

Partners Through Generations

Investor Presentation

1Q 2022

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Economic Overview

Signs of economic recovery

2

RCBC 1Q 2022 Overview

Sustained core business growth

3

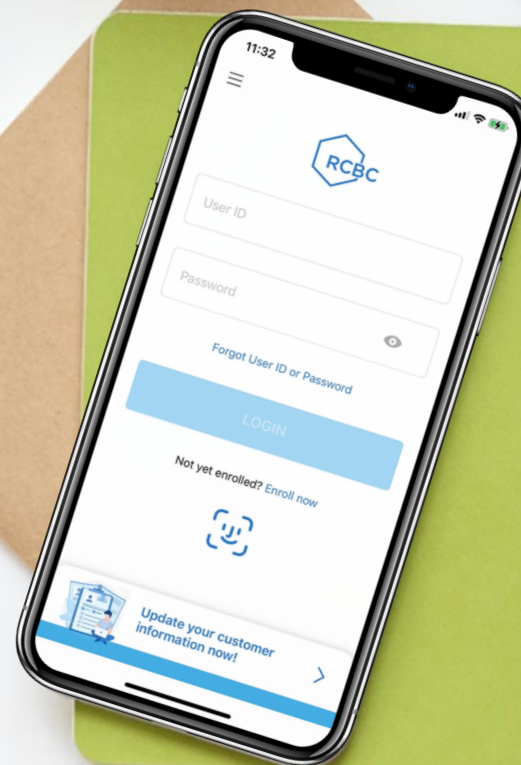
General Information

Investment information and ownership

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Appendix

Other financial information

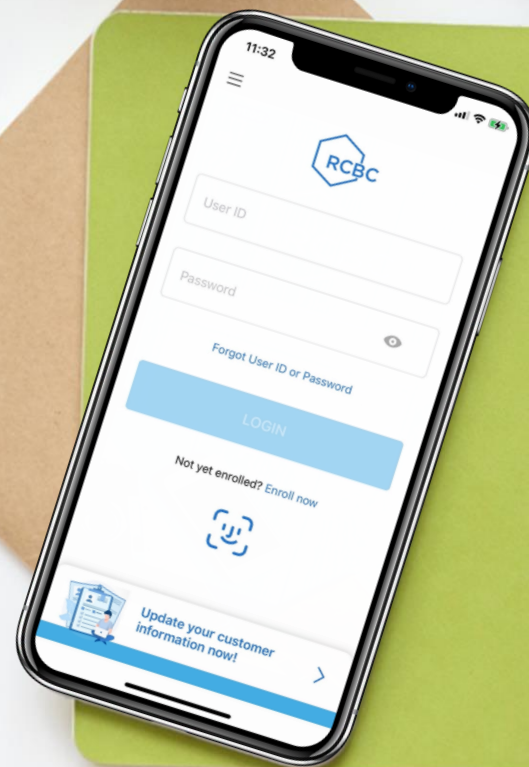




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Economic Overview



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.

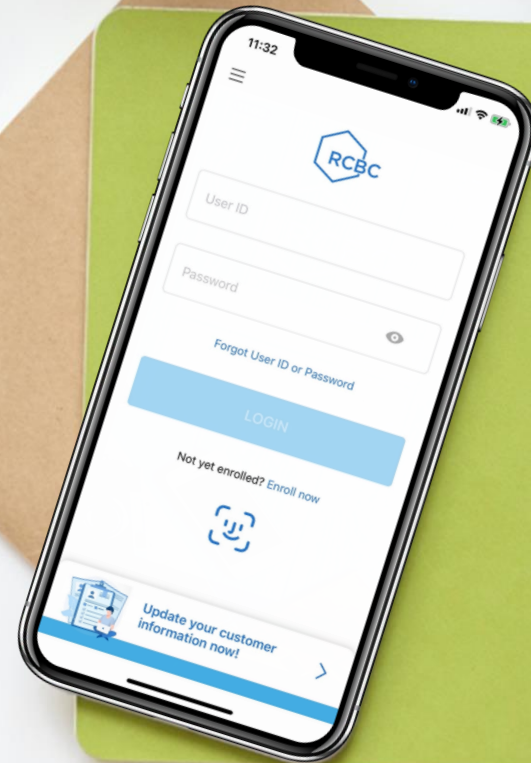




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1Q 2022 Overview



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



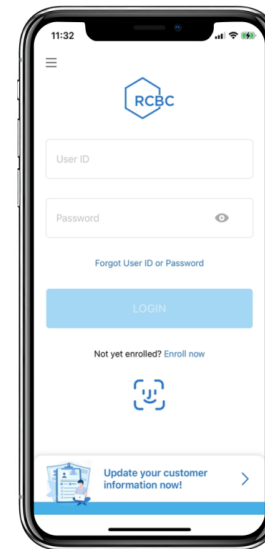
444 Branches



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%)



