

# COVER SHEET

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S.E.C Registration Number

H O M E C R E D I T M U T U A L B U I L D I N G  
A N D L O A N A S S O C I A T I O N I N C

(Company's Full Name)

L E V E L 2 6 T O W E R I I N S U L A R L I F E  
C O R P O R A T E C E N T R E I N S U L A R L I F E  
D R I V E F I L I N V E S T C O R P C I T Y  
A L A B A N G M U N T I N L U P A C I T Y

(Business Address: No. Street City / Town / Province)

JULIE RACQUEL C. MALICDEM

Contact Person

8771 - 1197; 8771-1190 - 95

Company Telephone Number

Period ending

1 2 3 1  
Month Day

2024

1 7 A  
7 FORM TYPE

0 4 3 0  
Month Day  
2 0 2 5

Submitted:

Secondary license Type, if Applicable

C G F D

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

STAMPS

LCU

Cashier

Attached:  
SEC Form 17A for 2024

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17  
OF THE SECURITIES REGULATION CODE AND SECTION 141  
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended: **December 31, 2024**
2. SEC Identification Number: **PW-00000661**      3. BIR Tax Identification No.: **000-781-325-000**
4. Exact name of issuer as specified in its charter: **HOME CREDIT MUTUAL BUILDING AND LOAN ASSOCIATION, INC.**
5. Manila, Philippines.....6.  (SEC Use Only)  
Province, Country or other jurisdiction of      Industry Classification Code:  
incorporation or organization
7. **Level 26, Tower I, Insular Life Corporate Centre, Insular Life Drive, Filinvest Corporate City, Alabang, Muntinlupa City, M.M.**      **1781**  
Address of principal office      Postal Code
8. **(+632) 8771-1190 to 95**  
Issuer's telephone number, including area code
9. NOT APPLICABLE  
Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
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The Association does not issue or offer securities for sale or distribution within the Philippines that require registration pursuant to Sections 8 and 12 of the Securities Regulation Code.

11. Are any or all of these securities listed on a Stock Exchange.  
Yes [ ]      No [ X ]  
If yes, state the name of such stock exchange and the classes of securities listed therein:

12. Check whether the issuer:  
(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the Association was required to file such reports);  
Yes [ X ]      No [ ]

- (b) has been subject to such filing requirements for the past ninety (90) days.  
Yes [ X ]      No [ ]

13. State the aggregate market value of the stock held by non-affiliates of the Association. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form. (See definition of "affiliate" in "Annex B"). NOT APPLICABLE

**APPLICABLE ONLY TO ISSUERS INVOLVED IN  
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS  
DURING THE PRECEDING FIVE YEARS:**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission. NOT APPLICABLE

Yes [ ]      No [ ]

**DOCUMENTS INCORPORATED BY REFERENCE**

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

No documents were incorporated by reference

**PART I - BUSINESS AND GENERAL INFORMATION**

**Item 1. Business**

**OVERVIEW OF THE ENTITY AND ITS OPERATIONS.** Home Credit Mutual Building and Loan Association, Inc. ("The Association") was incorporated in the Philippines on April 1, 1932 originally under the name of La Salvacion Sociedad Mutua de Construccion y Prestamos. Its distinguishing characteristic as a building and loan association is the regular and periodical or installment payment of its capital stock. Its main purpose is to accumulate savings, industry, frugality and home building. Individuals can avail of a building and loan association's savings and housing program by becoming a member through subscription to a number of preferred shares of The Association. It is a wholly owned subsidiary of The Insular Life Assurance Company, Ltd until 18 Dec 2019 wherein Fountel Corporation assumed ownership of the company. Currently, it has an authorized capital stock of 2.4 Billion Pesos, divided into P800 Million of Common Stock and P1.6 Billion of Preferred Shares. Par value of its share is P200.

In 2000, Republic Act No. 8791 (the Act), otherwise known as the General Banking Law of 2000 was approved, which provides among others that the supervisory and regulatory powers over building and loan associations shall be transferred from Bangko Sentral ng Pilipinas (BSP) to Home Guaranty Corporation (HGC) within a period of three years from the Act's effectivity. Accordingly, effective February 7, 2002, the Association was placed under the jurisdiction/supervision of HGC. Several qualified mortgage contract receivables are guaranteed by HGC. On 2019, HGC merged with Philippine Guarantee Corporation (PGC), wherein PGC was the surviving entity. Thus, the Association now is being regulated by the said government agency.

On February 18, 2015, SEC approved the change in the Association's registered office address to Level 26 Tower I Insular Life Corporate Centre, Insular Life Drive, Filinvest Corporate City, Alabang, Muntinlupa City, Metro Manila.

Until December 2018, Home Credit divested itself of its small Rent-to-Own Portfolio, retaining the remainder of the business based on the signed sale purchase agreement between Insular Life to Fountel Corporation – as the new controlling entity of Home Credit. This allows better focus on its core business of home loans and individual contract savings programs.

At the special meeting of the Board of Directors held on February 1, 2024, the Board of Directors issued a resolution approving the company's change and transfer of its principal office address from Level 26, Tower 1 Insular Life Corporation Centre, Insular Life Drive, Filinvest Corp City, Alabang, Muntinlupa City, Metro Manila, Philippines to USSC Building, Number 711 Edsa, corner New York St, Cubao, Quezon City, Metro Manila, Philippines, and the corresponding amendment of the Articles of Incorporation, By-laws and other corporate and business records to reflect the same.

The transfer of principal office address was approved by the stockholders of the Corporation at a special stockholders meeting on March 14, 2024 and reported to the SEC on March 15, 2024.

**CONTRACT SAVINGS PROGRAM.** Based on an individual's paying capability (normally quoted on a monthly basis) or savings target or the amount of required down payment his dream house would entail, he would be required to subscribe to a number of preferred shares of the Association (the total amount being called Subscription Price/Saver's Plan). Payment of such subscription (called contribution) is made monthly through salary deductions, over-the-counter or automatic debit arrangement with a bank. Payment of subscription to at least one share makes him a member of the Association.

A member who fully pays the subscription price/plan and completes the program term will be entitled to receive premium on the total payments made upon redemption of the shares. Members are mainly sourced through tie-ups with corporations which allow Home Credit representatives to group their employees and discuss the benefits of membership. Other individuals with a regular source of income e.g. professionals, business owners, are also potential sources of the Association's membership base. Shares pertaining to accounts where no payment is received for six (6) consecutive months maybe recommended for forfeiture. In this case, the value of forfeited shares plus all dividends declared less any unpaid services fees and other indebtedness shall be paid to the individual. Such individual shall lose all benefits of membership to the Association.

A non-refundable service fee (a percentage of the subscription price) is charged and can be made payable over a maximum period of six months. Contributions can be withdrawn even prior to the full payment of the total desired number of shares through redemption. The withdrawable value shall be all the contributions made plus all cumulative dividends declared less of any unpaid service fee and other indebtedness.

As for the year 2019, there was an increase compared from the previous year in the service collection as the company was able to hire additional sales and marketing force to offer the membership program of the Association.

For the year 2020 there was a significant decrease in getting new membership sign-ups wherein there was a declared lockdown amid the pandemic due to the COVID-19 virus. The Association tasked itself on how to adapt to the "new normal" of introducing the service to corporate partners. The team was able to address this by conducting virtual meetings and seminars to attract members while still observing social distancing.

Quarantine restrictions were still enforced during 2021 as the surge of infections due to occurrence of new variants of the COVID-19 virus continued to infect the population. While there was a minimal increase in the number of new members, it still contributed to the 4.68% of the revenue generated for the said year. In 2022, it contributed 6.78%.

