

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 **November 14, 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) posted an unaudited net income of ₱2.21 billion as of 30 September 2024, up 10% year-on-year mainly due to higher revenues. This translated to a return on equity (ROE) and return on asset (ROA) of 9.27% and 1.26%, respectively.

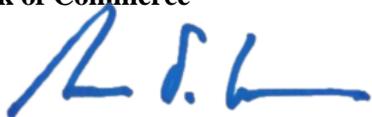
The increase was driven by growth in its core business, mainly net interest income, alongside increase in fee income. Core business growth mainly came from expansion in corporate loans and program lending primarily to SMC ecosystem clients.

The bank's strategy of improving its revenue streams and prudent spending resulted in a cost-to-income ratio of 62%.

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: November 14, 2024



November 14, 2024

PHILIPPINE STOCK EXCHANGE

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

Attention: **Atty. Stefanie Ann B. Go**
Officer-in-Charge, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

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

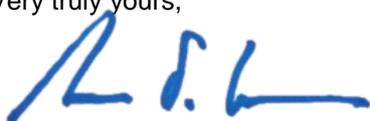
Attention: **Atty. Suzy Claire R. Selleza**
Head, Issuer Compliance and Disclosure Department

Mesdames:

Please be informed that Bank of Commerce (BNCOM – PSE ticker) will be releasing to the press the attached statement entitled “BankCom reports P2.21 billion earnings in 3Q24, up by 10%.”

Thank you.

Very truly yours,



ANTONIO S. LAQUINDANUM

Executive Vice President and Chief Financial Officer
Corporate Information Officer

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November 14, 2024

BankCom reports ₱2.21 billion earnings in 3Q24, up by 10%

San Miguel Corporation (SMC) affiliate Bank of Commerce (BankCom) posted an unaudited net income of ₱2.21 billion as of 30 September 2024, up 10% year-on-year mainly due to higher revenues. This translated to a return on equity (ROE) and return on asset (ROA) of 9.27% and 1.26%, respectively.

The increase was driven by growth in its core business, mainly net interest income, alongside increase in fee income. Core business growth mainly came from expansion in corporate loans and program lending primarily to SMC ecosystem clients.

The bank's strategy of improving its revenue streams and prudent spending resulted in a cost-to-income ratio of 62%.

3Q 2024 FINANCIAL HIGHLIGHTS (YoY):

- Net income grew by 10% to ₱2.21 billion from ₱2.01 billion in 30 September 2023, mainly due to core business growth.
- Net interest income reached ₱6.76 billion in 3Q 2024, up 11% from ₱6.08 billion last year.
- Non-interest income totaled ₱1.28 billion, ₱61.40 million higher than the ₱1.22 billion in 3Q 2023.
- ROE stood at 9.27%.
- Gross revenue rose to ₱8.04 billion, 1.1x the ₱7.30 billion in the same period in 2023.
- NIM is higher at 4.48% from the 4.28% as of 31 December 2023.
- Cost to income ratio of 62%.
- Net non-performing loan (NPL) ratio of 0.48%.
- Capital levels remained strong with a Total CAR of 18.30%.

3Q 2024 FINANCIAL HIGHLIGHTS (QoQ):

- Net income as of September 2024 amounted to ₱793.38 million, up 87% from the ₱423.91 million in the same period in 2023 and 22% higher versus June 2024.
- Net interest income for 3Q 2024 grew by 5% to ₱2.23 billion, compared to ₱2.13 billion in the same quarter last year
- Non-interest income surged to ₱581.13 million, 83% higher than the ₱316.90 million as of 30 September 2023.
- Operating expenses excluding provisions as of 3Q 2024 posted ₱1.70 billion, 7% greater than the ₱1.59 billion in the same period in 2023 and 3% higher versus the ₱1.65 billion in 2Q 2024.

KEY EVENT/S:

- July 15, 2024 – payment of dividends to stockholders on record.



Revenues

BankCom's strong revenue growth was mainly due to higher net interest income, service charges, fees and commission, and trading gains.

