



RCBC 3Q 2024 Investor Presentation

December 10, 2024

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9M 2024 Performance

Chrissy P. Alvarez
Corporate Planning Head

Our financial performance at a glance

Driving Core Business Growth

- Earning assets jumped 11% on the back strong growth in loans
- Sustained recovery of NII amid loan growth
- Service fees and commissions up by 32% vs. year ago

₱6.2B
net income

₱698B
in loans; driven by consumer

Strengthening Financial Resilience

- Healthy NPL ratio despite loan expansion across all segments
- CAR and CET1 ratio at 16.2% and 13.7%
- Total capital Php 158B or 8% higher vs. 3Q2023

3.7%
consolidated gross NPL ratio

13.7%
CET1 ratio
As of September 2024

Transforming CX via data & digital

- Four digital channels: Pulz App, Boz App, Diskartech and ATMGo
- 51 AI models deployed across the organisation
- Almost 90% shifted from over-the-counter to apps, ATM, & cards

30M
in gross transaction volume; up 50 YoY

7,013
ATMGo terminals as of September 2024



463 branches



8,495 ATMs*



6,686 employees

*includes ATM Go terminals--RCBC's handheld ATM facility that enables banking transactions outside branches and ATMs, and through partner merchants

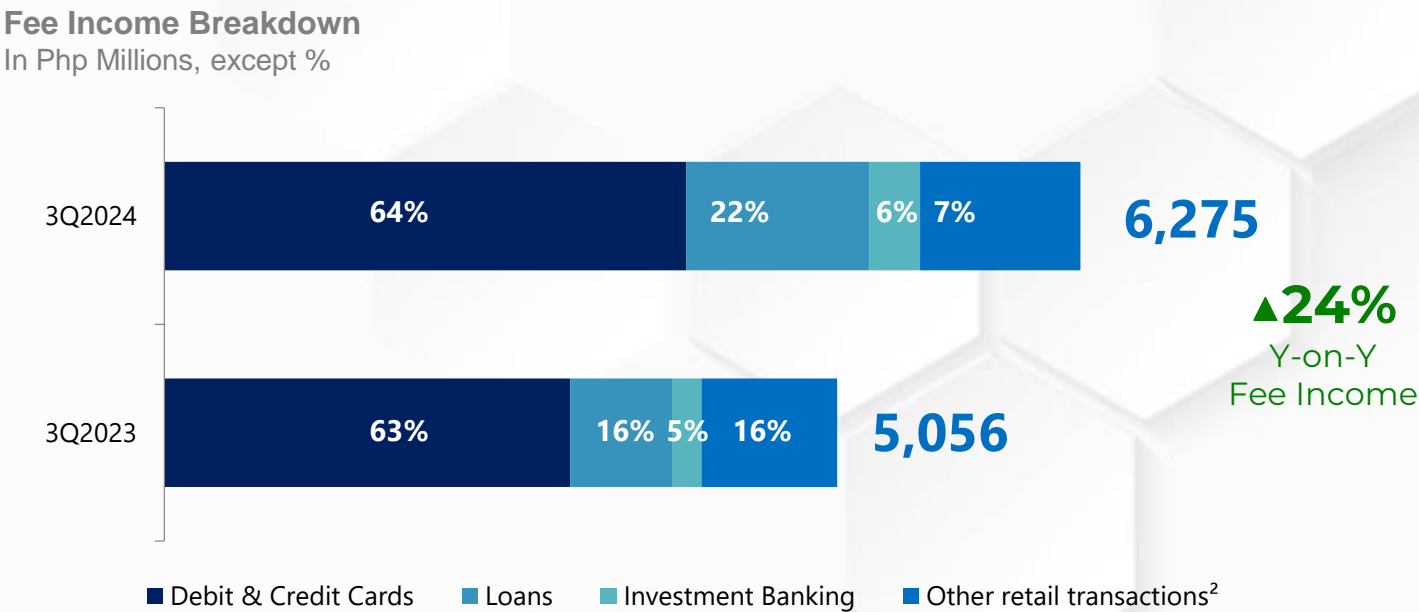
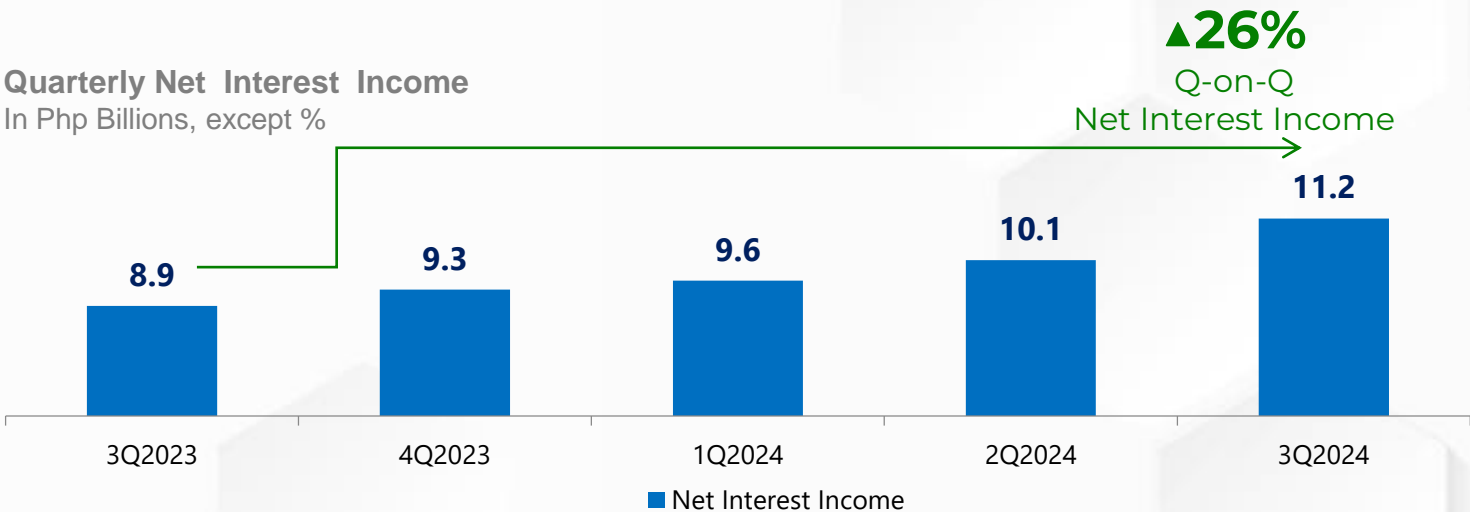
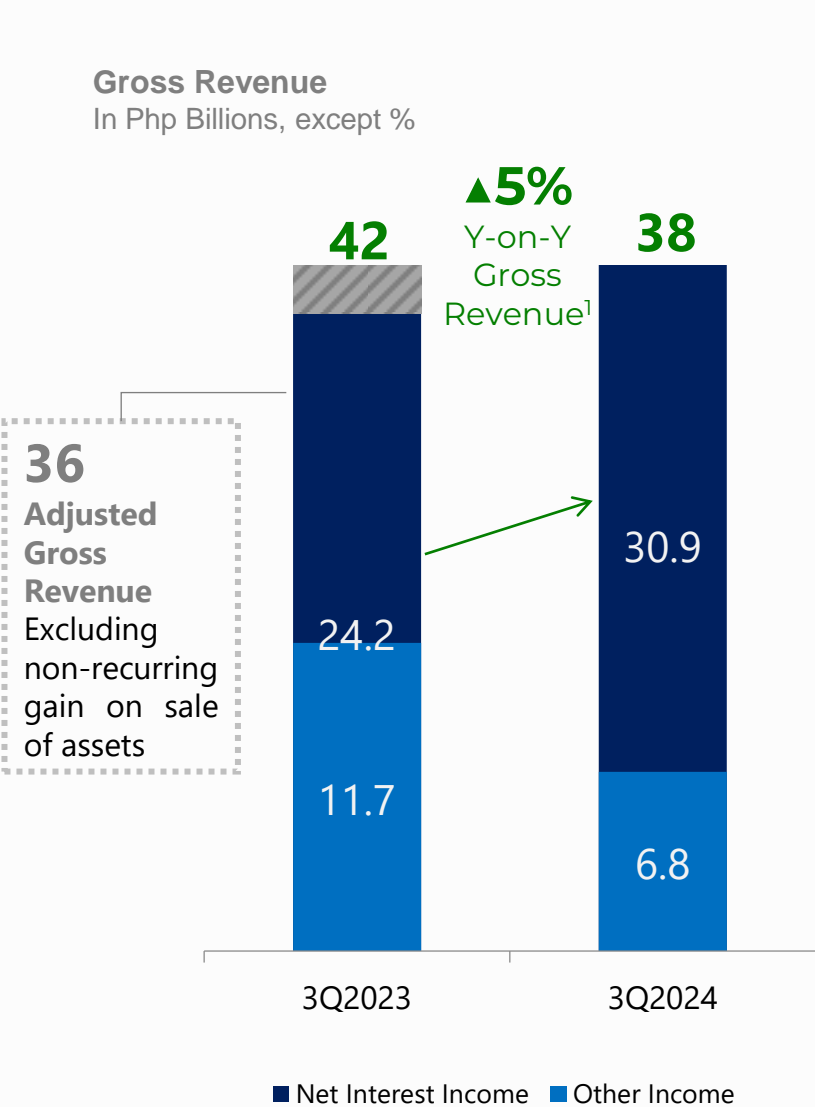
Summary of consolidated financial results

