



ANNUAL REPORT 2021

HISTORY

- In 1990, Guevent Insurance Agency Corporation was incorporated with initial authorized capital of Php 800K and PAID UP CAPITAL of PHP 50K
- In 2004, Guevent Insurance Broker Corporation was formed upon registration as Intermediary with the Insurance Commission
- 2009 to 2017, GIBCO has established its External Unit to cater open market accounts, expanding its clientele beyond the group, and its Life Unit extending its product portfolio to Life, Variable Unit Life investment, Memorial, and Health
- In 2021, surpassing the challenges along the way, GIBCO as a company grew and has increased its PAID UP CAPITAL TO PHP 50M and STOCKHOLDERS EQUITY TO PHP 151M



BOARD OF DIRECTORS

- **Carmen T. G. Monfort** Chair/Director, CTGM Cluster
- **Rolando Pierre A. Valenciano** President/CEO/Board Member
- **Ricardo S. Guevara** Director, RiSG Cluster
- **Anna Georgina G. Carlos** Director, RoSG Cluster
- **Richard Edward G. Lazaro** Director, CGL Cluster
- **Christine Natalie Joyce D. Guevara** Director, PSG Cluster
- **Monica Pauline G. Dela Cruz** Director, DSG Cluster
- **Jhoanna Michelle G. Paterno** Director, RSG Cluster
- **Ivana Natasha P. Guevara** Director, BSG Cluster
- **Jean L. Khia** Independent Director
- **Atty. Ma. Luz R. Raval** Head of Audit Committee
- **Atty. Melchor A. Aranas** Independent Director,
Head of Risk & Corporate Governance
Committee
Corporate Secretary

BUSINESS AMID COVID19

Brought about by the challenges of the ongoing pandemic, GIBCO has adapted and transformed its business through:

- Effective May 16, 2022, Agile **transition** from full on-site to **HYBRID Work Arrangements** in order to minimize exposure of its personnel;
- **Reduced work hours** to help reduce power expenses during Work in the office;
- In-house **development and migration of systems and databases to online**;
- **Negotiated payment arrangements** with Insurance principals to assist clients in cash flow management;
- **Reduced Manpower from 45 pre-pandemic (2019) to 42 as of December 31, 2021** due to resignations and **role optimizations**

BUSINESS AMID COVID19

Despite the challenges, GIBCO celebrates small wins:

- All GIBCO Personnel are 100% Fully Vaccinated and majority of respective families are Vaccinated against COVID19;
- Salary Increases effective Y2022;
- Profit-Share extended to personnel in Y2021;
- Upgrade of personnel hardware to laptops for enhanced work flexibility;
- Resumed IIAP Trainings for eligible personnel, and directors;
- Balance of shared sacrifices, give-and-take relationship between employees and the Management

