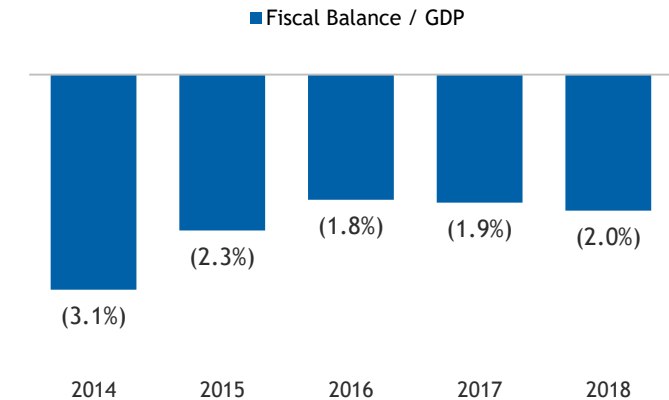
## Stable Inflation and Employment Metrics



## Moderate Debt Burden



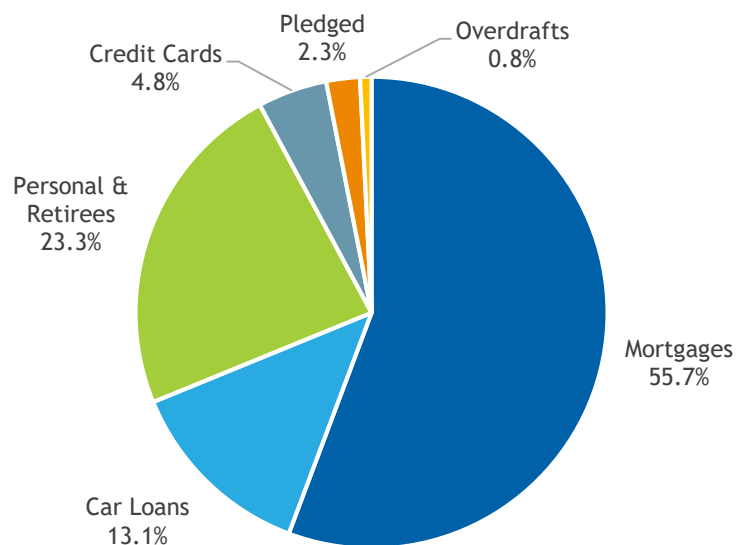
## Solid Fiscal Balance Metrics



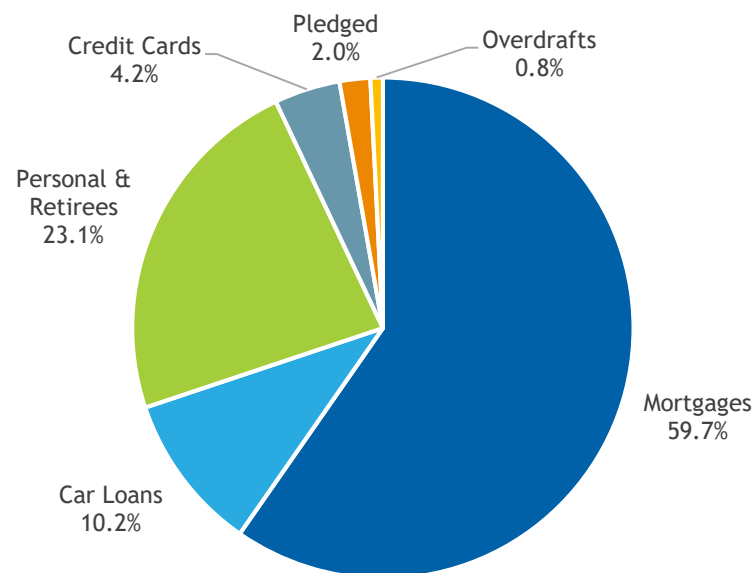
# Consumer Banking Performance

Data in US\$ million	FY 2018	Q1	Q2	Q3	FY 2019	Q3 vs. Q4		FY2018 vs. FY2019	
	<i>jun-18</i>	<i>Sept - 18</i>	<i>Dec - 18</i>	<i>mar-19</i>	<i>jun-19</i>	Δ-\$	Δ-%	YoY Δ-\$	YoY Δ-%
Mortgages	1,145.10	1,171.2	1,692.9	1,720.4	1,734.5	14.1	0.8%	589.4	51.5%
Car Loans	269.6	267.7	312.0	306.9	296.1	(10.8)	(3.5%)	26.5	9.8%
Personal & Retirees	479.5	485.3	649.6	660.8	671.6	10.8	1.6%	192.1	40.1%
Credit Cards	97.9	99.9	117.6	120.1	123.4	3.3	2.7%	25.5	26.0%
Pledged	47.4	47.0	61.2	80.0	57.5	(22.5)	(28.1%)	10.1	21.3%
Overdrafts	16.1	15.5	27.0	21.7	23.3	1.6	7.4%	7.2	44.7%
<b>Total Consumer Banking</b>	<b>2,055.6</b>	<b>2,086.6</b>	<b>2,860.3</b>	<b>2,909.9</b>	<b>2,906.4</b>	<b>(3.5)</b>	<b>(0.1%)</b>	<b>850.8</b>	<b>41.4%</b>