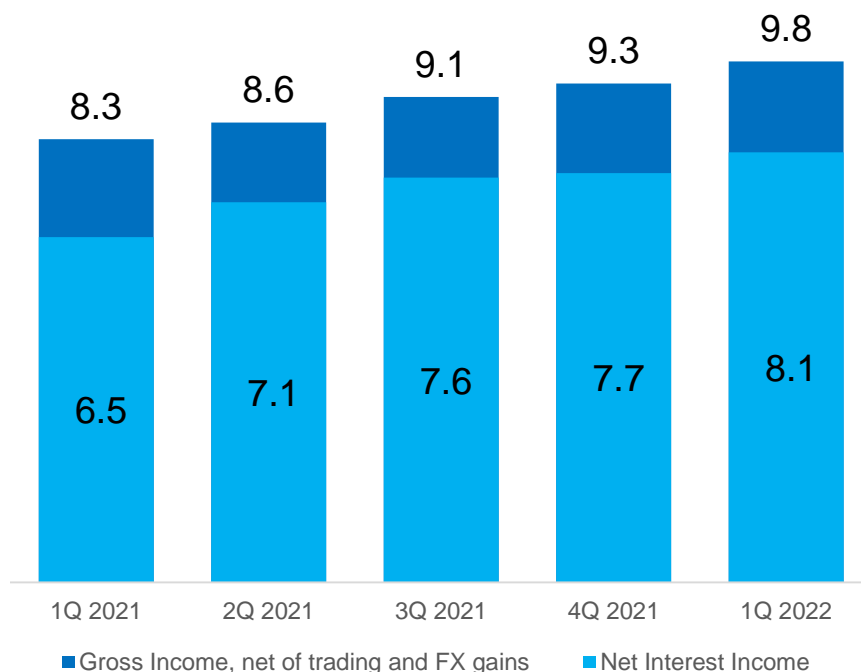
*Amounts in PhP Millions, except % and ratios

[1] Including trading and FX gains

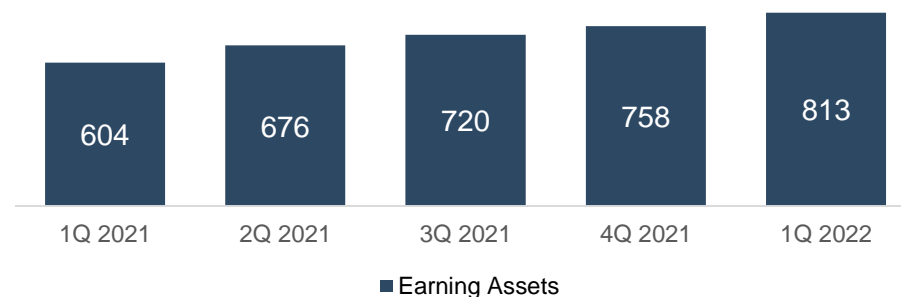
[2] Loans and Receivables net of Allowances and Interbank Loans

Core business continued on an upward trajectory

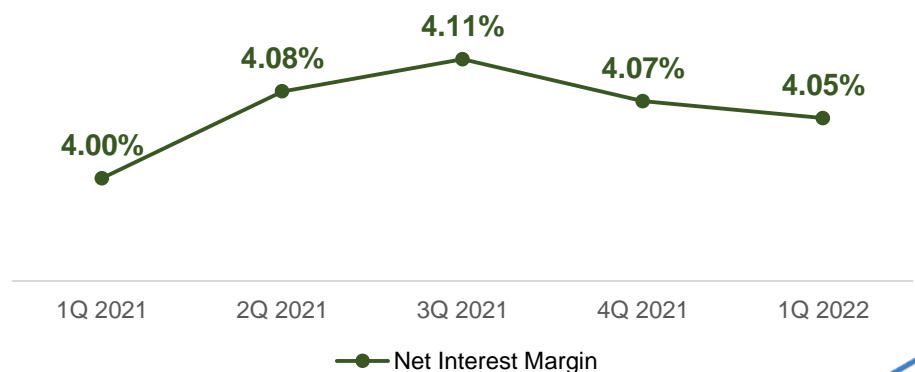
Gross income expanded by 19% year-on-year driven by the 25% rise in net interest income



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



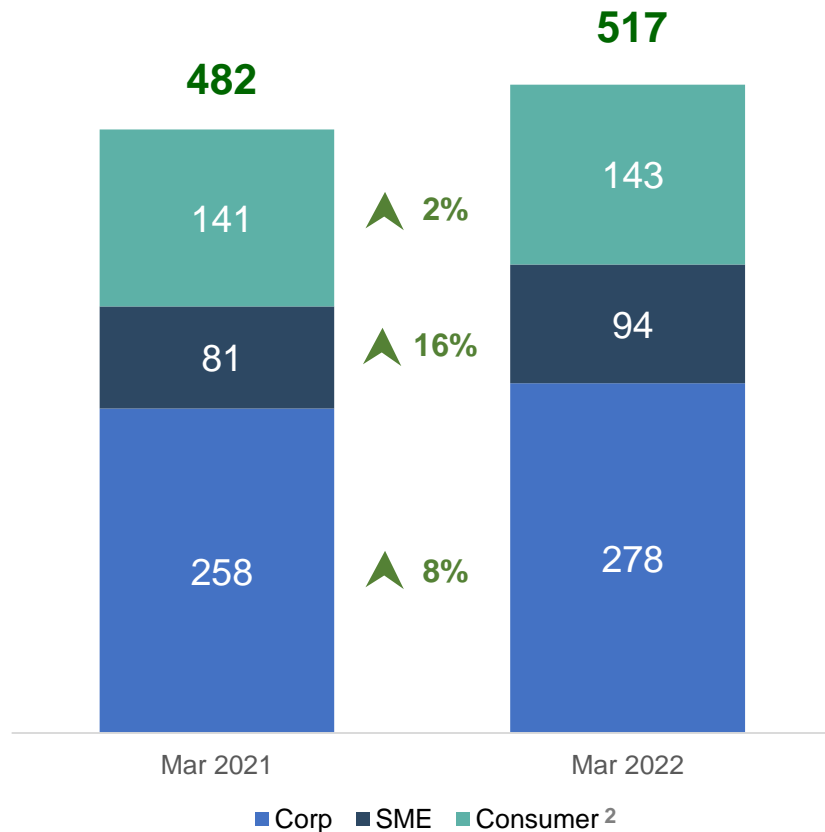
NIMs remain healthy despite interest rate pressures



