MARCH 2020

EARNINGS REPORT

For the first 9 months of the 2020 Fiscal Year

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/.), the official monetary unit of Panama. 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 (US$), 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 changes in 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, but 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 prior to our next earnings report. The content of this document and the figures included herein are intended to provide a summary of the subjects discussed rather than a comprehensive description.

GLOBAL BANK CORPORATION REPORTS A CONSOLIDATED NET INCOME OF US$49.9 MILLION FOR THE NINE-MONTH PERIOD ENDING ON MARCH 31, 2020. THIS REPRESENTS AN INCREASE OF 18.3% VERSUS THE SAME PERIOD LAST YEAR.

Management Highlights:

- Cash and deposits increased by $241.1 million (43.7%) to $792.4 million. We bolstered liquidity in early March ahead of expected market and liquidity volatility generated by the Covid-19 pandemic. Funds were primarily raised through committed financing lines, margin loans and REPO facilities.
- Gross loans declined by 1.4% to US$6.4 billion quarter over quarter as of March 31st, 2020. Consumer loans grew by 0.4%, increasing by US$11.0 million and corporate loans declined 2.9% decreasing by US$101.0 million.
- The mix of higher yielding loans and decrease in funding costs due to lower LIBOR over the third quarter contributed to an expansion of our financial margin from 36.74% in Q2’20 to 37.00% in Q3’20. We continue to observe an improvement in our net interest margin (NIM) which increased, on a quarterly basis, from 2.28% in Q2’20 to 2.38% for Q3’20.
- From an asset quality standpoint, our non-performing loans declined by 15.4% from US$166.9 million in Q2’20 to US$141.2 million in Q3’20. Non-performing loans were split 49% in corporate and 51% in consumer. The reduction in NPLs combined with flat loan growth led to a decline of 37 basis points in our NPL ratio, from 2.57% in Q2’20 to 2.20% in Q3’20. Our loan loss reserves ended the quarter at US$134.8 million, an increase of 7.3% versus Q2’20; this in turn resulted in an increase in our coverage ratio to 95.5% for Q3’20.
- Loan loss provision expense rose to US$31.7 million for the nine-month period ending March 31, 2020, a US$22.5 million (245.3%) increase compared to same period last year. The above average expense is primarily driven by an expected increase in the next 6 to 12 months in non-performing loans due to the economic impact of the Covid-19 pandemic.
- Capital Adequacy Ratio was 14.35%, Common Tier 1 (CT1) 11.75% and Total Tier 1 (TT1) 14.21%. Capital Adequacy increased due to measures implemented by the Regulator to mitigate expected impacts to capital levels caused by the Covid-19 pandemic (Resolution No. SBP-GJD-0005-2020). These measures allow banks to change risk-weights for non-performing loans from 125% and 150% to 100%. Additionally, the Superintendency through Resolution No. SBP-GJD-0004-2020 deems all real estate collateral appraisals on file as current, which lowered risk weights of certain collateralized loans with appraisals older than 3, 5, and 10 years. Our capital ratios continue to be well above the

regulatory minimum for each category of capital (Total: 8.0%, CT1: 4.5%, TT1: 6.0%). Excluding the measures implemented by the Superintendency, our capital ratio would have been 13.5%.

- For the third quarter of 2020, return on average equity remained flat at 8.43%, and return on average assets declined to 0.77% vs. 0.98%, respectively for the same period last year.
- Shareholder's equity as of the end of Q3'20 totaled US$775.5 million, a decrease of US$26.3 million or 3.3%, when compared with Q2'20. The decline was mainly driven by changes in other items of comprehensive income (mark-to-market valuation on securities) of US$31.0 million, due to market volatility as a result of the Covid-19 pandemic.

