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S.E.C. Registration Number

P H I L I P P I N E B A N K O F C O M M U N I C A T I O N S

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(Company's Full Name)

P B C O M T O W E R , 6 7 9 5 A Y A L A A V E N U E

C O R N E R V . A . R U F I N O S T R E E T

M A K A T I C I T Y

(Business Address: No. Street City/ Town/ Province)

Michael Stephen H. Lao

Contact Person

(02) 8830-7062

Company Telephone Number

1 2 3 1

Month Day Fiscal Year

2 0 I S

Form Type

3rd Tuesday of June

[Empty box] [Empty box]

Month Day Annual Meeting

[Empty box]

Secondary License Type, If Applicable

M S R D

Dept. Requiring this Doc.

[Empty box]

Amended Articles Number/Section

[Empty box] 3 9 8

Total No. of Stockholders

Total Amount of Borrowings

[Empty box]

Domestic

[Empty box]

Foreign

To be accomplished by SEC Personnel Concerned

[Empty box]

File Number

LCU

[Empty box]

Document I.D.

Cashier

STAMPS

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

Please take notice that the Special Meeting of Stockholders of the **PHILIPPINE BANK OF COMMUNICATIONS** (“PBCOM”) will be held on **Tuesday, March 15, 2022, 9:00 a.m. to 10:00 a.m.** The meeting will be conducted virtually and can be accessed at the link provided in the Bank’s website at <https://www.pbcom.com.ph/>.

A G E N D A

1. Call to Order
2. Certification of Notice and Quorum
3. Amendments to the Articles of Incorporation for the Change in Primary and Secondary Purposes – from Commercial Bank to Universal Bank
4. Other Matters
5. Adjournment

For purposes of the meeting, only stockholders of record as of **February 14, 2022** are entitled to notice of, and to vote at, the Special Meeting of Stockholders.

Considering that certain community quarantine measures are still in place, PBCOM will be holding a virtual Special Meeting. The conduct of the Special Meeting will be streamed live, and stockholders may attend, participate and vote only through proxy, remote communication or *in absentia*. The requirements and procedures for voting *in absentia* and participation through remote communication are set forth in the Information Statement.

Stockholders who choose to vote by proxy must submit and address their signed proxy to the attention of the Corporate Secretary at 5/F PBCOM Tower, 6795 Ayala Avenue corner V.A. Rufino Street, Makati City or via e-mail at CorporateSecretary@pbcom.com.ph not later than 5:00 p.m. on or before March 4, 2022.

A copy of the Information Statement will be available upon request and will be uploaded in the Bank’s website at <https://www.pbcom.com.ph/>.

PBCOM IS NOT SOLICITING PROXIES.


MICHAEL STEPHEN H. LAO
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE
SECURITIES REGULATION CODE

1. Check the Appropriate box

Preliminary Information Statement

Definitive Information Statement

2. Name of Registrant as specified in its charter **PHILIPPINE BANK OF
COMMUNICATIONS**

3. Province, country or other jurisdiction of incorporation or organization **Philippines**

4. SEC Identification Number **PW00000686**

5. BIR Tax Identification Number **000-263-340-000**

6. Address of Principal Office PBCOM Tower, 6795 Ayala Avenue corner V.A. Rufino Street,
Makati City 1226, Philippines

7. Registrant's telephone number, including area code (632) 8830-7000

8. Date, time and place of meeting of security holders

Date **March 15, 2022, Tuesday**

Time **9:00 a.m. to 10:00 a.m.**

Place **Link to access the live streaming is provided in the Bank's website at
<https://www.pbcom.com.ph/>**

9. Approximate date on which the Information Statement is first to be sent or given to security holders
22 February 2022

10. Securities registered pursuant to Section 8 and 12 of the Code or Sections 4 and 8 of the RSA
(information of the number of shares and amount of debt is applicable only to corporate registrants)

<u>Title of Each Class</u>	<u>Number of Common Stock Outstanding or Amount of Debt Outstanding</u>
Common Stock	480,645,163 shares
Debt Outstanding	None

11. Are any or all of the registrant's securities listed on a Stock Exchange?
Yes No

12. If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
Philippine Stock Exchange, Inc. **Common Shares**

We are not asking you for a proxy and you are requested not to send us a proxy.

GENERAL INFORMATION

Date, Time and Place of Meeting of Security Holders

Date : March 15, 2022 (Tuesday)
Time : 9:00 a.m. to 10:00 a.m.
Place : Link to access the live streaming is provided in the Bank's website at <https://www.pbcom.com.ph/>

Mailing Address of the Bank

The complete mailing address of the Philippine Bank of Communications (hereinafter, "PBCOM", the "Bank" or the "Corporation") is:

PHILIPPINE BANK OF COMMUNICATIONS
PBCOM Tower, 6795 Ayala Ave. corner V.A. Rufino St.
Makati City 1226, Philippines

Record Date

The record date for the purpose of determining the stockholders entitled to notice of, and to vote at, the Special Meeting of the Stockholders is **February 14, 2022** (the "Record Date").

Approximate Date of First Release of Information Statement

The approximate date on which this Information Statement will be first sent out to the stockholders of the Bank is on **February 22, 2022**.

Dissenter's Right of Appraisal

In accordance with Title X of the Revised Corporation Code, any stockholder of the Bank has the right to dissent and demand payment of the fair value of his shares in the following instances:

1. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code; and
3. In case of merger or consolidation; and
4. In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

The procedure for the exercise of such appraisal right by the stockholders is as follows:

1. The stockholder voted against the proposed corporate action.

2. The dissenting stockholder shall make a written demand on the corporation within thirty (30) days after the date on which the vote was taken for payment of the fair market value of his shares. The failure of the stockholder to make the demand within such period shall be deemed a waiver of the appraisal right.
3. If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of the certificate(s) of stock within ten (10) days after demanding payment for his shares, the fair value thereof; and
4. Upon payment of the agreed or awarded price, the stockholder shall transfer his shares to the corporation.

To date, there are no corporate matters or actions that will entitle dissenting stockholders to exercise their right of appraisal as provided in Title X of the Revised Corporation Code.

Interest of Certain Persons in or Opposition to Matters to be Acted Upon

There is no matter to be acted upon in which any director or executive officer is involved or had a direct, indirect or substantial interest.

No director has informed the registrant, in writing or otherwise, that he intends to oppose any action to be taken by the registrant at the Meeting.

CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

- (a) **Total Number of Shares Outstanding as of the date of this report:** 480,645,163 common shares

Number of Votes per Share: One (1) vote per share.

- (b) **Record Date:** All stockholders of record as of the close of business on **14 February 2022** are entitled to notice of, and to vote at, the Special Meeting.
- (c) Pursuant to Article II, Section 2 of the Bank's By-laws, a stockholder may vote during Special Stockholders' Meeting in person or by proxy.

Pursuant to Sections 23 and 57 of the Revised Corporation Code which allow voting through remote communication or *in absentia*, stockholders may access the Bank's online web address at <https://www.pbcom.com.ph/>, to be able to register and vote *in absentia* on the matters for approval at the meeting. A stockholder who votes in absentia shall be deemed present for purposes of quorum.

The requirements and procedures for voting in absentia and participation through remote communication are set forth under Annex "A" of this Information Statement.

Security Ownership of Certain Record and Beneficial Owners as of January 31, 2022:

There are no delinquent stocks and the direct and indirect record of beneficial owners of more than five percent (5%) of common shares of the Bank as of January 31, 2022 are:

Title of Class	Name and Address of Record Owner and relationship with Issuer	Name of Beneficial Ownership and relationship with Record Owner	Citizenship	No. of Shares	% Held
Common	P.G. Holdings, Inc. 900 Romualdez St., Paco, Manila Stockholder	Lucio L. Co-Chairman Susan P. Co-Director	Filipino	186,241,408	38.75%
Common	VFC Land Resources, Inc. 1379 San Gregorio St., Paco, Manila Stockholder	Various stockholders Lucio L. Co – Authorized to vote the shares	Filipino	73,619,038	15.32%
Common	Ralph C. Nubla, Jr.* 2 Sanso Street, Corinthian Gardens, Quezon City Stockholder	Ralph C. Nubla, Jr. – same as record owner	Filipino	51,779,374	10.77%
Common	PCD Nominee Corporation 29 th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City Stockholder	Various stockholders	Filipino Non-Filipino	49,149,527 2,002,561 51,152,088	10.22% 0.42% 10.64%
Common	Eric O. Recto** 5/F PBCOM Tower 6795 Ayala Ave. cor. V.A. Rufino St., Makati City Stockholder	Eric O. Recto – same as record owner	Filipino	50,159,424	10.43%
Common	Telengtan Brothers & Sons, Inc. Km. 14, South Superhighway, Paranaque City Stockholder	Various stockholders Authorized to vote the shares-any one the ff: Bunsit Carlos G. Chung/Felix Chung/Ching Tiong Keng	Filipino	31,859,844	6.63%

*- 5,260,338 shares of the 51,779,374 shares of Ralph C. Nubla, Jr. are under PCD Nominee Corp.

** - 323,648 shares of the 50,159,424 shares of Eric O. Recto are under PCD Nominee Corporation

Except as stated above, the Board of Directors and Management of the Bank have no knowledge of any person who, as of the date of this report, was indirectly or directly the beneficial owner of more than five percent (5%) of the Bank's outstanding shares of common stock or who has voting power or investment power with respect to shares comprising more than five percent (5%) of the outstanding shares of common stock. There are no persons holding more than five percent (5%) of the Bank's common stocks that are under a voting trust or similar agreement.

Security Ownership of Management

The following are the number of shares of common stock owned of record and beneficially by the directors and executive officers of the Bank and the percentage of shareholdings of each, as of January 31, 2022:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent
Common	Eric O. Recto	Direct 50,159,424	Filipino	10.43%
Common	Leonardo B. Dayao	Direct 10,001	Filipino	0.00%
Common	Patricia May T. Siy	Direct 100	Filipino	0.00%
Common	Bunsit Carlos G. Chung	Direct 550,716	Filipino	0.11%
		Indirect 449,294		0.09%
Common	Lucio L. Co	Direct 1	Filipino	0.00%
		Indirect 93,120,704		19.37%
Common	Susan P. Co	Direct 1	Filipino	0.00%
		Indirect 93,027,584		19.35%
Common	Levi B. Labra	Direct 100	Filipino	0.00%
Common	Gregorio T. Yu	Direct 1,432,692	Filipino	0.30%
Common	Jack E. Huang	Direct 100	Filipino	0.00%
Common	Jaime J. Bautista	Direct 100	Filipino	0.00%
Common	Robert Y. Cokeng	Direct 200	Filipino	0.00%
Common	Conrado A. Gloria, Jr.	Direct 100	Filipino	0.00%

Common	Bienvenido E. Laguesma	Direct	100	Filipino	0.00%
Common	Emmanuel Y. Mendoza	Direct	100	Filipino	0.00%
Common	Gilda E. Pico	Direct	100	Filipino	0.00%
Common	John Howard D. Medina	N/A	0	Filipino	0.00%
Common	Alan E. Atienza	N/A	0	Filipino	0.00%
Common	Victor E. Martinez	N/A	0	Filipino	0.00%
Common	Arlene M. Datu	N/A	0	Filipino	0.00%
Common	Expedito G. Garcia	N/A	0	Filipino	0.00%
Common	Erico C. Indita	N/A	0	Filipino	0.00%
Common	Jane Lim-Laragan	N/A	0	Filipino	0.00%
Common	Jeruel N. Lobien	N/A	0	Filipino	0.00%
Common	Mina F. Martinez	N/A	0	Filipino	0.00%
Common	Michael Stephen H. Lao	N/A	0	Filipino	0.00%

Except as disclosed above, the Bank has not received from any of the directors or executive officers of the Bank any statement of ownership, whether of record or beneficially, of more than five percent (5%) of the Bank's outstanding shares of common stock. As known by the Bank, the aggregate number of common shares owned directly by all key officers and directors as a group as of January 31, 2022 is 238,751,417 common shares.

Changes in Control

There are no voting trust agreements or any other similar agreement that may result in a change in control of the Bank of which the Bank has any knowledge. No change in control of the Bank has occurred since the beginning of its last fiscal year.

Directors and Executive Officers

No action will be taken with respect to the election of directors.

Compensation of Directors and Executive Officers

No action will be taken with respect to the compensation of directors and executive officers,

Independent Public Accountants

No action will be taken with respect to the election, approval or ratification of the company's accountant.

Compensation Plans

No action will be taken with respect to any plan involving the payment or distribution of cash or non-cash compensation will be taken during the Special Meeting.

Action with Respect to Reports

There is no action to be taken with respect to any report of the Bank or its directors, officers or committees.

Matters not Required to be Submitted

There is no action to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

Amendment of Charter, By-Laws or Other Documents

The Board of Directors has proposed the following amendments to the Bank's Articles of Incorporation:

ARTICLES OF INCORPORATION	
Current Provision	Proposed Revision
<p>1 SECOND –The objects and purposes for which this corporation is formed are:</p> <p>1. That the primary purpose for which the corporation is formed is to carry on and engage in the business of commercial banking, to have and exercise, subject to the laws of the Philippines, all powers, rights, privileges and attributes of a commercial bank, and in the course of its business operations.</p>	<p>SECOND –The objects and purposes for which this corporation is formed are:</p> <p>1. That the primary purpose for which the corporation is formed is to carry on and engage in the business of <u>universal</u> banking, to have and exercise, subject to the laws of the Philippines, all powers, rights, privileges and attributes of a <u>universal</u> bank, and in the course of its business operations; <u>to exercise the functions and powers of investment houses, and to have the power and authority to invest in the equity of all allied and non-allied enterprises or undertakings as provided in pertinent laws; (As amended on _____)</u></p>
<p>2 2. To do, conduct and transact generally the business of a commercial bank and to do all things and exercise all powers and perform all functions which a bank is authorized and empowered to do, exercise or perform under and by virtue of the laws of the Philippines, or which it may be by law hereafter authorized to do, exercise or perform: to receive deposits or money, deal in commercial paper, to make loans thereon, lend money on real or personal property, discount bills, notes or other commercial papers and to buy and sell securities, gold and silver bullion, foreign coins or bills of exchange, and to do all things in this paragraph set forth as such commercial bank and in so far as is consistent with the laws of the Philippines and generally to do all such other acts and things as shall seem to the corporation incidental or conducive to the attainment of the above objects and purposes, or any of them, as commercial bank;</p>	<p>2. To do, conduct and transact generally the business of a <u>universal</u> bank and to do all things and exercise all powers and perform all functions which a bank is authorized and empowered to do, exercise or perform under and by virtue of the laws of the Philippines, or which it may be by law hereafter authorized to do, exercise or perform: to receive deposits or money, deal in commercial paper, to make loans thereon, lend money on real or personal property, discount bills, notes or other commercial papers and to buy and sell securities, gold and silver bullion, foreign coins or bills of exchange, and to do all things in this paragraph set forth as such <u>universal</u> bank and in so far as is consistent with the laws of the Philippines and generally to do all such other acts and things as shall seem to the corporation incidental or conducive to the attainment of the above objects and purposes, or any of them, as <u>universal</u> bank; <u>(As amended on _____)</u></p>
<p>3 4. To receive and care for money deposited in trust, arising from legacies, voluntary and other trusts, and judicial decrees, or in any other manner; to act as trustee under any mortgage or bonds issued by any</p>	<p>4. To receive and care for money deposited in trust, arising from legacies, voluntary and other trusts, and judicial decrees, or in any other manner; to act as trustee under any mortgage or bonds issued by any municipality, body politic, or corporation, and to</p>