Loan expansion was focused on key segments

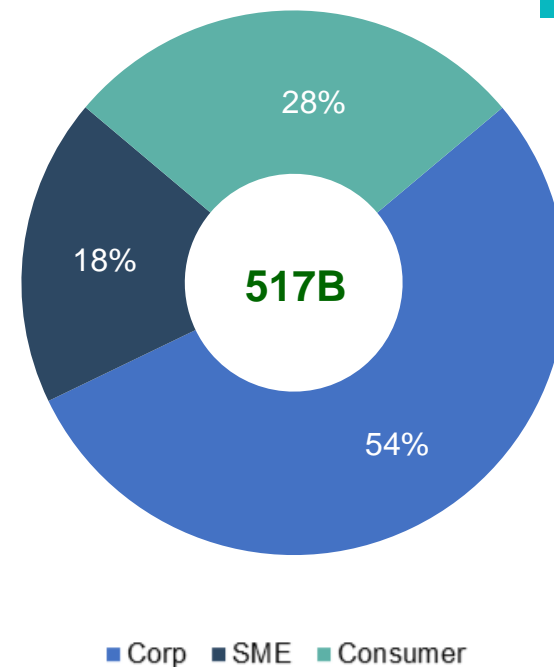
Loan Portfolio¹

In PhP Billions, except %



Loan Mix

As of March 2022



Credit Card

▲ 14%
growth year-on-year

Housing Loans

▲ 8%
growth year-on-year



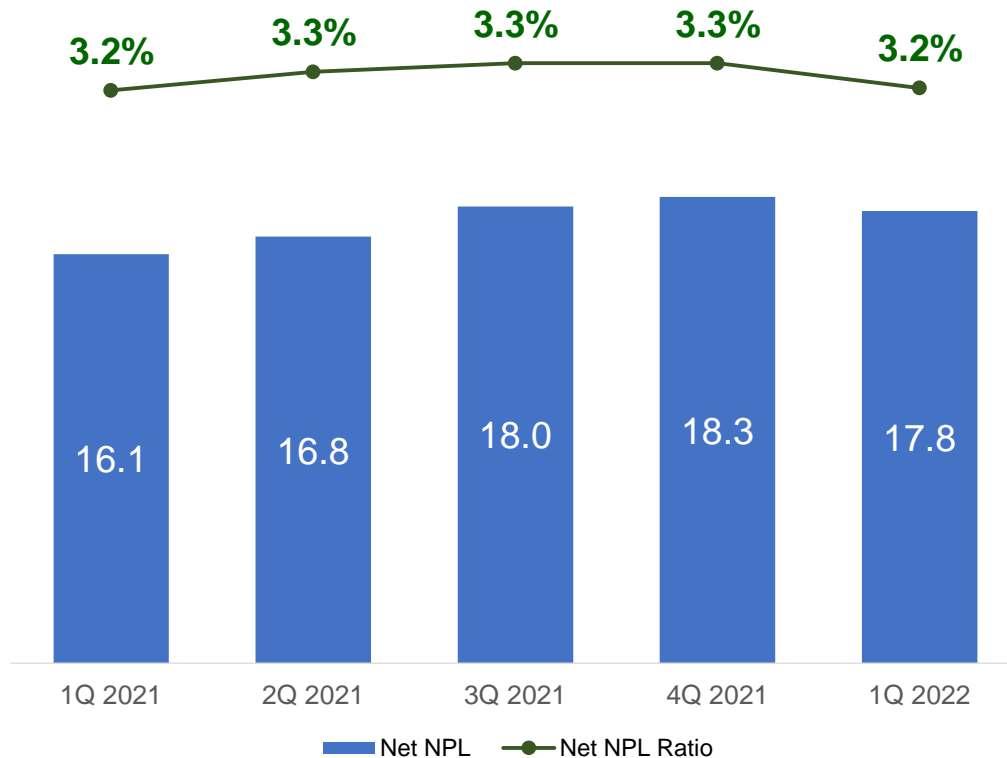
[1] Total loan portfolio includes microfinance loans amounting to PhP 1.5B as of March 2021, and PhP 1.4B as of March 2022.

