

**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 15, 2025**  
**5:00 PM**  
**8<sup>th</sup> Floor Auditorium, Tower 2 Makati Medical Center,**  
**No.2 Amorsolo Street, Makati City**
8. Approximate date on which the Information Statement is first to be sent or given to security holders  
**June 23, 2025**
9. Name of Person Filing the Statement: **Medical Doctors, Inc. d/b/a 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, 2025)
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<b>Common</b>	<b>3,420,737</b>
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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 ANNUAL MEETING  
OF STOCKHOLDERS  
July 15, 2025**

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 held on Tuesday, **July 15, 2025** at **5:00 P.M.** at the 8<sup>th</sup> Floor Auditorium, Tower 2, Makati Medical Center.

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 held on July 16, 2024
4. Presentation of the Annual Report and approval of the 2024 Audited Financial Statements
5. Open Forum
6. Ratification of Acts and Proceedings of the Board of Directors and Corporate Officers
7. Election of the Board of Directors
8. Approval for the Extension of Term of Independent Director, Mr. Francisco A. Dizon
9. Appointment of External Auditors
10. Other Matters
11. Adjournment

For the purpose of this meeting, only stockholders of record at the close of business on **May 31, 2025** will be entitled to attend/participate and cast their votes 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 “D” of the Definitive Information Statement to the Finance Division, Makati Medical Center, 5<sup>th</sup> Floor Keyland Centre 143 Dela Rosa corner Adelantado St. Legaspi Village, Makati City and/or by email to [mmcfinance@makatimed.net.ph](mailto:mmcfinance@makatimed.net.ph) not later than **5:00 P.M.** on **June 30, 2025**. MMC Finance shall turnover all Proxy Forms to the Corporate Secretary. Validation of proxies shall be held on **July 07, 2025** at 10:00 A.M. at the Board Room, Makati Medical Center, 6<sup>th</sup> Floor Keyland Centre 143 Dela Rosa corner Adelanto St. Legaspi Village, Makati City.

The Definitive Information Statement, Proxy Form, 2024 Management Report, Annual Report for the year ended December 31, 2024 in SEC Form 17-A, Quarterly Report for the first quarter of 2025 in SEC Form 17-Q, and other pertinent documents shall be made available in the Company website [asm2025.makatimed.net.ph](http://asm2025.makatimed.net.ph) before the meeting.

**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 II, will certify that copies of the Notice of the Meeting were sent to Stockholders of record as of May 31, 2025, and will certify the number of stockholders present 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 16, 2024.** Copies of the Minutes are available for examination during office hours at the Finance Division, Makati Medical Center, 5<sup>th</sup> 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, <[asm2025.makatimed.net.ph](mailto:asm2025.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 16, 2024.”*

- 4. Presentation of the Annual Report and Audited Financial Statements.** The Report presents the milestones and achievements of the Company for the year 2024. 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 2024 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, 2024 be, as the same are hereby, confirmed, ratified and approved.”*

- 5. Open Forum.** Stockholders present or by proxy may submit any relevant question or express any appropriate comment during this time.
- 6. 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 16, 2024 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 16, 2024 up to the date of this meeting be, as they are hereby, confirmed, ratified and approved.”*

- 7. 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. Mr. Raymundo S. Cochangco
4. Dr. Jay Arnold F. Famador
5. Mr. Jose Amado A. Fores

6. Dr. Victor L. Gisbert
7. Dr. Agripino A. Javier
8. Dr. Saturnino P. Javier
9. Mr. Jose Ma. K. Lim
10. Ms. Ma. Susana A.S. Madrigal
11. Mr. Augusto P. Palisoc, Jr.
12. Mrs. Judy A. Roxas

*Independent Directors*

1. Mrs. Diana P. Aguilar
2. Mr. Francisco A. Dizon
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.

**8. 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, in the event that Mr. Francisco A. Dizon is re-elected as an Independent Director, stockholders' approval will be sought for the extension of his term as such for the year 2025-2026.

**9. Appointment of External Auditors.** The Company's external auditors for the year 2025-2026, 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 2025-2026.”*

**10. 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.

**11. 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 held on **July 15, 2025 at 5:00 P.M. at the 8<sup>th</sup> Floor Auditorium, Tower 2, Makati Medical Center**. 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 23, 2025**.

##### **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, 2025**, the Company has the following outstanding shares of common stock:

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

(b) The record date with respect to this solicitation is **May 31, 2025**. Only stockholders of record at the close of business on **May 31, 2025** 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, 2025**, 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, 2025, the deadline thereof, shall be recognized and may be voted upon during the July 15, 2025 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, 2025, the deadline thereof, shall be recognized and may be voted upon during the July 15, 2025 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 June 30, 2025** at the Finance Division, Makati Medical Center and/or by email to [mmcfinance@makatimed.net.ph](mailto:mmcfinance@makatimed.net.ph). MMC Finance shall submit the proxy for to the Corporate Secretary. Validation of proxies will be on **July 7, 2025 at 10:00 AM** at the Board Room, Makati Medical Center, 6<sup>th</sup> 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, 2025**, 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 Health Corporation (MPHC) 5/F Tower 1, Rockwell Business Center, Ortigas Avenue, Ugong, Pasig City. MDI is an associate of MPHC	Manuel V. Pangilinan Chairman of the Board of Metro Pacific Health Corporation and Medical Doctors, Inc., (Mr. Pangilinan and/or Mr. Jose Ma. K Lim are authorized to vote the shares on behalf of MPHC)	Filipino	1,151,108	33.65%

**(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, 2025**:

Title of Class	Name of Owner	Nature of Ownership	No. of Shares	Amount	Citizenship	Percent of Class
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	Jay Arnold F. Famador, MD	Direct	1,510	151,000	Filipino	0.04%
Common	Mary Milagros Uy, MD	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	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.
Isidro M. Perfecto	Vice President for Information and Communications Technology
Eda Bernadette P. Bodegon	Chief Nursing Officer and Vice President for Nursing & Patient Care Services

Reynaldo J. Lim	Vice President for Service Operations Division
Helene Bernice G. Uy	Assistant Vice President for Supply Chain Management Division
Angelita P. Garcia	Vice President for Human Resource Management and Development 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, 2025 is 81,188 shares or approximately 2.37% 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, 79, 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

***Jay Arnold F. Famador, MD, 57, Filipino***

Jay Arnold F. Famador is a nominee for regular director position. He is currently a member of the Nomination & Election Committee of the Board. He is currently a consultant in the Department of Obstetrics and Gynecology at the University of the East, Ramon Magsaysay Memorial Medical Center; Consultant/Head, Section of Gynecologic Oncology, Department of Obstetrics and Gynecology of MDI; Consultant, Section of Gynecologic Oncology in St. Luke's Medical Center-Global City. He is a member of American Brachytherapy Society; European Society of Gynaecological Oncology; International Gynecologic Cancer Society; European Society of Gynaecological Oncology; Fellow, Society of Gynecologic Oncologists of the Philippines and Philippine Obstetrical and Gynecological Society.

He had his fellowship training in Gynecologic Oncology at University of the Philippines and residency training in Obstetrics and Gynecology in MDI. He earned his Doctor of Medicine at the University of the East/Ramon Magsaysay Memorial Medical Center and Bachelor of Arts and Economics in Ateneo de Manila University.

***Jose Amado A. Fores, 64, 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, 71, 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, 73, 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 Ethics 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.

***Ma. Susana A.S. Madrigal, 67, 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, Micalex Land Inc., and C. Madrigal Group of Companies. She is Chairperson & CEO of Finca Verde Corporation; Chairperson & CEO of Micalex 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., 67, 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 Corporate Governance & Compliance and the Nomination & Election 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, 79, 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 and CEO 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, 91, 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.

***Agripino A. Javier, MD, 60, Filipino***

Agripino Beng A. Javier, M.D. is a nominee for regular director position. He has been a member of the MDI Board since 2023. He is currently a member of the Corporate Governance & Compliance Committee of MDI. 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 5<sup>th</sup> 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, 58, Filipino***

Reymundo S. Cochangco is a nominee for regular director position. He has been a member of the MDI Board since 2024. 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 RMCI 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.

***Saturnino P. Javier, MD, 67, Filipino***

Saturnino P. Javier, MD is a nominee for regular director position. He is currently the Medical Director of MDI. 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.

***Conrado Gabriel C. Lorenzo III, MD, MBA., 62, Filipino***

Dr. Conrado C. Lorenzo III is an incumbent regular director. He was elected as a member of the MDI Board in March 2025. 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

***Francisco A. Dizon, 75, 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 & Risk 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. 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, 62, 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 and member of the Nomination & Election 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, 58, 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 Siliscap.

***Arnold C. Ocampo, 52, 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, 51, 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, 51, 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.

***Isidoro M. Perfecto, 61, Filipino***

Isidoro M. Perfecto, Vice President for Information and Communications Technology, has 35 years of experience in Information Technology. He was with the regional technology office of Citibank for 23 years, and managed diverse projects such as ATM software development and implementation for Citibank branches in several Asia Pacific countries, office space restacking, and rollout of alternative workplace strategy. Mr. Perfecto started working at the Makati Medical Center in 2012 as part of the ICT Project Management Office and played a key role in the implementation of the current hospital information system. He has assumed bigger responsibilities in the division, promoted to AVP in charge of the Business Systems Development and Support department in 2014, and became OIC for the entire division in 2021.

***Eda Bernadette P. Bodegon, 49, 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, 57, 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.

***Reynaldo J. Lim, 48, 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.

***Helene Bernice G. Uy, 47, Filipino***

Helene Bernice G. Uy, Assistant Vice President for Supply Chain Management Division. Ms. Uy is an Industrial Engineer by profession and has more than 20 years of experience in Supply Chain Management. She has been with Makati Medical Center since 2010 starting as Senior Manager for Supply Chain Management. She assisted the previous Supply Chain Management Division Head in drafting the Supply Chain Manual, which covered both Procurement and Inventory Management functions. She was then appointed as the Department Manager of Inventory Management and expanded her scope from managing Central Stores to all the satellite storerooms in all major units such as the Operating Room, Delivery Room, Emergency Department, Radiology, Renal Care, Pharmacy Inventory Management Unit and the inventory of our Outpatient Pharmacy (MedExpress). Prior to her employment in Makati Medical Center, she was with the Supply Chain team of St. Luke's Medical Center and was involved in setting up a new hospital as part of their expansion project in Bonifacio Global City. She is also a part time professor of De La Salle University Manila under the Gokongwei College Of Engineering, Department of Industrial and Systems Engineering.

***Angelita P. Garcia, 56 , Filipino***

Angelita P. Garcia, Vice President for Human Resource Management & Development Division. Prior to her appointment as Division Head, Ms. Garcia was Department Head of Total Rewards since 2019 and was designated Officer-In-Charge of the HR Division in 2023. Ms. Garcia is a seasoned HR Professional with more than 30 years of extensive HR exposure. Through the years, she has set strategic directions, implemented and completed various HR initiatives and projects that contributed and supported organizational strategic goals in the fields of staffing, employee engagement, labor relations, employee well-being, compensation and benefits, performance management, development plans and training.

Ms. Garcia obtained her Bachelor of Science major in Accountancy degree from the Polytechnic University of the Philippines. Prior joining MakatiMed, she has worked with other companies such as Rustans Supercenters Inc, Cardinal Santos Medical Center and Ramcar Inc.

**(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, 2025. 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              | - Diana P. Aguilar            |
| Member              | - Jose Amado A. Fores         |
| Member              | - Victor L. Gisbert, MD       |
| Member              | - Jay Arnold F. Famador, MD   |
| Member              | - Augusto P. Palisoc Jr.      |
| Member (non-voting) | - Atty. German Q. Lichauco II |

**Independent Directors**

The nominees for election as independent directors of the Board of Directors on **July 15, 2025** are:

<b>Nominee for Independent Director (a)</b>	<b>Person / Group recommending nomination (b)</b>	<b>Relation of (a) and (b)</b>
Francisco A. Dizon	Jose Amado A. Fores	None
Diana P. Aguilar	Rosario P. Paguntalan, MD	None
Francisco S. A. Sandejas	Eusebio H.Tanco	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, 2025.