### Composition 2018



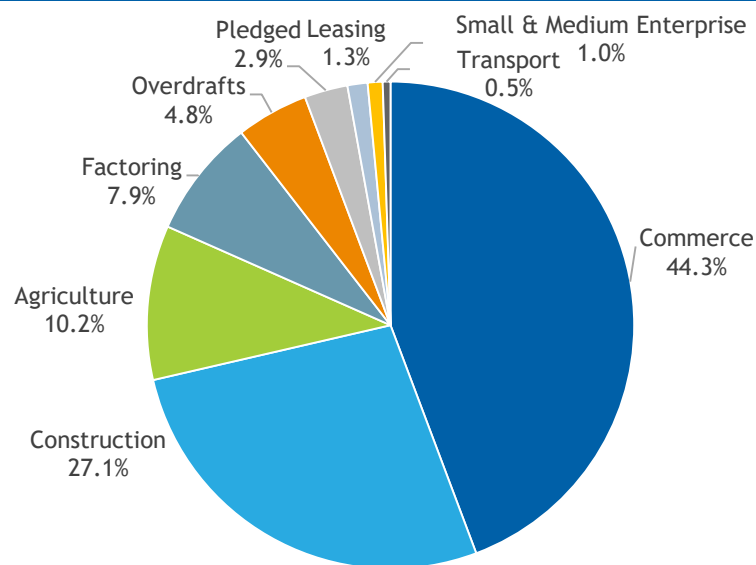
### Composition 2019



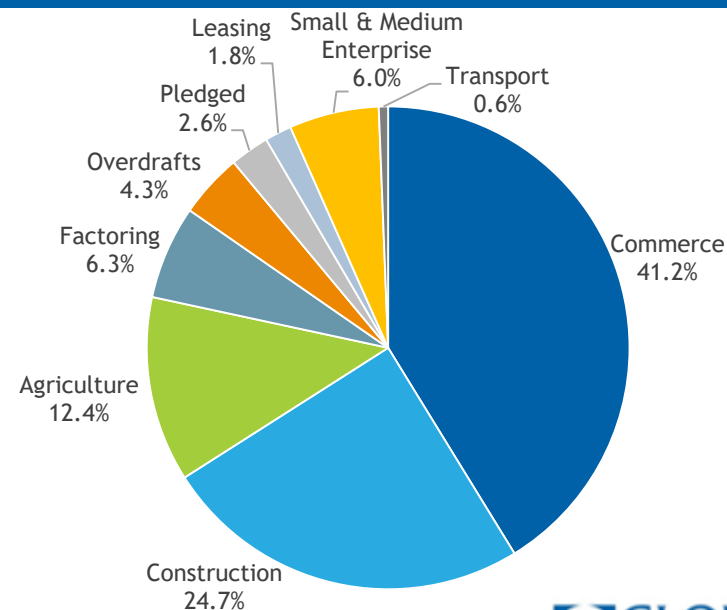
# Corporate Banking Performance

Data in US\$ millions	FY18 Q4		Q1	Q2	Q3	FY 2019	Q3 vs. Q4		FY2018 vs. FY2019	
	Jun - 18	Sept - 18	Dec - 18	Mar - 19	Jun - 19	Δ-\$	Δ-%	YoY Δ-\$	YoY Δ-%	
Commerce	1,307.2	1,335.1	1,572.7	1,546.3	1,441.1	(105.2)	(6.8)%	133.9	10.2%	
Construction	800.3	784.0	993.3	996.7	864.8	(131.9)	(13.2)%	64.5	8.1%	
Agriculture	302.5	298.2	468.2	465.4	433.8	(31.6)	(6.8)%	131.3	43.4%	
Factoring	232.7	212.6	197.7	221.0	219.1	(1.9)	(0.9)%	(13.5)	(5.8)%	
Overdrafts	141.2	129.6	152.0	153.6	150.3	(3.3)	(2.1)%	9.1	6.4%	
Pledged	84.9	81.9	103.0	75.2	91.8	16.6	22.0%	7.0	8.2%	
Leasing	39.3	36.0	59.4	60.1	62.7	2.6	4.3%	23.3	59.0%	
Small & Medium Enterprise	29.2	31.9	36.4	57.1	210.2	153.1	268.1%	181.0	619.9%	
Transport	15.1	14.9	14.5	14.1	21.7	7.6	53.6%	6.6	43.4%	
<b>Total Corporate Banking</b>	<b>3,037.3</b>	<b>2,924.2</b>	<b>3,597.2</b>	<b>3,589.6</b>	<b>3,495.4</b>	<b>(94.2)</b>	<b>(2.6)%</b>	<b>543.1</b>	<b>18.4%</b>	

### Composition 2018



### Composition 2019



# Asset Quality

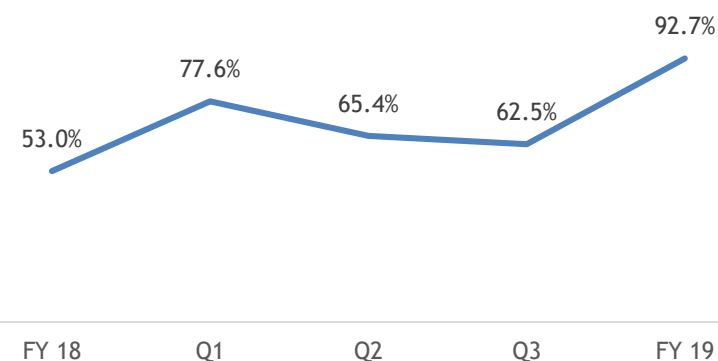
## Non-Performing Loans (NPLs) by Segment

(Data in US\$)

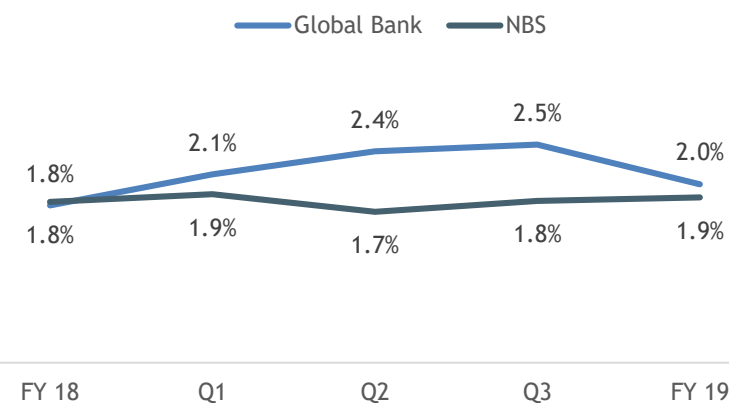
Corporate	FY 2018	1H - FY 2019	FY 2019	18 vs 19 Δ-%
1. Commercial	31,166,147	53,479,629	30,700,609	(1.5)
2. Agriculture	14,656,937	21,946,405	15,199,055	3.7
3. Factoring	3,991,281	5,242,532	5,273,708	32.1
4. Overdrafts	998,857	3,345,481	591,090	(40.8)
5. Industrial	-	3,179,784	10,203,014	NA
6. Leasing	1,072,107	1,243,441	1,221,344	13.9
7. Transportation	73,597	190,092	411,870	NA
<b>Sub Total</b>	<b>51,958,926</b>	<b>88,627,364</b>	<b>63,600,690</b>	<b>22.4</b>

Consumer	FY 2018	1H - FY 2019	FY 2019	Δ-%
1. Mortgages	17,669,261	37,045,079	36,922,105	109.0
2. Personal	8,600,548	15,110,314	14,150,363	64.5
3. Credit Cards	7,473,159	8,453,388	10,627,191	42.2
4. Auto	2,463,494	4,183,737	3,482,533	41.4
5. Retirees	851,346	691,104	382,174	NA
<b>Sub Total</b>	<b>37,057,807</b>	<b>65,483,622</b>	<b>65,569,366</b>	<b>76.9</b>
<b>Total NPLs</b>	<b>89,016,733</b>	<b>154,110,986</b>	<b>129,170,056</b>	<b>45.1</b>

