

**MINUTES OF THE
2021 ANNUAL STOCKHOLDERS' MEETING
OF THE
MEDICAL DOCTORS, INC. (MDI)
Held on 20 July 2021, 5:00pm
Via remote communication
through <asm2021.makatimed.net.ph>**

I. CALL TO ORDER / CERTIFICATION OF NOTICE AND QUORUM

Mr. Jose Ma. K. Lim, acting as Chairman, welcomed the stockholders and guests to the Annual Stockholders' Meeting. He informed the stockholders that, in light of the Covid-19 pandemic, the Board of Directors decided to conduct the 2021 Annual Stockholders' Meeting via remote communication accessed through <asm2021.makatimed.net.ph> in order to ensure everyone's safety and health, as well as to continue with Company's best practices. Further, the acting Chairman assured the stockholders that through the online format, stockholders have the opportunity to participate remotely and cast their vote *in absentia*. Thereafter, he called the meeting to order and presided.

Atty. German Q. Lichauco II, Corporate Secretary, upon the request of the acting Chairman, confirmed that the notice and agenda of the meeting were delivered by mail or messengerial service, electronic mail and published in the business section of two (2) newspapers of general circulation, in print and online format, for two (2) consecutive days, to all stockholders of record as of 31 May 2021, the record date fixed by the Board of Directors. Atty. Lichauco further confirmed that the Definitive Information Statement was made available in the company website. Thereafter, he certified the existence of quorum based on the record of attendance and proxy report, which shows that holders of 2,942,028 common shares representing 86.01% of the Company's total outstanding capital stock were present in person or by proxy. There being a quorum, the acting Chairman declared the meeting duly convened and open for the transaction of business.

Upon request of the acting Chairman, Atty Lichauco confirmed that the stockholders have been informed on the manner of voting for the meeting. Stockholders or their proxies, who have successfully registered and have been notified via email may cast their vote *in absentia* by accomplishing the print-out of MDI's ballot form, which can be accessed and downloaded from <asm2021.makatimed.net.ph> (the "Website"). Once the ballot form is completed, the stockholder or his proxy may submit the ballot by uploading the file via the Website or emailing a scanned copy of the same to <mmcfinance@makatimed.net.ph> not later than 5:00 P.M. on 20 July 2021.

Atty Lichauco informed the stockholders that more than a majority of the total outstanding voting stocks have cast their vote in favor of the specified agenda items, including the election of the fifteen (15) nominees to the Board of Directors.

II. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF 21 JULY 2020

The acting Chairman informed the stockholders that a copy of the minutes of the Annual Stockholders' Meeting of the Company held on 21 July 2020 was made available to all stockholders of record, together with the Definitive Information Statement, for their approval.

Atty Lichauco reported that, stockholders holding more than a majority of the entire outstanding voting stocks of MDI voted in favor of this matter, the minutes of the Annual Stockholders' Meeting held on 21 July 2020 is approved.

III. PRESENTATION OF THE PRESIDENT'S REPORT

The acting Chairman then informed the stockholders that the President and CEO, Atty. Pilar Nenuca P. Almira, will present her annual President's Report for the year 2020.

Atty. Almira started her presentation by discussing the challenges and the setbacks caused by the pandemic, highlighting that, in spite of these events, MDI remained resilient in its effort in upholding its mission and maintaining its business in the healthcare industry. Following are the salient points discussed by Atty. Almira in her report:

- MDI response to the Covid-19 challenges (i.e., investing and taking care of its people);
- Accreditation as Covid-19 PCR testing center;
- Adjustments made in response to the impact of Covid-19 to the hospital; and
- Covid-19 hospital statistics;

Atty. Almira also presented the financial highlights for 2020, with the following salient points:

- Net loss of P5.6 Million. However, the hospital was able to achieve an EBITDA of P678 Million which, together with short term loans, allowed the hospital to continue with its CAPEX projects that were mostly started before the pandemic;
- Capital Expenditure reached to P555 Million, nearly half allocated to renovations and upgrades of the premises;
- Upgrade of medical equipment in the amount of P236 Million and investment in Information Technology and other equipment amounted to P80 Million;
- Payment of loans in the amount of P274 Million lowering in the outstanding balance to P441 Million by yearend;
- 40% of the hospital wide revenues was contributed by corporate accounts, Health Maintenance Organization (HMO) partners, local and foreign affiliates through the Strategic Hospital Alliance Program

For 2020, the hospital booked a 19% decline in Gross Revenue in the amount of P6.3 Billion as compared to P7.8 Billion in 2019 due to the implementation of strict community quarantine response to Covid-19. The following measures were reported to address the losses:

- Innovate and upgrade operational and technological facilities;
- Expanded and developed additional revenue generating initiatives;
- Cost cutting initiatives without sacrificing service quality;
- Capex prioritization on initiatives that can bring immediate revenues.

