

**MINUTES OF THE  
ANNUAL MEETING OF STOCKHOLDERS  
OF  
PHINMA INSURANCE BROKERS, INC,  
(FORMERLY: T-O INSURANCE BROKERS, INC.)**  
*Held on 28 March 2025 at 10:00 a.m.  
Via Zoom Videoconferencing*

**I. CALL TO ORDER**

Mr. Roberto M. Laviña, the Chairman of the Board of Directors of PHINMA Insurance Brokers, Inc. (the “Company”), called the meeting to order and presided over the same. Atty. Troy A. Luna, the Corporate Secretary, recorded the minutes of the meeting.

**II. NOTICE AND QUORUM**

Upon query of the Chairman, the Corporate Secretary certified that notices with the agenda of the meeting were sent to all stockholders of record. He further certified that there being present or duly represented at the meeting, stockholders owning **99.9%** of the total issued and outstanding capital stock of the Company, there was a quorum for the purposes of the meeting.

**III. APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

With legal notices sent and a quorum being present, the Chairman proceeded with the reading and approval of the Minutes of the Annual Meeting of Stockholders held on 5 April 2024. The Corporate Secretary confirmed that the Minutes were sent to the stockholders attending the meeting.

Upon motion duly made and seconded, the following resolution was approved and adopted by the stockholders:

**“RESOLVED**, that the reading of the Minutes of the Annual Meeting of Stockholders held on 5 April 2024 be as it is hereby dispensed with, and said Minutes are hereby approved.”

**IV. APPROVAL OF ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**

**Annual Report of Management**

Ms. Maria Karen H. Pacis, the President, reported that the Company generated Php 380 million in premium income, which is fifty-eight percent (58%) higher than the budget and forty-four percent (44%) higher compared to 2023. According to Ms. Pacis, this is attributed to

renewals and new business from both Group and Non-group accounts. The renewal of the 8990's mortgage redemption insurance program increased by Php 94 million, on account of unfavorable losses in the last four (4) years. The combined expansion projects from the PHINMA business units generated Php 83 million in new business. The Php 380 million in premium is comprised of seventy-eight percent (78%) renewals and twenty-two percent (22%) of new business. In terms of segment, forty-seven percent (47%) came from Group-related accounts. In response to the Chairman, Ms. Pacis said that non-renewals that were lost amount to Php 3 million. In terms of claims, 6,025 claims were facilitated in 2024 amounting to Php 152 million, Php 127 million of which were settled. There are 100 pending claims due to delayed submission of requirements prior to evaluation and settlement. Meanwhile, nineteen (19) claims were not recoverable under the respective policy provisions, majority of these are out of network availments on medical claims.

According to Ms. Pacis, the most frequent claims are medical, motor, and accident. The top diseases that compose medical claims are diabetes, cardiovascular related diseases, viral infections, animal bites, respiratory illness, and kidney disease. Against the national data, the nature of claims in the Company are within the top six (6) chronic diseases in the Philippines. Ms. Pacis emphasized that it is crucial to assess the nature of claims to ensure that the diseases are covered by medical insurance programs. As an example, Ms. Pacis said that the Company negotiated for animal bites to be covered by its programs due to numerous incidents of bites over the years. There was a discussion on the difference of animal bites coverage and pet insurance. Ms. Pacis thereafter said that motor claims are own damage and third party related. Meanwhile, accidents are construction and work-related injuries.

In 2024, the value-added services focused on insurance education and proactive risk mitigation. Fifteen (15) properties were inspected in 2024 and produced savings of Php 750,000. The primary purpose of insurance surveys is to assess and understand the risk associated with the property, determine whether the appropriate insurance coverage is in place, and identify potential risk mitigation. In response to the Chairman, Ms. Pacis said that these are for the benefit of the owner of the property to properly manage the risks. Ms. Pacis added that if there are gaps identified and there is an available insurance mitigating policy that can cover for that, the Company recommends, which could potentially increase premium income.

### Audited Financial Statements

Ms. Sheila Mozenda M. Barce, the Controller, provided a report on the Audited Financial Statements for year ended 31 December 2024. There was a thirteen (13%) year on year increase in revenues from Php 58 million to Php 65 million, and also exceeding the budget for the year. The growth was driven by higher premium rates on the renewal of the Company's 8990 MRI account, new construction-related projects for PHINMA Education, and 8990 Cubao project. Ms. Barce noted that these projects were not included in the budget as there was insufficient

information at the time that the budget was prepared. On the other hand, expenses in 2024 totaled to Php 32 million due to increase in personal cost. Against budget, Ms. Barce reported that actual expense is lower because there were IT projects under miscellaneous expense amounting to Php 2.7 million that were deferred to 2025. The company ended the year with a Php 26 million net income, which translates to a fifty-four percent (54%) return on equity and 11.15 earnings per share.

