

COVER SHEET

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SEC Registration Number

B	A	N	K																																			

(Company's Full Name)

S	a	n	M	i	g	u	e	l	P	r	o	p	e	r	t	i	e	s	C	e	n	t	r	e												
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M	a	n	d	a	l	u	y	o	n	g	C	i	t	y																						

ANTONIO S. LAQUINDANUM

Contact Person

8 9 8 2 6 0 0 0

Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

1	7	C
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Form Type

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Month

Day

Annual Meeting

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Secondary License Type, If Applicable

S	E	C
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Dept. Requiring this Doc

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Amended Articles Number/Section

Total Amount of Borrowings

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Total No. of Stockholders

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier



SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17 OF THE
SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of reporting **March 19, 2024**
2. Commission identification number **24221**
3. BIR Tax Identification No **000 440 440**
4. Exact name of issuer as specified in its charter **BANK OF COMMERCE**
5. Province, country or other jurisdiction of incorporation or organization **PHILIPPINES**
6. Industry Classification Code: (SEC Use Only)
SAN MIGUEL PROPERTIES CENTRE, NO. 7 ST FRANCIS STREET, MANDALUYONG CITY 1550, PH
7. Address of issuer's principal office Postal Code
8. Issuer's telephone number, including area code **+63-2-8982 6000**
9. Former name, former address and former fiscal year, if changed since last report **N/A**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stocks	1,403,013,920

11. Indicate the item numbers reported herein:

Item No. 9. Other Events

San Miguel Corporation (SMC) affiliate Bank of Commerce (BankCom) reported a record high net income of P2.8 billion for the year ended 31 December 2023, a 56% increase from the P1.8 billion it reported in the previous year.

At the end of 2023, return on equity stood at 9.52%, marking an improvement from the 7.01% in the previous year, and more than double the Bank's IPO prospectus ROE of 4.22%.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Bank of Commerce



By: **EVP ANTONIO S. LAQUINDANUM**
Chief Financial Officer

Date: March 19, 2024

March 19, 2024

PHILIPPINE STOCK EXCHANGE

5th Avenue corner 28th Street
Bonifacio Global City, Taguig

Attention: **Ms. France Alexandra D. Tom Wong**
Head, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

Attention: **Mr. Antonino A. Nakpil**
President & CEO

Re: **Press Release**

Madam/Sir:

Please be informed that Bank of Commerce (BNCOM – PSE ticker) will be releasing to the press the attached statement entitled “**BankCom caps its 60th year with 1.6x Net Income Growth.**”

Thank you.

Very truly yours,



ANTONIO S. LAQUINDANUM
Executive Vice President and Chief Financial Officer
Corporate Information Officer

No. 7 San Miguel Properties Center Building
St. Francis St., Mandaluyong City, Philippines
Tel. No. (632) 982-6000
<https://www.bankcom.com.ph>



March 19, 2024

BankCom caps its 60th year with 1.6x Net Income Growth

San Miguel Corporation (SMC) affiliate Bank of Commerce (BankCom) reported a record high net income of ₱2.8 billion for the year ended 31 December 2023, a 56% increase from the ₱1.8 billion it reported in the previous year.








At the end of 2023, return on equity stood at 9.52%, marking an improvement from the 7.01% in the previous year, and more than double the Bank's IPO prospectus ROE of 4.22%.

The bank's record high profit was backed by growth in its core lending business. Net interest income was up by ₱1.61B or 24% year on year. Growth was registered across all lending segments.


The bank also saw service charges, fees, and commissions grow, driven by revenues from its investment banking, credit card, and trust businesses.

FY2023 HIGHLIGHTS:

FINANCIAL:

-  FY Net Income ₱2.8 billion, 56% increase from last year's ₱1.8 billion and the highest since 2008
-  Gross Revenue grew by 23% to ₱9.98 billion from the ₱8.12 billion in 2022
-  Net Interest Income rose to ₱8.3 billion, up 24% from 2022's ₱6.68 billion
-  Other income posted to ₱1.68 billion, 17% higher than ₱1.43 year-on-year
-  Total Loans and Receivables, accounting for 47% of total assets, maintained a steady growth amounting to ₱109.57 billion from ₱105.09 billion last year
-  Investment Securities nearly doubled to ₱11.44 billion from ₱6.19 billion in 2022
-  Total Capital funds grew by 10% year-on-year to ₱30.85 billion, translating to a CAR of 19.88%, well above the minimum regulatory requirement

KEY EVENTS:

-  IBG deals – BankCom takes pride in being a catalyst for capital-raising solutions. It has taken part in a series of high-impact projects crucial to nation-building, of which two (2) transactions bagged awards at the 17th Annual Best Deal & Solutions Awards 2023 spearheaded by Alpha Southeast Asia, a Hong-Kong based institutional investment publication.

