



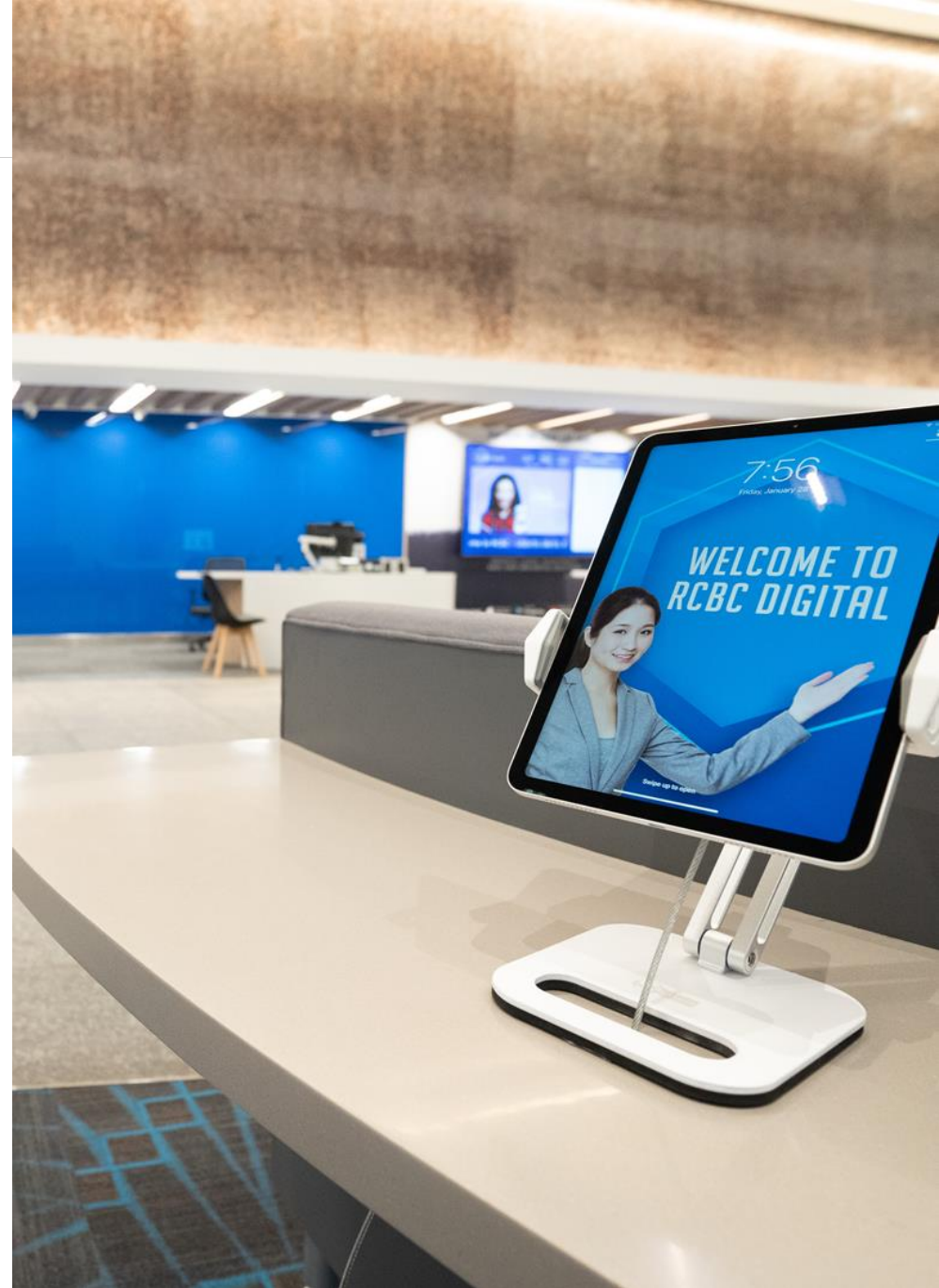
RCBC 1Q 2022 ANALYSTS' BRIEFING

16 May 2022

4:30 PM

Agenda

- 01** Economic Outlook
- 02** RCBC 1Q 2022 Performance
- 03** Q&A



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Economic Outlook

Mr. Michael L. Ricafort
RCBC Chief Economist

The Bank expects recovery in 2022 and beyond

Economic Indicators*	2023 Forecast	2022 Forecast	2021 Actual
GDP Growth	6.0%-6.5%	6.0%-6.5%	5.7%
USD/PhP (Year-End)	52.50-53.50	52.00-53.00	50.999
USD/PhP (Average)	52.75-53.75	51.50-52.50	49.25
Inflation (Average)	3.0%-3.5%	3.5%-4.5%	3.9%
BSP Policy Rate	3.25%-3.50%	2.75%-3.00%	2.00%
PSEi	8,100-8,600	7,500-8,000	7,122.63

