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To: acemcbacolod@gmail.com

Subject: Re: Asia - Pacific Medical Center Bacolod, Inc. (formerly: Allied Care Experts Medical Center- Bacolod Inc).\_17-C\_19 May 2022

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### NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, Monthly Reports, Quarterly Reports, Letters, through email at

[ictdsubmission@sec.gov.ph](mailto:ictdsubmission@sec.gov.ph)

**Note: All submissions through this email are no longer required to submit the hard copy thru mail, eFAST/OST or over- the- counter.**

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL (OST)** such as:

AFS, GIS, GFFS, LCFS, LCIF, FCFS, FCIF, IHFS, BDFS, PHFS etc. ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC\_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

FOR MC28, please email to:

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**For your information and guidance.**

**Thank you and keep safe.**

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER

1. 18 May 2022  
Date of Report
2. SEC Identification Number CS201721758
3. BIR Tax Identification No. 009-725-618-000
4. ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. (Formerly: ALLIED CARE EXPERTS MEDICAL CENTER-BACOLOD INC).  
Exact name of issuer as specified in its charter
5. Negros Occidental, Philippines  
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)   
Industry Classification Code:
7. Room 4, Ground Floor, MC Metroplex Building, BS Aquino Drive, Bacolod City  
Address of principal office
- 6100  
Postal Code
8. 09175234802 / 09171884699  
Issuer's telephone number, including area code
9. \_\_\_\_\_  
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Founder	600
Common	203,400
Amount of Debt	Not Applicable

11. Indicate the item numbers reported herein: Items 9 and 11

Item 9 a (12) Notice of Annual Stockholders' Meeting

On 14 May 2022, the Board has fixed the date of the Annual Stockholders' Meeting on 14 August 2022 at 9:00 a.m. via remote communication. Asia-Pacific Medical Center Bacolod, Inc. hereby issues the Notice of Annual Stockholders Meeting to its stockholders, containing the meeting Agenda, the procedure and requirements for participation and voting by remote communication or in absentia and the explanatory notes to the meeting. Please see attached Annex A.

Item 9 b - Non-Material and Material Amendments of the Simplified Registration Statement of the Issuer

In compliance with SEC Rule 8.1.3.7.2, the company is filing for an Amendment of its prospectus. A Certificate issued by the Corporate Secretary on the Resolution Amending Pages 40;42 (Use of Proceeds), 46-48 (Dilution) 64-65 (Current Stockholders), 69 (Business Work and Experience), 73 (Security Ownership), 78 (Annual Compensation),81-83 (Results of Operation) and 88-91 (Summary of Financial Operation) of the Simplified Registration Statement is attached and incorporated by reference hereto as Annex B.

Attached also are: one copy of complete, unmarked copy of every amendment, including exhibits and other papers and documents filed as part of the amendments (Annex C) and one (1) additional copy marked to indicate clearly and precisely, the changes affected in the registration statement by the amendment (Annex D).

Item 11 Financial Statements


Attached as Annex E to support the Amendment of its Simplified Registration Statement is the 2021 Audited Financial Statement of the Company.

**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ASIA - PACIFIC MEDICAL CENTER BACOLOD, INC.  
(Formerly: ALLIED CARE EXPERTS MEDICAL CENTER- BACOLOD INC)  
Issuer

18 May 2022  
Date

  
MA. IVY V. MALATA, MD  
Corporate Secretary



## SECRETARY'S CERTIFICATE

I, **MA. IVY V. MALATA**, of legal age, Filipino, being the duly elected and qualified Corporate Secretary of Asia Pacific Medical Center- Bacolod Inc., a corporation duly organized and existing under the laws of the Philippines, with office address at Rm. 4, Ground Floor, MC Metroplex Building, BS Aquino Drive, Bacolod City, under oath, do hereby certify that at the regular meeting of the Board of Directors of the Corporation held via remote communication on 14 May 2022, the following resolutions were unanimously adopted:

*xxx RESOLVED THAT a material amendment of the Simplified Registration Statement of the Company be made to update the Financial Statement incorporated therein and*

*RESOLVED FURTHER THAT the following amendments be also made to the Simplified Registration Statement of Asia Pacific Medical Center – Bacolod to wit:*

*Pages 40 and 42 under the Use of Proceeds to update the percentage of completion as of 31 March 2022;*

*Pages 46-48 under Dilution to update the data on the dilution of shares as of 31 December 2021;*