	9M2024	9M2023	Change	% Change
INCOME STATEMENT				
Gross Income	37,767	43,702	5,935	(13.6%)
Net Interest Income	30,931	24,246	6,686	27.6%
Fee Income	6,275	5,056	1,220	24.1%
Operating Expenses	23,289	21,893	1,396	6.4%
Impairment Losses	5,612	4,957	655	13.2%
Net Income	6,215	9,032	(2,817)	(31.2%)
BALANCE SHEET				
Assets	1,284,972	1,200,264	84,707	7.1%
Loans¹	681,255	604,050	77,210	12.8%
Investment Securities	398,100	346,500	51,600	14.9%
Deposits	990,440	901,835	88,605	9.8%
Capital	158,098	146,664	11,434	7.8%

*Amounts in PhP Millions, except % and ratios

[1] Loans and Receivables net of Allowances and Interbank Loans

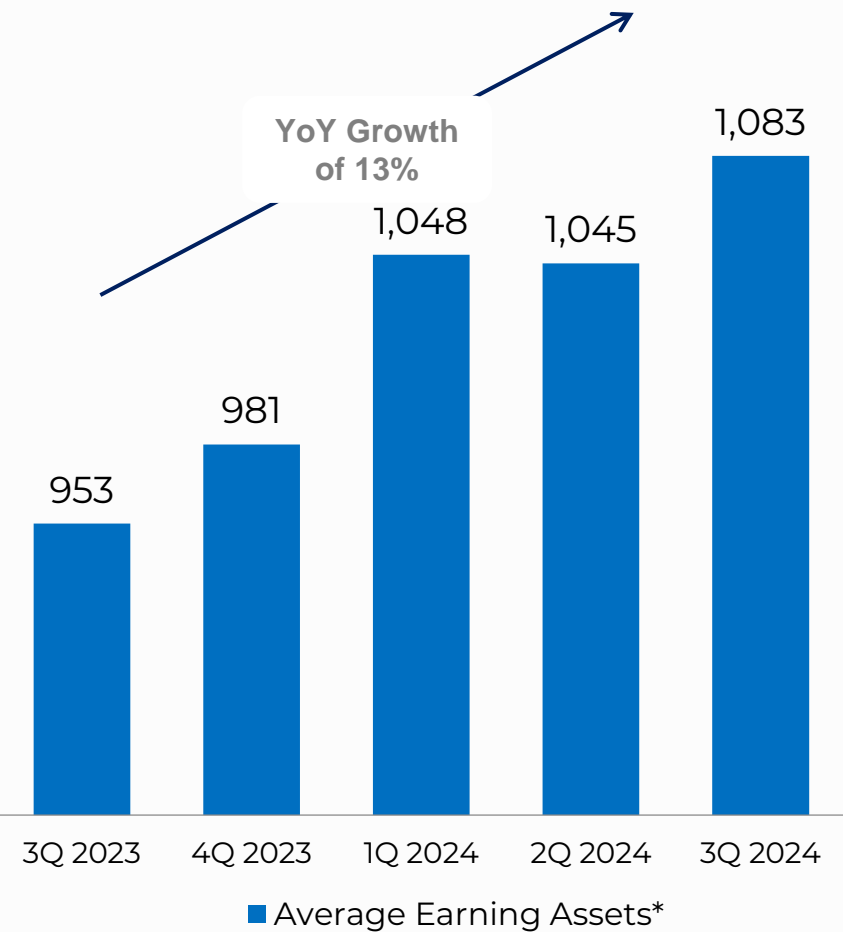
Sustained profitability amidst one-off impacts



[1] Less non-recurring transactions [2] After the spin-off of RCBC Trust Corporation in January 2024, trust fees are not included.

Fueling profits: Strategic asset growth & optimized funding

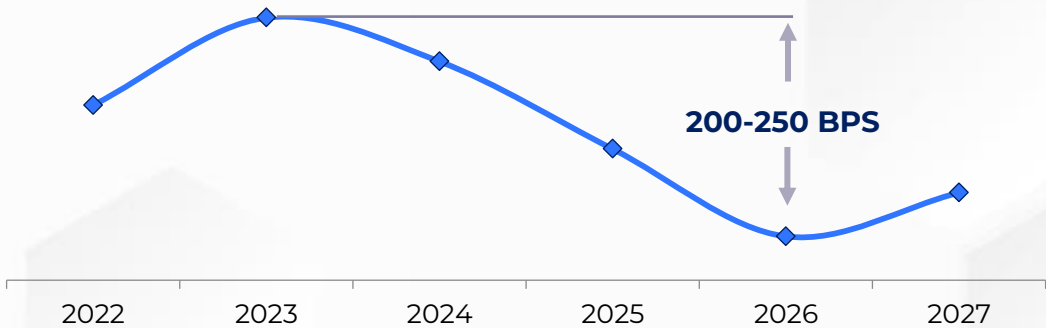
Expanding asset base driving sustainable income growth



*Earning assets only include loans and investment securities

Favorable rate outlook reducing funding cost pressures

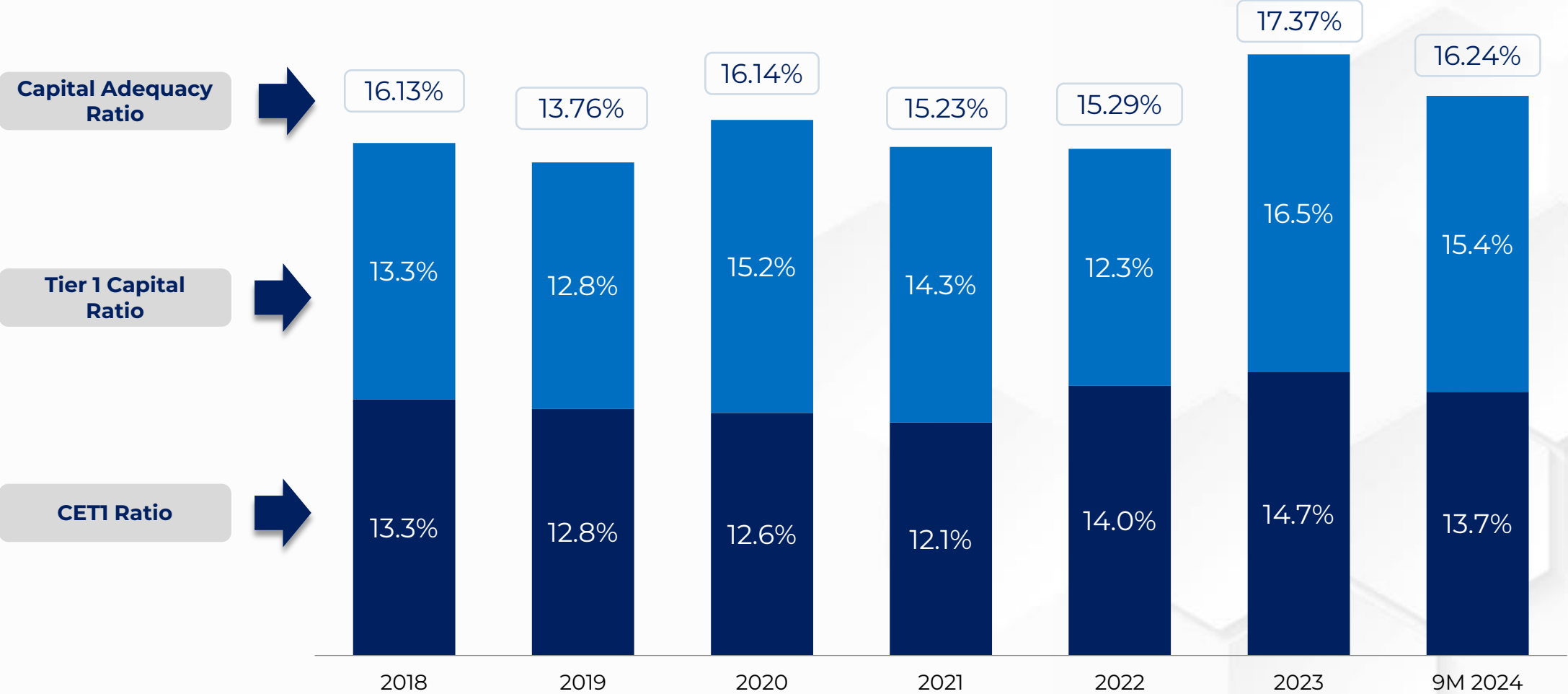
BSP policy rate (O/N RRP rate) outlook in %, as of end of period



