

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C**

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. May 4, 2023
Date of Report (Date of earliest event reported)

2. SEC Identification Number 443

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

4. CHINA BANKING CORPORATION
Exact name of issuer as specified in its charter

5. Philippines
Province, Country or other jurisdiction of incorporation
6. SEC (Use Only)
Industry Classification Code:

7. China Bank Bldg., 8745 Paseo de Roxas, Makati City
Address of principal office
- 1226
Postal Code

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

9. -- NA --
Former name or former address, if changed since last report

10. Securities registered pursuant to Section 8 and 12 of the SRC of Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
<u>Common</u>	<u>2,691,288,212 shares</u>

11. Indicate the item numbers reported herein: Item 9

In compliance with your requirements, please be informed that the Board of Directors of China Banking Corporation (China Bank, the Bank), during its regular meeting held yesterday, 03 May 2023, approved the unaudited financial statements of the Bank for the quarter ended March 31, 2023. Key highlights are as follows:

- The Bank posted a 13% quarter-on-quarter increase in net income to P5.0 billion, which translated to a return on equity and return on assets of 14.7% and 1.5%, respectively.
- China Bank closed the quarter with P1.4 trillion in assets, up 20% year-on-year, supported by a 15% expansion in net loans. Meanwhile, deposits increased 24% to P1.1 trillion.
- Total equity increased 11% to P139 billion, with a common equity tier 1 (CET1) ratio of 15.4% and total capital adequacy ratio (CAR) of 16.3%, well above the regulatory minimum requirement.

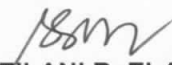
The Bank will be releasing to the press the attached statement entitled: "China Bank nets P5B in the first quarter, pays higher cash dividends".

The Bank's 1Q 2023 SEC Form 17-Q report containing the financial statements and detailed management discussion will be submitted as soon as available, in compliance with regulatory reporting requirements.

Pursuant to the requirements of the Revised Securities Act, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CHINA BANKING CORPORATION
Registrant

Date May 4, 2023


ATTY. LEILANI B. ELARMO
Corporate Secretary
Signature and Title *



* Print name and title of the signing officer under the signature



04 May 2023

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

Attention: 1. **DIRECTOR VICENTE GRACIANO P. FELIZMENIO, JR.**
Markets and Securities Regulation Department

2. DIRECTOR RACHEL ESTHER J. GUMTANG-REMALANTE
Corporate Governance and Finance Department

THE PHILIPPINE STOCK EXCHANGE, INC.

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

Attention: MS. ALEXANDRA D. TOM WONG
Officer-in-Charge, Disclosure Department

PHILIPPINE DEALING & EXCHANGE CORP.

29th Floor BDO Equitable Tower
8751 Paseo de Roxas, Makati City

Attention: ATTY. MARIE ROSE M. MAGALLEN-LIRIO
Head, Issuer Compliance and Disclosure Department

Sir, Mesdames:

We are pleased to furnish your good office with a copy of China Bank's latest news release, **"China Bank nets P5B in the first quarter, pays higher cash dividends"**.

Thank you.

Very truly yours,

Mervat Florent

GERALD O. FLORENTINO

FVP and Head
Investor and Corporate Relations Group

China Bank nets P5B in the first quarter, pays higher cash dividends

China Banking Corporation (China Bank, PSE symbol: CHIB) booked P5.0 billion net income for the first quarter of 2023, driven by robust asset base expansion, strong net interest income and lower credit provisions. This translated to a return on equity of 14.7% and return on assets of 1.5%, still among the best in the industry.

As announced in its annual stockholders' meeting on April 20, 2023, all CHIB stockholders on record as of May 5, 2023 will be paid P1.90 per share cash dividend (P1.00 per share regular cash dividend and P0.90 per share special cash dividend). The cash dividends, totalling P5.1 billion, is 27% higher compared to the P4.0 billion paid last year.

Amid an operating environment challenged by elevated interest rates and inflation, the Bank's net profit managed to increase by 13% from the previous quarter.