Key success factors for the new administration

- ✓ Credible and competent Economic Team
- ✓ Policies that promote ESG (environment, society, governance) to help attract more investments. Strengthen institutions, rule of law.
- ✓ More effective response vs. the COVID-19 pandemic
- ✓ Focus on economic recovery measures from the pandemic such as the re-opening of the economy, creation of more jobs, improving the government's fiscal position, increased infrastructure spending, among others
- ✓ Continuation of economic and fiscal reforms
- ✓ Promote greater inclusion/unity among politicians (i.e. strong support from lawmakers needed to pass more reform measures that require legislation)
- ✓ Improved diplomatic relations with the biggest trading partners, sources of foreign investments
- ✓ Some market excitement possible over new president (as seen in previous presidential elections); but wait-and-see on policies/reforms.



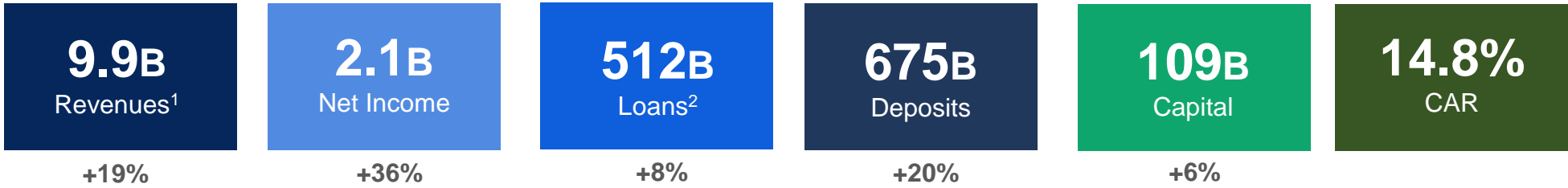


RCBC 1Q 2022 Performance

Ms. Chrissy P. Alvarez
RCBC Corporate Planning Head
and Chief Information Officer

RCBC is a leading financial services provider in the PH

Incorporated in 1960, RCBC is the **6th largest private universal bank** in the Philippines by assets, with a market capitalization of PHP 41.77B (USD 0.8B) as of end-March 2022. It was also recognized as the **Best Digital Bank, Best Retail Bank and Best Corporate Bank** in the Philippines by various award-giving bodies in 2022.



Main Business Lines

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



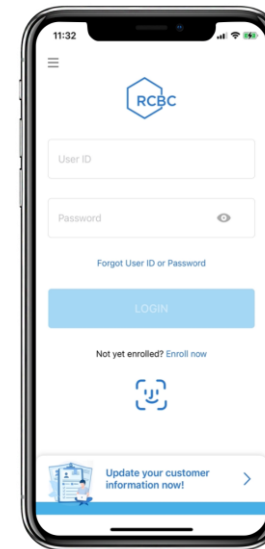
444 Branches



2,492 ATMs³



5,824 Employees



RCBC Digital

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



DiskarTech

RCBC's financial inclusion super app, the country's first finance app in Taglish and other local languages

[1] Including trading and FX gains

[2] Loans and receivables net of allowances and interbank loans

[3] Includes 1,253 ATMs and 1,239 ATM Go terminals--RCBC's handheld ATM facility that enables banking transactions outside branches and ATMs, and through partner merchants.