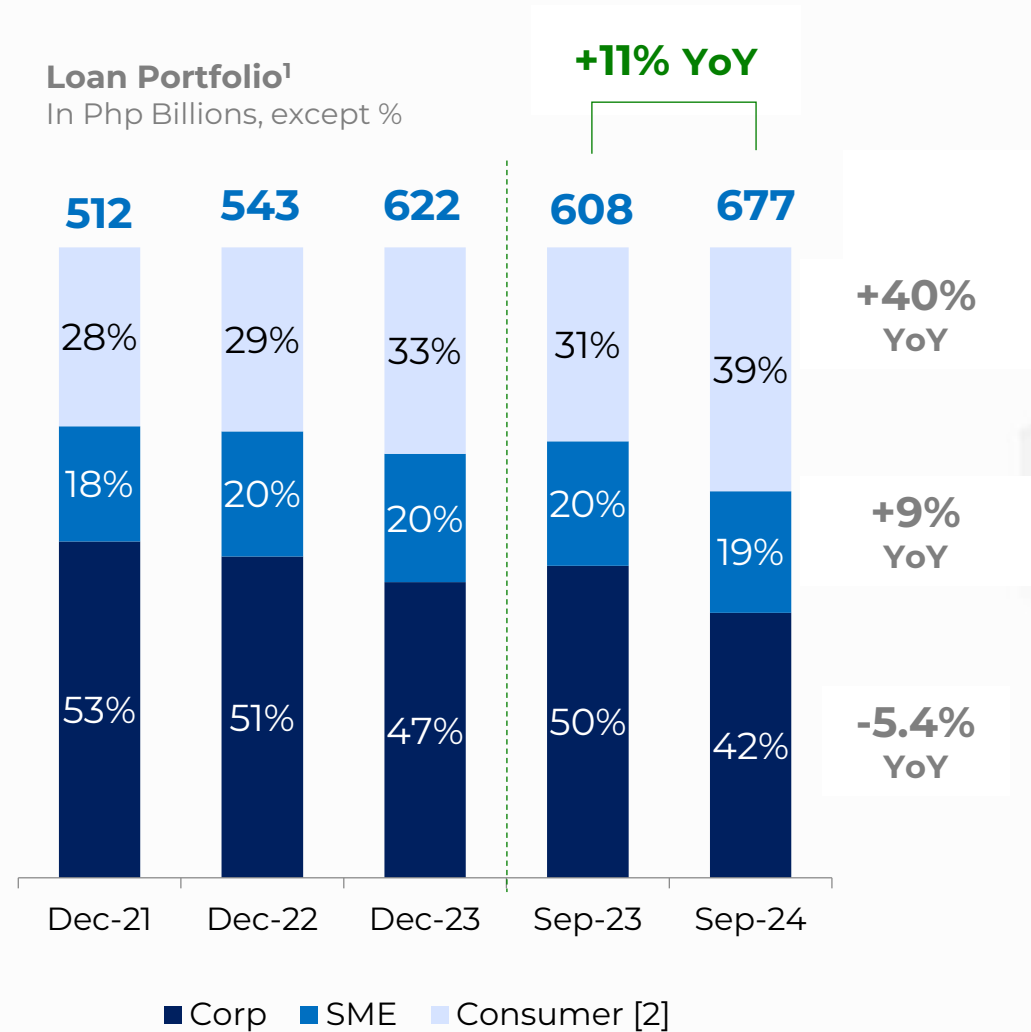
NIM positioned to benefit from market and spread improvement



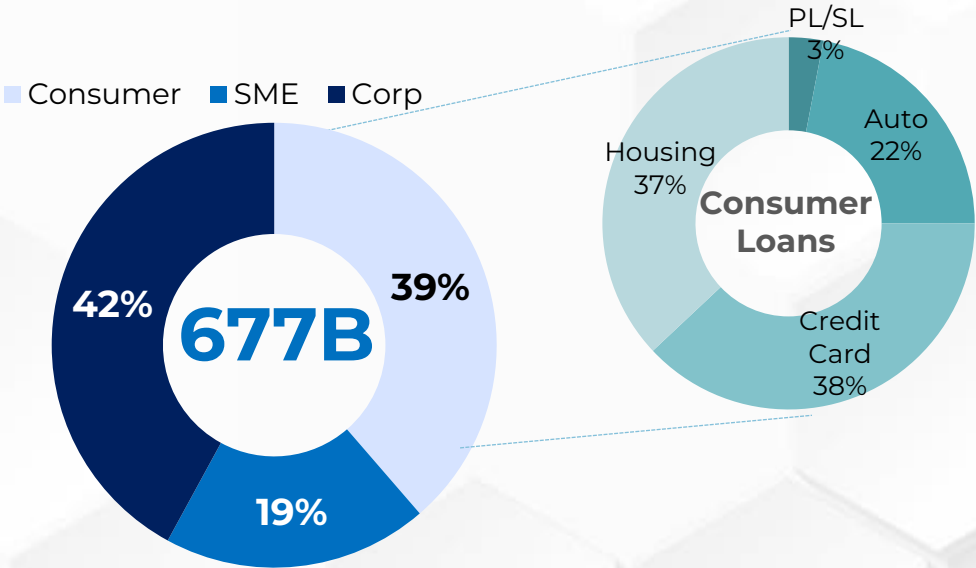
Strong capital ratios and steady growth trajectory