## Loan Loss Provisions/NPLs 2018-2019



## NPLs / Gross Loans 2018-2019<sup>1</sup>



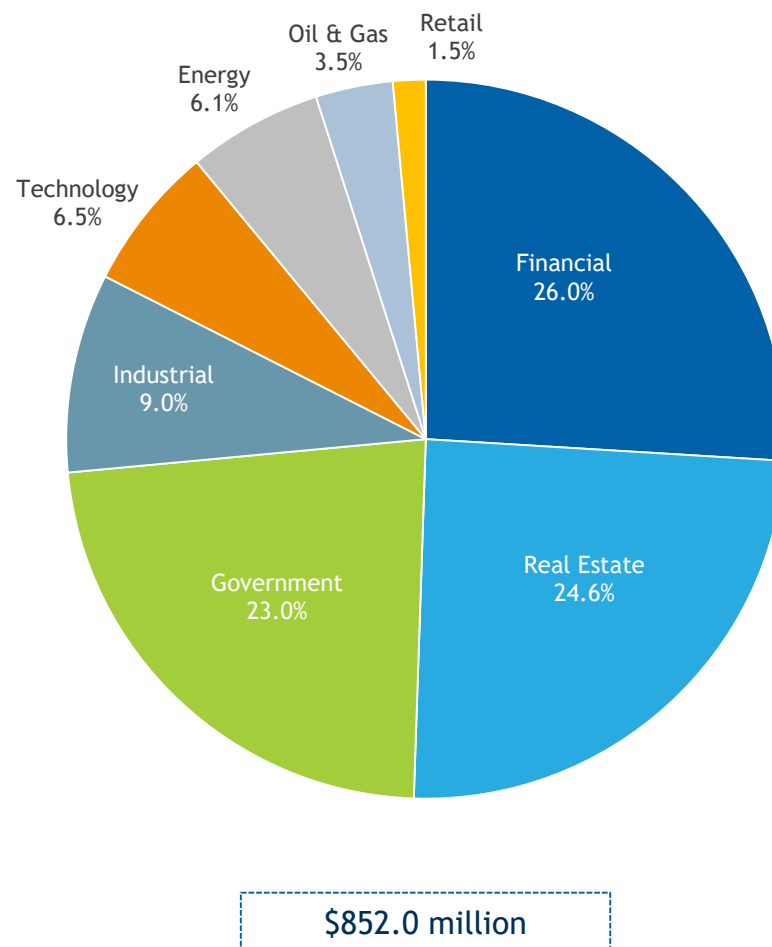
1: NBS: National Banking System

# Investment portfolio rating and economic segment profile

## Portfolio Composition by Rating as of FY19

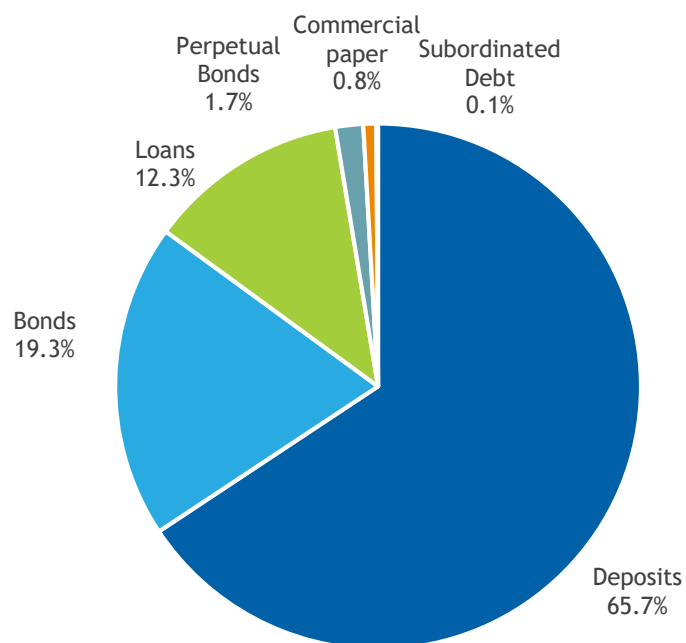
US\$ million	Portfolio <sup>1</sup>	% of Total Portfolio
<b>Total</b>	<b>852.0</b>	<b>100.0%</b>
<b>Investment Grade</b>	<b>423.0</b>	<b>49.6%</b>
AA+	49.9	5.9%
A+	19.4	2.3%
A	20.5	2.4%
A-	23.8	2.8%
BBB+	53.8	6.3%
BBB	193.4	22.7%
BBB-	62.2	7.3%
<b>Non Investment Grade</b>	<b>158.3</b>	<b>18.6%</b>
BB+	58.8	6.9%
BB	39.0	4.6%
BB-	54.9	6.4%
B+	0.5	0.1%
B-	5.1	0.6%
<b>Local Investment Grade</b>	<b>98.9</b>	<b>11.6%</b>
AA-.pa	5.4	0.6%
AA.pa	0.5	0.1%
A+.pa	30.6	3.6%
A.pa	2.1	0.2%
BBB+.pa	44.1	5.2%
BBB.pa	16.2	1.9%
<b>Non rating</b>	<b>171.9</b>	<b>20.2%</b>

## Portfolio Composition by Industry (% of total)



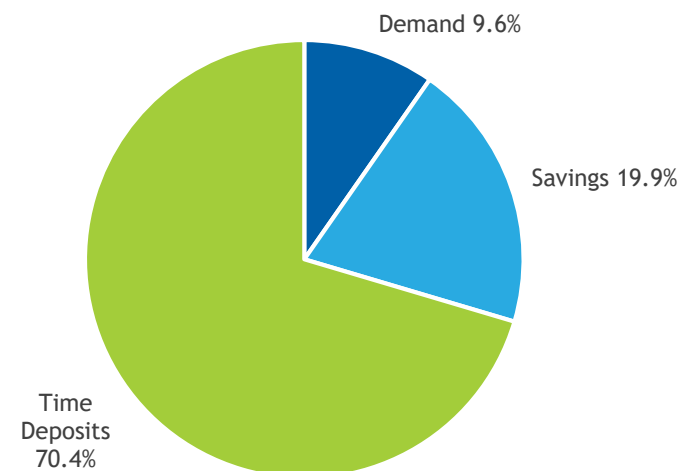
# Funding Strategy

## Funding Sources



**\$7,455.6 million<sup>1</sup>**

## Customer Deposits



**\$4,831.4 million<sup>2</sup>**

US\$mm	FY18	Q1	Q2	Q3	FY19	YoY (\$)	YoY (%)
Demand	410.2	400.1	523.1	465.6	468.6	58.4	14.2%
Savings	643.4	649.6	955.5	949.7	961.1	317.7	49.4%
Time Deposits	2,420.5	2,417.4	3,255.5	3,282.7	3,401.7	981.2	40.5%
Interbank	69.3	118.3	152.2	124.6	66.4	(2.9)	(4.2%)
Repos	67.1	67.1	89.4	84.2	0.0	(67.1)	NM
<b>Total GB</b>	<b>3,610.5</b>	<b>3,652.5</b>	<b>4,975.7</b>	<b>4,906.8</b>	<b>4,897.8</b>	<b>1,287.3</b>	<b>35.7%</b>
Loan to Deposit Ratio <sup>3</sup>	141.3%	139.8%	132.2%	134.8%	130.7%		

