

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name of Registrant as specified in its charter: Asian Hospital, Inc. ("AHI")
3. Province, country or other jurisdiction of incorporation or organization: Philippines
4. SEC Identification Number: AS084-00011249
5. BIR Tax Identification Code: 004-502-062-000
6. 2205 Civic Drive, Filinvest Corporate City, Alabang, Muntinlupa City 1780
Address of principal office Postal Code
7. Registrant's telephone number, including area code: (632) 8771-9000 to 9002
8. Date, time and place of the meeting of security holders:

Date: May 5, 2025
Time: 10:30 A.M.
Place: To be conducted virtually

Unique links will be provided to stockholders once they register through the following link:

https://us06web.zoom.us/webinar/register/WN_1dcp-k4IQyCF0HkoUsJ1IA
9. Approximate date on which the Information Statement is first to be sent or given to security holders: April 7, 2025
10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code ("SRC") (information on number of shares and amount of debt is applicable only to corporate registrants): **NOT APPLICABLE**
11. None of AHI's securities is listed on the Philippine Stock Exchange.

PART I

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

1. Date, time and place of meeting of security holders

Date: May 5, 2025

Time: 10:30 A.M.

Place: To be conducted virtually

Unique links will be provided to stockholders once they register through the following link:

https://us06web.zoom.us/webinar/register/WN_1dcn-k4iQyCF0HkoUsJ1IA

Mailing Address: 2205 Civic Drive, Filinvest Corporate City Alabang
Muntinlupa City 1780

The Notice of Meeting is attached hereto as **Annax "A"**.

The date on which the Information Statement is first to be sent or given to stockholders is on or before **April 7, 2025**.

2. Dissenters' Right of Appraisal

Under Section 80 of the Revised Corporation Code of the Philippines (the "Revised Corporation Code"), a stockholder has the right to dissent and demand payment of the fair value of his shares in the following cases: (i) amendments to the Articles of Incorporation which have the effect of changing or restricting the rights of any stockholder or class of shares; or of authorizing preferences in any respect superior to those of outstanding shares of any class; or of extending or shortening the term of corporate existence; (ii) sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets; (iii) merger or consolidation, and (iv) investment of corporate funds for any purpose other than the primary purpose of the corporation.

At the May 5, 2025 annual stockholders' meeting (the "Annual Meeting"), no matter shall be acted upon by stockholders as would give rise to a right of appraisal.

3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

There is no person who has been a director or officer of AHI at any time since the beginning of the last fiscal year, or who is a nominee for election as director, or an associate of any of the foregoing persons who has a substantial interest, direct or indirect, in any matter to be acted upon

at the Annual Meeting. No member of AHI's Board of Directors (the "Board") has informed AHI that he/she intends to oppose any action to be taken by AHI at the Annual Meeting.

B. CONTROL AND COMPENSATION INFORMATION

4. Voting Securities and Principal Holders Thereof

- (a) The total number of shares issued and outstanding as of December 31, 2024 is 1,936,728,391 shares. All these shares are common shares, with each share entitled to one vote in accordance with the Amended By-Laws of AHI. In respect of the Annual Meeting, all of the issued and outstanding shares have voting rights, with the exception of delinquent 4,949,958 shares. Under Section 70 of the Revised Corporation Code, no delinquent stock shall be voted for or be entitled to vote or to representation at any stockholders' meeting, nor shall the holder thereof be entitled to any of the rights of a stockholder except the right to dividends in accordance with the provisions of the Revised Corporation Code.
- (b) The record date for purposes of determining the stockholders entitled to vote at the Annual Meeting is April 16, 2025 (the "Record Date").
- (c)(i) Security Ownership of Certain Record and Beneficial Owners

The names, addresses, number of shares held, and percentage to total of persons (including any group) that own more than 5% of the outstanding voting shares of AHI (all common) as of 31 March 2025, are as follows:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner	Citizenship	No. of Shares	Percentage of Class
Common	<p>Metro Pacific Hospital Holdings, Inc. (formerly Neptune Stroika Holdings, Inc.) ("MPHHI")¹ 10th Floor MGO Building, Legazpi cor. Dela Rosa Streets, Legazpi Village, Makati City</p> <p>Stockholder</p>	MPHHI	Filipino	1,018,151,888	52.47

¹ The voting of the shares owned by MPHHI will be directed by such person as may be duly authorized by the Board of Directors of MPHHI and as may be named in the proxy letter that will be submitted by MPHHI to AHI's Corporate Secretary in accordance with AHI's Amended By-laws. In a Proxy dated 13 April 2022, MPHHI designated Mr. Augusto P. Pelleoc, Jr., or in his absence, Mr. Reynaldo S. Cochangco, or in his absence, Mr. Jose Noel C. De La Paz, or in his absence, the Chairman of the Stockholders' Meeting of the Company, as MPHHI's proxy to represent MPHHI and vote all shares of stock in the Company owned by MPHHI at all annual and/or special meetings of the stockholders of the Company. The Proxy is valid for a period of five (5) years, unless sooner terminated in writing, copy furnished the Corporate Secretary of the Company.

Common	AHI Hospital Holdings Corporation (formerly, Bumrungrad International Phils., Inc.) ("AHHC") 10F Net One Center, 25 th cor 3 rd Avenues, Bonifacio Global City, Taguig, Metro Manila Stockholder	AHHC	Filipino	532,582,386	27.50
Common	Metro Pacific Investments Corporation ("MPIC") 10th Floor MGO Building, Legazpi cor. Delfa Rosa Streets, Legazpi Village, Makati City Stockholder	MPIC	Filipino	109,278,743	5.64

Except as stated above, the Board and Management of AHI have no knowledge of any person who, as of the Record Date, was directly or indirectly the beneficial owner of more than 5% of AHI's outstanding shares of common stock or who has voting power or investment power with respect to shares comprising more than 5% of AHI's outstanding common stock.

(c)(ii) Security Ownership of Management as of March 31, 2025:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Augusto P. Palisoc, Jr. Chairman	1 – Direct	Filipino	Nil
Common	Beaver R. Tamesis, MD President & CEO/ Director	1 -- Direct	Filipino	Nil
Common	Manuel V. Pangilinan Director	1 -- Direct	Filipino	Nil
Common	Raymundo S. Cochangco Director	1 -- Direct	Filipino	Nil
Common	Celso Bernard G. Lopez Director	1 – Direct	Filipino	Nil
Common	Jose Noel C. de la Paz Director	1 – Direct	Filipino	Nil
Common	Sol Z. Alvarez Director	295,754 – Direct	Filipino	0.02%
Common	Fernando Jose A. Fontanilla	442,478 – Direct	Filipino	0.02%

⁷ In a Proxy dated 13 April 2022, AHHC designated Mr. Augusto P. Palisoc, Jr. or in his absence, Mr. Raymundo S. Cochangco, or in his absence, Mr. Jose Noel C. De La Paz, or in his absence, the Chairman of the Stockholders' Meeting of the Company, as AHHC's proxy to represent AHHC and vote all shares of stock in the Company owned by AHHC at all annual and/or special meetings of the stockholders of the Company. The Proxy is valid for a period of five (5) years, unless sooner terminated in writing, copy furnished the Corporate Secretary of the Company.

⁸ On May 20, 2014, MPIC executed a Deed of Assignment transferring all of its beneficially and directly-owned shares of stock in AHI to MPHII. The application for issuance of the Certificate Authorizing Registration ("CAR") is currently being processed with the Bureau of Internal Revenue. MPIC has also executed an irrevocable proxy in favor of MPHII authorizing MPHII to exercise and enjoy all rights arising from the AHI shares sold pending the transfer of legal title over the shares to MPHII. MPIC has likewise executed a Proxy dated 13 April 2022, designating Mr. Jose Ma. K. Lim, or in his absence, Mr. Augusto P. Palisoc, Jr., or in his absence, the Chairman of the Stockholders' Meeting of the Company, as MPIC's proxy to represent MPIC and vote all shares of stock in the Company owned by MPIC at all annual and/or special meetings of the stockholders of the Company. The Proxy is valid for a period of five (5) years, unless sooner terminated in writing, copy furnished the Corporate Secretary of the Company.

	Independent Director				
Common	Carmelita I Quebengco Independent Director	1	-- Direct	Filipino	Nil
Common	Retired Chief Justice Artemio Panganiban Independent Director	1	-- Direct	Filipino	Nil
TOTAL		738,240			0.04%

(c)(ii) Voting Trust Holders of 5% or More

Under the Voting Agreement dated February 18, 2005, MPHHI, Dr. Jorge M. Garcia, and AHHC agreed to vote together as one block with respect to various stockholder matters, including the renewal of the Management and Consultancy Services Agreement between AHI and AHHC dated December 8, 1997, as amended on February 17, 2005 ("Management Agreement"), the election of Directors of AHI and the amendment of AHI's Articles of Incorporation. For this purpose, each of MPHHI, Dr. Jorge M. Garcia, and AHHC have agreed to execute irrevocable proxies. The Voting Agreement refers to the outstanding common shares of stock in AHI of each of MPHHI, Dr. Jorge M. Garcia, and AHHC. The Voting Agreement is effective until terminated by mutual agreement of the parties or upon expiration of the Management Agreement (as the same may be renewed from time to time), whichever is earlier.

(d) Changes in Control

There is no arrangement which may result in a change of control of AHI since the last fiscal year.

5. Directors and Executive Officers

(a)(i) Members of the Board shall serve for a term of one year and until their successors shall have been duly elected and qualified. The following are the current directors and executive officers of AHI, including the respective business experience during the past five (5) years of each director and executive officer:

AHI Directors

Name of Director	Age	Citizenship	Date of First Election to the Board
Fernandino Jose A. Fontanilla (Independent Director)	60	Filipino	July 25, 2006
Manuel V. Pangilinan	78	Filipino	December 6, 2011
Augusto P. Palisoc Jr.	67	Filipino	December 6, 2011

Carmelita I. Quebengco (Independent Director)	77	Filipino	March 21, 2012
Jose Noel C. de la Paz	68	Filipino	April 30, 2015
Sol Z. Alvarez	82	Filipino	August 7, 2016
Retired Chief Justice Artemio Panganiban (Independent Director)	88	Filipino	March 3, 2017
Reymundo S. Cochangco	58	Filipino	September 15, 2020
Celso Bernard G. Lopez	51	Filipino	September 15, 2020
Beaver R. Tamebis	65	Filipino	November 1, 2022

FERNANDINO JOSE A. FONTANILLA is a medical doctor by profession and one of AHI's credentialed Ophthalmologists since 2002. He is also actively practicing as an ophthalmologist in The Medical City where he serves as the Head of the Uveitis Section of the Department of Ophthalmology. He was the former Dean of San Beda University – College of Medicine from 2013-2022. In June of 2022, he was appointed as Vice President for Research and Innovation of San Beda University. Dr. Fontanilla was the former Treasurer and Member of the Board of Trustees of the Association of Philippine Medical Colleges and was a former member of the Continuing Professional Development (CPD) Council for Medicine of the Professional Regulations Commission. He is a founding partner of the Eye, Gland & Glucose Specialists, a medical professional partnership with branches in three (3) major hospitals in Metro Manila. He is currently the Vice President of Fabel Corporation and holds a directorship position in Lubel Corporation.

Dr. Fontanilla received his medical degree from the University of the Philippines - College of Medicine, and did his residency training in Ophthalmology at the Philippine General Hospital. He pursued further training in Ophthalmology by doing a Clinical Fellowship in Uveitis and Ocular Immunology at the University of Illinois - Deicke Eye Center in Chicago, U.S.A. Dr. Fontanilla holds a Master's degree in Business Administration in Health (Gold Medal Awardee) from the Ateneo Graduate School Business.

MANUEL V. PANGILINAN assumed chairmanship of the Board of Metro Pacific Investments Corporation in March 2006 and remains as such up to the present. Born in the Philippines in July 1946, Mr. Pangilinan graduated cum laude in 1966 from the Ateneo de Manila University in the Philippines, with a Bachelor of Arts degree in Economics. He received his MBA degree in 1968

from the Wharton School of Finance and Commerce at the University of Pennsylvania, where he was a Procter & Gamble Fellow. After graduating from Wharton, he worked in Manila for Philippine Investment Management Consultants Inc. (the PHINMA Group) and in Hong Kong with Bancor International Limited and American Express Bank, and thereafter with First Pacific Company Limited. Mr. Pangilinan founded First Pacific in 1981 and serves as its Managing Director and Chief Executive Officer. Within the First Pacific Group, he holds the position of President Commissioner of P.T. Indofood Sukses Makmur, the largest food company in Indonesia.

He is currently the Chairman of the Board of Trustees of the San Beda College. In August 2016, the Samahang Basketbol ng Pilipinas (SBP) – the National Sport Association for basketball – requested Mr. Pangilinan to be its Chairman Emeritus after serving as President since February 2007. Effective January 2009, Mr. Pangilinan assumed the position of Chairman of the Amateur Boxing Association of the Philippines (ABAP), a governing body of amateur boxers in the country. In October 2009, Mr. Pangilinan was appointed as Chairman of the Philippine Disaster Resiliency Foundation, Incorporated (PDRF), a non-profit foundation established to formulate and implement a reconstruction strategy to rehabilitate areas devastated by floods and other calamities. Mr. Pangilinan is Chairman of Philippine Business for Social Progress (PBSP), the largest private sector social action organization made up of the country's largest corporations. In June 2012, he was appointed as Co-Chairman of the US-Philippines Business Society (USPBS), a non-profit society which seeks to broaden the relationship between the U.S.A. and the Philippines in the areas of trade, investment, education, foreign and security policies and culture.

AUGUSTO P. PALISOC, JR. is the Chairman of the Board of Directors of AHI. He has been with the First Pacific Group of Companies for over 39 years. He is currently an Executive Director of MPIC and is the President & Chief Executive Officer and Director of Metro Pacific Hospital Holdings Inc. (MPHHI), which is the group's holding company for all hospital and healthcare investments. Prior to joining MPIC, he was the Executive Vice President of Berli Jucker Public Company Limited (an affiliate of First Pacific Company Ltd.) in Thailand from 1998 to 2001. Mr. Palisoc served as President and CEO of Steniel Manufacturing Corporation in the Philippines from 1997 to 1998. He has held various positions within the First Pacific Group as Group Vice President for Corporate Development of First Pacific Company Limited in Hong Kong, and Group Managing Director of FP Marketing (Malaysia) Sdn. Bhd. in Malaysia. Before he joined First Pacific in 1983, he was Vice President of Monte Real Investors, Inc. in the Philippines. Mr. Palisoc earned his Bachelor of Arts Degree, Major in Economics (with Honors) from De La Salle University, and his Master's in Business Management (MBM) Degree from the Asian Institute of Management. Mr. Palisoc was born in January 1958.

CARMELITA I. QUEBENGCO was elected as an independent director of AHI on March 21, 2012. An educator by profession, Dr. Quebangco obtained her bachelor's and master's degrees from the University of the Philippines, her doctorate degree from De La Salle University, and was conferred the Letters of Affiliation in 2007 by the Institute of the Brothers of the Christian Schools, the highest award that can be accorded by the De La Salle Brothers on a lay person. She was awarded an honorary doctorate in educational leadership by St. Mary's University in Minnesota, USA, in 2010. She holds the distinction of having been the only lay and woman President of De La Salle University, where she is currently Chancellor Emeritus and University Fellow. She is also a member of the Board of Trustees of several educational institutions and NGOs, including the Philippine Accrediting Association of Schools, Colleges, and Universities, Holy Name University in Bohol, St. Paul University in Manila, University of the Immaculate Conception in Davao City, University of Saint La Salle Bacolod, Divine Word School of Theology, Philippine Women's University, De La Salle University Yuchengco Center, De La Salle University Museum, Miriam

College Quezon City, St Joseph School Bacolod, St Mary's College Tagum, Friendly Care Foundation Advisory Board, and the University Medical Imaging Corporation of Dasmarinas Inc. She was conferred a second and third honorary doctorate in Educational Leadership and Management by the St Mary's College in California and the Universidad La Salle in Mexico City.

JOSE NOEL C. DE LA PAZ is MPHHI's Director for Corporate Development since the start of the company in 2014, a continuation of the position he held in MPIC from 2007 to 2014 when the hospital group was part of said holding company. He is responsible for MPHHI's mergers and acquisitions initiatives, beginning with the identification of projects, evaluation, deal structuring, due diligence, negotiations, and execution, to include post-acquisition participation in the boards. He deal-managed 10 and co-deal-managed 4 of the total 19 hospitals currently invested in by MPHHI and is currently active as board member in 16. In addition, he chairs the boards of 6 cancer centers. Prior to his stint in MPIC/MPHHI, he has had over 25 years of commercial and investment banking experience from Rizal Commercial Banking Corporation, Bancor Development Corporation, Union Bank of the Philippines, First Chicago Leasing and Bankers Trust Company. He was the Philippine Deputy Country Head for New York-based Bankers Trust Company that originated and lead managed global bond offerings and bank loan syndications and rendered financial advisory services for major project financings in the country. Mr. de la Paz graduated cum laude from the Ateneo de Manila University with a Bachelor of Arts Degree in Economics-Honors Program. He also earned his Master in Business Management degree from the Asian Institute of Management.

SOL Z. ALVAREZ was first elected as director of AHI on August 7, 2015. An educator by profession, Dr. Alvarez obtained his bachelor and doctorate degree and his residency in Internal Medicine from the University of Santo Tomas, residency in cardiology from Philadelphia General Hospital, residency in gastroenterology from Cook County Hospital Chicago, Illinois and fellowship in gastroenterology from Lahey Clinic, Boston, Massachusetts, USA. He served as the Chief of the Gastroenterology Section of AHI from 2000 to 2008 and the Chairman of AHI Credential Committee from 2004 to 2015. He was engaged as a professor of medicine at the University of Santo Tomas Faculty of Medicine and Surgery.

RETIRED CHIEF JUSTICE ARTEMIO V. PANGANIBAN obtained his Associate in Arts "With Highest Honors" and later his Bachelor of Laws with "Cum Laude" and "Most Outstanding Student" honors. He placed sixth in the 1960 bar examinations. A well-known campus leader, he founded and headed the National Union of Students of the Philippines. He is also the recipient of several honorary doctoral degrees.

In 1995, he was appointed Justice of the Supreme Court, and in 2005, Chief Justice of the Philippines. Aside from being a prodigious decision writer, he also authored eleven books while serving in the highest court of the land and added three more after his incumbency. His judicial philosophy is "Liberty and Prosperity Under the Rule of Law." To him, justice and jobs, ethics and economics, democracy and development, nay, liberty and prosperity must always go together; one is useless without the other. On his retirement on 7 December 2006, his colleagues acclaimed him unanimously as the "Renaissance Jurist of the 21st Century." At the Global Forum on Liberty and Prosperity held in Makati City on October 18-20, 2006, over 300 jurists and lawyers worldwide formally endorsed his philosophy in a written Declaration.

Prior to entering public service, Chief Justice Panganiban was a prominent practicing lawyer, law professor, business entrepreneur, civic leader and Catholic lay worker. He was the only Filipino appointed by the late Pope John Paul II to be a member of the Vatican-based Pontifical Council

for the Laity for the 1996-2001 term. On September 18, 2024, he was conferred the Pro Ecclesia et Pontifice award by Pope Francis, the highest award given by the Pontiff to lay people. At present, he is a much sought-after independent director and adviser of business firms and writes a column in the Philippine Daily Inquirer. Based on view statistics of Inquirer.net, he has the most page views of all columnists. On October 25, 2023, the Manila Overseas Press Club hailed him as the "Journalist of the Year – Law," the first award to be given in the 78-year history of the MQPC.

REYMUNDO S. COCHANGCO is the Chief Financial Officer for MPH. He has over 30 years of experience in finance, treasury, controllership, audit, and business operations and held various senior positions within the Metro Pacific Group businesses such as hospitals, BPO, IT, manufacturing and real estate. He also worked at SGV & Co and is a Certified Public Accountant.

CELSO BERNARD G. LOPEZ is currently the Director of Special Projects for MPHHL, a position he has held since 2016. Mr. Lopez earned his Bachelor of Arts degree, major in Management Economics from Ateneo de Manila University, and his Executive Master's in Business Administration (EMBA) degree from the Asian Institute of Management (with Distinction). Mr. Lopez has been with the Metro Pacific Group since 2012. He was Bid Director of the group's successful bid for the Automatic Fare Collection System – Private Public Partnership Project of the Republic Philippines in 2013. He was then seconded to AF Payments Inc., a joint venture with the Ayala Group, from 2014 to 2015 as its Chief Operating Officer tasked with delivering the completion of the fare collection system for the three light rail lines of Metro Manila. Prior to joining Metro Pacific, he was Executive Vice President of East West Banking Corporation, First Vice President of Security Bank Corporation, and Head of Asset Distribution of HSBC, all in the Philippines.

DR. BEAVER R. TAMESIS is a cardiologist by profession, boarded by his society since 1991. He is widely published internationally in cardiology and in the area of structured treatment protocols for diabetes, and actively practicing cardiology at The Medical City, where he previously served as training officer for Internal Medicine, and later establishing the fellowship training program for cardiology. He is a Fellow in good standing with both the Philippine College of Physicians, and the Philippine College of Cardiology. Dr. Tamesis was previously the Managing Director and President of Merck Sharp and Dohme (MSD) I.A. LLC, an innovator multinational pharmaceutical company. He led the company for 8 years from 2013 until his retirement from MSD at the end of March 2022, completing 27 years of service. Prior to becoming President of MSD, he served in various roles beginning in April of 1995, from Medical Director (1995 – 2000), to Business Unit Director for two different therapeutic areas (Bone and Joint, 2001 - 2005 and later Cardio Metabolic 2008 - 2012). He also took on a Regional Marketing Director role from 2006 to 2007 for the launch of the diabetes product of MSD, JANUVIA. Concurrent with his role with MSD, after 2 years of being a Trustee, he was elected President of the Pharmaceutical Healthcare Association of the Philippines (PHAP) from 2016 until end of 2021. During his term as PHAP President, Dr. Tamesis championed ethical business practices standards for the pharmaceutical industry, worked closely with the Department of Health (DOH) and the mass media in addressing medical disinformation, particularly concerning vaccines, COVID19 and developed with DOH, a rational approach towards pricing of medicines. Dr. Tamesis was appointed as director of the Company, and elected as its Chief Executive Officer and President, as of 1 November 2022.

AHI Officers

Name of Officer	Position	Age	Citizenship
Augusto P. Palisoc Jr.	Chairman	87	Filipino
Dr. Beaver R. Tamesis	President and Chief Executive Officer	65	Filipino
Reymundo S. Cochangco	Treasurer	58	Filipino
Robert D. Martinez	Chief Finance Officer	61	Filipino
Gilbert Raymond T. Reyes	Corporate Secretary	66	Filipino
Marie Michelle B. Go	Assistant Corporate Secretary	38	Filipino
Dr. Carmen B. Nievera	Chief Medical Officer	57	Filipino

AUGUSTO P. PALISOC JR. (See business profile above)

BEAVER R. TAMESIS (See business profile above)

REYMUNDO S. COCHANGCO (See business profile above)

ROBERT D. MARTINEZ is the incumbent Chief Finance Officer of AHI. He is a Certified Public Accountant and a Certified Financial Consultant. He graduated "Cum Laude" from the University of the East and was a member of the Accounting Honors Program. Mr. Martinez started his career at Ernst & Young. Prior to joining AHI in April 2019, he has gained a vast and relevant working experience with several multinational companies, such as Philips, Pepsi Cola, Asea Brown Boveri, Alstom Power, Alcan Packaging, DB Schenker, DHL and Getz Bros. (i.e., to name a few) where he honed his Financial Skills as Analyst, Auditor, Controller and as a CFO starting with Pepsi Cola (San Fernando Plant).

GILBERT RAYMUND T. REYES is the incumbent Corporate Secretary of AHI. He is a Founding Partner of the Poblador Baulista and Reyes Law Offices. He is also the Corporate Secretary of Metro Global Holdings Corporation, CJH Development Corporation, CJH Hotel Corporation, and CJH Suites Corporation. He graduated with a degree in Bachelor of Science in Biology from the University of the Philippines in 1979. He also holds a Bachelor of Laws degree from the University of the Philippines College of Law, graduated Magna Cum Laude in 1983.