**(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:

	Terms and conditions	Transactions for the years ended December			Outstanding balances as of	
		2024	31 2023	2022	December 31 2024	2023
(A) Rental income <i>Key officers</i>	<p>The Parent Company charges its key officers for the usage of clinic including electricity and water consumption. The rental income earned from key officers is presented as part of gross revenues.</p> <p>Amounts are settled in cash on a net basis. These are unguaranteed, unsecured, non-interest bearing and are collectible on or before the 15<sup>th</sup> of the following month. The receivables from key officers are presented as part of receivables from employees and officers.</p>	1,222,483	1,383,324	946,116	86,961	16,128
(B) Collection on behalf of related parties <i>Key officers</i>	<p>The Parent Company pays its key officers for professional fees collected from patients.</p> <p>Outstanding balances are unguaranteed, unsecured, non-interest bearing, payable on demand and presented as part of other accruals.</p>	31,179,729	47,873,653	45,462,128	5,002,778	7,392,107
(C) Professional services <i>Key officers</i>	<p>The Parent Company pays its key officers for readers fees and professional fees included on medical packages. The amount is recognized as part of professional services presented in cost of services.</p> <p>Outstanding balances are unguaranteed, unsecured and non-interest bearing, payable on demand and presented as part of accruals for professional services..</p>	10,653,278	9,627,257	6,968,632	966,018	398,378

	Terms and conditions	Transactions for the years ended			Outstanding balances as of	
		December 31			December 31	
		2024	2023	2022	2024	2023
(D) Dividend payments	The Parent Company paid dividends to its shareholders, net of the applicable withholding tax. Amounts are settled in cash.					
<i>Entity with significant influence</i>		202,067,708	131,263,512	121,729,738	-	-
<i>Key officers</i>		38,679,625	25,542,158	22,766,684	-	-
		240,747,333	156,805,670	144,496,422	-	-
(E) Shared expenses	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.					
<i>Shareholder with significant influence</i>	These are payable within fifteen (15) days after receipt of billing. Outstanding balances are unguaranteed, unsecured, non-interest bearing, payable on demand and are presented as part of accruals for contracted services.	1,100,000	1,100,000	1,100,000	4,400,000	3,300,000
(F) Contributions to plan assets	The Parent Company maintains a non-contributory retirement benefit plan covering all of its regular employees.					
<i>Post-employment benefit plan</i>		60,000,000	36,000,000	18,000,000	-	-

		Transactions for the years ended December			Outstanding balances as of	
		2024	2023	2022	December 31	2023
		31			December 31	
Terms and conditions		2024	2023	2022	2024	2023
(G) 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.	31,850,064	53,331,343	46,193,073	-	-
<i>Professional fees</i>	Professional fees are paid to doctor consultants holding key management positions in the Hospital.	22,648,868	21,820,739	18,028,815	-	-
<i>Retirement benefit</i>	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.	3,802,910	3,652,834	(706,092)	31,508,640	19,914,518
	The Group has not granted any share-based compensation and termination benefits to its key management personnel for each of the three years.					
		58,301,842	78,804,916	63,515,796	31,508,640	19,914,518
Terms and conditions		Transactions for the years ended			Outstanding balances as of	
		December 31			December 31	
		2024	2023	2022	2024	2023
(H) Revenues						
<i>Key Officers</i>	The Parent Company recognized revenue for hospital services provided to certain key officers and for hospital services provided to entities under common control for patient referrals from its partnerships with other hospitals.	237,689	395,328	923,015	92,236	94,243
<i>Entities under common control</i>	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.	1,471,375	1,867,040	1,755,561	95,348	-
		1,709,064	2,262,368	2,678,576	187,584	94,243
(I) 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.	363,978,597	350,665,630	-	58,716,537	56,631,616
	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:

<b>Name &amp; Principal Position</b>	<b>Year</b>	<b>Salary (P)</b>	<b>Bonus (P)</b>	<b>Other Annual Compensation (P)</b>
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	2023	22,165,071	14,865,456	5,408,197
Arnold C. Ocampo, SVP Finance & interim Co-CEO Arlyn L. Songco, SVP Marketing & Sales Services Eda Bernadette Bodegon, VP Nursing Services Gerry E. Cunanan, VP Facilities Management & Engineering Rey J. Lim, VP Service Operations Aggregate for above named officers	2024	17,616,000	4,404,000	6,464,265
	2025 (Estimate)	19,377,600	2,642,400	6,787,478
All Directors & Officers as a group unnamed.	2023	45,736,718	20,159,758	9,255,606
	2024	35,342,602	8,429,767	10,726,563
	2025 (Estimate)	38,876,862	5,057,860	11,262,891

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 and P10,000 per Director for every attendance in board committee meetings. Total honorarium paid to Directors for the years 2024 and 2023 amounts to P4,474,000 and P4,724,902 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 13<sup>th</sup> 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, 2024 and 2023.

## **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, 2024 and 2023 of the Group.

The aggregate fees billed for each of the last two years for professional services rendered by the Company's external auditors are summarized below:

Nature of Services rendered		Aggregate Fees	
		2024	2023
Audit fees	Annual audit of the Company's consolidated financial statements, separate financial statements of the Parent Company and its subsidiary Computerized Imaging Institute Inc. in connection with statutory and regulatory findings; review of the Company's income tax returns and its attachments for filing with the BIR and internal control recommendations.	3,401,251	2,498,627
Tax fees	Review of the findings raised by the Bureau of Internal Revenue ("BIR") in the Notice of Discrepancy (NOD) for taxable year 2018, 2019 & 2020. Conduct detailed tax health check of the Company for the year 2022		334,918
All other fees	Seminar fees	6,000	none
<b>Total Fees</b>		<b>3,407,251</b>	<b>2,833,545</b>

The engagement partner of the Group for the year 2024 is Mr. Paul Chester U. See. He is the same engagement partner for the year 2025.

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.

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 2024 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, 2024, attached hereto as **ANNEX "C"**.

The audited Consolidated Financial Statements of the Company for the period ended December 31, 2024 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 2024 Annual Stockholders' Meeting

The Minutes of the ASM of the Company in 2024 ("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 2024 ASM include the following:

- a) Approval of the Minutes of the 2023 Annual Regular Stockholders' Meeting.
- b) Presentation of the 2023 Annual Report and approval of the 2023 Audited Financial Statements;
- c) Ratification of all acts of the Board of Directors and Officers since the 2023 Annual Stockholders' Meeting;

- d) Election of the Board of Directors
- e) Approval of the Extension of Term of Independent Director, Mr. Francisco A. Dizon
- f) Appointment of External Auditors

**Item 16. Matters not required to be Submitted**

Not Applicable

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

Not Applicable

**Item 18. Other Proposed Action**

1. Minutes of the 2024 Regular Stockholders' Meeting is attached hereto as ANNEX "A".
2. Summary of Acts of the Board and Management for Ratification by the Stockholders is attached hereto as ANNEX "B"
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 2025-2026.

**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.

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..

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 15, 2025 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 "D". Accomplished and signed proxy form may then be submitted by emailing a scanned copy to [mmcfinance@makatimed.net.ph](mailto: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 7, 2025 at 10:00A.M. at the Board Room, Makati Medical Center, 6<sup>th</sup> 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 13, 2025. 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 P50,000.

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, 5<sup>th</sup> 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, 2025.

**MEDICAL DOCTORS, INC.**

By:

  
**ATTY. GERMAN Q. LICHAUCO II**  
Corporate Secretary

**MINUTES OF THE  
2024 ANNUAL STOCKHOLDERS' MEETING  
OF THE  
MEDICAL DOCTORS, INC. (MDI)  
Held on 16 July 2024, 5:00pm  
Via remote communication**

**I. CALL TO ORDER**

Chairman Manuel V. Pangilinan welcomed the stockholders and guests to the Annual Stockholders' Meeting. He informed the stockholders that the Board of Directors had decided to conduct the 2024 Annual Stockholders' Meeting via remote communication to ensure everyone's safety and health, and to continue the Company's best practices. Further, the Chairman assured the stockholders that, through the online format, they would have the opportunity to participate remotely and cast their votes *in absentia*. The Chairman also informed the stockholders that they could submit questions or comments via email or through the chatbox provided on the livestream platform. Thereafter, he called the meeting to order and presided.

**II. CERTIFICATION OF NOTICE AND QUORUM**

Atty. German Q. Lichauco II, Corporate Secretary, confirmed at the Chairman's request that the notice and agenda of the meeting were delivered by mail or messenger service, electronic mail, and published in the business sections of two (2) newspapers of general circulation, both in print and online formats, for two (2) consecutive days. This was done for all stockholders of record as of 31 May 2024, the record date fixed by the Board of Directors. Atty. Lichauco further confirmed that the Definitive Information Statement was made available on the company website. He then certified the existence of a quorum based on the record of attendance and proxy report, showing that holders of 2,414,511 common shares, representing 70.58% of the Company's total outstanding capital stock, were present either in person or by proxy. There being a quorum, the Chairman declared the meeting duly convened and open for the transaction of business.

Upon the request of the Chairman, Atty Lichauco confirmed that stockholders had been informed on the manner of voting for the meeting. Stockholders or their proxies who had successfully registered and were notified via email could cast their vote *in absentia* by accomplishing a print-out of MDI's ballot form, which could be accessed and downloaded from <asm2024.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 by emailing a scanned copy of the same to <mmcfinance@makatimed.net.ph> no later than 5:00 P.M. on 30 July 2024.

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

**III. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF THE STOCKHOLDERS HELD ON 18 JULY 2023**

Atty. Lichauco informed the stockholders that a copy of the minutes of the Annual Stockholders' Meeting of the Company held on 18 July 2023 was made available to all stockholders of record, along with the Definitive Information Statement, for their approval.

Atty. Lichauco then reported that stockholders holding more than a majority of the entire outstanding voting stocks of MDI had voted in favor of this matter. Thus, the minutes of the Annual Stockholders' Meeting held on 18 July 2023 was approved.

#### IV. PRESENTATION OF THE ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

The Chairman then proceeded with the presentation of the annual report and audited financial statements. The interim Co-Presidents and Chief Executive Officers, Dr. Saturnino P. Javier (“Dr. Javier”) and Mr. Arnold C. Ocampo (“Mr. Ocampo”), delivered the presentation. A summary of their presentation is as follows:

Dr. Javier highlighted that the year 2023 marked a turning point for Makati Medical Center (“MMC”) as it made significant strides in its post-pandemic recovery. He emphasized that MMC had achieved a sense of stability and familiarity in the new normal, motivating the hospital to expand its services while remaining prepared for potential health emergencies.

The central message of the 2023 annual report is “**Breakthrough: Recognizing Opportunities and Reinventing Innovation,**” underscoring MMC’s commitment to exploring new technologies and processes to enhance care for its patients and doctors. MMC remains optimistic about realizing this mission, buoyed by the steady return of patients for face-to-face services.

Thereafter, Mr. Ocampo, as Chief Financial Officer, provided a financial overview. He announced a 14% increase in gross revenues to PhP 9.6 billion, directly contributing to a 33% increase in earnings before interest, taxes, depreciation, and amortization (“EBITDA”).

MMC also strengthened its financial position by reducing provisions for doubtful accounts with its strong EBITDA performance and improved collections from PhilHealth, Health Maintenance Organization (HMO) partners, corporate accounts, and private provisions. As a result, cash from operating activities reached PhP 2.7 billion, marking a 51% increase from 2022. This enabled MMC to fund its capital expenditures without relying on debt financing.

Furthermore, Mr. Ocampo reported that through tight control of expenses and supply costs, MMC significantly boosted profitability, achieving a net profit after tax of PHP 1.2 billion, marking a 54% increase from the previous year. Earnings per share also rose from PhP 229.92 in 2022 to PhP 353.92 in 2023, while the book value per share at the end of 2023 reached PhP 2,836, reflecting a 9% increase from the previous year.

Mr. Ocampo also shared that long-term partnerships nurtured by the Creative, Communications and Sales Services (CCSS) Division were pivotal in boosting MMC’s census and revenue. Referrals from HMO, Corporate, and Strategic Hospital Alliance Program (SHAP) partners comprised 45% of MMC’s inpatient census, 50% of outpatient visits, and 68% of Emergency Department visits. These partnerships generated revenue amounting to PHP 4.6 billion, reflecting a 15% increase from 2022. Each business segment experienced growth: HMO by 18%, Corporate by 3%, and SHAP by 9%. Notably, the HMO segment alone, which accounts for 83% of CCSS sales, contributed approximately 39% to MMC’s total hospital revenue.

In addition, MMC maintained a robust media presence across radio, TV, print, digital, and social media platforms throughout the year. This strong and cost-effective media strategy included 517 press releases, blogs, feature articles, and radio and TV appearances by MMC’s medical experts, highlighting the hospital’s services, awards, achievements, and events. This effort generated a total PR value exceeding PhP 1 billion, a 169% increase compared to 2022.

Mr. Ocampo also stated that print and digital advertising were utilized to promote the MMC’s larger clinical departments through CONGO + SOP. Throughout the year, 106 print materials were placed in five major broadsheets. Thus, MMC emerged as the leading healthcare institution in print advertising, with a value of PhP 12.9 million, representing a 95% increase from the previous year. Embracing the strong shift towards online platforms, MMC also employed programmatic advertising to promote these services, reaching over 33 million digital users—23% higher than the target of 27 million viewers.

