

13 May 2025

PHILIPPINE STOCK EXCHANGE, INC.
6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **Atty. JOHANNE DANIEL M. NEGRE**
Officer-in-Charge, Disclosure Department

THE PHILIPPINE DEALING & EXCHANGE CORPORATION
29/F BDO Equitable Tower
8751 Paseo de Roxas, Makati City

Attention: **Ms. SUZY CLAIRE R. SELLEZA**
Issuer Compliance and Disclosure Department

Ladies and Gentlemen:

In compliance with the Philippine Dealing & Exchange Corporation Issuer Disclosures Operating Guidelines, we furnish you a copy of the Bank's Quarterly Report for the first quarter of 2025 (SEC Form 17-Q).

For your information.

Truly yours,

PHILIPPINE BANK OF COMMUNICATIONS

By:



MA. THERESA G. DELA ROSA
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

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 quarterly period ended March 31, 2025.

2. Commission identification number PW-686 3. BIR Tax Identification No. 000-263-340

4. Exact name of issuer as specified in its charter

Philippine Bank of Communications

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

6. Industry Classification Code: (Use Only)

7. Address of issuer's principal office Postal Code

PBCOM Tower 6795 Ayala Ave., Cor. V.A. Rufino St., Makati City 1226

8. Issuer's telephone number, including area code

(632) 8-830-7000

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 and amount of debt outstanding
<u>PBCOM Common Shares</u>	<u>480,645,163 shares</u>

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

Yes [X] No []

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

Philippine Stock Exchange Common Stock

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 twelve (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 ninety (90) days.

Yes [/] No []

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please see attached

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

Please see attached

PART II--OTHER INFORMATION


The issuer may, at its option, report under this item any information not previously reported in a report on SEC Form 17-C. If disclosure of such information is made under this Part II, it need not be repeated in a report on Form 17-C, which would otherwise be required to be filed with respect to such information or in a subsequent report on Form 17-Q.

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.

PHILIPPINE BANK OF COMMUNICATIONS

By:



PATRICIA MAY T. SIY
President & CEO



ARLENE M. DATU
SVP & Comptroller
Comptroller & Principal Accounting Officer

May 9, 2025

PHILIPPINE BANK OF COMMUNICATIONS AND SUBSIDIARY
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF POSITION
AS AT MARCH 31, 2025

(With Comparative Audited Figures at December 31, 2024)

	March 31, 2025 (Unaudited)	December 31, 2024
	(Amounts in Thousands)	
ASSETS		
Cash and Other Cash Items	₱1,083,800	₱1,049,937
Due from Bangko Sentral ng Pilipinas (Note 7)	8,600,400	7,297,480
Due from Other Banks	1,212,457	430,103
Interbank Loans Receivable and Securities Purchased under Resale Agreements (Note 8)	69,759	404,202
Financial assets at Fair Value through Profit or Loss (Note 9)	2,215,265	-
Financial Assets at Fair Value through Other Comprehensive Income (Note 9)	14,305,801	11,252,961
Investment Securities at Amortized Cost (Notes 9)	27,974,540	28,920,662
Loans and Receivables (Notes 10)	99,480,547	101,320,536
Investments in an Associate (Note 1)	10,129	10,062
Property and Equipment (Note 11)	817,483	823,045
Investment Properties (Note 12)		
Condominium units for lease	1,545,095	1,556,722
Foreclosed properties	2,135,596	2,130,458
Office units for lease	1,549	1,637
Intangible Assets (Note 13)	517,022	515,298
Deferred Tax Assets - Net	500,848	486,222
Other Assets (Note 14)	637,783	696,677
TOTAL ASSETS	₱161,108,074	₱156,896,002
LIABILITIES AND EQUITY		
LIABILITIES		
Deposit Liabilities (Note 16)		
Demand	38,344,963	41,638,978
Savings	12,661,486	13,697,477
Time	68,003,170	55,247,882
Long-term negotiable certificates of deposits	-	-
	119,009,619	110,584,337
Bills Payable (Note 17)	10,922,124	16,386,516
Bonds Payable (Note 18)	7,635,725	7,623,300
Outstanding Acceptances	329,476	81,670
Manager's Checks	451,823	218,636
Accrued Interest, Taxes and Other Expenses	1,448,352	1,441,163
Income Tax Payable	264,356	136,700
Other Liabilities (Note 14)	1,211,343	1,190,639
TOTAL LIABILITIES	141,272,818	137,662,961
EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY		
Common stock (Note 20)	12,016,129	12,016,129
Additional paid-in capital	2,262,246	2,262,246
Surplus reserves (Note 20)	459,720	458,140
Surplus	5,793,608	5,322,252
Unrealized losses on financial assets carried at fair value through other comprehensive income	(524,434)	(659,523)
Cumulative translation adjustment	(108,992)	(103,182)
Remeasurement losses on retirement liability	(63,021)	(63,021)
TOTAL EQUITY	19,835,256	19,233,041
TOTAL LIABILITIES AND EQUITY	₱161,108,074	₱156,896,002

See accompanying Notes to Unaudited Interim Condensed Financial Statements.

PHILIPPINE BANK OF COMMUNICATIONS AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	March 31, 2025 (Unaudited)	March 31, 2024
	(Amounts in Thousands)	
INTEREST INCOME		
Loans and receivables (Note 10)	₱1,950,677	₱1,773,493
Investment securities (Note 9)	560,881	479,464
Interbank loans receivable and securities purchased under resale agreements (Note 8)	10,039	18,838
Deposits with other banks and others	10,928	7,731
	2,532,525	2,279,526
INTEREST AND FINANCE CHARGES		
Deposit liabilities (Note 16)	780,042	819,034
Bills payable, borrowings and others (Note 17 and 18)	293,725	188,709
	1,073,767	1,007,743
NET INTEREST INCOME		
Service charges, fees and commissions	1,458,758	1,271,783
Rent income	102,862	105,670
Foreign exchange gain - net	86,706	93,019
Profit from assets sold (Note 11 and 12)	44,534	23,600
Income from trust operations	20,177	2,262
Gain on asset exchange - net	11,059	9,589
Trading and securities gain - net (Note 9)	9,821	472
Miscellaneous (Note 21)	(55,111)	51,277
	49,229	43,519
TOTAL OPERATING INCOME		
	1,728,035	1,601,191
TOTAL OPERATING EXPENSES		
Compensation and fringe benefits	362,812	338,783
Taxes and licenses	229,919	207,421
Depreciation and amortization	105,979	83,566
Insurance	60,902	58,153
Occupancy and other equipment - related costs	42,722	45,586
Security, clerical, messengerial and janitorial services	32,243	32,556
Provision for (recovery from) impairment losses	32,070	(1,819)
Entertainment, amusement and recreation	27,214	23,280
Management and professional fees	25,365	26,622
Communication	13,926	12,345
Miscellaneous (Note 21)	128,223	111,284
	1,061,375	937,777
INCOME BEFORE SHARE IN NET INCOME OF AN ASSOCIATE		
	666,660	663,414
Share in net income of an associate	67	183
INCOME BEFORE INCOME TAX		
	666,727	663,597
PROVISION FOR INCOME TAX (Note 22)	193,791	167,465
NET INCOME		
	₱472,936	₱496,132
Basic/ Diluted Earnings Per Share (Note 23)		
	₱0.98	₱1.03

See accompanying Notes to Unaudited Interim Condensed Financial Statements.

PHILIPPINE BANK OF COMMUNICATIONS AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

	March 31, 2025 (Unaudited)	March 31, 2024
	(Amounts in Thousands)	
NET INCOME	₱472,936	₱496,132
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD, NET OF TAX		
Items that may be reclassified to profit or loss in subsequent periods:		
Net movement in cumulative translation adjustment	(5,810)	1,561
Unrealized gain (loss) on debt securities carried at fair value through other comprehensive income	136,994	(138,896)
	131,184	(137,335)
Items that may not be reclassified to profit or loss in subsequent periods:		
Unrealized loss on equity securities carried at fair value through other comprehensive income	(2,242)	-
Income tax relating to change in fair value on equity securities	337	-
	129,279	(137,335)
TOTAL OTHER COMPREHENSIVE INCOME	₱602,215	₱358,797

See accompanying Notes to Unaudited Interim Condensed Financial Statements.

PHILIPPINE BANK OF COMMUNICATIONS AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited)

	Common Stock (Note 20)	Additional Paid-in Capital	Surplus reserves (Note 20)	Retained Earnings	Unrealized gain (loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Cumulative Translation Adjustment	Remeasurement Gain (Loss) on Retirement assets	Total
				(Amounts in Thousands)				
Balance at January 1, 2025	₱12,016,129	₱2,262,246	₱458,140	₱5,322,252	(₱659,523)	(₱103,182)	(₱63,021)	₱19,233,041
Appropriation during the year			1,580	(1,580)	-	-	-	-
Total comprehensive income (loss) for the period	-	-	-	472,936	135,089	(5,810)	-	602,215
Balance at March 31, 2025 (unaudited)	₱12,016,129	₱2,262,246	₱459,720	₱5,793,608	(₱524,434)	(₱108,992)	(₱63,021)	₱19,835,256
Balance at January 1, 2024	₱12,016,129	₱2,262,246	₱454,283	₱3,115,836	(₱38,155)	(₱107,424)	(₱47,164)	₱17,655,751
Release of appropriation during the year								-
Total comprehensive income (loss) for the period				496,132	(138,896)	1,561	-	358,797
Balance at March 31, 2024 (unaudited)	₱12,016,129	₱2,262,246	₱454,283	₱3,611,968	(₱177,051)	(₱105,863)	(₱47,164)	₱18,014,548

See accompanying Notes to Unaudited Interim Condensed Financial Statements.