Accelerating portfolio growth through consumer loans



Loan Mix
As of September 30, 2024

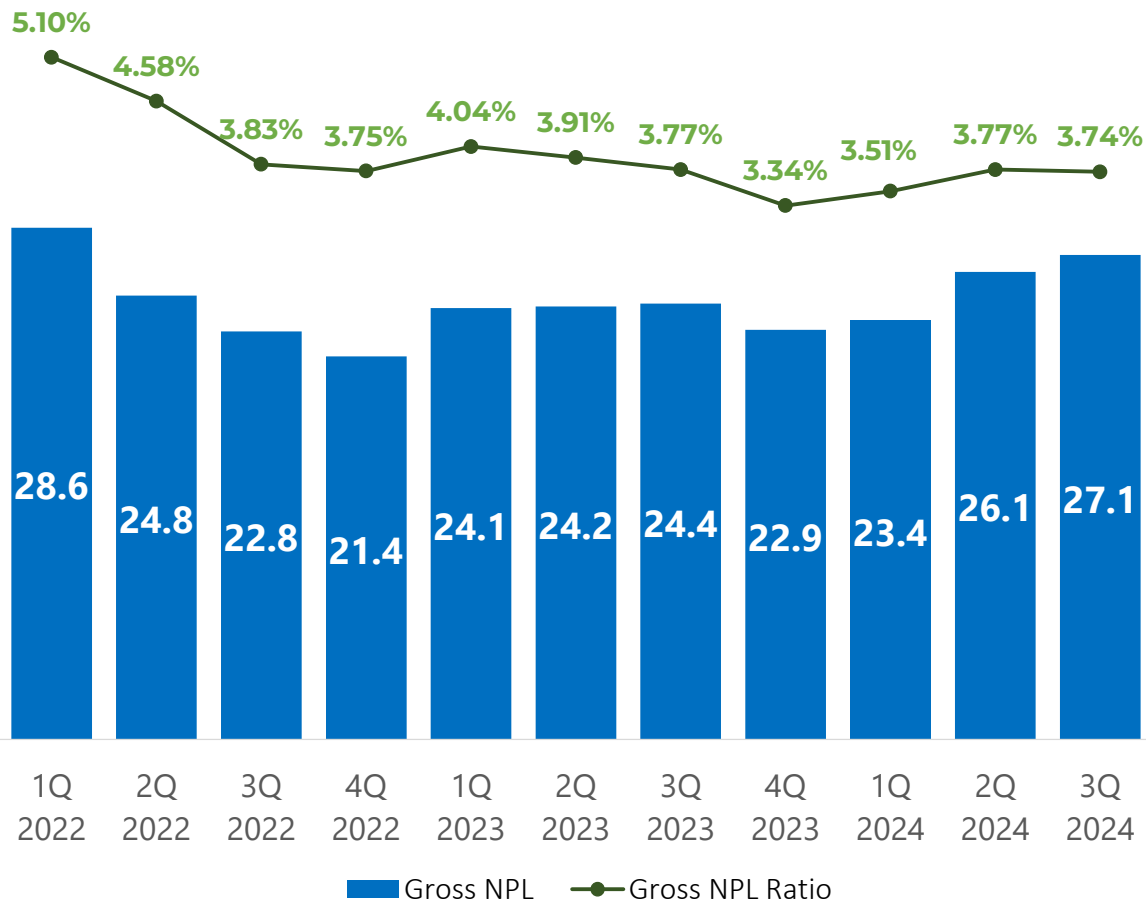


Corporate loans at 42% with consumer loans at 39%, reflecting growing demand in retail lending. SME loans represent 19%, supporting a balanced and diversified loan mix.

[1] Total Gross Loan to Customer
[2] Consumer refers to Auto, Mortgage, Credit Card and Personal/Salary Loans

Maintained stable asset quality in all segments

Gross NPL amount and ratio
In Php Billions, except %



Gross NPL ratio per segment
As of September 30, 2024

Corporate	1.6%
SME	4.7%
Consumer	4.6%
Credit Card	3.5%

The Bank’s data and digital strategies, tightened credit and proactive remedial management paid off, controlled NPLs across loan segments.

Exceptional growth in credit cards and loan bookings



1.21M

cards in force; 19% higher than last year, 281k new cards as of 9M24



P139B

in issuing billings; 43% higher compared to year ago levels

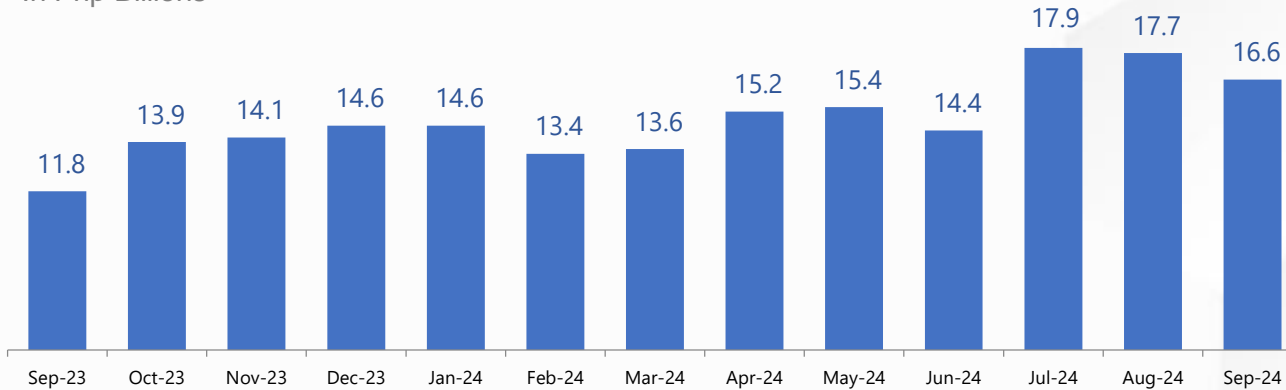


P98B

in balances; 51% improvement from last year's level

Credit Card Issuing Billings

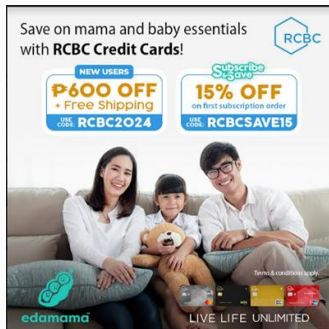
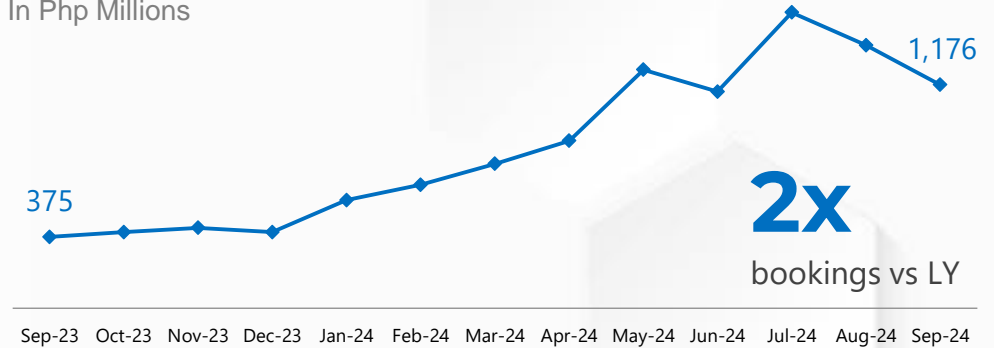
In Php Billions