Source: Global Bank Financial Statements June 2019

Note: Global Bank Fiscal Year ends June 30<sup>th</sup>

1: Excludes Others Liabilities

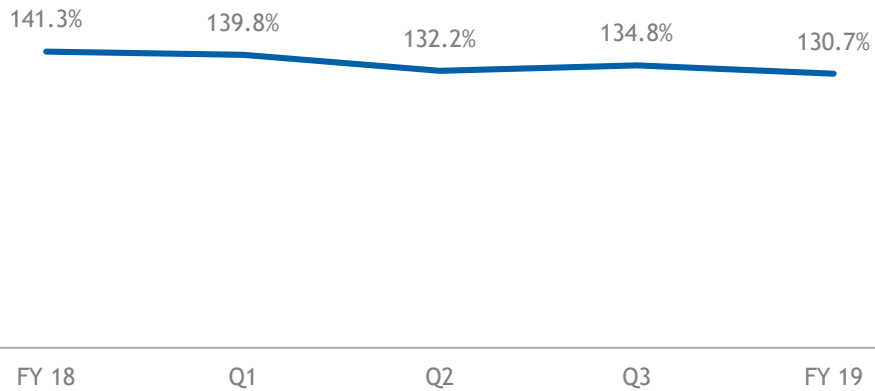
2: Excludes Interbank Deposits

3: Gross Loans divided by total deposits.

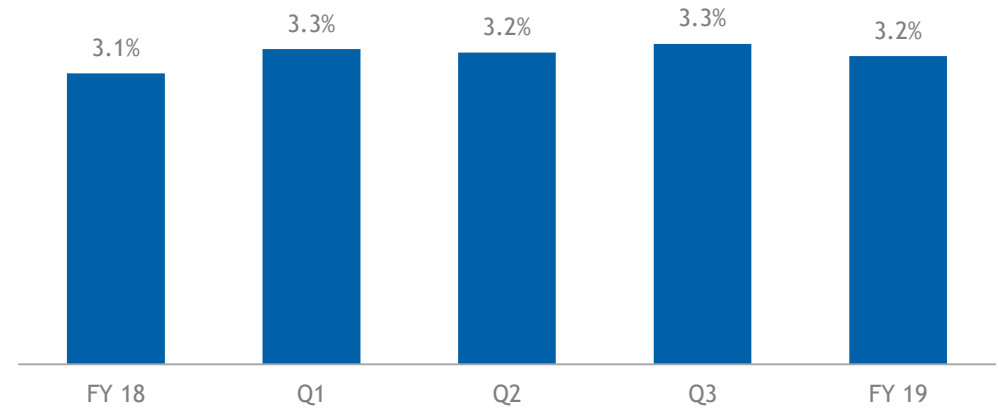


# Funding Metrics

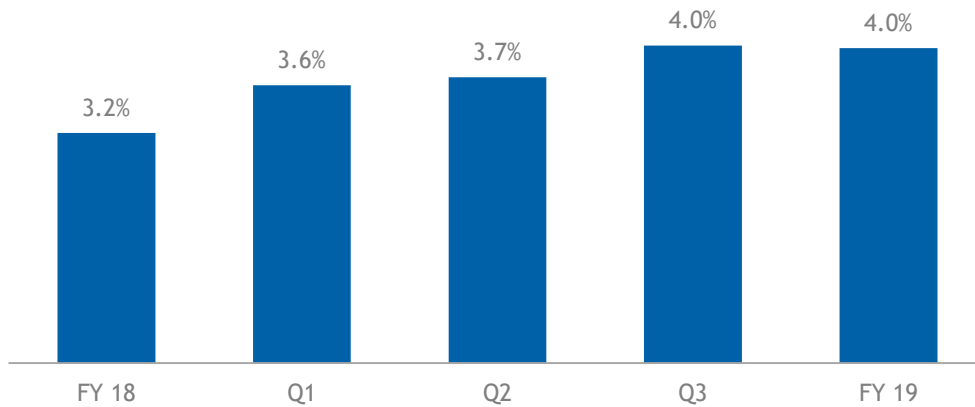
## Loans to deposits



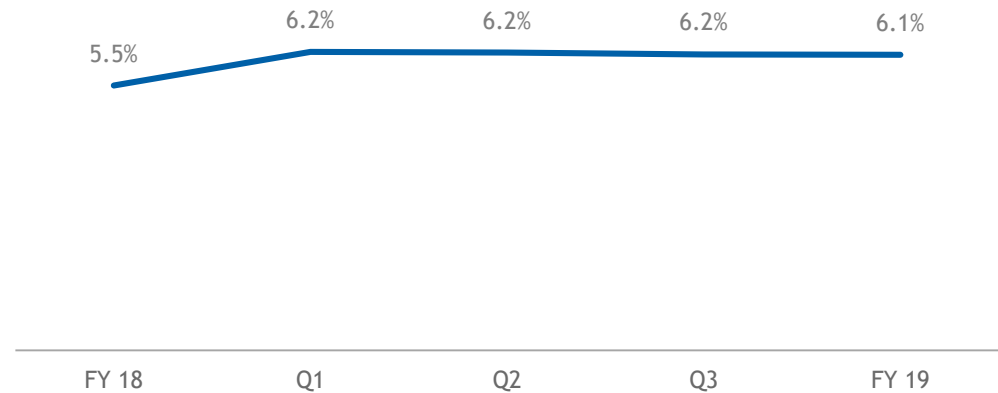
## Average Costs of Deposits<sup>1</sup>