*Pages 64-65 under Current Stockholder to reflect the decrease in the shares of Amado Manuel C. Enriquez, Jr., Marissa Orillaza, and Generoso Orillaza and the increase in the shares of the current stockholders Wendell Espinosa, Olga Pabicon and Jimmy Pacete after the receipt of the Corporate Secretary of the Bureau of Internal Revenue (BIR) Certificate Authorizing Registration (CAR) for the shares that they had previously purchased;*

*Page 69 under Business Work and Experience to include the award received by the Corporate Secretary, Ma. Ivy Malata as Most Outstanding Physician Award on April 29, 2022 by Philippine Medical Association;*

*Page 73 under Security Ownership to update the data on the shares owned by Olga Pabicon and Jimmy Pacete.*

*Page 78 under Annual Compensation to reflect the compensation actually paid to Directors for the year 2021.*

*Pages 81-83 under Results of Operations to update data as of 31 December 2021.*

*Pages 88-91 under Summary Financial Operation to update data as of 31 December 2021.*



*RESOLVED FINALLY THAT the President, Dr. Ferjenel G. Biron be authorized to sign the foregoing amendments in the Simplified Registration Statement and the Corporate Secretary to report the said amendments before the Securities and Exchange Commission and perform all acts necessary to carry out such representation.*

IN WITNESS WHEREOF, I hereunto set my hand on this 19 MAY 2022 day of May 2022.

*Ivy Malata*

**MA. IVY V. MALATA**

SUBSCRIBED AND SWORN TO before me this 19 MAY 2022 of      2020 affiant personally appeared and exhibited to me her PRC ID. 0075305 valid until 09/08/2023.

Doc. No. 497;  
Page No. 100;  
Book No. XIII;  
Series of 2022

*Annie*  
**ATTY. ANNIE ROSE V. ROSALES, CPA**  
NOTARY PUBLIC  
FOR THE CITIES OF BACOLOD, TALISAY,  
MURCIA AND DON SALVADOR BENEDICTO  
NOTARIAL COMMISSION NO. 0102-21  
UNTIL JUNE 30, 2022 AS PER B.M. #3795  
ROLL OF ATTORNEYS NO. 75157  
PTR No. 8958108 01-03-22  
IBP OR No. 168396 12-22-21  
MCLE EXEMPT  
Blk. 8 Lot 9 St. Anne Subdivision Carvic  
Brgy. Mandalagan, Bacolod City  
CP No. 09480719524

SECURITIES AND EXCHANGE COMMISSION  
**SEC FORM 12-1 SRS**  
SIMPLIFIED REGISTRATION STATEMENT FOR HOSPITALS

**GENERAL INSTRUCTIONS**

1. Pursuant to SEC Res. No. 225, s. of 2017, hospitals may use Form 12-1 SRS for registration of its securities that are sold or offered for sale pursuant to Section 8 and 12 of the Code. The use of Form 12-1 SRS is without prejudice to the right of the Commission to require such other information or documents as may prescribe, consistent with the interest of the general public and for the protection of investors.
2. Under Section 13.1(b) of the Securities Regulation Code ("SRC"), the Commission may reject Registration Statement which on its face is *incomplete*. Notwithstanding the said provision, Sec. 14.2 of the SRC states that an amendment filed prior to the effective date of the Registration Statement ("RS") shall recommence the forty-five (45) day period within which the Commission shall act on a RS. Thus, should the company be amenable to extending the 45-day processing period (by executing a letter consenting to the processing time of the application to enable the company to amend its RS) the Market and Securities Regulation Department ("MSRD") shall be constrained to elevate the application based on the existing RS on file, to enable MSRD to comply with the said processing period mandated under Section 12.6 of the SRC.
3. Attention is directed under Section 68, As Amended on the Financial Statement requirements. Prior to preparation of their filings, registrants should also review the provisions of SRC Rule 72.1, "General Rules and Regulations for Filing of SEC Forms with the Securities and Exchange Commission." Definitions contained in "Annex B" and SRC Rule 68, as amended, to the extent they are not defined herein, shall govern the meanings of similar terms used herein.
4. The registration statement shall be signed by the registrant's chief executive officer, its chief operating officer, its chief financial officer, its controller, its chief accounting officer, its corporate secretary or persons performing similar functions.
5. The name of each person who signs the registration statement shall be typed or printed beneath his/her signature. Any person who occupies more than one of the specified positions shall indicate the capacity in which he signs the registration statement. At least one (1) copy of the documents filed shall be manually signed and the unsigned copies shall be conformed.
6. Every amendment to a registration statement shall be signed by the persons specified in Section 12.4 of the Code or by any executive officer duly authorized by the Board of Directors. The final prospectus shall, however, be signed by all required signatories under Section 12.4 of the Code.
7. Three (3) copies of the complete Form 12-1 SRS shall be filed including exhibits and all other papers and documents filed as part thereof.
8. In case of withdrawal of a registration statement, fifty percent (50%) of the filing fee paid shall be *forfeited and not* be allowed for future application.
9. In the event that the registration statement is rejected pursuant to Section 13 of the Code, the filing fee paid thereon shall be *forfeited*.