Monthly PL/SL loans now at over 1 BN

New Personal Loans Volume

In Php Millions

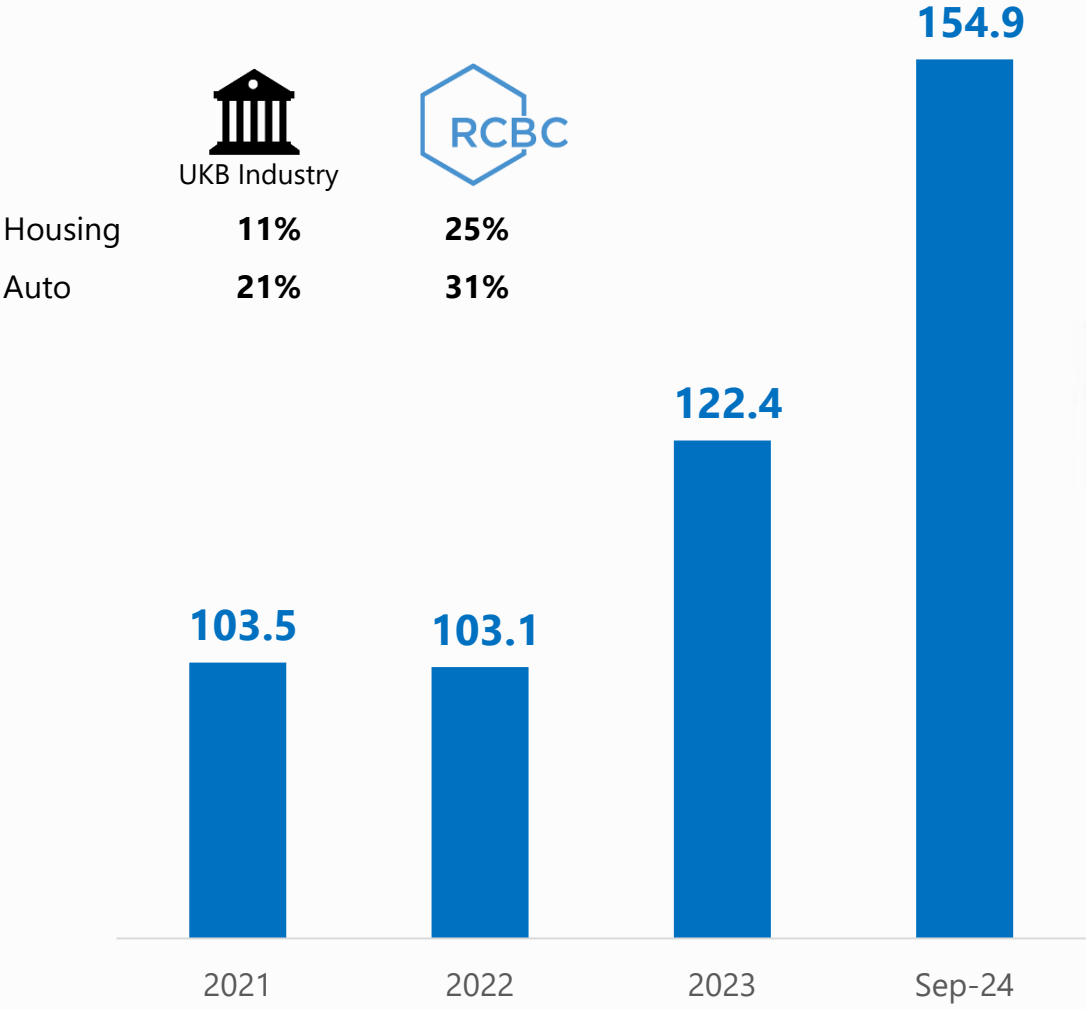


P8.3B

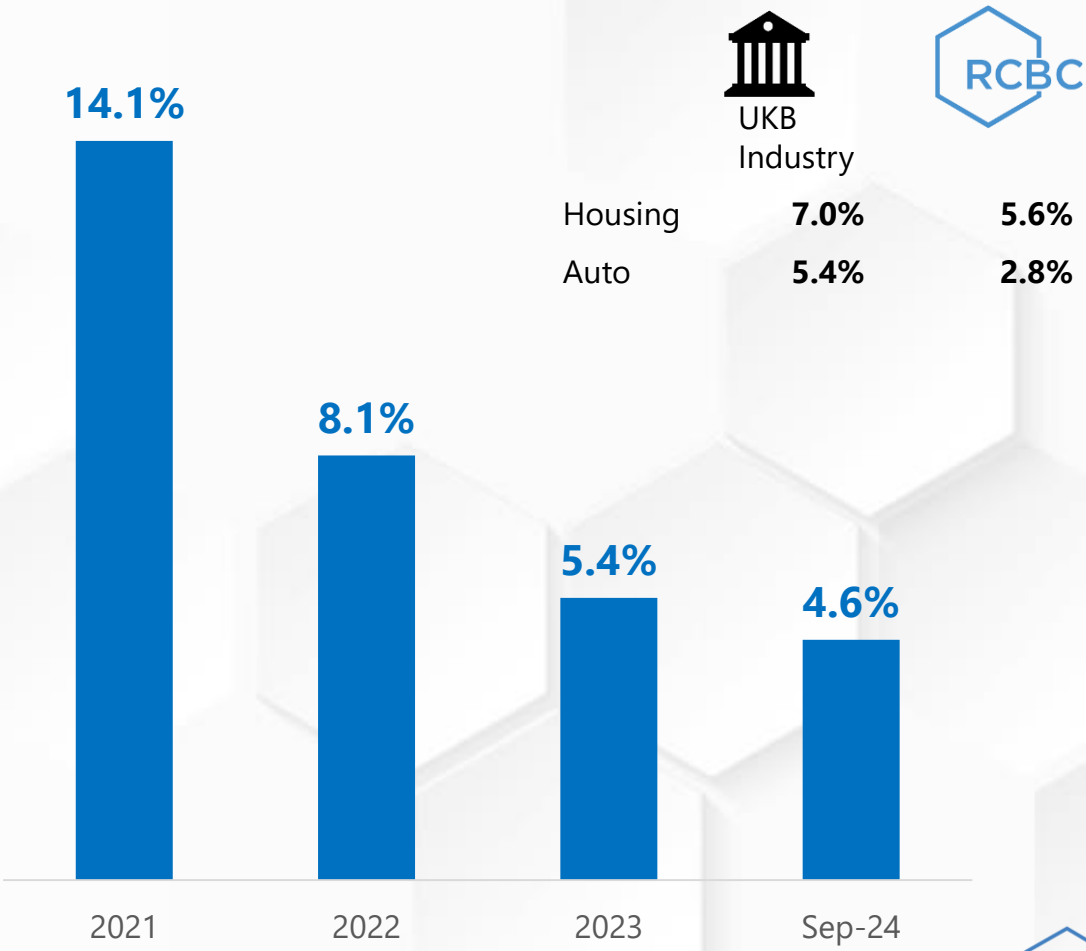
personal loans receivables; 278% increase vs last year

Consistent portfolio growth and industry-leading asset quality

Auto & housing loan portfolio
In PhP Billions



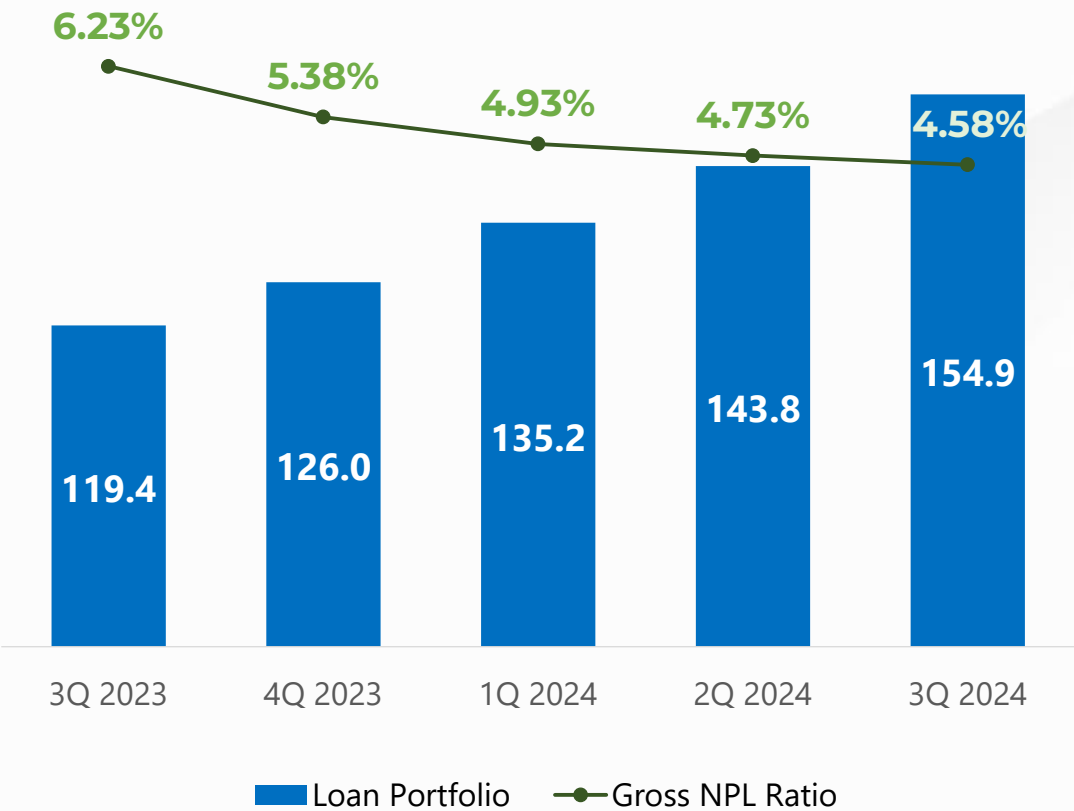
Gross NPL ratio
As of end of each period



UKB industry (as of June 2024, latest available data) vs RCBC as of 3Q 2024

Record-high bookings propel 30% growth in consumer segment

Auto & Housing Portfolio and Gross NPL
In Php Billions, except %



Continued transformation of housing & auto loans business to sustain the double digit growth momentum



