



14 November 2022

MR. MARIO A. NOCHE
 President
COMMONWEALTH INSURANCE COMPANY
 10th Floor, BDO Plaza
 8737 Paseo de Roxas, Makati City
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SUBJECT: Verification of the 2021 Annual Statement (AS)

Dear **Mr. Noche:**

This refers to your letter dated 26 October 2022 in full compliance with the verification requirements contained in the IC letter dated 10 October 2022.

The company's Net Worth increased to **₱2,155,332,681.15** from **₱2,073,678,092.75** while the Risk-Based Capital (RBC2) ratio remains at **1,403%**, by reconsideration of the following accounts:

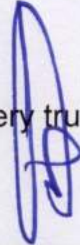
Account Title	Amount
<i>As Admitted Assets:</i>	
Loss Reserve Withheld by Ceding Companies	₱ 1,486,588.40
Property and Equipment	28,750,000.00
Investment Property	51,418,000.00
Total	₱ 81,654,588.40

In view of the foregoing, the 2021 AS of **Commonwealth Insurance Company**, adjusted in accordance with the verification made by this Commission, is hereby approved.

Enclosed is the synopsis of the company's 2021 AS for publication in a newspaper of general circulation in compliance with the provision of Section 231 of the Amended Insurance Code. Please make the publication in accordance with IC Circular Letter No. 2016-34 dated 21 June 2016 within thirty (30) days from receipt hereof and furnish this Commission with the pertinent newspaper clipping within five (5) days after publication.

Thank you.

Very truly yours,



DENNIS B. FUNA
Insurance Commissioner



COMMONWEALTH INSURANCE COMPANY
SYNOPSIS OF ANNUAL STATEMENT
31 DECEMBER 2021

ADMITTED ASSETS

Cash and Cash Items	P	1,407,654,782.25
Premiums Receivable		840,661,375.67
Due From Ceding Companies		1,680,549.87
Funds Held by Ceding Companies		887,013.82
Loss Reserve Withheld by Ceding Companies		7,413,015.46
Amounts Recoverable from Reinsurers		15,775,408.61
Held-to-Maturity (HTM) Investments		1,146,616,877.06
Available-For-Sale (AFS) Financial Assets		225,656.90
Investments Income Due and Accrued		2,627,630.08
Property and Equipment		295,624,558.50
Investment Property		80,924,000.00
Security Fund Contribution		64,683.00
Deferred Acquisition Costs		191,294,588.44
Deferred Reinsurance Premiums		20,036,943.44
TOTAL ASSETS	P	<u>4,011,487,083.10</u>

LIABILITIES

Claims Liabilities	P	132,259,892.27
Premium Liabilities		1,056,934,484.90
Due To Reinsurers		14,954,442.57
Commissions Payable		66,810,045.48
Deferred Reinsurance Commissions		5,794,247.14
Taxes Payable		388,972,935.12
Accounts Payable		13,634,694.08
Pension Obligation		110,534,293.00
Deferred Tax Liability		25,936,228.28
Accrued Expenses		40,323,139.11
TOTAL LIABILITIES	P	<u>1,856,154,401.95</u>

NET WORTH

Capital Stock	P	600,000,000.00
Contributed Surplus		500,000.00
Reserve Accounts		
Reserve for AFS Securities		159,886.90
Reserve For Appraisal Increment		
Reserve for Appraisal Increment - Property and Equipment		15,703,128.47
Remeasurement Gains (Losses) On Retirement Pension Asset (Obligation)		(33,321,699.75)
Retained Earnings		1,572,291,365.53
TOTAL NET WORTH	P	<u>2,155,332,681.15</u>
TOTAL LIABILITIES AND NET WORTH	P	<u>4,011,487,083.10</u>

ADDITIONAL INFORMATION

Capital Adequacy Ratio, as prescribed under existing regulations	<u>1403%</u>
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This synopsis, prepared from the 2021 Annual Statement, approved by the Insurance Commissioner is published pursuant to Section 231 of the Amended Insurance Code (RA 10607).