OPERATIONAL HIGHLIGHTS

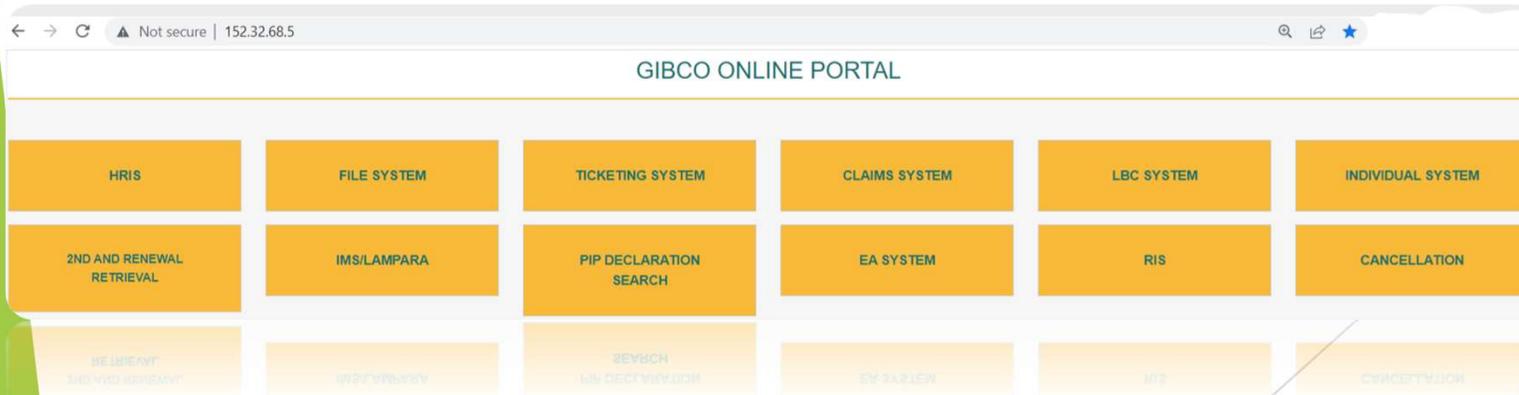
Digital Transformation

- ▶ GIBCO Website Revamp & In-house Development of E-Shop
- ▶ GIBCO Accounting System
- ▶ Social Media Marketing
- ▶ Online Systems and Database
- ▶ Sprout HR System
- ▶ *Work-in-Progress* : Cyber Security



The collage features several digital assets:

- A screenshot of the GIBCO website homepage (gibco.com.ph) showing the logo and navigation menu.
- A screenshot of the GIBCO Market e-shop (shop.gibco.com.ph/er-cards) displaying ER Cards for sale, such as 'ER CARE ALL-IN 100 ADULTS' for ₱2,475.00 and 'ER CARE ALL-IN 80 ADULTS' for ₱1,375.00.
- A 'WHY CHOOSE GIBCO' banner with the tagline 'INSURE WHAT MATTERS MOST' and various insurance categories like CTP, Motorcar, Fire, Marine, Bond, and Individual.
- A Facebook page for 'Guevent Insurance Broker Corporation - GIBCO', showing the profile picture, cover photo, and a post with the text 'Hi! Please let us know how we c...'. The page has 3,920 likes.



The screenshot shows the 'GIBCO ONLINE PORTAL' interface with a grid of service buttons:

HRIS	FILE SYSTEM	TICKETING SYSTEM	CLAIMS SYSTEM	LBC SYSTEM	INDIVIDUAL SYSTEM
2ND AND RENEWAL RETRIEVAL	IMS/LAMPARA	PIP DECLARATION SEARCH	EA SYSTEM	RIS	CANCELLATION
RELIANT	INSURANCE	SEARCH	ENROLLMENT	INS	CANCELLATION