Atty. Almira discussed and enumerated the awards and recognitions garnered by MDI in 2020 from Philippine Society for Quality, the International Hospital Federation, the 2020 Asian Hospital Management Excellence Awards, and honors from Gawad Bayaning Kalusugan. She also discussed the projects completed in 2020 namely, Blood Bank Relocation, Waterproofing and Resealing Works in Various Areas and Laboratory Point-of-Care Testing.

Atty. Almira then presented the financial highlights for the 1st half of 2021, with the following salient points:

- Gross revenues amounted to P3.7 Billion, a 27% increase compared to the same period in 2020;
- Inpatient revenues increased by 26% compared to the same period in 2020, driven mainly by more severe and critical cases handled during the 3rd Covid-19 surge in March 2021;
- Outpatient revenues increased by 28% compared to the same period in 2020 ; and
- Net Profit amounted to P220 Million, a strong turnaround from 2020. .

After the presentation of Atty. Almira, the acting Chairman informed the stockholders that MDI will proceed to answer the questions emailed by the stockholders to asm2021@makatimed.net.ph, and requested the Corporate Secretary to facilitate.

Atty. Lichauco informed the stockholders that the time allotted for the Q&A is 15 minutes. He then proceeded to read the questions submitted by the stockholders.

The first question was submitted by Dr. Minerva Laconico. She asked whether or not MDI has any immediate plans regarding the recent more contagious delta variant. Dr. Javier responded that the hospital continued to beef up its processes and protocols weeks ago since news of this variant have started to spread. Daily update of cases are done, sufficient inventory of medical supplies, therapeutics and especially oxygen are maintained. Critical care doctors have been identified and made ready to respond in case of a surge of critical patients. In terms of available beds, the hospital have yet to use available space in the emergency room (ARCU), the conversion of Telemetry into critical care beds, conversion of CPM into COVID wards and the activation of outpatient care for mild cases. Dr. Javier mentioned that no one can truly be ready for this variant, but the hospital continues to make preparations including the vaccination of its healthcare workers and the tight enforcement of infection control protocols.

Dr. Carolyn Butler also asked if MDI plans to procure Moderna Vaccines for relatives of healthcare workers. Mr. Javier responded that the matter is being closely discussed with the Administration. MDI will determine the real need to obtain these vaccines vis-à-vis the possibility of government procured mRNA vaccines being supplied for the A1 category. The Task Force will weigh very well the options on hand to determine the purchase of Moderna vaccine from MPIC (private) or seek government supplied vaccines.

After the time allotted, Atty. Lichauco turned over the floor to the acting Chairman.

The acting Chairman informed the stockholders that, considering that the stockholders holding more than a majority of the outstanding voting stocks of MDI voted in favor of adopting and approving the 2020 President's Report and the 2020 Audited Financial Statements, the same are hereby declared adopted and approved.

Furthermore, the acting Chairman announced that, upon approval by the Board of Directors on 20 July 2021, the Company has declared the distribution of cash dividends in the amount of Php45.82/share to all stockholders of record as of 31 July 2021. The dividends will be paid on 30 August 2021, either by crediting to the stockholder's account or by issuance of check.

IV. APPROVAL OF THE AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BY-LAWS

The acting Chairman proceeded to the next item on the agenda. He informed the stockholders that the amendments to the Articles of Incorporation and By-Laws as approved by the Board of Directors on 23 October 2020 were provided and summarized in the Definitive Information Statement. The acting Chairman informed the stockholders that, considering that the stockholders holding more than a majority of the outstanding voting stocks of the Company voted in favor of ratifying and approving the amendments to the Articles of Incorporation and By-Laws, the same are hereby declared ratified and approved.

V. RATIFICATION OF THE ACTS AND PROCEEDINGS OF THE BOARD OF DIRECTORS AND CORPORATE OFFICERS

The acting Chairman proceeded to the next item on the agenda. The acts and proceedings of the Board of Directors and Corporate Officers of the Company for the year 2020 as set forth in the minutes of the meetings of the Board of Directors held during the same period have been provided and summarized in the Definitive Information Statement for ratification and confirmation. The acting Chairman informed the stockholders that, considering that stockholders holding more than a majority of the outstanding voting stocks of the Company voted in favor of the matter, therefore all acts of the Board of Directors and Corporate Officers for the year 2020 are hereby ratified and confirmed.

VI. ELECTION OF DIRECTORS AND INDEPENDENT DIRECTORS

Next, the acting Chairman requested the Corporate Secretary to announce the persons nominated as directors for the year 2021.

