

**Global Bank Limited**  
**Unaudited Financial Results (Quarterly)**  
**As at First Quarter (30/06/2068) of the Year 2068-069**

Amount in Rs. 000

S.N.	Particulars	This Quarter Ending	Previous Quarter Ending **	Corresponding Previous Year Quarter Ending
<b>1</b>	<b>Total Capital &amp; Liabilities (1.1 to 1.7)</b>	<b>18,823,237</b>	<b>17,929,460</b>	<b>17,747,836</b>
1.1	Paid-up Capital*	1,600,000	1,600,000	1,473,350
1.2	Reserves and Surplus	165,067	108,027	135,561
1.3	Debenture and Bond			
1.4	Borrowings	15,660	401,789	393,330
1.5	Deposits (a+b)	<b>16,323,954</b>	<b>15,066,490</b>	<b>14,943,785</b>
	a. Domestic Currency	16,058,257	14,670,874	14,689,813
	b. Foreign Currency	265,697	395,616	253,972
1.6	Income Tax Liabilities			37,667
1.7	Other Liabilities	718,556	753,154	764,143
<b>2</b>	<b>Total Assets (2.1 to 2.7)</b>	<b>18,823,237</b>	<b>17,929,460</b>	<b>17,747,836</b>
2.1	Cash & Bank Balance	2,095,658	1,754,446	1,925,883
2.2	Money at call and short Notice			
2.3	Investments	2,957,182	2,920,247	2,328,958
2.4	Loans & Advances (a+b+c+d+e+f)	<b>13,442,150</b>	<b>12,779,175</b>	<b>12,805,039</b>
	a. Real Estate Loan	<b>2,588,188</b>	<b>2,608,406</b>	<b>2,662,330</b>
	0 1. Residential Real Estate Loan (Except Personal Home Loan upto Rs 80 Lacs)	160,658	162,965	160,265
	0 2. Business Complex & Residential Apartment Construction Loan	669,839	626,431	814,527
	0 3. Income generating Commercial Complex Loan	163,737	163,737	150,000
	0 4. Other Real Estate Loan (Including Land Purchase & Plotting)	1,593,954	1,655,273	1,537,538
	0 b. Personal Home Loan of Rs. 80 Lacs or less	347,135	353,894	345,008
	0 c. Margin Type Loan	385,393	429,780	515,649
	0 d. Term Loan	934,074	937,984	1,050,649
	0 e. Overdraft Loan / TR Loan / WC Loan	7,637,531	6,844,747	6,670,440
	0 f. Others	1,549,829	1,604,364	1,560,963
2.5	Fixed Assets	238,047	231,580	275,958
2.6	Non Banking Assets			
2.7	Other Assets	90,200	244,012	411,998
<b>3</b>	<b>Profit and Loss Account</b>			
3.1	Interest income	534,914	1,963,604	489,515
3.2	Interest Expense	369,224	1,288,051	312,920
<b>A</b>	<b>Net Interest Income (3.1-3.2)</b>	<b>165,690</b>	<b>675,553</b>	<b>176,595</b>
3.3	Fees Commission and Discount	26,804	67,518	26,376
3.4	Other Operating Income	9,739	84,979	28,086
3.5	Foreign Exchange Gain/Loss (Net)	13,884	30,936	8,554
<b>B</b>	<b>Total Operating Income (A+3.3+3.4+3.5)</b>	<b>216,117</b>	<b>858,986</b>	<b>239,611</b>
3.6	Staff Expenses	37,413	155,004	32,396
3.7	Other Operating Expenses	57,119	237,364	51,465
<b>C</b>	<b>Operating profit Before Provision (B-3.6-3.7)</b>	<b>121,585</b>	<b>466,618</b>	<b>155,750</b>
3.8	Provision for Possible Loss	31,950	252,931	17,427
<b>D</b>	<b>Operating profit (C-3.8)</b>	<b>89,635</b>	<b>213,687</b>	<b>138,323</b>
3.9	Non Operating Income/Expenses (Net)		(133)	(210)
3.10	Write Back of Provision for Possible Loss		166,245	
<b>E</b>	<b>Profit From Regular Activities (D+3.9+3.10)</b>	<b>89,635</b>	<b>379,799</b>	<b>138,113</b>
3.11	Extraordinary Income/Expenses (Net)		(93,481)	
<b>F</b>	<b>Profit Before Bonus and Taxes (E+3.11)</b>	<b>89,635</b>	<b>286,318</b>	<b>138,113</b>
3.12	Provision For Staff Bonus	8,149	26,029	12,556
3.13	Provision For Tax	24,446	35,312	37,667
<b>G</b>	<b>Net Profit/Loss (F-3.12 -3.13)</b>	<b>57,040</b>	<b>224,977</b>	<b>87,890</b>
<b>4</b>	<b>Ratios</b>			
4.1	Capital Fund to RWA	11.01%	11.65%	10.74%
4.2	Non Performing Loan (NPL) to Total Loan	2.76%	2.52%	0.74%
4.3	Total Loan Loss Provision to total NPL	118.37%	126.40%	232.97%
4.4	Cost of Funds	9.17%	9.08%	8.67%
4.5	CD Ratio (Calculated as per NRB Directives)	76.35%	78.80%	79.22%
	<b>Additional Information (Optional)</b>			
	Average Yield (Local Currency)	12.83%	12.35%	12.56%
	Net Interest Spread (Local Currency)	3.66%	3.27%	3.89%
	Return on Equity	12.93%	13.17%	21.85%
	Return on Assets	1.21%	1.25%	1.98%

