

## INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders  
Chinabank Insurance Brokers, Inc.  
8/F, VGP Center, 6772 Ayala Avenue  
Barangay San Lorenzo, Makati City

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Chinabank Insurance Brokers, Inc. (the Company), a wholly owned subsidiary of China Banking Corporation, which comprise the balance sheets as at December 31, 2022 and 2021, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

#### Basis for Opinion

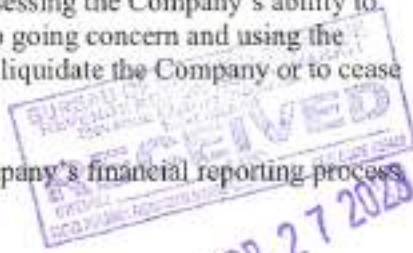
We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with 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 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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



## **Auditor's 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 auditor's 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company 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.

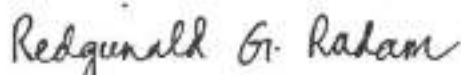
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2010 in Note 21 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 the management of Chinabank Insurance Brokers, Inc. 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 a whole.

SYCIP GORRES VELAYO & CO.



Redgimald G. Radam

Partner

CPA Certificate No. 118866

Tax Identification No. 249-000-259

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 118866-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-141-2021, April 27, 2021, valid until April 26, 2024

PTR No. 9564682, January 3, 2023, Makati City

April 14, 2023





**CHINABANK INSURANCE BROKERS, INC.**  
**(A Wholly Owned Subsidiary of China Banking Corporation)**

**BALANCE SHEETS**

	<b>December 31</b>	
	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Notes 5 and 19)	<b>P333,044,602</b>	<b>P314,618,838</b>
Receivables (Notes 6 and 19)	<b>1,197,023</b>	<b>6,265,226</b>
Financial assets at fair value through profit or loss (Notes 7 and 19)	<b>153,968,214</b>	<b>151,209,389</b>
Other current assets (Note 8)	<b>47,642,576</b>	<b>40,012,802</b>
	<b>535,852,415</b>	<b>512,106,255</b>
<b>Noncurrent Assets</b>		
Property and equipment (Note 9)	<b>27,277,754</b>	<b>35,452,873</b>
Software costs (Note 10)	<b>4,992,787</b>	<b>5,826,900</b>
Pension asset (Note 15)	<b>–</b>	<b>2,981,094</b>
Deferred tax asset (Note 16)	<b>11,719,499</b>	<b>10,497,352</b>
Other noncurrent assets (Note 11)	<b>6,433,270</b>	<b>1,872,371</b>
	<b>50,423,310</b>	<b>56,630,590</b>
	<b>P586,275,725</b>	<b>P568,736,845</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accrued expenses	<b>P11,158,097</b>	<b>P4,203,460</b>
Payable to insurance principals (Note 12)	<b>4,077,471</b>	<b>27,920,505</b>
Lease liability (Note 13)	<b>7,694,772</b>	<b>6,979,368</b>
Other liabilities (Note 14)	<b>141,516,538</b>	<b>153,778,094</b>
	<b>164,446,878</b>	<b>192,881,427</b>
<b>Noncurrent Liabilities</b>		
Lease liability, net of current portion (Note 13)	<b>12,163,986</b>	<b>19,780,354</b>
Pension liability (Note 15)	<b>2,246,820</b>	<b>–</b>
	<b>14,410,806</b>	<b>19,780,354</b>
	<b>178,857,684</b>	<b>212,661,781</b>
<b>Equity</b>		
Capital stock – P100 par value		
Authorized – 5,000,000 shares		
Issued and outstanding – 1,421,300 shares	<b>142,130,000</b>	<b>142,130,000</b>
Retained earnings (Note 17)		
Appropriated	<b>80,000,000</b>	<b>80,000,000</b>
Unappropriated	<b>176,678,270</b>	<b>123,350,948</b>
Remeasurement gains on retirement plan (Note 15)	<b>7,987,471</b>	<b>9,971,816</b>
Other equity – stock grant (Note 17)	<b>622,300</b>	<b>622,300</b>
	<b>407,418,041</b>	<b>356,075,064</b>
	<b>P586,275,725</b>	<b>P568,736,845</b>

*See accompanying Notes to Financial Statements.*



**CHINABANK INSURANCE BROKERS, INC.**  
**(A Wholly Owned Subsidiary of China Banking Corporation)**  
**STATEMENTS OF COMPREHENSIVE INCOME**

	<b>Years Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<b>REVENUE</b>		
Commission	<b>P276,159,998</b>	<b>P249,528,365</b>
<b>OPERATING EXPENSES</b>		
Compensation and fringe benefits (Notes 15 and 19)	<b>70,209,111</b>	<b>62,248,157</b>
Marketing	<b>34,228,739</b>	<b>29,791,289</b>
Depreciation and amortization (Notes 9 and 10)	<b>12,725,798</b>	<b>12,599,110</b>
Management and professional fees (Note 19)	<b>5,615,593</b>	<b>4,971,767</b>
Entertainment, amusement, and recreation	<b>5,456,084</b>	<b>3,564,990</b>
Reversal of impairment losses (Note 11)	<b>(2,200,778)</b>	<b>(1,210,574)</b>
Taxes and licenses	<b>2,334,754</b>	<b>1,864,606</b>
Occupancy	<b>1,887,118</b>	<b>1,215,463</b>
Messengerial and janitorial services	<b>1,535,869</b>	<b>1,528,844</b>
Stationery and office supplies	<b>845,525</b>	<b>1,262,502</b>
Postage, telephone, and telegraph	<b>784,391</b>	<b>695,355</b>
Transportation and travel	<b>266,676</b>	<b>252,342</b>
Miscellaneous	<b>18,203,233</b>	<b>9,493,925</b>
	<b>151,892,113</b>	<b>128,277,776</b>
<b>NET OPERATING INCOME</b>	<b>124,267,885</b>	<b>121,250,589</b>
<b>OTHER INCOME</b>		
Interest (Notes 5 and 19)	<b>392,144</b>	<b>554,659</b>
Miscellaneous (Notes 7 and 9)	<b>13,665,194</b>	<b>1,945,139</b>
	<b>14,057,338</b>	<b>2,499,798</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>138,325,223</b>	<b>123,750,387</b>
<b>PROVISION FOR INCOME TAX (Note 16)</b>	<b>34,997,901</b>	<b>31,735,878</b>
<b>NET INCOME</b>	<b>103,327,322</b>	<b>92,014,509</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
<i>Item that does not recycle to profit or loss in subsequent periods:</i>		
Remeasurement gains (losses) on retirement plan, net of tax (Note 15)	<b>(1,984,345)</b>	<b>1,669,219</b>
	<b>(1,984,345)</b>	<b>1,669,219</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>P101,342,977</b>	<b>P93,683,728</b>

*See accompanying Notes to Financial Statements.*



**CHINABANK INSURANCE BROKERS, INC.**  
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**STATEMENTS OF CHANGES IN EQUITY**

	Capital Stock	Retained Earnings (Note 17)		Other Equity – Stock Grant (Note 17)	Remeasurement Gains on Retirement Plan (Note 15)	Total
		Appropriated	Unappropriated			
<b>Balance at January 1, 2022</b>	<b>P142,130,000</b>	<b>P80,000,000</b>	<b>P123,350,948</b>	<b>P622,300</b>	<b>P9,971,816</b>	<b>P356,075,064</b>
Cash dividends declared and paid	–	–	(50,000,000)	–	–	(50,000,000)
Total comprehensive income	–	–	103,327,322	–	(1,984,345)	101,342,977
<b>Balance at December 31, 2022</b>	<b>P142,130,000</b>	<b>P80,000,000</b>	<b>P176,678,270</b>	<b>P622,300</b>	<b>P7,987,471</b>	<b>P407,418,041</b>
<b>Balance at January 1, 2021</b>	<b>P142,130,000</b>	<b>P30,000,000</b>	<b>P81,336,439</b>	<b>P656,590</b>	<b>P8,302,597</b>	<b>P262,425,626</b>
Appropriation of retained earnings	–	50,000,000	(50,000,000)	–	–	–
Stock grant (Note 17)	–	–	–	(34,290)	–	(34,290)
Total comprehensive income	–	–	92,014,509	–	1,669,219	93,683,728
<b>Balance at December 31, 2021</b>	<b>P142,130,000</b>	<b>P80,000,000</b>	<b>P123,350,948</b>	<b>P622,300</b>	<b>P9,971,816</b>	<b>P356,075,064</b>

See accompanying Notes to Financial Statements.



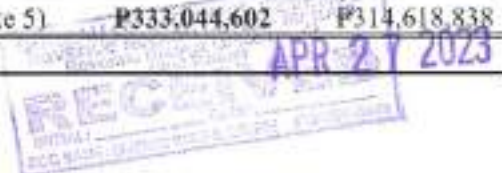


**CHINABANK INSURANCE BROKERS, INC.**  
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**STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	<b>P138,325,223</b>	<b>P123,750,387</b>
Adjustments for:		
Depreciation and amortization (Notes 9 and 10)	<b>12,725,798</b>	<b>12,599,110</b>
Trading gain on financial assets at fair value through profit or loss (Note 7)	<b>(2,758,825)</b>	<b>(1,168,405)</b>
Reversal of impairment losses (Note 11)	<b>(2,200,778)</b>	<b>(1,210,574)</b>
Retirement expense (Note 15)	<b>2,583,709</b>	<b>2,786,076</b>
Foreign exchange gains	<b>(1,654,857)</b>	<b>(776,734)</b>
Interest expense (Note 13)	<b>1,094,063</b>	<b>1,405,751</b>
Interest income (Note 5)	<b>(392,144)</b>	<b>(554,659)</b>
Gain on sale of property and equipment (Note 9)	<b>(999)</b>	<b>-</b>
Remeasurement of stock grant (Note 17)	<b>-</b>	<b>(34,290)</b>
Operating income before working capital changes	<b>147,721,190</b>	<b>136,796,662</b>
Decrease (Increase) in the amounts of:		
Receivables	<b>5,068,203</b>	<b>(3,420)</b>
Other assets	<b>(1,849,659)</b>	<b>(715,381)</b>
Increase (decrease) in the amounts of:		
Payable to insurance principals	<b>(23,843,034)</b>	<b>(10,029,847)</b>
Accrued expenses	<b>6,954,637</b>	<b>(625,488)</b>
Other liabilities	<b>(12,263,145)</b>	<b>(35,440,506)</b>
Net cash generated from operations	<b>121,788,192</b>	<b>89,982,020</b>
Interest received	<b>392,144</b>	<b>581,323</b>
Income taxes paid (Note 16)	<b>(43,698,835)</b>	<b>(37,290,950)</b>
Contributions to plan asset (Note 15)	<b>-</b>	<b>(2,786,076)</b>
Net cash provided by operating activities	<b>78,481,501</b>	<b>50,486,317</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of:		
Property and equipment (Note 9)	<b>(3,408,950)</b>	<b>(5,464,830)</b>
Software costs (Note 10)	<b>(307,617)</b>	<b>(455,357)</b>
Proceeds from sale of:		
Property and equipment (Note 9)	<b>1,000</b>	<b>-</b>
Net cash used in investing activities	<b>(3,715,567)</b>	<b>(5,920,187)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease payments (Note 13)	<b>(7,995,027)</b>	<b>(7,614,311)</b>
Dividends declared and paid to stockholders	<b>(50,000,000)</b>	<b>-</b>
Net cash used in financing activities	<b>(57,995,027)</b>	<b>(7,614,311)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>16,770,907</b>	<b>36,951,819</b>
<b>EFFECTS OF FOREIGN EXCHANGE</b>	<b>1,654,857</b>	<b>776,734</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>314,618,838</b>	<b>276,890,285</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 5)</b>	<b>P333,044,602</b>	<b>P314,618,838</b>

See accompanying Notes to Financial Statements.



**CHINABANK INSURANCE BROKERS, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**

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**1. Corporate Information**

Chinabank Insurance Brokers, Inc. (the Company), a wholly owned subsidiary of China Banking Corporation (the Parent Company), was registered with the Philippine Securities and Exchange Commission (SEC) on November 3, 1998 primarily to engage in insurance brokerage business. The Company started its commercial operations on February 24, 1999.

The Company's principal place of business is located at 8/F, VGP Center, 6772 Ayala Avenue, Barangay San Lorenzo, Makati City.

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**2. Summary of Significant Accounting Policies**

Basis of Preparation

The accompanying financial statements have been prepared on a historical cost basis except for financial assets at fair value through profit or loss (FVTPL) that have been measured at fair value. The financial statements are presented in Philippine peso (P), which is also the Company's functional. All amounts are rounded to the nearest peso, except when otherwise indicated.

Statement of Compliance

The accompanying financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRSs) as issued by the Financial Reporting Standards Council (FRSC).

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year except for the following amendments to PFRS which became effective beginning January 1, 2022. Unless otherwise indicated, these changes in the accounting policies did not have any significant impact on the financial position or performance of the Company:

- Amendments to PFRS 3, *Reference to the Conceptual Framework*
- Amendments to PAS 16, *Plant and Equipment: Proceeds before Intended Use*
- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*
- Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*
- Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*
- Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

Presentation of Financial Statements

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously.

The Company assesses that it has currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Company and all the counterparties.





Income and expenses are not offset in the statement of income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Company.

#### Current versus Noncurrent Classification

The Company presents assets and liabilities in the balance sheet based on current or noncurrent classification. An asset is presented as a current asset when:

- It is expected to be realized or intended to be sold or consumed within the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as noncurrent assets.

A liability is presented as a current liability when:

- It is expected to be settled within the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent.

The Company classifies deferred tax assets and liabilities as noncurrent.

#### Fair Value Measurement

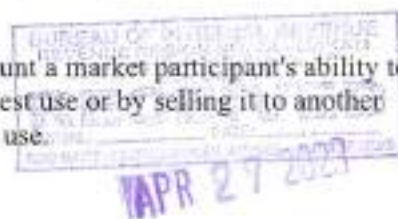
For measurement and disclosure purposes, the Company determines the fair value of an asset or liability at initial measurement date or at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

#### Financial Instruments

##### *Date of recognition*

Financial instruments within the scope of PFRS 9 are recognized in the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the settlement date, the date that an asset is delivered to or by the Company.

##### *Classification and initial recognition of financial instruments*

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at fair value. Except for financial instruments at FVTPL, transaction costs are added to, or subtracted from, the amount at initial recognition.

##### *Contractual cash flows test*

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income (FVOCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial assets is denominated, and the period for which the interest rate is set.

##### *Business model assessment*

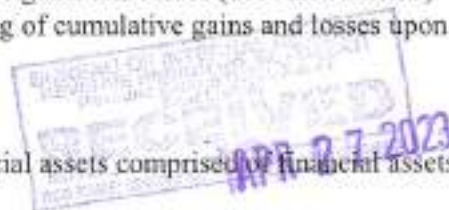
The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

##### *Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

As of December 31, 2022 and 2021, the Company's financial assets comprised of financial assets at amortized cost and financial assets at FVTPL.





*Financial assets at amortized cost*

Financial assets are measured at amortized cost if both of the following conditions are met:

- The asset is held within the Company's business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise, on specified dates, to cash flows that are SPPI on the principal amount outstanding.