## Average Cost of Financing Lines<sup>1</sup>



## Average Cost of Corporate Bonds & Commercial Paper<sup>1,2</sup>

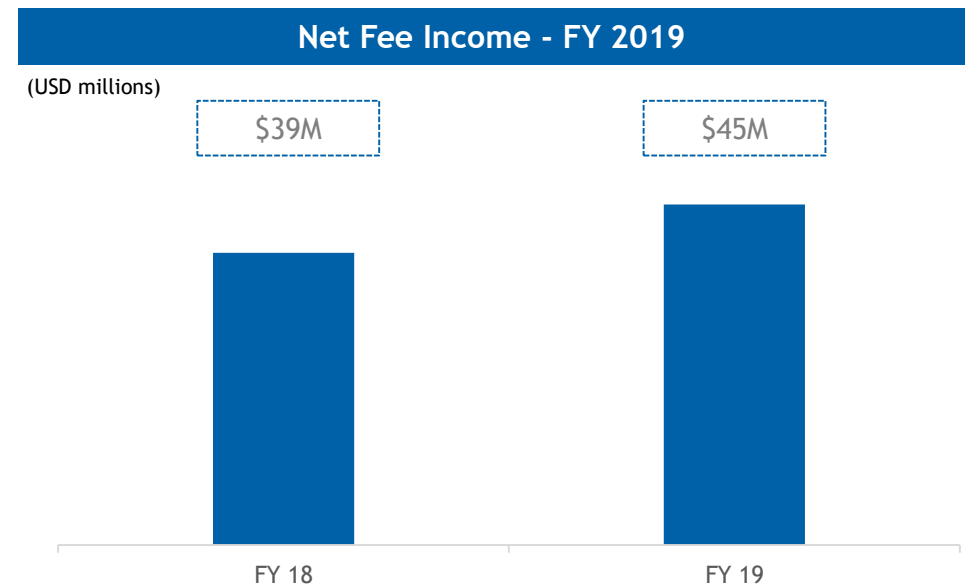
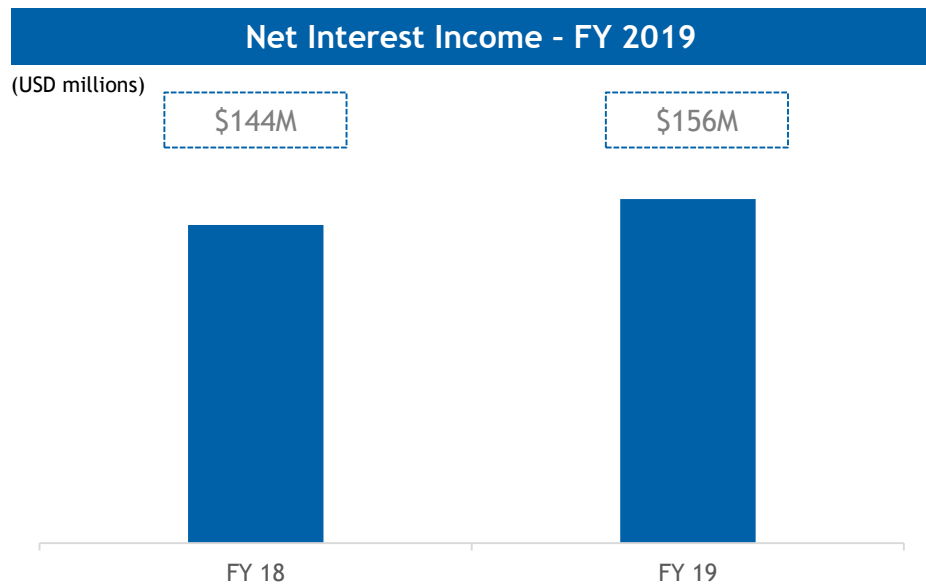
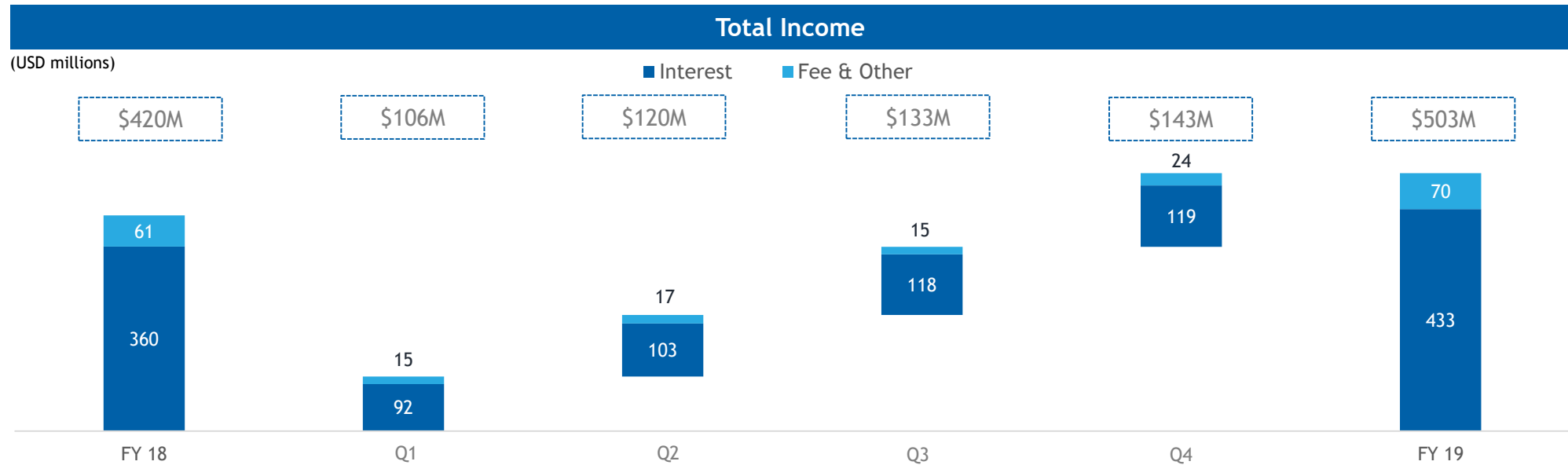


Source: Global Bank, data as of June 2019  
 Notes: Global Bank's Fiscal Year ends June 30  
 1: Calculated on a rolling twelve month average.  
 2: Excludes Subordinated and Perpetual Bonds.

