

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

Check the appropriate box:

Preliminary Information Statement

☒ Definitive Information Statement

1. Name of Registrant as specified in its charter **MEDICAL DOCTORS, INC.**
2. Province, country other jurisdiction of incorporation or organization **PHILIPPINES**
3. SEC Identification No. **22914**
4. BIR Tax Identification No. **000-130-130-000**
5. Address of principal office **No. 2 Amorsolo St., Legaspi Village, Makati City**

Postal Code - **1229**

6. Registrant's telephone number, including area code **02-88888-999**

7. Date, Time and Place of the meeting of security holders

Tuesday, July 18, 2023

5:00 PM

Medical Doctors Inc. Website: asm2023.makatimed.net.ph

8. Approximate date on which the Information Statement is first to be sent or given to security holders

June 26, 2023

9. Name of Person Filing the Statement: **Medical Doctors, Inc. (Makati Medical Center)**
Address: **No. 2 Amorsolo St., Legaspi Village, Makati City**
Telephone No.: **88888-999**

10. Outstanding Common Stock

Title of Each Class	Number of Shares of Common Stock Outstanding (as of May 31, 2023)
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Common	3,420,737
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11. Are any or all of registrant's securities listed on a Stock Exchange?

Yes [] No [**X**] If yes, disclose name of the Stock Exchange and Class of securities listed therein.

**NOTICE OF REGULAR MEETING
OF STOCKHOLDERS**

July 18, 2023

5:00 P.M.

The Annual Meeting of the Stockholders (“ASM”) of Medical Doctors, Inc. (hereinafter interchangeably referred to as “MDI” or the “Company”), owner and operator of Makati Medical Center (hereinafter interchangeably referred to as “MMC” or the “Hospital”), will be conducted via remote communication on Tuesday, **July 18, 2023 at 5:00 P.M.**

The Agenda of the Meeting is as follows:

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting of July 19, 2022
4. Presentation of the Annual Report and approval of the 2022 Audited Financial Statements
5. Open Forum
6. Approval of the Amendments to Article III, Section 10 of the By-Laws (see Annex “A” of the Definitive Information Statement)
7. Ratification of Acts and Proceedings of the Board of Directors and Corporate Officers
8. Election of the Board of Directors
9. Approval for the Extension of Term of Independent Director, Mr. Francisco A. Dizon
10. Appointment of External Auditors
11. Other Matters
12. Adjournment


The ASM will be streamed live, and stockholders may attend and participate via remote communication and vote in absentia, using the Company website, <asm2023.makatimed.net.ph>. The guidelines for participation via remote communication and voting in absentia is set forth in Annex “E” of the Definitive Information Statement.

For the purpose of this meeting, only stockholders of record at the close of business on **May 31, 2023** will be entitled to attend/participate and cast their votes in absentia at the ASM. Stockholders who wish to appoint a proxy are respectfully requested to submit their duly signed proxy form together with other documentary requirements which are set forth in the Annex “E” of the Definitive Information Statement to the Finance Division, Makati Medical Center, 5th Floor Keyland Centre 143 Dela Rosa corner Adelantado St. Legaspi Village, Makati City and/or by email to mmcfinance@makatimed.net.ph not later than **5:00 P.M. on July 5, 2023**. MMC Finance shall submit the proxy form to the Corporate Secretary. Validation of proxies shall be held on **July 10 2023** at 10:00 A.M. at the Board Room, Makati Medical Center, 6th Floor Keyland Centre 143 Dela Rosa corner Adelanto St. Legaspi Village, Makati City.

The Definitive Information Statement, Proxy Form, 2022 Management Report, Annual Report, Annual Report for the year ended December 31, 2022 in SEC Form 17-A, Quarterly Report for the first quarter of 2023 in SEC Form 17-Q, and other pertinent documents shall be made available in the Company website, <asm2023.makatimed.net.ph>

MEDICAL DOCTORS, INC.

By:


ATTY. GERMAN Q. LICHAUCO II
Corporate Secretary

BRIEF DESCRIPTION OF THE AGENDA ITEMS

1. **Call to Order.** The Chairman of the Board of Directors, Mr. Manuel V. Pangilinan, will call the meeting to order.
2. **Certification of Notice and Quorum.** The Corporate Secretary, Atty. German Q. Lichauco III, will certify that copies of the Notice of the Meeting were sent to Stockholders of record as of May 31, 2023, and will certify the number of stockholders present through remote communication, and whether in person or by proxy, for the purpose of determining the existence of a quorum to validly transact business.
3. **Approval of the Minutes of the Annual Stockholders Meeting held on July 19, 2022.** Copies of the Minutes are available for examination during office hours at the Finance Division, Makati Medical Center, 5th Floor Keyland Centre 143 Dela Rosa corner Adelantado St, Legaspi Village, Makati City and will be made available to all stockholders as of record date along with the Definitive Information Statement through the website, <asm2023.makatimed.net.ph>. The resolution that will be submitted for approval of the stockholders states as follows:

“RESOLVED, that the Stockholders of the Corporation hereby approve the Minutes of the Annual Stockholders’ Meeting held on July 19, 2022.”

4. **Presentation of the Annual Report and Audited Financial Statements.** The Report presents the milestones and achievements of the Company for the year 2022. The audited financial statements, highlights of which are explained in the President and Chief Executive Officer’s Report and in the Definitive Information Statement, will be presented to the Stockholders for approval. Copies of the 2022 Audited Financial Statements, previously approved by the Board of Directors, were also submitted to the Securities and Exchange Commission and the Bureau of Internal Revenue. The resolution that will be submitted for approval of the stockholders states as follows:

“RESOLVED, that the audited financial statements for the year ended December 31, 2022 be, as the same are, hereby approved.”

5. **Open Forum.** Stockholders may submit any relevant question or express any appropriate comment by sending an email to mmcfinance@makatimed.net.ph not later than 3:00pm of July 18, 2023. Questions which cannot be read and answered during the meeting will be replied to by the Company through the stockholder’s email address.
6. **Approval of the Amendments to Article III of the By Laws.**

Approval and ratification by the stockholders representing at least two-thirds of the outstanding capital stock of the Company will be sought to amend the By-laws, specifically Article III, Section 10, in order to update, comply and be consistent with the requirements of the Revised Corporation Code, the Revised Manual of Corporate Governance and the directives of the Securities and Exchange Commission. Please refer to Annex A of the Definitive Information Statement for the proposed resolutions that will be submitted for approval of the stockholders.

7. **Ratification of Acts and Proceedings of the Board of Directors and Corporate Officers.** Ratification of the acts of the Board of Directors and Management crucial to the successful and effective performance of the Company from July 19, 2022 up to the date of the meeting will be sought from the stockholders. The resolution that will be submitted for approval of the stockholders’ states as follows:

“RESOLVED, that all acts, resolutions, and deeds of the Board of Directors and Management of the Company from the Annual Stockholders’ Meeting held on July 19, 2022 up to the date of this meeting be, as they are hereby confirmed, ratified and approved.”

8. **Election of Directors for the ensuing year.** The Chairman of the Nomination and Election Committee will present to the stockholders the nominees for election as members of Board of Directors of the Company. Copies of the *curriculum vitae* and profiles of the candidates to the Board of Directors are provided in the Definitive Information Statement for the examination of the stockholders. For this year, the candidates to the Board of Directors are the

following:

Regular Directors

1. Mr. Manuel V. Pangilinan
2. Dr. Benjamin N. 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. Agripino A. Javier

Independent Directors

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

Votes cast within the period provided will be tabulated and reviewed by the Chairman of the Nomination and Election Committee. The Chairman of the Nomination and Election Committee will announce the results of the election.

9. Approval for the Extension of Term of Mr. Francisco A. Dizon. Pursuant to the requirements of the Code of Corporate Governance for Public Companies and Registered Issuers, the extension of term of independent directors beyond the 9-year term limit require stockholders' approval. Hence, stockholders' approval will be sought for the extension of term of Mr. Francisco A. Dizon as Independent Director for 2023-2024.

10. Appointment of External Auditors. The Company's external auditors for 2023-2024, tasked with the preparation of the annual financial statements, will be appointed by the stockholders, upon favorable recommendation by the Audit Committee. The resolution that will be submitted for approval of the stockholders states as follows:

"RESOLVED, that Isla Lipana & Company, Certified Public Accountants, be, as they are hereby, re-appointed as external auditors of the Company for the year 2023-2024."

11. Other Matters. Stockholders may be requested to consider such other issues/matters that arise after the Notice of Meeting and Agenda have been sent out or as may be raised throughout the course of the meeting.

12. Adjournment. After all business has been considered and resolved, the Chairman shall declare the meeting adjourned.

INFORMATION STATEMENT

PART I

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Annual Meeting

The Annual Meeting of Stockholders (“ASM”) of Medical Doctors, Inc., (hereinafter interchangeably referred to as “MDI” or the “Company”) will be conducted virtually on **July 18, 2023** at **5:00 P.M.** The complete mailing address of the principal office of the Company is No. 2 Amorsolo St., Legaspi Village, Makati City.

The information statement and form of proxy are first to be sent to security holders approximately on **June 26, 2023**.

Item 2. Dissenters' Right of Appraisal

There are no corporate matters or actions to be taken up during the ASM that will entitle dissenting Stockholders to exercise their right of appraisal as provided in Title X of the Revised Corporation Code of the Philippines.

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

No director, nominee for election as director, associate of the nominee or executive officer of the Company at any time since the beginning of the last fiscal year has any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting, other than election to office.

The Company has not received any information that an officer, director or stockholder intends to oppose any action to be taken at the ASM.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- (a) As of **May 31, 2023**, the Company has the following outstanding shares of common stock:

<u>Title of Class</u>	<u>No. of shares outstanding</u>
Common Shares	3,420,737 shares
Each share is entitled to one vote	

- (b) The record date with respect to this solicitation is **May 31, 2023**. Only stockholders of record at the close of business on **May 31, 2023** will be entitled to vote at the meeting (“Stockholders”). Presence in person or by proxy of Stockholders owning a majority of the shares of Common Stock outstanding on the record date is required for a quorum.

- (c) Manner of Voting

A Stockholder entitled to vote at the meeting has the right to vote in person or by proxy. With respect to the election of directors, in accordance with Section 23 of the Revised Corporation Code of the Philippines, a Stockholder may vote the number of shares held in his name in the Company's stock books as of **May 31, 2023**, and may vote such number of 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 on the same principle among as many candidates as he shall see fit; Provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the total number of directors to be elected.

In compliance with the requirement in Section 22 of the Revised Corporation Code of the Philippines, three (3) of the fifteen (15) directors shall be independent directors. Hence, separate elections shall be held, if appropriate, for non-independent directors and independent directors.

If there are only twelve (12) nominees for non-independent directors, all votes shall be deemed cast in their favor and they shall automatically be deemed elected. Only nominees who were nominated on or before the May 19, 2023, the deadline thereof, shall be recognized and may be voted upon during the July 18, 2023 ASM. If there are more than twelve (12) nominees for non-independent directors, an election shall be held for non-independent directors and the twelve (12) nominees with the highest number of votes shall be deemed elected. The formula in such election shall be as follows:

no. of shares held on record as of record date x 12 non-independent directors = total number of votes that may be cast

If there are only three (3) nominees for independent directors, all votes shall be deemed cast in their favor and they shall automatically be deemed elected. Only nominees who were nominated on or before the May 19, 2023, the deadline thereof, shall be recognized and may be voted upon during the July 18, 2023 ASM. If there are more than three (3) nominees for independent directors, an election shall be held for independent directors and the three (3) nominees with the highest number of votes shall be deemed elected. The formula in such election shall be as follows:

no. of shares held on record as of record date x 3 independent directors = total number of votes that may be cast

The deadline for submission of proxies is **not later than 5:00 P.M. on July 5, 2023** at the Finance Division, Makati Medical Center and/or by email to mmcfinance@makatimed.net.ph. MMC Finance shall submit the proxy for to the Corporate Secretary. Validation of proxies will be on **July 10, 2023 at 10:00 AM** at the Board Room, Makati Medical Center, 6th Floor Keyland Centre, 143 Dela Rosa corner Adelantado St. Legaspi Village, Makati City.

The proxy subject of this solicitation shall have discretionary authority to cumulate votes.

(d) Security Ownership of Certain Record and Beneficial Owners and Management

1. Security ownership of certain record and beneficial owners of more than 5% of the voting securities

As of **May 31, 2023**, the Company knows of no one who beneficially owns in excess of 5% of its common stock, except as set forth below:

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record owner	Citizenship	Number of Shares Held	Percent (%)
Common	Metro Pacific Hospital Holdings, Inc (MPHHI) 5/F Tower 1, Rockwell Business Center, Ortigas Avenue, Ugong, Pasig City. MDI is an associate of MPHHI	Manuel V. Pangilinan Chairman of the Board of Metro Pacific Hospital Holdings Inc. and Medical Doctors, Inc., (Mr. Pangilinan and/or Mr. Jose Ma. K Lim are authorized to vote the shares on behalf of MPHHI)	Filipino	1,141,819	33.38%

(2) Security Ownership of Management

The following are the number of shares comprising the Company's capital stock (all of which are voting shares) owned of record by the directors, Chief Executive Officer, key officers of the Company, and nominees for election as director, as of **May 31, 2023**:

Title of Class	Name of Owner	Nature of Ownership	No. of Shares	Amount	Citizenship	Percent of Class
Common	Remedios G. Suntay, MD	Direct	119,208	11,920,800	Filipino	3.48%
Common	Benjamin N. Alimurung, MD	Direct	47,110	4,711,000	Filipino	1.38%
Common	Jose Amado A. Fores	Direct	15,192	1,519,200	Filipino	0.44%
Common	Ma. Susana A. Madrigal	Direct	9,335	933,500	Filipino	0.27%
Common	Victor L. Gisbert, MD	Direct	2,485	248,500	Filipino	0.07%
Common	Agripino A. Javier, MD	Direct	1,548	154,800	Filipino	0.04%
Common	Mary Milagros Uy, MD	Direct	1,500	150,000	Filipino	0.04%
Common	Conrado Gabriel C. Lorenzo III, M.D.	Direct	1,500	150,000	Filipino	0.04%
Common	Saturnino P. Javier, MD	Direct	1,500	150,000	Filipino	0.04%
Common	Judy A. Roxas	Direct	1,001	100,100	Filipino	0.03%
Common	Diana P. Aguilar	Direct	1	100	Filipino	0.00%
Common	Manuel V. Pangilinan	Direct	1	100	Filipino	0.00%
Common	Jose Ma. K. Lim	Direct	1	100	Filipino	0.00%
Common	Augusto P. Palisoc, Jr.	Direct	1	100	Filipino	0.00%
Common	Francisco A. Dizon	Direct	1	100	Filipino	0.00%
Common	Pilar Nenuca P. Almira	Direct	1	100	Filipino	0.00%
Common	Francisco S.A. Sandejas	Direct	1	100	Filipino	0.00%
Common	Reymundo S. Cochangco	Direct	1	100	Filipino	0.00%

Below are Management Officers that are non-shareholders of the Company.

Arnold C. Ocampo	Senior Vice President and Chief Finance Officer
Arlyn L. Songco	Vice President for Creative, Communications & Sales Services
Engr. Gerry E. Cunanan	Vice President for Facilities Management & Engineering Division.
Bitá S. Avendano	Vice President for Human Resources Management and Development Division
Eda Bernadette P. Bodegon	Chief Nursing Officer and Vice President for Nursing & Patient Care Services

Reynaldo J. Lim	Vice President for Service Operations Division
Dr. Artemio C. Salvador	Vice President for Quality Management Division

The aggregate number of shares owned of record by the Chief Executive Officer, key officers, directors and nominees for directors as a group as of May 31, 2023 is 200,387 shares or approximately 5.86% of outstanding shares.

(3) Voting Trust Holders of 5% or more
Not Applicable

(4) Changes in Control

The Company is not aware of any change in control or arrangement that may result in a change in control of the Company since the beginning of its last fiscal year.

(e) Interest of Certain Persons in or Opposition to Matters to be Acted Upon

No director, nominee for election as director, associate of the nominee or executive officer of the Company at any time since the beginning of the last fiscal year has any substantial interest, direct or indirect, by security holdings or otherwise, in any of the matters to be acted upon in the meeting, other than election to office.

The Company has not received any information that an officer, director or stockholder intends to oppose any action to be taken at the ASM.

Item 5. Directors and Executive Officers

(a) The Company is not aware of any pending legal proceeding of the nature required to be disclosed under Part I, paragraph (C) of Annex D with respect to nominees for directorship.

(b) The names of the incumbent and nominee directors and executive officers of the Company, and their respective ages, current positions held, periods of services and business experience during the past five (5) years, are as follows:

Incumbent Directors, Officers and/or nominees for Board of Directors

Benjamin N. Alimurung, MD, 78, Filipino

Benjamin N. Alimurung, M.D. is a nominee for a regular director position. He has been a member of the MDI Board since 1981. He is currently the Vice Chairman of the Ethics Committee and member of the Audit & Risk Committee of the Board. He was the Medical Director of the MDI from 2006 to May 31, 2016. He was a member of the Management Committee from 1983 to May 2016; Head, Cardiovascular Diagnostic Laboratory (Heart Station) since 1981 to present; Head, Catheterization Laboratory from 1989 to January 2022. Director, Adult Cardiology Training Program since 1983; Active Medical Staff, MMC, 1981 to present; Adult Cardiology Fellowship, Emory University School of Medicine and Affiliated Hospitals, Atlanta, Georgia, USA, July 1976- April 1980; Interventional Cardiology, Emory University School of Medicine and Affiliated Hospitals, Atlanta Georgia, USA, November 1987 – November 1988; Co-Director, Cardiac Catheterization Laboratory and Director, Exercise Function Laboratory, Grady Memorial Hospital, Atlanta Georgia, USA, July 1979-January 1980; Instructor in Medicine (Cardiology), Emory University School of Medicine, Atlanta, Georgia, USA July 1979 – January 1980; Director, Cardiac Catheterization Laboratory, Grady Memorial Hospital, Atlanta Georgia, USA, November 1987 – November 1988; International Fellow, Council on Clinical Cardiology, American Heart Association, January 1985; Fellow, American College of Cardiology, August 25, 1997; Member Asia-Pacific Society of Interventional Cardiology, 1995; Active Medical Staff, UST 1980- 1987 and Balik-Scientist Presidential Program Awardee (for Cardiovascular Medicine), Phase-II, Philippine National Science Development Board, Manila, Philippines, 1981

Atty. Pilar Nenuca P. Almira, 70, Filipino

Pilar Nenuca P. Almira is a nominee for regular director position. She is currently the President & CEO of MDI since September 2020. She is a member of the Nomination & Election Committee of the Board. Prior to joining MDI, she was the President & CEO of Cardinal Santos Medical Center and the President of Cardinal Medical Charities Foundation, Inc. since December 2012. She was also the President & CEO of Our Lady of Lourdes Hospital since August 2016.

Atty. Almira served as the Hospital Director of Manila Doctors Hospital from 2006 to 2012; Senior Vice President for Business Development, Marketing and Sales Effectiveness at St. Peter life Plan Incorporated from 2002 to 2006; Chief Operating Officer at University of Santo Tomas Hospital from 2000 to 2002; Human Resource Director for South/South East Asia at Kraft Foods International from 1988-2000; Human Resource Director at Warner Lambert Philippines from 1978 to 1988; and Factory Personnel Manager at Nestle Philippines from 1974 to 1978.

In 1998, the Personnel Management Association of the Philippines awarded her Personnel Manager of the year.

Atty. Almira has an MBA degree from the Ateneo de Manila University in 1978, a law degree from the University of the Philippines in 1984 and a master's in health services administration degree from Ateneo de Manila University in 2004. She was also conferred a Papal Award by Pope Francis in 2015.

Jose Amado A. Fores, 62, Filipino

Jose Amado A. Fores is a nominee for a regular director position. He has been a member of the MDI Board since 2008. He is currently a member of the Ethics Committee and the Nomination & Election Committee of the Board. He is Vice President, Information Technology Division of ACI, Inc. from 2006 up to present; Vice President of Uniprom, Inc. (1994-2006); IT Project Team Head, Progressive Development Corporation (2000-2001); Project Proponent / VP & GM, Board Member of TicketNet, Inc.(1994-2010); President and CEO Founding Partner, Board Member, Central Network Linkages, (1987-present); and Administrative Committee Board Member, CIBO, Inc. (1999 up to present).

Victor L. Gisbert, MD, 69, Filipino

Victor L. Gisbert, M.D. is a nominee for regular director position. He has been a member of the MDI Board since 2007. He is currently a member of the Ethics Committee and the Nomination & Election Committee of the Board. He was the Ex-Officio President of the Medical Staff Association of Makati Medical Center. He is currently President of MMC Foundation, Inc. and Philippine Asian Vascular Society; Chairman of the Health Service Department of Makati Medical Center; Vice President of the Philippine Society of vascular and vascular surgery, an active staff member at the MDI Department of Surgery; Section Chief, Peripheral Vascular Section; Member, Medical Services Committee of Makati Medical Center; Vice-President, Asian Society of Vascular Surgery; Medical Director of Guevent Group of Companies., He obtained his Vascular and Trauma Surgical Fellow and Trauma and Vascular Research Fellow at the Hennepin County Medical Center, Minneapolis, Minnesota, Vascular Fellow, Cornell Medical Center, New York, USA. Fellow, Philippine College of Surgery and American College of Surgeons, General Surgery training, at Makati Medical Center.

Jose Ma. K. Lim, 71, Filipino

Jose Ma. K. Lim is a nominee for regular director position. He has been a member of the MDI Board since 2008. He is currently a member of the Audit & Risk Committee of MDI. Mr. Lim worked as a senior officer for various local and foreign banking institutions from 1988 to 1995. He was Director for Investment Banking of the First National Bank of Boston from 1994 to 1995, and prior to that, Vice President of Equitable Banking Corporation.

In 1995, Mr Lim joined Fort Bonifacio Development Corporation (FBDC) as Treasury Vice President and eventually was appointed Chief Finance Officer in 2000.

In 2001, Mr. Lim assumed the position of Group Vice President and Chief Finance Officer of FBDC's parent company, Metro Pacific Corporation (MPC) on a concurrent basis . He was then elected President & CEO of MPC in June 2003.

In 2006, MPC was reorganized into Metro Pacific Investments Corporation (MPIC), where he continues to serve as President & CEO. Aside from MPIC he is also currently a Director in the following MPIC subsidiaries and affiliate companies: Manila Electric Company; Meralco Powergen Corporation; Beacon Electric Asset Holdings Inc.; Global Business Power Corporation; Metro Pacific Tollways Corporation; NLEX Corporation; Cavitex Infrastructure Corporation; Easytrip Services Corporation; Cebu Cordova Link Expressway Corporation; AIFTollroads Holdings, Thailand; Maynilad Water Services Inc.; MetroPac Water Investments Corporation; Cagayan de Oro Bulk Water Inc.; Metropac Movers Inc; Light Rail Manila Corporation; AF Payments Inc; Metro Pacific Hospital Holdings Inc.; Medical Doctors, Inc. (owner and operator of Makati Medical Center); Cardinal Santos Medical Center (Colinas Verdes Hospital Managers Corporation); Asian Hospital; Our Lady of Lourdes Hospital; Manila Doctors Hospital Inc; Davao Doctors' Hospital; Riverside Medical Center Inc.; Metro Pacific Investments Foundation; and Pacific Global Aviation Inc.