Revenue contribution for 2023 was 6.56% of total revenues with an overall increase of .2MM. Membership enrolment increased 58% as more face to face events were made available.

Membership had an increase of 24% in new members enrolled over 2023 and 13% increase in subscription/plan amount. Revenue contribution for 2024 was 8.67%.

**HOUSING OR REAL ESTATE LOANS.** Home Credit can extend a loan to its members for the purpose of purchasing a residential property and/or construction/renovation of a house upon the security or mortgage of the same real estate property. Maximum term of the loan is 25 years. Only end-user residential properties are accepted as collateral to this type of loan.

New mortgage bookings for 2023 ended at Php65.57MM. The Association continuous getting new developers to partner with in offering quality and affordable housing units.

There continues to be great demand for mortgage booking for the year 2023. Mortgage loans contributed the majority of the revenue at Php31.46MM for year 2023. This represents a 23% increase over 2022.

New mortgage bookings for 2024 were at Php26.14MM. Mortgage loans were the main contributor of revenue for the year 2024 with a roughly 4.56% increase over 2023. The demand for low-cost affordable housing, our niche market remains strong.

**STOCK LOANS/CASH LOANS.** After a required number of contributions, Home Credit can extend cash/personal loans upon the security of his and/or another member's paid-up shares. Currently, maximum amount of loans extended to members amounts to P250,000. Interest is charged and paid in advance (deducted from the gross amount of loan). Loan is payable up to 24 months. The borrower-member shall be required to sign a loan agreement and/or a surety agreement. Home Credit Relationship Managers are tasked to solicit loans from qualified members under this loan program.

For the year 2019, the Association was able to reinforce the said benefit to memberships by highlighting the offer via several marketing initiatives such as informing members via email and SMS blast.

Stock loan bookings for 2020 were slightly lower compared to 2019 (a difference of less than 5%). This was because the team was able to convert withdrawals of membership to loan bookings for the immediate need of funds during the pandemic.

For the year 2021, there was a great demand for stock loans, now classified and re-introduced as Kaya Mo Cash Loans. It generated Php6.58MM worth of revenue for the year which is equivalent to 29.08% of the total revenue of the Association.

In 2023, stock loans contributed 12.8% of total revenues for 5.1MM down from 2022 6.49MM of revenue which was 18.4% of the total revenue. While the contribution decreased this remains a valuable service and benefit to our members.

The year 2024, stock loans/cash loans were on par for 2023 with 419 loans at Php17MM.

**RENT TO OWN PROGRAM.** Previously, Home Credit had a Rent-To-Own (RTO) Program wherein members can lease Home Credit-owned residential properties by paying a reservation fee, paying a non-refundable move-in fee and paying the monthly rent. Members under this program can opt to buy the property at the end of the five-year rental period at a pre-determined price. If a member avails of the option to buy at the end of the fifth year. Home Credit has the first option to finance the sale under its Housing or Real Estate Loans Program. Borrower-members who do not avail of the option are no longer allowed to continue leasing the property. The interest income and fees collected for this product only contributes less than 10% for 2018 due to the divestment of the portfolio.

However, in 2018, Home Credit divested itself of its said Program and it does not have any existing RTO program as of date.

**WORKFORCE.** The company ended December 2024 with 33 employees, 16 of whom are considered as rank and file and 17 as management (Asst. Manager and up) spread over various departments such as Corporate and Real Estate Sales (including Cebu Branch), Client Services Department, Credit Operations, Cash Management/Collections, General Accounting/Billing, Cebu Office and Executive Office. No Collective Bargaining Agreements are in effect. There are two contractual employees.

The main risks which the Association may be involved are:

**Credit Risk.** The Association manages credit risks by setting limits such as debt-burden ratio, payment to income ratio and loan to collateral ratio for individual borrowers, and groups of borrowers and industry segments. The Association also monitors credit exposures and continually assesses the creditworthiness of its borrowers. The Association has a Credit Risk Department that develops and executes its credit policies and all other actions mentioned in the preceding paragraph. An internal Risk Assessment Criteria (RAC) is used for the purpose of measuring credit risk for every exposure in a consistent manner and as accurately as possible.

All exposures are secured by a first registered mortgage on unencumbered residential real estate properties in the Association's area of operation and/or the pledge of the members' shares, as specifically provided for in Section 49 of the General Banking Act. All qualified mortgage contract receivables are guaranteed by the Home Guaranty Corporation - now merged with Philippine Guaranty Corporation, up to the loan's outstanding principal balance and a specified interest rate per annum. Mortgage loan borrowers are covered by a Mortgage Redemption Insurance and properties used as collateral are insured under a fire insurance policy. Repayment of loans is done through regular salary deductions, submission of at least twelve (12) postdated checks or through automatic debit arrangement.

In order to avoid excessive concentration of credit, the Association's policies and procedures include specific guidelines focusing on maintaining a diversified portfolio. These policies and procedures have resulted in much lower than industry standards NPL.

**Market Risk.** Members are mostly fixed-income earners, employed in different companies that belonging to various industries. The sizes of the companies they are employed with likewise vary, from the smallest, with employees of 30, to the largest, with employees more than a thousand. They are located in different business areas in Metro Manila, Cavite, Laguna, Batangas, and Cebu. Currently, the members are coming from the biggest Business Process Outsourcing (BPO) companies. OFWs continue to be significant accounting for 44% of the real estate portfolio.

Real estate members are comprised of 49% locally employed fixed-income earners. 9% are self-employed with the remainder 42% being OFWs. All members with subscription/Saver's Plans are fixed-income earners locally employed. The sizes of the companies they are employed with likewise vary, from the smallest, with employees of 30, to the largest, with employees of more than five thousand. They are located in different business areas in Metro Manila, Cavite, Laguna, Batangas, and Cebu. BPOs continue to be a major contributor to our membership.

**Interest Rate Risk.** The Association has no financial instruments with floating interest rates. Our stock/cash loan is fixed with a maximum term of two years and are deducted in advance. Real estate mortgages are fixed on a 5-, 10-, 15-, 20-, and 25-year period.

**Liquidity Risk.** Cash inflows are primarily from repayment of our real estate mortgage portfolio. Also a large contributor are from remittances by members on subscriptions/plans by the different accredited companies after deducting contributions and loan payments from the members' salary. Such

salary deduction facility is covered by a Memorandum of Agreement or a Letter of Conformity approved and signed by the accredited companies. For selected companies, automatic debit arrangements were made with their payroll bank that will debit the members' bank balance in favor of the Association.

Payment of fully paid shares are scheduled and no more than one-third of its total receipts shall be made for such shares without the consent of the Board of Directors as provided for in Section 47 of the General Banking Act. Withdrawal or surrender of shares is allowed only when a 60-day written notice is submitted to the Association and payment shall be made in the order in which such notice have been received. The Association shall pay no more than one third of its total receipts for such withdrawals or surrenders as provided for in Section 54 of the General Banking Act. All loans and fees outstanding chargeable against shares may be deducted before making any payment to the member.

**Competition.** Home Credit is one of only three existing building and loan association in the Philippines. It is the only building and loan association with membership open to Filipino citizens who are of legal age. The other two building and loan associations are limited to employees of specific companies The Association has a larger base of potential clients compared to the other building and loan associations.

The Association's niche market are first time homeowners of low-cost, affordable homes and gainfully employed individuals who wish to save for their intended purpose, as such we have little competition such as the government's Home Development Mutual Fund and local cooperatives. We will be expanding our business' footprint in Southern Luzon as well as Bulacan as we strengthen relationships with pocket developers of low-cost affordable housing projects.

