



February 28, 2022

Philippine Stock Exchange

9/F PSE Tower, 28th St. cor. 5th Ave.
Bonifacio Global City (BGC)
Taguig City, Philippines

Attention: MS. JANET A. ENCARNACION
HEAD - Disclosure Department

Philippine Dealing & Exchange Corp.

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

Attention: ATTY. MARIE ROSE M. MAGALLEN-LIRIO
HEAD - Issuer Compliance & Disclosure Department (ICDD)

Dear Ms. Encarnacion and Atty. Lirio,

In compliance with PSE and PDEX regulations, we would like to disclose the following information:

PSBank Net Income Up 39% in 2021

Philippine Savings Bank (PSBank) closed the year 2021 with a net income of Php 1.5 billion, higher by 39% from previous year. The strong income performance was on the back of the increase in fee income by 22%, operating efficiencies which saw expenses decline by 3%, and the reduction in loan loss provisions owing largely to improved asset quality and effective collection efforts. Net non-performing loans ratio significantly dropped to 3.4% from 5.2% in 2020.

Total deposits grew 29% to Php 216.80 billion from Php 167.46 billion. Year-on-year, the Bank saw loan applications increasing. As the economy opened up and pandemic alert levels downgraded, consumer loan demand started to pick up in the second half of 2021.

“Our financial performance in 2021 is a testament of the strength of the Bank’s balance sheet, and the agility of the organization to quickly adapt to volatile market conditions. Our early and proactive efforts to adjust our strategies and operations allowed us to be at the forefront of opportunities as they unfold.” – PSBank President Jose Vicente L. Alde said.

Total assets closed higher by 19% to Php 261.81 billion from Php 219.41 billion a year ago. PSBank's capital position was strong at Php 34.89 billion. Total Capital Adequacy and Common Equity Tier 1 (CET1) Ratios improved significantly to 24.3% and 23.2% respectively, both above the statutory requirement set by the Bangko Sentral ng Pilipinas (BSP).

The Bank was also recognized as one of BSP's Outstanding Stakeholders for being an exemplary partner in promoting its advocacies. In the same year, the Institute of Corporate Directors (ICD) bestowed the Golden Arrow Award to PSBank for its commitment to good corporate governance.

In 2021, the Bank made available an Account Onboarding Facility through the PSBank Mobile App which allows new-to-bank clients to seamlessly open a savings or prepaid account without the need to go to any of its branches. Customers can now also reload their Tollway RFIDs via the PSBank Online and Mobile App, as well as pay their PSBank Loans in all 7-Eleven outlets. The reliability and exceptional user experience provided by its digital platforms saw mobile and online transactions nearly quadruple in the last two years.

"The last two years of the pandemic have highlighted the importance of organizational flexibility. PSBank was able to harness the skills of its people and switch resources to business operations which need more attention, has higher demand or present new opportunities. Our digital transformation roadmap launched earlier than the pandemic allowed us to stay ahead of our customers' requirements for non-contact banking. Relevant customer experience has remained at the center of what we do – true to the Bank's core value of "Simple at Maaasahan." – President Alde added.

Thank you very much.

Very truly yours,


JOSE VICENTE L. ALDE
President