



# 2017 Annual Report

Navigating through the Changing Times

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# VISION, MISSION AND CORE VALUES

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## Vision

To be a strong regional bank within greater Mindanao and Visayas that leads in the delivery of high quality financial products and services that promote, support, and encourage entrepreneurship.

## Core Values

Honesty

Loyalty

Commitment

Sense of  
Belonging

## Mission

Provide innovative financial products and services to small and medium sized enterprises, micro entrepreneurs, especially women and to members of low income groups and to ensure that credit is utilized appropriately to improve their economic well-being.

Promote savings consciousness as a means to attaining self-sufficiency and self-reliance.

Strive to offer highest quality service and customer value by investing in human resource development.

Provide a work environment that will stimulate the employees to be innovative and enable them to realize their professional objectives.

Make certain that each employee will be given the opportunity for professional advancement as merited and have the right of economic security and stability.

Guarantee that shareholder's value is enhanced through prudent investment undertakings and efficient operations; and,

Abide by the laws and regulations of the Philippines to which it is subject and adhere to international standards within core operations.

# COMPANY HISTORY

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Enterprise Bank, Inc (formerly known as the New Rural Bank of Lianga) was founded on May 10, 1976 in Lianga, Surigao Del Sur by Mr. Ignacito U. Alvizo and other local investors as a community-based Rural Bank serving the needs of the locality. The bank embarked on the establishment of branches in 1994 when BSP deregulated the banking industry.

In 1997, Enterprise Bank, Inc. (EBI) was accredited by the People's Credit and Finance Corp. (PCFC) as one of its program partners in Mindanao. EBI then launched its microfinance program "Kalisud Mo, Tabangan ko" of KMTK, a credit program which adopts the basic Grameen Bank model of solidarity lending. KMTK became the flagship loan product of EBI and was instrumental in improving the bank's financial performance.

EBI has established itself to become a compelling financial provider that has made a difference and improved the lives of thousands of households in Mindanao. Remarkably growing and constantly expanding its operations and services to maintain flexibility and to keep at pace with the demands of a dynamic business market, it launched another program aimed to expedite its eventual shift from being a rural bank to become an "entrepreneur's "bank in the offing: EBI's SME Lending Program.

In generic sense, Small and Medium Enterprise (SMEs) in the Philippines play very important roles as sources of growth, employment, income, trade, innovation, entrepreneurship and opportunity for the people.

It is a catalyst in expanding diversification of entrepreneurial market increasing investment base and savings rate. Recognizing its significance, the Philippine Government ratified into law the Magna Carta of Small and Medium Enterprises ( Republic Act 677) on January 24,1991 which outlines the general policies for the development of SME's encouraging the participation of private financial institutions.

EBI also shares and pursues the same objectives. With redefined vision and mission, the bank's efficient workforce has already completed the blueprints on how to better promote, support, strengthen, and encourage the growth and development of small and medium enterprises in all productive sectors of the economy particularly rural/agri-based ventures.

EBI formally started its operation as a Thrift Bank as authorized by the Bangko Sentral ng Pilipinas last October 1, 2012.

Currently, the bank has a wide spectrum of branches spread over in 10 provinces of Mindanao and Cebu City. It has a total of 32 branches and office consisting of 25 regular branches and 7 branch lites.

In 2016, realization of EBI's business partnership has come to fruition in the persons of prominent businessmen from Cebu engaged in trading, retail goods, real estate development, lending and banking. The final draft of Subscription Agreement was signed and sealed last September 5, 2016. The capital infusion can help EBI to realize its long term financial goals alongside the expansion of operations in Visayas.

# MESSAGE FROM THE CHAIRMAN

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Enterprise Bank is a thrift bank that evolved from its modest beginnings as the New Rural Bank of Lianga founded in May 1976. It took on the role of bringing banking services to the doorsteps of people in the rural areas, enabling customers the benefits of banking services for economic growth.

Amidst challenges in competition and changes in the regulatory framework of the Philippine banking industry, EBI remains resilient anchored from its primary vision of providing financial services to entrepreneurs, farmers, depositors and the general consumers in both countryside and highly urbanized areas in Mindanao and Cebu.

In 2017, a year after its Ruby Anniversary, the Bank welcomed the entry of a new set of Board of Directors with a new Independent Director. The new shareholders have diverse business interests in real estate, import/export and other trading activities in Cebu and Iloilo. With their participation, the bank can tap their network of business connections to expand the client base of Enterprise Bank in the Visayas area. This is the principal benefit from the synergy that will be generated from the merger of Enterprise Bank that currently has a strong client base in Mindanao, with the Rural Bank of Ronda whose shareholders have strong business network in the Visayas and Luzon.

The five-year business plan envisions an Enterprise Bank that is well capitalized, profitable, and with strong market presence in key cities in Visayas and eventually in Luzon. These are the strategic objectives that lie behind the merger initiative which has brought in fresh capital and infused a new kind of perspective to the business organization. Under the plan, the bank will open branches in key cities to serve the demand for loans by the mSME sector and gradually extending to areas where economic boom is expected.



**Maximino A. Salang, Jr.**  
*Chairman of the Board*

*Maximino A. Salang, Jr. is a businessman in Davao City, engaged in construction, heavy equipment rental, banana plantation export production and container yard (shipping van) operations. His expertise lies in marketing and business management.*

*He has been a member of the board since 2007 and was elected as Chairman of the Board this 2017.*

*He finished his degree in Bachelor of Science in Business Administration from Southwestern University in Cebu.*

# THE PRESIDENT'S REPORT

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*Ignacito U. Alvizo*  
*President*

Since 2016, change has been the buzzword in and out of Enterprise Bank. Changes in the external and internal landscape became more volatile and intensive now than in the last few years. Externally, favorable domestic economic conditions under the incumbent administration provided good backdrop for growth. However, increasing competition, stricter regulations and emerging trends in technology caused margin contraction for the year. Internally, the entry of new investors in the bank's overall picture made all-encompassing but necessary changes inside the company. Despite all of these challenges and growing pains, the Bank managed to land on a good position by yearend.

## OPERATIONAL HIGHLIGHTS

'000	2014	2015	2016	2017
Total Assets	2,218,575	1,988,783	2,215,173	2,410,691
Total Loans and Other Receivables, net	1,626,738	1,322,405	1,593,151	1,700,199
Total Deposits	1,044,639	1,158,114	1,332,104	1,426,822
Capital	237,254	141,618	205,239	257,507
Net Income/ Comprehensive Income	10,804	10,505	10,581	10,787

In 2017, the Bank received the full amount of the cash portion of the subscription from new investors thereby increasing the capitalization by P43 million. The increase in the capitalization was used to leverage the growth in portfolio in 2017 which increased the total assets to P2.4 billion.

As branching out has been one of the best strategies in expanding business operation EBI intends to explore the potential that the Visayas market presents particularly Cebu and Iloilo. By doing so, another branch was formally opened to serve the general public in Mandaue City, Cebu in January 11 ,2017 strategically located in the one of the famous commercial hub of the city, the City Times Square.

## **LENDING**

Growth initiatives resulted to an overall portfolio of Php 1.745 billion or a growth of 12% from last year's Php 1.555 billion accomplishment. Consumer Loans comprise 56 percent of the total portfolio, loans to Micro, Small and Medium Entrepreneurs 43 percent while the remaining 1 percent is from Fringe Benefit Loans.

