



SM INVESTMENTS

September 13, 2024

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

Ladies and Gentlemen:

We reply to the request for confirmation of the Philippine Dealing & Exchange Corp. on the news article entitled “*BIZ BUZZ: SM takes 'interest' in RCBC*” published in the *Philippine Daily Inquirer* on September 13, 2024¹, the pertinent portion of which reads:

“Hardly making any splash but not exactly being coy about it, the SM Group is now among the top 10 stockholders of Yuchengco-led Rizal Commercial Banking Corp. (RCBC).

Looking at the published roster of top 100 stockholders as of end-June, several holding firms of the Sy family have accumulated around 5.24 percent of RCBC common shares—and these even exclude those picked up by individual Sy family members.

Market sources said the SM Group has been buying shares of RCBC from the open market “for years” alongside individual Sy family members. As such, SM Investments Corp. now holds 53.86 million shares or 2.22 percent while privately held holding firm Sybase Equity Investment Corp. has around 2.9 percent. Also, Sysmart Corp. has 3 million shares or 0.12 percent.

Based on RCBC's current market capitalization of P53.5 billion, their combined stake is valued at around P2.8 billion.

Asked about this matter, a source from the SM Group told Biz Buzz that this buying of RCBC shares is not to launch any hostile takeover. “It's really an investment opportunity because the shares are undervalued,” the source noted. “In fact, it's not only RCBC, but also PNB (Philippine National Bank). We've been buying shares of undervalued banks for years.”

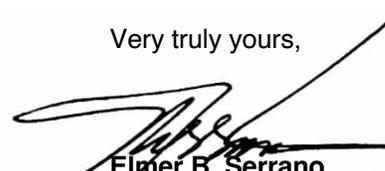
....”

SM Investments Corporation (**SMIC**) owns 53.86 million shares only or approximately 2.22% of Rizal Commercial Banking Corporation (**RCBC**).

SMIC's shareholding in RCBC is among a few other diverse investments of SMIC as a holding company.

Thank you.

Very truly yours,



Elmer B. Serrano
Corporate Secretary

¹ <https://business.inquirer.net/479731/biz-buzz-sm-takes-interest-in-rcbc>