Targeted acquisition and cross-selling through data-driven campaigns



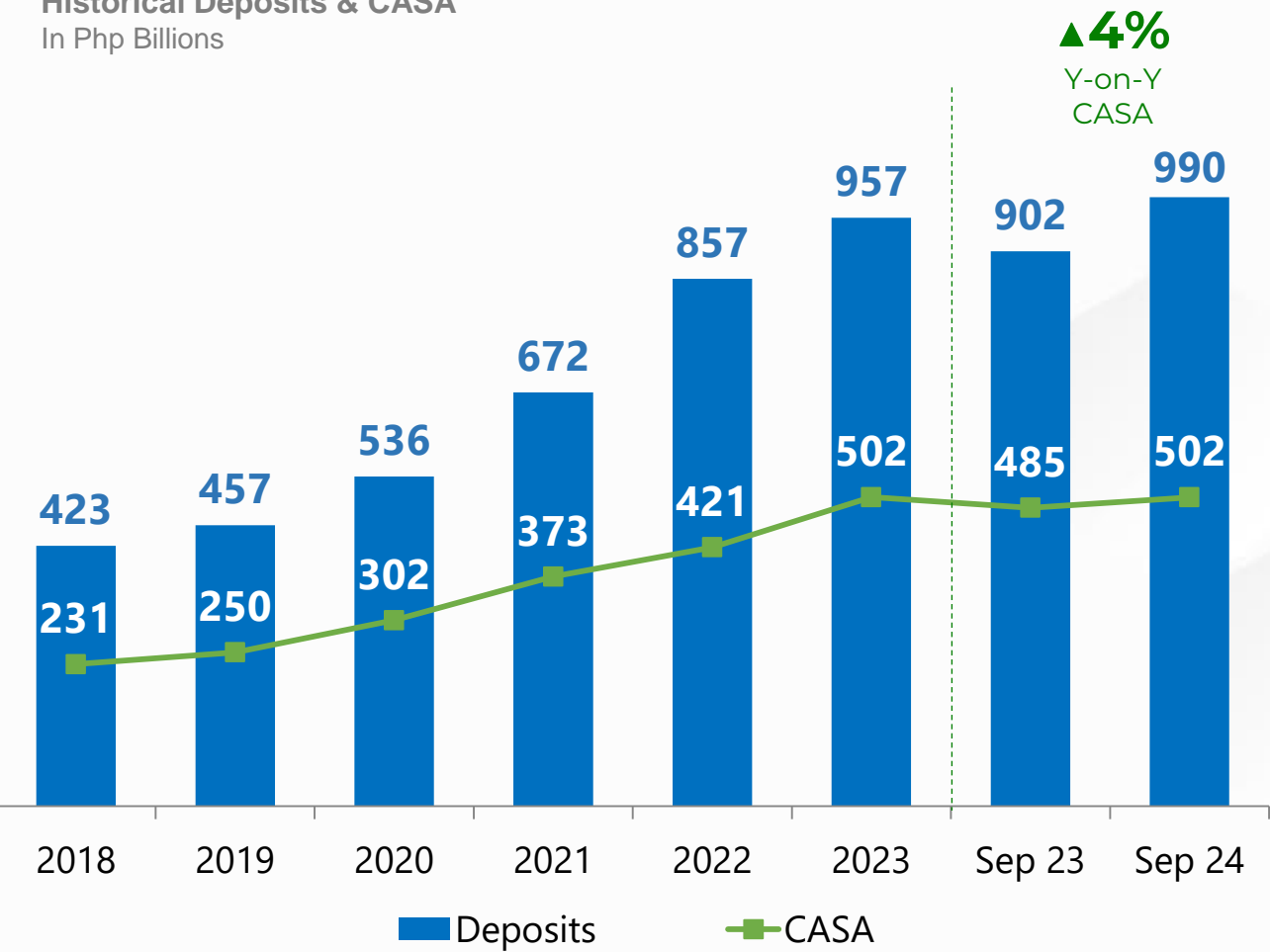
Partnerships with key auto dealers and real estate developers



Efficient processes through new systems, resulting in quick turnaround time

CASA-driven growth and expansion of deposit base

Historical Deposits & CASA
In Php Billions



Cash management solutions to support CASA growth...



Cash Cube



CheckScan



Bills Collection

on top of stronger corporate and SME banking relationships

122%
Deposit-to-loan ratio from corporates

129%
Deposit-to-loan ratio from SMEs

Multiple digital platforms for different segments



All-in-one hub

RCBC's industry-leading mobile banking app with the most comprehensive features

P526M

in revenue, up by 24% vs. YAGO

+52%

transaction volume



RCBC's financial inclusion super app

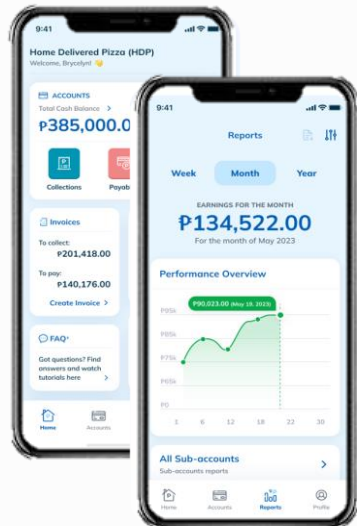
DiskarTech will pivot into a **more loans-focused app** with a refreshed user interface & faster onboarding

P324M

deposits, 46% higher vs. YAGO

4.4M

transaction volume



The RCBC SME App

The all-in-one app that will help keep track and organize all your business transactions, in just a few taps.

172M

transaction value

69K

app downloads



PH's 1st neighborhood & last mile ATM network

Bringing formal banking to rural community establishments

7,013

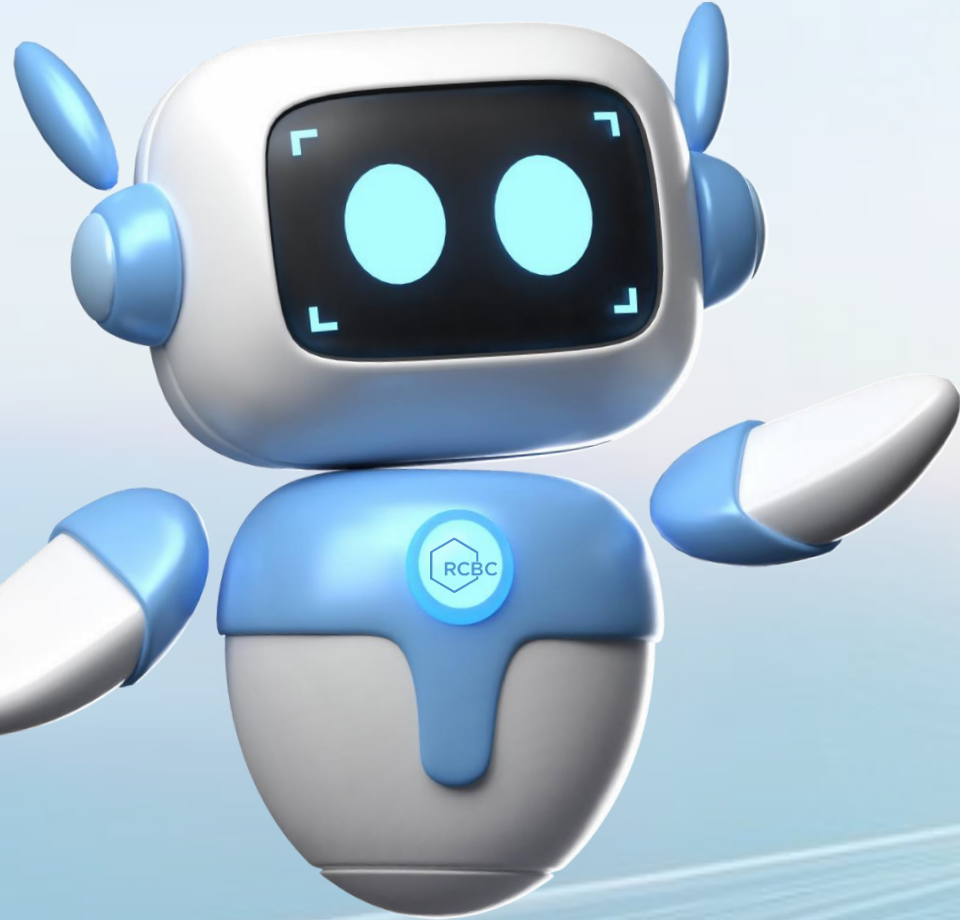
ATM Go terminals*

+18%

transaction volume

*As of September 30, 2024

Data & AI for smart & targeted actions



Cross-sell & CX

22 ML models based on product propensity for various customer segments



Credit, Risk & Fraud

11 ML models for risk mitigation & fraud detection



Forecasting & Network

3 ML models for Expected Credit Losses (ECL) & client network analysis



Segmentation & Analysis

4 ML models for analysis & profiling of lifestyle & affluence segments

55 awards across various fields



+170 awards (2021 -2023)