Net interest income increased to ₱6.76 billion, 11% higher versus the ₱6.08 billion recorded in 3Q 2023. The upward trajectory was due to the expansion in earning assets, primarily from corporate and consumer loans as well as financial assets at fair value. The faster growth in revenues from earning assets than interest bearing liabilities translated to an improvement in net interest margin (NIM) at 4.48%.

Other income was up by 5% to ₱1.28 billion, on the back of a 12% increase in service charges, fees, and commissions. The increase is attributable to a 59% surge in underwriting fees amounting to ₱143.27 million, representing 11% of total other income. The Bank also saw increases in trust, credit card, and trade finance fees. Moreover, trading gains posted a recovery totaling ₱134.75 million from last year's loss amounting to ₱0.47 million.

The bank has maintained a prudent approach by setting aside ₱199.50 million as additional provision for credit and impairment losses even as asset quality improves. The charge is 10% lower than last year.

Operating expenses, excluding provision for credit and impairment losses, recorded ₱4.96 billion, up 15% from ₱4.33 billion in 2023. The expansion in operating expenses was driven mainly by the bank's continued investment in human capital and technology as well as a higher volume of transactions.

Compensation grew by 20% to ₱1.93 billion due to an increase in manpower count and an improved retention program. Depreciation and amortization (IT related) amounted to ₱455.67 million, 33% higher compared to ₱342.20 million in 2023. Service fees and commissions amounting to ₱297.71 million and taxes and licenses of ₱828.99 million both grew by 21% and 12%, respectively driven by higher business transaction volume.

Balance Sheet

As of 30 September 2024, total assets amounted to ₱235.05 billion, translating to return on assets of 1.26%.

Total loans and receivables, accounting for more than 50% of total assets, expanded by 15% to ₱125.95 billion, driven by growth in all segments of lending. The steady growth in loans resulted to a loan-to-deposit ratio of 70%. Gross non-performing loans (NPL) and net NPL ratios were at 1.67% and 0.48% respectively, from 1.54% and 0.44% as of end-2023.

Financial assets at fair value summed up to ₱21.71 billion, almost 2x from the ₱11.44 billion year-on-year. This is mainly attributable to capital appreciation and purchases made in anticipation of the lower interest rate regime. Investment securities, on the other hand, declined by 27% to ₱38.17 billion on account of maturities that were not re-invested in government securities and instead deployed as loans for better yield.



Bank of Commerce

An affiliate of San Miguel Corporation



Total deposits rose moderately to ₱188.56 billion, 1% up from last year. Broken down, total deposits comprise ₱164.39 billion current account savings account (CASA), ₱19.14 billion time deposits, and ₱5.03 billion long-term negotiable certificate of deposit (LTNCD).

Bonds payable was down by 13% to ₱6.52 billion due to the maturity of the ₱7.50 billion 2-year bonds on July 29, 2024. However, this was partially offset by the ₱6.57 billion bond offering on May 9, 2024.

BankCom's capital funds remain strong at ₱32.76 billion, reflecting a 6% increase from the ₱30.85 billion in 2023 despite the payment of dividends on July 15, 2024. The Bank paid ₱0.2512 per common share amounting to ₱352.44 million.

The bank's capital adequacy ratio (CAR) remained strong at 18.30%, well above the minimum regulatory requirement of 10.0%.

About BankCom

An affiliate of San Miguel Corporation (SMC) since 2008, Bank of Commerce is a publicly-listed universal bank focused on helping its clients, communities and conglomerate partners by delivering the best choice of financial services harnessing the strengths of the SMC Group. Bank of Commerce is identified by its logo bearing the SMC symbols of escudo and cloverleaf, and by the trademark license short name "BankCom" granted by the Intellectual Property Office (IPO) in 2020. BankCom traces its origins to the Overseas Bank of Manila which opened in Binondo, Manila in 1963.

BankCom marked its 60th anniversary in 2023, ending the year with a record high net income of ₱2.8 billion, outperforming its full-year 2022 profit of ₱1.8 billion by 56%, the highest growth among listed Philippine banks. BankCom maintains a network of 140 branches and 267 automated teller machines (ATMs) as of September 30, 2024, strategically located nationwide.