



## Analysts' Briefing

## 1Q 2025 Results

May 8, 2025





**Patrick D. Cheng**  
Chief Finance Officer



**Gerald O. Florentino**  
Investor Relations Head

# REMINDERS:

- ✓ Microphones and cameras are disabled during the presentation.
- ✓ For the Q & A, attendees may:
  - ✓ Post a live question - click the “**Raise Hand**” button to be recognized
  - ✓ Send questions thru the **chat box**



# **1Q 2025 Financial Performance**



# 1Q 2025 Financial Highlights

**P6.5 Bn**  
1Q 2025 Net Income

**15.1%**  
Return on Equity

**15.6%**  
CET-1 Ratio

**P65.0**  
Book value per share

**Income Statement**

- ✓ 1Q 2025 Net income **grew 10% to P6.5 billion**;
- ✓ Resilient NII despite pressure on funding cost; NIM **improved by 7 bps YoY to 4.49% in 1Q 2025**;

**Balance Sheet**

- ✓ Gross Loans (+19%) **registered strong YoY growth**;
- ✓ NPL ratio has **declined**; NPL cover **more than adequate**

**Capital Position**

- ✓ **Strong internal capital generation** resulted to higher buffer
  - ✓ CET-1 ratio at 15.6%
  - ✓ Capital Adequacy Ratio (CAR) at 16.5%
- ✓ **Declared P2.50/share dividends**, 14% higher vs. last year

# 1Q 2025 Financial Highlights

INCOME STATEMENTS (In Php millions)	1Q2024	4Q2024	1Q2025	YoY change
Interest income	21,900	25,027	25,357	16%
Interest expense	(6,924)	(7,943)	(8,227)	19%
Net interest income	14,975	17,084	17,129	14%
Fee-based income	63	2,096	(832)	n.m.
Total revenue	15,038	19,181	16,298	8%
Operating expenses	(7,129)	(8,711)	(8,361)	17%
Income before provisions and taxes	7,909	10,470	7,937	0%
Provision for impairment and credit losses	(302)	(1,820)	(285)	(6%)
Income before income tax	7,607	8,650	7,652	1%
Provision for income tax	(1,703)	(2,210)	(1,147)	(33%)
<b>Net income</b>	<b>5,904</b>	<b>6,440</b>	<b>6,505</b>	<b>10%</b>

Return on Equity	15.5%	15.5%	15.1%
Return on Assets	1.6%	1.6%	1.6%
Net interest margin	4.4%	4.6%	4.5%
Cost-to-income ratio	47%	45%	51%



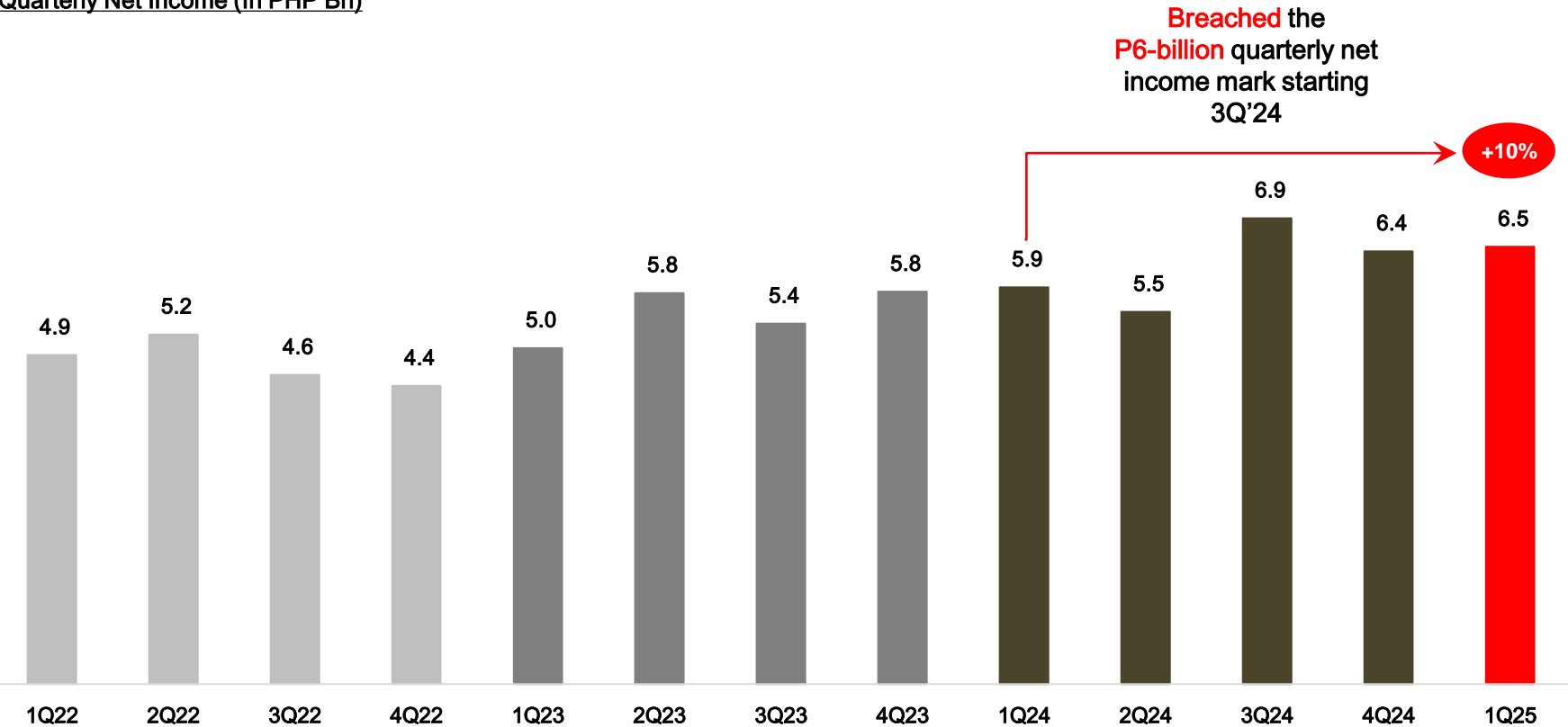
# 1Q 2025 Financial Highlights

BALANCE SHEETS (In Php millions)	Mar 2024	Dec 2024	Mar 2025	YoY change
Liquid Assets	120,354	133,767	103,792	(14%)
Investment Securities	551,753	542,695	552,470	0%
Net Loans	786,072	915,230	936,126	19%
Other Assets	47,955	54,402	59,013	23%
Total Assets	1,506,134	1,646,093	1,651,400	10%
Deposits	1,228,923	1,331,147	1,331,163	8%
CASA	552,664	593,628	606,506	10%
Time Deposits	676,259	737,518	724,656	7%
Bills and Bonds Payable	89,551	112,133	105,816	18%
Other Liabilities	33,226	34,234	39,368	18%
Total Liabilities	1,351,700	1,477,514	1,476,346	9%
Total Equities	154,434	168,580	175,054	13%
Total Liabilities and Equities	1,506,134	1,646,093	1,651,400	10%

NPL Ratio	1.8%	1.6%	1.5%
NPL Cover, <i>exc allowance appropriated in RE</i>	119%	108%	112%
Tier 1/CET 1 Ratio	15.3%	15.3%	15.6%
Capital Adequacy Ratio (CAR)	16.2%	16.2%	16.5%