**GOVERNMENT REGULATIONS.** As mentioned above, the Association is classified as a building and loan association as per the existing General Banking Act (Republic Act No.337) and Home Guaranty Corporation Act. Regulation or supervision of building and loan associations was transferred from the Bangko Sentral ng Pilipinas (BSP) to the Home Guaranty Corporation by virtue of the General Banking Law of 2000 (Republic Act No. 8791). Home Guaranty Corporation (HGC) assumed full supervision and regulation last 2002. Chapter VI, Sections 39 to 55 of the said General Banking Act cover the specific provisions regarding the operations of building and loan associations. Based on Executive Order No.58, Series of 2018, the Philippine Guaranty Corporation (PGC) was created after the consolidation of five (5) Philippine Guaranty Programs and Agencies (PGPA, in which the HGC was included

In addition, the Association is classified as a public corporation as per the Amended IRR of the Securities Regulation Code, having an asset of more than P50 million and more than two hundred stockholders owning at least 100 shares. Specific circulars or memorandum covering public corporations apply to the Association.

The Association has a P100 Million additional guaranty line of coverage approved by the Philippine Guaranty Corporation on June 2021. It applied and received an additional P300 Million guaranty line of coverage June 20<sup>th</sup> of 2024. The Association presently has 89 REM members with outstanding balances of P173.9 Million enrolled in PGC.

## **Item 2. Properties**

There are also two (2) Investment properties obtained via Dacion en Pago that are situated in Marikina. These are being offered Assets for Sale by the Association with an average price of Php6MM per unit. These properties have the latest appraisal done last December 2023 by an appraisal firm accredited by the SEC.

The Association leases from the Universal Storefront Services Corporation its main office in USSC Building, 711 EDSA cor. New York St., Brgy. Pinagkaisahan, Cubao, Quezon City. Lease of the said unit is until August 2026 but is subject to renewal.

The Cebu Office was previously located in 2<sup>nd</sup> Flr. Insular Life Cebu Business Centre, Cebu Business Park, Cebu City until its transfer to its new office at 205 Rosedale Place, Doña Rita Village, Banilad, Cebu City, effective 02 Nov 2020. This is still the office address in Cebu as of date and is on a yearly renewal arrangement on the lease.

### Item 3. Legal Proceedings

On account of the provision in the Sale Purchase Agreement between Insular Life and Fountel Corporation which transferred all active legal proceedings to Insular Life as of the end of 2018, the Association to its knowledge had no pending or active legal actions either as plaintiff or defendant as of 2024.

### Item 4. Submission to a Vote of Security Holders

No matter was submitted during the fourth quarter of the fiscal year covered by this report to a vote by security holders, through the solicitation of proxies or otherwise.

## PART II - OPERATIONAL AND FINANCIAL INFORMATION

### Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

1. There is no public trading market where the Association's common shares are traded. All series of preferred shares are not transferable except in favor of the Association.
2. Common Shares - the Association has 17 common shareholders as of March 31, 2025: namely:

Name	Amount	No. of shares	% of Ownership
Fountel Corporation	50,976,600	254,883	99.93%
Roberto San Jose	10,891	54	0.02%
Yolanda Eleazar	10,891	54	0.02%
Augusto S. Sunico	4,854	24	0.01%
Eduardo S. Monzon	3,952	20	0.01%
Agnes C. Vargas	2,725	14	0.01%
Flora Amoranto Ylagan	2,000	10	0.00%
Jesus Alfonso G. Hofileña	200	1	0.00%
George Francisco	200	1	0.00%
Kevin R. Lynch	200	1	0.00%
Gerard Martin C. Garcia	200	1	0.00%
Maria Olivia C. Gonzales	200	1	0.00%
Emmanuel S. Santiago	200	1	0.00%
Carlos Borromeo	200	1	0.00%
Matea Uy Tiu	200	1	0.00%
Cielito A. Diokno	200	1	0.00%
Jose Xavier B. Gonzales	200	1	0.00%

<b>Total- Common Shares</b>	<b>51,013,800</b>	<b>255,069</b>	<b>100.00%</b>
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The Association has only one class of common shares.

3. Preferred Shares – The Top 20 preferred shares Class “B” equity holders as of December 31, 2024 were as follows:

<b>No</b>	<b>Name</b>	<b>Preferred B Amount</b>	<b>No. of Shares</b>	<b>% of Ownership</b>
1	Lynch, Kevin Robert	659,800.00	3,299	0.97%
2	Rosales, Josephine Eloisa Ong	539,400.00	2,697	0.80%
3	TAN, MARIE ANGELI CHIONG	511,600.00	2,558	0.76%
4	TAEZA, MARIFE GAUD	511,200.00	2,556	0.76%
5	ESQUILLO, ELSIE CHUA	511,200.00	2,556	0.76%
6	Binarao, Carter Lambating	477,200.00	2,386	0.71%
7	Bomediano, Blanche Marie Mangu	462,800.00	2,314	0.68%
8	Batitis, Nanie Allan Bernardino	387,000.00	1,935	0.57%
9	Oseno, Angelica Patacsil	365,200.00	1,826	0.54%
10	CIELO, DIANA KRISTINE HIDALGO	361,200.00	1,806	0.53%
11	Wolcott, Mary Ann Gale Salvo	330,800.00	1,654	0.49%
12	Villanueva, Gerry Agellon	329,400.00	1,647	0.49%
13	Tesoro, Ma. Rizaline Cagayat	314,600.00	1,573	0.46%
14	Dilao, Dipo Nofies	310,000.00	1,550	0.46%
15	Barcenilla, Gerard Ian Obsequi	302,400.00	1,512	0.45%
16	Vilarmente, Marygrace Dungog	294,600.00	1,473	0.44%
17	Mabaning Jr., Nasser Valenzuela	273,600.00	1,368	0.40%
18	Dela Torre, Jiezha Joy Marquis	259,200.00	1,296	0.38%
19	Lobrin, Maria Paz Christina Me	252,200.00	1,261	0.37%
20	Vullag, Patricia Marie Verde	232,600.00	1,163	0.34%

4. Dividends were declared to its common shareholders as follows:

(a) April 6, 2005 – P1 dividend per share held. There was no dividend declaration for the since 2016.

(b) For Preferred Shareholders, members who complete the payment term and fully pay the subscription price shall receive premium on payments made upon redemption of the preferred shares.

8. No Sales of Unregistered or Exempt Securities, including recent issuance of securities constituting an exempt transaction were made.

## **Item 6. Management's Discussion and Analysis or Plan of Operation.**

### **FOR THE YEAR 2024**

The Philippine economy had a full year gross national income growth of 7.6%. In addition, the Philippines GDP showed a full year growth of 5.8%. This places the Philippines only behind Vietnam for growth in 2024 in Southeast Asia. Contributing to this growth are a robust service sector, high-consumer spending supported by OFW remittances and government infrastructure projects in the Philippines. A 6% to 8% growth is projected in 2025.

With a growing middle class, the demand for low-cost housing continuous to remain high. The available inventory for low-cost affordable housing by some estimates still lags by as many as 7MM units.

The above contributed to the Association obtaining the following results for the year 2024: interest income roughly increased to 9.46%; income in service fees did decrease by Php.9MM primarily due to less overall volume in real estate loans booked compared to prior years.

The expenses for the year 2024 showed a 4% increase only because of Php2.3MM in one-time expenses associated with our relocation.

Total assets of the corporation showed marginal increase by 2% in 2024. Again, due to less volume in real estate. Loans and receivables increased by 2% as well from Php372.76MM to Php382.2MM in 2024. Loans receivables are representative of the mortgage bookings made for the year. It just showed that the appetite for mortgage borrowings are in line with the real estate forecasted, which as earlier mentioned is continuously growing. Cash equivalent remain stable.

