



29 February 2024

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

Attention: **DIRECTOR VICENTE GRACIANO P. FELIZMENIO, JR.**  
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: **MR. ANTONINO A. NAKPIL**  
President & CEO, Issuer Compliance and Disclosure Department

**Gentlemen / Mesdames:**

Please see attached press release entitled "**Security Bank posts net income of PHP9.1 billion in 2023**".

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

**SECURITY BANK CORPORATION**

Security Bank Centre, 6776 Ayala Avenue, Makati City, Philippines 0719  
Tel.: (+632) 8867-6788 MCPO 2026 [www.securitybank.com](http://www.securitybank.com)

# COVER SHEET

[illegible]

SEC Registration Number

[illegible]

(Company's Full Name)

[illegible]

(Business Address: No. Street City/Town/Province)

ROPI F. DANGAZO

(Contract Person)

+632 88676788

(Company Telephone Number)

*Month* *Day*  
(Fiscal Year)

SEC 17-C

(Form Type)

0	4
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2	5
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*Month*      *Day*  
(Annual Meeting)

N/A
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(Secondary License Type, If Applicable)

## INVESTOR RELATIONS OFFICE

Dept. Requiring this Doc.

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Amended Articles Number/Section

\_\_\_\_\_

Total No. of Stockholders

\_\_\_\_\_

Domestic

\_\_\_\_\_

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

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LCU

LCU

[illegible]

Document ID

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

1. February 29, 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. [REDACTED] (SEC Use Only)  
Province, country or other jurisdiction of Industry Classification Code  
incorporation
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

Security Bank Corporation (PSE: SECB) posted net income of PHP9.1 billion in 2023. Total revenues grew 8% year-on-year to PHP43.0 billion. Net interest income increased 19% to PHP34.7 billion. Net interest margin for the full year was 4.49%, higher compared to 4.23% in 2022. Total non-interest income was at PHP8.2 billion. Service charges, fees and commissions grew 15% to PHP6.1 billion, led by increase in fees from credit cards, remittances (which include Instapay fees) and bancassurance.

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

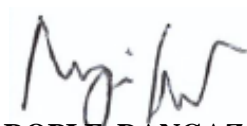
The SEC Form 17A/Annual Report will be filed once it is available.

## 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

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

**ROPI F. DANGAZO**

Investor Relations Head

Date February 29, 2024



FOR INQUIRIES, PLEASE CONTACT:

**ROPI F. DANGAZO**, Investor Relations Head  
+63 2 8888 7175; [RDangazo@securitybank.com.ph](mailto:RDangazo@securitybank.com.ph)

**TANYA ANSALDO-DEAKIN**, Corporate Communications and Brand Division Head  
+63 917 868 7602; [TDeakin@securitybank.com.ph](mailto:TDeakin@securitybank.com.ph)

## Security Bank posts net income of PHP9.1 billion in 2023

29 February 2024, Makati City, Philippines – Security Bank Corporation (PSE: SECB) posted net income of PHP9.1 billion in 2023. Total revenues grew 8% year-on-year to PHP43.0 billion. Net interest income increased 19% to PHP34.7 billion. Net interest margin for the full year was 4.49%, higher compared to 4.23% in 2022. Total non-interest income was at PHP8.2 billion. Service charges, fees and commissions grew 15% to PHP6.1 billion, led by increase in fees from credit cards, remittances (which include Instapay fees) and bancassurance.

Operating expense was 14% higher, driven by investments in manpower and technology. Cost-to-income ratio was 60.8%, higher than the 57.8% in 2022.

Pre-provision operating profit was PHP16.9 billion, up +1% year-on-year. The Bank set aside PHP4.8 billion as provisions for credit and impairment losses in 2023, a 69% increase versus year-ago level of PHP2.8 billion given impacts from provisions releases in 2022 and elevated costs for credit cards in 2023. Gross non-performing loan ratio was 3.36% and NPL reserve cover was 82%.