Income Statement Summary[1]

Global Bank Corporation and Subsidiaries - Income Statement				
			Δ 9M 20/9M 19	
(Data in US$ thousands)	**9M 19**	**9M 20**	**$**	**%**
Interest income				
Loans	279,495	324,415	*44,920*	16.1%
Deposits	5,572	5,666	*93*	1.7%
Investments	28,218	28,944	*725*	2.6%
Total Interest income	313,285	359,024	45,739	14.6%
Interest expense				
Deposits	(104,093)	(132,454)	*(28,361)*	27.2%
Financing	(25,472)	(28,618)	*(3,146)*	12.4%
Bonds & Commercial Paper	(69,812)	(65,155)	*4,657*	(6.7%)
Total interest expense	(199,377)	(226,227)	(26,850)	13.5%
Net interest income	**113,908**	**132,797**	**18,888**	**16.6%**
Margin	***36.4%***	***37.0%***		
Net fee income	33,801	34,369	569	1.7%
Other income	1,402	14,320	12,918	921.1%
General and administrative expenses [1]	(91,865)	(99,142)	(7,277)	7.9%
Net income before Loan loss allowance	**57,246**	**82,344**	**25,098**	**43.8%**
Margin	***18.3%***	***22.9%***		
Loan loss allowance	(9,173)	(31,677)	(22,504)	245.3%
Profit before income tax	**48,073**	**50,667**	**2,594**	**5.4%**
Income tax	(5,904)	(797)	5,107	(86.5%)
Net income	**42,169**	**49,870**	**7,701**	**18.3%**

[1] Provisions expense related to investments and others in 9M´20 of US$164K; and 9M’19 of $340K where included in G&A.

Balance Sheet Summary

Global Bank Corporation and Subsidiaries - Balance Sheet				
			Δ Q3 FY20/ Q2 FY20	
(Data in US$ thousands)	Q2 FY20	Q3 FY20	$	%
Assets				
Cash and deposits	250,626	583,881	333,256	133.0%
Interbank Deposits	300,692	208,510	(92,182)	(30.7%)
Total Cash and deposits	551,318	792,392	241,074	43.7%
Gross loans	6,494,703	6,404,762	(89,941)	(1.4%)
Allowance for loan losses	(125,630)	(134,824)	(9,193)	7.3%
Unearned Interest & Commissions	(16,152)	(13,909)	2,243	(13.9%)
Total Net Loans	6,352,921	6,256,029	(96,892)	(1.5%)
Investments	998,768	881,058	(117,710)	(11.8%)
Other assets	690,660	687,947	(2,713)	(0.4%)
Total assets	**8,593,667**	**8,617,426**	**23,759**	**0.3%**
Liabilities & Shareholder's Equity				
Demand	449,280	447,526	(1,754)	(0.4%)
Savings	961,026	948,162	(12,864)	(1.3%)
Time Deposits	3,720,863	3,727,100	6,237	0.2%
Interbank Deposits	98,192	34,240	(63,952)	(65.1%)
Total Deposits	5,229,361	5,157,028	(72,333)	(1.4%)
Repos & financings	983,957	1,123,715	139,759	14.2%
Bonds and commercial paper	1,380,029	1,360,653	(19,376)	(1.4%)
Other liabilities	198,465	200,502	2,036	1.0%
Total liabilities	**7,791,812**	**7,841,898**	**50,086**	**0.6%**
Shareholder's equity	**801,855**	**775,529**	**(26,326)**	**(3.3%)**

Key Performance Metrics[1,2,3]

	Q3 FY19	Q4 FY19	Q1 FY20	Q2 FY20	Q3 FY20
Profitability					
Net Interest Margin	2.20%	2.21%	2.23%	2.28%	2.38%
Efficiency Ratio	61.84%	53.75%	56.17%	53.65%	54.63%
ROAA	0.98%	0.91%	0.95%	0.89%	0.77%
ROAE	8.43%	9.82%	10.32%	9.59%	8.43%
Loan Quality					
Overdue (NPLs)/ Gross Loans	2.47%	2.02%	2.30%	2.57%	2.20%
Allowance / Overdue (NPLs)	62.52%	92.68%	78.81%	75.28%	95.51%
Allowance/ Gross Loans	1.54%	1.87%	1.81%	1.93%	2.11%
Loan to Deposit Ratio	134.77%	130.71%	129.06%	124.20%	124.19%
Loan to Deposits + Corporate Bonds Ratio [1]	104.86%	100.97%	99.00%	100.86%	100.89%
Capital Ratios					
Capital Adequacy Ratio	13.30%	13.96%	14.04%	13.72%	14.35%
Tier 1 Common	11.07%	11.57%	11.40%	11.40%	11.75%
Additional Tier 1 Capital	1.97%	2.25%	2.25%	2.18%	2.46%
Tier 2 Capital	0.30%	0.14%	0.14%	0.13%	0.14%

[1] Ratio includes corporate bonds with a maturity over 1 year.
[2] Profitability ratios for Q3 & Q4 2019 adjusted for Banvivienda's acquisition non-recurrent expenses
[3] Profitability ratios calculated on a quarterly annualized basis.

