

13 November 2024

THE PHILIPPINE STOCK EXCHANGE, INC.

6th Floor PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: Atty. Stefanie Ann B. Go
Officer-in-Charge, Disclosure Department

Madam:

In compliance with your requirements, we hereby submit China Banking Corporation's SEC 17Q Report as of September 30, 2024.

Thank you.

Respectfully yours,



GERALD O. FLORENTINO
Corporate Information Officer

COVER SHEET

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SEC Registration Number

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(Company’s Full Name)

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

Patrick D. Cheng

(Contact Person)

8885-5555

(Company Telephone Number)

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Month Day
(Fiscal Year)

1	7	-	Q
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(Form Type)

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Month Day
(Annual Meeting)

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(Secondary License Type, If Applicable)

Corporate Governance and Finance Dept.
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(Department Requiring this document)

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(Amended Articles Number/Section)

1,812

Total No. of Stockholders

Total Amount of Borrowings	

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarter period ended September 30, 2024

2. Commission identification number 443

3. BIR Tax Identification No.. 000-444-210-000

CHINA BANKING CORPORATION

4. Exact name of issuer as specified in its charter

PHILIPPINES

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

CHINA BANK BUILDING 8745 PASEO DE ROXAS COR. VILLAR STS., MAKATI CITY 1226

7. Address of registrant's principal office Postal Code

8. Issuer's telephone number, including area code (02) 8885-5555

9. Former name, former address and former fiscal year, if changed since last report NA

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock Outstanding	Amount of debt outstanding
<u>COMMON</u>	<u>2,691,340,312</u>	

11. Are any or all of the securities listed on the Stock Exchange?

Yes ☒ No ☐

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

PHILIPPINE STOCK EXCHANGE

COMMON

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports)

Yes ☒ No ☐

(b) has been subject to such filing requirements for the past 90 days

Yes ☒ No ☐

PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

Attached are the following:

Annex I:	Interim Consolidated Statements of Financial Position
Annex II:	Interim Consolidated Statements of Income
Annex III:	Interim Consolidated Statements of Comprehensive Income
Annex IV:	Interim Consolidated Statements of Changes in Equity
Annex V:	Interim Consolidated Statements of Cash Flows
Annex VI:	Aging of Loans and Receivables
Annex VII:	Profitability Report by Business Segment
Annex VIII:	Financial Soundness Indicators

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Annex IX:	Management's Discussion
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PART II OTHER INFORMATION

There are no material disclosures that were not reported under SEC Form 17-C during the period covered by this report.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer **CHINA BANKING CORPORATION**



Principal Financial/Accounting Officer/Controller **PATRICK D. CHENG**

Signature and Title Chief Finance Officer

Date..... November 13, 2024

Part I – Financial Information

Item 1. Financial Statements

- a. **Accounting Policies and Methods of Computation.** The accompanying interim condensed consolidated financial statements of China Banking Corporation (the Parent Company) and Subsidiaries (collectively referred to as the Group) as of September 30, 2024 and for the nine-month period ended September 30, 2024 and 2023 have been prepared in accordance with the Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's audited financial statements as of December 31, 2023 which have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS).

- b. **Seasonality or Cyclicity of Interim Operations.** Changes in the Group's financial condition or operation were due more to external factors such as interest rate movements and cost of borrowings rather than seasonality or cyclical aspects.
- c. **Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.** Changes in nature and amounts in the financial statements were due more to market-related factors inherent in the nature of the issuer's business operations and are not considered unusual. Below are some significant changes as explained in the Management's Discussions of Financial Condition and Results of Operation:

(Amounts in Thousands)	September 30, 2024	December 31, 2023	Increase (Decrease)
Assets			
Cash and Other Cash Items	₱12,852,986	₱15,998,094	(₱3,145,108)
Due from Bangko Sentral ng Pilipinas	69,463,603	84,595,973	(15,132,370)
Due from Other Banks	10,935,071	19,964,415	(9,029,344)
Financial Assets at Fair Value through Profit or Loss	18,910,504	13,631,287	5,279,217
Derivative Contracts Designated as Hedges	1,930,103	3,946,553	(2,016,450)
Financial Assets at Fair Value through Other Comprehensive Income	145,607,853	106,541,487	39,066,366
Loans and Receivables - net	851,940,873	771,991,759	79,949,114
Investments in Associates	1,803,104	1,389,952	413,152
Investment Properties	4,970,799	3,936,112	1,034,687
Intangible Assets	4,400,856	3,776,649	624,207
Other Assets	12,166,561	8,199,886	3,966,680
Liabilities			
Bonds Payable	—	19,989,307	(19,989,307)
Manager's Checks	1,838,108	2,109,463	(271,355)
Income Tax Payable	603,623	133,659	469,964
Derivative Liabilities	1,306,138	938,722	367,416
Derivative Contracts Designated as Hedges	15,834,733	8,049,417	7,785,316

(Amounts in Thousands)	September 30, 2024	September 30, 2023	Increase (Decrease)
Income			
Interest income on Loans and receivables	₱44,266,299	₱37,692,810	₱6,573,489
Interest income on Investment securities at amortized cost and at FVOCI	21,175,341	17,062,251	4,113,090
Interest income on Financial assets at FVPL	1,056,653	506,937	549,717
Interest income on Due from BSP and other banks and SPURA	2,228,746	2,936,779	(708,033)
Trading and securities, and foreign exchange gains (losses) - net	(9,312,422)	(3,701,917)	(5,610,505)
Gain (loss) on redemption of investment securities at AC	(402)	78	(480)
Gain on sale of investment properties	335,058	494,839	(159,781)
Trust fee income	484,118	425,554	58,564

(Amounts in Thousands)	September 30, 2024	September 30, 2023	Increase (Decrease)
Gain on asset foreclosure and dacion transactions	495,789	398,059	97,729
Share in net income of associates	408,623	355,223	53,400
Miscellaneous	4,845,834	952,602	3,893,233
Expense			
Interest expense on Deposit liabilities	19,296,674	16,021,163	3,275,511
Taxes and licenses	4,799,337	4,157,567	641,770
Insurance	2,314,004	2,067,954	246,050
Depreciation and amortization	1,718,128	1,463,895	254,233
Provision for impairment and credit losses	1,494,961	1,301,936	193,025
Transportation and traveling	453,047	367,776	85,271
Professional fees, marketing and other related services	813,973	648,110	165,863
Stationery, supplies and postage	196,052	164,538	31,513
Repairs and maintenance	201,787	173,467	28,320
Provision for income tax	4,403,610	2,785,337	1,618,273

- d. **Changes in Estimates of Amounts Reported.** There were no material changes in the estimates of amounts reported in prior financial years.

- e. **Issuances, Repurchases, and Repayments of Debt and Equity Securities.**

Settlement of Long-Term Negotiable Certificates of Deposits (LTNCD) On January 12, 2024, the Parent Company settled the LTNCDs with aggregate principal amount of ₱10.25 billion. The LTNCDs bear a fixed coupon rate of 4.55% per annum, payable quarterly in arrears.

Maturity of the P20 Billion Peso Fixed Rate Bonds On February 18, 2024, the previously issued ₱20 billion peso fixed bonds matured. This bond bears a fixed coupon rate of 2.50% per annum, payable monthly.

- f. **Segment Information.** Operating businesses are recognized and managed separately according to the nature of business served, with each segment representing a strategic business unit. The Bank's comparative revenues and expenses by business segments are shown in Annex VII.

- g. **Dividends.** At the special meeting held on April 17, 2024, the Board of Directors (BOD) approved the declaration of ₱1.20 per share regular dividend and an additional ₱1.00 per share special dividend, and set May 3, 2024 as the date of record. Cash dividends were paid on May 16, 2024.

- h. **Effect of Changes in the Composition of the Enterprise during the Interim Period.** There were no changes in the composition of the issuer including business combinations, acquisitions, or disposal of subsidiaries and long-term investments, restructuring, and discontinuing operations during the period.

- i. **Changes in Contingent Liabilities or Contingent Assets.** There are various outstanding commitments and contingent liabilities but management does not anticipate any material financial impact as a result of these transactions.

- j. **Material Contingencies and Any Other Events.**

Cash Dividends from China Bank Insurance Brokers, Inc. (CIBI) On March 25, 2024, the Bank received ₱50 million cash dividends from China Bank Insurance Brokers, Inc. (CIBI).

LIBOR Transition On July 1, 2023, the London Interbank Offered Rate (LIBOR) ceased to exist and was replaced by the Secured Overnight Financing Rate (SOFR). The Parent Company used LIBOR for the fair valuation of floating Interest Rate Swaps (IRS) for periods up to June 30, 2023, and SOFR for periods after June 30, 2023. On July 1, 2023, the impact of the transition from LIBOR to SOFR resulted in a net decrease in the fair value of IRS amounting to ₱47.07 million.

For the cash flow hedges where IRS are designated as hedging instruments, the Parent Company applied the provisions from the IBOR reform Phase 2 which provide temporary reliefs to enable the Parent Company's hedging relationships to continue upon the replacement of an existing interest rate benchmark with SOFR. Hence, the cessation of LIBOR does not have an impact on the Parent Company's existing hedge relationships.