INCOME STATEMENTS In Php billions, except %	1Q 2022	1Q 2023	1Q'23 vs 1Q'22
Interest income	12.6	18.4	46%
Interest expense	(1.9)	(5.7)	207%
Net interest income	10.8	12.7	18%
Fee-based income	1.7	0.5	-72%
Total revenue	12.5	13.2	5%
Operating expenses	(5.7)	(6.8)	19%
Income before provisions and taxes	6.8	6.4	-6%
Provision for impairment and credit losses	(0.8)	(0.4)	-44%
Income before income tax	6.0	5.9	-1%
Provision for income tax	(1.1)	(0.9)	-19%
Net income	4.9	5.0	3%
Return on Equity	16.0%	14.7%	
Return on Assets	1.7%	1.5%	
Net interest margin	4.3%	4.2%	
Cost-to-income ratio	46%	52%	

Due to rounding, numbers presented in the tables may not add up precisely to the totals provided, and percentages may not precisely reflect the absolute figures.

Net interest income grew by 18% from the same period last year on the back of 46% increase in topline revenues to P18.4 billion, as the Bank further built its earning asset

portfolio. Net loans increased by 15% to P709 billion due to a 13% and 23% expansion in business and consumer loans, respectively. The Bank's thrift banking arm, China Bank Savings, sustained robust growth in retail loans, with its personal loans doubling year-on-year to account for almost a third of total consumer business. Consolidated net interest margin remained healthy at 4.2%.

As the economy recovers, the Bank recorded a 44% drop in credit provisions to P440 million. Nevertheless, asset quality remained sound with a better-than-industry non-performing loans (NPL) ratio of 2.3% and NPL coverage ratio of 118%.

Operating expenses (excluding provision for impairment and credit losses) increased by 19% to P6.8 billion mainly from higher volume-related taxes. Core operating expenses growth was also modest with the Bank's continued investments on digital transformation and human resource development.

"The bank continues to do well amidst the challenging operating environment, reflecting the quality of our balance sheet, our prudent management and the strength of our core businesses. We are off to a good start as our strong capital position and solid liquidity allow us to play a major role in the reopening and growth of the Philippine economy," said China Bank President & CEO Romeo D. Uyan, Jr.

BALANCE SHEETS in Php billions, except %	Mar 31, 2022	Mar 31, 2023	Mar'23 vs Mar'22
Liquid Assets	153	146	-5%
Investment Securities	321	455	42%
Net Loans	616	709	15%
Other Assets	37	41	12%
Total Assets	1,127	1,352	20%
Deposits	879	1,086	24%
CASA	564	543	-4%
Time Deposits	315	543	72%
Bills and Bonds Payable	98	95	-3%
Other Liabilities	24	31	29%
Total Liabilities	1,001	1,212	21%
Total Equity	125	139	11%
Total Liabilities and Equities	1,127	1,352	20%
NPL Ratio	2.4%	2.3%	
NPL Cover	121%	118%	
Tier 1/CET 1 Ratio	15.5%	15.4%	
Capital Adequacy Ratio (CAR)	16.3%	16.3%	

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The country's fourth largest private universal bank saw its total resources grow by 20% to P1.4 trillion as of March 31, 2023. On the funding side, total deposits expanded by 24% to P1.1 trillion, reflecting the Bank's solid customer relationships.

"We sustained the strong momentum in loans and deposits, outpacing the industry average and reflecting the successful execution of our strategy to strengthen our core businesses, effectively manage resources, and prudently reduce risks," said China Bank CFO Patrick D. Cheng.

The Bank improved its capitalization, increasing by 11% to P139 billion, with a common equity tier 1 (CET 1) ratio of 15.4% and total capital adequacy ratio (CAR) of 16.3%.

China Bank opened for business on August 16, 1920 in Binondo, Manila, and is now one of the largest private universal banks in the Philippines. It provides a full range of banking products and services to corporate, commercial, and retail customers through 641 branches and 1,047 ATMs to date (including the 162 branches and 173 ATMs of China Bank Savings). It also offers a wide range of allied financial services through its subsidiaries China Bank Capital Corp., China Bank Securities Corp., Chinabank Insurance Brokers, Inc., and affiliate Manulife China Bank Life Assurance Corp. Visit www.chinabank.ph for more information.

Contact:

INVESTOR & CORPORATE RELATIONS GROUP

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GERALD O. FLORENTINO

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