RCBC's profit jumps 36% in 1Q 2022

	1Q 2022	1Q 2021	Change	% Change
INCOME STATEMENT				
Gross Income	9,902	8,313	1,589	19.1%
Net Interest Income	8,052	6,465	1,587	24.6%
Fee Income	1,226	1,426	(200)	(14.0%)
Operating Expenses	5,883	5,692	191	3.4%
Impairment Losses	1,552	936	617	65.9%
Net Income	2,141	1,580	561	35.5%
BALANCE SHEET				
Assets	961,712	800,796	160,916	20.1%
Loans²	512,417	474,066	38,351	8.1%
Investment Securities	275,391	116,399	158,992	136.6%
Deposits	675,268	562,859	112,409	20.0%
Capital	108,925	102,474	6,451	6.3%



*Amounts in PhP Millions, except % and ratios

[1] Including trading and FX gains

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

1Q 2022 net income up 23% vs previous quarter

	1Q 2022	4Q 2021	Change	% Change
INCOME STATEMENT				
Gross Income	9,902	9,676	226	2.3%
Net Interest Income	8,052	7,667	385	5.0%
Fee Income	1,226	1,254	(28)	(2.3%)
Operating Expenses	5,883	5,700	183	3.2%
Impairment Losses	1,552	2,116	(564)	(26.6%)
Net Income	2,141	1,745	396	22.7%
BALANCE SHEET				
Assets	961,712	959,133	2,579	0.3%
Loans²	512,417	507,739	4,678	0.9%
Investment Securities	275,391	219,235	56,156	25.6%
Deposits	675,268	672,459	2,809	0.4%
Capital	108,925	111,080	(2,155)	(1.9%)



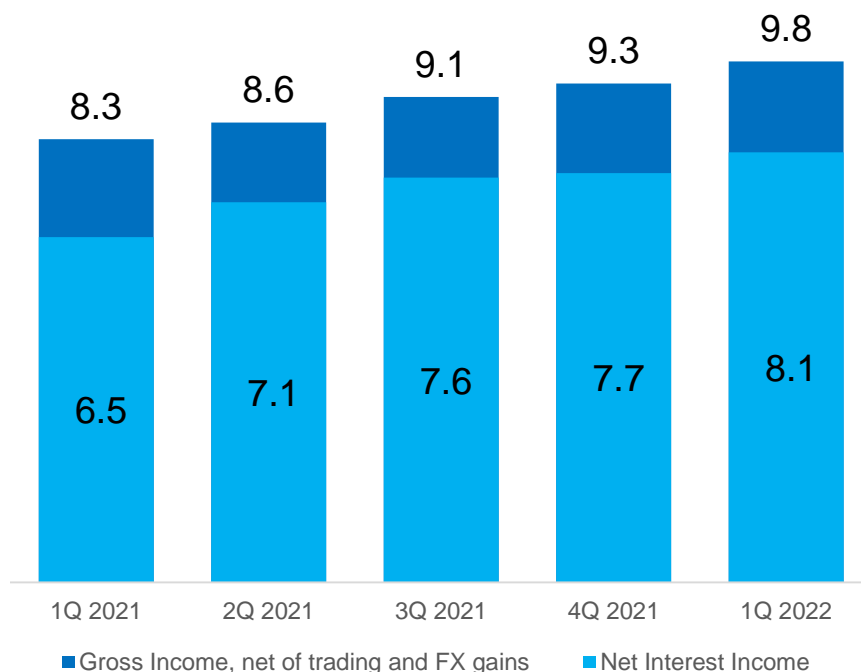
*Amounts in PhP Millions, except % and ratios

[1] Including trading and FX gains

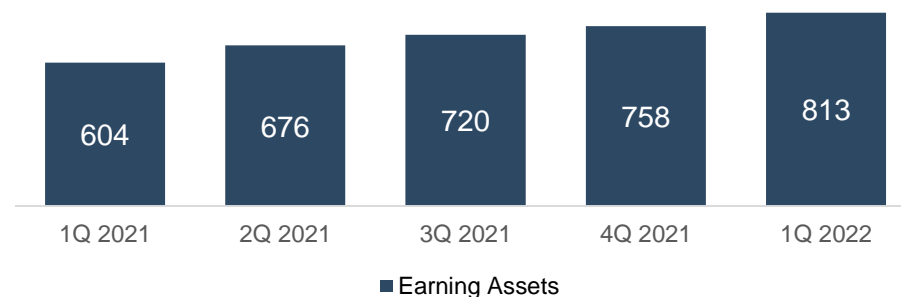
[2] Loans and Receivables net of Allowances and Interbank Loans