- k. **Financial Risk Disclosure.** The Group's activities are principally related to the profitable use of financial instruments. Risks are inherent in these activities but are managed by the Group through a rigorous, comprehensive, and continuous process of identification, measurement, monitoring and mitigation of these risks, partly through the effective use of risk and authority limits and thresholds, process controls and monitoring, and independent controls. As reflected in its corporate actions and organizational improvements, the Group has placed due importance on expanding and strengthening its risk management process and considers it as a vital component to the Group's continuing profitability and financial stability. Central to the Group's risk management process is its adoption of a risk management program intended to avoid unnecessary risks, manage and mitigate inherent risks, and maximize returns from taking acceptable risks necessary to sustain its business viability and good financial position in the market.

The key financial risks that the Group faces are: credit risk, market risk, and liquidity risk. The Group's risk management objective is primarily focused on controlling and mitigating these risks. The Parent Company and its subsidiaries manage their respective financial risks separately. The subsidiaries, particularly CBSI, have their own risk management processes but are structured similar to that of the Parent Company. To a large extent, the respective risk management programs and objectives are the same across the Group. The severity of risk, materiality, and regulations are primary considerations in determining the scope and extent of the risk management processes put in place for the subsidiaries.

Risk Management Structure

The BOD of the Parent Company is ultimately responsible for the oversight of the Parent Company's risk management processes. On the other hand, the risk management processes of the subsidiaries are the separate responsibilities of their respective BODs. The BOD of the Parent Company created a separate board-level independent committee with explicit authority and responsibility for managing and monitoring risks.

The BOD has delegated to the Risk Oversight Committee (ROC) the formulation and supervision of the risk management process which includes, among others, determining the appropriate risk mitigating strategies and operating principles, adoption of industry standards, development of risk metrics, monitoring of key risk indicators, and the imposition of risk parameters. The ROC is composed of three members of the BOD, all of whom are independent directors.

The Risk Management Group (RMG) is the operating unit of the ROC primarily responsible for the implementation of the risk management strategies approved by the Board of Directors. The implementation cuts across all departments of the Parent Company and involves all of the Parent Company's financial instruments, whether "on-books" or "off-books". The RMG is likewise responsible for monitoring the implementation of specific risk control procedures and enforcing compliance thereto. The RMG is also directly involved in the day-to-day monitoring of material risks ensuring that the Parent Company, in its transactions and dealings, engages only in risk-taking activities duly approved by the ROC. The RMG also ensures that relevant information is accurately and completely captured on a timely basis in the management reporting system of the Parent Company. The RMG is headed by the Chief Risk Officer (CRO) who reports the results of risk measurements to the ROC.

Apart from RMG, each business unit has created and put in place various process controls which ensure that all the external and internal transactions and dealings of the unit are in compliance with the unit's risk management objectives.

The Internal Audit Division also plays a crucial role in risk management primarily because it is independent of the business units and reports exclusively to the Audit Committee which, in turn, is comprised of independent directors. The Internal Audit Division focuses on ensuring that adequate controls are in place and on monitoring compliance to controls. The regular audit covers all processes and controls, including those under the risk management framework handled by the RMG. The audit of these processes and controls is undertaken regularly. The audit results and exceptions, including recommendations for their resolution or improvement, are discussed initially with the business units concerned before these are presented to the Audit Committee.

Risk Management Reporting

The CRO reports to the ROC and is a resource of the Credit Committee (CreCom), Asset-Liability Committee (ALCO), Operations Committee (OpsCom) and Technology Steering Committee (TSC). The CRO reports on key risk indicators and specific risk management issues that would need resolution from top management. This is undertaken after the risk issues and key risk indicators have been discussed with the business units concerned. The RMG's function, particularly, that of the CRO, as well as the Board's risk oversight responsibilities are articulated in the risk management manual based on the requirements of BSP Circular No. 971, Guidelines on Risk Governance.

The key risk indicators were formulated on the basis of the financial risks faced by the Parent Company. These indicators contain information from all business units that provide measurements on the level of the risks taken by the Parent Company in its products, transactions, and financial structure. Among others, the report on key risk indicators includes information on the Parent Company's aggregate credit exposure, hold limit exceptions, Value-at-Risk (VaR), utilization of market and credit limits and thresholds, liquidity risk limits and ratios, earnings-based, economic value measures and thresholds, overall loan loss provisioning, and risk profile changes. Loan loss provisioning and credit limit utilization are, however, discussed in more detail in the Credit Committee. On a monthly basis, detailed reporting of industry, customer, and geographic risks is included in the discussion with the ROC. A comprehensive risk report is presented to the BOD on a periodic basis for an overall assessment of the level of risks taken by the Parent Company. On the other hand, the Chief Audit Executive reports to the Audit Committee on a monthly basis on the results of branch or business unit audits and for the resolution of pending but important internal audit issues.

Risk Mitigation

The Parent Company uses derivatives to manage exposures to financial instruments resulting from changes in interest rates and foreign currencies exposures. However, the nature and extent of use of these financial instruments to mitigate risks are limited to those allowed by the BSP for the Parent Company and its subsidiaries.

To further mitigate risks throughout its different business units, the Parent Company formulates risk management policies and continues to improve its existing policies. These policies further serve as the framework and set of guidelines in the creation or revisions of operating policies and manuals for each business unit. In the process design and implementation, preventive controls are preferred over detection controls. Clear delineation of responsibilities and separation of incompatible duties among officers and staff, as well as among business units are reiterated in these policies. To the extent possible, reporting and accounting responsibilities are segregated from units directly involved in operations and frontline activities (i.e., players must not be scorers). This is to improve the credibility and accuracy of management information. Any inconsistencies in the operating policies and manuals with the risk framework created by the RMG are taken up and resolved in the ROC.

The Operational Risk Assessment Program and IT Risk Frameworks require the Parent Company to undergo periodic operational risk assessment and for all business units & allied businesses to conduct risk and control self-assessments. These enable determination of priority risk areas, assessment of mitigating controls in place, and institutionalization of additional measures to ensure both a controlled operating environment and proper handling of IT risk exposures. RMG maintains and updates the Parent Company's Centralized Loss Database wherein all reported incidents of losses shall be encoded to enable assessment of weaknesses in the processes and come up with viable improvements to avoid recurrence.

Monitoring and controlling risks are primarily performed based on various limits and thresholds established by the top management covering the Group's transactions and dealings. These limits and thresholds reflect the Group's business strategies and market environment, as well as the levels of risks that the Group is willing to tolerate, with additional emphasis on selected industries. In addition, the Group monitors and measures the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Liquidity risk, interest rate risk, and market risk exposures are measured and monitored through the reports generated by a cloud-based automated system (Ambit Focus system).

BSP issued Circular No. 639 dated January 15, 2009 which mandated the use of the Internal Capital Adequacy Assessment Process (ICAAP) by all universal and commercial banks to determine their minimum required capital relative to their business risk exposures. In this regard, the Board approved the engagement of the services of a consultant to assist in the bank-wide implementation and embedding of the ICAAP, as provided for under Pillar 2 of Basel II and BSP Circular No. 639.

On April 3, 2024, the BOD approved the 2024 ICAAP document. The Pillar 1 Plus approach used the Pillar 1 capital as the baseline. The process of allocating capital for all types of risks above the Pillar 1 capital levels includes quantification of capital buffer for Pillar 2 risks under normal business cycle/condition. In addition, the document included the quantification based on the results of the Integrated Stress Test (IST). The adoption of the IST allows the Parent Company to quantify its overall vulnerability to market shocks and operational losses in a collective manner driven by events rather than in silo. The capital assessment in the document discloses that the Group and the Parent Company has appropriate and sufficient level of internal capital.

The Parent Company submitted its annually-updated ICAAP document, in compliance with BSP requirements, on March 27, 2024.

- l. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the period.** There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the period.
- m. Material commitment for capital expenditures.** The Group expects to incur capital expenditures to technology and building-related investments. Funding will be sourced internally.
- n. Fair Value Measurement.** The Group has assets and liabilities in the balance sheets that are measured at fair value on a recurring and non-recurring basis after initial recognition. Recurring fair value measurements are those that another PFRS requires or permits to be recognized in the balance sheet at the end of each financial reporting period. These include financial assets and liabilities at FVTPL and financial assets at FVOCI.

The methods and assumptions used by the Group in estimating the fair values of the financial instruments follow:

Cash and other cash items, due from BSP and other banks, interbank loans receivable and SPURA and accrued interest receivable – The carrying amounts approximate their fair values in view of the relatively short-term maturities of these instruments.

Debt securities – Fair values are generally based on quoted market prices. If the market prices are not readily available, fair values are estimated using directly or indirectly either values obtained from independent parties offering pricing services or adjusted quoted market prices of comparable investments or using the discounted cash flow methodology.

Equity securities – For publicly traded equity securities, fair values are based on quoted prices. For unquoted equity securities, remeasurement to their fair values is not material to the financial statements.