Debt financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortized cost using the effective interest method less allowance for expected credit losses. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate (EIR). The amortization is included in 'Interest income' in the statement of comprehensive income. Gains and losses are recognized in the statement of comprehensive income when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost includes 'Cash and cash equivalents', 'Receivables', 'Claims advances' and 'Rental deposit' under 'Other noncurrent assets'.

The Company may irrevocably elect at initial recognition to classify a financial asset that meets the amortized cost criteria above as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortized cost.

*Financial assets at FVTPL*

Debt instruments that neither meet the amortized cost nor the FVOCI criteria, or that meet the criteria but the Company has chosen to designate as at FVTPL at initial recognition, are classified as financial assets at FVTPL. Equity investments are classified as financial assets at FVTPL, unless the Company irrevocably designates an equity investment that is not held for trading as at FVOCI at initial recognition. The Company's financial assets at FVTPL include investments in Unit Investment Trust Funds (UITFs) which are held for trading purposes.

Gains and losses arising from changes (mark-to-market) in the fair value of the financial assets at FVTPL are included in 'Other income - miscellaneous' account in the statement of comprehensive income.

*Reclassification of financial instruments*

The Company reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Accordingly, the Company is required to reclassify financial assets: (i) from amortized cost or FVOCI to FVPTL if the objective of the business model changes so that the amortized cost or FVOCI criteria are no longer met; and, (ii) from FVPTL to amortized cost or FVOCI if the objective of the business model changes so that the amortized cost or FVOCI criteria start to be met and the characteristic of the instrument's contractual cash flows are SPPI (iii) from amortized cost to FVOCI if the business model changes so that the objective becomes both to collect contractual cash flows and to sell or from FVOCI to amortized cost if the objective of the business model changes so that it becomes solely for the collection of contractual cash flows.

A change in business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. Reclassifications shall be applied prospectively by the Company and any previously recognized gains, losses or interest shall not be restated. Reclassification of equity financial assets, financial assets designated at FVPL and financial liabilities is not allowed.





*Financial liabilities at amortized cost*

Issued financial instruments or their components, which are not designated at FVTPL are classified as liabilities under 'Payable to insurance principals', 'Accrued expenses', and 'Other liabilities', where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

Financial liabilities at amortized cost are initially recognized at the fair value of the consideration received less directly attributable transaction costs.

Impairment of Financial Assets

The Company recognizes an allowance for ECL for all debt financial assets except those classified as at FVTPL. The ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate which is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.

The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, in all cases when the borrower becomes at least 90 days past due on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted.

For trade receivables, the Company applies the simplified approach in calculating ECL since these receivables arise from transactions within the scope of PFRS 15 and do not contain significant financing component. Under the simplified approach, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each balance sheet date. On the other hand, the Company calculates the ECL for its cash in bank by estimating the applicable exposure at default, probability of default, and loss given default.



#### Derecognition of Financial Instruments

##### *Financial assets*

A financial asset (or, where applicable a part of a financial asset or part of a group of financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired; or
- The Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- The Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained the risks and rewards of the asset but has transferred the control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

##### *Write-offs*

Financial assets are written off either partially or in their entirety when the Company no longer expects collections or recoveries within a foreseeable future. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to provision for credit losses.

##### *Financial liabilities*

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

#### Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

##### *Lease liabilities*

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.





In calculating the present value of lease payments, the Company uses the incremental borrowing rate (IBR) at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the substance fixed lease payments or a change in the assessment to purchase the underlying asset.

*Short-term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption to assets that are considered to be low-value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

*Property and Equipment*

Property and equipment are carried at cost, less accumulated depreciation and amortization and any impairment in value.

The initial cost of property and equipment comprises of its purchase price, including taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the assets have been put into operation, such as repairs and maintenance and overhead costs, are charged against current operations. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment. When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and any impairment loss are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

It is the Company's policy to classify right-of-use assets as part of property and equipment. The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Depreciation is computed using the straight-line method over the estimated useful lives (EUL) of the respective assets as follows:

	EUL
Furniture, fixtures and equipment	3 to 5 years
Transportation equipment	5 years
Leasehold improvement	5 years or the related lease terms, whichever is shorter





Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

The EUL and the depreciation method are reviewed periodically to ensure that the period and the method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or cash-generating units (CGUs) are written down to their recoverable amounts.

#### Software Costs

Costs that are directly associated with identifiable and unique software controlled by the Company and will generate economic benefits exceeding costs beyond one year are capitalized. Direct costs are capitalized during the period of software development and are amortized on a straight-line basis over the expected useful life of 10 years upon completion.

Costs associated with maintaining computer software programs are recognized as expense when incurred.

Expenditures which enhance or extend the performance of software programs beyond their original specifications are recognized as capital improvements and added to the original cost of the software.

The useful life of capitalized software cost is assessed and reviewed periodically. Changes in the expected useful life are accounted for by changing the amortization period and method, as appropriate, and are treated as changes in accounting estimates.

#### Impairment of Non-financial Assets

At each balance sheet date, the Company assesses whether there is any indication that its non-financial assets (e.g., property and equipment, software cost) may be impaired. When an indicator of impairment exists or when annual impairment testing for an asset is required, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the higher of an asset's or a CGU's fair value less costs to sell and its value in use (VIU). In assessing VIU, the estimated future cash flows are discounted to their present value using the pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized under 'Provision for credit and impairment losses' in the statement of comprehensive income.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged against operations in the year in which it arises. A previously recognized impairment loss is reversed by a credit to current operations to the extent that it does not restate the asset to a carrying amount in excess of what would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

#### Payable to Insurance Principals

Payable to insurance principals pertain to premiums collected from policyholders but not yet remitted to insurance companies.



#### Equity

Capital stock is measured at par value for all shares issued and outstanding. When the shares are sold at a premium, the difference between the proceeds and the par value is credited to 'Additional paid-in capital' account. Direct costs incurred related to equity issuance, such as underwriting, accounting and legal fees, printing costs and taxes are chargeable to 'Additional paid-in capital' account. If the additional paid-in capital is not sufficient, the excess is charged against the 'Retained earnings.'

When the Company issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued.

Retained earnings represent accumulated earnings of the Company less dividends declared.

#### Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has generally concluded that it is acting as an agent in its revenue arrangements because it does not control the specified goods or services before these are transferred to the customer.

Therefore, the Company's revenue is the net amount of consideration that the Company retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

For revenue stream covered by PFRS 15 (i.e. commission income), the Company exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the five-step model to contracts with customers.

The following revenue recognition criteria must also be met before revenue is recognized:

#### *Commission income*

Revenue from commissions is recognized upon collection of insurance premium from policyholders.

#### *Interest income*

Interest income on placements is recognized as it accrues, taking into account the effective yield on the assets.

#### *Miscellaneous income*

Gain (loss) from investment securities arise from changes in fair value of financial assets at FVTPL. It also includes foreign exchange gains or losses.

#### Expense Recognition

Expenses are recognized when decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. Expenses are recognized when incurred. Costs and expenses encompass losses as well as those expenses that arise in the course of the ordinary activities of the Company.

#### Income Taxes

Income tax on profit or loss for the year comprises current and deferred taxes. Income tax is determined in accordance with the Philippine Tax Law. Provision for income tax is recognized in the statement of comprehensive income.



*Current taxes*

Current tax assets and current tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date.

Current tax is recognized in profit or loss, except when they relate to items that are recognized in OCI or directly in equity, in which case, the current and deferred tax are also recognized in OCI or directly in equity, respectively.

*Consideration of uncertain tax position*

IFRIC 23, *Uncertainty over Income Tax Treatments* requires the Company to consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Company concludes that the income tax position is not probable of being accepted, the effect of the uncertainty is reflected in the Company's accounting for income taxes.

*Deferred taxes*

Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the balance sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences, with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits from the excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient taxable profit will be available against which the deductible temporary differences and carryforward of unused tax credits from MCIT and unused NOLCO can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred income tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are measured at the tax rates that are applicable to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Foreign Currency Translation

*Transaction and balances*

For financial reporting purposes, the foreign currency-denominated monetary assets and liabilities are translated in Philippine pesos based on the closing rate prevailing at the balance sheet date and foreign currency-denominated income and expenses, at the prevailing exchange rate at the date of transaction. Foreign exchange differences arising from restatements of foreign currency-denominated monetary assets and liabilities are credited to or charged against operations in the period in which the rates change.

Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.





#### Value-Added Tax (VAT) and Deferred Output VAT

Revenues, expenses, assets and liabilities are recognized net of the amount of VAT, except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable. Deferred output VAT pertains to the amount of Output VAT on sales on credit which have not yet been collected as at balance sheet date.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of 'Other current assets' or 'Other liabilities' in the balance sheet.

#### Retirement Benefits

The Company is covered by a noncontributory defined benefit retirement plan. A defined benefit plan is a retirement plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

#### *Defined benefit plan*

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the balance sheet date reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- a. Service costs;
- b. Net interest on the net defined benefit liability or asset; and
- c. Remeasurements of net defined benefit liability or asset.

Service costs which include current service costs and past service costs are recognized as expense in the statement of comprehensive income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in statement of comprehensive income.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to statement of comprehensive income in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Company, nor can they be paid directly to the Company. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of



those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Company's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

#### Share-based Payments (Stock Grants)

Employees (including senior executives) of the Company received remuneration in the form of share-based payments (stock grants), whereby employees rendered services as consideration for equity instruments (equity-settled transactions) of the Parent Company. The Parent Company has the obligation to settle the transaction with the Company's employees by providing its own equity instruments.

#### *Equity-settled transactions*

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized in employee benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of comprehensive income for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the Company or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

When the equity-settled transactions vest immediately but the grant date is not yet determined as of balance sheet date, the Company recognizes the expense and the corresponding increase in equity using the estimated grant date fair value as of balance sheet date. Subsequently, once the grant date is determined, the Company revises the estimate based on the actual grant date fair value.





#### Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense. When the Company expects a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is probable.

#### Contingent Assets and Liabilities

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of assets embodying economic benefits is remote. Contingent assets are not recognized but are disclosed in the financial statements when an inflow of economic benefits is probable.

#### Events after the Balance Sheet Date

Post year-end events that provide additional information about the Company's balance sheet at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the financial statements when material.

#### Standards and Interpretation Issued but Not yet Effective

There are new PFRSs, amendments, interpretation and annual improvements, to existing standards which are effective for annual periods subsequent to 2022. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have significant impact on the Company's financial statements:

##### *Effective beginning on or after January 1, 2023*

- Amendments to PAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to PAS 8, *Definition of Accounting Estimates*
- Amendments to PAS 1 and PFRS Practice Statement 2, *Disclosure of Accounting Policies*

##### *Effective beginning on or after January 1, 2024*

- Amendments to PAS 1, *Classification of Liabilities as Current or Noncurrent*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

##### *Effective beginning on or after January 1, 2025*

- PFRS 17, *Insurance Contracts*

##### *Deferred Effectivity*

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contributions of Assets between an Investor and its Associate or Joint Venture*





### 3. Significant Accounting Judgements and Estimates

The preparation of the financial statements in accordance with PFRS requires the Company to make estimates that affect the amounts reported in the Company's financial statements and accompanying notes. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Judgments

##### *a. Leases – Determining the lease term*

The Company's lease contract includes extensions and termination options. The Company exercises judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors such as leasehold improvements and location to create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

#### Estimates

##### *a. Leases - Estimating the incremental borrowing rate*

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (by reference to prevailing risk-free rates) adjusted to take into account the entity's credit risk (i.e., credit spread).

The Company's lease liability amounted to ₱19.86 million and ₱26.76 million as of December 31, 2022 and 2021, respectively (Note 13).

##### *b. Present value of retirement obligation*

The present value of the pension obligation is determined using actuarial valuation. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions.

The salary projection rate was based on the historical trend of salary increase rate of the Company. The mortality rate was based on the 1994 US Group Annuity Mortality Table. The assumed discount rates were determined using the market yields on Philippine government bonds with terms consistent with the expected employee benefit payout as at the balance sheet date.



As of December 31, 2022 and 2021, pension liability amounted to ₱2.25 million and pension asset amounted to ₱2.98 million, respectively. Further details about the assumptions used are disclosed in Note 15.

c. *Recognition of deferred tax assets*

Significant judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination was made.

The Company's estimates of future taxable income indicate that certain temporary differences will be realized in the future. The deferred tax assets recognized as of December 31, 2022 and 2021 amounted to ₱11.72 million and ₱10.50 million (Note 16).

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#### 4. Fair Value Measurement

As at December 31, 2022 and 2021, the carrying values of financial assets and financial liabilities as reflected in the balance sheets and related notes approximate their respective fair values. The fair value adjustments of rental deposit under other noncurrent assets are not significant.

*Cash and cash equivalents, Receivables, Payable to insurance principals, Accrued expenses and Other liabilities (excluding statutory payables)*

The carrying values approximate their fair values in view of the relatively short-term maturities of these financial instruments.

*Financial assets at FVTPL*

Fair value of quoted private debt securities are based on quoted market prices. Fair value of money market funds is determined by reference to the published net asset value per unit.

##### Fair Value Hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at each balance sheet date.



The following tables summarize the carrying amount and fair values of the financial instruments, analyzed based on hierarchy described above for determining and disclosing the fair value of financial instruments by valuation technique:

	2022		2021	
	Carrying Value	Level 2	Carrying Value	Level 2
<b>Assets measured at fair value</b>				
Financial assets at FVTPL				
Unit investment trust fund	<b>P153,968,214</b>	<b>P153,968,214</b>	P151,209,389	P151,209,389

There were no financial instruments classified under Level 1 and 3 in 2022 and 2021. There were no transfers between levels during the year.

## 5. Cash and Cash Equivalents

This account consists of:

	2022	2021
Cash in bank (Note 19)	<b>P333,031,502</b>	P314,605,738
Petty cash fund	<b>13,100</b>	13,100
	<b>P333,044,602</b>	P314,618,838

Cash in bank includes demand deposit accounts which earn interest at the prevailing bank deposit rates and special savings accounts which earn interest at annual rates ranging from 0.10% to 0.13% in 2022 and 2021. Interest income recognized on cash in bank in 2022 and 2021 amounted to P0.37 million and P0.35 million, respectively.

Short-term investments include special savings deposit accounts with maturities of less than three months from the dates of placement. Short-term investments in 2021 earned interest at annual rates ranging from 0.75% to 1.00%. Interest income recognized on short-term investments in 2021 amounted to P0.17 million. The remaining short-term investments as of December 31, 2020 with original terms to maturity of less than three months matured in 2021.

## 6. Receivables

Receivables include advances to employees, receivables from the Parent Company (Note 19), receivables from Social Security System, and claims advances made and due from Insurers.

In its capacity as an insurance broker, the Company collects premiums from policyholders and, after deducting its commissions, remits the premiums to the respective insurance companies. Uncollected premiums from policyholders are receivables that are not recorded in the Company's balance sheets.

As of December 31, 2022 and 2021, the gross amounts of uncollected premiums due from policyholders for contracts sold through the Company's brokerage service amounted to P602.63 million and P483.87 million, respectively (see Note 12).





## 7. Financial Assets at Fair Value Through Profit or Loss

As of December 31, 2022 and 2021, financial assets at FVTPL pertain to UITFs placed with the Parent Company's Trust Group. Gains from changes in the fair value amounting to P2.76 million and P1.17 million in 2022 and 2021, respectively, are included in 'Other income - miscellaneous' in the statements of comprehensive income.