In 2023, with the public perception of hospital visits improving, MMC experienced a significant increase in patient census. This resulted in substantial growth in both inpatient and outpatient numbers, continuing a trend from the previous year. MMC's admission rate rose by 23%, with over 4,000 more patients admitted compared to the previous year. This led to a 16% increase in average occupied beds and a 13% growth in inpatient revenues. To accommodate this rise, MMC hired additional nurses to ensure quality care, renovated patient rooms, and reviewed the costs of its medical and surgical packages.

Mr. Ocampo then reported that MMC supported the increased use of its outpatient services by investing PHP 367 million in new facilities and medical equipment, accounting for 59% of its capital expenditures for the year. Notably, MMC expanded its Cardiovascular Diagnostic Laboratory (formerly called the Heart Station), enhanced its Outpatient Surgical Suite to handle more cases, and operationalized its third MRI machine. These improvements led to a 12% rise in outpatient visits in 2023, totaling over 72,000 additional visits compared to the previous year, and a 16% growth in outpatient revenues. Furthermore, the Emergency Department rebounded from the pandemic, registering a 35% increase in patient census.

Following this, Mr. Ocampo highlighted matters in MMC's Service Operations. The Pathology and Laboratories Division renewed MMC's agreement with MediLinx Laboratory, its clinical lab partner, for an additional five years. MMC also introduced the Idylla PCR system, which enhances molecular testing efficiency, reduces turnaround times, and minimizes the need to send out tests.

In the Cardiovascular Diagnostic Laboratory, MMC implemented the Cardiovascular Information System (CVIS) to improve workflow efficiency and accommodate more studies. Additionally, MMC established the training arm of the Institute of Cardiovascular Learning & Care (ICLC). To date, this program has graduated 16 personnel, thereby enhancing MMC's expertise in cardiovascular care.

Meanwhile, the Department of Radiology proudly introduced the new GE 3 Tesla Signa Architect MRI machine in January 2023. This new machine features superior imaging quality, accredited by both the DOH and FDA.

Mr. Ocampo also highlighted that MakatiMed Care Access-Araneta expanded its offerings to mark its first anniversary by introducing reuse dialyzer services, providing a cost-efficient solution for renal patients. Each reused dialyzer is clearly labeled with the patient's name and undergoes thorough cleaning and sterilization before and after each dialysis session to maintain the highest safety standards.

The Nursing and Patient Care Services (NPCS) Division also played a pivotal role in maintaining MMC's reputation as the 'Hospital with a Heart.' The mandate is to invest in enhancing the knowledge and skills of personnel through in-house and external training programs. In 2023, 668 new nurses completed the Nurse Residency Probationary Program. Additionally, the first Interstitial Lung Disease Nurse Academy was launched in collaboration with Boehringer Ingelheim Philippines and the Section of Pulmonary Medicine, training 22 nurses from August to December. Furthermore, MMC's Liver Transplant Team members enhanced their skills through the Liver Transplant Masterclass at the National University Health System in Singapore and an observership program at Asan Medical Center in South Korea. NPCS also supported 22 nursing leaders in pursuing a Master of Science in Nursing through the Graduate Studies Assistance Program, promoting career advancement and staff retention.

Mr. Ocampo also reported on MMC's collaboration with sister hospitals under the Metro Pacific Health banner to share best practices. The Peri-Operative Nursing Essentials program was hosted from November 2023 to January 2024, where MMC's surgical and peri-operative nurse leaders shared their expertise with 14 colleagues from other MPH hospitals.

Despite facing a challenging industry-wide issue with a 30.76% attrition rate for registered nurses, MMC's NPCS Division actively works to foster a supportive and collegial environment. This includes celebrating the achievements of its nurse leaders and acknowledging their significant contributions to both MMC's organization and the broader Philippine healthcare landscape. In fact, the NPCS proudly recognized 12 colleagues who received the DAISY Award for Extraordinary Nurses from the US-based DAISY Foundation. Other notable recognitions include the 2023 Tower Awardee: Nursing Workforce & Bed Management Team, Metro Pacific Health's Soledad Velez-Pangilinan Nursing Excellence Awards for Nursing Leadership and Nursing Education, and Finalist for the Learning & Development Program of the Year at the 2023 Gawad Maestro Awards.

Mr. Ocampo then moved on to matters relating to Quality Management. From August 14 to 15 September 2023, the Department facilitated the month-long Culture of Safety Survey, based on the updated Hospital Survey on Patient Safety Culture by the Agency for Healthcare Research and Quality (AHRQ). The survey results revealed that MMC achieved a 78% average positive response rate, significantly higher than the AHRQ standard of 66%. Throughout 2023, MMC's Patient Experience Unit (PXU) engaged with 10,730 patients through face-to-face interviews and online platforms to collect feedback. Over 8,000 patients reported satisfaction with the services received, highlighting the effectiveness of MMC's quality management and patient safety initiatives. In addition, the PXU team processed a total of 20,568 commendations. PXU handed out individual and unit recognitions through the hospital's Shining Star Awards program. This initiative acknowledges MMC's staff, departments, and service partners who receive commendations from patients via surveys, emails, social media, or SMS.

MMC was also honored with an Anvil Award in the Public Relations Programs on a Sustained Basis category for its Shining Star Awards during the 58th Anvil Awards. This recognition underscores the success of its employee recognition program.

In the Human Resources Management and Development (HRMD) Division, Mr. Ocampo reported on HRMD's role in leading the MMC community through a smooth transition into the new normal in 2023. The department hosted several online and face-to-face events to keep the hospital community engaged. These online initiatives included *Zoomustahan* for new hires, Birthday Blast for birthday celebrants, and a series of webinars covering topics such as mental health wellness, men's and women's health, Tuberculosis, HIV Awareness, and Lifestyle Wellness. Face-to-face activities included celebrating loyalty and achievements of MMC's physicians and personnel during its 54<sup>th</sup> anniversary and hosting the Quarterly MMC Colloquium Lineheads.

Following MMC's recognition with the 2023 Outstanding Regional Labor-Management Cooperation (LMC) for Industrial Peace and the 2023 Outstanding Regional Grievance Machinery for Industrial Peace, the HRMD further strengthened the MMC-LMC relationship by organizing two offsite activities. The Employee Wellness Center team also continued to conduct annual physical examinations, pre-employment assessments, dental treatments, and medical consultations.

Additionally, the Organizational Development team, in collaboration with the Learning & Development Department, led MMC's successful certification for Investors in People (IIP), achieving Gold Level Accreditation. This recognition reinforces MMC's status as a leader in people management among the nation's hospitals.

Mr. Ocampo also announced that the Talent Acquisition Department exceeded hiring goals, bringing on 1,212 new employees last year—21% more than what various departments had requested.

Mr. Ocampo then moved on matters relating to Information and Communications Technology. He reported that MMC implemented numerous projects in the past year, all geared towards streamlining MMC's processes and innovating its ways of working to better serve patients. These include several key automation projects, cost and time-saving measures, new diagnostic technology, cybersecurity initiatives, and improved Wi-Fi access.

Thereafter, Mr. Ocampo presented updates on the Facilities Management and Engineering Division, which undertook pivotal projects in 2023 to ensure that MMC's facilities are up to date. These projects included the expansion and renovation of the Heart Station and the Cardiovascular Diagnostic Laboratory, adding five new procedural rooms. The relocation and expansion of the Outpatient Surgery Suite to the ground floor of Tower 1 resulted in an additional operating suite. The division also renovated 100 patient rooms with air conditioning upgrades, enhanced the Outpatient MMC HealthHub, including its patient lounge, waiting area, and staff work area, replaced 92 air conditioning systems and fan coil units across various patient rooms and diagnostic centers, and installed an additional Heat Recovery Unit to improve the hospital's centralized hot water system.

Mr. Ocampo then shared that as part of MMC's energy efficiency initiative, the Facilities Management and Engineering Department successfully reduced MMC's energy consumption by 87,186 kilowatt-hours.

In 2023, MMC also created the Supply Chain Management (SCM) Division to ensure the efficiency of the hospital's end-to-end supply chain processes. The newly established SCM Division processed transactions worth PHP 3.5 billion, marking a 36% increase from PHP 2.5 billion in 2022. SCM's negotiated savings increased to 12% in 2023, up from 7% the previous year. Of these transactions, 56% were for medicine and medical supplies, while 22% and 13% were for medical equipment and facilities, respectively.

Thereafter, Dr. Javier tackled the impactful Corporate Social Responsibility initiatives undertaken by various divisions of MMC. The Service Operations Division launched the 'Pamper Me' initiative to provide well-deserved relaxation treatments to MMC's hardworking housekeeping and security staff. In addition, the HRMD successfully conducted the 'Senior Smiles' drive, offering crucial support to the Anawim Lay Missions Foundation, Inc. Further, during International Nurses Week, a collaboration between the NPCS and the Facilities Management and Engineering Division resulted in a donation drive for the children at Manila Boys Town. MMC also contributed to environmental sustainability by participating in a tree planting activity at the SVD Laudato Si' Farm in Tagaytay City. The CCSS also made significant strides by participating in a community outreach event in Naic, Cavite to assist with medical and dental services and distribute health and hygiene kits to those in need. Through these initiatives, MMC continued to embody its core value of compassion, extending far beyond the confines of its hospital into the community and the country.

Dr. Javier also delightedly shared that MMC has continued to demonstrate robust performance across key metrics this year. The hospital saw significant increases in both inpatient and outpatient census in the first half of 2024, with an 8% growth in inpatient admissions and a 7% increase in outpatient encounters compared to the same period last year. As such, total revenues for the first half of 2024 amounted to P5.1 billion, already marking a 9% increase from P4.7 billion in 2023. MMC's EBITDA grew by 7% to P1.2 billion, demonstrating its operational efficiency and profitability. Furthermore, MMC's strict cost management practices contributed to a 20% growth in Net Profit After Tax (NPAT), which reached P673.5 million. These figures underscore MMC's commitment to expanding its services and meeting the healthcare needs of the community effectively.

Dr. Javier ended the presentation by reiterating that as MMC navigates the complexities of the new normal, he is very confident that MMC will not only fully recover but will continue to advance as the nation's most trusted, caring and internationally-recognized healthcare provider.

Dr. Javier and Mr. Ocampo then thanked everyone for taking the time to listen to the presentation and for their continued trust and support for MMC.

After Dr. Javier and Mr. Ocampo concluded their presentation, the Chairman informed the stockholders that MDI would proceed to address their questions regarding the Annual Report and requested the Corporate Secretary to facilitate.

Atty. Lichauco informed the stockholders that the time allotted for the Open Forum to address relevant questions was 15 minutes. He then proceeded to read the questions submitted by the stockholders.

The floor was opened for questions, and Atty. Lichauco read the questions submitted by the stockholders.

The first question was submitted by Dr. Mimi Sarabia. Her question was *“May we know if the allowance of our trainees-residents & fellows can be increased?”*

Dr. Javier answered: *“The stipends of our trainees, both residents and fellows, are constantly being revisited, keeping mindful of what is the prevailing rate in other hospitals—competitor hospitals—so we are very conscious of this issue and, in due time, we will make any announcement related to this. Thank you.”*

Since there were no other questions, Atty. Lichauco then 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 Annual Report and the 2023 Audited Financial Statements, the same are hereby declared adopted and approved. Atty. Lichauco then turned the floor over to the Chairman.

The Chairman announced that, upon approval by the Board of Directors on 16 July 2024, the Company had declared the distribution of cash dividends in the amount of Php 176.97/share for all stockholders of record as of 31 July 2024. The Chairman further stated that this represents a dividend payout of 50% of the net income of 1.2 billion realized in the year 2023, totaling approximately 600 million pesos distributed to all stockholders on a pro-rata basis according to their shareholdings in the company.

The dividends will be paid on 30 August 2024, either by crediting to the stockholder’s account or by issuance of check.

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

The Chairman proceeded to the next item on the agenda.

The acts and proceedings of the Board of Directors and Corporate Officers of the Company from 18 July 2023 up to the present meeting, as set forth in the minutes of the meetings of the Board of Directors held during the same period, along with the proposed resolution for approval, have been provided and summarized in the Definitive Information Statement circulated to all stockholders.

The 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, all acts of the Board of Directors and Corporate Officers from 18 July 2023 up to the present date of 16 July 2024 are hereby ratified and confirmed.

#### **VI. ELECTION OF DIRECTORS AND INDEPENDENT DIRECTORS**

Thereafter, Atty. Lichauco reported to the Chairman the following nominees for election as directors for the ensuing year:

*Regular Directors*

1. Mr. Manuel V. Pangilinan
2. Dr. Benjamin N. Alimurung
3. Mr. Raymundo S. Cochangco
4. Mr. Jose Amado A. Fores
5. Dr. Victor L. Gisbert
6. Mr. Jose Ma. K. Lim
7. Dr. Jay Arnold F. Famador
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

Atty. Lichauco, as Corporate Secretary and a 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 the qualifications and have none of the disqualifications for directorship in the Company. The Committee has also 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.