<p>municipality, body politic, or corporation, and to accept and execute any other municipal or corporate trust not inconsistent with law; to act as transfer agent of any corporation, and, in such capacity, to receive and disburse moneys, transfer, register and execute certificates of stock, bonds or other evidences of indebtedness, and to act as agent of any corporation, company or association, foreign or domestic, or of any individual within the purposes of a commercial bank; to act under the order of appointment or any court of record as guardian, receiver, trustee or depositary of the estate of any minor, insane or weak-minded person, habitual drunkard, or other incompetent or irresponsible person, as assignee in bankruptcy, and as receiver and depositary of any moneys paid into court by parties of any legal proceedings and of property of any kind that may be brought under the jurisdiction of any court by proper legal proceedings; to act as the executor of any last will and testament whenever named in such last will and testament, as the executor thereof; to act under appointment of any court of competent jurisdiction as the administrator of the estate of any deceased person with the will annexed or as the administrator of any deceased person when there is no will; to execute any legal trust confided to it by any court of record or any person, association or corporation for the holding, management and administration of any estate, real or personal, and the rents, issues, and profits thereof; to act as managing agent, adviser, consultant or administrator of investment management, advisory, and consultancy accounts; to establish, administer and maintain one or more common trust funds; and generally, to do all kinds of trust business permitted by law. (As amended on June 20, 1989)</p>	<p>accept and execute any other municipal or corporate trust not inconsistent with law; to act as transfer agent of any corporation, and, in such capacity, to receive and disburse moneys, transfer, register and execute certificates of stock, bonds or other evidences of indebtedness, and to act as agent of any corporation, company or association, foreign or domestic, or of any individual within the purposes of a <u>universal</u> bank; to act under the order of appointment or any court of record as guardian, receiver, trustee or depositary of the estate of any minor, insane or weak-minded person, habitual drunkard, or other incompetent or irresponsible person, as assignee in bankruptcy, and as receiver and depositary of any moneys paid into court by parties of any legal proceedings and of property of any kind that may be brought under the jurisdiction of any court by proper legal proceedings; to act as the executor of any last will and testament whenever named in such last will and testament, as the executor thereof; to act under appointment of any court of competent jurisdiction as the administrator of the estate of any deceased person with the will annexed or as the administrator of any deceased person when there is no will; to execute any legal trust confided to it by any court of record or any person, association or corporation for the holding, management and administration of any estate, real or personal, and the rents, issues, and profits thereof; to act as managing agent, adviser, consultant or administrator of investment management, advisory, and consultancy accounts; to establish, administer and maintain one or more common trust funds; and generally, to do all kinds of trust business permitted by law. (As amended on _____)</p>
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The foregoing amendments are required for PBCOM's application with the BSP to upgrade its banking license from commercial to universal. Once regulatory approvals are obtained, the Bank may commence to exercise powers and functions of a universal bank

Voting Procedures

The vote required for acts requiring stockholders' approval is 2/3 of the outstanding capital stock.

Every stockholder is entitled to one vote.

Shareholders who are unable to attend the meeting may choose to execute a proxy form or vote electronically *in absentia* using the Bank's online web address at <https://www.pbcom.com.ph/>. A stockholder who votes *in absentia* shall be deemed present for purposes of quorum. The requirements and procedures for voting in absentia and participation through remote communication are set forth under **Annex "A"** of this Information Statement.

Proxies must be submitted to the Corporate Secretary not later than 5:00 p.m. on or before March 4, 2022.

The method of counting the votes of the shareholders shall be in accordance with the general provisions of the Revised Corporation Code of the Philippines. Counting will be done by tabulation of the votes by the Corporate Secretary with the assistance of his staff and the Stock and Transfer Agent.

FINANCIAL AND OTHER INFORMATION

Item I – The Company

Philippine Bank of Communications ("PBCOM" or the "Bank") was incorporated as one of the earliest non-American foreign banks in the country on August 23, 1939. It received the authority to engage in commercial banking from the then Bureau of Banking of the Department of Finance under the Philippine Commonwealth, with a capitalization of Two Million Pesos. The Bank commenced operations on September 4, 1939. However, its operations were temporarily interrupted during World War II, but were immediately reconstituted in 1945 through the infusion of fresh funds. The Bank started under full Filipino ownership in 1974 when a group of industrialists led by Ralph Nubla Sr. bought majority of the Bank's outstanding shares.

The Bank is a registered government securities dealer, having been granted the license on December 14, 1981. It also has a Trust license which was approved on August 24, 1961.

PBCOM acquired a license to operate as an expanded commercial bank from the *Bangko Sentral ng Pilipinas* ("Bangko Sentral" or "BSP") on December 24, 1993 and operated as such until the year 2000. In order to focus on its core strengths and maximize utilization of available resources, the Bank applied for the conversion of its expanded commercial bank license into a regular commercial banking license which was approved by the Monetary Board of the BSP on March 31, 2000. PBCOM had since opted to capitalize on its core strength by focusing on and pursuing traditional commercial banking operations. In December 2000, the Bank acquired 100% of Consumer Savings Bank as part of its strategy to expand its consumer banking business.

On July 26 2011, the major shareholders of the Bank, namely the Chung, Luy, and Nubla Groups, signed a Memorandum of Agreement (MOA) with a group of investors led by ISM Communications Corporation (the "ISM Group"), involving the sale of their entire stake in the Bank to the ISM Group and the commitment of the Chung and Nubla groups to reinvest the proceeds of the sale of their respective shares amounting to approximately ₱2.8 Billion in the Bank.

On October 13, 2011, the Monetary Board approved the acquisition of PBCOM by the ISM Group.

On December 23, 2011, the acquisition by the ISM Group of a controlling interest in the Bank was successfully transacted through the facilities of the Philippine Stock Exchange.

On December 27, 2011, the Chung and Nubla Groups reinvested ₱2.4 Billion as deposits for future subscription of PBCOM shares of stock. Another ₱0.4 Billion was deposited in March 2012 and additional 22 Million in April 2012 to complete their commitment of approximately ₱2.8 Billion.

On May 31, 2012, the LFM Properties Group deposited ₱0.72 Billion for future subscription to PBCOM shares of stock. Another ₱30 Million was deposited by the LFM Properties Group on October 24, 2012.

On February 8, 2013, BSP issued a Certificate of Authority to the Bank for it to register its Amended Articles of Incorporation and Amended By-Laws with the SEC.

On March 8, 2013, the Bank obtained approval from SEC for a quasi-reorganization and an increase in authorized capital stock. The Articles of Incorporation was amended to implement the following:

- a. Reclassification of Bank's existing 120,000,000 preferred shares to common shares;
- b. Reduction of the par value of all its common shares from ₱100 per share to ₱25 per share; and
- c. Increase in authorized capital stock to ₱19,000,000,000 divided into 760,000,000 common shares with a par value of ₱25 per share.

The reclassification of the said preferred shares to common shares took effect on March 19, 2013. On December 2013, the Bank received the approval of both the BSP and SEC to apply ₱3.94B in APIC to partially wipe out the bank's outstanding deficit.

On March 26, 2014, the Bank exited from the 10-years Financial Assistance Agreement with PDIC by settling the loan of ₱7.6 Billion which represents financial assistance by the latter to the Bank in 2004.

The subscription by P.G. Holdings, Inc. (PGH) to the new shares of the Parent Company amounting to ₱ 5.98 billion was approved by the BSP on September 23, 2014. The first installment of ₱1.79 billion was paid by PGH on September 25, 2014. Subsequently, on October 1, 2014, VFC Land Resources Inc. (VFC) bought 59.24 million shares at ₱33.00 per share from the ISM Group. PGH and VFC are beneficially owned by the family of Mr. Lucio Co, bringing his total stake in the Parent Company to 49.99%.

On September 22, 2015, June 29, 2016 and September 11, 2017, the Parent Company received the second, third and final installment payments, respectively, each amounting to ₱1.39 billion for the subscribed shares of PGH.

In 2015, both PGH and VFC bought additional 2.4 million shares and on following year an additional 0.49 million shares and 9.49 million shares were acquired by PGH and VFC, respectively. In 2018, PGH bought an additional 2.27 million shares and VFC acquired 0.49 million additional shares in 2019. The Co Family's total stake in the Parent Company is at 53.65% as of December 31, 2019.

On July 29, 2019, PBCOM sold its stake in PBCOM Rural Bank, Inc. as it consolidates its efforts and resources at the parent level.

On January 20, 2022, the Monetary Board of Bangko Sentral ng Pilipinas approved PBCOM's application to upgrade its license to a Universal Bank subject to completion of requisite regulatory requirements.

Business of Registrant

PBCOM offers a wide range of products and services to clients. These includes basic commercial banking services such as deposit products, credit and loan facilities, trade-related services, treasury and foreign exchange trading, cash management services and Trust and Investment Management services.

Deposit products and services include peso, dollar and third currency savings, checking and time deposit accounts, ATM accounts, foreign and domestic remittance services, cash management services namely deposit pick-up and cash delivery, payroll and check-writing services. Ancillary services such as safety deposit boxes and manager's checks, demand drafts, acceptance of tax and SSS payments are also available, these products and services are offered to both individuals and corporate clients.

Credit and loan facilities include working capital financing, post-dated check discounting, specialized lending programs such as contract-to-sell financing and Micro-Finance. Other credit related products include home, auto and personal loans as well as trade financing,

Trade-related services include import LCs, standby LCs, credit bank guaranty and shipside bond, export LC advising, export packing credits & export bills negotiation and collections, trade financing of receivables and payables, domestic LCs and trust receipt financing. These services are financing facilities offered to importers and exporters.

Treasury products include dealership and brokering of government securities and commercial papers, both domestic and international, deposit substitutes like promissory notes and repurchase agreements, foreign exchange proprietary trading and commercial client servicing.

Trust services include investment management services, personal trust funds, escrow agency services, employee benefit trust services and estate planning.

Contribution to Operating Income

As of September 2021, the contribution to Operating Income is broken down as follows: (1) 84.2%% is derived from net interest income, this includes interest income from lending, investment securities and others receivables less interest expense and finance charges (2) 15.8% is from non-interest income consisting of trading gains, service charges, fees and commissions, income from trust operations, profit/loss from asset sold, foreign exchange gain/loss, rental income and miscellaneous income.

The Bank does not maintain any branch or sales office abroad. Hence, all revenues are generated domestically.

Distribution Methods of Products and Services

As of December 2021, the Parent Bank's liability and ancillary products and services are distributed primarily through its 95 branches, 4 of which are in Pop-Up formats situated in selected Puregold stores.

PBCOM clients may also conduct their transaction in various channels such as the 163 automated teller machines deployed in strategic branch sites and in 70 off-site locations. In addition, the Bank has also deployed 67 Cash Deposit Machines across various sites to help service the deposit transactions of its clients.

The Bank has likewise expanded its digital presence through its "Digital-Only Bank" which BSP approved last December 11, 2019, this will complement the existing Internet and Mobile Banking facilities of the bank launched last June 21, 2017 and September 28, 2018, respectively.

Competition

As of end 2021, the Philippine commercial banking industry is composed of 25 commercial banks (KB) of which 5 are private domestic commercial banks and 20 are foreign banks with either established subsidiaries or foreign branch licenses.

Patents, Trademarks, Licenses, Franchises, Concessions, and Royalty

PBCOM have registered the trademarks for PBCOM Online Platform and PBCOM Value Check.

Customers

PBCOM has multi-segment client base with growth seen across Individuals, Commercial and Corporate accounts. This result stems from the bank's focus on expanding its market through the ecosystem of its principals.

Subsidiaries and Affiliates

PBCOM Insurance Services Agency, Inc. (PISAI) was incorporated and registered with the Securities and Exchange Commission on May 9, 2014 to engage primarily in the business of soliciting and promoting insurance products. The company offers a range of insurance agency services specific to life and investment-linked products to meet customers' wealth management and risk protection needs.

On January 11, 2021, the Board of Directors of PBCOM approved the dissolution and retirement of business of PISAI. PISAI, which has been inactive for the past 3-years, has continuously remained inactive but continued to incur operating expenses. PBCOM does not see any need for the subsidiary and have

decided to retire the business operations. PBCOM has received clearances regarding PISAI's dissolution from the Insurance Commission and the Makati Local Government last May 26, 2021 and September 30, 2021; respectively, clearances from other regulatory agencies are currently being processed.

PBCOM Finance Corporation was incorporated and registered with the SEC on January 9, 1980 to provide, grant, and/or extend credit facilities to any person, business, juridical or otherwise. It is 40% owned by the Bank while the remaining 60% is owned by various individual shareholders. Its principal place of business is located at 7th floor, PBCOM Building, 214-216 Juan Luna St. Binondo, Manila.

Transaction with and/or Dependence on Related Parties

The Bank's related parties include key management personnel, close family members of key management personnel and entities which are controlled, significantly influenced by or for which significant voting power is held by key management personnel or their close family members, associates and post-employment benefits for the benefit of the Bank's employee.

As required by BSP, the Bank discloses loan transactions with its associates, affiliates and with certain directors, officers, stockholders and related interests (DOSRI). As of December 31, 2021 the Bank is compliant with DOSRI rules and regulations.

The Bank's related party transactions are presented and discussed in Note 31 of 2020 Audited Financial Statements.

Effect of Existing or Probable Government Regulations

Bangko Sentral ng Pilipinas

The Bank fully complies with the required capitalization for commercial banks without expanded banking licenses (non-unibank) as prescribed by the BSP. The Bank's consolidated qualifying capital as of end-December 31, 2021 stood at ₱14.93 Billion while its capital to risk assets ratio under the BASEL III reporting standards covering credit, market and operational risks as reported to BSP remained well above the 10% prescribed cap at 17.49%.

Bureau of Internal Revenue

RA No. 9337, An Act Amending the National Internal Revenue Code, provides that starting January 1, 2009, the regular corporate income tax rate (RCIT) shall be 30% while interest expense allowed as a deductible expense is reduced to 33% of interest income subject to final tax.

A Minimum Corporate Income Tax (MCIT) of 2% on modified gross income is computed and compared with the RCIT. Any excess MCIT over RCIT is deferred and can be used as a tax credit against future income tax liability for the next three years. In addition, NOLCO is allowed as a deduction from taxable income in the next three years from the year of inception.

FCDU offshore income (income from non-residents) is tax-exempt while gross onshore income (interest income from loans to residents) is subject to 10% income tax. Income from FCDU transactions, other than offshore and onshore, is subject to the 30% RCIT or 2% MCIT whichever is applicable.

On March 15, 2011, the BIR issued RR 4-2011 which prescribes the attribution and allocation of expenses between the FCDUs/EFCDUs or OBUs and RBU and within RBU.

On January 01, 2018, Republic Act No. 10963, known as the TRAIN Law, took effect. The law increased the rates of Documentary Stamp Tax (DST) by 100% except on the DST on debt instruments which increased by 50%. Among the other taxes which rates were increased are Fringe Benefit Tax from 32% to 35%; Excise Tax on Petroleum Products up to 8php per liter/kilo; and, Final Withholding Tax on interest income from deposit under the expanded foreign currency deposit system from 7.5% to 15%.

