

**MINUTES OF THE MEETING  
AUDIT COMMITTEE of the BOARD  
OF BETHEL GENERAL INSURANCE AND SURETY CORPORATION  
VIA HYBRID MEETING AT 4:00 P.M. ON DECEMBER 6, 2023**

**PRESENT:**

Ms. Vida T. Chiong	Chairperson
Mr. Jonathan M. Cruz	Member
Resource persons:	
Ms. Maricor Q. Parado	AVP- Finance
Mr. Rudy Mahinay, Jr.	Senior Manager - Accounting
Atty. Rozaire G. Ombao-Bagares	Minute taker (Corporate Secretary)

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**CALL TO ORDER**

The Meeting was called to order by the Chairperson of the Risk Oversight Committee at 4:00 P.M. on December 6, 2023, via hybrid meeting - Ms. Vida Chiong, and Mr. Jonathan M. Cruz attended through Zoom videoconferencing, while Ms. Parado, Mr. Mahinay, Jr. and Atty. Ombao were physically present at the Bethel Conference Room, located at the Bethel General Insurance - Head Office. Atty. Ombao took the minutes of the meeting.

**SERVICE OF NOTICE AND DETERMINATION OF QUORUM**

The Corporate Secretary reported that, in accordance with the provisions of the Corporation Code and the Amended By-Laws of the Company, written notice of the meeting was served to all members of the Audit Committee. The majority of the members of the committee are present to validly transact business at today's meeting.

**DISCUSSION ON THE INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2023**

Atty. Ombao screen-shared the report of Ms. Parado.

*Statement of Income*

- Ms. Parado reported the Statement of Income as of September 30, 2023, with total premiums earned at [REDACTED] which is an 89% growth and an increase of [REDACTED] compared to September 2022. The commission income amounted to [REDACTED], and the total underwriting income was [REDACTED]. Investment and other income amounted to [REDACTED] resulting in a total income of [REDACTED].

[REDACTED] The losses incurred amounted to [REDACTED] with a loss ratio of 17%. Commission expenses amounted to [REDACTED] with an expense ratio of 28%. Other underwriting expenses amounted to [REDACTED], resulting in a total underwriting expense of [REDACTED]. General and Administrative Expenses amounted to [REDACTED] (ratio of 19%). Total expenses amounted to [REDACTED]

- Our income before tax is [REDACTED], with an income tax expense of [REDACTED] giving us a net income of [REDACTED], with a 24% net income ratio.



- Gross premiums written amounted to [REDACTED] almost [REDACTED] increase from last year.

#### *Balance Sheet*

- Ms. Parado reported that as of September 20, 2023, the total assets amounted to [REDACTED], with significant contributions from: Cash in Bank [REDACTED], Time Deposits [REDACTED], Premiums Receivable [REDACTED], Held-to-Maturity (HTM) Investments [REDACTED], Loans and Receivables [REDACTED], Property and Equipment [REDACTED], Investment Property [REDACTED], and Subscription Receivable [REDACTED]. There was an increase of [REDACTED] % in time deposits.
- As of November 2023, since collections are still ongoing, our balance is down to [REDACTED] million receivables, and collections are still expected in December 2023.
- Ms. Chiong asked the reason for the decrease in Held-to-Maturity (HTM) Investments, Ms. Parado explained this is due to [REDACTED].

#### *Liabilities*

- Total liabilities amounted to [REDACTED], composed of the following: Claims Liabilities [REDACTED], Premium Liabilities [REDACTED], and Taxes Payable [REDACTED]. Income tax liabilities are not yet fully paid, hence, the increase in total liabilities.

[REDACTED] The total shareholder's equity amounted to [REDACTED]

- Ms. Chiong reminded Ms. Parado to be prepared for the effect of IFRS simulation.

#### *Other Matters:*

- There will be another round of Performance Evaluation of the Board next year.
- Ms. Chiong suggested coming up with an annual report aside from the annual statement to the IC. The target date for its completion is before May 30, 2024.

#### **ADJOURNMENT**

There being no other matters to be taken up, the meeting was adjourned at 4:55 p.m.

Certified Correct:

(Sgd.) **ATTY. ROZAIRE G. OMBAO-BAGARES**  
Corporate Secretary