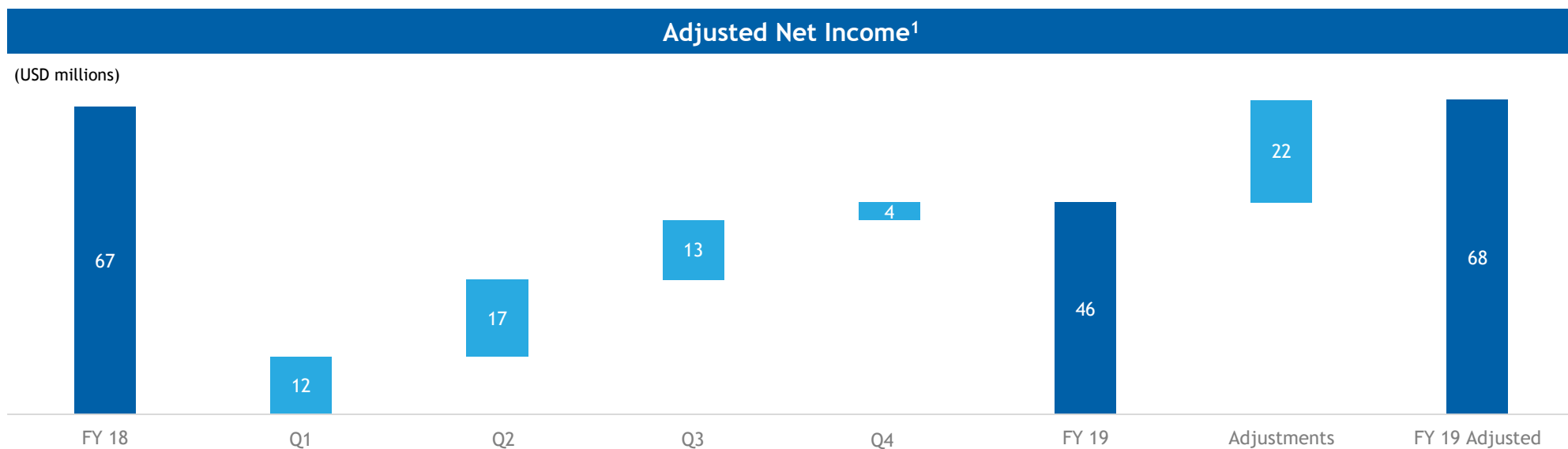
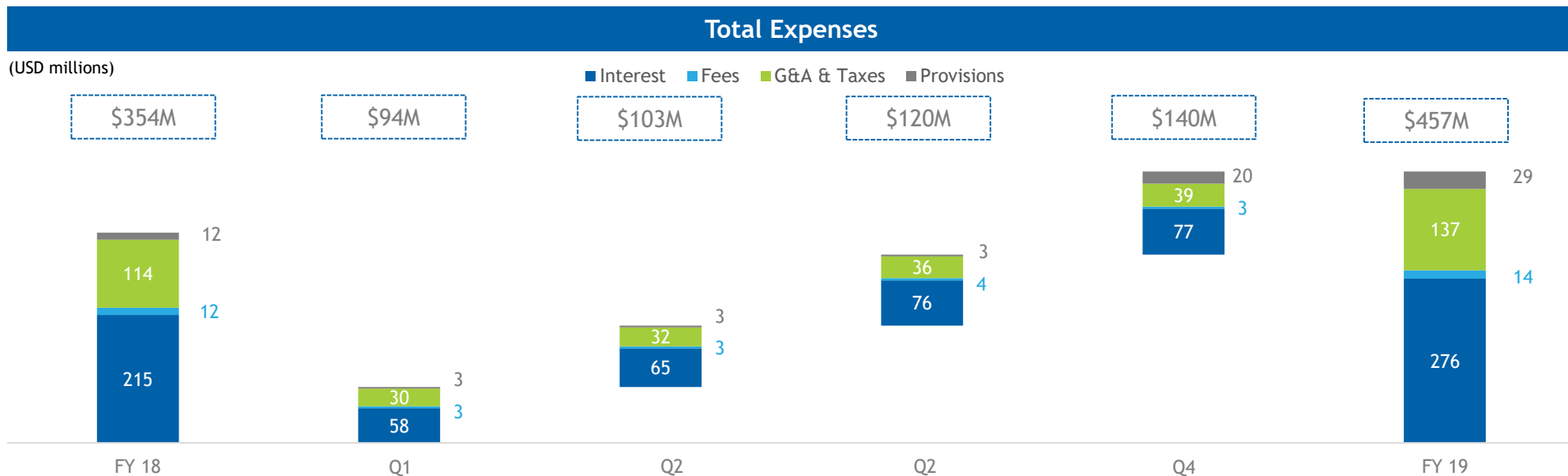
# Capitalization Ratios

Capital Adequacy Evolution					
Data in US\$ 000's	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Total Primary Capital (Tier 1)	424,641	491,849	550,545	569,584	655,265
Additional Tier 1 Capital	0	0	112,086	115,713	127,659
Total Tier 2 Capital	94,457	117,747	17,427	17,427	7,892
<b>Total Regulatory Capital</b>	<b>519,098</b>	<b>609,599</b>	<b>680,059</b>	<b>702,736</b>	<b>790,817</b>
<b>Risk Weighted Assets (RWA's)</b>	<b>3,829,173</b>	<b>4,444,703</b>	<b>4,922,882</b>	<b>4,799,768</b>	<b>5,664,454</b>
Tier 1 Primary Capital	11.09%	11.07%	11.18%	11.87%	11.57%
Tier 1 Total Capital	11.09%	11.07%	13.46%	14.27%	13.82%
Tier 2 Capital	2.47%	2.65%	0.35%	0.36%	0.14%
<b>Total Capital Ratio</b>	<b>13.56%</b>	<b>13.72%</b>	<b>13.81%</b>	<b>14.64%</b>	<b>13.96%</b>

# Income Statement: Interest & Fee Income



# Income Statement: Expenses & Net Income



Source: Global Bank Financial Statements

1: Adjustments for \$22 million related to Banvivienda acquisition & other expenses.

# Adjusted Net Income

## Global Bank's Adjusted Net Income

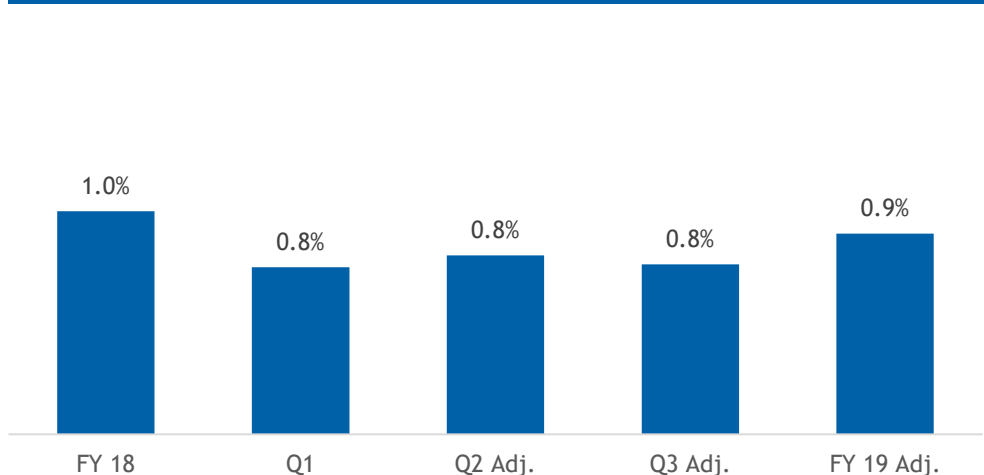
(Data in USD 000's)	June 2018	June 2019	Δ 18-19
Net Total Interest Revenue	144,385	156,183	8.17%
Net Total Commission Revenue	39,049	45,475	16.46%
Other income	9,748	10,420	6.89%
Provisions	(11,860)	(29,250)	146.63%
G&A	(107,554)	(136,437)	26.85%
<b>Income Before Taxes</b>	<b>73,770</b>	<b>46,390</b>	<b>(37.11%)</b>
Taxes	(6,989)	(403)	(94.24%)
<b>Net Income</b>	<b>66,780</b>	<b>45,988</b>	<b>(31.14%)</b>