Loans and receivables and sales contracts receivable (SCR) included in other assets – Fair values of loans and receivables and SCR are estimated using the discounted cash flow methodology, where future cash flows are discounted using the Group's current incremental lending rates for similar types of loans and receivables.

Accounts receivable, RCOI and other financial assets included in other assets – Quoted market prices are not readily available for these assets. These are reported at cost and are not significant in relation to the Group's total portfolio of financial assets.

Derivative instruments (included under FVTPL and designated as hedges) – Fair values are estimated based on discounted cash flows, using prevailing interest rate differential and spot exchange rates.

Deposit liabilities (time, demand and savings deposits) – Fair values of time deposits are estimated using the discounted cash flow methodology, where future cash flows are discounted using the Group's current incremental borrowing rates for similar borrowings and with maturities consistent with those remaining for the liability being valued. For demand and savings deposits, carrying amounts approximate fair values considering that these are currently due and demandable.

Bonds payable and bills payable – Unless quoted market prices are readily available, fair values are estimated using the discounted cash flow methodology, where future cash flows are discounted using the current incremental borrowing rates for similar borrowings and with maturities consistent with those remaining for the liability being valued.

Manager's checks and accrued interest and other expenses – Carrying amounts approximate fair values due to the short-term nature of the accounts.

Other liabilities – Carrying amounts approximate fair values due to the short-term nature of the accounts.

As of September 30, 2024 and December 31, 2023, except for the following financial instruments, the carrying values of the Group's financial assets and liabilities as reflected in the balance sheets and related notes approximate their respective fair values:

(Amounts in Thousands)	September 30, 2024		December 31, 2023 (Audited)	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Financial Assets at Amortized Cost				
Government bonds	P266,230,169	P269,004,693	P254,849,986	P253,652,604
Private bonds	129,490,563	125,270,012	125,611,435	119,279,664
	395,720,732	394,274,705	380,461,421	372,932,268

(Amounts in Thousands)	September 30, 2024		December 31, 2023 (Audited)	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Loans and receivables				
Corporate and commercial lending	638,044,348	609,992,278	579,165,319	562,274,548
Consumer lending	203,755,313	203,714,416	180,835,652	195,194,554
Trade-related lending	10,001,143	10,286,235	11,890,709	12,020,823
Others	140,069	139,663	100,079	117,817
	851,940,873	824,132,592	771,991,759	769,607,742
Sales contracts receivable	1,636,930	1,796,686	1,612,416	1,764,176
	853,577,803	825,929,278	773,604,175	771,371,918
	P1,249,298,535	P1,220,203,983	P1,154,065,596	P1,144,304,186
Financial Liabilities				
Time deposit liabilities	P731,047,251	P716,482,988	P611,466,946	P586,818,584
Bills payable	90,677,451	90,670,991	84,798,489	84,370,558
Bonds payable	—	—	19,989,307	19,989,307
	P821,724,702	P807,153,979	P716,254,742	P691,178,449

As of September 30, 2024 and December 31, 2023, the fair value hierarchy of the Group's assets and liabilities are presented below:

(Amounts in Thousands)	September 30, 2024			
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVPL				
Held-for-trading				
Government bonds	P2,531,228	P3,611,447	P—	P6,142,675
Treasury notes	—	8,970,700	—	8,970,700
Treasury bills	—	335,568	—	335,568
Private bonds	936,991	—	—	936,991
Quoted equity shares	285,900	—	—	285,900
Financial assets designated at FVTPL	469,321	167,840	—	637,161
Derivatives with positive fair value held for trading	—	1,601,508	—	1,601,508
Derivative contracts designated as hedges	—	1,930,103	—	1,930,103
Financial assets at FVOCI				
Government bonds	38,227,174	83,159,856	—	121,387,030
Quoted private bonds	22,512,419	—	—	22,512,419
Quoted equity shares	1,686,754	—	—	1,686,754
	P66,649,787	P99,777,022	P—	P166,426,809
Financial liabilities at FVPL				
Derivative liabilities	P—	P1,306,138	P—	P1,306,138
Derivative contracts designated as hedges	—	15,834,733	—	15,834,733
	P—	P17,140,871	P—	P17,140,871
Fair values of assets carried at amortized cost/cost				
Investment securities at amortized cost				
Government bonds	P269,004,693	P—	P—	P269,004,693
Private bonds	69,044,979	—	56,225,033	125,270,012
Loans and receivables				
Corporate and commercial lending	—	—	609,992,278	609,992,278
Consumer lending	—	—	203,714,416	203,714,416
Trade-related lending	—	—	10,286,235	10,286,235
Others	—	—	139,663	139,663
Sales contracts receivable	—	—	1,796,686	1,796,686
Investment properties				
Land	—	—	6,172,156	6,172,156
Buildings and improvements	—	—	3,302,783	3,302,783
	P338,049,672	P—	P891,629,250	P1,229,678,922
Fair values of liabilities carried at amortized cost				
Time deposit liabilities	P—	P—	P716,482,988	P716,482,988
Bills payable	—	—	90,670,991	90,670,991
	P—	P—	P807,153,979	P807,153,979

(Amounts in Thousands)	December 31, 2023 (Audited)			
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial assets at FVTPL				
Held-for-trading				
Government bonds	P650,086	P7,536,794	P–	P8,186,880
Treasury notes	–	1,135,824	–	1,135,824
Treasury bills	–	772,482	–	772,482
Private bonds	1,252,276	–	–	1,252,276
Quoted equity shares	897,898	–	–	897,898
Financial assets designated at FVTPL	450,825	161,662	–	612,487
Derivatives with positive fair value held for trading	–	773,440	–	773,440
Derivative contract designated as hedge	–	3,946,553	–	3,946,553
FVOCI financial assets				
Government bonds	29,614,852	55,522,517	–	85,137,369
Quoted private bonds	19,774,579	–	–	19,774,579
Quoted equity shares	1,601,596	–	–	1,601,596
	P54,242,112	P69,849,272	P–	P124,091,384
Financial liabilities at FVPL				
Derivative liabilities	P–	P938,722	P–	P938,722
Derivative contracts designated as hedges	–	8,049,417	–	8,049,417
	P–	P8,988,139	P–	P8,988,139
Fair values of assets carried at amortized cost				
Investment securities at amortized cost				
Government bonds	P253,652,604	P–	P–	P253,652,604
Private bonds	63,038,700	–	56,240,963	119,279,663
Loans and receivables				
Corporate and commercial loans	–	–	562,274,548	562,274,548
Consumer loans	–	–	195,194,554	195,194,554
Trade-related loans	–	–	12,020,823	12,020,823
Others	–	–	117,817	117,817
Sales contracts receivable	–	–	1,764,176	1,764,176
Investment properties				
Land	–	–	5,087,793	5,087,793
Buildings and improvements	–	–	2,819,037	2,819,037
	P316,691,304	P–	P835,519,711	P1,152,211,015
Fair values of liabilities carried at amortized cost				
Time deposit liabilities	P–	P–	P586,818,584	P586,818,584
Bills payable	–	–	84,370,558	84,370,558
Bonds payable	–	–	19,989,307	19,989,307
	P–	P–	P691,178,449	P691,178,449

- o. **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.

Transactions with Retirement Plans of the Group's Employees

Under PFRS, certain post-employment benefit plans are considered as related parties. The Parent Company has business relationships with a number of its retirement plans pursuant to which it provides trust and management services to these plans. Income earned by Parent Company from such services amounted to P47.98 million and P42.44 million for the nine-month periods ended September 30, 2024 and 2023, respectively. The Group's retirement funds may hold or trade the Parent Company's shares or securities. Significant transactions of the retirement fund, particularly with related parties, are approved by the Trust Investment Committee (TIC) and the Related Party Transaction (RPT) Committee of the Parent Company. The members of the TIC and RPT are directors and key management personnel of the Parent Company.

Transactions with related party retirement plan follow:

(Amounts in Thousands)	September 30, 2024	December 31, 2023 (Audited)
Balance Sheet		
Deposit in banks	₱10,949	₱7,468
Financial assets at FVTPL	2,783,541	1,683,769
Total market value	2,783,541	1,683,769
Number of shares held	54,579	54,579

(Amounts in Thousands)	Nine Months Ended September 30	
	2024	2023
Income Statement		
Dividend income	₱120,074	₱103,700
Interest income	55	81

Other Related Party Transactions

Related party transactions of the Group by category of related party are presented below:

(Amounts in Thousands)	September 30, 2024		
Category	Amount / Volume	Outstanding Balance	Terms and Conditions
Significant Investor			
Loans and receivables		₱5,986,000	Secured with shares of stocks of stocks with interest rate ranging from 4% to 4.18% and remaining maturity between 1.71 years to 4.12 years. Allowance for probable losses to Php2.73 million.
Issuances	—		
Repayments	(2,337,900)		
Associates			
Deposit Liabilities		1,560	These are checking accounts with annual average rate ranging from 0.13% to 1.00%.
Deposit	621		
Withdrawals	(720)		
Key Management Personnel			
Loans		5,279	Unsecured officer's accounts from credit card with interest of 3% and peso loans with average interest rate of 5% and average term of 8 years.
Issuance	2,878		
Repayments	(1,255)		
Deposit Liabilities		895,677	These are checking, savings and time deposit account with annual average interest rates ranging from 0.13% to 1.00%
Deposits	1,073,352		
Withdrawals	(291,998)		
Other Related Parties			
Loans		63,906,909	Secured and unsecured loans with interest rate ranging from 2.50% to 10.14% and with remaining maturity between less than a month to 19.27 years. Allowance for credit losses amounting to ₱23.45 million and general loan loss provision of ₱ 657.76 million.
Issuances	12,531,581		
Repayments	(8,593,652)		
Deposit Liabilities		294,327	These are checking accounts with annual average rate ranging from 0.13% to 1.00%.
Deposit	8,938,993		
Withdrawals	(9,186,467)		