MARIE MICHELLE B. GO is the incumbent Assistant Corporate Secretary of AHI. She is a Junior Partner at the Poblador Baulista and Reyes Law Offices. She received her Bachelor of Arts degree in Broadcast Communication (magna cum laude, valedictorian) and her Juris Doctor degree (cum laude, salutatorian) from the University of the Philippines in 2007 and 2012, respectively. She also obtained a Master of Laws Degree from the University of Cambridge in 2019. Her fields of legal practice include civil and criminal litigation, commercial arbitration, corporate law, and intellectual property law.

DR. CARMEN B. NIEVERA is the current Chief Medical Officer of AHI and has held such position since January 2025. Dr. Nievera is an active Pediatric Infectious Disease Specialist at Asian Hospital and Medical Center. She is the Section Chief of Pediatric Infectious Diseases, a Member of the Infection & Prevention Control Committee, and Co-Chair of the Credentialing and Privileging Committee. Dr. Nievera is also the Vice-President and member of the Board of Trustees of the Pediatric Infectious Diseases Society of the Philippines and Co-Chair of its

Hospital Accreditation Board. Prior to accepting the appointment as CMO of Aslan Hospital, Dr. Nievera was the Medical Director of Centre Medicaire Internationale (CMI), a comprehensive clinic that offers consultation, wellness, prevention, diagnostics, treatments, and procedures for various medical specialties. Dr. Nievera has an extensive corporate and business background and experience in the field, having held strategic leadership positions in multi-national pharmaceutical companies such as GlaxoSmithKline (GSK), Sanofi Pasteur, and Janssen, Johnson & Johnson. Dr. Nievera has also served as Clinical Consultant Reviewer for Pediatric Drugs of the Food & Drug Administration (FDA). She is an alumna of the University of the Philippines College of Medicine (Doctor of Medicine Class of 1993) and completed her Residency Training in Pediatrics (1997) & Fellowship in Pediatric Infectious Diseases (2000) at the UP College of Medicine-Philippine General Hospital (UP-PGH).

(a)(ii) Certain Relationships and Related Transactions

AHI executed a Consultancy Services Agreement with Bumrungrad International Limited ("BIL") effective January 1, 2008, under the terms of which BIL will make available to AHI information, materials and other consultancy services relating to health care service operations, including cost, budget, and wage and salary administration, business and information systems, and supervision and administration of ancillary medical services.

AHI executed a Services Agreement with Bumrungrad International Holdings Pte Ltd. (BIHPL), an affiliate of BIL, effective January 1, 2008, under the terms of which BIHPL will provide material management support, quality assurance and certain training services relating to the hospital business.

BIL and BIHPL entered into an Assignment and Accession Agreement on December 6, 2011, wherein BIL and BIHPL transferred to MPIC all of their rights and obligations under the Consultancy Services Agreement and Service Agreement, respectively. On July 1, 2014 MPIC assigned all of its rights and obligations under the Consultancy Services Agreement and Service Agreement to MPHHL.

(a)(iii) Election of Members of the Board

Qualifications of Regular Directors

There will be an election of the members of the Board during the Annual Meeting. The Nomination Committee has pre-screened all candidates nominated to become a member of the Board in accordance with the following qualifications and disqualifications:

A. Qualifications:

- (i) He shall be a holder of at least 1 share of stock of AHI;
- (ii) He shall be at least a college graduate or have sufficient experience in managing a hospital to substitute for such formal education;
- (iii) He shall be at least 21 years old;
- (iv) He shall have proven to possess integrity and probity, and adequate competency and understanding of the business; and
- (v) He shall be assiduous.

B. Disqualifications:

- (i) Any person finally convicted judicially of an offense involving moral turpitude, such as but not limited to, graft and corruption, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, perjury, falsification or other fraudulent acts or transgressions;**
- (ii) Any person finally found by the Securities and Exchange Commission (SEC), judicial courts or other administrative bodies to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities Regulation Code (SRC), the Revised Corporation Code, or any other law administered by the SEC or Bangko Sentral ng Pilipinas (BSP), or any rule, regulation or order of the SEC or BSP;**
- (iii) Any person judicially declared to be insolvent;**
- (iv) Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs;**
- (v) Conviction by final judgment of an offense punishable by imprisonment for a period exceeding 6 years, or a violation of the Revised Corporation Code committed within 5 years prior to the date of his election or appointment; and**
- (vi) If an independent director of the company becomes an officer, employee or consultant of the company, he shall be automatically disqualified from being an independent director.**

C. Grounds for Temporary Disqualification:

- (i) Refusal to fully disclose the extent of his business interests and disclosure requirements as required under the SRC and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;**
- (ii) Absence or non-participation for whatever reason/s for more than 50% of all meetings, both regular and special of the Board during his incumbency, or any 12-month period during said incumbency except if due to illness, death in the immediate family, or serious accident. This disqualification applies for purposes of the succeeding election;**
- (iii) Dismissal/termination from directorship in another corporation covered under the Revised Manual of Corporate Governance for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;**
- (iv) If the beneficial security ownership of an independent director in AHL or in its related companies shall exceed two percent (2%) of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with; and**
- (v) Conviction that has not yet become final referred to in the grounds for the permanent disqualification of directors.**

A temporarily disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.

Qualifications of Independent Directors

In the election of Independent Directors, the following guidelines set forth in Appendix B of AHI's Revised Manual of Corporate Governance must be considered.

- A. An "Independent Director" means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director and includes, among others, any person who:
- (i) Is not a director or officer of AHI or its related companies or any of its substantial shareholders except when the same shall be an independent director of any of the foregoing;
 - (ii) Does not own more than 2% of the shares in AHI and/or its related companies or its substantial stockholders;
 - (iii) Is not related to any director, officer or substantial shareholder of AHI, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
 - (iv) Is not acting as a nominee or representative of any director or substantial shareholder of AHI, and/or any of its related companies and/or any of its substantial shareholders pursuant to a Deed of Trust or under any contract or arrangement;
 - (v) Has not been employed in any executive capacity by AHI, any of its related companies and/or by any of its substantial stockholders within the last two (2) years;
 - (vi) Is not retained, either personally or through his firm or any similar entity as professional adviser by AHI, any of its related companies or any of its substantial stockholders within the last two (2) years; or
 - (vii) Has not engaged and does not engage in any transaction with AHI and/or with any of its related companies and/or with any of its substantial stockholders, whether by himself and/or with other persons and/or through a firm of which he is a partner and/or a company of which he is a director or substantial stockholder, other than transactions which are conducted at arm's length and are immaterial.
- B. No person convicted by final judgment of an offense punishable by imprisonment for a period exceeding 6 years, or a violation of the SRC committed within 5 years prior to the date of his election, shall qualify as an Independent Director. This is without prejudice to other disqualifications under AHI's Revised Manual on Corporate Governance.

When used in relation to AHI:

- (i) Related company means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and
- (ii) Substantial stockholder means any person who is directly or indirectly the beneficial owner of more than 10% of any class of its equity security.

C. An Independent Director shall have the following qualifications:

- (i) He shall have at least 1 share of stock of AHI;
- (ii) He shall be at least a college graduate or he shall have been engaged or exposed to the business of AHI for at least 5 years;
- (iii) He shall possess integrity/probity; and
- (iv) He shall be assiduous.

D. No person disqualified as a director shall qualify as an Independent Director. One shall likewise be disqualified during his tenure under the following instances or causes:

- (i) He becomes an officer or employee of AHI;
- (ii) His beneficial security ownership exceeds two percent (2%) of the outstanding capital stock of AHI;
- (iii) Fails, without any justifiable cause, to attend at least fifty percent (50%) of the total number of Board meetings during his incumbency; or
- (iv) Fails to meet such other qualifications which AHI's Revised Manual on Corporate Governance.

Conduct of Elections

Only the nominees for Directors and Independent Directors whose names appear in this Information Statement shall be eligible for election as Director and/or Independent Director. No further nomination shall be entertained or allowed on the floor during the actual Annual Meeting.

The Chairman of the Annual Meeting shall inform all stockholders in attendance of the mandatory requirement of electing at least three (3) Independent Directors. He shall ensure that at least three (3) Independent Directors are elected during the Annual Meeting. Specific slots for Independent Directors shall not be filled by a nominee who is not qualified to sit as an independent director of the Company. In case of failure of election for Independent Directors, the Chairman of the Annual Meeting shall call a separate election during the same meeting to fill up the vacancy.

The conduct of the election of Directors, including the Independent Directors, shall be made in accordance with AHI's Amended By-Laws.

Nominees for Regular and Independent Directors

The following are the members of the Nomination Committee:

1. Jose Noel C. de la Paz
2. Dra. Carmelita I. Quebengco (independent director)
3. Mr. Manuel V. Pangilinan

The following are the nominees for directors of AHI for 2025-2026:

Regular Directors:

1. Manuel V. Pangilinan

2. **Beaver R. Tamesis**
3. **Jose Noel C. de la Paz**
4. **Augusto P. Pallsoc Jr.**
5. **Sol Z. Alvarez**
6. **Reymundo S. Cochangco**
7. **Celso Bernard G. Lopez**
8. **Benjamin G. Co**

Independent Directors:

1. **Fernandino Jose A. Fontanilla**
2. **Carmelita I. Quebengco**
3. **Retired Chief Justice Artemio V. Panganiban**

Except for Dr. Benjamin Co, a brief description of the background and the business experience of the nominees for directors are provided for in Part B(5)(a)(i) above. Dr. Co's background and business experience is as follows:

BENJAMIN G. CO is the Group Chief Medical Officer of Metro Pacific Health Inc. and the President of BioAnalytica, Inc. He also chairs the Aslan Hospital and Medical Center Research and Ethics Committee. Dr. Co is a board-certified pediatrician, Emeritus Fellow of the Philippine Pediatric Society, and an Associate Member of the Pediatric Infectious Diseases Society of the Philippines. He was previously the Medical Director of the Otsuka Pharmaceutical Companies Philippines, the Executive Director of the Center for Drug Research Evaluation and Studies, Inc., and Director IV, Center for Drug Regulations and Research, Food and Drug Administration of the Philippines

The nominees for Independent Directors possess and have continuously possessed the qualifications and none of the disqualifications of an Independent Director from the time they were first elected as such. Fernando Jose A. Fontanilla and Carmelita I. Quebengco were due to observe a cooling-off period of two (2) years on May 2017. They have also served a cumulative term of more than ten (10) years.

The Securities and Exchange Commission has been notified of their nomination for re-election in a letter dated 17 March 2025, a copy of which is attached hereto as Annex "B".

Fernandino Jose A. Fontanilla, Carmelita I. Quebengco and Retired Chief Justice Artemio V. Panganiban were nominated by Dr. Carlos Gabriel. Dr. Carlos Gabriel is a stockholder of the Corporation. He has no relationship with Fernandino Jose A. Fontanilla, Carmelita I. Quebengco and Retired Chief Justice Artemio V. Panganiban.

Copies of the Certifications executed by the nominees for Independent Directors as to their qualifications, are attached hereto as Annex "C".

(a)(iv) Other Significant Employees

There are no other significant employees of AHL.

(a)(v) Family Relationship

There are no family relationships among the employees, officers and directors of AHI.

(a)(vi) Involvement in Certain Legal Proceedings

AHI is not aware of any pending case that may materially affect the ability of the nominees to adequately and ably perform their duties as directors of the company, once elected.

6. Compensation of Directors and Executive Officers

(a)(i) Summary Compensation Table

Except for executive officers included under the compensation table below, all other directors do not receive salaries.

Below is the summary of the annual compensation of the executive officers of AHI:

SUMMARY COMPENSATION TABLE
Annual Compensation

	Year	Salary (in Php)	Bonus (in Php)	Other Annual Compensation (in Php)
Andres M. Licaros Jr., Chief Executive Officer	2021	23,940,000	5,020,000	3,381,136
Robert D. Martinez, Chief Finance Officer				
Jose M. Acuin, Chief Medical Officer				
Sharon Hernandez, Chief Strategy Officer and Head of the Strategic Support Group				
All other officers		76,608,324	11,897,386	3,866,886
Andres M. Licaros Jr., Chief Executive Officer (resigned)	2022	24,608,000	7,478,958	13,455,114
Beaver R. Tamasis MD, Chief Executive Officer				
Robert D. Martinez, Chief Finance Officer				
Jose M. Acuin, Chief Medical Officer				

Sharon Hernandez, Chief Strategy Officer and Head of the Strategic Support Group				
All other officers		76,868,729	10,870,228	4,043,361
Beaver R. Tamesis MD, Chief Executive Officer Robert D. Martinez, Chief Finance Officer Jose M. Acuin, Chief Medical Officer Sharon Hernandez, Chief Strategy Officer and Head of the Strategic Support Group	2023	20,793,920	3,589,480	8,416,717
All other officers		93,516,782	22,455,182	10,410,650
	2024	21,018,253	6,961,490	2,210,306
Beaver R. Tamesis MD, Chief Executive Officer Robert D. Martinez, Chief Finance Officer Jose M. Acuin, Chief Medical Officer				
All other officers		110,645,526	34,550,438	7,379,013
Projected Beaver R. Tamesis MD, Chief Executive Officer Robert D. Martinez, Chief Finance Officer Dr. Carmen D. Nievera, Chief Medical Officer	2025	22,069,166	7,309,564	2,320,821
All other officers		116,177,802	36,277,960	7,747,964

(a)(ii) Compensation of Directors

Effective March 18, 2011, the Board approved the grant of per diem in the amount of Php10,000.00 to each independent director of AHI for every Board and Board committee meeting attended by such independent director.

(a)(iii) Employment Contracts and Termination of Employment and Change in Control Arrangements

As of December 31, 2024, there are no employment contracts or compensatory plan or arrangements between AHI and any of its executive officers except as stated above under the Summary Compensation Table (Annual Compensation).

(a)(iv) Warrants and Options Outstanding

As of December 31, 2024, there are no warrants and/or options outstanding.

7. Independent Public Accountants

- (a) SyCip, Gorres, Velayo & Co. (SGV) is the current independent auditor of AHI. SGV has been the independent auditor of AHI since 1998. The partner-in-charge of the audit for the past fiscal years, including the year ended 2003, was Mr. Gemilo San Pedro. The partner-in-charge of the audit for the years ended 2004 until 2008 was Mr. Aldrin Cerrado. The signing partner of SGV is Ms. Aileen Saringan from 2014 to 2017 and Ms. Julie Christine Mateo for 2009 to 2013 and for 2018 to 2024.

While AHI has the same independent public auditor since 1998, strict rotation of engagement partner every ~~seven~~ years is nonetheless observed, pursuant to SEC Revised SRC Rule 68, Part 1, Paragraph 3(b)(iv) and (ix) (Rotation of External Auditors) which states that the signing partner shall be rotated after every seven (7) years of engagement with a two-year cooling off period for the engagement of the same signing partner.

There have been no disagreements between SGV and AHI on any matter of accounting principle or policy, or regarding AHI's financial statements or disclosures.

The re-appointment of SGV as AHI's external auditor for the year 2025-2026 will be proposed for the consideration of the stockholders at the May 5, 2025 Annual Meeting.

- (b) External Audit Fees

(b)(i) Audit and Audit-Related Fees

SGV billed AHI the amount of Php 1.8 million for 2024 and 2023 as fees for the examination of the financial statements of AHI and related out-of-pocket expenses.

	<u>2024</u>	<u>2023</u>
<u>Audit fees</u>	<u>P1,782,478</u>	<u>P1,782,478</u>

(b)(ii) Tax Fees and Other Fees

AHI engaged the tax services of SGV for assistance with its tax incentive application and BIR tax examinations in 2024 and 2023, respectively. SGV billed the following amounts for tax fees and other fees in 2024 and 2023, respectively:

<u>In Million Peso</u>	<u>2024</u>	<u>2023</u>
<u>Tax fees and other fees</u>	<u>P145,600</u>	<u>P3,204,900</u>

(c) Representatives of SGV will be present during the 2025 Annual Meeting and will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

(d) Audit Committee

The members of the Audit Committee are Dr. Fermandino Jose A. Fontanilla (Independent Director and Chairman), Mr. Celso Bernard G. Lopez, and Mr. Reymundo S. Cochango. The Audit Committee approves the policies and procedures for the above.

8. Legal Proceedings

There are no material pending legal proceedings that involve AHI or any property of AHI.

C. ISSUANCE AND EXCHANGE OF SECURITIES

9. Financial and Other Information

AHI's Audited Financial Statements for the year 2024 will be made available to the stockholders as provided in Annex "D" hereof.

D. OTHER MATTERS

10. Action with Respect to Reports

The minutes of the special meeting of the stockholders held on 12 November 2024 will be submitted to the stockholders for approval. A copy of the minutes is attached hereto as Annex "E".

11. Matters Not Required To Be Submitted

No action will be taken with respect to any matter which is not required to be submitted to a vote of security holders

12. Amendment of Charter, By-laws or Other Documents

The following proposed amendments to the Corporation's Bylaws will be presented to the stockholders for ratification, after they are approved by the Board of Directors:

- i. Article I, Section 4: Amendment of the referenced provision to Section 72 of the Revised Corporation Code

Current Provision in the Amended By-Laws	Proposed Amendment to Articles of Incorporation (Amendments underscored)	Rationale for the Amendment
ARTICLE I	ARTICLE I	The amendment is intended to update the referenced provision to

<p>SUBSCRIPTION, ISSUANCE AND TRANSFER OF SHARES</p> <p>Section 4. Lost Certificates — In case any certificate for the capital stock of the Corporation is lost, stolen or destroyed, a new certificate may be issued in lieu thereof in accordance with the procedure prescribed under Section 73 of the Corporation Code.</p>	<p>SUBSCRIPTION, ISSUANCE AND TRANSFER OF SHARES</p> <p>Section 4. Lost Certificates — In case any certificate for the capital stock of the Corporation is lost, stolen or destroyed, a new certificate may be issued in lieu thereof in accordance with the procedure prescribed under Section 72 of the <u>Revised</u> Corporation Code.</p>	<p>Section 72 of the Revised Corporation Code.</p>
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- ii. Article II, Section 2: Amendment of the provision to allow any stockholder to propose the holding of a special meeting of stockholders, in accordance with Section 49 of the Revised Corporation Code

Current Provision in the Amended By-Laws	Proposed Amendment to Articles of Incorporation (Amendments underscored)	Rationale for the Amendment
<p>ARTICLE II</p> <p>MEETINGS OF THE STOCKHOLDERS</p> <p>Section 2. Special Meeting — The special meeting of stockholders, for any purpose or purposes, may at any time be called by any of the following: (a) Board of Directors, at its own instance, or at the written request of stockholders representing a majority of the outstanding capital stock. (b) President.</p>	<p>ARTICLE II</p> <p>MEETINGS OF THE STOCKHOLDERS</p> <p>Section 2. Special Meeting — The special meeting of stockholders, for any purpose or purposes, may at any time be called by any of the following: <u>(a) Board of Directors, at its own instance; (b) the President; or (c) any stockholder of record of the Corporation.</u></p>	<p>The amendment is intended to ensure compliance with Section 49 of the Revised Corporation Code, which expressly provides that any stockholder may propose the holding of a special meeting.</p>

- iii. Article II, Section 4: Amendment of the provision to require written notices of meetings to be sent to the stockholders of record at least 21 calendar days prior to the date of the meeting for regular meetings, and at least one week prior to the date of the meeting, for special meetings, in accordance with Section 49 of the Revised Corporation Code

Current Provision in the Amended By-Laws	Proposed Amendment to Articles of Incorporation (Amendments underscored)	Rationale for the Amendment
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<p style="text-align: center;">ARTICLE II</p> <p style="text-align: center;">MEETINGS OF THE STOCKHOLDERS</p> <p>Section 4. Notice of Meeting — Notices for regular or special meetings of stockholders may be sent by the Secretary by personal delivery or by mail at least two (2) weeks prior to the date of the meeting to each stockholder of record at his last known post office address or by publication in a newspaper of general circulation. The notice shall state the place, date and hour of the meeting and the purpose or purposes for which the meeting is called. In case of special meetings, only matters stated in the notice can be the subject of motions or deliberations at such meeting.</p> <p style="text-align: center;">xxx</p>	<p style="text-align: center;">ARTICLE II</p> <p style="text-align: center;">MEETINGS OF THE STOCKHOLDERS</p> <p>Section 4. Notice of Meeting — Notices for regular or special meetings of stockholders <u>shall</u> be sent by the Secretary by personal delivery, by mail, <u>or by electronic mail at least twenty-one (21) calendar days prior to the date of the meeting for regular meetings, or at least one (1) week prior to the date of the meeting for special meetings,</u> to each stockholder of record at his last known post office address, <u>e-mail address,</u> or by publication in a newspaper of general circulation, <u>or such other manner as the Securities and Exchange Commission may allow.</u> The notice shall state the place, date and hour of the meeting and the purpose or purposes for which the meeting is called. In case of special meetings, only matters stated in the notice can be the subject of motions or deliberations at such meeting.</p> <p style="text-align: center;">xxx</p>	<p>The amendment is intended to ensure compliance with the Section 49 of the Revised Corporation Code, which provides that written notices of regular or special meetings of stockholders shall be sent to stockholders at least twenty-one (21) days prior to the date of the meeting for regular meetings, or one (1) week prior to the date of the meeting for special meetings. Section 49 also allows written notice to sent through electronic mail or such other manner as the Commission shall allow in its guidelines.</p>
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- iv Article II, Section 8: Amendment of the provision to require for the closure of the Stock and Transfer Book at least 20 days prior to the scheduled date of the meeting for regular meetings, and seven days prior to the scheduled date of the meeting for special meetings, in compliance with Section 49 of the Revised Corporation Code

Current Provision in the Amended By-Laws	Proposed Amendment to Articles of Incorporation (Amendments underscored)	Rationale for the Amendment
<p style="text-align: center;">ARTICLE II</p> <p style="text-align: center;">MEETINGS OF THE STOCKHOLDERS</p>	<p style="text-align: center;">ARTICLE II</p> <p style="text-align: center;">MEETINGS OF THE STOCKHOLDERS</p>	<p>The amendment is intended to ensure compliance with Section 49 of the Revised</p>

<p>Section 8. Closing of Transfer Books of Fixing of Record Date — For the purpose of determining the stockholders entitled to notice of, or to vote at, any meeting of stockholders or any adjournment thereof or to receive payment of any dividend or of making a determination of stockholders for any other proper purpose, the Board of Directors may provide that the stock and transfer books be closed for a stated period, but not to exceed, in any case, twenty (20) days. If the stock and transfer books be closed for the purpose of determining stockholders entitled to notice of, or to vote at, a meeting of stockholders, such books shall be closed for at least ten (10) working days immediately preceding such meeting. In lieu of closing the stock and transfer books, the Board of Directors may fix in advance a date as the record date which shall in no case be more than twenty (20) days prior to the date, on which the particular action requiring such determination of stockholders is to be taken, except in instances where applicable rules and regulations provided otherwise.</p>	<p>Section 8. Closing of Transfer Books of Fixing of Record Date — For the purpose of determining the stockholders entitled to notice of, or to vote at, any meeting of stockholders or any adjournment thereof or to receive payment of any dividend or of making a determination of stockholders for any other proper purpose, the Board of Directors may provide that the stock and transfer books be closed for a stated period <u>not less than twenty (20) days prior to the scheduled date of the meeting for regular meetings, or seven (7) days prior to the scheduled date of the meeting for special meetings.</u> In lieu of closing the stock and transfer books, the Board of Directors may fix in advance a date as the record date which shall in no case be more than twenty (20) days prior to the date, on which the particular action requiring such determination of stockholders is to be taken, except in instances where applicable rules and regulations provided otherwise.</p>	<p>Corporation Code, which provides that requires the stock and transfer book to be closed at least twenty (20) days before the scheduled date of the meeting for regular meetings, and at least seven (7) days before the scheduled date of the meeting for special meetings.</p>
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- v. Article III, Section 2-A: Amendment of the provision to require independent directors to comprise at least twenty percent (20%) of the membership of the Board of Directors, in accordance with Section 24 of the Revised Corporation Code

Current Provision in the Amended By-Laws	Proposed Amendment to Articles of Incorporation (Amendments underscored)	Rationale for the Amendment
<p>ARTICLE III BOARD OF DIRECTORS</p>	<p>ARTICLE III BOARD OF DIRECTORS</p>	<p>The amendment is intended to ensure compliance with the requirement under</p>

