GUEVENT INSURANCE BROKER CORP. (GIBCO)

ANNUAL REPORT • CALENDAR YEAR 2025

2025 was a year of significant transition for GIBCO. While changes in our internal business environment, reduced loan releases, lower insurance penetration, slower external sales conversion, and shifts in product mix presented challenges, the Company remained financially stable and strengthened its institutional foundation. We continued to invest in governance, technology, people, operational discipline, and new business initiatives.

2025 PERFORMANCE SNAPSHOT

NIAT	External NIAT	Collection Efficiency	Claims	Claims Value
P8M **60% of target**	**P881K** **81% increase vs. 2024**	**79%** **Overall**	**1,066** **Valid claims assisted & settled**	**P58M+** **Settled in 2025**

FINANCIAL PERFORMANCE

Core operating performance remained resilient. Operating Income Before Contingent Profit Commission (CPC) increased 10% versus 2024, even as reported Net Income Before Tax (NIBT) declined. Management also corrected the recognition of CPC by removing a prior deferment practice, resulting in a lower but more accurate and consistent 2025 recognition basis.

Measure	2025	2024	Change
NIAT	P8M	P15M	(46%)
Assets	P240M	P261M	(8%)
Liabilities	P102M	P117M	(13%)
Stockholders' Equity	P138M	P144M	(4%)
Unappropriated Retained Earnings	P49M	P50M	(2%)
Appropriated Retained Earnings	P38M	P44M	(14%)

Cash ending balance as of December 31, 2025 was P28.8M. The Company generated P4.6M in OPEX savings, with actual operating expenses of P37.2M against a P41.8M budget. GIBCO also maintained a positive equity position, effective collections, disciplined cost management, and continued insurer-partner support.

OPERATIONAL HIGHLIGHTS

AREA	2025 HIGHLIGHT
Recognition	Recognized as PACIFIC CROSS' Top Broker of the Year; achieved 2nd Top Notch spot in the 338th BNL Course under IIAP.
Innovation	Launched programs exclusively for RFC and microinsurance initiatives for open-market clients.
Client & Partner Governance	Executed MOAs, contracts, and SLAs to strengthen alignment, transparency, and accountability.
Risk & Controls	Established Risk and Audit Manuals as part of continuing internal-control and governance improvements.
Claims Service	Assisted and settled 1,066 valid accounts with a total value exceeding P58M.

KEY CHALLENGES

The year was affected by reduced RFC loan releases, limited insurance conversion within the loan universe, slower external sales conversion, a shift toward lower-premium microloans, changes among other affiliated companies, lower premium rates and extended terms, and manpower turnover. These factors constrained business volume and required tighter liquidity and operating management.

OUTLOOK: 2026 AND BEYOND

GIBCO's strategic direction is to review, retool, recalibrate, and build a more diversified and sustainable business portfolio. Priorities include accelerating external business development, strengthening relationships with clients and partners, expanding products and placements, and improving business optimization.

DIGITAL	BUSINESS	PEOPLE	PORTFOLIO
Digital transformation Analytics • E-Shop • Social Media	Optimization • Business Development Partnerships • Products • Placements	Development • Training Growth • Succession	Clients • Partners • Stakeholders Internal & External Growth

Our long-term ambition remains to become a leading insurance intermediary without a bank affiliate, while progressively increasing the contribution of external business. The longer-term targets presented in the source report remain under study for recalibration and are subject to Board approval.

"Despite all the changes and challenges in 2025, we emerged stronger institutionally. We continue to stay true to our mission to empower our community by alleviating financial risks through innovative and tailored insurance solutions."

Gianina So-Limjoco • President & CEO

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