



09 May 2023

MR. CHEE KEONG (KELVIN) ANG
 President and CEO
**AIA PHILIPPINES LIFE AND
 GENERAL INSURANCE COMPANY, INC.**
 23th Floor AIA Tower, 8767 Ayala
 Cor. Paseo de Roxas, Makati City
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SUBJECT: Approval of the 2021 Annual Statements (AS)

Dear **Mr. Ang**:

This refers to the letters dated 23 February 2023 and 17 March 2023 of Ms. Denise Ann R. Saclag, Head of Financial Reporting and Controllership, requesting for reconsideration of various accounts amounting to **₱37,968,891,408.32** for the Life Business Unit.

Upon evaluation of the documents submitted, the Company's combined total Net Worth increased to **₱59,374,413,094.66** from **₱29,434,316,662.98** while the Risk-Based Capital (RBC2) ratios for the Life Unit decreased to **411%** from **440%** while the Non-Life Unit remains at **372%**, after reconsideration of the following accounts as admitted assets:

Particulars	Amount
Loans and Receivables	₱ 3,500,000,000.00
Amounts Recoverable from Reinsurers, net	20,242,448,902.31
Investments Income Due and Accrued	66,101,642.06
Financial Assets at Fair Value Through Profit or Loss	106,182,187.82
Segregated Fund Assets	159,106,867.92
Property, Plant and Equipment (PPE)	554,015,375.82
Investment Property (IP)	5,312,241,455.76
Total	₱ 29,940,096,431.69

We regret to inform you, however, that we are constrained to deny the Company's request for admittance of the **₱5,533,193,852.00** on Investments in Subsidiaries, Associates and Joint Ventures account due to the change in the valuation method used in the AS. Please note that valuation method used in the Audited Financial Statement should be consistent with the Annual Statement.

In view thereof, the 2021 AS of the **AIA PHILIPPINES LIFE AND GENERAL INSURANCE COMPANY, INC.**, adjusted in accordance with the verification made by this Commission, is hereby **APPROVED**.

Enclosed is the approved synopsis of the 2021 AS for publication in a newspaper of general circulation, in compliance with the provisions of Section 231 of the Amended Insurance Code and IC Circular Letter No. 2016-34. Please make the publication 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


REYNALDO A. REGALADO
Insurance Commissioner



AIA PHILIPPINES LIFE AND GENERAL INSURANCE COMPANY INC.
SYNOPSIS OF THE ANNUAL STATEMENT
AS OF 31 DECEMBER 2021

<u>ADMITTED ASSETS</u>	LIFE	NONLIFE	TOTAL
Cash in Banks	P 297,047,134.82	P -	P 297,047,134.82
Time Deposits	2,954,415,270.35	-	2,954,415,270.35
Premiums Due and Uncollected	218,303,109.96	-	218,303,109.96
Due from Ceding Companies, net	221,543,486.13	-	221,543,486.13
Amounts Recoverable from Reinsurers, net	22,380,136,849.61	-	22,380,136,849.61
Financial Assets at Fair Value Through Profit or Loss	106,182,187.82	-	106,182,187.82
Loans and Receivables	11,149,818,737.75	-	11,149,818,737.75
Available-for-Sale (AFS) Financial Assets	146,038,599,236.69	258,213,422.00	146,296,812,658.69
Investments Income Due and Accrued	2,204,288,219.08	1,657,476.21	2,205,945,695.29
Investments in Subsidiaries, Associates and Joint Ventures	2,787,953,406.81	-	2,787,953,406.81
Segregated Fund Assets	69,012,420,968.83	-	69,012,420,968.83
Property and Equipment	1,459,740,587.23	-	1,459,740,587.23
Investment Property	6,517,153,545.27	-	6,517,153,545.27
Right-of-Use Asset	671,895,919.17	-	671,895,919.17
Security Fund Contribution	2,096,808.00	133,045.00	2,229,853.00
Other Assets	-	711,342,557.48	711,342,557.48
TOTAL ADMITTED ASSETS	P 266,021,595,467.53	P 971,346,500.69	P 266,992,941,968.22

<u>LIABILITIES</u>			
Aggregate Reserve for Life Policies	P 93,924,040,123.02	P -	P 93,924,040,123.02
Aggregate Reserve for Accident and Health Policies	743,931,195.68	-	743,931,195.68
Reserve for Supplementary Contracts Without Life Contingencies	617,835,451.87	-	617,835,451.87
Policy and Contract Claims Payable	1,330,832,925.42	-	1,330,832,925.42
Due to Reinsurers	1,265,903,440.42	-	1,265,903,440.42
Funds Held for Reinsurers	21,905,161,593.31	-	21,905,161,593.31
Segregated Fund Liabilities	69,172,166,937.20	-	69,172,166,937.20
Premium Deposit Fund	423,274,227.95	-	423,274,227.95
Policyholders' Dividends Due and Unpaid	33,040,079.00	-	33,040,079.00
Policyholders' Dividends Accumulations/ Dividends Held on Deposit	7,331,780,585.81	-	7,331,780,585.81
Maturities and Surrenders Payables	507,263,164.69	-	507,263,164.69
Taxes Payable	416,390,348.13	-	416,390,348.13
Accounts Payable	7,314,719,173.00	-	7,314,719,173.00
Lease Liability	731,226,306.33	-	731,226,306.33
Deferred Tax Liability	901,949,974.20	-	901,949,974.20
Accrued Expenses	883,576,696.34	-	883,576,696.34
Other Liabilities	115,436,651.19	-	115,436,651.19
TOTAL LIABILITIES	P 207,618,528,873.56	-	207,618,528,873.56

<u>NET WORTH</u>			
Capital Stock	P 1,500,000,000.00	P 500,000,000.00	P 2,000,000,000.00
Contributed Surplus		25,000,000.00	25,000,000.00
Retained Earnings			
Appropriated for Negative Reserve	3,083,282,934.59	-	3,083,282,934.59
Unappropriated	45,117,587,258.65	390,794,758.71	45,508,382,017.36
VUL Seed Capital	58,597,007.61		58,597,007.61
Reserve Accounts			
Reserve for AFS Securities	21,289,726,409.91	55,551,741.98	21,345,278,151.89
Remeasurement on Life Insurance Reserves	(14,560,241,529.22)		(14,560,241,529.22)
Reserve for Appraisal Increment - Property and Equipment	223,264,381.99		223,264,381.99
Remeasurement Gains (Losses) on Retirement Pension Asset (Obligation)	1,800,682,380.44		1,800,682,380.44
Treasury Stock	(109,832,250.00)		(109,832,250.00)
TOTAL NET WORTH	P 58,403,066,593.97	P 971,346,500.69	P 59,374,413,094.66
TOTAL LIABILITIES AND NET WORTH	P 266,021,595,467.53	P 971,346,500.69	P 266,992,941,968.22

ADDITIONAL INFORMATION

Risks Based Capital Ratio, as prescribed under existing regulations 411% 372%

(This synopsis, prepared from the 2021 Annual Statement, approved by the Insurance Commissioner is published pursuant to Section 231 of the Insurance Code as Amended (R.A. 10607))