One of the major challenges that the Bank encountered this year was on its APDS portfolio. Together with other peers and players in the banking industry, the memorandum of agreement with the Department of Education was not renewed, which caused a jolt not only to the bank but also to our clientele. Recognizing the need of our customers to maintain access to financial products and services in the midst of the halt, enhancements were introduced to our products in order to continue our service to our clientele.

On the other hand, in line with the Bank's strategy to focus growth in secured loans under Enterprise Lending, the EL portfolio grew an unprecedented growth of 48 percent or Php 184.5 million from its 2016 level of Php386 million to Php 571 million. Initiatives were concentrated on expanding our services to new clients and offering new products and services to capture new market segments.

## **DEPOSIT-TAKING**

On a more positive note, the Bank's conscious effort to make savings more affordable resulted to the continuous growth of its deposit portfolio. For the last five years, the Bank continued to improve efficiency in operations especially in sourcing of its funds. The shift in the source of funds from high cost funds to low cost funds sustained the declining financial cost from P111 million in 2013 to only P83M in 2017 or a 25% drop.

Notwithstanding the Bank's mission towards regulatory compliance, information security is also among the foremost concern specifically in services highly exposed to fraudulent acts such transaction deposits utilizing Automated Teller Machines. As it strongly believes on BSP's drive to foster development of safe, secure, efficient and reliable retail payment systems while upholding protection integrity and confidentiality of customer accounts and information and customer protection, it has completely converted all its ATM machines into an EMV compliant equipment by October 2017 evidenced by service providers duly accredited by BANCNET. It was also then, that production and distribution of EMV-chip enabled cards to its existing cardholders commenced until it is estimated to be completed before end of the following year.

## **2017 AND BEYOND**

As a summary, despite the declining top line brought by decreasing interest rates, aggressive competitors and setback on APDS loan portfolio, the Bank was able to post a net income of P9.2 million in 2017. The improvement in the funding cost, operating expenses and increase in portfolio of enterprise loans cushioned the impact of the decline in the top line on the net income.

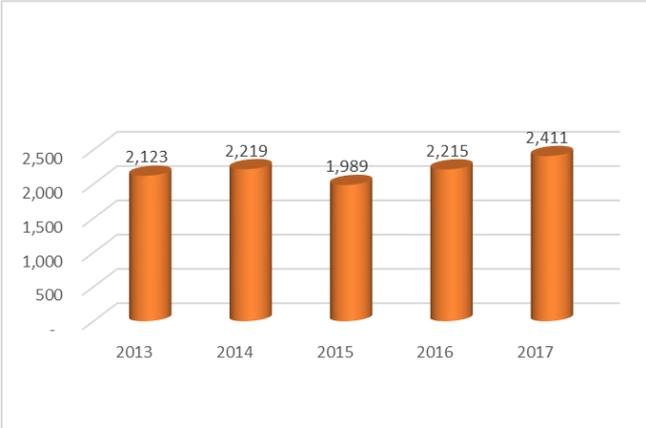
Looking forward for 2018, the Bank will continue to strengthen its position to be the bank of choice and convenience for mSMEs. In order to expand and deepen our reach, the bank will direct efforts towards new client generation, client retention, branch network expansion, risk-based pricing of its products, and enhancement of its corporate image. Leaner but efficient organizational structure will be implemented with additional manpower complement for the business group to beef up marketing efforts. Investments will also be made in upgrading the bank's systems and facilities, coupled with streamlining of business processes, improvement of internal servicing, and centralized and organized records management. Believing that its employees is the Bank's primary partner in making a lasting impact in the lives of the entrepreneurs and the community, improvements will also be introduced in its training program, wellness program and performance management system for the employees' holistic development.

In the coming years, the Bank will continue to navigate through these changing times – resilient and stronger as it has always been for the last 41 years.

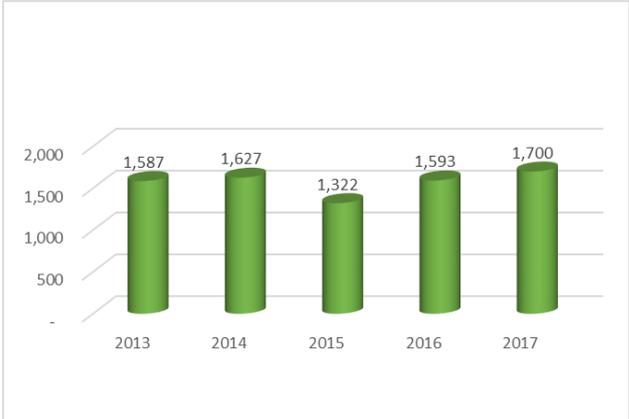
# FINANCIAL HIGHLIGHTS

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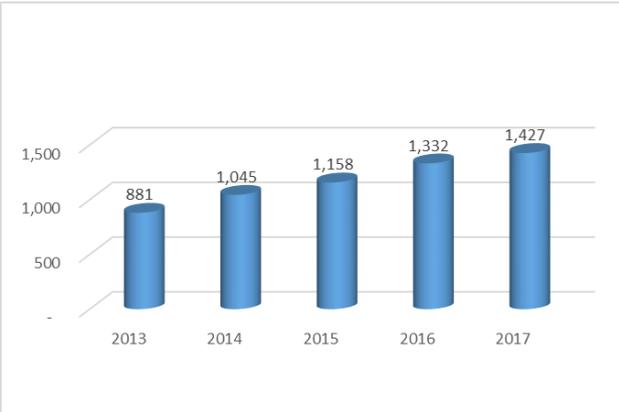
### Total Assets



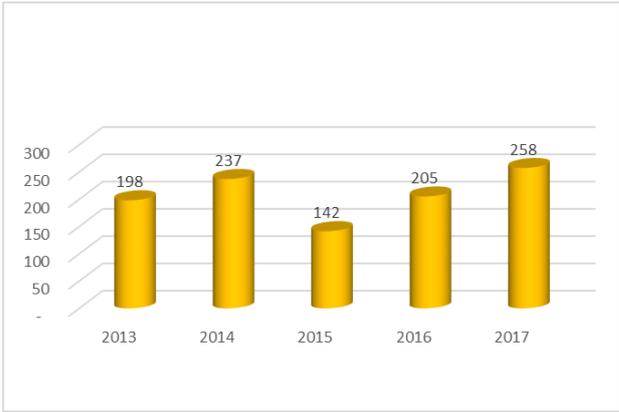
### Total Loans and Other Receivables, net



### Total Deposits



### Total Capital



# STRAIGHT FROM THE HEART

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Aida L. Hatague  
Victory Commercial Enterprises  
Bayugan, Agusan del Sur

“Dako kaayo ug natabang ang Enterprise Bank sa pag-expand sa among negosyo [Enterprise Bank has been very instrumental to the expansion of our business]”, said Ms. Aida L. Hatague, proprietor of Victory Commercial Enterprises in Bayugan, Agusan del Sur. As shared by Ms. Aida herself, they used to rent a small space with just a few in-house employees, but now they already have their own lot, building, and storage facility for their stocks. As their need for additional stocks arise, the company’s line with the bank has helped them to continue their expansion until it has become what it is today. The business was put up by her late husband and is now in operation for 30 long years. Although it is very unfortunate that her husband already passed away, he has left his family with a business which is a way for them to help the local community for employment generation and tax contribution.



