ANNUAL REPORT 2024

CARD PIONEER MICROINSURANCE INC

Pioneer House Makati

108 Paseo De Roxas, Makati City

www.pioneer.com.ph

CORPORATE PROFILE

In 2013, Pioneer Group joined hands with CARD Mutually Reinforcing Institutions (CARD MRI) to establish the country's first microinsurance company specifically created to address the calamity, agriculture and income loss insurance needs of the marginalized market.

On September 10, 2013, the Securities and Exchange Commission approved the amendment of its Pioneer Asia Insurance Corporation's name to CARD Pioneer Microinsurance Inc.

Since its establishment, CPMI has been at the forefront of offering need-based, affordable and relevant microinsurance products to help underserved Filipinos recover from life's unexpected challenges through a range of products offering coverages such as burial, personal accident, protection from fire, typhoon and earthquake.

Board of Directors

Ms. Jocelyn Dequito, Chairperson
Mr. Lorenzo O. Chan, Jr., Member
Mr. Vener S. Abellara, Member
Atty. Jomer H. Aquino, Independent Director
Mr. Vitaliano N. Nanagas II, Independent Director
Atty. Maria Olivia C. Valera

OUR CORE VALUES

Integrity

We know who we are and take pride in our mission. We live out our values. We strongly believe in this dual standard: **To be strict with others but strictest with one's self, especially when no one is looking.**

Excellence

We go above and beyond mere compliance. We believe in doing the right things the right way. **We continuously better our best**. We believe that mediocrity is a form of dishonesty; it is not being true to who we are.

Malasakit

Tunay ang pagpapahalaga natin sa ating gawain, tungkulin, at layunin. Kaya't itinuturing nating itong parang atin at ipinapanalo ang pagbangon at pag-unlad.

We genuinely value our work and duty. That's why we take ownership of it and work hand-in-hand in championing the progress of all stakeholders.

OUR PRODUCTS

SAGIP PLAN
Ang Pamilyang segurado, Protektado

CARD Care

KabukludPlan

NegoSure
NEGOSYO INSURANCE

ProteKITA
Kita Protektado, Negosyo Sigurado

BiNHI
Crop Insurance

Dakila

MediCash
Dengue Insurance

MediCash
Leptospirosis Insurance

“Our goal is to provide an insurance product that is easily accessible and affordable to those who need it most.”

FINANCIAL STATEMENTS

CARD PIONEER MICROINSURANCE INC.
STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Cash and cash equivalents (Notes 4 and 26)	**₱333,881,060**	₱709,716,682
Short-term investments (Note 4 and 26)	**166,587,966**	–
Insurance receivables - net (Notes 5 and 26)	**66,281,411**	76,115,752
Financial assets (Notes 6 and 26)		
Financial assets at fair value through profit or loss (FVTPL)	**128,638,950**	128,618,170
Investment securities at amortized cost	**3,295,108,889**	2,498,318,037
Interest receivable (Notes 7 and 26)	**40,006,457**	26,446,743
Deferred acquisition costs (Note 8)	**49,740,382**	31,810,841
Reinsurance assets (Notes 9, 13 and 26)	**252,589,319**	183,356,603
Investment property - net (Note 10)	**10**	10
Property and equipment - net (Note 11)	**5,813,647**	7,690,501
Right-of-use assets (Note 24)	**6,697,700**	7,276,403
Net pension asset (Note 14)	–	2,847,501
Deferred tax assets - net (Note 22)	**20,646,157**	13,500,817
Other assets (Note 12)	**23,438,144**	17,103,799
TOTAL ASSETS	**₱4,389,430,092**	₱3,702,801,859
LIABILITIES AND EQUITY		
Liabilities		
Insurance contract liabilities (Notes 13 and 26)	**₱1,165,909,106**	₱806,785,961
Insurance payables (Notes 15 and 26)	**264,895,779**	154,799,444
Accounts payable and accrued expenses (Notes 16 and 26)	**202,903,785**	198,367,625
Deferred reinsurance commissions (Note 8)	**10,771,047**	7,618,663
Net pension liability (Note 14)	**1,122,101**	–
Income tax payable	**35,302,639**	49,222,462
Lease liabilities (Note 24)	**6,974,766**	7,472,504
Total Liabilities	**1,687,879,223**	1,224,266,659
Equity		
Capital stock (Notes 17 and 25)	**625,000,000**	625,000,000
Contributed surplus	**89,019,631**	89,019,631
Retained earnings	**1,990,507,153**	1,766,124,392
Net remeasurement loss on defined benefit obligation (Note 14)	**(2,975,915)**	(1,608,823)
Total Equity	**2,701,550,869**	2,478,535,200
TOTAL LIABILITIES AND EQUITY	**₱4,389,430,092**	₱3,702,801,859

See accompanying Notes to Financial Statements.

CARD PIONEER MICROINSURANCE INC.
STATEMENTS OF INCOME

	Years Ended December 31	
	2024	**2023**
REVENUES		
Gross earned premiums on insurance contracts (Note 18)	**₱1,825,809,292**	₱1,351,348,560
Reinsurers' share of gross earned premiums on insurance contracts (Note 18)	**(404,676,655)**	(206,203,489)
Net earned premiums	**1,421,132,637**	1,145,145,071
Investment income - net (Note 19)	**194,612,798**	155,503,182
Commission income (Note 8)	**31,814,084**	11,748,058
Foreign currency exchange gains - net	**9,927,198**	–
Total Revenues	**1,657,486,717**	1,312,396,311
BENEFITS, CLAIMS AND EXPENSES		
Gross insurance contract benefits and claims paid (Notes 13 and 20)	**663,825,324**	371,570,268
Reinsurers' share of gross insurance contract benefits and claims paid (Notes 13 and 20)	**(66,117,650)**	(14,041,021)
Gross change in insurance contract liabilities (Notes 13 and 20)	**76,150,396**	33,404,176
Reinsurers' share of gross change in insurance contract liabilities (Notes 13 and 20)	**(28,502,051)**	(9,681,957)
Net insurance benefits and claims (Notes 13 and 20)	**645,356,019**	381,251,466
General expenses (Note 21)	**506,898,136**	386,308,824
Commission expense (Note 8)	**101,664,266**	78,302,696
Foreign currency exchange losses - net	**–**	1,535,419
Total Benefits Claims and Expenses	**1,253,918,421**	847,398,405
INCOME BEFORE INCOME TAX	**403,568,296**	464,997,906
PROVISION FOR INCOME TAX (Note 22)	**90,285,535**	109,542,663
NET INCOME	**₱313,282,761**	₱355,455,243

