MARCH 2023

EARNINGS REPORT

For the nine months of the Fiscal Year ending June 30th, 2023.

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 CUMMULATIVE CONSOLIDATED NET INCOME OF $42.2 MILLION FOR THE THIRD QUARTER ENDING ON MARCH 31st, 2023.

Management & Financial Highlights

- **As of March 31st, 2023, Global Bank reported a net income of $42.2 million,** which represents a y-o-y increase of 56.9%. The increase in net income was mainly driven by higher loan volume, higher net commissions, and lower loan loss provision expense when compared with the same period last year.
- **Our financial margin decreased from 43.0% to 39.4% when compared to the same period last year due to higher cost of funds on every liability line, which despite higher loan volume and higher interest rates on the loan portfolio, could not offset the increase of cost of funds.** For this quarter, our annualized NIM decreased when compared versus last year (2.36% vs. 2.46%). We foresee this tendency to continue as the FED keeps battling inflation in the U.S. while indirectly exporting such rate hikes worldwide via Fed Funds' rate increases.
- **Loan loss provision expense totaled $38.1 million for the quarter ended on March 31st, 2023, which represents an $8.1 million or (17.6%) decrease when compared to the same period last year.** This decrease in provision for loan losses is part of the positive evolution of the modified loans portfolio which, during the first half of our fiscal period was declassified from modified and returned to its previous classification in accordance with SBP Executive Order 4-2013.
- **As of March 31st, 2023, Global Bank's total assets stood at $8.5 billion, a number that is** flat when compared to Q2´23, but growing by 2.0% when compared to the same quarterly period last year. This trend in total assets during the quarter was mainly driven by a 13.5% increase in cash and deposits, a 2.5% increase in the investment portfolio and a decrease of 1.3% in the gross loan portfolio.
- **Liquidity levels remain stable.** For Q3'23, our cash and equivalents totaled $443.4 million, an increase of 13.5% from Q2´23. Our client deposit base continues to be stable and remains primarily anchored by time deposits. Total deposits reached $5.3 billion, an increase 0.6% versus the same period last year. Time deposits increased by $49 million versus Q2'23. This was offset by a decline of demand deposits (checking and savings) of $61.5 million when compared to Q2´23, as clients continue to migrate from demand to higher yielding time deposits. Total institutional funding remained posted a modest growth of 0.1% ($2.2 million) when compared to Q2´23.

- **As of March 31st, 2023, gross loans declined by 1.3% to $6.3 billion on a quarter over quarter basis.** Consumer loans increased by 1.1% ($34.7 million) and corporate loans decreased 3.6% ($116.3 million) when compared against the prior quarter.
- **Our non-performing loans decreased 3.3% from $234.6 million in Q2'23 to $227.0 million in Q3'23**. Non-performing loans were split 62.3% in corporate banking and 37.7% in consumer banking. The NPL ratio decreased 7 basis points, from 3.68% in Q2'23 to 3.61% in Q3'23. Our loan loss reserves ended the quarter at $247.6 million, a decrease of 1.4% versus Q2'23, resulting in an overall increase of our NPL coverage ratio of 109.1% for Q3'23.
- **Our Capital Adequacy Ratio was 14.67%, Common Tier 1 (CT1) 11.54%, Total Tier 1 (TT1) 14.67%**. Our capital ratios continue to be well above the regulatory minimum for each capital category (Total: 8.0%, CT1: 4.5%, TT1: 6.0%).

About Global Bank

Global Bank Corporation was founded in 1994 under a general banking license in the Republic of Panama. G.B. Group, our holding company, owns 100% of Global Bank, while Global Bank Corporation owns 100% of its subsidiaries. G.B. Group is listed on the Panama stock exchange under the ticker GBGR.

As one of the leading banking franchises in the local market, Global Bank operates under a universal banking business model offering multiple services to its customers, such as Corporate Banking, Investment Banking, Factoring, Wealth Management, Consumer Banking, Trust Services, Pension Funds, and Insurance Services, amongst others.

With a loan book of over $6.2 billion as of March 2023, Global Bank has shown consistent growth over the past 29 years. We initially accessed the international capital markets in 2012 with our first -and only- covered bond under U.S. 144Reg S and have issued more than $1.0 billion of senior unsecured bonds under such rule since then. On the M&A front, our recent purchase of Banvivienda in 2018 helped us gain relevant market share while positioning us for continuous and sustained growth.