Archie O. Padilla  
Dong Chie Gas Station  
San Francisco, Agusan del Sur

If there is one thing that Ms. Archie Padilla, owner of Dong Chie Gasoline Station, mother distributor of RC Cola, and owner of numerous businesses in San Francisco, Agusan del Sur, appreciate most about Enterprise Bank is the comfort and ease that the bank gives to its clientele. For a busy entrepreneur like her, there are times that extended time to accommodate her transactions can really go a long way in helping her keep up with the demands of her businesses. Being attended by accommodating branch manager and staff also give additional incentive for her to continue making Enterprise Bank her bank of choice.

Purok 4, Pugad Beach, Payasan,  
Liang, Surigao del Sur

**THE PRESIDENT**  
Enterprise Bank, Inc.  
Davao City

**THRU:**  
**THE BRANCH MANAGER**  
Enterprise Bank, Inc.  
Liang Branch  
Liang, Surigao del Sur

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Sir/Madam:

**A SUMMER GREETINGS!**

This is in connection with your banking services extended to your valued customers in which I am one of that who avail always your excellent services when it comes to the loan program availment in your institution.

The undersigned have four (4) children; 3 females and 1 male, out of these, they are all graduated a four years degree courses; A full pledged Civil Engineer, BS Accountancy, Registered Medical Technologist (now studying Doctor of Medicine) and fresh graduate of BS Biology (Cum Laude) wherein one of our partner in solving their school needs and tuition fees is our beloved EBI-Liang. For so long period of time from year 1995 to 2018, we are one of a Class A Borrower in your good office.

Anent to this, allow me and my family to express our heartfelt thanks and gratitude to EBI Administrations through the Branch Manager, personnel and staff for a big helped for us to reached the goal of success of our children. If we are proud to the community, EBI is also proud for us, "our success, is your success" salamat . . . salamat . . . salamat gayod sa tanan!

Thanking you and **MORE POWER!**

Respectfully yours,

  
**REMEDIOS B. FERNANDEZ**  
EBI Borrower

# RISK MANAGEMENT REPORT

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The Board and Management of Enterprise Bank believes that risk management is an essential element of good governance, thus it fully supports a bank-wide Risk Management that looks into the adequacy of controls in addressing all the risk of the Bank. It adopts an integrated risk management approach that encompasses all possible risk the bank could encounter, the Enterprise Risk Management.

Overall risk management oversight is instigated by the Board of Directors of Enterprise Bank which established Board committees to oversee the increasingly varied risk management activities of the Bank with active participation of the Senior Management.

The board oversight approves the RM Framework of the bank, as well as, the RM policies and procedures and other forms of controls proposed to manage the risks.

The Audit, Risk and Compliance Committee (ARCCo) proactively assists the Board of Directors in fulfilling its oversight responsibilities over the Bank's financial reporting policies, practices, internal and external audit functions, as well as, risk management and compliance functions. At the Management level, the President of Enterprise Bank acts as the comprehensive risk officer that sets the risk priorities of the bank and aligns business and risk strategies. The Risk Management Office performs an independent function within the Bank and is responsible for establishing and maintaining the banks risk policy framework.

## CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

BSP, as the Bank's lead regulator, sets and monitors capital requirements for the Bank. In implementing current capital requirements, the BSP requires the Bank to maintain a prescribed ratio of qualifying capital to risk-weighted assets. Under current banking regulations, the combined capital accounts of each bank should not be less than an amount equal to ten percent of its risk weighted assets. The qualifying capital of the Bank for purposes of determining the capital-to-risk assets ratio to total equity excluding: (a) unbooked valuation reserves and other capital adjustments as may be required by the BSP; (b) total outstanding unsecured credit accommodations to DOSRI; (c) deferred tax asset or liability; (d) sinking fund for redemption of redeemable preferred shares; and, (e) other regulatory deductions.

Risk assets consist of total assets after exclusion of cash on hand, due from BSP, loans covered by hold-out on or assignment of deposits, loans or acceptances under letters of credit to the extent covered by margin deposits, and other non-risk items as determined by the Monetary Board of the BSP. The amount of surplus funds available for dividend declaration is determined also on the basis of regulatory net worth after considering certain adjustments.

The Bank's policy is to maintain a strong capital base as to maintain stockholders, creditors and market confidence and to sustain future development of the business. The impact of the level of capital on shareholder's return is also recognized and the Bank recognizes the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. It has complied with the requirement on the ratio of combined capital accounts against the risk assets.

'000	Amount (Php Million)
Adjusted Tier 1	199.766
Adjusted Tier 2	77.888
Total Qualifying Capital	277.654
Total credit risk-weighted assets	1,916.679
Total market risk-weighted assets	0.00
Total operational risk-weighted assets	388,163
Total CAR (%)	12.05%
Tier 1 CAR	8.67%

Name of Item	Amount		
	Tier 1	Tier 2	Total
<b>Core Capital</b>			
<i>Paid up Common Stock</i>	242,376,400.00		242,376,400.00
<i>Retained Earnings</i>	16,664,839.00		16,664,839.00
<i>Paid up Perpetual and Cumulative Preferred Stock</i>		43,196,900.00	43,196,900.00
<i>General Loan Loss Provision</i>		14,691,103.28	14,691,103.28
<i>Unsecured Subordinated Debt</i>		20,000,000.00	20,000,000.00
<b>Deductions</b>			
<i>Deferred Tax Asset</i>	48,010,883.00		48,010,883.00
<i>Unbooked valuation reserves</i>			
<i>Unsecured Loans to DOSRI</i>	11,263,953.00		11,263,953.00
<i>Total Operational Risk-weight Assets</i>			
<b>Total Qualifying Capital</b>	199,766,403.00	77,888,003.28	277,654,406.28

## 2017 RISK EXPOSURE

The Bank is exposed to a variety of financial risks in performing its activities. The main types of risks it is facing are market risk, credit risk and liquidity risk. The Board of Directors has overall responsibilities for the Bank's financial risk management, which includes the establishment and approval of risk strategies, policies and limits. The main objective of the financial risk management of the Bank is to minimize the adverse impact of financial risks on the Bank's financial performance and financial condition.

### MARKET RISK

Most of the Bank's transactions are carried out in Philippine currency, its functional currency. It has limited or no exposures to currency exchange rates since it has no transactions involving foreign currencies. The Bank does not actively engage in the trading of financial assets nor does it write options. It likewise has little exposure to interest rate risk as its loans and receivables and deposit liabilities have fixed interest rates. Its exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting period date.

### CREDIT RISK

The Bank is mostly exposed to credit risk. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the statement of financial position. Credit risk therefore is only disclosed in circumstances where the maximum potential loss differs significantly from the carrying amount of the financial assets. The Bank manages the level of credit risk by actively monitoring its portfolio to avoid significant concentrations of credit.

As at December 31, 2017, the Bank's financial assets are composed of the following:

<b>December 31, 2017</b>	<b>Neither Past Due Nor Impaired</b>	<b>Past Due But Not Impaired</b>	<b>Total</b>
Cash and cash equivalent	446,987,887		<b>446,987,887</b>
Loans and other receivables	1,627,365,615	72,833,393	<b>1,700,199,008</b>
	<b>2,074,353,502</b>	<b>72,833,393</b>	<b>2,147,186,895</b>

The Bank manages the level of credit risk by actively monitoring all its receivables to avoid significant delinquency and concentration in credit.