Mr. Lim serves as Chairman of Indra Philippines; Nusantara, Jakarta Indonesia; Ecosystem Technologies International and Metpower Venture Partners Holdings Inc.

He is also a Trustee of the Asian Institute of Management and Asia Society of the Philippines and an advisory board member of the Ateneo Graduate School of Business;

Mr. Lim has received various awards relating to Corporate Governance and Investor Relations. He was accorded the Triple A award from Asian Institute of Management for his excellent performance in his field of profession.

He is a founding member of the Shareholders Association of the Philippines and an active member in various business organizations.

Conrado Gabriel C. Lorenzo III, MD, MBA., 60, Filipino

Dr. Conrado C. Lorenzo III is a nominee for regular director position. He was elected as a member of the MDI Board in July 2017 and serves an active member of the board's Corporate Governance & Compliance Committee and Nomination & Election Committee.

He spends majority of his time at Makati Medical Center and is likewise affiliated with Asian Hospital & Medical Center and St. Luke's Medical Center, Global City. At one given time, he was Chief of the Section of Medical Oncology of all three hospitals, and Director of the Makati Medical Cancer Center (2008-2011), positions that he held concurrently. Dr. Lorenzo completed his undergraduate studies at Boston University, Boston, Massachusetts (1982-1986) and earned his medical degree from the University of the Philippines, Philippine General Hospital (1986-1991). He completed his Internal Medicine Residency at Hahnemann University, Philadelphia (1992-1996) and his Fellowship training in Hematology & Medical Oncology at the University of Texas, Southwestern Medical Center in Dallas (1996-1999). He is a Diplomate of both the American Board of Internal Medicine and American Board of Medical Oncology. Dr. Lorenzo also holds an MBA degree from the Ateneo Graduate School of Business (2012-2015) and completed a year of advanced education at the Harvard Medical School's Southeast Asia Healthcare Leadership Program (SEAL 2018-2019). He is a member of the Board of Directors of the Philippine Cancer Society and of FamilyDoc, a subsidiary of AC Health. He is an associate member of the Philippine Society of Medical Oncology, and member of various international societies including the American Society of Clinical Oncology (ASCO), European Society of Medical Oncology (ESMO), and International Association for the Study of Lung Cancer (IASLC). He currently serves as a Vice President of Makati Medical Center's Medical Staff Association

Ma. Susana A.S. Madrigal, 66, Filipino

Ma. Susana A.S. Madrigal is a nominee for regular director position. She has been a member of the MDI Board since 2018. She is also a member the Corporate Governance & Compliance Committee and Ethics Committee of MDI. She is currently President of Aquatic Property Management & Development Corporation, Micallex Land Inc., and C. Madrigal Group of Companies. She is Chairperson & CEO of Finca Verde Corporation; Chairperson & CEO of Micallex Corporation; Director of New Alabang Commercial Corporation; and Chairperson of Sugi Management Corporation. She held various positions in the past - Chairperson of A.P. Madrigal Steamship Corporation, Vice Chairman and Director, Madrigal Wan Hai Lines Corporation; Vice Chairperson and Director, Rizal Cement Corporation; Director, Solid Cement Corporation (now Cemex); Director, Solid Bank Corporation (now Metrobank); Shareholder, Wayfair Tours, Inc.; and was an Assistant Manager in Citibank N.A.

In 2018, she was awarded Hero of Philanthropy by Forbes Asia. In the same year, she was also conferred Cavaliere dell'Ordine della Stella d'Italia by the Embassy of Italy to the Philippines.

Augusto P. Palisoc Jr., 65, Filipino

Augusto P. Palisoc Jr. is a nominee for regular director position. He has been a member of the MDI Board since 2008. He is a member of the Ethics Committee of the Board. He has been with the First Pacific group of companies for 39 years. He is currently an Executive Director of Metro Pacific Investments Corporation (MPIC) and is the President and a Director of Metro Pacific Hospital Holdings Inc., which is MPIC's holding company for all its hospital and healthcare investments. He is Chairman of the Board of Asian Hospital Inc., De Los Santos Medical Center, Marikina Valley Medical Center, East Manila Hospital Managers Corporation (owner and operator of the Our Lady of Lourdes Hospital), Delgado Clinic Inc. (owner and operator of the Dr. Jesus C. Delgado Memorial Hospital), Davao Doctors Hospital (Clinica Hilario Inc.), Riverside Medical Center Inc. and Riverside College Inc. in Bacolod, Central Luzon Doctors Hospital in Tarlac, Sacred Heart Hospital of Malolos Bulacan, Metro Pacific Zamboanga Hospital Corporation, St. Elizabeth Hospital Inc. in General Santos City, Manuel J. Santos Hospital in Butuan City, Los Banos Doctors Hospital, Metro Sanitas Corporation, Megaclinic Inc., and Metro Radlinks Network Inc. He is also a Board Director of Colinas Verdes Hospital Managers Corporation (owner and operator of Cardinal Santos Medical Center), Manila Medical Services Inc. (owner and operator of Manila Doctors Hospital), Davao Doctors College Inc., Tophealth Medical Clinic Inc., and Medi Linx Laboratory Inc. Prior to joining MPIC, he was the Executive Vice President of Berli Jucker Public Company Limited 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 First Pacific as Group Vice President for Corporate Development of First Pacific 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. of Management.

Manuel V. Pangilinan, 76, Filipino

Manuel V. Pangilinan is a nominee for regular director position. He is the Chairman of MDI Board. He has held this position since July 2005. He is currently the Chairman of the Nomination & Election Committee and a member of the Corporate Governance & Compliance Committee of the MDI Board. Mr. Pangilinan founded First Pacific Company Limited in 1981 and serves as its Managing Director and Chief Executive Officer. He was appointed Executive Chairman until June 2003, when he was named as CEO and Managing Director. Within the First Pacific Group, he holds the positions of President Commissioner of P.T. Indofood SuksesMakmurTbk, the largest food company in Indonesia. In the Philippines, he is the Chairman of the Board of Philippine Long Distance Telephone Company (PLDT), the country's dominant telecom company and of Smart Communications Incorporated - the largest mobile communications services provider in the Philippines and continues to serve as their Chairman concurrently. He also serves as Chairman of Manila Electric Company (MERALCO), Metro Pacific Investments Corporation, Maynilad Water Services Inc. (MAYNILAD), Mediaquest Incorporated, Associated Broadcasting Corporation (TV5), Philex Mining Corporation, Manila North Tollways Corporation, Landco Pacific Corporation, Metro Pacific Hospital

Holdings, Inc., Makati Medical Center, Cardinal Santos Medical Center, Our Lady of Lourdes Hospital, Digital Telecommunications Phils., Digitel Mobile Philippines, Inc., PLDT Communications & Energy Ventures, Inc. In 2012, he was appointed as Vice Chairman of Roxas Holdings, Incorporated which owns and operates the largest sugar milling operations in the Philippines.

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, MVP assumed the 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 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 (USPS), a non-profit society which seeks to broaden the relationship between the United States and the Philippines in the areas of trade, investment, education, foreign and security policies and culture.

Judy A. Roxas, 89, Filipino

Judy A. Roxas is a nominee for regular director position. She has been a member of the MDI Board since 2005. She is currently a member of the Corporate Governance & Compliance Committee of the Board. She is the Vice Chairman and Director of ACI, Inc. (formerly Araneta Center Inc.) and Progressive Development Corporation; Director and Executive Vice President of Associated Holdings, Inc. (formerly Associated Sugar, Inc.), FCP Properties & Dev't Corp. (formerly Financing Corporation of the Philippines), Ma-ao Sugar Central Co., Inc., PHI Holdings, Inc. (formerly PPI), and Talisay Silay Milling Co., Inc.; She is the Chairman of Philippine Horticulture Center, Inc.; Chairman & President of Agricultural Business Venture of Capiz, Inc., Kauswagan Development Corporation, Linampungan Agricultural Corporation and Myapo Prawn Farm Corp. She also sits on the board of directors of AB Agricultural & Business Corporation, Chow Baybay, Inc., Jolly Baybay Corporation and Panedra Agricultural Inc.; and a Shareholder of Manhattan Heights, Inc., and Manhattan Plaza, Inc.;

For social development corporations, she holds the following positions: Chairman of Capiz Women Inc., Gerry Roxas Foundation Hublag Finance Foundation, United Capizenos Foundation, Inc.; President of Gerry Roxas Foundation and J. Amado Araneta Foundation; Vice-Chairman of Makati Medical Center Foundation; Director of TOYM Foundation Inc., President Manuel A. Roxas Foundation, and Assumption Alumnae Association.

Remedios G. Suntay, MD, 96, Filipino

Remedios G. Suntay is a nominee for regular director position. She was a member of the MDI Board from 2004 to July 2017 and was re-elected in July 2018. She is currently the Treasurer of the MDI and of Computerized Imaging Institute, Inc. (CIII). She was a member of Faculty of Medicine and Surgery (Instructor) in UST in 1954; Resident in Anesthesia at Kings' Country Hospital, New York from July 1, 1956 to June 30, 1958. She passed the written and oral examination of the American College of Anesthesiologists in 1958. She was a research fellow in Anesthesiology at Queens Hospital, New York from July 1958 to June 1960. She was an Instructor of the Department of Anesthesiology College of Medicine Downstate Medical Center, New York from October 1960 to September 1961. She was an Instructor in Department of Anesthesiology in UST from 1962 to 1971 and received Certificate of 30 years in service from UST Medical Association in 1983. She was Chairman of the Department of Anesthesiology at Makati Medical Center from 2002 to 2009.

Agripino A. Javier, MD, 58, Filipino

Agripino Beng A. Javier, M.D. is a nominee for regular director position. He was former training officer at the Department of Orthopaedics and Co-Director of Spine Center of the Hospital. He was team physician/consultant at San Beda Red Lions (Men's Basketball Team); Consultant, Department of Orthopaedics at Asian Hospital and Medical

Center and in Medical Center Paranaque; Head Physician, Philippine Team to the 5th Asian Indoor & Martial Arts Games Ashgabat Turkmenistan 2017.

He is currently affiliated with Makati Medical Society, Manggagamot ng Bayan President from 2007 to present, and International affiliate member of American Academy of Orthopaedics Surgeons. Dr. Javier graduated in the College of Medicine, University of Perpetual Help in Binan Laguna in 1990, and had his residency training in Orthopaedics at Makati Medical Center. He went to Queen Elizabeth Hospital in Adelaide Australia for Spine Surgery Fellowship in 1999 and at University of California, Los Angeles Medical Center from 2002-2003.

Reymundo S. Cochangco, 56, Filipino

Reymundo S. Cochangco is an incumbent regular director. He is currently the Chief Financial Officer of Metro Pacific Hospital Holdings, Inc. Mr. Cochangco holds a Bachelor of Science degree in Business Administration from the Philippine School of Business Administration. Mr. Cochangco has over 30 years of experience in finance, treasury, controllership, audit and business operations and held various senior positions within the Metro Pacific/PLDT Group, such as President and CFO of Stradcom Corporation, Vice President for Corporate Development of Fort Bonifacio Development Corporation and CFO of SPI Technologies, Inc.

He's currently a member of the boards of Asian Hospital & Medical Center, Colinas Verdes Hospital Managers Corporation (Cardinal Santos Medical Center), Davao Doctors Hospital, Riverside Medical Center, De Los Santos Medical Center, Marikina Valley Medical Center, East Manila Hospital Managers Corporation, St. Elizabeth Hospital Inc., Sacred Heart Hospital of Malolos, Central Luzon Doctors Hospital, Santos Clinic Incorporated, Metro Pacific Zamboanga Hospital Corporation, Metro Radlinks Network Inc., Lipa Medix Cancer Center Corporation, Metro CLDH Cancer Center Corporation, Metro RMC Cancer Center Corporation, Metro SEHI Cancer Center Corporation, West Metro Cancer Center Corporation, Medi Linx Laboratory Inc., Western Mindanao Medical Center Inc., and Riverside College Inc.

He has also worked for SGV& Co and is a Certified Public Accountant.

Francisco A. Dizon, 73, Filipino

Mr. Francisco A. Dizon is a nominee for independent director position. In 2005, he was elected as an independent director of the Medical Doctors, Inc. (MDI) Board, a position which Mr. Dizon holds up to this time. He is currently the Chairman of the Corporate Governance & Compliance Committee and a member of the Audit Committee of MDI. He is also the Chairman of Pacific Northstar, Inc. since 1995. Mr. Dizon also sits as Chairman and President of Project Quest Corporation since 1995; of Fleetwood Holdings Inc. since 1999; of Capitol Star Development Corporation since 2011, and of Diz Shoreline Holdings Corporation since 2018. He is also the Chairman of Business Process Outsourcing International, Inc. since 2004 and of Phoenix One Knowledge Solutions, Inc. since 2001. He is President and CEO of Sun Savings Bank, Inc since 2011, a Director of SunStar Publishing, Inc. and trustee of Laura Vicuna Foundation since 1992. Mr. He was Chairman of Sun Savings Bank, Inc from 2011 - 2018; Chairman and Director of Philippine National Bank from 2001-2005 and was President and CEO of Rizal Commercial Banking Corporation from 1997 to 2000.

Mr. Dizon possesses the qualifications and none of the disqualifications of an independent director.

Diana P. Aguilar, 60, Filipino

Diana P. Aguilar is a nominee for independent director position. She has been a member of the MDI board since 2018. She is currently the Chairperson of Audit & Risk Committee of MDI.

She is an Investment Banker with extensive experience in Capital Markets transactions and an Entrepreneur with businesses in the fields of Information Technology and Electronic Payments, Retail Trade and Property Management. Ms. Aguilar holds concurrent directorships in fields of Investment and Commercial Banking, Social Protection, Information Technology & E-payments, Retail and Supply Chain, Education and Property Management. She is serving as a Commissioner in the Social Security System since 2010 representing the private sector and Chairperson of SSS' Risk and Investment Oversight Committee, which handles investments of the 500+ billion peso national pension fund. She is the Chairperson of Security Bank Capital Investment Corporation since August, 2016; Director, Security Bank Corporation since April, 2017; Vice Chairperson of SSS' Provident Fund since April, 2015; Director of Phliex Mining Corporation, since 2019; Director of PXP Energy Corporation since February, 2018, Advisor to the Board of Philippine Seven Corporation since January, 2015; Board Trustee and Treasurer, La Salle Greenhills since 2019, and Governor, Employers Confederation of the Phils (ECOP) since January, 2017.

Ms. Aguilar possesses the qualifications and none of the disqualifications of an independent director.

Francisco S.A. Sandejas, 56, Filipino

Francisco (Paco) Sandejas is a nominee for independent director position. He has been a member of the MDI board since 2021. He is currently the Chairman of the Ethics Committee and a member of the Audit & Risk Committee of the Board.

Paco Sandejas is Founder and Chairman of Narra Ventures, a technology holding company and boutique early-stage investment group that founded Stratpoint Technologies, Xepto Education, Narra Venture Capital as well as invested in over 40 high-technology companies, with some notable companies being Inphi (NASDAQ: MRVL), SIRF (NASDAQ: QCOM), Anulaire (TT:2241), Quintic (NASDAQ: NXPI), Calypto (NASDAQ: MENT) and Sandbridge.

He is also the Founder and CEO of Xepto Education, a system developer and integrator of the most innovative platform for the delivery of Digital Education content and tools for schools of the developing world.

He founded and chairs Stratpoint Technologies, Inc. one of SouthEast Asia's leading software consulting firms focused on Enterprise-level Digital Transformation.

Paco also serves as Independent Director on the board of SunLife of Canada (Philippines) and is the Chairman of Philippines S&T Development Foundation. He was an independent director of Unionbank of the Philippines where he helped lead the board efforts in the transformation that made the bank the most decorated digital bank in the Philippines, serving as Chairman of the Technology Steering Committee and the Operations Risk Management Committee.

At Stanford where he completed his Ph.D. and M.S. in Electrical Engineering, he co-invented the Grating Light Valve (GLV), one of Stanford's top IP money-makers. He was the first *summa cum laude* of University of the Philippines-Diliman's Applied Physics program and was awarded Ten Outstanding Students of the Philippines. Paco holds 5 international patents in nanotechnology and optoelectronics.

Being Chairman of the Philippine S&T Development Foundation, co-founder of the Brain Gain Network, Paco advises various agencies of the Philippine Government, De La Salle University and the University of the Philippines. He has worked at H&Q Asia Pacific, Applied Materials and Silscape.

Arnold C. Ocampo, 50, Filipino

Mr. Arnold C. Ocampo, Senior Vice- President, Chief Finance Officer (CFO) & Finance Division Head. Prior to his appointment as CFO, Mr. Arnold was the Department Head of Controllershship in 2010 and was designated Office-in-Charge (OIC) of Finance on Aug. 16, 2013. Mr. Ocampo has had over 20 years of work experience in Finance gained from SGV, Strategic Alliance Dev't Corp, Stradcom Corp, SPI Technologies, Chikka Holdings, Ltd. and MakatiMed,

17 years of which he handled Financial Planning and Reporting, Budgeting and Cost Monitoring, Revenue Collections, Controllershship, Financial Analysis and Project Financing.

Arlyn L. Songco, 50, Filipino

Arlyn L. Songco, Vice President & Division Head, Creative, Communications & Sales Services. Arlyn has had over 25 years of work experience in Marketing, Brand/Product Development and Management, Communications and Sales Services; 12 years experience in Marketing, PR and Communications, and Sales Services in the challenging Healthcare/Hospital industry (Makati Medical Center); 5 years experience in Sales, Marketing, and Carrier Relations in the fast-paced Information and Communications Technology industry (ePLDT/PLDT); 6 years experience in Product Management in the dynamic Telecommunications industry (Bayantel, Globe Telecom).

Engr. Gerry E. Cunanan, 49, Filipino

Engr. Gerry E. Cunanan, Vice President for Facilities Management & Engineering Division. Engr. Cunanan is a licensed electrical engineer and has more than 20 years of experience in fields of facilities management, engineering design, property and project management, and energy & workplace management gained from diverse industries such as restaurant, FMCG, telecommunications, real estate & property management, and manufacturing. He has significant exposure in Building Automation Systems, Safety/Security Management, integrated facilities delivery management, waste water treatment, and centralized air-conditioning system. Prior to joining Makati Med, Gerry was the Engineering Head of PepsiCola Philippines where he led his team in providing technical support and total property management services to their Philippine Head Quarter offices, Distribution Center, Manufacturing Plant and Training Center.

Bitá S. Avendano, 51, Filipino

Bitá S. Avendaño, Vice President for Human Resources Management and Development Division, has 26 years of extensive and diverse experience in Academe, Research and Science, PR and Human Resources Management both in Corporate Global and local companies. With a degree of Bachelor of Science in Biology and Master of Science in Molecular Genetics attained from the University of the Philippines at Los Banos, she started her career in Academe as a teaching fellow at the same university where she taught Biology, Genetics and Zoology while doing her Masteral thesis at the International Rice Research Institute (IRRI). She was then asked to Join IRRI as a Researcher at their soil sciences and biotechnology division where she started to work in research and was promoted to assistant scientist doing rice genomic research. IRRI then recognized her skill in providing more to the institution and asked her to join their frontline at the Visitors Office where there was a need to communicate the institute's work and research projects to the 50,000 visitors including VIP visitors, Head of States, farmers and media. This is where she worked closely with HR. After 12 years at IRRI, she joined global companies: Accenture, NetSuite, Oracle and local Companies: First Philec and Life Science where she handled the HR Department. Through her HR career, her core focus is to define talent strategy, advise business leaders and drive successful change and transformation with strong ability to lead teams in high pressure environments through all aspects of Human Resources as well as project management.

She is also a certified Functional Medicine Health Coach from the Institute for Functional Medicine, USA and a Certified People Manager.

Eda Bernadette P. Bodegon, 47, Filipino

Eda Bernadette P. Bodegon, Chief Nursing Officer and Vice President for Nursing & Patient Care Services. Ms. Bodegon has 25 years of experience inclusive of clinical and administrative experience in the health care industry. She has assumed various positions in Makati Medical Center including: Assistant Director for Clinical Operations & Innovations (2018-2020); AVP, Cluster Head for Operative Services, Service Operations (2017-2018); Unit Manager, Operating Room (2008-2009). She is one of the key personnel in setting up the new OR in MMC Tower 2.

Mary Milagros D. Uy, MD, 55, Filipino

Dr. Mila Uy, Compliance Officer. Concurrent to her post as Compliance Officer, she is also Head of Hospital License and Accreditation Division (since 2015) and Assistant Head of Cardiovascular Diagnostic Laboratory (since 2017). Mila has assumed various positions in Makati Medical Center including: Head of Fellows Training Department and Vice-Chair of Department of Medicine (2018-2021); Section Chief of Cardiology (2011-2019); Head of Cardiovascular Critical Care and Telemetry (2009-2018), and Director for Total Quality Services (2009-2015). She is one of the leaders in the JCI accreditation initiative since 2007 and in the quality initiatives of Makati Medical Center since 2002.

Saturnino P. Javier, MD, 64, Filipino

Saturnino P. Javier, MD, Medical Director. Dr. Javier is a clinical cardiologist and US-trained interventional cardiologist. He obtained his doctorate degree in Medicine from the University of Santo Tomas. Prior to his appointment as Medical Director in 2019, he served as Chair of the MMC Institutional Review Board [for nearly 15 years] and concurrent head of the MMC Fellowship Training Program. He is a past president of the Philippine Heart Association, past president of the Philippine Society for Cardiovascular Catheterization and Interventions, past chair [founding] of the Philippine Health Research Ethics Network, past governor of the American College of Cardiology [Philippine Chapter] and past editor-in-chief of the Philippine Journal of Cardiology. He is a Fellow of the Philippine College of Physicians, Fellow of the Philippine College of Cardiology and Fellow of the American College of Cardiology. He has been in active clinical practice for more than 25 years.

Reynaldo J. Lim, 46, Filipino

Reynaldo J. Lim, Vice President for Service Operations Division, Mr. Lim has 26 years of experience in customer service and has been with Makati Medical Center since 2009. He started as MakatiMed On Call Team Leader and also co-lead process improvement projects. He assumed bigger responsibilities as the head of Centralized Outpatient Services and established the Operations Support Services which becomes the lead support of all Service Operations Departments and Units (2013). He was also identified as Cluster Head of Outpatient Services as his concurrent position (2015). He was promoted as AVP for Operations Support Services and Outpatient Services last (2017) and took the responsibility as In Charge for Service Operations Division last 2021. He was named as the new Vice President for Service Operations last November 2022. Prior to his employment in Makati Medical Center, he was connected with Solidbank Corporation as Collateral Custodian, Quorum Lanier Phils as Operations Supervisor and ePLDT Ventus as Senior Team Leader.

