



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue, Manila



5 March 2025

MR. MARIO A. NOCHE
President and Chief Executive Officer
COMMONWEALTH INSURANCE COMPANY
35th Floor, Tower 1, The Enterprise Center
6776 Ayala Avenue corner Paseo de Roxas
Legaspi Village, Makati City
mnoche@cic.com.ph
eden.caday@cic.com.ph

SUBJECT: Approval of 2023 Annual Statement (AS)

Dear **Mr. Noche**:

This refers to your letter dated 31 January 2025 on the following:

1. Request for reconsideration of taxes payable account as a reduction to non-ledger liabilities; and
2. Response to the other audit findings and submission of proof of payment for the imposed penalty.

Upon evaluation, the Company's net worth increased to ₱2,663,666,218.81 from ₱2,459,119,112.63 while the Risk-Based Capital (RBC2) ratio remained at 807% after reconsideration of the ₱204,547,106.18 Taxes Payable account.

Nonetheless, we reiterate the Commission's directive to set up the Allowance for Impairment Losses on Premiums Receivable and Reinsurance accounts. The allowance shall be subject to monitoring in the succeeding AS verification/examination.

In view of the Company's compliance with the minimum net worth and RBC2 ratio requirements, as well as the directives of the Commission, its 2023 AS is **APPROVED**. For reference, attached is the synopsis of said AS.

We refer you to the pertinent provision of the Amended Insurance Code of the Philippines and Circular Letter No. 2016-34 for the publication requirement of the synopsis.

Thank you.

Very truly yours,


REYNALDO A. REGALADO
Insurance Commissioner



**COMMONWEALTH INSURANCE COMPANY
SYNOPSIS OF THE ANNUAL STATEMENT
AS OF 31 DECEMBER 2023**

ADMITTED ASSETS

Cash and Cash Items	P	1,636,789,676.22
Premiums Receivable		548,277,022.38
Due from Ceding Companies		938,855.85
Funds Held by Ceding Companies		887,013.82
Loss Reserve Withheld by Ceding Companies		9,171,550.41
Amounts Recoverable from Reinsurers		27,779,722.05
Held-to-Maturity (HTM) Investments		1,219,390,849.06
Available-for-Sale (AFS) Financial Assets		181,115.58
Investment Income Due and Accrued		9,503,152.62
Property and Equipment		506,393,568.37
Investment Property		301,897,374.00
Security Fund Contribution		64,683.00
Deferred Acquisition Costs		169,581,383.85
Deferred Reinsurance Premiums		38,714,885.87
TOTAL ASSETS	P	<u><u>4,469,570,853.08</u></u>

LIABILITIES

Claims Liabilities	P	254,550,682.78
Premium Liabilities		906,478,237.32
Due to Reinsurers		26,062,284.62
Commissions Payable		42,239,834.44
Deferred Reinsurance Commissions		10,333,884.05
Taxes Payable		374,840,534.41
Accounts Payable		55,067,721.97
Pension Obligation		114,888,418.00
Accrued Expenses		21,443,036.68
TOTAL LIABILITIES	P	<u><u>1,805,904,634.27</u></u>

NET WORTH

Capital Stock	P	1,300,000,000.00
Contributed Surplus		500,000.00
Capital Paid In Excess of Par		91,250,000.00
Reserve Accounts		
Reserve for AFS Securities		125,345.58
Reserve for Appraisal Increment - Property and Equipment		47,150,261.14
Remeasurement Gains (Losses) on Retirement Pension Asset (Obligation)		(27,988,455.00)
Retained Earnings		1,252,629,067.09
TOTAL NET WORTH	P	<u><u>2,663,666,218.81</u></u>
TOTAL LIABILITIES AND NET WORTH	P	<u><u>4,469,570,853.08</u></u>

ADDITIONAL INFORMATION

Capital Adequacy Ratio, as prescribed under existing regulations	<u><u>807%</u></u>
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This synopsis, prepared from the 2023 Annual Statement approved by the Insurance Commissioner, is published pursuant to Section 231 of the Amended Insurance Code (RA 10607).