On the statements of financial position, the Total Assets stood at Php 132 million, majority of which are in cash and cash equivalents. Ms. Barce specified that there is Php 42 million cash in banks and the balance is invested in time deposits with interest rates of 5.6% to 6.1%. The Total Liabilities amount to Php 83 million, composed of trade payables including premiums due to insurance companies, taxes payable, and accrued expenses. The Total Equity is Php 49 million. The Financial Ratios were thereafter presented as follows:

	2024	2023
Current Ratio	1.68	1.64
Book Value per Share	21.23	20.46

Meanwhile, for Cash Flows, there was an increase in the ending cash balance against 2023 from higher cash generated from operations equivalent to Php 28 million. The Company also received proceeds of Php 27 million from the redemption of UITF, which were subsequently invested in time deposit. This was offset by the cash dividend paid to PHINMA Inc., resulting in the Company's year-end cash balance of Php 102 million.

In response to the Chairman, the representative from PWC Philippines Isla Lipana & Co. noted that there were no audit issues covering the 2024 Financial Statements of the Company. Mr. Ernest K. Cuyegkeng, the Chairman of the Audit Committee, said that the financial report was discussed during the Audit Committee Meeting and was found to be in order. The Audited Financial Statement as of 31 December 2024 was recommended to the shareholders for approval.

Upon motion duly made and seconded, the following resolution was approved and adopted:

**“RESOLVED**, that the Annual Report and the Audited Financial Statements of the Corporation for the year ended 31 December 2024, be as they are hereby approved.”

## **V. RATIFICATION OF ACTS OF THE BOARD AND MANAGEMENT**

Upon motion duly made and seconded, the following resolution was approved and adopted by the stockholders:

**“RESOLVED**, that all acts, contracts, proceedings, elections and appointments made or taken by the Board of Directors, the Committees of the Board, and/or officers and management of the Corporation during the past year and up to today’s meeting, as set forth in the Minutes of the Meetings of the Board of Directors, Committees, and/or all acts and proceedings performed or taken pursuant thereto, be as they are hereby approved, ratified and confirmed.”

**VI. AMENDMENT OF ARTICLES OF INCORPORATION AND BY-LAWS**

The Chairman thereafter stated that at the Board Meeting held earlier, the Board of Directors approved and issued a resolution to amend the Articles of Incorporation to increase the number of Directors from eight (8) to ten (10) Directors, and to amend the By-laws to simply state that the number of Directors of the Corporation shall be those stated in the Articles of Incorporation.

Upon motion duly made and seconded, the following resolutions were approved and adopted by all the stockholders present at the meeting constituting more than two-thirds (2/3) of the total issued and outstanding capital stock of the Company:

**“RESOLVED**, that the resolutions and recommendation of the Board of Directors to amend the Articles of Incorporation to increase the number of directors from eight (8) to ten (10) directors and to amend the By-laws to state that the number of directors of the Corporation shall be that stated in the Articles of Incorporation be, as they are hereby, approved, confirmed, and ratified.”

**VII. ELECTION OF DIRECTORS**

The Chairman then proceeded to the election of directors for the ensuing year. The Corporate Secretary said that there were eight (8) nominees for election as members of the current eight-man Board of Directors of the Corporation, as follows:

1. Mr. Roberto M. Laviña
2. Ms. Maria Karen H. Pacis
3. Mr. Jose Mari R. del Rosario
4. Mr. Eduardo A. Sahagun
5. Ms. Daisy C. Montinola
6. Mr. Michael C. Hilado
7. Mr. Ernest K. Cuyegkeng (*Independent Director*)
8. Mr. Gaudencio S. Hernandez, Jr. (*Independent Director*)

The Corporate Secretary added that in accordance with the Revised Corporation Code and the resolutions adopted by both the Board of Directors and Stockholders to increase the number of directors from eight (8) to ten (10) directors, the following was nominated for election as the

ninth (9<sup>th</sup>) director, subject to approval by the Securities and Exchange Commission (SEC) of the corresponding amendment of the Articles and By-laws:

9. Mr. Edmund Alan Qua Hiansen

Considering that there were only nine (9) nominees to fill the eight (8) current seats in the Board and one (1) of the additional seats, the Corporate Secretary was directed to cast all votes in favor of all nine (9) nominees, with the election of the ninth (9<sup>th</sup>) director being effective upon approval of the increase in directors and amendment of the Articles and By-laws by the SEC. The Chairman thus declared the eight (8) nominees as duly elected members of the Company's Board of Directors. Mr. Edmund Alan Qua Hiansen was also declared to have been elected effective upon approval by the SEC of the amendment of the Articles and By-laws increasing the number of directors of the Company to ten (10) directors.

**VIII. APPOINTMENT OF EXTERNAL AUDITOR**

Upon motion duly made and seconded, the following resolution was approved and adopted:

**"RESOLVED**, that the accounting firm PWC Philippines Isla Lipana & Co. be appointed, as it is hereby appointed, as the external auditor of the Corporation for the year 2025 and until its successor is duly appointed."

**IX. ADJOURNMENT**

There being no other business to discuss, the Chairman declared the meeting adjourned.

**TROY A. LUNA**  
*Corporate Secretary*

ATTEST:

**ROBERTO M. LAVIÑA**  
*Chairman*