From inception, and with a sound business and financial strategy, we have continuously added value to our shareholders while serving the needs of our clients and remaining close to our stakeholders. As of March 2023, Global Bank had 35 branches and over 140 ATMs nationwide. The bank is rated BBB- and BB+ by S&P and Fitch, respectively, both with a stable outlook.

Business Structure

The main subsidiaries of Global Bank Corporation are: Global Valores, which runs the Wealth Management business and the securities brokerage house; Global Financial Funds, who offers Trust Services; Progreso, which is our Pension funds business and Aseguradora Global, our insurance company.

All the businesses that belong to the group are supervised by the Board of Directors of Global Bank, comprising 15 directors with 4 independent directors who actively participate on the bank's six board committees, namely Risk, HR, Audit, Compliance, Credit and Corporate Governance.

Income Statement Summary[1]

Global Bank Corporation and Subsidiaries - Income Statement				
			Δ 9M´23/9M´22	
(Data in US$ thousands)	**9M´23**	**9M´22**	**$**	**%**
Loans	301,720	285,549	16,171	5.7%
Deposits	4,835	827	4,008	484.9%
Investments	29,288	28,228	1,060	3.8%
Total interest income	335,842	314,603	21,239	6.8%
Deposits	(122,562)	(119,522)	(3,040)	2.5%
Financing	(55,361)	(25,216)	(30,145)	119.5%
Bonds & Commercial paper	(25,711)	(34,721)	9,010	(26.0%)
Total interest expense	(203,634)	(179,459)	(24,175)	13.5%
Net interest income	**132,209**	**135,145**	**(2,936)**	**(2.2%)**
Margin	***39.4%***	***43.0%***		
Net fee income	33,126	29,348	3,778	12.9%
Other income	15,889	10,359	5,529	53.4%
General and administrative expenses [1]	(102,677)	(103,458)	780	(0.8%)
Net income before loan loss allowance	**78,546**	**71,394**	**7,152**	**10.0%**
Loan loss allowance	(38,117)	(46,261)	8,144	(17.6%)
Profit before income tax	**40,429**	**25,133**	**15,296**	**60.9%**
Income tax	1,822	1,796	26	1.4%
Net income	**42,250**	**26,929**	**15,322**	**56.9%**

[1] Provision expense related to investments and sovereign risk in Q3´23 of $0.5 million; and Q3´22 of $2.9 million were included in G&A.

Balance Sheet Summary

Global Bank Corporation and Subsidiaries - Balance Sheet				
			∆ Q3´23/ Q2´23	
(Data in US$ thousands)	Q3´23	Q2´23	$	%
Assets				
Cash and deposits	307,735	284,817	22,918	8.0%
Interbank deposits	135,413	105,613	29,801	28.2%
Interest receivable	231	276	(45)	(16.2%)
Total cash and deposits	443,379	390,706	52,674	13.5%
Gross loans	6,288,403	6,369,966	(81,563)	(1.3%)
Interest receivable	153,649	156,710	(3,061)	(2.0%)
Allowance for loan losses	(247,593)	(251,018)	3,425	(1.4%)
Unearned interest & commissions	(12,874)	(11,468)	(1,406)	12.3%
Total net loans	6,181,586	6,264,191	(82,605)	(1.3%)
Investments	1,033,722	1,008,470	25,252	2.5%
Interest receivable	7,310	6,551	759	11.6%
Total investments	1,041,032	1,015,021	26,011	2.6%
Other assets	798,348	794,097	4,251	0.5%
Total assets	**8,464,345**	**8,464,014**	**331**	**0.0%**
Liabilities & Shareholder's Equity				
Demand	520,947	524,138	(3,191)	(0.6%)
Savings	1,153,413	1,211,706	(58,293)	(4.8%)
Time Deposits	3,514,807	3,465,725	49,081	1.4%
Interbank Deposits	75,183	87,421	(12,238)	(14.0%)
Interest Payable	29,630	35,429	(5,800)	(16.4%)
Total Deposits	5,293,980	5,324,420	(30,440)	(0.6%)
Repos & financings	1,618,544	1,611,162	7,382	0.5%
Bonds and commercial paper	578,900	589,506	(10,606)	(1.8%)
Interest Payable	26,497	21,027	5,470	26.0%
Total Financing	2,223,941	2,221,694	2,246	0.1%
Other liabilities	165,602	147,109	18,494	12.6%
Total liabilities	**7,683,523**	**7,693,223**	**(9,700)**	**(0.1%)**
Shareholder's equity	**780,822**	**770,791**	**10,031**	**1.3%**