Accounts payable to developers was reduced from Php10.33MM to Php.47MM. Preferred stock decreased by 13%, this was the reflection of the management decision in 2017 and 2018 to reduce effort and member growth as well as a hang-over on the effects of the pandemic and difficulties in growing new member. We did increase member enrolment by 24% in 2024 which we believe will reverse this decrease in the future. The contingency surplus is the reflection of the continued support of the Association's shareholder and our growth as we achieve scale and profitability, this increased Php5.7M in 2024. During 2024, the Association obtains a total loan of Php26.4MM in lines of credit solely for funding of additional real estate mortgages in the last quarter of 2024 and the first quarter of 2025.

### **FOR THE YEAR 2023**

The Philippine economy witnessed a full year growth of 5.6% better than the projected 4.7% by ADB for 2023. A 6% increase is projected for 2024. In 2023 the Philippine economy was one of the best in Asia, this is a reflection of the Build Build Build direction of the Philippines.

The real estate market in the Philippines is experiencing a surge and demand for affordable housing, this increase is due to increasing urbanization and a growing middle class.

The demand for low-cost affordable housing still remains high. The available inventory for low-cost affordable housing continues to lag behind demand with from some estimates by as many as 6MM units.

The above contributed to the Association obtaining the following results for the year 2023: there was an increase in the interest in loans and receivables of 22% from Php27.01MM in 2022 to Php32.93MM in 2023; income in service fees did decrease by 1MM primarily due to less overall volume in real estate loans booked compared to 2022; there was also a noted loss of Php.44MM in the valuation of the retirement fund due to the remeasurement loss of the instrument for the said fund.

The expenses for the year 2023 showed a marginal increase of 2% over 2022. This equates to a mere increase of .6MM.

Total assets of the corporation increased by 9% in 2023. Loans and receivables increased by 12% from Php333.93MM to Php372.76MM in 2023. Loans receivables are representative of the mortgage bookings made for the year. It just showed that the appetite for mortgage borrowings are in line with the real estate forecasted, which as earlier mentioned is continuously growing. Cash equivalent remain stable.

Accounts payable to developers has been reduced to 10.33MM from 21.43MM in 2023. Preferred stock decreased by 11%, this was the reflection of the management decision in 2017 and 2018 to reduce effort and member growth as well as a hang-over on the effects of the pandemic and difficulties in growing new member. We did increase member enrolment by 58% which we believe will reverse this decrease in the future. The contingency surplus is the reflection of the continued support of the Association's shareholder and our growth as we achieve scale and profitability. The Association did avail of Php10MM line of credit solely for funding of additional real estate mortgages in the last quarter of 2023.

#### **FOR THE YEAR 2022**

The Philippine economy had a full year growth of 7.6% up from 2021 of 5.6%. This after a slower 6.8% expansion in the fourth quarter as consumption boost from revenge spending continued and outweighed the negative impact of high inflation on consumer demand. Philippine economy is expected to grow by 6% in 2023 and this per Asian Development outlook which is ADB's flagship economic publication.

The Philippine real estate market gradually recovered in 2022 driven by stronger demand as mobility restriction was further reduced after the pandemic. Despite a slowdown in market activity is anticipated due to escalating economic challenges weighing down market recovery, this per PropertyAccess Philippines.

The demand for low cost affordable housing remains high, however the available inventory and supply of low cost affordable homes logs far behind the demand.

The above conditions and factors allow the Association to obtain the following achievements for the year 2022: there was an increase in the interest in loans and receivables of 91% from Php14.18MM in 2021 to Php27.01MM in 2022; income in service fees remained flat at 5.8%; there was also a noted gain of Php1.26MM in the valuation of the retirement fund due to the remeasurement gain of the instrument for the said fund.

The expenses for the year 2022 was maintained at the same level with 2021.

Total assets of the corporation increased by 38% in 2022. Loans and receivables increased by 40% from Php238.04MM to Php333.93MM in 2022. Loans receivable are representative of the mortgage bookings made for the year. It just showed that the appetite for mortgage borrowings are in line with the real estate forecasted, which as earlier mentioned is continuously growing. Cash equivalent remain stable.

Accounts payable to developers has been reduced to 21.43MM from 54.52MM in 2021. This amount is allotted for the construction loans that are still pending completion, thus these are still pending to be paid out to the partner developers. Preferred stock decreased by 17%, this was the reflection of the management decision in 2017 and 2018 to reduce effort and member growth as well as a hang-over on

the effects of the pandemic and difficulties in growing new member. The increase in the contingency surplus is the reflection of the support of the Association's shareholder and our growth as we achieve scale and profitability. This is and will be reflected in 2023 results.

**Continuing the business plan onwards.**

The Association continues to focus on member growth and growth in our real estate portfolio. We continue to seek additional new corporate partners and developers while maintaining strong relationships with our existing partners and developers. This is in concert with a focus on retention of existing members and superior personalized service.

We have learned from our members what the drivers are both for buying their first home but in desiring savings subscriptions.

The Association has several projects with the support of synergies under the Fountel Corporation for membership generation and system upgrades. Thru the synergies with Fountel and USSC, we are endeavoring to line up additional funding sources for Real Estate Mortgages

Conscious monitoring of expenses are and will be continued as we streamline several processes. We have simplified processes and expanded our distribution and fulfillment channels via USSC branch network and our website.

These moves and our strategy will make Home Credit not only sustainable for the future, but meaningful to the community and the market we service.

## KEY PERFORMANCE INDICATORS

### Key Performance Indicators

The table below sets forth the comparative key performance indicators of the Company:

Indicators	2024	2023	2022
Current Ratio	5.74:1	6.54:1	6.25:1
Total Debt to Equity Ratio	.22:1	.18:1	.20:1
Return on Assets (ROA)	.71%	.36%	-.75%
Return on Equity	.85%	.43%	-.98%
New Members	1,399	1,128	717
Real Estate Investments to Total Assets	.01:1	.02:1	.03:1
Total Receivables to Total Assets	.93:1	.93:1	.91:1
Asset to Equity Ratio	1.22:1	1.18:1	1.20:1
Single Corporation Receivable to Total Receivables			
Interest Rate Coverage Ratio			
DOSRI Receivables to Net Worth	.0009: 1	0.0	0.0

*Current Assets / Current Liabilities*

*Total Liabilities / Stockholders' Equity*

*Net Income / Average Total Assets (Assets beginning of the year plus Assets end of the year divide by two)*

*Net Income / Average Stockholders' Equity (Stockholders' Equity beginning of the year plus Stockholders' Equity end of the year divide by two)*

*New members who joined the association*

*Investment Properties/Total Assets*

*Total Receivables/Total Assets*

*Total Assets/Stockholder's Equity*

*Single Corporation Receivable/Total Receivables*

*Earnings Before Interest & Taxes/Interest Expense*

*DOSRI Receivable/Equity*

### Item 7. Financial Statements

Attached herewith are the Audited Financial Statements which comprise the Statements of Financial Position as at December 31, 2024 and 2023, and the Statement of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows for each of the three (3) years in the periods ended December 31, 2024, 2023, and 2022 and other explanatory information. Such has been discussed by the Audit Committee in its meeting last 29 April 2025 and were approved by its Board of Directors prior to submission to concerned government agencies. Also attached are the Statement of Management's Responsibility for Financial Statements and Schedules required by paragraph 6 of Part II of SRC Rule 68 (Annex 68-E).