10. Confidential Treatment of Information filed with the Commission –any request for confidentiality will be presented to Commission En Banc prior its application for registration or offering
11. How to use this form: Put ✓ inside the box to mark a box.



SECURITIES AND EXCHANGE COMMISSION  
**SEC FORM 12-1 SRS**  
SIMPLIFIED REGISTRATION STATEMENT FOR HOSPITALS

1. SEC Registration Number ..... CS201721758
  
2. Exact name of issuer as specified in its charter ..... ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.  
(formerly Allied Care Experts Medical Center - Bacolod Inc.)
  
3. Principal Business Address including postal code..... RM. 4, GROUND FLOOR, MC METROPLEX BLDG., BS  
AQUINO DRIVE, BACOLOD CITY 6100  
  
Hospital Building Address..... LACSON ST., BARANGAY BATA, BACOLOD CITY 6100
  
4. Province, country of other jurisdiction of incorporation or organization..... NEGROS OCCIDENTAL, PHILIPPINES
  
5. BIR Tax Identification No. 009-725-618-000
  
6. Industry Group: Hospitals and Physicians
  
7. Telephone Number including area code: (034) 7031637  
(+63) 9171884699
  
8. Official company's website..... [www.apmcbacolod.com](http://www.apmcbacolod.com)
  
9. Fiscal Year (Day and Month) 31 December

### COMPUTATION OF FILING FEE

Title of each class of securities to be registered	Shares to be registered	No. of Blocks (10 shares per block)	Proposed Offering Price per Block	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
<b>Founder (I)</b>	<b>600</b>	-	-	<b>600,000</b>	<b>863,500.00</b>
<b>Common (I)</b>	<b>203,400</b>	-	-	<b>203,400,000</b>	
<b>Common</b>	<b>24,000</b>	<b>2,400</b>	<b>250,000</b>	<b>600,000,000</b>	
<b>Common</b>	<b>8,000</b>	<b>800</b>	<b>300,000</b>	<b>240,000,000</b>	
<b>Common</b>	<b>4,000</b>	<b>400</b>	<b>400,000</b>	<b>160,000,000</b>	
<b>Total</b>	<b>240,000</b>			<b>1,204,000,000</b>	

<b>Registration Fee</b>	<b>P 863,500.00</b>
<b>Legal Research Fee</b>	<b>8,635.00</b>
<b>Total Filing Fee</b>	<b>P 872,135.00</b>

Registration Statements filed pursuant to Section 12 of the Code shall be accompanied by a fee as follows:

Maximum aggregate price of securities to be offered	Amount of filing fee
Not more than P500 Million	0.10% of the maximum aggregate price of the securities to be offered
More than P500 Million but not more than P750 Million	P500,000 plus 0.075% of the excess over P500 Million
More than P750 Million but not more than P1 Billion	P687,500 plus 0.05% of the excess over P750 Million
More than P1 Billion	P812,500 plus 0.025% of the excess over P1 Billion

A legal research fee of 1% of the filing fee paid for filings made pursuant to SRC Rule 8.1 shall also be paid at the time of the filing.

## PART I - INFORMATION REQUIRED IN PROSPECTUS

1. Front of the Registration Statement and Outside Front Cover Page of Prospectus
2. Inside Front Cover and First Two or More Pages of Prospectus
3. Forward looking Statement
4. Definition of Terms
5. Executive Summary
6. Risk Factors
7. Business Information
8. Use of Proceeds
9. Description of Securities Offered
10. Plan of Distribution
11. Capitalization
12. Outstanding Securities and Principal Shareholders
13. Board of Directors
14. Management
15. Financial Information
16. Information on Independent Accountant and Other Related Matters
17. Independent Auditors and Counsels
18. Regulatory Framework
19. Corporate Governance and Board Committees
20. Other Material Factors

## PART II - INFORMATION REQUIRED IN REGISTRATION STATEMENT BUT NOT REQUIRED IN PROSPECTUS

21. Other Expenses of Issuance and Distribution

Give the itemized statement of all expenses of the offering other than the discounts and commission (if applicable). If any of the securities are registered for sale by security holders, state how much of the expenses the security holders will pay. If the amount of any items are not known, give estimates but identify them as such.