Artemio C. Salvador, MD, 44, Filipino

Dr. Artemio C. Salvador, Vice President for Quality Management Division, Dr. Salvador had his internship training in Medical Technology (1999) and in Medicine (2004) in Makati Medical Center (MMC). He also had his residency training in Emergency Medicine in MMC and finished in 2014. He started his professional career in MMC as a Consultant for the Electronic Medical Records (EMR) project in 2015 and continued on to lead it until 2019. In July of 2017, he was hired to be the Assistant Director of Medical Services to handle the Clinical Safety and Risk Management Department. And the year after, April 2018, he was assigned to be the Division Head of the Quality Management Division.

(c) Term of Office

Pursuant to the Company By-Laws, the directors are elected at each annual stockholders' meeting by stockholders entitled to vote, for a term of one (1) year, and shall serve until the election and acceptance of their duly qualified

successors. Any vacancies may be filled by the remaining members of the Board by a majority vote and the director/s so chosen shall serve for the unexpired term.

(d) Nominees for Election as Members of the Board of Directors

The deadline for nominees for the board of directors was last May 19, 2023. The Nomination and Election Committee of the Board of Directors of the Company has determined that the above mentioned nominees for the board of directors, including the independent directors to be elected at the stockholders' meeting, possess all of the qualifications and have none of the disqualifications for directorship set out in the Code of Corporate Governance.

For the purpose of determining the qualifications of the nominees for independent directors, the Nomination and Election Committee adopted the independence criteria set out in the Code of Corporate Governance and the Nomination and Election Committee's nomination guidelines. The nomination guidelines are based on 2015 Implementing Rules and Regulations of the Securities Regulation Code Rule 38 as further amended by SEC Memorandum Circular No. 4, Series of 2017 and Memorandum Circular No. 24, Series of 2019..

The members of the Nomination and Election Committee are as follows:

Chairman	- Manuel V. Pangilinan
Member	- Atty. Pilar Nenuca P. Almira
Member	- Jose Amado A. Fores
Member	- Victor L. Gisbert, MD
Member	- Conrado Gabriel C. Lorenzo III, MD
Member (non-voting)	- Atty. German Q. Lichauco II

Independent Directors

The nominees for election as independent directors of the Board of Directors on **July 18, 2023** are:

Nominee for Independent Director (a)	Person / Group recommending nomination (b)	Relation of (a) and (b)
Francisco A. Dizon	Jose Amado A. Fores	None
Diana P. Aguilar	Michael C. Wassmer, M.D.	None
Francisco S. A. Sandejas	First Optima Realty Corp.	None

In approving the nominations for Independent Directors, the Nominations & Election Committee took into consideration the guidelines of the nomination of Independent Directors prescribed in SEC Memorandum Circular Nos. 4, Series of 2017, Memorandum Circular No. 24, Series of 2019 and Memorandum Circular No. 20, Series of 2020.

Under the Section 3, Article III of the Corporation's By-Laws, (i) any stockholder having at least one (1) share registered in his name may be elected Director.

Each nominee for election to the Board of Directors should have at least one (1) share registered in their name once elected.

All nominations for the election of directors by the stockholders shall be submitted in writing to the Nominations and Election Committee of the Board through the office of the Corporate Secretary on or before May 19, 2023.

(e) Significant Employees

The Company has no employee who is not an executive officer but is expected to make a significant contribution to the business.

(f) Family Relationships

Nominee Director, Jose Amado A. Fores is the nephew of Judy A. Roxas.

Except for the above, there are no other family relationships up to the Fourth Civil Degree either by consanguinity or affinity among the Directors, Executive Officers or persons nominated.

Certain Relationships and Related Transactions

The Parent Company and CII, its subsidiary, are collectively referred to as the “Group”.

The table below summarizes the Company’s transactions and balances with its related parties:

			Transactions for the years ended December 31			Outstanding balances as of December 31	
Terms and conditions			2022	2021	2020	2022	2021
(A)	Rental income <i>Key officers</i>	The Parent Company charges its key officers for the usage of clinic including electricity and water consumption. The rental income earned is presented as part of gross revenues Amounts are settled in cash on a net basis. These are unguaranteed, unsecured, non-interest bearing and are collectible on or before the 15 th of the following month. The receivables from key officers are presented as part of receivables from employees and officers.	946,116	1,296,387	1,071,820	17,385	126,758
(B)	Collection on behalf of related parties <i>Key officers</i>	The Parent Company pays its key officers for professional fees collected from patients.	45,462,128	52,191,931	32,688,840	20,493,180	24,653,781
(C)	Professional services <i>Key officers</i>	The Parent Company pays its key officers for reader’s fees and professional fees included on medical packages. The amount is recognized as part of professional services presented in cost of services.	6,968,632	6,846,699	6,155,522	-	-

		Transactions for the years ended			Outstanding balances as of	
		December 31			December 31	
Terms and conditions		2022	2021	2020	2022	2021
(D) Dividend payments	The Parent Company paid dividends to its shareholders, net of the applicable withholding tax. Amounts are settled in cash.	121,729,738	52,318,147	44,922,857	-	-
<i>Entity with significant influence</i>						
<i>Key officers</i>	Refer further to Note 12 for details of dividend declarations and payments.	22,766,684	9,144,985	6,921,033	-	-
		144,496,422	61,463,131	51,843,890	-	-
(E) Borrowings and interest expense						
<i>Key officer</i>	The Parent Company availed of various loans from a key officer which were payable based on contract terms and subject to interest at rates ranging from 5.00% to 5.30%. The loans from a key officer were fully settled in 2021.	-	-	-	-	-
<i>Principal</i>		-	303,667	2,897,958	-	-
<i>Interest</i>						
		-	303,667	2,897,958	-	-
(F) Shared expenses						
<i>Shareholder with significant influence</i>	The Parent Company is charged for its share in expenses on purchasing services rendered by its related party presented as part of contracted services under administrative expenses.	1,100,000	1,100,000	1,100,000	2,200,000	4,400,000
	These are payable within fifteen (15) days after receipt of billing. Overdue balances are subject to 2% interest per month. Outstanding balances are unguaranteed, unsecured, non-interest bearing, payable on demand and are presented as part of accruals for contracted services.					
(G) Contributions to plan assets						
<i>Post-employment benefit plan</i>	The Parent Company maintains a non-contributory retirement benefit plan covering all of its regular employees.	18,000,000	224,000	10,000,000	-	-

		Transactions for the years ended December 31			Outstanding balances as of December 31	
Terms and conditions		2022	2021	2020	2022	2021
(H) Compensation of key management						
<i>Salaries and other short-term benefits</i>	Key management compensation covering salaries and other short-term benefits are determined based on contract of employment and payable in accordance with the Parent Company's payroll period.	46,193,073	32,670,397	28,909,098	-	
<i>Professional fees</i>	Professional fees are paid to doctor consultants holding key management positions in the Hospital.	18,028,815	16,329,040	13,064,792	-	
<i>Retirement benefit</i>	Retirement benefits are determined and payable in accordance with policies. These were fully paid as at reporting period, except for retirement liability which will be settled upon retirement of key officers in accordance with the policies of the retirement benefit plan.	(706,092)	(1,140,573)	3,557,847	16,276,074	52,137,070
	The Group has not granted any share-based compensation and termination benefits to its key management personnel for each of the three years.					
		63,515,796	47,858,864	45,531,737	16,276,074	52,137,070
(I) Revenues						
<i>Key Officers</i>	The Parent Company recognized revenue for hospital services provided to certain key officers and for hospital services					
<i>Entities under common control</i>	provided to entities under common control for patient referrals from its partnerships with other hospitals.	923,015	780,619	3,803,414	250,140	242,819
	Amounts are settled in cash on a net basis. These are unguaranteed, unsecured, non-interest bearing and are collectible on or before the 30th day of the following month. These are presented as part of patient receivables.	1,755,561	921,720	1,452,845	422,730	237,310
		2,678,576	1,702,339	5,256,259	672,870	480,129
(K) Contracted services						
<i>Entity with common control</i>	The Parent Company outsourced certain clinical laboratory services to its related party presented as part of contracted services under administrative expenses.	-	1,645,620	59,424	-	-
	Amounts are settled in cash on a net basis. These are unguaranteed, unsecured, non-interest bearing and are payable on demand. These were fully paid as at reporting period.					

1. No transaction during the last three (3) years, or proposed transactions, to which the Group was or it is to be a party, in which any of the following persons had or is to have direct or indirect material interest.
 - (a) No director or executive officer of the Group;
 - (b) No nominee for election as a director;
 - (c) No security holder named in response; and
 - (d) No members of the immediate family (including spouse, parents, children, siblings and in-laws)
2. No information need be included for any transaction where:
 - (a) No transaction involves services at rates or rates fixed by law or governmental authority;
 - (b) No transaction involves services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services;
 - (c) No amount involved in the transaction or a series of similar transaction is less than P500,000.00; or
 - (d) No interest of the person arises solely from the ownership of securities of the Parent Company and the person received no extra or special benefit that was not shared equally (pro rata) by all holders of securities of the class.
3. No parents of the Group showing the basis of control and as each parent;
4. No transactions with promoters, issuers organized within the last five (5) years; and
5. Not applicable.

Involvement in Certain Legal Proceedings

None of the directors, nominees for election as a director, executive officers, underwriters or control persons of the Company have been involved in any legal proceeding, including without limitation being the subject of any (a) bankruptcy petition, (b) conviction by final judgment, (c) order, judgment or decree, or (d) violation of a securities or commodities law, for the past five (5) years up to the latest date, that is material to the evaluation of his ability or integrity to hold the relevant position in the Company.

Item 6. Compensation of Directors and Executive Officers

The aggregate compensation paid or incurred during the last two years and estimated to be paid in the ensuing year to the key management of the Group are as follows:

Name & Principal Position	Year	Salary (P)	Bonus (P)	Other Annual Compensation (P)
Atty Pilar Nenuca P. Almira, President & CEO Arnold C. Ocampo, VP Finance Arlyn L. Songco, VP Marketing & Sales Services Mariel M. Rubio, VP Service Operations Kristian R. Sumabat, VP Information & Communication Technology Aggregate for above named officers	2021	22,897,708	3,950,283	3,127,406
Atty Pilar Nenuca P. Almira, President & CEO Arnold C. Ocampo, SVP Finance Arlyn L. Songco, SVP Marketing & Sales Services Eda Bernadette Bodegon, VP Nursing Services Bitá Sigari Avendaño, VP Human Resources Aggregate for above named officers	2022	38,772,423	13,609,484	5,225,002
	2023 (Estimate)	40,711,045	7,144,980	5,486,252
All Directors & Officers as a group unnamed.	2021	38,473,708	6,181,489	4,344,240
	2022	42,945,129	14,768,485	6,508,274
	2023 (Estimate)	49,386,899	7,753,455	6,833,688

Regular and advisory members of the Board of Directors and Independent Directors receive honorarium amounting to P20,000 per Director for every attendance in the board meetings. Total honorarium paid to Directors for the years 2022 and 2021 amounts to P4,230,000 and P2,100,000 respectively. There are no other agreements for which any Director receives compensation from the Company for any service provided as a Director.

General terms and condition of the employment contract of the President and the named officers above are as follows:

- Monthly compensation guaranteed up to 13th month pay.
- Performance bonus based on individual and company performance.
- Free hospitalization and consultation. 30 to 60% discount on hospitalization expenses of direct dependents.
- Group life insurance.
- Benefits to assist the officer in the discharge of his/her function such as meal, gasoline and communication allowances, car benefits, leave credits and representation allowance.

There is no agreed compensation to any of the named officers as a result of their resignation, retirement or any other termination due to a change in control in any company of the Group.

The Parent Company did not grant share-based compensation and termination benefits to its key management personnel for the years ended December 31, 2022 and 2021.

Item 7. Independent Public Accountants

Audit and Audit Related Fees

The accounting firm of Isla Lipana & Co. (a member firm of PricewaterhouseCoopers) served as external auditors for the years ended December 31, 2022 and 2021 of the Group. The annual audit fee amounts to P2,699,200 for the year ended December 31, 2022 and P2,576,000 for 2021 which includes the consolidated financial statements of the Group and the separate financial statements of the Parent Company and CIII. The engagement partner of the Group for the year 2022 is Mr. Jan Michael L. Reyes. He is also the same partner in charge for the year 2023.

The scope includes the audit of the separate and consolidated financial statements of the Group for the purpose of expressing an opinion on the fairness at which said financial statements were prepared. The auditor's services also include a review of the company-prepared annual income tax returns and its attachment for filing with the BIR and the financial statements in a form required by the SEC. The auditors will also prepare a memorandum on major recommendations to improve the Group's internal accounting control systems as may be discovered in the conduct of the audit. The Audit & Risk Committee approves all types of engagement with external auditors. Annual Audit plans are presented for approval of the Audit & Risk Committee prior to the conduct of the audit.

During the year and with the approval of the Audit & Risk Committee, the Parent Company engaged Isla Lipana & Co. to help review and provide advice on the ongoing audit of the BIR and to perform tax health check on the tax compliance of the Company for the year 2022.

There were no disagreements with the accountants on any matter of accounting principles, or practices, financial statement disclosures, or auditing scopes or procedures.

The Group is aware of and will comply with the requirements of Revised SRC Rule 68 latest revision by the Commission en banc on August 19, 2019 (Rotation of External Auditors) in the appointment and rotation of its external auditors or engagement partners.

Duly authorized representatives of Isla Lipana will be present at the Annual Stockholder's Meeting to respond to appropriate questions concerning the 2022 audited financial statements. Isla Lipana auditors will also be given the opportunity to make a representation or statement in case they decide to do so.

Item 8. Employee Compensation Plans

There are no existing or planned stock options.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

Not applicable

Item 10. Modification or Exchange of Securities

Not applicable

Item 11. Financial and Other Information

No action is to be taken during the Annual Stockholder's meeting with respect to any matter specified in items 9 or 10.

Item 12. Mergers, Consolidation, Acquisitions and Similar Matters

None.

Item 13. Acquisition or Disposition of Property

None.

Item 14. Restatement of Accounts

None.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

The approval of the following will be considered and acted upon at the meeting:

1. Management Report of the Company for the year ended December 31, 2022.

The audited Consolidated Financial Statements of the Company for the period ended December 31, 2022 and the accompanying notes to financial statements prepared by Isla Lipana & Co. /PWC ("Financial Statements") will be submitted for approval of the stockholders at the ASM.

The information and representation in the Consolidated Financial Statements are the responsibility of the management of the Corporation. The Consolidated Financial Statements were audited by Isla Lipana & Co. /PWC who have expressed their opinion on the fairness of the presentation in their report to the Board of Directors and Stockholders of the Corporation.

2. Minutes of the 2022 Annual Stockholders' Meeting

The Minutes of the ASM of the Company in 2022 ("Minutes") shall be presented for approval of the stockholders. Such action on the part of the stockholders will not constitute approval or disapproval of the matters referred to in said minutes since stockholders' approval and action on those items had already been obtained in that meeting and subsequently carried out.

The Minutes of the 2022 ASM include the following:

- a) Approval of the Minutes of the 2021 Annual Regular Stockholders' Meeting.
- b) Presentation of the 2021 Annual Report and approval of the 2021 Audited Financial Statements;
- c) Approval of the Amendments to the Article of Incorporation and By-Laws
- d) Ratification of all acts of the Board of Directors and Officers since the 2021 Annual Stockholders' Meeting;
- e) Election of the Board of Directors
- f) Approval of the Extension of Term of Independent Director, Mr. Francisco A. Dizon
- g) Appointment of External Auditors

Item 16. Matters not required to be Submitted

Not Applicable

Item 17. Amendment of Charter, By-Laws or Other Documents

Approval and ratification by the stockholders representing at least two-thirds of the outstanding capital stock of the Company will be sought to amend the By-laws, specifically Article III, Section 10, in order to update, comply and be consistent with the requirements of the Revised Corporation Code, the Revised Manual of Corporate Governance and the directives of the Securities and Exchange Commission.

The SEC CGFD, in its letter dated 7 February 2023, directed Medical Doctors, Inc. (the "Corporation") to institute amendments to Article III, Section 10 of its By-Laws for consistency with Section 29 of the Revised Corporation Code which provides that Directors shall not participate in the determination of their own per diems or compensations. The approval by the stockholders for amendment of Article III, Section 10 of the By-Laws of the Corporation is thus being sought in order to comply with said SEC CGFD directive.

See ANNEX "A" for the proposed resolutions amending Article III, Section 10 of the By-Laws to be submitted for approval of the stockholders.

Item 18. Other Proposed Action

- 1. Minutes of the 2022 Regular Stockholders' Meeting is attached hereto as ANNEX "B".
- 2. Summary of Acts of the Board and Management for Ratification by the Stockholders is attached hereto as ANNEX "C"
- 3. Pursuant to the requirements of the Code of Corporate Governance for Public Companies and Registered Issuers, independent directors who are to serve beyond the 9-year term limit will seek stockholders' approval. Hence, stockholder approval will be sought for the extension of term of Mr. Francisco A. Dizon as Independent Director for 2023-2024.

Item 19. Voting Procedures

(a) Voting required for Approval

If there are only twelve (12) nominees for non-independent directors, all votes shall be deemed cast in their favor and they shall automatically be deemed elected. If there are more than twelve (12) nominees for non-independent directors, an election shall be held and the twelve (12) nominees with the highest number of votes shall be deemed elected.

If there are only three (3) nominees for independent directors, all votes shall be deemed cast in their favor and they shall automatically be deemed elected. If there are more than three (3) nominees for independent directors, an election shall be held and the three (3) nominees with the highest number of votes shall be deemed elected.

For the other proposals or matters submitted to a vote, an affirmative vote of the majority of the stockholders present or represented by proxy at the meeting is necessary for the approval of such proposal.

(b) Method of Counting Votes

Each Stockholder shall have one (1) vote for each share of stock entitled to vote and registered in his name at record date.

In accordance with the Revised Corporation Code of the Philippines, voting may be done in absentia. Each ballot shall be signed by the Stockholders voting, or in his name by his proxy, if there be such proxy, and shall state the number of shares voted by him. The formalities and machinery necessary in the voting and election of directors is provided for in **ANNEX “E”** hereof.

Counting of the votes shall be done by the Nomination and Election Committee and/or with the assistance of the independent auditors.

(c) Proxy and Ballot Appreciation Rules

All proxies, as indicated in the Proxy Statement, shall be effective for five (5) years from date of issuance for all special or regular stockholders' meetings, including any postponement or adjournment thereof, unless revoked by the issuing stockholder through notice in writing to the Corporate Secretary. It is understood that a proxy shall be rendered ineffective for the meeting that is personally attended by the issuing Stockholder.

If a Stockholder intends to have only one individual acting as his/her proxy, then an issued proxy is deemed revoked by the subsequent issuance of the registered stockholder to another individual of a proxy covering the same number of shares.

If the Stockholder intends to designate several proxies, the number of shares of stock to be represented by each proxy shall be specifically indicated in the proxy form. If the total number of shares covered in all the proxies issued exceed the total number of shares registered in the name of the Stockholder, then the allotment of shares to each of the proxy holders shall be made on chronological order based on the time and date indicated on the faces of each of the proxies: the latest proxy shall have priority and with the oldest proxy having the least priority.

If no time and/or date is indicated in all the proxies, then they shall be deemed to have been issued all at the same time. If some of the proxies have time and/or date indicated on them, while other proxies do not have any time and/or date indicated, then it is presumed that those without time and date are dated on the date they are presented to the Corporate Secretary for registration. In such instances, the allotment of shares to each of the proxy holders shall be made on the imputed chronological order provided in the immediately preceding paragraph.

If some of the proxy forms do not indicate the number of shares, the total shareholdings of the stockholder shall be tallied and the balance thereof, if any, shall be allotted to the holders of the proxy forms on which the number of shares represented are not indicated. If all proxy forms do not indicate the number of shares designated for the proxy holder, the total shares of stock of the issuing shareholder shall be distributed equally among the proxy holders.

As provided in the Proxy Statement, if the stockholder fails to indicate his votes for the nominees for directors, the proxy holder retains full discretion to distribute the votes in a manner he deems best. If the stockholder fails to indicate his vote on other items in the proxy form or agenda indicated in the Information Statement or Proxy Statement, the proxy holder shall vote in accordance with the recommendation of Management.

As provided in the Proxy Statement, a Stockholder has authorized the proxy holder in cases where the nominee/s nominated in the Proxy Statement belong to a single stockholders' group to exercise full discretion to allocate and distribute to the nominee/s nominated in said Proxy Statement, votes made in favor of a nominee or nominees who withdraw/s his or her nomination. For purposes of these Rules, a single Stockholders' group is defined as the group of nominees listed in a solicited Proxy Statement. In cases where the nominee/s nominated in the Proxy Statement do not belong to a single stockholders' group, such as where the nominee/s nominated include names other than those listed in

the Proxy Statement solicited, then votes in favor of a withdrawing nominee/s cannot be allocated to the remaining nominees in the Proxy Statement but shall be considered as stray votes.

For avoidance of doubt, the ballot for individual Stockholders shall contain a tick box where the Stockholder shall indicate whether s/he intends to accumulate his/her votes to the remaining nominee/s indicated in the ballot should any of the nominee/s therein withdraw his/her nomination. In such a case, the votes cast by the individual stockholder shall be distributed equally among the remaining nominees. Otherwise, if the stockholder remains silent on his/her intention to accumulate votes in favor of remaining nominee/s, votes cast in favor of a withdrawing nominee/s shall be considered as stray votes.

The foregoing are subject to SRC Rule 20 of the Amended Implementing Rules and Regulations of the Securities Regulation Code, the provisions of which are incorporated herein by reference.

PART II

INFORMATION REQUIRED IN A PROXY FORM

Item 1. Identification

The proxy is solicited by the Company. The solicited proxy shall be exercised by the Chairman of the Board of Directors, or in his absence, the Vice-Chairman of the Board of Directors, or in his absence, the President of the Company, or in his absence, The Chairman of the July 18, 2023 Annual Stockholders' Meeting of the Company.

Item 2. Instruction

- (a) Stockholders who wish to assign a proxy for matters that will be voted upon the meeting may download the Proxy Form available at the ASM Website, attached hereto as **ANNEX "F"**. Accomplished and signed proxy form may then be submitted by emailing a scanned copy to mmcfinance@makatimed.net.ph.

If the Stockholder intends to designate several proxies, the number of shares of stock to be represented by each proxy shall be specifically indicated in the proxy form. If the total number of shares covered in all the proxies issued exceed the total number of shares registered in the name of the Stockholder, then the allotment of shares to each of the proxy holders shall be made on chronological order based on the time and date indicated on the faces of each of the proxies: the latest proxy shall have priority and with the oldest proxy having the least priority.

- (b) If no time and/or date is indicated in all the proxies, then they shall be deemed to have been issued all at the same time. If some of the proxies have time and/or date indicated on them, while other proxies do not have any time and/or date indicated, then it is presumed that those without time and date are dated on the date they are presented to the Corporate Secretary for registration. In such instances, the allotment of shares to each of the proxy holders shall be made on the imputed chronological order provided in the immediately preceding paragraph.