[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

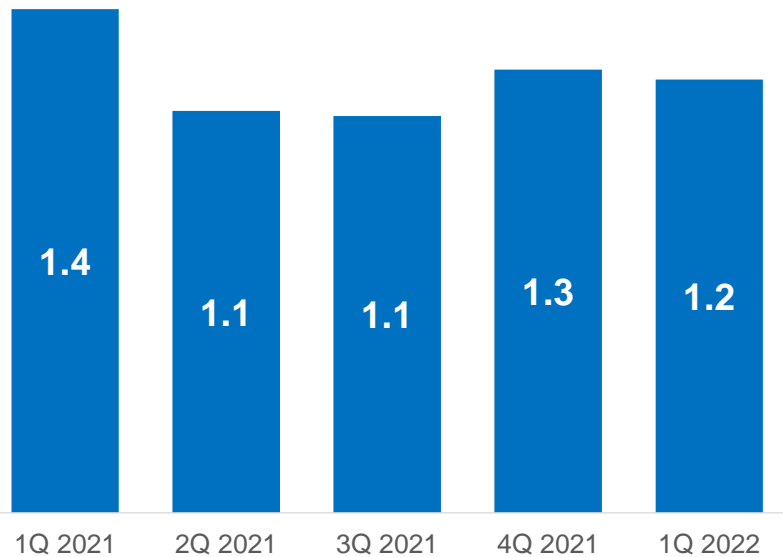
PhP 14.8B

Raised from the issuance of ASEAN sustainability bonds in February 2022

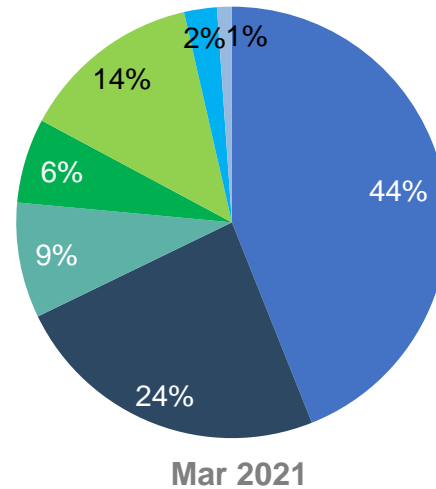


Digital transactions augment the diversified fee revenue

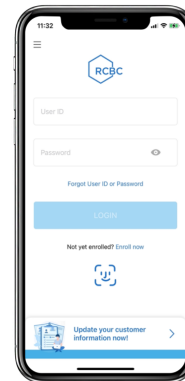
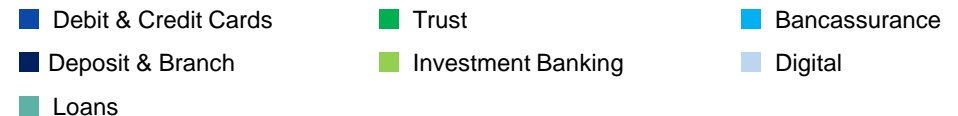
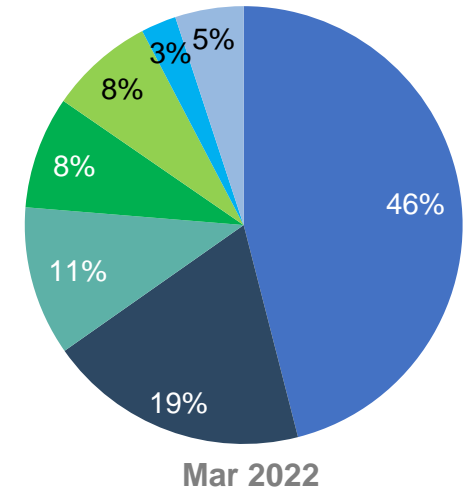
Fee Income
In Php Billions



Fee Income
Breakdown by source



▲ **291%**
Increase in digital revenues



RCBC Digital

Transaction Value
▲ **51%**
growth year-on-year

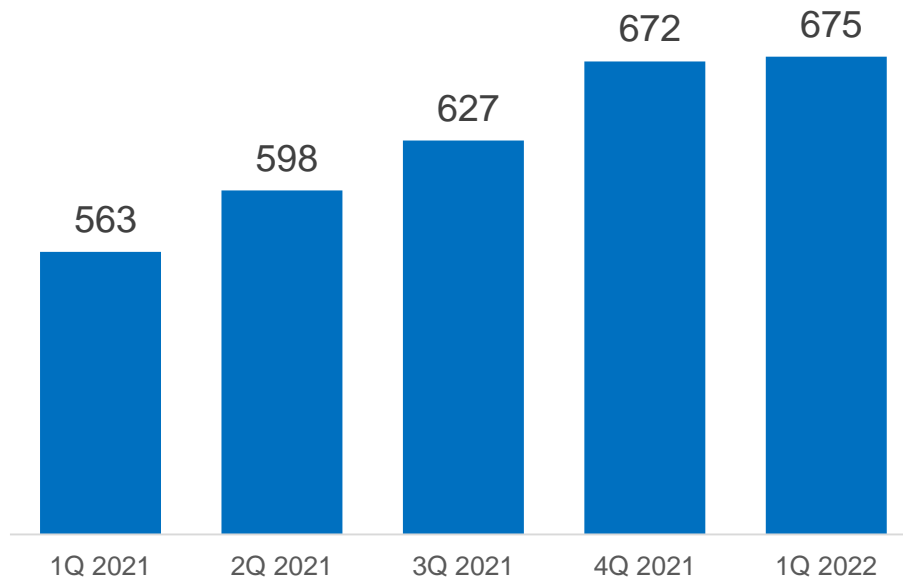
Transaction Volume
▲ **31%**
growth year-on-year