22. Exhibits

Description	Exhibit No.
1. Publication of Notice re: Filing	"A" series
2. Articles of Incorporation and By-laws	"B", "B-1", "B-2"
3. Instruments defining the rights of security holders (Management Discounts)	"C"
4. Opinion re: Legality	"D"
5. Opinion re: Tax Matters	"D"
6. Material Contracts	"E" series
7. Audited Financial Statements/Audited Interim Financial Statements	"F" -series
8. Subsidiaries of the Issuer	N.A.
9. Consent of Experts and Independent Counsel	"D"& "F"



10. Notarized Curriculum Vitae and Latest Photographs of Officers and Members of the Board of Directors	"G" series
11. Authorization re: Issuer's Bank Account	"H"
12. Copy of Board Resolution approving the securities offering and authorizing the filing of Registration Statement	"I"
13. Duly verified resolution of the Issuer's Board of Directors approving the disclosure contained in the registration statement and prospectus and assuming liability for the information contained therein	"I"
14. Manual on Corporate Governance	Undertaking submitted
15. Additional Exhibits:	
Certification that all mandated government licenses, permits are secured and valid	"J" series
Certification of no pending legal proceedings filed against and by the Issuer	K
Certification that all AFS of all subsidiaries has been filed with the Commission (if applicable)	N.A.
Certification by selling shareholder as to the accuracy of any part of the registration statement contributed by such selling shareholders (If applicable)	N.A.
Certification from Project Engineer as to percentage of building constructed	"L"
Tax Compliance Report filed by the Issuer (Tax Clearance)	"M"
Feasibility study prepared by qualified profession on the capacity of the Issuer to provide Medical Benefits	"N"
Memorandum of Agreement with other Group of Hospitals (if applicable)	"O"
Permit to Construct Hospital issued by Bureau of Health Facilities and Services (BHFS) of the Department of Health (DOH)	"P"
Escrow/Custodian Agreement with a reputable bank	N.A.
Credit Line Agreement	N.A.
Copy of the Environmental Compliance Certificate	"Q"
Copy of Development Agreement	N.A.
Certified True Copy of Transfer Certificate Title	"R"
Certified True Copy of Tax Declaration	"S"
List of Equipment to be Purchased	"T"
Certificate Authorizing Registration (CAR)	"U"

**23.** Furnish any other document the omission of which will render the foregoing material facts or any other part of the Registration Statement misleading.

## SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, this registration statement is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of \_\_\_\_\_ on \_\_\_\_\_.

  
Dr. FERJENEL G. BIRON  
Chairman / Chief Executive Officer

  
Dr. MA. IVY V. MALATA  
Corporate Secretary

  
Dr. DANILO C. REGOZO  
Executive Vice President

  
Dr. MA. LEILA M. MAGBANUA  
Corporate Treasurer

**SUBSCRIBED AND SWORN** to before me this MAY 12 2022 affiants exhibiting to me their competent proof of ID as follows:

Name	Type of Identification	I.D. Number	Date/Place of Issue
Ferjanel G. Biron	TIN	127-685-650	11/08/1999 / MANILA
Danilo C. Regozo	TIN	162-755-820	01/24/1994 / ILOILO CITY
Ma. Ivy V. Malata	TIN	168-842-058	07/16/1994 / BACOLOD CITY
Ma. Leila M. Magbanua	TIN	138-728-295	01/08/2008 / BACOLOD CITY

Page No. 43  
Doc. No. 10  
Book No. 5  
Series of 2022.

## NOTARY PUBLIC

  
Atty. CARL RUPERT CRISME MUELA  
NOTARY PUBLIC FOR CITY AND PROVINCE OF ILOILO  
Notarial Commission No. 36 until Dec. 31, 2021  
Extended by SC B. 1. 3795 until June 30, 2022  
IBP No. 001846 / 01/03/2022 / Iloilo City  
PTR No. 7678092 / 01/03/2022 / Iloilo City  
Roll No. 65139  
MCLE Compliance No. 110003767 until April 14, 2022  
Door No. 2, Daclis Bldg., Bonifacio Drive, Iloilo City

Page No. 230  
Doc. No. 46  
Book No. xxx  
Series of 2022.