## 8. Other Current Assets

This account consists of:

	2022	2021
Prepaid taxes	P43,535,573	P37,321,292
Others	4,107,003	2,691,510
	P47,642,576	P40,012,802

Prepaid taxes represent income tax credits as evidenced by income tax returns. For the years ended December 31, 2022 and 2021, the Company utilized income tax credits amounting to P35.48 million and P28.17 million, respectively.

'Others' include input vat and creditable withholding taxes for submission and filing in subsequent period.

## 9. Property and Equipment

The composition of and movements in this account follow:

	2022				
	Transportation Equipment	Leasehold Improvement	Furniture, Fixtures and Office Equipment	Right-of-use Asset- Office Space	Total
<b>Cost</b>					
At January 1	P8,352,317	P7,442,877	P16,460,886	P35,826,625	P68,082,705
Additions	2,469,286	243,750	695,914	—	3,408,950
Derecognitions	(625,000)	—	—	—	(625,000)
At December 31	10,196,603	7,686,627	17,156,800	35,826,625	70,866,655
<b>Accumulated Depreciation</b>					
At January 1	4,963,878	5,628,510	12,483,677	9,553,767	32,629,832
Depreciation	1,200,856	1,102,722	2,115,165	7,165,325	11,584,068
Derecognitions	(624,999)	—	—	—	(624,999)
At December 31	5,539,735	6,731,232	14,598,842	16,719,092	43,588,901
<b>Net Book Value at December 31</b>	<b>P4,656,868</b>	<b>P955,395</b>	<b>P2,557,958</b>	<b>P19,107,533</b>	<b>P27,277,754</b>



	2021				
	Transportation Equipment	Leasehold Improvement	Furniture, Fixtures and Office Equipment	Right-of-use Asset- Office Space	Total
<b>Cost</b>					
At January 1	P6,948,342	P7,215,670	P12,627,238	P35,826,625	P62,617,875
Additions	1,403,975	227,207	3,833,648	—	5,464,830
At December 31	8,352,317	7,442,877	16,460,886	35,826,625	68,082,705
<b>Accumulated Depreciation</b>					
At January 1	3,919,791	4,587,015	10,475,230	2,388,442	21,370,478
Depreciation	1,044,087	1,041,495	2,008,447	7,165,325	11,259,354
At December 31	4,963,878	5,628,510	12,483,677	9,553,767	32,629,832
Net Book Value at December 31	P3,388,439	P1,814,367	P3,977,209	P26,272,858	P35,452,873

In 2022 the Company sold transportation equipment with net book value aggregating to P1.00 for a consideration of P1,000.00.

As of December 31, 2022 and 2021, the costs of fully depreciated assets still in use amounted to P18.00 million and P16.59 million, respectively.

There are no restrictions on titles of property and equipment and the Company does not have any contractual commitment for acquisition of property and equipment as of December 31, 2022 and 2021.

## 10. Software Costs

The movements in software costs follow:

	2022	2021
<b>Cost</b>		
At January 1	P11,590,744	P11,135,387
Additions	307,617	455,357
At December 31	11,898,361	11,590,744
<b>Accumulated Amortization</b>		
At January 1	5,763,844	4,424,088
Amortization	1,141,730	1,339,756
At December 31	6,905,574	5,763,844
Net Book Value at December 31	P4,992,787	P5,826,900



## 11. Other Noncurrent Assets

This account consists of:

	2022	2021
Claims advances	<b>P5,304,489</b>	P6,401,785
Software not yet in use	<b>4,560,899</b>	–
Rental deposit (Note 19)	<b>1,872,371</b>	1,872,371
Others	<b>87,664,356</b>	88,767,838
	<b>99,402,115</b>	97,041,994
Allowance for impairment losses	<b>(92,968,845)</b>	(95,169,623)
	<b>P6,433,270</b>	P1,872,371

Claims advances pertain to insurance claims advanced by the Company on behalf of the insurance principals for emergency purposes to policyholders, which are mostly educational institutions. As of December 31, 2022 and 2021, this account has been fully provided for with allowance for impairment losses. In 2022, the Company reversed allowance for impairment losses on recoveries from claims advances amounting to P1.10 million.

In 2022, the Company incurred software costs amounting to P4.56 million which is not yet available for use. The Company expects to utilize the software once it goes live in 2024.

'Others' pertains to miscellaneous assets and CWTs whose related certificates are awaiting submission to the Company amounting to P12.88 million in 2022 and P13.98 million in 2021. As of December 31, 2022 and 2021, this account has been fully provided for with allowance for impairment losses. CWTs whose related certificates were subsequently received and claimed amounted to P1.10 million in 2022 and P1.21 million in 2021.

## 12. Payable to Insurance Principals

This represents insurance premiums already collected from the policyholders and to be remitted to various insurance companies within 90 days from inception date of the policy. Unremitted insurance premiums are held in a fiduciary capacity and are presented as 'Payable to insurance principals' in the Company's balance sheets.

As of December 31, 2022 and 2021, the amount of premiums that are due to the insurance companies and unpaid by the policyholders for contracts sold through the Company's brokerage service, net of the related commission, amounted to P527.07 million and P409.41 million, respectively. These amounts are not recognized in the Company's balance sheets (see Note 6).

## 13. Leases

The Company has a lease contract for its office space for five (5) years from September 1, 2020 to August 31, 2025, with an option to renew the lease term under mutually acceptable terms and conditions. The Company's obligations under its lease are secured by the lessor's title to the leased asset. Generally, the Company is restricted from assigning and subleasing the leased asset.





The following are the amounts recognized in the statements of comprehensive income:

	2022	2021
Depreciation expense of right-of-use asset included in property and equipment (Note 9)	<b>P7,165,325</b>	P7,165,325
Interest expense on lease liability	<b>1,094,063</b>	1,405,751
	<b>P8,259,388</b>	P8,571,076

The interest expense is included under 'miscellaneous expense' account.

The rollforward analysis of lease liability follows:

	2022	2021
As at January 1	<b>P26,759,722</b>	P32,968,282
Renewal	—	—
Accretion of interest	<b>1,094,063</b>	1,405,751
Payments	<b>(7,995,027)</b>	(7,614,311)
As at December 31	<b>P19,858,758</b>	P26,759,722
Less lease liability, current portion	<b>(7,694,772)</b>	(6,979,368)
Lease liability, non-current portion	<b>P12,163,986</b>	P19,780,354

#### 14. Other Liabilities

This account consists of:

	2022	2021
<b>Financial liabilities</b>		
Accounts payable – premium payments	<b>P126,636,647</b>	P130,255,923
Accounts payable – others	<b>2,897,984</b>	10,901,878
	<b>129,534,631</b>	141,157,801
<b>Non-financial liabilities</b>		
VAT payable - net	<b>6,524,057</b>	4,570,910
Deferred output VAT	<b>973,424</b>	3,309,824
Others	<b>4,484,426</b>	4,739,559
	<b>11,981,907</b>	12,620,293
	<b>P141,516,538</b>	P153,778,094

Accounts payable – premium payments include (a) insurance policy premiums collected but not yet due as of balance sheet date; and (b) premium collections received through the Company's authorized banks which cannot be applied due to missing policy information. These premiums will be remitted to the respective insurance companies once due and already applied to the policy.

Accounts payable – others include (a) premiums for refund to policyholders due to excess payments or cancelled policies; (b) bank statement movements with incomplete information; and (c) unreleased operating expense checks.

As of December 31, 2022 and 2021, 'Others' pertains mainly to government contributions and other regulatory payments (i.e., SSS, PHIC, HDMF and withholding taxes).



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## 15. Retirement Plan

The Company has a funded noncontributory defined benefit retirement plan covering substantially all its officers and regular employees. Under this retirement plan, all covered officers and employees are entitled to cash benefits after satisfying certain age and service requirements.

The latest actuarial valuation study of the retirement plan was made as of December 31, 2022.

The funds are administered by the Trust Department of the Parent Company under the supervision of the Retirement Committee. The Retirement Committee is responsible for giving direction to the trustee on the investment of the assets of the fund. The Retirement Committee defines the investment strategy as often as necessary, at least annually, especially in the case of significant market developments or changes to the structure of the plan participants. When defining the investment strategy, it takes into account the plan's objectives, benefit obligations and risk capacity. The investment strategy is defined in the form of a long-term target structure (investment policy). The Retirement Committee delegates the implementation of the investment policy in accordance with the investment strategy as well as various principles and objectives to an Investment Committee, which also consists of members of the Board of Trustees, a Director and a Controller.

The existing regulatory framework, Republic Act (RA) No. 7641 requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided however, that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

As of December 31, 2022 and 2021, the principal actuarial assumptions used in determining the retirement liability for the Company's retirement plan are shown below:

	<b>2022</b>	<b>2021</b>
Discount rate	<b>6.79%</b>	4.14%
Future salary increases	<b>6.00%</b>	6.00%



The changes in the defined benefit obligation and fair value of plan assets are as follows:

	2022												
	Net benefit cost				Remeasurements in other comprehensive income								
	January 1, 2022	Current service cost	Net interest	Subtotal	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experiences adjustments	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Subtotal	Benefits paid	Contribution	Transfers to affiliate	December 31, 2022
Present value of defined benefit obligation	P13,440,340	P2,707,190	P556,366	P3,263,556	P-	P2,528,906	P1,381,376	(P2,336,186)	1,574,096	(P4,110,982)	P-	(P1,589)	P14,165,421
Fair value of plan assets	(16,421,434)	-	(679,847)	(679,847)	1,071,698	-	-	-	1,071,698	4,110,982	-	-	(11,918,603)
Net defined benefit liability (asset)	(P2,981,094)	P2,707,190	(P123,481)	P2,583,709	P1,071,698	P2,528,906	P1,381,376	(P2,336,186)	P2,645,794	P-	P-	(P1,589)	P2,246,820

	2021												
	Net benefit cost				Remeasurements in other comprehensive income								
	January 1, 2021	Current service cost	Net interest	Subtotal	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experiences adjustments	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Subtotal	Benefits paid	Contribution		December 31, 2021
Present value of defined benefit obligation	P11,420,008	P2,822,566	P269,512	P3,092,078	P-	P440,473	P492,614	(P2,004,833)	(P1,071,746)	P-	P-		P13,440,340
Fair value of plan assets	(12,966,200)	-	(306,002)	(306,002)	(363,156)	-	-	-	(363,156)	-	(2,786,076)	(16,421,434)	
Net defined benefit liability (asset)	(P1,546,192)	P2,822,566	(P36,490)	P2,786,076	(P363,156)	P440,473	P492,614	(P2,004,833)	(P1,434,902)	P-	(P2,786,076)	(P2,981,094)	





The details of the remeasurement gains on retirement plan are as follows:

	2022	2021
At January 1	₱9,971,816	₱8,302,597
Remeasurement gains (losses) on retirement plan	(2,645,794)	1,434,902
Deferred tax asset (liability) during the year	661,449	(358,725)
CREATE adjustment - deferred tax	-	593,042
At December 31	₱7,987,471	₱9,971,816

As of December 31, 2022 and 2021, the major categories of plan assets as a percentage of the total plan assets are as follows:

	2022		2021	
	Amount	%	Amount	%
Cash equivalents	₱34,946	0.29%	₱2,925,536	17.82%
UITFs	11,842,380	99.36%	13,446,602	81.88%
Other assets	56,746	0.48%	63,367	0.39%
Other accountabilities	(15,471)	(0.13%)	(14,071)	(0.09%)
	₱11,918,601	100.00%	₱16,421,434	100.00%

Shown below is the maturity analysis of the undiscounted benefit payments:

	2022	2021
Less than one year	₱1,282,127	₱-
More than one year to five years	556,454	5,649,647
More than five years to 10 years	18,694,707	18,259,471
More than 10 years to 15 years	6,994,756	4,348,504
More than 15 years to 20 years	16,052,527	15,653,319
More than 20 years	811,737,669	664,878,160

The average duration of the defined benefit obligation as of December 31, 2022 and 2021 is 9 years and 5 years, respectively.

The Company expects to contribute ₱4.72 million to its defined benefit pension plan in 2023.

The sensitivity analysis below, determined based on reasonably possible changes of each significant assumption on the retirement benefit obligation as of the balance sheet date assuming all other assumptions were held constant, illustrates the impact of key assumptions on the retirement benefit obligation:

	Increase (decrease)	
	2022	2021
<b>Discount rate</b>		
+1.00%	(₱906,497)	(₱792,894)
-1.00%	1,116,839	1,143,884
<b>Salary increase rate</b>		
+1.00%	1,075,632	1,048,126
-1.00%	(890,670)	(763,749)



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## 16. Income Tax

Income taxes include corporate income tax, as discussed below, and final taxes paid at the rate of 20.00% and 15.00% on gross Philippine peso and US dollar denominated interest income, respectively, from bank deposits and investments.

Republic Act (RA) No. 9337, An Act Amending National Internal Revenue Code, as amended by RA No. 10963 otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN) and RA No. 11534 otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE), provides that regular corporate income tax (RCIT) rate shall be 25.00% while interest expense allowed as a deductible expense is reduced to 20.00% of interest income subject to final tax.

A minimum corporate income tax (MCIT) of 1.00% until June 30, 2023 under CREATE on modified gross income is computed and compared with the RCIT. Excess MCIT over RCIT can be used as a tax credit against future income tax liability for the next three years. In addition, any net operating loss carry over (NOLCO) is allowed as a deduction from taxable income in the next three years from the year of inception.

Optional standard deduction (OSD) equivalent to 40.00% of gross income may be claimed as an alternative deduction in computing for the RCIT. Gross income shall mean gross sales less sales returns, discounts and allowances and cost of services. The Company elected to claim itemized deductions instead of OSD in computing for the RCIT in 2022 and 2021.

Revenue Regulations No. 10-2002 defines expenses to be classified as entertainment, amusement and recreation (EAR) expenses and sets a limit for the amount that is deductible for tax purposes. The Company's deductible EAR expenses are limited to 1.00% of net revenues.

### Relevant Tax Updates

#### *Tax Reform for Acceleration and Inclusion (TRAIN) Law*

Republic Act (RA) No. 10963, the Tax Reform for Acceleration and Inclusion (TRAIN), is the first package of the comprehensive tax reform program of the government. The bill was signed into law on December 19, 2017 and took effect on January 1, 2018, amending some provisions of the old Philippine tax system.

Except for resident foreign corporations, which is still subject to the 7.50% rate (but was also changed to 15.00% under CREATE), tax on interest income of foreign currency deposit was increased to 15.00% under TRAIN. Documentary stamp tax on bank checks, drafts, certificate of deposit not bearing interest, all debt instruments, bills of exchange, letters of credit, mortgages, deeds and others are now subjected to a higher rate.

#### *Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act*

RA No. 11534 otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE) was signed into law by President Rodrigo Duterte last March 26, 2021. The law became effective on April 11, 2021, fifteen (15) days after its publication in a newspaper of general circulation on March 27, 2021.