Atty. Lichauco 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 exceed the nine (9)-year term limit for independent directors prescribed by the Code of Corporate Governance. Therefore, his extension of term will be subject to stockholders' approval, which will be tackled as the next item on the agenda.

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

1. Mr. Manuel V. Pangilinan
2. Dr. Benjamin N. Alimurung
3. Mr. Raymundo S. Cochangco
4. Mr. Jose Amado A. Fores
5. Dr. Victor L. Gisbert
6. Mr. Jose Ma. K. Lim
7. Dr. Jay Arnold F. Famador
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
13. Mr. Francisco A. Dizon
14. Mrs. Diana P. Aguilar
15. Mr. Francisco S.A. Sandejas

The Chairman congratulated the duly elected directors of MDI for the year 2024.

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

The Chairman then proceeded to seek approval for the extension of term of Mr. Francisco Dizon as Independent Director. 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, Mr. Dizon's re-election as independent director will exceed this nine (9)-year term limit.

Subsequently, the Chairman 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 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 had voted to approve the re-appointment of Isla Lipana & Company as the company's external auditors, along with the corresponding scope of services and applicable audit fees.

#### **IX. ADJOURNMENT**

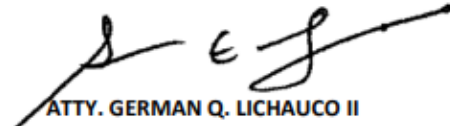
The Chairman asked the Corporate Secretary if there were any other matters that should be taken up by the body, to which the Corporate Secretary answered that there were no other matters for discussion.

The Chairman then announced that, there being no other business to transact and considering that stockholders holding more than a majority of the total outstanding capital stock were 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.

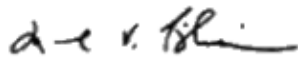
The Chairman also suggested that the next year's Annual Stockholders' Meeting be held on a face-to-face basis rather than online.

The meeting was thereby adjourned.

**CERTIFIED TRUE AND CORRECT:**



**ATTY. GERMAN Q. LICHAUCO II**  
Corporate Secretary



**MANUEL V. PANGILINAN**  
Chairman

ANNEX “B”

**SUMMARY OF RELEVANT RESOLUTIONS APPROVED BY THE BOARD OF DIRECTORS  
(For the period 01 October 2024 to 19 March 2025)**

**REGULAR BOARD MEETING  
01 October 2024**

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

**MDI Board Officers:**

- |                                 |   |
|---------------------------------|---|
| 1. Chairman                     | - Mr. Manuel V. Pangilinan  |
| 2. President & CEO              | - Dr. Saturnino P. Javier & Mr. Arnold C. Ocampo as interim Co-CEOs |
| 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. 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. Remundo S. Cochango     |
| 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. Jay Arnold F. Famador    |
| Member              | - Mr. Augusto P. Palisoc, Jr.  |
| Member              | - Dr. Agripino A. Javier       |
| 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. Jose Ma. K. Lim
- Member - Mr. Jose Amado A. Fores
- Member - Dr. Victor L. Gisbert

**Nomination & Election Committee:**

- Chairman - Mr. Manuel V. Pangilinan
- Member - Mr. Augusto P. Palisoc, Jr.
- Member - Dr. Jay Arnold F. Famador
- Member - Dr. Victor L. Gisbert
- Member - Mr. Jose Amado A. Fores
- Member - Ms. Diana P. Aguilar
- Member (non voting) - Atty. German Q. Lichauco II

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

**MDI**

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

- 2. Approved the medical staff member’s upgrade of status, new applications, renewal and withdrawal of membership
- 3. Authorized Dr. Mary Grace U. Sta Ana, as authorized representative and signatory for the registration of the Filipino translation of the Culture of Safety Survey with the Intellectual Property Office of the Philippines
- 4. Authorized Engr. Gerry E. Cunanan as representative and signatory to sign all release documents with Standard Insurance Co. Inc.
- 5. Authorized Ms. Angelita P. Garcia as representative and signatory for the sale of below motor vehicle:
  - Mitsubishi Xpander GLS 1.5G AT with plate number NDM 6455
  - Nissan Navara 4x2 EL with plate number NDQ 1218
- 6. Authorized the Corporation to secure and apply for a performance/surety bond form Prudential Guarantee and Assurance, Inc. (PGAI)  
 Authorized Mr. Arnold C. Ocampo to transact with PGAI for the purpose of procuring performance/surety bond, to sign, execute and deliver, any and all contracts, documents or instrument as may be required therefore, including, but not limited to, an indemnity agreement, and/or deed of assignment of bank deposit as collateral to secure the bonds to be issued

**SPECIAL BOARD MEETING  
11 November 2024**

- 1. Authorized Mr. Arnold C. Ocampo to be the true and lawful attorney-in-fact of the Medical Doctors, Inc., and the Company’s stead and behalf, to do and perform any of the following:
  - To initiate, file and prosecute any suit, action or proceeding for and in behalf of the Company and to initiate, file and prosecute any defense and counterclaim in any suit, action or proceeding against the Company in relation to the conflicting claims of Dr. Benjamin D. Adapon and CIII in the final award of the Arbitral Tribunal dated 08 May 2015 in the ad hoc arbitration between the Company and Dr. Benjamin D. Adapon, for and on behalf of CII, in his capacity as a shareholder of CII with or before any court, tribunal, administrative or quasi-judicial bodies

- To sign, execute, verify, deliver, serve and file or cause the filing of the necessary and appropriated pleadings, motions, subsequent pleading, appeals, petitions and/or actions of whatever nature, including,, but not limited to verifications and certifications of non-forum shopping in relation to the Case
  - To sign, execute, verity, serve and file any and all pleadings, papers, or documents, for purpose of seeking a reconsideration or annulment of, appealing or enforcing, any decision or judgment rendered in the Case by the relevant Tribunal
2. Authorized Mr. Arnold C. Ocampo to sign any and all documents and to perform any and all actions necessary or required in order to effect the purpose of above resolution

**REGULAR BOARD MEETING**  
**09 December 2024**

1. Approved the medical staff member’s upgrade of status, new applications, renewal and non-renewal of membership
2. Approved the proposed budget for 2025
3. Approved the proposed bonus for employee and board of directors
4. Approved the transfer of function of compensation and remuneration from the Corporate Governance and Compliance Committee to the Nomination and Election as well as renaming of the latter to Nomination, Election, and Remuneration Committee
5. Authorized Mr. Reinaldo B. Baltero as representative to process the Corporation’s application for annual registration and licensing with the Optical Media Board for 2025. Authorized to perform all acts relative to the Corporation’s continuous compliance with the requirements of the Optical Media Board
6. Appointed Ms. Sabrina Bacani-Murillo as Data Protection Officer (DPO) in compliance with the provisions of the Data Privacy Act of 2012, effective until it is suspended, modified and/or revoked
7. Authorized Mr. Reynaldo M. Mata Jr., Ms. Armyla B. Palmar and Mr. Joel S. Navarro to process applications & registrations, submit requirements, and transact with the Bureau of Internal Revenue and the Local Governments of Makati and Quezon City for the year 2025
8. Appointed Mr. Arnold C. Ocampo as Chairman, and Ms. Angelita P. Garcia as Co-Chair of Management Panel for the Collective Bargaining Agreement (CBA) negotiations with Makati Medical Center Employees Association (MAMECEA)-AFW for the year 2025, duly authorized to determine and appoint the remaining members of the Management Panel,  
 Authorized the Management Panel to negotiate, conclude and sign any and all documents relative to the resolution of the Collective Bargaining Agreement for and on behalf of the Corporation
9. Constituted and authorized Mr. Arnold C. Ocampo to do and perform all and every act requisite or necessary to assist the Corporation in the resolution of the tax investigation being conducted by the Bureau of Internal Revenue for the taxable year ended 31 December 2021 and 2022. Granted with the authority to name, constitute, and authorize Isla Lipana & Co. or any of its representatives to do and perform all and every act requisite or necessary to assist the Corporation in the resolution of the tax investigation being conducted by the Bureau of Internal Revenue for the taxable year ended 31 December 2021 and 2022.
  - Resolved further that any and all acts and things done and letters, pleading and other documents signed, executed, delivered by Mr. Arnold C. Ocampo or by Isla Lipana & Co. and its designated representatives, prior to these resolutions are hereby approved, ratified and confirmed
  - Resolved finally, that specifically, the following shall act for and on behalf of Isla Lipana & Co. to represent and perform all and every act necessary for Medical Doctors, Inc. in its stead:
    - Lawrence C. Biscocho
    - John Edgar S. Maghinay
    - Marvin Joseph T. Manuel
    - Julie Anne B. Bonifacio
    - Angelica Michelle L. Mandia
    - Francis Jeffrey C. Valerio
    - Liaison Officers of Isla Lipana & Co. including, but not limited to those listed in Annex A
10. Approved the memoriam of thanks for Dr. Remedios Suntay
11. Approved the proposed increase in salary of trainees

## **REGULAR BOARD MEETING**

**19 March 2025**

1. Elected Dr. Conrado Gabriel C. Lorenzo III (Dr. Lorenzo), as a regular director of the Board to replace Dr. Remedios G. Suntay (Dr. Suntay), who passed away last November 1, 2024. Dr. Lorenzo's election shall take effect immediately and he shall serve the unexpired term of Dr. Suntay until the next election of the Board of Directors.
2. Approved the 2024 audited financial statements of Medical Doctors, Inc separate and consolidated financial statements.
3. Approved the write-off of patient receivables amounting to P129.3 million
4. Approved the negotiated revisions of the Collective Bargaining Agreement (CBA) with the labor union covering the period 2025 and 2026
5. Authorized Arnold C. Ocampo and/or Saturnino P. Javier, MD as representatives and signatories for any and all documents necessary for the renewal of the Quezon City Mayor's Permit for MMC Care Access-Araneta City
6. Authorized Sabrina Bacani Murillo, Assistant Director of Hospital Compliance License and Accreditation Division, to appear, offer, negotiate, accept, decide and enter into a mediated settlement agreement with the National Privacy Commission without additional consent or authority from MDI.
7. Authorized Arnold C. Ocampo as representative and signatory for MDI'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.
8. Authorized Angelita P. Garcia as representative and signatory for the sale of the 2020 Mazda CS-30 (NEG8129) vehicle to Arlyn Songco.
9. Authorized Arnold C. Ocampo to assign shares of Computerized Imaging Institute Inc (CII) held by the MDI for its nominated representative in the Board of CII.
10. Approved the creation of an ad hoc committee of the board to oversee the progress of the ongoing CII/Adapon case.
11. Approved the medical staff member's upgrade of status, new applications, renewal and non-renewal of membership

## 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” or “MakatiMed”).

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, 2024, the Parent Company has 1,124 shareholders (2023 - 1,122) each holding at least 100 shares of the Parent Company’s common shares. The Parent Company’s major shareholders consist of local companies and individual medical practitioners, with percentages of ownership as at December 31, 2024 and 2023 as follows:

Metro Pacific Hospital Holdings, Inc.	33.38%
Associated Sugar, 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, 2024 and 2023, 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 2024, 218,572 shares or 6.39% are owned by the Company’s directors, officers and employees (2022 - 3,420,737 outstanding shares, 220,686 shares or 6.45%).

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, 2024, the Parent Company owns 60% of the shares of stocks of Computerized Imaging Institute, Inc (CIII).

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

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 includes 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, Medicaid, 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 31-33.

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:

	<b>2024</b>	<b>2023</b>	<b>2022</b>
Clinical Trial Fees	1,408,850	2,907,537	2,649,509
Gross Hospital Revenues	10,456,076,554	9,638,480,987	8,440,818,290
% to Gross Hospital Revenues	0.01%	0.03%	0.03%

The following are new services of the Hospital that have been launched in 2024 :

- In March 2024, MakatiMed started offering Endoscopic Ultrasound(EUS) and Endobronchial Ultrasound (EBUS) services in the Gastroenterology and Endoscopy Center. The EUS and EBUS services aim to manage patients with pancreatic mass, gastrointestinal malignancies, intraabdominal fluid collections, lung infections central and peripheral pulmonary masses, endobronchial mass and tracheal stenosis among others.
- In May 2024, MakatiMed launched its Heart Institute, a pioneering initiative set to redefine cardiovascular care in the Philippines. The Heart Institute consolidates all facets of the hospital’s centers for Cardiology under one comprehensive framework, including Cardiac Diagnostic Laboratory, the advanced Cardiothoracic and Vascular Care Center, Cardiovascular Learning Unit and the Vascular & Lymphedema Center.
- MakatiMed announced the establishment of the Makati Medical Center Institute of Neurological, Neurosurgical and Behavioral Sciences (M.I.N.D.S.) Dedicated to delivering unparalleled services and achieving transformative patient outcomes, the Institute aims to redefine the landscape of Neuroscience care in the Philippines.