Corporate Recovery and Tax Incentives for Enterprises Act or “CREATE” signed into law on March 26, 2021. Under the law, the corporate income tax shall be reduced to 25% and the corresponding deductible interest expense shall be reduced by 20% of interest income subject to final tax. While the minimum corporate income tax shall be reduced to 1% of modified gross income, which shall be effective until June 30, 2023. There are no changes for FCDU.

Research and Development Activities

The Bank offers basic commercial banking products and services that require no significant amount to be spent on product research & development.

Employees

As of September 30, 2021, the Parent Bank has 1,017 employees with 774 officers and 243 rank-and-file. All rank-and-file employees are covered by a 2-year collective bargaining agreement (CBA) signed last December 28, 2021, to cover the two-year period from January 1, 2021 to December 31, 2022. There had been neither dispute nor occurrence of employees’ strike for the past years.

Risk Management

PBCOM applies risk management across the entire organization — from the Board of Directors, Senior Management, Business Groups, Business Centers, support units, its subsidiaries and affiliates, and to individual employees as well as in specific functions, programs, projects, and activities. Implementation of the framework contributes to strengthening management practices, decision making, and resource allocation, and increasing shareholder value while protecting the interest of its clients, maintaining trust and confidence, and ensuring compliance with regulations.

Enterprise risk management (ERM) is the framework of policies, processes, and systems, effected by an entity’s board of directors, management, and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives.

ERM Vision, Mission, Philosophy and Objectives

Risk Vision Statement

To protect and optimize PBCOM’s enterprise value through effective risk management.

Risk Mission Statement

To develop risk awareness and a risk/return consciousness in the Bank in order to protect deposits, preserve capital, and ensure adequate return on capital.

ERM Philosophy

PBCOM recognizes that enterprise risk management is fundamental for its safe and sound operation and sustainable growth. It ensures business success through balanced risk and reward, operational excellence and conformance to the highest ethical standards, and regulatory requirements.

Enterprise Risk Management in PBCOM is aligned to its business objectives and strategies. It operates at all levels and in all units of PBCOM that continually manage risk in an environment fostered by an appropriate governance structure, a strong "control culture" and a proactive process of identification, understanding, assessment, and mitigation of all its material risks.

ERM Objectives

- To identify, measure, manage and control risks inherent in PBCOM's activities or embedded in its portfolio;
- Define and disseminate risk management philosophy and policies;
- Assist risk-taking business and operating units in understanding and measuring risk/return profiles;
- Develop a risk management infrastructure that includes policies and procedures, organization, limits and approval authorities, MIS and reporting, systems and risk models and;
- Promote a risk awareness and strong "control culture" in PBCOM.

PBCOM Enterprise Risk Governance

The Board of Directors, directly, or through Board Committees, ensures alignment of business decisions with the Bank's strategies and risk appetite. It approves key risk policies, limits, and strategies, aside from the Bank's risk appetite. It is responsible for establishing and maintaining a sound risk management system and is ultimately accountable for risks taken within the Bank.

The Risk Oversight Committee (ROC) assists the Board of Directors in the effective discharge of its function in overseeing the enterprise risk management program of the Bank, its subsidiaries, and its trust unit. Its responsibilities are to:

1. *Oversee the risk management framework.* The committee shall oversee the enterprise risk management framework and ensure that there is periodic review of the effectiveness of the risk management systems and recovery plans. It shall ensure that corrective actions are promptly implemented to address risk management concerns.
2. *Oversee the adherence to risk appetite.* The committee shall ensure that the current and emerging risk exposures are consistent with the Bank's strategic direction and overall risk appetite. It shall assess the overall status of adherence to the risk appetite based on the quality of compliance with the limits structure, policies and procedures relating to risk management and control, and performance of management, among others.
3. *Oversee the risk management function.* The committee shall be responsible for the appointment/selection, remuneration, and dismissal of the Chief Risk Officer (CRO). It shall also ensure that the risk management function has adequate resources and effectively oversees the risk taking activities of the Bank.

The Enterprise Risk Management/ICAAP Group is the ROC's implementing arm in carrying out its functions. It serves the Bank's Board of Directors and Management by assisting the Bank in accomplishing its objectives by bringing a systematic and disciplined approach to promoting risk management practices consistent with the type and complexity of operation of the Bank and its subsidiaries. It assists the management of risk that is a direct responsibility of the business and support units.

Capital Management

PBCOM's capital management framework involves providing shareholders optimal returns within the ability of the capital to protect the interests of all the Bank's stakeholders. The framework involves monitoring both capital requirements and capital resources to ensure:

- Qualifying capital remains above minimum requirements of ten (10) percent of risk weighted assets;
- Quality of capital resources aligns with the risks present or to be taken to achieve growth & return and;
- Prudent balance between the growth and return required of strategic plans and the continuing institutional strength of the Bank.

PBCOM consistently maintains a ratio of qualifying capital to risk weighted assets that are in excess of the ten (10) percent minimum requirement of Philippine banking regulations.

The Bank, in addition, conducts an Internal Capital Adequacy Assessment Process (ICAAP), along with its strategic planning exercise. The ICAAP provides the Bank the opportunity to:

- Articulate its risk appetite, strategic growth, and return targets;
- Identify the businesses, products, and services the Bank will pursue or use to achieve the targets;
- Define and measure the risks each business, product, or service will create;
- Consider how the Bank will mitigate and manage the identified risks;
- Determine the amount and the quality of the capital resources necessary to sustain financial strength through a risk event;
- Conduct stress tests to aid in identifying break points and vulnerabilities; and
- Develop capital build-up and contingency plans.

The ICAAP is a collaborative effort of the Management and the Board of Directors. PBCOM submits the documentation of the results of its ICAAP to the supervisory review and examination of the *Bangko Sentral ng Pilipinas*.

The regulatory qualifying capital of the Bank consists of Common Equity Tier 1 and Additional Tier 1 and is comprised of paid-up common stock, retained earnings including current year's profit, and surplus reserves, less required deductions such as unsecured credit accommodations to DOSRI, and goodwill. The other component of regulatory capital is Gone-Concern Capital (Tier 2), which includes appraisal increment reserves (as authorized by the Monetary Board) and general loan loss provision.

The Bank's capital charge for credit risk is computed at 10% of credit risk-weighted on- and off- balance sheet assets. Risk weights of on- and off-balance sheet assets are computed using the standardized approach as specified in the MORB.

Market risk capital charge is computed using the standardized approach specified in the MORB. Under this approach, capital for market risk is equivalent to 10% of market risk-weighted assets that cover interest rate, equity, and foreign exchange exposures of the Bank.

Operational risk capital charge is computed using the Basic Indicator Approach, under which, capital for operational risk is equal to 15% of the Bank's average positive annual gross income of the previous three years.

Market, Liquidity and Interest Rate Risk Management

Market risk arises from adverse fluctuations in the market value of financial instruments in both on- and off-balance sheet items. The Bank employs the Value-at-Risk (VaR) at 99% confidence level to measure market risk and performs back testing (using both hypothetical and actual back testing approaches) to ensure an accurate and robust VaR model. Stress Testing is also employed to determine the earnings impact of extreme market movements not captured by VaR calculations. A system of risk limits that reflect the Bank's level of capital, expected returns, and the overall risk appetite, is used to manage market risk. These limits include the VAR limit, Nominal Position limit, Off-Market Tolerance limit, Management Action Trigger, and Stop-loss limit. The Bank also uses Market Risk Assessment Matrix to assess the overall market risk profile of the Bank.

Liquidity risk refers to the possibility that the Bank will be unable to meet its financial obligations in any currency. To ensure compliance, the Bank requires daily monitoring of regulatory ratios such as the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). The Bank also monitors liquidity risk exposures using the following limits: liquidity contingency indicators, liquidity funding

concentration, and Maximum Cumulative Outflow (MCO). Liquidity stress testing is also performed to measure the impact of stressful scenarios to the Bank's MCO profile. The Bank also applies Liquidity Risk Assessment Matrix to assess its overall liquidity risk profile. In managing liquidity risk, the Bank also maintains substantial holdings of Highly Liquid Assets (HQLA) which can easily be converted to cash.

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. The Bank uses Earnings-at-Risk (EaR) and Economic Value of Equity (EVE) based on its Interest Rate Repricing Gap profile to measure the possible impact to net interest income and net worth of the Bank under normal and stressed interest rate movements. Likewise, risk limits are also employed by the Bank to manage interest rate risk in the banking book. The Bank follows a prudent policy in managing its assets and liabilities to ensure that the exposure to fluctuations in interest rates is kept within acceptable limits.

Credit Risk Management

Credit Risk Management Process

Credit risk is the primary financial risk in the banking system and exists in all revenue generating activities. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The risk arises when the Bank's funds are extended, committed, invested, or exposed through actual or implied contractual agreements. Capital depletion through loan losses has been the ultimate cause of most institutions' failures. The Bank's credit risk arises from its lending and trading of securities and foreign exchange activities.

The Bank, in recognition of the importance of identifying and rating credit risk as the initial step towards its effective management, has put in place a comprehensive set of policies and established underwriting processes, as approved by the Board of Directors. Regular analysis of the ability of potential and existing borrowers to meet interest and capital repayment obligations is made, including amendment of lending limits when appropriate. The Bank is thus able to continually manage credit-related risks in its risk asset portfolio through objective assessments/evaluations of credit proposals prior to presentation to the appropriate approval authority, ensuring the highest standards of credit due diligence and independence. The Bank's approval matrix begins at carefully reviewed and selected individual limit delegations, working its way up to the Executive Committee (EXCOM) and the Board of Directors as appropriate.

The Bank also employs and implements an Internal Credit Risk Rating System (ICRRS) that is consistent with global rating standards, compliant with Basel II requirements, and appropriate to the Bank's nature, complexity, and scale of activities. Resulting ratings/scores, together with experienced credit judgment, serve as basis in proactively setting-up of loan loss provisions in compliance with PFRS 9.

Credit Exposure Limits

The Bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual borrowers and groups of borrowers as well as limits on large exposures and real estate loan ceilings and limits on past due and non-performing ratios. Such risks are monitored on a regular basis and subjected to annual or more frequent reviews when considered necessary. These limits are approved by the Board of Directors. The exposure to any one borrower is further restricted by sub-limits covering on- and off-balance sheet exposures. Actual exposures against limits are monitored regularly.

Other Credit Enhancements

Exposure to credit risk is also managed in part by obtaining collateral, suretyships, or guarantees. The amount and type of security required depends on an assessment of the credit risk of the counterparty. In order to minimize credit loss, additional security is sought from the borrower when impairment indicators are observed for the relevant individual loans and advances. The Bank implements guidelines on the acceptability and valuation parameters of specific classes of collateral for credit risk mitigation. The main types of collateral obtained are as follows: (i) for securities lending and reverse repurchase transactions:

cash or securities; (ii) for commercial lending: mortgages over real estate properties, machineries, inventories, and trade receivables; and (iii) for retail lending: mortgages over residential properties and vehicles. It is the Bank's policy to dispose of repossessed properties in an orderly and timely fashion. The proceeds are used to reduce or repay the outstanding claim. In general, the Bank does not occupy repossessed properties for business use.

The Bank also has in place an independent post credit review of the loan portfolio quality and credit process that allows it to continually identify and assess the risks on credit exposures and take corrective actions. The management of the credit portfolio is subject to internal and regulatory limits which serve to control the magnitude of credit risk exposures and preserve the quality of the portfolio. ERMG also monitors large exposures and credit risk concentrations in accordance with BSP regulations.

Operational Risk Management

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events. It includes legal risk, but excludes strategic and reputational risk. Operational risk is inherent in all activities, products, and services, and cuts across multiple activities and business lines within the Bank and across its subsidiaries and affiliates. The primary tool in controlling operational risk is an effective system of internal controls, which is approved by the Board and participated by each and every employee of the Bank.

The PBCOM's Operational Risk Management (ORM) Framework, which provides for a strengthened foundation and guidance on how PBCOM should effectively manage its operational risks, is regularly reviewed by the BOD to ensure that ORM policies, processes, and systems are implemented effectively at all decision levels.

The Bank's ORM tools include the Risk Control Self-Assessment (RCSA), Key Risk Indicators (KRI), and the Internal Operational Loss Database, results of which are regularly reported by the ORM Division (ORMD) to the ROC. Operational risk reports such as Profile of Complaints, Legal Case Profile, Bank Security Assessments, and Vendor Performance Evaluation Results are likewise regularly reported by the respective line management to the ROC. A system for reporting of operational crimes and losses, and policies, whistle-blowing and handling of administrative cases are also in place.

Aside from securing adequate insurance coverage over bank assets, putting up of reserve for self-insurance, and setting up allowances for probable losses, operational risk is mitigated through preventive and detective controls, which are embedded in operating policies and procedures, approval limits, and authorities to govern day-to-day operations.

To instill a culture of risk awareness and a strong operational risk control environment, the Bank's ERMG and Compliance Management Group (CG) conduct regular in-house seminars and trainings, such as orientation for newly-hired employees, with presentations focusing on risk management and regulatory compliance. Both groups continuously develop and implement risk management and compliance policies, while holding interactive meetings with operating units to address risk issues and implement process enhancements. The Bank also employs Computer-Based Training (CBT) to make training content more readily available and accessible.

The Bank's Technology Risk Management Framework continues to provide strengthened foundation and guidance on how the Bank should effectively manage emerging technology risks. It incorporates the requirements under existing BSP regulations and which takes into account that strategic, operational, compliance, and reputational risks are periodically reviewed and updated to ensure that all risks in the Bank's technology-enabled products, services, delivery channels, and processes are effectively managed and that any gaps are being regularly monitored and addressed.

A comprehensive risk assessment and profiling methodologies for both IT functions and application systems are in place. Risk identification and assessments over project management are enhanced from project initiation to implementation. Control validation process is incorporated in technology risk assessments to ensure effectiveness of established risk mitigation strategy. Corrective action plans are periodically monitored and reported to ensure risk issues are timely addressed and managed proactively. The Bank's risk management team continues to play an active role in providing risk insights and assessments during launch of new products, technology and services, development of risk management policies, and imbuing a culture of a risk aware organization through the conduct of trainings and seminars to Bank employees.

The Bank has in place a Business Continuity Management Framework that provides guidance for continuous operations in the event of any disruptions and proactive mechanisms designed to prevent interruptions to critical business functions and improve the Bank's resiliency. It follows a robust business continuity planning process that involves the conduct of a business impact analysis/risk assessment, periodic review and updating of business continuity plans, and conduct of BCP tests and tests evaluation. Bankwide Business Continuity Plan, Crisis Management and Emergency Preparedness Plan, Pandemic, and Cyber Resiliency Plans are established. These documents detail the step by step procedures to be taken to respond to the threat or impact of a crisis, and how the Bank will respond to emergencies to protect life, property and environment, addressed in timely manner.

Information Security Management

PBCOM has built its Information Security Division (ISD) based on the provision of BSP Circular 982 – Enhanced Guidelines on Information Security Management, which imposes specific technical safeguards as well as governance, risk assessment, monitoring and testing, reporting and other requirements. PBCOM information security management systems, framework, practices, and standards have also been created and referenced their contents on globally renowned frameworks, standards and good practices such as ISO/IEC 27002 and 27001; NIST Special Publications regarding information and cyber security; and COBIT Framework for Information Security.