### Item 8. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

The auditing firm of Sycip Gorres Velayo & Co. (SGV & Co.) was recommended and elected to be the corporation's external auditor for the year 2023.

Sycip Gorres Velayo & Co. charged the Association for its services the amount of P1.51 Million for the last three (3) calendar years ending December 31, 2023, 2022, and 2021. In 2023, the amount of P0.58 Million was charged by the said firm. There were no other professional services rendered by SGV & Co. during that period that necessitates payment of other fees.

***Below is the breakdown of fees that were paid to SGV based on the respective years:***

***2020 – Php475,000***  
***2021 - Php497,000***  
***2022- Php546,700***  
***2023- Php580,000***  
***2024- Php600,000***

Registrant is in compliance with SRC Rule 68 (3)(b)(ix) (2019 version) which provides that “[T]he independent auditors or in the case of an auditing firm, key audit partners, as defined under Section 1(B)(viii) of Part I of this Rule, of the aforementioned SEC-regulated entities under Groups A to C, except for non-stock, non-profit corporations, shall comply with the provisions on long association or personnel (including partner rotation) with an audit client as prescribed in the Code of Ethics of professional Accountants in the Philippines as adopted by the BOA and PRC and such other standards as may be adopted by the Commission”.

The rotation of the external auditor or engagement partner is summarized below:

<b>Year</b>	<b>Auditor</b>	<b>Engagement Partner</b>
2024	SGV & Co	Ma. Emilita Villanueva
2023	SGV & Co	Ma. Emilita Villanueva
2022	SGV & Co	Ma. Emilita Villanueva
2021	SGV & Co	Ma. Emilita Villanueva
2020	SGV & Co	Ma. Emilita Villanueva
2019	SGV & Co	Ma. Emilita Villanueva
2018	SGV & Co	Ana Lea C Bergado
2017	SGV & Co	Djole S. Garcia
2016	SGV & Co	Djole S. Garcia
2015	SGV & CO	Djole S. Garcia
2014	SGV & CO	Djole S. Garcia
2013	SGV & CO	Djole S. Garcia
2012	SGV & CO	Ana Lea C. Bergado
2011	SGV & CO	Ana Lea C. Bergado
2010	SGV & CO	Janeth T. Nunez
2009	SGV & CO	Janeth T. Nunez

The Audit Committee recommends to the Board of Directors the appointment of the external auditor, approval of the Financial Statements and fixing of the auditor's fees. The Board of Directors approves the Audit Committee's recommendation.

There were no disagreements on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure in connection with its report.

## PART III - CONTROL AND COMPENSATION INFORMATION

### Item 9. Directors and Executive Officers of the Issuer

The Board of Directors and Executive Officers of Home Credit Mutual Building and Loan Association, Inc. as of March 31, 2025 consisted of the following:

	Name	Position	Age	Citizenship
1.	Jose Xavier B. Gonzales	Chairman of the Board	69	Filipino
2.	Kevin Robert Lynch	Director and President	70	American
3.	Emmanuel S. Santiago	Director and Vice-President	70	Filipino
4.	Ma. Olivia C. Gonzales	Director and Treasurer	69	Filipino
5.	George R. Francisco	Independent Director	69	Filipino
6.	Carlos M. Borromeo	Director	59	Filipino
7.	Cielito A. Diokno	Independent Director	69	Filipino
8.	Roberto B. Reyes	Independent Director	66	Filipino
9.	Atty. Epifanio Sedigo, Jr.	Corporate Secretary	72	Filipino

#### Business Experience and Other Directorships:

**Jose Xavier B. Gonzales, Director and Chairman of the Board.** He was elected as Director and Chairman of the Board on November 21, 2024. He is currently the President and Chief Operating Officer of Fountel Corp. He also serves as President and CEO of Universal Storefront Services Corporation (USSC); as well as Treasurer and Executive Committee member of Professional Services, Inc. He previously served as Director and Chairman of the Board of Directors of Home Credit Mutual and Building Association from 2019 until March 3, 2020. He earned the degree in Business Economics from the University of the Philippines, as well as a Masters degree in Business Administration from Harvard University. He is 69 years old and a Filipino citizen.

**Kevin R. Lynch, Director and President.** He was elected as Director and President of the Corporation on November 21, 2024. Previously he held the position as President for Citifinancial until 2008 and Citibank Savings until 2010 and he had served as President of Home Credit Mutual and Building Association from May 2016 up to 31 January 2018. He is a holder of a degree in Political Science from the University of Connecticut, as well as a Certificate of Corporate Governance from the De La Salle University. Kevin is 70 years old and an American citizen.

**Emmanuel S. Santiago, Director and Vice-President.** He was elected as Director and Vice-President of the Corporation on November 21, 2024. He obtained a Bachelor of Science degree in Agriculture (Cum Laude) from the University of the Philippines at Los Baños in 1976; a Master of Science in Agricultural Economics from Kansas State University, Manhattan, Kansas, USA in 1978; a Doctor of Business Administration from Indiana University, Bloomington, Indiana, USA in 1983 and a Doctor of Philosophy (Ph.D) in Economics and Corporate Finance from Kansas State University, Manhattan, Kansas, USA in 1994. He is currently a Consultant for the Malayan Savings Bank and Adviser to CARD Management and Information Technology CMIT). He previously served as Chairman of the Board of Progressive Bank, Inc., as Executive Vice President and Head of Microfinance at City Savings Bank (of Union Bank of the Phils.) and CEO and Director of Fairbank (A Rural Bank). He also served as Director and/ or Officer of various banking institutions such as Philippine Bank of Communications (PBCOM), Banco Dipolog, Inc. (A Rural Bank), Rural Bank of Nagcarlan and China Savings Bank. He is 70 years old and a Filipino citizen.

**Maria Olivia C. Gonzales, Director and Treasurer.** She was elected as Director and Treasurer of the Corporation on November 21, 2024. She graduated from the University of the Philippines Diliman in 1975 with a degree in Business Economics (cum laude). She finished her MBA from the MIT Sloan School Of Management (Massachusetts Institute of Technology) in 1979. In the Philippines, she worked for the Philippine Cotton Corporation, the US Embassy as Economic Commercial Specialist, with Traders Royal Bank, and with The Dynetics Corporation. She moved to the US in 1982 where she put up Mary Makers Inc., which sold boutique children's handmade toys to upscale department stores in the US. She went back to the Philippines in 1992 and worked with the ABS CBN Foundation and put up The Nutrganics Farm supplying pesticide-free lettuce to supermarkets and restaurants. She joined the Board of the Universal Storefront Services Corp. She organized the UGAT Panatag Program of UGAT Foundation providing counseling workshops to children of OFWs. She served as President of the Ayala Heights Village Homeowners Association from 2019-2022. She is a member of the Board of Fountel Corporation. She is 69 years old and a Filipino citizen.

**George R. Francisco, Director.** He was elected as Director of the Corporation on November 21, 2024. He is currently serving as Chief Risk Officer for Cordillera Hydroelectric Power Corporation (COHECO) from February 2017 up to the present. He is currently a Faculty Resource Person at Ateneo Professional Schools. He holds a degree in Economics from the Ateneo de Manila University. He is 68 years old and a Filipino citizen. At the special meeting of the Board of Directors held on April 28, 2021, the Board issued, among others, a resolution designating Mr. Francisco, then the Vice-Chairman of the Board, as Interim Chairman of the Board following the death of Mr. Hofileña, last April 26, 2021. He is 69 years old and a Filipino citizen.