Atty. Lichauco reported that the following are the nominees for election as directors for the ensuing year:

Regular Directors

1. Mr. Manuel V. Pangilinan
2. Dr. Benjamin Alimurung
3. Atty. Pilar Nenuca P. Almira
4. Mr. Jose Amado A. Fores
5. Dr. Victor L. Gisbert
6. Mr. Jose Ma. K. Lim
7. Dr. Conrado Gabriel C. Lorenzo III
8. Ms. Ma. Susana A.S. Madrigal
9. Mr. Augusto P. Palisoc, Jr.
10. Mrs. Judy A. Roxas
11. Dr. Remedios G. Suntay
12. Dr. Michael C. Wassmer

Independent Directors

1. Mr. Francisco A. Dizon
2. Mrs. Diana P. Aguilar
3. Mr. Francisco S.A. Sandejas

Atty. Lichauco, as head of the Nominations and Election Committee (the “Committee”), further confirmed that the Committee has reviewed and evaluated the background information of the nominees for election as directors and independent directors. Based on the criteria set out in the Code of Corporate Governance and the Committee’s nomination guidelines, the nominees possess all of the qualifications and have none of the disqualifications for directorship in the Company. Also, the Committee has determined that Mr. Francisco A. Dizon, Mrs. Diana P. Aguilar and Mr. Francisco S.A. Sandejas meet the independence criteria set out in SRC Rule 38 and are qualified for election as independent directors. He advised that since there are as many nominated directors as there are fifteen (15) seats for regular and independent directors, all the fifteen (15) nominees are qualified to be elected as directors of MDI. He further noted that, in the event Mr. Francisco A. Dizon is re-elected, he will be exceeding the nine (9) year term limit for independent directors as prescribed by the Code of Corporate Governance. As such, his extension of term will be subject to stockholders’ approval, which will be tackled as the next item in the agenda.

Considering that majority of the votes were cast in favor of all the nominees for directors, the acting Chairman declared the following directors elected:

1. Mr. Manuel V. Pangilinan
2. Dr. Benjamin Alimurung
3. Atty. Pilar Nenuca P. Almira
4. Mr. Jose Amado A. Fores
5. Dr. Victor L. Gisbert
6. Mr. Jose Ma. K. Lim
7. Dr. Conrado Gabriel Lorenzo III
8. Ms. Ma. Susana A.S. Madrigal
9. Mr. Augusto P. Palisoc, Jr.
10. Mrs. Judy A. Roxas
11. Dr. Remedios G. Suntay
12. Dr. Michael C. Wassmer
13. Mr. Francisco A. Dizon
14. Mrs. Diana P. Aguilar
15. Mr. Francisco S.A. Sandejas

The acting Chairman congratulated the duly elected directors of MDI for the year 2021-2022. He also took the opportunity to express his gratitude to outgoing regular Director, Mr. Michael de Guzman, for his service to MDI and introduced the new independent director, Mr. Francisco S.A. Sandejas, founder and Chairman of Narra Ventures.

VII. APPROVAL FOR THE EXTENSION OF TERM OF MR. FRANCISCO DIZON

The acting Chairman then proceeded to seek the approval for the extension of term of Mr. Francisco Dizon as Independent Director, and requested the Corporate Secretary to report on this matter. Atty. Lichauco advised that under the Code of Corporate Governance, stockholders’ approval is required for independent directors to be able to serve beyond the nine (9)-year term limit. As previously mentioned, with Mr. Dizon’s re-election as independent director, he will be exceeding the nine (9)-year term limit. The acting Chairman then informed the stockholders that, considering that the stockholders holding more than a majority of the outstanding voting stocks of the Company voted for the extension of term of Mr. Francisco Dizon as independent director of the Company, the same is hereby declared approved.

VIII. APPOINTMENT OF EXTERNAL AUDITORS

The acting Chairman proceeded with the appointment of the external auditors, and informed the stockholders of the voting results. He reported that stockholders holding more than a majority of the outstanding voting stocks of MDI voted to approve the re-appointment of Isla Lipana & Company as the company's external auditors, and the corresponding scope of services and applicable audit fees.


IX. ADJOURNMENT

The acting Chairman asked the Corporate Secretary if there are any other matters that should be taken up by the body, to which the Corporate Secretary answered that there are no other matters for discussion.

The acting Chairman then announced that, there being no other business to transact, considering that stockholder/s holding more than a majority of the total outstanding capital stock are present or represented and have voted in this meeting, all matters so far taken up by the stockholders during this Annual Meeting are hereby approved and carried and the meeting is hereby adjourned.

CERTIFIED TRUE AND CORRECT:


ATTY. GERMAN Q. LICHAUCO II
Corporate Secretary


JOSE MA. K. LIM
Acting Chairman