PHILIPPINE BANK OF COMMUNICATIONS AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Three Months (January to March)	
	2025	2024
	(Amounts in Thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱666,727	₱663,597
Adjustments to reconcile income before income tax to net cash generated from (used for) operations:		
Depreciation and amortization	105,979	83,566
Amortization of premium on investment securities	54,529	67,055
Gain on asset exchange - net	(9,821)	(472)
Trading gains on financial assets at FVTOCI (Note 9)	(21,277)	(28,888)
Profit from asset sold (Noted 12)	(20,177)	(2,262)
Accretion of interest on unquoted debt securities (Note 10)	(6,376)	(6,887)
Amortization of interest on lease liability	3,652	2,645
Provision for (recovery from) impairment losses	32,070	(1,819)
Unrealized loss (gain) on financial assets at FVTPL	(4,390)	1,381
Share in net income of an associate	(67)	(183)
Changes in operating assets and liabilities		
Decrease (increase) in the amounts of:		
Financial assets at FVTPL	(2,210,875)	(1,381)
Loans and receivable	1,753,482	3,909,086
Other assets	68,334	(64,975)
Increase (decrease) in the amounts of:		
Deposit liabilities	8,425,282	(8,900,557)
Manager's checks	233,187	(283,475)
Accrued interest, taxes and other expenses	7,189	(139,832)
Other liabilities	(8,173)	26,121
Net cash provided by (used in) operations	9,069,275	(4,677,280)
Income taxes paid	(80,425)	(86,495)
Net cash provided by (used in) operating activities	₱8,988,850	(₱4,763,775)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of:		
Financial assets at FVOCI	(₱25,647,644)	(₱34,194,122)
Investment securities at amortized cost	-	(2,000,829)
Property and equipment	(26,210)	(7,441)
Software cost	(8,070)	-
Proceeds from disposal of:		
Financial assets at FVOCI	22,729,183	26,619,165
Property and equipment	1,946	6,764
Investment properties	44,247	7,619
Proceeds from maturity of Investment securities	913,242	5,447,697
Net cash used in investing activities	(₱1,993,306)	(₱4,121,147)

(Forward)

PHILIPPINE BANK OF COMMUNICATIONS AND SUBSIDIARY
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Three Months (January to March)	
	2025	2024
	(Amounts in Thousands)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Availments of:		
Bills payable	₱84,883,930	₱76,186,949
Outstanding acceptance	1,090,639	6,354
Marginal deposits	20,095	12,666
Settlements of:		
Bills payable	(90,348,322)	(70,926,236)
Outstanding acceptance	(842,833)	(76,822)
Marginal deposits	(8,549)	(12,512)
Net cash provided by (used in) financing activities	(₱5,205,040)	₱5,190,399
EFFECTS OF FOREIGN CURRENCY TRANSLATION ADJUSTMENTS		
	(5,810)	1,561
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,784,694	(3,692,962)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		
Cash and Other Cash Items	1,049,937	1,562,747
Due from Bangko Sentral ng Pilipinas	7,297,480	12,204,980
Due from Other Banks	430,103	485,530
Interbank Loans Receivable	404,202	492,353
	9,181,722	14,745,610
CASH AND CASH EQUIVALENTS AT ENDING OF THE PERIOD		
Cash and Other Cash Items	1,083,800	879,171
Due from Bangko Sentral ng Pilipinas	8,600,400	9,703,304
Due from Other Banks	1,212,457	342,841
Interbank Loans Receivable	69,759	127,332
	₱10,966,416	₱11,052,648
OPERATIONAL CASH FLOWS FROM INTEREST		
	For the Three Months (January to March)	
	2025	2024
Interest paid	₱1,110,469	₱1,138,474
Interest received	2,754,192	2,300,422

See accompanying Notes to Unaudited Interim Condensed Financial Statements.

PHILIPPINE BANK OF COMMUNICATIONS AND SUBSIDIARY

NOTES TO UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS

1. Corporate Information

Philippine Bank of Communications (the Parent Company) is a publicly listed domestic universal bank organized in the Philippines, primarily to engage in commercial banking services such as deposit products, loans and trade finance, domestic and foreign fund transfers, treasury, foreign exchange, and trust services. The Company's principal place of business is at the PBCOM Tower, 6795 Ayala Avenue, corner V. A. Rufino Street, Makati City.

As of March 31, 2025, the Parent Company had a network of 90 regular branches, 4 branch-lite units, and 166 ATMs (91 onsite and 75 offsite).

The Company's original Certificate of Incorporation was issued by the Securities and Exchange Commission (SEC) on August 23, 1939. On June 21, 1988, the Company's Board of Directors (BOD) approved the amendment of Article IV of its Amended Articles of Incorporation to extend the corporate life of the Company for another 50 years or up to August 23, 2039. The Amended Articles of Incorporation was approved by the SEC on November 23, 1988.

The Parent Company acquired a license to operate as an expanded commercial bank from the Bangko Sentral ng Pilipinas (BSP) on December 24, 1993. On March 31, 2000, the BSP's Monetary Board approved the amendment of the Parent Company's license to regular commercial banking.

The Monetary Board, in its Resolution No. 96 dated January 20, 2022, approved the grant of a universal banking license to Company, subject to compliance with certain regulatory requirements, including the amendment of the Parent Company's charter documents. On March 15, 2022, the Parent Company held a special stockholders' meeting to approve the changes to the Parent Company's Articles of Incorporation to reflect the upgrade of its banking license.

Subsequently, the Parent Company secured the approval of the *Securities and Exchange Commission* for the amendment of its Articles of Incorporation, reflecting the change of its primary license to universal banking. The official Certificate of Filing of Amended Articles of Incorporation was issued on August 17, 2022.

On November 10, 2022, PBCOM secured its Certificate of Authority to operate as a universal bank from the Bangko Sentral ng Pilipinas. PBCOM started its operations as a Universal Bank last December 1, 2022.

The Parent Company's subsidiary and associate are engaged in the following businesses:

Entity	Effective Percentage of Ownership		Principal Place of Business and Country of Incorporation	Line of Business
	2025	2024		
Subsidiary				
PBCom Insurance Services Agency, Inc. (PISAI)	–	–	Philippines	Insurance Agent
Associate				
PBCom Finance Corporation (PBCom Finance)	40.00%	40.00%	Philippines	Financing Company

Retirement of Business Operations of PISAI

On January 11, 2021, the BOD of the Parent Company approved the dissolution and retirement of business of PISAI which had been inactive since the termination of its general agency agreement with Pru Life UK in September 2017. Subsequently, on March 4, 2021, PISAI's Board of Directors resolved to shorten the company's corporate term to June 30, 2021.

Considering several requirements for the termination of business that had to be complied with, the effectivity of the PISAI's corporate term was extended until April 2024. PISAI submitted its application for amending its Articles of Incorporation on November 15, 2023. The SEC approved this amendment on April 3, 2024, extending the corporate term until April 30, 2024.

On May 3, 2024, PISAI completed the settlement of its liabilities and liquidated its remaining assets for distribution to its stockholders. Following this, the Parent Company received the release of PISAI's remaining assets and derecognized its investment in PISAI.

Bond Offering Transaction

On March 20, 2024, PBCOM's Board of Directors approved a ₱15.00 billion peso-denominated bond program to be issued in multiple tranches. The Bonds will have a minimum tenor of 1.5 years and with interest rates to be determined based on prevailing market rates. Proceeds from the bond issuance will be utilized for general corporate purposes, including refinancing of debt obligations, diversifying funding sources, and supporting loan growth. In the same meeting, the Board of directors likewise approved the 1st tranche issuance from the Bond program a target amount of at least ₱2.00 Billion with an oversubscription option.

The Series A bonds which have a tenor of one-and-a-half years and a fixed interest rate of 6.0796% per annum represent the first tranche under PBCOM's ₱15.00 Billion Peso Bond Program. The Bank successfully concluded its maiden peso bond offering ahead of schedule, closing more than a week early on October 17 due to robust demand. Initially set to run from October 14 to October 28, the offering attracted strong interest from both retail clients and a diverse mix of institutional investors resulting in an oversubscription of 3.85 times the initial amount.

PBCOM raised ₱7.7 Billion from its maiden issuance of Peso Fixed Rate Bonds listed on the Philippine Dealing & Exchange Corp. (PDEX) on November 5, 2024. PBCOM holds a "PRS Aa minus (corp)" issuer credit rating with a "stable" outlook from the Philippine Rating Services Corporation.