The key changes to the Philippine tax law pursuant to the CREATE Act which have an impact on the Company are the following:

- Effective July 1, 2020, regular corporate income tax (RCIT) rate is reduced from 30.00% to 25.00% for domestic and resident foreign corporations and to 20.00% for domestic corporations with net taxable income not exceeding P5.00 million and with total assets not exceeding P100.00 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year.
- Minimum corporate income tax (MCIT) rate reduced from 2.00% to 1.00% of gross income effective July 1, 2020 to June 30, 2023.

The provision for income tax consists of:

	2022	2021
Current		
RCIT	<b>P35,484,678</b>	P28,146,502
Final tax	<b>73,921</b>	103,945
	<b>35,558,599</b>	28,250,447
Deferred	<b>(560,698)</b>	3,485,431
	<b>P34,997,901</b>	P31,735,878

As of December 31, 2022 and 2021, the details of net deferred tax asset follow:

	2022	2021
Deferred tax asset (liability) on:		
Allowance for credit losses	<b>P9,913,543</b>	P9,913,543
Past service cost	<b>1,056,446</b>	1,207,367
Others	<b>187,806</b>	121,716
Pension liability (asset)	<b>561,704</b>	(745,274)
	<b>P11,719,499</b>	P10,497,352

The Company recognized deferred tax asset with a direct charge against OCI (excluding CREATE impact) amounting to P0.66 million in 2022 and deferred tax liability amounting to P0.36 million in 2021.

As of December 31, 2022 and 2021, the Company did not set up deferred tax assets on allowance for credit and impairment losses amounting to P53.31 million in 2022 and P55.52 million in 2021 as management assessed that these will not be realized in the future.

The reconciliation of the statutory income tax to the provision for income tax of the Company follows:

	2022	2021
Statutory income tax	<b>P34,581,306</b>	P30,937,597
Tax effects of:		
Nondeductible expenses	<b>1,675,425</b>	568,539
Nontaxable income	<b>(689,706)</b>	(292,101)
Change in unrecognized deferred tax asset	<b>(550,195)</b>	(128,982)
Tax paid income	<b>(18,929)</b>	(26,376)
CREATE adjustment - current tax	-	(2,207,253)
CREATE adjustment - deferred tax	-	2,884,454
Provision for income tax	<b>P34,997,901</b>	P31,735,878



#### *Impact of CREATE Law*

Applying the provisions of the CREATE Law, the Company is subjected to lower regular corporate income tax rate of 25% effective July 1, 2020. The following are the impact of CREATE in the 2022 financial statements of the Company:

- Based on the provisions of Revenue Regulations (RR) No. 5-2021 dated April 8, 2021 issued by the BIR, the transitory RCIT and MCIT rates applicable to the Company for the taxable year 2020 is 27.5% and 1.50%, respectively. This resulted in reduction in the current income tax due for the taxable year 2020 amounting to ₱2.21 million. The reduced amounts were reflected in the 2020 Annual Income Tax Returns filed in 2021. For financial reporting purposes, such reductions in the 2020 current income taxes were recognized in the 2021 financial statements as reduction to 2021 income tax expense.
- The deferred tax assets as of December 31, 2021 were also remeasured using the lower RCIT rate of 25.00%. The net decrease in the deferred tax balances amounting to ₱10.95 million reduced the benefit from deferred tax assets credited to profit or loss by ₱2.88 million and other comprehensive income by ₱0.59 million.

There were no tax-related contingent liabilities and contingent assets arising from the changes in the tax rates due to CREATE Act.

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## **17. Retained Earnings and Capital Management**

On November 9, 2021, the BOD approved the appropriation of retained earnings amounting to ₱50.00 million for system replacement of the Company.

On February 8, 2022, the BOD declared and approved cash dividends of ₱50.00 million for stockholders on record as of February 8, 2022, payable on March 1, 2022.

On February 21, 2023, the BOD declared and approved cash dividends of ₱50.00 million for stockholders on record as of February 21, 2023, payable on March 1, 2023.

#### Capital Management

The primary objectives of the Company's capital management are to ensure that the Company complies with externally imposed capital requirements and that the Company maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholders' value.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes were made in the objectives, policies and processes from the previous years.

In May 2006, the Insurance Commission (IC) issued Insurance Memorandum Circular (IMC) 1-2006 integrating the compliance standards for the capitalization requirements for insurance brokers and reinsurance brokers. Under this IMC, adequate capitalization for existing brokers and new entrants is essential to attaining sustainable levels of profitability and for the long-term growth of the country's insurance industry.



IMC1-2006 promulgated that existing insurance or reinsurance brokers must have the following net worth for the following years:

Year	
December 31, 2006	₱2,000,000
December 31, 2007	4,000,000
December 31, 2008	6,000,000
December 31, 2009	8,000,000
December 31, 2010	10,000,000

As of December 31, 2022 and 2021, the Company's net worth is in compliance with the capital requirements of IC.

#### *Centennial Stock Grant*

In light of the Parent Company's 100th anniversary, its Board of Directors approved on August 5, 2020 a Centennial Stock Grant Plan to issue common shares to eligible grantees.

The Centennial Stock Grant Plan was approved and ratified by the stockholders on October 1, 2020, subject to the approval of the relevant regulatory agencies. New shares will be issued from the Parent Company's authorized but unissued shares in favor of the China Bank Group's regular employees and certain other officers and contractual employees as of August 16, 2020, numbering around 8,400.

On August 9, 2021, the Philippine Stock Exchange (PSE) approved the Parent Company's application to list 5,451,600 common shares, with a par value of ₱10.00 per share, to cover the Group's Centennial Stock Grant Plan. The Parent Company issued a total of 5.39 million shares on September 1, 2021. This resulted in an increase in the Parent Company's 'Capital stock' and 'Capital paid in excess of par value' totaling ₱132.02 million as of the grant date.

As of December 31, 2022 and 2021, the outstanding values of the stock grants awarded by the Ultimate Parent Company to the Company's employees amounted to ₱0.62 million recognized under 'Other equity – stock grants' in the Company's balance sheet.

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## **18. Financial Risk Management Objectives and Policies**

The Company's activities are principally related to the use of financial instruments, which consists of cash and cash equivalents, receivables, accrued interest receivables, claims advances, advances to officers and employees, financial assets at FVTPL, other noncurrent assets, accounts payable, accrued expenses and other liabilities (excluding statutory payables). Risks are inherent in these activities but are managed by the Company through a continuous process of identification, measurement, monitoring and mitigation of these risks partly through the effective use of risk and authority limits, process controls and monitoring, and independent controls.

The main objectives of the Company's financial risk management are to identify and monitor possible risks on an ongoing basis, to minimize and mitigate such risks, and to provide a degree of certainty about costs. Exposure to credit, liquidity, foreign currency and market risks arise in the normal course of the Company's business activities.





### *Credit risk*

The Company's exposure to credit risk is minimal as the cash and cash equivalents are deposits with the Parent Company and CBSI. The financial assets at FVTPL pertain to investments in UITFs placed in the Parent Company's Trust Group.

### *Maximum exposure to credit risk*

The carrying values of the Company's financial instruments as reflected in the balance sheets and related notes already represent the financial instruments' maximum exposure to credit risk, before and after taking into account collateral held or other credit enhancements.

The table below shows the credit quality by class of the Company's financial assets as of December 31, 2022 and 2021 (gross of allowance for credit losses):

	2022			Total
	Stage 1	Stage 2	Stage 3	
Cash and cash equivalents*	₱333,031,502	₱-	₱-	₱333,031,502
Receivables	1,197,023	-	-	1,197,023
Financial assets at FVTPL	153,968,214	-	-	153,968,214
Other noncurrent assets				
Claims advances	-	-	5,304,489	5,304,489
Others	1,872,371	-	-	1,872,371
<b>Total</b>	<b>₱490,069,110</b>	<b>₱-</b>	<b>₱5,304,489</b>	<b>₱495,373,599</b>

	2021			Total
	Stage 1	Stage 2	Stage 3	
Cash and cash equivalents*	₱314,605,738	₱-	₱-	₱314,605,738
Receivables	6,265,226	-	-	6,265,226
Financial assets at FVTPL	151,209,389	-	-	151,209,389
Other noncurrent assets				
Claims advances	-	-	6,401,785	6,401,785
Others	1,872,371	-	-	1,872,371
<b>Total</b>	<b>₱473,952,724</b>	<b>₱-</b>	<b>₱6,401,785</b>	<b>₱480,354,509</b>

\* Excluding petty cash fund

*Stage 1* (Neither past due nor specifically impaired) - those that are considered current and up to 30 days past due, and based on change in rating, delinquencies and payment history, do not demonstrate significant increase in credit risk.

*Stage 2* (Past due but not specifically impaired) - for financial assets measured at FVTPL that, based on change in rating, delinquencies and payment history, demonstrate significant increase in credit risk, and/or are considered more than 30 days past due but do not demonstrate objective evidence of impairment as of balance sheet date.

*Stage 3* (Specifically impaired) - those that are considered in default or demonstrate objective evidence of impairment as of balance sheet date.

### Impairment assessment

#### *Financial assets at amortized cost*

The credit risk for cash and cash equivalents is considered negligible since the counterparty is the Parent Company. Cash in bank and short-term placements are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of ₱0.50 million for every depositor per banking institution.

The credit risk for other assets, which consist of rental deposits and other receivables, are also considered negligible as the Company has ongoing agreements with the counterparties and the latter are considered to be with sound financial condition.



### Liquidity risk

Liquidity risk is the risk of loss to earnings or capital due to the inability to meet funding requirements within a reasonable period of time at a reasonable price.

The Company monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows.

The table below summarizes the maturity profile of the Company's financial assets used for liquidity purposes and financial liabilities based on contractual undiscounted payments as of December 31, 2022 and 2021:

	2022				Total
	On demand	Less than 3 months	Within 3 to 12 months	More than one year	
<b>Financial Assets</b>					
Cash and cash equivalents*	P333,043,343	P-	P-	P-	P333,043,343
Receivables	1,197,023	-	-	-	1,197,023
Financial assets at FVTPL	153,968,214	-	-	-	153,968,214
Other noncurrent assets	-	-	-	1,872,371	1,872,371
	<b>P488,208,580</b>	<b>P-</b>	<b>P-</b>	<b>P1,872,371</b>	<b>P490,080,951</b>
<b>Financial Liabilities</b>					
Payable to insurance principals - net	P4,077,471	P-	P-	P-	P4,077,471
Accrued expenses	11,158,097	-	-	-	11,158,097
Lease liability	-	1,914,740	5,780,032	12,163,986	19,858,758
Other liabilities					
Advance premium payments	126,636,647	-	-	-	126,636,647
Accounts payable	2,897,984	-	-	-	2,897,984
	<b>P144,770,199</b>	<b>P1,914,740</b>	<b>P5,780,032</b>	<b>P12,163,986</b>	<b>P164,628,957</b>

\* Excluding petty cash fund

	2021				Total
	On demand	Less than 3 months	Within 3 to 12 months	More than one year	
<b>Financial Assets</b>					
Cash and cash equivalents*	P314,619,034	P-	P-	P-	P314,619,034
Receivables	6,265,226	-	-	-	6,265,226
Financial assets at FVTPL	151,209,389	-	-	-	151,209,389
Other noncurrent assets	-	-	-	1,872,371	1,872,371
	<b>P472,093,649</b>	<b>P-</b>	<b>P-</b>	<b>P1,872,371</b>	<b>P473,966,020</b>
<b>Financial Liabilities</b>					
Payable to insurance principals - net	P27,920,505	P-	P-	P-	P27,920,505
Accrued expenses	4,203,460	-	-	-	4,203,460
Lease liability	-	1,761,234	5,218,134	19,780,354	26,759,722
Other liabilities					
Advance premium payments	130,255,923	-	-	-	130,255,923
Accounts payable	10,901,878	-	-	-	10,901,878
	<b>P173,281,766</b>	<b>P1,761,234</b>	<b>P5,218,134</b>	<b>P19,780,354</b>	<b>P200,041,488</b>

\* Excluding petty cash fund

The Company's obligation to insurance companies to remit collections from policyholders begins after 90 days from inception date of the policy, thus it is on demand when the account is already more than 90 days. However, the Company is not liable to remit when there is no collection.

### Foreign currency risk

The Company's foreign currency exposure arises from US dollar-denominated cash in bank. Approximately 3.53% and 2.50% of the total cash in bank is denominated in US dollar as of December 31, 2022 and 2021, respectively.



Dollar-denominated financial assets are as follows:

	2022	2021
US dollar value	\$210,995	\$154,173
Philippine peso value	P11,764,004	P7,862,654

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rates of ₱55.755 per \$1.00 and ₱50.999 per \$1.00, with all other variables held constant, of the Company's income before tax (due to changes in the fair value of monetary assets) as of December 31, 2022 and 2021, respectively. There is no other impact on the Company's equity other than those already affecting the statement of comprehensive income.

Increase/decrease in US dollar rate	Effect on profit before tax	
	2022	2021
+2.00%	P235,280	P157,253
-2.00%	(235,280)	(157,253)

The increase in exchange rate above represents depreciation of the Philippine Peso while the decrease represents stronger Philippine Peso value.

## 19. Related Party Transactions

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. Corporate entities are also considered to be related if they are subject to common control or common significant influence. Transactions between related parties are based on terms similar of those offered to non-related parties.

In the ordinary course of business, the Company has normal banking and other transactions with its related parties. The effects of these transactions are reflected in the appropriate accounts in the financial statements.

The significant amount/volume, outstanding balances, and nature, terms and conditions with respect to related party transactions included in the financial statements follow:

### Transactions with the Retirement Plan

The retirement fund of the Company's employees amounting to ₱11.92 million and ₱16.42 million as of December 31, 2022 and 2021, respectively, is being managed by the Parent Company's Trust Group.

The Company's retirement plan asset includes investment in UITFs launched by the Trust Department of the Parent Company.

### Transactions with Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

The remuneration of the Company's key management personnel (included under 'Compensation and fringe benefits' in the statements of comprehensive income) amounted to ₱5.33 million and ₱4.72 million for 2022 and 2021, respectively.





Other related party transactions

Related Party Category		2022		2021		Nature, Terms and Conditions
		Amount/ Volume	Outstanding Balance	Amount/ Volume	Outstanding Balance	
China Banking Corporation (Parent)	Cash in bank		P265,525,797		P242,517,943	These are demand deposit accounts which earn interest at the prevailing bank deposit rates.
	Deposits	P1,496,725,790		P1,416,886,153		
	Withdrawals	(1,474,017,814)		(1,174,617,120)		
	Interest income	299,878		248,910		These are money market and cash funds placed in the Trust Group
	Financial assets at FVTPL		153,968,214		151,209,389	
China Bank Savings, Inc. (CBSI) (Affiliate)	Cash in bank		67,505,705		72,087,795	These are demand deposit accounts which earn interest at the prevailing bank deposit rates.
	Deposits	185,402,448		283,293,191		
	Withdrawals	(190,056,058)		(269,645,054)		
	Interest income	71,520		105,671		These are special savings deposit accounts which earn interest of 1.0% and mature within three months or less.
	Short-term investments		-		-	
	Placements	-		148,993,591		
	Maturities	-		(189,182,572)		
	Interest income	-		166,704		This pertains to rental deposit for office space leased from CBSI (Note 11).
	Security deposit		1,872,371		1,872,371	

Related Party	Nature of Transaction	2022	2021	Nature, Terms and Conditions
China Banking Corporation (Parent)	Management and professional fees	P320,000	P320,000	Annual fee paid to the Parent Company for human resources function provided by the Parent Company such as recruitment and placement, training and development, salary and benefits development, systems and research, and employee benefits. The Parent Company also provided CBSI with administrative function such as procurement and inventory, messengerial and office maintenance services.
PCCI (Affiliate)	Management and professional fees	250,000	250,000	Annual fees paid to PCCI for information technology related function provided by PCCI to CBSI.
CBSI (Affiliate)	Leases	7,995,027	7,614,311	Annual rental cost of office space lease from CBSI. The non-cancellable lease is for a period of five years and renewable upon mutual agreement (Note 11).