# Sustained profitability amidst a challenging environment

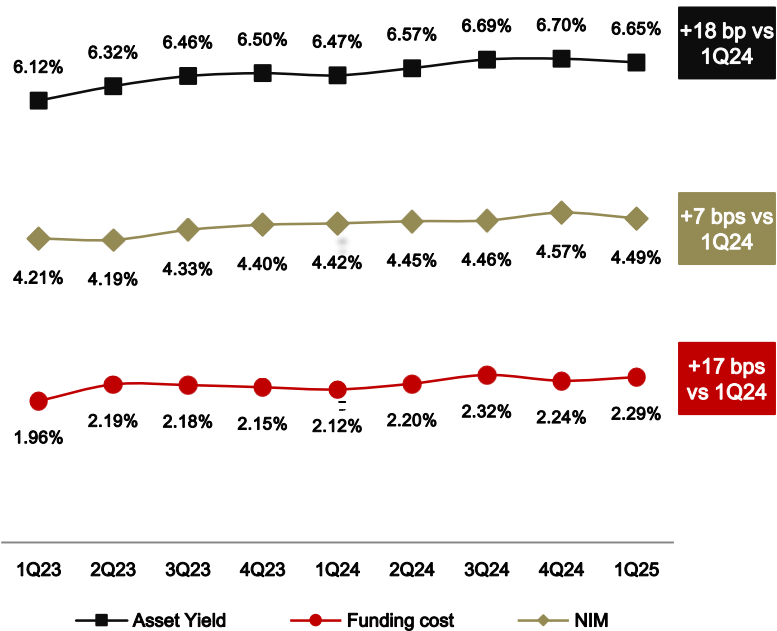
Quarterly Net Income (In PHP Bn)





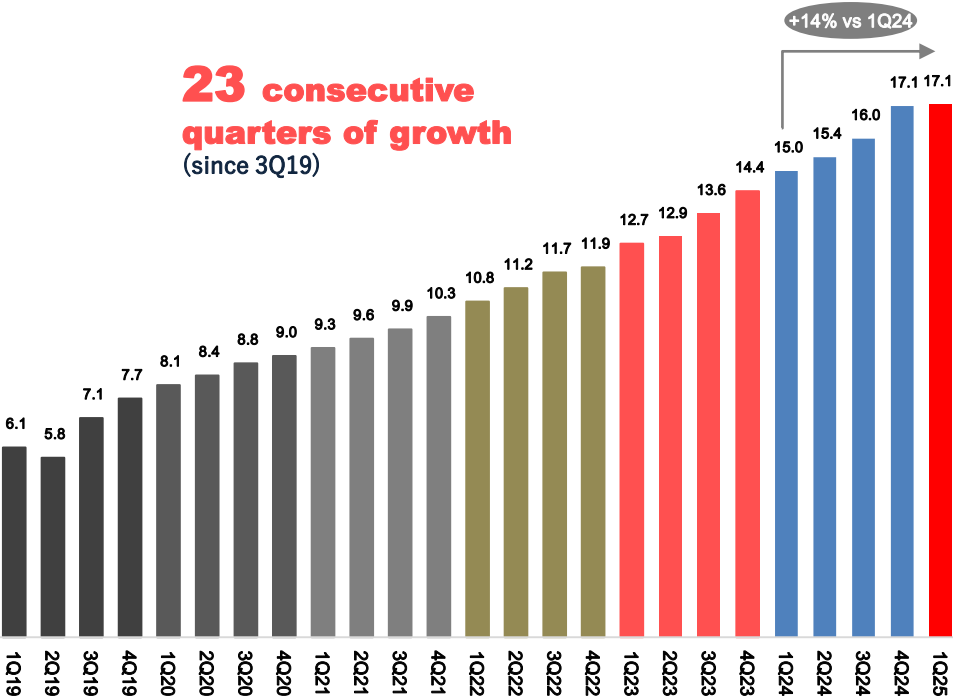
# Resilient NII despite pressure on funding costs

NIM stabilizes above 4%



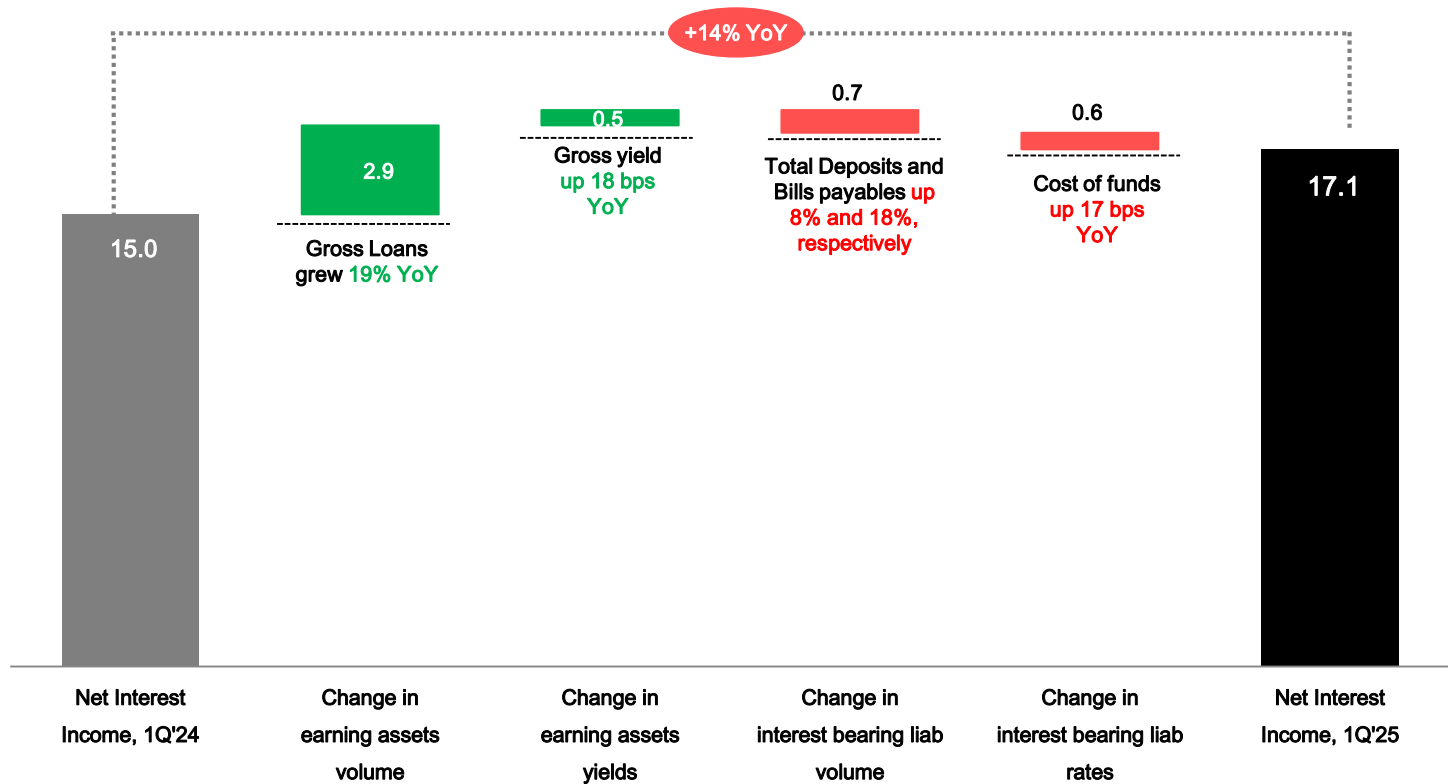
Net interest income continues to grow Q-on-Q

Net Interest Income (In PHP Bn)