<p>Section 2-A. Independent Directors. From among the number of directors provided in the Articles of Incorporation, two (2) shall be independent directors. The qualifications of independent directors of the Corporation and the procedure for their nomination and election shall be in accordance with Section 38 of the Securities and Regulation Code (Rep. Act No. 8799 [2000], SRC Rule 38, SEC Memorandum Circular No. 02-02 dated April 5, 2002 and SEC Memorandum Circular No. 16-02 dated November 28, 2002, as any of the foregoing may be promulgated in connection with the qualification, nomination, and election of independent directors of the corporations.</p>	<p>Section 2-A. Independent Directors. <u>The independent directors shall constitute at least twenty percent (20%) of the membership of the Board of Directors of the Corporation.</u> The qualifications of independent directors of the Corporation and the procedure for their nomination and election shall be in accordance with Section 38 of the Securities and Regulation Code (Rep. Act No. 8799 [2000]), SRC Rule 38, SEC Memorandum Circular No. 02-02 dated April 5, 2002 and SEC Memorandum Circular No. 16-02 dated November 28, 2002, <u>or any other issuance promulgated in connection with the qualification, nomination, and election of Independent directors of the corporations.</u></p>	<p>Section 24 of the Revised Corporation Code, which requires corporations vested with public interest to have independent directors constituting at least twenty percent (20%) of the membership of its Board of Directors.</p>
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- vi. Article III, Section 8: Amendment of the provision to ensure compliance with Section 29 of the Revised Corporation Code

Current Provision in the Amended By-Laws	Proposed Amendment to Articles of Incorporation (Amendments underscored)	Rationale for the Amendment
<p>ARTICLE III</p> <p>BOARD OF DIRECTORS</p> <p>Section 8. Compensation -- By resolution of the Board, each director, shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the corporation during the preceding year. Such compensation shall be determined and apportioned among the directors in such</p>	<p>ARTICLE III</p> <p>BOARD OF DIRECTORS</p> <p>Section 8. Compensation -- Each director shall receive a reasonable per diem allowance for his/her attendance at each meeting, to be determined by resolution of the Board; <u>provided, that no director shall participate in the determination of his/her own per diems; and provided further, that the total yearly compensation of directors shall not exceed ten percent (10%) of the net income before income tax of the</u></p>	<p>The amendment is intended to ensure compliance with Section 29 of the Revised Corporation Code, which proscribes directors from participating in the determination of their own per diems or compensation.</p>

<p>manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.</p>	<p>corporation during the preceding year.</p> <p><u>Stockholders representing at least a majority of the outstanding capital stock of the corporation may likewise grant directors with compensation, other than reasonable per diems, and approve the amount thereof, at a regular or special meeting.</u></p>	
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- vii. Article IV, Section 1: Amendment of the provision to include a Compliance Officer as one of the officers of the Corporation, in accordance with Section 24 of the Revised Corporation Code

Current Provision in the Amended By-Laws	Proposed Amendment to Articles of Incorporation (Amendments underscored)	Rationale for the Amendment
<p>ARTICLE IV</p> <p>OFFICERS</p> <p>Section 1. Election / Appointment - Immediately after their election, the Board of Directors shall formally organize by electing the Chairman, the Vice-Chairman, the President and the Chief Executive Officer ("CEO"), one or more Vice-President, the Treasurer, and the Secretary, at said meeting</p>	<p>ARTICLE IV</p> <p>OFFICERS</p> <p>Section 1. Election / Appointment - Immediately after their election, the Board of Directors shall formally organize by electing the Chairman, the Vice-Chairman, the President, and the Chief Executive Officer ("CEO"), one or more Vice-Presidents, the Treasurer, the Secretary, and <u>a Compliance Officer</u> at said meeting</p>	<p>The amended is intended to provide for the election of a Compliance Officer, in accordance with Section 24 of the Revised Corporation Code.</p>

- viii. Article IV, Section 8: New provision providing for the duties and responsibilities of the Compliance Officer

Current Provision in the Amended By-Laws	Proposed Amendment to Articles of Incorporation (Amendments underscored)	Rationale for the Amendment
<p><i>None</i></p>	<p>ARTICLE IV</p>	<p>The additional provision is intended to provide for the</p>

	<p style="text-align: center;">OFFICERS</p> <p><u>Section 8. Compliance Officer</u> –The Compliance Officer shall perform the following duties:</p> <ul style="list-style-type: none"> a) <u>Monitor compliance with the provisions and requirements of the corporation's Manual of Corporate Governance (the "Manual") and all relevant laws and regulations of the Republic of the Philippines;</u> b) <u>Appear before the Securities and Exchange Commission, upon summons, to clarify matters relating to the Corporation's compliance with the Manual and all relevant laws and regulations;</u> c) <u>Determine violation/s of the Manual and recommend penalties to the Board for violation thereof;</u> d) <u>Issue a certification every January 30th of the year on the extent of the Corporation's compliance with the Manual for the completed year, explaining the reason/s for the latter's deviation from the same, if any;</u> e) <u>Identify, monitor and control compliance risks; and</u> f) <u>Directly report to the Board and make recommendations on matters pertaining to the</u> 	<p>duties and responsibilities of the Compliance Officer.</p>
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	<p style="text-align: center;"><u>Corporation's compliance with the Manual and all relevant laws and regulations.</u></p>	
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The foregoing amendments to the Bylaws are being proposed pursuant to the Comment List dated 5 December 2024 issued by the Corporate Governance and Finance Department of the Securities and Exchange Commission Company Finance.

13. Other Proposed Action

There are no other matters to be taken up during the 5 May 2025 Annual Meeting.

14. Voting Procedures

- (a) Each stockholder shall be entitled to one (1) vote for each share.
- (b) The items in the agenda require the affirmative vote of the stockholders entitled to vote representing either a majority or two-thirds of the outstanding capital stock of AHI.
- (c) In the election of directors, each stockholder entitled to vote may cumulate and distribute his votes in accordance with the Revised Corporation Code.
- (d) In order to ensure the safety and welfare of the directors, management and stockholders and for their convenience AHI will dispense with the physical attendance of stockholders at the 2025 Annual Meeting of the stockholders and will allow attendance only by remote communication. Voting may be done electronically in absentia, or through the Chairman of the meeting as proxy.
- (e) Stockholders must notify AHI of their intention to participate in the meeting by remote communication to be included in the determination of quorum.
- (f) A stockholder may vote electronically by registering at:

https://us06web.zoom.us/webinar/register/WN_1dcm-k4lQyCF0HkoUsJ11A
subject to validation procedures. A stockholder voting electronically in absentia shall be deemed present for purposes of quorum.
- (g) Proxies shall be in writing, signed and filed by the stockholder, and shall be filed with AHI's stock and transfer agent during the registration period.
- (h) All votes received shall be tabulated by the Office of the Corporate Secretary with the assistance of the Company's stock transfer agent. The Corporate Secretary shall report the results of voting during the meeting.
- (i) The detailed instructions for participation through remote communication are set forth in Annex "F" – Requirements and Procedures for Registration and Electronic Voting in Absentia.

In all items for approval, each share of stock entitles its registered owner to one vote. For the purpose of electing directors, a stockholder may vote such number of his shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them in the same principle among as many candidates as he shall see fit.

The Corporate Secretary will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are participating in the meeting by remote communication and are voting in absentia or through proxies.

Method of Counting Votes

The Corporate Secretary will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are participating in the meeting by remote communication and are voting in absentia or represented by proxies at the Annual Meeting.

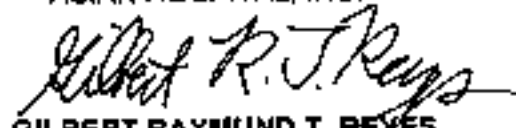
PART II

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete, and correct. This report is signed in Makati City on 3 April 2025.

ASIAN HOSPITAL, INC.

By:


GILBERT RAYMUND T. REYES
Corporate Secretary

MANAGEMENT REPORT

GENERAL NATURE AND SCOPE OF BUSINESS

Business Development

The Issuer, Asian Hospital, Inc. ("AHI" or the "Company") was incorporated on December 12, 1994 with the Securities and Exchange Commission ("SEC"), under SEC Registration No. ASO94-00011249.

AHI operates and manages the Asian Hospital and Medical Center (the "Hospital"), a tertiary hospital located at 2205 Civic Drive, Filinvest Corporate City in Alabang, Muntinlupa City 1780. The Hospital's operations started on March 15, 2002.

AHI has not filed for bankruptcy, receivership or other similar proceedings in the past and until the present.

Business of Issuer

Under its Articles of Incorporation, the primary purpose of AHI is to establish, maintain, operate, own and manage hospitals, medical and other related healthcare facilities and businesses including pharmacies, diagnostics centers, ambulatory clinics, medical laboratories, scientific research and educational institutions and other allied undertakings and services which shall provide professional, medical, surgical, nursing, therapeutic, paramedic or other care.

The principal products or services offered by the Hospital are divided into Routine Services and Ancillary Services. The Routine Services include room and board, general nursing units, perioperative services, critical care and emergency services. Ancillary Services include pharmacy, pathology and clinical laboratories, radiology, radiotherapy and other oncology care services, pulmonary and respiratory therapy, rehab medicine, heart station, neuroscience, cardiac catheterization laboratory, audiology and dermatology. The contribution of these products and services to revenues is discussed in the Part - Management Discussion and Analysis and Plan of Operations under the Heading - Income Statement.

AHI has no subsidiaries.

Competition

The 296-bed Hospital is one of the major medical care facilities of its standard in the country. The immediate catchment area of the Hospital includes the cities of Las Piñas, Muntinlupa and Parañaque, and the secondary catchment area of the Hospital is the fast-growing Cavite-Laguna-Batangas area.

The total population of the Philippines as of May 2020 is at 109.04 million. Of the 17 administrative regions, Region IV-A (CALABARZON) had the biggest population in 2020 with 16.20 million, followed by the National Capital Region (NCR) with 13.48 million and Region III (Central Luzon) with 12.42 million. The combined population of these three regions accounted for about 38.6 percent of the Philippine population in 2020.

The areas with the fastest growing populations are found in the immediate south of Metro Manila, i.e., Muntinlupa City and Region IV-A. Muntinlupa is considered the "gateway" to the southern

regions. The continued positive developments in the CALABARZON, with the development of new residential and industrial communities, augur well for the Hospital. The members of these communities have access to quality healthcare facilities without having to travel to the center of Metro Manila.

The primary competitors of AHI are Makati Medical Center in Makati City, St. Luke's Medical Center in Taguig City, and The Medical City in Pasig City. All of these competitors are tertiary hospitals.

Audited Financial Statements

AHI's Audited Financial Statements for the year 2024 shall be made available to the stockholders as provided in Annex "C" hereof.

MARKET INFORMATION

AHI's shares are not traded in any public trading market in the Philippines.

STOCKHOLDERS

Based on the records of AHI's stock transfer agent, as of March 31, 2025, AHI has 617 common stockholders. Below is the list of the top 20 stockholders as of March 31, 2025:

	STOCKHOLDER	NO. OF SHARES	%
1	METRO PACIFIC HOSPITAL HOLDINGS, INC. (Formerly, Neptune Stroika Holdings, Inc.)	1,016,151,999	52.47
2	ASIAN HOSPITAL HOLDINGS CORPORATION (Formerly, Bumrungrad International Philippines, Inc.)	532,582,396	27.50
3	METRO PACIFIC INVESTMENTS CORPORATION	108,278,743	5.84
4	GARCIA, JORGE M.	64,302,100	3.32
5	GILT-EDGED PROPERTIES, INC.	8,388,450	0.43
6	MENDIOLA, ROLANDO	1,806,210	0.09
7	ARCILLA, LEONIDA C.	1,481,423	0.08
8	EJERCITO, BEATRIZ DE CASTRO	1,478,769	0.08
	MAGPANTAY, NAPOLEON N. &/OR MAGPANTAY, CRISTETA B.	1,478,769	0.08
	NGPS, INC.	1,478,769	0.08
	PILIPINAS GEM CORPORATION	1,478,769	0.08
9	LIRIO, RENATO E.	1,183,015	0.06
	YATCO, EMILIO B. &/OR YATCO, JOSEPHINE B.	1,183,015	0.06
10	MARTINEZ, DANILO	940,497	0.05
11	D.M. CONSUNJI, INC.	904,119	0.05
12	CARLOS, CRIS &/OR CARLOS, JOSEFINA	696,188	0.05
13	ALIBUDBUO, BIENVENIDO A	887,261	0.05
	EQUITABLE PCI BANK, INC.	887,261	0.05
	MADERAZO EUFONIO G.	887,261	0.05
	SINGSON, CARLO ROY R.	887,261	0.05
	SINGSON, JAIME ENRICO R.	887,261	0.05
	SINGSON, MARC OLIVER R.	887,261	0.05
	SINGSON, MELISSA VICTORIA R.	887,261	0.05

14	ABEJUELA, MARIE MICHELLE PACIENCIA S.	827,210	0.04
15	IMPERIAL, ANN MARIE Y. CO / IMPERIAL MARK ANTHONY T.	816,280	0.04
16	CHUA, THOMAS Y.	789,871	0.04
17	ZARAGOZA, RAFAEL	789,020	0.04
18	LITONJUA, AUGUSTO D.	738,232	0.04
19	CACDAC, MANUEL	731,008	0.04
20	DEL MUNDO, AMOR S.	708,809	0.04

Statement of Financial Position

Comparing December 31, 2024 and 2023

AHI's total assets at year-end 2024 and 2023 ended at Php8.2 billion and Php6.4 billion, respectively. Total liabilities ended at Php2.6 billion as of year-end 2024, with an increase of Php1.3 billion compared to 2023, while stockholders' equity closed at Php5.6 billion, which was 9.4% higher than the previous year.

Total current assets increased to Php1.9 billion as of year-end 2024, as against Php2.2 billion in 2023. Cash and cash equivalents increased to Php1.0 billion in 2024 from Php1.4 billion in 2023. Accounts receivables amounted to Php656.1 million in 2024 and Php528.9 million in 2023. The inventory of medicines and medical supplies increased to Php160.8 million in 2024 from Php178.6 million in 2023.

Total non-current assets, which accounted for about 76.6% of the total assets in 2024 and 66.2% in 2023, amounted to Php6.3 billion in 2024 and Php4.2 billion 2023. Cost of the hospital building, land and investment in medical equipment comprised the bulk of the non-current assets.

Total current liabilities increased to Php1.7 billion in 2024 from Php1.2 billion in 2023.

Non-current liabilities which consisted of long term debt, retirement benefits accrual and lease liability stood at Php920.2 million in December 2024 versus Php80.6 million as of the end of 2023.

The shareholders' equity increased to Php5.6 billion in 2024 from Php5.1 billion in 2023.

Income Statements

Comparing 2024 and 2023

Patient service revenues increased by 20.0% to Php5.1 billion from Php4.2 billion in the previous year. Of the gross patient service revenues, ancillary services contributed Php5,598.8 million in 2024 and Php4,703.5 million in 2023, while routine services, which include room and board, stood at Php444.6 million in 2024 and Php349.7 million in 2023.

Cost of services and sales increased to Php3.1 billion in 2024 from Php2.6 billion 2023. A breakdown of the Cost of Services and Sales for years 2024 and 2023 is provided below:

Cost of Services and Sales	2024	2023
Medicine and Medical supplies	1,105,731,905	1,043,448,773
Personnel costs	628,509,480	481,565,745
Professional fees and outside services	415,278,734	267,423,883
Reader's Fee	341,138,303	276,087,436
Depreciation	234,583,641	199,210,884
Communication, light and water	119,316,426	121,281,767
Repairs and maintenance	62,943,436	41,731,336
Patient meals	58,070,449	46,870,315
Supplies	38,637,539	29,835,372
Rent	14,508,857	12,424,272
Amortization of software	5,457,431	3,840,260
Others	53,787,431	41,113,054
Total	3,077,861,632	2,564,833,097

Medicines and medical supplies increased by 6.0% mainly due to the increase in patient census. Personnel costs increased by 30.5% due to higher headcount of nurses and allied health professionals and increase in statutory expenses. Professional fees and outside services increased by 55.3% mainly due to the transfer of management of Lab Clinical to Medi Linx. Reader's fees increased by 23.6% due to higher outpatient volume. The increase in patient census resulted in higher patient meals and supplies.

The increase in depreciation is mainly attributed to the purchase of medical equipment. The slight decrease in communication, light and water is mainly due to lower power rates. The increase in repairs and maintenance is due to repair of medical equipment.

Rent expense decreased primarily due to the decrease in the lease of medical equipment. The increase in 'others' is mainly due to AHL's program to improve Doctors' engagement by rewarding MDs with increased patient referrals.

Operating expenses for year 2024 increased compared to 2023, and amounted to Php1.2 billion. A breakdown of the Operating Expenses for years 2024 and 2023 is provided below:

Operating Expenses	2024	2023
Personnel costs	411,562,320	370,301,278
Depreciation	203,700,875	179,045,199
Professional fees and outside services	159,690,772	146,261,288
Repairs and maintenance	95,067,788	87,933,777
Provision for doubtful accounts	81,615,452	125,556
Communication, light and water	55,552,654	52,327,530
Taxes and licenses	49,972,828	53,687,935
Supplies	28,940,437	22,067,355
Advertising	27,180,736	21,178,473
Entertainment, amusement and recreation	18,152,746	16,924,927
Insurance	17,969,683	15,482,823

Amortization of software	16,794,442	11,817,937
Transportation and travel	14,275,810	14,518,903
Rent	9,361,794	9,482,858
Others	60,873,283	40,974,703
Total	1,230,711,620	1,042,138,442

The increase in personnel expenses is mainly attributed to increase in headcount. The increase in professional fees and outside services is due to higher orientation and training expenses and security services. The increase in repairs is mainly due to repairs of the building. The increase in provision for doubtful accounts is due to higher outstanding receivable of Phil health and self pay accounts.

Advertising is higher by 28.3% due to increased marketing activities.

The increase in the item "others" is mainly due to commission expense for credit card transactions and contributions and donations.

The depreciation of the Philippine peso against the US dollar resulted in a favorable exchange of foreign currency denominated cash and receivables.

The decrease in AHI's "Other Income" is mainly due to interest expense from land discounting and lease liability.

AHI is already debt free as of year 2017 and has increased its cash position. Thereby, all major capital expenditure, new and replacements, are funded from cash generated from the Company's operations. The Company does not intend to raise additional funds nor to obtain new loans to fund its capital expenditures and has no product research and development plan in the next twelve months. The Company is expecting to purchase medical equipment in 2024 mainly to replace existing equipment.

Other Matters

There were no material events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There were no material off-balance sheet transactions, arrangement, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons, created during the reporting period.

There were no material commitments for capital expenditures.

There were no material causes for any changes in the Financial Statements from December 31, 2023 to December 31, 2024.

There were no significant elements of income or loss that the Company is aware of, either arising from the Hospital's continuing operations or otherwise.

HISTORICAL AND CURRENT DEVELOPMENTS

On February 7, 2005, the SEC approved the amendment of the Articles of Incorporation of AHI in respect of the decrease in AHI's capital stock from 2,000,000,000 shares with a par value of PHP1.00 per share to PHP573.7 million, consisting of 573,738,133 shares with a par value of PHP1.00 per share, and the subsequent increase to PHP2.0 billion, consisting of 2,000,000,000 shares with a par value of PHP1.00 per share.

The construction of the new Hospital tower started in January 2010. With the increasing census in 2011, AHI Management equipped the 11th floor nursing ward to increase bed capacity by 24 beds. The expanded facility opened in August 2012.

Effective July 1, 2011, AHI revised the estimated useful life of certain property and equipment from 15 years to 5 years resulting in an increase in depreciation totaling PHP 328 million, of which PHP246.1 million incurred in the year 2011.

On December 6, 2011, the controlling interest in the Company was purchased by Metro Pacific Investment Corporation ("MPIC") from Bumrungrad International Limited ("BIL") and another person. Correspondingly, the Company's ultimate parent as of December 31, 2011 is now MPIC. Prior to December 6, 2011, the parent company was BIL.

On April 19, 2012, a mandatory tender offer for the 43.50% stake held by the Company's non-controlling investors launched by MPIC was completed. MPHHI, a wholly-owned subsidiary of MPIC, and a non-controlling investor of AHI, exercised its right of first refusal and purchased an additional 27.98% stake in the Company from other non-controlling investors. This resulted to an increase in MPHHI's beneficial and/or legal ownership in AHI to 52.41% for 2012. Effectively, the Company's immediate parent as of December 31, 2012 is MPHHI while the Company's ultimate parent is MPIC, being the stockholder owning one hundred percent (100%) of the outstanding capital stock of both MPHHI and BIPI.

In September 2013, the Hospital opened its breast center facility. The center is the first and the biggest integrated facility that offers a one-stop shop for breast care using the latest technology and medical expertise. The breast center facility is located at the 4th Floor of the Hospital Tower 2.

In October 2013, AHI opened the Chemo Infusion Unit and Upper Ground Floor of Tower 2, which expanded its outpatient services facility.

On December 9, 2013, AHI received its first Gold Seal of Approval from the Joint Commission International (JCI) – a United States-based international accreditation body which aims to help health care organizations globally deliver the highest quality of patient care services. JCI sets strict standards that ensure patient safety and improve organizational management, facility management and safety, and quality of care.

On May 20, 2014, MPHHI acquired from MPIC additional shares in AHI which resulted in an increase in MPHHI's ownership in AHI to 58.1% as of December 31, 2014. In addition, MPHHI also acquired 100% of the outstanding capital stock of Bumrungrad International Philippines, Inc. (BIPI) on July 1, 2014. BIPI has 27.5% legal and beneficial ownership in AHI. As of December 31, 2014, MPHHI effectively owns 85.56% of AHI.

On July 1, 2014, MPHHI, together with AHI, MPIC, BIPI and AHI's creditors executed an Amending Agreement to the SRA amending certain provisions of the SRA to allow the transfer of ownership of 100% of the outstanding capital stock of BIPI from MPIC to MPHHI and reducing MPIC's ownership requirement of MPHHI.

AHI Management equipped the 10th and 9th Floor nursing wards of Tower 2 in April and October 2014 respectively, to increase bed capacity by 60 beds.

On July 23, 2015, the Company launched the Asian Cancer Institute (ACI), the very first cancer facility in the country that fully integrates the most appropriate care each patient requires to conquer cancer. ACI is equipped with newer and advanced TomoTherapy HDA-H Series machine, a top-of-the line equipment that can deliver a very accurate radiotherapy treatment for cancer.

AHI gained its second JCI accreditation on September 2016, in AHI's pursuit to persistently strive and achieve quality medical service for the patients and the communities it serves.

AHI opened the Emmanuel Center on February 13, 2017. It is an innovative, multidisciplinary, patient-centered ambulatory care facility that provides screening, diagnosis, and surgical care for cancer patients.

AHI expanded its Hemodialysis and Endoscopy units in February 2017.

On February 24, 2017, AHI opened the Chrys Specialty Pharmacy. Chrys Specialty Pharmacy is an outpatient pharmacy that serves the special needs of patients with complex disease conditions like cancer and other chronic ailments. It provides a wide range of high quality anticancer drugs and prescription drugs related to cancer treatment at very reasonable prices.

On April 10, 2017, Asian Hospital Outpatient Pharmacy started its operations.

On June 2017, AHI opened its Neuro ICU to patients. AHI was also re-accredited by the Department of Health as Mother Baby Friendly Hospital. AHI was initially accredited in June 2014.

AHI completed its loan payment to IFC and DEG in November and September 2017, respectively.

Asian Cardiovascular Institute was launched in January 2018.

Asian Ambulatory Care Facility was launched in September 2018.

Asian Brain Institute and Asian Senior Wellness Institute were launched in August 2019.

AHI gained its third JCI re-accreditation in September 2019.

In May 2020, AHI launched its "eConsults" and Online Appointments facilities. "eConsults" is an online platform where patients can communicate their health concerns and consult with AHI doctors in the comforts of their homes, for their convenience and protection, during and after community quarantine. Online Appointments, is similar to the eConsults, where patients can book their appointments before arriving at the Hospital. On the same period, due to the rising cases of COVID-19, AHI applied to be an accredited COVID-19 Testing Center and achieved its level five

molecular laboratory testing center classification, enabling AHI to independently conduct reverse transcription-polymerase (RT-PCR) testing

In July 2020, AHI offered an 'E-Prescription' program, through which senior citizens and PWDs to purchase their medication refills up to a maximum three-month supply.

In December 2020, AHI was recognized by the Philippine Nursing Research Society, Inc. (PNRSI) as a "Nursing Research Cell" which aims to strengthen professional nursing practice and management standards towards high quality patient care through research and quality improvement initiatives.

In April 2021, AHI's Pathology and Laboratory Services announced the availability of online laboratory results via the AHMC portal.

AHI gained its fourth JCI re-accreditation in September 2022.

In May 2023, AHI was awarded the prestigious title of Acute Stroke Ready Hospital (ASRH) by the Stroke Society of the Philippines.