Major achievement and activities of the Group in 2024 includes:

- MakatiMed received its 14<sup>th</sup> World Stroke Organization (WSO) Angels Award. MakatiMed has nine Gold, three Platinum and two Diamond awards to date.
- In September 2024, MakatiMed received the Social Responsibility Award and was named Runner-up for People Investor of the Year at the Investors In People (IIP) Philippines Awards.

The Group has 3,614 regular employees as of December 31, 2024 as follows:

	Number of Employees
Operational	3,027
Administrative	587
Total	3,614

The Group also recognizes the Union as the sole and exclusive collective bargaining agent of all its regular rank and file employees. The Parent Company’s current 5-year Collective Bargaining Agreement has ended last February 28, 2025. 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 February 19, 2025 and covers the period March 1, 2025 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
- (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 maintains a strong financial position, having met all previous financial covenants included in past credit arrangements. 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) Appraisal of land and buildings 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
<u>February 13, 2025</u>	<u>7,491</u>

The fair value of the land as at December 31, 2024 was based on the latest appraisal report obtained on February 13, 2025 determined by Colliers International Philippines, Inc. using the market approach. The fair value of the building and building improvements as at December 31, 2024 were based on the latest appraisal report obtained on February 20, 2025 determined by Cuervo Appraisers, Inc. using the cost approach.

Based on the latest appraisal report as at December 31, 2024, the appraised value for the Parent Company's buildings and building improvements amounted to P2,719,854,000. The appraisal is recognized as addition to revaluation surplus in the consolidated statements of total comprehensive income and in the consolidated statements of changes in equity for the year ended December 31, 2024. If the buildings and building improvements (both carried at revalued amounts) were stated at historical cost, the net carrying values as at December 31, 2024 would amount to P2,236,142,537 (2023 - P2,306,196,465).

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

	2024	2023
Land	5,617,470,000	3,046,902,000
Buildings and building improvement	229,297,092	238,105,745
	<u>5,846,767,092</u>	<u>3,285,007,745</u>

(b) 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.

## 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.

(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. On March 8, 2024, the lease term was amended and extended for 5 years from April 15, 2024 until April 14, 2029. The lease is renewable upon mutual agreement by both parties. The lease agreement includes an escalation rate during term of the lease.

The Parent Company paid the required refundable security deposit in relation to the foregoing lease agreement amounting to P13,383,760 as at December 31, 2024 and 2023. 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 AREIT, Inc. covering office space to serve as the 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
AREIT, Inc.	Ayala North Exchange Tower 1	1,638.45 sqm.; 21 parking stalls	February 1, 2019 to January 31, 2024 and extended until January 31, 2034
AREIT, Inc.	City Gate	101 parking stalls	January 1, 2019 to December 31, 2029
AREIT, 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, 2024 and 2023 amounting to P14,100,417. 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 agreement shall be for a period of 5 years from October 21, 2021 to September 26, 2026.

In addition, the Parent 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 lease agreement includes provision for rent-free period.

The Company paid refundable security deposit amounting to P4,719,596 (2023- P4,530,778 ) as at December 31., 2024. 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) Parking spaces*

On July 8, 2024, the Parent Company entered into a lease agreement with Empresas Diesel Development, Inc. for the lease of 118 parking stalls at the 8<sup>th</sup> and 9<sup>th</sup> floors of Makati Commerce Tower to be utilized as valet parking for patients of the Parent Company. The lease agreement shall be for a period of 3 years from July 16, 2024 to July 15, 2027.

The Company paid refundable security deposit amounting to P1,652,000 as at December 31, 2024. 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.

*(v) Others*

The Parent Company has various operating non-cancellable lease agreements for the use of medical equipment, office furniture and other vehicles. Rent expense for the year ended December 31, 2024 on short-term leases and low-value assets are presented under cost of services and administrative expenses amounted to P10,371,397 (2023 – P12,869,034 ). Accrued rent relating to leases of short-term and low-value assets as at December 31, 2024 amounted to P1,824,783 (2023 – P1,006,445).

*Amounts recognized in the consolidated statements of financial position*

Leased assets are presented as part of the property and equipment in the consolidated statements of financial position. The consolidated statements of financial position show the following amounts relating to leases as at December 31.:

	December 31, 2024	December 31, 2023
<i>Right-of-use asset, net</i>		
Office and parking spaces	594,936,346	77,749,797
<i>Lease liabilities</i>		
Current	69,405,107	2,743,244
Non-current	532,567,864	73,313,685
	601,972,971	76,056,929
Deferred tax asset on:		
Right-of-use asset	158,215,887	26,252,064
Lease liabilities	(148,734,087)	(19,437,449)
	9,481,801	6,814,615

The movements in lease liabilities for the years ended December 31 are as follows:

	2024	2023
Beginning of the year	76,056,429	197,459,844
Additions during the year	623,494,022	-
Principal and interest payments	(128,095,538)	(133,054,542)
Accretion of interest	(30,518,058)	11,651,127
End of the year	601,972,971	76,056,929

*Amounts recognized in the consolidated statements of total comprehensive income*

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

	2024	2023	2022
Depreciation of right-of-use assets			
Office and parking spaces	106,306,973	88,668,070	88,668,570
Interest expense (included in finance costs)	30,518,058	11,651,127	18,827,674
Expense relating to leases of low-value assets and short-term leases (included in cost of services and administrative expenses)	10,371,397	12,869,034	11,364,588
	147,196,428	113,188,232	118,860,832

The total cash outflow for leases, including short-term leases and leases of low-value assets, as at December 31, 2024 is P106,124,094 (2023 - P133,266,004).

*(vi) 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.

*(vii) 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.

*Where the Parent Company 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 P28,627,053 as at December 31, 2024 (2023 – P9,781,654) 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 P107,901,148 for the year ended December 31, 2024 (2023 – P109,325,428 ; 2022- P85,249,784). Rent receivable as at December 31, 2024 amounted to P45,874,105 (2023 – P18,944,023).

### **Capital Commitments**

Capital expenditures which are relating to the on-going renovation of the buildings and equipment purchases contracted for at December 31, 2024 but not yet incurred amounted to P716,554,388 (2023- P549,819,476).

### **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 22, 2023, the Parent Company renewed its bond valid from September 22, 2023 to September 21, 2024. The restricted cash is reflected as part of "Other non-current assets" in the balance sheet as of December 31, 2023.

On June 14, 2021, the Supreme Court granted the Petition filed by Dr. Adapon and reinstated the Order of the Regional Trial Court. The Parent Company filed a Motion for Reconsideration of the 14 June 2021 Decision of the Supreme Court. In a final and executory Decision, the Supreme Court denied Motion for Reconsideration, affirmed the reversal of the Decision of the Court of Appeals and affirmed the Arbitral Award.

In its Resolution dated November 18, 2024, the RTC directed the issuance of a new Writ of Execution. In accordance with the Writ of Execution, Stronghold Insurance Company tendered payment in the amount of P87,349,157.45. In its Resolution dated 6 December 2024, the RTC directed the Sheriff to continue to implementation of the Writ of Execution as against the cost of suit that is to be paid jointly shared by Dr. Adapon and the Parent Company. The Sheriff sent another Notice to Comply and/or Demand demanding for the additional payment of P2,418,353.37 broken down as P1,310,287.37 for the Sheriff's Commission, PhP150.00 for the Writ of Execution fee, and P1,107,916.00 for the filing fee. Dr. Adapon, represented by his Estate, is contending that he is further entitled to [i] attorney's fees in the amount of P14,722,469.04 and [ii] legal interests from MDI in the amount of P64,228,030.38 more or less. MDI opposed the efforts of Dr. Adapon for additional payments for filing fee, Sheriff's commission, attorney's fees and legal interest. The issue of whether Parent Company has any further liabilities to satisfy in the First Arbitration Case is pending resolution by the RTC.

On April 25, 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.

In a Decision dated March 4, 2024, the Regional Trial Court Branch 137 granted the following relief to Adapon: “a full and complete accounting of all collections from CT Scan and MRI services provided to MMC in-patients and/or those who paid/will pay using MDI's credit card facility, for the period 2011 up to present.”

Parent Company filed a Petition, with prayer for TRO, before the Court of Appeals questioning the grant of the interim measure of protection. The Court of Appeals has required the parties to file their respective Memoranda, meanwhile, the application for TRO and the Petition is pending.

Despite pendency of the Petition with the Court of Appeals, Parent Company filed with the RTC its *Manifestation with Partial Compliance* to the Decision dated March 4, 2024 of the RTC. Petitioner filed an *Omnibus Motion* to assail sufficiency of the compliance by Parent Company with the Decision dated March 4, 2024 and prayed that Parent Company be found in contempt and for the appointment of a third-party to carry out the accounting per the Decision dated 04 March 2024. In its Order dated 19 May 2025, the RTC denied the Motion to cite in Contempt, but directed Parent Company to “render a full and complete accounting” within 5 days from receipt of said Order or until June 5, 2025. Parent Company has filed a Motion for Reconsideration of the May 19, 2025 Order and a Motion to Inhibit.

Sometime in July 2016, Parent Company received a letter from CII, through its counsel, SyCip Salazar Hernandez & Gatmaitan (SyCipLaw), that it has an interest in the amount subject of the Writ of Execution. SyCipLaw further demanded that the Arbitral Award of the tribunal in the amount of P87,349,157.45 be paid to it.

Parent Company filed an Interpleader suit on the basis that there are two (2) competing claims for the final Arbitral Award, Dr. Adapon and CII.

In an Order dated November 28, 2024, RTC Branch 59 dismissed motu proprio the interpleader suit on the basis that (i) there is already a final and executory judgment as affirmed by RTC Branch 149; and (ii) there is no direct claim against the award being made by CII and the Court does not find the 2016 Letter of CII sufficient. Parent Company filed a motion for reconsideration, which is now pending.

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, 2024, 2023 and 2022.

## 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, 2024, none of the Preferred Shares have been issued.

As at **December 31, 2024**, 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>
<b>Common Shares</b>	<b>1,464</b>	<b>3,420,737</b>

The top twenty (20) shareholders and the respective number of shares held by each shareholder as at December 31, 2024 are as follows:

<b>Rank</b>	<b>Name of Shareholders</b>	<b>Kind of Share</b>	<b>Total Number of Shares</b>	<b>% to total Outstanding Shares</b>
1	Metro Pacific Health Corporation	Common	1,141,819	33.38%

2	Associated Holdings, Inc.	Common	162,872	4.76%
3	Suntay, Remedios, MD (Deceased)	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	Antonio, Cristina M.C. MD	Common	31,470	0.92%
7	Progressive Development Corporation	Common	29,492	0.86%
8	Manahan, Constantino Jr. L.	Common	17,954	0.52%
9	Madrigal, Ma. Susana A.S.	Common	16,418	0.48%
10	Cabreira, Alvin Gubat	Common	15,421	0.45%
11	Fores, Jose Amado	Common	15,192	0.44%
12	Fores, Ma. Victoria A.	Common	15,192	0.44%
13	Fores, Margarita A.	Common	15,192	0.44%
14	Fores-Legarda, Maria Mercedes A.	Common	15,192	0.44%
15	Tanco, Eusebio H.	Common	14,939	0.44%
16	Fores, Jorge A.	Common	14,192	0.41%
17	A. E. Cruz, Inc.	Common	10,890	0.32%
18	Warns, Vicente Gustav P.	Common	10,602	0.31%
19	Philippine Airlines	Common	10,164	0.30%
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	As of record date	Dividend per share	Total dividends
July 18, 2023	August 31, 2023	July 31, 2023	114.96	393,247,926
July 16, 2024	August 30, 2024	July 31, 2024	176.97	605,367,827

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**

MMC Compliance team participated in the Metro Pacific Health (MPH) initiated Compliance and Audit Joint Summit on May 22-23, 2024 at Joy~Nostalg Hotel & Suites Manila, Ortigas Center, Pasig City with the theme: “Building Blocks of Resilience: Constructing the Future of Compliance and Audit at MPH”.

The SEC mandated Annual Corporate Governance Report was submitted to SEC last June 2024.

The Performance Assessment of the Board and Return of Results dates were August/September 2024.