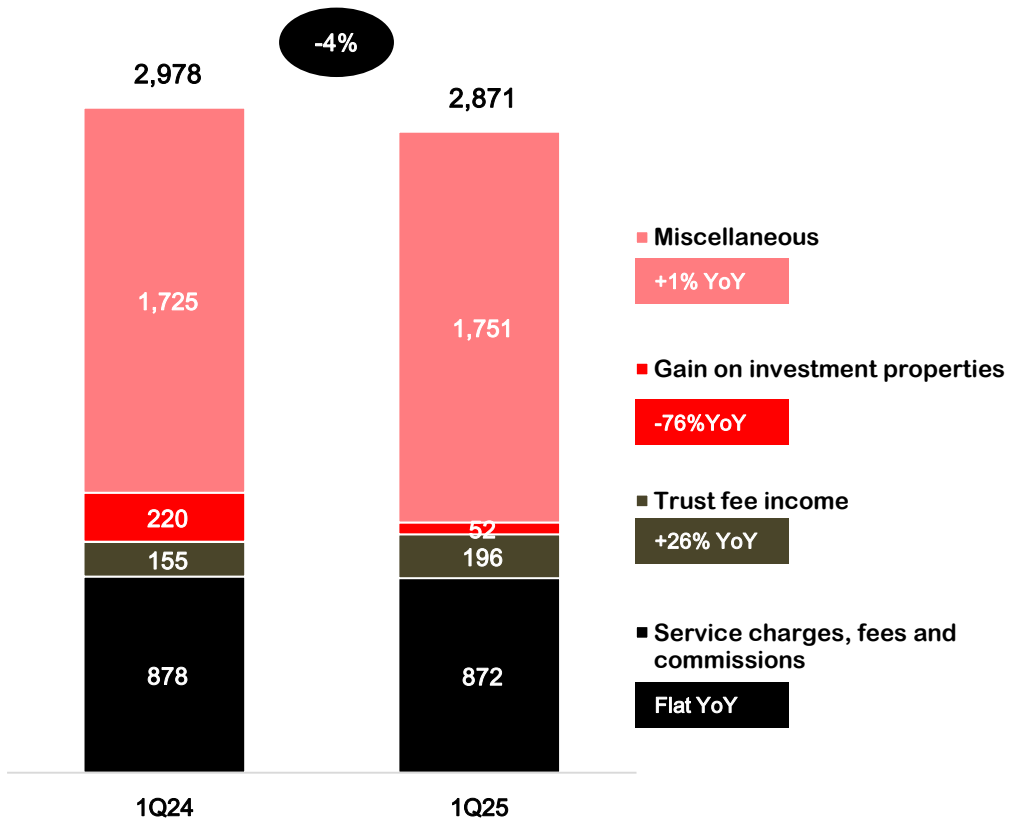
## Net interest income continues to grow

Net Interest Income (In PHP Bn)



# Core fee-based income remains strong

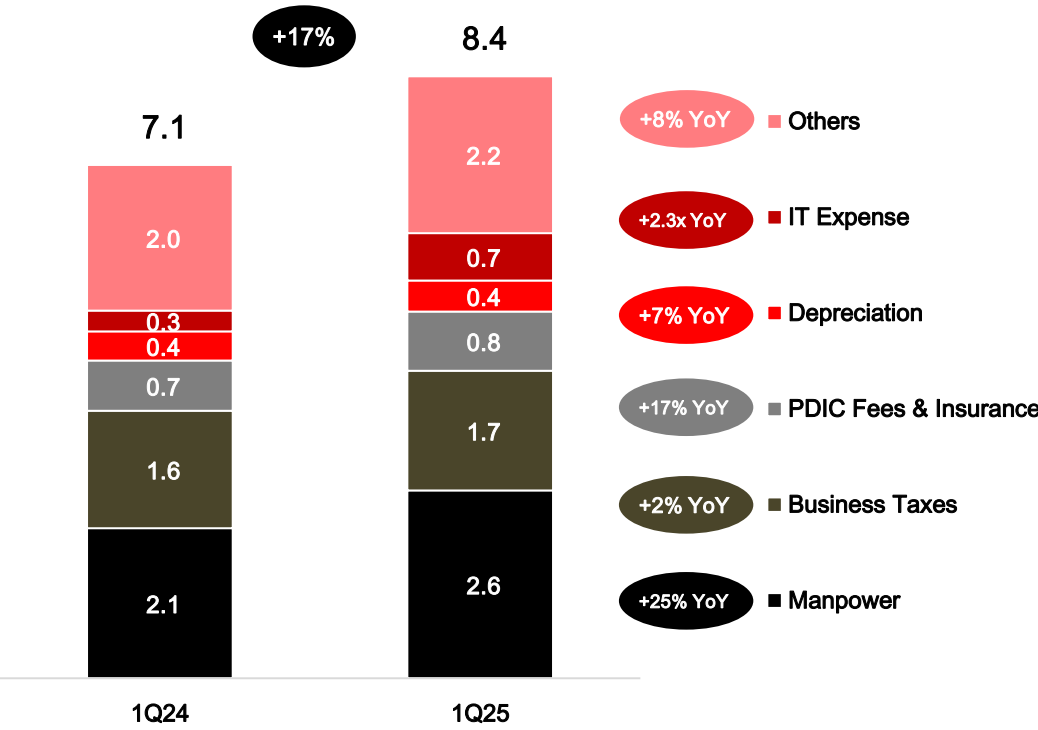
Fee-based Income, ex trading and FX losses (In PHP Mn)



- ✓ Core fee income continues to grow on higher deposits, Trust and transaction-based income
- ✓ Share in net income of bancassurance declined due to timing difference in booking of insurance reserves
- ✓ Lower ROPA sales results in a decline in gain from the sale of investment properties.

# Demonstrated strategic cost efficiency

Operating Expenses ex provisions (in PHP Bn)

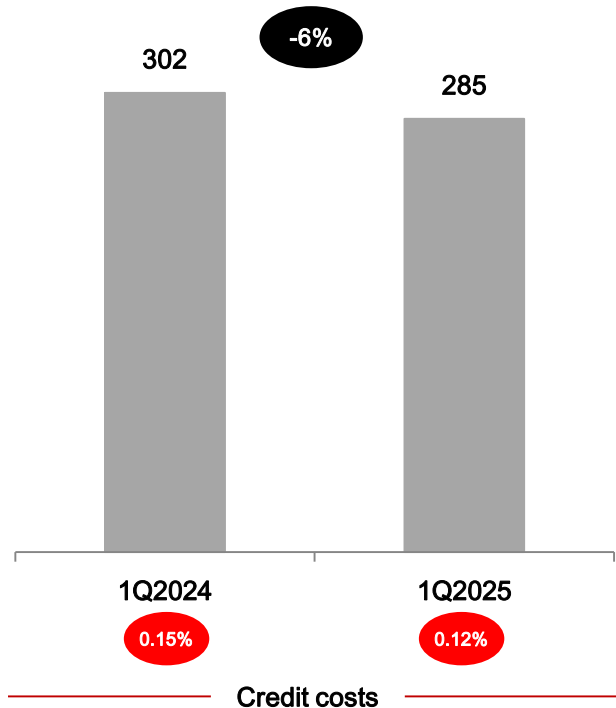


- ✓ PDIC fees higher due to bigger deposit balance
- ✓ IT expense grew 2.3x YoY on sustained investments in technology and infrastructure

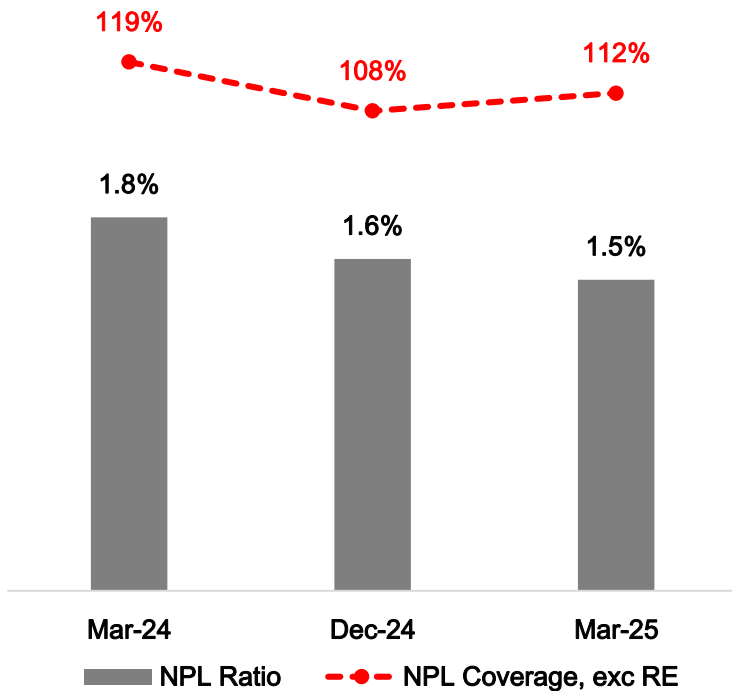
# Improving asset quality and sufficient NPL cover

