

TRAVELLERS INSURANCE &
SURETY CORPORATION

Annual Stockholders' Meeting

July 8, 2022

TRISCO Conference Room

PRESIDENT'S REPORT



INTRODUCTION

This report covers the operating results and financial condition of our Corporation for the year ending and as of December 31, 2021 with comparative figures for 2020.

I. RESULTS OF OPERATIONS

A. Underwriting Income

Our Gross Premiums Earned for the year 2021 amounting to Php701,962,872 was Php4,457,156 or .64% higher than last year's Php697,505,716. Motor Car with Php205.7M, Bonds with Php346.2M and CARI with Php98.3M were the lines which contributed mainly to the increase in gross premiums.

Our Premium Ceded decreased by Php8,015,797 or 18.81% from Php42,605,914 in 2020 to Php34,590,117 for the current year.

Net Premium for 2021 of Php667,372,755 was higher than previous year's Php654,899,802 by Php12,472,953 or 1.90%.

Commissions Earned during the year of Php11,244,284 was lower than 2020's Php13,090,616 by Php1,846,332.

Gross Underwriting Income increased by Php10,626,621 from Php667,990,418 in 2020 to Php678,617,039 in 2021.

B. Underwriting Deductions

Underwriting Deductions consisted of the following:

	<u>2021</u>	<u>2020</u>	<u>Increase/ Decrease</u>	<u>%</u>
Losses and loss adjustment expenses	P 54,765,570	P 74,264,370	P (19,498,800)	(26.26)
Commission expenses	220,072,251	262,362,190	(42,289,939)	(16.12)
Other underwriting costs	225,199,008	205,572,251	8,394,329	4.08
TOTAL	P 500,036,829	P 542,198,811	P (42,161,982)	(7.78)

C. Net Underwriting Income

The Net Underwriting Income for the year 2021 amounted to Php178,580,210 which is higher by Php52,788,603 or 41.97% than the previous year's Php125,791,607.

D. Investments and Other Income

Our Investment and Other Income increased by Php2,537,016 from Php28,551,941 in 2020 to Php31,088,957 in 2021.

E. Operating Expenses

Our Operating Expenses during the year amounted to Php105,723,344 compared to Php78,990,238 in 2020, an increase of Php26,733,106 or 33.84%. The following accounts contributed mainly on the increase of operating expenses, depreciation expense, interest expense, legal and documentation expense and employees privileges.


F. Net Income


Our Net Income of Php86,804,021 during the year was Php32,199,677 higher than last Year's Php54,604,344.

II. Financial Condition as of December 31, 2021 and 2020

A. Our **TOTAL ASSETS AS OF DECEMBER 31, 2021** amounted to Php3,308,398,779 compared to Php2,406,800,484 as of December 31, 2020.

Total Investments (Real Estate, Treasury Bills, Bonds and Shares of Stocks amounted to Php1,883,424,235 as of December 31, 2021 and Php1,583,935,779 as of December 31, 2020.

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- B. Our Total Liabilities as of end of 2021 amounting to Php1,028,504,879 was Php125,522,106 higher than Php902,982,773 as of end of 2020.
- C. Our Stockholders' Equity increased by Php776,076,189 from Php1,503,817,711 as of end of 2020 to Php2,279,893,900 as of end of 2021.



I would like to thank the Stockholders, the members of the Board of Directors, the regional managers, the Branch Managers, employees and our agents as well as our policyholders for their continued support, without them, we cannot achieve what we are now today.

Thankyou.