  
**ERNIE F. MADASPAG**  
NOTARY PUBLIC FOR THE CITIES, TOWNS AND MUNICIPALITIES OF  
PONTVEDRA, LA CASTILLA, ISABELA, AND MUÑOZ PRILLA  
COMMISSION UNTIL DECEMBER 31, 2021  
PTR. No 3533453-12 20-Negros Oriental  
OSP No. 135115-127249- Negros Oriental  
OFFICE OF NOTARY PUBLIC  
SUITE 101, BANGALAYAN, P.O. BOX 100, P.O. DISTRICT  
SPT 101, BANGALAYAN, P.O. BOX 100, P.O. DISTRICT  
BANGALAYAN, P.O. BOX 100, P.O. DISTRICT





**ASIA – PACIFIC MEDICAL CENTER BACOLOD, INC.**  
*(Formerly Allied Care Experts Medical Center- Bacolod Inc.)*

A Corporation existing and duly organized under the  
Laws of the Republic of the Philippines with

**SEC Certificate of Registration No. CS201721758**

This Amended Prospectus relates to the registration of **240,000 shares of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.** consisting of *600 Founders shares* and *203,400 common shares* that are issued and outstanding plus **36,000 common shares equivalent to 3,600 blocks of APMC Bacolod** (the *Offer Shares*) for issuance to the public at an Offer Price ranging from Php 250,000.00 up to a maximum amount of Php 400,000.00 per block.

The securities will be traded Over-the-Counter through the Hospital's employees namely Ariel S. Malata and Chleo Dominique P. Espera who were designated to act as salesmen<sup>1</sup>.

DATE: May 19, 2022

**Principal Office:**

Room 4, Ground Floor,  
MC Metroplex Bldg., Bacolod City 6100  
BS Aquino Drive, Negros Occidental, Philippines

**Telephone Numbers:**

(034) 7031637  
(+63) 9171884699

**THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.**

This Amended Prospectus relates to the primary offer and sale of 36,000 common shares of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. (the "Issuer") equivalent to 3,600 blocks (consisting of 10 shares per block) at an offer price ranging from Php 250,000.00 per block up to a maximum offer price of Php 400,000.00 per block with an aggregate principal amount of One Billion Pesos (P1,000,000,000.00). The securities will be issued upon approval of the Securities and Exchange Commission. Assuming all Offer Shares are issued, ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will have a total of **240,000 shares** consisting of **600 Founder's Shares and 203,400 Common shares** issued and outstanding plus the **36,000 Offer Shares**, all with a par value of Php 1,000.00 per share.

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<sup>1</sup>Please refer to p. 55, Plan of Distribution, for the details on the authorized salesmen.

The 3,600 blocks will be offered in tranches, through a series of offerings at an offer price in progressive amounts. The first 2,400 blocks will be sold at the price of Php 250,000.00 per block, the next 800 blocks at the price of P300,000.00 per block and the remaining 400 blocks at the price of P400,000.00 per block. The blocks will be sold on a first-come, first-served basis, subject to pre-qualification procedures. Once the maximum number of blocks per series are sold, the next series will be offered at an increased offer price. The offer shares will not be listed in the Exchange and will be issued over the counter only, through the Hospital's employees who will be designated as salesmen. It is understood that no shares held by existing shareholders will be sold or disposed during the offer period until after all the offer shares are sold.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. expects to raise gross proceeds amounting to One Billion Pesos (P1,000,000,000.00) and the net proceeds are estimated to be at least **Nine Hundred Ninety-Seven Million Five Hundred Seventeen Thousand Eight Hundred Sixty-Five Pesos (Php 997,517,865.00)** after deducting fees, commissions and expenses relating to the issuance of the securities. The net proceeds of the Offer shall be used primarily by the Company to complete the construction, development and operation of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. (the "Hospital"). For further detailed information on the use of proceeds, see "**Use of Proceeds**" on page 37 of this Amended Prospectus.

Each investor must comply with all laws applicable to it and must obtain the necessary consent, approvals or permission for its purchase, offer or sale under the laws and regulation in force to which it is subject.

The company is organized under the Philippine Law. The Company is authorized to distribute dividends out of its surplus profit, in cash, properties of the Company, shares of stock. Dividends paid in the form of cash or property, are subject to approval of the Board of Directors of the Company. Dividends paid in the form of additional Common Shares are subject to the approval of the Board of Directors and stockholders who own at least two-thirds (2/3) of the outstanding capital of the company. The Board may not declare dividends as determined by the Board, taking into consideration factors such as implementation of business plans, debt service requirements, operating expenses, budgets, funding of new investments and acquisitions and appropriate reserves and working capital. The Company is yet to adopt a specific dividend policy. Refer to page 66 on "**Dividends and Dividend Policy of this Prospectus.**"

Unless otherwise indicated, all information in this Prospectus is as of the date of this Amended Prospectus. Neither the delivery of this Amended Prospectus nor any sale made pursuant to this Amended Prospectus shall, under any circumstances, create implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date.