COVID-19 pandemic in Panama

The economic impact of the COVID-19 outbreak is being felt by all countries around the world including Panama. As a result of the pandemic, the Panamanian government implemented measures to control the spread of the virus, including severely limiting the movement of people and closing all non-essential businesses since mid-March.

The COVID-19 pandemic was confirmed to have spread to Panama on March 9th, 2020. As of May 5th, Panama reported 7,523 cases, 210 deaths, and 823 recoveries. Of those infected, 366 were admitted to hospitals.

As part of the plan to reopen the economy and provide monetary relief to segments of the population most affected by the pandemic, the Government has implemented the following strategies:

1. Panama has an informal economy that employs over 700 thousand people. The Government has implemented a social fund ("Panama Solidario") that will provide funds deposited to each person's ID card to the most impacted sections of the population so they can meet their dietary and medical needs during this crisis. This plan will be financed with funds raised in the international markets, multilateral banks, and the sovereign wealth fund.

2. With a total amount raised and under negotiation as of April of more than $4.5 billion, we expect these funds to stabilize the Government´s budget and provide the foundations for economic reactivation.

In the Banking System, The Superintendency of Banks of Panama (the "SBP"), by means of Accord SBP No. 2-2020, adopted measures to allow banks to voluntarily implement the necessary mechanisms to support their customers, in both consumer and corporate banking via grace periods of up to 90 days (April, May, and June) for loan payments loans. The measure allows banks to modify loans without changing their credit classification under regulation 4-2013.

On May 4, the government signed an agreement with the Panamanian Banking Association whereby banks will voluntarily provide additional grace periods of up to six months (December 2020) to customers that are unable to make payments as a result of the pandemic.

As a result of the pandemic, Global Bank has implemented contingency plans to ensure continued operations. Most of our office-based employees are working remotely and, in our facilities, we implemented enhanced hygiene and sanitation practices. As of today, more than 60% of our employees are working from home. Our branches are operating under reduced hours.

Income Statement

Accumulated net income for the six-month period ending March 31, 2020 totaled US$49.9 million, which represents an increase of 18.3% versus the same period last year. Increase in net income was driven by a combination of higher mixed rates on the loan portfolio; higher investment volume and cost savings driven by lower cost of funds and realization of synergies from the acquisition of Banvivienda.

1.0 Net Interest Income

(Data in US$ millions)	9M 19	9M 20	Δ 9M 20/9M 19 $	%
Interest Income				
Loans	279.5	324.4	44.9	16.1%
Deposits	5.6	5.7	0.1	1.7%
Investments	28.2	28.9	0.7	2.6%
Total Interest Income	**313.3**	**359.0**	**45.7**	**14.6%**
Interest Expense				
Deposits	104.1	132.5	28.4	27.2%
Loans	25.5	28.6	3.1	12.4%
Bonds & Commercial Paper	69.8	65.2	-4.7	(6.7%)
Total Interest Expense	**199.4**	**226.2**	**26.9**	**13.5%**
Net Interest Income	**113.9**	**132.8**	**18.9**	**16.6%**
Margin	*36.4%*	*37.0%*		

- Net interest income for the nine-month period ending March 31, 2020 reached US$132.8 million, increasing 16.6% when compared to the 9M period of the 2019 fiscal year primarily due to higher loan and investment volume. During Q3’20 cash and deposits increased US$241.1 million, with an average cost of funds of 2.41%.

- We continue to observe a stabilization in our NIM with a quarterly increase of 10 bps when comparing Q3’20 vs Q2’20 (2.38% vs. 2.28%) due to higher yields and to cost of funds compression due to lower LIBOR in our floating rate facilities.