## LIQUIDITY RISK

The Bank is likewise exposed to liquidity risk, the risk that it will encounter difficulty in meeting its obligations as they become due without incurring unacceptable losses or costs. The Bank's objectives to manage its liquidity profile are: a) to ensure that adequate funding is available at all times; b) to meet commitments as they arise without incurring unnecessary costs, and c) to be able to access funding when needed at the least possible cost. The Bank manages its liquidity by carefully monitoring its scheduled debt servicing payments for long-term financial liabilities as well as its cash flows due on its day-to-day business.

### Maturity Analysis of Assets and Liabilities

<b>December 31, 2017</b>	<b>Within One Year</b>	<b>Beyond One Year</b>	<b>Total</b>
<b><i>Financial Assets</i></b>			
Cash and cash equivalents	446,987,887	–	446,987,887
Loans and other receivables	467,673,619	1,232,525,389	1,700,199,008
Held-to-maturity investments		32,964,528	32,964,528
<b><i>Nonfinancial Assets</i></b>			
Bank premises, furn., fixt. and equipment		82,298,176	82,298,176
Investment properties		65,517,368	65,517,368
Other assets	82,724,020		82,724,020
<b>Total Assets</b>	<b>997,385,526</b>	<b>1,413,305,461</b>	<b>2,410,690,987</b>
<b><i>Financial Liabilities</i></b>			
Deposit liabilities	1,030,956,104	395,866,150	1,426,822,254
Bills payable/unsecured subordinated debt	414,563,757	193,375,360	607,939,117
Other liabilities	106,919,599		106,919,599
<b><i>Nonfinancial Liabilities</i></b>			
Retirement benefit obligation		11,502,960	11,502,960
<b>Total Liabilities</b>	<b>1,552,439,460</b>	<b>600,744,470</b>	<b>2,153,183,930</b>

# RELATED PARTY TRANSACTIONS

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In the ordinary course of trade or business, the Bank has transactions with related parties. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. None of the transactions with related parties incorporate special terms and conditions and no guarantee is given or received. Outstanding balances are usually settled in cash. The significant related party transactions are summarized below:

a. In the ordinary course of business, the Bank has loan transactions with DOSRI. The following are the information related to DOSRI:

<b>December 31</b>	<b>2017</b>	<b>2016</b>
Total Outstanding DOSRI loans	23,621,679	13,441,857
Percent of DOSRI loans to total loans	1.38%	0.89%
Percent of unsecured DOSRI loans to total DOSRI loans	47.68%	16.61%
Percent of past-due DOSRI loans to total DOSRI loans	0.00%	0.00%
Percent of non-performing DOSRI loans to total DOSRI loans	0.00%	0.00%

Under the Bank's policy, these loans and other transactions are to be made substantially on the same terms and conditions as with other individuals and businesses of comparable risks. Under the General Banking Act and BSP regulations, the amount of direct credit accommodations to each of the Bank's directors, officers and stockholders, of which 70% must be secured and should not exceed the amount of their respective deposits and book value of their respective investments in the Bank. In addition, the aggregate DOSRI loans generally should not exceed the Bank's capital funds or 15% of the Bank's loan portfolio, whichever is lower (see Note 5). As of December 31, 2017 and 2016, the Bank is in compliance with these regulations.

b. The Bank also extends advances subject to liquidation to its officers and employees. Total advances to officers and employees amounted to Php 1,022,889 in 2017 and Php 292,196 in 2016.

c. The key management compensation consists of the following:

<b>Years Ended December 31</b>	<b>2017</b>	<b>2016</b>
Short-term employees' benefits	13,191,045	12,779,558
Post-employment benefits (provision for retirement benefits)	354,425	152,258
	13,545,470	12,931,816

# CONSUMER PROTECTION

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Consumer protection is regarded as a core function complementary to BSP's prudential regulation and supervision, financial stability, financial inclusion and financial education agenda. Hence, all BSP-supervised financial institutions are mandated to follow at least the minimum guidelines for institutionalizing consumer assistance mechanism in their operations.

In view of Circular No. 857 series of 2014, for the protection of Enterprise Bank, Inc. (A Thrift Bank) and to assure that every customer's needs are met and are satisfied with the services they receive, the Bank created the Consumer Assistance Management System (CAMS) which is managed by the Consumer Assistance Officer and its staff. This was designed to instill within the banks day to day operations the promotions of transparency, fairness and ease of access for financial consumers including the resolution of complaints.

All Consumer Assistance Personnel are equipped with knowledge on the structure and implementation of the banks Consumer Assistance mechanism since they are provided with appropriate trainings for the job.

## CONSUMER ASSISTANCE CHANNEL

1. Customer may lodge their concerns through any reasonable mean, such as, a centralized web portal, walk-in or personal visit, letter, e-mail, telephone and facsimile.
2. The Bank maintains a customer/client assistance help desk or hotline dedicated for customers concerns and service and manned by Customer Assistance Group.
3. The bank encourages to resolve customer/client complaints by providing alternative modes of resolution, such as conciliation, mediation and arbitration, in order to achieve settlement of the issues at the bank level.

Enterprise Bank ensures that complaints received are act upon and are treated with utmost care and confidentiality.

# THE BOARD OF DIRECTORS

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**Maximino A. Salang, Jr.**  
*Chairman of the Board*



**Richard M. Rodriguez**  
*Vice-Chairman of the Board*



**Manuel T. Sia, Jr.**  
*Independent Director*



**Lung Fai Chan**  
*Independent Director*



**Alberto P. Capati**  
*Director*



**Ignacito U. Alvizo**  
*Founder*



**Jimmy C. Tee**  
*Director*

# CORPORATE GOVERNANCE

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Over the years, consistent with the Bank's values of honesty, hardwork and loyalty, the Board has established a series of policies for the good governance of Enterprise Bank, Inc. The Board believes that good governance should be fully-embedded in the Bank's fabric and culture, and this has the widespread support of those who work for or with the bank.

The Board of Directors, the highest governing body of the bank is committed to excellence in corporate governance through its Corporate Governance Committee pursuant to Section X141.3 (9) of the MORB. It establishes the overall policies and sets strategic directions in line with the Bank's mission and vision that guides senior management and business units to overall operation of the Bank. It is responsible in ensuring that a strong and effective government system is in place. While monitoring business performance and directing long-term success of the Bank, it oversees major risk-taking activities through active collaboration with management in setting risk appetite, tolerances and alignment with strategic objectives. Furthermore, it establishes structures and processes to fulfill responsibilities that consider the perspective of investors, regulators and management among others.

In 2017, the Bank elected a new set of members of the Board composed of seven highly qualified professionals and business individuals carrying with them their broad range of expertise, this body politic of the Bank is chaired by Maximino A. Salang, Jr. He is complemented by Richard M. Rodriguez as the Vice-Chairman, the other 3 regular directors (Ignacito U. Alvizo, Jimmy C. Tee and Alberto P. Capati) and two independent directors (Lung Fai Chan and Manual T. Sia, Jr.).

## THE BOARD COMMITTEES

To assist the Board of Directors in carrying out its functions, certain responsibilities are delegated to the Board Committees in order to ensure that there is an independent oversight of internal control and risk management. These Board Committees includes the Credit Committee (CreCom), Asset and Liability Committee (ALCo), Audit, Risk and Compliance Committee (ARCCo) and Executive Committee (EXCo). The chairman of each committee reports to the Board of Directors on the matters discussed during the committee meetings.