## Lower provisions as a result of improving asset quality

Provisions (In PHP Mn)

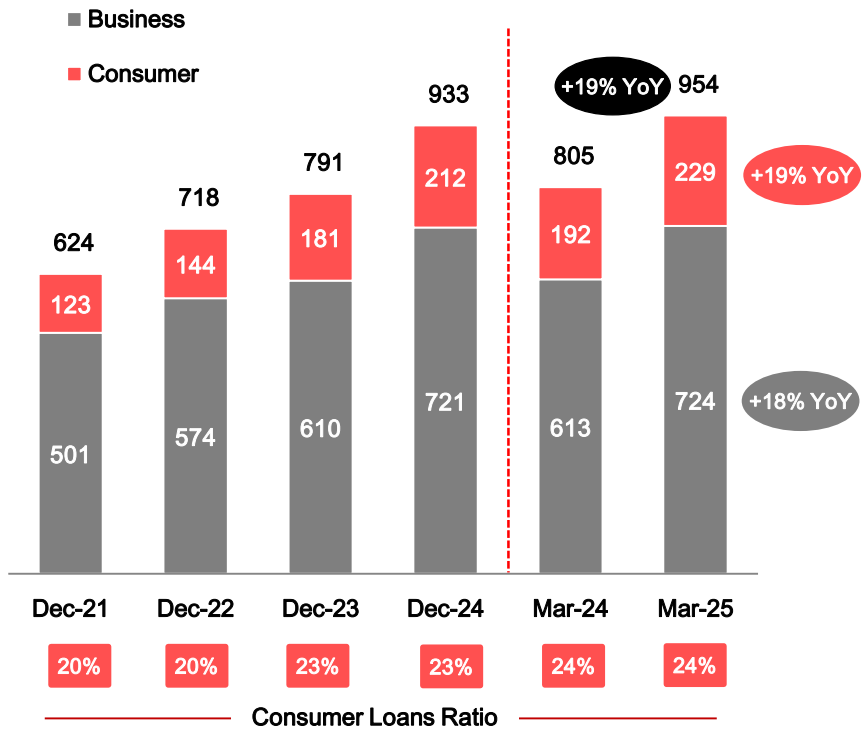


## NPL ratio has improved; NPL cover more than adequate



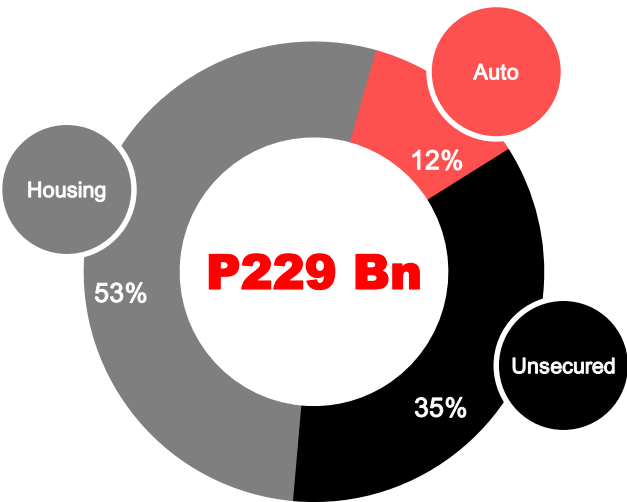
## Continued expansion in both consumer and business segments

Gross Loans (In PHP Bn)



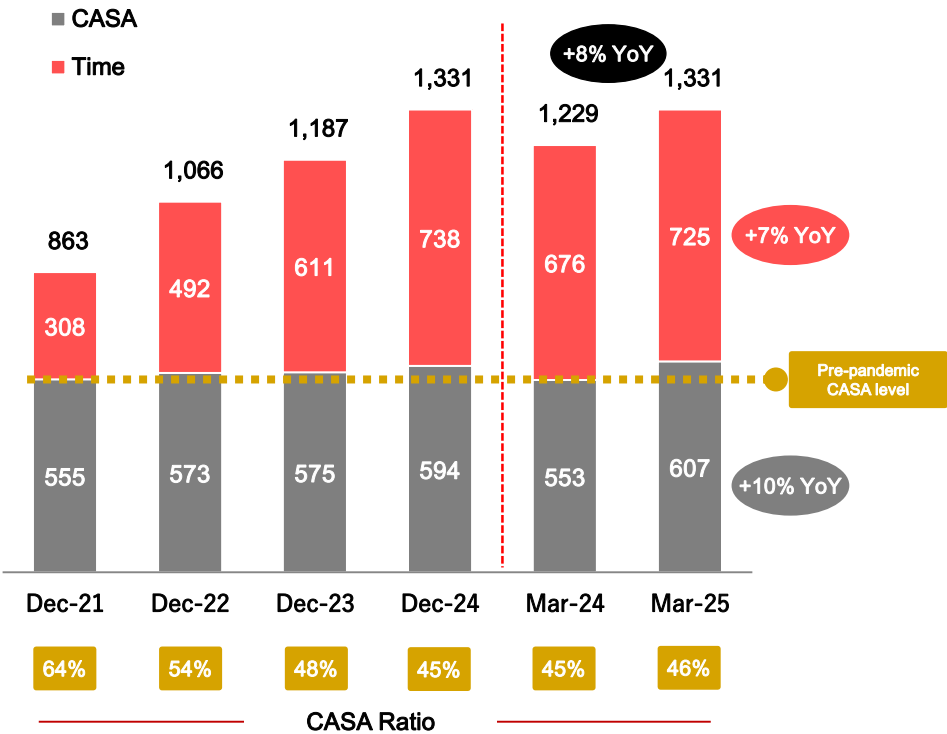
## Well-secured consumer lending portfolio

Consumer Loans Breakdown, March 2025

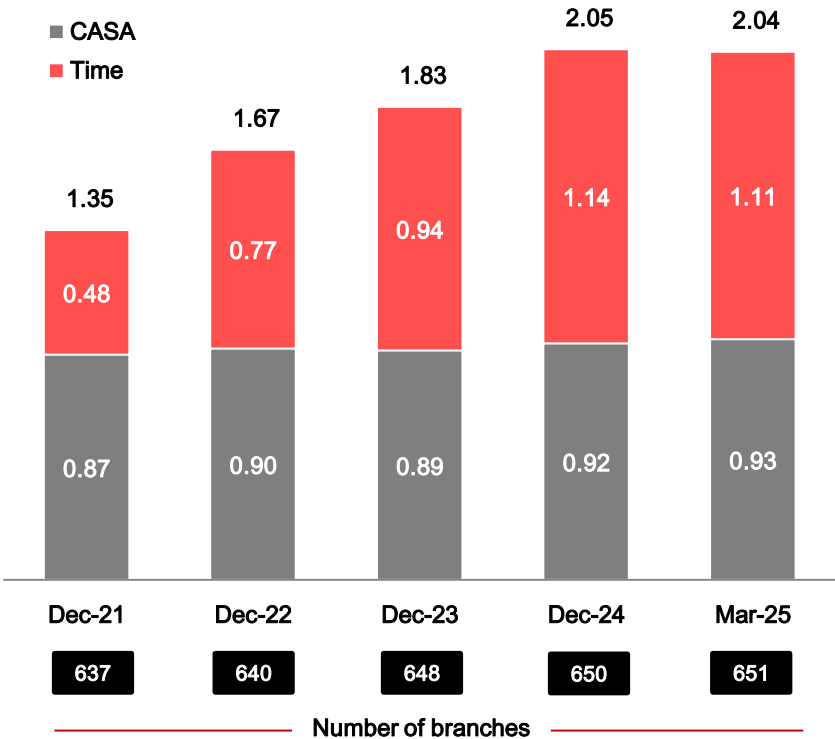


## CASA inched up and still above pre-pandemic level

Deposits (In PHP Bn)