3.0 Net Fee and Other Income

(Data in US$ millions)	9M 19	9M 20	Δ 9M 20/9M 19 $	%
Fee Income				
Loans	19.7	22.6	2.9	14.6%
Letters of Credit	2.3	2.3	(0.1)	(3.5%)
Savings and debit cards	4.4	4.5	0.1	2.2%
Trust Services	7.5	7.7	0.2	2.6%
Others	10.5	9.4	(1.1)	(10.5%)
Fee Expenses	**(10.7)**	**(12.1)**	**(1.4)**	**13.4%**
Net Fee Income	**33.8**	**34.4**	**0.6**	**1.7%**
Other Income				
Net Insurance premiums	8.2	9.7	1.5	17.7%
Others	(6.8)	4.6	11.5	na
Total Other Income	**1.4**	**14.3**	**12.9**	**921.1%**

Net fee income grew by 1.7% for 9M´20 vs. 9M´19, the US$0.6 million increase was mainly driven by loan volume from Banvivienda and investment banking fees.

Total other income grew by 921.1%, or US$12.9 million for 9M´20 vs. 9M´19 due to higher insurance premiums and a one-time gain of US$5.3 million from the sale of investments that was partially offset by a loss of US$.1 million on derivatives.

4.0 Operating Efficiency[4]

- Operating efficiency ratio for 9M’20 closed at 54.63% vs. 61.61% for the same period last year as a result of economies of scale and other synergies achieved from the Banvivienda acquisition. General & Administrative Expense (G&A) closed at US$99.1 million for 9M’20; representing a US$7.3 million increase over the same period last year. The change was primarily driven by a higher cost base given the Bank’s larger size.

[4] Efficiency ratio: total G&A expenses, excluding loan loss provisions divided by total net revenue.

Balance Sheet

1.0 Cash and Equivalents

Total cash and equivalents increased by $241.1 million to a total of $792.4 million for 3Q'20, representing a 43.7% quarter over quarter change. The increase in cash was due to the implementation, in early March, of a contingency plan to mitigate any potential volatility in our liquidity position as a result of the ensuing Covid-19 pandemic. This plan was funded though the reduction of our investment portfolio, committed financing facilities, margin loans and REPO facilities.

Our liquidity coverage ratio (LCR) was 111% on Q3´20 vs 247% on Q2´20; well above the regulatory minimum of 50.0%. Our primary liquidity ratio which is the legal liquidity ratio was 60.9%, well above the 30.0% regulatory minimum.

1.1 Loan Portfolio

As of March 31, 2020, our gross loan portfolio decreased 1.4% (US$89.9 million) to close at US$6.4 billion. The Bank's portfolio mix remained unchanged, with the consumer portfolio accounting for 46.6% of our total gross loans and corporate portfolio 53.4% of total gross loans.

			Δ Q3 FY20/Q2 FY20	
(Data in US$ millions)	Q2 FY20	Q3 FY20	$	%
Consumer Banking				
Mortgages	1,771.6	1,778.0	6.4	0.4%
Car Loans	283.3	274.1	(9.2)	(3.2%)
Personal & Retirees	687.0	695.1	8.1	1.2%
Credit Cards	145.7	152.7	7.0	4.8%
Pledged	58.0	59.4	1.4	2.3%
Overdrafts	26.0	23.3	(2.7)	(10.4%)
Total Consumer Banking	**2,971.6**	**2,982.6**	**11.0**	**0.4%**
Corporate Banking				
Commerce	1,546.5	1,506.9	(39.7)	(2.6%)
Construction	781.0	753.7	(27.3)	(3.5%)
Agriculture	405.6	397.9	(7.7)	(1.9%)
Factoring	247.7	221.9	(25.8)	(10.4%)
Overdrafts	176.3	155.9	(20.4)	(11.6%)
Pledged	84.8	78.8	(6.0)	(7.1%)
Leasing	58.8	57.0	(1.8)	(3.0%)
Small & Medium Enterprise	202.9	231.3	28.4	14.0%
Transport	19.4	18.8	(0.6)	(2.9%)
Total Corporate Banking	**3,523.1**	**3,422.2**	**(100.9)**	**(2.9%)**
Total Gross Loans	**6,494.7**	**6,404.8**	**(89.9)**	**(1.4%)**
Allowance for Loan Losses	(125.6)	(134.8)	(9.2)	7.3%
Unearned interest and fees	(16.2)	(13.9)	2.2	(13.9%)
Total Net Loans	**6,352.9**	**6,256.0**	**(96.8)**	**(1.5%)**