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

	Q3´23	Q2´23	Q1´23	Q4´22	Q3´22
Profitability					
Net Interest Margin	2.36%	2.39%	2.47%	2.47%	2.46%
Efficiency Ratio	57.50%	57.64%	58.56%	59.41%	60.15%
ROAA	0.62%	0.61%	0.54%	0.45%	0.45%
ROAE	6.86%	6.69%	5.87%	4.79%	4.79%
Loan Quality					
Overdue (NPLs)/ Gross Loans	3.61%	3.68%	3.37%	3.14%	3.36%
Allowance / Overdue (NPLs)	109.07%	106.98%	114.09%	118.39%	110.08%
Allowance/ Gross Loans	3.94%	3.94%	3.85%	3.71%	3.69%
Loan to Deposit Ratio	119.45%	120.44%	117.55%	118.65%	117.01%
Loan to Deposits + Corporate Bonds Ratio [4]	111.94%	112.68%	110.07%	110.16%	108.56%
Capital Ratios					
Capital Adequacy Ratio	14.67%	14.37%	14.43%	15.11%	15.56%
Tier 1 Common	11.54%	11.26%	11.25%	11.81%	12.24%
Additional Tier 1 Capital	3.13%	3.11%	3.18%	3.30%	3.32%

[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´23	9M´22	∆ 9M´23/9M´22 $	%
Interest Income				
Loans	301.7	285.5	16.2	5.7%
Deposits	4.8	0.8	4.0	484.9%
Investments	29.3	28.2	1.1	3.8%
Total Interest Income	**335.8**	**314.6**	**21.2**	**6.8%**
Interest Expense				
Deposits	122.6	119.5	3.0	2.5%
Loans	55.4	25.2	30.1	119.5%
Bonds & Commercial Paper	25.7	34.7	(9.0)	(26.0%)
Total Interest Expense	**203.6**	**179.5**	**24.2**	**13.5%**
Net Interest Income	**132.2**	**135.1**	**(2.9)**	**(2.2%)**
Margin	*39.4%*	*43.0%*		

Net interest income for the nine months ending March 31st, 2023, reached $132.2 million, a decline of 2.2% when compared to the same period last year. The increase in loan volume, coupled with higher yields from our investments and cash and rising interest rates on the loan portfolio, were not enough to offset higher funding costs due to the ongoing rate increases on the liability side during the quarter.

Going forward and given higher costs correlated to FED rate hikes (current and potential future ones), similarly to market curves on rates, we believe that financial margin and NIM pressure will continue at least until year’s end.

2.0 Net Fee Income and Other Income

(Data in US$ millions)	9M´23	9M´22	∆ 9M´23/9M´22 $	%
Fee Income				
Loans	21.5	19.1	2.4	12.6%
Letters of Credit	3.5	1.6	1.9	118.0%
Savings and debit cards	3.1	3.1	(0.0)	(0.9%)
Trust Services	7.9	9.1	(1.2)	(13.0%)
Others	13.4	10.6	2.8	26.3%
Fee Expenses	**(16.2)**	**(14.1)**	**(2.1)**	**14.7%**
Net Fee Income	**33.1**	**29.3**	**3.8**	**12.9%**
Other Income				
Net Insurance premiums	10.7	9.0	1.7	19.0%
Others	5.2	1.3	3.8	285.4%
Total Other Income	**15.9**	**10.4**	**5.5**	**53.4%**

Net fee income increased by 12.9% or $3.8 million for Q3´23 vs. Q3´22. The increase in fee income was due to higher disbursement volume in consumer and corporate loans, both of which helped the bank experience an increase in commission income as well as higher fees from our merchant and investment banking businesses.

