



Subject of the Disclosure

Clarification of News Article

Source	philSTAR.com
Subject of News Report	Ayalas, Gokongweis to merge bank units
Date of Publication	Sep 30, 2022

Clarification of News Report

We write in reply to your request for clarification on the news article entitled “Ayalas, Gokongweis to merge bank units” posted in philSTAR.com on September 30, 2022. The article reported in part:

“MANILA, Philippines — A possible merger is in the works between Ayala-led Bank of the Philippine Islands (BPI) and Robinsons Bank Corp. (RBC) of the Gokongwei Group to form the country’s second largest lender in terms of assets.

Through a share swap agreement, an industry source said the Gokongweis would likely end up with a six percent stake in the 171-year-old bank led by the Ayala Group.

The board of directors of the Gokongwei-led bank is set to approve the execution of an agreement between Robinsons Retail Holdings Inc., JG Summit Capital Services Corp. and BPI.

BPI confirmed it was in talks with Robinsons Bank over a potential collaboration.

‘Please be informed that we are in discussions on a potential collaboration between BPI and Robinsons Bank. Further disclosures will be made at the appropriate time,’ the bank said in a statement.

Under the planned consolidation, BPI would emerge as the surviving entity. BPI has close to 900 branches and more than 2,500 ATMs, while RBC has about 150 branches and 354 ATMs.

The transaction is subject to the approval of shareholders as well as regulators, including the Bangko Sentral ng Pilipinas (BSP), Securities and Exchange Commission (SEC), Philippine Deposit Insurance Corp. (PDIC) and the Philippine Competition Commission (PCC).

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In an article posted on spot.ph that was later taken down, RBC resident and CEO Elfren Antonio Sarte was quoted as saying ‘this is a good opportunity to augment RBC’s captured niche markets and consolidate that with the BPI ecosystem.’

‘This merger is a testament to the mutual respect and excellent business relationship between the Gokongwei Group and Ayala Group. We will work with BPI to ensure a smooth transition and integration of our clients and operations into BPI. Together, we will maintain quality banking services and offer additional top-notch and innovative products to all RBC customers,’ Sarte was quoted as saying in the article.

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Another industry source said the transaction benefits the Gokongwei Group as the book value of BPI, the basis for the swap-share arrangement, is triple that of RBC, which is not listed in the Philippine Stock Exchange (PSE).

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The source added that BPI is after the digital banking license of GoTyme Bank, which was one of the six entities awarded digital banking licenses by the BSP. The Gokongweis own a 60 percent stake in GoTyme while Singapore-based digital banking group has the remaining 40 percent.

‘I think that is why BPI is after Robinsons Bank is because of GoTyme,’ the source said.

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Dear Gentlemen,

Please be informed that we are in discussions on a potential collaboration between BPI and Rbank. Further disclosures will be made at the appropriate time.

Thank you.

Other Relevant Information

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