The Bank is committed to continuously enhance its internal processes and implement robust security measures (technical, administrative and physical controls) to protect/safeguard the Bank's information assets. PBCOM consistently monitors, develops and improves their information technology networks and security infrastructure to prevent, deter, detect and timely mitigate risks of security threats to Bank's information and information systems/resources. This year 2020, amidst the uncertainty and increasing security threats and attacks brought about by the COVID-19 global pandemic, PBCOM is continuously evaluating and enhancing their systems and creating new systems and processes as their business depends on their ability to maintain and improve technology systems for interacting with customers, partners, affiliates and employees.

Cybersecurity risk is an important, constant, and evolving focus of PBCOM. Despite the increase sophistication and frequency of cyber security threats and attacks, PBCOM Information Security Division (ISD) continues to develop and employ additional preventative measures to continually challenge the Bank's defenses and controls against cyber-attacks and ensure adequate protection of the Bank's information and information assets that matter to their customers. The Bank recognizes the need to institute a cybersecurity culture within PBCOM; thus, constantly promote security awareness to their people and customers.

Data Privacy Management

PBCOM cares about the protection of personal identifiable and/or sensitive information provided by customers and/or clients, thus, shall at all times abide to the minimum regulatory and statutory requirements. PBCOM built its privacy risk management system based on the provisions of Republic Act

10173 – Data Privacy Act of 2012, its Implementing Rules and Regulations (IRR), National Privacy Commission (NPC) issuances, and other related laws.

Privacy risk is defined as a potential loss of control over personal identifiable and/or sensitive personal information. With the emerging threats on data privacy, the Bank has instituted control measures to efficiently manage the risk to an acceptable level.

PBCOM, through the designated Data Protection Officer (DPO), manages the risk related to data privacy by adhering to the five (5) pillars of compliance as mandated by the NPC, at the minimum.

The Bank's compliance to the data privacy is reported to the Board of Directors (BOD), through the Risk Oversight Committee (ROC), on a quarterly basis or as deemed necessary.

Trust Risk Management

The Trust and Wealth Management Group (TWMG) is exposed to fiduciary risks in managing funds and assets entrusted under its care and custody. Failure of the Group to fulfill its fiduciary responsibilities to the trustor/principal may result to a loss, damage liability, or any undesirable event that can have adverse impact on the Bank. The major risks associated with the fiduciary activities of TWMG are market, credit, liquidity, operational, legal, compliance, strategic, and reputation risks. Having account management, portfolio and trading, trust credit, and operations functions within TWMG, the Bank has also designated personnel performing independent risk management function on fiduciary activities who directly report to the Enterprise Risk Management/ICAAP Group (ERMG). The fiduciary risk exposure exists in both discretionary and non-discretionary trust arrangements.

Risks arising in the performance of trust duties and obligations are addressed through the Trust Committee, Risk Oversight Committee (ROC), and ERMG. The Trust Committee performs oversight function on wealth, trust, and other fiduciary services including the implementation of the risk management framework ensuring that internal controls are in place relative to the fiduciary activities of the Group. The ROC has the overall responsibility for the development of the risk strategy and implementing principles, risk framework, policies, and limits of the Bank, including its Trust business. ERMG spearheads the effective implementation of the risk management process through the following risk tools and controls:

- a. Monthly and Quarterly reporting to ROC and TCOM, respectively
 - b. Periodic stress testing of Trust and Wealth TWMG portfolio
 - c. Periodic stress testing of Trust and Wealth TWMG portfolio
 - d. Risk Control Self-Assessments (RCSA)
 - e. Trust risk management policies
-

Item 2. Properties

PBCOM's Head Office is located at PBCOM Tower, 6795 Ayala Avenue corner V.A. Rufino Street, Makati City. The Bank currently owns 50% of PBCOM Tower which was constructed under a Joint Development Agreement with Filinvest Asia Corporation. The Bank has a total of 91 branches and 4 branch-lites as of December 31, 2021. Most of these are located in the metropolitan areas of Luzon, Visayas and Mindanao.

PBCOM's branches are owned and/or leased. The list of branches is attached herewith marked as **Annex "B"**. All properties owned by the bank are unencumbered. To date, the Bank has not identified properties to acquire in the next 12 months.

Item 3. Legal Proceedings

PBCOM has certain loan-related suits and claims that remain unsettled. It is not practicable to estimate the potential financial statement impact of these contingencies. However, in the opinion of management, the suits and claims, if decided adversely, will not involve sums that would have a material effect on the financial statements.

The Bank is a defendant in legal actions arising from its normal business activities. Management believes that these actions are without merit or that the ultimate liability, if any, resulting from them will not materially affect the Bank's financial position.

Item 4. Submission of Matters to a Vote of Security Holders

Nothing was submitted during the fourth quarter of the fiscal year covered by this report to a vote of security holders.

Market Price and Dividends

A. Dividends History:

There are no dividends declared for the years ended December 31, 2020, 2019 and 2018.

The Bank strictly complies with the BSP regulatory requirements under Subsection X136.2 of the Manual of Regulations for Banks which states that before any declaration of dividends, banks shall comply with the following:

- a. Clearing account with the Bangko Sentral is not overdrawn;
- b. Liquidity floor requirement for government funds;
- c. Minimum capitalization requirement and risk-based capital ratio;
- d. Prescribed EFCDU/FCU cover;
- e. Statutory and liquidity reserves requirement;
- f. No past due loans or accommodations with the Bangko Sentral or with any institution;
- g. No net losses from operations in any one (1) of the two (2) fiscal years immediately preceding the date of dividend declaration;
- h. Has not committed any of the major violations enumerated in Subsection X136.2. h.

B. Common Shares of the Bank are traded in the Philippine Stock Exchange.

Stock Prices:

	2021		2020		2019	
	High	Low	High	Low	High	Low
1 st Quarter	₱23.45	₱20.10	20.80	17.00	₱23.95	₱18.02
2 nd Quarter	23.40	19.58	24.00	16.00	22.40	20.05
3 rd Quarter	19.98	17.70	18.00	16.70	22.90	20.40
4 th Quarter	19.00	17.20	23.00	16.50	22.55	20.40

As of February 2, 2022 the closing price of the Bank's common share was ₱18.48.

C. Holders

As of January 31, 2022, there are 398 shareholders of the Bank's 480,645,163 issued and outstanding common shares, 17,283,388 or 3.60% of which are owned by foreigners.

The top 20 registered stockholders of the Bank as of January 31, 2022 are as follows:

	Name of Shareholder	Nationality	No. of Shares	%
1	P.G. Holdings, Inc.	Filipino	186,241,408	38.75%
2	VFC Land Resources, Inc.	Filipino	73,619,038	15.32%
3	PCD Nominee Corporation:	Filipino	49,149,527	10.22%
		Non-Filipino	2,002,561	0.42%
4	Eric O. Recto	Filipino	49,835,776	10.37%
5	Ralph C. Nubla, Jr.	Filipino	46,519,036	9.68%
6	Telengtan Brothers & Sons, Inc.	Filipino	31,859,844	6.63%
7	Langford Universal Finance Ltd.	BVI	15,263,964	3.18%
8	La Suerte Workmen's Compensation Fund	Filipino	7,687,833	1.60%
9	TTC Development Corporation	Filipino	4,181,665	0.87%
10	Roxas-Chua, Ray Anthony Go	Filipino	3,070,724	0.64%
11	Cham, Edison Siy	Filipino	1,790,853	0.37%
12	KLG International, Inc.	Filipino	1,790,853	0.37%
13	Yu, Gregorio T.	Filipino	1,432,692	0.30%
14	Chungunco, Raymond N.	Filipino	604,011	0.13%
15	TFC Holdings, Inc.	Filipino	562,588	0.12%
16	Chung, Bunsit G. (a.k.a. Carlos G. Chung)	Filipino	550,716	0.11%
17	Chung, Patricia Regine K.	Filipino	261,294	0.05%
18	Chung, Philippe Ryan K.	Filipino	261,294	0.05%
19	Ching, Winnifred	Filipino	187,798	0.04%
20	Ching, Jeffrey	Filipino	175,505	0.04%

Recent Sale of Unregistered Securities

There were no sales of unregistered securities within the fiscal year covered by this report.

The Bank has no registered debt securities. There are no existing or planned stock options. There are no registered securities subject to redemption or call. There are no existing or planned stock warrant offerings.

Management's Discussion and Analysis of Financial Condition and Results of Operations

(1) Management's Discussion & Analysis

Financial Condition & Results of Operations: 2020 (Consolidated)

The Bank registered a net income of ₱1.17 Billion for 2020. This is an ₱11.7 Million or 1% improvement from the 2019's net income of ₱1.16 Billion despite recognizing an additional ₱1.0 Billion provision for credit losses as a result of credit score deterioration mainly due to the COVID-19 pandemic. ₱720.5 Million or 22.5% improvement in net interest income was primarily the result of the decline in interest expense from lower cost of fund and lower volume. This and higher loan volume in 2020, primarily in corporate loans, have compensated the drop in interest income due to the decline in yields and the loan payment holiday as a result of the Bayanihan to Heal as One Act. Other operating income also contributed to the increase in net income, which is mainly driven by higher trading gain in 2020. Total operating expenses went up by 29.7% mainly because of higher provisions for losses recognized in the current period. This was partially offset by lower depreciation & amortization and lower occupancy costs.

Total Assets of the Group decreased by ₱1.5 Billion from ₱102.7 Billion as of December 2019 to ₱101.2 Billion at the end of 2020. This is primarily due to ₱10.6 Billion decrease in Financial Assets at Amortized

Cost due to the HTC sale in June 2020, and ₱3.6 Billion decrease in Loans and Receivables, partially offset by ₱10.4 Billion higher placements in the BSP's overnight deposit facility (ODF) and ₱5.4 Billion higher in interbank loans.

Moreover, Total Liabilities amounted to ₱88.7 Billion with a decrease of 2.9% from the last year's end level of ₱91.4 Billion. This resulted mostly from lower bills payable by ₱10.9 Billion, partially offset by ₱7.9 Billion increase in Deposits, mostly in time deposits and demand deposits by ₱3.8 Billion and ₱3.7 Billion, respectively.

Total Capital, on the other hand, amounted to P12.5 Billion from P11.4 Billion last December 2019. Improvement in capital by 10.3% was mainly contributed by the earnings of the Bank during the year. The Bank's Risk Based Capital Adequacy Ratio of 18.71% under BASEL III reporting standards covering credit, market and operational risk as of report date is well above the 10% minimum requirement.

The Group's gross NPL ratio decreased by 0.19% from 3.82% in 2019 to 3.63% in 2020. PBCOM's liquidity position continued to remain stable as the Bank comfortably met all its financial obligations and loan commitments and likewise fully complied with the regulatory reserve requirements on continuing basis at an optimum funding mix during the course of the year.

Financial Condition & Results of Operations: 2019 (Consolidated)

The Bank registered a net income of ₱1.2 Billion for 2019. This is a ₱531 Million or 85% improvement from the 2018's net income of ₱626.2 Million. Total operating income increased by ₱971.5 Million or by 23.81% as the Bank sustains its business growth. Interest income from loans and receivables is higher by 20.01% from ₱3.7 Billion in 2018 to ₱4.5 Billion in 2019 as the Bank focused its efforts in expanding its corporate and consumer loan portfolios and increasing loan yields. Interest expense however grew by ₱432.8 Million or 26.54% compared to prior year period primarily from the rise in cost of funds and the impact of the increase in volume from the Bank's maiden issuance of Long Term Negotiable Certificates of Time Deposit (LTNCD). Low-cost deposit volume has improved as the Bank grew its demand and savings deposit base to ₱36.4 Billion from ₱28.1 Billion in the previous year. Time deposit and bills payable volume declined by ₱6.5 Billion and by ₱4.6 Billion, with balances of ₱36.6 Billion and ₱13.1 Billion, respectively by the end of current year. Trading results improved further year as the Bank recognized ₱408.4 Million in gains, a ₱385.1 Million or a 1,650.14% increase compared to last year. Higher profit from asset sold, rent income and service charges and fees also contributed to the growth to the Bank's bottom line. These were partially offset by the loss recognized from the sale of PBCOM Rural Bank, Inc. in July amounting to ₱171.2 Million. Total operating expenses slightly went up by 6.5% from last year primarily due to higher Provision for losses by ₱167.7 Million, Miscellaneous expense by ₱94.3 Million, and Taxes and licenses by ₱81.2 Million partially offset by the decline in Occupancy and other equipment-related costs by ₱113.7 Million and lower Compensation and benefits by ₱61.7 Million from lower headcount.

Total Assets of PBCOM Group stood at ₱102.7 Billion at the end of 2019, from ₱103.7 Billion as of December 2018 primarily from lower liquid assets by ₱1.6 Billion due to the decline in Due from BSP by 33% from lower reserve requirement notwithstanding the Group's increase in lending activities which resulted to a ₱1.1 Billion increase in loans and receivable. Total property and equipment declined by ₱295.6 Million mainly due to depreciation and amortization and write-off of leasehold improvements. Investment properties also decreased by 6.9% due to depreciation and amortization and sale of ROPA in 2019. Moreover, other assets increased by ₱210.3 Million mostly brought about by the recognition of ROU starting in 2019 in compliance with PFRS16.

The Group's non-performing loans (NPL) decreased by ₱296.43 Million. Consequently, the Group's gross NPL ratio decreased by 0.58% from 4.40% in 2018 to 3.82% in 2019 as a result of improved collection efforts. PBCOM's liquidity position continued to remain stable as the Bank comfortably met

all its financial obligations and loan commitments and likewise fully complied with the regulatory reserve requirements on continuing basis at an optimum funding mix during the course of the year.

Moreover, Total Liabilities amounted to ₱91.4 Billion with a slight decrease of 2.2% from the last year's end level of ₱93.4 Billion. This resulted mostly from lower bills payable by ₱4.6 Billion partially offset by the increase in deposits, particularly on demand and savings deposit, which showed an increase of 34.3% and 17.5%, respectively.

Total Capital, on the other hand, amounted to ₱11.4 Billion from ₱10.3 Billion in 2018. Improvement in capital by 10% was mainly contributed by the earnings of the Bank for the year. The Bank's Risk Based Capital Adequacy Ratio of 16.47% under BASEL III reporting standards covering credit, market and operational risk as of report date is well above the 10% minimum requirement.

Financial Condition & Results of Operations: 2018 (Consolidated)

The Bank registered a net income of ₱626.2 Million for 2018. The bottom line grew by 57.96% or ₱229.8 Million from the restated 2017 net income of ₱396.4 Million mainly as a result of growth in corporate and consumer loan volume and improvement in yields.

Total interest income for 2018 improved by 21.32% to ₱4.8 Billion from ₱3.9 Billion. The Bank grew its loans and receivables by ₱6.7 Billion and improved its yields which resulted to higher income on loans and receivable by ₱812.3 Million. Interest income from trading and investment securities increased by 4.95% brought about by better market conditions and portfolio mix while interest on deposit with other banks declined by 28.31% or ₱4.5 Million. Higher year on year average interbank loans receivables volume accounts for 6.13% growth in interest income.

Net Interest Income improved by 7.33% as a result of better performance from the regular income streams of the Bank despite a corresponding increase in interest and finance charges by 59.60%.