The consumer portfolio grew by 0.4% to US$3.0 billion in Q3'20. Within the consumer portfolio we saw pockets of growth in the following segments: credit cards 4.8%, personal & retiree loans 1.2% and mortgages 0.4%. Car loan volume decreased by 3.2%.

Global Bank's corporate portfolio decreased by 2.9% to US$3.4 billion for Q3'20. We have reduced our exposure to the construction and agriculture sectors of the economy given the current economic cycles that each is going through. Furthermore, due to the potential economic impact of the Covid-19 pandemic, almost all corporate products have decreased due to repayments and limited disbursements.

	Q2 FY20				Q3 FY20			
(Data in US$ millions)	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Corporate	3,092.5	352.2	78.4	3,523.1	2,976.9	375.1	70.1	3,422.2
Consumer	2,506.5	376.6	88.5	2,971.6	2,493.3	418.3	71.0	2,982.6
Total	**5,598.9**	**728.9**	**166.9**	**6,494.7**	**5,470.2**	**793.4**	**141.2**	**6,404.8**

1.2 Impairment Allowance Overview

Impairment allowance increased by US$9.2 million in Q3´20 to a total of US$134.8 million, representing a 7.3% increase versus Q2'20. The change was mainly driven by higher cumulative reserve expense of US$31.7 million, due to the provisioning of various agriculture loans, a construction loan and expected losses from the Covid-19 pandemic. The reserve charge expense is distributed across collective reserve, corporate loans, consumer and residential loans.

Non-performing loans totaled US$141.2 million for Q3'20 vs. US$166.9 million for Q2'20. The reduction of US$25.7 million was due mainly to changes in Banvivienda's mortgage loan parameters to Global Bank's. Our NPLs are distributed across all segments of the economy with the largest amount related to our mortgage portfolio (US$37.3 million).

Our coverage ratio increased from 75.3% in Q2'20, to 95.5% in Q3'20. We expect to see an increase in our coverage ratio led by a higher provisioning expense in the fourth quarter as we prepare the Bank for an increase in delinquent loans in the next 6 to 12 months as a result of the Covid-19 pandemic.

			Δ Q3 20/ Q2 20	
(Data in US$ millions)	Q2 FY20	Q3 FY20	$	%
Balance Beginning of year	119.7	119.7	0.0	0.0%
Reserve charged to expenses	17.7	31.7	14.0	79.0%
Recoveries	1.9	2.6	0.7	38.6%
Written-off loans	(13.7)	(19.2)	(5.5)	40.4%
Balance at end of period	**125.6**	**134.8**	**9.2**	**7.3%**

1.3 Investment Portfolio

For Q3'20, as part of the Covid-19 liquidity contingency measures, the bank converted to cash its US Treasuries securities portfolio of US$149.9 million, lowering the total balance of the investment portfolio by

11.8% vs theQ2’202020. Of the total investments, 42.6% are investment grade securities, 36.2% are non-investment grade and 21.3% are local investment grade.

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

The weighted average yield in our interest and dividend-earning investment portfolio remained flat on 3.9% as of Q3’20, compared to Q2’20. The lower yield is a result of a general decline in rates.

2.0 Total Liabilities

As of March 31, 2020, Global Bank's total liabilities amounted to US$7.8 billion, increasing by US$50.1 million versus the second quarter 2020. This represents a 0.6% increase for the quarter. Customer deposits continue to be the largest component of our funding structure, representing 65.8% of total liabilities for the nine months ending on March 31, 2020.