(Amounts in Thousands)

December 31, 2023 (Audited)

Category	Amount / Volume	Outstanding Balance	Terms and Conditions
Significant Investor			
Loans		₱8,323,900	Secured with shares of stocks, with interest rate ranging from 4% to 4.18%; with remaining term to maturity between 0.62 years to 4.88 years; and with allowance for probable losses of ₱4.54 million.
Issuances	—		
Repayments	(8,350)		
Associates			
Deposit Liabilities		1,659	These are checking accounts with annual average rate of 0.13%.
Deposit	212		
Withdrawals	(1,523)		
Key Management Personnel			
Loans		3,656	Unsecured officer's credit card accounts with interest of 3% and loan accounts with average 5% rate.
Issuances	2,061		
Repayments	(1,569)		
Deposit Liabilities		114,323	These are checking, savings and time deposits with annual average interest rates ranging from 0.25% to 1.00%.
Deposit	341,843		
Withdrawals	(348,676)		
Other Related Parties			
Loans		59,968,980	Secured and unsecured loans amounting to ₱5.16 billion and ₱54.8 billion, respectively, with interest rates ranging from 2.50 % to 10.80%; with remaining term to maturity between 0.01 years to 12.57 years; with allowance for credit losses of ₱371.3 million.
Issuances	17,261,831		
Repayments	(8,216,634)		
Deposit Liabilities		541,801	These are checking and savings accounts with annual average interest rates ranging from 0.13% to 1.00%.
Deposit	592,183		
Withdrawals	(450,813)		

Other related parties pertain to subsidiaries of the significant investor.

Interest income earned and interest expense incurred from the above loans and deposit liabilities, respectively, for the nine-month periods ended September 30, 2024 and September 30, 2023, are presented below:

(Amounts in Thousands)	Significant Investor		Associates	
	September 30		September 30	
	2024	2023	2024	2023
Interest income	₱185,173	₱255,232	₱—	₱—
Interest expense	—	—	1	1

(Amounts in Thousands)	Key Management Personnel		Other Related Parties	
	September 30		September 30	
	2024	2023	2024	2023
Interest income	₱182	₱121	₱2,596,882	₱2,149,829
Interest expense	5,933	3,723	1,159	802

Related party transactions of the Group with significant investor, associate and other related parties pertain to transactions of the Parent Company with these related parties.

The following table shows the amount and outstanding balance of other related party transactions included in the financial statements:

Amounts in Thousands)	Subsidiaries		Nature, Terms and Conditions
	September 30, 2024	December 31, 2023	
Balance Sheet			
Accounts receivable	₱2,265	₱33,970	This pertains to various expenses advanced by CBC in behalf of various subsidiaries
Security deposits	11,297	10,981	This pertains to the rental deposits with CBSI and CBCC for office space leased out to the Parent Company

(Amounts in Thousands)	Subsidiaries		Nature, Terms and Conditions
	September 30, 2024	September 30, 2023	
Income Statement			
Trust fee income	₱587	₱453	Trust Fee earned by Parent Company from CBCC
Interest Income	307	641	Interest earned from cash in bank and short-term investment of CBCC
Rent income	2,628	2,383	Rent Income from CBCC
Other Income	15,355	10,884	Unrealized gain on money market funds of CBCC
Miscellaneous income	1,502	2,375	Certain functions provided by the Parent Company to its subsidiaries such as accounting, human resources, audit, treasury operations, administrative, corporate marketing, and financial control services. Under the agreement between the Parent Company and its subsidiaries, the subsidiaries shall pay the Parent Company an annual fee.
Occupancy cost	30,663	29,203	Certain units of the condominium owned by CBSI are being leased to the Parent Company for a term of five years, with no escalation clause.
Deferred charges	–	792	Arranger fees paid by the Parent Company to CBCC for the issuance of its fixed rate bonds
Information technology	265,936	247,328	This pertains to the computer and general banking services provided by CBC-PCCI to the Parent Company to support its reporting requirements.
Miscellaneous expense	1,403	2,575	Brokerage fees paid by the Parent Company to CBSec.

CHINA BANKING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in thousands)

Annex I

	September 2024	December 2023
	Unaudited	Audited
ASSETS		
Cash and Other Cash Items	P 12,852,986	P 15,998,094
Due from Bangko Sentral ng Pilipinas	69,463,603	84,595,973
Due from Other banks	10,935,071	19,964,415
Interbank Loans Receivable and Securities Purchased under Resale Agreements	36,031,309	34,720,250
Financial Assets at Fair Value through Profit or Loss	18,910,504	13,631,287
Derivative Contracts Designated as Hedges	1,930,103	3,946,553
Financial Assets at Fair Value through Other Comprehensive Income	145,607,853	106,541,487
Investment Securities at Amortized Cost	395,720,732	380,461,421
Loans and Receivables - net	851,940,873	771,991,759
Accrued Interest Receivable	10,834,188	11,464,932
Investments in Associates	1,803,104	1,389,952
Bank Premises, Furniture, Fixtures and Equipment - net	9,931,745	10,078,844
Investment Properties	4,970,799	3,936,112
Deferred Tax Assets	6,966,926	6,505,865
Intangible Assets	4,400,856	3,776,649
Goodwill	839,748	839,748
Other Assets	12,166,561	8,199,881
	P 1,595,306,961	P 1,478,043,222
LIABILITIES AND EQUITY		
Liabilities		
Deposit Liabilities		
Demand	283,363,661	291,397,398
Savings	283,246,336	283,859,211
Time	731,047,251	611,466,946
	1,297,657,249	1,186,723,555
Bills Payable	90,677,451	84,798,489
Bonds Payable	-	19,989,307
Manager's Checks	1,838,108	2,109,463
Income Tax Payable	603,623	133,659
Accrued Interest and Other Expenses	8,324,516	8,589,210
Derivative Liabilities	1,306,138	938,722
Derivative Liabilities Designated as Hedges	15,834,733	8,049,417
Deferred Tax Liabilities	791,376	792,114
Other Liabilities	15,542,921	15,620,885
	1,432,576,115	1,327,744,821
Equity		
Equity Attributable to Equity Holders of the Parent Company		
Capital Stock		
Common Stock - P10 par value		
Authorized - 3,300,000,000 shares		
Issued - 2,691,340,312 shares	26,913,403	26,913,403
Capital paid in excess of par value	17,201,513	17,201,513
Surplus Reserves	5,610,800	5,003,653
Surplus	112,738,243	100,900,465
Net Unrealized Gains (Losses) on Financial Assets at FVOCI	1,758,894	(1,413,868)
Remeasurement Gain on Defined Benefit Asset	96,772	88,215
Remeasurement on Life Insurance Reserve of Associate	100,537	92,103
Cumulative translation adjustment	193,424	190,471
Cash Flow Hedge Reserve	(1,965,168)	1,246,194
	162,648,418	150,222,149
Non-controlling Interest	82,428	76,252
	162,730,847	150,298,401
	P 1,595,306,961	P 1,478,043,222

CHINA BANKING CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in thousands)

	September 2024		December 2023	
	Unaudited		Audited	
CONTINGENT ACCOUNTS				
Forward exchange bought	P	441,474,067	P	269,755,228
Trust department accounts		307,601,701		282,061,181
IRS receivable		72,808,955		99,809,626
Forward exchange sold		118,871,946		44,274,190
Credit card Lines		29,314,221		24,255,716
Unused commercial letters of credit		14,089,870		15,434,894
Committed Credit Lines		6,898,031		9,597,231
Spot exchange bought		16,411,031		2,619,034
Inward bills for collection		5,927,238		2,496,350
Spot exchange sold		8,591,694		8,544,119
Standby credit commitment		6,125,488		3,334,366
Outstanding guarantees Issued		919,973		3,639,666
Late deposits/payments received		155,043		383,716
Deficiency claims receivable		223,504		280,195
Outward bills for collection		64,600		29,729
Others		4,105		9,180
	P	1,029,481,468	P	766,524,421

CHINA BANKING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in thousands)