No person has been authorized to give any information or to make any representation not contained in this Amended Prospectus. If given or made, any such information or representation must not be relied upon as having been authorized by the Company. This Amended Prospectus does not constitute an offer of any securities, or any offer to sell or solicitation of any offer to buy any of the securities of the Company in any jurisdiction, to or from any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Before making an investment decision, investor must rely on their own examination of the Company and the terms of the Offer including the risks involved.

The Issuer has included in this Statement all of its representation about this offering. If anyone gives you more or different information, you should ignore it. You should carefully review and





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## Forward-looking Statements

This Prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to:

- known and unknown risks;
- uncertainties and other factors which may cause actual results, performance or achievements of the Issuer, to be materially different from any future results; and
- performance or achievements expressed or implied by forward-looking statements.

Such forward-looking statements are based on assumptions regarding the present and future business strategies and the environment in which the registrant will operate in the future. Important factors that could cause some or all of the assumptions not to occur or cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other things:

- the ability of the registrant to successfully implement its strategies;
- the ability of the registrant to anticipate and respond to healthcare trends;
- the ability of the registrant to successfully manage its growth;
- the condition and changes in the Philippines, Asian or global economies;
- any future political instability in the Philippines, Asia or other regions;
- changes in interest rates, inflation rates and the value of the Peso against the U.S. Dollar and other currencies;
- changes in government regulations, including tax laws, or licensing requirements in the Philippines, Asia or other regions; and
- competition in the healthcare industries in the Philippines and globally.

Additional factors that could cause actual results, performance or achievements of registrant to differ materially include, but are not limited to, those disclosed under “**Risk Factors**” and elsewhere in this Prospectus.

These forward-looking statements speak only as of the date of this Prospectus. The registrant expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the expectations of the registrant with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

This Prospectus includes forward-looking statements, including statements regarding the expectations and projections of the Issuer for future operating performance and business prospects. The words “believe”, “expect”, “anticipate”, “estimate”, “project”, “may”, “plan”, “intend”, “will”, “shall”, “should”, “would” and similar words identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Prospectus are forward-looking statements. Statements in this Prospectus as to the opinions, beliefs and intentions of the Issuer accurately reflect in all material respects the opinions, beliefs and intentions of the management of the registrant as to such matters at the date of this Prospectus, although the Issuer can give no assurance that such opinions or beliefs will prove to be correct or that such intentions will not change. This Prospectus discloses, under the section “**Risk Factors**” and elsewhere, important factors that could cause actual results to differ materially from the expectation of the Issuer. All subsequent written and oral forward-looking statements attributable to either the Issuer or persons acting on behalf of the Issuer are expressly qualified in their entirety by cautionary statements

## DEFINITION OF TERMS

As used in this Prospectus, the following terms shall have the meanings ascribed to them:

"Articles"	The Articles of Incorporation of the issuer
"APMC Bacolod" / "APMCBI"	ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
"Board"	The Board of Directors of the issuer collectively referred to as one consisting of fifteen (15) members
"By-Laws"	The By-laws of the issuer
"Corporation"	Refers to ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. formerly <i>Allied Care Experts Medical Center - Bacolod Inc.</i> unless otherwise specifically described in this document.
"Dental Specialist"	A dentist or dental practitioner who has successfully passed the screening process of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC., in good standing and is admitted/accepted to practice his profession.
"Director"	The individual membership of the incumbent Board of Directors of the Issuer
"DOH"	Department of Health
<b>Environmental Compliance Certificate ("ECC")</b>	Environmental Compliance Certificate is a document issued by the DENR/EMB after a positive review of an ECC application certifying that the proposed project will not cause significant negative environmental impact and the project proponent has complied with all the requirements of the Environmental Impact System, and has committed to implement its approved Environmental Management Plan
"Founder"	Refers to the individual holders of founder share
"Hospital"	ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. Hospital, or the building referred hereto being built in the name of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
"Internal Rules"	Refers to the rules and regulations concerning application procedures, availment, use and enjoyment of facilities and services, and all amendments thereto

<b>"Issuer"</b>	The same as ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
<b>"Offer Price"</b>	The price at which the Offer Securities are being offered in tranches to the public as indicated in this Prospectus
<b>"Offer Securities"</b>	Refers to the 36,000 Common shares or 3,600 blocks (1 block is equivalent to 10 shares) of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. to be offered for sale to the public, also interchangeably called "Offer Shares"
<b>"Medical Specialist"</b>	A doctor or medical practitioner who has successfully passed the screening process of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC., in good standing and is admitted/accepted to practice his profession.
<b>"Prospectus"</b>	This document and any supplement or amendments thereto, pertaining to the issuance and sale of the Offer Securities.
<b>"SEC"</b>	Philippine Securities and Exchange Commission
<b>"Stock Certificate"</b>	The written or electronic evidence of ownership of share of stock of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
<b>"Stockholder"</b>	A registered holder of shares of stocks of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. He may be a medical practitioner or a non-medical stockholder.