### Adjustments for non recurring expenses

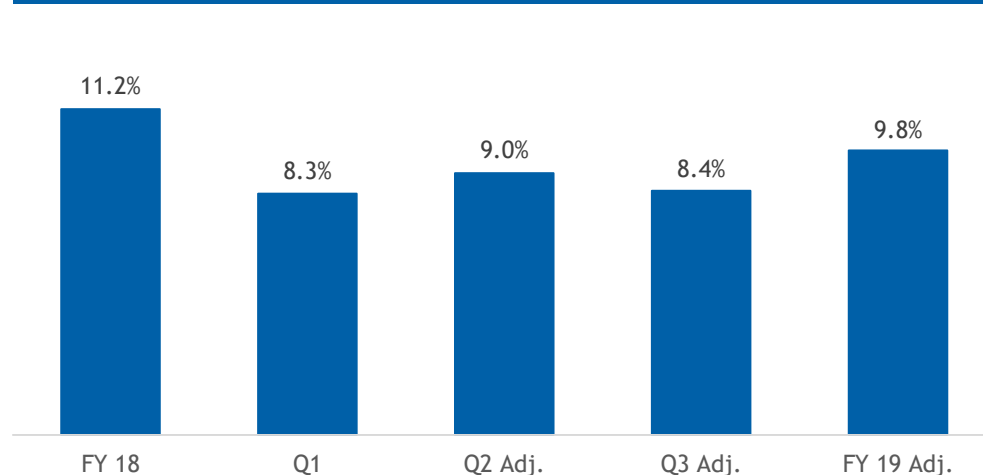
Severance payments and IT	-	7,596	-
Office renovations	-	3,729	-
Transaction costs	-	3,332	-
Additional provision expenses related to Banvivienda loans	-	2,252	-
Additional provision expense related to loan reserve metrics standardization from Banvivienda to Global Bank.	-	5,256	-
<b>Total adjustments</b>	<b>-</b>	<b>22,165</b>	<b>-</b>
<b>Adjusted Net Income</b>	<b>66,780</b>	<b>68,153</b>	<b>2.06%</b>

# Key Profitability Metrics

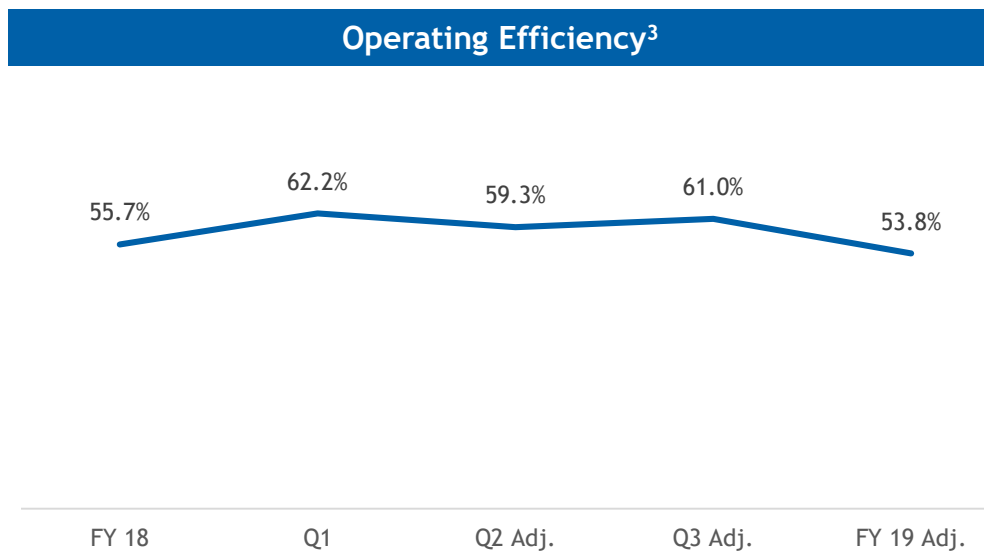
## ROAA<sup>1</sup>



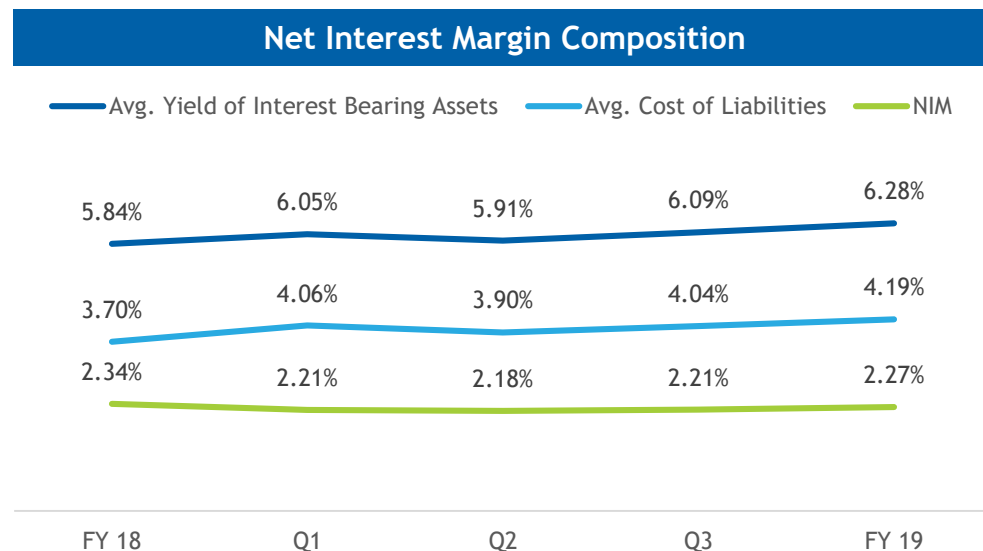
## ROAE<sup>2</sup>



## Operating Efficiency<sup>3</sup>



## Net Interest Margin Composition



Source: Global Bank, data as of June 2019  
 Notes: Global Bank's Fiscal Year ends June 30

