



15 May 2024

SECURITIES AND EXCHANGE COMMISSION
12/F SEC Headquarters
7907 Makati Avenue, Salcedo Village
Brgy. Bel-Air, Makati City 1209

Attention: **ATTY. OLIVER O. LEONARDO**
Director, Markets and Securities Regulation Department

PHILIPPINE STOCK EXCHANGE, INC.
6/F PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **MS. MARIGEL M. BANIQUED - GARCIA**
Head, Issuer Regulation Division

PHILIPPINE DEALING & EXCHANGE CORP.
29th Floor, BDO Equitable Tower
8751 Paseo de Roxas
Makati City

Attention: **ATTY. SUZY CLAIRE R. SELLEZA**
Head, Issuer Compliance and Disclosure Department

Gentlemen / Mesdames:

Please see attached press release entitled "**Security Bank posts PHP2.6 billion net income in Q1-2024, up 11% year-on-year and up 71% quarter-on-quarter**".

Should you have any questions on the foregoing, please let us know.

Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Ropi F. Dangazo", written over a light blue rectangular background.

ROPI F. DANGAZO
Investor Relations Head

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

1. May 15, 2024
Date of Report (Date of earliest event reported)
2. SEC Identification Number 6030 3. BIR Tax Identification No. 000-498-020-000
4. SECURITY BANK CORPORATION
Exact name of registrant as specified in its charter
5. Philippines 6. (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code
7. Security Bank Centre 6776 Ayala Avenue, Makati City 0719
Address of principal office Postal Code
8. +632 8867-6788
Registrant's telephone number, including area code
9. Not applicable
Former name or former address, if changed since last report
10. Security registered pursuant to Section 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	753,538,887
Preferred (Unregistered)	1,000,000,000

11. Indicate the item numbers reported herein: Item No. 9

Press Release: Security Bank posts PHP2.6 billion net income in Q1-2024, up 11% year-on-year and up 71% quarter-on-quarter

Security Bank Corporation (PSE: SECB) posted net profit of PHP2.6 billion in Q1-2024, reflecting growth in its Retail and MSME businesses.

On a year-on-year basis, net profit grew 11%. Total revenues increased 27% to PHP12.5 billion. Net interest income rose 44% over the year to PHP10.7 billion. Total non-interest income was at PHP1.8 billion. Service charges, fees and commissions increased 136% year-on-year to PHP3.1 billion, boosted by the Bancassurance milestone fee. Excluding extraordinary items on both revenue and expense, which offset each other, normalized net income would be largely unchanged.

Please see attached for the full version of the Press Release.

SIGNATURES

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

SECURITY BANK CORPORATION

Registrant



ROPI F. DANGAZO
Investor Relations Head

Date May 15, 2024



FOR INQUIRIES, PLEASE CONTACT:

ROPI F. DANGAZO, Investor Relations Head
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TANYA ANSALDO-DEAKIN, Corporate Communications and Brand Division Head
+63 920 901 7900; TDeakin@securitybank.com.ph

Security Bank posts PHP2.6 billion net income in Q1-2024, up 11% year-on-year and up 71% quarter-on-quarter

15 May 2024, Makati City, Philippines – Security Bank Corporation (PSE: SECB) posted net profit of PHP2.6 billion in Q1-2024, reflecting growth in its Retail and MSME businesses.

On a year-on-year basis, net profit grew 11%. Total revenues increased 27% to PHP12.5 billion. Net interest income rose 44% over the year to PHP10.7 billion. Total non-interest income was at PHP1.8 billion. Service charges, fees and commissions increased 136% year-on-year to PHP3.1 billion, boosted by the Bancassurance milestone fee. Excluding extraordinary items on both revenue and expense, which offset each other, normalized net income would be largely unchanged.

On a sequential quarter-on-quarter basis, net profit rose 71%. Total revenues grew 6%. Net interest margin increased to 5.32%, up by 12 basis points versus quarter-ago level and up by 126 basis points versus year-ago level. Net interest income grew 7% over the quarter. Service charges, fees and commissions increased 76% quarter-on-quarter.

Given sustained investments in manpower and technology to accelerate transformation, operating expense was 24% higher versus year-ago level. Strong revenue performance led to a cost-to-income ratio of 60.7%, lower than the 62.6% a year ago.

Pre-provision operating profit was PHP4.9 billion, up 34% year-on-year. The Bank set aside PHP1.5 billion as provisions for credit losses in Q1-2024, which is 30% lower than the quarter-ago provisions of PHP2.2 billion in Q4-2023. Gross non-performing loan ratio was 3.4% and NPL reserve cover was 81%.

Return on shareholders' equity increased to 7.71%, up from 7.42% a year ago. Return on assets likewise increased to 1.20%, up from 1.15% a year ago.