If some of the proxy forms do not indicate the number of shares, the total shareholdings of the stockholder shall be tallied and the balance thereof, if any, shall be allotted to the holders of the proxy forms on which the number of shares represented are not indicated. If all proxy forms do not indicate the number of shares designated for the proxy holder, the total shares of stock of the issuing shareholder shall be distributed equally among the proxy holders.

As provided in the Proxy Statement, if the stockholder fails to indicate his votes for the nominees for directors, the proxy holder retains full discretion to distribute the votes in a manner he deems best. If the stockholder fails to indicate his vote on other items in the proxy form or agenda indicated in the Information Statement or Proxy Statement, the proxy holder shall vote in accordance with the recommendation of Management.

As provided in the Proxy Statement, a Stockholder has authorized the proxy holder in cases where the nominee/s nominated in the Proxy Statement belong to a single stockholders' group to exercise full discretion to allocate and distribute to the nominee/s nominated in said Proxy Statement, votes made in favor of a nominee or nominees who withdraw/s his or her nomination. For purposes of these Rules, a single Stockholders' group is defined as the group of nominees listed in a solicited Proxy Statement. In cases where the nominee/s nominated in the Proxy Statement do not belong to a single stockholders' group, such as where the nominee/s nominated include names other than those listed in the Proxy Statement solicited, then votes in favor of a withdrawing nominee/s cannot be allocated to the remaining nominees in the Proxy Statement but shall be considered as stray votes.

For avoidance of doubt, the ballot for individual Stockholders shall contain a tick box where the Stockholder shall indicate whether s/he intends to accumulate his/her votes to the remaining nominee/s indicated in the ballot should any of the nominee/s therein withdraw his/her nomination. In such a case, the votes cast by the individual stockholder shall be distributed equally among the remaining nominees. Otherwise, if the stockholder remains silent on his/her intention to accumulate votes in favor of remaining nominee/s, votes cast in favor of a withdrawing nominee/s shall be considered as stray votes.

- (c) The matters to be taken up in the meeting are enumerated opposite the boxes on the accompanying Proxy Form. The names of the nominee directors are likewise enumerated opposite an appropriate space.
- (d) Validation of proxies shall be held on July 10, 2023 at 10:00A.M. at the Board Room, Makati Medical Center, 6th Floor Keyland Center 143 Dela Rosa corner Adelantado St. Legaspi Village, Makati City.

Item 3. Revocability of Proxy

A Stockholder giving a proxy may revoke it through notice in writing duly signed and dated to the Corporate Secretary, which must be received before July 16, 2023. If a Stockholder intends to have only one individual acting as his/her proxy, then an issued proxy is deemed revoked by the subsequent issuance of the registered stockholder to another individual of a proxy covering the same number of shares. It is also understood that a proxy shall be rendered ineffective for the meeting that is personally attended by the issuing Stockholder.

Item 4. Persons Making the Solicitation

This solicitation is made by the Medical Doctors, Inc. No director has informed the Company in writing or otherwise of his intention to oppose any action intended to be taken up at the meeting.

The cost of solicitation is limited to the cost of the website which is estimated to be not more than 50,000.

The cost of solicitation will be borne by Medical Doctors, Inc.

Item 5. Interest of Certain Persons in Matters to be Acted Upon

None of the members of the Board of Directors or executive officer has substantial interest in the matters to be acted upon by the Stockholders in the annual stockholders' meeting.

UNDERTAKING

The Company will provide without charge to each person solicited, on the written request of any such person, a copy of the Company's management report on SEC Form 17-A. Such written request should be directed to the Finance Division, Makati Medical Center, 5th Floor Keyland Centre 143 Dela Rosa corner Adelantado St, Legaspi Village, Makati City. At the discretion of management, a charge may be made for exhibits provided such charge is limited to reasonable expenses incurred by the Company in furnishing such exhibits.

PART III

SIGNATURE

After reasonable inquiry and to the best of my knowledge and behalf, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on May 31, 2023.

MEDICAL DOCTORS, INC.

By:


ATTY. GERMAN Q. LICHAUCO II
Corporate Secretary

Proposed Resolutions Amending the By-Laws of Medical Doctors, Inc

“RESOLVED, that, subject to the approval of the Securities and Exchange Commission (“SEC”), the Corporation be, as it is hereby, authorized and empowered to amend its By-Laws;

“RESOLVED, FURTHER, that pursuant to the foregoing resolution, Article III, Section 10 of the By-Laws of the Corporation be, as it hereby, amended to read as follows:

Section 10. Compensation. – By resolution of the Board of Directors or by the stockholders, the Directors may be paid their expenses, if any, for the attendance at each meeting of the Board of Directors.

Stockholders representing at least a majority of the outstanding capital stock may grant directors reasonable per diem allowance for his attendance at each meeting which shall not exceed ten percent (10%) of the net income before income tax of the corporation during the preceding year or likewise give out or authorize the giving out of bonuses to such Directors whom the Board may deem fit deserving of receiving such extra consideration. No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving compensation thereof.

“RESOLVED, FURTHER, that the Corporation, hereby ratifies and confirms the authority of its President, Atty. Pilar Nenuca P. Almira, to sign, execute and deliver the Undertaking to amend the By-laws of the Corporation pending approval of the stockholders of the Corporation as required by the SEC;

“RESOLVED, FINALLY, that the officers of the Corporation be, as they are hereby, authorized and empowered, to take any and all steps necessary to implement the foregoing amendments to the By-Laws of the Corporation and to register said amendments with the SEC.”

**MINUTES OF THE
2022 ANNUAL STOCKHOLDERS' MEETING
OF THE
MEDICAL DOCTORS, INC. (MDI)
Held on 19 July 2022, 5:00pm
Via remote communication
through <asm2022.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 2022 Annual Stockholders' Meeting via remote communication accessed through <asm2022.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 2022, 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 2,798,946 common shares representing 81.82% 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 <asm2022.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 19 July 2022.

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 REGULAR MEETING OF THE STOCKHOLDERS HELD ON 20 JULY 2021

The acting Chairman informed the stockholders that a copy of the minutes of the Annual Stockholders' Meeting of the Company held on 20 July 2021 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 20 July 2021 was approved.

III. PRESENTATION OF THE ANNUAL REPORT AND APPROVAL OF THE 2021 AUDITED FINANCIAL STATEMENTS

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 2021, and covering too January to June 2022. Her presentation is summarized as follows:

During her presentation, Atty. Almira started with **"Steadfast beyond the Norm"** – the guiding principle over the past couple of years where every person had to step-up, at times.

MMC has made significant strides in fulfilling this commitment to those who come for our care. MMC has continued to provide competent emergency response and quality health services despite the challenges brought by the pandemic. And a core value inherent in the MMC culture drives this all – malasakit or concern for patients and colleagues.

In 2021, Atty. Almira stated that this steadfast commitment did not go unnoticed as the Joint Commission International granted re-accreditation to Makati Medical Center. This Gold Seal of Approval only reinforces MMC's commitment to provide quality, safe and excellent medical care that is truly world-class.

Thereafter, Atty. Almira was happy to share that, coming from the rather uncertain year of 2020, MMC has marked a solid rebound in 2021. MMC has learned to live with the virus and adjust its operations. Testament to this is the 21 percent increase in full-year gross revenues to P7.7 billion, which we achieved despite lower patient census. Picking up valuable learnings during the first year of the pandemic, MMC has become better at handling COVID-19 infections in spite of the two major surges in 2021, lifting inpatient revenues to 4.3 billion, a 22% increase compared to the previous year.

In total, MMC cared for over 100,000 COVID-19 cases as inpatient and Emergency admissions and COVID-19 tests, fulfilling a significant role in the country's fight against the coronavirus.

The relaxed community quarantine restrictions in 2021 has gradually encouraged patients to return to the hospital for in-person consultations. As a result of this, revenues from outpatient services grew a 21% increase from the previous year. MMC had over 562,000 outpatient visits in 2021, with March, July, September and October as the strongest periods, and the months of April and August, being COVID surge months, recording the leanest number of visits. The outpatient census for 2021 hit 1.43 million, 15% higher than 2020 but as expected, still lower than the pre-pandemic level.

Lockdowns and the implementation of hybrid working arrangements has also affected the performance of HMO partners of MMC. In spite of this scenario, the HMO business segment still grew 32%.

Further, significant revenue growth positively affected MMC's earnings before interest, taxes, depreciation and amortization or EBITDA, which is now valued at P1.4 billion, up 106% – compared to 2020.

MMC also implemented cost-saving measures through the rationalization of outsourced services and increased efficiency in terms of facilities maintenance and power consumption. Because of these measures, MMC ended 2021 with a profit of P473Million, already 83% of the 2019 bottom line and noting a strong recovery from our P6M net loss in 2020. MMC also managed to cut its outstanding debt by two thirds, which settled at 155M by the end of the fiscal year. The book value per share now amounts to P2,423, up by 6 percent compared to 2020. MMC also declared cash dividends totaling P285 million for the year, benefiting shareholders.

As for service operations, on April 19, 2021, in consideration of the patients who may still have apprehensions towards visiting the hospital, MMC opened an outpatient clinic at Discovery Primea in Makati, a facility that's open 24/7 including holidays to deliver excellent healthcare services. In May 2021, MMC opened the new Central Registration Facility for

Outpatient Services on the first floor of Tower 1 where Patient Service Specialists assist patients on scheduling and billing of multiple diagnostic procedures.

In July, MMC rolled out Mobile Care Access Program which offers our patients the option to avail of select healthcare services closer to their communities or their perceived “safe zones”. MMC also set-up a non-COVID drive thru vaccination site along Amorsolo Street in Makati to encourage patients to get their non-COVID vaccines. Along with these, MMC also added new services, packages and laboratory test offerings, which include the Post-COVID Recovery Bundles, Fetal Magnetic Resonance Imaging or MRI for babies inside their mother’s womb, and Ganglion Cell Analysis for the early diagnosis of glaucoma.

Continuing with its digital transformation journey, the Department of Pathology and Laboratories is also now able to release results for Anatomic Pathology through multiple platforms such as the MMC website, Electronic Medical Records or EMR, Integrated Hospital Information Management System or IHIMS and automated email sending to the clinician and or requesting physician. Both consultants and patients can now conveniently access radiology images and results through their mobile devices, computers or tablets anytime anywhere via our Radiology Patient Portal. Since June 2021, MMC has also been giving patients more options for cashless payments through GCash and PayMaya, including scan-to-pay options for drive-thru services.

It was also reported that the Nuclear Medicine Department was recognized by the Philippine Society for Quality in Healthcare for its quality improvement studies and poster contents promoting health and safety. MMC also got the Gold Award for Talent Management from the Asian Hospital Management Awards (AHMA) 2021 for Rainbow Connection, a learning and motivation initiative led by our Service Operations Division – Business Operations Support Services. Through the Rainbow Connection, MMC sought to uplift the morale of the MakatiMed Family through virtual activities promoting camaraderie and relaxation as we continue to stay in the frontlines of the country’s war against COVID-19.

Owning up to the challenge of acquiring nursing talent, partnerships with nursing schools were maintained and nurtured through collaboration programs, lectures and seminars mounted online, benefitting 157 students from various partner schools. MMC’s limited number of nurses became the most pressing concern for the year as it resulted in an average of 85 closed rooms in a year due to manpower shortages.

MMC had an average inpatient occupancy of 47% in 2021, which peaked at 50% in the months of March, August and September due to COVID-19 infection surges and at a low of 39 percent in December. Average available bed capacity stood at 493 beds, with January having highest bed capacity at 511 vacant beds and August with the lowest at 482. This is stable compared to 2020.

Another serious concern in 2021 was the resignation of nurses to seek greener pastures abroad. To address this, the Nursing and Patient Care Services Division developed the Nurse Residency Probationary Program to speed up the onboarding of new recruits, and continued to hire Clinical Efficiency Nursing Assistants from under-board passers to boost medical support staff as long as they have a nursing diploma and would undergo hands-on clinical trainings. Here, 60 nursing trainees were invited to join a bridging program. In turn, MMC hired 43 scholars and board passers in 2021, bringing us to a 1,225-strong pool of nursing practitioners.

Even as MMC continues to enhance its workforce, its medical professionals also pursued their research publications which were accepted for publication in the Philippines and overseas. MMC is very proud of its practitioners who bring the spotlight on the hospital’s culture of quality and safety while showcasing their knowledge and expertise.

Further, Atty. Almira emphasized that MMC was not remiss in honoring its hardworking and dedicated nurses during the 2021 International Nurses Day and the National Nurses week with hybrid celebrations that served as a platform for us to show our gratitude and respect for their unrelenting commitment at the frontlines.

As for quality management, as MMC continues to expand its services and to ensure its efficiency, MMC undertook efforts to continuously monitor and assess these services under the Quality Management Division. The pandemic notwithstanding, the management still carried out the hospital-wide Culture of Safety Survey from August to September to assess the safety culture of the hospital and its divisions.

The survey recorded an 84.5% response rate, and out of this, a positive response rate of 78%, which is significantly higher than the industry benchmark of 67% according to the Agency for Healthcare Research and Quality or AHRQ survey.

Atty. Almira was also proud to share that 57 departments and divisions were recognized for their outstanding commitment to patient safety. To assess patient experience and satisfaction, we rolled out the Patient Experience where we recorded an average score of 4.8 over 5 in terms of hospital-wide satisfaction rating. To limit direct exposure, the Patient Experience Unit also undertook 10,056 telerounds to check on patients and found that 91 percent of them did not raise any concerns. As The Hospital with a Heart, MMC also exercised compassion for special cases where we deemed it would be beneficial for patients and their families.

In spite of the delays in the conduct of licensure exams, lockdowns, fewer graduates, and higher rates of nurse migration to other countries. Through the MMC Employee Well-being Clinic, we were able to consistently provide services for our employees, dependents, house staff and retirees in the midst of an increase in COVID-19 infections through teleconsultations. We also administered influenza vaccines to a total of 2,369 health workers.

Aside from MMC's COVID-related efforts, 219 virtual trainings and skills enhancement programs were implemented for 4,129 employees. On the Information and Communications Technology front, MMC has seen the continuing digital transformation of MMC. The ICT division implemented more than 170 projects in 2021, beginning with securing stable and effective connectivity across hospital units. MMC also maximized the use of platforms such as Zoom and Microsoft Teams to work seamlessly together albeit virtually, and the use of electronic signatures to facilitate the exchange and approval of documents online.

Opening new facilities outside of main complex also meant systems had to be electronically connected across all MMC locations. As such, MMC also upgraded its outdated PABX system to an IP-based telephony system. We've also upgraded our Internet Bandwidth Manager to better manage internet traffic within our premises and network connectivity was maintained at all times. Related to these efforts are the cybersecurity improvements to ensure the protection of MMC's online activities and assets.

According to Atty. Almira, the most noteworthy undertaking of the ICT division would be the digital COVID-19 vaccination system, which allowed for a smooth registration, scheduling, and reporting process, effectively priming MMC as one of the foremost vaccination sites in the country.

With regard to Facilities Management and Engineering, MMC completed 63 projects in 2021 cumulatively worth P70.4 million and these include construction of a bridgeway and a lobby, expansion of our Renal Care Department, relocation of different patient services departments, a new satellite out-patient pharmacy and a new outpatient center. MMC also commissioned an additional 63 isolation rooms which were converted as an extension of our COVID-19 ward, and towards the end of the year, renovated several doctor's clinics to make

way for more rooms for newly accredited doctors and cater to more patients. The Facilities Management and Engineering Division also realized a total of P 147M in savings for the hospital as cost-saving measures were implemented to improve operational efficiency, and this included reducing the number of service providers by about 5%, the rationalization of contractual services and preventive maintenance contracts, and the reduction of electricity costs.

In closing, Atty. Almira was happy to report that 2021 was indeed a better year than 2020. As MMC continues to navigate through the global health crisis, taking as much learnings as we can and maximizing the opportunities at hand, we seem to be charting a path towards full recovery with the acceptance that Filipinos will have to live with COVID-19 for the foreseeable future. Atty. Almira and the entire MMC are keen on maintaining a good outlook throughout 2022 as well.

Despite a lower than average the first two months of this year due to the surge of COVID cases with the Omicron variant, we have quickly returned to our projected upward trend in patient census and revenues in the succeeding months leading to a first half performance that exceeds last year's.

Gross revenues, year-to-date for June 2022 had reached P3.9 billion, a 3% increase compared to last year. In-patient admission has increased from an average daily of 36 patients in the first quarter to over 50 patients by the month of June. Outpatient census also grew by 14% compared to last year and such growth is further supplemented by the operations of outside clinics namely the Makati Wellness Center, Discovery Primea and Makati Care Access in Cubao.

The quick recovery towards revenue growth allowed the hospital to end the first half with EBITDA of P750 million, which is 6.5% better compared to last year and NPAT of PP306 million or 39.3% higher compared to last year.

Finally, the hospital's first half performance this year has exceeded its pre- COVID revenues, EBITDA and NPAT performance.

For MMC, it was never about a passive submission to circumstances, but a strong, challenging response which we were able to exhibit in practice. MMC believes in its ability to persevere, endure, and carry on that has allowed us to weather this storm.

Atty. Almira asks that trust remains in MMC and that it will continue to make enhancements, improve and adapt to the ever-changing environment to ensure that we continue to deliver the highest quality of healthcare that it can provide.

Utmost gratitude was extended to all patients who continue to trust the MMC brand of care, generous with their feedback and commendations, and inspire our team to keep our passion for service; to the MMC healthcare workers for their quality service, dedication, and commitment to excellence.

Atty. Almira is confident that MMC has no way to go but up, guided by this transformative hope that uplifts and reassures that beyond this "new normal" of the pandemic follows a "healthy new normal." Through it all, MMC will remain as a reliable partner every step of the way.

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 asm2022@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.

When the floor was opened, there were no questions sent by email and no questions in the Q&A chat box. As such, Stockholders were given a few minutes to type in their questions in the Chat Box.

The first question was submitted by Dr. Valerie Zarsa Geron. Her question was *"MMC has now ventured into the establishment of offsite facilities like Manhattan, Discovery Primea, etc., may we know how these units are performing? Should we expect more off-site facilities similar to these in the future?"*

Atty. Almira requested that Mr. Ocampo answer the first question and she will answer the second.

Mr. Ocampo answered: *"The performance of the off-site units have been very encouraging. We see revenues and profits for our set up in the Ayala North Exchange Wellness Center and our set up in Discovery Primea, which are generating profits of around 20%. The set up at the Araneta Center is still less than 4 months in operation and as we have experienced with the others, normally in the first few months we experience losses, as we still promote the center to the people. But so far, we see encouraging development in the month to month revenue as we see a growth from the month that it started up to the month of June."*

Atty. Almira answered: *"For the second question, yes, we will continue to have more off-site outpatient facilities. That is part of our track. Taking into consideration that there may be patient who are still afraid to come to the hospital in view of the corona virus. We intend to also penetrate other markets and reach out to as many people as possible whom we can heal. And, therefore, being part of that mission, in the pipeline would be having another off-site out patient facility in the south, south of Metro Manila, and by last quarter of 2023 towards 2024, we hope to open one also outside of NCR. These off-site facilities have also served as catchment areas for other treatment modalities that our main hospital would be able to provide such as the need for more sophisticated pieces of equipment, and of course these off-site facilities also serve as catchment areas for those who need confinement. So, yes doctora, that is part of our direction. We will continue to expand and heal more people and bring our care nearer to our clients and prospective patients."*

The second question was from Maria Linda Quevedo. She asked *"How much of net profits are distributed to the shareholders and how much are allocated to the CAPEX or capital expenditures?"*

The Chairman answered: *"I think we will take up the matter of dividends in the next item of the agenda. But to answer the question, for this year, it represents 50% of the net profits after tax."*

The third question was: *"Is there still a plan to add one more tower as it was planned in the past?"*

Atty. Almira answered *"Yes, we are still thinking of putting up another tower, although it is not the huge tower which was originally planned in 2018 or in previous years. The tower 4 that was envisioned in previous years was really huge. We're thinking of adding one more tower within the main facility of MMC to be able to accommodate more ancillary services and, of course, to provide more doctor's clinics. We are also exploring the possibility of certain wings in case we will be needing more patient rooms. So, yes, it's in our plan and we hope to do the planning starting this year and onwards, and, maybe, implementation starting in 2023"*

There was a comment and question from Dante Morales, who said *"Commendable how the administration addressed the manpower challenges, especially for nurses, how did we do it? By increasing salaries? Incentives?"*

Atty. Almira introduced the HR Head Ms. Bitá Sigari who answered *"Yes, actually we had several initiatives. First was really looking into retention and training programs that we have already in place. We worked in educating and creating programs and other activities that would really provide the support they needed while they are here. On the other hand, looking at admission and the number of nurses that we needed, as stated earlier in the talk of Atty. Nuca, we coordinated externally with schools and review centers and created a pool of candidates both under boards and possible nurses and candidates that would have coordinated with the review centers and the schools. So we were able to really work very closely with them. Those pool and candidates really helped us get the number of nurses that we needed."*

The second to the last question came from Nora Figueroa Santos who asked *"During the past week I received PhilHealth payments for procedures done in 2021. May we know the status of MMC in terms of Phil Health collectibles and receivables?"*

Mr. Ocampo answered *"Starting 2022, and the lowering of the infection rates, we see more and more processing of collections from PhilHealth. Their manpower has been able to catch up. We have seen more collections than new claims especially in the past 6 months or the first half of 2022. The receivables have been lowered by about 20%. If that trend continues, we see that we will be able to catch up by end of the year as for regular claims. Covid claims however may take time because of the additional process which involves a review of the medical bill but still we also see that Covid claims from 2020 and 2021 are already starting to get paid. And we will remit the corresponding PhilHealth share to our doctors."*

Last Question was from Dr. Maria Linda Quevedo *"Will future expansion be funded by loans or capital infusion by controlling shareholders?"*

Atty. Almira answered *"It is very premature at this point to be able to say from where we will be sourcing the funds. That will require real intensive pencil pushing. We will study our financials, our cash positions, and likewise we will evaluate everything based on the equity of the hospital and other forms of sources of funds. As we plan, and as things progress in terms of the financial requirements, we will go through the process of evaluation initially when the management of the hospital, and this will be channeled to the respective committee, in charge as designated by the board, and, thereafter, it will be forwarded to the Board. That is a very trustworthy and fair process. Yes, at this point, we will not be able to say from which particular source we will be getting the funding for our expansion plans."*

Mr. Augie Palisoc added *"It would really depend on the magnitude of the expansion requirement. May be from internally generated funds, loans or borrowings, or from equity input from the shareholders. If we go the equity route, it will be available to all and not just the controlling shareholders."*

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 2021 President's Report and the 2021 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 19 July 2022, the Company has declared the distribution of cash dividends in the amount of Php 69.12/share to all stockholders of record as of 30 July 2022.