Core business continued on an upward trajectory

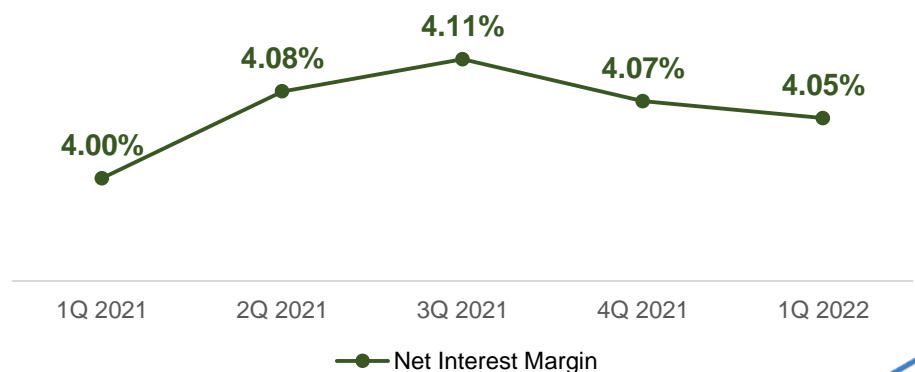
Gross income expanded by 19% year-on-year driven by the 25% rise in net interest income



Net interest income increased on the back of higher earning assets by 35%



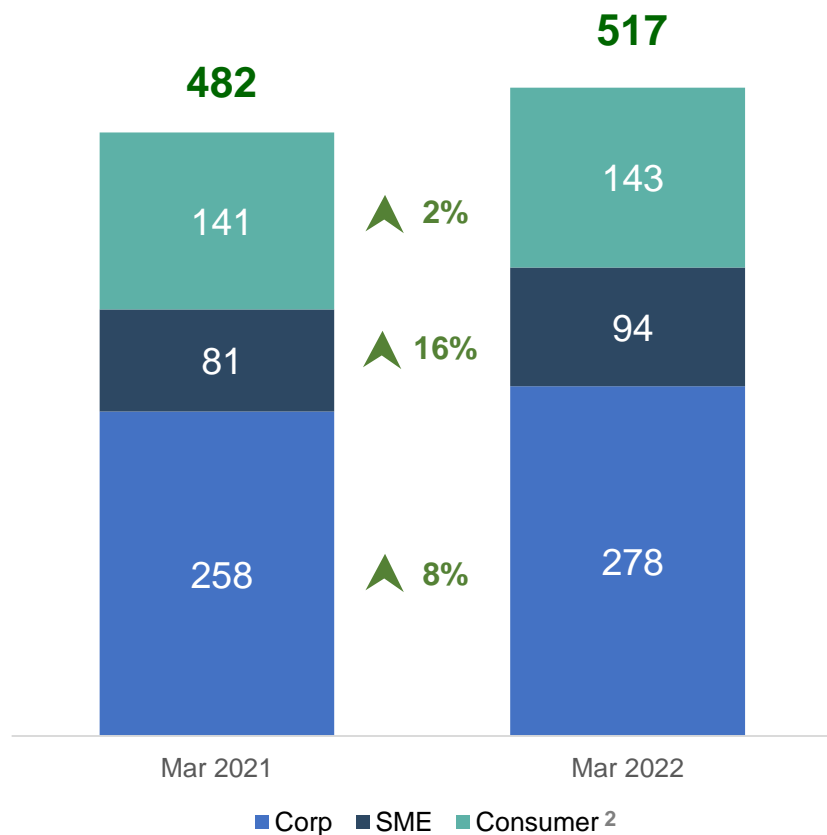
NIMs remain healthy despite interest rate pressures