## EXECUTIVE SUMMARY

*The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and audited financial statements, including notes thereto, found in the appendices of this Prospectus.*

*Prospective investors should read this entire Prospectus fully and carefully, including the section on "Risk Factors". In case of any inconsistency between this summary and the more detailed information in this Prospectus, then the more detailed portions, as the case may be, shall at all times prevail.*

### **Brief Background on the Company**

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. (APMC Bacolod) is a stock corporation duly organized and registered under the laws of the Republic of the Philippines on July 4, 2017. APMC Bacolod originally had an authorized capital stock of One Hundred Twenty Million Pesos (120,000,000.00) divided into Six Hundred (600) Founders' shares and One Hundred Nineteen Thousand Four Hundred (119,400) Common shares both with a par value of One Thousand Pesos (P1,000.00) per share. On September 21, 2021, the company's application has been approved by the Securities and Exchange Commission and APMC Bacolod now has a total of Two Hundred Forty Thousand (240,000) shares.

As of the date of this Final Prospectus, Two Hundred Four Thousand Shares (204,000) divided into Six Hundred (600) Founders Shares and Two Hundred Three Thousand Four Hundred (203,400) Common Shares both with a par value of One Thousand Pesos (P1,000.00) per share have been subscribed, while paid up is One Hundred Twenty-Three Million One Hundred Twenty Thousand Pesos (P123,120,000.00).

### **Core Business**

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. was established to maintain, operate, own, and manage hospitals, medical and related healthcare facilities and businesses such as, but without restriction to clinical laboratories, diagnostic centers, ambulatory clinics, condo hospitals, scientific research and other allied undertakings and services which shall provide medical, dental, nursing, therapeutic, paramedic, or similar care, provided that purely professional, medical or dental services shall be performed by duly qualified physicians or dentists who may or may not be connected with the hospitals and whose services shall be freely and individually contracted by the patients.

### **Business Strategies**

It is the mission of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. to set up a Level 2 Health Care facility with an organized, systematic, cost-effective, sympathetic and holistic approach to its goal in providing the best quality and justifiable medical and dental services to its clients and stakeholders.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will accomplish its purpose by the acquisition of complete and world-class facilities, provide medical and dental specialists who are competent and fully qualified in their line of work, and have equally efficient well motivated employees and management staff.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will be a 7-storey 248-bed capacity hospital with 1 basement parking area with total floor area of 38,084.03sq.m. constructed in a 10,000 sq.m. property located at Lacson St., Brgy. Bata, Bacolod City, Negros Occidental. It will provide



services to residents of Bacolod City, nearby Barangays and Municipalities, the whole of Negros and the neighboring provinces which are considered its catchment areas. APMC Bacolod will be a multidisciplinary facility that will house medical and dental specialists who are subscribers to the capital stock of the Corporation. The intended and considered markets for its shares are mostly specialists and individuals who are related to these specialists.

The act of purchasing the securities being offered does not automatically entitle such purchaser to practice his profession and use the facilities of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC., although it is a prerequisite. Physicians and dental specialists who are subscribers to at least one (1) block or ten (10) shares of the capital stock, whether Founders or Common shares, and have paid in full may be allowed to practice. Such purchasers have to undergo the required screening process and must possess the minimum requirements as indicated in the Articles of Incorporation, By-Laws and Internal Rules of the Hospital. After successfully passing this process, the applicant shall then be entitled to the privileges offered by the Hospital. The privilege to practice in the Hospital is subject to restrictions, limitations, and obligations as maybe imposed by ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. pursuant to its rules and duly approved resolutions. Medical and dental specialists who have been granted the right to practice shall continuously possess the required qualifications and may be subjected to post-qualification assessment to ensure the quality of service provided by the hospital.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. shall assess and collect from each duly admitted medical or dental specialist who opts to maintain a clinic.

## **PRIVILEGE TO PRACTICE**

Privilege to practice is a privilege given to a physician or dentist who passed the requirements of the APMC Credentials and Privilege Committee and approved by the APMC President. An accredited physician or dentist of APMC can bring patients for admission and can avail the services of the hospital.