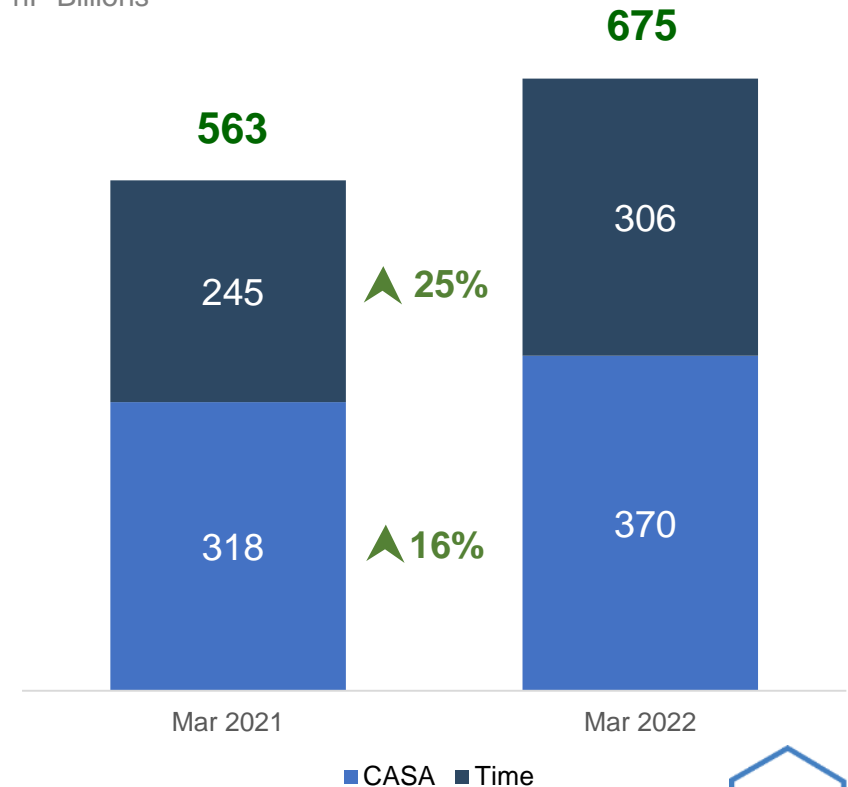
20% deposit rise stronger than industry average