Loan expansion was focused on key segments

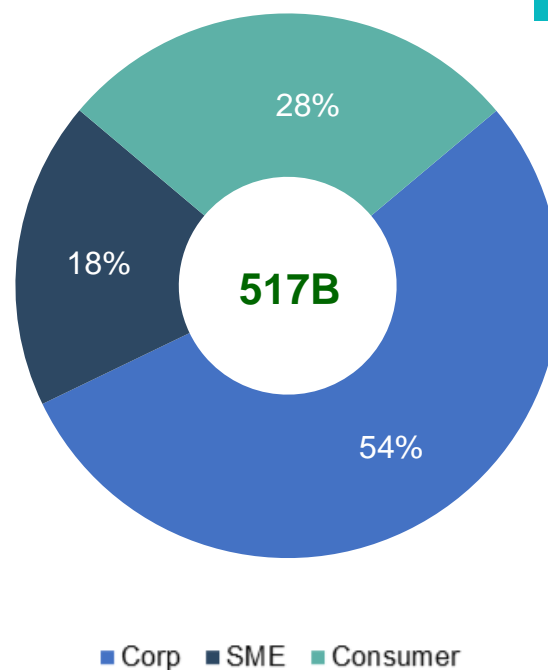
Loan Portfolio¹

In PhP Billions, except %



Loan Mix

As of March 2022



Credit Card

▲ 14%
growth year-on-year

Housing Loans

▲ 8%
growth year-on-year



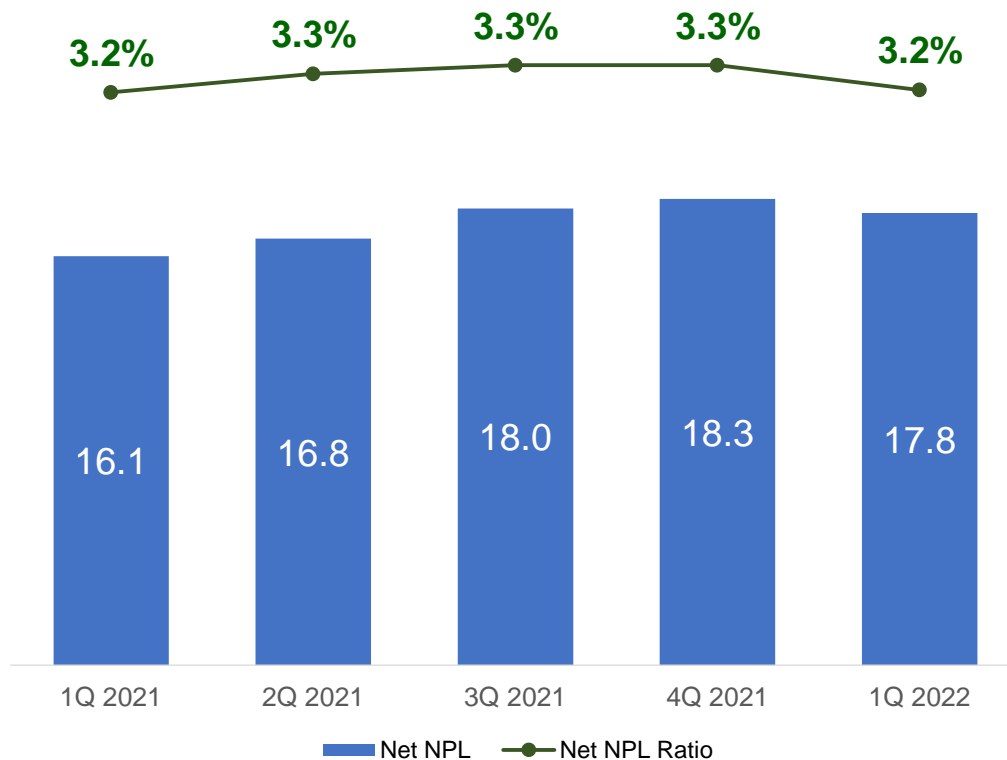
[1] Total loan portfolio includes microfinance loans amounting to PhP 1.5B as of March 2021, and PhP 1.4B as of March 2022.

[2] Consumer refers to Auto, Mortgage, Credit Card and Personal/Salary Loans

NPL eases due to tightened credit management

Net NPL Amount and Ratio

In Php Billions, except %



Net NPL per Segment

As of March 2022

Corporate	1.1%
SME	1.7%
Consumer	11.3%
Credit Card	1.0%

We launched the COVID Assistance and Recovery (CARE) Program to provide pre-emptive refinancing support to customers severely affected by the pandemic and may take time to recover. Those qualified under CARE were customers in good standing as of March 2020 when the Enhanced Community Quarantine was first enforced.



RCBC at the forefront of sustainable financing

We are the first Philippine universal bank to issue green and sustainable financing instruments under global standards



PhP 70B

Loans eligible under sustainable financing

60%

Of the loans eligible under sustainable financing are related to renewable energy and energy efficiency