2. Material Accounting Policy Information

Basis of Presentation

The accompanying unaudited interim condensed financial statements have been prepared following Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. Accordingly, the unaudited interim condensed financial statements do not include all the information and disclosures required in the annual financial statements. They should be read in conjunction with the Group's annual audited financial statements as of the end of the year ended December 31, 2024 prepared under Philippine Financial Reporting Standards (PFRS).

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the unaudited interim condensed consolidation financial statements of the Group are consistent with those followed in the preparation of the Group's

annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of the following amendments to PFRS effective beginning January 1, 2025. The Group did not early adopt any other standard, interpretation, or amendment that has been issued but is not yet effective.

The adoption of the following pronouncements did not have any significant impact on the Group's financial position or performance:

Effective beginning on or after January 1, 2025

- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

3. Summary of Accounting Judgements and Estimates

The significant judgments and assumptions made in the unaudited interim condensed consolidated financial statements of the Group are consistent with the most recent annual financial statements issued.

4. Fair Value Measurement

The Group uses three-level hierarchies as a valuation technique in determining and disclosing the fair value of financial instruments:

- Level 1 – quoted (unadjusted) market prices for identical assets or liabilities in an active market.
- Level 2 – valuation technique for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – valuation technique for which the lowest level input significant to the fair value measurement is unobservable, i.e., not based on observable market data.

As of March 31, 2025, the Group used the following level of measurement:

	Carrying value	Fair Values		
		Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets measured at fair value				
Currency forwards	₪–	₪–	₪–	₪–
Financial assets at FVTOCI				
Government securities	1,917,193	1,917,193	1,917,193	–
Private bonds	5,094	5,094	5,094	–
Sovereign bonds	292,978	292,978	292,978	–
	2,215,265	2,215,265	2,215,265	–
Financial assets at FVTOCI				
Government securities	7,822,515	7,822,515	7,822,515	–

Private bonds	136,150	136,150	136,150	-	-
Sovereign bonds	6,123,671	6,123,671	6,123,671	-	-
Equity securities	223,466	223,466	-	176,950	46,516
	16,521,067	16,521,067	16,297,601	176,950	46,516

Assets for which fair values are disclosed

Investment securities at amortized cost:					
Government securities	27,407,250	26,108,052	26,108,052	-	-
Sovereign bonds	567,290	581,694	581,694	-	-
Loans and receivables:					
Loans and receivable:	96,864,584	95,673,570	-	-	95,673,570
Unquoted debt securities	-	-	-	-	-
	124,839,124	122,363,316	26,689,746	-	95,673,570
Investment properties:					
Condominium units for lease	1,545,095	8,082,521	-	-	8,082,521
Foreclosed properties	2,135,596	5,223,167	-	-	5,223,167
Office units for lease	1,549	180,634	-	-	180,634
	3,682,240	13,486,322	-	-	13,486,322
	₱128,521,364	₱135,849,638	₱26,689,746	₱-	₱109,159,892

Liabilities for which fair values are disclosed

Financial liabilities at amortized cost:					
Time deposits	₱68,003,170	₱67,992,378	₱-	₱-	₱67,992,378
Bills payable	10,922,124	10,921,850	-	-	10,921,850
Bonds payable	7,635,725	7,610,989	-	-	7,610,989
	₱86,561,019	₱86,525,217	₱-	₱-	₱86,525,217

* Included in 'Other assets'

As of December 31, 2024, the Group used the following level of measurement:

	Carrying Value	Fair Value			
		Total	Quoted Prices in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets measured at fair value					
Currency Forwards *	₱361	₱361	₱-	₱361	₱-
Financial assets at FVTOCI:					
Debt securities:					
Government securities	6,433,011	6,433,011	6,433,011	-	-
Private bonds	136,239	136,239	-	136,239	-
Sovereign bonds	4,458,003	4,458,003	4,458,003	-	-
Equity securities	225,708	225,708	-	179,192	46,516
	11,253,322	11,253,322	10,891,014	315,792	46,516
Assets for which fair values are disclosed					
Investment securities at amortized cost:					
Government securities	28,323,913	26,938,147	15,110,802	11,827,345	-
Sovereign bonds	596,749	581,662	581,662	-	-
Loans and receivables:					
Receivables from customers:					
Corporate loans	95,084,927	94,271,111	-	-	94,271,111
Auto loans	432,388	408,645	-	-	408,645
Home loans	2,786,602	2,249,371	-	-	2,249,371
Personal loans	50,560	54,430	-	-	54,430
Unquoted debt securities	59,308	59,277	-	-	59,277
	127,334,447	124,562,643	15,692,464	11,827,345	97,042,834
Investment properties:					
Condominium units for lease	1,556,722	8,082,521	-	-	8,082,521
Foreclosed properties	2,130,458	5,188,290	-	-	5,188,290
Office units for lease	1,637	180,634	-	-	180,634
	3,688,817	13,451,445	-	-	13,451,445
	₱142,276,586	₱149,267,410	₱26,583,478	₱12,143,137	₱110,540,795
Liabilities measured at fair value **					
Currency Forwards	₱3	₱3	₱-	₱3	₱-
Futures	68	68	-	68	-
	71	71	-	71	-

	Carrying Value	Total	Fair Value		
			Quoted Prices in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Liabilities for which fair value is disclosed					
Financial liabilities at amortized cost:					
Time deposits	55,247,882	55,233,711	-	-	55,233,711
Bills payable	16,386,516	16,386,142	-	-	16,386,142
Bonds payable	7,623,300	7,484,684			7,484,684
	₱79,257,698	₱79,104,537	₱-	₱-	₱79,104,537

* Included in 'Other assets'

** Included in 'Other liabilities'

Movements in the fair value measurement of 'Financial assets at FVTOCI' categorized within Level 3 pertain only to the changes in fair value of unquoted equity securities.

There are no transfers between Levels 1 and 2 and no transfers into and out of Level 3.

The Group evaluates and classifies financial instruments, whether it is quoted or not, in an active market. Quoted prices in an active market are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

The methods and assumptions used by the Group in estimating the fair value of its assets and liabilities are remained consistent with previous periods, ensuring reliable and accurate reporting under current market conditions. These are as follows:

Investment Securities

Debt Securities

Fair values are based on quoted market prices or consensus prices from Bloomberg if market prices are unavailable.

Equity Securities (Club Shares)

Valued using published prices from recognized sources like GG&A Club Shares and G&W Club Shares.

Unquoted Equity Securities

Fair values are estimated using the guideline publicly-traded company method, relying on comparable publicly-traded companies.

Loans and Receivables:

Fair values are estimated using the discounted cash flow methodology, applying the Group's current incremental lending rates.

Derivative Assets/Liabilities:

Valued based on prevailing interest differentials and spot exchange rates, considering the remaining term to maturity.

Financial Liabilities at Amortized Cost:

Fair values of deposit liabilities and bills payable are calculated using discounted cash flow methods with current incremental borrowing rates.

Investment Properties:

Fair values are determined using the market sales comparison or income capitalization approach, depending on the property type, with significant unobservable inputs like rental rates and capitalization rates.

Significant Unobservable Inputs:

The Group provides detailed disclosures on Level 3 fair value measurements, including the sensitivity of these valuations to changes in significant unobservable inputs.

5. Financial Risk Management Objectives and Policies

Risk is inherent in the Group's activities but is managed through a continuing and proactive identification, measurement, and monitoring process, subject to risk limits and other controls. This risk management process is critical to the Group's continuing profitability, and each individual within the Group is accountable for the risk exposures relating to their responsibilities.

Compared with December 31, 2024, there have been no changes in the financial risk exposures that may materially affect the unaudited interim condensed financial statements of the Group as of March 31, 2025. The Group is exposed to the following risks from its financial instruments:

- a. Credit risk
- b. Liquidity risk
- c. Market risk
 - i. Interest rate risk
 - ii. Foreign currency risk
 - iii. Equity price risk

The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual borrowers and groups of borrowers, as well as limits on large lines and industry concentrations. Credit risk management was likewise strengthened with the implementation of ECL models. The Group's ECL calculations are the output of complex models with several underlying assumptions regarding variable inputs' choice and interdependencies.

