

ANNUAL REPORT 2025

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

Ms. Luz F. Lalap

Atty. Jomer H. Aquino, 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



BiNHI
Crop Insurance

Dakila

Medi+ash
Dengue Insurance

Medi+ash
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	
	2025	2024
ASSETS		
Cash and cash equivalents (Notes 4 and 26)	P671,328,255	P333,881,590
Short-term investments (Note 4 and 26)	-	166,587,966
Insurance receivables - net (Notes 5 and 26)	83,888,170	86,281,411
Financial assets (Notes 6 and 26)		
Financial assets at fair value through profit or loss (FVTPL)	208,227,696	128,638,950
Investment securities at amortized cost	3,579,384,912	3,295,108,889
Interest receivable (Notes 7 and 26)	43,138,495	40,006,457
Deferred acquisition costs (Note 8)	54,138,722	49,740,382
Reinsurance assets (Notes 9, 13 and 26)	255,526,563	232,589,319
Investment property - net (Note 10)	10	10
Property and equipment - net (Note 11)	3,964,596	3,813,647
Right-of-use assets (Note 24)	5,793,168	6,697,700
Net pension asset (Note 14)	10,828,156	-
Deferred tax assets - net (Note 22)	25,688,645	30,646,157
Other assets (Note 12)	24,488,592	23,438,184
TOTAL ASSETS	P4,766,621,780	P4,389,430,092
LIABILITIES AND EQUITY		
Liabilities		
Insurance contract liabilities (Notes 13 and 26)	P1,278,641,304	P1,165,909,106
Insurance payables (Notes 15 and 26)	227,287,966	264,895,779
Accounts payable and accrued expenses (Notes 16 and 26)	209,625,256	302,903,785
Deferred reinsurance commissions (Note 9)	11,374,625	10,771,047
Net pension liability (Note 14)	-	1,122,101
Income tax payable	67,258,779	35,302,839
Lease liabilities (Note 24)	6,895,369	6,974,288
Total Liabilities	1,800,236,519	1,687,879,221
Equity		
Capital stock (Notes 17 and 25)	625,608,000	625,000,000
Contributed surplus	-	88,019,431
Retained earnings	2,337,585,568	1,896,507,153
Net reinsurance gain (loss) on defined benefit obligation (Note 14)	3,808,693	(2,872,915)
Total Equity	2,966,185,461	2,701,550,871
TOTAL LIABILITIES AND EQUITY	P4,766,621,780	P4,389,430,092

See accompanying Notes to Financial Statements.

	Year Ended December 31	
	2025	2024
REVENUES		
Gross earned premiums on insurance contracts (Note 18)	P2,223,909,267	P1,825,809,292
Reinsurers' share of gross earned premiums on insurance contracts (Note 18)	(519,015,199)	(404,676,655)
Net earned premiums	1,704,894,077	1,421,132,637
Investment income - net (Note 19)	229,218,962	194,612,798
Commission income (Note 8)	42,453,039	31,814,084
Foreign currency exchange gains - net	1,893,182	9,927,198
Total Revenues	1,978,459,251	1,657,486,717
BENEFITS, CLAIMS AND EXPENSES		
Gross insurance contract benefits and claims paid (Notes 13 and 20)	827,777,045	663,825,324
Reinsurers' share of gross insurance contract benefits and claims paid (Notes 13 and 20)	(183,555,584)	(66,117,650)
Gross change in insurance contract liabilities (Notes 13 and 20)	52,136,776	76,150,396
Reinsurers' share of gross change in insurance contract liabilities (Notes 13 and 20)	13,436,836	(28,502,051)
Net insurance benefits and claims (Notes 13 and 20)	709,795,073	645,356,019
General expenses (Note 21)	585,060,620	506,898,136
Commission expense (Note 8)	129,831,210	101,664,266
Total Benefits Claims and Expenses	1,424,686,903	1,253,918,421
INCOME BEFORE INCOME TAX	553,772,348	403,568,296
PROVISION FOR INCOME TAX (Note 22)	128,569,133	90,285,535
NET INCOME	P425,203,215	P313,282,761

See accompanying Notes to Financial Statements.



CARD PIONEER MICROINSURANCE INC.
STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2025	2024
NET INCOME	₱425,203,215	₱313,282,761
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Items that will not be recycled to profit or loss</i>		
Remeasurement gain (loss) on defined benefit obligation (Note 14)	9,034,682	(1,822,789)
Income tax effect (Note 22)	(2,258,674)	455,697
	6,776,008	(1,367,092)
TOTAL COMPREHENSIVE INCOME	₱431,979,223	₱311,915,669

See accompanying Notes to Financial Statements.