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

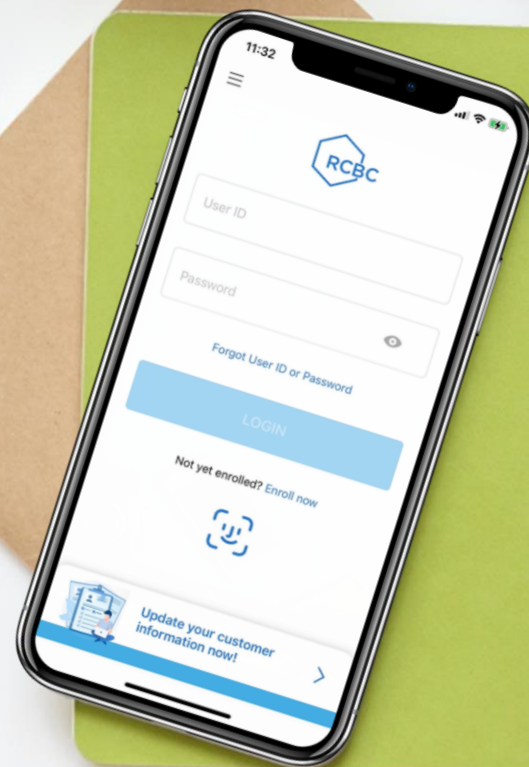




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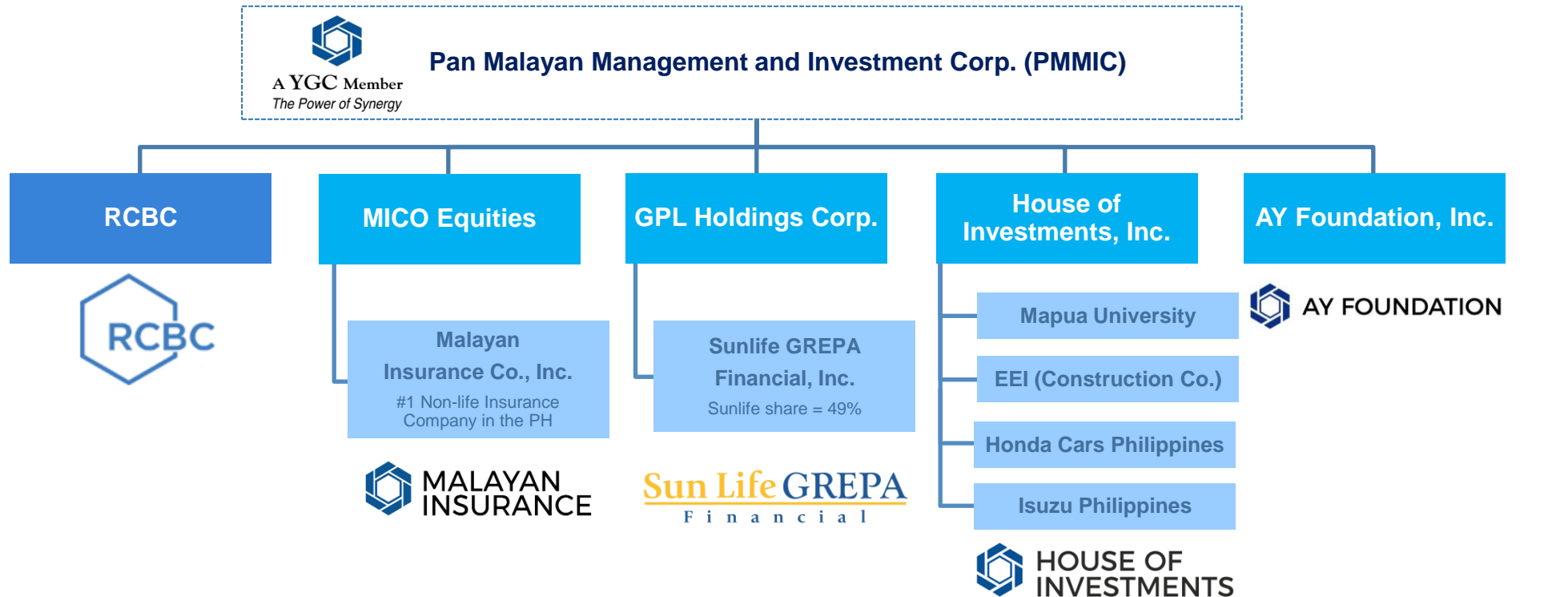


General Information



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.



Investment Information

Equity Profile

Particulars	1Q 2022
Ticker	RCB
Outstanding shares	2,037.48M
Stock Price	PhP 20.50
Market Cap	PhP 41.77B (USD 0.80B)
BV per share	PhP 46.35
Price-to-Book Value Ratio	0.44x

Dividend History¹

Year	Dividends per share	Pay-out ratio
2022	0.62	20.00%
2021	0.49	19.96%
2020	0.56	20.00%
2019	0.45	17.02%
2018	0.62	20.02%
2017	0.55	16.53%

Credit Rating

MOODY'S

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



[1] The details of the cash dividend approvals and distributions are disclosed in the "Additional Disclosures to Item I – Financial Statements" section of RCBC's SEC 17-Q Report.

Ownership Structure



國泰人壽

Cathay Life Insurance

Cathay Life Insurance, founded in 1962, is Taiwan's largest insurance company. It is owned by Cathay Financial Holding, one of the largest financial holding companies in Taiwan.

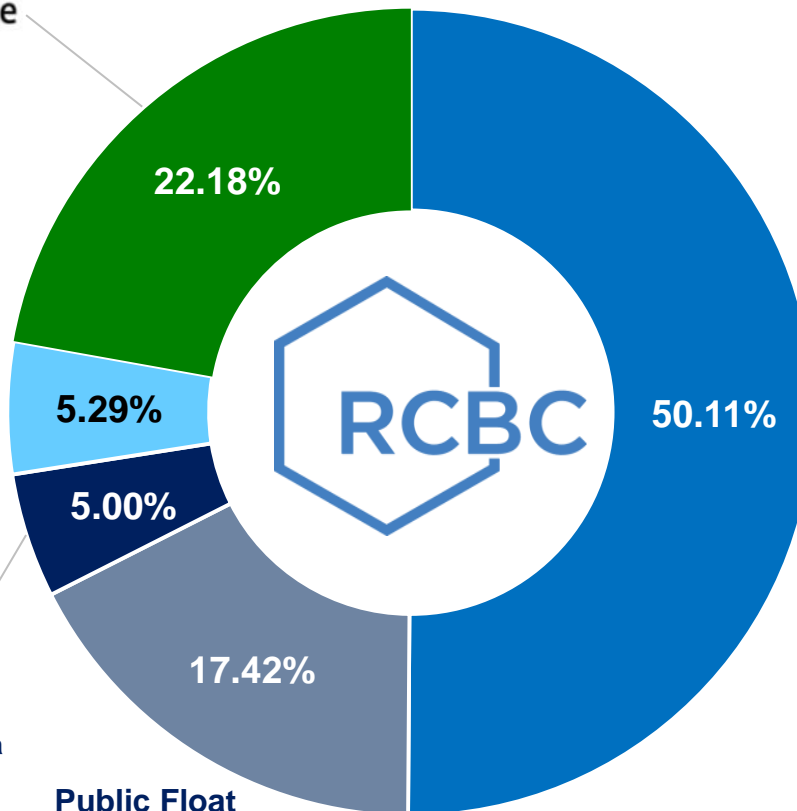


International
Finance Corporation
WORLD BANK GROUP

IFC is the largest global development institution focused on the private sector in developing countries.