In July 2023, the Department of Health (DOH) awarded the Asian Cancer Institute as a Cancer Specialty Center in a General Hospital.

In February 2024, AHI's Brain Attack Team received the Diamond Status from World Stroke Organization (WSO) Angels Awards.

In May 2024, AHI's Florence Lim-Chan Nursing Simulation Lab was inaugurated.

Except for those disclosed above, there are no other known trends, events or uncertainties that will have a material impact on AHI liquidity or have a material impact on revenue. AHI relies on the balance of the equity infusion and cash flows from operations as sources of its liquidity. Neither are there seasonal aspects, causes for any material changes from period to period or material off-balance sheet transactions, arrangements, obligations that may have material impact on AHI's financial conditions or results of operations. AHI does not have any plan for product research and development over the next twelve (12) months.

KEY PERFORMANCE INDICATORS

Hospital Census

The number of average daily inpatient census as of December 2024 increased to 199 from an average of 165 in 2023, while outpatient census increased to an average of 800 per day as of December 2024 from 696 over the same period last year. The hospital's total revenues from services to patients for 2024 went up by 20.0% or Php0.8 million.

	Year 2024	Year 2023
Average Daily Inpatients	199	165
Average Daily Outpatients	800	696

HMO Accreditation

AHI has been monitoring the utilization and revenue contribution of each HMO. In 2007, AHI started a project to improve and align processes with numerous HMOs in order to reduce the collection period for outstanding invoices. The Company has 25 and 26 accredited HMOs as of the end of 2024 and 2023.

Patients Receivables Management

AHI's existing policy in providing allowance for doubtful accounts is based on net revenues adjusted by the result of aging analysis. The Company adopted PFRS 9 – Expected Credit Loss (ECL) as mandated, beginning January 1, 2018, in calculating the required allowance for bad debts. AHI decided to use the simplified provision matrix in estimating the ECL for its collective assessment of impairment of receivables. The Company has identified different macroeconomic factors for each segment of its receivable to comply with the requirements of PFRS 9 to incorporate forward-looking information.

Comparable figures as of December 31, 2024 and 2023 are as follows:

	Year 2024	Year 2023
Percentage of Allowance for ECL over Accounts Receivable	31.1%	33.6%
Days' Revenues in Receivables*	52	54

* calculated by dividing average Accounts Receivable - Trade as of balance sheet date by the accumulated average daily revenues

AHI continues to adhere to the top-up payment and collection policy for all admissions including elective surgery as well as scheduled and emergency admissions. A pre-admission payment is required upon admission and regular top-ups are actively pursued as hospital bills accumulate. AHI's Accounts Receivable Section closely monitors the progress of patient receivables and meets regularly for this purpose.

The collection of long outstanding accounts receivables has been outsourced to a collecting agent who officially communicates with patients who have outstanding payables to AHI. This agency has been instructed to legally pursue some of the receivables from patients who have refused to react to payment notices issued by the Hospital.

Inventory Management

On a regular basis, the Supply Chain Management Department reviews the reorder quantity and lead-time to ensure that inventory is kept at the optimum level. The levels of inventories for medical supplies and for the inpatient pharmacy - including critical lifesaving medicines that were added to the formulary - were adjusted in response to the patient volumes.

As an indicator, the Hospital has set days' sales in inventory to 60 days. Comparable figures as of December 31, 2024 and 2023 are as follows:

	Year 2024	Year 2023
Days' Sales in Inventory*	49	43

* calculated by dividing the average ending inventory for the last six months by the average cost of sales per day

Rationalization of Manpower Level

The increase in headcount among regular employees is mainly due to advance hiring of nurses for attrition. The Management of the Hospital continues to monitor the manpower allocation consistent with the workloads and service requirements of each department to ensure quality service delivery at all times. AHI continue to outsource some of its noncritical staffing requirements (security, janitorial, laundry and building maintenance and engineering services).

The comparative manpower levels of the Hospital as of December 31, 2024 and 2023 are shown below:

	Year 2024	Year 2023
Regular*	1,735	1,269
Probationary*	179	492
Total	1,914	1,761

* Actual headcount

Dividends

AHI declared dividends in the total amount of Php348.6 million and Php345.7 million in 2024 and 2023, respectively.

CORPORATE GOVERNANCE

AHI fully subscribes to the practice of corporate governance. It is making every attempt to monitor and comply with the Corporate Governance Manual ("Manual") submitted to the SEC under Memorandum Circular No. 2 dated April 5, 2002 and all related circulars issued.

In compliance with Section 6 (Monitoring and Assessment) of its Manual, the Manual was reviewed and revised. The revisions to the Manual were approved by the Board at its September 6, 2005 meeting, and incorporated in AHI's Amended By-Laws.

AHI's Code of Ethics was also put in place for all its employees to observe. Members of the Board attended a seminar on corporate governance on October 21, 2005 conducted by the Philippine Institute of Certified Public Accountants (PICPA) to better understand and support corporate governance.

AHI continues to monitor and significantly comply with the good governance practices and principles outlined in the SEC Corporate Governance Self-Rating Form (CG-SRF). In numerous areas, AHI continues to improve with its cooperation with various committees of the AHI.

During the January 25, 2008 meeting, the Board authorized the amendment of AHI's Manual to require the directors to attend a seminar on corporate governance to be conducted by a duly recognized private or government institute before assuming office as such in compliance with the directive of the SEC.

At the June 24, 2010 meeting, the Board approved the amendment of AHI's Manual to incorporate the duties and responsibilities of the Chairman, Vice-Chairman, Chief Executive Officer, President, Treasurer and Chief Financial Officer.

On February 22, 2011, AHI submitted to the SEC its Revised Manual on Corporate Governance incorporating therein the mandatory provisions of the Revised Code of Corporate Governance (SEC Memorandum Circular No. 6, series of 2009).

On July 30, 2014, AHI submitted to the SEC a Revised Manual on Corporate Governance, to reflect changes prescribed under SEC Memorandum Circular No. 9 series of 2014.

On June 13, 2022, AHI submitted to the SEC a further Revised Manual on Corporate Governance, in compliance with SEC Memorandum Circular No. 24, series of 2019 or the Code of Corporate Governance for Public Companies and Registered Issuers. AHI's current Revised Manual on Corporate Governance took effect on 10 June 2022.

AHI, through its Compliance Officer, continuously evaluates its compliance with the Code of Corporate Governance and its Revised Manual on Corporate Governance. Its findings are reflected in the 2022, 2023, and 2024 Annual Corporate Governance Reports ("ACGR") submitted with the SEC.

Corporate programs, policies and procedures are also constantly being developed and revised to address any issues found. These include the following: Conflict of Interest Policy, Vendor Policy, Third Party Risk Management Policy, Internal Audit Charter, Organizational Ethics and Compliance Committee Charter, Charters of the Quality Council, Risk Management Committee, and Patient Safety Committee, Code of Ethics, Culture of Safety Program, Code of Organizational Ethics, Anti-Bribery and Anti-Corruption Policy, and Whistleblowing Policy.

There has been no material deviation from the Revised Manual on Corporate Governance. Neither has there been any director or executive officer of AHI who has violated any material provision of the same.

- viii. Article IV, Section 8: Added a new provision on the designation of the Compliance Officer and his/her duties and responsibilities.

- i. Adjournment

The Board of Directors has fixed the close of business on April 16, 2025 as the record date for the determination of stockholders entitled to notice of and to vote at the Special Meeting of Stockholders.

To ensure the safety and welfare of our stockholders and for their convenience, AHI will dispense with the physical attendance of stockholders at the meeting and will allow attendance only by remote communication. Voting shall be done electronically in absentia or through the Chairman of the meeting as proxy.

Duly accomplished proxies (sample forms of which shall be provided to the stockholders together with this notice and the Information Statement) must be submitted on or before 28 April 2025 to AHI's stock and transfer agent at:

PROFESSIONAL STOCK TRANSFER INC.
 10th Floor Telecom Plaza, 318 Gil Puyat Avenue, Makati City
 Telephone Number: (632) 8887-4053
 Look for: Ms. Hilda Amion or Ms. Edelyn Jimeno
 (Email Address: hilda.amion@professionalstocktransfer.com or
 edelyn.jimeno@professionalstocktransfer.com)

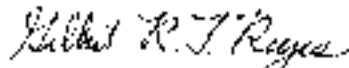
AHI's stock and transfer agent shall then submit all proxies received to the Corporate Secretary. Proxy validation shall be held on 30 April 2025.

Stockholders intending to participate by remote communication should notify AHI by email to ehwagmnc@asianhospital.com on or before 28 April 2025.

Stockholders may vote electronically in absentia, subject to validation procedures.

The rules and procedures for participating in the meeting through remote communication and for casting their votes in absentia are set forth in the Information Statement.

Very truly yours,



GILBERT RAYMUND T. REYES
 Corporate Secretary

SAMPLE PROXY FORM FOR INDIVIDUALS

PROXY

The undersigned stockholder of **ASIAN HOSPITAL, INC.**, a corporation duly organized and existing under the laws of the Philippines ("AHI"), do hereby nominate, constitute and appoint _____, or in his/her absence, the Chairman of the meeting, as my true and lawful attorney-in-fact and proxy, to represent the undersigned at all annual and/or special meetings of the stockholders of AHI, and any adjournment(s) or postponement(s) thereof.

The undersigned hereby authorizes the proxy/substitute proxy to exercise full discretion to act and vote all shares of stock in AHI which the undersigned owns.

Hereby giving and granting unto the said proxy/substitute proxy full power and authority to do and perform every legal act and thing whatever requisite or necessary to be done in and about the premises as fully to all intents and purposes as the undersigned might or could lawfully do, and confirming all that the said proxy/substitute proxy shall lawfully do or cause to be done by virtue hereof.

This Proxy shall be valid for a period of five (5) years from the date hereof unless sooner terminated in writing copy furnished the Corporate Secretary of AHI.

Signed this _____ at _____.

Printed Name of Stockholder : _____

Signature of Stockholder : _____

Date : _____

SAMPLE PROXY FORM FOR CORPORATIONS

PROXY

_____ a corporation duly organized and existing under the laws of the Philippines (the "Company"), acting through its duly authorized representative (as per the Secretary's Certificate attached hereto as Annex "A"), does hereby name and appoint _____, or in his/her absence, the Chairmen of the meeting, as the Company's true and lawful attorney-in-fact and proxy, to represent the Company at all annual and/or special meetings of the stockholders of ASIAN HOSPITAL, INC. ("AHI"), and any adjournment(s) or postponement(s) thereof.

The Company hereby authorizes the proxy/substitute proxy to exercise full discretion to act and vote all shares of stock in AHI which the Company owns.

Hereby giving and granting unto the said proxy/substitute proxy full power and authority to do and perform every legal act and thing whatever requisite or necessary to be done in and about the premises as fully to all intents and purposes as the Company might or could lawfully do, and confirming all that the said proxy/substitute proxy shall lawfully do or cause to be done by virtue hereof.

This Proxy shall be valid for a period of five (5) years from the date hereof unless sooner terminated in writing copy furnished the Corporate Secretary of AHI.

Signed this _____ at _____.

Printed Name of Corporate Stockholder : _____

Printed Name of Authorized Representative : _____

Signature of the Authorized Representative : _____

Date : _____

SAMPLE SECRETARY'S CERTIFICATE FOR CORPORATE SHAREHOLDERS

ANNEX A TO PROXY FOR CORPORATE SHAREHOLDER

SECRETARY'S CERTIFICATE

I, _____, Filipino, of legal age and with office address at _____, hereby certify that:

1. I am the duly appointed Corporate Secretary of _____ (the "Company"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office address at _____.
2. I hereby certify that at the Regular/Special Meeting of the Board of Directors held on _____, at which a quorum was present and acting throughout, the following resolution was unanimously approved:

"RESOLVED, That _____ is hereby authorized to (a) designate the persons to be nominated by the Company for election as directors in ASIAN HOSPITAL, INC. ('AHI'), in which the Company owns or holds of record or beneficially shares of stock, (b) to represent and vote the shares of stock owned or held by the Company in any meeting of the stockholders, as he/she may deem necessary or appropriate, to designate/appoint a person he/she may deem fit as proxy or attorney-in-fact, with full power of designation and substitution to represent and vote the shares of stock owned or held by the Company in any meeting of the stockholders of AHI, and (c) sign in behalf of the Company any nomination letter, voting instruction and proxy form or special power of attorney and other instruments in connection with any and all of the foregoing matters and in the exercise of the authority granted to the Company's authorized representative under this resolution;

RESOLVED, FURTHER, That AHI shall be furnished with a certified copy of this resolution and AHI may rely on the continuing validity of this resolution until receipt of written notice of its revocation."

3. The foregoing resolution has not been modified, amended or revoked in accordance with the records of the Company presently in my custody.

IN WITNESS WHEREOF, I have signed this Secretary's Certificate on _____.

NAME
Corporate Secretary

SUBSCRIBED AND SWORN TO BEFORE ME on _____ in _____, Affidavit exhibited to me her/his competent evidence of identity by way of _____ issued on _____ at _____.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2022.

ANNEX "B"
**LETTER TO THE SEC ON THE EXTENSION OF TERM
OF AHI INDEPENDENT DIRECTORS**

17 March 2025

SECURITIES & EXCHANGE COMMISSION
7907 Makati Avenue, Salcedor Village
Barangay Bel-Air, Makati City

Attention: **RACHEL ESTHER J. GUMTANG-REMALANTE**
Director
Corporate Governance and Finance Department

Re: Asian Hospital, Inc. Independent Directors –
Extension of Term

Greetings:

In relation to the filing by Asian Hospital, Inc. ("AHI") of its Information Statement as required under Rule 20 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code, we would like to notify the Honorable Commission of AHI's intention to re-elect its incumbent independent directors: (i) Fernando Jose A. Fontanilla; and (ii) Carmelita I. Quebengco.

Mr. Fontanilla and Ms. Quebengco have each served a cumulative term of more than nine (9) years. However, AHI has opted to have them re-elected as the company was unable to find other replacements that will provide the same or comparable skills, qualifications, and experience that the incumbent independent directors are currently providing.

The AHI Board is convinced that Mr. Fontanilla and Ms. Quebengco remain independent and are qualified for re-election to the AHI Board. Their re-election shall likewise be subject to the approval of the shareholders during the annual shareholders' meeting.

We trust that you will find the foregoing in order.

Very truly yours,


GILBERT RAYMOND J. REYES
Corporate Secretary

ANNEX "C"
CERTIFICATIONS OF INDEPENDENT DIRECTORS

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ARTEMIO V. PANGANIBAN**, Filipino, of legal age and a resident of 1209 Azarcia Street, Dajansville Village, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

- I am a nominee for independent director of **ASIAN HOSPITAL, INC.** and have been its independent director since 3 March 2017.
- I am affiliated with the following companies:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Asqua Terminals, Inc.	Independent Director	2010 - present
GMA Holdings, Inc.	Independent Director	2009 - present
GMA Network, Inc.	Independent Director	2007 - present
Jobilee Foods Corporation	Non-Executive Director	2012 - present
Manila Electric Company	Independent Director	2008 - present
Metro Pacific Investments Corporation	Independent Advisor Independent Director	2023 - present 2007 - 2023
Petron Corporation	Independent Director	2010 - present
PLDT, Inc.	Independent Director	2013 - present
TeaM Energy Corporation	Independent Director	2015 - present
Metrobank Foundation	Chairman, Board of Advisors	2008 - present
Foundation for Liberty and Prosperity	Chairman	2011 - present
Philippine Judges Foundation	Chairman	2015 - present
Manila Metropolitan Cathedral - Basilica Foundation, Inc.	President	2010 - present
Claudio Techonice Foundation	Vice-Chairman	2015 - present
Tan Yan Kee Foundation, Inc.	Trustee	2014 - present
Metropolitan Bank and Trust Company	Senior Adviser	2007 - present
DoubleDragon Corporation	Adviser	2014 - present
MerryMart Consumer Corporation	Adviser	2020 - present
Philippine Dispute Resolution Center, Inc.	Chairman Emeritus	2013 - present
Ascan Law Association	Chairman Emeritus, Philippine Chapter	2024 - present
Permanent Court of Arbitration, The Hague, The Netherlands	Chairman, Philippine National Group	2017 - 2023
IG Summit Holdings, Inc.	Independent Director	2021 - present
AI Commercial REIT, Inc.	Independent Director	2021 - present
Metro Pacific Tollways Corp.	Independent Director	2010 - present
World Bank (Phil.) Advisory Group	Member	2009 - present

*For my full bio-data, log on to my personal website: panganiban.com

- To the best of my knowledge, I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **ASIAN HOSPITAL, INC.**, as provided for in Section 34 of the Securities Regulation Code ("SRC"), as implementing Rules and Regulations ("IRR") and other statutes of the Securities and Exchange Commission ("SEC").
- To the best of my knowledge, I am not related to any director/officer/substantial shareholder of Metro Pacific Investments Corporation and its subsidiaries and affiliates other than the relationship provided under Rule 39.2 of the IRR of the SRC.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **CARMELITA L. QUEBRANCO**, Filipino, of legal age and a resident of The Grand Mallori, 140 Legaspi Street, Legaspi Village, Makati City, after having freely and voluntarily sworn to its contents with knowledge hereby declare that:

- I am a nominee for independent director of **ASIAN HOSPITAL, INC.** and have been an independent director since 23 March 2012.
- I am affiliated with the following companies:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
De La Salle University Publications Board	Trustee	2014 - present
De La Salle University Technology Center	Trustee	1998 - present
De La Salle University Museum	Trustee	2000 - present
Divine World School of Theology	Trustee	2017 - present
Francis Cure Foundation	Trustee	1998 - present
De La Salle University	Trustee	2023 - present
Marian College	Trustee	2011 - present
Philippine Accrediting Association of Schools, Colleges, and Universities	Trustee	2016 - present
Philippine Women's University	Trustee	2016 - present
St. Joseph School, Legaspi	Trustee	2020 - present
St. Mary's College of Legaspi	Trustee	2016 - present
St. Paul University, Manila	Trustee	2012 - present
University of the Immaculate Conception, Davao	Trustee	2015 - present
University of St. La Salle, Bacolod	Trustee	2020 - present

- I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **ASIAN HOSPITAL, INC.** as provided for in Section 38 of the Securities Registration Code ("SRC"), its Implementing Rules and Regulations ("IRR") and other issuances of the Securities and Exchange Commission ("SEC").
- To the best of my knowledge, information, related to any director/officer/substantial shareholder of **ASIAN HOSPITAL, INC.** and its subsidiaries and affiliates other than the relationship provided under Rule 38.2 of the IRR of the SRC.
- To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
- I am not affiliated with a government agency or a government-owned and controlled corporation.
- I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and the IRR, the Code of Corporate Governance, and other SEC issuances.
- I shall inform the Corporate Secretary of **ASIAN HOSPITAL, INC.** of any changes in the above-mentioned information within five (5) days from its occurrence.

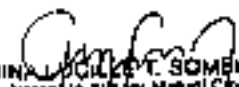
Executed this MAR 26 2025 at PARANGAL CITY


CARMELITA L. QUEBRANCO

SUBSCRIBED AND SWORN to before me this MAR 26 2025 at PARANGAL CITY by the said person(s) who appeared before me and exhibited to me his Senior Citizen ID No. 15627 issued at Parangal City on 27 November 2007.

Notary Atty. SB
 Reg. No. 1
 Book No. 1
 Series of 2025




GIANINA LUCILLE T. SOMELINGO
 Notary Public for Makati City
 issued December 31, 2024
 Appointment No. 44-391
 PIR No. 1048629/January 16, 2025/LEGASPI CITY
 IBP No. 51784/January 13, 2025/ANABASITA
 Hall of Attorneys No. 81487
 MCE-Correlation No. 111-0913422/Sep. 28, 2024
 34th Floor, Tower 1, The Enterprise Center
 8768 Ayala Ave. cor. Peralta & Roads, Makati City

CERTIFICATION OF INDEPENDENT DIRECTOR

L. FERNANDINO JOSE A. FONTANILLA, Filipino, of legal age and a resident of Muntinlupa, Metro Manila, after having been duly sworn to in accordance with law do hereby declare that:

- I am a nominee for independent director of **ASIAN HOSPITAL, INC.** and have been its independent director since 25 July 2006.
- I am affiliated with the following companies:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Southern University	Vice-President for Research and Innovation	June 2022 - present
Fidel Corporation	Vice President	December 1994 - present
Life Corporation The Medical City	Vice President Head - Ocular Section of the Department of Ophthalmology	December 1994 - present 2002 - present
Eye, Glaucoma & Glinose Specialists	Founding Partner	2002 - present
John Ramon and Nestor Bar, Inc.	Member, Board of Director	2018 - present

- I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **ASIAN HOSPITAL, INC.**, as provided for in Section 38 of the Securities Regulation Code ("SRC"), its Implementing Rules and Regulations ("IRR") and other issuances of the Securities and Exchange Commission ("SEC").
- To the best of my knowledge, I am not related to any director/officer/substantial shareholder of **ASIAN HOSPITAL, INC.** and its subsidiaries and affiliates other than the relationship provided under Rule 31.2 of the IRR of the SRC.
- To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
- I am not affiliated with a government agency or a government-owned and controlled corporation.
- I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its IRR, the Code of Corporate Governance, and other SEC issuances.
- I shall inform the Corporate Secretary of **ASIAN HOSPITAL, INC.** of any changes in the above-stated information within five days from its occurrence.


Date: this MAR 26 2025 at MAKATI CITY


FERNANDINO JOSE A. FONTANILLA

SUBSCRIBED AND SWORN to before me this MAR 26 2025 at MAKATI CITY affirm personally appeared before me and exhibited to me his PRC ID No. 0173779 issued at the City of Manila on 26 December 1991.

Doc. No. _____
 Page No. _____
 Book No. _____
 Series of 2025.




GIANINA JOYCE T. SOMBLINO
 Notary Public for Makati City
 Commission No. 14-387
 Appointment No. 14-387
 PTA No. 1040623 January 10, 2025 Manila City
 IBP No. 51284 January 15, 2025 ZAMBALITA
 Roll of Notaries No. 87487
 NCLC Compliance No. VII-00130223 Sept. 30, 2024
 3481 Pinar, Tower 1, The Emporium Center
 #745 Agala Ave. cor. Palaro de Roxas, Makati City

ANNEX "D"
ASIAN HOSPITAL, INC.
AUDITED FINANCIAL STATEMENTS

[PLEASE SEE ATTACHED DOCUMENT]

COVER SHEET

For
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A S O 9 4 - 1 1 2 4 9

COMPANY NAME

A S I A N H O S P I T A L , I N C .
(A S u b s i d i a r y o f M e t r o P a c i f i c
H e a l t h C o r p o r a t i o n)

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

2 2 0 5 C i v i c D r i v e , F i l i n o y e s 1
C o r p o r a t e C i t y , A l a b a n g ,
M u n i c i p a l i t y C i t y

Form Type

A A F S

Department requiring the report

S E C

Secondary License Type, If Applicable

N / A

COMPANY INFORMATION

Company's Email Address

info@asianhospital.com

Company's Telephone Number

+(632) 8771-9000 to 02

Mobile Number

N/A

No. of Stockholders

617

Annual Meeting (Month / Day)

04/30

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Robert D. Martinez

Email Address

rdmartinez@asianhospital.com

Telephone Number/s

+(632) 8771-9000 to 02

Mobile Number

+(63) 9399141797

CONTACT PERSON'S ADDRESS

Parkwood Green Executive Village, Pasig City

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-issuance of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Asian Hospital, Inc.
2205 Civic Drive, Filinvest Corporate City
Alabang, Muntinlupa City

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Asian Hospital, Inc. (a subsidiary of Metro Pacific Health Corporation) (the Company) which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2024, 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, 2024 and 2023, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2024 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 (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.



- 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.

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 27 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 Asian Hospital, 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.