**20. Approval of the Release of Financial Statements**

The accompanying financial statements of the Company were authorized for issue by the BOD on April 14, 2023.

**21. Supplementary Information Required Under Revenue Regulations 15-2010**

In compliance with the requirements set forth by RR No. 15-2010 hereunder are the details of Value-Added Tax (VAT) and other taxes paid or accrued by the Company in 2022.



#### Input VAT

	Amount
Balance at beginning of year	₱496,435
Current year's purchases:	
Goods other than for resale or manufacture	522,160
Services lodged under other accounts	1,705,566
Claims for tax refund and other adjustments	(2,365,087)
Balance at end of year	₱359,074

#### Output VAT

The Company is a VAT-registered company with VAT output tax declaration of ₱36.58 million for the year based on the amount of commission income from premiums remitted to insurance companies in 2022 amounting ₱304.85 million. Commission income reported in the Company's financial statements reflect amounts collected or earned from completed brokerage services.

As of December 31, 2022, the Company's output VAT payable amounted to ₱6.16 million. The Company's sales of services are based on actual collections received, hence, may not be the same as amounts recognized in the statement of income.

#### Withholding Taxes

Details of total remittances of withholding taxes in 2022 and amounts outstanding as of December 31, 2022 are as follows:

	Total Remittance	Balance
Withholding taxes on compensation and benefits	₱5,866,187	₱344,397
Expanded withholding taxes	5,093,548	1,164,488
	₱10,959,735	₱1,508,885

#### Taxes and Licenses

In 2022, taxes and licenses of the Company consist of:

Business licenses	₱2,122,711
Others	212,043
	₱2,334,754

#### Tax Assessments

As of December 31, 2022, the Company has no tax assessments received from the BIR.



## INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors  
Chinabank Insurance Brokers, Inc.  
8/F, VGP Center, 6772 Ayala Avenue  
Barangay San Lorenzo, Makati City

We have audited the financial statements of Chinabank Insurance Brokers, Inc. (the Company) as at and for the year ended December 31, 2022, on which we have rendered the attached report dated April 14, 2023.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the above Company has one (1) stockholder owning one hundred (100) or more shares.

SYCIP GORRES VELAYO & CO.

*Redginald G. Radam*

Redginald G. Radam  
Partner

CPA Certificate No. 118866

Tax Identification No. 249-000-259

BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 118866-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-141-2021, April 27, 2021, valid until April 26, 2024

PTR No. 9564682, January 3, 2023, Makati City

April 14, 2023





**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

The management of Chinabank Insurance Brokers, Inc. (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the year ended December 31, 2022, in accordance with the prescribed financial reporting framework indicated therein, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors (BOD) is responsible for overseeing the Company's financial reporting process.

The BOD reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the BOD and stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature



Patrick D. Cheng

Chairman of the Board

Signature



Frankie G. Panis

President

Signature



Maria Primitiva Carmela D. Canceran

Treasurer



APR 27 2023

Signed this \_\_\_\_\_ day of April 2023.



## SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307 Metro Manila Philippines  
Tel: (632) 818-8923 Fax: (632) 818-5293 Email: sec@sec.gov.ph



The following document has been received:

Receiving: Anthonio Kwong

Receipt Date and Time: April 04, 2023 04:04:10 PM

### Company Information

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SEC Registration No.: A199813785

Company Name: CHINABANK INSURANCE BROKERS, INC.

Industry Classification: J68200

Company Type: Stock Corporation

### Document Information

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Document ID: OST1040420238996368

Document Type: General Information Sheet

Document Code: GIS

Period Covered: March 14, 2023

Submission Type: Annual Meeting

Remarks: None

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Acceptance of this document is subject to review of forms and contents

GENERAL INFORMATION SHEET (GIS)			
FOR THE YEAR 2023			
STOCK CORPORATION			
<b>GENERAL INSTRUCTIONS:</b>			
1. FOR USER CORPORATION, THIS GIS SHOULD BE SUBMITTED WITHIN THIRTY (30) CALENDAR DAYS FROM THE DATE OF THE ANNUAL STOCKHOLDERS' MEETING. DO NOT LEAVE ANY ITEM BLANK. WRITE "N/A." IF THE INFORMATION REQUIRED IS NOT APPLICABLE TO THE CORPORATION OR "NONE" IF THE INFORMATION IS NON-EXISTENT. IF THE ANNUAL STOCKHOLDERS' MEETING IS HELD ON A DATE OTHER THAN THAT STATED IN THE BY-LAWS, THE GIS SHALL BE SUBMITTED WITHIN THIRTY (30) CALENDAR DAYS AFTER THE ELECTION OF THE DIRECTORS, TRUSTEES AND OFFICERS OF THE CORPORATION AT THE ANNUAL MEMBERS' MEETING.			
2. IF NO MEETING IS HELD, THE CORPORATION SHALL SUBMIT THE GIS NOT LATER THAN JANUARY 30 OF THE FOLLOWING YEAR. HOWEVER, SHOULD AN ANNUAL STOCKHOLDERS' MEETING BE HELD THEREAFTER, A NEW GIS SHALL BE SUBMITTED/FILED.			
3. THIS GIS SHALL BE ACCOMPLISHED IN ENGLISH AND CERTIFIED AND SWORN TO BY THE CORPORATE SECRETARY OF THE CORPORATION.			
4. THE SEC SHOULD BE TIMELY APPRISED OF RELEVANT CHANGES IN THE SUBMITTED INFORMATION AS THEY ARISE. FOR CHANGES RESULTING FROM ACTIONS THAT ARISE BETWEEN THE ANNUAL MEETINGS, THE CORPORATION SHALL SUBMIT AMENDED GIS CONTAINING THE NEW INFORMATION TOGETHER WITH A COVER LETTER SIGNED THE CORPORATE SECRETARY OF THE CORPORATION. THE AMENDED GIS AND COVER LETTER SHALL BE SUBMITTED WITHIN SEVEN (7) DAYS AFTER SUCH CHANGE OCCURED OR BECAME EFFECTIVE.			
5. SUBMIT FOUR (4) COPIES OF THE GIS TO THE RECEIVING SECTION AT THE SEC MAIN OFFICE, OR TO SEC SATELLITE OFFICES OR EXTENSION OFFICES. ALL COPIES SHALL UNIFORMLY BE ON A4 OR LETTER-SIZED PAPER. THE PAGES OF ALL COPIES SHALL USE ONLY ONE SIDE.			
6. ONLY THE GIS ACCOMPLISHED IN ACCORDANCE WITH THESE INSTRUCTIONS SHALL BE CONSIDERED AS HAVING BEEN FILED.			
7. THIS GIS MAY BE USED AS EVIDENCE AGAINST THE CORPORATION AND ITS RESPONSIBLE DIRECTORS/OFFICERS FOR ANY VIOLATION OF EXISTING LAWS, RULES AND REGULATIONS.			
***** PLEASE PRINT LEGIBLY *****			
CORPORATE NAME:		DATE REGISTERED:	
CHINABANK INSURANCE BROKERS INC.		11/3/1998	
BUSINESS/TRADE NAME:		FISCAL YEAR END:	
CHINABANK INSURANCE BROKERS INC.		DECEMBER 31	
SEC REGISTRATION NUMBER:		CORPORATE TAX IDENTIFICATION NUMBER (TIN)	
A1998-15785		201-884-007-888	
DATE OF ANNUAL MEETING PER BY-LAWS:		WEBSITE/URL ADDRESS:	
ANY DAY IN MARCH			
ACTUAL DATE OF ANNUAL MEETING:		E-MAIL ADDRESS:	
14-Mar-23		SECUTICE@chinabank.ph	
COMPLETE PRINCIPAL OFFICE ADDRESS:		FAX NUMBER:	
VGP CENTER 6772 AYALA AVENUE, BRGY. SAN LORENZO, MAKATI CITY 1226		88945651	
COMPLETE BUSINESS ADDRESS:		OFFICIAL E-MAIL ADDRESS	
B/F VGP CENTER 6772 AYALA AVENUE, BRGY. SAN LORENZO, MAKATI CITY 1226		insurance.secretary@chinabank.ph	
OFFICIAL E-MAIL ADDRESS		ALTERNATE E-MAIL ADDRESS	
insurance.secretary@chinabank.ph		@wadeqarc@chinabank.ph	
OFFICIAL MOBILE NUMBER		ALTERNATE MOBILE NUMBER	
0935-515-7352		0923-081-7036	
NAME OF EXTERNAL AUDITOR & ITS SIGNING PARTNER:		SEC ACCREDITATION NUMBER (if applicable)	
SYGIP GORRES VELAYO & CO.			
TELEPHONE NUMBER(S):		PRIMARY PURPOSE/ACTIVITY/INDUSTRY PRESENTLY ENGAGED IN:	
8885-5760; 8885-5765		see attached page	
INDUSTRY CLASSIFICATION:		GEOGRAPHICAL CODE:	
Insurance			
***** INTERCOMPANY AFFILIATIONS *****			
PARENT COMPANY	SEC REGISTRATION NO.	ADDRESS	
SUBSIDIARY/AFFILIATE	SEC REGISTRATION NO.	ADDRESS	
NOTE: USE ADDITIONAL SHEET IF NECESSARY			



<b>GENERAL INFORMATION SHEET</b> <b>STOCK CORPORATION</b> <b>PLEASE PRINT LEGIBLY</b>		
<b>Corporate Name:</b>		
<b>A. Is the Corporation a covered person under the Anti Money Laundering Act (AMLA), as amended? (Rep. Acts. 9160/9164/10167/10365)</b> <span style="float: right;"> <input checked="" type="radio"/> Yes    <input type="radio"/> No         </span>		
<b>Please check the appropriate box:</b>		
<b>1.</b> <input type="checkbox"/> a. Banks <input type="checkbox"/> b. Offshore Banking Units <input type="checkbox"/> c. Quasi-Banks <input type="checkbox"/> d. Trust Entities <input type="checkbox"/> e. Non-Stock Savings and Loan Associations <input type="checkbox"/> f. Pawnshops <input type="checkbox"/> g. Foreign Exchange Dealers <input type="checkbox"/> h. Money Changers <input type="checkbox"/> i. Remittance Agents <input type="checkbox"/> j. Electronic Money Issuers <input type="checkbox"/> k. Financial Institutions which Under Special Laws are subject to Bangko Sentral ng Pilipinas' (BSP) supervision and/or regulation, including their subsidiaries and affiliates.	<input type="checkbox"/> 4. jewelry dealers in precious metals, who, as a business, trade in precious metals  <input type="checkbox"/> 5. jewelry dealers in precious stones, who, as a business, trade in precious stones  <input type="checkbox"/> 6. Company service providers which, as a business, provide any of the following services to third parties:	
<b>2.</b> <input type="checkbox"/> a. Insurance Companies <input type="checkbox"/> b. Insurance Agents <input checked="" type="checkbox"/> c. Insurance Brokers <input type="checkbox"/> d. Professional Reinsurers <input type="checkbox"/> e. Reinsurance Brokers <input type="checkbox"/> f. Holding Companies <input type="checkbox"/> g. Holding Company Systems <input type="checkbox"/> h. Pre-need Companies <input type="checkbox"/> i. Mutual Benefit Association <input type="checkbox"/> j. All Other Persons and entities supervised and/or regulated by the Insurance Commission (IC)	<input type="checkbox"/> a. acting as a formation agent of juridical persons <input type="checkbox"/> b. acting as (or arranging for another person to act as) a director or corporate secretary of a company, a partner of a partnership, or a similar position in relation to other juridical persons  <input type="checkbox"/> c. providing a registered office, business address or accumulation, correspondence or administrative address for a company, a partnership or any other legal person in arrangement  <input type="checkbox"/> d. acting as (or arranging for another person to act as) a nominee shareholder for another person	
<b>3.</b> <input type="checkbox"/> a. Securities Dealers <input type="checkbox"/> b. Securities Brokers <input type="checkbox"/> c. Securities Salesman  <input type="checkbox"/> d. Investment Houses <input type="checkbox"/> e. Investment Agents and Consultants <input type="checkbox"/> f. Trading Advisors <input type="checkbox"/> g. Other entities managing Securities or rendering similar services <input type="checkbox"/> h. Mutual Funds or Open-end Investment Companies <input type="checkbox"/> i. Close-end Investment Companies <input type="checkbox"/> j. Common Trust Funds or Issues and other similar entities <input type="checkbox"/> k. Transfer Companies and other similar entities <input type="checkbox"/> l. Other entities administering or otherwise dealing in currency, commodities or financial derivatives based there on <input type="checkbox"/> m. Entities administering or otherwise dealing in valuable objects <input type="checkbox"/> n. Entities administering or otherwise dealing in cash substitutes and other similar monetary instruments or property supervised and/or regulated by the Securities and Exchange Commission (SEC)	<input type="checkbox"/> 7. Persons who provide any of the following services: <input type="checkbox"/> a. managing of client money, securities or other assets <input type="checkbox"/> b. management of bank, savings or securities accounts <input type="checkbox"/> c. organization of contributions for the creation, operation or management of companies <input type="checkbox"/> d. creation, operation or management of juridical persons or arrangements, and buying and selling business entities  <input type="checkbox"/> 8. None of the above	
<b>B. Has the Corporation complied with the requirements on Customer Due Diligence (CDD) or Know Your Customer (KYC), record-keeping, and submission of reports under the AMLA, as amended, since the last filing of its GIS?</b>		<span style="float: right;"> <input checked="" type="radio"/> Yes    <input type="radio"/> No         </span>

CAPITAL STRUCTURE							
AUTHORIZED CAPITAL STOCK							
		TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE	AMOUNT (Php) (No. of shares X Par/Stated Value)		
		COMMON	5,000,000	100.00	500,000,000.00		
TOTAL			5,000,000	TOTAL P			
SUBSCRIBED CAPITAL							
FILIPINO	NO. OF STOCK-HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	NUMBER OF SHARES IN THE HANDS OF THE PUBLIC **	PAR/STATED VALUE	AMOUNT (Php)	% OF OWNERSHIP
	5	COMMON	1,421,300		100.00	142,130,000.00	
TOTAL			1,421,300	TOTAL	TOTAL P	142,130,000.00	
FOREIGN (INDICATE BY NATIONALITY)	NO. OF STOCK-HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	NUMBER OF SHARES IN THE HANDS OF THE PUBLIC **	PAR/STATED VALUE	AMOUNT (Php)	% OF OWNERSHIP
n/a		n/a					
Percentage of Foreign Equity:				TOTAL	TOTAL	TOTAL P	
					TOTAL SUBSCRIBED P	142,130,000.00	
PAID-UP CAPITAL							
FILIPINO	NO. OF STOCK-HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE	AMOUNT (Php)	% OF OWNERSHIP	
	5	COMMON	1,421,300		142,130,000.00		
TOTAL			1,421,300	TOTAL P	142,130,000.00		
FOREIGN (INDICATE BY NATIONALITY)	NO. OF STOCK-HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE	AMOUNT (Php)	% OF OWNERSHIP	
0.00 %				TOTAL	TOTAL P		
				TOTAL PAID-UP P			
NOTE: USE ADDITIONAL SHEET IF NECESSARY							
* Common, Preferred or other classification							
** Other than Directors, Officers, Shareholders owning 10% of outstanding shares.							