## ALCO

The Asset and Liability Committee monitors the status and results of implemented asset/liability management strategies and the current and the prospective capital levels of the bank to determine sufficiency in relation to expected growth, interest rate risk, price risk and asset mix/quality. It also reviews current and prospective liquidity position, monitors alternative, funding resources of the bank, outlook for interest rates and economy at local, regional and international levels. The committee utilizes tools in monitoring maturity and re-pricing gaps of its assets and liabilities.



Ignacito U. Alvizo  
Chairman



Ronald E. Alvizo  
Member



Kent A. Young  
Member



Joy G. Politico  
Member



Alberto P. Capati  
Member



Richard M. Rodriguez  
Member



Jimmy C. Tee  
Member

## EXCO

The Executive Committee is a core group of officers of the Bank given authority by the Board of Directors to oversee on its behalf the bank's management operation and ensure alignment of plans and programs of the bank vis-à-vis approved strategic or business plan. It is responsible in setting up the budget for the Bank and approves any proposed suggestions and amendments for the budget. It also reviews the bank's performance vis-à-vis quarterly and annual goals in terms of growth, efficiency, profitability, asset quality and productivity.



Ronald E. Alvizo  
Chairman



Ignacito U. Alvizo  
Member



Kent A. Young  
Member



Alberto P. Capati  
Member



Maximino A. Salang, Jr.  
Member



Joy G. Politico  
Member



Richard M. Rodriguez  
Member



Jimmy C. Tee  
Member

## CRECOM

The Credit Committee approves loan proposal endorsed by the Credit Department and determines levels of limits or restrictions pertaining to credit operations. It sets target market definitions and risk acceptance criteria of the Bank. The committee also reviews and recommends lending policies, standards and procedures that seeks to be responsive to the needs of the target market while satisfying the bank's desired financial outcome and social mission.



Ignacito U. Alvizo  
Chairman



Ronald E. Alvizo  
Member



Kent A. Young  
Member



Maximino A. Salang, Jr.  
Member



Alberto P. Capati  
Member



Richard M. Rodriguez  
Member



Jimmy C. Tee  
Member

## ARCCO

The Audit, Risk and Compliance Committee assists the Board of Directors in fulfilling its oversight responsibilities over the Bank's financial reporting policies, practices, internal and external audit function, as well as, risk management and compliance functions. It possesses the authority to provide functional supervision over the Internal Audit Department, Risk Management Office and Compliance Management Office to ensure effective and efficient performance of their function.



Manuel T. Sia, Jr.  
Chairman



Lung Fai Chan  
Member



Alberto P. Capati  
Member



Niezl D. Gilvero  
Member



Dorefel A. Barit  
Member

## RPT

The Related Party Transactions Committee assists the Board of Directors in fulfilling its oversight responsibilities in ensuring that transactions with related parties are handled in a sound and prudent manner, with integrity, and in compliance with applicable laws and regulations to protect the interest of depositors, creditors and other stakeholders. It possesses the authority to approve all material related party transactions, those that cross the materiality threshold, and write-off of material exposures to related parties, and submit the same for confirmation by majority vote of the stockholders in the annual stockholders' meeting; and delegate to appropriate management committee the approval of RPTs that are below the materiality threshold, subject to confirmation by the board of directors.



Lung Fai Chan  
Chairman



Manuel T. Sia, Jr.  
Member



Alberto P. Capati  
Member

# THE CORPORATE OFFICERS

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*President*

*Vice-President*

*Corporate  
Secretary*

*Treasurer*

*Internal  
Auditor*

*Chief Compliance  
Officer*

# THE MANAGEMENT TEAM



**Ronald E. Alvizo**  
*CEO*



**Kent A. Young**  
*CCO*



**Joy G. Politico**  
*CFO*



**Ma. Conchita B. Dañocup**  
*Credit Head*



**Joel D. Lagura**  
*Remedial Head*



**Atty. Claire Marie B. Mauro**  
*Legal Counsel*



**Elias M. Tanjili**  
*Retail Banking Group  
Branch Operations Head*

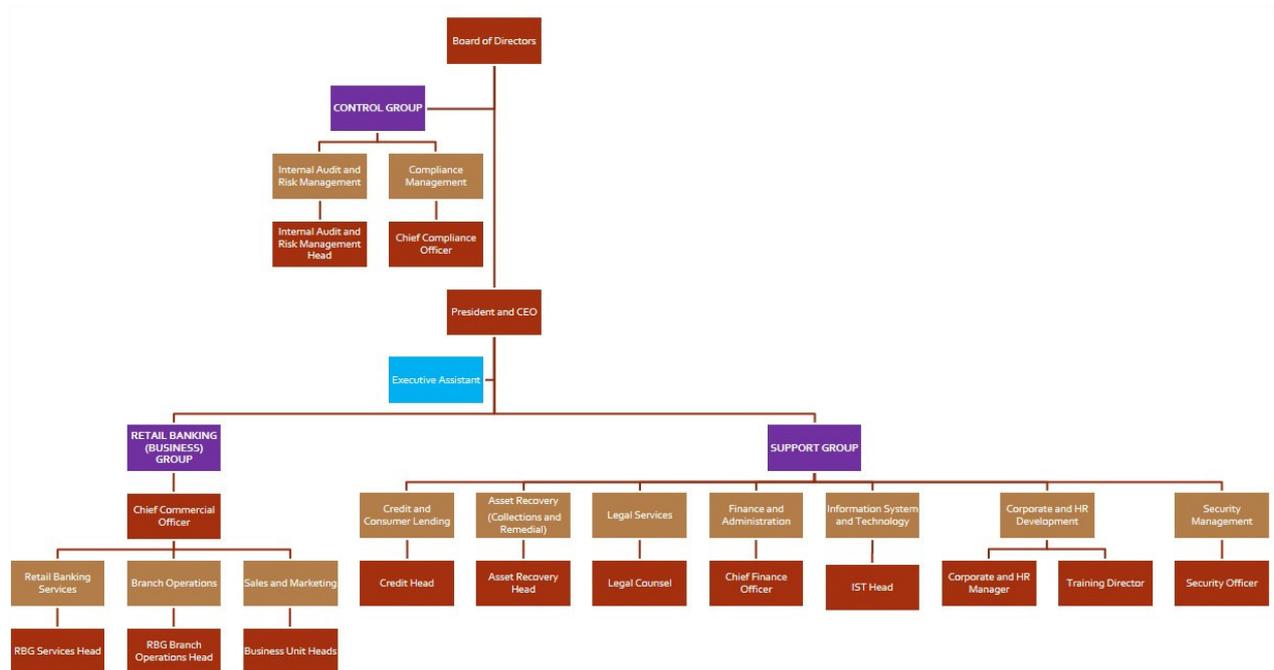


**Mark Louie T. Salinas**  
*Retail Banking Group  
Services Head*



**Ruby L. Candado**  
*Corporate and Human  
Resources Head*

# ORGANIZATIONAL STRUCTURE



## PERFORMANCE MANAGEMENT

It is the policy of Enterprise Bank, Inc. to provide feedback, review progress, identify gaps and address potential issues for the advancement of its employees.

This periodic performance review is also used as a management tool for regularization, promotion, transfer to other fields, annual salary review, succession planning and training and development.

## CAPABILITY BUILDING

It is a corporate vision to accord deserving employees a venue for professional advancement by means of training and specialized courses in field of expertise and continuing education during off-work hours which is deemed beneficial to both the individual and the Bank.