Consolidated key financial indicators



	9M2024	9M2023	Change
PROFITABILITY			
Return on Equity	5.2%	9.8%	-4.6%
Return on Assets	0.7%	1.1%	-0.4%
Net Interest Margin	3.8%	3.4%	0.4%
COST EFFICIENCY			
Cost-to-Income Ratio	61.7%	60.9%	0.8%
ASSET QUALITY			
Net NPL Ratio	2.0%	1.7%	0.3%
NPL Coverage Ratio (excluding GLLP)	63.2%	67.2%	-4.1%
Credit Cost	1.1%	1.1%	0.0%
CAPITAL			
Capital Adequacy Ratio	16.2%	17.1%	-0.9%
CET1	13.7%	14.4%	-0.7%

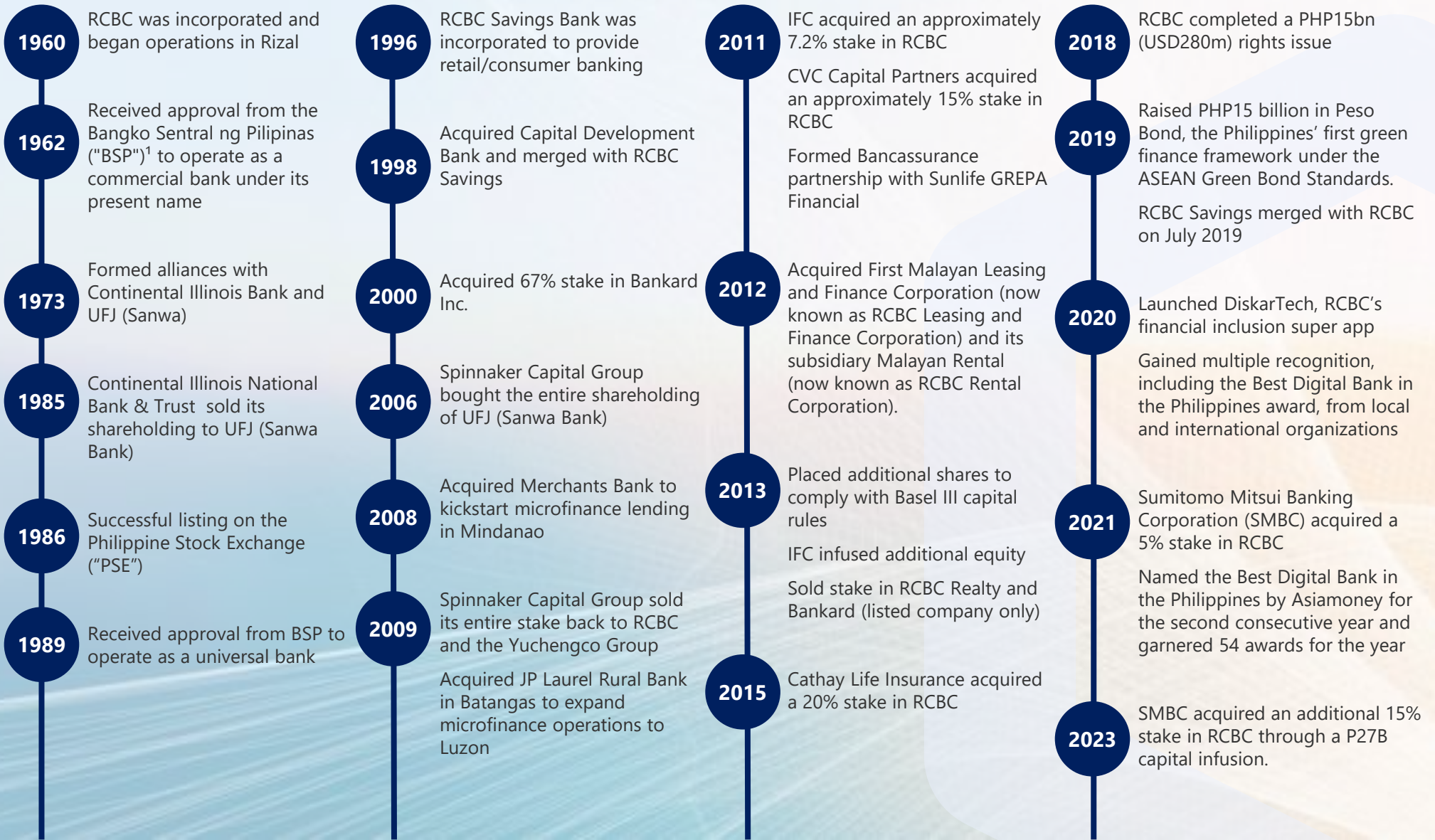




General Information

Overview, Milestones & Ownership

Key milestones in the RCBC story



Overview of RCBC

Rizal Commercial Banking Corporation (RCBC) is the **5th largest privately-owned bank in the Philippines**, with over Php 1.3 trillion in total resources as of June 30, 2024.

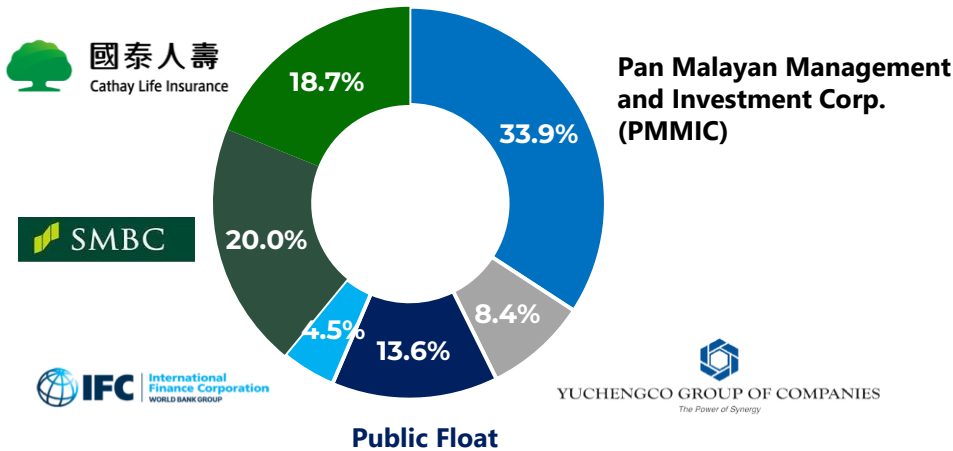
Main Business Lines

Corporate Banking	SME Banking	Digital Banking
Trust and Investments	Consumer Loans (Auto & Housing)	Credit Cards (Cards, Personal & Salary)
Bancassurance	Foreign Exchange	Microfinance
Investment Banking	Leasing	Securities Brokerage

Investment Information

Particulars	As of October 2024
Ticker	RCB
Outstanding Shares	2,419.54M
Stock Price	26.90
Market Capitalization	PhP 64.36B (USD 1.10B) ¹
BV per share	PhP 59.36 ²
Price-to-Book Value Ratio	0.45x
Dividend Payout Ratio	20%