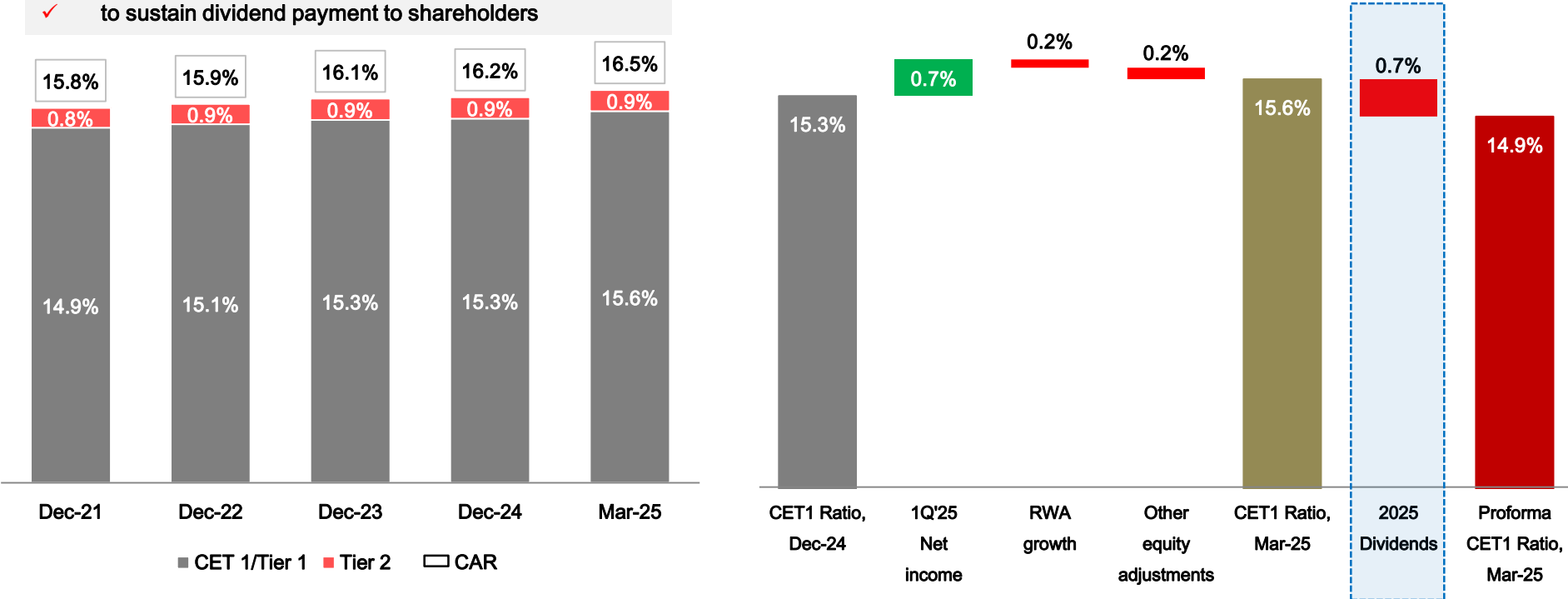
## Deposits per branch (In PHP Bn)



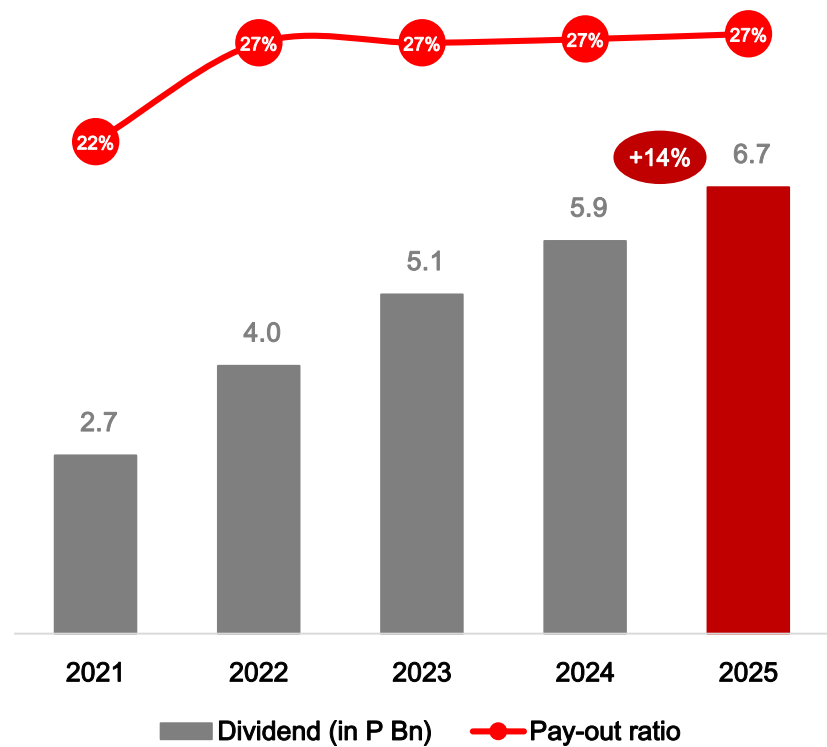


Enough capital buffer:

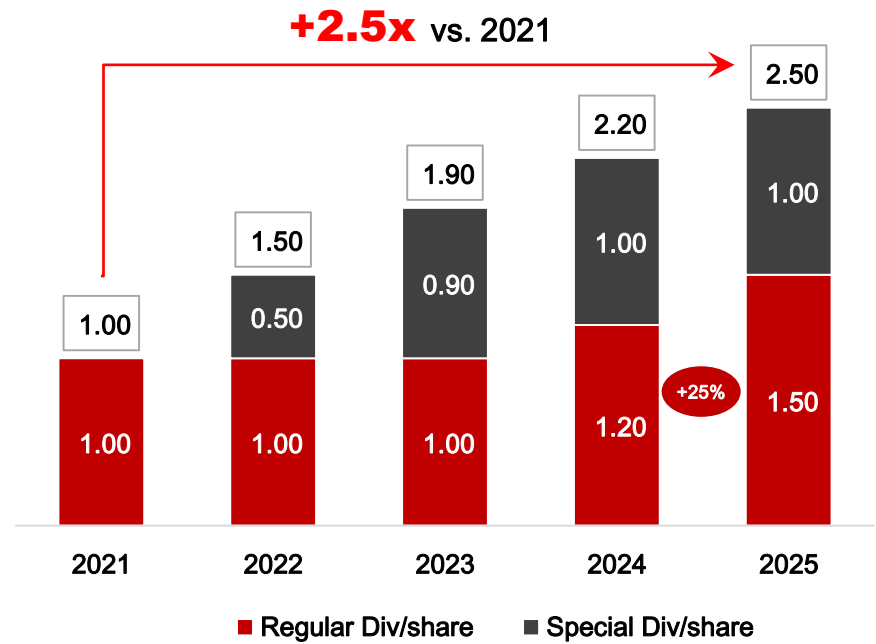
- ✓ to absorb credit shock;
- ✓ to support Asset growth; and
- ✓ to sustain dividend payment to shareholders



# Increasing dividend payments to Shareholders



**Consistent growth** in dividend per share over the last five years



## Expanded Business Relationships

- ✓ Encouraged clients to access both sides of the balance sheet;
- ✓ Identified opportunities to cross-sell additional products or services