Balance sheet remains strong

Total deposits increased to PHP638 billion, up 22% year-on-year. CASA deposits increased 6% year-on-year. CASA as percent of total deposits was at 56%.

Three new Security Bank branches were opened during the first four months of 2024, bringing the Bank's branch network to 328 branches to-date. The new branches are located in Davao North Diversion (Davao City), Sta. Mesa (Manila), and Ilagan City (Isabela).

Net loans increased to PHP545 billion, up 12% year-on-year and up 1.3% quarter-on-quarter. Retail and MSME loans further accelerated to 32% growth rate year-on-year from the 29% posted in the fourth quarter of 2023. Wholesale loans grew 4% year-on-year. The growth in retail and MSME loans was driven by home loans which increased 18% year-on-year, auto loans which rose 46%, credit cards which grew 49%, and MSME loans which grew 74%. On a sequential quarter-on-quarter basis, retail and MSME loans

increased 6%. Retail and MSME loans as percent of total loans increased to 31%, up from 26% a year ago and up from 29% a quarter ago. Total investment securities increased to PHP243 billion, up 23% year-on-year and up 7% quarter-on-quarter.

The Bank continues to have healthy liquidity, with Liquidity Coverage Ratio (LCR) of 184% and Net Stable Funding Ratio (NSFR) of 131% as of March 31, 2024.

Security Bank continues to be among the country's best capitalized private domestic universal banks. Common Equity Tier 1 Ratio was 14.4% and Total Capital Adequacy Ratio (CAR) was 15.3%. Total assets increased to PHP887 billion, up 12% year-on-year. Shareholders' capital likewise increased to PHP136.6 billion, up 6% year-on-year.

On March 26, 2024, Security Bank approved cash dividend declaration of PHP1.50 per common share representing regular semestral cash dividend, with payment date on April 29, 2024.

On May 9, 2024, Security Bank issued USD400 million of senior unsecured fixed rate bonds with coupon of 5.50%, tenor of five years, and maturity date of May 14, 2029. Settlement date was on May 14, 2024. The bonds were a drawdown of the Bank's USD1 billion Medium Term Note Program. The strong demand and successful pricing of the dollar bond issuance reflects the market's continued confidence in Security Bank's credit strength and growth prospects.

"Our results for the first quarter reflect both accelerating momentum across our Retail, MSME, and Wholesale Segments. We're excited to introduce our brand-new Security Bank app in Q2, which will enhance the online banking experience and reinforce our BetterBanking commitment." -- Security Bank President & CEO, Sanjiv Vohra.

About Security Bank

Security Bank is a private domestic universal bank in the Philippines with total assets of PHP887 billion as of March 31, 2024. The Bank has been operating for 72 years since it was established in 1951. To-date, Security Bank has a total of 328 branches and 663 ATMs, Cash Recycler Machines (CRMs) and Cash Acceptance Machines (CAMs).

In 2024, Security Bank was recognized **Best for High-Net-Worth in the Philippines** by *Euromoney*. This is the fourth consecutive year Security Bank wins the Euromoney/Asiamoney award (i.e., 2024, 2023, 2022 & 2021).

In 2023, Security Bank was awarded **Best Corporate Bank in the Philippines** award by *Asiamoney*; **Best Retail Bank in the Philippines** by *Alpha Southeast Asia* for four consecutive years; **Best Payment Solution in the Philippines – BIPPS (Billing Invoice Presentment and Payment System)** by *Alpha Southeast Asia*; the **4 Golden Arrow** Recognition for corporate governance excellence by the *Institute of Corporate Directors (ICD)*; **Best Investor Relations Company (Philippines)**, **Asia's Best CSR**, **Asia's Best CEO (Investor Relations)**, **Asia's Best CFO (Investor Relations)** and **Best Investor Relations Professional (Philippines)** by *Corporate Governance Asia* for three consecutive years; **Best Small Cap Company, Philippines 2023 – Silver** by *FinanceAsia*; **Workplace Wellness Programme Award – Philippines** by *ESGBusiness Awards* (Singapore); and **Renewable Energy Financing Programme-Philippines Award – SB Capital** by *Alpha Southeast Asia*. Security Bank was awarded **Excellence in Employee Engagement** by *Retail Banker International* in the *RBI Asia Trailblazer Awards 2023*. Security Bank ranked in *Forbes' World's Best Employers in 2023*, whereby Security Bank ranked #54 in the world, #2 among Philippine companies, and #1 among Philippine banks. *Forbes* partnered with market research firm *Statista* to create *Forbes'* seventh annual list of the **World's Best Employers**.

More information is available on www.securitybank.com.