Julie Christine O. Mateo

Julie Christine O. Mateo

Partner

CPA Certificate No. 93542

Tax Identification No. 198-819-116

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

BIR Accreditation No. 08-001998-068-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10465357, January 2, 2025, Makati City

February 19, 2025



ASIAN HOSPITAL, INC.
(A Subsidiary of Metro Pacific Health Corporation)
STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	P1,041,672,782	P1,400,291,603
Receivables (Notes 5 and 23)	656,068,498	528,936,589
Inventories (Note 6)	160,810,671	178,621,082
Other current assets (Note 7)	59,112,602	51,813,712
Total Current Assets	1,917,664,553	2,159,662,986
Noncurrent Assets		
Property and equipment (Note 8)	5,973,333,658	4,036,275,297
Deferred income tax assets - net (Note 20)	134,715,009	117,264,124
Other noncurrent assets (Note 9)	178,884,334	80,899,491
Total Noncurrent Assets	6,286,932,993	4,234,438,912
TOTAL ASSETS	P8,204,597,546	P6,394,101,898
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities (Notes 10, 11, 13 and 23)	P1,496,415,733	P1,064,133,664
Income tax payable	169,003,543	95,298,555
Due to a related party (Note 23)	4,749,475	20,818,444
Total Current Liabilities	1,670,168,751	1,180,250,663
Noncurrent Liabilities		
Liability for purchased land - net of current portion (Note 11)	777,206,454	-
Lease liability - net of current portion (Notes 24 and 25)	117,165,163	-
Accrued retirement benefits liability - net (Note 19)	25,794,462	80,583,240
Total Noncurrent Liabilities	920,166,079	80,583,240
Total Liabilities	2,590,334,830	1,260,833,903
Equity		
Capital stock (held by 617 and 611 equity holders in 2024 and 2023, respectively) (Note 12)	1,936,289,876	1,935,520,327
Additional paid-in capital	185,465,780	185,465,780
Retained earnings (Note 12)	3,489,373,820	3,033,296,463
Other comprehensive gain (loss) - net of tax (Notes 9, 12 and 19)	3,133,240	(21,014,575)
Total Equity	5,614,262,716	5,133,267,995
TOTAL LIABILITIES AND EQUITY	P8,204,597,546	P6,394,101,898

See accompanying Notes to Financial Statements.



ASIAN HOSPITAL, INC.
(A Subsidiary of Metro Pacific Health Corporation)

STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2024	2023	2022
REVENUE (Note 13)	P5,331,884,568	P4,462,448,455	P3,701,553,463
COST OF SERVICES AND SALES (Note 14)	(3,077,861,632)	(2,564,833,097)	(2,220,472,075)
GROSS PROFIT	2,254,022,936	1,897,615,358	1,481,081,388
Operating expenses (Note 15)	(1,230,711,620)	(1,042,138,442)	(963,100,487)
Other operating income - net (Note 16)	89,144,331	63,658,301	91,268,010
OPERATING INCOME	1,112,455,647	919,135,217	609,248,911
Interest income (Notes 4 and 5)	25,413,454	20,876,268	4,477,770
Finance costs (Note 17)	(49,525,929)	(4,244,316)	(1,453,257)
INCOME BEFORE INCOME TAX	1,088,343,172	935,767,169	612,273,424
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 20)			
Current	309,154,862	232,015,020	136,496,847
Deferred	(25,500,157)	9,965,976	16,382,397
	283,654,705	241,980,996	152,879,244
NET INCOME	804,688,467	693,786,173	459,394,180
OTHER COMPREHENSIVE INCOME (LOSS)			
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods, net of taxes (Notes 9, 12 and 19)	24,147,815	(20,016,329)	(16,223,054)
TOTAL COMPREHENSIVE INCOME	P828,836,282	P673,769,844	P443,171,126
BASIC/DILUTED EARNINGS PER SHARE (Note 26)	P0.4155	P0.3582	P0.2372

See accompanying Notes to Financial Statements.



ASIAN HOSPITAL, INC.

(A Subsidiary of Metro Pacific Health Corporation)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022**

	Capital Stock (Note 12)	Additional Paid-in Capital	Retained Earnings (Note 12)	Other Comprehensive Income (Loss) - net of tax (Notes 9, 12 and 19)	Total
BALANCES AT DECEMBER 31, 2021	₱1,934,032,691	₱185,465,780	₱2,541,485,934	₱15,224,808	₱4,678,168,963
Application of dividends against subscriptions receivable (Note 12)	712,328	-	-	-	712,328
Net income	-	-	459,394,130	-	459,394,130
Other comprehensive loss (Notes 9, 12 and 19)	-	-	-	(16,221,054)	(16,221,054)
Total comprehensive income (loss)	-	-	459,394,130	(16,221,054)	443,173,076
Total before dividend declaration	1,934,745,019	185,465,780	3,002,879,764	(999,246)	5,122,052,317
Cash dividends (Note 12)	-	-	(317,623,450)	-	(317,623,450)
BALANCES AT DECEMBER 31, 2022	1,934,745,019	185,465,780	2,685,256,314	(999,246)	4,804,428,961
Application of dividends against subscriptions receivable (Note 12)	774,308	-	-	-	774,308
Net income	-	-	693,786,173	-	693,786,173
Other comprehensive loss (Notes 9, 12 and 19)	-	-	-	(20,016,329)	(20,016,329)
Total comprehensive income (loss)	-	-	693,786,173	(20,016,329)	673,769,844
Total before dividend declaration	1,935,520,327	185,465,780	3,379,042,487	(21,014,575)	5,478,974,013
Cash dividends (Note 12)	-	-	(345,706,018)	-	(345,706,018)
BALANCES AT DECEMBER 31, 2023	1,935,520,327	185,465,780	3,033,336,469	(21,014,575)	5,133,267,995
Application of dividends against subscriptions receivable (Note 12)	769,549	-	-	-	769,549
Net income	-	-	804,688,467	-	804,688,467
Other comprehensive income (Notes 9, 12 and 19)	-	-	-	24,147,815	24,147,815
Total comprehensive income	-	-	804,688,467	24,147,815	828,836,282
Total before dividend declaration	1,936,289,876	185,465,780	3,837,964,936	3,133,240	5,962,873,826
Cash dividends (Note 12)	-	-	(348,611,110)	-	(348,611,110)
BALANCES AT DECEMBER 31, 2024	₱1,936,289,876	₱185,465,780	₱3,489,373,826	₱3,133,240	₱5,614,262,716

See accompanying Notes to Financial Statements



ASIAN HOSPITAL, INC.
(A Subsidiary of Metro Pacific Health Corporation)

STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	P1,008,343,172	P935,767,169	P812,273,424
Adjustments for:			
Depreciation and impairment loss (Notes 8 and 9)	438,184,519	378,256,081	365,757,138
Interest expense (Notes 17, 19 and 24)	49,163,656	3,757,778	1,126,169
Provision for expected credit losses (Notes 5 and 15)	61,615,452	123,556	-
Interest income (Notes 4 and 5)	(29,413,454)	(20,876,268)	(4,477,770)
Amortization of software and licenses (Note 9)	32,251,873	15,658,097	12,966,263
Retirement benefits cost (Notes 18 and 19)	16,631,334	11,114,159	9,568,309
Provision for inventory obsolescence (Note 6)	6,646,857	6,006,172	2,930,727
Unrealized foreign exchange loss (gain) - net	(2,769,401)	1,637,246	(14,159,125)
Loss/(gain) on disposal of property and equipment (Notes 8 and 16)	948,397	(1,045,277)	61,179
Operating income before working capital changes and provisions	1,655,712,405	1,330,400,715	986,046,314
Decrease (increase) in:			
Receivables	(189,417,827)	(161,695,898)	1,291,399
Inventories	11,163,554	(20,470,458)	64,460,317
Other current assets	(7,298,890)	(16,783,565)	(5,497,133)
Increase (decrease) in:			
Accounts payable and other current liabilities	(29,426,170)	166,346,140	100,596,096
Due to a related party	(16,868,969)	10,526,276	(1,872,894)
Cash generated from operations	1,424,664,103	1,308,323,210	1,143,024,099
Interest received	25,413,454	20,876,268	4,477,770
Contributions to the retirement fund and benefits paid (Note 19)	(43,283,827)	(13,763,221)	(14,070,493)
Income taxes paid, including creditable withholding tax	(235,449,873)	(182,616,467)	(156,770,179)
Net cash from operating activities	1,171,343,857	1,132,819,790	978,661,197
CASH FLOWS USED IN INVESTING ACTIVITIES			
Payments for:			
Property and equipment (Notes 8 and 25)	(1,038,891,677)	(374,892,689)	(332,442,329)
Software and licenses (Notes 9 and 25)	(26,480,169)	(20,025,502)	(31,140,462)
Proceeds from disposal of property and equipment (Note 8)	164,338	2,973,889	1,432,661
Decrease (increase) in:			
Advances to contractors	(95,284,354)	(6,165,805)	20,884,930
Other noncurrent assets	(26,585)	(88,582)	(152,807)
Net cash used in investing activities	(1,160,512,447)	(398,198,689)	(341,418,007)
CASH FLOWS USED IN FINANCING ACTIVITIES			
Payments of:			
Dividends (Notes 12 and 23)	(347,841,561)	(344,930,710)	(316,911,128)
Lease liability (Note 24)	(25,038,437)	(4,159,375)	(4,275,000)
Interest (Note 10)	-	-	(17,223)
Cash used in financing activities	(372,880,098)	(349,090,085)	(321,163,351)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
	3,429,867	(2,508,635)	14,603,406
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	(358,618,821)	383,022,181	330,683,245
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,440,291,603	1,017,269,222	686,585,977
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	P1,081,672,782	P1,400,291,603	P1,017,269,222

See accompanying Notes to Financial Statements



ASIAN HOSPITAL, INC.
(A Subsidiary of Metro Pacific Health Corporation)

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information and Authorization for Issuance of Financial Statements

Corporate Information

Asian Hospital, Inc. (AHI or the Company) is a stock corporation organized and registered with the Philippine Securities and Exchange Commission (SEC) on December 12, 1994. Its primary purpose is to operate and manage tertiary hospitals and other allied undertakings and services.

In 2012, a mandatory tender offer for the 43.50% stake held by the Company's non-controlling investors was launched by the Company's former parent, Metro Pacific Investments Corporation (MPIC). The mandatory tender offer was completed on April 19, 2012. Correspondingly, Metro Pacific Health Corporation (MPHC, formerly Metro Pacific Hospital Holdings, Inc.), a former subsidiary of MPIC, and a non-controlling investor of AHI, exercised its Right of First Refusal and purchased an additional 27.98% stake in the Company from other non-controlling investors.

On May 20, 2014, MPHC acquired from MPIC additional shares in AHI which resulted to an increase in MPHC's ownership in AHI to 58.1%. In addition, MPHC also acquired 100% of the outstanding capital stock of Bunnangrad International Philippines, Inc. (BIPI) on July 1, 2014. BIPI has legal and beneficial ownership in AHI of 27.5%. As at December 31, 2024, MPHC effectively owns 85.6% of AHI.

MPHC is incorporated in the Philippines and its registered office address is 5th Floor Tower 1, Rockwell Business Center, Ortigas Avenue, Brgy. Ugong, Pasig City. On September 14, 2022, MPHC filed for an amendment in its articles of incorporation to change its corporate name from Metro Pacific Hospital Holdings, Inc. to MPHC. On February 10, 2023, the SEC approved the amendment.

The registered business address of the Company is 2205 Civic Drive, Filinvest Corporate City, Alabang, Muntinlupa City.

Authorization for Issuance of Financial Statements

The financial statements were authorized for issue by the Board of Directors (BOD) on February 19, 2025.

2. Summary of Material Accounting Policy Information

Basis of Preparation

The accompanying financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI). The financial statements are presented in Philippine Peso (Peso), which is the Company's functional and presentation currency, and all values are rounded to the nearest Peso except when otherwise indicated.

Statement of Compliance

The financial statements of the Company are prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.



New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Company.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- o That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- o That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- o That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Company's financial statements.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards - Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*



Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Financial Instruments: Financial Assets

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. As at December 31, 2024 and 2023, the Company's financial assets at amortized cost includes cash in bank and cash equivalents, receivables and refundable deposits included under "Other noncurrent assets" in the statements of financial position (see Notes 4, 5 and 9).

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in Other Comprehensive Income (OCI). Equity instruments designated at FVOCI are not subject to impairment assessment.

The Company elected to classify irrevocably its equity investments under this category as the Company considers these investments to be strategic in nature.

As at December 31, 2024 and 2023, the Company's financial assets at FVOCI includes investment in shares included under "Other noncurrent assets" in the statements of financial position (see Note 9).

Impairment of financial assets

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to debtors and the economic environment.



The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual cash flows in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Instruments: Financial Liabilities

Financial liabilities at amortized cost

This is the category most relevant to the Company. As of December 31, 2024, and 2023, the Company's accounts payable and other current liabilities (excluding statutory payables, current portion of liability for purchased land, current portion of lease liability and contract liabilities) and due to a related party are classified under this category (see Notes 10 and 23).

Inventories

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is determined using weighted average method for medicines and medical supplies. NRV is the estimated selling price less the estimated costs necessary to make the sale.

Property and Equipment

The cost of an item of property and equipment is the cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the difference between the cash price equivalent and the total payment is recognized as interest over the period of credit.

The initial cost of property and equipment consists of its purchase price, including import duties, taxes, and any costs directly attributable in bringing the asset to its working condition and location for its intended use.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Number of Years</u>
Buildings	40
Building equipment	15 to 25
Building improvements	5
Medical equipment and instruments	2 to 20
Hospital furniture, fixtures and equipment	3 to 20
Office furniture and equipment	5 to 20

Construction in progress and equipment for installation are stated at cost less any impairment in value. These include cost of construction, equipment, borrowing costs and other direct costs.

Right-of-use Assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are amortized on a straight-line basis over the shorter of its estimated useful life and the lease term. The Company classifies right-of-use assets as property and equipment.



Software and Licenses

Following initial recognition, software and licenses, which are included under "Other noncurrent assets", are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization is calculated using the straight-line method over its estimated useful life of five (5) years.

Investment Properties

Investment properties, pertaining to a condominium unit, included under "Other noncurrent assets" in the statement of financial position, are measured initially at cost, including transaction costs.

Subsequent to initial recognition, it is stated at cost less accumulated depreciation and any impairment in value.

Depreciation on the investment property is calculated using the straight-line method over the estimated useful life of twenty-five (25) years.

Revenue Recognition

The Company has generally concluded that it is principal in its revenue arrangements because it typically controls the goods and services before transferring them to the customer.

Patient service revenue

Patient service revenue qualifies for revenue recognition over time under paragraph 35(a) of PFRS 15 because the patient simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs. The Company elects to use the right to invoice practical expedient in recognizing revenue because the Company has a right to consideration from the patient in an amount that corresponds directly with the value to the patient of the Company's performance completed to date. Payment is due once the Company satisfies its performance obligation except for certain corporate customers which are allowed to settle the payment within 30-90 days.

Pharmacy sales

The Company assessed pharmacy sales to be either combined as one performance obligation with the healthcare services if the medicines are part of a series of distinct goods and services which cannot be separately identified or as a separate performance obligation if the patient can benefit solely from the goods, are readily available to the patient and separately identifiable from other goods and services of the Company. In the former case, pharmacy sales shall have the same measure of progress as the inpatient service revenue (i.e., over time) while in the latter, revenue shall be recognized as these are sold outright (i.e., point in time).

In determining the transaction price for the sale of healthcare services and goods, the Company considers the effects of any variable consideration such as discounts, rebates and implicit price concession. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Other income

The Company applies guidance in the revenue standard related to the transfer of control and measurement of the transaction price, including the constraint on variable consideration, to evaluate the timing and amount of the gain or loss recognized. Included in "Other operating income" are rental income (see accounting policy section on *Leases*), foreign exchange gain, parking fees and other incidental gain/income.



Leases

A lease arrangement is established by a contract (the lease) that conveys to the user (the lessee) the right to control the use of an identified asset for a period of time in exchange for consideration. A portion of an asset is an identified asset if it is physically distinct. If it is not physically distinct, the portion of an asset is not an identified asset, unless the lessee has the right to use substantially all of the capacity of the asset during the lease term.

If a contract contains more than one lease component, or a combination of leasing and selling transactions, the consideration is allocated to each of the lease and non-lease components on conclusion and on each subsequent measurement of the contract on the basis of their stand-alone selling prices.

The Company as a lessee

The Company has certain leases of machineries, office spaces and equipment, and parking lots and spaces of land. Generally, the leases have lease terms of one year or less and are renewable under certain terms and conditions to be mutually agreed upon by the parties. The Company applies the "short-term lease" and "lease of low-value assets" recognition exemptions for these leases. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

The Company as a lessor

Leases where the Company retains substantially all the risks and benefits of ownership of the assets are classified as operating leases. Rental income under operating leases is accounted for in accordance with the terms of the leases and generally on a straight-line basis and is included under "Other operating income" in the statement of comprehensive income.

3. Management's Use of Material Judgments, Accounting Estimates and Assumptions

The preparation of the financial statements in accordance with PFRS Accounting Standards requires management to exercise judgments, make accounting estimates and use assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgments, estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Future events may occur which can cause the assumptions used in arriving at those judgments and estimates to change. The effects of any changes will be reflected in the financial statements as they become reasonably determinable.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effects on amounts recognized in the financial statements:

Determination of whether the Company is acting as principal or agent

The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as principal on all of its revenue arrangements because the Company is the primary obligor who is responsible for providing the services to the patients and the Company bears the credit risk. The Company presents its revenues from pharmacy and hospital services, net of applicable discounts.



The Company as a lessee

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of equipment. It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below ₱0.3 million). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

The Company as a lessor

The Company has entered into commercial property leases on its investment property and concessionaire agreements with various business entities on certain areas of its building. The Company has determined that it retains all the significant risks and rewards of ownership of its investment property and certain areas of its building which are leased out on operating leases. Contingent rents are recognized as income in the period in which they are earned.

Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainties at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Estimating the incremental borrowing rate (PFRS 16)

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The present value of the lease payments is determined using the discount rate representing the interest rate implicit in the lease, or the lessee's incremental borrowing rate, if that rate cannot be readily determined. The Company assessed the incremental borrowing rate based on the interest rate that the Company would have to pay over the similar lease term, the fund necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rates used on new leases as at December 31, 2024 ranged from 5.93% to 6.78%.

Provision for ECL of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information.



At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analyzed.

The assessment of the correlation between observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future.

In its ECL model, the Company relies on a broad range of forward-looking information as economic inputs such as gross domestic product and inflation. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

Provision for ECL amounted to P61.6 million, P0.1 million and nil in 2024, 2023 and 2022, respectively (see Note 15). Receivables, net of allowance for ECL, amounted to P656.1 million and P528.9 million as at December 31, 2024 and 2023, respectively (see Note 5).

Estimation of allowance for inventory losses

Provisions are made for expired and slow-moving medicines and medical supplies pending disposal. Medicines and medical supplies, net of allowance for inventory losses, amounted to P160.8 million and P178.6 million as at December 31, 2024 and 2023, respectively. Inventory write-off amounted to P5.8 million and P4.2 million for the year December 31, 2024 and 2023, respectively (see Note 6).

Provision for inventory obsolescence amounted to P6.6 million, P6.0 million and P2.9 million in 2024, 2023 and 2022, respectively (see Notes 6 and 14).

Estimation of impairment of property and equipment, right-of-use asset, investment properties, and software and licenses

The Company assesses the impairment of property and equipment, right-of-use asset, investment properties, and software and licenses whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. The recoverable amount is the higher of an asset's net selling price and value-in-use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value-in-use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

No impairment loss was recognized on property and equipment, including right-of-use asset, investment properties, and software and licenses in 2024, 2023 and 2022 (see Notes 8 and 9). Accumulated impairment losses on property and equipment amounted to P0.2 million and P0.1 million as at December 31, 2024 and 2023, respectively (see Note 8).

As at December 31, 2024, the carrying values of property and equipment, investment properties, and software and licenses amounted to P5,973.3 million, P1.8 million and P31.7 million, respectively, while their carrying values as at December 31, 2023 amounted to P4,036.3 million, P2.0 million and P28.8 million, respectively (see Notes 8 and 9).



Recognition of deferred income tax assets

The Company reviews the carrying amounts of deferred income taxes at each reporting date and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized.

Management recognized deferred income tax assets amounting to ₱138.2 million and ₱118.3 million as at December 31, 2024 and 2023, respectively, because management expects to realize their benefits in the future (see Note 20).

Estimation of retirement benefits cost

The cost of defined benefit pension plans as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, accrued retirement benefits liability are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

Net retirement benefit cost recognized in profit or loss amounted to ₱16.6 million, ₱11.1 million and ₱9.6 million in 2024, 2023 and 2022, respectively, while net interest expense from retirement benefit cost amount to ₱4.1 million, ₱3.5 million and ₱0.9 million in 2024, 2023 and 2022, respectively (see Notes 18 and 19). Actuarial gain on accrued retirement benefits liability, net of tax recognized in OCI amounted to ₱24.1 million in 2024 and actuarial loss on accrued retirement benefits liability, net of tax, recognized in OCI amounted to ₱20.2 million and ₱16.2 million in 2023 and 2022, respectively (see Note 19). As at December 31, 2024 and 2023, accrued retirement benefits liability amounted to ₱25.8 million and ₱30.6 million, respectively (see Note 19).

Contingencies

The Company is a party in various lawsuits, the outcome of which is presently undeterminable. All such cases are in the normal course of business and are not deemed to be considered as material legal proceedings. Further, these cases are either pending in courts or under protest, the outcome of which are not presently determinable. Management and its legal counsel believe that the liability, if any, that may result from the outcome of these litigations and claims will not materially affect their financial position or performance.

4. Cash and Cash Equivalents

	2024	2023
Cash on hand and in banks	₱728,531,798	₱752,262,688
Time deposit	313,140,984	648,028,915
	₱1,041,672,782	₱1,400,291,603



Cash and cash equivalents include cash in banks and temporary placements that are made for varying periods up to three months depending on the immediate cash requirements of the Company. Cash in banks earn interest at the prevailing bank rates.

Interest income earned from cash in banks and cash equivalents amounted to P24.7 million, P20.5 million and P3.8 million in 2024, 2023 and 2022, respectively.

5. Receivables

	2024	2023
Trade:		
Health maintenance organizations (HMO)	P238,718,074	P226,675,143
Philippine Health Insurance Corporation (PhilHealth)	227,057,401	187,695,948
Self-pay	190,384,205	151,826,045
Corporate accounts	92,909,097	96,638,348
International insurance	77,727,037	56,607,635
Unbilled charges	83,710,573	30,367,430
Others	22,122,820	5,547,589
Nontrade	19,085,830	40,903,693
	<u>951,715,037</u>	<u>796,261,831</u>
Less allowance for ECL	<u>295,646,539</u>	<u>267,325,242</u>
	P656,068,498	P528,936,589

Unbilled charges pertain to receivables from undischarged patients for services already rendered but not yet billed.

The Company's outstanding trade receivables from related parties amounted to P17.2 million and P47.3 million as at December 31, 2024 and 2023, respectively (see Note 23).

Interest income earned from late payment charges totaled P0.7 million, P0.4 million and P0.7 million in 2024, 2023 and 2022, respectively.

Movements in the allowance for ECL follow:

	2024	2023
Beginning balances	P267,325,242	P328,221,321
Provision for ECL (Note 15)	61,615,452	125,556
Write off	(33,294,155)	(61,021,635)
Ending balances	<u>P295,646,539</u>	<u>P267,325,242</u>

Accounts provided with allowance were evaluated on a continuous basis and specifically identified by management on the basis of factors that affect the collectability of each account.



6. Inventories

	2024	2023
At Cost:		
Medicines	P73,080,515	P74,753,601
Medical supplies	98,019,490	113,340,843
	<u>171,100,005</u>	<u>188,094,444</u>
Less allowance for inventory obsolescence	10,289,334	9,473,362
	<u>P160,810,671</u>	<u>P178,621,082</u>

The cost of medicines and medical supplies carried at net realizable value amounted to P10.3 million and P9.5 million as at December 31, 2024 and 2023, respectively. All inventories carried at net realizable value were fully provided with allowance.

Movements in the allowance for inventory obsolescence accounts follow:

	2024	2023
Beginning balance	P9,473,362	P7,663,170
Provision for inventory obsolescence (Note 14)*	6,646,857	6,006,172
Write off	(5,830,885)	(4,195,980)
	<u>P10,289,334</u>	<u>P9,473,362</u>

*Presented as "Others - net" under "Cost of Services and Sales".

7. Other Current Assets

	2024	2023
Prepaid expenses	P39,907,050	P36,667,090
Creditable withholding tax (CWT)	19,205,552	15,146,622
	<u>P59,112,602</u>	<u>P51,813,712</u>

Prepaid expenses mainly pertain to advance payments for subscription, advertising and insurance.

CWT represents amount withheld by counterparty for services rendered by the Company which can be claimed as tax credits.



