

ANNEX A – SUPPLEMENTARY INFORMATION IN THE NOTES TO THE FINANCIAL STATEMENTS FOR PERIODS ENDING 31 DECEMBER 2023 AND/OR 2024

REPORT OF INDEPENDENT AUDITOR TO ACCOMPANY SUPPLEMENTARY INFORMATION FOR FILING WITH THE INSURANCE COMMISSION

<p>The Board of Directors and Stockholders Company Name Company Address</p> <p>Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note ___ to the financial statements is presented for purposes of filing with the Insurance Commission and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.</p> <p>Name and Signature of External Auditor / Auditing Firm</p>
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Disclosure requirements for those companies that will not adopt PFRS 17 on 01 January 2023

Status of the PFRS 17 implementation and its possible impact on the financials of the companies

Consistent with the provisions of CL No. 2022-36, **those companies that will not adopt PFRS 17 on 01 January 2023** shall provide additional disclosures to their AFS for the periods ending 31 December 2023 and/or 2024, as follows:

- a. The fact that although PFRS 17 has a global effectivity date of 01 January 2023, the IC defers the mandatory date of application for general purpose financial reporting for two (2) years thereafter;
- b. Information about the PFRS 17 implementation project – information about the structure and governance, work performed, management of risks and cost;
- c. Operational impacts – main impacts and changes to systems and processes that the entity performed to comply with the requirements of the new standard;
- d. Contracts that meet the definition of an insurance contract but the entity chose to apply PFRS 15 instead of PFRS 17;
- e. A description of the transition approach that will be used and whether any practical expedients will be applied;
- f. A description of the key judgements and estimates being considered;
- g. Amount of contractual service margin, if any;

- h. Amount of loss components on onerous contracts, if any;
- i. Quantitative information about the expected impact of PFRS 17 on profits and how it compares with PFRS 4; and
- j. Expected impact on Net Worth.

Disclosure requirements for companies that will adopt PFRS 17 on 01 January 2023 onwards

Insurance and reinsurance asset (liability) items subject to admittance requirements of the Amended Insurance Code

To implement the provisions of the Amended Insurance Code, those companies that will adopt PFRS 17 shall provide the following additional disclosures to their AFS:

a. For non-life insurance and professional reinsurance companies

- i. Premiums due and uncollected
- ii. Amounts recoverable from reinsurers;
- iii. Funds held by ceding companies; and
- iv. Funds held for reinsurers.

b. For life insurance companies

- i. Amounts recoverable from reinsurers;
- ii. Funds held by ceding companies;
- iii. Funds held for reinsurers;
- iv. Policy loans;
- v. Premiums due and uncollected; and
- vi. Segregated fund assets and liabilities.

The above accounts shall be defined in accordance with CL No. 2016-65 and/or any amendments thereto.

A. NON-LIFE INSURANCE AND PROFESSIONAL REINSURANCE COMPANIES

Item 1, Premiums Due and Uncollected, represents premiums due within the grace period but have not been paid as of the end of accounting period arising from direct business including those by general agents and insurance broker.

Item 2, Amounts Recoverable from Reinsurers, pertains to the uncollected share of the reinsurers in paid and unpaid losses and loss adjustment expenses in connection with treaty and facultative arrangements.

Item 3, Funds Held for Reinsurers, represents the portion of the reinsurance premiums ceded to reinsurers which is withheld by the company in accordance with the reinsurance agreements and/or laws, rules, and regulations.