Improvements in rental income by ₱97.8 Million, net trading gains by ₱36.6 Million, service charges, fees and commissions by ₱20.2 Million contributed to 8.71% increase in total operating income.

Total operating expenses increased by 3.2% from last year's restated level of ₱3.4 Billion primarily from higher taxes and licenses by ₱118.1 Million, higher occupancy and other equipment-related costs by ₱36.2 Million, higher insurance by ₱17.8 Million and higher management and professional fees by ₱7.9 Million. These were partially offset by declines in provisions for credit and impairment losses by ₱70.9 Million and in depreciation and amortization by ₱15.5 Million.

The total assets of the PBCOM Group stood at ₱103.7 Billion while total liabilities and equity amounted to ₱93.4 Billion and ₱10.3 Billion, respectively, as of December 31, 2018. Total liquid assets slightly went up by ₱1.97 Billion due to increase in trading and investment securities by 15% notwithstanding the Group's increase in lending activities which resulted to a ₱6.7 Billion increase in loans and receivable. Despite increase in loans, the Group's non-performing loans (NPL) decreased by ₱7.6 Million. Consequently, the Group's gross NPL ratio declined by 0.69% from 5.09% in 2017 to 4.40% in 2018 as a result of improved collection efforts.

PBCOM's liquidity position continued to remain stable as the Bank comfortably met all its financial obligations and loan commitments and likewise fully complied with the regulatory reserve requirements on a continuing basis at an optimum funding mix during the year.

The total financial assets at fair value through other comprehensive income, held by the Bank for long-term strategic purpose, increased by ₱6.7 Billion. On the other hand, year-end levels of investment securities at amortized cost and financial assets at fair value through profit and loss declined by ₱2.1 Billion and ₱1.8 Billion, respectively.

The Bank's deposit base registered a 4.66% or on increase of ₱3.3 Billion from ₱70.7 Billion last year brought about by the maiden issuance of Long Term Negotiable Certificates of Time Deposit (LTNCD) and aggressive marketing strategy of the Bank to improve funding mix focusing on low cost. The increase in deposit volume and higher cost of funds contributed to higher interest expense by ₱384.3 Million. Likewise, total borrowed funds went up by ₱5.1 Billion mainly coming from deposit substitutes placements and repos resulting to higher interest expense of ₱247.2 Million in the current year.

PBCOM's capital is at ₱10.3 Billion, up by ₱382.7 Million as of December 31, 2018 from ₱9.9 Billion restated capital as of year-end 2017. The Bank's Risk Based Capital Adequacy Ratio of 14.56% under BASEL III reporting standards covering credit, market and operational risk as of report date is well above the 10% minimum requirement.

(2) Discussion of various key indicators:

A. Key Performance Indicators

Ratio	December 2020 (Consolidated)	December 2019 (Consolidated)	Remarks
Profit Margin <i>(Net income divided by Gross income)</i>	19.84%	22.91%	Decline in ratio by 3.07 % pts. Primarily due to higher increase in operating expenses than increase in gross income.
Return on Average Asset <i>(Net income divided by Average assets)</i>	1.15%	1.12%	Slightly higher by 3 bps due to increase in net income despite the decline in average assets.
Return on Average Equity <i>Net income divided by Average equity)</i>	9.79%	10.68%	Declined by 89 bps as the increase in equity has overtaken the impact of higher net income
Capital Adequacy Ratio <i>Qualifying capital divided by total of risk-weighted assets that include credit, market and operational risk)</i>	18.87%	16.47%	Increased by 2.4 % pts primarily due to higher qualifying capital by P1.3 billion and lower total risk weighted assets by P3.3 billion.
Basic Earnings per share <i>Net income divided by average no. of common shares)</i>	2.43	2.41	Increased by P0.02 from higher net income

B. Financial Soundness

Ratio	December 2020 (Consolidated)	December 2019 (Consolidated)	Remarks
Liquidity Ratio (Liquid Assets to Total Deposits) <i>Liquid Assets include cash, due from banks, interbank loans, and trading and inv. Securities. Total deposit refers to the total of peso and foreign currency deposits.</i>	46.10%	48.23%	Declined by 1.99 % pts. due to higher increase in total deposits than increase in liquid assets
Debt Ratio (Total Liability to Total Asset) <i>Debt refers to the total liabilities while assets is the total assets</i>	87.62%	88.95%	Decline by 1.99% pts Is mainly from decline in liabilities, mostly from bills payable
Asset to Equity Ratio (Total Asset to Total Equity)	8.08	9.05	Declined by 96.86 % pts. due to decline in total assets and higher equity
Interest Rate Coverage Ratio <i>(Earnings before interest & taxes to Interest Expense)</i>	231%	177%	Increased by 53.97 % pts. primarily from lower interest expense, partially offset by lower Earnings before interest & taxes
Net Interest Margin <i>Net interest income over Average Earning assets</i>	4.64%	3.85%	Higher NIM by 79bps mainly from lower interest expense

Statement of Condition: December 2020 vs. December 2019 (consolidated)

(in thousands)	Increase/(Decrease)	Percentage Change	Explanation
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Cash and Other Cash Items	(231,583)	-8.58%	Lower cash on hand mainly those with service provider
Due from Bangko Sentral ng Pilipinas	10,384,347	101.67%	Higher mostly from ODF
Due from Other Banks	1,137,525	317.78%	Higher funds with foreign banks
Interbank Loans Receivable	5,336,718	743.55%	Higher investment in GS Repo in 2020
Financial Assets at Fair Value through Profit or Loss	(949,533)	-56.93%	Lower investments in FVTPL
Financial Assets at Fair Value through Other Comprehensive Income	(2,956,546)	-36.53%	Sale of investments in FVOCI
Investment Securities at Amortized Cost	(10,586,144)	-82.39%	Lower due to sale of HTC in 2020
Loans and Receivables	(3,633,047)	-5.93%	Decline in outstanding loan primarily in corporate loans
Property and Equipment	(79,593)	-8.17%	Decline mainly due to depreciation recognized for the period
Investment Properties			
Office units for lease	(351)	-10.72%	Decline due to depreciation recognized for the period
Intangible Assets	(59,563)	-8.85%	Lower mostly due to amortization of software during the period, partially offset by acquisitions
Deposit Liabilities			
Demand	3,660,678	13.46%	Higher volume of demand deposits
Savings	484,672	5.28%	Higher volume of savings deposits
Time	3,773,285	10.31%	Higher volume of time deposits
Bills Payable	(10,881,980)	-83.29%	Lower primarily in BP-REPO
Outstanding Acceptances	405,958	441.96%	Due to higher bills of exchange accepted by the Bank
Manager's Checks	(254,711)	-57.52%	Lower un-negotiated MC's as of report date
Accrued Interest, Taxes and Other Expenses	90,357	12.68%	Higher expense accruals, partially offset by lower accrued interest
Income Tax Payable	123,425	526.53%	Lower deductible expense
Deferred Tax Liabilities – net	(782)	-100.00%	Recognized DTA for 2020
Other Liabilities	(66,603)	-5.71%	Lower lease liability and lower security deposit
Deficit	1,168,446	41.63%	Net income for the period and transfer to surplus reserves
Unrealized gain on equity securities carried at fair value through other comprehensive income	12,161	13.83%	Higher unrealized gain on FVOCI
Cumulative translation adjustment	20,200	8.72%	Higher CTA
Remeasurement gains (losses) on retirement liability	(26,796)	-34.21%	Higher cumulative amount of actuarial losses

Statement of Income and Expenses Jan.-Dec.2020 vs Jan.-Dec. 2019 (consolidated)

(in thousands)	Increase (Decrease)	Percentage	Remarks
INTEREST INCOME			
Investment securities	(224,699)	-38.19%	Lower interest income mainly due to decrease in volume mainly in HTC as a result of the sale in 2020
Financial Assets at Fair Value through Profit or Loss	(79,290)	-49.77%	Decrease from lower yields

Interbank loans receivable and securities purchased under resale agreements	52,500	130.45%	Increase from higher volume
Deposits with other banks	120,427	1005.15%	Increase from higher volume of investments in BSP ODF
INTEREST AND FINANCE CHARGES			
Deposit liabilities	(580,128)	-38.63%	Decline from lower cost of funds, mainly in TDs
Bills payable, borrowings and others	(414,666)	-73.82%	Decrease in interest expense mainly due to lower cost of funds and lower volume
OTHER INCOME			
Rent income	(62,927)	-8.55%	Lower PAS 17 adj mainly due to reversals of PY accruals of contracts that pre-terminated and contracts with rate reductions in 2020.
Trading and securities gain (loss) – net	246,318	60.31%	Higher trading gains, mostly realized
Profit (loss) from assets sold	(90,960)	-93.06%	Lower gain on sale of ROPA
Foreign exchange gain - net	9,312	18.67%	Increase from higher gain from fx revaluation
Income from trust operations	4,594	21.78%	Higher trust fees during the comparative period due to diversification of products and services, coupled with appropriate pricing strategy to differentiate products/services according to complexity
Gain (loss) on assets exchange – net	8,693	73.36%	Lower loss on ROPA foreclosures
Miscellaneous	20,619	14.96%	Higher penalties from pre-termination of rental agreements, lower loss on derecognition of asset, and higher dividends from investments
OPERATING EXPENSE			
Depreciation and amortization	(65,326)	-14.65%	Lower depreciation mainly from fully amortized LRI of branches, fully depreciated furniture and fixture and office equipment in 2020 and lower AL ROPA depreciation due to sale in 2019
Provision for credit and impairment losses – net	1,040,615	275.58%	Higher provision requirement in 2020 mostly due to deterioration of credit scores as the impact of the pandemic
Insurance	13,991	10.01%	Higher PDIC insurance from higher volume of deposits
Occupancy and other equipment-related costs	(28,886)	-22.18%	Lower electricity and water costs due to limited operation of the branches in 2020
Management and professional fees	33,456	31.40%	Higher professional fees incurred in 2020
Security, clerical, messengerial and janitorial services	(14,328)	-14.66%	Lower security and janitor mainly due to limited operation of the branches in 2020
Entertainment, amusement and recreation	44,089	53.45%	Higher expenses incurred in 2020
Miscellaneous	(39,617)	-9.16%	Lower broker's commission, collection and credit investigation fees due to lower volume
Share In Net Income Of An Associate	(265)	-49.91%	Net loss from PISAI
Provision For Income Tax	27,732	13.70%	Lower deductible expense
Net Income (Loss) From Discontinued Operations	228,408	-100.00%	No discontinued operations for 2020

Interest income on non-discounted loans is recognized based on the accrual method of accounting while unearned discounts are amortized to income over the terms of the loans. As such, there are no seasonal aspects that materially impact on the Bank's interest revenues.

(3) Other material events and/or uncertainties:

- The Bank does not anticipate any cash flow or liquidity problems in the next 12 months after year-end 2020.
- The Bank does not foresee any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
- There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- There are no material commitments for capital expenditures.
- There are no uncertainties regarding the sustainability of economic growth of the country which may pose challenges in the Bank's drive to expand its loan portfolio. Any negative impact of a slower economic growth, however, may be overcome or mitigated at the very least by aggressive spread management initiatives.
- There are no significant elements of the Bank's income in 2020 that did not arise from continuing operations.
- There are no seasonal aspects that have a material effect on the financial condition or results of operations.

(2) Discussion of various key indicators:

A. Key Performance Indicators

Ratio	December 2019 (Consolidated)	December 2018 (Consolidated)	Remarks
Profit Margin <i>(Net income divided by Gross income)</i>	22.91%	15.35%	Net income rose by ₱531 Million resulting to a higher profit margin compared to previous year
Return on Average Asset <i>(Net income divided by Average assets)</i>	1.12%	0.63%	Increase in net income and average assets for the year ended resulted to an increase ROA of 0.49% compared to previous year
Return on Average Equity <i>Net income divided by Average equity)</i>	10.68%	6.18%	Higher net income by 84.80% and average equity resulted to an increase in return on average equity compared to the previous year.
Capital Adequacy Ratio <i>Qualifying capital divided by total of risk-weighted assets that include credit, market and operational risk)</i>	16.47%	14.56%	Movement in Capital Adequacy Ratio is attributable to increase in qualifying capital by 14.48%. It remains however above the 10% minimum CAR required by the BSP.
Basic Earnings per share <i>Net income divided by average no. of common shares)</i>	2.41	1.30	The Bank's good financial performance resulted to a higher net income which resulted to an improved basic earnings per share.

B. Financial Soundness

Ratio	December 2019 (Consolidated)	December 2018 (Consolidated)	Remarks
Liquidity Ratio (Liquid Assets to Total Deposits) <i>Liquid Assets include cash, due from banks, interbank loans, and trading and inv. Securities. Total deposit refers to the total of peso and foreign currency deposits.</i>	48.23%	51.65%	Decline in liquidity ratio is attributable to movement of liquid assets which went down by 4.27%, while total deposits increased by 2.50%
Debt Ratio (Total Liability to Total Asset) <i>Debt refers to the total liabilities while assets is the total assets</i>	88.95%	90.05%	Debt ratio went down by 1.10% as a result of decrease in both total liabilities and total assets by 2.18% and 0.97%, respectively
Asset to Equity Ratio (Total Asset to Total Equity)	9.05	10.05	The 9.97% growth in total equity resulted to decrease in total asset to equity ratio
Interest Rate Coverage Ratio (Earnings before interest & taxes to Interest Expense)	177%	151%	Increase of 26.21% arising from increase in earnings before interest and taxes by 48.55% which outweighed the increase in interest expense by 26.54%

Net Interest Margin Net interest income over Average Earning assets	3.85%	3.70%	Slight increase of 0.15% was a result of increase in net interest income by 11.68%, higher than increase in average earning assets by 7.51%
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Statement of Condition: December 2019 vs. December 2018 (consolidated)

(in thousands)	Increase/(Decrease)	Percentage Change	Explanation
Cash and Other Cash Items	1,308,813	94.17%	Higher cash on hand, mainly those in G4S machine
Due from Bangko Sentral ng Pilipinas	-5,010,861	-32.91%	Lower requirement for reserve
Due from Other Banks	-21,763	-5.73%	Lower investment in DFOB's
Interbank Loans Receivable	510,772	246.79%	Higher investment in interbank loans during the period
Financial Assets at Fair Value through Profit or Loss	774,611	86.72%	Higher investment in FVTPL
Financial Assets at Fair Value through Other Comprehensive Income	1,296,132	19.07%	Higher investment in FVOCI
Property and Equipment	-295,610	-28.94%	Depreciation recognized for the period
Foreclosed properties	-183,974	-23.82%	Sale of foreclosed properties
Office units for lease	-350	-9.66%	Depreciation recognized for the period
Goodwill	-182,227	-100.00%	Due to sale of subsidiary
Deferred Tax Assets	-74,487	-100.00%	Due to sale of subsidiary
Other Assets	210,331	25.27%	Recognition of Right-of-Use (ROU) Asset in compliance with PFRS16 (none yet as of Dec 2018)
Deposit Liabilities			
Demand	6,947,466	34.30%	Higher due to increase in volume of low-cost source of funds
Savings	1,369,631	17.54%	Higher due to increase in volume of low-cost source of funds
Time	-6,463,989	-15.01%	Lower TD volume due to the Bank's efforts to increase volume of low-cost source of funds
Bills Payable	-4,594,259	-26.02%	Lower bills payable- PN and BSP overnight lending
Outstanding Acceptances	45,511	98.20%	Due to higher bills of exchange accepted by the Bank
Manager's Checks	345,364	354.41%	Higher un-negotiated MC's as of reporting date
Income Tax Payable	19,706	527.60%	Utilization in 2018 of excess MCIT of prior years
Deferred Tax Liabilities – net	-65,479	-98.82%	Due to sale of subsidiary
Other Liabilities	330,525	39.50%	Higher mainly due to lease liability recognized in compliance with PFRS 16 (none yet as of Dec 2018)