**Carlos M. Borrromeo, Director.** He was elected as Director on November 21, 2024. He is currently the Vice President and Chief of Finance and Administrative Office for Universal Storefront Services Corporation (USSC). He is also the current Director for Keyland Development Corporation. He also acts as Director of the following companies, namely: China Bank Savings Inc and Megalink Corporation. He earned his Bachelor of the Arts Major in Economics from the Ateneo de Manila University in 1987. He is 59 years old and a Filipino citizen.

**Cielito A. Diokno, Independent Director.** She was elected as an Independent Director of the Corporation on November 21, 2024. She is currently an Independent Consultant and a Director for Investors in People Philippines which is an organization that is engaged in Human Relations systems and processes. Prior to this, she was the Senior Vice President-Human Resources for Lopez Holdings Corporation. She earned her Bachelor of Science Degree in Psychology in University of the Philippines. She is 69 years old and a Filipino citizen.

**Roberto B. Reyes, Independent Director.** He was elected as Independent Director of the Corporation on November 21, 2024. He obtained his Business Administration degree from the Far Eastern University. He is currently a Consultant for Confabia and a Director at Eccobank (A Rural Bank) Inc. Previously, he served as Consultant for USSC Money Services Inc., as an independent director for University Savings Bank, as Executive Vice President for Agribusiness Rural Bank Inc and as Project Director for ATPI. He is 66 years old and a Filipino citizen.

**Atty. Epifanio C. Sedigo Jr., Corporate Secretary.** He was elected Corporate Secretary of the Corporation on November 21, 2024. Atty. Sedigo is a Partner in Sedigo and Associates Law Offices, since 2000. He also acts as Director and serves as Corporate Secretary in several corporations. He earned his Bachelor of Laws Degree from Silliman University and passed the Philippine Bar Examinations in 1980. Atty. Sedigo is 72 years old and a Filipino citizen.

**Term of Office.** The directors of the association are elected at the annual stockholders' meeting to hold office until the next appointed annual stockholders' meeting and until their respective successors have been elected and qualified.

**Significant Employees.** There is no person, other than the executive officers who is expected by the Association to make significant contribution to the business.

**Involvement of Directors and Executive Officers in Certain Legal Proceedings.** The Association is not aware of any bankruptcy proceedings filed by or against any business of which a director or executive officer is a party or of which any of their property is subject.

The Association is not aware of any conviction by final judgment in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, of any of its director or executive officer.

The Association is not aware of any order, judgment, or decree not subsequently reversed, superseded, or vacated, by any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting the involvement of a director or executive officer in any type of business, securities, commodities, or banking activities.

The Association is not aware of any findings by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, that any of its director or executive officer, has violated a securities or commodities law.

**Item 10. Executive Compensation**

- a) List of Executive Members and Officer/s with their compensation classification as of March 31, 2025

Name	Position	Direct Hire
Jose Xavier B. Gonzales	Chairman	No
Kevin Robert Lynch	Director and President	No
Emmanuel S. Santiago	Director and Vice- President	No
Atty. Epifanio C. Sedigo Jr.	Corporate Secretary and Compliance Officer	No
Ma. Olivia C. Gonzales	Director and Treasurer	No
Carlos M. Borromeo	Director	No
George R. Francisco	Independent Director	No
Cielito A. Diokno	Independent Director	No
Roberto B. Reyes	Independent Director	No
Nehemiah M. Iletto	Accountant	No
Marie Antonette N. Abella	Auditor	No

The persons listed in the above table do not receive any direct compensation from the company.

There are no actions to be taken with regard to any bonus, profit sharing or other compensation plan, contract or arrangement, any pension/retirement plan, granting of extension of any option, warrant or right to purchase any securities.

(a) Compensation of Directors

Directors fees for Board of Directors meetings in the amount of P5,000 gross are paid to the Parent Company executives elected as directors and to independent directors per attendance to the board and committee meetings.

(b) Employment Contracts and Termination of Employment and Change-in-Control Arrangement.

There were no contracts, termination of employment, or any arrangement that resulted or may result in a change in control of the Association.

(d) Warrants and Options Outstanding.

There are no outstanding warrants or options held by the Association's executive officers and directors as a group.

**Item 11. Security Ownership of Certain Beneficial Owners and Management**

1) Security Ownership of Certain Records and Beneficial Owners.

Stockholders owning more than 5% of the Association's shares of stocks:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Beneficial Owner and Relationship with Record Owner	Citizenship	No. of shares held	Percent
Common	Fountel Corp., RCPI Building, 711 EDSA, Brgy. Pinagkaisahan, D4 Cubao, Quezon City	Fountel Corp. as record owner is also the beneficial owner	Filipino	254,883	99.93
Total				254,883	99.93

Jose Xavier Gonzales, as Chairman and CEO of Fountel Corp., and as the authorized representative in the stockholders' meeting will be entitled to vote for these shares.

2) Security Ownership of Management.

The following directors are record/beneficial owners (R/B) owners of the Association's shares as indicated opposite their names as of March 31, 2025

Title of Class	Name of Beneficial Owner	No. of shares	Amount	Percent (%)	Nature	Citizenship	Address
Common	George Francisco Independent Director	1	200	0	R/B	Filipino	Parañaque City MM, Philippines
Common	Kevin R. Lynch Director and President	1	200	0	R/B	American	Quezon City MM, Philippines
Common	Carlos Borromeo Director	1	200	0	R/B	Filipino	Quezon City MM, Philippines

Common	Cielito A. Diokno – Independent Director	1	200	0	R/B	Filipino	Las Piñas City MM Philippines
Common	Jose Xavier B. Gonzales- Director and Chairman of the Board	1	200	0	R/B	Filipino	Quezon City MM, Philippines
Common	Maria Olivia C. Gonzales – Director and Treasurer	1	200	0	R/B	Filipino	Quezon City MM, Philippines
Common	Emmanuel S. Santiago –Director and VP	1	200	0	R/B	Filipino	Muntinlupa City MM, Philippines
Common	Roberto B. Reyes – Independent Director	1	200	0	R/B	Filipino	Pasig City MM, Philippines
Total		8	1,600	0			

There are no other class of equity securities that are beneficially owned by the individual directors and executive officers and nominees.

**Item 12. Certain Relationships and Related Transactions**

1. The Fountel Corporation owns 99.93% of the Association's paid up common shares of stocks as of December 31, 2024.
2. In the ordinary course of business, the Association transacts with Fountel Corporation and other affiliates as follows:

	Year	Amount of transactions during the year	Outstanding Balance
<b>Affiliates</b>			
<b>USSC Finance Corporation</b>			
Payable	<b>2024</b>	₱ 7,862,071.00	-₱ 8,156,991.00
	<b>2023</b>	₱ 9,830,378.00	-₱ 7,503,367.00
Administrative Fees	<b>2024</b>	360,000.00	360,000.00
	<b>2023</b>	360,000.00	510,000.00
<b>Universal Storefront Services Corporation</b>			
Advances			
USSC Super Padala Fund	<b>2024</b>	3,550,000.00	82,977.00
	<b>2023</b>	2,825,000.00	62,284.00
Security deposit and advance rental	<b>2024</b>	420,480.00	420,480.00

	2023		
Purchase of services			
USSC Super Padala Service Fee	<b>2024</b>	68,179.00	
	2023	51,671.00	
Rent of office space	<b>2024</b>	585,600.00	117,120.00
	2023	-	-
Utilities	<b>2024</b>	116,711.00	23,968.00
	2023	-	-
<b><i>Clear Mind Algorithmics, Inc.</i></b>			
Purchase of assets	<b>2024</b>	604,800.00	2,396,800.00
	2023		1,792,000.00
Purchase of services			
Internet Service	<b>2024</b>	161,280.00	161,280.00
	2023		
Rack lease data centre	<b>2024</b>	107,520.00	107,520.00
	2023		

#### **Family Relationships:**

Jose Xavier B. Gonzales and Maria Olivia C. Gonzales, who are both elected as Directors and Officers, are married to each other.