Annex II

	For the Three Quarters Ended Sept 30		For the Quarter Ended Sept 30	
	2024	2023	2024	2023
INTEREST INCOME				
Loans and receivables	P 44,266,299	P 37,692,810	P 15,571,592	P 13,057,588
Investment securities at amortized cost and at FVOCI	21,175,341	17,062,251	7,317,653	6,132,305
Financial Assets at FVPL	1,056,653	506,937	414,349	161,404
Due from BSP and other banks and SPURA	2,228,746	2,936,779	721,491	982,847
	68,727,040	58,198,776	24,025,085	20,334,145
INTEREST EXPENSES				
Deposit liabilities	19,296,674	16,021,163	6,938,307	5,641,901
Bills payable and other borrowings	2,780,487	2,823,637	995,650	983,429
Lease Payable	195,517	181,030	54,322	83,187
	22,272,679	19,025,830	7,988,279	6,708,518
NET INTEREST INCOME	46,454,361	39,172,946	16,036,805	13,625,627
Service charges, fees and commissions	2,597,198	2,434,171	1,043,761	792,675
Trading, securities and foreign exchange gains (losses) - net	(9,312,422)	(3,701,917)	(2,833,218)	(2,087,627)
Gain on redemption of investment securities at AC	(402)	78	(402)	78
Gain on sale of investment properties	335,058	494,839	79,083	251,212
Trust fee income	484,118	425,554	166,592	143,318
Gain on asset foreclosure and dacion transactions	495,789	398,059	306,712	176,388
Share in net income of associates	408,623	355,223	119,937	116,853
Miscellaneous	4,845,834	952,602	2,340,573	469,784
TOTAL OPERATING INCOME	46,308,157	40,531,555	17,259,842	13,488,308
Compensation and fringe benefits	7,251,952	6,784,644	2,458,559	2,215,208
Occupancy cost	1,589,004	1,544,903	601,558	420,004
Taxes and licenses	4,799,337	4,157,567	1,682,119	1,368,886
Insurance	2,314,004	2,067,954	807,675	656,007
Depreciation and amortization	1,718,128	1,463,895	543,840	583,400
Provision for impairment and credit losses	1,494,961	1,301,936	757,769	424,021
Transportation and traveling	453,047	367,776	194,330	160,510
Professional fees, marketing and other related services	813,973	648,110	251,722	207,083
Entertainment, amusement and recreation	374,766	351,765	176,000	143,205
Stationery, supplies and postage	196,052	164,538	66,306	50,176
Repairs and maintenance	201,787	173,467	87,069	72,916
Miscellaneous	2,326,139	2,517,032	1,073,363	972,582
TOTAL OPERATING EXPENSES	23,533,150	21,543,588	8,700,310	7,273,999
INCOME BEFORE INCOME TAX	22,775,007	18,987,967	8,559,531	6,214,308
PROVISION FOR INCOME TAX	4,403,610	2,785,337	1,629,265	852,232
NET INCOME	P 18,371,397	P 16,202,630	P 6,930,266	P 5,362,076
Attributable to:				
Equity holders of the parent	18,365,873	16,178,318	6,928,406	5,352,934
Non-controlling Interest	5,524	24,312	1,861	9,142
	P 18,371,397	P 16,202,630	P 6,930,266	P 5,362,076
Earnings Per Share				
Basic and Diluted *	6.82	6.01	2.57	1.99
Net Income	18,365,873	16,178,318	6,928,406	5,352,934
Weighted Ave. Number of Common Shares				
Outstanding	2,691,340	2,691,288	2,691,340	2,691,288

* No preferred shares, convertible bonds and stock warrants issued.

CHINA BANKING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Annex III

(Amounts in thousands)

	For the Three Quarters Ended Sept 30		For the Quarter Ended Sept 30	
	2024	2023	2024	2023
Net Income	P 18,371,397	P 16,202,630	P 6,930,266	P 5,362,076
Other Comprehensive Income (Loss):				
<i>Items that recycle to profit or loss in subsequent periods:</i>				
Changes in fair value of debt financial assets at FVOCI:				
Fair value gain (loss) for the year, net of tax	3,614,582	(891,489)	5,493,755	(1,905,290)
Gains taken to profit or loss	(513,888)	(326,063)	(505,923)	(12,273)
Share in other comprehensive income of associate:				
Net unrealized gain (loss) on financial assets at FVOCI	(12,453)	(26,929)	57,756	(70,559)
Gain (loss) on hedges	(3,211,362)	(3,626,465)	(1,161,656)	(924,669)
Cumulative translation adjustment	2,974	38,038	(17,096)	56,181
<i>Items that do not recycle to profit or loss in subsequent periods:</i>				
Changes in fair value of equity financial assets at FVOCI:				
Fair value gain (loss) for the year, net of tax	85,159	499,576	(10,604)	252,064
Share in other comprehensive income of associate:				
Remeasurement gain (loss) on defined benefit asset or liability, net of tax	(453)	(73,537)	-	-
Remeasurement gain on life insurance reserves	8,435	22,801	19,033	(12,908)
Remeasurement gain (loss) on defined benefit asset or liability	9,002	69,211	12,522	-
Other Comprehensive Income (Loss) for the year	(18,005)	(4,314,857)	3,887,787	(2,617,456)
Total Comprehensive Income for the year	P 18,353,392	P 11,887,773	P 10,818,053	P 2,744,620
Total comprehensive income attributable to:				
Equity holders of the Parent Company	P 18,347,218	P 11,863,694	P 10,815,530	P 2,736,094
Non-controlling Interest	6,174	24,078	2,524	8,528
	P 18,353,392	P 11,887,773	P 10,818,053	P 2,744,620

CHINA BANKING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in thousands)

Annex IV

	Capital Stock	Capital Paid in Excess of Par Value	Surplus Reserves	Surplus Free	Net unrealized gains (losses) on FVOCI	Remeasurement gain (loss) on defined benefit asset or liability	Remeasurement gain (loss) on life insurance reserve of an associate	Cash Flow Hedge Reserve	Cumulative Translation Adjustment	Total Equity	Non-Controlling Interest	Total Equity
Balance at December 31, 2023	26,913,403	17,201,513	5,003,653	100,900,466	(1,413,868)	88,215	92,103	1,246,194	190,471	150,222,149	76,252	150,298,401
Total comprehensive income for the year	-	-	-	18,365,873	3,172,762	8,557	8,435	(3,211,362)	2,953	18,347,218	6,177	18,353,395
Retained Earnings, appropriated	-	-	607,147	(607,147)	-	-	-	-	-	-	-	-
Cash Dividends - P2.20 per share	-	-	-	(5,920,949)	-	-	-	-	-	(5,920,949)	-	(5,920,949)
Balance at September 30, 2024	26,913,403	17,201,513	5,610,800	112,738,243	1,758,894	96,772	100,537	(1,965,168)	193,424	162,648,418	82,429	162,730,847
Balance at December 31, 2022	26,912,882	17,200,758	4,923,116	84,083,660	(4,293,952)	77,760	96,387	5,481,992	27,469	134,510,072	68,538	134,578,610
Total comprehensive income for the year	-	-	-	16,178,318	(745,051)	(4,326)	22,801	(3,626,465)	38,418	11,863,694	24,081	11,887,775
Retained Earnings, appropriated	-	-	(315,394)	315,394	-	-	-	-	-	-	-	-
Cash Dividends - P1.90 per share	-	-	-	(5,113,448)	-	-	-	-	-	(5,113,448)	-	(5,113,448)
Balance at September 30, 2023	26,912,882	17,200,758	4,607,722	95,463,924	(5,039,004)	73,433	119,188	1,855,527	65,887	141,260,318	92,619	141,352,937

CHINA BANKING CORPORATION AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
(Amounts in thousands)

Annex V

	SEPTEMBER 2024	SEPTEMBER 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	P 22,775,007	P 18,987,967
Adjustment to reconcile income before income tax to net cash provided operations:		
Provision for impairment and credit losses	1,494,961	1,301,936
Depreciation and amortization	1,718,128	1,463,895
Amortization of transaction costs on bonds payable	10,693	42,840
Realized gain on financial assets at FVOCI and investment securities at amortized cost	(513,486)	(326,141)
Share in net loss (income) of an associate	(408,623)	(355,223)
Gain on sale of investment properties	(335,058)	(494,839)
Gain on asset foreclosures and dacion transactions	(495,789)	(398,059)
Operating income before changes in operating assets and liabilities	24,245,834	20,222,374
Changes in operating assets and liabilities:		
Decrease (increase) in the amounts of:		
Financial assets at FVPL	(5,279,217)	(12,544,598)
Loans and receivables	(82,203,175)	(47,229,811)
Other assets	(1,115,847)	(3,738,273)
Increase (decrease) in the amounts of:		
Deposit liabilities	110,933,693	78,909,434
Manager's checks	(271,354)	830,659
Accrued interest and other expenses	(264,694)	1,990,929
Other liabilities	4,990,703	(2,663,248)
Net cash provided by operations	51,035,942	35,777,466
Income taxes paid	(3,918,538)	(3,450,057)
Net cash provided by operating activities	47,117,404	32,327,409
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of/Additions to:		
Net additions to bank premises, furniture, fixtures and equipment	(1,555,345)	(3,641,649)
Equity investments	-	160,000
Investment securities at amortized cost	(52,382,116)	(53,900,929)
Financial assets at fair value through other comprehensive income	(124,184,966)	(47,978,210)
Proceeds from sale of:		
Investment securities at amortized cost	-	1,712,525
Financial assets at fair value through other comprehensive income	88,817,026	5,412,276
Investment properties	437,494	374,130
Bank premises, furniture, fixtures and equipment	-	1,305,795
Proceeds from maturity of:		
Investment securities at amortized cost	37,167,389	33,809,390
Net cash provided by (used in) investing activities	(51,700,518)	(62,746,672)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availments of bills payable	360,303,755	425,234,810
Payments of bills payable	(355,410,407)	(422,686,416)
Maturity / Pre-termination of bonds payable	(20,000,000)	(8,280,000)
Payments of cash dividends	(5,920,949)	(5,113,448)
Payments of principal portion lease liabilities	(385,048)	(419,655)
Net cash provided by financing activities	(21,412,649)	(11,264,708)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(25,995,763)	(41,683,971)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		
Cash and other cash items	15,998,094	13,689,421
Due from Bangko Sentral ng Pilipinas	84,595,973	107,100,295
Due from Other banks	19,964,415	13,614,609
Interbank loans receivable and securities purchased under resale agreements	34,720,250	43,564,970
	155,278,732	177,969,295
CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash and other cash items	12,852,986	10,503,637
Due from Bangko Sentral ng Pilipinas	69,463,603	96,387,722
Due from Other banks	10,935,071	14,050,414
Interbank loans receivable and securities purchased under resale agreements	36,031,309	15,343,549
	P 129,282,969	P 136,285,323