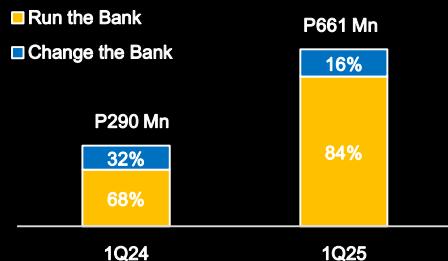
## Increased contributions from ancillary businesses

**+26%** *Trust Fees*

**+20%** *Bancassurance Commissions*

## Increased digital investments

IT expenses  
now comprise  
**≈7-8% of  
OPEX**



## Strengthened Management Team

- ✓ Strategically recruited experienced professionals with strong expertise in their fields
- ✓ Average of **30+ years** banking experience

# In summary, Chinabank continues to be..



		1Q'24	FY'24	1Q'25
Profitable	Return on Equity	15.5%	15.6%	15.1%
	Return on Assets	1.6%	1.6%	1.6%
Adequately-capitalized	CET 1/Tier 1 Ratio	15.3%	15.3%	15.6%
	Capital Adequacy Ratio	16.2%	16.2%	16.5%
Well-managed	NPL Ratio	1.8%	1.6%	1.5%
	NPL Cover*	119%	108%	112%

*\* In line with the updated BSP guidelines that exclude provisions appropriated to Retained Earnings*

## Q & A

- ✓ Please click the “**Raise Hand**” button to be recognized.
- ✓ You may also send questions thru the **chat box**.

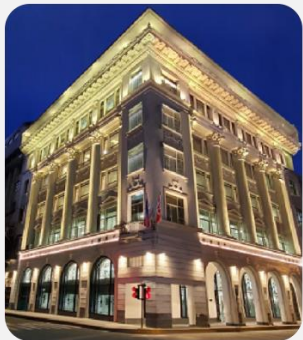


# Additional Information



# History of Chinabank

## Pre-2000s



**1920.** Chinabank opened for business on August 16, 1920

**1927.** Became one of the first companies to be listed on the Manila Stock Exchange

## 2007 - 2015

**2007.** Acquired Manila Bank and operated it as China Bank Savings;

Entered into a bancassurance JV with Manulife to form:



**2012-2014.** Acquired Unity Bank and Plantersbank; Raised P8 Bn from stock rights offering;

Increased MCBL stake to 40%

**2015.** Incorporated Chinabank Capital, a full-fledged investment house subsidiary

## 2016 - 2019



**2016.** Acquired ATC Securities and renamed it to Chinabank Securities

**2017.** Raised P15 Bn from stock rights offering

**2018.** Infused P500 Mn to China Bank Savings; Signed US\$150 Mn green bond agreement with IFC

**2019.** Raised P30 Bn via maiden issue of fixed-rate retail bonds

## 2020 - 2025

**2020.** Raised P15 Bn via fixed-rate retail bonds; Celebrated 100 years and restored Binondo Business Center

**2022.** Became the 4th largest privately-owned universal bank in the country in terms of assets and breached the trillion-mark in deposits

**2024.** Launched a brand refresh program. Changed ticker symbol to **"CBC"**.

**2025.** Renewed bancassurance joint venture with Manulife.





## Extensive Distribution Channels\*



**651**  
Branches



**1,087**  
ATMs



**11,357**  
Employees

## Subsidiaries & Affiliates



## Investment Grade Credit Rating



## Best in Corporate Governance



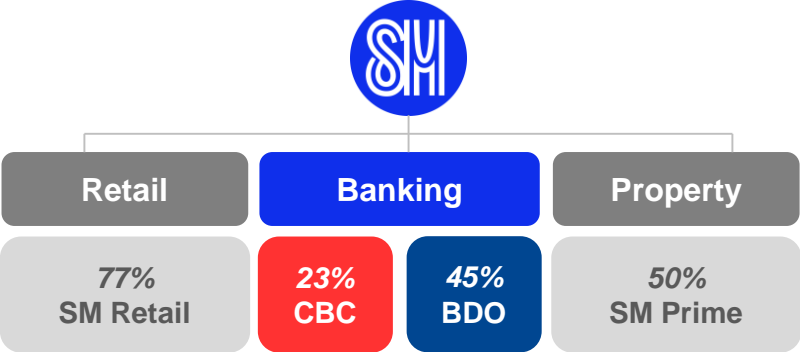
**Five Golden-Arrow Recognition**, the highest corporate governance award given by the **Institute of Corporate Directors (ICD)**.

\*As of March 31, 2025

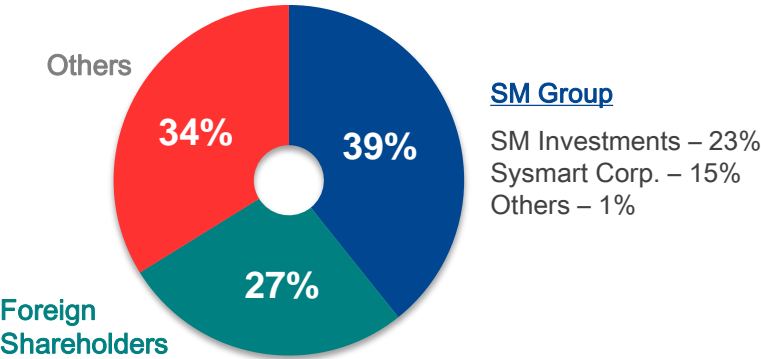
# SM Group: Strong Support & Synergies

Chinabank benefits from being part of one of the largest and most diversified conglomerates in the Philippines

## Snapshot of SM Group Business Lines



## Chinabank's Current Shareholdings



## Distinct benefits for Chinabank

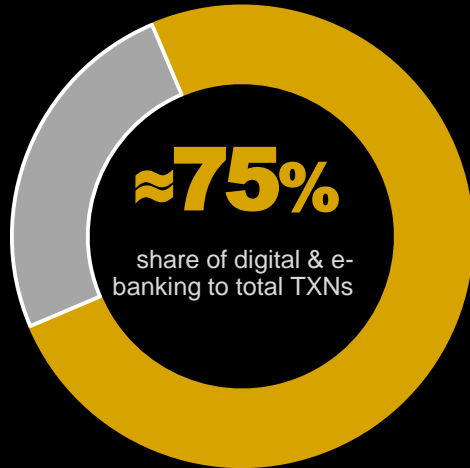
**1** Access to the SM Group's ecosystem of merchants, suppliers and contractors to promote the Bank's products

**2** **55 branches** and **148 ATMs** in SM Group's shopping malls, SaveMore, CityMall and Alfamart locations

# Digital Banking

1Q 2025 vs 1Q 2024

Bringing our signature touch in relationship banking to our customers anytime, anywhere.



**+37%**  
Digital TXNs  
year-on-year

**+21%**  
O/S Active Users  
year-on-year

**+18%**  
O/S Enrollments  
year-on-year

**+26%**  
Digital Gross TXN Value  
year-on-year



# Awards & Achievements






STRATEGIC BUSINESS INTELLIGENCE FOR ASIA'S FINANCIAL SERVICES COMMUNITY

Best Credit Card for Travelers in the Philippines,

**Chinabank Destinations Mastercard**

2024



STRATEGIC BUSINESS INTELLIGENCE FOR ASIA'S FINANCIAL SERVICES COMMUNITY

Best Home Loan Financing in the Philippines

**Chinabank HomePlus**

2024



BANKING FINANCE  
CORPORATE & INVESTMENT  
BANKING AWARDS

Suntrust P25 Bn Project Finance Facility

Debt Deal of the Year - Philippines

2024



BANKING FINANCE  
CORPORATE & INVESTMENT  
BANKING AWARDS

Repower Energy Development Corporation IPO

IPO Deal of the Year - Philippines

2024



CFA Society Philippines

Best Managed Fund for Bond Long-Term Dollar Category

2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017



Cesar E.A. Virata Award (Bank Category)

2024



Top Brokering Participant for Retail Transactions

2024, 2023



Top Fixed-Income Dealing Participant

2024



Top Corporate Issue Manager/Arranger (Investment House Category)