Aside from the above, no other directors/officers are related to each other by affinity/consanguinity.

### **PART IV – CORPORATE GOVERNANCE**

#### **Item 13. Corporate Governance**

The Association revised its Manual of Corporate Governance to conform with the Securities and Exchange Commission's Memorandum Circular No. 19, Series of 2020. The Association constituted different committees to aid in the compliance with the principles of good governance. It has constituted the Executive Committee, Audit Committee, Nominations Committee and the Compensation & Remunerations Committee. It, likewise, elected three (3) independent directors in its Board of Directors and the different committees. Through the recommendation of the Audit Committee and approved by the Board of Directors, it has appointed Sycip Gorres Velayo & Co. to be its external auditor for the year covered by this report and the current year. The internal audit is done by the Parent Company's Audit team. Findings of the internal audit team are reported to the Chairman of the Board and explanations/clarifications are made by its management.

**PART V - EXHIBITS AND SCHEDULES**

**Item 14. Exhibits and Reports on SEC Form 17-C**

**(a) Exhibits**

No financial statements or exhibits are incorporated by reference as required under this report.

**(b) Reports on SEC Form 17-C**

Various disclosures/certifications were reported/submitted using SEC Form 17-C for the period April 2024 to March 2025

**A. Annual Stockholders' Meeting held on November 21, 2024 at 1:00 o'clock in the afternoon**

The meeting, conducted by Zoom videoconference, started at 1:05 o'clock in the afternoon and was attended by the following stockholders:

	<u>No. of Common Shares</u>	<u>Percentage of Interest</u>
Present:		
1. FOUNTEL CORPORATION [represented by Mr. Jose Xavier B. Gonzales]	254,883	99.93%
2. GEORGE R. FRANCISCO	1	0.00%
3. KEVIN R. LYNCH	1	0.00%
4. CARLOS M. BORROMEO	1	0.00%
5. CIELITO A. DIOKNO	1	0.00%
6. JOSE XAVIER B. GONZALES	1	0.00%
7. MA. OLIVIA C. GONZALES	1	0.00%
8. EMMANUEL S. SANTIAGO	1	0.00%
9. ROBERTO B. REYES	1	0.00%
	=====	=====
<b>Total:</b>	<b>254,891</b>	<b>99.93%</b>
Absent		
10. ROBERTO SAN JOSE	54	0.02%
11. YOLANDA ELEAZAR	54	0.02%
12. AUGUSTO S. SUNICO	24	0.01%
13. EDUARDO S. MONZON	20	0.01%
14. AGNES C. VARGAS	14	0.01%
15. FLORA AMORANTO YLAGAN	10	0.00%
16. MATEA UY TIU	1	0.00%
17. JESUS ALFONSO G. HOFIENÑA	1	0.00%
	=====	=====
<b>Total:</b>	<b>178</b>	<b>0.07%</b>
	=====	=====
<b>Grand Total :</b>	<b>255,069</b>	<b>100%</b>

The Corporate Secretary, Atty. Epifanio C. Sedigo, Jr., certified to the sending of the notices of the meeting together with the Agenda and the existence of a quorum. Afterwards, the stockholders approved/ ratified the following:

1. Minutes of the previous Annual Stockholders' Meeting held on December 19, 2023.
2. 2024 Annual Report of the President and the Audited Financial Statements as of December 31, 2023.
3. Resolutions, contracts, and acts of the Board of Directors, Executive Committee, Other Committees and by Management involving:
  - a. Forfeiture of shares;
  - b. Redemption of shares (Pre-termination and full payment);
  - c. Setting compensation for the External Auditor;
  - d. Signing of Agreements;
  - e. Compliance with reportorial requirements of the Securities and Exchange Commission and other government offices; and
  - f. Election of officers and committee members.
  - g. Change and transfer HC Mutual's principal office address from Level 26, Tower 1 Insular Life Corporation Centre, Insular Life Drive. Filinvest Corp City, Alabang, Muntinlupa City, Metro Manila, Philippines to USSC Building, Number 711 Edsa, corner New York St., Cubao, Quezon City, Metro Manila, Philippines.
  - h. Amendment of the Articles of Incorporation and By-laws to reflect the change in principal office.
  - i. Availment of credit facilities in various financial institutions including Eccobank, Card SME and BPI.
4. Acts of the Management and Officer to implement the resolution of the Board and its Committees or in the general conduct of business.

The nomination and election of the members of the Board of Directors was also held. The following individuals were nominated as members of the Board of Directors:

1. George Francisco (Independent Director)
2. Cielito A. Diokno (Independent Director)
3. Roberto B. Reyes (Independent Director)
4. Carlos M. Borromeo
5. Emmanuel S. Santiago
6. Kevin R. Lynch
7. Maria Olivia C. Gonzales
8. Jose Xavier B. Gonzales
9. Ronaldo B. Jimenez
10. Michael C. Kaiser
11. Ely Jean R. Lauron

Upon motion duly made and seconded, the following individuals were elected, out of the foregoing nominees as members of the Board of Directors.

1. George Francisco (Independent Director)
2. Cielito A. Diokno (Independent Director)
3. Roberto B. Reyes (Independent Director)
4. Carlos M. Borromeo
5. Emmanuel S. Santiago
6. Kevin R. Lynch
7. Maria Olivia C. Gonzales
8. Jose Xavier B. Gonzales

The body decided to leave three (3) seats out of the eleven (11) seats in the Board vacant.

The body approved the nomination and reappointment of Sycip Gorres Velayo & Co. (SGV & Co.) as the company's external auditor or certifying accountant for the year 2024 and authorized Management to review and approve the external auditor's fee.

The said meeting was adjourned at 1:30 o'clock in the afternoon.

**B. Organizational Meeting of the Board of Directors held on November 21, 2024 at 1:30 o'clock in the afternoon**

An Organizational Meeting of the newly elected members of the Board was held, by Zoom videoconference, immediately after the just concluded Annual Stockholders' Meeting. With the Secretary of the Meeting's certification of the existence of a quorum and the election of the above-named new directors, the Board proceeded with the nomination and election of the Chairman of the Board, Corporate Officers and Chairmen and members of the various committees, as follows:

Chairman of the Board:	Mr. Jose Xavier B. Gonzales
President:	Mr. Kevin R. Lynch
Vice-President:	Mr. Emmanuel S. Santiago
Treasurer:	Ms. Ma. Olivia C. Gonzales
Corporate Secretary:	Atty. Epifanio C. Sedigo, Jr.
Assistant Corporate Secretary:	Atty. Julie Racquel C. Malicdem
Compliance Officer:	Atty. Epifanio C. Sedigo, Jr.
Accountant:	Mr. Nehemiah M. Iletto
Auditor:	Ms. Marie Antonette Abella-Estrada

**Executive Committee**

Jose Xavier B. Gonzales, Chairman  
Kevin R. Lynch, Member  
Carlos M. Borromeo, Member  
Cielito A. Diokno, Member, Independent Director  
George R. Francisco, Member, Independent Director

**Audit Committee**

Cielito A. Diokno, Chairman (Independent Director)  
Carlos M. Borromeo, Member  
George R. Francisco, Member (Independent Director)

**Nominations Committee**

Ma. Olivia C. Gonzales, Chairman  
Kevin R. Lynch, Member  
George R. Francisco, Member

**Compensation & Remuneration Committee**

Kevin R. Lynch, Chairman  
Cielito A. Diokno, Member

Ma. Olivia C. Gonzales, Member

Afterwards, the authorized bank signatories of the Corporation were designated, as follows:

**CLASS A SIGNATORIES**

Jose Xavier B. Gonzales  
Ma. Olivia C. Gonzales  
Kevin Lynch  
Ronaldo B. Jimenez  
Marie Antonette Abella

**CLASS B SIGNATORIES**

Michael Kaiser  
Ely Jean Lauron

The said meeting was adjourned at 1:45 o'clock in the afternoon.

