



16 December 2021

ATTY. MARIE ROSE M. MAGALLEN-LIRIO

Head – Issuer Compliance and Disclosure Department (ICDD)

PHILIPPINE DEALING & EXCHANGE CORP.

29th Floor, BDO Equitable Tower

8751 Paseo de Roxas, Makati City

Dear Ms. Magallen-Lirio,

Subject : **News Article on “UCBP stockholders approve LANDBANK merger plan”**

This is to advise the Exchange that Land Bank of the Philippines (the “Bank”) will release today, the attached press statement regarding the UCPB stockholders’ approval of the LANDBANK merger plan.

We hope you find everything in order.

Very truly yours,

SANDRA MAY C. DARAMAN

Assistant Vice President

Corporate Information Officer

ANNEX A

PRESS RELEASE

*Please refer to:
Corporate Affairs Group
Land Bank of the Philippines
8-405-7183; 8-405-7634; 0915-601-2505*

UCPB stockholders approve LANDBANK merger plan

The stockholders of the United Coconut Planters Bank (UCPB) have approved the merger plan with the Land Bank of the Philippines (LANDBANK), effectively advancing the ongoing fusion of the two government banks into a unified and stronger institution for promoting inclusive and sustainable development.

Shareholders representing 97.2% of the total outstanding capital stock of UCPB voted in favor of the Plan of Merger and Articles of Merger between UCPB and LANDBANK during the UCPB stockholders meeting held on 14 December 2021.

As the surviving entity of the merger, LANDBANK's total assets will grow to close to P3.0 trillion, further solidifying its position as the country's second-largest bank in terms of assets.

As of the first nine months of the year, LANDBANK's net income grew by 21.2% to P16.72 billion from P13.8 billion in the same period last year, raising total assets by 13.6% to P2.564 trillion from P2.257 trillion. The Bank's capital also rose by 25.77% to P208.17 billion from P165.52 billion year-on-year.

LANDBANK has also consistently complied with the Agri-Agra Law, with the Bank's agriculture loans reaching 76.95% of its total lending portfolio and 11.52% for agrarian reform credit as of December 2020.

Coconut farmers and other workers in the agricultural sector stand to benefit most from LANDBANK's enhanced financial muscle, as evidenced by the Bank's consistently growing agriculture lending from P222.05 billion in 2018, to P236.31 billion in 2019, and P237.62 billion in 2020.

Customers of LANDBANK and UCPB will also gain access to a wider branch and ATM network, with a combined 667 branches and 2,722 ATMs nationwide, and benefit from a wider range of products and services.

"With this merger, we are looking forward to a stronger, more resilient and unified banking institution that will promote and broaden financial inclusion among Filipinos,

especially those who belong to the underserved and unbanked sectors,” said LANDBANK President and CEO Cecilia C. Borromeo.

LANDBANK also reiterated that it is more than capable of absorbing the financial impact of the merger with UCPB, as its assets and liabilities will similarly expand total deposits, loans, and capital.

Meanwhile, LANDBANK assured the customers of both banks that deposits will remain intact and secured in their current servicing branches, as banking services will continue to be unhampered and uninterrupted, while ensuring that the rights of all shareholders are upheld and protected.

The merger between LANDBANK and UCPB is pursuant to Executive Order No. 142 signed by President Rodrigo Duterte on 25 June 2021, which approved the merger to form a better capitalized and more resilient institution that will play a principal role in the National Government’s development and financial inclusion agenda.

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LANDBANK

Message from the President and CEO

**To LANDBANK and UCPB
clients and creditors**

Dear Valued Partners,

We are pleased to inform you that the Land Bank of the Philippines (LANDBANK) will be merging with the United Coconut Planters Bank (UCPB) pursuant to Executive Order No. 142 signed by President Rodrigo R. Duterte on June 25, 2021, and after approval of regulatory agencies, with LANDBANK as the surviving entity.

With this merger, you can look forward to a stronger, more resilient and unified banking institution that will promote and broaden financial inclusion among Filipinos, especially those who belong to the underserved and unbanked sectors.

Clients of both LANDBANK and UCPB will also have access to a wider branch and ATM network, and avail themselves of a wider range of products and services.



LANDBANK

As we work closely with UCPB to make the merger process as smooth as possible, rest assured that your deposits will remain intact and secured, and that your bank transactions will be unhampered and uninterrupted. We shall also ensure that the rights of all depositors and clients are upheld and protected.

LANDBANK is more than capable of absorbing the financial impact of the merger with UCPB. The impact on its profitability, liquidity and solvency ratios will be manageable, and its performance ratios will remain comfortably above the standards set by the Bangko Sentral ng Pilipinas (BSP).

We are looking forward to new opportunities of serving you better as we take this significant step.

Thank you and may you stay safe and well.

Sincerely,

CECILIA C. BORROMEIO