8. Property and Equipment

As at December 31, 2024:

	Land	Buildings	Building Equipment	Building Improvements	Medical Equipment and Furniture	Hospital Furniture and Equipment	Office Furniture and Equipment	Right-of-Way Assets	Construction Progress and Equipment for Installation	Total
Cost										
Beginning balances	\$166,086,432	\$3,276,675,199	\$1,193,897,769	\$289,896,373	\$2,606,971,213	\$59,854,398	\$12,798,183	\$17,479,691	\$133,291,559	\$6,866,966,668
Additions	1,972,632,763	-	16,318,797	12,859,378	277,486,358	45,157,394	8,746,936	169,162,387	291,151,781	2,776,897,545
Reclassifications	-	346,313,868	11,211,898	-	197,999,689	-	-	-	(266,324,893)	-
Disposals	-	-	-	-	(15,441,847)	(36,481,885)	(3,976,467)	-	-	(194,288,195)
Ending balances	2,078,719,195	3,623,089,067	1,205,109,667	292,755,751	2,978,015,513	875,369,709	216,369,756	186,641,678	178,119,457	11,117,665,618
Accumulated Depreciation										
Beginning balances	-	1,144,348,862	744,451,121	298,293,689	2,196,494,298	461,858,596	95,968,794	15,601,860	-	4,838,879,063
Depreciation (Notes 14 and 15)	-	94,451,299	51,187,899	7,491,319	299,926,437	41,186,127	8,419,961	24,558,414	-	418,319,568
Deposits	-	-	-	-	(53,973,476)	(36,474,463)	(6,877,093)	-	-	(107,325,032)
Ending balances	-	1,238,800,161	795,639,020	305,785,008	2,461,439,259	466,570,260	97,511,662	39,160,274	-	5,368,172,117
Accumulated Impairment Losses	-	-	-	-	16,774	6,211	(17,433)	-	-	19,082
Net Book Value	\$2,078,719,195	\$2,384,288,906	\$409,470,647	\$286,970,743	\$757,234,236	\$118,899,449	\$118,858,094	\$147,481,404	\$138,219,457	\$6,975,331,058

As at December 31, 2023:

	Land	Buildings	Building Equipment	Building Improvements	Medical Equipment and Furniture	Hospital Furniture and Equipment	Office Furniture and Equipment	Right-of-Way Assets	Construction Progress and Equipment for Installation	Total
Cost										
Beginning balances	\$166,086,432	\$3,216,316,696	\$1,190,298,846	\$266,692,819	\$2,499,021,347	\$52,256,038	\$107,754,471	\$17,479,691	\$-	\$6,405,915,312
Additions	-	19,444,803	16,367,963	16,367,963	225,796,626	34,996,197	8,108,474	-	182,748,568	499,899,608
Reclassifications	-	34,303,166	1,093,491	-	-	-	-	-	(59,437,039)	-
Disposals	-	-	-	-	(17,847,583)	(10,136,691)	(1,057,794)	-	-	(39,041,968)
Ending balances	166,086,432	3,270,064,665	1,191,392,300	283,060,782	2,706,970,390	76,915,540	114,794,149	17,479,691	173,311,529	6,866,966,668
Accumulated Depreciation										
Beginning balances	-	1,030,252,094	641,691,250	293,341,653	1,998,139,339	423,496,738	95,645,167	16,962,007	-	4,465,494,781
Depreciation (Notes 14 and 15)	-	96,145,012	50,715,697	5,151,519	274,634,301	47,306,919	6,915,583	4,178,898	-	378,091,129
Deposits	-	-	-	-	(16,236,124)	(9,277,336)	(1,095,846)	-	-	(33,645,336)
Ending balances	-	1,126,397,106	692,406,947	298,493,172	2,196,494,298	461,525,322	90,464,804	21,140,905	-	5,368,172,117
Accumulated Impairment Losses	-	-	-	-	(6,963)	1,644	(18,233)	-	-	(13,452)
Net Book Value	\$166,086,432	\$2,143,667,559	\$498,985,353	\$284,567,610	\$710,476,092	\$115,390,218	\$114,329,345	\$146,338,786	\$173,311,529	\$6,405,915,312



On August 15, 2024, the Company acquired a 3,839 square meter parcel of land from Filinvest Alabang, Inc. for a total purchase price of P1,572.6 million, payable in four installments starting August 2024 until June 2027. The Company recognized the cost of the purchased land at its cash price equivalent and also capitalized VAT and registration and miscellaneous fees amounting to P40.4 million. Total liability for purchased land at amortized cost as at December 31, 2024 amounted to P1,209.2 million (see Note 11).

The Company disposed some items of property and equipment in 2024, 2023 and 2022. Transactions are as follows:

	2024	2023	2022
Net book value	P1,678,043	P3,028,612	P1,583,125
Less: Proceeds	164,338	2,973,889	1,432,661
Trade-in value	565,308	1,100,000	89,285
Loss (gain) on disposals	P948,397	(P1,045,277)	P61,179

Trade-in value received by the Company upon sale of property and equipment was included as part of the additions in property and equipment.

9. Other Noncurrent Assets

	2024	2023
Advances to contractors	P119,002,369	P23,718,015
Software and licenses	31,693,447	28,848,590
Financial assets at FVOCI	19,668,000	19,668,000
Refundable deposits	6,678,555	6,657,970
Investment property	1,841,963	2,006,916
	P178,884,334	P80,899,491

- a. Advances to contractors pertains to advance payments to suppliers. These advances will be applied as payment for assets to be classified as property and equipment. The increase in 2024 resulted from the Company's advance payments for acquisition of medical equipment and renovation projects.
- b. Software and licenses as at December 31 follow:

	2024	2023
Cost		
Beginning balances	P208,642,733	P187,880,357
Additions	25,096,730	21,552,376
Retirement	-	(790,000)
Ending balances	233,739,463	208,642,733
Accumulated Amortization		
Beginning balances	179,794,143	164,377,435
Amortization (Notes 14 and 15)	22,251,873	15,658,097
Retirement	-	(241,389)
Ending balances	202,046,016	179,794,143
Net Book Value	P31,693,447	P28,848,590



- c. Movement in the carrying values of financial assets at FVOCI as at December 31 are as follows:

	2024	2023
Beginning balance	P19,668,000	P17,168,000
Unrealized gain on changes in fair value	-	2,500,000
Ending balance	P19,668,000	P19,668,000

Movement in the unrealized gain on changes in fair value of financial assets at FVOCI as at December 31 are as follows:

	2024	2023
Beginning balance	P17,035,000	P14,535,000
Unrealized gain on changes in fair value	-	2,500,000
Ending balance (Note 12)	P17,035,000	P17,035,000

- d. As at December 31, 2024, and 2023, refundable deposits consist of Meralco deposit equivalent to an estimated one-month billing and a meter deposit made in 2001 for the installation of electricity lines in the Hospital buildings.
- e. Investment property consists of a condominium unit as at December 31:

	2024	2023
Cost	P4,123,808	P4,123,808
Accumulated Depreciation		
Beginning balances	2,116,892	1,951,939
Depreciation (Note 15)	164,953	164,953
Ending balances	2,281,845	2,116,892
Net Book Value	P1,841,963	P2,006,916

The fair value of the investment property cannot be determined as there is no recent market transaction for these investments. No impairment loss was recognized on investment property in 2024, 2023 and 2022.

The investment property generated rental income amounting to P0.7 and incurred operating expenses amounting to P0.1 million in 2024, 2023 and 2022.

10. Accounts Payable and Other Current Liabilities

	2024	2023
Trade accounts payable	P483,898,137	P558,009,289
Current portion of liability for purchased land (Note 11)	431,985,309	-
Accrued expenses	328,140,960	281,194,450
Accrued physician fees	112,815,103	109,948,335
Statutory payables	36,737,847	35,815,577
Current portion of lease liability (Note 24)	33,271,165	2,164,796
Retention payable	23,383,407	8,479,106
Contract liabilities (Note 13)	16,327,044	12,036,019
Refund payable	8,267,831	11,271,915
Others	21,668,930	45,214,177
	P1,496,415,733	P1,064,133,664



- a. Trade payables include unpaid billings of suppliers and contractors. The trade suppliers generally provide 7, 15 or 30-day terms to the Company. Prompt payment discounts of 1%, 1.25%, 1.5%, 2%, 3% and 5% are given by a number of trade suppliers.

Related party balances included in "Trade accounts payable" and "Accrued expenses" amounted to ₱41.6 million and ₱54.9 million as at December 31, 2024 and 2023, respectively (see Note 23).

- b. Accrued expenses include accruals for various expenses used in the operations of the Company which are normally settled within the next twelve months. Details of accrued expenses as at December 31 are as follows.

	2024	2023
Personnel	₱111,603,355	₱90,973,336
Outside services	37,779,018	34,677,369
Cost of medical supplies	34,768,473	25,602,318
Professional fees	32,690,053	31,299,566
Rebates	27,614,547	17,459,079
Maintenance	20,841,778	13,395,012
Utilities	18,702,729	19,389,763
General expenses	8,205,661	7,904,867
Rent	2,713,881	2,395,989
Others	13,221,465	38,097,151
	₱328,140,960	₱281,194,450

Rebates pertain to prompt payment discount and volume discount given by the Hospital to HMO on which underlying conditions imposed by the former have been met by the latter. The increase in rebate in 2024 is due from the increase in revenue and HMO rates.

- c. Physician fees pertain to professional fees, payable to its physicians and being remitted upon collection of the related receivables from patients. The Company is a party under a 'pass-through' arrangement wherein it acts as a collecting agent from patients and remits professional fees to its physicians upon collection of the related receivables.
- d. Statutory payables pertain to withholding taxes payable on compensation and professional fees, contributions to Social Security System, PhilHealth and Pag-IBIG, and VAT payable which are normally settled within the next twelve months.
- e. Retention payable pertains to the 10% of progress billings related to the construction of the fit-outs to be paid upon satisfactory completion of the construction which are normally settled within the next twelve months. The increase in 2024 is mainly due to new contracts entered into by the Company for the construction and renovation of the Hospital.
- f. Contract liabilities pertain to advances received from patients before they are admitted which can be redeemed upon discharge. These are normally settled within the next twelve months (see Note 13).
- g. Refund payable pertains to payments received by the Company in excess of the final invoice amount which are normally settled within the next twelve months.
- h. Others represent deposits and advances from employees and other officers, among others, which are normally settled within the next twelve months.



11. Liability for Purchased Land

The liability for purchased land entered in 2024 is recognized at amortized cost, reflecting the present value of future payments using the effective interest rate of 6.05%. Total accrued interest recognized in 2024 amounted to ₱38.0 million presented as interest expense on liability for purchased land under "Finance Costs" (Note 17).

Repayment of the undiscounted installment payments is scheduled as follows:

Payment Due Date	
April 15, 2025	₱475,504,884
June 15, 2026	450,773,410
June 15, 2027	447,264,721
	₱1,373,543,015

12. Equity

Capital Stock

	Number of Shares	
	2024	2023
Authorized - ₱1 par value	2,000,000,000	2,000,000,000
Issued and subscribed	1,936,728,391	1,936,728,391

Subscription receivable

Movement of subscription receivable as at December 31 are as follows:

	2024	2023	2022
Beginning balance	₱1,208,064	₱1,983,372	₱2,695,700
Application of dividends against subscription receivable (see Note 15)	(769,549)	(775,308)	(712,328)
Ending balance	₱438,515	₱1,208,064	₱1,983,372

Retained Earnings

As at December 31, 2024 the Company's unappropriated retained earnings exceeded its paid-in capital. The Company plans to declare its excess retained earnings over paid-in capital as at December 31, 2024 as cash dividends in 2025.

Details of the Company's cash dividend declarations are as follows:

BOD Declaration Date	Record Date	Payment Date	Dividend Per Share	Outstanding Shares as of Declaration Date	Total
April 30, 2024	May 13, 2024	May 27, 2024	₱0.180	1,936,728,391	₱348,611,119
BOD Declaration Date	Record Date	Payment Date	Dividend Per Share	Outstanding Shares as of Declaration Date	Total
May 2, 2023	May 12, 2023	May 26, 2023	₱0.1690	1,936,728,391	₱328,470,679
November 20, 2021	December 3, 2021	December 14, 2021	0.0395	1,336,728,391	125,215,339
					₱345,766,018

Dividend Declaration Date	Record Date	Payment Date	Dividend Per Share	Outstanding Shares as of Declaration Date	Total
May 2, 2022	May 12, 2022	May 27, 2022	₱0.082	₱1,936,728,391	₱158,811,728
December 1, 2022	December 12, 2022	December 24, 2022	0.081	1,936,728,391	158,811,728
					₱317,623,456

Other Comprehensive Income (Loss) - net

Accumulated other comprehensive income (loss) presented in the statements of financial position as at the years ended consists of the following, net of applicable income taxes:

	2024	2023	2022
Actuarial loss in accrued retirement benefits liability	(₱13,901,760)	(₱38,049,575)	(₱15,533,246)
Unrealized gain on changes in fair value	17,035,000	17,035,000	14,535,000
	₱3,133,240	(₱21,014,575)	(₱998,246)

13. Revenue

Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers for the years ended December 31.

	2024	2023	2022
By source			
Patient service revenue	₱5,084,009,235	₱4,237,897,180	₱3,542,489,597
Pharmacy sales	959,459,107	815,241,197	643,269,320
Discounts	(711,583,774)	(590,689,922)	(484,205,454)
	₱5,331,884,568	₱4,462,448,455	₱3,701,553,463
By customers			
Inpatient	₱3,511,680,038	₱2,923,546,664	₱2,345,647,918
Outpatient	2,531,788,304	2,129,591,713	1,840,110,999
Gross revenue	6,043,468,342	5,053,138,377	4,185,758,917
Discounts	(711,583,774)	(590,689,922)	(484,205,454)
	₱5,331,884,568	₱4,462,448,455	₱3,701,553,463

Contract Balances

The Company's trade receivables amounted to ₱932.6 million and ₱755.4 million as at December 31, 2024 and 2023, respectively (see Note 5).

Contract liabilities include deposits received from patients, amounting to ₱16.3 million and ₱12.0 million as at December 31, 2024 and 2023, respectively (see Note 10). Revenue recognized from contract liabilities included in 2024 and 2023 amounted to ₱12.1 million and ₱9.4 million, respectively.



14. Cost of Services and Sales

	2024	2023	2022
Personnel costs (Note 18)	P628,509,480	P481,565,745	P358,302,427
Medical supplies	582,472,087	627,241,305	604,530,677
Professional fees and outside services	415,278,734	267,423,883	212,941,821
Reader's fee	341,136,303	276,087,436	234,843,174
Depreciation (Notes 8 and 9)	234,583,641	199,210,884	191,425,089
Communication, light and water (Note 23)	119,316,426	121,281,767	145,146,844
Repairs and maintenance	62,943,436	41,731,336	33,353,764
Patient meals	58,070,449	46,870,315	35,450,177
Supplies	38,537,539	29,835,372	22,189,509
Rent (Note 24)	14,508,857	12,424,272	8,895,938
Amortization of software and licenses (Note 9)	5,457,431	3,840,260	2,891,050
Others - net (Note 6)	53,787,433	41,113,053	23,785,822
Cost of services	2,554,601,816	2,148,625,628	1,873,756,292
Cost of sales - Pharmacy	523,259,816	416,207,469	346,715,783
	P3,077,861,632	P2,564,833,097	P2,220,472,075

15. Operating Expenses

	2024	2023	2022
Personnel costs (Note 18)	P411,562,320	P370,301,278	P332,157,222
Depreciation (Notes 8 and 9)	203,700,878	179,045,199	174,332,049
Professional fees and outside services (Note 23)	159,690,771	146,261,288	167,948,443
Repairs and maintenance	95,067,788	87,933,777	68,100,295
Provision for ECL (Note 5)	61,615,452	125,556	-
Communications, light and water (Note 23)	55,552,654	52,327,530	57,091,281
Taxes and licenses	49,972,828	53,687,935	33,962,148
Supplies	28,940,437	22,067,355	18,760,743
Advertising	27,180,736	21,178,473	9,566,577
Entertainment, amusement and recreation	18,152,743	16,924,927	19,719,849
Insurance	17,969,683	15,492,823	15,285,504
Amortization of software and licenses (Note 9)	16,794,442	11,817,837	10,075,213
Transportation and travel	14,275,810	14,516,903	11,500,399
Rent (Note 24)	9,361,794	9,482,858	8,746,456
Others	60,873,283	40,974,703	35,854,308
	P1,230,711,620	P1,042,138,442	P963,100,487

Others pertain to credit card commission expense, maintenance dues and contributions and donations, among others



16. Other Operating Income - Net

	2024	2023	2022
Rent income (Note 24)	P34,062,066	P19,354,904	P12,370,622
Foreign exchange gain - net	7,890,712	5,139,745	23,949,325
Gain (loss) on disposal of property and equipment (Note 8)	(948,397)	1,045,277	(61,179)
Recovery of impairment loss on property and equipment	(41,582)	-	1,164,973
Others	48,181,532	38,118,375	53,844,269
	P89,144,331	P63,658,301	P91,268,010

Others pertain to other income from hospital services such as Nursing Training and Health Research Office, among others.

17. Finance Costs

	2024	2023	2022
Interest expense on liability for purchased land (Note 11)	P37,977,185	P-	P-
Interest expense on lease liability (Note 24)	7,125,670	216,029	172,716
Net interest from retirement benefits cost (Note 19)	4,060,801	3,541,749	936,230
Bank charges	362,273	486,538	344,311
	P49,525,929	P4,244,316	P1,453,257

18. Personnel Costs

	2024	2023	2022
Salaries and wages (Notes 14 and 15)	P1,023,440,466	P840,752,864	P680,891,340
Retirement benefits cost (Note 19)	16,631,334	11,114,159	9,568,309
	P1,040,071,800	P851,867,023	P690,459,649



19. Retirement Benefits

The Company has a non-contributory retirement plan which provides retirement benefit equal to one hundred percent (100%) of plan salary for every year of credited service of qualified employees, not less than the regulatory benefit under the Retirement Pay Law (Republic Act No. 7641). The retirement plan trustee, as appointed by the Company in the trust agreement executed between the Company and the duly appointed retirement plan trustee, is responsible for the general administration of the retirement plan and the management of the retirement fund. The retirement plan trustee may seek the advice of counsel and appoint the investment managers to manage the retirement fund, an independent accountant to audit the fund and an actuary to value the retirement fund.

	Net Retirement Benefits Cost as Statement of Comprehensive Income				Reassessments in Other Comprehensive Income						December 31, 2024
	Current			Contributions and Amount Included in Net Interest	Return on Plan Assets (Excluding Changes in Net Interest)	Actuarial Changes Arising from Changes in Demographic Assumptions	Actuarial Changes Arising from Changes in Financial Assumptions	Experience Adjustments	Net Total		
	January 1, 2024	Service Cost* (Note 14 and 16)	Net Interest** (Note 17)							Net Total	
Present value of defined benefit obligations	₱11,686,492	₱16,620,316	₱1,216,634	₱36,569,567	(₱5,702,271)	₹	(₱2,215,327)	(₱18,064,725)	₱3,488,783	(₱2,707,347)	₱17,686,794
Fair value of plan assets	(10,165,216)	-	(7,897,816)	(17,817,836)	(17,349,456)	(1,409,716)	-	-	-	(18,699,728)	(18,819,434)
Accumulated benefit liability (asset)	₱15,511,240	₱16,620,316	₱1,260,890	₱20,601,130	(₱43,165,627)	(₱1,409,716)	(₱2,215,327)	(₱18,064,725)	₱3,488,783	(₱15,197,045)	₱25,794,461

	Net Retirement Benefits Cost as Statement of Comprehensive Income				Reassessments in Other Comprehensive Income						December 31, 2023
	Current			Contributions and Amount Included in Net Interest	Return on Plan Assets (Excluding Changes in Net Interest)	Actuarial Changes Arising from Changes in Demographic Assumptions	Actuarial Changes Arising from Changes in Financial Assumptions	Experience Adjustments	Net Total		
	January 1, 2023	Service Cost* (Note 14 and 16)	Net Interest** (Note 17)							Net Total	
Present value of defined benefit obligations	₱12,527,886	₱1,116,129	₱18,667,273	₱21,791,138	(₱4,431,209)	₹	₱5,464,118	(₱2,149,182)	₱5,997,813	(₱1,311,121)	₱18,669,411
Fair value of plan assets	(10,598,224)	-	(11,126,728)	(11,724,952)	(10,254,232)	(1,109,817)	-	-	-	(11,319,117)	(10,165,216)
Accumulated benefit liability (asset)	₱15,669,780	₱1,116,129	₱19,541,740	₱14,616,186	(₱14,705,232)	₱4,354,301	₱5,464,118	(₱2,149,182)	₱5,997,813	(₱12,638,238)	₱18,504,195

	Net Retirement Benefits Cost as Statement of Comprehensive Income				Reassessments in Other Comprehensive Income						December 31, 2022
	Current			Contributions and Amount Included in Net Interest	Return on Plan Assets (Excluding Changes in Net Interest)	Actuarial Changes Arising from Changes in Demographic Assumptions	Actuarial Changes Arising from Changes in Financial Assumptions	Experience Adjustments	Net Total		
	January 1, 2022	Service Cost* (Note 14 and 16)	Net Interest** (Note 17)							Net Total	
Present value of defined benefit obligations	₱12,130,241	₱9,939,100	₱9,473,274	₱31,542,615	(₱10,177,375)	₹	₱7,360,430	(₱1,128,146)	(₱1,127,875)	(₱3,945,991)	₱17,596,624
Fair value of plan assets	(10,186,746)	-	(11,473,048)	(11,679,794)	(11,716,118)	(1,109,177)	-	-	-	(12,825,295)	(10,186,746)
Accumulated benefit liability (asset)	₱15,083,495	₱9,939,100	₱10,946,522	₱30,062,821	(₱21,893,493)	₱6,251,253	₱7,360,430	(₱1,128,146)	(₱1,127,875)	(₱15,579,141)	₱7,409,878

*Presented as an expense from retirement benefits cost under "Personnel Cost"
 **Presented as an expense from retirement benefits cost under "Finance Cost"



The principal actuarial assumptions used to determine retirement benefits are as follows:

	2024	2023	2022
Discount rate	6.13%	6.56%	7.87%
Salary increase rate	6.00%	7.00%	7.00%
Employees covered	1,908	1,641	1,319
Mortality rate	2017 Philippine Intercompany Mortality Table	2017 Philippine Intercompany Mortality Table	2017 Philippine Intercompany Mortality Table
Disability rate	The Disability Study, Period 2 Benefit 5	The Disability Study, Period 2 Benefit 5	The Disability Study, Period 2 Benefit 5

Withdrawal rates are as follows:

Age	Nurse			Non-Nurse		
	2024	2023	2022	2024	2023	2022
19 - 24	26.94%	31.41%	34.22%	21.86%	22.13%	22.41%
25 - 29	34.62%	35.56%	34.29%	24.80%	24.86%	21.94%
30 - 34	38.00%	39.32%	37.53%	16.25%	15.89%	15.42%
35 - 39	43.81%	56.52%	46.24%	9.37%	9.53%	8.27%
40 - 44	38.71%	47.83%	50.00%	6.47%	6.17%	6.02%
45 - 49	13.07%	16.22%	16.00%	6.04%	6.40%	5.73%
50 - 54	0.50%	0.50%	0.50%	2.72%	0.85%	2.00%
≥ 55	0.50%	0.50%	0.50%	1.30%	0.00%	0.50%

The composition of the fair value of plan assets by each class as at December 31 is as follows:

	2024	2023
Cash and cash equivalents	₱12,387,887	₱1,579,053
Debt instruments:		
Government securities	137,648,245	87,939,573
Not rated debt securities	-	8,108,478
	137,648,245	96,048,051
Others	1,776,204	1,476,107
Fair value of plan assets	₱151,812,336	₱101,103,211

The distribution of fair value of plan assets by each class as at December 31 are as follows:

	2024	2023
Cash and cash equivalents	8.16%	3.54%
Debt instruments:		
Government securities	90.67%	86.98%
Not rated debt securities	0.00%	8.02%
	90.67%	95.00%
Others	1.17%	1.46%
	100.0%	100.0%

All debt instruments held have quoted prices in active markets. The remaining plan assets do not have quoted market prices in active markets.



The plan assets consist mainly of government securities that are risk-free.

Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring accrued retirement benefits liability at the end of the reporting period after first adjusting one of the current assumptions according to the applicable sensitivity increment or decrement (based on changes in the relevant assumption that were reasonably possible at the valuation date) while all other assumptions remained unchanged. The sensitivities were expressed as the corresponding change in the accrued retirement benefits liability.