In order for its employees to become effective in their jobs, the banks regularly conducts training needs analysis to know what are the skills needed to enhance. The bank then provides both external and internal training as deemed necessary. Employees who are recommended to be sent to external trainings are granted full assistance.

In-house platforms such as the special on-boarding program and Branch Academy Training are also provided to newly hires and existing employees for them to appreciate the operations of the bank as a whole and to fully equip them for the job.

# COMPENSATION, REMUNERATION AND INCENTIVE STRUCTURE

## RATIONALE

At all times, the Bank adheres to Labor Standards in the payment of wages and benefits to its employees. Its compensation and incentive structure is in accordance to mandates set by the regulators and the Bank's By-laws.

Enterprise Bank is concerned with the welfare of its employees, and ensures the provision of competitive and equitable salaries.

## REMUNERATION

As a standard basis in classifying the positions, the Bank adapts the Point Rating Scale Methods in assessing the value of jobs available in the organization and in pricing them correspondingly in accordance with defined compensable factors. Under this method, jobs are broken down based on various identifiable factors as follows:

Knowledge	Skills	Responsibility	Effort	Working Conditions
Education Experience	Complexity Relationship with Others Attention and Concentration	Profit Realization and/or Cost Control and Planning Supervisor or Direction Confidential Information	Mental and Visual Physical	Health and Safety Hazards Physical Condition

The Pay Scale is divided into five (5) categories namely:

1. Levels 1-4: Rank and File
2. Levels 5-7: Supervisory
3. Levels 8-10: Managerial
4. Levels 11-13: Executives
5. Levels 14-16: C-level Executives

Each level has an established pay range for hiring, minimum, midpoint and maximum rate which serves as a guide for the department in determining appropriate price for a new entrant or a newly promoted employee. Also provided are defined Steps in each Rank for ladderized salary movement where the granting of increase is not driven by promotion in rank but on consistently creditable performance within the established job perimeters.

## INCENTIVE STRUCTURE

The Incentive Structure varies considering peculiarities in the department belonging to the business group and the defined performance parameters and standards set year on year. On the over-all, while the management palpably recognizes achievements beyond expectation, it also considers contribution to the bottom line in the administration of reward.

# REPORT OF INDEPENDENT AUDITORS

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The Board of Directors and Shareholders  
**Enterprise Bank, Inc. (A Thrift Bank)**  
Poblacion, Lianga, Surigao del Sur

## Report on the Financial Statements

### Qualified Opinion

We have audited the financial statements of Enterprise Bank, Inc. (A Thrift Bank) which comprise the statement of financial position as at December 31, 2017, and the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Bases for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Enterprise Bank, Inc. (A Thrift Bank) as of December 31, 2017, and of its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

### Basis for Qualified Opinion

As explained in Note 5 to the financial statements, the 2016 financial statements were restated for additional allowance for credit losses (ACL) representing a change in the accounting estimate of the adequacy of the 2015 and prior years' loan loss provisions, determined in 2017, amounting ₱27,299,613, affecting deferred tax assets account by ₱8,189,884 and the beginning balance in 2016 of surplus and undivided profits by ₱19,109,729. In accordance with IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, the effect of a change in an accounting estimate shall be recognized prospectively by including it in profit or loss in (a) in the period of the change, if the change affects that period only, or (b) the period of the change and future periods, if the change affects both. It is our opinion that the additional ACL should have been booked only in 2017.

Had the Bank not restated the 2015 and prior years' financial statements for the error in accounting estimate, as explained in the foregoing, and instead took up the additional ACL of ₱27,299,613 in 2017, its computed net loss will increase to ₱9,882,483 and the deferred tax assets will be increased by ₱8,189,884.

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank in accordance with the *Code of Ethics for Professional Accountants in the Philippines* (Code of Ethics), together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing (as applicable) matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

The financial statements of Enterprise Bank, Inc. (A Thrift Bank) as of and for the year ended December 31, 2016, were audited by the undersigned then as a partner of Quilab, Cabilin, Bato & Co., CPAs, with our report thereon, dated April 11, 2017, qualified on the Bank's compliance with the required Allowance for Credit Losses (ACL).

**Report on the Supplementary Information Required Under Revenue Regulations 15-2010**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties and license fees in Note 26 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as whole.

**Report on the Supplementary Information Required by SRC Code Rule 68, As Amended (2011)**

Our audit was conducted for the purpose of forming opinions on the basic financial statements taken as a whole. The following supplementary schedules to the financial statements:

- Annex 1 Schedule of Retained Earnings Available for Dividend Declaration and
- Annex 2 Effective Standards and Interpretations Under PFRS as of December 31, 2016, Adopted as of September 30, 2016

are presented for the purpose of complying with the requirements of Part 1, Section 4 of the Securities Regulation Code Rule 68, As Amended (2011), and are not required parts of the basic financial statements. Such information is the responsibility of the Bank's management. The information in such supplementary schedules has been subjected to the auditing procedures applied in the audits of the basic financial statements. In our opinion, the information is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole and has been prepared in accordance with SRC Rule 68.

*Quilab & Garreta, CPAs*  
PTR No. 2668893 A  
January 3, 2018  
Cagayan de Oro City

## STATEMENTS OF FINANCIAL POSITION

Enterprise Bank, Inc. (A Thrift Bank)

December 31	2017	2016	2015
		<i>(As Restated)</i>	<i>(As Restated)</i>
		<i>(Notes 5, 13 and 17)</i>	<i>(Notes 5 and 13)</i>
<b>ASSETS</b>			
Cash and Cash Equivalents <i>(Note 4)</i>	<b>₱446,987,887</b>	₱386,345,910	₱457,971,657
Loans and Other Receivables <i>(Note 5)</i>	<b>1,700,199,008</b>	1,593,151,470	1,322,404,579
Held-to-Maturity Investment <i>(Note 6)</i>	<b>32,964,528</b>	5,000,000	–
Bank Premises, Furniture, Fixtures and Equipment <i>(Note 7)</i>	<b>82,298,176</b>	76,265,131	81,850,376
Investment Properties <i>(Note 8)</i>	<b>65,517,368</b>	65,799,756	26,698,524
Other Assets <i>(Note 9)</i>	<b>82,724,020</b>	88,610,728	99,857,872
	<b>₱2,410,690,987</b>	₱2,215,172,995	₱1,988,783,008
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
Deposit liabilities <i>(Note 10)</i>	<b>₱1,426,822,254</b>	₱1,332,103,655	₱1,158,114,483
Bills payable <i>(Note 11)</i>	<b>557,939,117</b>	504,942,524	526,199,996
Unsecured subordinated debt <i>(Note 12)</i>	<b>50,000,000</b>	50,000,000	50,000,000
Other liabilities <i>(Note 13)</i>	<b>118,422,559</b>	122,887,761	112,850,838
Total Liabilities	<b>2,153,183,930</b>	2,009,933,940	1,847,165,317
<b>Shareholders' Equity</b>			
Share capital <i>(Note 14)</i>	<b>242,376,400</b>	198,667,300	142,189,500
Surplus and undivided profits <i>(Note 14)</i>	<b>15,130,657</b>	6,571,755	(571,809)
Total Shareholders' Equity	<b>257,507,057</b>	205,239,055	141,617,691
	<b>₱2,410,690,987</b>	₱2,215,172,995	₱1,988,783,008

See Notes to Financial Statements.