6. Segment Information

The following tables present income and profit and particular asset and liability information regarding the Group's operating segments as of March 31, 2025, and 2024:

	Consolidated						Total
	2025						
	Branch Banking Group	Corporate Banking Group	Treasury Segment	Consumer Finance Segment	Trust and Wealth Management Segment	Head office and Rental	
Segment results							
Revenue, net of interest expense							
Third party	(P861,380)	P 1,873,487	P367,546	P72,119	P1,926	P5,060	P1,458,758
Intersegment	1,370,940	(1,238,619)	(311,409)	(41,198)	(2,035)	222,321	-
Net interest income	509,560	634,868	56,137	30,921	(109)	227,381	1,458,758
Rent income	-	-	-	-	-	86,706	86,706
Service charges, fees and commissions	25,875	63,503	1,749	4,832	-	6,903	102,862
Foreign Exchange gain - net	5,608	4,330	34,596	-	-	-	44,534
Income from Trust Operations	-	-	-	-	11,059	-	11,059
Trading and securities gain (loss) - net	-	-	(55,111)	-	-	-	(55,111)
Gain on asset exchange	-	-	-	-	-	9,821	9,821
Profit from asset sold	-	-	-	-	-	20,177	20,177
Miscellaneous	(437)	15,061	2,240	7,329	-	25,036	49,229

Consolidated 2025							
	Branch Banking Group	Corporate Banking Group	Treasury Segment	Consumer Finance Segment	Trust and Wealth Management Segment	Head office and Rental	Total
Total Operating Income	540,606	717,762	39,611	43,082	10,950	376,024	1,728,035
Compensation and fringe benefits	200,135	75,648	25,234	25,636	11,229	24,930	362,812
Taxes and licenses	97,779	88,886	31,287	2,480	885	8,602	229,919
Depreciation and amortization	40,884	25,196	2,307	20,837	992	15,763	105,979
Provision for (recovery from) impairment losses	1,197	41,155	-	(13,095)	-	2,813	32,070
Occupancy and Other equipment-related costs	29,576	6,720	291	720	295	5,120	42,722
Other operating expense	167,217	47,511	35,663	18,569	3,944	14,969	287,873
Total Operating Expense	536,788	285,116	94,782	55,147	17,345	72,197	1,061,375
Income before share in net income of an associate	3,818	432,646	(55,171)	(12,065)	(6,395)	303,827	666,660
Share in net income of an associate	-	-	-	-	-	67	67
Income before income tax	3,818	432,646	(55,171)	(12,065)	(6,395)	303,894	666,727
Provision for income Tax	860	72,343	77,839	-	-	42,749	193,791
Net Income (loss)	₱2,958	₱360,303	(₱133,010)	(₱12,065)	(₱6,395)	₱261,145	₱472,936
Segment assets							
Property and equipment	364,600	-	-	-	-	452,883	817,483
Investment properties	-	-	-	-	-	3,682,240	3,682,240
Other allocated assets	8,991,989	94,209,035	48,098,890	3,220,174	149,422	1,938,841	156,608,351
Total segment assets	₱9,356,589	₱94,209,035	₱48,098,890	₱3,220,174	₱149,422	₱6,073,964	₱161,108,074
Total segment liabilities	₱121,329,659	₱621,383	₱18,177,688	₱4,279	₱3	₱1,139,806	₱141,272,818

Consolidated 2024							
	Branch Banking Group	Corporate Banking Group	Treasury Segment	Consumer Finance Segment	Trust and Wealth Management Segment	Head office and Rental	Total
Segment results							
Revenue, net of interest expense							
Third party	(₱850,117)	₱1,691,499	₱357,429	₱70,214	₱951	₱1,807	₱1,271,783
Intersegment	1,337,787	(1,128,291)	(404,025)	(43,853)	(2,000)	240,382	-
Net interest income	487,670	563,208	(46,596)	26,361	(1,049)	242,189	1,271,783
Rent income	-	-	-	-	-	93,019	93,019
Service charges, fees and commissions	23,107	71,882	550	4,117	-	6,014	105,670
Foreign Exchange gain - net	7,476	328	15,796	-	-	-	23,600
Income from Trust Operations	-	-	-	-	9,589	-	9,589
Trading and securities gain (loss) - net	-	-	51,277	-	-	-	51,277
Loss on asset exchange	-	-	-	-	-	472	472
Profit from asset sold	-	-	-	-	-	2,262	2,262
Miscellaneous	2,480	13,500	888	8,000	-	18,651	43,519
Total Operating Income	520,733	648,918	21,915	38,478	8,540	362,607	1,601,191
Compensation and fringe benefits	185,793	74,658	22,580	24,031	10,335	21,386	338,783
Taxes and licenses	86,209	76,753	34,333	2,567	793	6,766	207,421
Depreciation and amortization	42,999	12,183	3,631	8,231	1,061	15,461	83,566
Provision for (recovery from) impairment losses	-	36,596	-	(37,326)	-	(1,089)	(1,819)
Occupancy and Other equipment-related costs	36,102	3,780	929	1,993	516	2,266	45,586
Other operating expense	168,302	28,740	30,452	15,024	4,137	17,585	264,240
Total Operating Expense	519,405	232,710	91,925	14,520	16,842	62,375	937,777
Income before share in net income of an associate	1,328	416,208	(70,010)	23,958	(8,302)	300,232	663,414
Share in net income of an associate	-	-	-	-	-	183	183
Income before income tax	1,328	416,208	(70,010)	23,958	(8,302)	300,415	663,597
Provision for income Tax	169	55,479	82,070	-	-	29,747	167,465
Net income	₱1,159	₱360,729	(₱152,080)	₱23,958	(₱8,302)	₱270,668	₱496,132
Segment assets							
Property and equipment	376,484	-	-	-	-	413,801	790,285
Investment properties	-	-	-	-	-	2,551,661	2,551,661
Unallocated assets	10,716,478	82,824,395	41,799,362	3,235,387	130,693	1,786,403	140,492,718
Total segment assets	₱11,092,962	₱82,824,395	₱41,799,362	₱3,235,387	₱130,693	₱4,751,865	₱143,834,664
Total segment liabilities	₱111,240,703	₱166,793	₱12,888,768	₱23,305	₱693	₱1,499,854	₱125,820,116

7. Due from Bangko Sentral ng Pilipinas

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Demand deposit	₱5,500,400	₱7,297,480
Overnight deposit facility	3,100,000	-
	₱8,600,400	₱7,297,480

8. Interbank Loans Receivable and Securities Purchased under Resale Agreement (SPURA)

Interbank loans receivable of the Group is ₱69.76 million and ₱404.20 million as of March 31, 2025 and December 31, 2024, respectively, while no outstanding SPURA as of March 31, 2025 and December 31, 2024.

Interest income on Interbank loans receivable and SPURA as follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
SPURA	₱4,712	₱17,430
Interbank	5,327	1,408
	₱10,039	₱18,838

Interbank loans receivable bears nominal annual interest rates ranging from 3.90% to 5.94% in March 31, 2025 and 5.00% to 6.50% in March 31, 2024, while SPURA bears nominal annual interest rate from 5.25% to 5.80% in March 31, 2025 and ranging from 6.00% to 6.50% in March 31, 2024.

9. Trading and Investment Securities

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Financial assets at FVTPL	₱2,215,265	₱-
Financial assets at FVOCI	14,305,801	11,252,961
Investment securities at amortized cost	27,974,540	28,920,662
	₱44,495,606	₱40,173,623

The Groups' Financial assets at FVTPL consist of the following:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Debt Securities		
Government	₱1,917,193	₱-

Corporate	5,094	–
Sovereign bond	292,978	–
	₱2,215,265	₱–

The Groups' Financial assets at FVOCI consist of the following:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Debt Securities		
Government	₱7,822,531	₱6,433,011
Corporate	136,160	136,239
Sovereign bond	6,123,644	4,458,003
	14,082,335	11,027,253
Equity Securities		
Quoted	176,950	179,192
Unquoted	46,516	46,516
	223,466	225,708
	₱14,305,801	₱11,252,961

The Group's Investment securities at amortized cost consist of the following:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Government	₱27,397,376	₱28,336,923
Sovereign bond	590,121	596,749
Less: Allowance for ECL (Note 15)	(12,957)	(13,010)
	₱27,974,540	₱28,920,662

The interest income on investment securities follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Investment securities at amortized cost	₱360,501	₱308,516
Financial assets at FVOCI	169,526	158,688
Financial assets at FVTPL	30,854	12,260
	₱560,881	₱479,464

The Group's Trading and securities gain - net follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Financial assets at FVTPL	₱30,524	₱22,930
Financial assets at FVOCI	21,277	28,888
Derivatives	(106,912)	(541)
	(₱55,111)	₱51,277

The Group's peso-denominated investment securities earned annual interest rates ranging from 3.75% to 8.13% and from 2.38% to 9.25% in March 31, 2025 and 2024, respectively while dollar-denominated

investment securities earned annual interest rates ranging from 1.38% to 10.63% in March 31, 2025 and 2024.

10. Loans and Receivable

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Receivable from customers		
Loans and receivable	₱90,472,833	₱90,955,689
Customer's liabilities on letters of credit and Trust receipts	7,392,211	8,427,862
Bills purchased	2,301,682	2,238,049
	100,166,726	101,621,600
Unquoted debt securities	-	59,337
Accrued interest receivable	1,018,813	1,244,052
Sales contract receivables	178,541	169,097
Accounts receivables	1,486,851	1,567,166
	2,684,205	3,039,652
	102,850,931	104,661,252
Less: Unearned and other deferred income	(57,429)	(61,000)
Allowance for ECL (Note 15)	(3,312,955)	(3,279,716)
	₱99,480,547	₱101,320,536

Unquoted Debt Securities

As of March 31, 2025 and December 31, 2024, unquoted debt securities of the Group consist of Metro Rail Transit (MRT) bonds with gross amount of nil and ₱59.34 million, respectively, and an allowance for ECL amounting to nil and ₱0.03 million, in 2025 and 2024, respectively.