Total Other Income increased by 53.4%, or $5.5 million for Q3´23 vs. Q3´22 due to a gain of $1.6 million on the repurchase of $20.7 million of our own Global Bank corporate bonds maturing in 2029. Additionally, we recorded a $1.5 million extraordinary gain on the APC (Panama's sole credit bureau where Global Bank held a minority stake) sale to Experian, a $0.7 million reversal on interest provisions on certain mortgage loans from last fiscal year and an increase of $1.7 million in insurance premiums vs. last year's same quarter.

3.0 Operating Expenses

General & Administrative Expense (G&A) totaled $102.7 million for Q3´23, representing a $0.8 million decrease or 0.8% over the same period last year. Even though marketing, rental, maintenance, utilities, security, and travel costs experienced an overall increase of $1.5 million, such increase was offset by a material decline on investment and sovereign risk expense provisions of $2.3 million. Please refer to footnote #1 on page #6 of document.

Our operating efficiency ratio[6] for the quarter ending March 31st, 2023, was 56.7% vs. 59.2% for the same period last year due to lower overall expenses as previously described.

[6] 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 increased by $52.7 million to a total of $443.4 million for Q3'23, representing a 13.5% quarter-over-quarter increase change. This change was driven by $81.6 million of client repayments on our loan portfolio at maturity, coupled with an increase of $25.3 million of securities purchased in our investment portfolio.

Our cash balances continued to be stable as reflected by our liquidity coverage ratio (LCR) which closed at 183.0% for the quarter, well above the regulatory minimum of 100.0%. Our legal liquidity ratio was 39.8%, also well above the 30.0% regulatory minimum.

1.1 Investment Portfolio

As mentioned before, the Bank increased its investment portfolio during the quarter by 2.5% or $25.3 million vs. Q2'23. We continue to invest any excess liquidity mainly in US Agency Papers (CMOs), US Treasuries, and other investment-grade securities.

Of the total investment portfolio, 49.4% is comprised of investment-grade securities, 16.6% are non-investment grade, and 34.0% are local investment grade. Excluding the investments in local bonds, our investment-grade securities represent 74.8% of the international investment portfolio. Investments in US Agency papers (CMOs) totaled US$227.8 million as of March 31st, 2023.

Our investment portfolio is primarily comprised of corporate and sovereign fixed income securities, including securities issued by the U.S., Latin American, and European IG corporates and financial institutions.

1.2 Loan Portfolio

As of March 31st, 2023, our gross loan portfolio decreased by 1.3% ($81.6 million), closing at $6.3 billion. The Bank's portfolio mix remained mostly unchanged, with the consumer portfolio accounting for 50.1% of our total gross loans and the corporate portfolio accounting for 49.9% of total gross loans.

The consumer portfolio increased by 1.1% to $3.2 billion in Q3´23. Within the consumer portfolio, the products that grew the most during the quarter were mortgages by 1.1% representing a $21.7 million increase, personal & retirees by 2.0% representing a $15.2 million increase, pledged personal loans by 4.4% representing a $1.8 million increase, overdraft by 10.0% representing a $1.2 million increase and credit cards 0.1% representing a $0.1 million increase. All other products declined as follows: car loans by 2.2% representing a $5.3 million decline.

The corporate portfolio decreased by 3.6% to $3.1 billion for Q3'23. The products that increased the most during the quarter were pledged by 4.0% representing a $3.4 million increase, leasing by 4.4% representing a $1.7 million increase, and small & medium enterprise by 6.6% representing a $5.6 million increase. All other products declined as follows: commercial by 2.7%, construction by 1.2%, agriculture by 0.5%, overdrafts by 27.9%, factoring by 10.5%, and transportation by 3.1%.