(1): Return on Average Assets (ROAA): Net Income or Adjusted Net Income for each period, divided by the average total assets, annualized.  
 (2): Return on Average Equity (ROAE): Net Income or Adjusted Net Income for each period, divided by the average shareholders equity, annualized.  
 (3): Cost Efficiency: Non Provision Expenses / Total Net Revenue

# Summary Financials

## Balance Sheet: Assets

(Data in US\$ million)

	2018	Q1	Q2	Q3	2019	Variation - %	
						Q3 / Q4	19 / 18
<b>Assets</b>							
<i>Cash and deposits</i>	141,867	176,232	199,639	225,708	188,684	(16.4%)	33.0%
<i>Interbank Deposits</i>	299,081	217,453	369,264	267,114	418,971	56.9%	40.1%
<b>Cash and deposits</b>	<b>440,948</b>	<b>393,684</b>	<b>568,903</b>	<b>492,822</b>	<b>607,655</b>	<b>23.3%</b>	<b>37.8%</b>
Gross loans	5,008,160	5,011,089	6,457,659	6,499,297	6,401,785	(1.5%)	27.8%
<i>Allowance for loan losses</i>	(47,209)	(82,677)	(100,854)	(100,181)	(119,715)	19.5%	153.6%
<i>Unearned Interest &amp; Commissions</i>	(10,985)	(10,016)	(15,786)	(16,011)	(17,570)	9.7%	59.9%
<b>Net Loans</b>	<b>4,949,966</b>	<b>4,918,396</b>	<b>6,341,019</b>	<b>6,383,105</b>	<b>6,264,500</b>	<b>(1.9%)</b>	<b>26.6%</b>
Investments	788,108	819,600	869,377	828,893	851,727	2.8%	8.1%
Other assets	376,271	428,757	652,041	664,544	696,026	4.7%	85.0%
<b>Total Assets</b>	<b>\$6,555,292</b>	<b>\$6,560,438</b>	<b>\$8,431,340</b>	<b>\$8,369,364</b>	<b>\$8,419,909</b>	<b>0.6%</b>	<b>28.4%</b>

# Summary Financials

## Balance Sheet: Liabilities & Shareholder's Equity

(Data in US\$ million)

	2018	Q1	Q2	Q3	2019	Variation - %	
						Q3 / Q4	19 / 18
<b>Liabilities</b>							
<i>Checking</i>	410,191	400,088	523,056	465,630	468,560	0.6%	14.2%
<i>Savings</i>	643,373	649,566	955,518	949,720	961,129	1.2%	49.4%
<i>Time Deposits</i>	2,420,495	2,417,430	3,255,480	3,282,682	3,401,692	3.6%	40.5%
<i>Interbank Deposits</i>	69,287	118,264	152,243	124,637	66,350	(46.8%)	(4.2%)
<b>Total Deposits</b>	<b>3,543,345</b>	<b>3,585,349</b>	<b>4,886,297</b>	<b>4,822,669</b>	<b>4,897,731</b>	<b>1.6%</b>	<b>38.2%</b>
Repos & financings	765,076	734,777	957,806	944,442	920,613	(2.5%)	20.3%
Bonds and commercial paper	1,437,582	1,436,828	1,594,469	1,592,914	1,637,222	2.8%	13.9%
Other liabilities	197,763	219,633	226,766	227,127	185,323	(18.4%)	(6.3%)
<b>Total liabilities</b>	<b>\$5,943,765</b>	<b>\$5,976,587</b>	<b>\$7,665,338</b>	<b>\$7,587,152</b>	<b>\$7,640,889</b>	<b>0.7%</b>	<b>28.6%</b>
<b>Shareholder's equity</b>	<b>\$611,527</b>	<b>\$583,852</b>	<b>\$766,002</b>	<b>\$782,212</b>	<b>\$779,020</b>	<b>(0.4%)</b>	<b>27.4%</b>



# Summary Financials

## Income Statement

(Data in US\$ million)

	2018	Q1	Q2	Q3	Q4	2019	Variation - %	
							Q3 / Q4	19 / 18
Interest income	359,772	91,831	103,668	117,786	119,359	432,644	1.3%	20.3%
Interest expense	(215,386)	(58,306)	(64,954)	(76,116)	(77,083)	(276,460)	1.3%	28.4%
<b>Net interest income</b>	<b>\$144,386</b>	<b>\$33,525</b>	<b>\$38,714</b>	<b>\$41,670</b>	<b>\$42,276</b>	<b>\$156,184</b>	1.5%	8.2%
<i>Margin</i>	40.1%	36.5%	37.3%	35.4%	35.4%	36.1%		
Net fee income	39,050	9,244	12,097	12,460	11,675	45,475	(6.3%)	16.5%
Other income	9,749	2,188	1,070	(1,856)	9,017	10,419	585.8%	6.9%
General and administrative expenses	(107,553)	(27,953)	(29,437)	(34,815)	(44,060)	(136,266)	26.6%	26.7%
<b>Net income before Loan loss allowance</b>	<b>\$85,631</b>	<b>\$17,004</b>	<b>\$22,444</b>	<b>\$17,458</b>	<b>\$18,906</b>	<b>\$75,813</b>	8.3%	-11.5%
<i>Margin</i>	23.8%	18.5%	21.6%	14.8%	15.8%	17.5%		
Loan loss allowance	(11,861)	(2,555)	(2,920)	(3,358)	(20,589)	(29,422)	513.1%	148.1%
<b>Profit before income tax</b>	<b>\$73,770</b>	<b>\$14,449</b>	<b>\$19,524</b>	<b>\$14,100</b>	<b>(\$1,682)</b>	<b>\$46,391</b>	(111.9%)	-37.1%
Income tax	(6,990)	(2,004)	(1,506)	(2,394)	5,501	(403)		
<b>Net income</b>	<b>\$66,780</b>	<b>\$12,445</b>	<b>\$18,018</b>	<b>\$11,706</b>	<b>\$3,819</b>	<b>\$45,988</b>	(67.4%)	(31.1%)
Adjustments	0	0	0	1,176	20,989	22,165		
<b>Adjusted Net Income</b>	<b>\$66,780</b>	<b>\$12,445</b>	<b>\$18,018</b>	<b>\$12,882</b>	<b>\$24,808</b>	<b>\$68,153</b>	92.6%	2.1%

## Contact Information

For further information, please refer to our financial statements available in our investors relations website, or contact:

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