This is equivalent to 50% of the Company's Net Profits After Tax for the prior year 2021, as historically practiced. However, instead of paying this out 25% this mid year and 25% after the year-end, as historically practiced, because of good collections from Philhealth, a more disciplined Capex spend, and continuing good performance this year, Management recommended, and the Board has agreed, to

declare the entire 50% Dividends this July to be fully paid next month. Consequently, there will be no more Dividend declaration in December.

The dividends will be paid on 26 August 2022, 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 28 January 2022 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 2021 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 2021 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 2022.

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 N. 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. Mr. Reymundo S. Cochangco

Independent Directors

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

Atty. Lichauco, as Corporate Secretary and member 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 N. 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. Mr. Reymundo S. Cochangco
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 2022-2023. He also took the opportunity to express his gratitude to outgoing regular Director, Dr. Michael C. Wassmer, for his service to MDI and introduced the new regular director, Mr. Reymundo C. Cochangco.

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

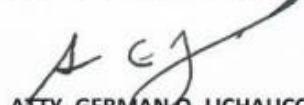
The acting Chairman proceeded with the appointment of the external auditors, and informed the stockholders of the voting results. He reported that stockholders holding more than a majority of the outstanding voting stocks of MDI voted to approve the re-appointment of Isla Lipana & Company as the company's 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 the Regular Meeting are thereby approved and carried and the meeting was thereby adjourned.

CERTIFIED TRUE AND CORRECT:



ATTY. GERMAN Q. LICHAUCO II
Corporate Secretary



JOSE MA. K. LIM
Acting Chairman

SUMMARY OF RELEVANT RESOLUTIONS APPROVED BY THE BOARD OF DIRECTORS
(For the period 23 September 2022 to 19 May 2023)

REGULAR BOARD MEETING

23 September 2022

1. The Board approved the nominees to the following Committees, as well as MDI’s nominee directors and officers to the CII Board.

MDI Board Officers:

- | | |
|---------------------------------|--------------------------------|
| 1. Chairman | - Mr. Manuel V. Pangilinan |
| 2. President & CEO | - Atty. Pilar Nenuca P. Almira |
| 3. Vice President | - All VPs of functional groups |
| 4. Treasurer | - Dr. Remedios G. Suntay |
| 5. Assistant Treasurer | - Mr. Arnold C. Ocampo |
| 6. Investor Information Officer | - Ms. Arlyn L. Songco |
| 7. Corporate Secretary | - Atty. German Q. Lichauco II |
| 8. Compliance Officer | - Milagros D. Uy, MD |

Advisory Board:

Dr. Vicente Q. Arguelles
 Dr. Roberto K. Macasaet
 Dr. Jaime O. Sevilla
 Dr. John Vincent G. Pastores
 Dr. Alipio S. Abad Jr.

The recommended officers and members for the Committees are

Audit & Risk Committee:

- | | |
|----------|-------------------------------|
| Chairman | - Ms. Diana P. Aguilar |
| Member | - Mr. Francisco A. Dizon |
| Member | - Mr. Francisco S.A. Sandejas |
| Member | - Mr. Jose Ma. K. Lim |
| Member | - Dr. Benjamin N. Alimurung |

Corporate Governance and Compliance Committee:

- | | |
|---------------------|--------------------------------------|
| Chairman | - Mr. Francisco A. Dizon |
| Member | - Ms. Judy A. Roxas |
| Member | - Mr. Manuel V. Pangilinan |
| Member | - Ms. Ma. Susana A.S. Madrigal |
| Member | - Dr. Conrado Gabriel C. Lorenzo III |
| Member (non voting) | - Atty. German Q. Lichauco II |

Ethics Committee:

- | | |
|---------------|--------------------------------|
| Chairman | - Mr. Francisco S.A. Sandejas |
| Vice Chairman | - Dr. Benjamin N. Alimurung |
| Member | - Ms. Ma. Susana A.S. Madrigal |
| Member | - Mr. Augusto P. Palisoc, Jr |
| Member | - Mr. Jose Amado A. Fores |
| Member | - Dr. Victor L. Gisbert |

Nomination & Election Committee:

Chairman	- Mr. Manuel V. Pangilinan
Member	- Atty. Pilar Nenuca P. Almira
Member	- Dr. Conrado Gabriel C. Lorenzo III
Member	- Dr. Victor L. Gisbert
Member	- Mr. Jose Amado A. Fores
Member	- Atty. German Q. Lichauco II

MDI Subsidiary Board Computerized Imaging Institute, Inc.**MDI**

- | | |
|--------------------------------|---------------------------------|
| 1. Chairman & President | - Atty. Pilar Nenuca P. Almira |
| 2. Treasurer | - Dr. Remedios G. Suntay |
| 3. Director and Vice President | - Mr. Arnold C. Ocampo |
| 4. Director | - Dr. Saturnino P. Javier, M.D. |
| 5. Director | - Dr. Jackson U. Dy, MD |
| 5. Corporate Secretary | - Atty. German Q. Lichauco II |

2. Approved the following project proposals presented by Dr. Saturnino P. Javier:
 - a) Acquisition of the CVIS from GE
 - b) Procure endoscopic ultrasound (EUS) and bronchial ultrasound (EBUS)
 - c) Acquisition of the daVinci SI robotic surgery equipment
 - d) Conceptual framework of the expansion of the current heart station
3. Approved the medical staff member's upgrade of status, renewal and non-renewal of membership
4. Approved the termination of Dr. Rhodora Ledesma's contract
5. Approved update of bank checks signatory

REGULAR BOARD MEETING**02 December 2022**

1. Approved the medical staff member's upgrade of status, renewal and non-renewal of membership
2. Approved the proposed budget for 2023
3. Approved the proposed renewal of contract with Medilinx
4. Approved the proposed discretionary bonus for MMC employees
5. Authorized Atty. Pilar Nenuca P. Almira, Reynaldo J. Lim and Dr. Frederick H. Verano as representative and signatories for all Memorandums of Agreement (MOAs) entered into by Makati Medical Center Care Access Araneta City
6. Authorized Mr. Reinaldo B. Baltero as representative to process the Corporation's application for annual registration and licensing with the Optical Media Board
7. Appoints Ms. Sabrina Bacani-Murillo as Data Protection Officer (DPO) in compliance with the provisions of the Data Privacy Act of 2012
8. Authorized Dr. Saturnino P. Javier as representative and signatory for the Memorandum of Agreement of the Student Internship Program with the University of Makati
9. Authorized Atty. Pilar Nenuca P. Almira, Ms. Eda Bernadette P. Bodegon and Ms. Bitia Sigari as representatives and signatories for the Contract of Affiliation for the Related Learning Experience Program with the University of Makati
10. Authorized Mr. Reynaldo M. Mata and Mr. Markine O. Demagante to process, sign and receive the Authority to Print (ATP) Receipts/Invoices of Medical Doctors Inc. with the Department of Bureau
11. Authorized Engr. Gerry E. Cunanan as representative and signatory for the Proposed Ambulatory Surgery Center at Ground Floor, Tower 1

REGULAR BOARD MEETING

27 March 2023

1. Approved the medical staff member's upgrade of status, renewal and non-renewal of membership
2. Approved the 2022 audited, separate and consolidated financial statements, including the proposed receivable write-off of P133.2 million for 2023
3. Approved the reversal of P600 million retained earnings appropriation made in prior years and the new appropriation of P2 billion
4. Approved the purchase of the robotics machine, XI model
2. Approved the requested additional budget for a new Nuclear Medicine imaging machine and a machine for Extracorporeal Shock Wave Lithotripsy.
3. Authorized Ms. Arlyn L. Songco as representative and signatory for Memorandum of Agreement with PLDT Inc.
4. Authorized Mr. Joel S. Navarro as representative to process requests, pay and pick up all requested documents for all transactions with Makati Local Government
5. Authorized Atty. Nenuca Pilar P. Almira as representative and signatory for the Corporation's application for its Accreditation as a Diagnostic Facility with the Makati Local Government Unit – City Health Office and the processing of the Health Clearance Certificate System Application with iBayad Online Ventures, Inc.
6. Authorized any one of the following Officers of the Corporation to participate in biddings, submit bids and be representatives and signatories for all Memorandums of Agreement (MOAs) entered into by Makati Medical Center Care Access Araneta City:
 - a) Atty. Pilar Nenuca P. Almira
 - b) Mr. Reynaldo J. Lim
 - c) Dr. Frederick H. Verano
7. Approved the updating of MDI's signatories for Metrobank and Development Bank of the Philippines for their electronic banking and check writing facility
8. Authorized the following to process applications and registrations, submit requirements and transact with the Bureau of Internal Revenue
 - a) Armyla B. Palomar
 - b) Reynaldo Mata
 - c) Joel S. Navarro
9. Authorized the following as representatives/contact persons for registration with the Bureau of Internal Revenue's Online Registration and Update System:
 - a) Angelita P. Garcia
 - b) Mark Bryan P. Pobar
10. Authorized Dr. Saturnino P. Javier as representative and signatory for the processing of the FDA License to Operate of Makati Medical Center's MedExpress Drugstores with the Food and Drug Administration

REGULAR BOARD MEETING

19 May 2023

1. Approved the amendment of Article III, Section 10 of the MDI By-Laws
2. Authorized Mr. Ronaldo B. Viola as representative to process replacement of the certificate of registration of MDI vehicles with the Land Transportation Office.
3. Authorized Ms. Mae Anne Dela Cruz as representative to enter into a contract with the National Grid Corporation of the Philippines to avail of MDI's healthcare services.
4. Authorized Atty Pilar Nenuca P. Almira and Dr. Saturnino P. Javier as representative and signatory for doctor clinic lease contracts in Makati Med.
5. Approved the Culture of Safety, Quality and Compliance (CSQC) Program.

MANAGEMENT REPORT

Business Development

Medical Doctors, Inc. (the “Parent Company”) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on April 23, 1963, primarily to establish, operate, manage and own a hospital or hospitals, medical and chemical clinics and/or laboratories and such other enterprises that may have similar undertakings. The Parent Company operates under the trade name of Makati Medical Center (the “Hospital”). The Parent Company is registered as an “Existing and Expanding Operator of Tertiary Care Hospital”, in pioneer status.

On December 31, 1970, the Parent Company attained its status of being a “public company”. The Parent Company is considered a public company under Rule 3.1 of the Implementing Rules and Regulations of the Securities Regulation Code, which, among others, defines a public corporation as any corporation with assets of at least P50 million and having 200 or more shareholders, each of whom holds at least 100 shares of its equity securities. As at December 31, 2022 the Parent Company has 1,120 shareholders (2021 - 1,106) each holding at least 100 shares of the Parent Company’s common shares.

The Company’s major shareholders consist of local companies and individual medical practitioners, with percentages of ownership as at December 31, 2022 and 2021 as follows:

Metro Pacific Hospital Holdings, Inc.	33.38%
Associated Holdings, Inc.	4.76%
Dr. Remedios Suntay	3.48%
San Miguel Corporation	2.44%
Dr. Benjamin N. Alimurung	1.38%
	45.44%

As at December 31, 2022 and 2021, the remaining 54.56% of the Parent Company’s issued and outstanding shares are held by private individuals, local companies and practicing doctors of the Hospital. Of the total 3,420,737 outstanding shares in 2022, 212,057 shares or 6.20% are owned by the Parent Company’s directors, officers and employees (2021 - 3,420,737 outstanding shares, 215,056 shares or 6.29%).

The Parent Company is a pillar in the healthcare industry. It is equipped with the most modern facilities, some of which are the first of its kind in the Philippines and Asia and are comparable with those in the leading centers of Europe and the United States.

As at December 31, 2022, CIII remains to be the sole subsidiary of the Parent Company with the same percentage of ownership.

The subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the Parent Company does not differ from the proportion of ordinary shares held. The Parent Company further does not have any shareholdings in the preferred shares of subsidiary undertaking included in the Group.

The Group has not filed any bankruptcy, receivership or similar proceedings and neither has there been any material reclassification, merger, consolidation or purchase or sale of a significant amount of assets in the ordinary course of business.

Business of Issuer

The Parent Company is engaged primarily to establish, operate, manage and own a hospital or hospitals, medical and chemical clinics and/or laboratories and such other enterprises that may have similar undertakings. The Parent Company operates under the trade name of Makati Medical Center.

The principal products or services offered by the Parent Company includes anesthesia, dermatology, cellular therapeutics, emergency medicine, legal medicine, medicine, neurosciences, nuclear medicine, obstetrics and gynecology, ophthalmology, orthopedic surgery, otorhinolaryngology, pathology, pediatrics, physical medicine and rehabilitation, radiology and surgery. It also offers emergency, operating, delivery, nursery room services and intensive care units. Specialty centers and medical packages are also offered to attract patients and enhance profitability.

The Parent Company's sole subsidiary, Computerized Imaging Institute, Inc. (CIII), is engaged primarily to establish, operate, manage, own and maintain a Computed Tomography Center and such other enterprises which may have similar or analogous undertakings or dedicated to services in connection therewith, subject to the condition that purely professional medical or surgical services in connection therewith shall be performed by duly qualified radiologist who may and individually be contracted by patients. CIII basically offers alternative radiology services to patients of the Parent Company. On October 5, 2018 the Board of Directors of CIII approved the cessation of operations of CIII effective December 31, 2018 based on its deteriorating financial situation.

The Group derives its revenues mainly from the delivery of healthcare services to patients of its hospital which comprises about 95% of its total gross revenues. Other sources of revenues include the operation of an outpatient pharmacy which is about 4% of its gross revenues and the remaining 1% is from rental income for the leasing of some of its spaces in the hospital to concessionaires and doctors clinics. The Group does not have revenues derived from foreign sources and all of its products and services are delivered within its hospital and three satellite clinics, two of which are located at the central business district of Makati City and the other one located in the Araneta City business center in Quezon City .

The Group's main competitors includes St. Luke's Hospital in Quezon City and Global City, Fort Bonifacio; The Medical City hospital in Pasig; and Asian Hospital in Alabang, Muntinlupa City.

Industry trend for the Group's competitors is to increase their network geographically by establishing new hospitals and clinics. St. Luke's has hospitals in Quezon City and Fort Bonifacio, while The Medical City has hospitals in Pasig City, Clark and several satellite clinics all over the metro.

The Group does not also depend upon a single or a few suppliers for essential pharmaceutical products, medical supplies, medical equipment and other hospital items. Among its major suppliers include Zuellig Pharma Corporation, Metro Drug Inc., United Laboratories Inc., Rebmann Inc., Globo Asiatico Enterprises, and B Braun Avitum Phils., and Lifelink Inc.

The Group is not dependent upon any single customer or few customers as sources of its revenues. Among its major customers include Maxicare, Mediacard, Intellicare, Philcare, PLDT and ADB. In addition, private paying patients still comprises more than half of its total gross revenues.

The Group's transactions with and/or dependence on related parties is discussed on Item 12 pages 29-31.

The Group does not have any patents, trademarks, copyrights, licenses, franchises, concessions, and royalty agreements held.

The Group is compliant with all government licensing/permit, particularly from the Department of Health (DOH), Bureau of Food and Drug (BFAD) and such other regulatory agencies on the operation of a hospital or clinic including compliance with environmental laws for air, water and hospital waste. The Group also complies with laws governing the granting of senior citizen discount, person with disability discount and other related laws.

Other than the development of new services as listed below, the Group does not have significant spending on research and development activities. However, the Group is engaged in clinical trials which are mostly sponsored by

pharmaceutical companies. These companies are required to pay fees prior to the start of the clinical trials and the revenues derived from such over the past three years are as follows:

	2022	2021	2020
Clinical Trial Fees	2,649,509	2,067,370	1,361,367
Gross Hospital Revenues	8,440,818,290	7,663,464,998	6,308,103,477
% to Gross Hospital Revenues	0.03%	0.03%	0.02%

The following are new services of Makati Medical Center that have either been launched in 2022 or are being developed for the following year:

- In March 2022, the Makati Medical Care Access Araneta City opened its doors for patients in Quezon City and nearby areas. Its an outpatient center which offers consultations, laboratory, radiology and other diagnostic services.
- The Department of Dermatology inaugurated its new Dermatology & Phototherapy Center on June 8, 2022. The new center was improved to better provide existing dermatological services and to offer new services such as the Phototherapy Excimer and Contact Allergy tests.
- MakatiMed invested in a new MRI machined called GE 3 Tesla Signa Architect for superior MRI screenings. The Department of Health and the Food and Drug Administration has accordingly given the machines its appropriate accreditation and the machine was made operational on January 12, 2023.

Major achievement and activities of the Group in 2022 includes:

- In September 2022, MakatiMed's Cancer Center was announced by DOH as the country's first Accredited Cancer Specialty Center in a General Hospital.
- In August 2022, MakatiMed marked another milestone through its Pediatrics Department as they successfully performed open heart surgery to their youngest patient at 9 months of age.
- MakatiMed was awarded its 3rd Hospital Star Awards by the Department of Health for its continued excellence in the response to the COVID-19 Pandemic.
- MakatiMed was recognized as the third best employer in the Philippines by the Philippine Daily Inquirer in partnership with Statista, a premier survey company.
- MakatiMed's Section of Neurology Stroke Team received its 5th Gold Status at the World Stroke Organization Angels Awards.

The Group has 3,015 regular employees as of December 31, 2022 as follows:

	Number of Employees
Operational	2,429
Administrative	586
Total	3,015

The Group also recognizes the Union as the sole and exclusive collective bargaining agent of all its regular rank and file employees. In 2022, the Parent Company successfully completed the negotiation with the Union for the renewal of the CBA agreement for another 5 years. The new agreement was signed on May 19, 2022 and covers the period March 1, 2022 to February 28 2027.

No major risk/s involved in the business at present except for the following.

(a) Market price risk

- a. Foreign exchange risk - The Group is exposed to foreign exchange risk primarily with respect to its cash deposits maintained in U.S. Dollar and EURO and certain importation of professional equipment which are payable in U.S. Dollar. The Group's financial position and results of operations are affected by the movement in the U.S. Dollar and EURO to Philippine Peso exchange rate. Based on management's assessment, foreign exchange risk arising from its foreign denominated accounts is not considered significant.
 - b. Interest rate risk - The Group has no significant financial assets and liabilities that are exposed to interest rate risk. Long-term borrowings issued at fixed rates and measured at amortized cost are not affected by cash flow or fair value interest rate risk.
- (b) Credit risk - The Group is primarily exposed to credit risks because the Hospital is required to attend to emergency medical needs of individual patients without considering their capability to pay.
- (c) Liquidity risk - The Group's ability to make payments on its indebtedness and to fund its operations depend on its future performance and financial results. Currently, the Group generates significant cash from its operating activities and is able to meet all of its financial covenants included in the credit agreement with its lenders. Historically, the Group's liquidity position is strong due to profitable operations. To manage liquidity, the Group projects monthly cash flows from its operating, investing and financing activities and evaluates actual cash flow information to ensure that the immediate requirements of the Hospital are covered to. Working capital requirements are also reviewed on a monthly basis and reported to the BOD.
- (d) Medical errors –Similar to other hospitals, Makati Medical Center considers the occurrence of medical errors as a potential major risk in its operations. Medical errors are failures in the process of care either in the diagnostic, treatment, preventive or other procedures performed on the patient. The result of an error is classified as either a near miss event, an adverse event or a sentinel event. A sentinel event is an unanticipated occurrence involving death or serious physical or psychological injury. Makati Medical Center established a Culture of Safety Quality and Compliance Program which represents Management's commitment to enhance the culture of safety, proactive risk reduction, continuous performance improvement and compliance to hospital programs, policies and procedures. The program encompasses all hospital systems, processes and structures that may directly or indirectly affect safety of patients, visitors and employees, and quality of patient care and environment.

Additional Requirements as to Certain Issues or Issuers

1. Debt Issues - The Group's net worth exceeds P25 million.
2. Investment Company Securities - Not Applicable

Item 2. Properties and Lease Agreements

1. Properties

(a) Mortgaged Properties

On August 13, 1993, the Parent Company executed a Mortgage Trust Indenture (MTI) with a local bank as trustee whereby it agrees to deliver to the trustee a real estate mortgage on certain Parent Company properties as collateral for the prompt and full payment of its loan obligations to its lenders. Supplemental indentures were executed on various dates from December 1993 following the Parent Company's availing of additional loans from various lenders.

As at December 31, 2022, all loans are settled and the properties are free from any encumbrances.

(b) Appraisal of land and building and building improvements

The Parent Company's land in Makati City where the Hospital is located has original cost of P600,000. Total land area is approximately 12,320 square meters. The land is carried at fair value as appraised on various dates as follows:

Date of appraisal	Appraised value (in million Pesos)
May 1, 1990	739
October 11, 2001	3,080
December 5, 2003	2,464
January 2, 2007	2,464
October 31, 2008	2,464
November 17, 2011	2,661
November 15, 2016	2,957
October 17, 2019	4,063

The fair values of the land and buildings and building improvements were based on the latest appraisal report dated October 17, 2019 determined by Cuervo Appraisers, Inc. using combination of market and cost approach.

Based on the latest appraisal report, the appraised value for the Parent Company's buildings and building improvements amounted to P2,911,761,000. The appraisal is recognized as addition to revaluation surplus in the statements of total comprehensive income and in the statements of changes in equity for the year ended December 31, 2019. If the buildings and building improvements (both carried at revalued amounts) were stated at historical cost, the net carrying values as at December 31, 2022 would amount to P2,376,250,393 (2021 - P2,446,304,320).

The revaluation surplus from the foregoing assets, shown net of DIT liability, included in equity at December 31 is as follows:

	2022	2021
Land	3,046,902,000	3,046,902,000
Buildings	247,823,252	257,540,756
	3,294,725,252	3,304,442,756

(c) Construction in Progress

Construction-in-progress consists of costs incurred for the renovation of the Hospital's main building and various improvements of its leased office space.

There were no capitalized borrowing costs as at December 31, 2022 and 2021 as the ongoing constructions of the Group are not considered as qualifying assets.

2. Lease Agreements

(a) *When the Parent Company is the lessee*

The Parent Company entered into various lease agreements with a third-party lessor. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests of the lessor. None of the leased properties were used as security for borrowing purposes.

(i) *Clinical facilities, back office and parking spaces*

On June 17, 2014, the Parent Company entered into a non-cancellable lease agreement with Adelantado Corporation covering certain floors at Keyland Centre to serve as additional clinical facilities of the Parent Company, its back

office and parking spaces with a term of 5 years beginning April 15, 2014 until April 14, 2019. In 2015, the lease term was amended and extended to 10 years beginning from its original commencement date until April 14, 2024. The lease is renewable upon mutual agreement by both parties. The lease agreement includes provision for rent-free period and an escalation rate during term of the lease.

The foregoing lease agreement requires the Parent Company to pay refundable security deposit amounting to P13,374,760. The carrying amount of the refundable deposit approximates its fair value as the effect of discounting is immaterial. This is presented as part of other non-current assets.