China Banking Corporation
Aging of Loans and Receivables
September 30, 2024
(amounts in thousands)

ANNEX VI

	Total	Current	90 days or less	91 to 180 days	181 days to 1 year	More than 1 year	Total Past Due	Items in Litigation
Loans and Receivables	870,083,397	848,835,859	17,574,945	706,412	880,280	1,868,188	21,029,825	217,713
Less: Allow for Probable Losses & Unamortized Discount	18,142,524							
Net Loans and Receivables	851,940,873							
Accounts Receivables	5,227,863	3,237,985	47,751	78,830	929,188	354,987	1,410,756	579,121
Less: Allowance for Probable Losses	802,414							
Net Accounts Receivables	4,425,448							
Accrued Interest Receivables	11,301,051	11,301,051						
Less: Allowance for Probable Losses	466,863							
Net Accrued Interest Receivables	10,834,188							

CHINA BANKING CORPORATION AND SUBSIDIARIES PROFITABILITY REPORT BY BUSINESS SEGMENT

Segment Report

Chinabank's operating businesses are recognized and managed separately according to the nature of services provided and the markets served, with each segment representing a strategic business unit. The Bank's business segments are as follows:

- a) **Institutional Banking** - principally handles lending, trade finance and corollary banking products and services offered to corporate and institutional customers as well as selected middle market clients.
- b) **Consumer Banking** - principally handles home loans, contract-to-sell receivables, loans to developers, auto loans, credit cards for individual and/or corporate customers, cash management services, and remittance transactions.
- c) **Retail Banking Business** - principally handles retail and commercial loans, individual and corporate deposits, overdrafts and funds transfer facilities, trade facilities and all other services for retail customers;
- d) **Financial Markets** - principally provides money market, trading and treasury services, manages the Bank's funding operations through the use of government securities, placements and acceptances with other banks as well as offers advisory and capital-raising services to corporate clients;
- e) **Other Business and Support** - handles other services including but not limited to trust and investment management services, wealth management services to high net-worth customers, asset management, credit management, operations and financial control, and other support services; and
- f) **Subsidiaries** - handles services of the Parent Bank's subsidiaries and affiliates such as thrift banking business, investment house, insurance brokerage, bancassurance business, stock brokerage and computer-related services.

The Bank reports its primary segment information on the basis of the above-mentioned segments.

Segment assets are those operating assets that are employed by a segment in its operating activities that are either directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment liabilities are those operating liabilities that result from the operating activities of a segment and that either are directly attributable to the segment or can be allocated to the segment on a reasonable basis.

Interest income is reported net as management primarily relies on the net interest income as a measure of performance, instead of gross income and expense.

The segment results include internal transfer pricing adjustments across business units as deemed appropriate by management. Transactions between segments are conducted at estimated market rates on an arm's length basis. Interest is charged/credited to the business units based on a pool of funds rate which approximates the marginal cost of funds.

Other operating income mainly consists of trading and securities gain (loss) - net, service charges, fees and commissions, trust fee income and foreign exchange gain - net. Other operating expense mainly consists of compensation and fringe benefits, provision for impairment and credit losses, taxes and licenses, occupancy, depreciation and amortization, stationery, supplies and postage and insurance. Other operating income and expense are allocated between segments based on equitable sharing arrangements.

The Bank has no significant customers which contribute 10% or more of the consolidated revenues.

The Bank's asset-producing revenues are located in the Philippines (i.e., one geographical location); therefore, geographical segment information is not presented.

The following tables present relevant information regarding business segments as of September 30, 2024:

**PROFITABILITY REPORT BY BUSINESS SEGMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024
CONSOLIDATED**

(Amounts in thousands of Pesos)

	INSTITUTIONAL BANKING	CONSUMER BANKING	RETAIL BANKING BUSINESS	FINANCIAL MARKETS	OTHER BUSINESS & SUPPORT	SUBSIDIARIES	BANKWIDE
Net interest income	28,447,566	5,213,018	(1,498,394)	8,086,311	68,587	6,137,272	46,454,361
Third Party Intersegment	(22,397,625)	(3,855,941)	18,752,186	7,510,358	(8,978)	-	-
Net Interest Income after Intersegment Transactions	6,049,941	1,357,077	17,253,792	15,596,670	59,609	6,137,272	46,454,361
Other Operating Income	4,740,416	1,178,623	1,488,896	(9,171,955)	(178,513)	1,796,330	(146,204)
Total Revenue	10,790,357	2,535,700	18,742,688	6,424,715	(118,904)	7,933,602	46,308,157
Other Operating expense	(2,068,212)	(2,159,219)	(9,600,321)	(3,257,688)	(147)	(4,952,602)	(22,038,189)
Income before Provisions and Taxes	8,722,145	376,481	9,142,367	3,167,026	(119,051)	2,981,000	24,269,968
Provision for Impairment and Credit Losses	(122,539)	(24,516)	(533,854)	(78,849)	(17)	(735,185)	(1,494,961)
Income before Income Tax	8,599,606	351,965	8,608,513	3,088,177	(119,069)	2,245,815	22,775,007
Provision for Income Tax	(797,966)	172,643	(798,792)	(2,675,353)	0	(304,142)	(4,403,610)
Net Income	7,801,640	524,608	7,809,721	412,824	(119,069)	1,941,672	18,371,397
Total Assets	615,469,646	91,808,096	620,550,224	549,968,142	(471,113,922)	188,624,775	1,595,306,961
Total Liabilities	1,348,750	2,056,619	633,887,692	939,614,246	(310,302,668)	165,971,476	1,432,576,115
Depreciation & Amortization	78,188	164,684	1,024,558	46,804	(0)	403,895	1,718,128
Capital Expenditures	12,992	24,884	91,402	6,956	838,574	90,788	1,065,596

ANNEX VIII

Financial Soundness Indicators

<i>PROFITABILITY (%)</i>	<u>Jan – Sep 2024</u>	<u>Jan – Sep 2023</u>
Return on Average Equity	15.65	15.64
Return on Average Assets	1.59	1.57
Net Interest Margin	4.42	4.24
Cost-to-Income Ratio	48	50
<i>LIQUIDITY (%)</i>	<u>Sep 2024</u>	<u>Dec 2023</u>
Liquid Assets to Total Assets	43	45
Loans to Deposit Ratio	66	65
<i>ASSET QUALITY (%)</i>	<u>Sep 2024</u>	<u>Dec 2023</u>
Gross Non-Performing Loans Ratio	1.8	2.5
Non-performing Loan (NPL) Cover	141	104
<i>SOLVENCY (x)</i>	<u>Sep 2024</u>	<u>Dec 2023</u>
Debt to Equity Ratio	8.8	8.8
Asset to Equity Ratio	9.8	9.8
Interest Coverage Ratio	2.0	2.0*
<i>CAPITAL ADEQUACY (%)</i>	<u>Sep 2024</u>	<u>Dec 2023</u>
CET 1 / Tier 1 Ratio	14.82	15.25
Total Capital Adequacy Ratio (CAR)	15.68	16.14

*for Jan-Sep 2023

Definition of Ratios

Profitability Ratios:

Return on Average Equity	-	$\frac{\text{Net Income after Income Tax}}{\text{Average Total Equity}}$
Return on Average Assets	-	$\frac{\text{Net Income after Income Tax}}{\text{Average Total Assets}}$
Net Interest Margin	-	$\frac{\text{Net Interest Income}}{\text{Average Interest Earning Assets}}$
Cost-to-Income Ratio	-	$\frac{\text{Operating Expenses excl Provision for Impairment \& Credit Losses}}{\text{Total Operating Income}}$

Liquidity Ratios:

Liquid Assets to Total Assets	-	$\frac{\text{Total Liquid Assets}}{\text{Total Assets}}$
Loans to Deposit Ratio	-	$\frac{\text{Loans (Net)}}{\text{Deposit Liabilities}}$

Asset Quality Ratios:

Gross NPL Ratio	-	$\frac{\text{Gross Non-Performing Loans}}{\text{Gross Loans}}$
NPL Cover	-	$\frac{\text{Total Allowance for Impairment \& Credit Losses on Receivables from Customers plus Retained Earnings Appropriated for Gen. Loan Loss Provision}}{\text{Gross Non-Performing Loans}}$

Solvency Ratios:

Debt to Equity Ratio	-	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$
Asset to Equity Ratio	-	$\frac{\text{Total Assets}}{\text{Total Equity}}$
Interest Coverage Ratio	-	$\frac{\text{Net Income Before Tax and Interest Expense}}{\text{Interest Expense}}$

Capital Adequacy Ratio:

Capital to Risk Assets Ratio	-	BSP prescribed formula:
CET 1 CAR	-	$\frac{\text{CET 1 Capital}}{\text{Total Risk Weighted Assets}}$
Tier 1 CAR	-	$\frac{\text{Tier 1 Capital}}{\text{Total Risk Weighted Assets}}$
Total CAR	-	$\frac{\text{Total Qualifying Capital}}{\text{Total Risk Weighted Assets}}$

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation (Including Subsidiaries)

Financial Highlights (Consolidated)

<i>In Billion Pesos</i>	<u>Sep 2024</u>	<u>Dec 2023</u>	<u>Variance</u>	<u>%</u>
Total Resources	1,595	1,478	117	7.9%
Loan Portfolio (Net)	852	772	80	10.4%
Total Deposits	1,298	1,187	111	9.3%
Equity	163	150	12	8.3%

<i>In Million Pesos</i>	<u>Jan – Sep 2024</u>	<u>Jan – Sep 2023</u>	<u>Variance</u>	<u>%</u>
Gross Revenues	68,581	59,557	9,023	15.2%
Gross Expenses	50,209	43,355	6,855	15.8%
Net Income	18,371	16,203	2,169	13.4%

**Due to rounding, numbers presented in the tables may not add up precisely to the totals provided*

Key Performance Indicators

<i>PROFITABILITY (%)</i>	<u>Jan – Sep 2024</u>	<u>Jan – Sep 2023</u>
Return on Average Equity	15.65	15.64
Return on Average Assets	1.59	1.57
Net Interest Margin	4.42	4.24
Cost-to-Income Ratio	48	50
<i>LIQUIDITY (%)</i>	<u>Sep 2024</u>	<u>Dec 2023</u>
Liquid Assets to Total Assets	43	45
Loans to Deposit Ratio	66	65
<i>ASSET QUALITY (%)</i>	<u>Sep 2024</u>	<u>Dec 2023</u>
Gross NPL Ratio	1.8	2.5
NPL Cover	141	104
<i>SOLVENCY (x)</i>	<u>Sep 2024</u>	<u>Dec 2023</u>
Debt to Equity Ratio	8.8	8.8
Asset to Equity Ratio	9.8	9.8
Interest Coverage Ratio	2.0	2.0*
<i>CAPITAL ADEQUACY (%)</i>	<u>Sep 2024</u>	<u>Dec 2023</u>
CET 1 / Tier 1 Ratio	14.82	15.25
Total CAR	15.68	16.14

**for Jan-Sep 2023*

Economic Environment

US GDP grew at an annualized pace of 2.8% in 3Q, below market expectations, fueled by the 3.7% increase in consumer and government spending. Inflation was lower at 1.5% in 3Q from 2Q's 2.5% while unemployment rate remained low at 4.1%. In light of these developments, the US Federal Reserve trimmed federal funds rate by an aggregate of 75 basis points to 4.50 – 4.75% in October and November 2024.

Meanwhile, Philippine GDP growth was recorded at 5.2% in 3Q, slower than 2Q's 6.4% and 3Q 2023's 6.0%. On the expenditure side, the increase was fueled by sustained household consumption and higher gross capital formation spending, which was partially offset by slower growth in government spending and lower net exports. On the production side, the industry and service sectors posted year-on-year growth of 5.0% and 6.3%, respectively, while the agriculture, forestry, and fishing sector recorded a 2.8% decline.

Domestic inflation was on a downtrend in 3Q, peaking at 4.4% in July and steadily easing to 1.9% in September. It modestly accelerated in October at 2.3%, mainly driven by higher food prices particularly rice, resulting in a year-to-date average inflation of 3.3%, within the BSP's target range. As a result, the BSP Monetary Board decided to trim policy rates by an aggregate of 50 basis points to 6.00% in its August and October 2024 meetings, and reduce Reserve Requirement Ratio of U/KBs by 250 basis points to 7% effective October 25, 2024.

As of September 2024, the combined assets of the UK/B & TB industries expanded 11.2% year-on-year to P26.2 trillion. Deposits grew 6.8% to P19.2 trillion while loans increased 10.9% to P13.3 trillion. Gross NPL slightly went up to 3.7% from 3.5% while NPL cover declined to 94% from 105%.

Results of Operation

Analysis of Consolidated Statements of Income (unaudited) For the period ended September 30, 2024 and September 30, 2023

In Million Pesos	Jan-Sep 2024 Unaudited	Jan-Sep 2023 Unaudited	Variance	%
Interest Income	68,727	58,199	10,528	18.1%
Interest Expense	22,273	19,026	3,247	17.1%
Net Interest Income	46,454	39,173	7,281	18.6%
Non-Interest Income	(146)	1,359	(1,505)	(110.8%)
Provision for Impairment & Credit Losses	1,495	1,302	193	14.8%
Operating Expenses	22,038	20,242	1,797	8.9%
Net Income	18,371	16,203	2,169	13.4%

**Due to rounding, numbers presented in the tables may not add up precisely to the totals provided*

Chinabank reported a 13.4% growth in consolidated **net income** to a record P18.4 billion in January-September 2024 from P16.2 billion in the same period last year on the back of sustained growth from core businesses. The resulting return on equity and return on assets continued to be among the highest in the industry at 15.65% and 1.59%, respectively.

Total interest income increased by 18.1% to P68.7 billion from P58.2 billion with the growth in earning assets. **Interest income from loans and receivables** was up by 17.4% to P44.3 billion due to bigger loan portfolio. Likewise, **interest income from investment securities at amortized cost and at FVOCI** recorded a 24.1% increase to P21.2 billion arising from higher securities volume and better yields year-on-year. **Interest income from financial assets at FVPL** also increased to P1.1 billion mainly arising from higher volume and better yields of FVPL securities portfolio. **Interest income from due from BSP and other banks and SPURA** dropped 24.1% to P2.2 billion from lower placements with correspondent banks.

Total interest expense was at P22.3 billion, up 17.1% versus P19.0 billion in the same period last year as higher volume and funding cost pushed up **interest expense on deposits** by 20.4% to P19.3 billion. **Interest expense on lease payable** increased by 8.0% to P195.5 million from higher additional leases that are capitalized this 2024.

Net interest income jumped 18.6% to P46.5 billion, bolstered by the strong growth in top line revenues. The bank's **net interest margin** improved by 18 basis points year-on-year to 4.42%.

Due to the Bank's conservative provisioning policy, **provisions for impairment and credit losses** was higher at P1.5 billion versus P1.3 billion in the same period last year.

Total **non-interest income** was recorded at (P146.2) million as the improvements in core fees were offset by the P9.3 billion net loss in **trading, securities, and foreign exchange** arising from treasury-related activities. **Service charges, fees, and commissions** increased by 6.7% to P2.6 billion from higher transaction fees. **Trust fee income** was 13.8% higher at P484.1 million because of volume-related growth year-on-year. The lower sales volume of foreclosed assets resulted in a 32.3% drop in **gain on sale of investment properties** to P335.1 million. Meanwhile, foreclosure of properties during the period resulted in the increase in **gain on asset foreclosure and dacion transactions** to P495.8 million. **Share in net income of associates** jumped to P408.6 million from higher net income of the bancassurance joint venture, Manulife China Bank Life Assurance Corporation (MCBLife). **Miscellaneous income** increased to P4.8 billion, primarily due to asset recoveries, upfront fees and one-off gains during the year.

Total **operating expenses** (excluding provision for impairment and credit losses) continued to be well-managed, with an increase of 8.9% to P22.0 billion, which resulted to a lower **cost-to-income ratio of 48%**. **Compensation and fringe benefits** was at P7.3 billion, up by 6.9% year-on-year. **Taxes and licenses** were up 15.4% to P4.8 billion mainly from higher revenue- and volume-related taxes. **Insurance**, which includes PDIC premium payments, increased by 11.9% to P2.3 billion with the bigger deposit balances. Furthermore, **depreciation and amortization** increased by 17.4% to P1.7 billion from technology-related upgrades and acquisitions. **Transportation and travelling** increased 23.2% to P453.0 million due to higher marketing-related costs for the period. **Professional fees, marketing & other related services, entertainment, amusement and recreation, stationery, supplies & postage and repairs and maintenance** rose by 25.6%, 6.54%, 19.2% and 16.3%, respectively, mainly driven by higher repairs and upgrades in our distribution channel, information technology, and business development. **Miscellaneous expenses** decreased by 7.6% to P2.3 billion from lower other expenses.