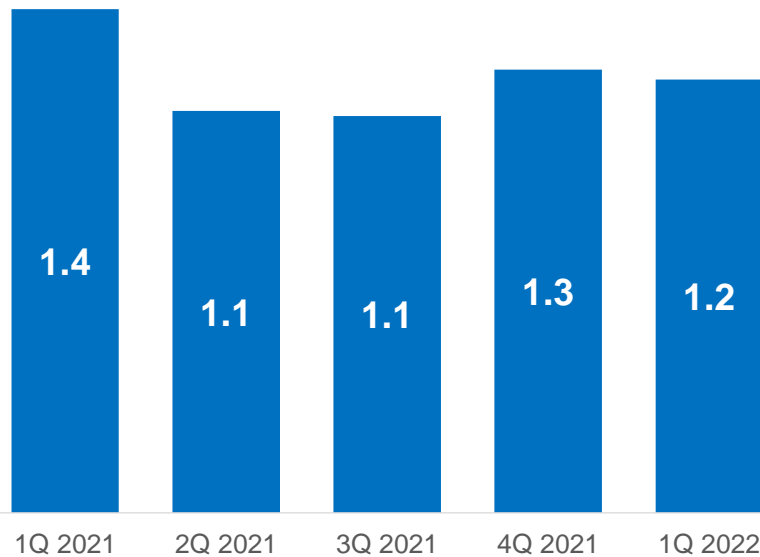
PhP 14.8B

Raised from the issuance of ASEAN sustainability bonds in February 2022

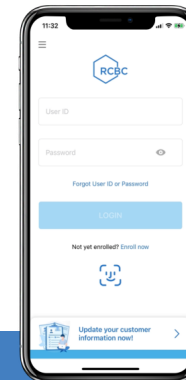
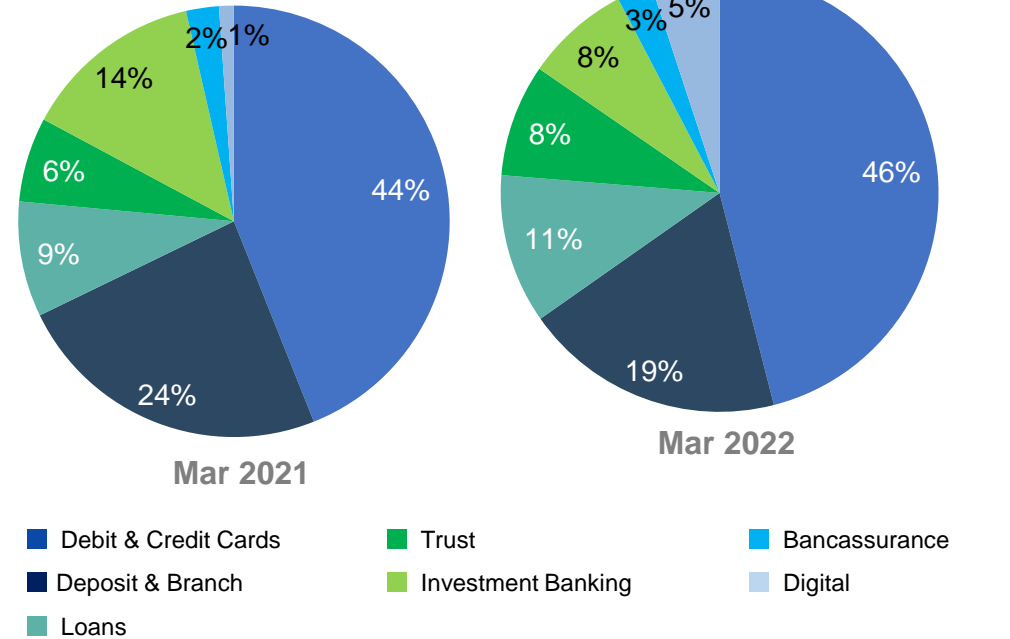