Sumitomo Mitsui Banking Corporation is a leading financial institution in Japan and a globally-renowned provider of financial services, with presence in more than 40 countries.

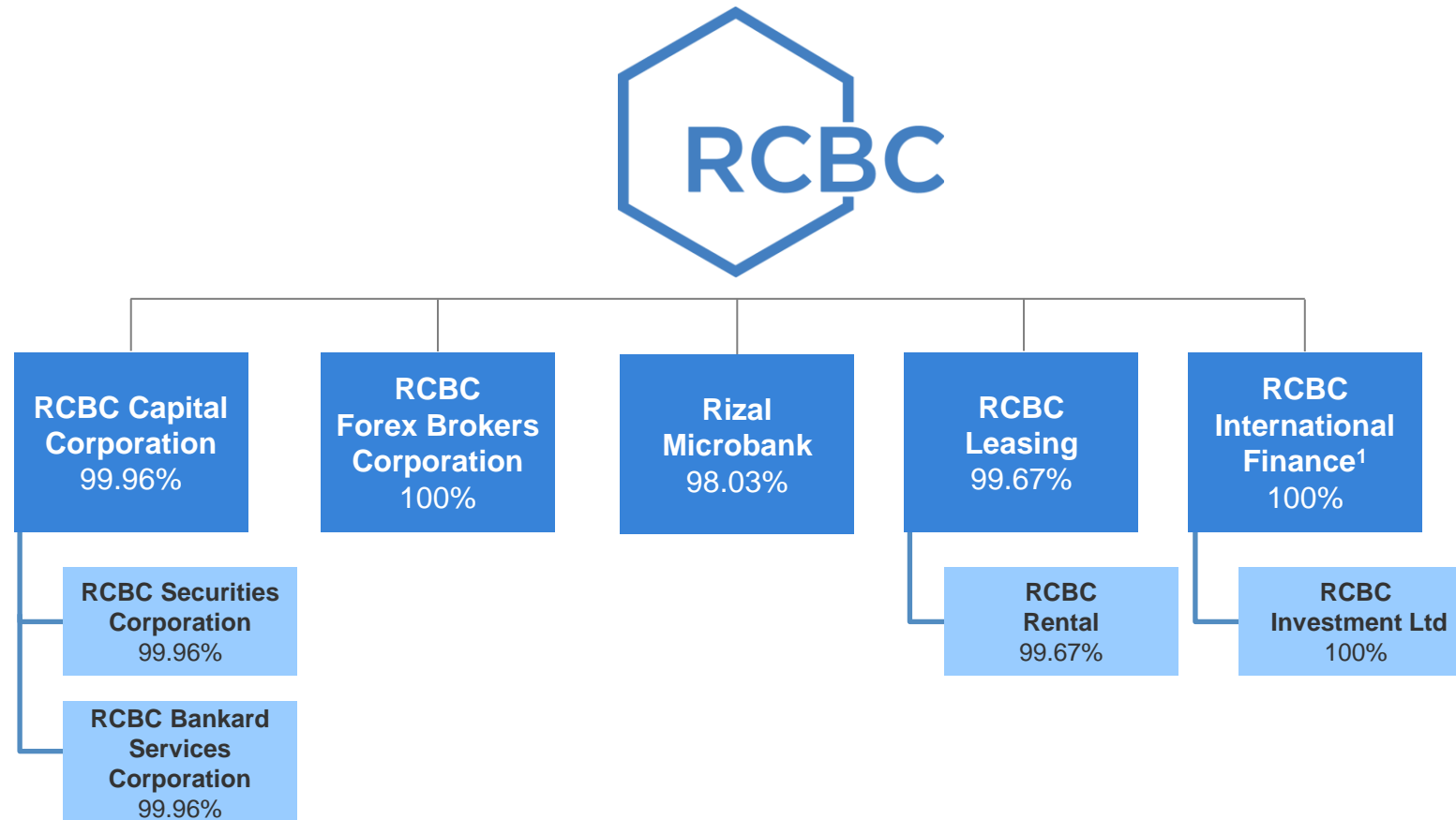


YUCHENGCO GROUP OF COMPANIES
The Power of Synergy

**Pan Malayan Management and
Investment Corp. (PMMIC) &
Affiliates of the Yuchengco Group of
Companies (YGC)**



Comprehensive and Diversified Business Platform

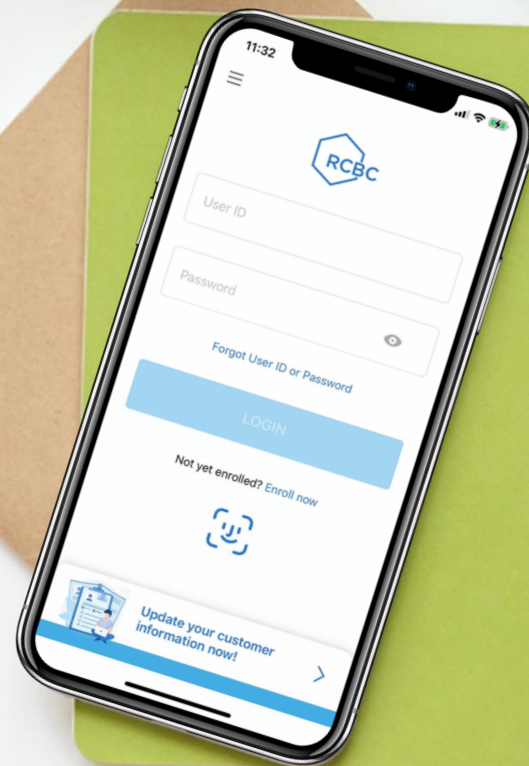




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Appendix



Consolidated Income Statement

	1Q 2022	1Q 2021	Change	% Change
Interest Income	10,274	8,432	159	0.4%
Interest Expense	2,222	1,967	(2,391)	(22.4%)
Net Interest Income	8,052	6,465	2,550	9.7%
Other Income	1,850	1,848	(4,069)	(35.0%)
Trading Gains and Forex	144	11	(5,614)	(84.3%)
Trust Fees	102	91	69	21.4%
Service Fees & Commissions	1,124	1,335	1,043	29.7%
Miscellaneous	480	411	433	37.8%
Operating Expenses	5,883	5,692	490	2.2%
Impairment Losses	1,552	936	(3,327)	(35.5%)
Provision for Income Tax	325	106	(747)	(50.6%)
Net Income	2,141	1,580	2,063	41.1%



*Amounts in PhP Millions, except % and ratios

Consolidated Balance Sheet

	Mar 2022	Mar 2021	Change	% Change
Cash/Due from BSP & Other Banks	96,024	149,614	9,329	6.3%
Investment Securities	275,391	116,399	130,853	148.6%
Loans (net of Interbank)	512,417	474,066	59,136	13.2%
Other Assets	77,880	60,717	(12,291)	(14.0%)
TOTAL ASSETS	961,712	800,796	187,027	24.2%
Deposit Liabilities	675,268	562,859	136,671	25.5%
Demand	142,478	110,471	37,638	35.1%
Savings	227,224	207,781	33,305	17.1%
Time	305,567	244,607	65,727	28.2%
Other Liabilities	74,979	42,126	43,878	98.6%
Senior Debt	102,539	93,336	(3,224)	(3.6%)
Total Liabilities	852,787	698,322	177,325	26.4%
Capital Funds	108,925	102,474	9,702	9.6%
TOTAL LIABILITIES & CAPITAL	961,712	800,796	187,027	24.2%



*Amounts in PhP Millions, except % and ratios

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