Statement of Income and Expenses: Jan-Dec 2019 vs Jan-Dec 2018 (consolidated)

(in thousands)	Increase (Decrease)	Percentage	Remarks
INTEREST INCOME			
Loans and receivables	745,120	20.01%	Higher interest income mainly due to increase in yields and volume
Deposits with other banks	1,136	10.47%	Higher investment volume in other banks
INTEREST AND FINANCE CHARGES			
Deposit liabilities	339,768	29.24%	Higher due to higher cost of funds
Bills payable, borrowings and others	93,015	19.85%	Higher due to higher cost of funds and recognition of interest expense of lease liability in compliance with PFRS 16
NET INTEREST INCOME			
Rent income	75,324	11.40%	Higher contract rates from renewals and vacancy in 2019

Service charges, fees and commissions	64,592	18.84%	Increase mainly because of higher TFR income and penalty interest
Profit (loss) from assets sold	107,301	-1122.16%	Higher gain on sale of ROPA
Income from trust operations	5,388	34.30%	Higher trust fees during the comparative period from increase in assets under management
Trading and securities gain (loss) – net	385,078	1650.22%	Higher net realized and unrealized gains
Gain (loss) on assets exchange – net	(24,983)	-190.23%	Losses from ROPA foreclosures
Miscellaneous	23,606	20.67%	Higher other loans fees and interest & penalties from leasing
Compensation and fringe benefits	(61,733)	-5.93%	Lower costs from lower headcount
Taxes and licenses	81,186	14.95%	Higher from increase in GRT from higher income, higher local business tax, partially offset by lower DST costs
Provision for credit and impairment losses – net	167,699	79.89%	Higher provision requirement in 2019
Depreciation and amortization	59,064	15.27%	Higher depreciation mainly from the impact of depreciation of right of use asset in compliance with PFRS 16
Occupancy and other equipment-related costs	(113,701)	-46.61%	Lower rent expense mainly from the impact of recognition of depreciation of right of use asset instead of rent expense in compliance with PFRS 16
Management and professional fees	(6,446)	-5.70%	Lower consultancy fees
Communications	(4,986)	-9.29%	Lower leased line charges
Miscellaneous	94,332	27.90%	Increase is mainly due to higher brokerage fees, litigation costs, information tech expenses, business promo costs, etc.
Share in net income of an associate	282	112.80%	Share of net income from PFC
Provision for income	(23,890)	-10.56%	Recognition of deferred tax assets on allowance on impairment and remeasurement on retirement liability
Net income (loss) from discontinued operation	(253,371)	-1014.99%	Loss from sale pf PBCRB

Interest income on non-discounted loans is recognized based on the accrual method of accounting while unearned discounts are amortized to income over the terms of the loans. As such, there are no seasonal aspects that materially impact on the Bank's interest revenues.

(3) Other material events and/or uncertainties:

- The Bank does not anticipate any cash flow or liquidity problems in the next 12 months after year-end 2019.
- The Bank does not foresee any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
- There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- There are no material commitments for capital expenditures.
- There are no uncertainties regarding the sustainability of economic growth of the country which may pose challenges in the Bank's drive to expand its loan portfolio. Any negative impact of a slower economic growth, however, may be overcome or mitigated at the very least by aggressive spread management initiatives.
- There are no significant elements of the Bank's income in 2019 that did not arise from continuing operations.
- There are no seasonal aspects that have a material effect on the financial condition or results of operations.

(2) Discussion of various key indicators:

A. Key Performance Indicators

Ratio	December 2018 (Consolidated)	December 2017 (Consolidated, as restated)	Remarks
Profit Margin <i>(Net income divided by Gross income)</i>	14.20%	9.77%	Higher growth in revenues mainly due to increase in total interest income by 21%.
Return on Average Asset <i>(Net income divided by Average assets)</i>	0.63%	0.45%	Increase in net income and average assets for the year ended resulted to an increase ROA of 0.18% pts compared to the previous year
Return on Average Equity <i>Net income divided by Average equity)</i>	6.18%	4.39%	Increase in net income by 58% and increase in average equity resulted to a higher return on average equity compared to the previous year.
Capital Adequacy Ratio <i>Qualifying capital divided by total of risk-weighted assets that include credit, market and operational risk)</i>	14.56%	15.85%	Movement in Capital Adequacy Ratio is attributable to increase in risk weighted assets by 11%. It remains however above the 10% minimum CAR required by the BSP.
Basic Earnings per share <i>Net income divided by average no. of common shares)</i>	1.30	0.82	The Bank's good financial performance resulted to a higher net income which resulted to an improved basic earnings per share.

B. Financial Soundness

Ratio	December 2018 (Consolidated)	December 2017 (Consolidated, as restated)	Remarks
Liquidity Ratio (Liquid Assets to Total Deposits) <i>Liquid Assets include cash, due from banks, interbank loans, and trading and inv. Securities. Total deposit refers to the total of peso and foreign currency deposits.</i>	51.65%	51.27%	Minimal increase in the liquidity ratio is attributed to net effect of increases in both liquid assets and total deposits
Debt Ratio (Total Liability to Total Asset) <i>Debt refers to the total liabilities while assets is the total assets</i>	90.05%	89.53%	A minimal increase in total debt ratio is due to growth of liabilities by 9.74%, which outweighed the increase in total assets by 9.1%
Asset to Equity Ratio (Total Asset to Total Equity)	1005%	956%	The 9.13% growth in total assets outweighed the 3.79% growth in equity, thereby increasing the total asset to equity ratio
Interest Rate Coverage Ratio (Earnings before interest & taxes to Interest Expense)	150%	158%	Decrease of 7.33 % pts. because the growth in earnings before interest & taxes by 52% was outweighed by the growth in interest expense by 59%
Net Interest Margin Net interest income over Average Earning assets	4.02%	4.27%	Decrease is due to higher growth in average earning assets of 14% than increase in net interest income by 7%

Statement of Condition: December 2018 vs. December 2017 (consolidated)

	Increase/(Decrease)	Percentage Change	Explanation
Cash and Other Cash Items	₱415,663	42.67%	Higher cash on hand, mainly those in held cash centers
Due from Other Banks	(786,340)	-67.44%	Lower investment in DFOB's
Interbank Loans Receivable	(327,961)	-61.31%	Lower investment in interbank loans during the period
Financial Assets at Fair Value through Profit or Loss	(1,847,255)	-67.41%	Lower investment in FVTPL

Financial Assets at Fair Value through Other Comprehensive Income	6,701,515	7393.63%	Increase as a result of the new FVOCI model adopted by the Bank.
Investment Securities at Amortized Cost	(2,075,602)	-13.46%	Decline mainly as a result of reclassification of HTC securities to FVOCI
Loans and Receivables	6,726,311	12.61%	Growth in corporate and consumer loan volume
Property and Equipment	(86,650)	-7.81%	Depreciation recognized for the period
Investment Properties			
Office units for lease	(1,249)	-31.23%	Depreciation and transfer from bank premises
Intangible Assets	(40,404)	-5.43%	Lower due to amortization of software during the year partially offset by acquisitions
Deferred Tax Assets - net	(8,268)	-50.13%	Utilization of DTA on excess minimum income tax over regular income tax against income tax.
Other Assets	134,259	19.24%	Higher due to recognition of retirement plan assets and higher creditable withholding taxes
Deposit Liabilities			
Savings	(518,884)	-6.23%	Decline in volume of savings deposits
LTNCD	2,902,730	100.00%	Maiden issuance of Long Term Negotiable Certificates of Time Deposit (LTNCD)
Bills Payable	5,091,684	40.52%	Higher due to increase in volume of borrowings from deposit substitutes and bills payable – REPO
Outstanding Acceptances	(17,741)	-27.68%	Due to lower bills of exchange accepted by the Bank
Manager's Checks	(329,958)	-77.20%	Lower un-negotiated MC's as of reporting date
Accrued Interest, Taxes and Other Expenses	263,343	62.45%	Higher accrued interest payable and accrued taxes and licenses
Income Tax Payable	(9,723)	-72.25%	Utilization of DTA on excess minimum income tax over regular income tax against income tax.

Statement of Income and Expenses: Jan-Dec 2018 vs Jan-Dec 2017 (consolidated)

(in thousands)	Increase (Decrease)	Percentage	Remarks
INTEREST INCOME			
Loans and receivables	₱812,347	25.26%	Higher corporate and consumer loan volume and improvement in yields
Interbank loans receivable and securities purchased under resale agreements	2,386	6.13%	Higher income due to increase in ave. volume and yields
Deposits with other banks	(4,481)	-28.31%	Lower investment volume in other banks
INTEREST AND FINANCE CHARGES			
Deposit liabilities	384,343	46.05%	Higher cost of funds and increase in volume
Bills payable, borrowings and others	247,239	109.80%	Higher cost of funds and increase in volume
NET INTEREST INCOME			
Rent income	97,758	17.36%	Higher due to contract renewals and new contracts at higher rates
Service charges, fees and commissions	20,240	5.58%	Higher TFR fees
Foreign exchange gain - net	(19,834)	-28.42%	Lower FX revaluation (unrealized) gain
Trading and securities gain (loss) - net	36,579	-276.21%	Higher net realized and unrealized gains
Profit (loss) from assets sold	(11,654)	-38.17%	Lower gain on sale from ROPA
Gain (loss) on assets exchange - net	15,161	280.45%	Higher gains from ROPA foreclosures
OPERATING EXPENSES			
Taxes and licenses	118,095	25.82%	Higher DST costs from TRAIN implementation and higher GRT accrued and paid
Provision for credit and impairment losses - net	(70,859)	-20.93%	Lower provision requirement in 2018

Occupancy and other equipment-related costs	36,166	16.12%	Higher PBCOM Tower repairs and maintenance costs, higher armored car rental due to increase in volume of cash pick-ups for clients, higher office rent from new branches and contract renewals with increased rates, higher storage costs of ROPA
Insurance	17,754	13.55%	Higher PDIC insurance from higher deposits
Management and professional fees	7,935	7.34%	Higher consultancy fees
Security, clerical, messengerial and janitorial services	16,391	17.44%	Higher security costs due to increase in agency fees & wage order increases

Interest income on non-discounted loans is recognized based on the accrual method of accounting while unearned discounts are amortized to income over the terms of the loans. As such, there are no seasonal aspects that materially impact on the Bank's interest revenues.

(3) Other material events and/or uncertainties:

- The Bank does not anticipate any cash flow or liquidity problems in the next 12 months after year-end 2018.
- The Bank does not foresee any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
- There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- There are no material commitments for capital expenditures.
- There are no uncertainties regarding the sustainability of economic growth of the country which may pose challenges in the Bank's drive to expand its loan portfolio. Any negative impact of a slower economic growth, however, may be overcome or mitigated at the very least by aggressive spread management initiatives.
- There are no significant elements of the Bank's income in 2018 that did not arise from continuing operations.
- There are no seasonal aspects that have a material effect on the financial condition or results of operations.

SEC FORM 17-Q

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

1. Management's Discussion & Analysis

The Bank registered a net income of P1.1 Billion as of the third quarter of the year 2021, 25.58% or P386.9 Million lower than the P1.5 Billion earned in the same period last year. This is mainly attributable to lower operating income due to net trading losses incurred, lower rent income, and lower fees & commission earned during the current period and from higher provisions for income taxes due to shift to regular corporate income tax (RCIT) from minimum corporate income tax (MCIT) last year. Improvements in net interest income and lower operating expenses have partially offset the impact of the decline in net income.

P226.5 Million improvements in net interest income was primarily the result of the decline in interest expense due to lower cost of funds, offset by lower interest income from lower yields and lower average loan volume. Decrease in rent income by P134.9 Million was due to vacancies of leased floors, pre-terminations, and re-negotiated contracts of tenants as a result of the COVID-19 crisis. Fees & Commission is lower by P65.7 Million mainly due to decline in penalty fees in corporate loans. These movements in income and the trading losses recognized for the period caused the total operating income

to decrease by P772.4 Million. Total operating expenses went down by P561.5 Million or 19.9% mainly because of lower provision for losses recognized in the current period. Decline in taxes and licenses due to lower GRT from lower net trading income, rent and interest income and lower DST from lower TD/PN volume, and lower compensation costs from lower headcount also contributed to the drop in operating expenses.

Total Assets of the Group increased by P5.6 Billion from P101.2 Billion as of December 2020 to P106.9 Billion at the end of the third quarter of 2021. This is primarily due to P7.1 Billion increase in Investment Securities at Amortized Cost, P5.8 Billion increase in Loans and Other Receivables mostly from corporate loans, P1.5 Billion increase in Financial assets at Fair Value through Other Comprehensive Income, partially offset by P7.5 Billion lower Due from BSP due to lower reserve requirement and lower investment in Overnight Deposit Facility (ODF), and P1.3 Billion lower Financial assets at Fair Value through Profit & Loss and Interbank loans receivable.

The Group's gross NPL ratio is at 4.98%, 0.73 % points lower than the 5.71% ratio at the end of 2020.

Total Liabilities increased by P4.7 Billion, 5.3% higher from last year's end level of P88.7 Billion. This resulted mostly from P6.0 Billion increase in bills payable, partly offset by P1.0 Billion decline in deposit liabilities, mainly from lower time deposit volume and P0.4 Billion lower outstanding acceptances. Total Capital is now at P13.4 Billion from P12.5 Billion last December 2020. This 7.2% improvement in capital was mainly contributed by the earnings of the Bank as of the third quarter of the year.

On quarter on quarter basis, the Bank registered a net income of P361.1 Million for the third quarter of 2021, P195.4 Million or 35.1% lower than the P556.5 Million earned in the same period last year. This resulted from higher provision for income tax by P80.5 Million due to shift of tax regime from MCIT to RCIT in 2021. Total operating income declined by P431.8 mainly from trading results as the Bank recognized P66.4 Million in losses, a 128.8% or P296.7 Million decrease from last year. Fees & Commission is lower by P59.6 Million due to decline in penalty fees in corporate loans. Rent income is also lower by P29.8 Million due to vacancies of leased floors, pre-terminations, and re-negotiated contracts of tenants brought about by the COVID 19 pandemic. P316.9 Million decrease in operating expense primarily from lower provision for credit costs, partially improved net income.

The Group's consolidated Risk-Based Capital Adequacy ratio is 17.49% under BASEL 3 and is well above the 10% minimum requirement despite the global crisis on COVID-19. The ratio covers credit, market and operational risks for the first six (9) months of 2021.