CARD PIONEER MICROINSURANCE INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	Capital Stock (Items 17 and 21)	Contributed Surplus (Note 27)	Net Remeasurement Gain (Loss) on Deferred Benefit Obligation (Item 14)	Retained Earnings	Total
As at January 1, 2025	¥625,890,000	¥89,019,611	(¥1,975,915)	¥1,990,507,353	¥2,709,546,889
Net income	-	-	-	425,203,215	425,203,215
Other comprehensive income	-	-	6,776,008	-	6,776,008
Cash dividends	-	-	-	(78,125,000)	(78,125,000)
Withdrawal	-	(89,019,611)	-	-	(89,019,611)
Total comprehensive income	-	(89,019,611)	6,776,008	347,078,215	264,834,612
As at December 31, 2025	¥625,890,000	¥-	¥3,890,003	¥2,337,585,568	¥2,966,765,611
As at January 1, 2024	¥625,000,000	¥89,019,611	(¥1,908,833)	¥1,786,124,392	¥2,478,235,269
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	¥89,019,611	(¥3,275,925)	¥2,010,507,153	¥2,700,236,839

See accompanying Notes to Financial Statements.



CARD PIONEER MICROINSURANCE INC.
STATEMENTS OF CASH FLOWS

	Year Ended December 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	P653,772,348	P403,568,296
Adjustments for:		
Interest income (Note 19)	(229,630,216)	(194,560,018)
Dividend income (Note 19)	-	(32,000)
Fair value loss (gain) on financial assets through FVTPL (Note 19)	411,254	(20,780)
Contributions to the pension fund (Note 14)	(6,506,604)	-
Depreciation and amortization (Notes 11, 21 and 24)	8,716,610	7,145,426
Unrealized foreign exchange gain	(1,893,182)	(9,927,198)
Retirement benefit expense (Note 14)	3,999,029	2,146,813
Interest expense on lease liability (Note 24)	424,676	425,700
Actuarial loss (gain) on service award liability	(71,257)	93,314
Operating income before changes in working capital	328,872,658	208,839,553
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Insurance receivables	(17,598,759)	9,834,341
Deferred acquisition costs	(4,598,340)	(17,929,541)
Reinsurance assets	(3,331,244)	(69,232,716)
Other assets	(1,051,448)	(6,334,345)
Increase (decrease) in:		
Insurance contract liabilities	112,732,197	359,123,145
Insurance payables	(37,597,813)	110,096,335
Accounts payable and accrued expenses	6,792,759	4,442,846
Deferred reinsurance commissions	605,568	3,152,384
Net cash generated from operations	384,775,478	601,992,002
Income tax paid	(103,886,156)	(110,895,001)
Net cash provided by operating activities	280,889,322	491,097,001
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	235,502,903	185,426,640
Dividends received	-	32,000
Acquisitions of:		
Short-term investments (Note 4)	-	(166,587,066)
Investment securities at amortized cost (Note 6)	(695,044,748)	(996,217,197)
Financial assets through FVTPL (Note 6)	(100,000,000)	-
Property and equipment (Note 11)	(334,052)	(379,579)
Proceeds from maturities of investment securities at amortized cost (Note 6)		
Short-term investments (Note 4)	166,587,960	-
Investment securities at amortized cost (Note 6)	605,000,000	195,000,000
Financial assets through FVTPL (Note 6)	20,000,000	-
Net cash used in investing activities	228,712,069	(782,726,093)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Cash dividends	(78,125,000)	(88,900,000)
Contributed surplus (Note 17)	(89,019,631)	-
Principal and interest on lease liabilities (Note 24)	(6,902,748)	(5,233,728)
Cash used in financing activities	(174,047,379)	(94,133,728)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	1,893,182	9,927,198
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	337,448,196	(375,835,622)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	333,881,060	709,716,682
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	P671,329,256	P333,881,060

See accompanying Notes to Financial Statements.



INDEPENDENT AUDITOR'S REPORT



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INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
CARD Pioneer Microinsurance Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CARD Pioneer Microinsurance Inc., (the Company), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of income, statements of comprehensive income, statements of changes in equity, and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (the Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to the audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



- 2 -

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





- 3 -

Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations No. 15-2010 in Note 28 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of CARD Pioneer Microinsurance Inc. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Bernadette L. Ramos
Bernadette L. Ramos

Partner

CPA Certificate No. 0091095

Tax Identification No. 178-486-666

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 91096-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-081-2024, January 26, 2024, valid until January 25, 2027

PTR No. 10765113, January 2, 2026, Makati City

April 14, 2026