	2024		2023	
	Increase (Decrease)	Accrued Retirement Benefits	Increase (Decrease)	Accrued Retirement Benefits
Discount rates	1.0% (1.0%)	(P15,874,642) 18,431,317	1.0% (1.0%)	(P17,372,226) 20,267,703
Future salary increases	1.0% (1.0%)	18,269,762 (16,033,218)	1.0% (1.0%)	19,975,915 (17,457,282)
No attrition rates		126,933,166		104,112,032

The retirement plan trustee has no specific matching strategy between the plan assets and the plan liabilities but the plan trustee is generally assumed to use an approach that would meet the goals of the fund.

The Company is not required to pre-fund the future defined benefits payable under the retirement plan before they become due. For this reason, the amount and timing of contributions to the retirement fund are at the Company's discretion. However, in the event a benefit claim arises and the retirement fund is insufficient to pay the claim, this will then be due and payable from the Company to the retirement fund.

The weighted average duration of the defined benefit obligation is 9.7 years and 10.4 years on December 31, 2024 and 2023, respectively.

Shown below is the maturity analysis of the undiscounted benefit payments as at December 31:

	2024	2023
Not exceeding one year	P20,689,301	P17,747,139
More than one year but not exceeding two years	10,697,113	8,155,870
More than two years but not exceeding five years	25,440,820	22,245,665
More than five years but not exceeding ten years	125,473,486	133,931,816
	P182,300,720	P182,080,490

The latest actuarial valuation report of the Company is as at December 31, 2024.



20. Income Taxes

a. The components of the Company's provision for income tax are as follows:

	2024	2023	2022
Current:			
RCIT	P304,225,391	P227,921,838	P135,748,749
Final tax on interest income	4,929,471	4,093,182	748,098
	309,154,862	232,015,020	136,496,847
Deferred	(25,500,157)	9,965,976	16,382,397
	P283,654,705	P241,980,996	P152,879,244

b. The components of the Company's net deferred income tax assets as at December 31 are as follows:

	2024	2023
Deferred income tax assets on:		
Allowance for:		
ECL	P73,911,635	P66,831,311
Inventory obsolescence	2,572,334	2,368,341
Accrued service incentive	15,443,424	9,766,005
Unamortized past service cost	10,801,073	5,687,694
Liability for purchased land	9,494,296	-
Accrued expenses	8,602,968	5,913,459
Right-of-use asset	7,614,630	1,480,026
Accrued retirement benefits liability - net	6,448,616	19,260,373
Difference between the depreciation expense per books and the depreciation expense deducted for income tax purposes	2,449,926	6,101,330
Rental deposit	832,169	832,169
Allowance for possible loss of equipment	39,996	29,600
	138,211,067	118,270,308
Deferred income tax liability on:		
Lease liability	(3,090,370)	(1,415,830)
Unrealized foreign exchange loss (gain) - net	(405,688)	409,646
	(3,496,058)	(1,006,184)
	P134,715,009	P117,264,124
Deferred tax asset recognized in other comprehensive (income) loss - actuarial (income) loss on accrued retirement benefits liability	(P8,049,271)	P7,505,443



- c. A reconciliation of the Company's provision for income tax computed at the statutory income tax rate based on income before income tax to the provision for income tax is as follows:

	2024	2023	2022
Provision for income tax computed at the statutory income tax rate	P272,085,793	P233,941,792	P153,068,356
Additions to (reductions in) income tax resulting from:			
Nondeductible deficiencies and penalties	9,070,657	7,033,201	-
Interest income subjected to final tax	(6,165,985)	(5,117,922)	(937,210)
Final tax on interest income	4,929,471	4,093,182	748,098
Nondeductible expenses	3,734,769	2,030,734	
Provision for income tax	P283,654,705	P241,980,996	P152,879,244

23. Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize stockholder value.

The Company monitors capital using the liabilities to tangible net worth ratio. Liabilities include accounts payable and other current liabilities, net accrued retirement benefits liability, income tax payable, due to a related party, liability for purchased land and lease liability. Tangible net worth pertains to the total stockholders' equity minus intangible assets. Ratio should not be greater than 1:1.

	2024	2023
Liabilities (a):		
Accounts payable and other current liabilities	P1,031,159,259	P1,061,968,868
Accrued retirement benefits liability - net	25,794,462	80,583,240
Income tax payable	169,003,543	95,298,555
Due to a related party	4,749,475	20,818,444
Liability for purchased land	1,209,191,763	-
Lease liability	150,436,328	2,164,796
	P2,590,334,830	P1,260,833,903
Tangible net worth (b):		
Capital stock	P1,936,289,876	P1,935,520,327
Additional paid-in capital	185,465,780	185,465,780
Retained earnings	3,489,373,820	3,033,296,463
Other comprehensive income (loss) - net of tax	3,133,240	(21,014,575)
	5,614,262,716	5,133,267,995
Less software and licenses - net	31,693,447	28,848,590
	P5,582,569,269	P5,104,419,405
Liabilities to tangible net worth ratio (a/b)	0.46:1.0	0.25:1.0



22. Financial Instruments and Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise mainly of cash and cash equivalents. The Company has various other financial assets and financial liabilities such as trade receivables and trade payables, which arise directly from its operations.

It is, and has been throughout the year, the Company's policy that no free-standing derivatives or trading in financial instruments shall be undertaken.

Fair Value Information

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Current financial assets and financial liabilities

Due to the short-term nature of the transactions, the fair value of cash and cash equivalents (excluding cash on hand), receivables, accounts payable and other current liabilities (excluding statutory payables and contract liabilities), amounts due to a related party, and lease liability approximate the carrying amount as of the reporting date.

Refundable deposits

The carrying value approximates the fair value of refundable deposits included under "Other noncurrent assets" in the statements of financial position to reflect the current market conditions and the amount to be paid when the liability is settled.

Financial asset at FVOCI

The fair value of equity financial assets designated at FVOCI included under "Other noncurrent assets" in the statement of financial position is based on the quoted prices in the active market.

Categories of Financial Instruments

	December 31, 2024			Total
	Amortized Cost	Financial Asset at FVOCI	Financial Liabilities	
Assets				
Cash and cash equivalents*	₱1,025,198,300	₱-	₱-	₱1,025,198,300
Trade receivables	642,390,185	-	-	642,390,185
Non-trade receivables	13,678,313	-	-	13,678,313
Refundable deposits	6,678,555	-	-	6,678,555
Equity financial assets measured at FVOCI	-	19,668,000	-	19,668,000
Total financial assets	₱1,687,945,353	₱19,668,000	₱-	₱1,707,613,353
Liabilities				
Accounts payable and other current liabilities**	₱-	₱-	₱978,094,368	₱978,094,368
Due to a related party	-	-	4,749,475	4,749,475
Total financial liabilities	₱-	₱-	₱982,843,843	₱982,843,843

*Excluding cash on hand amounting to ₱16.5 million as at December 31, 2024

**Excluding current portion of liability for purchased land, statutory payables, current portion of lease liability and contract liabilities amounting to ₱482.0 million, ₱26.7 million, ₱13.3 million and ₱16.7 million, respectively, as at December 31, 2024



	December 31, 2023			Total
	Amortized Cost	Financial Asset at FVOCI	Financial Liabilities	
Assets				
Cash and cash equivalents*	P1,388,245,915	P-	P-	P1,388,245,915
Trade receivables	494,258,471	-	-	494,258,471
Non-trade receivables	34,678,118	-	-	34,678,118
Refundable deposits	6,657,970	-	-	6,657,970
Equity financial assets measured at FVOCI	-	19,668,000	-	19,668,000
Total financial assets	P1,923,840,474	P19,668,000	P-	P1,943,508,474
Liabilities				
Accounts payable and other current liabilities**	P-	P-	P1,014,117,272	P1,014,117,272
Due to a related party	-	-	20,818,444	20,818,444
Total financial liabilities	P-	P-	P1,034,935,716	P1,034,935,716

*Excluding cash on hand amounting to P12.0 million as at December 31, 2023

**Excluding minority payables, contract liabilities and current portion of lease liability amounting to P33.8 million, P12.0 million and P2.2 million respectively as at December 31, 2023

Fair Value Hierarchy

The Company's financial assets that are carried at fair value are the quoted shares classified as equity financial assets as at December 31, 2024, and 2023, the fair value of these investments amounting to P19.7 million are determined and disclosed using Level 2 inputs, which are quoted in inactive markets indicated by the low volume or level of activity and sizes of transactions for a particular share. The remaining financial assets and liabilities are determined and disclosed using Level 3 inputs.

In 2024 and 2023, there were no transfers into and out of the different levels of fair value measurements.

Financial Risk Management Objectives and Policies

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and foreign currency risk. The BOD reviews and approves policies for managing these risks and they are summarized as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Company extends credit only to reputable HMO, corporate or insurance companies. The receivable balances are regularly monitored. Credit limits are set in the system and a regular review of these limits is being done by management.

As a healthcare provider, the Company is exposed also to credit risk on patients who are unable to pay their medical bills upon discharge. The Company has a policy to require deposits from patients upon admission and to require top-ups from patients whose bills have exceeded deposited amount. To lessen the exposure on credit risk, the Company closely monitors its receivables on an on-going basis. The Company's exposure to credit risk arises from default of the counterparty.



The table below provides the maximum credit risk exposure of the Company as at December 31:

	Gross Maximum Exposure ⁽¹⁾		Net Maximum Exposure ⁽²⁾	
	2024	2023	2024	2023
Cash and cash equivalents*	¥1,023,198,300	¥1,388,245,915	¥1,021,198,300	¥1,384,408,614
Receivables	656,068,498	528,936,589	656,068,499	528,936,589
Refundable deposits**	6,678,555	6,657,970	6,678,555	6,657,970
Financial asset at FVOCI**	19,668,000	19,668,000	19,668,000	19,668,000
	¥1,707,613,353	¥1,943,508,474	¥1,703,613,353	¥1,939,671,173

*Gross figure, all assets before taking into account any collateral held or other credit enhancements or insurance in case of bank deposits.

**Net financial assets after taking into account any collateral held or other credit enhancements or insurance in case of bank deposits.

*Excluding cash on hand amounting to ¥18.5 million and ¥12.0 million as at December 31, 2024 and 2023, respectively.

**The balance sheet of "Other non-current assets" section.

The tables below provide the age analysis of the Company's financial assets according to the Company's credit ratings of debtors:

	Net/face amount impairment	December 31, 2024					Provision for ECL	Total
		Past Due						
		<10 Days	10-60 Days	61-90 Days	91-120 Days	>120 Days		
Cash and cash equivalents*	¥1,023,198,300	-	-	-	-	-	¥1,023,198,300	
Trade Receivable								
Trade								
Trade								
Trade	121,560,333	85,913,323	8,293,699	11,499	340,858	13,297,193	230,516,815	
Trade	17,818,143	35,314,944	37,337,857	45,288,576	919	70,218,732	136,680,269	
Trade	21,858,791	27,253,458	15,508,433	12,517,718	5,513,283	16,255,737	93,867,627	
Trade	15,457,892	11,331,563	13,738,481	5,302,786	2,334,801	24,159,598	62,817,521	
Trade	47,494,323	7,154,998	12,537,637	19,197,671	10,263,838	13,145,596	109,834,023	
Trade	25,871,794	19,548,734	4,426,739	18,078,071	94,938	34,933,063	108,853,285	
Trade	7,497,229	3,399,316	3,223,698	-	1,918,245	4,297,254	19,128,142	
Trade	6,818,335	-	-	-	-	-	6,818,335	
Financial asset at FVOCI**	19,668,000	-	-	-	-	-	19,668,000	
	¥1,023,198,300	¥197,486,310	¥96,909,231	¥1,928,275	¥20,386,843	¥38,608,186	¥1,350,457,135	

*Excluding cash on hand amounting to ¥18.5 million as at December 31, 2024.

**The balance sheet of "Other non-current assets" section.

	Net/face amount impairment	December 31, 2023					Provision for ECL	Total
		Past Due						
		<10 Days	10-60 Days	61-90 Days	91-120 Days	>120 Days		
Cash and cash equivalents*	¥1,388,245,915	-	-	-	-	-	¥1,388,245,915	
Receivables								
Trade								
Trade								
Trade	98,561,910	95,003,182	19,132,138	8,711,021	2,148,966	9,833,908	234,391,125	
Trade	22,882,832	23,795,015	31,843,861	5,437,221	2,252,590	4,318,193	90,329,612	
Trade	23,934,923	21,859,100	13,297,902	5,706,444	13,207,432	14,189,756	71,178,419	
Trade	21,286,029	22,872,617	4,064,246	4,332,582	5,453,142	797,019	59,028,668	
Trade	18,168,486	5,464,731	2,010,633	2,574,230	2,044,279	18,298,810	41,610,371	
Trade	11,407,186	14,199,585	486,474	4,388,694	2,414,969	297,209	33,814,087	
Trade	7,497,229	2,975,917	14,811,807	4,222,080	401,600	8,338,541	30,267,465	
Trade	6,657,970	-	-	-	-	-	6,657,970	
Financial asset at FVOCI**	19,668,000	-	-	-	-	-	19,668,000	
	¥1,388,245,915	¥261,102,257	¥66,991,231	¥41,547,334	¥26,951,332	¥53,073,659	¥1,587,857,169	

*Excluding cash on hand amounting to ¥12.0 million as at December 31, 2023.

**The balance sheet of "Other non-current assets" section.

For cash and cash equivalents (excluding cash on hand), the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the external credit rating agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

For trade and other receivables, an impairment analysis is performed at each reporting date using a provision matrix to measure ECLs. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type or by payor). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and

supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Based on the Company's credit risk experience, ECL rate increases as the age of receivables also increases.

Credit quality:

The financial assets of the Company are grouped according to stage whose description is explained as follows:

Stage 1 - Those that are considered current and up to 120 past due and based on change in rating delinquencies and payment history, do not demonstrate significant increase in credit risk.

Stage 2 - Those that, based on change in rating, delinquencies and payment history, demonstrate significant increase in credit risk, and/or are considered more than 120 to 360 days past due but does not demonstrate objective evidence of impairment as of reporting date.

Stage 3 - Those that are considered in default or demonstrate objective evidence of impairment as of reporting date.

The table below shows determination of ECL stage of the Company's financial assets:

	December 31, 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	
Cash and cash equivalents*	P1,025,198,300	P-	P-	P1,025,198,300
Trade receivables	633,168,253	299,460,954	-	932,629,207
Nontrade receivables	14,578,576	4,507,254	-	19,085,830
Refundable deposits**	6,678,555	-	-	6,678,555
Total financial assets	P1,679,623,684	P304,968,208	P-	P1,983,591,892

* Excluding cash on hand amounting to P18.3 million

** Included as part of "Other noncurrent assets" account

	December 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	
Cash and cash equivalents*	P1,388,245,915	P-	P-	P1,388,245,915
Trade receivables	520,232,141	234,125,997	-	755,358,138
Nontrade receivables	34,772,132	6,131,561	-	40,903,693
Refundable deposits**	6,657,970	-	-	6,657,970
Total financial assets	P1,949,908,158	P241,257,558	P-	P2,191,165,716

* Excluding cash on hand amounting to P12.0 million

** Included as part of "Other noncurrent assets" account

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments. The Company's objective is to be able to finance its working capital requirements and capital expenditures. To cover the Company's financing requirements, the Company uses internally-generated funds. Projected and actual cash flow information are regularly evaluated to ensure it meets these requirements.

The tables on the next page summarizes the maturity profile of the financial liabilities of the Company based on remaining undiscounted contractual obligations. The table also analyzes the maturity profile of the Company's financial assets in order to provide a complete view of the Company's contractual commitments and liquidity:



Financial assets

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected dates the assets will be realized.

Financial liabilities

The maturity grouping is based on the remaining period for the end of the reporting period to the contractual maturity date.

	December 31, 2024						TOTAL
	On demand	Within one year	1-2 years	2-3 years	3-4 years	More than 4 years	
Cash and cash equivalents*	₱712,637,316	₱313,140,994	₱-	₱-	₱-	₱-	₱1,025,778,309
Trade receivables	-	₱42,280,189	-	-	-	-	₱42,280,189
Nontrade receivables	-	₱3,678,313	-	-	-	-	₱3,678,313
Receivable deposits	-	-	₱671,355	-	-	-	₱671,355
Financial assets at FVOCI	-	-	₱9,648,800	-	-	-	₱9,648,800
Total financial assets	712,637,316	969,109,497	26,320,555	-	-	-	1,707,967,368
Accounts payable and other current liabilities**	-	₱18,094,368	-	-	-	-	₱18,094,368
Due to a related party	-	₱78,247,756	-	-	-	-	₱78,247,756
Total financial liabilities***	-	₱96,342,124	-	-	-	-	₱96,342,124
Liquidity position (total)	₱712,637,316	(₱13,632,561)	₱26,320,555	₱-	₱-	₱-	₱725,325,369

*Excludes cash and cash equivalents at P18 million as at December 31, 2024

**Including accounts payable and other current liabilities amounting to P54 million and P16 million, respectively, as at December 31, 2024

***Includes other current payables

	December 31, 2023						TOTAL
	On demand	Within one year	1-2 years	2-3 years	3-4 years	More than 4 years	
Cash and cash equivalents*	₱740,217,000	₱646,102,915	₱-	₱-	₱-	₱-	₱1,386,319,915
Trade receivables	-	₱4,251,471	-	-	-	-	₱4,251,471
Nontrade receivables	-	₱4,678,818	-	-	-	-	₱4,678,818
Receivable deposits	-	-	₱657,970	-	-	-	₱657,970
Financial assets at FVOCI	-	-	₱9,648,800	-	-	-	₱9,648,800
Total financial assets	740,217,000	1,136,963,904	26,325,970	-	-	-	1,643,506,874
Accounts payable and other current liabilities**	-	₱104,113,272	-	-	-	-	₱104,113,272
Due to a related party	-	₱20,838,448	-	-	-	-	₱20,838,448
Total financial liabilities***	-	₱124,951,720	-	-	-	-	₱124,951,720
Liquidity position (total)	₱740,217,000	₱1,011,972,184	₱26,325,970	₱-	₱-	₱-	₱943,572,334

*Includes cash and cash equivalents at P170 million as at December 31, 2023

**Including accounts payable and other current liabilities amounting to P11 million and P13 million, respectively, as at December 31, 2023

***Includes other current payables

The Company expects that the cash generated from operations will adequately cover those immediately maturing obligations. All expected collections, check disbursements and other cash payments are determined daily to arrive at the projected cash position to cover its obligations and to ensure that obligations are met as they fall due. The Company monitors its cash flow position, particularly collections from receivables and the funding requirements of operations to ensure an adequate balance of inflows and outflows. The Company has online facilities with its depository banks wherein bank balances are monitored daily to determine the Company's actual cash balances at any time. The Company also has available credit facilities from which it can draw to ensure sufficient available funding for its projects.

Foreign Currency Risk

Foreign exchange risk is the risk to earnings or capital arising from changes in foreign exchange rates. The Company has foreign currency risk arising from its cash and cash equivalents and international insurance included under receivables. The Company also has transactional currency exposures arising from purchases of medical equipment or supplies in currencies other than the Peso. The Company relies on its ability to generate dollar-based revenue from its foreign patients to mitigate this risk.



The table below shows the details of the Company's currency exposure in US dollar (US\$) on its cash and cash equivalents and receivables:

	2024		2023	
	Original Currency	Peso Equivalent	Original Currency	Peso Equivalent
Cash and cash equivalents	US\$365,401	₱21,138,462	US\$2,088,189	₱115,623,021
Receivables	1,207,846	69,873,902	1,049,582	58,115,366
	US\$1,573,247	₱91,012,364	US\$3,137,771	₱173,738,387

As at December 31, 2024, and 2023, the exchange rates used were ₱57.85 and ₱55.37 per US\$1.00, respectively.

The tables below represent the impact on the Company's profit or loss before income tax due to changes in fair value of monetary assets brought about by a change in Peso to US dollar exchange rates (holding all other variables constant):

	Foreign Exchange Rate	Increase (Decrease) in Foreign Currency	Impact on Income Before Tax
2024	₱57.85	4.47% (4.47%)	₱4,068,253 (4,068,253)
2023	55.37	0.70% (0.70%)	₱1,216,169 (1,216,169)

There is no other effect on the Company's equity other than those already affecting the profit or loss.

23. Significant Related Party Transactions

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and its key management personnel, directors or its stockholders.

On December 6, 2011, MPIC entered into an Assignment and Accession Agreement with Bumrungrad International Limited (BIL), former parent of the Company, and Bumrungrad International Holdings Pte Ltd. (BIHPL). BIL and BIHPL transferred to MPIC all their rights and obligations under the Consultancy Services Agreement and Service Agreement, respectively.

The consultancy services agreement with BIL provide for fees equivalent to 3% of net revenue and 5% of EBITDA of the Company, payable in cash to the extent of US\$70,572 annually, with the balance payable by way of issuance of the Company's shares or shall be deemed to be payment for subscription of the Company's shares based on a subscription price at the higher of (a) ten times the earnings per share of the Company during the previous fiscal year or (b) ₱1.13 as may be adjusted by reason of any change in par value.

Under the services agreement with BIHPL, the fees shall be payable in cash to the extent of US\$70,572 annually.

For both the Consultancy Services Agreement and Service Agreement, the basis of the cash payment to be made to MPIC, previously entered with the Company, shall be amended annually based on the change in the Philippine Consumer Price Index (CPI) for the most recent past twelve months. On January 1, 2015, the right to collect management fee was transferred to MPHIC.

On February 24, 2015, the Company changed the currency denomination from US Dollar to Philippine Peso using the foreign exchange rate as at February 16, 2015.

Increase in CPI by 5% and 6% in 2024 and 2023, respectively, resulted to increase in management fee in 2024 and 2023.

The tables below provide the total amount of transactions, and their outstanding balances included in "Due to a related party" with MPHIC as of and for the years ended December 31, 2024 and 2023.

Period	Nature of transactions	Transactions for the year		Outstanding balances		Terms	Conditions
		2024	2023	2024	2023		
MPHC	Management fee	₱12,246,138	₱11,545,005	₱1,561,116	₱7,250,736	Due every month; Cash payment adjusted for the changes in the CPI	Unsecured
	Group membership	₱06,000	₱01,000	1,385,714	1,315,714	Deposit receipt of invoice	Unsecured
	Legal	₱7,200	₱0,000	1,812,143	2,546,250	Deposit receipt of invoice	Unsecured
	Other services	₱11,997	₱833,036	₱82,508	₱835,744	Deposit receipt of invoice	Unsecured
	Total	₱12,272,335	₱23,379,183	₱4,741,479	₱10,348,444		

On September 22, 2023, the Company entered into a Memorandum of Agreement with Medi Linx Laboratory, Inc. (MLLI) to avail their diagnostic testing services to clinicians, patients and external customers. The Company also entered into a Contract of Lease whereby MLLI was awarded the concession to operate a centralized diagnostic laboratory on a portion of the hospital's premises.

The Company also avails of and provides several services from its affiliates under normal terms and conditions, and which are also offered to third parties.

The tables below and in the next page provide the total amount of transactions and their outstanding balances, included in "Receivables" and "Accounts payable and other current liabilities", with other related parties as of and for the years ended December 31, 2024 and 2023.

Receivables	Nature of transactions	Transactions for the year		Outstanding balances		Terms	Conditions
		2024	2023	2024	2023		
Affiliate Dealer - Coimhen Comnet							
Philippine Long Distance Telephone Company (PLDT)	Hospital bills	₱39,300,642	₱41,236,229	₱4,183,061	₱17,070,668	10 days, with interest- bearing	Unsecured
MLLI	Rental income	20,051,472	18,665,536	1,326,454	16,645,118	10 days, with interest- bearing	Unsecured
Saints Communications, Inc. (SMARIT)	Rental income	1,061,532	1,162,819	139,762	661,768	10 days, with interest- bearing	Unsecured
MPHC	Hospital bills	1,137,881	659,118	₱13,609	323,063	10 days, with interest- bearing	Unsecured
Medicare West Investments Corp	Hospital Bills	24,449	31,436	-	13,109	10 days, with interest- bearing	Unsecured
		₱62,178,136	₱63,095,132	₱7,668,916	₱47,244,126		



	Nature of transaction	Transactions for the year		Outstanding balances		Terms	Conditions
		2024	2023	2024	2023		
Pajala							
Affiliate Under Common Control							
MIJL	Laboratory services and purchase of supplies	₱18,001,694	₱19,954,693	₱1,766,874	₱4,079,216	30 days, noninterest-bearing	Unsecured
MedicaPowerGen Corporation	As all-in-one of clinic services	₱26,041,082	₱16,608,563	₱371,404	₱6,721,164	30 days, noninterest-bearing	Unsecured
SMARI	As all-in-one of contract/turnover services	₱337,744	₱391,312	₱17,824	₱2,457	30 days, noninterest-bearing	Unsecured
Medialab Water Services Inc.	As all-in-one of utilities services	₱51,867	₱65,111	-	₱2,264	30 days, noninterest-bearing	Unsecured
PLUI	As all-in-one of construction services	₱477,198	₱681,097	-	-	30 days, noninterest-bearing	Unsecured
		₱22,214,485	₱23,803,176	₱4,556,097	₱5,805,111		

Outstanding balances at year end are normally settled in cash. The Company did not make any provision for impairment loss relating to amounts owed by related parties.