To further improve the whistleblowing system, a Proactive Hotline via MMC website was employed as an additional channel to submit a whistleblowing report (August 2024)

Members of the Board (Directors and Officers) attended the 2024 Annual Corporate Governance Enhancement Session (ACGES), a hybrid seminar held on September 27, 2024 at the Grand Ballroom of Grand Hyatt Manila, Bonifacio Global City with the theme: “Achieving Escape Velocity: Harnessing High Technology to Spark Creativity and Innovation” by Mr. David Morey as Keynote Speaker.

Through the Supply Chain Management Division, letters were sent to all vendors and contractors on October-November 2024 reminding them of MMC’s policy on “Non-acceptance of gifts from MMC Service Providers/Contractors”. As of year-end 2024, Corporate Governance policies roll-out was 100% for new Directors, Officers and Employees including Trainees; 100% for contracted services and vendors; and 93% for medical staff.

For continuous improvement, Compliance Department spearheaded the Ethics and Compliance in the Workplace Survey, which was disseminated to all employees, medical trainees, and consultant doctors in coordination with the Human Resources Management Division, Division of Medical Education and Research, and Medical Services Division (November 2024)

The Ethics Committee of the Board met and discussed the Summary Report on Quality Data including Sentinel Events (December 2024)

Revised MDI Charters were approved by the Board. The revision involved the transfer of remuneration and compensation functions that were previously handled by the Corporate Governance and Compliance Committee. Thus, the Nomination and Election Committee was renamed as Nomination, Election and Remuneration Committee.

1. Corporate Governance and Compliance Committee Charter (Effective December 2024)
2. Nomination, Election and Remuneration Committee Charter (Effective December 2024)

A total of 139 registries, (64) Gifts, (5) Donations, (70) Sponsorships were processed in 2024.

One whistleblowing report was received via proactive hotline and reviewed by the Compliance Department in 2024. The case was closed following a collaborative investigation with the Division of Medical Education and Research.

**Management’s Discussion and Analysis of  
Financial Conditions and Results of Operations  
(For the Year 2024)**

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) Accounting Standards.

**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 for the years ended December 31 are as follows:

	2024	2023	2022
<b>GROSS REVENUES</b>	<b>10,456,076,554</b>	<b>9,638,480,987</b>	<b>8,440,818,290</b>
DISCOUNTS	(1,354,840,629)	(1,232,780,279)	(1,050,333,940)
<b>NET REVENUES</b>	<b>9,101,235,925</b>	<b>8,405,700,708</b>	<b>7,390,484,350</b>
COST OF SERVICES	(5,446,895,647)	(4,968,380,068)	(4,167,454,020)
<b>GROSS PROFIT</b>	<b>3,654,340,278</b>	<b>3,437,320,640</b>	<b>3,223,030,330</b>
ADMINISTRATIVE EXPENSES	(1,931,826,687)	(1,894,901,454)	(2,184,711,221)
OTHER INCOME, net	196,602,203	90,940,759	36,488,725
<b>PROFIT FROM OPERATIONS</b>	<b>1,919,115,794</b>	<b>1,633,359,945</b>	<b>1,074,807,834</b>
FINANCE COSTS	(30,518,058)	(11,651,127)	(23,188,849)
<b>PROFIT BEFORE INCOME TAX</b>	<b>1,888,597,736</b>	<b>1,621,708,818</b>	<b>1,051,618,985</b>
INCOME TAX EXPENSE	(454,628,098)	(410,948,054)	(265,148,065)
<b>PROFIT FOR THE YEAR</b>	<b>1,433,969,638</b>	<b>1,210,760,764</b>	<b>786,470,920</b>

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

### 2024 Compared to 2023

	2024	2023	Variance	
			Amount	%
Net Revenues- Hospital services	9,101,235,925	8,405,700,708	695,535,217	8%
Gross income	3,654,340,278	3,437,320,640	217,019,638	6%
EBITDA	2,687,123,746	2,314,746,375	372,377,372	16%
EBIT	1,919,115,794	1,633,359,945	285,755,849	17%
<b>Net income after tax (NIAT)</b>	<b>1,433,969,638</b>	<b>1,210,760,764</b>	<b>223,208,874</b>	<b>18%</b>

The Group reported 8% increase in net revenues, reaching P9,101 million in 2024. The growth was driven by higher inpatient census which grew by 8%. Key programs on cardiology, oncology and neurosciences contributed to growth of inpatient services including investment in new technology such as robotic surgery. Also, census grew for outpatient services by 6% vs last year and accounts for 47% of the revenue growth. The rationalization of manpower, improved collection and close monitoring of other operating costs further contributed to the profit growth.

### 2023 Compared to 2022

	2023	2022	Variance	
			Amount	%
Net Revenues- Hospital services	8,405,700,708	7,390,484,350	1,015,216,358	14%
Gross income	3,437,320,640	3,223,030,330	214,290,310	7%
EBITDA	2,314,746,375	1,740,851,115	573,895,260	33%
EBIT	1,633,359,945	1,074,807,834	558,552,111	52%
<b>Net income after tax (NIAT)</b>	<b>1,210,760,764</b>	<b>786,470,920</b>	<b>424,289,844</b>	<b>54%</b>

The Group continued to experience growth in patient census achieving an almost pre-pandemic levels. Inpatient grew by 14% and outpatient grew by 16%, this resulted in gross revenues of P8.4 billion or growth of P1 billion or 14% compared to last year. Initiatives such as the acquisition of an MRI, the expansion of the Heart Station and the launching of an Outpatient Surgical Suite all contributed toward revenue growth. At the same time, the Group continued to maintain strict inventory management of supplies which lead to a lower cost of services. In addition, personnel costs continues to be below target despite establishing manpower pool of nurses and other medical allied professionals to ensure that beds are available to patients. These have further contributed to increase in net profit after tax of P1.2 billion, which is P424 million higher or 54% compared to 2022.

## 2. Plan of Operation

In 2025, the Group will focus on key specialties that are expected to bring higher revenue growth. This will involve investments on expansion of some service units and the upgrading of medical equipment. Also, the group expects to start realizing full revenue potential from investment made in 2024 including robotics and minimally invasive surgery, endoscopic and endobronchial ultrasound and expansion of selected outpatient service units.

The Group will also continue with its plans to improve patient experience to further grow its existing services. This will include, among others, improvement of turn-around-time for outpatient services, faster admission and discharge time for inpatients and investment in technology to improve processes.

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 2025.

### 3. Financial Conditions

Amounts in Philippine Peso	2024	2023
Total Assets	18,046,517,251	12,774,765,402
Total Liabilities	4,953,586,438	3,073,904,635
Shareholder's Equity	13,092,930,813	9,700,861,267

#### *Assets:*

The Group's total assets as at December 31, 2024 increased by P5,271.8 million compared to last year mainly due to the Parent Company's revaluation of land & building, higher cashflow from operating activities as a result of higher patient census, better receivable collections and effective cost management.

#### *Borrowings:*

As of December 2021, the Parent Company has settled all outstanding loans and the properties are free from any encumbrances.

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

	2024	2023	2022
Net Cash from Operating Activities	2,432,005,045	2,082,893,244	2,169,343,928
Net Cash Used in Investing Activities	(1,040,501,210)	(659,272,367)	(374,213,904)
Net Cash Used in Financing Activities	(719,644,935)	(513,998,117)	(622,768,681)
Net (Decrease) Increase in Cash	671,858,900	909,622,760	1,172,361,343
Cash, January 1	2,679,850,992	1,770,228,648	597,867,305
<b>Cash, December 31</b>	<b>3,351,709,892</b>	<b>2,679,851,408</b>	<b>1,770,228,648</b>

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 P1,083 million, P577 million and P343 million for the years 2024, 2023 and 2022 respectively.

The Group has no outstanding borrowings as at December 31, 2024 and 2023 and availed of no new borrowings during the years ended December 31, 2024 and 2023.

Finally, the Parent Company paid dividends amounting to P592 million, P381 million and P353 million for the years 2024, 2023 and 2022 respectively.

## 5. Material Changes per Line of Account

### Statements of Financial Position

	2024	2023	Increase (Decrease)	%
<b>Current Assets</b>				
Cash and cash equivalents	3,351,709,892	2,679,851,408	671,858,484	25%
Receivables, net	748,915,587	625,021,386	123,894,201	20%
Inventories, net	301,187,487	285,645,510	15,541,977	5%
Prepayments and other current assets	45,623,052	29,521,834	16,101,218	55%
<b>Total current assets</b>	<b>4,447,436,018</b>	<b>3,620,040,138</b>	<b>827,395,880</b>	<b>23%</b>
<b>Non-Current Assets</b>				
Property and equipment, net	13,459,324,574	8,900,590,259	4,558,734,315	51%
Other non-current assets	139,756,659	254,135,005	(114,378,346)	(45%)
<b>Total non-current assets</b>	<b>13,599,081,233</b>	<b>9,154,725,264</b>	<b>4,444,355,969</b>	<b>49%</b>
<b>TOTAL ASSETS</b>	<b>18,046,517,251</b>	<b>12,774,765,402</b>	<b>5,271,751,849</b>	<b>41%</b>
<b>Current Liabilities</b>				
Trade and other payables	1,697,467,611	1,202,344,209	495,123,402	41%
Provisions for claims	25,089,923	120,082,395	(94,992,472)	(79%)
Income tax payable	48,280,268	21,515,647	26,764,621	124%
Dividends payable	67,328,334	53,508,502	13,819,832	26%
Lease liabilities, current portion	69,405,107	2,742,744	66,662,363	2,430%
Other current liabilities	36,088,251	16,744,351	19,343,900	116%
<b>Total current liabilities</b>	<b>1,943,659,494</b>	<b>1,416,937,848</b>	<b>526,721,646</b>	<b>37%</b>
<b>Non-Current Liabilities</b>				
Provisions, net of current portion	138,632,163	192,793,380	(54,161,217)	(28%)
Retirement benefit obligation	672,883,567	615,600,232	57,283,335	9%
Deferred income tax liabilities, net	1,665,843,350	775,259,490	890,583,860	115%
Lease liabilities, net of current portion	532,567,864	73,313,185	459,254,679	626%
<b>Total non-current liabilities</b>	<b>3,009,926,944</b>	<b>1,656,966,287</b>	<b>1,352,960,657</b>	<b>82%</b>
<b>TOTAL LIABILITIES</b>	<b>4,953,586,438</b>	<b>3,073,904,135</b>	<b>1,879,682,303</b>	<b>61%</b>
<b>Equity</b>				
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 shares	(15,035,660)	(15,035,660)	-	0%
Revaluation surplus	5,846,767,092	3,285,006,745	2,561,760,347	78%
Remeasurements on retirement benefits	(65,648,360)	(54,399,074)	(11,249,286)	21%
Retained earnings	5,258,908,059	4,417,341,802	841,566,257	19%
Non-controlling interest	23,467,533	23,475,305	(7,772)	(0%)
<b>EQUITY</b>	<b>13,092,930,813</b>	<b>9,700,861,267</b>	<b>3,392,069,546</b>	<b>35%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>18,046,517,251</b>	<b>12,774,765,402</b>	<b>5,271,751,849</b>	<b>41%</b>

*Cash and cash equivalents* (increased by P672 Million or 25%) from P2.7 billion as of end of 2023 to P3.4 billion as of end of 2024, mainly due to increasing daily collections from increasing inpatient and outpatient services, and collections from Philhealth, HMOs and corporate accounts.

*Receivables* (increased by P124 million or 20%) – This is mainly a result of higher receivables from Private and Corporate accounts. Rent receivable from Doctors also contributed to the increase.

*Inventories* (increased by P16 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 P16 million or 55%) – Mainly due to payments of computer program and support, insurance and advances to suppliers.

*Property and equipment, net* (increased by P4,559 million or 51%) - Mainly due to land and building appraisal increase recorded as of December 31, 2024. Also, a right of use asset was also recognized as a result of lease renewal in the 1st half of 2024 in compliance with PFRS 16.

*Other non-current assets* (decreased by P114 million or 45%) - Due to release of restricted cash fund from an Insurance Company in relation to legal case as discussed in Item 3 (Legal Proceedings) above. Lower capex downpayments also contributed to the decrease for the period.

*Trade and other payables* (increased by P495 million or 41%) - Due to payables to pharmaceutical companies, contractors of renovation projects and accrued expenses.

*Provision for claims, current* (decreased by P95 million or 79%)- – Mainly due to settlement of tax assessments.

*Income tax payable* (increased by P27 million or 124%)- – Due to higher profits, net of creditable tax certificates received during the year.

*Dividends payable* (increased by P14 million or 26%) – Due to declaration of dividend last July 2024.

*Lease liabilities, current portion & noncurrent* (increased by P525 million or 691%) Due to additional right of use asset recognized upon renewal of lease net of quarterly lease payments.

*Other current liabilities* (increased by P19 million or 116%) Due to higher advance payments on Doctors' leases.