OPERATIONAL HIGHLIGHTS

Hybrid Work Arrangements

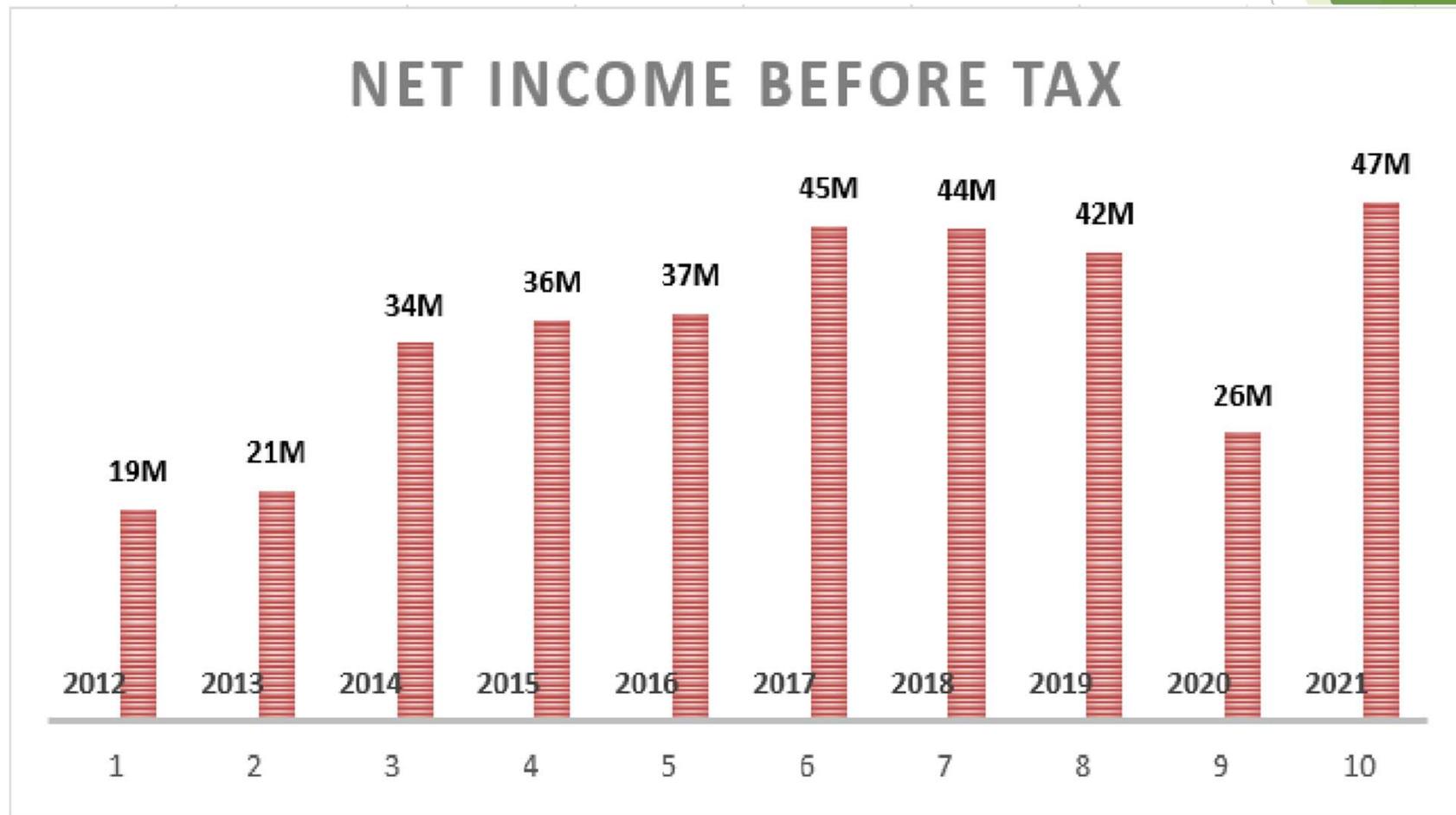
- ▶ **50% On-site and 50% Work-From-Home** effective 16 May 2022
- ▶ Transition from 100% Desktop to **100% Laptop computers** for **work flexibility** starting March 2022

Lean Organization Structure

- ▶ 42 Employees as of December 31, 2021 with **Earnings per Employee (EPE) ratio of PHP 1.17M NIBT per Employee, highest EPE ratio since 2014**
- ▶ As of June 30, 2022, GIBCO has 38 employees due to resignations