2024



Best Bond Adviser (Domestic)

2024



Best IPO - Repower Energy Development Corporation

2024



Best Equity Deal - ACEN Corp.'s P25 Bn Preferred Shares Offering

2024

# Highly capable management team



**Hans T. Sy**  
Chairman of the Board

- Chairman since 2011
- Member of the Board since 1986



**Gilbert U. Dee**  
Vice Chairman of the Board

- Vice Chairman since 2011
- Member of the Board since 1969



**Romeo D. Uyan, Jr.**  
President and Chief Executive Officer

- With CBC since 2014
- Over 30 years of banking experience



**Patrick D. Cheng**  
EVP and Chief Finance Officer

- With CBC since 2015
- Over 30 years of banking experience



**Aloysius C. Alday, Jr.**  
EVP, Head – Consumer Banking

- With CBC since 2021
- Over 25 years of banking experience



**Magnolia Luisa N. Palanca**  
EVP, Head - Financial Markets

- With CBC since 2019
- Over 30 years of banking experience



**Gerardo Susmerano**  
EVP, Co-Head – Retail Banking

- With CBC since 2024
- Over 30 years of banking experience



**Stephen Y. Tan**  
EVP and Co-Head – Retail Banking

- With CBC since 2007
- Over 30 years of banking experience



**Lilian Yu**  
EVP, Head – Institutional Banking

- With CBC since 2017
- Over 30 years of banking experience



**Ananias S. Cornelio III**  
SVP and Chief Risk Officer

- With CBC since 2012
- Over 25 years of banking experience



**Delfin Jay M. Sabido IX**  
SVP, Chief Innovation & Transformation Officer

- With CBC since 2022
- Over 25 years of IT experience



**Christopher Ma. Carmelo Y. Salazar**  
SVP and Treasurer

- With CBC since 2019
- Over 25 years of banking experience



**Jeruel N. Lobien**  
SVP and Chief Audit Executive

- With CBC since 2023
- Over 15 years of banking experience



**Atty. Aileen Paulette De Jesus**  
FVP and Chief Compliance Officer

- With CBC since 2018
- Over 30 years of legal experience

## TRADING INFORMATION

Ticker (Bloomberg   Reuters)	CBC PM   CBC.PS
Par value (PHP)	10.00
Outstanding shares	2,691,343,012
Stock price as of May 5, 2025	91.6
52-week range (Low   High)	36.80   95.00
Market Cap in PHP Mn	246,527
Market Cap in USD Mn	4,422
Public float as of Mar 31, 2025	57.66%
Foreign ownership as of Mar 31, 2025	26.81%

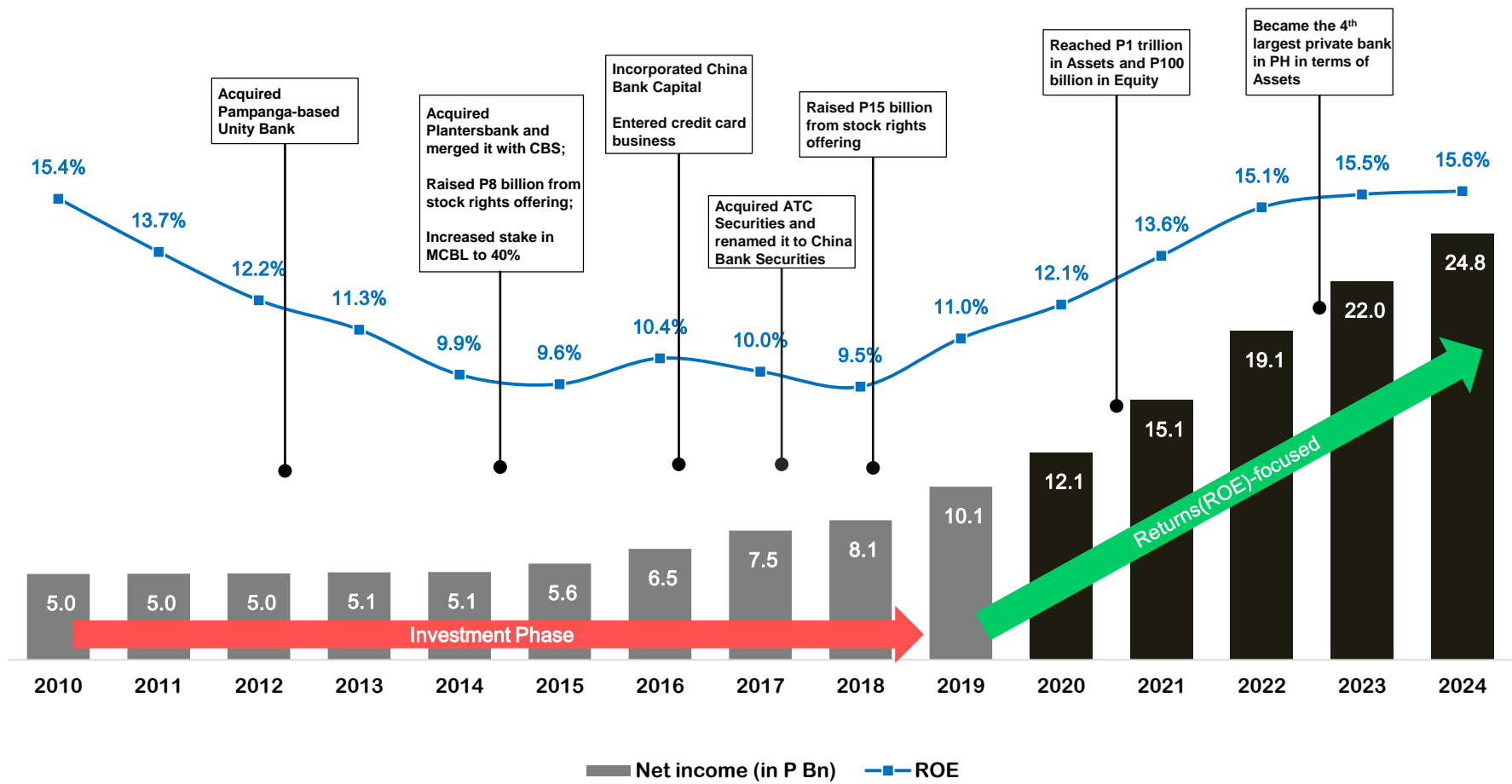
## MARKET VALUATION

	<u>Dec-23</u>	<u>Dec-24</u>	<u>Mar-25</u>
Book value per share	55.8	62.6	65.0
Earnings per share	8.2	9.2	9.7
Price to book (x)*	0.6	1.4	1.5
Price to earnings (x)*	4.2	9.4	9.4
Dividend per share	1.90	2.20	2.50
Dividend yield*	6.2%	2.5%	2.7%