*Provisions, net of current portion* (decreased by P54 million or 28%)– Due to release of restricted fund from the insurance company in relation to legal case as discussed in Item 3 (Legal Proceedings) above.

*Retirement Benefit Obligation* (increased by P57 million or 9%) – Due to recognition of retirement benefit expense and remeasurements on retirement benefits offset by contributions paid during the year.

*Deferred income tax liabilities, net* (increased by P891 million or 115%) Due to increase in deferred tax liability arising from land and building appraisal.

*Remeasurements* (decreased by P11 million or 21%) - Due to the recognition of actuarial loss based on the latest actuarial report.

*Revaluation surplus* (increased by P2,562 million or P78%) – Due to land and building appraisal recorded during the year.

*Equity* movement includes (i) net profit after tax of P1,434 million (ii) Depreciation appraisal surplus P12.9 million (iii) Dividends declaration P605.4 million (iv) Remeasurements on retirement benefits P11.0 million (v) Depreciation transfer on revaluation surplus P3.0 million.

*Non-controlling interest* refers to the proportionate share of the minority stockholders 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:

	2024	2023	2022
Medicines, Dietary, Linen, Laundry & Supplies	2,299,517,222	2,085,324,528	1,903,285,233
Salaries, wages and employee benefits	1,996,442,110	1,879,508,557	1,523,675,809
Depreciation and amortization	768,007,952	681,386,429	666,043,281
Professional services	669,738,406	623,344,001	589,593,124
Contracted services	542,442,207	541,009,764	490,933,778
Repairs and maintenance	259,897,729	191,877,012	177,960,168
Utilities	224,587,321	235,812,368	257,713,380
Security and janitorial services	137,808,132	125,246,416	109,659,508
Retirement benefit	102,284,288	90,027,469	93,718,196
Taxes and licenses	71,541,397	63,395,261	56,042,451
Commission	54,608,086	50,494,584	42,707,773
Advertising	39,948,529	29,290,213	17,339,868
Communication	17,216,068	15,366,122	15,018,233
Rent	10,371,397	12,869,034	11,364,588
Provision for impairment of receivables	-	82,372,031	273,899,244
Others	184,311,490	155,957,733	123,210,607
<b>Total</b>	<b>7,378,722,334</b>	<b>6,863,281,522</b>	<b>6,352,165,241</b>

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

### 2024 Compared to 2023

	December 31		Increase (Decrease)	
	2024	2023	Amount	%
Medicines, Dietary, Linen, Laundry & Supplies	2,299,517,222	2,085,324,528	214,192,694	10%
Salaries, wages and employee benefits	1,996,442,110	1,879,508,557	116,933,553	6%
Depreciation and amortization	768,007,952	681,386,429	86,621,523	13%
Professional services	669,738,406	623,344,001	46,394,405	7%
Contracted services	542,442,207	541,009,764	1,432,443	0%
Repairs and maintenance	259,897,729	191,877,012	68,020,717	35%
Utilities	224,587,321	235,812,368	(11,225,047)	(5%)
Security and janitorial services	137,808,132	125,246,416	12,561,716	10%
Retirement benefit	102,284,288	90,027,469	12,256,819	14%
Taxes and licenses	71,541,397	63,395,261	8,146,136	13%
Commission	54,608,086	50,494,584	4,113,502	8%
Advertising	39,948,529	29,290,213	10,658,316	36%
Communication	17,216,068	15,366,122	1,849,946	12%
Rent	10,371,397	12,869,034	(2,497,637)	(19%)

Provision for impairment of receivables	0	82,372,031	(82,372,031)	(100%)
Others	184,311,490	155,957,733	28,353,757	18%
	<b>7,378,722,334</b>	<b>6,863,281,522</b>	<b>515,440,812</b>	<b>8%</b>

*Medicines, Dietary, Linen, Landry and Supplies* (increased by P214 million or 10%) -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 8% compared to same period last year.

*Salaries and Benefits* (increased by P117 million or 6%) This is mainly due higher headcount, mostly nurses, to address the increasing patient census and high attrition brought about by job opportunities abroad. Hiring costs, employee retention programs and performance-based adjustments further added to the costs.

*Depreciation and amortization* (increased by P87 million or 13%) – Due to higher capital expenditures from upgrades of medical equipment and the continuous renovation of hospital facilities.

*Professional services* (increased by P46 million or 7%) -Mainly due to higher availments of medical and surgical packages and readers fees on outpatient services. Higher legal fees also contributed to the increase.

*Repairs and maintenance* (increased by P68 million or 35%) -Mainly due to availment of comprehensive preventive maintenance for most of the radiology equipment. Higher purchases of parts and supplies also contributed to the increase.

*Utilities* (decreased by P11 million or 5%) – Mainly due to increase in water consumption and increase in water rates for the 1st half of 2024 as a result of higher patient census offset by lower electricity consumption.

*Security and Janitorial services* (increased by P13 million or 10%) -Due to additional headcount of housekeeping personnel.

*Retirement benefit* (increased by P12 million or 14%) Higher expense provision as determined by an actuarial report

*Taxes and licenses* (increased by P8 million or 13%) -Due to higher business tax for 2024.

*Commission* (increased by P4 million or 8%) -Due to increased credit card transactions during the year.

*Advertising* (increased by P11 million or 36%) -Due to higher brand equity/ print ad placements for the period.

*Communication* (increased by P2 million or 12%) – Due to purchase of additional fiber data.

*Rent* (decreased by P2 million or 19%) – Due to termination of short-term parking lease contract in 2024.

*Provision for impairment of receivables* (decreased by P82 million or 100%) -Lower provision for the year as a result of improved collection experience from Philhealth.

*Others* (increased by P28 million or 18%) –Mainly due to higher training, representation and IT related expense.

### **2023 Compared to 2022**

*Medicines, Dietary, Linen, Landry and Supplies* (increased by P182 million or 10%) -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 23% compared to same period last year.

*Salaries, wages and employee benefits* (increased by P356 million or 23%) 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.

*Professional services* (increased by P34 million or 6%) -Mainly due to higher availments of medical and surgical packages and readers fees on outpatient services.

*Contracted services* (increased by P50 million or 10%) -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. Also, higher headcount of temporary personnel contributed to the increase.

*Utilities* (decreased by P22 million or 8%) -Due to lower electricity consumption and lower rates.

*Repairs and maintenance* (increased by P14 million or 8%) -Mainly due to availment of comprehensive preventive maintenance for most of the radiology equipment.

*Security and Janitorial services* (increased by P16 million or 14%) -Due to additional headcount of housekeeping personnel.

*Provision for impairment of receivables* (decreased by P192 million or 70%) -Lower provision as a result of increased collection from Philhealth and lower private patient receivables.

*Taxes and licenses* (increased by P7 million or 13%) -Due to higher business tax for 2023.

*Commission* (increased by P8 million or 18%) -Due to increased credit card transactions during the year.

*Advertising* (increased by P12 million or 69%) -Due to higher brand equity/ print ad placements for the period.

*Rent* (increased by P2 million or 13%) - Due to rental of additional 50 parking slots.

*Others* (increased by P33 million or 27%) - Due to higher training, representation and IT related expenses.

#### **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.
- 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.

#### **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.

<b>Details</b>	<b>2024</b>	<b>2023</b>
Liquidity: Current Ratio	2:3:1	2:6:1
Solvency: Debt to Equity Ratio	0.38	0.32
Profitability: Return on Shareholders' Equity	10.95%	12.48%
Operating Efficiency:		

Revenue Growth	8.27%	13.74%
Operating Margin	21.09%	19.43%

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 C.1".

**Management’s Discussion and Analysis of  
Financial Conditions and Results of Operations  
(For the First Quarter of 2025)**

**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, 2025 and 2024.

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, 2025 and 2024.

	YTD Mar 31		Variance	
	2025	2024	Amount	%
<b>GROSS REVENUES</b>	<b>2,851,265,812</b>	<b>2,551,494,713</b>	<b>299,771,099</b>	<b>11.7%</b>
DISCOUNTS	(382,169,167)	(337,334,944)	(44,834,223)	13.3%
<b>NET REVENUES</b>	<b>2,469,096,645</b>	<b>2,214,159,769</b>	<b>254,936,876</b>	<b>11.5%</b>
COST OF SERVICES	(1,446,695,164)	(1,331,533,137)	(115,162,027)	8.6%
<b>GROSS PROFIT</b>	<b>1,022,401,481</b>	<b>882,626,632</b>	<b>139,774,849</b>	<b>15.8%</b>
ADMINISTRATIVE EXPENSES	(541,217,363)	(467,184,583)	(74,032,780)	15.8%
OTHER INCOME, net	56,083,734	49,243,735	6,839,999	13.9%
<b>PROFIT FROM OPERATIONS</b>	<b>537,267,852</b>	<b>464,685,784</b>	<b>72,582,068</b>	<b>15.6%</b>
FINANCE COSTS, NET	(11,566,639)	(1,650,882)	(9,915,757)	600.6%
<b>PROFIT BEFORE INCOME TAX</b>	<b>525,701,213</b>	<b>463,034,902</b>	<b>62,666,311</b>	<b>13.5%</b>
INCOME TAX EXPENSE	(125,002,993)	(108,195,778)	(16,807,215)	15.5%
<b>PROFIT FOR THE PERIOD</b>	<b>400,698,220</b>	<b>354,839,124</b>	<b>45,859,096</b>	<b>12.9%</b>

In the first quarter of 2025, the Group’s net profit after tax amounted to P400.7 million, 12.9% (P45.9 million) higher than the net profit of P354.8 million in the same period last year. This is attributable to higher inpatient census which grew by 8% and outpatient census which grew by 6% vs last year. The improvement in net profit is a result of increased revenue and controlled expenses.

Inpatient revenues posted an increase of 10% consistent with higher average occupied beds of 306 beds vs last year’s 285 beds. This is driven by the hospital’s clinical programs aimed at increasing patient census for high value cases. In the meantime, outpatient revenues grew by 13%, of which the major contributors include laboratory, heart station, radiology and physical med and rehab. Also, expansion of outpatient units in prior year such as the heart station, renal care and wellness services achieved full patient census contribution in 2025.

Average bed occupancy level of the Parent Company's hospital for the three months ended March 31, 2025 and 2024 are as follows:

Particulars	2025	2024	Variance	%
<b>Occupancy</b>				
<b>Parent</b>				
Bed Capacity (Available)	531	532	(1)	0%
Bed Occupied	306	285	21	7%
Occupancy Rate	58%	54%		8%

\* To reflect a more accurate utilization of beds, closed rooms due to maintenance/renovation 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, 2025 and 2024 are as follows:

Account	YTD Mar 31		Increase (Decrease)	
	2025	20243	Amount	%
Medicines, Dietary, Linen, Laundry & Supplies	640,966,248	571,002,564	69,963,684	12%
Salaries, wages and employee benefits	516,043,161	493,531,507	22,511,654	5%
Depreciation and amortization	207,212,451	177,729,364	29,483,087	17%
Professional Services	174,493,535	159,864,880	14,628,655	9%
Contracted Services	156,146,639	136,139,396	20,007,243	15%
Repairs and Maintenance	73,483,403	62,303,888	11,179,515	18%
Utilities	55,261,651	54,842,041	419,610	1%
Security and Janitorial Services	36,996,590	32,153,465	4,843,125	15%
Provision for Impairment of Receivables	25,722,546	25,413,970	308,576	1%
Commission	15,787,274	12,427,904	3,359,370	27%
Advertising	7,449,790	6,734,785	715,005	11%
Communication	4,517,820	3,853,265	664,555	17%
Rent	2,038,577	3,266,270	(1,227,693)	(38%)
Others	71,792,842	59,454,421	12,338,421	21%
<b>Total</b>	<b>1,987,912,527</b>	<b>1,798,717,720</b>	<b>189,194,807</b>	<b>11%</b>

#### Significant movements in cost and operating expenses are as follows:

- 1) *Medicines, Dietary, Linen, Laundry and Supplies* (increased by P70.0 million or 12%) -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 8% compared to same period last year.
- 2) *Salaries, wages and employee benefits* (increased by P22.5 million or 5%) - This is mainly due to salary adjustments as a result of the CBA negotiation. Additionally, an increase in statutory contributions has also contributed to the increase cost.