(Data in US$ millions)	Q3´23	Q2´23	Q1´23	Q4´22	Q3´22	∆ Q3´23/Q2´23 $	%
Consumer Banking							
Mortgages	1,938.0	1,916.3	1,891.9	1,864.1	1,841.4	21.7	1.1%
Car Loans	234.1	239.4	240.8	242.5	242.6	(5.3)	(2.2%)
Personal & Retirees	791.6	776.4	762.2	750.1	734.9	15.2	2.0%
Credit Cards	132.6	132.5	130.7	130.7	132.4	0.1	0.1%
Pledged	42.9	41.1	40.9	40.7	41.3	1.8	4.4%
Overdrafts	13.5	12.2	18.1	18.3	18.0	1.2	10.0%
Total Consumer Banking	**3,152.6**	**3,117.9**	**3,084.6**	**3,046.3**	**3,010.5**	**34.7**	**1.1%**
Corporate Banking							
Commerce	1,824.3	1,875.0	1,843.8	1,824.8	1,743.3	(50.8)	(2.7%)
Construction	401.8	406.7	393.7	419.4	455.1	(4.9)	(1.2%)
Agriculture	358.5	360.3	357.4	351.8	345.6	(1.8)	(0.5%)
Factoring	197.3	220.4	247.5	231.5	243.0	(23.1)	(10.5%)
Overdrafts	118.9	164.9	164.0	159.5	149.4	(46.0)	(27.9%)
Pledged	90.3	86.8	76.7	76.8	67.9	3.4	4.0%
Leasing	40.1	38.4	37.1	35.8	36.6	1.7	4.4%
Small & Medium Enterprise	90.8	85.2	87.7	59.3	57.7	5.6	6.6%
Transportation	13.9	14.3	15.2	15.7	16.1	(0.4)	(3.1%)
Total Corporate Banking	**3,135.8**	**3,252.1**	**3,223.0**	**3,174.6**	**3,114.6**	**(116.3)**	**(3.6%)**
Total Gross Loans	**6,288.4**	**6,370.0**	**6,307.6**	**6,221.0**	**6,125.1**	**(81.6)**	**(1.3%)**
Interest Receivables	153.6	156.7	155.5	158.4	165.7	(3.1)	(2.0%)
Allowance for Loan Losses	(247.6)	(251.0)	(242.6)	(231.0)	(226.3)	3.4	(1.4%)
Unearned interest and fees	(12.9)	(11.5)	(11.0)	(10.1)	(10.3)	(1.4)	12.3%
Total Net Loans	**6,181.6**	**6,264.2**	**6,209.5**	**6,138.2**	**6,054.3**	**(82.6)**	**(1.3%)**

On our loan portfolio quality, our stage 2 loans increased by 7.2% for Q3’23 vs. Q2’23 as we continue to calibrate our expected loan loss models to reflect reductions on potential credit losses. Stage 3 loans increased by 4.6% (as explained in more detail in the below table).

(Data in US$ millions)	Q3´23 Stage 1	Stage 2	Stage 3	Total	Q2´23 Stage 1	Stage 2	Stage 3	Total
Corporate	2,457.7	455.9	222.8	3,136.3	2,595.1	448.0	209.9	3,227.9
Consumer	2,671.5	393.8	86.7	3,152.1	2,686.7	344.3	86.0	3,079.7
Total	**5,129.2**	**849.7**	**309.5**	**6,288.4**	**5,281.7**	**792.3**	**295.9**	**6,307.6**

1.3 Impairment Allowance Overview

Impairment allowance decreased by $3.4 million, net of charge-offs in Q3´23 to a total of $247.6 million. This represented a 1.4% decrease versus Q2’23. The Bank continued to build-up loan loss provisions during Q3’23 to a total provision expense of $38.1 million, a 17.6% decline when compared to the same period last year.

Non-performing loans totaled $227.0 million for Q3’23 vs. $234.6 million for Q2’23. NPLs in our corporate segment decreased q-o-q by $7.5 million in the following segments: commercial loans $6.7 million, agriculture loans $0.1 million, leasing flat, and factoring by $2.4 million; net of increases in overdraft loans $1.7 million, and transportation loans by $0.1. Our consumer NPLs decreased by $0.1 million: mortgages by $3.3, million, and auto by $1.2 million; net of increases on personal & retirees by $2.2 million, credit cards by $1.0 million and retirees by $0.1 million. Our NPLs are distributed across all segments of the economy, with the three largest amounts related to our commercial portfolio ($97.5 million); agriculture portfolio ($35.7 million) and mortgage portfolio ($34.3 million).

Our NPL coverage ratio declined from 107.0% in Q2’23 to 109.1% in Q3’23.