2. Discussion of various key indicators:

A. Key Financial Performance (consolidated)

Ratio	September 2021	September 2020	Remarks
Net Profit Margin (Net income divided by Gross income)	30.04%	33.47%	Net profit margin decreased by 3.43 % pts. due to higher provision for income tax in 2021 due to RCIT position of the Bank
Return on Average Asset (Net income divided by Average assets)	1.44%	1.96%	Decrease by 51 bps from lower net income during the current period driven by higher provision for income tax in 2021 due to RCIT position of the Bank and lower total operating income, primarily due to trading losses incurred in 2021
Return on Average Equity (Net income divided by Average equity)	11.56%	16.70%	Return on average equity decreased by 5.14 % pts. from lower net income during the current period driven by lower total operating income from the results of the current operations and higher provision for income tax in 2021
Capital Adequacy Ratio (Basel 3) (Qualifying capital divided by total of risk-weighted assets that include credit, market and operational risk)	17.49%	18.05%	Capital ratio decline by 0.56% as a result of higher total risk weighted assets
Basic Earnings per share (Net income divided by average no. of common shares)	2.34	3.15	Decrease in basic earnings per share by ₱0.80 from lower net income during the current period

B. Financial Soundness (consolidated)

Ratio	September 2021	December 2020	Remarks
Liquidity Ratio (Liquid Assets to Total Deposits) <i>Liquid Assets include cash, due from banks, interbank loans, and trading and inv. Securities Total deposit refers to the total of peso and foreign currency deposits.</i>	42.93%	42.47%	Ratio increased by 46 bps., mainly due to lower total deposits, mainly in TD's
Debt Ratio (Total Liability to Total Assets) <i>Debt refers to the total liabilities while assets refers to total Assets</i>	87.43%	87.62%	Debt ratio decreased by 20 bps as a result of increase in total assets mostly from investment securities at amortized cost and loans and other receivables, mostly from corporate loans
Asset to Equity Ratio (Total Asset to Total Equity)	7.95	8.08	Ratio is lower by 13 bps mainly as result of the growth in equity
Interest Rate Coverage Ratio (Earnings before interest & taxes to Interest Expense)	499.64%	290.47%*	Bank's interest rate coverage increased by 209.18 % pts. due to decline in interest expense mainly from lower cost of funds and slightly lower average funding volume
Net Interest Margin Net interest income over Average Earning assets	4.26%	4.03%*	Ratio went up by 23 bps primarily from higher drop in cost of funds

* As of September 2020

Statement of Condition: September 2021 vs. December 2020 (consolidated)

	Increase (Decrease)	Percentage	Remarks
Cash and Other Cash Items	(724,783)	-29.38%	Lower cash on hand mainly those in cash center and with service provider
Due from BSP	(7,479,251)	-36.31%	Lower mostly from ODF
Due from Other Banks	897,424	60.01%	Higher funds with foreign banks
Interbank Loans Receivable	(612,589)	-10.12%	Lower investment in GS Repo
Financial assets at Fair Value through Profit or Loss	(718,294)	-100.00%	Lower due to sale of FVTPL in Sep21
Financial assets at Fair Value thorough Other Comprehensive Income	1,548,999	30.15%	Purchase of investments in FVOCI
Investment securities at Amortized Cost	7,100,801	313.73%	Higher due to higher HTC investments
Loans and Receivables	5,781,311	10.03%	Increase in outstanding loans and receivables, mainly in corporate loans/import bills
Investment in a subsidiary and associate	142	1.01%	Share in net income for the period
Property and Equipment	(31,588)	-3.53%	Decline due to depreciation recognized for the period
Investment Properties	132,344	5.51%	ROPA foreclosures in 2021 partially offset by depreciation recognized for the period
Intangible Assets	(65,961)	-10.75%	Lower mostly due to amortization of software during the period, partially offset by acquisitions
Deferred tax assets	60,018	35.18%	Increase mainly due to allowance for credit losses booked during the year
Other Assets	(260,920)	-33.56%	Decline in ROPA Non-financial assets
Demand Deposits	6,852,805	22.20%	Lower deposits volume primarily in Time deposits due to the Bank's efforts to increase volume of low-cost source of funds
Savings Deposits	1,762,083	18.23%	
Time Deposits	(9,697,196)	-24.02%	
Bills Payable	5,967,937	273.40%	Higher due to higher bills payable - REPO, partly offset by lower BP- deposit substitute
Outstanding Acceptances	(358,904)	-72.10%	Due to lower bills of exchange accepted by the Bank
Manager's Checks	43,740	23.25%	Higher un-negotiated MC's as of report date
Accrued Interest, Taxes and Other Expenses Payable	49,113	6.12%	Higher expense accruals as of the period primarily due to accrual of bonuses paid out before end of year
Income Tax payable	(34,142)	-23.25%	Lower taxable income and use of lower income tax rate
Other Liabilities	132,379	12.03%	Higher mainly due to higher advance rent

Statement of Income and Expenses: January-September 2021 vs January-September 2020 (consolidated)

	Increase (Decrease)	Percentage	Remarks
Interest Income on investment securities	(25,648)	-6.49%	Lower interest income mainly due to decline in yields
Interest Income on Loans and receivable	(218,353)	-6.65%	Lower interest income mainly due to lower yields, and lower ave. volume
Interest Income on IBCL	(12,820)	-19.62%	Decrease from lower ave. volume, mainly in GS REPO
Interest Income on Deposit with other Banks and others	(35,948)	-48.61%	Lower income from decrease in ave. volume mainly in ODF
Interest Expense on Deposit Liabilities	(421,958)	-55.81%	Decline from lower cost of funds, mainly in TDs
Interest Expense on Bills payable, borrowings and others	(97,335)	-71.98%	Decrease in interest expense mainly due to lower cost of funds and lower ave. volume
Trading and Securities Gain – net	(790,045)	-132.79%	Higher trading loss, mostly realized
Rent Income	(134,858)	-25.12%	Lower mainly due to downward impact of pre-terminations and re-negotiated contracts of tenants as a result of the COVID-19 crisis
Service Charges, Fees & Commissions	(65,687)	-21.20%	Lower mostly due to decrease in penalties on corporate loans
Foreign Exchange Gain (Loss) – Net	12,857	30.08%	Increase is mainly due to higher foreign exchange revaluation gain in 2021
Gain on asset exchange	(59,266)	-2209.77%	Lower gain on valuation of foreclosed assets
Profit/(Loss) from Assets Sold	13,204	6635.18%	Higher gain on sale of ROPA
Income from Trust Operations	2,269	11.86%	Increase due to higher ave. volume of assets under management
Miscellaneous Income	22,584	26.66%	Mostly from higher recoveries on written-off accounts
Compensation and Fringe Benefits	(35,610)	-4.48%	Lower costs from lower headcount
Taxes and Licenses	(115,706)	-23.83%	Lower from decrease in GRT relative to decrease in income and lower DST on deposits
Depreciation and Amortization	9,641	3.42%	Higher depreciation mainly due to ROPA
Occupancy and other equipment-related costs	2,195	3.01%	Higher electricity costs
Provision for impairment losses	(488,566)	-90.70%	Lower loan provision requirement in 2021
Miscellaneous	66,585	10.27%	Increase is primarily due to higher ROPA related expenses and higher PDIC insurance expenses
Provision for income tax	175,866	94.87%	Higher income tax due to shift of tax regime from MCIT to RCIT in 2021

3. Discussion and Analysis of Material Event/s and Uncertainties

- a. The Bank has experienced an increase in past due levels in loans due to the outbreak of COVID-19. This necessitated an increase in loan provisions. However, a gradual pick-up in business activity is expected as the government gradually relaxes the quarantine measures.
- b. The Bank does not have any material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- c. As of September 30, 2021, the unspent amount from the approved capital expenditures budget on projects involving technology enhancement, and facilities improvement amounted ₱32.2 Million.
- d. The full impact of the pandemic is still unknown and this may affect the performance of the Bank should this further prolong. However, the Bank has taken prudent steps to mitigate the risk through more prudent credit process, tighter credit policies and, more importantly, continue its assessment of our portfolio by regularly doing the stress test exercise.
- e. There is no recorded significant income or losses during the quarter that did not come from the Bank's regular operations.

- f. Interest income on non-discounted loan is recognized based on the accrual method of accounting while unearned discounts are amortized to income over the term of the loans. As such, there is no seasonal aspect that has a material impact on the Bank's interest revenues. Non-interest revenues, on the other hand, are largely dependent on market dynamics and economic trends rather than on seasonal factors.

UNDERTAKING

The Bank will post and make available for download the full version of this SEC Form 20-IS (Definitive Information Statement), together with its annexes in the Bank's website at www.pbcom.com.ph/ upon its approval by the Securities and Exchange Commission.

Upon the written request of a stockholder, the Bank will provide, without charge, hard copies of the Bank's SEC Form 20-IS (Definitive Information Statement), duly filed with the Securities and Exchange Commission. The stockholder may be charged a reasonable cost for photocopying the exhibits.

All requests may be sent to the following address:

PHILIPPINE BANK OF COMMUNICATIONS

5th Floor PBCOM Tower
6795 Ayala Avenue cor. V.A. Rufino St.
Makati City, 1226

Attention: **MICHAEL STEPHEN H. LAO**
Corporate Secretary

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on 18th of February 2022.

PHILIPPINE BANK OF COMMUNICATIONS

Issuer

By:


MICHAEL STEPHEN H. LAO
Corporate Secretary

**PHILIPPINE BANK OF COMMUNICATIONS
 (“PBCOM”)**

MARCH 15, 2022 SPECIAL STOCKHOLDERS’ MEETING (“SSM”)

**REQUIREMENTS AND PROCEDURES
 FOR VOTING ELECTRONICALLY IN ABSENTIA AND
 PARTICIPATION THROUGH REMOTE COMMUNICATION**

A. Electronic Voting or Voting in Absentia

1. Stockholders as of 14 February 2022 may register and vote through PBCOM’s website at <https://www.pbcom.com.ph/> until 5:00 p.m. Philippine Time of 4 March 2022. To access the voting portal at PBCOM’s website, stockholders are required to provide their: (i) complete name, (ii) stock certificate number, (iii) valid e-mail address, and (iv) contact number to the Office of the Corporate Secretary via e-mail at CorporateSecretary@pbcom.com.ph, subject to verification and validation procedures. Stockholders who registered and voted before the cut-off time will be counted for purposes of quorum.
2. An e-mail will be sent by the Office of the Corporate Secretary to the stockholder containing his/her username and default password in order to login in the voting portal. Once inside the portal, the system will prompt the stockholder to change his/her password. After the password has been changed, the system will require the stockholder to upload a scanned copy of a valid ID to confirm his/her identity. It is strongly recommended that stockholders do not share their username and password with any other person and take utmost care to keep their username and password confidential.
3. Stockholders may register at the voting portal by providing the following requirements:
 - a. For Individual Stockholders**
 - i. Valid email address and active contact number (landline or cellphone);
 - ii. One (1) valid identification card (ID)¹; and
 - iii. Any stock certificate issued by PBCOM in the name of the individual stockholder.
 - b. For Stockholders with Joint Accounts**
 - i. An authorization letter signed by one of stockholders indicating the name of the person authorized to cast the votes;
 - ii. Valid email address and active contact number for the authorized stockholder;
 - iii. One (1) valid identification card (ID) of the authorized stockholder; and
 - iv. Any valid stock certificate issued by PBCOM in the name of joint stockholders.
 - c. For Stockholder under PCD Nominee or “Scripless Shares”**
 - i. Stockholders should coordinate with their broker/s and request for the full account name and reference number or account number they provided to PBCOM;

¹ Acceptable Valid IDs: Driver’s License, Passport, Unified Multi-Purpose ID (UMID), GSIS ID, company ID, PRC ID, IBP ID, iDOLE Card, OWWA ID, Comelec Voter’s ID, Senior Citizen’s ID, or Alien Certificate of Registration / Immigrant Certificate of Registration.

- ii. Valid email address and active contact number; and
- iii. Any stock certificate issued by PBCOM in the name of the stockholder.

d. For Corporate Stockholders

- i. Secretary's Certificate attesting to the authority of the representative to vote the shares on behalf of the corporate stockholder;
 - ii. Valid email address and active contact number for the authorized representative;
 - iii. One (1) valid identification card (ID) of the authorized representative; and
 - iv. Any valid stock certificate in the name of the corporate stockholder.
4. The online voting portal contains the agenda items for approval as set out in the Notice for the March 15, 2022 SSM.
- (a) Stockholders have the option to vote: In Favor of, Against, or Abstain.
 - (b) Once the stockholder completes his votes, he can proceed to submit the accomplished form by clicking the "Submit" button.
 - (c) After the ballot has been submitted, the stockholder may no longer change his/her vote.
5. Thereafter, the Office of the Corporate Secretary will send a confirmation email to the stockholder once his/her account has been verified and his/her vote has been recorded. If the account of a stockholder cannot be verified, then the votes cast by the non-verified stockholder shall not be recorded.
6. The Office of the Corporate Secretary shall tabulate all valid and confirmed votes cast through electronic voting, together with the votes cast through proxies. If a stockholder cast his or her vote electronically *in absentia* and also executed a proxy form, the latest vote received by the Office of the Corporate Secretary will be counted.
7. Note that the online voting portal is open until 5:00 p.m. Philippine Time of 4 March 2022. The voting function in the voting portal will be disabled after this time to give the Office of the Corporate Secretary time to collate and validate votes received through the portal. Stockholders will not be able to cast votes during the livestream of the March 15, 2022 SSM.

B. Attendance by Remote Communication

- 1. Stockholders who intend to participate in the March 15, 2022 SSM remotely may register using the link to be provided in PBCOM's website at <https://www.pbcom.com.ph/> (Special Stockholders' Meeting) until 5:00 p.m. Philippine Time of 4 March 2022.
- 2. To register, stockholders will need the requirements under Item A.3 above, depending on the type of ownership. Stockholders will also need to upload a valid ID as proof of identity.
- 3. Upon successful registration, the stockholder will receive an email confirmation and a unique link which will be used to log in and view the March 15, 2022 SSM livestream.
- 4. Please note that due to the limitations of available technology, voting will not be possible during the 15 March 2022 SSM livestream, but participants may send questions or remarks via the livestream portal. Stockholders may also send questions and/or remarks in advance or during the meeting to the Corporate Secretary at CorporateSecretary@pbcom.com.ph.
- 5. Stockholders shall be responsible for their internet connectivity during the March 15, 2022 SSM.

The proceedings during the March 15, 2022 SSM will be recorded in video and audio format. For any questions and concerns, stockholders may visit PBCOM's website at <https://www.pbcom.com.ph/> or contact the Office of the Corporate Secretary via e-mail at CorporateSecretary@pbcom.com.ph or at telephone no. (+632) 8830-7062.