Historical Consolidated Income Statement

	2018	2019	2020	2021	1Q 2022
Net Interest Income	20.5	22.4	26.3	28.8	8.1
Other Income	6.0	13.5	11.6	7.6	1.8
Gross Income	26.5	35.9	37.9	36.4	9.9
Impairment Losses	1.9	7.4	9.4	6.0	1.6
Income before Operating Expenses	24.6	28.5	28.5	30.3	8.3
Operating Expenses	19.4	21.8	22.0	22.5	5.9
Income before Tax	5.2	6.7	6.5	7.8	2.5
Provision for Income Tax	0.9	1.3	1.5	0.7	0.3
Net Income	4.3	5.4	5.0	7.1	2.1



Historical Consolidated Balance Sheet

	2018	2019	2020	2021	1Q 2022
Cash/Due from BSP/Due from Other Banks	94	123	148	157	96
Loans Arising From REPO	10	6	13	12	19
FVPL/FVTCI	30	60	45	56	63
Held to Maturity Investments	89	101	43	164	213
Interbank Loans and Receivables	10	19	43	31	25
Loans (net of Interbank Loans)	389	430	449	508	512
Bank Premises, Property & Eqpt. - net	8	11	13	13	13
Equity Investments - net	0	0	0	0	0
Investment Properties - net	4	4	4	4	3
Other Assets	11	13	15	16	17
Total Assets	645	767	772	959	962
Demand	56	71	107	145	142
Savings	174	179	195	228	227
Time	193	207	233	299	306
Deposit Liabilities	423	457	536	672	675
Other Liabilities	77	131	45	88	75
Senior Debt	53	97	90	87	103
Subordinated Debt	10	-	-	-	-
Total Liabilities	563	684	671	848	853
Minority Interest in Subsidiary/Allied Undertakings	0	0	0	0.0	0.0
Capital Funds	81	83	101	111	109
Total Liabilities & Capital	645	767	772	959	962



*Amounts in PhP Billions, except % and ratios

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

Historical Key Financial Indicators

	2018	2019	2020	2021	1Q 2022
Return on Average Capital Funds	5.8%	6.5%	5.5%	6.7%	8.0%
Return on Average Assets	0.7%	0.8%	0.7%	0.8%	0.9%
Net Interest Margin	4.0%	4.0%	4.3%	4.1%	4.1%
Cost-to-Income Ratio	73.2%	60.8%	58.2%	61.9%	59.4%
CASA to Total Deposits	54.4%	54.7%	56.4%	55.5%	54.7%
NPL Ratio	1.3%	2.2%	2.9%	3.3%	3.2%
Credit Cost	0.5%	1.7%	2.2%	1.2%	1.3%
CAR	16.1%	13.8%	16.1%	15.2%	14.8%



Thank you.
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