Digital transactions augment the diversified fee revenue

Fee Income
In Php Billions



Fee Income
Breakdown by source



RCBC Digital

Transaction
Value

▲ 51%
growth year-on-year

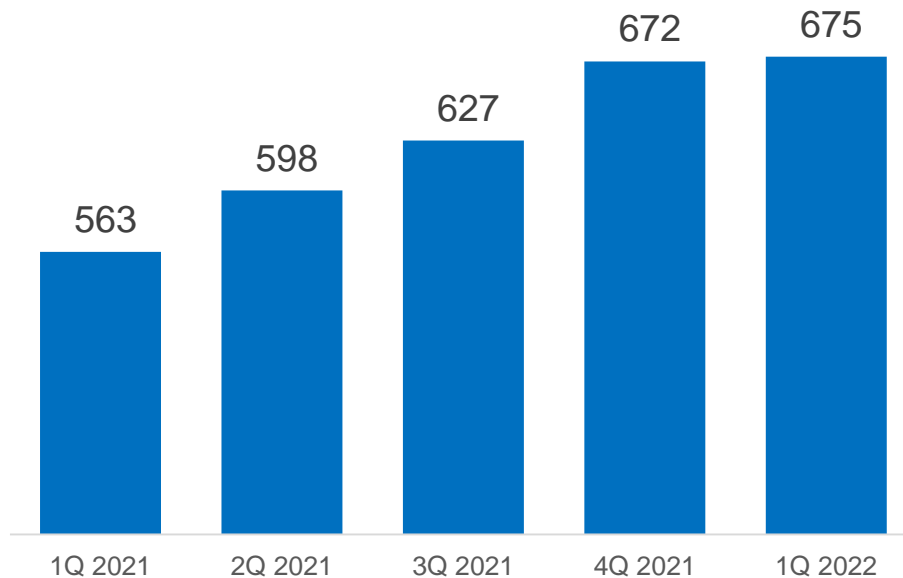
Transaction
Volume

▲ 31%
growth year-on-year

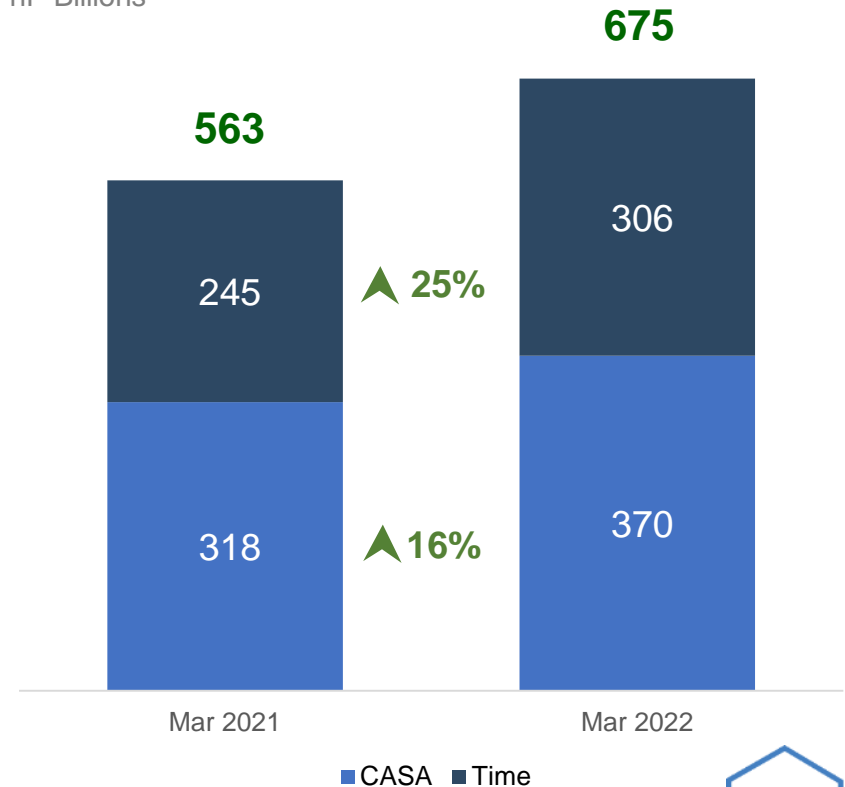
20% deposit rise stronger than industry average

Robust deposit build-up will continue by improving our sales productivity through technology, tapping the growing middle class with products for the mass affluent, and offering a wide range of cash management products for Corporate and SME clients

Deposits
In PhP Billions



Deposit breakdown
In PhP Billions



Consolidated key financial indicators

	Mar 2022	Mar 2021	Change
PROFITABILITY			
Return on Equity	8.0%	6.2%	1.8%
Return on Assets	0.9%	0.8%	0.1%
Net Interest Margin	4.1%	4.0%	0.1%
COST EFFICIENCY			
Cost-to-Income Ratio	59.4%	68.5%	(9.1%)
ASSET QUALITY			
Net NPL Ratio	3.2%	3.2%	0.0%
NPL Coverage Ratio	63.9%	70.1%	(6.2%)
Credit Cost	1.3%	0.8%	0.4%
CAPITAL			
Capital Adequacy Ratio	14.8%	15.3%	(0.5%)
CET1	11.7%	12.0%	(0.3%)

RCBC is recognized for its strong franchise across business lines





Question & Answer



For more information about RCBC,
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Investor_Relations@rcbc.com





**RCBC 1Q 2022
ANALYSTS' BRIEFING**