Awards:

1. **Best PPP & Blended Financing Infrastructure Deal of the Year** – Joint Lead Arranger of the ₱100 billion Syndicated Term Loan Facility for SMC Mass Rail Transit 7, Inc. (MRT-7)
2. **Best Local Currency Bond Deal of the Year in the Philippines** – Joint Lead Underwriter & Joint Bookrunner of the ₱60 billion Fixed Rate Bonds by San Miguel Corporation



- November 2023 – tapped Infosys Finacle, a global leader in banking technology, to help accelerate the bank's digital transformation and redefine banking experience for customers
- December 2023 – successfully re-fleeted ATM network with advanced security and user-friendly features (commenced in July 2023)
- December 2023 – launched Japan remittance business

4Q2023 HIGHLIGHTS:

- 4Q2023 Net Income posted ₱791.07 million, up 87% from 3Q owing to higher revenues from the lending business, investment securities and fees from IBG deals. This is also more than 2x the ₱311.58 million in the fourth quarter of 2022
- Gross Revenue grew by 17% to ₱2.68 billion, up from the ₱2.29 billion in 4Q2022
- Net Interest Income increased to ₱2.22 billion, 19% higher than the ₱1.86 billion in the same quarter last year
- Operating Expenses excluding provisions, amounted to ₱1.83 billion, up from ₱1.59 billion in 3Q 2023 and ₱1.54 billion in 4Q 2022, on account of higher compensation, taxes and licenses and fees and commission due to the increase in income generating activities of the bank

Revenues

Total revenues rose to ₱9.98 billion, ₱1.86 billion or 23% higher than the ₱8.12 billion it reported in 2022. This was mainly driven by the sustained growth in net interest income, service charges, fees and commissions, trading gains, and ROPA related gains.

Net interest income was at ₱8.30 billion, 1.2x the ₱6.68 billion last year, on account of the robust growth in interest on loans and receivables and investment securities due to higher yields.

Other income amounted to ₱1.68 billion, 17% higher than the prior year's ₱1.43 billion. The upward growth was propelled by an increase in service charges, fees, and commissions totaling ₱886.38 million. These are on account of investment banking deals in 2023, which delivered substantial fees for the bank; the recovery of its trading and investment securities business, and a rise in gains coming from the foreclosure, and sale of properties and equipment and foreclosed assets.

Balance Sheet

Total assets grew 7% growth to ₱231.67 billion from last year's ₱217.52 billion, on the back of an expansion in loans and investment securities, translating to an ROA of 1.25%.

Total loans and receivables registered ₱109.57 billion, up ₱4.47 billion from ₱105.09 billion last year, mainly due to higher corporate loans. This resulted to a loan-to-deposit ratio of 70%. Net non-performing loans ratio at end-2023 was at 0.44% from 0.60% in 2022, reflecting strength in asset quality due to the bank's focused risk appetite. Meanwhile, gross NPL ratio was at 1.54%, better than the industry average of 3.23% as of December 2023. This is also an improvement from the 2.10% at end-2022.



Bank of Commerce

An affiliate of San Miguel Corporation



Deposits, representing 80% of total assets, expanded by ₱9.64 billion to ₱185.91, driven by a 7% increase in CASA amounting to ₱164.24 billion.

The bank's capital funds stood at ₱30.85 billion as of December 31, 2023, 10% higher than the ₱28.03 billion reported last year, mainly driven by the notable performance and ploughed back earnings. In addition, the Bank's Tier 1 and CAR stood strong at 19.09% and 19.88% and remained well above the minimum regulatory requirement 7.5% and 10.0%, respectively.

About Bank of Commerce

BankCom is a publicly listed universal bank, licensed by the BSP. The Bank has been operating since 1963 and traces its origins to the Overseas Bank of Manila. In 2008, BankCom became an affiliate of SMC and introduced its new logo bearing the SMC escudo. In December 2020, the Intellectual Property Office (IPO) granted the trademark license for "BankCom" as the Bank's official short name.

The Bank has a network of 140 branches and 242 automated teller machines (ATMs) as of 31 December 2023 strategically located nationwide.