- 3) *Depreciation and amortization* (increased by P29.5 million or 17%) – Due to higher capital expenditures from upgrades of medical equipment and the continuous renovation of hospital facilities.
- 4) *Professional services* (increased by P14.6 million or 9%) Mainly due to higher availments of medical and surgical packages and readers fees.
- 5) *Contracted services* (increased by P20.0 million or 15%) -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. Also, higher headcount of temporary personnel contributed to the increase.
- 6) *Repairs and Maintenance* (increased by P11.2 million or 18%)- Mainly due to higher purchases of parts and consumables for building maintenance. New preventive maintenance of CISCO network and wireless equipment also contributed to the increase.
- 7) *Security and Janitorial services* (increased by P4.8 million or 15%)- Due to higher augmentation cost of Security personnel. Also an increase in headcount of housekeeping personnel also contributed to the increase.
- 8) *Commission* (increased by P3.4 million or 27%)- Due to higher credit card transactions.
- 9) Advertising (increased by P0.7 million or 11%) - Due to higher brand equity/ print ad placements for the period.
- 10) Communication (increased by P0.7 million or 17%) – Due to purchase of additional fiber data.
- 11) Rent (decreased by P1.2 million or 38%) – Due to termination of short-term parking lease contract in 2024.
- 12) *Others* (increased by P12.3 million or 21%) – Due to higher insurance, corporate events and IT related expenses.

## II. Material Changes Per Line of Accounts

	<u>1Q-2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>	<u>% Inc (Dec)</u>
<b><u>Current Assets</u></b>				
Cash and cash equivalents	3,343,512,380	3,351,709,892	(8,197,512)	(0%)
Receivables, net	871,844,128	748,915,587	122,928,541	16%
Inventory, net	284,710,085	301,187,487	(16,477,402)	(5%)
Prepayment and other current assets	76,144,101	45,623,052	30,521,049	67%
<b>Total Current Assets</b>	<b>4,576,210,694</b>	<b>4,447,436,018</b>	<b>128,774,676</b>	<b>3%</b>
<b><u>Non-Current Assets</u></b>				
Property and equipment, net	13,640,682,355	13,459,324,574	181,357,781	1%
Other non-current assets	155,787,933	139,756,659	16,031,274	11%
<b>Total Non-Current Assets</b>	<b>13,796,470,288</b>	<b>13,599,081,233</b>	<b>197,389,055</b>	<b>1%</b>
<b>TOTAL ASSETS</b>	<b>18,372,680,982</b>	<b>18,046,517,251</b>	<b>326,163,731</b>	<b>2%</b>
<b><u>Current Liabilities</u></b>				
Trade and other payables	1,527,998,493	1,697,467,611	(169,469,118)	(10%)
Income tax payable	184,022,758	48,280,268	135,742,490	281%
Provision for claims	25,089,923	25,089,923	-	0%
Dividends payable	67,323,785	67,328,334	(4,549)	(0%)
Lease liabilities, current	67,951,740	69,405,107	(1,453,367)	(2%)
Other current liabilities	21,255,593	36,088,251	(14,832,658)	(41%)
<b>Total Current Liabilities</b>	<b>1,893,642,292</b>	<b>1,943,659,494</b>	<b>(50,017,202)</b>	<b>(3%)</b>

<b><u>Non-Current Liabilities</u></b>				
Provisions, net of current portion	138,631,663	138,632,163	(500)	(0%)
Retirement benefit obligation	685,535,132	672,883,567	12,651,565	2%
Deferred income tax liabilities, net	1,654,288,776	1,665,843,350	(11,554,574)	(1%)
Lease liabilities, net of current portion	506,141,503	532,567,864	(26,426,361)	(5%)
<b>Total Non-Current Liabilities</b>	<b>2,984,597,074</b>	<b>3,009,926,944</b>	<b>(25,329,870)</b>	<b>(1%)</b>
<b>TOTAL LIABILITIES</b>	<b>4,878,239,366</b>	<b>4,953,586,438</b>	<b>(75,347,072)</b>	<b>(2%)</b>
<b><u>Shareholders' Equity</u></b>				
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	5,844,321,863	5,846,767,092	(2,445,229)	(0%)
Remeasurement on retirement benefits	(65,648,360)	(65,648,360)	-	0%
Retained earnings	5,662,871,734	5,258,908,059	403,963,675	8%
Minority interest	23,459,890	23,467,533	(7,643)	(0%)
<b>SHAREHOLDERS' EQUITY</b>	<b>13,494,441,616</b>	<b>13,092,930,813</b>	<b>401,510,803</b>	<b>3%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>18,372,680,982</b>	<b>18,046,517,251</b>	<b>326,163,731</b>	<b>2%</b>

*Receivables, net* (increased by P122.9 million or 16%) – Due to higher receivables from private, Philhealth, HMO and other corporate accounts.

*Inventories, net* (decreased by P16.5 million or 5%) - Due to utilization of buffer stocks purchased last year.

*Prepayment and other current assets* (increased by P30.5 million or 67%) - Due to higher prepayments for contracted IT and insurance for the period, and higher creditable withholding taxes received for the period that have not yet been applied to income tax payable.

*Other noncurrent asset* (increased by P16.0 million or 11%) -Due to higher capex downpayments for the period.

*Trade and other payables* (increased by P169.5 million or 10%) - Due to payables to pharmaceutical companies, contractors of renovation projects and accrued expenses.

*Income tax payable* (increased by P135.7 million or 281%) Due to higher taxable income as of March 31, 2025.

*Lease liabilities, current and noncurrent portion* (decreased by P27.9 million or 5%) Due to lease payments for the period.

*Other current liabilities* (decreased by P14.8 million or 41%) – Due to the application of the doctor's advance rental to their outstanding receivables.

*Shareholder's Equity* movement includes (i) net profit after tax of P400.7 million (ii) Depreciation appraisal surplus P3.3 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, 2025 vs. December 31, 2024)

	March 2025	December 2024
Gross Profit margin	35.86%	34.95%
Net Profit margin	14.05%	13.71%
Return on Equity	2.97%	10.95%

Current ratio	2.42:1	2.29:1
Interest rate coverage	46.45:1	62.88:1
Debt to equity ratio	0.36:1	0.38:1
Debt ratio	0.27:1	0.27:1
<u>Asset-to-equity ratio</u>	<u>1.36:1</u>	<u>1.38:1</u>

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**

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 22, 2023, the Parent Company renewed its bond valid from September 22, 2023 to September 21, 2024. The restricted cash is reflected as part of "Other non-current assets" in the balance sheet as of December 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 filed a Motion for Reconsideration of the 14 June 2021 Decision of the Supreme Court. In a final and executory Decision, the Supreme Court denied Motion for Reconsideration, affirmed the reversal of the Decision of the Court of Appeals and affirmed the Arbitral Award.

In its Resolution dated 18 Nov 2024, the RTC directed the issuance of a new Writ of Execution. In accordance with the Writ of Execution, Stronghold Insurance Company tendered payment in the amount of P87,349,157.45. In its Resolution dated 6 December 2024, the RTC directed the Sheriff to continue to implementation of the Writ of Execution as against the cost of suit that is to be paid jointly shared by Dr. Adapon and the Parent Company.

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.

In a Decision dated 04 March 2024, the Regional Trial Court Branch 137 granted the following relief to Adapon: “a full and complete accounting of all collections from CT Scan and MRI services provided to MMC in-patients and/or those who paid/will pay using MDI's credit card facility, for the period 2011 up to present.”

Parent Company filed a Petition, with prayer for TRO, before the Court of Appeals questioning the grant of the interim measure of protection. The Court of Appeals has required the parties to file their respective Memoranda, meanwhile, the application for TRO and the Petition is pending.

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, 2025.

In 2023, the Company received the Formal Letter of Demand / Final Assessment Notice (FLD/FAN) for taxable year 2019. A protest letter in the form of request for reinvestigation was filed by the Company on October 13, 2023. The Company also received a letter of authority for taxable year 2021.

The Company received a Final Decision on Disputed Assessment (FDDA) for taxable year 2018 and 2019 and a Preliminary Assessment Notice (PAN) for taxable year 2020. On March 14, 2024, the Company paid P20,991,516 and P19,003,169 in deficiency taxes, including interest for the taxable years 2018 and 2020, respectively. On May 9, 2024, the Company settled the amount of P19,997,787 as payment for deficiency taxes and interest for taxable year 2019.

- a) 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.
- b) Funding for the modernization plans of the Parent Company are financed from operating funds, supplier's credits and whenever necessary through bank loans. There are no other known trends, demands, commitments, events or uncertainties that would have material adverse effect on the Group's liquidity.

On March 27, 2023, the Parent Company's BOD approved the reversal of the P600 million appropriation due to the completion of the Parent Company's expansion and renovation projects and continuous modernization of medical equipment. On the same day, the Parent Company's BOD approved the appropriation of P2 billion for the construction of a building expected to be completed in five years.

On December 1, 2023, the Parent Company's BOD approved the reversal of the initial P2 billion appropriation and approved the appropriation of P3.5 billion due to an increase in estimated cost for the aforementioned construction and fit out project. On March 19, 2025, the Parent Company's BOD approved the continued retention of the P3.5 billion appropriation as recommended by management after the latter revisited the Company's expansion plans. The intention to roll-out space planning and expansion projects, including the construction and fit out of a building, in the next five years.

- c) All outstanding bank loans of the Parent Company were settled last June 10, 2022.
- d) 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.
- e) The Parent Company has issued various purchase orders and commitments related to the modernization of its facilities and equipment aggregating to about P645.6 million. These are mostly contractors for renovation projects and suppliers of medical equipment which will all be funded by its operations.

- f) 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.
- g) There are no significant elements of income or loss that did not arise from the company's continuing operations.
- h) There are no seasonal aspects that had a material effect on the financial condition or results of operations during the period.
- i) There are no repurchases of equity securities.
- j) 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 18, 2023	August 31, 2023	July 31, 2023	2022	114.96	393,247,926
July 16, 2024	August 30, 2024	July 31, 2024	2023	176.97	605,367,827

- k) There are no changes in contingent liabilities or contingent assets since the last annual balance sheet date.
- l) 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. (MAKATI MEDICAL CENTER)**  
 ANNUAL MEETING OF THE STOCKHOLDERS  
 Tuesday, July 15, 2025, 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 15, 2025 Annual Meeting of Stockholders**

as my proxy, to represent me at the regular meeting of the stockholders of the Company on Tuesday, July 15, 2025 at 5:00 p.m. 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 5 and 6A.

	FOR	AGAINST	ABSTAIN
1. Approval of the Minutes of the Regular Stockholders’ Meeting of July 16, 2024	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of the Annual Report of the Company for the year ended December 31, 2024	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of all the acts of the Board of Directors and Officers since July 16, 2024	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of the extension of term as Independent Director of Mr. Francisco A. Dizon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Re-appointment of Isla Lipana & Co / Pricewaterhouse Coopers as external auditors of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. 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. Allmurung, Benjamin N., M.D.	
2. Cochangco, Raymundo S.	
3. Famador, Jay Arnold F., M.D.	
4. Fores, Jose Amado A.	
5. Gisbert, Victor L., M.D.	
6. Javier, Agripino A., M.D.	
7. Javier, Saturnino P., M.D.	
8. Lim, Jose Ma. K.	
9. Madrigal, Ma. Susana A. S.	
10. Palsoc Jr., Augusto P.	
11. Pangilinan, Manuel V.	
12. Roxas, Judy A.	
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 \_\_\_\_\_, 2025.

\_\_\_\_\_  
 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, June 30, 2025 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](mailto: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):

<b>Company</b>	<b>Position</b>	<b>Period of Service</b>
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 MAY 30 2025 day of \_\_\_\_\_, at CITY OF MAKATI

  
Diana P. Aguilar  
Affiant

MAY 30 2025

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

\_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_.

ATTY. ADONAI JAMES CALARONÁ

Notary Public

Unit Dec.

NOTARY PUBLIC

IBP O.R. No. 470780710-03-2024/Pampanga

Appointment No. M-030 (2025-2026)

Roll of Attorney No. 84603

MCLE Compliance (Exempted until 4-14-2025)

PTR No. 10075709 MFV1-03-2024/Makati City

Unit 1009 Philippine AUA Life Centre, Sen. Gil Puyat

Avenue Corner, Tindalo Street, Makati City 1235

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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 MAY 30 2025 day of \_\_\_\_\_, at CITY OF MAKATI

  
**FRANCISO A. DIZON**  
 Affiant

SUBSCRIBED AND SWORN to before me this MAY 30 2025 day of \_\_\_\_\_, affiant exhibited to me his \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_.

  
**ATTY. ADONAI JAVIER BLARONA**  
 Notary Public  
 Until December 31, 2026  
 IBP O.R. No. **NOTARY PUBLIC** Pampanga  
 Appointment No. M-030 (2025-2026)  
 Roll of Attorney No. 84603  
 MCLE Compliance (Exempted until 4-14-2026)  
 PTR No. 16075788 MX/1-03-2024/Makati City  
 Unit 1009 Philippine AXA Life Centre, 8th, 8th Floor  
 Avenue Gomez, Tindalo Street, Makati City 1225

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### 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 2025
Sunlife Asset Management	Independent Director	2015 to 2025
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		