## STATEMENTS OF PROFIT OR LOSS

Enterprise Bank, Inc. (A Thrift Bank)

Years Ended December 31	2017	2016
		<i>(As Restated)</i> <i>(Notes 5, 13 and 17)</i>
<b>INTEREST INCOME</b>		
Loans and discounts <i>(Note 5)</i>	P236,862,962	P244,672,898
Bank deposits <i>(Note 4)</i>	3,588,702	3,247,102
	<b>240,451,664</b>	247,920,000
<b>INTEREST EXPENSE</b>		
Bills payable <i>(Notes 11 and 12)</i>	33,108,981	38,184,732
Deposit liabilities <i>(Note 10)</i>	50,468,889	49,363,366
	<b>83,577,870</b>	87,548,098
<b>NET INTEREST INCOME</b>	<b>156,873,794</b>	160,371,902
<b>PROVISION FOR IMPAIRMENT LOSSES</b> <i>(Notes 5 and 8)</i>	<b>1,074,000</b>	–
<b>PROFIT AFTER PROVISION FOR IMPAIRMENT LOSSES</b>	<b>155,799,794</b>	160,371,902
<b>APPLICATION FEES AND OTHER INCOME</b> <i>(Notes 8 &amp; 16)</i>	<b>85,010,781</b>	89,291,847
<b>PROFIT BEFORE OTHER EXPENSES</b>	<b>240,810,575</b>	249,663,749
<b>OTHER EXPENSES</b>		
Compensation and fringe benefits <i>(Note 17)</i>	92,967,055	88,271,077
Other operating expenses <i>(Note 18)</i>	124,449,568	138,561,177
Depreciation <i>(Notes 7 and 8)</i>	10,857,199	11,034,998
Total Other Expenses	<b>228,273,822</b>	237,867,252
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>	<b>12,536,753</b>	11,796,497
<b>INCOME TAX EXPENSE</b> <i>(Note 19)</i>	<b>3,309,507</b>	3,787,095
<b>PROFIT FOR THE YEAR</b>	<b>9,227,246</b>	8,009,402
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		
<i>Item that may not be subsequently reclassified to profit or loss:</i>		
<i>Actuarial and re-measurement losses (Note 17)</i>	1,559,471	2,571,159
<b>COMPREHENSIVE INCOME FOR THE YEAR =</b>	<b>P10,786,717</b>	P10,580,561
<b>Earnings Per Share</b> <i>(Note 20)</i>		
Basic	P4.21	P4.43
Diluted	P4.21	P4.43

See Notes to Financial Statements.

## STATEMENTS OF CHANGES IN EQUITY

Enterprise Bank, Inc. (A Thrift Bank)

December 31	2017	2016
		<i>(As Restated)</i> <i>(Notes 5, 13 and 17)</i>
<b>SHARE CAPITAL</b>		
<b>Preferred Shares – ₱100 par value</b> (Note 14)		
Opening balances	₱–	₱39,000,000
Additional preferred shares issued during the year	–	4,096,900
Closing balances, as originally stated	–	43,096,900
Adjustment for reclassification to liability account (Note 13)	–	43,096,900
Closing balance, as restated	–	–
<b>Common Shares – ₱100 par value</b>		
Opening balances	198,667,300	142,189,500
Additional shares issued during the year	43,709,100	56,477,800
Closing balances	242,376,400	198,667,300
Total Share Capital	242,376,400	198,667,300
<b>Surplus reserves</b> (Note 14)		
Opening balances	19,952,713	–
Transfer from surplus to reserve	8,477,714	19,952,713
Closing Balances	28,430,427	19,952,713
<b>Accumulated Actuarial Gains/(Losses)</b> (Note 17)		
Opening balances, as originally stated	–	–
Set-up actuarial losses in prior years	(550,871)	(550,871)
Actuarial gain or defined benefit plan, net of tax effect (Note 17)	2,571,159	–
Opening balances, as restated	2,020,288	(550,871)
Actuarial gain or defined benefit plan, net of tax effect (Note 17)	1,559,471	2,571,159
Closing balances	3,579,759	2,020,288
<b>Surplus and Undivided Profits</b>		
Opening balances, as originally stated	9,129,674	20,235,006
Adjustments to restate beginning balances (Notes 15 and 17)	(26,758,735)	(23,692,941)
Opening balances, as restated	(17,629,061)	(3,457,935)
Transfer from surplus free to reserve (Note 14)	(8,477,714)	(19,952,713)
Profit for the year	9,227,246	8,009,402
Closing balances	(16,879,529)	(15,401,246)
Total Reserves	15,130,657	6,571,755
	<b>₱257,507,057</b>	<b>₱205,239,055</b>

See Notes to Financial Statements.

## STATEMENTS OF CASH FLOWS

Enterprise Bank, Inc. (A Thrift Bank)

Years Ended December 31	2017	2016
		<i>(As Restated)</i> <i>(Notes 5, 13 and 17)</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax expense	<b>₱12,536,753</b>	₱11,796,497
Add adjustments for:		
Depreciation <i>(Notes 7 and 8)</i>	<b>10,857,199</b>	11,034,998
Provision for retirement benefits <i>(Note 17)</i>	<b>521,863</b>	223,978
Provision for impairment on loans and other receivables <i>(Notes 5 and 8)</i>	<b>1,074,000</b>	–
Operating income before changes in working capital	<b>24,989,815</b>	23,055,473
Changes in working capital, excluding cash and cash equivalents:		
Decrease (increase) in:		
Loans and other receivables <i>(Note 5)</i>	<b>(107,092,538)</b>	(270,746,891)
Other assets <i>(Note 9)</i>	<b>5,356,708</b>	11,247,144
Increase (decrease) in:		
Deposit liabilities <i>(Note 10)</i>	<b>94,718,599</b>	173,989,172
Other liabilities <i>(Note 18)</i>	<b>(5,564,174)</b>	8,568,653
Net cash provided (used in) by operations	<b>12,408,410</b>	(53,886,449)
Income taxes paid <i>(Note 18)</i>	<b>(2,732,398)</b>	(2,542,803)
Net Cash Provided (Used in) by Operating Activities	<b>9,676,012</b>	(56,429,252)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from additional bills payable <i>(Note 11)</i>	<b>613,580,618</b>	593,833,688
Settlements of bills payable <i>(Note 11)</i>	<b>(560,584,025)</b>	(615,091,160)
Issuance of additional common stock <i>(Note 14)</i>	<b>43,709,100</b>	56,477,800
Re-measurement of gains on defined benefit plans <i>(Notes 15 and 17)</i>	<b>1,559,471</b>	2,020,288
Direct Charges to surplus and undivided profit <i>(Notes 15)</i>	<b>(2,227,815)</b>	(2,886,126)
Net Cash Provided by Financing Activities	<b>96,037,349</b>	34,354,490
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in held-to-maturity investments <i>(Note 6)</i>	<b>(27,964,528)</b>	(5,000,000)
Additions to bank premises, furn., fixt. & equipment – net <i>(Note 7)</i>	<b>(16,422,661)</b>	(5,088,149)
Increase in investment properties <i>(Note 8)</i>	<b>(684,195)</b>	(39,462,836)
Net Cash Used for Investing Activities	<b>(45,071,384)</b>	(49,550,985)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>60,641,977</b>	(71,625,747)
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>386,345,910</b>	457,971,657
<b>CLOSING CASH AND CASH EQUIVALENTS</b> <i>(Note 4)</i>	<b>₱446,987,887</b>	₱386,345,910

See Notes to Financial Statements.