**C. Regular Board Meeting held on November 21, 2024 at 1:45 o'clock in the afternoon**

Immediately after the above-mentioned Organizational Meeting of the Board of Directors, the directors proceeded to hold their regular quarterly board meeting, also by Zoom videoconference. With the Corporate Secretary's certification of the existence of a quorum, the Management reported on Business Updates. Likewise, the following matter was approved by the Board:

- a. Redemption of Preferred "B" Shares (Pre-termination for September, October and November 2024);
- b. Redemption of fully paid-up Preferred B Shares (For the first half of 2025);
- c. Forfeiture of Inactive/ Delinquent Shares.

The said meeting was adjourned at 3:05 o'clock in the afternoon.

**Date of Report: December 23, 2024**

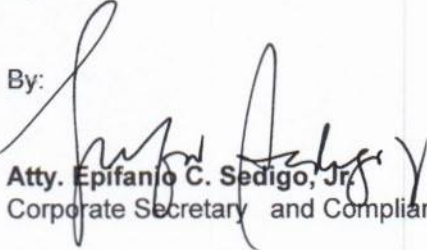
Submitted the Certification by the Association's Corporate Secretary on the Attendance of the member's of the Board of Directors of the Association during board and executive meetings for the year 2024. This is in compliance with the requirements of SEC Memorandum Circular 2, series 2002, otherwise known as the SEC Code of Governance and the Corporation's Manual on Corporate Governance.


**SIGNATURES**

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of **HOME CREDIT MUTUAL BUILDING AND LOAN ASSOCIATION, INC.** by the undersigned, thereunto duly authorized, in the City of Makati City, this 30<sup>th</sup> day of April, 2025.

By:

By:

  
**Atty. Epifanio C. Sedigo, Jr.**  
Corporate Secretary and Compliance Officer

  
**Kevin R. Lynch**  
President

**SUBSCRIBED AND SWORN** to before me this 30<sup>th</sup> day of April, 2025, affiants exhibiting to me their Valid Identification Cards, as follows:

**NAME**

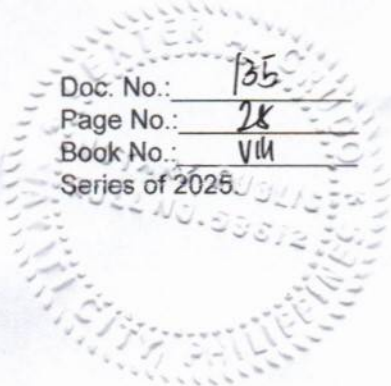
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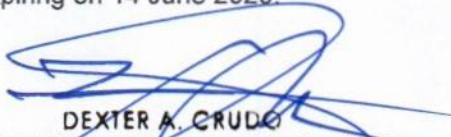
Kevin R. Lynch

Passport No. A35202905 issued on 25 August 2023 at United States Department of State and expiring on 24 August 2033

Epifanio C. Sedigo, Jr.

Passport No. P1966768B issued on 15 June 2019 at DFA NCR South and expiring on 14 June 2029.



  
**DEXTER A. CRUDO**

NOTARY PUBLIC FOR MAKATI CITY, PHILIPPINES  
APPOINTMENT NO. M-273 UNTIL 12.31.26  
ROLL NO. 53612 / 04.27.07 MANILA  
IBP No. 494519/01.02.25 / MANILA IV  
PTR No. 10471551 / 01.06.25 / MAKATI CITY  
ACLE Compliance No. VIII-0024943/03.25.25  
SUITE 506 ITC BUILDING 337 SEN. GIL  
PUYAT AVENUE, MAKATI CITY, PHILIPPINES

Schedule A  
FINANCIAL ASSETS

Name of issuing entity and association of each issue (i)	Number of Shares or principal amount of bonds and notes	Amount shown in the balance sheet (ii)	Value based on market quotation at end of reporting period (iii)	Income received and accrued
<b>Cash and cash equivalents</b>				
Banco de Oro		1,911,454		1,451
Bank of the Philippine Islands		7,773,415		2,553
CARD SME Bank Inc.		129,383		247
China Banking Corporation		1,222,636		131
Land Bank of the Philippines		707,813		621
Metropolitan Bank and Trust Company		192,132		359
Rizal Commercial Banking Corporation		104,691		473
Robinsons Bank Corporation		363,966		61
Security Bank Corporation		1,932,837		327
Unionbank of the Philippines		504,430		1,101
Eccobank (A Rural Bank) Inc.		499,399		3,431
Universal Storefront Services Corporation		260,663		76,422
<b>Loans and Receivables</b>				
Real estate mortgage loans		354,183,923		35,925,584
Lease finance receivables		-		
Stock loans		11,512,400		3,086,631
Accounts receivables		16,522,313		
<b>Financial asset designated at fair value through other comprehensive income (FVOCI)</b>				
				-
<b>Other financial assets</b>				
Treasury bills				
LTNCD				

SCHEDULE B

AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS  
AGGREGATE INDEBTEDNESS OF MORE THAN P100K AT THE END OF 31 DECEMBER 2024

Name and Designation of Debtor	Balance at Beginning of period	Deductions			Balance at the End of the Period	
		Additions	Amount Collected	Current		
ROGIE OGERIO Assistant Vice President	-	361,524	60,254	180,762	120,508	301,270

SCHEDULE C

AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS

Name and Designation of Debtor	Balance at Beginning of period	Deductions				Balance at the End of the Period
		Additions	Amount Collected	Current	Not Current	

-NOT APPLICABLE-

SCHEDULE D  
INTANGIBLE ASSETS - OTHER ASSETS

Description	Beginning Balance	Additions At Cost	Charged to Cost & Expenses	Charged to Other Accounts	Other Changes Additions (Deductions)	Ending Balance
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-NOT APPLICABLE-

SCHEDULE E  
LONG TERM DEBT

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount shown under Caption "Current Portion of Long term debt" in related balance sheet	Amount shown under caption "Long Term Debt" in related balance sheet
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-NOT APPLICABLE-

**SCHEDULE F  
INDEBTEDNESS TO RELATED PARTIES (LONG-TERM LOANS FROM RELATED COMPANIES)**

Name of related party	Balance at beginning of period	Balance at end
	0	-

-NOT APPLICABLE-

**SCHEDULE G  
 GUARANTEES OF SECURITIES OF OTHER ISSUERS**

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
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-NOT APPLICABLE-

Schedule H  
CAPITAL STOCK

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding at shown under related balance sheet caption	Number of Shares reserved for options, warrants, conversion, and other rights	Number of Shares held by Related Parties	Number of Shares held by Directors, Officers and Employees	Number of Shares held by Others
Common	4,000,000	255,069	-	254,883	7	179
Preferred	8,000,000	1,066,659	-	-	6,047	1,060,612

The Association does not issue securities for sale or offered for sale or distribution within the Philippines that require registration pursuant to Sections 8 and 12 of the Securities Regulation Code.

<sup>a</sup> No Change

<sup>b</sup> Increased by 148,054 shares or 16.12%