(Data in US$ millions)	Q3´23	Q2´23	∆ Q3´23/ Q2´23 $	%
Balance Beginning of year	231.0	231.0	0.0	0.0%
Reserve charged to expenses	38.1	29.0	9.2	31.6%
Recoveries	2.8	2.0	0.8	38.6%
Written-off loans	(24.3)	(11.0)	(13.4)	121.7%
Balance at end of period	**247.6**	**251.0**	**(3.4)**	**(1.4%)**

2.0 Total Liabilities

As of March 31st, 2023 (Q3’23), Global Bank’s total liabilities amounted to $7.7 billion, decreasing by $9.7 million or 0.1% vs. Q2´23. Customer deposits continue to be the largest component of our total liabilities, representing 67.5% of our total liabilities as of the third quarter of 2023.

2.1 Customer and Bank Deposits

(Data in US$ millions)	Q3´23	Q2´23	∆ Q3´23/Q2´23 $	%
Demand	520.9	524.1	(3.2)	(0.6%)
Savings	1,153.4	1,211.7	(58.3)	(4.8%)
Time	3,514.8	3,465.7	49.1	1.4%
Total customer deposits	**5,189.2**	**5,201.6**	**(12.4)**	**(0.2%)**
Interbank deposits	75.2	87.4	(12.2)	(14.0%)
Interest Payable	29.6	35.4	(5.8)	(16.4%)
Total deposits	**5,294.0**	**5,324.4**	**(30.4)**	**(0.6%)**

For Q2’23, our deposits totaled $5.3 billion, representing a decrease of $30.4 million or 0.6% when compared to Q2’23. Our time deposits increased by 1.4%, while our savings accounts declined by 4.8% and our demand deposits decreased by 0.6% during the last quarter. When compared to Q3’22, our checking and time deposits grew by 1.3% and 4.2% respectively, and our savings accounts overall decline was 10.0%. The decline in our savings accounts continues to be driven by the migration of such funds onto higher yield deposit products such as time deposits.

The Bank’s loan to deposit ratio decreased from 120.7% to 119.4% when compared to Q2’23 and is slightly higher than the 117.0 % registered in Q3’22.

2.2 Financings, Bonds & Commercial Paper

During Q3’23 institutional funding liabilities increased by $2.2 million. Bonds & commercial paper in Q3’23 decreased by $10.6 million or 1.8% and Repos & Financing increased by $7.4 or 0.5% for the same period. The total cost of institutional financings increased from 3.6% in Q2’23 to 3.9% in Q3’23. Access to liquidity lines and counterparties continues to be ample while more expensive given the rate increases trend from the U.S. Fed.

Shareholder’s Equity and Regulatory Capital

Shareholder’s equity as of Q3’23 totaled $780.8 million, a 1.3% increase when compared to Q2’23. Such increase was mostly driven by a $0.6 million positive mark-to-market in our investment portfolio in the OCI account and by an $8.9 million in retained earnings growth during the quarter.

Capital Adequacy Ratio

(Data in US$ millions)	Q3´23	Q2´23
Primary Capital (Tier I)		
Paid-in share capital	270.2	270.2
Excess paid-in capital	2.1	2.0
Declared reserves	44.0	43.7
Retained earnings	401.0	392.1
Other items of comprehensive income (OCI)	(39.6)	(40.2)
Dynamic reserve	87.9	87.9
Less: Regulatory adjustments	(92.0)	(92.0)
Other intangible assets	(18.2)	(18.6)
Deferred Tax – Assets	0.0	(1.4)
Total Primary Capital (Tier 1 Common)	**655.3**	**643.6**
Additional Primary Capital (Tier 1)	**177.9**	**177.9**
Tier 2 Capital	**0.0**	**0.0**
Total Capital Funds	**833.3**	**821.5**
Risk-Weighted Assets (RWA's)	**5,678.6**	**5,716.7**
Total Capital Ratio	**14.67%**	**14.37%**
Tier 1 Primary Capital	**11.54%**	**11.26%**
Additional Tier 1 Capital	**3.13%**	**3.11%**

Total regulatory capital reached $833.3 million, an increase of 1.4% when compared to Q2’23. The Bank’s capital ratio increased from 14.37% to 14.67%, the majority of such increase was attributed to a decline of 0.7% in RWAs during the quarter.