GENERAL INFORMATION SHEET

STOCK CORPORATION

===== PLEASE PRINT LEGIBLY =====



# GENERAL INFORMATION SHEET

STOCK CORPORATION

PLEASE PRINT LEGIBLY

CORPORATE NAME:		CHINABANK INSURANCE BROKERS INC.						
DIRECTORS / OFFICERS								
NAME/CURRENT RESIDENTIAL ADDRESS	NATIONALITY	INC'R	BOARD	GENDER	STOCK HOLDER	OFFICER	EXEC. COMM.	TAX IDENTIFICATION NUMBER
1. PATRICK D. CHENG 827 Mabini St., Brgy. Addition Hills, Mandaluyong City	Filipino	N	C	M	Y	Chairman		107-170-683
2. FRANKIE G. PANIS 2602 A. Lamayan Street, Sta. Ana, Manila	Filipino	N	M	M	Y	President		163-080-258
3. WILLIAM C. WHANG 20 Polk St., North Greenhills, San Juan City, Metro Manila	Filipino	N	M	M	Y	N/A		113-262-108
4. PHILIP S.L. TSAI 157 Oscar Arellano St., San Juan City, Metro Manila	Filipino	N	I	M	Y	N/A		125-401-992
5. MARGARITA L. SAN JUAN 15 First Street, Ignatius Village, Quezon City	Filipino	N	I	F	Y	N/A		125-401-674
6. MARIA PRIMITIVA CARMELA D. CANCERAN #59B H. Unruvia Street, Brgy. Marilao, Project 4, Quezon City	Filipino	N		F	N	Treasurer		100-342-912
7. BELENETTE C. TAN 130 E. 9th Street, New Manila, Quezon City	Filipino	N		F	N	Corporate Secretary		153-962-566
8. --- NOTHING FOLLOWS ---								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
INSTRUCTION: FOR SEX COLUMN, PUT "F" FOR FEMALE, "M" FOR MALE. FOR BOARD COLUMN, PUT "C" FOR CHAIRMAN, "M" FOR MEMBER, "I" FOR INDEPENDENT DIRECTOR. FOR INC'R COLUMN, PUT "Y" IF AN INCORPORATOR, "N" IF NOT. FOR STOCKHOLDER COLUMN, PUT "Y" IF A STOCKHOLDER, "N" IF NOT. FOR OFFICER COLUMN, INDICATE PARTICULAR POSITION IF AN OFFICER, FROM VP UP INCLUDING THE POSITION OF THE TREASURER, SECRETARY, COMPLIANCE OFFICER AND/OR ASSOCIATED PERSON. FOR EXECUTIVE COMMITTEE, INDICATE "C" IF MEMBER OF THE COMPENSATION COMMITTEE; "A" FOR AUDIT COMMITTEE; "N" FOR NOMINATION AND ELECTION COMMITTEE. ADDITIONALLY WRITE "C" AFTER SLASH IF CHAIRMAN AND "M" IF MEMBER.								

**GENERAL INFORMATION SHEET**  
STOCK CORPORATION

===== PLEASE PRINT LEGIBLY =====						
<b>CORPORATE NAME:</b>		CHINABANK INSURANCE BROKERS INC.				
<b>TOTAL NUMBER OF STOCKHOLDERS:</b>		5		<b>NO. OF STOCKHOLDERS WITH 100 OR MORE SHARE</b> ONE (1)		
<b>TOTAL ASSETS BASED ON LATEST AUDITED FINANCIAL STATEMENTS:</b>		P568,736,845 (Year 2021 AFS)				
STOCKHOLDER'S INFORMATION						
NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	SHARES SUBSCRIBED				AMOUNT PAID (PhP)	TAX IDENTIFICATION NUMBER
	TYPE	NUMBER	AMOUNT (PhP)	% OF OWNERSHIP		
1. CHINABANK CORPORATION Filipino 8745 Paseo de Roxas, Makati City	C	1,421,295	142,129,500.00		142,129,500.00	000-444-210
	<b>TOTAL</b>	1,421,295	142,129,500.00			
2. PATRICK D. CHENG Filipino 827 Mabini St., Drgy. Addition Hills, Mandaluyong City	C	1	100.00		100.00	107-170-693
	<b>TOTAL</b>	1	100.00			
3. FRANKIE G. PANIS Filipino 2602 A. Lamayan Street, Sta. Ana, Manila	C	1	100.00		100.00	163-080-258
	<b>TOTAL</b>	1	100.00			
4. WILLIAM C. WHANG Filipino 20 Pulk St., North Greenhills, San Juan City	C	1	100.00		100.00	113-202-108
	<b>TOTAL</b>	1	100.00			
5. PHILIP S.L. TSAI Filipino 157 Oscar Asellano St., San Juan City, Metro Manila	C	1	100.00		100.00	125-401-992
	<b>TOTAL</b>	1	100.00			
6. MARGARITA L. SAN JUAN Filipino 15 First Street, Ignatius Village, Quezon City	C	1	100.00		100.00	125-401-674
	<b>TOTAL</b>	1	100.00			
7. --- NOTHING FOLLOWS ---						
	<b>TOTAL</b>					
<b>TOTAL AMOUNT OF SUBSCRIBED CAPITAL</b>				<b>0.00%</b>	<b>142,130,000.00</b>	
<b>TOTAL AMOUNT OF PAID-UP CAPITAL</b>						

INSTRUCTION: SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS

*Note: For PDTC Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.*

**GENERAL INFORMATION SHEET**  
STOCK CORPORATION

\*\*\*\*\* PLEASE PRINT LEGIBLY \*\*\*\*\*

CORPORATE NAME:		CHINABANK INSURANCE BROKERS INC.				
TOTAL NUMBER OF STOCKHOLDERS:		5		NO. OF STOCKHOLDERS WITH 100 OR MORE SHARES EACH:		
TOTAL ASSETS BASED ON LATEST AUDITED FS:						
STOCKHOLDER'S INFORMATION						
NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	SHARES SUBSCRIBED				AMOUNT PAID (Php)	TAX IDENTIFICATION NUMBER
	TYPE	NUMBER	AMOUNT (Php)	% OF OWNERSHIP		
8.						
	TOTAL					
9.						
	TOTAL					
10.						
	TOTAL					
11.						
	TOTAL					
12.						
	TOTAL					
13.						
	TOTAL					
14.						
	TOTAL					
TOTAL AMOUNT OF SUBSCRIBED CAPITAL				0.00%	0.00	
TOTAL AMOUNT OF PAID-UP CAPITAL						
INSTRUCTION: SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS						
<i>Note: For PDI/ Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.</i>						



# GENERAL INFORMATION SHEET

STOCK CORPORATION

PLEASE PRINT LEGIBLY

CORPORATE NAME:						
TOTAL NUMBER OF STOCKHOLDERS:				NO. OF STOCKHOLDERS WHOSE NAMES ARE LISTED:		
TOTAL ASSETS BASED ON LATEST AUDITED FS:						
STOCKHOLDER'S INFORMATION						
NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	SHARES SUBSCRIBED				AMOUNT PAID (P=)	TAX IDENTIFICATION NUMBER
	TYPE	NUMBER	AMOUNT (P=)	% OF OWNER-SHIP		
15.						
	TOTAL					
16.						
	TOTAL					
17.						
	TOTAL					
18.						
	TOTAL					
19.						
	TOTAL					
20.						
	TOTAL					
21. OTHERS (Indicate the number of the remaining stockholders)						
	TOTAL					
TOTAL AMOUNT OF SUBSCRIBED CAPITAL				0.00%	0.00	
TOTAL AMOUNT OF PAID-UP CAPITAL						
INSTRUCTION: SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS						
Note: For PTEC, Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet if necessary.						

# GENERAL INFORMATION SHEET

STOCK CORPORATION

PLEASE PRINT LEGIBLY			
CORPORATE NAME:			
1. INVESTMENT OF CORPORATE FUNDS IN ANOTHER CORPORATION	AMOUNT (PhP)	DATE OF BOARD RESOLUTION	
1.1 STOCKS			
1.2 BONDS/COMMERCIAL PAPER (Issued by Private Corporations)			
1.3 LOANS/ CREDITS/ ADVANCES			
1.4 GOVERNMENT TREASURY BILLS			
1.5 OTHERS			
2. INVESTMENT OF CORPORATE FUNDS IN ACTIVITIES UNDER ITS SECONDARY PURPOSES (PLEASE SPECIFY:)	DATE OF BOARD RESOLUTION	DATE OF STOCKHOLDERS RATIFICATION	
3. TREASURY SHARES	NO. OF SHARES	% AS TO THE TOTAL NO. OF SHARES ISSUED	
4. UNRESTRICTED/UNAPPROPRIATED RETAINED EARNINGS AS OF END OF LAST FISCAL YEAR			
5. DIVIDENDS DECLARED DURING THE IMMEDIATELY PRECEDING YEAR:			
TYPE OF DIVIDEND	AMOUNT (PhP)	DATE DECLARED	
5.1 CASH	60,000,000.00	02/21/2023	
5.2 STOCK			
5.3 PROPERTY			
TOTAL	P		
6. ADDITIONAL SHARES ISSUED DURING THE PERIOD:			
DATE	NO. OF SHARES	AMOUNT	
SECONDARY LICENSE/REGISTRATION WITH SEC AND OTHER GOV'T AGENCY:			
NAME OF AGENCY:	SEC.	BSP	IC
TYPE OF LICENSE/REGN.			
DATE ISSUED:			
DATE STARTED OPERATIONS:			
TOTAL ANNUAL COMPENSATION OF DIRECTORS DURING THE PRECEDING FISCAL YEAR (in PhP)	TOTAL NO. OF OFFICERS	TOTAL NO. OF RANK & FILE EMPLOYEES	TOTAL MANPOWER COMPLEMENT
	41	80	121

NOTE: USE ADDITIONAL SHEET IF NECESSARY

I, BELENETTE C. TAN, Corporate Secretary of CHINABANK INSURANCE BROKERS INC. declare under penalty of perjury that all matters set forth in this GIS have been made in good faith, duly verified by me and to the best of my knowledge and belief are true and correct.

I hereby attest that all the information in this GIS are being submitted in compliance with the rules and regulations of the Securities and Exchange Commission (SEC) the collection, processing, storage and sharing of said information being necessary to carry out the functions of public authority for the performance of the constitutionally and statutorily mandated functions of the SEC as a regulatory agency.

I further attest that I have been authorized by the Board of Directors/Trustees to file this GIS with the SEC.

I understand that the Commission may place the corporation under delinquent status for failure to submit the reportorial requirements three (3) times, consecutively or intermittently, within a period of five (5) years (Section 177, RA No. 11232).

Done this MAR 27 2023 day of MAR, 2023 in Manila

BELENETTE C. TAN  
(Signature over printed name)

CITY OF MAKATI: MAR 27 2023

SUBSCRIBED AND SWORN TO before me in \_\_\_\_\_ on \_\_\_\_\_ by affiant who personally appeared before me and exhibited to me his/her competent evidence of identity consisting of SSS No. 3316808249 issued at \_\_\_\_\_ on \_\_\_\_\_

DOC. NO. 51  
PAGE NO. 12  
BOOK NO. 12  
SERIES OF 20 23

REGINE C. YU  
Notary Public for Makati City  
Appt. No. M-289 until 31 December 2024  
N/A NOTARY PUBLIC,  
8755 Paseo de Roxas, Makati City  
PTR No. 9570182, 01-06-2023; Makati City  
IBP Lifetime No. 036-13, 01-09-2017; Makati City  
MCLE Compliance No. 14-07-2017; 10-01-2021  
Roll of Notaries 2022-2023



# BENEFICIAL OWNERSHIP DECLARATION

FOR THE YEAR: 2023

SEC REGISTRATION NUMBER:

A1998-13785

CORPORATE NAME:

CHINABANK INSURANCE BROKERS, INC.

## Instructions:

- Identify the Beneficial Owner(s) of the corporation as described in the Categories of Beneficial Ownership in items A to I below. List down as many as you can identify. You may use an additional sheet if necessary.
- Fill in the required information on the beneficial owner in the fields provided for.
- In the "Category of Beneficial Ownership" column, indicate the letter(s) corresponding thereto. In the event that the person identified as beneficial owner falls under several categories, indicate all the letters corresponding to such categories.
- If the category is under letter "I", indicate the position held (i.e., Director/Trustee, President, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, etc.).
- Do not leave any item blank. Write "N/A" if the information required is not applicable or "NONE" if non-existent.

"Beneficial Owner" refers to any natural person(s) who ultimately own(s) or control(s) or exercise(s) ultimate effective control over the corporation. This definition covers the natural person(s) who actually own or control the corporation as distinguished from the legal owners. Such beneficial ownership may be determined on the basis of the

## Category

## Description

- A Natural person(s) owning, directly or indirectly or through a chain of ownership, at least twenty-five percent (25%) of the voting rights, voting shares or capital of the reporting corporation.
- B Natural person(s) who exercise control over the reporting corporation, alone or together with others, through any contract, understanding, relationship, intermediary or tiered entity.
- C Natural person(s) having the ability to elect a majority of the board of directors/trustees, or any similar body, of the corporation.
- D Natural person(s) having the ability to exert a dominant influence over the management or policies of the corporation.
- E Natural person(s) whose directions, instructions, or wishes in conducting the affairs of the corporation are carried out by majority of the members of the board of directors of such corporation who are accustomed or under an obligation to act in accordance with such person's directions, instructions or
- F Natural person(s) acting as stewards of the properties of corporations, where such properties are under the care or administration of said natural person(s).
- G Natural person(s) who actually own or control the reporting corporation through nominee shareholders or nominee directors acting for or on behalf of such natural persons.
- H Natural person(s) ultimately owning or controlling or exercising ultimate effective control over the corporation through other means not falling under any of the foregoing categories.
- I Natural person(s) exercising control through positions held within a corporation (i.e., responsible for strategic decisions that fundamentally affect the business practices or general direction of the corporation such as the members of the board of directors or trustees or similar body within the corporation; or exercising executive control over the daily or regular affairs of the corporation through a senior management position). This category is only applicable in exceptional cases where no natural person is identifiable who ultimately owns or exerts control over the corporation, the reporting corporation having exhausted all reasonable means of identification and provided there are no grounds

COMPLETE NAME (Surname, Given Name, Middle Name, Name Extension (i.e., Jr., Sr., III))	SPECIFIC RESIDENTIAL ADDRESS	NATIONALITY	DATE OF BIRTH	TAX IDENTIFICATION NO.	% OF OWNERSHIP <sup>1</sup> / % OF VOTING RIGHTS <sup>2</sup>	TYPE OF BENEFICIAL OWNER <sup>3</sup> Direct (D) or Indirect (I)	CATEGORY OF BENEFICIAL OWNERSHIP
WILLIAM C. WHANG (China Banking Corporation)	20 Polk St., North Greenhills, San Juan City, Metro Manila	Filipino	3/31/1958	113-262-108	100%	D	I (President - China Banking Corporation)

Note: This page is not for uploading on the SEC Filers.