Financial Condition

Analysis of Consolidated Statement of Financial Condition As of September 30, 2024 (unaudited) and December 31, 2023 (audited)

In Billion Pesos	Sep 30, 2024 Unaudited	Dec 31, 2023 Audited	Variance	%
Assets	1,595	1,478	117	7.9%
Investment Securities	562	505	58	11.4%
Loans (Net)	852	772	80	10.4%
Total Deposits	1,298	1,187	111	9.3%
Equity	163	150	12	8.3%

**Due to rounding, numbers presented in the tables may not add up precisely to the totals provided*

Chinabank's consolidated **assets** stood at P1.6 trillion as of September 2024, 7.9% higher than year-end 2023.

Cash and other cash items fell 19.7% to P12.9 billion due to the leveling-off of cash-in-vault from its usual year-end build-up. **Due from BSP** decreased by P15.1 billion or 17.9% to P69.5 billion due to the drop in placements with the BSP, while **due from other banks** decreased by P9.0 billion or 45.2% to P10.9 billion from lower deposits with correspondent banks.

Financial assets at fair value through profit or loss (FVPL) grew by P5.3 billion to P18.9 billion with the growth in fixed income assets. **Derivative contracts designated as hedges** amounting to P1.9 billion was lower mainly from the fair value of interest rate swap (IRS) contracts used as hedging instruments against time deposits. **Financial assets at fair value through other comprehensive income (FVOCI)** posted an increase of 36.7% to P145.6 billion due to higher securities volume. The Bank's total securities portfolio accounted for 35.2% of consolidated resources.

As the Bank responded to sustained demand for credit from both businesses and consumers, gross loans grew by P80.6 billion to P871.6 billion while **Net loans** increased 10.4% to P851.9 billion.

Accrued interest receivable dropped 5.5% to P10.8 billion due to lower amount of receivables from financial assets. **Investments in associates** increased by 29.7% to P1.8 billion due to the income contribution from the Bank's affiliate, MCBLife. **Investment Properties** were up 26.3% to P5.0 billion due to additional properties foreclosed during the period. **Deferred tax asset (DTA)** increased by P461.0 million to P7.0 billion due to the recognition of DTA on certain deductible temporary differences. **Intangible assets** increased by 16.5% to P4.4 billion from additional technology-related investments. **Other assets** increased by 48.4% to P12.2 billion from higher balance of accounts receivables, prepaid expenses and other miscellaneous receivables.

On the liabilities side, **total deposits** was recorded at P1.3 trillion, up 9.3% mainly from the increase in the Bank's term deposits to P 731.1 billion. The combined demand and savings deposits stood at P566.6 billion. **Bills payable** increased by 6.9% to P90.7 billion from higher interbank loans and deposit substitutes. **Bonds payable** declined, mainly from the maturity of the P20 Billion Peso Fixed Rate Bonds last February 2024. **Manager's checks** decreased by 12.9% to P1.8 billion as the volume of outstanding checks for negotiation declined year-to-date. **Income tax payable** increased 4.5x to P603.6 million due to additional regular corporate income tax payable for the period. **Derivative liabilities** increased by 39.1% to P1.3 billion as a result of the mark-to-market of the derivatives. **Derivative liabilities designated as hedges** increased by 96.7% to P15.8 billion arising from the change in the mark-to-market rates.

Total equity reached P162.7 billion, higher than year-end's P150.3 billion mainly from the P11.8 billion or 11.7% increase in **surplus**. **Surplus reserves** also recorded a 12.1% increase to P5.6 billion due to the appropriation of retained earnings. **Net unrealized gains on financial assets at FVOCI** was recorded at P1.8 billion arising from the mark-to-market revaluation of the Bank's FVOCI securities. **Remeasurement gain on defined benefit asset** was 9.7% higher at P96.8 million due to changes in actuarial assumptions. **Remeasurement on life insurance reserve of an associate** saw a 9.2% increase to P100.5 million due to the revaluation of legal policy reserves of the Bank's affiliate, MCBLife. **Cash flow hedge reserve** decreased to (P2.0) billion due to mark-to-market movements of the hedging instruments.

The Bank's Common Equity Tier 1 (CET 1/ Tier 1) ratio and total CAR were computed at 14.82% and 15.68%, respectively, and remain comfortably above minimum regulatory levels.

Total Comprehensive Income

The Bank recorded **total comprehensive income** of P18.4 billion for January-September 2024, 54.4% or P6.5 billion higher than the P11.9 billion recorded in same period last year mainly due to the movement in fair value of financial assets on FVOCI.

Key Performance Indicators

Profitability

Chinabank posted a 13.4% increase in net income year-on-year to P18.4 billion for the first nine months of 2024 as its core businesses registered strong growth. The income performance translated to an ROE of 15.65% and ROA of 1.59%. Cost-to-income ratio slightly improved to 48% from 50%, while net interest margin was higher at 4.42% from 4.24% same period last year.

Liquidity

The Bank's liquidity ratio was slightly lower at 43% from 45%.

Asset Quality

Gross non-performing loans (NPL) ratio improved significantly to 1.8%, better than industry average. Meanwhile, NPL cover was more than sufficient at 141% with Parent bank providing a more substantial buffer at 156%.

Solvency Ratios

For the period ending September 30, 2024

Debt-to-equity and asset-to-equity ratios for January-September 2024 were recorded at 8.8 and 9.8, respectively. Interest coverage ratio for the period was at 2.0.

Capitalization

Chinabank's capital base stood at P162.7 billion. CET 1 / Tier 1 CAR and Total CAR ratios were registered at 14.82% and 15.68%, respectively, both well above the minimum regulatory requirements. The Bank's capital is largely comprised of CET 1/ Tier 1 (core) capital.

Corporate Developments

Chinabank won for the third time in a row the highest recognition for governance excellence given by the Institute of Corporate Directors (ICD) to publicly-listed companies, the *Five-Golden Arrow Award*. Only five companies received ICD's plum award this year, of which four are members of the SM Group: Chinabank, BDO, SM Investments, and SM Prime Holdings.

Chinabank was also included as part of *TIME World's Best Companies of 2024*, a ranking of the top 1,000 global firms in terms of employee satisfaction, revenue growth, and ESG performance. This year's ranking included a total of 13 Philippine companies, of which three are from the SM Group: Chinabank, SM Investments and SM Prime.

Chinabank was again recognized for its excellence in wealth management, winning for the second year in a row the prestigious award of *Outstanding Wealth Management Service for the Affluent* from Private Banker International (PBI). The Bank stood out for its tailored wealth management solutions that meet the unique needs of affluent clients in the Philippines.

Chinabank also received numerous awards for its consumer banking products from prestigious international magazines, including *Best Credit Card for Travelers* for Chinabank Destinations Mastercard and *Best Home Loan Financing* for Chinabank HomePlus at the Asian Banker's Philippine Awards 2024. On top of these, the bank has clinched a total of ten new awards which include: *Best Mortgage Bank*, *Excellence in Innovation – Credit Card Initiative*, and *Excellence in Innovation – Developer Financing Platform* from UK-based Global Banking & Finance Review; *Best Bank for Real Estate Financing* and the *Best Banking Product in the Philippines* for its contract-to-sell (CTS) facility from US-based World Economic Magazine; *Best Wholesale Financing Product* for its CTS facility and *Best Credit Card* in the country for Chinabank Destinations Mastercard from Dubai-based Global Business Magazine; *Best Credit Card* for Chinabank Destinations Mastercard, *Best Wholesale Financing Product* for its CTS facility and *Best Home Loan Financing* for Chinabank HomePlus from Singapore-based Brands and Business Magazine.

Chinabank has launched its first-ever Visa-branded credit card, the new CBC Velvet Visa Signature which represents empowered women.

Subsidiaries

The Bank's subsidiaries include China Bank Insurance Brokers, Inc., CBC Properties and Computer Center, Inc., China Bank Savings, Inc., and China Bank Capital Corporation. These subsidiaries comprised about 12% of the total consolidated resources.

- **China Bank Insurance Brokers, Inc.**

(In Mn Pesos)	Jan-Sep '24	Jan-Dec '23*	Jan-Sep '23
Net Income	87	113	84
Total Assets	639	588	574

- **CBC Properties & Computer Center, Inc.**

(In Mn Pesos)	Jan-Sep '24	Jan-Dec '23*	Jan-Sep '23
Net Income	19	27	21
Total Assets	104	109	112

- **China Bank Savings, Inc. (CBS)**

(In Mn Pesos)	Jan-Sep '24	Jan-Dec '23*	Jan-Sep '23
Net Income	1,517	1,828	1,378
Total Assets	182,439	157,438	151,853

- **China Bank Capital Corporation**

(In Mn Pesos)	Jan-Sep '24	Jan-Dec '23*	Jan-Sep '23
Net Income	371	551	383
Total Assets	4,402	3,748	3,632

**based on Audited Financial Statements*