# OUR PRODUCTS AND SERVICES

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We believe that entrepreneurship helps build vibrant communities. We are here to provide credit facilities for additional working capital for business expansion and purchases such as supplies, inventories, equipment and other fixed assets.

## Small Business Loans

### Available facilities

Credit Line  
Term Loan

### Loanable Amount

P50,000 to P1,000,000

### Term

2 months to 18 months

### Collateral

Chattel and Real Estate Mortgage

## Enterprise Business Loans

### Available facilities

Credit Line  
Term Loan

### Loanable Amount

Above P1,000,000

### Term

2 months to 5 years

### Collateral

Chattel and Real Estate Mortgage

**STOP WISHING AND START DRIVING. WE WILL HELP YOU DRIVE TOWARDS YOUR DREAM.**

## CAR LOAN

Financing for the acquisition of brand new service vehicle

### WHO MAY APPLY?

- Self-employed
- Permanently Employed
- Pensioners



## PUV LOAN

Financing for the acquisition of PUV for taxi operators or van rental business

### WHO MAY APPLY?

- Taxi or van operators with LTO franchise operating for at least two (2) years

## TRUCK LOAN

Financing for the acquisition of truck for business purposes

### WHO MAY APPLY?

- Operators of trucking business operating for at least two (2) years

# OUR PRODUCTS AND SERVICES

## Own your home sweet home now through Enterprise Bank's Housing Loan.

The EBI Housing Loan is a credit facility that can help you with:

- Home Acquisition
- Construction
- Refinancing

### Who may apply?

- Permanently Employed
- Self-employed
- OFWs

### What is the maximum loan amount?

- Up to 70% of appraised value for home acquisition and refinancing
- Up to 70% of appraised value of the land and bill of materials (verified) progressive release for construction loan

### How long is the payment period?

- Up to 7 years for home acquisition and refinancing
- Up to 5 years for home construction

### General Application Requirements

- Two (2) pcs. 2x2 ID picture
- Photocopy of two (2) valid IDs
- Marriage Certificate (if married)
- Death Certificate (if widowed)
- Latest 6 months bank statements

## DEPOSIT PRODUCTS

### Regular Savings Account

Individual - P200 initial deposit

0.5% interest p.a. with generic ATM card

Corporate - P2,000 initial deposit

0.5% interest p.a.

### Regular Checking Account

Individual - P3,500 initial deposit with free ATM card

Corporate - P10,000 initial deposit with passbook option

### Super Checking Account

Individual - P5,000 initial deposit with free passbook and ATM card

### Time Deposit

P5,000 minimum deposit requirement

Flexible term of 30 days to 1 year

Variable interest rate depending on volume and tenor

### TD5 (Long Term Deposit)

P500,000 minimum deposit requirement

5 years term

Tax-exempt

[www.enterprisebank.ph](http://www.enterprisebank.ph)

Enterprise Bank is supervised by the Bangko Sentral ng Pilipinas (BSP). For concerns, please visit your nearest Enterprise Bank branch, email us at [customercentral@enterprisebank.ph](mailto:customercentral@enterprisebank.ph), or call us at (082) 305-8880. You may also contact BSP Financial Consumer Protection Department at (02) 708-7087.



A proud member of  
**BancNet**



# Where to Find Us

 **HEAD OFFICE**  
Poblacion Lianga, Surigao del Sur, Philippines

 **MATI**  
Door 10 MJI Building, Rizal Extension, Mati City,  
Davao Oriental, Philippines

 **ARAS-ASAN**  
Aras-asan, Cagwait, Surigao del Sur, Philippines

 **CATEEL**  
Castro Avenue, Poblacion Cateel, Davao Oriental,  
Philippines

 **BAROBO**  
Poblacion Barobo, Surigao del Sur, Philippines

 **BAYUGAN**  
Yakal Street, Taglatawan Bayugan City, Agusan del  
Sur, Philippine

 **TAGUM**  
Magugpo West, Tagum city, Davao del Norte,  
Philippines

 **MANDAUE**  
City Time Square Phase II, Mantawi Ave., Barangay  
Tipolo, Mandaue City, Cebu, Philippines

 **HINATUAN**  
Hinatuan, Surigao del Sur, Philippines

 **NABUNTURAN**  
Unit 1A-3A, GGO Summit Bldg., JP Laurel, Bajada,  
Davao City, Davao del Sur, Philippines

 **TANDAG**  
Napo, Tandag City, Surigao del Sur, Philippines

 **ILOILO**  
City Time Square, Gaisano City 2, Benigno Avenue,  
Diversion Road, Mandurriao, Iloilo City, Philippines

 **BAJADA**  
Unit 1A-3A, GGO Summit Bldg., JP Laurel, Bajada,  
Davao City, Davao del Sur, Philippines

 **CAGAYAN DE ORO**  
Ground Floor Intino Building, Aquino Avenue, Brgy.  
Bayanihan, Butuan City, Agusan del Norte,  
Philippines

 **SAN FRANCISCO**  
Quezon St., San Francisco, Agusan del Sur,  
Philippines

 **MADRID**  
National Highway, Kalawag II, Poblacion, Madrid,  
Surigao del Sur, Philippines

# Where to Find Us



## **BUTUAN**

Ground Floor Intino Building, Aquino Avenue, Brgy. Bayanihan, Butuan City, Agusan del Norte, Philippines



## **GINGOOG**

Brgy. 22, National Highway, Gingoog City, Misamis Oriental, Philippines



## **GENERAL SANTOS**

Ground Floor, RDRDC Building, Magsaysay Avenue corner Salazar Street, General Santos City, South Cotabato, Philippines



## **SURIGAO**

2nd floor AC Crisologo Building, Rizal Street, Brgy. Washington, Surigao City, Surigao del Norte



## **VALENCIA**

G. Laviña Avenue, Guinoyoran Road, Valencia City Bukidnon, Philippines



## **TAGBINA**

Purok 4 Tagbina, Surigao del Sur, Philippines



## **PANABO**

Ground Floor, Centino Realty, Quezon Street, Sto. Niño, Panabo City, Davao del Norte, Philippines



## **OZAMIS**

Door #3L, 2nd Floor, JME Building., Corner Rizal Ave. & Capistrano St., Ozamiz City, Misamis Occidental, Philippines



## **TALISAY**

National Highway, Lawa-an I, Talisay City, Cebu, Philippines



## **OZAMIS**

Door #3L, 2nd Floor, JME Building., Corner Rizal Ave. & Capistrano St., Ozamiz City, Misamis Occidental, Philippines



## **BISLIG**

Abarca St., Mangagoy, Bislig City, Surigao del Sur, Philippines



## **KORONADAL**

Ledesma Bldg., Abad Santos St., Zone, Koronadal City, Philippines



## **DIGOS**

Ground Floor, A&B Building, Rizal Avenue, Digos City, Davao del Sur, Philippines



## **BUHANGIN**

Km.5, Buhangin, Davao City, Davao del Sur, Philippines



## **TRENTO**

Ground Floor Ticao Building, Poblacion, Trento, Agusan del Sur, Philippines



## **MATINA**

DBC McArthur Highway, Matina, Davao City, Davao del Sur, Philippines



## **ENTERPRISE BANK, INC. (A THRIFT BANK)**

Lianga, Surigao del Sur  
[www.enterprisebank.ph](http://www.enterprisebank.ph)

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