<sup>1</sup> For Stock Corporations.

<sup>2</sup> For Non-Stock Corporations.

**PRIMARY PURPOSE**

TO ACT AS A BROKER IN SOLICITING, PROCURING, NEGOTIATING, RECEIVING, MANAGING AND FORWARDING APPLICATIONS FOR FIRE, CASUALTY, PLATE GLASS, AUTOMOBILES, TRUCKS AND OTHER MOTOR VEHICLES ACCIDENT, HEALTH, BURGLARY, RENT, MARINE, CREDIT, DISABILITY, LIFE INSURANCE, AND ALL OTHER KINDS OF INSURANCE, INCLUDING REINSURANCE CONTRACTS OR IN ANY OTHER MANNER AIDING IN TAKING OUT INSURANCE, COLLECTING PAYMENTS OF PREMIUMS DUE ON SUCH POLICIES, AND DOING SUCH OTHER BUSINESS AS MAY BE DELEGAED TO BROKER OR SUCH COMPANIES IN THE CONDUCT OF A GENERAL INSURANCE



## SECURITIES AND EXCHANGE COMMISSION

SEC Headquarters, 7987 Makati Avenue, Sarsala Village, Boringay Bldg., Makati City, 1209, Metro Manila Philippines  
Tel: (632) 818-0921 Fax: (632) 818-5291 Email: [mis@sec.gov.ph](mailto:mis@sec.gov.ph)



The following document has been received:

Receiving: Salvador Baculanta

Receipt Date and Time: April 18, 2023 05:41:44 PM

### Company Information

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SEC Registration No.: A199813785

Company Name: CHINABANK INSURANCE BROKERS, INC.

Industry Classification: J68200

Company Type: Stock Corporation

### Document Information

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Document ID: OST10418202381022962

Document Type: General Information Sheet

Document Code: GIS

Period Covered: March 14, 2023

Submission Type: Amendment

Remarks: None

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Acceptance of this document is subject to review of forms and contents



AMENDED GENERAL INFORMATION SHEET (GIS)			
FOR THE YEAR 2023			
STOCK CORPORATION			
<b>GENERAL INSTRUCTIONS:</b> 1. FOR LISTED CORPORATION: THIS GIS SHOULD BE SUBMITTED WITHIN THIRTY (30) CALENDAR DAYS FROM THE DATE OF THE ANNUAL STOCKHOLDERS' MEETING. <b>DO NOT LEAVE ANY ITEM BLANK</b> WHILE "N/A" IF THE INFORMATION REQUESTED IS NOT APPLICABLE TO THE CORPORATION OR "NONE" IF THE INFORMATION IS NON-EXISTENT. IF THE ANNUAL STOCKHOLDERS' MEETING IS HELD ON A DATE OTHER THAN THAT STATED IN THE BY-LAWS, THE GIS SHALL BE SUBMITTED WITHIN THIRTY (30) CALENDAR DAYS AFTER THE ELECTION OF THE DIRECTORS, TRUSTEES AND OFFICERS OF THE CORPORATION AT THE ANNUAL MEMBERS' MEETING. 2. IF NO MEETING IS HELD, THE CORPORATION SHALL SUBMIT THE GIS NOT LATER THAN JANUARY 30 OF THE FOLLOWING YEAR. HOWEVER, SHOULD AN ANNUAL STOCKHOLDERS' MEETING BE HELD THEREAFTER, A NEW GIS SHALL BE SUBMITTED THERE. 3. THIS GIS SHALL BE ACCOMPLISHED IN ENGLISH AND CERTIFIED AND SIGNED TO BY THE <b>CORPORATE SECRETARY</b> OF THE CORPORATION. 4. THE GIS SHOULD BE TIMELY APPENDED OF BELLEFANT CHANGES IN THE SUBMITTED INFORMATION AS THEY ARISE. FOR CHANGES RESULTING FROM ACTIONS THAT ARISE BETWEEN THE ANNUAL MEETINGS, THE CORPORATION SHALL SUBMIT AMENDED GIS CONTAINING THE NEW INFORMATION TOGETHER WITH A COVER LETTER SIGNED THE CORPORATE SECRETARY OF THE CORPORATION. THE AMENDED GIS AND COVER LETTER SHALL BE SUBMITTED WITHIN SEVEN (7) DAYS AFTER SUCH CHANGE OCCURRED OR BECAME EFFECTIVE. 5. SUBMIT FOUR (4) COPIES OF THE GIS TO THE RECEIVING SECTION AT THE SEC MAIN OFFICE, OR TO SEC SATELLITE OFFICES OR LEGATION OFFICES. ALL COPIES SHALL UNIFORMLY BE ON A1 OR LETTER-SIZED PAPER. THE PAGES OF ALL COPIES SHALL USE ONLY ONE SIDE. 6. <b>ONLY THE GIS ACCOMPLISHED IN ACCORDANCE WITH THESE INSTRUCTIONS SHALL BE CONSIDERED AS HAVING BEEN FILED.</b> 7. THIS GIS MAY BE USED AS EVIDENCE AGAINST THE CORPORATION AND ITS RESPONSIBLE DIRECTORS, OFFICERS FOR ANY VIOLATIONS OF EXISTING LAWS, RULES AND REGULATIONS.			
***** PLEASE PRINT LEGIBLY *****			
CORPORATE NAME:			DATE REGISTERED:
CHINABANK INSURANCE BROKERS INC.			11/1/1998
BUSINESS/TRADE NAME:			FISCAL YEAR END:
CHINABANK INSURANCE BROKERS INC.			DECEMBER 31
SEC REGISTRATION NUMBER:			
A1998-12705			
DATE OF ANNUAL MEETING PER BY-LAWS:			DISCLOSURE IDENTIFICATION NUMBER (DIN)
ANY DAY IN MARCH			20230301
ACTUAL DATE OF ANNUAL MEETING:			WEBSITE URL: REPORT IS
14-Mar-23			
COMPLETE PRINCIPAL OFFICE ADDRESS:			E-MAIL ADDRESS:
VGP CENTER 6772 AYALA AVENUE, DRGV, SAN LORENZO, MAKATI CITY 1226			<a href="mailto:insurance-secretary@chinabank.ph">insurance-secretary@chinabank.ph</a>
COMPLETE BUSINESS ADDRESS:			TEL NUMBER:
R/F VGP CENTER 6772 AYALA AVENUE, DRGV, SAN LORENZO, MAKATI CITY 1226			88945651
OFFICIAL E-MAIL ADDRESS:	ALTERNATE E-MAIL ADDRESS:	OFFICIAL MOBILE NUMBER:	ALTERNATE MOBILE NUMBER:
<a href="mailto:insurance-secretary@chinabank.ph">insurance-secretary@chinabank.ph</a>	<a href="mailto:myed@chinabank.ph">myed@chinabank.ph</a>	0915-615-7352	0923-001-7836
NAME OF EXTERNAL AUDITOR & ITS SIGNING PARTNER:		SEC REGISTRATION NUMBER (if applicable):	TELEPHONE NUMBER(S):
SYCIP GORRES VELAYO & CO.			88945651
PRIMARY PURPOSE, ACTIVITY, INDUSTRY PRESENTLY ENGAGED IN:		INDUSTRY CLASSIFICATION:	GEOGRAPHICAL CODE:
see attached page		Insurance	
***** INTERCOMPANY AFFILIATIONS *****			
PARENT COMPANY:	SEC REGISTRATION NO.:	ADDRESS:	
SUBSIDIARY/AFFILIATE:	SEC REGISTRATION NO.:	ADDRESS:	
NOTE: USE ATTACHED SHEET IF NECESSARY			

## GENERAL INFORMATION SHEET

## STOCK CORPORATION

PLEASE PRINT LEGIBLY

Corporate Name:

A. Is the Corporation a covered person under the Anti Money Laundering Act (AMLA), as amended? (Rep. Acts. 9160/9164/10167/10365) ☒ Yes ☐ No

Please check the appropriate box:

<b>1.</b> <input type="checkbox"/> a. Banks <input type="checkbox"/> b. Offshore Banking Units <input type="checkbox"/> c. Quasi-Banks <input type="checkbox"/> d. Trust Entities <input type="checkbox"/> e. Non-Stock Savings and Loan Associations <input type="checkbox"/> f. Pawnshops <input type="checkbox"/> g. Foreign Exchange Dealers <input type="checkbox"/> h. Money Changers <input type="checkbox"/> i. Remittance Agents <input type="checkbox"/> j. Electronic Money Issuers <input type="checkbox"/> k. Financial Institutions which Under Special Laws are subject to Bangko Sentral ng Pilipinas' (BSP) supervision and/or regulation, including their subsidiaries and affiliates.	<input type="checkbox"/> 4. Jewelry dealers in precious metals, who, as a business, trade in precious metals
<b>2.</b> <input type="checkbox"/> a. Insurance Companies <input type="checkbox"/> b. Insurance Agents <input checked="" type="checkbox"/> c. Insurance Brokers <input type="checkbox"/> d. Professional Resources <input type="checkbox"/> e. Reinsurance Brokers <input type="checkbox"/> f. Holding Companies <input type="checkbox"/> g. Holding Company Systems <input type="checkbox"/> h. Free zone Companies <input type="checkbox"/> i. Mutual Benefit Association <input type="checkbox"/> j. All other Persons and entities supervised and/or regulated by the Insurance Commission (IC)	<input type="checkbox"/> 5. Jewelry dealers in precious stones, who, as a business, trade in precious stones  <input type="checkbox"/> 6. Company service providers which, as a business, provide any of the following services to third parties: <input type="checkbox"/> a. acting as a formation agent of juridical persons <input type="checkbox"/> b. acting as (or arranging for another person to act as) a director or corporate secretary of a company, a partner of a partnership, or a similar position in relation to other juridical persons  <input type="checkbox"/> c. providing a registered office, business address or accommodation, correspondence or administrative address for a company, a partnership or any other legal person or arrangement  <input type="checkbox"/> d. acting as (or arranging for another person to act as) a nominee shareholder for another person
<b>3.</b> <input type="checkbox"/> a. Securities Dealers <input type="checkbox"/> b. Securities Brokers <input type="checkbox"/> c. Securities Salesman  <input type="checkbox"/> d. Investment Houses <input type="checkbox"/> e. Investment Agents and Consultants <input type="checkbox"/> f. Trading Advisors <input type="checkbox"/> g. Other entities managing Securities or rendering similar services <input type="checkbox"/> h. Mutual Funds or Open-end Investment Companies <input type="checkbox"/> i. Closed-end Investment Companies <input type="checkbox"/> j. Common Trust Funds or Issues and other similar entities <input type="checkbox"/> k. Transfer Companies and other similar entities <input type="checkbox"/> l. Other entities administering or otherwise dealing in currency, commodities or financial derivatives based there on <input type="checkbox"/> m. Entities administering or otherwise dealing in valuable objects <input type="checkbox"/> n. Entities administering or otherwise dealing in cash substitutes and other similar monetary instruments or property supervised and/or regulated by the Securities and Exchange Commission (SEC)	<input type="checkbox"/> 7. Persons who provide any of the following services: <input type="checkbox"/> a. managing of client money, securities or other assets <input type="checkbox"/> b. management of bank savings or securities accounts <input type="checkbox"/> c. organization of contributions for the creation, operation or management of companies <input type="checkbox"/> d. creation, operation or management of juridical persons or arrangements and buying and selling business entities  <input type="checkbox"/> 8. None of the above Describe nature of business:
B. Has the Corporation complied with the requirements on Customer Due Diligence (CDD) or Know Your Customer (KYC), record-keeping, and submission of reports under the AMLA, as amended, since the last filing of its GIS?	<input checked="" type="radio"/> Yes <input type="radio"/> No

# GENERAL INFORMATION SHEET

STOCK CORPORATION

PLEASE PRINT LEGIBLY

CORPORATE NAME:		CHINABANK INSURANCE BROKERS INC.					
CAPITAL STRUCTURE							
AUTHORIZED CAPITAL STOCK							
	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE	AMOUNT (PhP) (No. of shares X Par/Stated Value)			
	common	5,000,000	100.00	500,000,000.00			
TOTAL		5,000,000	TOTAL P				
SUBSCRIBED CAPITAL							
FILIPINO	NO. OF STOCK HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	NUMBER OF SHARES IN THE HANDS OF THE PUBLIC **	PAR/STATED VALUE	AMOUNT (PhP)	% OF OWNERSHIP
	5	common	1,421,300		100.00	142,130,000.00	
TOTAL		1,421,300	TOTAL	TOTAL P	142,130,000.00		
FOREIGN (INDICATE BY NATIONALITY)	NO. OF STOCK HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	NUMBER OF SHARES IN THE HANDS OF THE PUBLIC **	PAR/STATED VALUE	AMOUNT (PhP)	% OF OWNERSHIP
n/a		n/a					
Percentage of Foreign Equity :		TOTAL	TOTAL	TOTAL P	TOTAL SUBSCRIBED P		
					142,130,000.00		
PAID-UP CAPITAL							
FILIPINO	NO. OF STOCK HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE	AMOUNT (PhP)		% OF OWNERSHIP
	5	common	1,421,300		142,130,000.00		
TOTAL		1,421,300	TOTAL P	142,130,000.00			
FOREIGN (INDICATE BY NATIONALITY)	NO. OF STOCK HOLDERS	TYPE OF SHARES *	NUMBER OF SHARES	PAR/STATED VALUE	AMOUNT (PhP)		% OF OWNERSHIP
0.00 %		TOTAL	TOTAL P	TOTAL PAID-UP P			
NOTE: USE ADDITIONAL SHEET IF NECESSARY.							
* Common, Preferred or other classification							
** Other than Directors, Officers, Shareholders owning 10% of outstanding shares.							

# GENERAL INFORMATION SHEET

STOCK CORPORATION

PLEASE PRINT LEGIBLY

CORPORATE NAME:		CHINABANK INSURANCE BROKERS INC.						
DIRECTORS / OFFICERS								
NAME/CURRENT RESIDENTIAL ADDRESS	NATIONALITY	INC'R	BOARD	GENDER	STOCK HOLDER	OFFICER	EXEC. COMM.	TAX IDENTIFICATION NUMBER
1. PATRICK D. CHENG 827 Mabini St., Bryg. Addition Hills, Mandaluyong City	Filipino	N	C	M	Y	Chairman		107-170-683
2. FRANKIE G. PANIS 2602 A. Lamayan Street, Sta. Ana, Manila	Filipino	N	M	M	Y	President		163-080-258
3. PHILIP S.L. TSAI 157 Oscar Arellano St., San Juan City, Metro Manila	Filipino	N	I	M	Y	N/A		125-401-992
4. MARGARITA L. SAN JUAN 15 First Street, Ignatius Village, Quezon City	Filipino	N	I	F	Y	N/A		125-401-674
5. MARIA PRIMITIVA CARMERLA D. CANCERAN #59B H. Unruhia Street, Brgy. Marilao, Project 4, Quezon City	Filipino	N		F	N	Treasurer		100-342-912
6. BELENETTE C. TAN 130 E. 9th Street, New Manila, Quezon City	Filipino	N		F	N	Corporate Secretary		153-962-566
7. ---NOTHING FOLLOWS---								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
INSTRUCTION: FOR SEX COLUMN, PUT "F" FOR FEMALE, "M" FOR MALE. FOR BOARD COLUMN, PUT "C" FOR CHAIRMAN, "M" FOR MEMBER, "I" FOR INDEPENDENT DIRECTOR. FOR INC'R COLUMN, PUT "Y" IF AN INCORPORATOR, "N" IF NOT. FOR STOCKHOLDER COLUMN, PUT "Y" IF A STOCKHOLDER, "N" IF NOT. FOR OFFICER COLUMN, INDICATE PARTICULAR POSITION IF AN OFFICER, FROM VP UP INCLUDING THE POSITION OF THE TREASURER, SECRETARY, COMPLIANCE OFFICER AND/OR ASSOCIATED PERSON. FOR EXECUTIVE COMMITTEE, INDICATE "C" IF MEMBER OF THE COMPENSATION COMMITTEE; "A" FOR AUDIT COMMITTEE; "N" FOR NOMINATION AND ELECTION COMMITTEE. ADDITIONALLY WRITE "C" AFTER SLASH IF CHAIRMAN AND "M" IF MEMBER.								