\* Proposed bonus share of Rs 10 crores included in paid up capital

\*\* Previous quarter end figures are taken from audited financial statements

**Additional disclosure as per Securities Registration and Issuance Regulation -2065 (Sub-Rule 2 of Rule 22)**

**1.b. Major Ratios:**

Earnings Per Share :	Rs.14.26
P/E Ratio:	10.88
Net worth per share :	Rs.110.31
Liquid Assets to Total Deposit :	31.47%
Total Assets/No of Shares :	Rs.1,176.45

**2. Management Analysis:**

**a) Quarterly change in the capital, reserve, income and liquidity and reason thereof, if any:**

There has been change in the bank's reserve position, income and liquidity as stated in the financial statement of First quarter ending 2068-69.

**b) Management overview on the business strategy for the next period:**

The Bank continues to focus towards the diversification of its risk asset portfolio. Bank will focus more in productive sector and small business loan. Banks Debit / Credit card, online banking and mobile banking will be promoted to increase the volume and coverage of customers. Bank will focus better quality assets than enhancement of assets size. Focus will be there to increase retail deposit base. The bank will equally focus on effective and efficient credit operations as well as customer service to increase Fee based income and non-fund business.

**c) Incidents which have impact on reserve, profit or cash flow position of the bank during the quarter under review :**

Operating profit could not increase proportionately because of increased interest suspense and excess liquidity in the market.

**3. Details relating to legal action:**

**(a) Cases filed by and or against the Bank during the quarter – Nil**

**(b) Cases filed by or against the promoter/directors relating to disobedience of prevailing law or criminal offences ,**

No such information has been received.

**(c) Cases filed against Promoter/Director for financial offence.**

No such information has been received.

**4. Analysis of share Transaction and progress of organized institution:**

**a) Management view on share transaction of the bank at securities market**

Share price of the bank has been trading within narrow range and is following the general trend of movement of NEPSE index.

**b) Maximum, minimum and last share price of organized institution including total transacted number of shares and transacted day during the quarter:**

Maximum Share price	Rs.233
Minimum Share price :	Rs.155
Last Share price :	Rs.155
Total transacted number of shares	58,377
Total Transaction	683
Transacted day during the quarter	53

**5. Problems, challenges and strategy:**

**Problem:** Increasing cost of operation and political instability causing negative effect in economic growth, increasing cost of living and inflation.

**Challenges:** Proliferation of financial institution, supply constraint on quality manpower leading to increasing employee cost, and increasing cost of deposit. Problem of loan servicing in real-estate business. Cost of Deposit is not decreased but there is pressure to reduce interest rate on lending portfolio.

**Strategy:** In-house and outsourced training, regular monitoring of expenses, diversification of risk asset portfolio for higher yield, effective risk management to monitor and plan on operational and business risk.

**6. Corporate Governance:**

Board of Directors Audit Committee, Internal Audit Department and Management Team are committed for strengthening good corporate governance within the bank. GBL has written policies, rules and guidelines to smoothly perform the banking operations to ensure good governance.

**7. Declaration by CEO relating to the truthfulness of information:**

I am accountable individually on the factual accuracy of the information / disclosure submitted as of date in this report. I also declare to the best of my knowledge and belief that the said facts are true and complete as far as I know and that no information required by the investors for making an informed decision have been knowingly concealed by the bank.