Interest Income

Interest income on loans and receivables consist of:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Receivable from customers	₱1,940,584	₱1,762,161
Unquoted debt securities	6,461	9,829
Others	3,632	1,503
	₱1,950,677	₱1,773,493

Of the total receivables from customers of the Group as of March 31, 2025 and December 31, 2024, 91.99% and 82.67%, respectively, are subject to periodic interest repricing. The remaining peso denominated receivables from customers earn annual fixed interest rates ranging from 2.20% to 44.36% in March 31, 2025 and 3.00% to 44.36% in December 31, 2024 while foreign currency-denominated receivables from customers earn annual fixed interest rates ranging from 5.73% to 9.82% in March 31, 2025 and 5.73% to 9.39% in December 31, 2024.

11. Property and Equipment

For the three-month period ended March 31, 2025, the Group purchased assets with total cost of ₱ 26.21 million. For the same periods, the Group disposed property and equipment with net book value of ₱1.99 million recognizing loss on sale of ₱0.04 million included as part of “Profit from asset sold” account.

For the three-month period ended March 31, 2024, the Group purchased assets with total cost of ₱7.44 million. For the same periods, the Group disposed property and equipment with net book value of ₱1.53 million recognizing gain on sale of ₱6.05 million included as part of “Profit from asset sold” account.

12. Investment Properties

For the three-month period ended March 31, 2025, the Group foreclosed investment properties amounting to ₱59.19 million. For the same periods, the Group disposed investment properties with net book value of ₱14.22 million, recognizing gain on sale of ₱20.21 million included as part of “Profit from assets sold” account.

For the three-month period ended March 31, 2024, the Group foreclosed investment properties amounting to ₱7.33 million. For the same periods, the Group disposed investment properties with net book value of ₱4.15 million, recognizing gain on sale of ₱2.26 million included as part of “Profit from assets sold” account.

13. Intangible Assets

This account consists of:

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Branch licenses	₱364,700	₱364,700
Bank license	25,000	25,000
Software cost	127,322	125,598
	₱517,022	₱515,298

As of March 31, 2025 and December 31, 2024, the individual branches were identified as the CGU for purposes of impairment testing on the branch licenses for CSB. For the impairment testing on the branch licenses arising from the acquisition of RBNI, the Parent Company’s branch banking group was identified as the CGU as the branch banking group would benefit from the synergies of the additional branches in obtaining fresh funds from depositors for deployment.

As of March 31, 2025 and December 31, 2024, the Parent Company’s impairment assessment indicates no impairment.

Key assumptions used in the VIU calculations

As of March 31, 2025 and December 31, 2024, the recoverable amounts of the CGUs have been determined based on VIU calculations that use cash flow projections based on financial budgets approved by management covering a 5-year period. The significant assumptions used in computing for the recoverable amount for PRBI and CSB branches as of March 31, 2025 and December 31,

2024, as follows:

Significant Assumptions	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Deposit growth rates	13.00%	13.00%
Discount rate	10.44%	10.69%
Terminal value growth rate	5.20%	5.20%

Deposit growth rates were based on experiences and strategies developed by the Parent Company. The discount rate used for the computation of the present value of the projected cash flows is the cost of equity and was determined by reference to comparable entities. The terminal value growth rate has been determined to reflect the long-term view on the CGU's business.

Sensitivity to changes in assumptions

Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the CGU to exceed its recoverable amount.

14. Other Assets and Other Liabilities

Other Assets

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Financial		
Cash Margin	₱95,528	₱292,069
Refundable security deposit	36,561	36,324
RCOCI	1,880	1,390
	133,969	329,783
Non-financial		
Prepaid expenses	268,235	115,743
Advances to BIR	94,628	91,307
Documentary Stamp Taxes (DST)	43,858	56,645
Chattel mortgage	19,888	21,011
Stationery and supplies	16,325	16,230
Advance rentals	14,772	14,772
Tax credits	2,524	2,524
Receivable from BIR	79	2
Others	49,110	54,248
	509,419	372,482
	643,388	702,265
Less: Allowance for ECL and impairment losses (Note 15)	(5,605)	(5,588)
	₱637,783	₱696,677

Other Liabilities

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Financial		
Accounts payable	₱473,234	₱439,129
Refundable security deposits	109,623	118,090
Miscellaneous	37,522	34,189
	620,379	591,408
Non-financial		
Lease liability	203,309	215,585
Deferred credits	142,361	154,674
Due to the Treasury of the Philippines	77,759	57,150
Withholding taxes payable	75,535	71,202
Miscellaneous (Note 15)	92,000	100,620
	590,964	599,231
	₱1,211,343	₱1,190,639

15. Allowance for Impairment, Credit and Other Losses

Movements in this account follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Balances at beginning of the period		
Loans and receivables	₱3,279,716	₱2,878,732
Investment securities at FVTOCI	10,059	9,791
Investment securities at amortized cost	13,010	12,802
Investment properties	51,316	53,395
Other assets	5,588	5,572
Commitment and guarantees	11,688	5,720
	3,371,377	2,966,012
Provision for credit and impairment losses	32,070	440,642
Accounts written-off, revaluation, and others	(611)	(35,279)
	31,459	405,363
Balances at ending of the period		
Loans and receivables	3,312,955	3,279,716
Investment securities at FVTOCI	9,943	10,059
Investment securities at amortized cost	12,957	13,010
Investment properties	49,688	51,316
Other assets	5,605	5,588
Commitment and Guarantees	11,688	11,688
	₱3,402,836	₱3,371,377

Upon adoption of PFRS 9, BSP requires appropriation of a portion of the Group's Surplus at an amount necessary to bring to at least 1% the allowance for credit losses on loans (Note 20). The Bank appropriated ₱1.58 million in 2025, respectively to meet prudential requirements on 1% general

loan loss provisioning.

16. Deposit Liabilities

Deposit liabilities and deposit substitute liabilities are subject to required reserves. On March 11, 2025, the BSP issued Circular No. 1211, which reduced the reserve requirement for universal and commercial banks from 7.00% to 5.00%, effective for the reserve week starting March 28, 2025. Earlier, on September 5, 2024, the BSP issued Circular No. 1201, reducing the reserve requirement for the same banking group from 9.50% to 7.00%, effective October 25, 2024. These successive reductions in the reserve requirement ratios are part of the BSP's ongoing efforts to enhance liquidity in the financial system and support credit activity in the broader economy.

On July 26, 2018, the Monetary Board of the BSP, through its Resolution No. 1220, approved the Group's issuance of LTNCDs up to ₱5.00 billion in one or more tranches within one year, with a minimum tenor of 5 years and 1 day and a maximum of 7 years. This issuance was intended specifically for long-term funding.

On October 8, 2018, the Group issued ₱2.90 billion worth of LTNCDs with a tenor of 5 years and 6 months. These LTNCDs, maturing on April 8, 2024, have a fixed interest rate of 5.625% per annum, payable quarterly in arrears on October 8, January 8, April 8, and July 8 of each year, starting from January 8, 2019. The LTNCDs are listed on the Philippine Dealing & Exchange Corp.'s trading platform for secondary market trading.

As of March 31, 2025, the Group's LTNCDs were fully settled on their maturity date. Interest expense on deposit liabilities consists of:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Demand	₱10,975	₱11,063
Savings	4,147	3,089
Time	764,920	762,505
LTNCD	-	42,377
	₱780,042	₱819,034

Peso-denominated deposit liabilities earn annual fixed interest rates ranging from 0.10% to 4.75% in March 31, 2025 and 0.10% to 4.50% in March 31, 2024, while foreign currency-denominated deposit liabilities earn annual fixed interest rates ranging from 0.10% to 4.00% in March 31, 2025 and 0.10% to 4.25% in March 31, 2024.

17. Bills Payable

This account consists of the Group's borrowings from:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Private firms and individual	₱90,000	₱5,316,716
Banks and other financial institution	10,832,124	11,069,800
	₱10,922,124	₱16,386,516

Interest expense on bills payable and other borrowings consists of:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Borrowed funds	₱290,073	₱186,064
Lease liability	3,652	2,645
	₱293,725	₱188,709

Borrowings from private firms and individuals represent deposit substitutes with maturities of 4 to 175 and 4 to 181 days in March 31, 2025 and 2024, respectively. These borrowings bear annual interest rates ranging from 4.35% to 6.25% in March 31, 2025 and 4.50% to 6.75% in March 31, 2024.

18. Bonds Payable

On November 5, 2024, PBCOM issued ₱7.7 billion worth of Peso Fixed Rate Bonds (Series A Bonds) under its ₱15 billion Peso Bond Program approved by the Board of Directors on March 20, 2024. The Series A Bonds have a tenor of 1.5 years and bear a fixed interest rate of 6.0796% per annum, payable quarterly in arrears. The bonds are listed on the PDEX.

Details of the Bonds Payable as follows:

Issue Date	Maturity Date	Face Value	Coupon Rate	Carrying Value
November 5, 2024	May 5, 2026	₱7,693,800	6.0796%	₱7,623,300

As of March 31, 2025, the unamortized transaction costs of bonds payable amounted to ₱58.08 million while the amortization of transaction cost that were charged to “Interest expense on bonds payable” in the “Bills payable, borrowings and others” amounted to ₱129.36 million.

19. Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled:

	Consolidated					
	March 31, 2025			December 31, 2024		
	Due Within One Year	Due Beyond One Year	Total	Due Within One Year	Due Beyond One Year	Total
Financial assets – at gross						
Cash and other cash items	₱1,083,800	₱-	₱1,083,800	₱1,049,937	₱-	₱1,049,937
Due from BSP	8,600,400	-	8,600,400	7,297,480	-	7,297,480
Due from other banks	1,212,457	-	1,212,457	430,103	-	430,103
Interbank loans receivable and SPURA (Note 8)	69,759	-	69,759	404,202	-	404,202
Financial assets at FVTPL	2,215,265	-	2,215,265	-	-	-
Financial assets at FVTOCI (Note 9)	-	14,305,801	14,305,801	231,301	11,021,660	11,252,961
Investment securities at amortized cost (Note 10)	-	27,987,497	27,987,497	766,784	28,166,888	28,933,672
Loans and receivables (Note 11):						
Receivables from Customers	52,897,262	47,269,463	100,166,725	54,600,871	47,020,728	101,621,599
Unquoted debt securities	-	-	-	59,337	-	59,337
Accrued interest receivable	709,536	309,278	1,018,814	233,739	1,010,313	1,244,052
Accounts receivable	1,486,851	-	1,486,851	1,567,167	-	1,567,167
Sales contracts receivable	960	177,581	178,541	4,341	164,756	169,097
Other assets						
Cash Margin	95,528	-	95,528	292,069	-	292,069
Refundable security deposits	8,853	27,708	36,561	26,062	10,262	36,324
RCOCI	1,880	-	1,880	1,390	-	1,390
	₱68,382,551	₱90,077,328	₱158,459,879	₱66,964,783	₱87,394,607	₱154,359,390

	Consolidated					
	March 31, 2025			December 31, 2024		
Non-financial assets - at gross						
Investments in subsidiary and an associate	P-	P10,129	P10,129	P-	P10,062	P10,062
Property and equipment	-	3,033,277	3,033,277	-	3,009,606	3,009,606
Investment properties						
Condominium units for Lease	-	2,580,394	2,580,394	-	2,580,394	2,580,394
Foreclosed properties	-	2,623,330	2,623,330	-	2,588,452	2,588,452
Office units for lease	-	39,390	39,390	-	39,390	39,390
Intangible assets	-	517,022	517,022	-	515,298	515,298
Deferred tax assets	-	500,848	500,848	-	486,222	486,222
Other assets	444,885	105,755	550,640	312,537	99,228	411,765
	444,885	9,410,145	9,855,030	312,537	9,328,652	9,641,189
	68,827,436	99,487,473	168,314,909	67,277,320	96,723,259	164,000,579
Less:						
Unearned interest and discounts	(57,429)		(57,429)	(61,000)		(61,000)
Accumulated depreciation and amortization	(81,841)	(3,686,361)	(3,768,202)	(72,092)	(3,621,855)	(3,693,947)
Allowance for credit and impairment losses	(1,864,128)	(1,517,076)	(3,381,204)	(2,285,847)	(1,063,783)	(3,349,630)
Total	P66,824,038	P94,284,036	P161,108,074	P64,858,381	P92,037,621	P156,896,002
Financial liabilities						
Deposit liabilities:						
Demand	P38,344,963	P-	P38,344,963	P41,638,978	P-	P41,638,978
Savings	12,661,486	-	12,661,486	13,697,477	-	13,697,477
Time	66,702,679	1,300,491	68,003,170	53,850,990	1,396,892	55,247,882
Corporate bond	-	7,635,725	7,635,725	-	7,623,300	7,623,300
Bills payable	10,922,124	-	10,922,124	16,386,516	-	16,386,516
Outstanding acceptances	329,476	-	329,476	81,670	-	81,670
Manager's checks	451,823	-	451,823	218,636	-	218,636
Accrued interest payable	588,696	-	588,696	625,398	-	625,398
Accrued other expenses	717,173	-	717,173	650,445	-	650,445
Other liabilities						
Accounts payable	473,234	-	473,234	439,129	-	439,129
Refundable security deposits	63,435	46,188	109,623	75,613	42,477	118,090
Miscellaneous	37,522	-	37,522	34,189	-	34,189
	P131,292,611	P8,982,404	P140,275,015	P127,699,041	P9,062,669	P136,761,710
Non-financial liabilities						
Accrued taxes and licenses	142,483	-	142,483	122,463	-	122,463
Income tax payable	264,356	-	264,356	136,700	-	136,700
Other liabilities						
Deferred credits	96,887	45,474	142,361	122,529	32,145	154,674
Lease liability	90,820	112,489	203,309	93,551	122,034	215,585
Withholding taxes payable	75,535	-	75,535	71,202	-	71,202
Allowance for ECL on off-balance sheet exposures	-	11,688	11,688	-	11,688	11,688
Due to the Treasurer of the Philippines	77,759	-	77,759	57,150	-	57,150
Miscellaneous	33,283	47,029	80,312	58,735	73,054	131,789
	781,123	216,680	997,803	662,330	238,921	901,251
	P132,073,734	P9,199,084	P141,272,818	P128,361,371	P9,301,590	P137,662,961

20. Equity

Common Stock

Details and movement of common stock follows (amounts in thousands, except for par value):

	Shares	Amount
Common – P25 par value		
Authorized	760,000	P19,000,000
Issued and outstanding		
Balance at the beginning and end of the period	480,645	P12,016,129

The Group's Surplus Reserve consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Reserve under BSP Circular 1011 (Note 15)	₱351,883	₱350,303
Reserves for trust business	90,719	90,719
Reserves for self-insurance	17,118	17,118
	₱459,720	₱458,140

Regulatory Reporting for Capital Management

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
CET1 Capital/ Tier 1 Capital	₱18,282,564	₱17,732,004
Total Qualifying Capital	21,101,793	20,557,963
Total Risk-Weighted Asset	₱133,970,593	₱130,782,994
CET 1 Ratio/ Tier 1 Ratio	13.65	13.56
CAR	15.75	15.72

21. Miscellaneous Income and Expense

Miscellaneous Income

Details of this account are as follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Penalties	₱25,245	₱10,375
Rental charges	15,215	15,639
Dividend income	-	1,382
Others (Note 11)	8,769	16,123
	₱49,229	₱43,519

Others include recovery on charged-off accounts and gain on sale from property and equipment.

Miscellaneous Expense

Details of this account are as follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Information technology	₱32,611	₱31,369
Litigation and assets acquired - related expenses	24,663	6,613
Transaction dues	13,704	15,573
Brokerage fees	10,439	6,240
Travel	4,748	3,390
Fuel and lubricants	3,770	3,711
Freight	1,881	2,459
Stationery and supplies	1,616	2,130
Fines, penalties and other charges	333	68
Advertising	305	598

Others	34,153	39,133
	₱128,223	₱111,284

Others include account maintenance charges, contractual services, and Philippine Dealing Exchange Corp. transaction fees.

22. Income and Other Taxes

Details of this account are as follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Current		
Regular	₱126,529	₱84,557
Final	81,551	87,940
	208,080	172,497
Deferred	(14,289)	(5,032)
	₱193,791	₱167,465

23. Earnings Per Share

Earnings per share are calculated as follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
a) Net income attributable to equity shareholders of the Parent Company	₱472,936	₱496,132
b) Weighted average number of common shares for basic earnings	480,645	480,645
c) Basic and diluted earnings per share	₱0.98	₱1.03

There are no potential common shares with dilutive effect on the basic earnings per share.

24. Related Party Transactions

Details on significant related party transactions of the Group follows:

Category	March 31, 2025 (Unaudited)		
	Volume	Outstanding Balance	Nature, Terms and Conditions
Significant investors:			
Deposit liabilities	824,157	8,449,669	Savings and time deposit accounts with annual interest rates ranging from 0.06% to 4.75%.
Lease liability	41,943		Branch and office space leased for five years ending in various years, with 5.00% annual escalation
Loans and receivables	292,857	760,798	Loans with annual interest rates from 7.00% to 9.00%
Affiliate:			
Deposit liabilities	(465)	8,435	Demand, savings and time deposit accounts with annual interest rate of 10%
Key management personnel:			
Deposit liabilities	-1,375	50,271	Non-interest demand deposit account
Provident fund:			
Deposit liabilities	-15,484	13,753	Savings and time deposit accounts with annual interest rates ranging from 0.10% to 4.75%.
Retirement fund:			
Deposit liabilities	-30,701	16,061	Savings and time deposit accounts with annual interest rates ranging from 0.10% to 5.1%.

December 31, 2024			
Category	Volume	Outstanding Balance	Nature, Terms and Conditions
Significant investors:			
Deposit liabilities	(1,306,205)	7,625,512	Savings and time deposit accounts with annual interest rates ranging from 0.06% to 4.75%.
Lease liability	44,796		Branch and office space leased for five years ending in various years, with 5.00% annual escalation
Loans and receivables	118,017	467,941	Loans with annual interest rates from 7.00% to 9.00%
Affiliate:			
Deposit liabilities	(14,481)	8,900	Demand, savings and time deposit accounts with annual interest rate of 10%
Subsidiary:			
Deposit liabilities	(8,902)	-	Non-interest demand deposit account
Key management personnel:			
Deposit liabilities	(3,756)	51,646	Savings and time deposit accounts with annual interest rates ranging from 0.10% to 4.75%.
Provident fund:			
Deposit liabilities	10,392	29,237	Savings and time deposit accounts with annual interest rates ranging from 0.10% to 5.1%.
Retirement fund:			
Deposit liabilities	27,914	46,762	Savings and time deposit accounts with annual interest rates ranging from 0.10% to 5.1%.