(ii) *Wellness center and parking spaces*

On January 25, 2019, the Parent Company entered into lease agreements with various lessors covering office space to serve as the new wellness center of the Company and several parking lots. The lease agreements have various terms and renewable upon mutual agreement. Following is the summary of the leases:

Lessor	Location	Area/Parking stalls	Original term
Ayala Land, Inc.	Ayala North Exchange Tower 1	1,638.45 sqm.; 21 parking stalls	February 1, 2019 to January 31, 2024
Ayala Land, Inc.	City Gate	101 parking stalls	January 1, 2019 to December 31, 2029
One Dela Rosa Property Development, Inc.	Ayala North Exchange Tower 1	28 parking stalls	May 1, 2019 to December 31, 2029

The Parent Company paid refundable security deposit in relation to the above lease agreements as at December 31, 2022 amounting to P14,100,417 (2021- P13,563,351). The carrying amount of the refundable deposit approximates its fair value as the effect of discounting is immaterial. This is presented as part of other non-current assets.

(iii) *Diagnostic center and Renal services*

On July 28, 2021, the Parent Company entered into lease agreements with ACI, Inc. covering commercial space to serve as the Diagnostic and Dialysis center of the Company and generator set and machineries room. The lease agreements shall be for a period of 5 years from October 1, 2021 to September 26, 2026.

In addition, the Company entered into a lease agreement with Aldex Realty Corporation for the rental of Discovery Primea Condominium's third floor to be utilized as clinic and diagnostic center. The lease agreement shall be for a period of 5 years from April 21, 2021 to April 20, 2026.

The Company paid refundable security deposit amounting to P4,350,950 (2021 – 3,751,550) during the year. The carrying amount of the refundable deposit approximates its fair value as the effect of discounting is immaterial. This is presented as part of other non-current assets.

(iv) *Others*

The Parent Company has various operating non-cancellable lease agreements for the use of equipment, office furniture and other vehicles. Rent expense for the year ended December 31, 2022 on short-term leases and low-value assets are presented under cost of services and administrative expenses amounted to P11,364,588 (2021 – P12,284,121). Accrued rent relating to leases of short-term and low-value assets as at December 31, 2022 amounted to P869,496 (2021 – P1,495,399) .

(iv) *Amounts recognized in the consolidated statement of financial position*

Following the adoption of PFRS 16 on January 1, 2019, the leased assets are presented as part of the property and equipment in the consolidated statement of financial position. The consolidated statements of financial position show the following amounts relating to leases.

	December 31, 2022	December 31, 2021
<i><u>Right-of-use asset, net</u></i>		
Office and parking spaces	166,417,867	255,085,937
<i><u>Lease liabilities</u></i>		
Current	121,403,415	105,207,275
Non-current	76,056,429	183,542,798
	197,459,844	288,750,073
Deferred tax asset on:		
Right-of-use asset	56,601,917	79,424,475
Lease liabilities	(41,604,467)	(63,771,484)
	14,997,450	15,652,991

The movements in lease liabilities are as follows:

	2022	2021
Beginning of the year	288,750,073	340,185,904
Additions during the year	-	34,862,786
Principal and interest payments	(110,118,903)	(110,202,178)
Accretion of interest	18,828,674	23,903,561
End of the year	197,459,844	288,750,073

(iv) *Amounts recognized in the consolidated statement of total comprehensive income.*

The consolidated statement of total comprehensive income show the following amounts relating to leases:

	2022	2021
Depreciation of right-of-use assets		
Office and parking spaces	88,668,070	83,326,631
Interest expense (included in finance costs)	18,827,674	23,903,561
Expense relating to leases of low-value assets not shown as short-term leases (included in cost of services and administrative expenses)	11,364,588	12,284,121
	118,860,332	119,514,313

(v) *Discount rate*

The lease payments for all leased assets are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Critical estimates in determining incremental borrowing rate

To determine the incremental borrowing rate, the Parent Company used a single incremental borrowing rate lifted from the Parent Company's recent loan which is adjusted based on the movement of the comparable BVAL or PDST-R2 rates from the date of the loan to the date of the adoption of the new lease standards. The discount rate applied by the Parent Company is 7.41%.

(vi) *Extension and termination options*

Extension and termination options are included in the lease agreements of the Parent Company. These are used to maximize operational flexibility in terms of managing the assets used in the Parent Company operations. The extension and termination options are exercisable only upon written agreement by the Parent Company and the lessor under terms and conditions acceptable to both parties.

Critical accounting judgment: Determination of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Parent Company considers the factors as the most relevant in assessing the options:

- If there are significant penalties to terminate (or not extend), the Parent Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Parent Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Parent Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in leases have not been included in the lease liability because renewal is unlikely given that there are no economic incentives present upon renewal, and/or there are no significant leasehold improvements in the leased premises. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Where the Group is the lessor

The Parent Company has various non-cancellable agreements for leases of clinics and commercial spaces located within the Hospital to doctors and concessionaires for a period of not more than 1 year and with renewal options for another year as mutually agreed by both parties. Refundable deposits from these lease agreements amounted to P5,341,491 as at December 31, 2022 (2021 – P5,259,328) which is presented as part of other current liabilities in the consolidated statements of financial position.

Rent income arising from these lease agreements amounted to P85,249,784 for the year ended December 31, 2022 (2021 – P90,270,951; 2020- P82,070,622). Rent receivable as at December 31, 2022 amounted to P9,596,027 (2021 – P13,929,619).

Capital Commitments

Capital expenditures which are relating to the on-going renovation of the buildings and equipment purchases contracted for at December 31, 2022 but not yet incurred amounted to P397,389,911 (2021 - P226,018,002).

Item 3. Legal Proceedings

The Parent Company, as the petitioner, filed a petition for review with the Court of Appeals vs Dr. Benjamin D. Adapon, for himself and on behalf of Computerized Imaging Institute, Inc. (Respondents), on the matter of an earlier notice of award issued by the Regional Trial Court of Makati (Civil Case no. 11-343) in favor of the Respondents. On September 20, 2016, the Court of Appeals issued a Notice of Resolution effectively putting on hold the payment of the award issued by the RTC of Makati, but requiring the petitioner to post a bond equal to the award. As such the Parent Company, through Stronghold Insurance Company, Inc. has restricted cash amounting to P87,349,157.45 for purposes of posting the required bond. The bond was submitted to the court on September 29, 2016. On February 15, 2017, the Court of Appeals issued its decision vacating the Arbitration award in favor of the Parent Company. Dr. Adapon has elevated the case to the Supreme Court for further review. On August 24, 2020, the Parent Company renewed its bond valid from September 28, 2020 to September 29, 2021. The restricted cash is reflected as part of "Other noncurrent assets" in the balance sheet as of December 31, 2022.

On 14 June 2021, the Supreme Court granted the Petition filed by Dr. Adapon and reinstated the Order of the Regional Trial Court. The Parent Company has filed a Motion for Reconsideration of the 14 June 2021 Decision of the Supreme Court, which is now pending for resolution.

On 25 April 2016, Dr. Benjamin D. Adapon (Petitioner), claiming to represent himself and the Computerized Imaging Institute, Inc. (CII) filed a Petition for Interim Protective Measures in Aid of Arbitration with the Regional Trial Court of Makati. Petitioner prays for the issuance of a Temporary Order of Protection and an Injunction to direct the Parent

Company to comply with the Letter of Intent and to remit to CII or to deposit with the Courts, pending arbitration, all fees collected by the Parent Company from MRI and CT scans from 2011 up to present and beyond as they fall due, which fees, Petitioner claims pertain to CII.

The Group is a plaintiff or defendant in various other cases now pending before the courts and those arising out of its normal course of operations. In the opinion of management, based on advice of its legal counsels, the ultimate disposition of these cases will not have any significant effect on the Group's financial position, results of operations and cash flows as at December 31, 2022, 2021 and 2020.

Market for Issuer's Common Equity and Related Shareholder Matters

Market Information

The Parent Company's shares are not listed/traded in the stock exchange. Total authorized capital stock of the Parent Company is 4,000,000 shares of P100 par value per share, composed of 50,000 Preferred Shares, 3,949,978 Common Shares and 22 Founders' shares. As of December 31, 2022, none of the Preferred Shares have been issued.

As at **December 31, 2022**, the Parent Company has the following outstanding shares of common stock:

<u>Title of Class</u>	<u>Number of Shareholders</u>	<u>Number of shares outstanding</u>
Common Shares	1,469	3,420,737

The top twenty (20) shareholders and the respective number of shares held by each shareholder are as follows:

Rank	Name of Shareholders	Kind of Share	Total Number of Shares	% to total Outstanding Shares
1	Metro Pacific Hospital Holdings, Inc.	Common	1,141,819	33.38%
2	Associated Holdings, Inc.	Common	162,872	4.76%
3	Suntay, Remedios, MD	Common	119,208	3.48%
4	San Miguel Corporation	Common	83,379	2.44%
5	Alimurung, Benjamin N., MD	Common	47,110	1.38%
6	First Optima Realty Corporation	Common	32,015	0.94%
7	Antonio, Cristina, MD	Common	31,332	0.92%
8	Progressive Development Corporation	Common	29,492	0.86%
9	Manahan, Constantino Jr. L.	Common	17,954	0.52%
10	Fuerte Holdings, Inc.	Common	17,708	0.52%
11	Cabreira, Alvin Gubat	Common	15,421	0.45%
12	Fores, Jose Amado	Common	15,192	0.44%
13	Fores, Ma. Victoria A.	Common	15,192	0.44%
14	Fores, Margarita A.	Common	15,192	0.44%
15	Fores-Legarda, Maria Mercedes A.	Common	15,192	0.44%
16	Fores, Jorge A.	Common	14,192	0.41%
17	A. E. Cruz, Inc.	Common	10,890	0.32%
18	Philippine Airlines	Common	10,164	0.30%
19	Madrigal, Ma. Susana A.S.	Common	9,335	0.27%
20	Richardsons Realty Corporation	Common	9,289	0.27%

Dividends

The Parent Company's BOD authorized and approved the declaration and payment of cash dividends as follows:

Declaration date	Payment date	Shareholder beneficiaries as of record date	From retained earnings as at December 31	Dividend per share	Total dividends
July 20, 2021	August 30, 2021	July 31, 2021	2019	45.82	156,738,169
December 2, 2021	January 28, 2022	December 31, 2021	2019	37.49	128,243,430
July 19, 2022	August 26, 2022	July 30, 2022	2021	69.12	236,441,341

In its meeting on July 3, 2012, the BOD of the Parent Company approved the allocation of 150,000 common shares for new and incoming physicians at P1,635/share as part of their requirements for accreditation into the hospital. Shareholders of the Parent Company shall have no pre-emptive right over all issues or dispositions of shares in favor of physicians credentialed by Makati Medical Center, provided, however, that the shares to be so issued without pre-emptive right shall not exceed 15% of the resulting outstanding shares of the company. On October 25, 2012 the SEC approved the exemption from registration of the above-mentioned common shares allocated to credentialed physicians. Subsequent issuance of shares, coming from the above-mentioned allocated common shares, to newly accredited physician of the hospital are as follows:

Year Issued	Number of Shares
2012	7,000
2013	11,360
2014	20,705
2015	18,832
2016	18,663
2017	29,272
2018	12,750
2019	29,750
TOTAL	148,332

CORPORATE GOVERNANCE

Makati Medical Center, in 2021, adopted the culture of quality, safety and compliance. 2022 ushered strengthening of the culture of compliance and corporate governance through the following activities:

- I. To increase awareness and compliance to Corporate Governance Anti-Bribery Anti-Corruption Policies:
 - Creation of video training on Corporate Governance ABAC policies (Feb 2022)
 - Incorporation of Corporate Governance ABAC policies video training in the orientation for new employees and SSE for refresher course (Feb 2022)
 - Conducted compliance quiz show for all employees, trainees, and medical staff in preparation for GDC monitorship (Apr 2022)
 - lobby exhibit featuring corporate governance ABAC policies (May 2022)
 - Creation and dissemination of compliance handbook/pamphlet (Jul 2022)
 - Established Guideline on Processing of Solicitation, Sponsorship and Grant requested by MMC Department (Approved Oct 2022 / Effective Nov 2022)
 - Letters were sent to all vendors and contracted services regarding “Non-acceptance of gifts from MMC Service Providers/Contractors” (Nov 2022)
- II. The Corporate Governance and Compliance Committee of the Board (Mar 2022 / Apr 2022 / May 2022) met regularly and initiated creation/review of the following charters / policies / activities which were subsequently approved by the Board:
 - (i) Committee Charters:
 - Board Charter (Mar 2022)
 - Corporate Governance and Compliance Committee (Mar 2022)
 - Audit and Risk Committee (May 2022)

- Ethics Committee (Jul 2022)
 - Nomination and Election Committee (Jul 2022)
- (ii) Code of Business Conduct and Ethics (approved by the Board in June 2022, effective July 2022) ensuring its relevance and consistency of the document to MMC's culture of compliance and ethics.
- (iii) Creation of Corporate Governance Policies:
- Performance of the Board (Approved Aug 2022 / Effective Sep 2022)
 - Related Party Transactions (Approved Aug 2022 / Effective Sep 2022)
- (iv) Performance Assessment of the Board and Return of Results (Aug 2022 / Sep 2022)
- (v) Creation of Corporate Governance site in the MMC website (Jun 2022)
- (vi) ACGR for submission to SEC

III. For continuous education of the Board Members, MPIC hosted SEC approved training on: (Sep 2022)

2022 Annual Corporate Governance Enhancement Session (For Directors, Advisory Board Members and Officers)

Online Seminar on the Metaverse held on September 22, 2022 consisting of Two Keynote Sessions:

- “The Metaverse and How it will Transform Business and Human Interaction” by Mr. Matthew Ball
- “Proof of Learn: A Philippine Perspective to the Metaverse” by Ms. Sheila Lirio.

Management's Discussion and Analysis of Financial Conditions and Results of Operations (For the Year 2022)

The following discussion should be read in conjunction with the accompanying consolidated financial statements and notes thereto, which form part of the Report. The consolidated financial statements and notes thereto have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS).

1. Results of Operations

The Parent Company management has designed a business segmentation of the Group's operation. It has organized its reporting structure based on the grouping of similar services, resulting in two main business segments as follows:

- (1) Hospital services – This segment is involved in providing healthcare services to hospital patients. Included in this segment is the Parent Company's subsidiary Computerized Imaging Institute, Inc. (CIII), a company primarily engaged in owning, operating and maintaining a tomography center and provide professional medical and surgical services and other similar undertakings.
- (2) Educational services – This segment is involved in the operation of a wholly owned nursing school, known as Makati Medical Center College, Inc. (MMCCI). In 2013, the Parent Company sold its investment in MCCI to Philippine Women's University.

With the divestment of MMCCI, the Group's operations is now a single business segment. The activities of its sole subsidiary, CIII, are similar to the services being offered by the Parent Company. More particularly, CIII supplements the radiology services offered by the Parent Company. As earlier stated, the Board of Directors of CIII approved the cessation of its operations effective December 31, 2018 based on its deteriorating financial situation.

The financial information as at and for the three years ended December 31, 2022, 2021 and 2020 are as follows:

	2022	2021	2020
GROSS REVENUES	8,440,818,290	7,663,464,988	6,308,103,477
DISCOUNTS AND FREE SERVICES	(1,050,333,940)	(976,579,710)	(741,128,506)
NET REVENUES	7,390,484,350	6,686,885,278	5,566,974,971
COST OF SERVICES	(4,167,454,020)	(4,231,295,170)	(3,958,145,892)
GROSS PROFIT	3,223,030,330	2,455,590,108	1,608,829,079
ADMINISTRATIVE EXPENSES	(2,184,711,221)	(1,715,784,319)	(1,656,287,868)
OTHER INCOME, net	36,488,725	(7,196,724)	94,577,590
PROFIT FROM OPERATIONS	1,074,807,834	732,609,065	47,118,801
FINANCE COSTS	(23,188,849)	(40,293,953)	(52,351,170)
PROFIT(LOSS) BEFORE INCOME TAX	1,051,618,985	692,315,112	(5,232,369)
INCOME TAX EXPENSE	(265,148,065)	(219,457,453)	(363,991)
PROFIT(LOSS) FOR THE YEAR	786,470,920	472,857,659	(5,596,360)

Comparison of the Group's results of operations is as follows:

2022 Compared to 2021

	2022	2021	Variance	
			Amount	%
Net Revenues- Hospital services	7,390,484,350	6,686,885,278	703,599,072	11%
Gross income	3,223,030,330	2,455,590,108	767,440,222	31%
EBITDA	1,740,851,115	1,397,447,957	343,403,158	25%
EBIT	1,074,807,834	732,609,065	342,198,769	47%
Net income after tax (NIAT)	786,470,920	472,857,659	313,613,261	66%

The continuous decline of COVID-19 cases in 2022 has prompted patients to return to the hospital for consultation with their doctors and other healthcare needs. As a result, total patient census increased by about 24% as compared to 2021. As such, the Group's net profit after tax reached P786.5 million, 66% (P313.6 million) higher than the net profit of P472.8 million in the same period last year. Outpatient revenues is 27% higher vs last year, while inpatient revenues posted a 31% increase vs last year. Cost saving initiatives on facilities maintenance, supplies inventory utilization and increase in personnel cost were continuously managed vis-à-vis the growth in patient census. Such initiative has further contributed to the profit growth for the year.

2021 Compared to 2020

	2021	2020	Variance	
			Amount	%
Net Revenues- Hospital services	6,686,885,278	5,566,974,971	1,119,910,307	20%
Gross income	2,455,590,108	1,608,829,079	846,761,029	53%
EBITDA	1,397,447,957	678,543,802	718,904,155	106%
EBIT	732,609,065	47,118,801	685,490,264	1,455%
Net income after tax (NIAT)	472,857,659	(5,596,360)	478,454,019	(8,549%)

The Group's net profit after tax amounted to P472.8 million, 8549% (P478.4 million) higher than the net loss of P5.6 million in the same period last year. This is mostly due to increase in COVID related services and the gradual increase of outpatient census as the government implements a less strict community quarantine.

Despite lower patient census, inpatient revenues posted an increase of 22% mainly due to increase in COVID admissions requiring critical care. At the same time, outpatient revenues also grew by 21% due to gradual return of patients to the hospital, of which the major contributors include laboratory, radiology, cancer center and heart station

2. Plan of Operation

For 2023, the Group plans to go back to some of its expansion plans prior to the pandemic in 2020. Given the growth of patient census in 2022, the Group will be preparing for even more in 2023. Some of the initiatives include:

- Full operation of the 3 Tesla MRI Machine
- Expansion of the Heart Station to cope up with increasing patient census
- Expand and enhance surgical services and continuous investment in technology related to minimal invasive surgeries.
- Promote organ transplantation

The Group estimates that the steady increase of patient census along with the additional services above will result in gross revenues and profit growth for 2023.

3. Financial Conditions

Amounts in Philippine Peso	2022	2021
Total Assets	12,035,805,405	11,636,320,691
Total Liabilities	3,099,832,774	3,347,328,658
Shareholder's Equity	8,935,972,631	8,288,992,033

Assets:

The Group's total assets as at December 31, 2022 increased by P399.5 million compared to last year mainly due to the Parent Company's higher cashflow from operating activities as a result of higher patient census, better receivable collections and lower debt servicing.

Borrowings:

- a. On July 21, 2011, the Parent Company availed of a loan amounting to P140 million from a major shareholder and key officer to partly finance the modernization of its medical equipment. The loan is unsecured and is payable in equal quarterly installments over 10 years. Interest is at a fixed annual rate of 7% payable on a quarterly basis. Subsequently, on February 18, 2013, the parties agreed to a reduction of interest rate from 7% to 4.28%.

The loan was settled in full on July 31, 2021.

- b. In 2014, the Parent Company availed of various loans amounting to P230 million from a major shareholder and key officer for general corporate purposes. Out of the total loan proceeds, P23,245,613 was used to refinance a restructured loan existing as at December 31, 2013 also with the same major shareholder. This loan is secured by the participation of the lender in the MTI. Of the total amount of loans, P5,000,000 was settled on March 31, 2015 and the balance of P225,000,000 is payable in 7 years ending in 2021 with a two year grace period on principal repayment. Interest is at a fixed annual rate of 5% to 5.3%.

The loan was settled in full on January 12, 2021 and March 31, 2021.

- c. Also in 2014, the Parent Company availed various bank loans amounting to P775 million. Out of the total loan proceeds, P317,045,454 and P272,722,596 were used to refinance the SBC loans (item b above) and an outstanding balance of restructured loans existing as at December 31, 2013, respectively. Net cash proceeds from these loans, after refinancing existing loans, amounted to P185,231,950. These loans have a term of 7 years and indicative fixed interest rates ranging from 5.30% to 5.48%. Principal payments for these loans started in the second quarter of 2016.

The loans were settled in full on January 13 & 29, 2021, March 16, 2021 and August 28, 2021,

- d. In 2016, the Parent Company availed another loan amounting to P300 million for the purchase of medical equipment. The loan is secured and is payable in equal quarterly installments over 7 years at 4.8750% fixed annual interest rate.
- e. In 2020, the Parent Company availed of various short-term bank loans amounting to a total of P200 million for working capital requirements. The loans were unsecured and are payable within one year at 4.70% and 4.85% fixed annual interest rate.

The credit agreements related to these bank loans provide, among others, that for as long as any loan remain outstanding, the Parent Company is subject to certain negative covenants requiring prior approval of the creditors for specified corporate acts such as: (i) assume, guarantee, endorse or otherwise become directly or

contingently liable in connection with any obligation of any other person, firm or corporation; (ii) sell, lease or otherwise dispose or convey all or substantially all of the borrowers assets; (iii) make advances or loans to any borrower's affiliates, subsidiaries, stockholders, directors and officers except in compliance with formally established and existing fringe benefit program of the borrower; (iv) suspend its business operation or dissolve its affairs; (v) enter into merger or consolidation with any person, unless the Parent Company is the surviving entity; and (vi) make or permit any material change in the character of its business from that being carried as of the date hereof or engage in any business operation or activity other than as allowed by its Article of Incorporation. The Parent Company has complied with the above covenants as at December 31, 2022 and 2021.

All bank loans were settled in full in 2022.

4. Sources and Uses of Cash as at December 31:

	2022	2021	2020
Net Cash from Operating Activities	2,169,343,928	1,130,797,892	685,959,917
Net Cash Used in Investing Activities	(374,213,904)	(344,298,713)	(579,861,403)
Net Cash Used in Financing Activities	(622,768,681)	(577,699,678)	(330,298,545)
Net (Decrease) Increase in Cash	1,172,361,343	208,799,501	(224,200,031)
Cash, January 1	597,867,305	389,067,804	613,267,835
Cash, December 31	1,770,228,648	597,867,305	389,067,804

The Group's generates significant cash flows from its operating activities and is able to meet all its cash requirements for its operations. Depending on the timing of its expansion and renovation plans, the Group may take on some financing activity in the next 12 months.

Significant cash outflows include capital expenditures amounting to P343 million, P363 million and P559 million for the years 2022, 2021 and 2020 respectively. In addition, the Parent Company paid interest and principal amortization on its outstanding loans amounting to P160 million, P303 million and P300 million for the years 2022, 2021 and 2020. Finally, the Parent Company paid dividends amounting to P353 million, P164 million and P130 million for the years 2022, 2021 and 2020 respectively.