See accompanying Notes to Financial Statements.

CARD PIONEER MICROINSURANCE INC.
STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2024	2023
NET INCOME	**₱313,282,761**	₱355,455,243
OTHER COMPREHENSIVE INCOME (LOSS)		
Items that will not be recycled to profit or loss		
Remeasurement loss on defined benefit obligation (Note 14)	**(1,822,789)**	(4,391,220)
Income tax effect (Note 22)	**455,697**	1,097,805
	(1,367,092)	(3,293,415)
TOTAL COMPREHENSIVE INCOME	**₱311,915,669**	₱352,161,828

See accompanying Notes to Financial Statements.

CARD PIONEER MICROINSURANCE INC.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	Capital Stock (Notes 17 and 25)	Contributed Surplus	Net Remeasurement Loss on Defined Benefit Obligation (Note 14)	Retained Earnings	Total
As at January 1, 2024	**₱625,000,000**	**₱89,019,631**	**(₱1,608,823)**	**₱1,766,124,392**	**₱2,478,535,200**
Net income	**–**	**–**	**–**	**313,282,761**	**313,282,761**
Other comprehensive loss	**–**	**–**	**(1,367,092)**	**–**	**(1,367,092)**
Cash dividends	**–**	**–**	**–**	**(88,900,000)**	**(88,900,000)**
Total comprehensive income	**–**	**–**	**(1,367,092)**	**224,382,761**	**223,015,669**
As at December 31, 2024	**₱625,000,000**	**₱89,019,631**	**(₱2,975,915)**	**₱1,990,507,153**	**₱2,701,550,869**
As at January 1, 2023	₱625,000,000	₱89,019,631	₱1,684,592	₱1,543,450,399	₱2,259,154,622
Net income	–	–	–	355,455,243	355,455,243
Other comprehensive loss	–	–	(3,293,415)	–	(3,293,415)
Cash dividends	–	–	–	(132,781,250)	(132,781,250)
Total comprehensive income	–	–	(3,293,415)	222,673,993	219,380,578
As at December 31, 2023	₱625,000,000	₱89,019,631	(₱1,608,823)	₱1,766,124,392	₱2,478,535,200

See accompanying Notes to Financial Statements.

CARD PIONEER MICROINSURANCE INC.
STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱403,568,296**	₱464,997,906
Adjustments for:		
Interest income (Note 19)	**(194,560,018)**	(153,830,732)
Dividend income (Note 19)	**(32,000)**	–
Fair value loss on financial assets through FVTPL (Note 19)	**(20,780)**	(1,672,450)
Contributions to the pension fund (Note 14)	**–**	(56,000)
Depreciation and amortization (Notes 11, 21 and 24)	**7,145,426**	4,210,168
Unrealized foreign exchange loss (gain)	**(9,927,198)**	1,535,419
Retirement benefit expense (Note 14)	**2,146,813**	867,886
Interest expense on lease liability (Note 24)	**425,700**	244,089
Actuarial loss on service award liability	**93,314**	48,592
Operating income before changes in working capital	**208,839,553**	316,344,878
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Insurance receivables	**9,834,341**	(4,023,222)
Deferred acquisition costs	**(17,929,541)**	(9,502,302)
Reinsurance assets	**(69,232,716)**	(85,689,632)
Other assets	**(6,334,345)**	(336,824)
Increase in:		
Insurance contract liabilities	**359,123,145**	214,348,953
Insurance payables	**110,096,335**	114,141,894
Accounts payable and accrued expenses	**4,442,846**	30,512,522
Deferred reinsurance commissions	**3,152,384**	7,612,759
Net cash generated from operations	**601,992,002**	583,409,026
Income tax paid	**(110,895,001)**	(116,508,671)
Net cash provided by operating activities	**491,097,001**	466,900,355
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	**185,426,649**	154,372,790
Dividends received	**32,000**	–
Acquisitions of:		
Short-term investments (Note 4)	**(166,587,966)**	–
Investment securities at amortized cost (Note 6)	**(996,217,197)**	(421,548,398)
Financial assets through FVTPL (Note 6)	**–**	(70,000,000)
Property and equipment (Note 11)	**(379,579)**	(8,596,245)
Proceeds from maturities of:Investment securities at amortized cost (Note 6)	**195,000,000**	35,000,000
Net cash used in investing activities	**(782,726,093)**	(310,771,853)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Cash dividends	**(88,900,000)**	(132,781,250)
Principal and interest on lease liabilities (Note 24)	**(5,233,728)**	(2,805,561)
Cash used in financing activities	**(94,133,728)**	(135,586,811)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	**9,927,198**	(1,535,419)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(375,835,622)**	19,006,272
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**709,716,682**	690,710,410
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	**₱333,881,060**	₱709,716,682

See accompanying Notes to Financial Statements.

INDEPENDENT AUDITOR'S REPORT

https://pioneer.com.ph/sites/default/files/2024_FS_CPMI.pdf