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)	Nature, Terms and Conditions
Significant investors:			
Interest expense	87,775	53,711	Interest expense from savings and time deposit accounts with annual interest rates ranging from 0.1% to 4.75%.
Depreciation expense	6,267	6,397	Depreciation of leased branch and office space for five years ending in various years, with 5.00% annual escalation
Rent income	785	997	Five year lease of branches, subject to pretermination, with 5% annual escalation
Affiliate:			
Interest expense	10	-	Interest expense of demand, savings and time deposit accounts with annual interest rates ranging from 0.10% to 4.75%.
Rent income	785	997	Five year lease expiring in July 2028 with 5% annual escalation
Key management personnel:			
Interest expense	120	261	Interest expense from savings and time deposit accounts with annual interest rates ranging from 0.1% to 4.75%.
Provident fund:			
Interest expense	210	193	Interest expense from savings and time deposit accounts with annual interest rates ranging from 0.1% to 4.75%.
Trust fee	554	539	A certain percentage of the monthly ending market value of the fund depending on the agreement.
Retirement fund:			
Interest expense	272	205	Interest expense from savings and time deposit accounts with annual interest rates ranging from 0.1% to 4.75%.
Trust fee	693	667	A certain percentage of the monthly ending market value of the fund depending on the agreement.

25. Commitments and Contingent Liabilities

In the course of the operations of the Group, there are outstanding commitments, contingent liabilities, and bank guarantees that are not reflected in the financial statements. The Group does not anticipate losses that will materially affect its financial position and performance.

The following is a comparative summary of the Group's commitments and contingent liabilities at their equivalent peso amounts.

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Trust department accounts	₱14,033,973	₱14,369,413
Standby LC	913,327	861,690
Spot exchange:		
Bought	917,220	869,110

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Sold	3,237,535	3,700,342
Interest Rate Future		
Bought	-	593,905
Sold	3,142,326	628,161
Sight LC outstanding	963,729	494,130
Usance LC outstanding	7,539	69,777
Inward bills for collection	1,192,160	892,413
Outstanding shipping guarantees	1,270,849	1,262,668
Currency forwards:		
Bought	807	359
Sold	-	-
Outward bills for collection	-	60,661
Items held for safekeeping	24	23
Items held as collateral	7	7
Other contingents	1,476	14,864

26. Notes to Statement of Cash Flows

Summary of noncash activities

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Noncash operating activities:		
Additions to investment properties from settlement of loans	₱59,185	₱7,325
Additions to chattel mortgage from settlement of loans	3,442	3,254
Noncash investing activities:		
Transfer to property and equipment and other assets	-	-
Transfer to other assets from property and equipment	(553)	(648)
Unrealized gain (loss) on financial assets at FVOCI	135,089	(138,896)
Additions to right-of-use assets	13,679	16,876
Additions to lease liability	(13,679)	(16,876)

Changes in liabilities arising from financing activities:

	January 1, 2025	Cash Flows	Non-Cash activities	March 31, 2025
Bills payable	₱16,386,516	(₱5,464,392)	₱-	₱10,922,124
Bonds payable	7,623,299		12,426	7,635,725
Outstanding acceptance	81,670	247,806	-	329,476
Marginal deposit	3,537	11,546	-	15,083
Lease liabilities	215,585	(29,606)	17,331	203,310

	January 1, 2024	Cash Flows	Non-Cash activities	March 31, 2024
Bills payable	₱9,686,755	₱5,260,713	₱-	₱14,947,468
Outstanding acceptance	105,410	(70,468)	-	34,942
Marginal deposit	9,803	(9,803)	-	-
Lease liabilities	189,236	(30,359)	19,520	178,397

27. Other Matters

- No other items affect assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.
- The Group declared or paid no dividends as of March 31, 2025.
- There are no contingencies and any other events or transactions that are material for the current interim period.
- There are no material events subsequent to March 31, 2025.

SEC Form 17-Q

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

1. Management's Discussion & Analysis

The Group registered a net income of ₱472.9 Million as of the 1st quarter of the year 2025, ₱23.2 Million or 4.7% lower than the ₱496.1 Million earned during the same period last year. This is attributable to ₱123.6 Million higher operating expense and ₱106.4 Million decline in the trading performance, partially offset by ₱187.0 Million improvement in net interest income.

Interest income expanded by 11.1% or ₱253.0 Million due to higher asset growth and higher yields in securities portfolio. To fund this growth, deposits volume increased, and the Group issued bonds payable at the latter part of 2024 which resulted to higher interest expense by ₱66.0 Million. Total operating expenses went up by 13.2% mainly because of higher provision for impairment losses, higher volume-driven costs - GRT, DST and PDIC insurance, higher manpower costs and higher depreciation and amortization. Income taxes also increased by ₱26.3 Million mainly from higher net taxable income, partially offset by lower final taxes on interest income on peso government securities and higher DTA recognized.

Total Assets of the Group increased by ₱4.2 Billion (2.7%) from ₱156.9 Billion as of end of year 2024 to ₱161.1 Billion at the end of the first quarter of 2025. This is primarily due to increases in inventories of debt securities carried at FVOCI and FVTPL by ₱3.1 Billion and ₱2.2 Billion, respectively, and increase in investment in overnight deposit facility (ODF) with the BSP by ₱3.1 Billion, partially offset by decline in statutory reserve requirements by ₱1.8 Billion and lower loan volume by ₱1.8 Billion.

The Group's gross NPL ratio is at 3.59%, 0.93% points higher than the 2.66% ratio at the end of 2024. PBCOM's liquidity position continued to remain stable as the Bank comfortably met all its financial obligations and loan commitments, and likewise has fully complied with the regulatory reserve requirements on continuing basis at an optimum funding mix during the course of the year.

Total Liabilities increased by ₱3.6 Billion, 2.6% higher than last year's end level of ₱137.7 Billion. This resulted mostly from ₱8.4 Billion increase in deposit liabilities mainly from ₱12.8 Billion higher time deposits, offset by ₱4.3 Billion lower low-cost deposits, and ₱5.5 Billion lower bills payable. Total Capital is now at ₱19.8 Billion from ₱19.2 Billion as of end of December 2024. This 3.1% increase in Capital was mainly contributed by the earnings of the Bank during the quarter.

The Bank's Risk Based Capital Adequacy Ratio of 15.75% under BASEL III reporting standards covering credit, market and operational risk as of report date is well above the 10% minimum requirement.

2. Discussion of various key indicators:

A. Key Financial Performance

Ratio	March 2025	March 2024	Remarks
Net Profit Margin (Net income divided by Gross income)	27.37%	30.99%	Decrease by 3.62 % pts mainly due to higher operating expenses mainly in provision for impairment losses, manpower costs, and higher volume-driven costs. Net trading loss during the period also contributed to the decline, offset by higher net interest margin.
Return on Average Asset (Net income divided by Average assets)	1.19%	1.36%	Decline in the ratio is mainly driven by to higher operating expenses and net trading losses this period. These were partially offset by improvement in net interest margin from lower cost of funds and higher volume of loans.
Return on Average Equity (Net income divided by Average equity)	9.68%	11.13%	Return on average equity decreased by 1.44 % pts from higher operating expenses and net trading losses this period. These were partially offset by improvement in net interest margin
Capital Adequacy Ratio (Basel 3) (Qualifying capital divided by the total of risk-weighted assets that include credit, market, and operational risk)	15.75%	16.84%	Decreased by 1.09 % pts mainly due to higher total risk-weighted assets, offset by higher total qualifying capital.
Basic Earnings per share (Net income divided by average no. of common shares)	0.98	1.03	Decrease in basic earnings per share by PHP0.05 from lower net income during the current period.

B. Financial Soundness

Ratio	March 2025	December 2024	Remarks
Liquidity Ratio (Liquid Assets to Total Deposits) <i>Liquid Assets include cash, due from banks, interbank loans, and trading and inv. Securities Total deposit refers to the total of the peso and foreign currency deposits.</i>	22.91%	18.54%	Ratio increased by 4.37 % pts mainly higher level in liquid assets (higher financial assets at FVOCI, FVTPL and Due from BSP), offset by net increase in total deposits
Debt Ratio (Total Liability to Total Assets) <i>Debt refers to the total liabilities, while assets refer to total Assets</i>	87.69%	87.74%	Decreased by 5 bps as the increase in total assets (higher financial assets at FVOCI and FVTPL, Due from BSP & Due from other Banks and increase in receivables from customers) exceeded the increase in total liabilities (higher time deposits).
Asset to Equity Ratio (Total Asset to Total Equity)	8.12	8.16	Ratio is lower by 4 bps mainly as a result of increase in equity in relation to higher growth in assets.
Interest Rate Coverage Ratio (Earnings before interest & taxes to Interest Expense)	162.09%	165.85%	Bank's interest rate coverage decreased due to higher operating expenses and net trading losses this period.
Net Interest Margin Net interest income over Average Earning assets	4.05%	4.02%	Ratio is slightly higher due to lower cost of funds

* As of March 2024

3. Discussion and Analysis of Material Event/s and Uncertainties

- a. The Bank does not have any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), or other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- b. As of March 31, 2025, the unspent amount from the approved capital expenditures budget on projects involving technology enhancement and facilities improvement amounted to ₱283.3 Million.
- c. The Bank has taken prudent steps to mitigate the risk through a more careful credit process and tighter credit policies. More importantly, it continues its assessment of its portfolio by regularly doing the stress test exercise.
- d. There is no recorded significant quarterly income or losses that did not come from the Bank's regular operations.
- e. Interest income on the non-discounted loan is recognized based on the accrual method of accounting, while unearned discounts are amortized to income over the term of the loans. As such, no seasonal aspect has a material impact on the Bank's interest revenues. Non-interest revenues, on the other hand, are primarily dependent on market dynamics and economic trends rather than seasonal factors.