**PHILIPPINE BANK OF COMMUNICATIONS
BRANCHES' SITES - OWNED AND LEASED
AS OF DECEMBER 31, 2021**

No.	BRANCH	ADDRESS	CONDITIO N OF PREMISES	OWNED / LEASED	LEASE TERMS		
					MONTHLY RENTAL (OFFICE + PARKING + OTHER CHARGES) AS OF DECEMBER 2020	EXPIRY DATE	RENEWAL OPTIONS
A. BANK-OWNED PROPERTIES UTILIZED AS BRANCHES							
1	BINONDO BANKING CENTER	7th Floor, PBCOM Bldg 214-216 Juan Luna St. Binondo Manila	good	owned	-		
		4th Floor, PBCOM Bldg 214-216 Juan Luna St. Binondo Manila	good	owned	-		
2	CAGAYAN DE ORO	PBCOM Bldg. Hayes St. cor. Tiano Bros. St. Cagayan De Oro City	good	owned	-		
3	CEBU	Magallanes near corner Manalili Streets, Cebu City	good	owned	-		
4	DAVAO	41 Monteverde St., Davao City	good	owned	-		
5	GENERAL SANTOS	Santiago Blvd., General Santos City	good	owned	-		
6	ILOILO	Ledesma corner Valeria Sts, Iloilo City	good	owned	-		
7	KORONADAL	Gen. Santos Drive, Koronadal, South Cotabato	good	owned	-		
8	MAKATI BANKING CENTER	PBCOM Tower, 6795 Ayala Avenue corner V.A. Rufino, Makati City	good	owned	-		
9	MANDAUE	National Highway corner Jayme Street, Mandaue City	good	owned	-		
10	MANGO	General Maxillom (Mango) Ave., Cebu City	good	owned	-		
11	MARIKINA	34 J.P. Rizal St., Calumpang, Marikina	good	owned	-		
12	MERALCO AVE (FORMER JULIA VARGAS)	C-1 Horizo Condominium, Meralco Avenue, Pasig City	good	owned	-		
13	QUIRINO-DAVAO	111 E. Quirino Avenue, Davao City	good	owned	-		
14	TAGUM	Pioneer Avenue, Tagum, Davao del Norte	good	owned	-		
15	U.N. AVENUE (FORMER MABINI)	U101 & 102, Don Alfonso Cond. 1108 MH del Pilar cor. UN Ave. & Guerreo Sts., Ermita, Manila	good	owned	-		
B. LEASED PROPERTIES UTILIZED AS BRANCHES							
1	ANGELES	Ground Floor, MLT Centre Building, Lot 28, Block 2, McArthur Highway, Brgy. Ninoy Aquino, Angeles City	good	leased	101,311.23	15-Aug-2023	
2	ANNAPOLIS	Unit 101 Victoria Plaza Condominium 41 Annapolis St., Greenhills, San Juan	good	leased	267,484.18	15-Apr-2024	
3	AYALA-ALABANG	ALPAP II Building, Investment Drive cor. Trade St., Madrigal Busines Park, Ayala Alabang, Muntinlupa City	good	leased	266,306.90	31-Jan-2026	
4	BANAWE	G/F 2 Benby Building, Banawe Street, Quezon City	good	leased	113,448.72	22-Nov-2024	
5	BACOLOD	Units A-E, Ground Floor, Sorrento	good	leased	157,926.78	29-Feb-2024	
6	BAGUIO	Ground Floor Level, Unit Nos. 105, 106 & 106-B, Baguio Holiday Villas, No. 10 Legarda Road, Baguio City	good	leased	226,652.07	30-Nov-2022	
7	BATANGAS	Diego Silang St., Batangas City	good	leased	133,126.88	31-Jan-2022	
8	BMA	Web-Jet Building, Quezon Ave., Q.C.	good	leased	99,491.49	30-Nov-2023	
9	CABANATUAN	Ground Floor, SAM Building along Maharlika Highway, Cabanatuan City	good	leased	60,000.00	31-Jan-2024	
10	CAINTA	GF Unit RSJ-0106, RS City Square – Junction Ortigas Avenue Extension Brgy. Sto. Domingo, Cainta Rizal.	good	leased	76,496.56	17-Oct-2026	
11	CALAMBA	Ground Floor Walter Mart, National Highway corner Real Street, Calamba, Laguna	good	leased	101,963.05	31-Dec-2021	relocated.
12	CALOOCAN	298-C2 6th Avenue Ext. Caloocan City	good	leased	87,614.27	14-Sep-2022	
13	CAUAYAN	Mateo-Patricia Bldg., Rizal Avenue Extension, Cauayan, Isabela	good	leased	86,821.88	31-May-2023	
14	CEBU BUSINESS PARK	Latitude Corporate Center, Mindanao Avenue, Cebu Business Park, Cebu City	good	leased	265,643.35	21-Jun-2026	
15	CONGRESSIONAL	No. 8 Congressional Ave., Brgy. Bahay Toro, Quezon City	good	leased	108,007.84	30-Apr-2022	
16	CUBAO	2nd Floor SPARK Place, P. Tuazon cor. 10th Avenue, Quezon City	good	leased	205,078.17	31-Aug-2023	
17	DAGUPAN	Ground Floor, Balingit Building, Arellano Street, Dagupan City	good	leased	98,759.88	15-May-2024	
18	DASMARINAS	EVY Building Salawag-Paliparan Road Dasmariñas, Cavite	good	leased	101,516.80	31-Oct-2022	
19	DAVAO BUHANGIN (reloc site of Davao Bajada)	G/F Pacific Plaza, Lot 3, Block 18, Buhangin Road, Davao	good	leased	61,600.00	30-Apr-2026	
20	TACLOBAN (reloc site of Dumaguete)	Imelda Veteranos St. Brgy. 23, Tacloban City	good	leased	76,807.50	05-Mar-2025	
21	ELCANO	SHC Tower, Elcano St., San Nicolas, Manila	good	leased	173,978.00	28-Feb-2024	

22	F1 HOTEL, BGC	F1 Hotel Building, Lane Q corner Lane A Roads, Bonifacio Global City,	good	leased	846,201.27	15-Feb-2023	
23	GREENHILLS	Quadstar Building, 80 Ortigas Avenue, San Juan, Metro Manila	good	leased	247,087.18	31-Mar-2026	
24	ILIGAN	Roxas Avenue, Poblacion, Iligan City, Lanao del Norte,	good	leased	98,126.15	18-Jul-2024	
25	IMUS	Luis Gaerlan St., and Imus Boulevard, Imus, Cavite	good	leased	89,600.00	30-Jun-2026	
26	J.P. RIZAL	Ground Floor, Santini Corp. Building, 519 J.P. Rizal Ave., Brgy. Olympia, Makati City	good	leased	181,226.38	30-Apr-2022	
27	LA UNION	Quezon Avenue, San Fernando City, La Union	good	leased	101,494.44	31-Jan-2022	
28	LEGASPI VILLAGE	Unit 1-A, Vernida I 120 Amorsolo St., Legaspi Vill., Makati City	good	leased	85,911.21	31-Jul-2026	
29	LEGASPI CITY	Ground Floor De Los Santos , Commercial Building, Landco , Business Park, Legaspi City	good	leased	163,691.61	09-Aug-2024	
30	LIPA	ATDRMAM Building Ayala Highway Mataas na Kahoy, Lipa	good	leased	112,313.31	31-Jan-2024	
31	LUCENA	VCCI Building Merchan cor. San Fernando, Lucena City	good	leased	102,618.51	15-Nov-2023	
32	M. DE SANTOS, DIVISORIA	553-561 M. De Santos St., Divisoria, Tondo, Manila	good	leased	278,739.89	31-Mar-2025	
33	MAKATI PLACE	Ground Floor Unit C-15, Alphaland Makati Place, Ayala Ave. cor. Malugay St. Makati City.	good	leased	174,929.13	30-Nov-2022	
34	MALABON	Building L, #34 Gov. Pascual Avenue corner Ibarra Street, Brgy Acacia, Malabon City.	good	leased	92,265.60	24-Jun-2024	
35	MALOLOS	Malolos Shopping Arcade Paseo Del Congreso, Malolos City	good	leased	73,376.24	15-Aug-2026	
36	MASANGKAY	1004-1006 Masangkay St. Binondo, Manila	good	leased	154,560.00	30-Sep-2024	
37	MEYCAUJAYAN	Mancon Building McArthur Highway, Calvario, Meycauyan City	good	leased	92,726.56	15-Apr-2026	
38	NAGA	Ground Floor, Rodriguez Building, 956 Panganiban St., corner Balintawak St., Naga City	good	leased	93,804.67	28-Feb-2023	
39	OLONGAPO	Grd. Flr. YBC Centre Mall, Rizal , Avenue Extension, Olongapo City	good	leased	152,945.60	30-Sep-2022	
40	ONGPIN	Chinatown Center, 729 Ongpin Street, Sta. Cruz, Manila	good	leased	348,085.39	30-Sep-2022	
41	PADRE RADA	951 Juan Luna Street, Tondo, Manila	good	leased	149,300.75	14-Jul-2022	
42	PARANAQUE	Unit 3-4, Kingsland Building Dr. A. Santos Avenue, P'que. City	good	leased	160,583.13	31-May-2022	
43	PASAY	2492 Taft Avenue, Pasay City	good	leased	129,640.00	31-Oct-2023	
44	PIONEER	RFM Corporate Center Pioneer cor. Sheridan Sts., Mandaluyong City	good	leased	195,394.36	13-May-2026	
45	PUREGOLD SAN PEDRO	Puregold San Pedro, Old National Highway cor. Magsaysay St., San Pedro, Laguna	good	leased	55,932.69	31-Jan-2025	
46	QUEZON AVE	APC Building, 1186 Quezon Avenue, Quezon City	good	leased	272,249.60	30-Sep-2026	
47	SAN FERNANDO	McArthur Highway Dolores, San Fernando, Pampanga	good	leased	154,224.81	31-Mar-2024	
48	SAN MIGUEL AVE.	Unit G1010MM-CITRA Condominium, San Miguel Avenue, Ortigas Center, Pasig City	good	leased	175,975.02	31-Jul-2025	
49	SAN PABLO	Rizal Avenue, San Pablo City, Laguna	good	leased	55,594.90	30-Apr-2026	
50	SEN. GIL PUYAT	Unit 101-C, Oppen Building, 349 Sen. Gil Puyat Avenue, Makati City	good	leased	252,292.94	14-Jul-2023	
51	SHAW BLVD	146 Shaw Boulevard cor. San Roque St., Pasig City	good	leased	87,823.80	15-Nov-2022	
52	SOLER	No. 943 Soler St., of R & S Tower, Inc., Binondo, Manila	good	leased	129,670.40	31-May-2023	
53	SOUTH GATE MALL	Unit T06 and T07, Third Floor, Alphaland Southgate Mall, 2258 Chino Roces Avenue corner EDSA, Makati City, Metro Manila	good	leased	242,039.88	18-Dec-2022	
54	STA. MESA	G. Araneta Avenue, Sta. Mesa, Q.C.	good	leased	141,737.16	31-Jul-2022	
55	STA. ROSA	Unit No. 2, Paseo 5, Phase 2, Paseo de Sta. Rosa	good	leased	220,034.15	31-Mar-2022	
56	STO. CRISTO	563 Sto. Cristo Street, Divisoria, Manila	good	leased	94,500.00	16-Sep-2023	
57	T. ALONZO	T. Alonzo Street, Sta. Cruz, Manila	good	leased	301,864.50	10-Sep-2024	
58	TAGBILARAN	Ground Floor, LTS Building, Carlos, P. Garcia Avenue, Tagbilaran City	good	leased	67,200.00	30-Jul-2025	
59	TIMOG	75 Timog Avenue, Quezon City	good	leased	162,954.37	15-Jul-2024	
60	S&R NEW Manila (reloc of Tomas Morato)	G/F S&R Membership Shopping New Manila E. Rodriguez Sr. Avenue, Brgy. Kalusugan, New Manila, Quezon City	good	leased	113,940.00	04-Feb-2025	
61	VALENZUELA	246 McArthur Highway, Karuhatan, Valenzuela	good	leased	178,500.00	18-May-2022	
62	ZAMBOANGA VALDEROSA	LKG Building, Valderosa Street, Zamboanga City	good	leased	136,399.10	30-Apr-2024	
63	ZAMBOANGA VETERANS	BSC Tower (formerly Zamsulu Bldg.) Ground Floor, Door 5-7, Veterans Ave., Zamboanga City	good	leased	117,928.42	30-Sep-2024	
64	LAPU-LAPU	Grd. Flr. Unit 11, Alpha Arcade Bldg., M.L. Quezon National Highway, Pajo, Lapu-Lapu City	good	leased	28,986.88	31-Jul-2025	
65	DIVISORIA MALL	Stalls No. 3N-01, 03 and 05 located at Third Floor (3rd) Old Divisoria Market, bounded by Tabora, Comercio, M. De Santos and Sto. Cristo, Manila	good	leased	129,531.72	02-Jul-2026	
66	INOZA TOWER	Ground Floor Unit D, 40th St., Bonifacio Global City, Taguig City	good	leased	364,455.56	07-Oct-2022	
67	WILSON	Ground Floor Unit of ONE86 at Wilson, San Juan, Metro Manila	good	leased	82,654.43	14-Oct-2022	
68	S & R COMMONWEALTH	Ground Floor Unit 4 of S & R Membership Shopping – Commonwealth, Brgy. Kaligayahan, Quirino Highway, Novaliches, Quezon City	good	leased	145,068.93	15-Dec-2022	

69	S & R DAU	Ground Floor Unit 2 of S&R Membership Shopping Dau, NLEX Access Road, Barangay Dau, Mabalacat City, Pampanga	good	leased	103,458.60	15-Mar-2023	
70	LIBIS	of Ground Floor Commercial Spaces at Nuvo City - Aspire Tower, 150 E. Rodriguez Jr. Avenue cor. Calle Industria, Bagumbayan, Quezon City	good	leased	91,078.00	05-Sep-2025	
71	ORMOC	Unit 105, Ground Floor of L & R Building, Bonifacio Street, District 8, Ormoc City, Leyte	good	leased	20,276.73	12-Jun-2022	
BRANCHES OPENED IN 2019							
72	BALIUAG	NE Super Bodega, Dona Remedios Trinidad Highway, Baliuag, Bulacan	good	leased	42,444.00	22-Sep-2024	
LONG TERM BRANCH LEASE							
73	CORINTHIAN GARDENS	Sanso Street, Corinthian Gardens, Q.C.			Leasehold Rights of P12 Million	30-Sep-2031	
74	TUTUBAN	Prime Block Building, Tutuban Center, C.M. Recto Avenue, Manila			Leasehold Rights of P9.92 Million	22-Aug-2039	
BRANCHES OPENED IN 2021							
75	INTRAMUROS (using ECHAGUE LICENSE)	AVR Building, Beaterio Intramuros Manila	good	leased	95,200.00	01-Apr-2026	
76	LAS PINAS	2012 Marcos Alvarez, Brgy. Talon Singko, Las Pinas City	good	leased	57,086.40	27-Jan-2026	
LIST OF BRANCHES LITES/ POP-UPS							
1	BL- PG TAGUIG	G/F Puregold Taguig, Gen. A. Luna St. cor. Col. P. Cruz., Barangay Tuktukan, Taguig City	good	leased	41,065.71	31-Oct-2024	
2	BL- PG VALENZUELA	G/F Puregold Valenzuela, 419 Manila North Road (Mc Arthur Highway) Dalandanan, Valenzuela City	good	leased	23,240.00	31-Oct-2023	
3	BL- PG PASO DE BLAS	2/F VFC Mall, Puregold Paso de Blas, Paso de Blas cor. Gen. Luis St., Malinta Exit, Valenzuela City	good	leased	35,870.00	19-Jun-2022	
4	NE Pacific Mall - Cabanatuan	2/F VFC MalG/F NE Pacific Mall, Km.11, Maharlika Hi-way, Cabanatuan Ci	good	leased	58,484.71	22-Jan-2023	