FINANCIAL HIGHLIGHTS

Financial Performance To Date



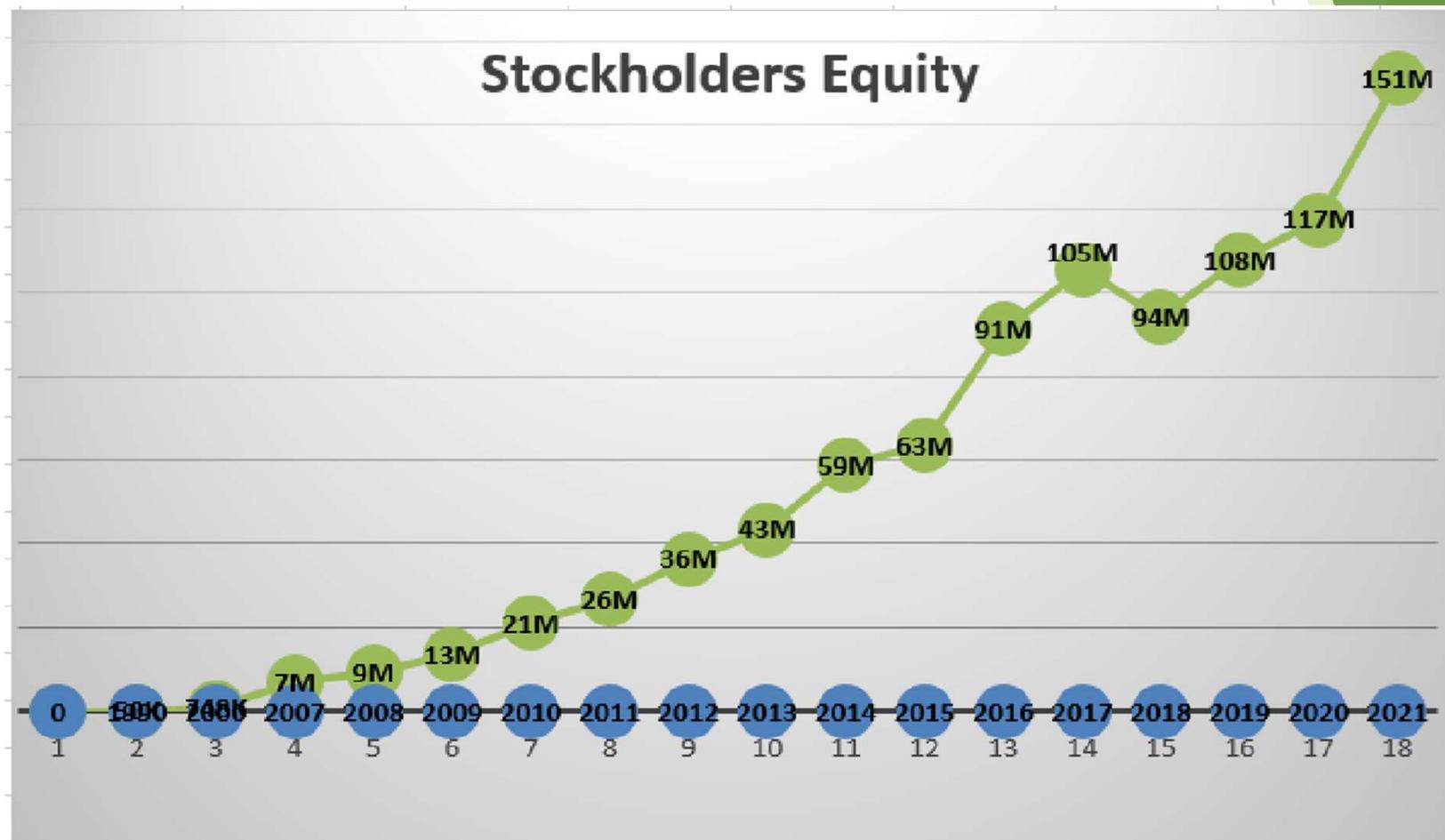
FINANCIAL HIGHLIGHTS

Financial Performance To Date

	2021	2020	Variance
NIAT	PHP37M	PHP24M	51%
ASSET	PHP325M	PHP395M	-18%
LIABILITIES	PHP174M	PHP278M	37%
STOCKHOLDER EQUITY	PHP151M	PHP117M	29%
RETAINED EARNINGS			
UNAPPROPRIATED	PHP49M	PHP48M	4%
APPROPRIATED			
* Contingency Fund	PHP18M	PHP18M	
* Profit Sharing	12M		
* Cash dividend	13M		
* Upgrade of Hardware	5M		
TOTAL APPROPRIATED	PHP48M	PHP18M	167%
TOTAL RETAINED EARNINGS	PHP97M	PHP66M	48%

FINANCIAL HIGHLIGHTS

Stockholder's Equity



FINANCIAL HIGHLIGHTS

Dividends and Retained Earnings

DIVIDENDS			
Year	Cash	Stock	Total
2012	4M		4M
2013	5M		5M
2014	7M		7M
2015	19M		19M
2016		22.5M	22.5M
2017	17M	17.5M	34.5M
2018	44M		44M
2019	14M		14M
2020	12M		12M
	3M		*3M
2021	25M		*25M
TOTAL	<u>150M</u>	<u>40M</u>	<u>190M</u>

*Distributed in Dec 2021

*To be distributed in 2022

***In Dec. 2021 Appropriation of Retained Earnings was made to declare and distribute Php25M in 2022 as follows:**

	Amount	Target Quarter of Release
Profit Share	Php12M	Distributed in 1st Q and 2nd Q of 2022
Cash Dividend	Php13M	3rd Q and 4th Q of 2022

FINANCIAL HIGHLIGHTS

Cash Flow and Investments

- **Cost Savings of PHP 2.72M in 2021 OPEX (actual vs budget)**
- **Cash Ending Balance as of December 31, 2021 is at PHP 19.36M and as of June 30, 2022 is at Php 15.17M**
- **Total investments as of June 30, 2022 is at PHP 45.43M**
 - Cash placement in RFC is PHP 21.81M;
 - Cash placement in GIDC is PHP 18.17M;
 - SMC Investment is PHP 3.03M;
 - AYALA Investment is PHP 2.09M;
 - Top Frontier Investment is PHP 329K.