5. Material Changes per Line of Account

Statement of Financial Position				
	2022	2021	Increase (Decrease)	%
<u>Current Assets</u>				
Cash	1,770,228,648	597,867,389	1,172,361,259	196%
Receivables, net	814,875,524	1,290,038,220	(475,162,696)	(37%)
Inventories, net	290,124,523	276,036,613	14,087,910	5%
Prepayments and other current assets	25,085,557	21,991,388	3,094,169	14%
Total current assets	2,900,314,252	2,185,933,610	714,380,642	33%
<u>Non-Current Assets</u>				
Property and equipment, net	8,965,656,878	9,313,701,190	(348,044,312)	(4%)
Other non-current assets	169,834,275	136,685,891	33,148,384	24%
Total non-current assets	9,135,491,153	9,450,387,081	(314,895,928)	(3%)
TOTAL ASSETS	12,035,805,405	11,636,320,691	399,484,714	3%
<u>Current Liabilities</u>				
Trade and other payables	1,293,006,577	1,140,413,564	152,593,013	13%
Provisions for claims	60,305,998	39,776,398	20,529,600	52%
Income tax payable	61,301,365	77,304,410	(16,003,045)	(21%)
Borrowings, current portion	-	110,000,000	(110,000,000)	(100%)

Dividends payable	41,204,151	157,704,166	(116,500,015)	(74%)
Lease liabilities, current portion	121,403,415	105,207,275	16,196,140	15%
Other current liabilities	20,755,321	15,151,320	5,604,001	37%
Total current liabilities	1,597,976,827	1,645,557,133	(47,580,306)	(3%)
Non-Current Liabilities				
Borrowings, net of current	-	45,000,000	(45,000,000)	(100%)
Provisions	192,587,748	145,949,616	46,638,132	32%
Retirement benefit obligation	487,088,930	537,917,053	(50,828,123)	(9%)
Deferred income tax liabilities, net	746,122,840	789,362,058	(43,239,218)	(5%)
Lease liabilities, net of current portion	76,056,429	183,542,798	(107,486,369)	(59%)
Total non-current liabilities	1,501,855,947	1,701,771,525	(199,915,578)	(12%)
TOTAL LIABILITIES	3,099,832,774	3,347,328,658	(247,495,884)	(7%)
Equity				
Equity attributable to owners of Parent Company				
Share capital	342,861,700	342,861,700	-	0%
Capital in excess of par value	1,701,610,449	1,701,610,449	-	0%
Treasury stock	(15,035,660)	(15,035,660)	-	0%
Revaluation surplus	3,294,725,252	3,304,442,756	(9,717,504)	(0%)
Remeasurements on retirement benefits	1,463,800	(92,247,051)	93,710,851	(102%)
Retained earnings	3,586,864,500	3,023,832,379	563,032,121	19%
	8,912,490,041	8,265,464,573	647,025,468	8%
Non-controlling interest	23,482,590	23,527,460	(44,870)	(0%)
EQUITY	8,935,972,631	8,288,992,033	646,980,598	8%
TOTAL LIABILITIES AND EQUITY	12,035,805,405	11,636,320,691	399,484,714	3%

Cash and cash equivalents (increased by P1.2 billion or 196%) from P598 million as of end of 2021 to P1.8 billion as of end of 2022, mainly due to increasing daily collections from increasing outpatient services and collections from Philhealth, HMOs and corporate accounts.

Receivables (decreased by P475 million or 37%) – This is mainly a result of extensive collection efforts from Philhealth, HMOs and corporate accounts.

Inventories (increased by P14 million or 5%) – Mainly due to buffer stocks for the year-end, including the requirement for the first month of the following year.

Prepayments and other current assets (increased by P3 million or 14%) – Mainly due to down payments to supplier for purchase of corporate give-aways and other inventory items.

Other non-current assets (increased by P33 million or 24%)- Due to higher down payments for the purchase of medical equipment.

Trade and other payables (increased by P153 million or 13%) This include the receipt of Special Risk Allowance from Department of Health which was subsequently released to the identified employees in January 2023.

Provision for claims, current (increased by P21 million or 52%) This include an increase in the provision for contingencies for legal and tax related claims.

Income tax payable (decreased by P16 million or 21%)-Mainly due to higher payment of income tax in prior quarters.

Borrowings, current portion & noncurrent (decreased by P155 million or 100%) – Due to payment of principal amortization.

Dividends payable (decreased by P117 million or 74%) - Due to payment of dividends last January 28, 2022 and August 26, 2022.

Lease liabilities, current portion & noncurrent (decreased by P91 million or 32%) Due to quarterly lease payments.

Other current liabilities (increased by P6 million or 37%) Due to additional security deposits from HMO accounts.

Provisions (increased by P47 million or 32%) – Due to additional provision related to pending unresolved claims from legal cases.

Retirement Benefit Obligation (decreased by P51 million or 9%) – Due to contributions made for the year and recognition of actuarial income based on the latest actuarial reports.

Deferred income tax liabilities, net (decreased by P43 million or 5%) Due to increase deferred tax assets arising from increased provision for bad debt, accrued retirement and additional provision from various claims.

Remeasurements (increased by P94 million or 102%) -Due to the recognition of actuarial gains based on the latest actuarial report.

Non-controlling interest refers to the proportionate share of the other owners of Computerized Imaging Institute, Inc., a 60% owned subsidiary of the Parent Company.

Cost and Expenses

The components of expenses for each of the three years in the period ended December 31 are as follows:

	2022	2021	2020
Medicines, Dietary, Linen, Laundry & Supplies	1,903,285,233	1,933,793,924	1,917,190,425
Salaries and benefits	1,523,675,809	1,343,259,012	1,240,878,137
Depreciation	666,043,281	664,838,892	631,425,001
Professional services	589,593,124	458,265,503	401,350,662
Contracted services	490,933,778	484,072,176	440,088,943
Provision for impairment of receivables	273,899,244	275,362,092	217,272,455
Utilities	257,713,380	177,383,001	169,493,978
Repairs and maintenance	177,960,168	147,165,013	131,581,052
Security and janitorial services	109,659,508	116,965,742	124,875,607
Retirement benefit	93,718,196	94,186,502	76,816,297
Taxes and licenses	56,042,451	48,372,261	51,255,485
Commission	42,707,773	37,660,684	29,688,171
Advertising	17,339,868	11,796,586	8,009,660
Communication	15,018,233	14,379,197	13,855,497
Rent	11,364,588	12,284,121	8,340,015
Others	123,210,607	127,294,283	152,312,375
Total	6,352,165,241	5,947,078,989	5,614,433,760

Significant year-on-year variances on expenses are as follows:

2022 Compared to 2021

Account	December 31		Increase (Decrease)	
	2022	2021	Amount	%
Medicines, Dietary, Linen, Laundry & Supplies	1,903,285,233	1,933,793,924	(30,508,691)	(2%)
Salaries and benefits	1,523,675,809	1,343,259,012	180,416,797	13%
Depreciation	666,043,281	664,838,892	1,204,389	0%
Professional services	589,593,124	458,265,503	131,327,621	29%
Contracted services	490,933,778	484,072,176	6,861,602	1%

Provision for impairment of receivables	273,899,244	275,362,092	(1,462,848)	(1%)
Utilities	257,713,380	177,383,001	80,330,379	45%
Repairs and maintenance	177,960,168	147,165,013	30,795,155	21%
Security and janitorial services	109,659,508	116,965,742	(7,306,234)	(6%)
Retirement benefit	93,718,196	94,186,502	(468,306)	(0%)
Taxes and licenses	56,042,451	48,372,261	7,670,190	16%
Commission	42,707,773	37,660,684	5,047,089	13%
Advertising	17,339,868	11,796,586	5,543,282	47%
Communication	15,018,233	14,379,197	639,036	4%
Rent	11,364,588	12,284,121	(919,533)	(7%)
Others	123,210,607	127,294,283	(4,083,676)	(3%)
	6,352,165,241	5,947,078,989	405,086,252	7%

Salaries and Benefits (increased by P180 million or 13%) Mainly due to salary adjustments pursuant to the Collective Bargaining Agreement with the employee union, additional headcount and performance-based incentives.

Professional services (increased by P131 million or 29%) Mainly due to higher readers fees, professional fees on packages and retainer's fees.

Utilities (increased by P80 million or 45%) Mainly due to the fuel cost recovery adjustment passed on by the electric company to consumers.

Repairs and maintenance (increased by P31 million or 21%) Due to increase in consumables and one time repair of medical equipment.

Security and Janitorial services (decreased by P7 million or 6%) Due to reduced headcount of housekeeping personnel and security guards as part of cost management.

Taxes and licenses (increased by P8 million or 16%) Due to higher business tax for 2022.

Commission (increased by P5 million or 13%) Due to increased credit card transactions during the year.

Advertising (increased by P6 million or 47%) Due to higher print ad placements paid in 2022.

Rent (decreased by P1 million or 7%) - Due to lower rental fee for ventilators offset by higher rental of parking slots.

2021 Compared to 2020

Salaries and Benefits (increased by P102 million or 8%) Due to payout of one-time appreciation pay to employees.

Depreciation (increased by P33 million or 5%) Mainly due to investment on new services such as the PET CT and the Wellness Center. In addition, the hospital increased its inventory of medical equipment that will allow it to be more prepared in case of surges of COVID cases.

Contracted services (increased by P44 million or 10%) Mainly due to the increase in outsourcing fees of the clinical laboratory operations. These were partially offset by security and janitorial as part of the cost cutting plan of the hospital.

Professional services (increased by P57 million or 14%) Mainly due to higher readers fees, professional fees on packages and retainers fees.

Provision for impairment of receivables (increased by P58 million or 27%) Due to additional provision for long outstanding receivables from Philhealth and private patients.

Utilities (increased by P8 million or 5%) Due to higher power consumption of electricity as a result of opening of several outpatient centers and doctors' clinics and partially offset by lower water consumption.

Repairs and maintenance (increased by P16 million or 12%) Due to increase in consumables and one time repair of medical equipment.

Security and Janitorial services (decreased by P8 million or 6%) Due to reduced headcount of housekeeping personnel as a result of limited operation of the hospital during the enhanced community quarantine.

Retirement benefit (increased by P17 million or 23%) Higher expense provision as determined by an actuarial report.

Taxes and licenses (decreased by P3 million or 6%) Due to lower business tax for 2021.

Commission (increased by P8 million or 27%) Due to increased credit card transactions during the year.

Rent (increased by P4 million or 47%) - Due to higher rental fee for ventilators and rental of mobile x-ray van.

Advertising (increased by P4 million or 47%) Due to higher advertising service fees paid in 2021.

Transportation expense (decreased by P36 million or 90%) Due to payment for shuttle services provided to employees in 2020 and none in 2021.

Others (increased by P11 million or 10%) Due to higher computer program support expenses and corporate events offset by lower photocopying and insurance expenses for the year.

Other Matters:

- Except as otherwise disclosed in the consolidated financial statements, the Group has no other material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships with unconsolidated entities or other persons created during the reporting period.
- As disclosed in Note 21 of the consolidated financial statements, commitment for purchase of capital expenditures comprising mostly of renovation of facilities and purchase of equipment amounts to **P397,389,911** as at December 31, 2022.
- Except as otherwise disclosed in the consolidated financial statements, there are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the net revenues or income from continuing operations.
- The Parent Company has outsourced its clinical laboratory services to its related party starting September 2017. The Parent Company has a yearly minimum commitment of P408,189,000 worth of laboratory services.

6. Key Performance Indicators

The following are the major performance measures that the Group uses. Analyses are employed by comparisons and measurements based on the financial data of the current period against the same period of previous year.

Details	2022	2021
Liquidity: Current Ratio	1.8:1	1.3:1
Solvency: Debt to Equity Ratio	0.35	0.40
Profitability:		

Return on Shareholders' Equity	9.13%	5.88%
Operating Efficiency:		
Revenue Growth	10.52%	20.12%
Operating Margin	14.54%	10.96%

The manner by which the Parent Company calculates the above indicators is as follows:

<u>KPI</u>	<u>Formula</u>
Current Ratio	Current Assets/Current Liabilities
Debt to Equity Ratio	Total Liabilities (Current + Non-Current)/Shareholders' Equity
Return on Shareholders' Equity	Net Profit for the year/ Average Shareholders' Equity
Revenue Growth	(Current period Net Revenues/Prior Period Net Revenues)-1
Operating Margin	Profit from Operations /Net Revenues

Financial Statements

The Financial Statements and the auditors' PTR, name of certifying partner and address are attached as "ANNEX D".

There were no changes in and disagreements with accountants on accounting and financial disclosure.

Management's Discussion and Analysis of Financial Conditions and Results of Operations (For the First Quarter of 2023)

Introduction

This discussion summarizes the significant factors affecting the consolidated statements of the financial position, statements of income, changes in equity and cash flows of Medical Doctors, Inc. and its subsidiary (the "Group") for the three months ended March 31, 2023 and 2022.

Medical Doctors, Inc. (the "Parent Company") was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on April 23, 1963 primarily to establish, operate, manage and own a hospital or hospitals, medical and chemical clinics and/or laboratories and such other enterprises that may have similar undertakings. The Parent Company operates under the trade name of Makati Medical Center (the "Hospital").

The Parent Company has 60% ownership in its subsidiary, Computerized Imaging Institute, Inc. (CIII).

I. Consolidated Profit and Loss Statements

Below is the consolidated P&L of the Group for the three months ended March 31, 2023 and 2022.

	YTD March 31		Variance	
	2023	2022	Amount	%
GROSS REVENUES	2,337,422,752	1,812,166,943	525,255,809	29.0%
DISCOUNTS AND FREE SERVICES	(301,799,594)	(236,157,716)	(65,641,878)	27.8%
NET REVENUES	2,035,623,158	1,576,009,227	459,613,931	29.2%
COST OF SERVICES	(1,232,426,623)	(1,023,832,840)	(208,593,783)	20.4%
GROSS PROFIT	803,196,535	552,176,387	251,020,148	45.5%

ADMINISTRATIVE EXPENSES	(446,703,852)	(410,453,891)	(36,249,961)	8.8%
OTHER INCOME, net	37,357,865	15,998,807	21,359,058	133.5%
PROFIT FROM OPERATIONS	393,850,548	157,721,303	236,129,245	149.7%
FINANCE COSTS, NET	(3,716,453)	(6,430,036)	2,713,583	(42.2%)
PROFIT BEFORE INCOME TAX	390,134,095	151,291,267	238,842,828	157.9%
INCOME TAX EXPENSE	(95,660,344)	(37,703,793)	(57,956,551)	153.7%
PROFIT FOR THE PERIOD	294,473,751	113,587,474	180,886,277	159.2%

For the three months ended March 31, 2023, the Group's net profit after tax amounted to P294.5 million, 159.2% (P180.9 million) higher than the net profit of P113.6 million in the same period last year. This is mostly due to the increase of outpatient census as the government implements a less strict community quarantine resulting in more patients visiting the hospital for their healthcare needs that has previously been placed on hold. In addition, the Company experienced lower patient census in the first quarter of 2022 due to the surge of COVID-19 cases dominated by the omicron variant of the virus. The rationalization of manpower and close monitoring of other operating costs further contributed to the profit growth.

Inpatient revenues posted an increase of 25.3% consistent with higher average occupied beds of 263 beds vs last year's 191 beds this is driven by less COVID-19 cases handled. In the meantime, outpatient revenues grew by 31.8% due to the return of patients to the hospital, of which the major contributors include laboratory, emergency, pharmacy, and radiology.

Average bed occupancy level of the Parent Company's hospital for the three months ended March 31, 2023 and 2022 are as follows:

Particulars	2023	2022	Variance	%
Occupancy				
Parent				
Bed Capacity (Available)	521	494	27	5%
Bed Occupied	263	191	72	38%
Occupancy Rate	50%	39%		31%

* To reflect a more accurate utilization of beds, closed rooms due to maintenance/renovation, social distancing, temporary space for donning and doffing of PPE, storage and other purpose were excluded in the bed capacity and beds paid for the day were included in the number of occupied beds even if patient has been discharged mid-day.

Costs and expenses:

Combined cost of services and administrative expenses of the Group for the three months ended March 31, 2023 and 2022 are as follows:

Account	YTD Mar 31		Increase (Decrease)	
	2023	2022	Amount	%
Medicines, Dietary, Linen, Laundry & Supplies	521,622,510	451,558,827	70,063,683	16%
Salaries and Benefits	427,929,035	358,556,187	69,372,848	19%
Professional Services	172,794,552	120,728,915	52,065,637	43%
Depreciation	167,080,490	168,407,364	(1,326,874)	(1%)
Contracted Services	128,653,028	114,235,233	14,417,795	13%
Utilities	56,018,549	40,578,781	15,439,768	38%
Provision for Impairment of Receivables	54,873,440	54,412,457	460,983	1%
Repairs and Maintenance	48,124,527	38,909,757	9,214,770	24%
Security and Janitorial Services	30,988,526	28,951,972	2,036,554	7%

Commission	12,889,142	8,956,503	3,932,639	44%
Advertising	3,855,023	2,471,568	1,383,455	56%
Communication	3,827,588	3,572,237	255,351	7%
Rent	3,161,271	2,534,719	626,552	25%
Others	47,312,794	40,412,211	6,900,583	17%
Total	1,679,130,475	1,434,286,731	244,843,744	17%

Significant movements in cost and operating expenses are as follows:

- 1) *Medicines, Dietary, Linen, Landry and Supplies* (increased by P70.1 million or 16%) -This is partly attributable to the increase in hospital revenues and partly due to the mix of patient cases that requires more supplies. Inpatient census has increased by 58% compared to same period last year.
- 2) *Salaries and Benefits* (increased by P69.4 million or 19%) - This is mainly due higher headcount, mostly nurses, to address the increasing patient census brought about by the gradual easing of community quarantines. Hiring costs, employee retention programs and performance-based adjustments further added to the costs.
- 3) *Professional services* (increased by P52.1 million or 43%)- Mainly due to higher availments of medical and surgical packages and readers fees on outpatient services.
- 4) *Contracted services* (increased by P14.4 million or 13%) -Mainly due to the increase in outsourcing fees of its clinical laboratory operations. Outsourcing fees are based on the type and volume of processed laboratory tests.
- 5) *Utilities* (increased by P15.4 million or 38%) – Mainly due to the fuel cost recovery adjustment passed on by the electric company to consumers.
- 6) *Repairs and Maintenance* (increased by P9.2 million or 24%)- Mainly due to availment of comprehensive preventive maintenance for most of the radiology equipment.
- 7) *Security and Janitorial* (increased by P2.0 million or 7%) – Due to additional headcount of housekeeping personnel and security guards.
- 8) *Commissions* (increased by P3.9 million or 44%) – Due to increase in credit card transactions.
- 9) *Advertising* (increased by P1.4 million or 56%) - Due to higher brand equity/ print ad placements for the period.
- 10) *Communication* (increased by P0.3 million or 7%) – Due to additional data subscription for offsite centers.
- 11) *Rent* (increased by P0.6 million or 25%) - Due to rental of additional 50 parking slots.
- 12) *Others* (increased by P6.9 million or 17%) – Due to higher training, taxes, representation and computer program support expenses.

II. Material Changes Per Line of Accounts

Balance Sheet (as against December 31, 2022)

Statement of Financial Position

	<u>1Q-2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>	<u>% Inc (Dec)</u>
<u>Current Assets</u>				
Cash	2,032,685,910	1,770,228,648	262,457,262	15%
Receivables, net	722,284,073	814,875,524	(92,591,451)	(11%)
Inventory, net	292,028,442	290,124,523	1,903,919	1%
Prepayment and other current assets	46,650,448	25,085,557	21,564,891	86%
Total Current Assets	3,093,648,873	2,900,314,252	193,334,621	7%
<u>Non-Current Assets</u>				
Property and equipment, net	8,916,180,309	8,965,656,878	(49,476,569)	(1%)
Other non-current assets	173,462,626	169,834,275	3,628,351	2%
Total Non-Current Assets	9,089,642,935	9,135,491,153	(45,848,218)	(1%)
TOTAL ASSETS	12,183,291,808	12,035,805,405	147,486,403	1%
<u>Current Liabilities</u>				
Trade and other payables	1,118,320,940	1,293,006,577	(174,685,637)	(14%)
Provision for claims	60,305,998	60,305,998	-	0%
Income tax payable	113,773,642	61,301,365	52,472,277	86%
Dividends payable	40,258,245	41,204,151	(945,906)	(2%)
Lease liabilities, current	81,386,307	121,403,415	(40,017,108)	(33%)
Other current liabilities	27,394,660	20,755,321	6,639,339	32%
Total Current Liabilities	1,441,439,792	1,597,976,827	(156,537,035)	(10%)
<u>Non-Current Liabilities</u>				
Provisions	192,587,748	192,587,748	-	0%
Retirement benefit obligation	503,526,908	487,088,930	16,437,978	3%
Deferred income tax liabilities, net	727,199,750	746,122,840	(18,923,090)	(3%)
Lease liabilities, net of current portion	87,282,435	76,056,429	11,226,006	15%
Total Non-Current Liabilities	1,510,596,841	1,501,855,947	8,740,894	1%
TOTAL LIABILITIES	2,952,036,633	3,099,832,774	(147,796,141)	(5%)
<u>Shareholders' Equity</u>				
Share capital	342,861,700	342,861,700	-	0%
Capital in excess of par value	1,701,610,449	1,701,610,449	-	0%
Treasury shares	(15,035,660)	(15,035,660)	-	0%
Revaluation surplus	3,292,295,875	3,294,725,252	(2,429,377)	(0%)
Remeasurement on retirement benefits	1,463,800	1,463,800	-	0%
Retained earnings	3,884,576,376	3,586,864,500	297,711,876	8%
Minority interest	23,482,635	23,482,590	45	0%
SHAREHOLDERS' EQUITY	9,231,255,175	8,935,972,631	295,282,544	3%
TOTAL LIABILITIES AND EQUITY	12,183,291,808	12,035,805,405	147,486,403	1%

Cash (increased by P262.5 million or 15%) from P1,770.2 million as of end of 2022 to P2,032.7 million as of March 31, 2023, mainly due to increasing daily collection from outpatient services and collection from Philhealth, HMOs and corporate accounts.

Receivables, net (decreased by P92.6 million or 11%)- This is mainly a result of extensive collection efforts from Philhealth, HMOs and corporate accounts.

Prepayment and other current assets (increased by P21.5 million or 86%) These are creditable withholding tax received for the period that has not yet been applied to income tax payable. Downpayments for medical equipment also contributed to the increase.

Trade and other payables (decreased by P174.7 million or 14%) This is mainly due to the liquidation of advance payment from Philhealth (DCPM 3) and payments to various contractors.

Income tax payable (increased by P52.5 million or 86%) Due to higher taxable income as of 1st quarter of 2023.

Lease liabilities, current and noncurrent portion (decreased by P28.8 million or 15%) Due to quarterly lease payments.

Other current liabilities (increased by P6.6 million or 32%) – Due to increase in Doctor's advance rental payments.