Statement of Condition: March 2025 vs. December 2024

	Increase (Decrease)	Percentage	Remarks
Cash and Other Cash Items	33,863	3.23%	Higher cash in ATMs, offset by lower cash on hand
Due from BSP	1,302,920	17.85%	Higher mainly due to ODF, offset by the decline in statutory reserve requirement to 5% in 2025
Due from Other Banks	782,354	181.90%	Higher funds mainly with foreign banks
Interbank Loans Receivable	(334,443)	-82.74%	Lower mainly from lower interbank call loans with foreign banks
Financial assets at Fair Value through Profit or Loss	2,215,265	100.00%	Purchase of investments in FVTPL
Financial assets at Fair Value through Other Comprehensive Income	3,052,840	27.13%	Purchase of investments in FVOCI and mark-to-market adjustment
Investment securities at Amortized Cost	(946,122)	-3.27%	Maturity of HTC investments
Loans and Receivables	(1,839,988)	-1.82%	Decrease in outstanding receivables mainly in corporate loans and import bills
Investment in a subsidiary and associate	67	0.66%	Share in net income for the 1st Quarter
Property and Equipment	(5,562)	-0.68%	Decrease mainly due to depreciation recognized for the period
Investment Properties	(6,577)	-0.18%	Decline due to depreciation recognized for the period offset by higher ROPA foreclosures/ dacion en pago than ROPA sale
Intangible Assets	1,725	0.33%	Increase due to software-related purchases made throughout the year, offset by amortization recognized for the period
Deferred tax assets	14,625	3.01%	Higher DTA movement for the period
Other Assets	(58,894)	-8.45%	Decrease mainly due to lower cash margin and DST on hand, offset by higher prepaid PDIC insurance, prepaid expenses on annual bankwide subsidies and prepaid taxes that were paid in 1Q
Demand Deposits	(3,294,015)	-7.91%	Higher time deposits volume, partially offset by lower deposits volume in CASA
Savings Deposits	(1,035,991)	-7.56%	
Time Deposits	12,755,288	23.09%	
Bills Payable	(5,464,393)	-33.35%	Decrease in REPO and interbank bills payable
Bonds Payable	12,426	0.16%	Amortization of transaction costs for corporate bond issued in Nov 2024
Outstanding Acceptances	247,806	303.42%	Increase due to higher bills exchange accepted by the Bank
Manager's Checks	233,187	106.66%	Higher un-negotiated MC's as of the period

Accrued Interest, Taxes and Other Expenses Payable	7,190	0.50%	Increase mainly due to higher other operating expense accrual and higher Deposits interest accrual, offset by lower Bills payable interest accrual as of the period
Income Tax payable	127,656	93.38%	Higher income tax payable for the period
Other Liabilities	20,704	1.74%	Increase mainly due to higher accounts payable, offset by lower finance lease payable, advance rentals and rental deposits
Retained Earnings	472,936	8.18%	Increase from net income for the period
Unrealized gain/(loss) on equity securities carried at fair value through other comprehensive income	135,089	20.48%	Lower net mark-to-market losses mainly from FCDO debt investments in FVOCI
Cumulative translation adjustment	(5,809)	-5.63%	Lower downward CTA adjustment mainly due to rate differential from MRT accretion

Statement of Income and Expenses: January-March 2025 vs. January-March2024

	Increase (Decrease)	Percentage	Remarks
Interest Income on investment securities	81,417	16.98%	Higher interest income due to higher yields and higher average volume mainly from FVTPL
Interest Income on Loans and receivable	177,184	9.99%	Higher interest income is primarily derived from growth in average volume primarily from corporate loans
Interest Income on Interbank loans receivable and securities purchased under resale agreements	(8,800)	-46.71%	Lower interest income due to lower average volume mainly from SPURA and lower yields
Interest Income on Deposit with other Banks and others	3,197	41.35%	Higher interest income due to higher volume mainly from ODF with BSP
Interest Expense on Deposit Liabilities	(38,992)	-4.76%	Lower interest expense due to lower cost of funds mainly from TDs
Interest Expense on Bills payable, borrowings and others	105,106	55.65%	Higher interest expense due to higher average volume mainly from corporate bond issuance, offset by lower cost of funds mainly from Repos
Trading and Securities Gain – net	(106,388)	-207.48%	Decline due to net realized trading loss and unrealized mark-to-market loss in 1Q 2024
Rent Income	(6,313)	-6.79%	Lower due to the impact of lease terminations, offset by lease commencements from new tenants
Service Charges, Fees & Commissions	(2,808)	-2.66%	Lower primarily due to lower TFR fees & commitment fees, offset by higher penalty fees, loan processing fees, bank commission on letter of credits and insurance fees
Foreign Exchange Gain (Loss) – Net	20,934	88.70%	Higher unrealized and realized foreign exchange gains
Gain/(Loss) on asset exchange	9,349	1980.72%	Higher net gain on foreclosure
Profit/(Loss) from Assets Sold	17,915	792.00%	Higher ROPA gain on sale in 2025
Income from Trust Operations	1,470	15.33%	Increase is mainly due to higher ADB of assets under management
Miscellaneous Income	5,710	13.12%	Increase is mainly due to income from aircon extension of lessees, rental interest & penalties and higher other income from loans, offset by lower recovery on written-off accounts and downward impact of gain on sale of bank premises
Compensation and Fringe Benefits	24,029	7.09%	Higher manpower costs for the period due to higher average headcount and salary adjustments
Taxes and Licenses	22,498	10.85%	Increase mainly due to higher GRT costs and higher DST costs from deposits
Depreciation and Amortization	22,412	26.82%	Increase mainly due to higher ROPA and ROU asset depreciation, offset by lower bank premises depreciation
Occupancy and other equipment-related costs	(2,864)	-6.28%	Decrease mainly from decline in electricity & water costs, partially offset by higher repairs & maintenance and rent expense
Provision for (recovery from) impairment losses	33,890	1863.06%	Higher loan provision requirements during the period
Miscellaneous	23,632	8.94%	Increase mainly due to higher legal fees & contractual services, higher brokerage & PDEX fees from higher volume of transactions and higher PDIC insurance from higher volume of deposits
Provision for income tax	26,326	15.72%	Increase mainly due to higher net taxable income (mainly from higher interest income from loans & investments), offset by

			lower final taxes on interest income on peso government securities and higher DTA recognized on loan allowance
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PHILIPPINE BANK OF COMMUNICATIONS AND SUBSIDIARY

INTERIM AGING OF LOANS & SELECTED RECEIVABLES

(Unaudited)

PHILIPPINE BANK OF COMMUNICATIONS (Consolidated)

AGING OF LOANS & SELECTED RECEIVABLES

As of March 31, 2025

(In thousands)

TYPE OF LOAN/PARTICULARS	OUTSTANDING BALANCE	CURRENT	P A S T D U E F O R			
			90 DAYS OR LESS	91 TO 180 DAYS	181 DAYS - 1 YR.	MORE THAN 1 YR.
Loans and receivable	90,472,833	86,132,962	1,232,395	683,629	515,628	1,908,220
Bills purchased	2,301,682	2,226,718	-	-	-	74,964
Customer's liabilities on letters of credit and trust receipts	7,392,211	7,196,892	46,883	-	-	148,436
Total	100,166,726	95,556,571	1,279,278	683,629	515,628	2,131,620
Unquoted Debt Securities	-	-	-	-	-	-
Accrued Interest Receivable	1,018,813	976,858	16,356	12,480	6,535	6,584
Sales Contract Receivables	178,541	172,976	5,400	-	75	90
Accounts Receivable	1,486,851	1,422,850	10,834	12,036	3,877	37,254
	2,684,205	2,572,684	32,590	24,516	10,487	43,928
Total	102,850,931	98,129,255	1,311,868	708,145	526,115	2,175,548
Less: Unearned and other deferred income	(57,429)	(64,727)	1,231	697	-	5,370
Allowance for credit losses	(3,312,955)	(1,306,834)	(80,255)	(75,317)	(297,124)	(1,553,425)
NET Loans and Receivable	99,480,547	96,757,694	1,232,844	633,525	228,991	627,493