BOLD, HAIRY, AUDACIOUS GOAL (BHAG)

Business Ratio of 50-50 Internal (Affco) and External by 2028

Year	COMMISSIONS EARNED (in PHP)					
	INTERNAL		EXTERNAL		TOTAL	
2019	119,941,000	99%	1,698,943	1%	121,639,943	100%
2020	86,828,000	98%	1,408,929	2%	88,236,929	100%
2021	85,556,000	98%	1,691,583	2%	87,247,583	100%
2022	93,093,171	97%	2,879,170	3%	95,972,341	100%
2023	100,291,097	95%	5,278,479	5%	105,569,575	100%
2024	109,264,511	90%	12,140,501	10%	121,405,012	100%
2025	111,692,611	80%	27,923,153	20%	139,615,764	100%
2026	112,390,690	70%	48,167,438	30%	160,558,128	100%
2027	118,010,224	60%	78,673,483	40%	196,683,707	100%
2028	129,811,247	50%	129,811,247	50%	259,622,493	100%

* Business Ratio at 98:2 as of Dec 2021

** Rank Top 13 as of Dec 2020
(IC 2021 data not yet available)

Top 10 Insurance Broker in the Philippines *without bank affiliate* by 2028

Commission Earned of Insurance Brokers As of December 31, 2020 (Based on submitted Statement of Business Operations)	
Name of Companies	Commission Earned
1 . BDO INSURANCE BROKERS, INC.	P 1,502,383,358.00
2 . AON INS. & REINS. BROKERS PHILS, INC.	1,127,819,000.00
3 . MARSH PHILIPPINES, INC.	940,710,000.00
4 . LOCKTON PHILS. INS. & REINS. BROKERS, INC.	464,945,135.46
5 . PHILPACIFIC INS. BROKERS & MANAGERS, INC.	344,171,942.09
6 . INTERTRADE INSURANCE BROKERS	339,238,126.00
7 . UNICON INSURANCE BROKERS CORP.	265,474,727.27
8 . GOTUACO, DEL ROSARIO INS. BROKERS, INC.	247,420,000.00
9 . TRINITY INSURANCE & REINSURANCE BROKERS, INC.	225,206,000.00
10 . WILLIS TOWERS WATSON INS. BROKERAGE	223,610,786.50
11 . LBP (LAND BANK OF THE PHILIPPINES)	206,685,502.00
12 . CHINABANK INSURANCE BROKERS, INC.	197,123,805.00
13 . CITICORP FIN. SERVICES & INS. BKR. PHILS., INC.	182,433,245.01
14 . HSBC INSURANCE BROKERS (PHILS.), INC.	177,592,289.00
15 . ANCHOR INSURANCE BROKERAGE CORPORATION	172,126,000.00
16 . LACSON & LACSON INSURANCE BROKERS, INC.	125,747,943.00
17 . HOWDEN INS. & REINS. BROKERS (PHILS.) INC.	105,609,000.00
18 . EASTWEST INSURANCE BROKERAGE, INC.	98,777,005.60
19 . GUEVENT INSURANCE BROKERS CORP.	87,910,019.00
20 . INTERNATIONAL MARKETING GROUP (IMG) INS. BROKERS CORP.	83,606,928.96

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SUMMATION

	THEN	NOW	'28 & Beyond
Capitalization	<ul style="list-style-type: none"> Authorized Capital of P800K Paid-up Capital of P50<u>K</u> 	<ul style="list-style-type: none"> Authorized Capital of P100M Paid-up Capital of P50<u>M</u> 	<ul style="list-style-type: none"> Authorized Capital of P100M Paid-up Capital of P50<u>M</u>
Manpower	Twenty four (24) in 2014	Thirty Eight (38) as of June 2022	Eighty (80) by 2028
Business Ratio	<ul style="list-style-type: none"> 100% Internal 	<ul style="list-style-type: none"> 98% Internal 2% External 	<ul style="list-style-type: none"> 50% Internal 50% External
IC Ranking <i>(without Bank Affiliate based on Commissions)</i>	12TH in 2015	13TH in 2020	10TH by 2028
Earnings per Employee	P964K per Employee in 2014 with 20 Manpower	P1.17M per Employee in 2021 with 40 Manpower	P3.2M per Employee by 2028 with 80 Manpower