**THE MINUTES OF THE MEETING
OF THE AUDIT COMMITTEE OF
COCOLIFE ASSET MANAGEMENT COMPANY, INC., (CAMCI)**

(the "Corporation")

Minutes of the Meeting of the Audit Committee of COCOLIFE Asset Management Company, Inc. (CAMCI) held via Remote Communication using Microsoft Teams on 30 March 2023 (Thursday) at 10:00 a.m.

PRESENT	ALSO PRESENT
MS. CAROLINA G. DIANGCO	MR. ANDY L. TAN
ATTY. ROWENA E.V. DAROY-MORALES	MS. JESSICA JOYCE C. SANTOS
MR. RAMON MANUEL G. DE CLARO	MS. MA. MIRASOL Z. SANCHEZ
ATTY. JAN ROBERT V. BELTEJAR	MS. CLARA M. GARILAO
	MS. KRISTIA MAY M. ESCARO
	MR. JERARD SANCHEZ
	MS. CAMILLE IVY BERSABE
	MR. NEL BRUGADA
	MR. CHARLES ANDAYA

I. CALL TO ORDER; MEETING CONDUCTED VIA REMOTE COMMUNICATION

In view of the current situation on the Covid-19 pandemic, the meeting was conducted via remote communication (teleconferencing and videoconferencing through Microsoft Teams Application), pursuant to the provisions of R.A. 11232 or the Revised Corporation Code of the Philippines and Securities and Exchange Commission (SEC) Memorandum Circular No. 6-2020.

The Chairwoman of the Audit Committee, Director Carolina G. Diangco, presided and called the meeting to order. The Committee Secretary, Mr. Rex D. Lampa recorded the minutes of the proceedings.

II. CERTIFICATION OF QUORUM

The Committee Secretary conducted a roll call in which every director, who attended via tele/videoconferencing, proceeded to state the following: (1) their full name and position; (2) location; (3) confirmation that he/she can clearly hear and/see the other attendees; (4) confirmation that he/she received the Notice of the Meeting including the agenda and the materials; and (5) the device being used.

Upon certification by the Committee Secretary that a quorum existed, the Chairwoman declared the Audit Committee duly constituted and ready to transact its business.

III. APPROVAL OF THE MINUTES OF THE MEETING OF THE AUDIT COMMITTEE ON 6 APRIL 2022

After reading the minutes of the Meeting of the Audit Committee on 6 April 2022, upon motion duly made and seconded, the Committee approved the minutes.

IV. APPROVAL OF THE 2022 AUDITED FINANCIAL STATEMENT OF CAMCI

The company's external auditor, Punongbayan & Araullo (P&A), represented by its Engagement Partner Jerald M. Sanchez, presented to the Audit Committee the Audit Results for the 2022 Audited Financial Statement of COCOLIFE Asset Management Company, Inc. (CAMCI). The highlights are as follows:

AUDIT OPINION

Based on the results of the audit procedures performed, P&A have not noted any findings that will hinder the issuance of an **UNQUALIFIED OPINION** on the company's financial statement as of December 31, 2022 and for the year then ended.

FINANCIAL HIGHTLIGHTS

Financial highlights – CAMCI Financial Position

	2022	2021	Changes	
A S S E T S				
CURRENT ASSETS				
Cash and cash equivalents	**P 13,555,400**	P 27,381,329	(13,825,929)	-50%
Receivables - net	**3,796,056**	4,322,402	(526,346)	-12%
Investment securities	**14,503,528**	2,794,190	11,709,338	419%
Other current assets	**18,222,855**	13,229,206	4,993,649	38%
Total Current Assets	**50,077,839**	47,727,127	2,350,712	5%
NON-CURRENT ASSETS				
Property and equipment - net	**450,180**	769,156	(318,976)	-41%
Investment property	**12,180,000**	12,180,000	-	0%
Deferred tax asset	**296,606**	296,606	-	0%
Total Non-current Assets	**P 12,926,786**	P 13,245,762	(318,976)	-2%
TOTAL ASSETS	**P 63,004,625**	P 60,972,889	2,031,736	3%

	2022	2021	Changes	
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Accrued expenses and other payables	**P 3,872,056**	P 2,981,878	890,178	30%
Due to related parties	**3,083,184**	2,788,827	294,357	11%
Dividends payable	**3,000,000**	-	3,000,000	100%
Total Liabilities	**9,955,240**	5,770,705	4,184,535	73%
EQUITY				
Capital stock	**50,000,000**	50,000,000	-	0%
Revaluation reserve	**(1,784,836)**	(718,060)	(1,066,776)	149%
Retained earnings	**4,834,221**	5,920,244	(1,086,023)	-18%
Total Equity	**53,049,385**	55,202,184	(2,152,799)	-4%
TOTAL LIABILITIES AND EQUITY	**P 63,004,625**	P 60,972,889	2,031,736	3%

Financial highlights – CAMCI financial performance

	2022	2021	Changes	
REVENUES AND INCOME	**P 38,565,500**	P 42,208,186	(3,642,686)	-9%
COSTS AND OPERATING EXPENSES	**35,724,886**	32,788,565	2,936,321	9%
PROFIT BEFORE TAX	**2,840,614**	9,419,621	(6,579,007)	-70%
TAX EXPENSE	**926,637**	2,479,876	(1,553,239)	-63%
NET PROFIT	**1,913,977**	6,939,745	(5,025,768)	-72%
OTHER COMPREHENSIVE LOSS				
Fair value loss on financial assets at fair value through other comprehensive income	**(1,784,836)**	(718,060)	(1,066,776)	149%
TOTAL COMPREHENSIVE INCOME	**P 129,141**	P 6,221,685	(6,092,544)	-98%

SIGNIFICANT RISK AREAS AND SIGNIFICANT MATTERS DISCUSSED WITH MANAGEMENT

Valuation of Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)	The audit team performed business model assessment and fair value testing on investment securities at FVOCI.	Based on fair value testing performed, the audit team proposed an adjustment of P65,109 as unrealized loss to reflect the year-end value of the investment.	CAMCI

Matters Discussed	Commentary	Resolution
Accounting treatment of CAMCI's employee retirement plan	As separate entities, Cocolife and CAMCI should account for its contributions and retirement obligations separately. Based on preliminary report, Cocolife should remove the portion of its retirement liabilities and plan assets attributable to CAMCI amounting to P29.3 million.	Currently, based on existing company practice, the retirement plan of CAMCI, in accordance with PAS19R, *Employee Benefits*, is classified as a Defined Contribution Plan; hence, no adjustment is needed in CAMCI's books of accounts as contributions are appropriately charged as expense. However, a separate formal plan should be established for CAMCI to cover the retirement benefits of its own employees.

DISCUSSIONS ENSUED.

After discussions, and upon motion duly made and seconded, the Audit Committee resolved to favorably endorse to the Board of Directors of CAMCI the company's Audited Financial Statement for 2022.

VIII. ADJOURNMENT

There being no other matter to transact, the meeting was, thereupon, adjourned.

ATTESTED

CAROLINA G. DIANGCO
Chairman

JAN ROBERT V. BELTEJAR
President/Observer

RAMON MANUEL G. DE CLARO
Director

ROWENA E.V. DAROY MORALES
Director

Certified Correct:

REX D. LAMPA
Corporate Secretary