The compensation of key management personnel follows:

	2024	2023
Salaries and short-term employee benefits	₱181,281,392	₱147,300,856
Separation benefits	1,483,634	11,881,875
	₱182,765,026	₱159,182,731

24. Leases

The Company as a lessor

- The Company entered into various lease agreements with its concessionaires. These leases generally provide for either (a) a fixed monthly rent or (b) a minimum rent or a certain percentage of gross revenue. Fixed rent income from leases amounted to ₱30.5 million, ₱16.1 million and ₱10.0 million in 2024, 2023 and 2022, respectively. Contingent rent income recognized in profit or loss amounted to ₱2.8 million, ₱2.4 million and ₱1.6 million in 2024, 2023 and 2022, respectively. Generally, the lease term is 1 year and renewable annually.
- The Company entered into lease agreement with its doctors for the rent of one condominium unit as clinics. The condominium unit is located in the Medical Office Building and is owned by the Company. The Company earned rent income of ₱0.7 million, ₱0.8 million and ₱0.7 million in 2024, 2023 and 2022, respectively.

The Company as a lessee

- In 2024, the Company renewed its two-year lease agreement for commercial operation parking lots and spaces of land at Block 40, Lot 4, Civic Drive, Filinvest Corporate City. The agreement is renewable for another two years, subject to mutual agreement between the lessor and the Company.



- b. In 2024, the Company entered into a two-year lease agreement relating to the lease of parking lots and spaces of land located at Lot 3, Block 40, Civic Plaza, Filinvest City, Alabang, Muntinlupa City. The agreement is renewable for another two years, subject to mutual agreement between the lessor and the Company.
- c. In 2024, the Company entered into a five-year lease agreement relating to the lease of certain premises of a ten-story commercial and residential building and parking lots as operational and administrative space located at 2409 Civic Drive District, Filinvest City, Alabang, Muntinlupa City. The agreement is renewable for another three years, subject to mutual agreement between the lessor and the Company. The Company is restricted from assigning and subleasing the leased assets without written consent from the lessor.

The carrying amount of lease liabilities as at December 31 follows:

	2024	2023
Beginning balance	P2,164,796	P6,108,142
Addition to lease liability	166,184,399	-
Interest expense on lease liability (Note 17)	7,125,670	216,029
Lease payments	(25,038,537)	(4,159,375)
Ending balance	150,436,328	2,164,796
Current portion of lease liability (Note 10)	33,271,165	2,164,796
Noncurrent portion of lease liability	P117,165,163	P-

The lease liabilities were measured at the present value of the remaining lease payments discounted at the Company's incremental borrowing rates at the inception of the lease contract.

Shown below is the maturity analysis of lease liabilities pertaining to contractual undiscounted cash flows as at December 31, 2024:

	2024	2023
Within one year	P43,790,804	P2,164,796
After one year but not more than five years	129,544,702	-
Total undiscounted lease liabilities	P173,335,506	P2,164,796

The Company also has certain leases of machineries, office equipment, and parking lots and spaces of land. Generally, the leases have lease terms of one year or less and are renewable under certain terms and conditions to be mutually agreed upon by the parties. The Company applies the "short-term lease" and 'lease of low-value assets' recognition exemptions for these leases. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Rental expenses relating to short-term and low value assets charged to operations and administrative expenses are as follows:

	2024	2023
Cost of services and sales (Note 14)	P14,508,857	P12,424,272
Operating expenses (Note 15)	9,361,794	9,482,858
	P23,870,651	P21,907,130



25. Note to Statements of Cash Flows

- a. Principal non-cash investing activities pertain to the unpaid acquisitions of property and equipment amounting to P1,395.6 million and P134.6 million for years ended December 31, 2024 and 2023, respectively, and unpaid acquisition of software and licenses amounting to P1.4 million and P1.5 million for the years ended December 31, 2024 and 2023, respectively.
- b. Changes in liabilities arising from financing activities

	Dividends Payable (Note 12)	Lease Liability (Note 24)
Balance as at December 31, 2021	P-	P2,342,312
Cash flow (see Statements of Cash Flows)		
Payments of/for:		
Lease liability	P-	(P4,235,000)
Dividends	(316,911,128)	-
Non-cash:		
Addition to lease liability	-	7,828,114
Interest expense on lease liability	-	172,716
Dividend declaration	317,623,456	-
Application of dividends against subscriptions receivable	(712,328)	-
	316,911,128	8,000,830
Balance as at December 31, 2022	P-	P6,108,142
Cash flow (see Statements of Cash Flows)		
Payments of/for:		
Lease liability	P-	(P4,159,375)
Dividends	(344,930,710)	-
Non-cash:		
Interest expense on lease liability	-	216,029
Dividend declaration	345,706,018	-
Application of dividends against subscriptions receivable	(775,308)	-
	344,930,710	216,029
Balance as at December 31, 2023	P-	P2,164,796
Cash flow (see Statements of Cash Flows)		
Payments of/for:		
Lease liability	P-	(P25,038,537)
Dividends	(347,841,561)	-
Non-cash:		
Addition to lease liability	P-	P166,184,399
Interest expense on lease liability	-	7,125,670
Dividend declaration	348,611,110	-
Application of dividends against subscriptions receivable	(769,549)	-
	347,841,561	173,310,069
Balance as at December 31, 2024	P-	P150,436,328



26. Basic/Diluted Earnings per Share

The table below represents information necessary to compute the basic/diluted earnings per share:

	2024	2023	2022
(a) Net income	P804,688,467	P693,786,173	P459,394,180
(b) Adjusted weighted average number of shares	1,936,728,391	1,936,728,391	1,936,728,391
Basic/diluted earnings per share (a/b)	P0.4155	P0.3582	P0.2372

There were no potentially dilutive shares as at December 31, 2024, 2023 and 2022. Thus, the basic earnings per share is equal to the diluted earnings per share as of those dates.

27. Disclosures Required Under Revenue Regulations (RR) No. RR 15-2010 of the Bureau of Internal Revenue

The Company reported and/or paid the following taxes, duties and license fees during the year:

Value Added Tax (VAT)

The Company is primarily engaged in the sale of medical and hospital services and lease of properties which is incidental to its operation. Sec. 109(l) of the 1997 Tax Code, as amended, provides that "Medical and hospital services are VAT Exempt". However, lease of properties which are not connected to medical and hospital services are subject to VAT. RA No. 9337 increased the VAT rate from 10% to 12%, effective February 1, 2006.

Output VAT

The breakdown of the Company's sales transaction for the year ended December 31, 2024 is as follows:

	Base Amount	Output VAT
Variable sales:		
Lease income	P32,709,894	P3,925,187
Others	128,503,707	15,420,445
VAT exempt	5,292,223,840	-
Total	P5,453,437,441	P19,345,632

Others pertain to sale of medicines and medical supplies to outpatient.

VAT exempt revenues from hospital services account for 97% of the total sales; hence the Company does not recognize input VAT from purchases of goods and services from different suppliers/vendor except purchases related to outpatient pharmacy and purchases of power from Meralco wherein the Company claims 7.69% of the total bill as tenant's share which is directly connected to variable rental income. Any VAT passed on by VAT registered suppliers of goods and services (except outpatient pharmacy purchases and 7.69% VAT on Meralco bill) are recorded as part of the cost as mandated by existing laws and regulation.



Input VAT

The amount of VAT input taxes claimed are broken down as follows:

Balance at January 1, 2024	P-
Current year's domestic purchases/payments for:	
Domestic purchase of goods other than capital goods	
Domestic purchase of services	5,598,329
Applied against output VAT	<u>(5,598,329)</u>
Balance at December 31, 2024	<u>P-</u>

Input VAT claimed from Moraleo for the year ended December 31, 2024 amounted to ₱1,125,573.

VAT payments made during the year amounted to ₱13,747,303.

Outstanding balance of output VAT and input VAT as at December 31, 2024 amounted to ₱1,441,137 and nil, respectively. Output VAT and input VAT are presented as part of "Statutory payables" under "Accounts payables and other current liabilities" and "Other current assets", respectively, in the statements of financial position.

The Company's VATable revenue are based on actual cash collections, hence may not be the same with the amounts accrued in the statements of comprehensive income.

Withholding Taxes

The categories of the Company's withholding taxes for the year ended December 31, 2024 are as follows:

Expanded withholding taxes	P186,105,891
Compensation and benefits	49,783,524
Final taxes	6,711,858
Total	<u>P242,601,273</u>

Taxes and Licenses and Other Matter

The Company did not have any importations nor purchases of products subject to excise tax in 2024.

The components of the Company's taxes and licenses for the year ended December 31, 2024 are as follows.

Business taxes	P28,859,340
Real estate taxes	4,852,069
Fringe benefits tax	222,413
Community tax certificate	10,500
Barangay permit	15,015
Other taxes	16,668,110
Total	<u>P50,627,447</u>

Permits and licenses included as part of business taxes amounted to ₱654,619 is presented as "Others" under "Cost of Sales and Services"

Deficiency Tax Assessments and Tax Cases

The Company does not have any outstanding deficiency tax assessments as at December 31, 2024.





Sycip Gorres Velayo & Co
87119 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8810 0372
sgv.ph

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
Asian Hospital, Inc.
2205 Civic Drive, Filinvest Corporate City
Alabang, Muntinlupa City

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Asian Hospital, Inc. (a subsidiary of Metro Pacific Health Corporation) (the Company) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and have issued our report thereon dated February 19, 2025. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Index to the Financial Statements and Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO

Julie Christine O. Mateo

Partner

CPA Certificate No. 93542

Tax Identification No. 198-819-116

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

BIR Accreditation No. 08-001998-068-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10465357, January 2, 2025, Makati City

February 19, 2025



ASIAN HOSPITAL, INC.*(A Subsidiary of Metro Pacific Health Corporation)***SCHEDULE OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
AS AT DECEMBER 31, 2024**

The Philippine SEC issued Memorandum Circular No. 16 series of 2023 on September 19, 2023, which provides guidance on the determination of the retained earnings available for dividend declaration.

The table below presents the retained earnings available for dividend declaration as at December 31, 2024:

Unappropriated retained earnings, beginning of reporting period	₱2,908,796,462
Less: Dividend declaration during the reporting period	(345,706,018)
Unappropriated retained earnings, as adjusted	2,563,090,444
Add: Net income closed to retained earnings during the year	804,688,467
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax) Unrealized foreign exchange gain - net (except those attributable to cash and cash equivalents)	(2,572,400)
Add: Category C.2: Unrealized income in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax) Realized foreign exchange gain - net (except those attributable to cash and cash equivalents)	502,850
Add: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution Net movement in deferred tax asset not considered in the reconciling items under the previous categories	21,040,093
Net movement in deferred tax asset and deferred tax liability related to the same transaction (setup of right of use asset and lease liability)	4,460,064
Total retained earnings available for dividend declaration as at December 31, 2024	₱3,391,209,518



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The management of Asian Hospital, Inc. is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023, in accordance with the proscribed financial reporting framework indicated therein, 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.

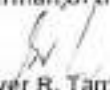
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

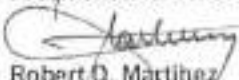
The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.


Augusto P. Palisoc, Jr.
Chairman of the Board


Beaver R. Tamesis, MD
President and Chief Executive Officer



Robert D. Martinez
Chief Finance Officer

Signed this 19th day of February, 2025

SUBSCRIBED AND SWORN to before me this FEB 20 2025 affiants exhibiting to me their respective Evidence of Identity, as follows:

Names	Evidence of Identity	Date of Issue	Place of Issue
Augusto P. Palisoc, Jr.	PP P6294589A	March 7, 2018	Manila
Beaver R. Tamesis, MD	PP P6844863A	April 19, 2018	La Union
Robert D. Martinez	UMID CRN-0111-0254738-9		Manila

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Series of 2025


ATTY. MARIELLE M. L. LAGUERTA
Notary Public for City of Manila - Unit Dec. 11, 2025
Notarial Commission No. 2024-179
Tower 3, J.K. Laya St. Lopez St., Ermita, Manila
L.S.P. NO. 480347 - Notary Public for the year 2025
NO. 2024-179 - Jan. 2, 2025 at Manila
A. VIG-1010660- Valid until 4-14-2028
ROLL NO. 88314

ANNEX "E"

MINUTES OF THE SPECIAL MEETING OF THE STOCKHOLDERS 12 NOVEMBER 2024

MINUTES OF THE SPECIAL MEETING OF THE STOCKHOLDERS OF ASIAN HOSPITAL, INC.

Held on 12 November 2024
Via video-conference

PRESENT:

TOTAL NUMBER OF SHARES PRESENT OR REPRESENTED AT THE MEETING	1,659,329,790
TOTAL NUMBER OF SHARES OUTSTANDING	1,936,728,391

1. Introduction and Call to Order

The special meeting commenced with an opening prayer, which was followed by the Philippine National Anthem.

Thereafter, the Chairman of the Meeting, Dr. Beaver R. Tamesis, called the meeting to order, introduced the members of the Board of Directors present at the meeting, and presided over the same.

The Corporate Secretary, Atty. Gilbert Raymond T. Reyes, recorded the minutes of the proceedings.

2. Certification of Notice of Meeting and Determination of Quorum

The Corporate Secretary certified that the stockholders of record were duly notified of the meeting. The Notice of Virtual Special Stockholders' Meeting was published in the business section of The Philippine Star, both in print and online format, on October 25 and 26, 2024, as required under the Bylaws of the Corporation. Likewise, electronic copies of the Notice of Virtual Special Stockholders' Meeting, Information Statement, Management Report, SEC Form 17-A, and other pertinent documents were posted at the website of the Asian Hospital and Medical Center (the "Hospital").

The Corporate Secretary further confirmed the presence of a quorum, there being present and/or represented in the meeting, stockholders owning 1,659,329,790 shares out of the 1,936,728,391 total outstanding shares, which represents at least 85.6769% of the total issued and outstanding capital stock of the Corporation.

3. Approval of Minutes of the Annual Stockholders' Meeting Held on 30 April 2024

The first item on the agenda was the approval of the minutes of the Annual Stockholders' Meeting held on 30 April 2024. The Chairman of the

Meeting informed the stockholders that a copy of the minutes had been uploaded to the Hospital's website prior to the meeting.

Dr. Robert Tan-Gatue, a stockholder, moved to approve the minutes of the Annual Stockholders' Meeting held on 30 April 2024. Dr. Josephine Tuason, another stockholder, seconded the motion.

There being no objection, the Chairman of the Meeting declared the minutes of the Annual Stockholders' Meeting held on 30 April 2024 approved as presented.

4. Approval and Ratification of the Amended Articles of Incorporation

The Chairman of the Meeting presented to the stockholders the three (3) proposed amendments to the Corporation's Articles of Incorporation. The amendments were approved by the Board of Directors on 3 September 2024.

The proposed amendments are as follows:

- i. As to the First Article, the proposal is to change the corporate name from "ASIAN HOSPITAL INC." to "*ASIAN HOSPITAL, INC., doing business as 'Asian Hospital and Medical Center' and 'Asian Health and Medical Clinics'.*"

The amendment is intended to authorize and formalize AHI's use of the said business/trade names.

- ii. As to the Second Article, the proposal is to include certain additional primary purposes, i.e., the "*training and development to its own professionals, as well as other trainees and professionals in medicine, nursing, pharmacy, and all other fields related to healthcare.*"

The inclusion of these additional primary purposes is intended to satisfy the Professional Regulation Commission's ("PRC's") requirements for the accreditation of Continuing Professional Development ("CPD") Providers. With this amendment and upon compliance with the other requirements of the PRC, AHI would be able to conduct the training and development of professionals as a PRC-accredited CPD Provider

- iii. Finally, as to the Third Article, the proposal is to change the principal office address of AHI to "*2205 Civic Drive, Filinvest Corporate City, Alabang, Muntinlupa City.*"

This amendment is being proposed to allow AHI to comply with the Securities and Exchange Commission's requirement that a corporation's specific principal office address (not simply a city,

town, municipality or 'Metro Manila') be indicated in its Articles of Incorporation.

Thereafter, the Chairman of the Meeting opened the floor for questions. There were no questions raised by the stockholders.

Dr. Robert Tan-Gatue, a stockholder, moved to approve the proposed amendments to the Corporation's Articles of Incorporation. Dr. Josephine Tuason, another stockholder, seconded the motion.

There being no objection, the Chairman of the Meeting declared the proposed amendments to the Corporation's Articles of Incorporation approved as presented.

5. Adjournment

There being no other matters to discuss, and upon motion duly made and seconded, the special meeting of the stockholders was adjourned.

ATTEST:

BEAVER R. TAMESIS
Chairman of the Meeting

GILBERT RAYMUND T. REYES
Corporate Secretary

1664.00.13
MDE/1664.00.13/AM/Minutes of the Meeting - SSM

ANNEX "E"
ASIAN HOSPITAL, INC.
VIRTUAL SPECIAL STOCKHOLDERS' MEETING

RECORD DATE: 16 APRIL 2025

**REQUIREMENTS AND PROCEDURES FOR REGISTRATION
AND ELECTRONIC VOTING IN ABSENTIA**

Please be advised that the Annual Meeting of the stockholders of ASIAN HOSPITAL, INC. will be held on Monday, May 5, 2025 at 10:30 A.M.

The Company will dispense with the physical attendance of stockholders at the meeting and will allow attendance only by remote communication. Voting may be done electronically in absentia, or through the Chairman of the meeting as proxy.

Registration Period

Registration to vote in absentia or via an absentee ballot may be made through the Company's Electronic Voting In Absentia System at:

https://us06web.zoom.us/webinar/register/WN_1dcn-k4iQyCF0HkoUsJ1IA
(the "Website")

from 5:00 P.M. of April 16, 2025 until 5:00 P.M. of April 28, 2025 (the "Registration Period"). Beyond this time and date, a Stockholder may no longer be allowed to participate in the Special Meeting of the stockholders.

Alternatively, a Stockholder or his or her representative may obtain a copy of the registration form from the Company's Corporate Affairs Department located at 6F Asian Hospital Tower 2, from April 16, 2025 until April 28, 2025, from 8:00 A.M. until 5:00 P.M.

Registration Requirements

For Individual Stockholders

1. Completion of pre-registration form which will require the following information:
 - a. Full name of the stockholder;
 - b. Valid and current email address;
 - c. Valid and current contact number, including the area code (landline or mobile number);
 - d. Present address; and
 - e. Stock Certificate number or Stockholder number.

2. Submission of signed registration form (to the extent that not all information has been provided or there are lacking requirements) and proxy form (if applicable) personally or by email to the Company's Stock Transfer Agent within the Registration Period, Monday to Friday from 9:00 A.M. to 5:00 P.M. at:

PROFESSIONAL STOCK TRANSFER INC.
10th Floor Telecom Plaza, 316 Gil Puyat Avenue, Makati City
Telephone Number: (632) 8687-4053
Look for: Ms. Hilda Amion or Ms. Edelyn Jimeno
(Email Address: hilda.amion@professionalstocktransfer.com or
edelyn.jimeno@professionalstocktransfer.com)

For Corporate Stockholders

1. Completion of online pre-registration form which will require the following information:

- a. Complete name of the stockholder;
- b. Full name of the stockholder's authorized representative.
- c. Valid and current email address of the stockholder's authorized representative;
- d. Valid and current contact number, including the area code (landline or mobile number) of the stockholder's authorized representative;
- e. Present address of the corporate stockholder, and
- f. Stock Certificate number or stockholder number.

2. Submission of the signed registration form (to the extent that not all information has been provided or there are lacking requirements), proxy form (if applicable), and the Secretary's Certificate or equivalent document (in case of a non-resident stockholder) attesting to the authority of the Authorized Representative to vote for and on behalf of the corporate stockholder personally or by email to the Company's Stock Transfer Agent within the Registration Period, Monday to Friday, from 9:00 A.M. to 5:00 P.M. at:

PROFESSIONAL STOCK TRANSFER INC.
10th Floor Telecom Plaza, 316 Gil Puyat Avenue, Makati City
Telephone Number: (632) 8687-4053
Look for: Ms. Hilda Amion or Ms. Edelyn Jimeno
(Email Address: hilda.amion@professionalstocktransfer.com or
edelyn.jimeno@professionalstocktransfer.com)

Registration Procedure

A. Online

1. Log into the Electronic Voting in Absentia System at:

https://us06web.zoom.us/webinar/register/WN_1dcn-k4iQyCF0HkoUsJ1tA

Please ensure that you have prepared the necessary information and requirements.

2. Enter the information required in the respective fields. When all information has been entered, please click the "Register" button.

3. You will receive an email from ahiaqminfo@asrahospital.com confirming receipt of your pre-registration and providing instructions on how to submit the Registration Requirements above-mentioned to the Stock and Transfer Agent.

4. The Stock and Transfer Agent will verify the information and the documents submitted. In case of incomplete information and/or documents, the stockholder will receive an email from ahiagminfo@asianhospital.com requiring the submission of additional information and/or further documents.

5. Upon verification and clearance by the Stock and Transfer Agent, the stockholder will receive a second email from ahiagminfo@asianhospital.com containing the unique access code to the virtual Special Stockholders Meeting.

B. Onsite

1. Obtain a copy of the registration form at:

Corporate Affairs Department
6th Floor, Tower 2, Asian Hospital and Medical Center
(02) 8-771-9000 locals 5982, 8017, and 8094
2205 Civic Drive, Filinvest City, Alabang
Muntinlupa City, 1780 Philippines

2. Fill in the registration form with the information required in the respective fields.

3. Submit a scanned copy of the completed registration form to ahiagminfo@asianhospital.com or submit the completed registration form to the Corporate Affairs Department.

4. You will receive an email from ahiagminfo@asianhospital.com confirming receipt of your pre-registration with instructions on how to submit the Registration Requirements above-mentioned to the Stock and Transfer Agent.

5. The Stock and Transfer Agent will verify the information and the documents submitted. In case of incomplete information and/or documents, the Stockholder will receive an email from ahiagminfo@asianhospital.com requiring the submission of additional information and/or further documents.

6. Upon verification and clearance by the Stock and Transfer Agent, the stockholder will receive a second email from ahiagminfo@asianhospital.com containing the unique access code to the virtual Special Stockholders Meeting.

Reminders:

- A stockholder's online registration cannot be completed if any of the mandatory requirements is not submitted.
- Only stockholders who submitted the complete requirements through the Website, ahiagminfo@asianhospital.com, or the Corporate Affairs Department by April 28, 2025, 5:00 P.M. are entitled to participate in the Annual Meeting of stockholders.
- Please take note of your unique access link and keep it in a safe place.
- In case of any issues relating to your registration in the Website, or in case you lose your unique access link, please send an email to ahiagminfo@asianhospital.com.

Verification of Stockholder Registrations

The Company or its Stock Transfer Agent will verify the information and details submitted through the Electronic Voting in Absentia System, through ahiaqminfo@asianhospital.com, or through the Corporate Affairs Department starting April 29, 2025 at 8:00 A.M.

Upon verification of the complete submission of the required information and documents, the Stockholder will receive an e-mail through the stockholder's registered e-mail address confirming registration. Such e-mail confirmation will also contain a unique access code per stockholder.

Please call or contact the Company's Stock Transfer Agent or ahiaqminfo@asianhospital.com in case you have not received any notification by May 1, 2025.

Conduct of the Special Meeting

The Annual Meeting of the stockholders will be streamed online. The procedure for online voting will also be emailed to the stockholders who successfully registered before the expiration of the Registration Period.

Data Privacy

Data will be collected, stored, processed and used exclusively from each individual stockholder or his/her authorized representative for the purposes of the Special Meeting. Personal information will be processed in accordance with the Philippine Data Privacy Act of 2012 and applicable regulations. The detailed data privacy policy of the Company may be accessed through the Website.