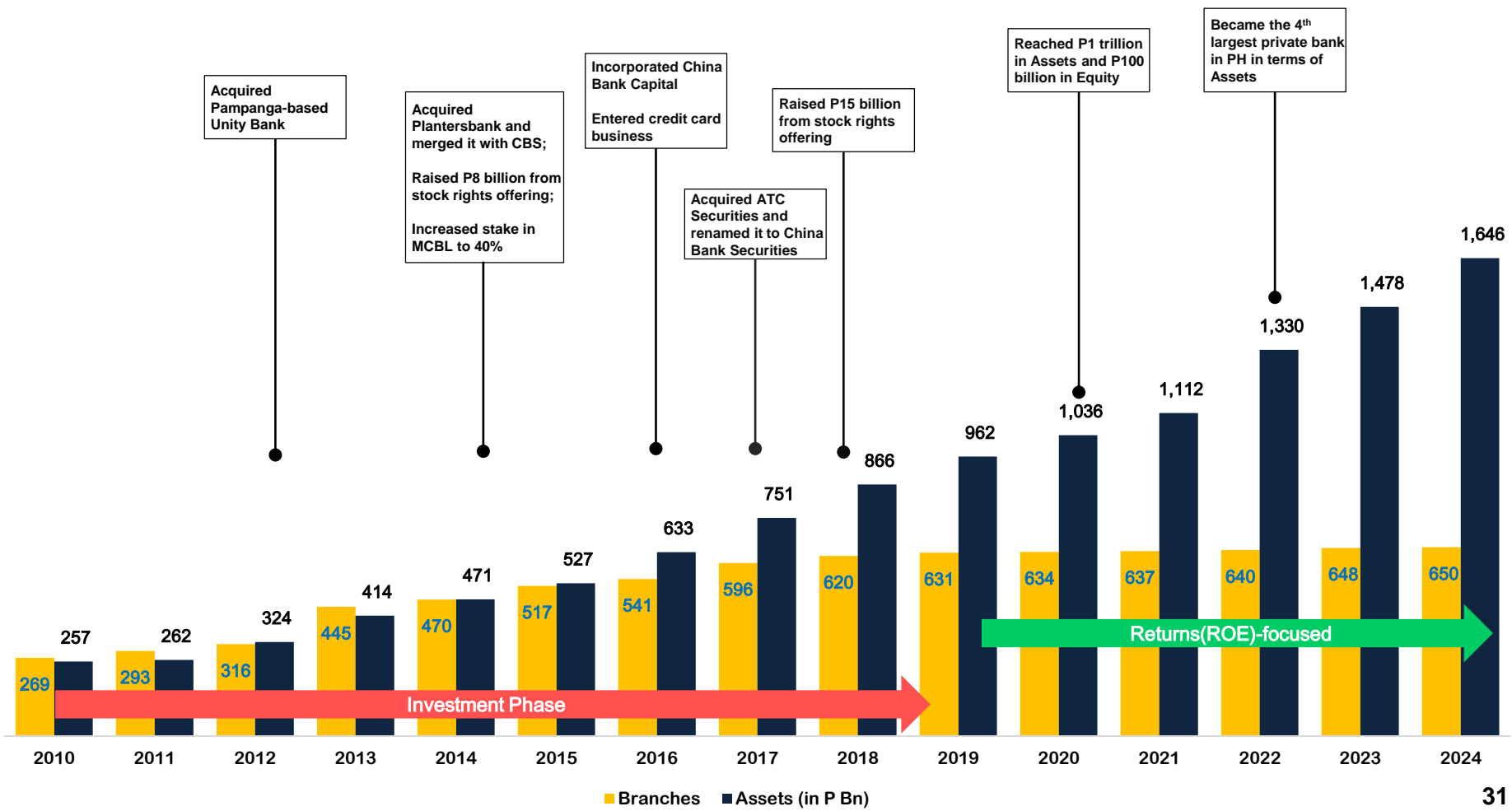
*\* based on May 5, 2025 stock price*



# Profitability significantly improved since 2019



# Focus on optimizing branches in the last 5 years



# Historical Financial Highlights

BALANCE SHEETS in Php billions, except %	Dec 2020	Dec 2021	Dec 2022	Dec 2023	Dec 2024	Mar 2024	Mar 2025	Mar 25 vs Mar 24
Liquid Assets	205	188	178	155	134	120	104	-14%
Investment Securities	236	279	412	505	543	552	552	0%
Net Loans	557	609	700	772	915	786	936	19%
Other Assets	38	36	40	46	54	48	59	23%
<b>TOTAL ASSETS</b>	<b>1,036</b>	<b>1,112</b>	<b>1,330</b>	<b>1,478</b>	<b>1,646</b>	<b>1,506</b>	<b>1,651</b>	<b>10%</b>
Deposits	835	863	1,066	1,187	1,331	1,229	1,331	8%
<i>CASA</i>	<i>469</i>	<i>555</i>	<i>573</i>	<i>575</i>	<i>594</i>	<i>553</i>	<i>607</i>	<i>10%</i>
<i>Time Deposits</i>	<i>366</i>	<i>308</i>	<i>492</i>	<i>611</i>	<i>738</i>	<i>676</i>	<i>725</i>	<i>7%</i>
Bills and Bonds Payable	76	108	99	105	112	90	106	18%
Other Liabilities	20	22	31	36	34	33	39	19%
<b>TOTAL LIABILITIES</b>	<b>931</b>	<b>993</b>	<b>1,195</b>	<b>1,328</b>	<b>1,478</b>	<b>1,352</b>	<b>1,476</b>	<b>9%</b>
<b>TOTAL EQUITY</b>	<b>105</b>	<b>119</b>	<b>135</b>	<b>150</b>	<b>169</b>	<b>154</b>	<b>175</b>	<b>13%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,036</b>	<b>1,112</b>	<b>1,330</b>	<b>1,478</b>	<b>1,646</b>	<b>1,506</b>	<b>1,651</b>	<b>10%</b>
NPL Ratio	2.3%	2.5%	2.3%	2.5%	1.6%	1.8%	1.5%	
NPL Cover	128%	116%	123%	104%	108%*	119%*	112%*	
Tier 1/CET 1 Ratio	13.8%	14.9%	15.1%	15.3%	15.3%	15.3%	15.6%	
Capital Adequacy Ratio (CAR)	14.7%	15.8%	15.9%	16.1%	16.2%	16.2%	16.5%	

\* In line with the updated BSP guidelines that exclude provisions appropriated to Retained Earnings

# Historical Financial Highlights

INCOME STATEMENTS In Php billions, except %	FY2020	FY2021	FY2022	FY2023	FY2024	1Q2024	1Q2025	1Q25 vs 1Q24
Interest income	47.7	46.5	57.2	79.4	93.8	21.9	25.4	16%
Interest expense	(13.3)	(7.4)	(11.6)	(25.8)	(30.2)	(6.9)	(8.2)	19%
Net interest income	34.4	39.1	45.6	53.5	63.5	15.0	17.1	14%
Fee-based income	9.5	9.6	10.1	0.6	2.0	0.1	(0.8)	n.m.
Total revenue	43.9	48.7	55.7	54.1	65.5	15.0	16.3	8%
Operating expenses	(21.5)	(22.3)	(24.4)	(27.0)	(30.7)	(7.1)	(8.4)	17%
Income before provisions and taxes	22.3	26.3	31.3	27.1	34.7	7.9	7.9	0%
Provision for impairment and credit losses	(8.9)	(8.9)	(9.0)	(1.2)	(3.3)	(0.3)	(0.3)	-6%
Income before income tax	13.5	17.5	22.3	25.8	31.4	7.6	7.7	1%
Provision for income tax	(1.4)	(2.4)	(3.1)	(3.8)	(6.6)	(1.7)	(1.1)	-33%
Net income	12.1	15.1	19.1	22.0	24.8	5.9	6.5	10%
Return on Equity	12.1%	13.6%	15.1%	15.5%	15.6%	15.5%	15.1%	
Return on Assets	1.2%	1.5%	1.6%	1.6%	1.6%	1.6%	1.6%	
Net interest margin	4.0%	4.3%	4.2%	4.2%	4.5%	4.4%	4.5%	
Cost-to-income ratio	49%	46%	44%	50%	47%	47%	51%	

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28<sup>th</sup> Floor, BDO Equitable Tower  
8751 Paseo de Roxas Street,  
Makati City

Phone: (632) 8 885 5609  
E-mail: [investor-relations@chinabank.ph](mailto:investor-relations@chinabank.ph)  
Website: [www.chinabank.ph](http://www.chinabank.ph)

## INVESTOR RELATIONS CONTACT:

**Gerald O. Florentino**, Investor Relations Head  
([GOFlorentino@chinabank.ph](mailto:GOFlorentino@chinabank.ph))

**Victorina Jane N. Quisido**, Investor Relations Officer  
([VJNQuisido@chinabank.ph](mailto:VJNQuisido@chinabank.ph))

**Thank You!**