Return on shareholders' equity was 6.95%. Return on assets was 1.06%.

Quarterly Results: For the period October 1 to December 31, 2023, net income was PHP1.5 billion. Fourth quarter revenues increased to PHP11.8 billion, up 15% year-on-year and up 11% quarter-on-quarter. Driving Q4-2023 revenue growth was net interest income, which increased 38% year-on-year and 11% quarter-on-quarter to PHP10.0 billion. Net interest margin in Q4-2023 increased to 5.20%, up 128 basis points year-on-year and up 34 basis points quarter-on-quarter. Q4-2023 service charges, fees and commissions increased 29% year-on-year and 17% quarter-on-quarter to PHP1.8 billion. Pre-provision operating profit for the quarter was PHP4.6 billion, up 18% year-on-year and up 13% quarter-on-quarter. The Bank set aside PHP2.2 billion as provisions for credit and impairment losses in Q4-2023.

### ***Balance sheet remains strong***

CASA deposits increased 4% year-on-year and 7% quarter-on-quarter. CASA as percent of total deposits was at 60%, up from 58% a year ago. Total deposits were at PHP607 billion, up 8% quarter-on-quarter.

Six new Security Bank branches were opened during the fourth quarter of 2023, bringing the Bank's branch network to 325 branches as of December 31, 2023. The new branches are located in Hermosa (Bataan), Alaminos City (Pangasinan), CDO-Uptown (Cagayan de Oro City), Kidapawan City (North Cotabato), Cebu-Streetscape (Cebu City), and Iligan-Andres Bonifacio (Iligan City).

Net loans increased to PHP538 billion, up 7% year-on-year and up 7% quarter-on-quarter. Retail and MSME loans combined accelerated to 29% growth rate year-on-year from the 16% growth posted in 2022. Wholesale loans were same as year-ago level. The growth in retail and MSME loans was driven by home loans which grew 18% year-on-year, credit cards which rose 44%, auto loans which grew 36%, and

MSME loans which grew 77%. On a sequential quarter-on-quarter basis, retail and MSME loans combined increased 11% while wholesale loans grew 7%. Retail and MSME loans as percent of total loans increased to 29%, up from 24% a year ago. Total investment securities grew 20% year-on-year to PHP227 billion.

The Bank maintains healthy liquidity, with Liquidity Coverage Ratio (LCR) at 158% and Net Stable Funding Ratio (NSFR) at 131% as of December 31, 2023.

Security Bank continues to be among the country's best capitalized private domestic universal banks. Common Equity Tier 1 Ratio was 15.3% and Total Capital Adequacy Ratio (CAR) was 16.2%. Total assets increased to PHP872 billion, up 3% year-on-year and up 7% quarter-on-quarter. Shareholders' capital likewise increased to PHP136 billion, up 8% year-on-year and up 3% quarter-on-quarter.

"The economy is adjusting to moderating levels of inflation and continued elevated interest rates. Our growth for 2023 in both loans and deposits was evident across our retail and SME segments. In turn, our wholesale teams successfully secured key mandates to support client growth initiatives. We will accelerate that growth in 2024 and continue to deliver on our Transformation goals." -- Security Bank President & CEO, Sanjiv Vohra.

#### About Security Bank

Security Bank is a private domestic universal bank in the Philippines with total assets of PHP872 billion as of December 31, 2023. The Bank has been operating for 72 years since it was established in 1951. To-date, Security Bank has a total of 326 branches and 662 ATMs, Cash Recycler Machines (CRMs) and Cash Acceptance Machines (CAMs).

In 2023, Security Bank was awarded **Best Corporate Bank in the Philippines 2023** award by *Asiamoney*; **Best for HNWs (High Net Worth Individuals) in the Philippines** by *Asiamoney* for three consecutive years 2023, 2022 & 2021; **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 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](http://www.securitybank.com).