Ownership Structure



Credit Rating

MOODY'S

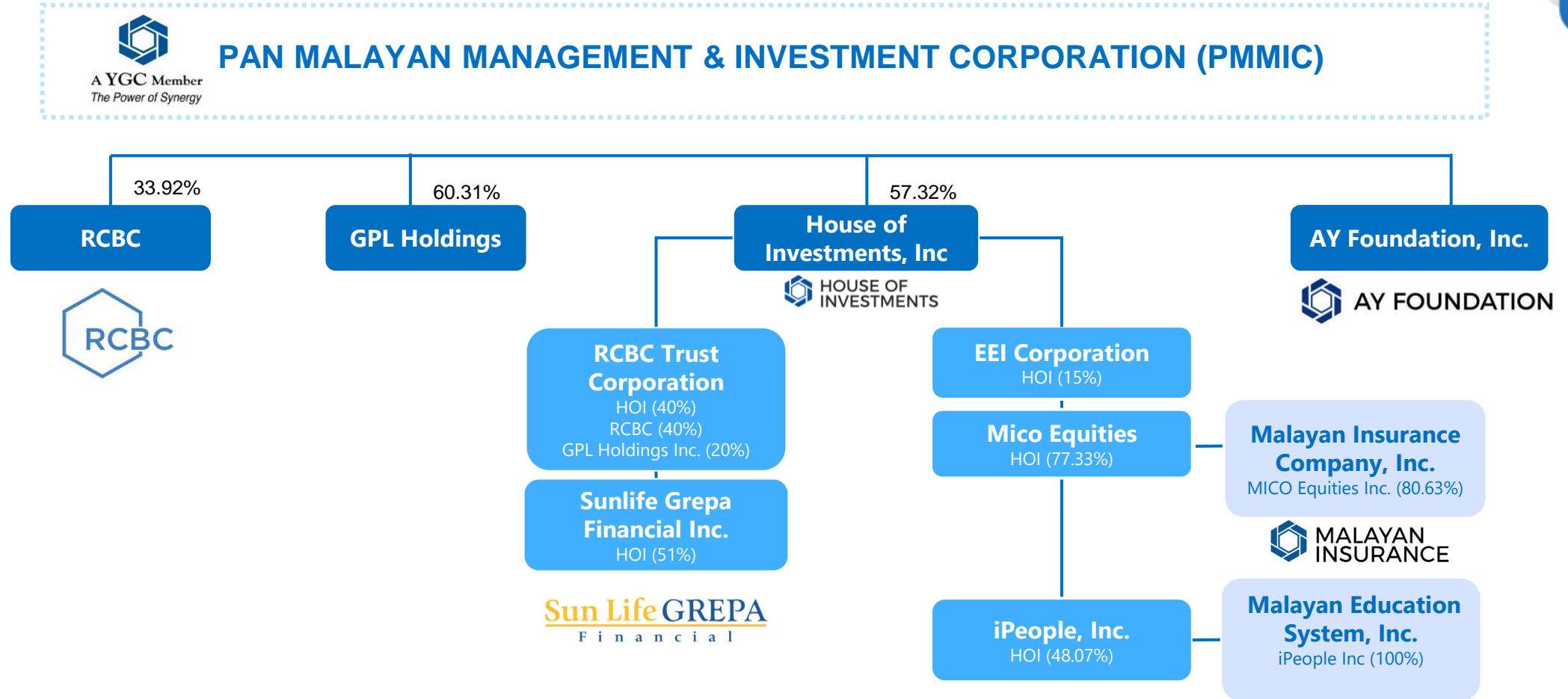
Long Term Deposit	Baa3
Senior Unsecured	Baa3
Baseline Credit Statement	ba1
Outlook	Stable

[1] As of October 30, 2024; 58.26 PhP= 1.00 USD exchange rate

[2] Book Value of RCBC is computed based on the Total Equity (Parent), net of the P14Bn AT1 Capital.

Yuchengco Group of Companies

RCBC is a member of the Yuchengco Group of Companies ("YGC"), one of the premier business conglomerates in the Philippines. The Group is engaged in a wide range of financial and non-financial services. The synergies among these companies allow customers to access a wide range of financial products and services.



*As of September 30, 2024



Appendix

Consolidated income statement

	9M2024	9M2023	Change	% Change
Interest Income	58,517	48,011	10,506	21.9%
Interest Expense	27,585	23,765	3,820	16.1%
Net Interest Income	30,931	24,246	6,686	27.6%
Other Income	7,978	11,706	(3,728)	(31.8%)
Trading Gains and Forex	515	909	(394)	(43.3%)
Trust Fees	-	306	(306)	(100.0%)
Service Fees & Commissions	6,275	4,750	1,525	32.1%
Miscellaneous	1,188	5,742	(4,554)	(79.3%)
Operating Expenses	23,289	21,893	1,396	6.4%
Impairment Losses	5,612	4,957	655	13.2%
Provision for Income Tax	2,651	71	2,580	3633.8%
Net Income	6,215	9,032	-2,817	(31.2%)

Consolidated balance sheet

	9M2024	9M2023	Change	% Change
Cash/Due from BSP & Other Banks	122,064	176,018	(53,954.00)	(31%)
Investment Securities	398,100	346,500	51,600.00	15%
Loans (net of Interbank)	681,222	604,050	77,172.00	13%
Other Assets	83,406	73,697	9,709.00	13%
TOTAL ASSETS	1,284,792	1,200,264	84,528.00	7%
Deposit Liabilities	990,440	901,835	88,605.00	10%
Demand	215,490	203,201	12,289.00	6%
Savings	286,253	282,213	4,040.00	1%
Time	488,696	416,420	72,276.00	17%
Other Liabilities	109,856	102,734	7,122.00	7%
Senior Debt	26,578	49,032	(22,454.00)	(46%)
Total Liabilities	1,126,874	1,053,601	73,273.00	7%
Capital Funds	158,098	146,664	11,434.00	8%
TOTAL LIABILITIES & CAPITAL	1,284,792	1,200,264	84,528.00	7%

Historical income statement

	2019	2020	2021	2022	2023	9M2024
Net Interest Income	22.4	26.3	28.8	31.2	33.6	30.9
Other Income	13.5	11.6	7.6	13.2	16.4	6.8
Gross Income	35.9	37.9	36.4	44.5	49.9	37.7
Impairment Losses	7.4	9.4	6.0	5.7	6.9	5.6
Income before Operating Expenses	28.5	28.5	30.3	38.7	43.1	32.1
Operating Expenses	21.8	22.0	22.5	25.1	29.6	23.3
Income before Tax	6.7	6.5	7.8	13.6	13.5	8.9
Provision for Income Tax	1.3	1.5	0.7	1.6	1.3	2.7

Historical balance sheet

	2019	2020	2021	2022	2023	9M2024
Cash/Due from BSP/Due from Other Banks	123	148	157	181	187	122
Loans Arising From REPO	6	13	12	9	36	30
FVPL/FVTCI	60	45	56	122	94	140
Held to Maturity Investments	101	43	164	252	237	257
Interbank Loans and Receivables	19	43	31	28	28	16
Loans (net)	430	449	508	531	622	681
Bank Premises, Property & Eqpt. - net	11	13	13	11	9	8
Equity Investments - net	0	0	0	0	0	1
Investment Properties - net	4	4	4	3	1	1
Other Assets	13	15	16	17	25	28
Total Assets	767	772	959	1154	1237	1284
Demand	71	107	145	175	214	215
Savings	179	195	228	246	288	286
Time	207	233	299	436	455	489
Deposit Liabilities	457	536	672	857	957	990
Other Liabilities	131	45	88	106	94	110
Senior Debt	97	90	87	74	35	26
Subordinated Debt	-	-	-	-	-	-
Total Liabilities	684	671	848	1038	1085	1126
Minority Interest in Subsidiary/Allied Undertakings	0	0	18	0	0	6
Capital Funds	83	101	111	116	152	158
Total Liabilities & Capital	767	772	959	1154	1237	1284

Historical key financial ratios

	2019	2020	2021	2022	2023	9M2024
Return on Average Capital Funds	6.50%	5.50%	6.70%	11.24%	9.53%	5.20%
Return on Average Assets	0.80%	0.70%	0.80%	1.17%	1.06%	0.70%
Net Interest Margin	4.00%	4.30%	4.10%	3.70%	3.43%	3.82%
Cost-to-Income Ratio	60.80%	58.20%	61.90%	56.46%	59.19%	61.66%
CASA to Total Deposits	54.70%	56.40%	55.50%	49.09%	52.48%	50.66%
Net NPL Ratio	2.20%	2.90%	3.30%	2.00%	1.26%	1.99%
Credit Cost	1.70%	2.20%	1.20%	1.07%	1.48%	1.07%
CAR	13.80%	16.10%	15.20%	15.29%	17.37%	16.24%