**GENERAL INFORMATION SHEET**  
**STOCK CORPORATION**

===== PLEASE PRINT LEGIBLY =====						
<b>CORPORATE NAME:</b>		<b>CHINABANK INSURANCE BROKERS INC.</b>				
<b>TOTAL NUMBER OF STOCKHOLDERS:</b>		<b>5</b>		<b>NO. OF STOCKHOLDERS WITH 100 OR MORE SHARE ONE (1)</b>		
<b>TOTAL ASSETS BASED ON LATEST AUDITED FINANCIAL STATEMENTS:</b>				<b>P568,736,845 (Year 2021 AFS)</b>		
STOCKHOLDER'S INFORMATION						
NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	SHARES SUBSCRIBED				AMOUNT PAID (PhP)	TAX IDENTIFICATION NUMBER
	TYPE	NUMBER	AMOUNT (PhP)	% OF OWNERSHIP		
1. CHINABANK CORPORATION Filipino 8745 Paseo de Roxas, Makati City	C	1,421,295	142,129,500.00		142,129,500.00	000-444-210
	<b>TOTAL</b>	<b>1,421,295</b>	<b>142,129,500.00</b>			
2. PATRICK D. CHENG Filipino 827 Mabini St., Ilrty. Addition Hills, Mandaluyong City	C	1	100.00		100.00	107-170-683
	<b>TOTAL</b>	<b>1</b>	<b>100.00</b>			
3. FRANKIE G. PANIS Filipino 2602 A. Lamayan Street, Sta. Ana, Manila	C	1	100.00		100.00	163-080-258
	<b>TOTAL</b>	<b>1</b>	<b>100.00</b>			
4. JOSE L. OSMENA Filipino 3rd Floor China Bank Building, 8745 Paseo de Roxas, Makati City	C	1	100.00		100.00	169-658-074
	<b>TOTAL</b>	<b>1</b>	<b>100.00</b>			
5. PHILIP S.L. TSAI Filipino 157 Oscar Arellano St., San Juan City, Metro Manila	C	1	100.00		100.00	125-401-992
	<b>TOTAL</b>	<b>1</b>	<b>100.00</b>			
6. MARGARITA L. SAN JUAN Filipino 15 First Street, Ignatius Village, Quezon City	C	1	100.00		100.00	125-401-674
	<b>TOTAL</b>	<b>1</b>	<b>100.00</b>			
7. --- NOTHING FOLLOWS ---						
	<b>TOTAL</b>					
<b>TOTAL AMOUNT OF SUBSCRIBED CAPITAL</b>				<b>0.00%</b>	<b>142,130,000.00</b>	
<b>TOTAL AMOUNT OF PAID-UP CAPITAL</b>						

INSTRUCTION: SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS

*Note: For PDTC Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.*

GENERAL INFORMATION SHEET  
STOCK CORPORATION

\*\*\*\*\* PLEASE PRINT LEGIBLY \*\*\*\*\*

CORPORATE NAME:		CHINABANK INSURANCE BROKERS INC.				
TOTAL NUMBER OF STOCKHOLDERS:		5		NO. OF STOCKHOLDERS WITH 100 OR MORE SHARES EACH:		
TOTAL ASSETS BASED ON LATEST AUDITED FS:						
STOCKHOLDER'S INFORMATION						
NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	SHARES SUBSCRIBED				AMOUNT PAID (PHP)	TAX IDENTIFICATION NUMBER
	TYPE	NUMBER	AMOUNT (PHP)	% OF OWNER-SHIP		
	TOTAL					
	TOTAL					
	TOTAL					
	TOTAL					
	TOTAL					
	TOTAL					
	TOTAL					
TOTAL AMOUNT OF SUBSCRIBED CAPITAL				0.00%	0.00	
TOTAL AMOUNT OF PAID-UP CAPITAL						
INSTRUCTION- SPECIFY THE TOP 20 STOCKHOLDERS AND INDICATE THE REST AS OTHERS						
<i>Note: For PSEC Nominee included in the list, please indicate further the beneficial owners owning more than 5% of any class of the company's voting securities. Attach separate sheet, if necessary.</i>						

## GENERAL INFORMATION SHEET

STOCK CORPORATION

PLEASE PRINT LEGIBLY

CORPORATE NAME:						
TOTAL NUMBER OF STOCKHOLDERS:			No. of Shares Owned by the Corporation			
TOTAL ASSETS BASED ON LATEST AUDITED FS:						
STOCKHOLDER'S INFORMATION						
NAME, NATIONALITY AND CURRENT RESIDENTIAL ADDRESS	SHARES SUBSCRIBED				AMOUNT PAID (PLP)	TAX IDENTIFICATION NUMBER
	TYPE	NUMBER	AMOUNT (PLP)	% OF OWNERSHIP		
12						
	TOTAL					
13						
	TOTAL					
14						
	TOTAL					
15						
	TOTAL					
16						
	TOTAL					
17						
	TOTAL					
18						
	TOTAL					
19						
	TOTAL					
20						
	TOTAL					
21 OTHERS (Indicate the number of the remaining stockholders)						
	TOTAL					
TOTAL AMOUNT OF SUBSCRIBED CAPITAL					0.00%	0.00
TOTAL AMOUNT OF PAID-UP CAPITAL						
INSTRUCTION: SPECIFY THE TOP 25 STOCKHOLDERS AND INDICATE THE REST AS OTHERS						
Note: For FDI, Nominees included in the list, please indicate further the beneficial owners owning more than 1% of our shares of the company's voting securities. Attach separate sheet, if necessary.						

**GENERAL INFORMATION SHEET**  
STOCK CORPORATION

===== PLEASE PRINT LEGIBLY =====			
CORPORATE NAME:			
1. INVESTMENT OF CORPORATE FUNDS IN ANOTHER CORPORATION	AMOUNT (PbP)	DATE OF BOARD RESOLUTION	
1.1 STOCKS			
1.2 BONDS/COMMERCIAL PAPER (Issued by Private Corporations)			
1.3 LOANS/ CREDITS/ ADVANCES			
1.4 GOVERNMENT TREASURY BILLS			
1.5 OTHERS			
2. INVESTMENT OF CORPORATE FUNDS IN ACTIVITIES UNDER ITS SECONDARY PURPOSES (PLEASE SPECIFY:)	DATE OF BOARD RESOLUTION	DATE OF STOCKHOLDERS RATIFICATION	
3. TREASURY SHARES	NO. OF SHARES	% AS TO THE TOTAL NO. OF SHARES ISSUED	
4. UNRESTRICTED/UNAPPROPRIATED RETAINED EARNINGS AS OF END OF LAST FISCAL YEAR			
5. DIVIDENDS DECLARED DURING THE IMMEDIATELY PRECEDING YEAR:			
TYPE OF DIVIDEND	AMOUNT (PbP)	DATE DECLARED	
5.1 CASH	60,000,000.00	02/21/2023	
5.2 STOCK			
5.3 PROPERTY			
TOTAL	P		
6. ADDITIONAL SHARES ISSUED DURING THE PERIOD:			
DATE	NO. OF SHARES	AMOUNT	
SECONDARY LICENSE/REGISTRATION WITH SEC AND OTHER GOV'T AGENCY:			
NAME OF AGENCY:	SEC	BSP	TC
TYPE OF LICENSE/REGN.			
DATE ISSUED:			
DATE STARTED OPERATIONS:			
TOTAL ANNUAL COMPENSATION OF DIRECTORS DURING THE PRECEDING FISCAL YEAR (In PbP)	TOTAL NO. OF OFFICERS	TOTAL NO. OF RANK & FILE EMPLOYEES	TOTAL MANPOWER COMPLEMENT
	41	80	121

NOTE: USE ADDITIONAL SHEET IF NECESSARY



I, BELENETTE C. TAN, Corporate Secretary of CHINABANK INSURANCE BROKERS INC. declare under penalty of perjury that all matters set forth in this GIS have been made in good faith, duly verified by me and to the best of my knowledge and belief are true and correct.

I hereby attest that all the information in this GIS are being submitted in compliance with the rules and regulations of the Securities and Exchange Commission (SEC) the collection, processing, storage and sharing of said information being necessary to carry out the functions of public authority for the performance of the constitutionally and statutorily mandated functions of the SEC as a regulatory agency.

I further attest that I have been authorized by the Board of Directors/Trustees to file this GIS with the SEC.

I understand that the Commission may place the corporation under delinquent status for failure to submit the reportorial requirements three (3) times, consecutively or intermittently, within a period of five (5) years (Section 177, RA No. 11232).

Done this APR 17 2023 day of APRIL, 2023 in CITY OF MAKATI

BELENETTE C. TAN  
(Signature over printed name)

CITY OF MAKATI

APR 17 2023

SUBSCRIBED AND SWORN TO before me in \_\_\_\_\_ on \_\_\_\_\_ by affiant who personally appeared before me and exhibited to me his/her competent evidence of identity consisting of SSS No. 3316808249 issued at \_\_\_\_\_ on \_\_\_\_\_

**ALVIN A. QUINTANILLA**

Notary Public for Makati City

Appt. No. M-21F until December 31, 2023

4/F Purok 1, Building,

8755 Paseo de ~~MAKATI~~ Makati City

PTR No. 9570173; 01-06-2023; Makati City

IBP No. 293227; 01-10-2013; Cavite

MCLE Compliance No. VII-001 03.28.2021

Roll of Attorney's No. 40925

DOC. NO. 10  
PAGE NO. 3  
BOOK NO. 105  
SERIES OF 20 23

# BENEFICIAL OWNERSHIP DECLARATION

FOR THE YEAR: **2023**

SEC REGISTRATION NUMBER:

**A1998-13785**

CORPORATE NAME:

CHINABANK INSURANCE BROKERS, INC.

## Instructions:

1. Identify the Beneficial Owner/s of the corporation as described in the Categories of Beneficial Ownership in items A to I below. List down as many as you can identify. You may use an additional sheet if necessary.
2. Fill in the required information on the beneficial owner in the fields provided for.
3. In the "Category of Beneficial Ownership" column, indicate the letter(s) corresponding thereto. In the event that the person identified as beneficial owner falls under several categories, indicate all the letters corresponding to such categories.
4. If the category is under letter "I", indicate the position held (i.e., Director/Trustee, President, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, etc.).
5. Do not leave any item blank. Write "N/A" if the information required is not applicable or "NONE" if non-existent.

"Beneficial Owner" refers to any natural person(s) who ultimately own(s) or control(s) or exercise(s) ultimate effective control over the corporation. This definition covers the natural person(s) who actually own or control the corporation as distinguished from the legal owners. Such beneficial ownership may be determined on the basis of the

## Category

## Description

- A Natural person(s) owning, directly or indirectly or through a chain of ownership, at least twenty-five percent (25%) of the voting rights, voting shares or capital of the reporting corporation.
- B Natural person(s) who exercise control over the reporting corporation, alone or together with others, through any contract, understanding, relationship, intermediary or tiered entity.
- C Natural person(s) having the ability to elect a majority of the board of directors/trustees, or any similar body, of the corporation.
- D Natural person(s) having the ability to exert a dominant influence over the management or policies of the corporation.
- E Natural person(s) whose directions, instructions, or wishes in conducting the affairs of the corporation are carried out by majority of the members of the board of directors of such corporation who are accustomed or under an obligation to act in accordance with such person's directions, instructions or
- F Natural person(s) acting as stewards of the properties of corporations, where such properties are under the care or administration of said natural person(s).
- G Natural person(s) who actually own or control the reporting corporation through nominee shareholders or nominee directors acting for or on behalf of such natural persons.
- H Natural person(s) ultimately owning or controlling or exercising ultimate effective control over the corporation through other means not falling under any of the foregoing categories.
- I Natural person(s) exercising control through positions held within a corporation (i.e., responsible for strategic decisions that fundamentally affect the business practices or general direction of the corporation such as the members of the board of directors or trustees or similar body within the corporation; or exercising executive control over the daily or regular affairs of the corporation through a senior management position). This category is only applicable in exceptional cases where no natural person is identifiable who ultimately owns or exerts control over the corporation, the reporting corporation having exhausted all reasonable means of identification and provided there are no grounds

COMPLETE NAME (Surname, Given Name, Middle Name, Name Extension (i.e., Jr., Sr., III))	SPECIFIC RESIDENTIAL ADDRESS	NATIONALITY	DATE OF BIRTH	TAX IDENTIFICATION NO.	% OF OWNERSHIP <sup>1</sup> / % OF VOTING RIGHTS <sup>2</sup>	TYPE OF BENEFICIAL OWNER <sup>3</sup> Direct (D) or Indirect (I)	CATEGORY OF BENEFICIAL OWNERSHIP
ROMEO D. UYAN, JR. (China Banking Corporation)	Unit 7B Paseo Parkview Condominium, 142 Valero Street corner Sedano Street, Salcedo Village, Nakazé City	Filipino	11/2/1962	105-570-628	100% (D)		I ( President - China Banking Corporation )

Note: This page is not for uploading on the SEC filing.

<sup>1</sup> For Stock Corporations.

<sup>2</sup> For Non-Stock Corporations.

<sup>3</sup> For Stock Corporations.

PRIMARY PURPOSE

TO ACT AS A BROKER IN SOLICITING, PROCURING, NEGOTIATING, RECEIVING, MANAGING AND FORWARDING APPLICATIONS FOR FIRE, CASUALTY, PLATE GLASS, AUTOMOBILES, TRUCKS AND OTHER MOTOR VEHICLES ACCIDENT, HEALTH, BURGLARY, RENT, MARINE, CREDIT, DISABILITY, LIFE INSURANCE, AND ALL OTHER KINDS OF INSURANCE, INCLUDING REINSURANCE CONTRACTS OR IN ANY OTHER MANNER AIDING IN TAKING OUT INSURANCE, COLLECTING PAYMENTS OF PREMIUMS DUE ON SUCH POLICIES, AND DOING SUCH OTHER BUSINESS AS MAY BE DELEGAED TO BROKER OR SUCH COMPANIES IN THE CONDUCT OF A GENERAL INSURANCE.