2.1 Customer and Bank Deposits

			Δ Q3 FY20/Q2 FY20	
(Data in US$ millions)	**Q2 FY20**	**Q3 FY20**	**$**	**%**
Demand	449.3	447.5	(1.8)	(0.4%)
Savings	961.0	948.2	(12.9)	(1.3%)
Time	3,720.9	3,727.1	6.2	0.2%
Total customer deposits	**5,131.2**	**5,122.8**	**(8.4)**	**(0.2%)**
Interbank deposits	98.2	34.2	(64.0)	(65.1%)
Total deposits	**5,229.4**	**5,157.0**	**(72.3)**	**(1.4%)**

Even though we increased our liquidity as a contingency measure, we observed very little movement in our deposit accounts during March. As of April, we've observed a customer preference for on demand deposits with an increase of US$42.7 million in savings deposits. For Q3'20, our customer deposits remained almost flat at US$5.1 billion, representing a slightly decrease of US$8.4 million or 0.2% compared to Q2´20. The Bank's loan to deposit ratio remained flat at 124.2%, when compared to Q2'20 and is lower than the 135% registered in Q3'19 prior to the Banvivienda acquisition.

2.2 Financings, Bonds & Commercial Paper,

During the ninth-month period ending March 31, 2020, the bank increased its financing liabilities by US$139.8 million by drawing credit lines from our multilateral and financial partners, as a measure to ensure contingent liquidity levels due to potential Covid-19 effects. During Q3'20, the bank unwound a floating rate swap tied to our 2021 bonds, which significantly reduced the cost from an annual average floating rate of 5.45% to a fixed rate of 4.50%. Total cost of financings liabilities decreased to 3.8% in Q3´20 vs. 4.2% in Q2´20.

Shareholder's Equity and Regulatory Capital

Shareholder's equity as of the end of Q3'20 totaled US$775.5 million, a decrease of US$26.3 million or 3.3%, when compared with Q2'20. The decline was mainly driven by changes in other items of comprehensive income (mark-to-market valuation on securities) of US$31.0 million, due to market volatility as a result of the Covid1-9 pandemic.

Capital Adequacy Ratio

(Data in US$ millions)	Q2 FY20	Q3 FY20
Primary Capital (Tier I)		
Paid-in share capital	270.2	270.2
Excess paid-in capital	2.6	2.7
Declared reserves	41.1	41.3
Retained ernings	380.5	383.5
Other items of comprehensive income	10.5	(20.5)
Dynamic reserve	87.9	87.9
Less: Regulatory adjustments	(91.7)	(92.0)
Other intangible assets	(23.2)	(22.8)
Total Primary Capital (Tier 1 Common)	**677.8**	**650.2**
Additional Primary Capital (Tier 1)	**129.9**	**136.1**
Tier 2 Capital	**7.9**	**7.9**
Total Capital Funds	**815.6**	**794.2**
Risk-Weighted Assets (RWA's)	**5,945.5**	**5,532.8**
Total Capital Ratio	**13.72%**	**14.35%**
Tier 1 Primary Capital	**11.40%**	**11.75%**
Additional Tier 1 Capital	**2.18%**	**2.46%**
Tier 2 Capital	**0.13%**	**0.14%**

Total regulatory capital stood at US$794.2 million, a decrease of 2.6% compared to Q2´20. The Bank's capital ratio increased from 13.72% to 14.35%, due to measures implemented by the Regulator to mitigate expected impacts to capital levels caused by the Covid-19 pandemic (Resolution No. SBP-GJD-0005-2020). These measures allow banks to change risk-weights for non-performing loans from 125% and 150% to 100%. Additionally, the Superintendency through Resolution No. SBP-GJD-0004-2020 deems all real estate collateral appraisals on file as current, which lowered risk weights of certain collateralized loans with appraisals older than 3, 5, and 10 years. Excluding both measures, our capital adequacy ratio would have been 13.5%.

Our annualized dividend payout ratio for the ninth-month period ending on March 31, 2020 was 53.3%, compared to 48.9% for the same period last year. Our quarterly return on average equity (ROAE) during Q3´20 vs. Q2'19, remained flat at 8.43%, and quarterly return on average assets (ROAA) declined to 0.77% vs. 0.98%, respectively for the same period last year.