Stockholders' Equity movement includes (i) net profit after tax of P294.5 million (ii) Depreciation appraisal surplus P2.4 million.

Minority interest refers to the proportionate share of the owner of Computerized Imaging Institute, Inc. (CIII), a 60% owned subsidiary of the center.

II. Key Performance Indicators (March 31, 2023 vs. December 31, 2022)

	March 2023	December 2022
Gross Profit margin	34.4%	38.2%
Net Profit margin	12.6%	9.32%
Return on Equity	3.2%	8.80%
Current ratio	2.15:1	1.81:1
Interest rate coverage	105.97:1	46.35:1
Debt to equity ratio	0.32:1	0.35:1
Debt ratio	0.24:1	0.26:1
Asset-to-equity ratio	1.32:1	1.35:1

The manner by which the Group calculates the above indicators is as follows:

<u>KPI</u>	<u>Formula</u>
Gross Profit margin	Gross Profit / Revenues
Net Profit margin	Net Income available to common shareholders / Revenues
Return on Equity	Net Income available to common shareholders / Shareholders' Equity
Current ratio	Current Assets / Current Liabilities
Interest rate coverage	Earnings before interest and taxes / Interest Expense
Debt to equity ratio	(Borrowings - Cash) / Shareholders' Equity
Debt ratio	EBITDA (Profit from Operation before Depreciation and Amortization)/(Loan + Interest Payment)
Asset-to-equity ratio	Total Assets / Total Equity

IV. Other Matters

- a) The Parent Company, as the petitioner, filed a petition for review with the Court of Appeals vs Dr. Benjamin D. Adapon, for himself and on behalf of Computerized Imaging Institute, Inc. (Respondents), on the matter of an earlier notice of award issued by the Regional Trial Court of Makati (Civil Case no. 11-343) in favor of the Respondents. On September 20, 2016, the Court of Appeals issued a Notice of Resolution effectively putting on hold the payment of the award issued by the RTC of Makati but requiring the petitioner to post a bond equal to the award. As such the Parent Company, through Stronghold Insurance Company, Inc, has restricted cash amounting to P87,349,157.45 for purposes of posting the required bond. The bond was submitted to the court on September 29, 2016. On February 15, 2017, the Court of Appeals issued its decision vacating the Arbitration award in favor of the Parent Company. Dr. Adapon has elevated the case to the Supreme Court for further review. On September 8, 2022, the Parent Company renewed its bond valid from September 22, 2022 to September 21, 2023. The restricted cash is reflected as part of "Other noncurrent assets" in the balance sheet as of March 31, 2023.

On 14 June 2021, the Supreme Court granted the Petition filed by Dr. Adapon and reinstated the Order of the Regional Trial Court. The Parent Company has filed a Motion for Reconsideration of the 14 June 2021 Decision of the Supreme Court, which is now pending for resolution.

On 25 April 2016, Dr. Benjamin D. Adapon (Petitioner), claiming to represent himself and the Computerized Imaging Institute, Inc. (CII) filed a Petition for Interim Protective Measures in Aid of Arbitration with the Regional Trial Court of Makati. Petitioner prays for the issuance of a Temporary Order of Protection and an Injunction to direct the Parent Company to comply with the Letter of Intent and to remit to CII or to deposit with the Courts, pending arbitration, all fees collected by the Parent Company from MRI and CT scans from 2011 up to present and beyond as they fall due, which fees, Petitioner claims pertain to CII.

The Group is a plaintiff or defendant in various other cases now pending before the courts and those arising out of its normal course of operations. In the opinion of management, based on advice of its legal counsels, the ultimate disposition of these cases will not have any significant effect on the Group's financial position, results of operations and cash flows as of March 31, 2023.

The Parent Company are also in receipt of Letters of Authority from the Bureau of Internal Revenue (BIR) for a regular audit of their tax receipts for taxable years 2018, 2019, 2020 and 2021. A Notice of Discrepancy (NOD) was received last September 2, 2021, September 9, 2021 and April 6, 2020 for taxable years 2018, 2019 and 2020 respectively. On February 10, 2022 and March 8, 2022, the Parent Company received the amended NOD's for the years 2018 and 2019 which includes new and lower discrepancies for reconciliation.

A Preliminary Assessment Notice (PAN) and a Formal Letter of Demand (FLD) was received on February 23, 2023 and March 20, 2023 respectively for the 2018 BIR Tax Audit. A protest letter was filed by the Parent Company on April 17, 2023.

Subsequently on the same day, a Preliminary Assessment Notice was received for the 2019 Tax audit. A protest letter was filed by the Parent Company on May 2, 2023. Revised schedules and additional documents were also submitted to support the updated reconciliations related to the 2019 PAN.

- b) There are no unusual items as to nature and amount affecting assets, liabilities, equity, net income or cash flows, except those discussed in the notes to financial statements and in the Stockholders' Equity portion of Management Discussion.
- c) Funding for the Modernization plans of the Parent Company are financed from operating funds, supplier's credits and whenever necessary through bank loans. Except for the possible future impact of the continuing COVID-19 pandemic, there are no other known trends, demands, commitments, events or uncertainties that would have material adverse effect on the Group's liquidity. Considering that the COVID-19 pandemic is still continuing and evolving, the Parent Company will also continue to assess its impact to its financial position, performance and cash flows. On March 27, 2023, the Board of Directors approved the reversal of prior appropriation of retained earnings and a new appropriation amounting to

P2 billion intended for the construction and fit-out of a new building tower expected to be built in 2023 to 2026 as part of the Company's expansion plans.

- d) All outstanding bank loans of the Parent Company were settled last June 10, 2022.
- e) There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the period.
- f) The Parent Company has issued various purchase orders and commitments related to the modernization of its facilities and equipment aggregating to about P430.1 million. These are mostly contractors for renovation projects and suppliers of medical equipment which will all be funded by its operations. On July 20, 2021, the Board of Directors approved a proposal to establish an outpatient clinic and diagnostic center in Quezon City. The said clinic has been made operational starting March 31, 2022
- g) Except for the possible future impact of the continuing COVID-19 pandemic, there are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.
- h) There are no significant elements of income or loss that did not arise from the company's continuing operations.
- i) There are no seasonal aspects that had a material effect on the financial condition or results of operations during the period.
- j) There are no repurchases of equity securities.
- k) The Parent Company's BOD authorized and approved the declaration and payment of cash dividends as follows:

Declaration date	Payment date	Shareholder beneficiaries as of record date	From retained earnings as at December 31	Dividend per share	Total dividends
July 20, 2021	August 30, 2021	July 31, 2021	2019	45.82	156,738,169
December 2, 2021	January 28, 2022	December 31, 2021	2019	37.49	128,243,430
July 19, 2022	August 26, 2022	July 30, 2022	2021	69.12	236,441,341

- l) There are no changes in contingent liabilities or contingent assets since the last annual balance sheet date.
- m) All approvals and resolutions made by the Board of Directors during the reporting period including all other matters requiring disclosure by SEC has been made through Form 17C within the prescribed time of reporting.



MEDICAL DOCTORS, INC.
ANNUAL STOCKHOLDERS’ MEETING

GUIDELINES FOR PARTICIPATION IN THE ANNUAL STOCKHOLDERS’ MEETING VIA REMOTE COMMUNICATION AND VOTING IN ABSENTIA

Please be advised that the Annual Stockholders’ Meeting (ASM) of MEDICAL DOCTORS, INC. (MDI or the Company) will be held on **Tuesday, July 18, 2023, 5:00 P.M.**

The Company will dispense with the physical attendance of stockholders at the meeting. Instead, attendance, participation and voting by stockholders shall be conducted via remote communication and in absentia pursuant to Sections 23 and 57 of the Revised Corporation Code of the Philippines and Securities and Exchange Commission (SEC) Memorandum Circular No. 6-2020.

I. REGISTRATION

1. Stockholders may participate in the ASM via remote communication, and may cast their votes in absentia by:
 - (a) registering online at <asm2023.makatimed.net.ph> (the “Website”) from **June 15 to July 15, 2023**; or
 - (b) by sending the documentary requirements listed under Item 3 below, with transmittal letter to the Finance Division, Makati Medical Center, 5th Floor Keyland Centre 143 Dela Rosa corner Adelantado St, Legaspi Village, Makati City not later than **5:00 P.M. on July 15, 2023**; or
 - (c) by emailing scanned copies of the documentary requirements listed under Item 3 below to mmcfinance@makatimed.net.ph not later than **5:00 P.M. on July 15, 2023**.
2. Subject to validation of the documentary requirements, only Stockholders who are able to register through any of the methods provided in Item 1 will be allowed to participate in the ASM by remote communication and to cast their votes in absentia.
3. To register, the Stockholder will be required to provide the following documents and information:

Individual Stockholders

- (a) Copy of Stockholder’s valid government-issued ID (such as passport, driver’s license, or unified multipurpose ID)
- (b) Stockholder’s valid and active e-mail address and contact number
- (c) Stockholder’s registered address
- (d) Stockholder’s citizenship/nationality

MMC Doctors

- (a) Copy of Stockholder’s valid government issued ID (such as passport, driver’s license, or unified multipurpose ID) and or their MakatiMed ID
- (b) Stockholder’s valid and active e-mail address and contact number
- (c) Stockholder’s registered address
- (d) Specialty / clinic room number

Corporate Stockholders

- (a) Copy of Secretary's Certificate quoting the board resolution authorizing the corporate officer to participate by remote communication for, and on behalf of the Corporation/Partnership.
- (b) Copy of the authorized representative's valid government issued ID (such as passport, driver's license, or unified multipurpose ID)
- (c) Authorized representative's valid and active e-mail address and contact number

The Company shall verify the information and details submitted through its online registration, via courier/personal delivery or email starting **June 20, 2023**.

After verification of complete submission of the required information and documents, the Stockholder shall receive an email through the Stockholder's registered email address confirming the registration. Such email confirmation shall also contain the log-in details per Stockholder and instructions on how to participate in the ASM.

- 4. Stockholders who wish to assign a proxy for matters that will be voted upon in this meeting may download the proxy form available at the Website. Accomplished and signed proxy form may then be submitted by emailing a scanned copy to <**mmcfinance@makatimed.net.ph**>.
- 5. To avoid last minute changes that may lead to delay, cancellation of proxies will not be allowed from **July 16, 2023** up to the end of the Annual Stockholders Meeting on **July 18, 2023**.
- 6. At all times, the right of the Stockholder to the privacy of his/her personal data as provided in the Data Privacy Act shall be ensured.

Online Registration Procedure

- 1. Register online through the "Website". Please ensure that you have prepared the necessary information and scanned copies of the documentary requirements such as MMC or government IDs.
- 2. Read the Data Privacy Notice on the Website. If you agree to its terms, please check the box signifying your consent to the processing of your personal information which shall be used only for purposes of the ASM.
- 3. Enter the information required in the respective fields and upload the digital copy of your valid ID. When all information and documents have been uploaded, please click the "Submit" button.
- 4. A Stockholder's online registration cannot be completed if any of the mandatory requirements are not submitted.

II. PARTICIPATION VIA REMOTE COMMUNICATION

- 1. Only the Stockholders, or their proxies, who have successfully registered, and have logged in, to the Website may be given access to the ASM Live Portal, a livestream video service that will allow Stockholders or their proxies to participate in the ASM.
- 2. Video recordings of the ASM will be adequately maintained by the Company and will be made available to participating Stockholders upon request.

III. VOTING IN ABSENTIA

- 1. Stockholders who have successfully registered and have been notified via email of their registration may exercise their right to vote in absentia on the Agenda items by accomplishing the print-out of MDI's ballot

form. The ballot form can be accessed and downloaded from the Website. Alternatively, Stockholders may also request for a ballot form by sending an email request to <mmcfinance@makatimed.net.ph>.

2. Once the MDI ASM ballot form is completed, the Stockholder or his proxy may submit the ballot by uploading the file via the Website or by emailing a scanned copy of the same to <mmcfinance@makatimed.net.ph> not later than **5:00 P.M. on July 18, 2023**.

IV. OPEN FORUM

During the ASM questions submitted by Stockholders will be read in an Open Forum, where representatives of the Company will endeavor to answer as many questions as time will allow.

Stockholders may send their questions in advance by sending an email with the subject “**ASM 2023 Open Forum**” to <mmcfinance@makatimed.net.ph> not later than **3:00 pm on July 18, 2023**. A section for Stockholder comments/questions or a “chatbox” shall also be provided in the livestreaming platform.

Questions/comments received but not entertained during the Open Forum due to time constraints will be addressed separately by MDI through the Stockholders’ email addresses.

For any clarification or other ASM-related queries, Stockholders may contact MDI at <mmcfinance@makatimed.net.ph>.

MEDICAL DOCTORS, INC. (MAKATI MEDICAL CENTER)

ANNUAL MEETING OF THE STOCKHOLDERS

Tuesday, July 18, 2023, 5:00PM

PROXY

--

I, the undersigned stockholder of **MEDICAL DOCTORS, INC.** (the "Company"), appoint:

Number of Shares Represented

The Chairman of the Board of Directors of the Company, or in his absence; The Vice-Chairman of the Board of Directors of the Company, or in his absence

The President of the Company, or in his absence; The Chairman of the July 18, 2023 Annual Meeting of Stockholders

as my proxy, to represent me at the regular meeting of the stockholders of the Company on Tuesday, July 18, 2023 at 5:00 p.m. via video conference, and any of its adjournment(s), and for all special or regular stockholders' meeting thereafter as fully as I could do if present and voting in person, ratifying all action taken on matters that may properly come before such meeting or its adjournment(s). I direct my proxy to vote shares which I own, or may hereafter own, and such shares as I am authorized to vote in my capacity as Administrator, Executor or Attorney-in-Fact, on the agenda items I have marked below. If I fail to indicate my vote on the items specified below, I authorize my proxy to exercise full discretion to act and I understand that my proxy shall vote in accordance with the recommendation of Management. Furthermore, if I fail to indicate the number of votes I will cast in favor of my nominees for directors as indicated below or should any of the nominee/s hereunder withdraw his or her nomination/s, I hereby authorize my proxy to exercise full discretion to accordingly allocate and distribute votes to any of the said nominees or remaining nominees, as the case may be, as he/she deems best. Management recommends a "FOR" vote for the nominees in proposal 1 through 6 and 7A.

	FOR	AGAINST	ABSTAIN
1. Approval of the Minutes of the Regular Stockholders' Meeting of July 19, 2022	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of the Annual Report of the Company for the year ended December 31, 2022	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of the Amendments to Article III, Section 10 of the By-Laws (see proposed resolutions as provided in the Definitive Information Statement)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of all the acts of the Board of Directors and Officers since July 19, 2022	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of the extension of term of Mr. Francisco A. Dizon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Re-appointment of Isla Lipana & Co / Pricewaterhouse Coopers as external auditors of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. Election of the Registrant Corporation's Nominees as Directors for the ensuing year	ACTION
<input type="checkbox"/> A) Vote equally for all nominees or distribute or cumulate my shares to nominee/s listed below:	
1. Alimurung, Benjamin N., M.D.	
2. Almira, Pilar Nenuca P., LLB	
3. Fores, Jose Amado A.	
4. Gisbert, Victor L., M.D.	
5. Javier, Agripino A., M.D.	
6. Lim, Jose Ma. K.	
7. Lorenzo III, Conrado Gabriel, M.D.	
8. Madrigal, Ma. Susana A. S.	
9. Palisoc Jr., Augusto P.	
10. Pangilinan, Manuel V.	
11. Roxas, Judy A.	
12. Suntay, Remedios G., M.D.	
Independent Directors are:	
1. Aguilar, Diana P.	
2. Dizon, Francisco A.	
3. Sandejas, Francisco S. A.	

☐ B) Withhold authority to vote for all nominees listed above☐ C) Withhold authority to vote for nominees listed below

This proxy shall be effective for five (5) years from the date of its issuance or until such time as the proxy is withdrawn by me through notice in writing delivered to the Corporate Secretary but shall not apply in instances where I personally attend the meeting.

In WITNESS WHEREOF, the undersigned stockholder has executed this proxy this _____ day of _____, 2023.

PRINTED NAME OF SHAREHOLDER

SIGNATURE OF SHAREHOLDER/AUTHORIZED SIGNATORY

THIS PROXY IS BEING SOLICITED ON BEHALF OF THE REGISTRANT CORPORATION
YOU ARE RESPECTFULLY REQUESTED TO SEND THE REGISTRANT CORPORATION THIS COPY

Please send accomplished proxy form not later than 5pm, July 05, 2023 at the Finance Division, Makati Medical Center, Keyland Centre, No. 143 Dela Rosa St., Legaspi Village, Makati City OR email scanned copy to mmcfinance@makatimed.net.ph

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Diana Pardo Aguilar , Filipino, of legal age and a resident of 205 Cadena de Amor St., Ayala Alabang Village, Muntinlupa City , after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Medical Doctors, Inc. and have been its independent director since July 2018 (where applicable).
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporation:

Company	Position	Period of Service
Social Security System	Commissioner (representing the private sector)	August 2010 to present
Security Bank Corporation	Director	April 2017 to present
SB Capital Investment Corp	Chairperson	August 2016 to present
La Salle Greenhills	Chariperson	September 2019 to present
De La Salle Philippines	Member, Investment Comm	July 2018 to present
DSL-College of Saint Benilde, Inc.	Member, Executive Comm of the Board	July 2020 to present
La Salle East Asia District Board's LEAD Economic Council and Investment Board	Member	August 2020 to present
Science Park of the Philippines Inc	Director	June 2020 to present
Employers Confederation of the Philippines	Governor	January 2017 to present
PXP Energy Corporation	Director	February 2018 to present
Philippine Seven Corp	Consultant Advisor to the Board	January 2015 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Medical Doctors, Inc. , as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

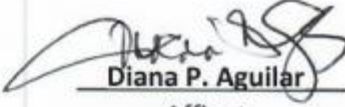
NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
N/A		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/ I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
N/A		

6. As an SSS Commissioner, I am not covered by Office of the President Memorandum Circular No. 17 dated 1986 since said circular covers employees and not members of the Commission. Likewise and similarly, I am not covered by Section 12, Rule XVIII of the Revised Civil Service Rules. Under the Charter of the SSS "Social Security Act of 2018, it is provided in section 3 that only personnel are covered by the rules of Civil Service Rules. Hence, I need not secure any clearance from the SSS for as long as my duties as an independent director in MDI do not conflict with my duties as a Commissioner of the SSS.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of Medical Doctors, inc. of any changes in the abovementioned information within five days from its occurrence.

Done this _____ day of _____, at _____


Diana P. Aguilar
 Affiant

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Series of 2023.

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CERTIFICATION OF INDEPENDENT DIRECTOR

I, **FRANCISCO F. DIZON**, Filipino, of legal age and a resident of **Unit 602 Greenbelt Mansion Condominium, 106 Perea Street, Legaspi Village, Makati City**, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **Medical Doctors, Inc.** and have been its independent director since **July 2005**.
2. I am affiliated with the following companies or organizations:

Company	Position	Period of Service
Pacific Northstar, Inc.	Chairman and President	1995 to present
Project Quest Corporation	Chairman and President	1995 to present
Fleetwood Holdings, Inc.	Chairman and President	1999 to present
Business Process Outsourcing Intl. Inc.	Chairman	2004 to present
Phoenix One Knowledge Solutions Inc.	Chairman	2001 to present
Sun Savings Bank, Inc.	President and CEO	2011 to present
Sunstar Publishing, Inc.	Director	1992 to present
Sunstar Davao Publishing, Inc.	Director	2007 to present
Sunstar Pampanga Publishing, Inc	Director	2007 to present
Capitolstar Development Corp	President	2014 to present
Laura Vicuna Foundation, Inc.	Director	1991 to present
Joyzend Corporation	President	2016 to present
Joygrowth Holdings, Inc.	Director	2017 to present
Diz Shoreline Holdings, Inc.	Chairman and President	2018 to present
Medical Doctors, Inc.	Independent Director	2005 to present
Semirara Mining & Power Corp.	Independent Director	May 2023 to present

3. I possess all the qualifications and none of the disqualifications to serve as an independent director of **Medical Doctors, Inc.**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of the following other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code.

NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP


N/A		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/ I disclose that I am the subject of the following criminal/administrative investigation or proceeding:

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
N/A		

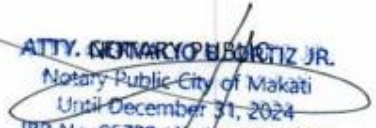
6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the _____ to be independent director in _____, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of Medical Doctors, Inc. of any changes in the abovementioned information within five days from its occurrence.

Done this _____ day of _____, at _____


FRANCISCO A. DIZON
Affiant

SUBSCRIBED AND SWORN to before me this JUN 01 2023 day of _____, affiant exhibited to me his
_____ issued at _____ on _____.

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ATTY. NOTARY PUBLIC JR.
Notary Public City of Makati
Until December 31, 2024
IBP No. 05729-Lifetime Member
MCLE Compliance No. VII-0022734
valid until April 14, 2025
Appointment No. M-39 (2023-2024)
PTR No. 9563522 Jan. 3, 2023/ Makati
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

CERTIFICATION OF INDEPENDENT DIRECTOR

I, Francisco San Agustin Sandejas, Filipino, of legal age and a resident of 181 Guava Drive Ayala Alabang Village, Alabang Muntinlupa City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Medical Doctors, Inc. and have been its independent director since July 2021 (where applicable).
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporation:

Company	Position	Period of Service
Sunlife of Canada (Phils)	Independent Director	2015 to present
Sunlife Asset Management	Independent Director	2015 to present
Maya Bank	Independent Director	2021 to present
Stratpoint Technologies	Chairman	2005 to present
XEPTO Computing	Chairman	2008 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Medical Doctors, Inc., as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am related to the following director/officer/substantial shareholder of (covered company and its subsidiaries and affiliates) other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

NAME OF DIRECTOR/OFFICER/SUBSTANTIAL SHAREHOLDER	COMPANY	NATURE OF RELATIONSHIP
N/A		

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding/ I disclose that I am the subject of the following criminal/administrative investigation or proceeding (as the case may be):

OFFENSE CHARGED/INVESTIGATED	TRIBUNAL OR AGENCY INVOLVED	STATUS
N/A		

6. (For those in government service/affiliated with a government agency or GOCC) I have the required written permission or consent from the (head of the agency/department) to be independent director in _____, pursuant to Office of the President Memorandum Circular No. 17 and Section 12, Rule XVIII of the Revised Civil Service Rules.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of Medical Doctors, Inc. of any changes in the abovementioned information within five days from its occurrence.


Done this _____ day of _____, at _____


Francisco SA Sandejas
Affiant

JUN 01 2023

SUBSCRIBED AND SWORN to before me this _____ day of _____, affiant exhibited to me his

_____ issued at _____ on _____.


ATTY. GERVACIO B. ORTIZ JR.
Notary Public/City of Makati
Until December 31, 2024
IBP No. 05729-Lifetime Member
MCLE Compliance No. VII-0022734
valid until April 14, 2025
Appointment No. M-39 (2023-2024)
PTR No. 9563522 Jan. 3, 2023/ Makati
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

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