### **How to avail the Privilege to Practice in APMC**

1. The physician or dentist must be a graduate of an accredited medical and dental school and training program.
2. The physician or dentist must apply to the APMC President for the privilege to practice in APMC Hospital.
3. The physician's or dentist's application for the privilege to practice will go on routing and subject to the approval of the Credentials and Privilege Committee and lastly by the APMC President.

### **The Privileges of An Accredited Physician or Dentist In APMC**

1. Admitting Privileges – The physician or dentist can admit his/her patient to the APMC hospital.
2. Access to hospital services
3. The physician or dentist is listed in the roster and decking of accredited APMC physicians and dentists. An accredited physician or dentist will be assigned to walk-in patients without attending physician or dentist on admission or consult.
4. The physician or dentist can accept referral for consult / co-management from accredited APMC physicians or dentists.

### **Qualifications of an Accredited Physician or Dentist In APMC**

1. Must be a medical or dental stockholder who passed the Credentials and Privilege Committee requirements.
2. Unique and needed specialty.
3. Active Department Consultants.

### **Privilege to Hold Clinic & Responsibilities**

1. Must be a medical or dental stockholder unless there is no available stocks to sell.
2. Must be an APMC accredited physician or dentist.
3. Full payment of non-refundable fee of P300,000.00 pesos on a 5-year term limit.
4. Signed agreement to participate in the APMC management benefits program.
5. May hold clinic within the hospital / Medical arts building on a time slot system.
  - \* AM Time Slot is equivalent to a maximum of 4 hours / day (e.g. 8:00 AM - 12:00NN) and maximum of 24 hours per week.
  - \*\* PM Time Slot is equivalent to a maximum of 4 hours / day (e.g. 1:00 PM - 5:00 PM) and maximum of 24 hours per week.
6. Responsible for the following fees: maintenance, internet, telephone, water, electricity bills and common usage area (CUSA).

### **Level 2 Hospital**

Asia-Pacific Medical Center Bacolod Inc. will be a Level 2 Hospital. Under the Rules and Regulations Governing the New Classification of Hospitals and Other Health Facilities in the Philippines (Effective: August 18, 2012), the following are the minimum requirements for Level 2 Hospitals:

A **Level 2 Hospital** shall have as minimum, all of Level 1 capacity<sup>2</sup>, including, but not limited to, the following:

1. An organized staff of qualified and, competent personnel with Chief of Hospital/Medical Director and appropriate board-certified Clinical Department Heads.
2. Departmentalized and equipped with the service capabilities needed to support board certified/eligible medical specialists and other licensed physicians rendering services in the specialties of Medicine, Pediatrics, Obstetrics and Gynecology, Surgery; and their subspecialties and ancillary services;

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<sup>2</sup>A Level 1 Hospital shall have as minimum the services stipulated under Rule V. B.1. b. 1. of the Order, including, but not limited to, the following: 1. A staff of qualified medical, allied medical and administrative personnel headed by a physician duly licensed by PRC; 2. Bed space for its authorized bed capacity in accordance with DOH Guidelines in the Planning and Design of Hospitals; 3. An operating room with standard equipment and provision for sterilization of equipment and supplies in accordance with a: a. DOH Reference Plan in the Planning and Design of an Operating Room/Theater (Annex A); b. DOH Guidelines on Cleaning, Disinfection and Sterilization of Reusable Medical Devices in Hospital Facilities in the Philippines (Annex B); 4. A post-operative recovery room; 5. Maternity facilities, consisting of ward(s), room(s), a delivery room, exclusively for maternity patients and newborns; 6. Isolation facilities with proper procedures for the care and control of infectious and communicable diseases as well as for the prevention of cross infections; 7. A separate dental section/clinic; 8. Provision for blood station; 9. A DOH licensed secondary clinical laboratory with the services of a consulting pathologist; 10. A DOH licensed level 1 imaging facility with the services of a consulting radiologist; 11. A DOH licensed pharmacy.

3. Provision for Intensive Care Units – Medical ICU, Surgical ICU and Coronary Care Unit for critically ill patients.
4. Provision for PICU (Pediatric Intensive Care Unit) and NICU (Neonatal Intensive Care Unit)
5. Provision for HRP (High Risk Pregnancy Unit)
6. Provision for respiratory therapy services;
7. A DOH licensed tertiary clinical laboratory;
8. A DOH licensed level 2 imaging facility with mobile x-ray inside the institution and with capability for contrast examinations.

### **RISK FACTORS**

An investor should seek professional advice if he or she is uncertain of, or has not understood any aspect of the securities to invest in or the nature of risks involved in buying of securities.

An investor deals in an investment of which may carry a different level of risks.

1. The following is a summary of all the risks that apply to the Issuer and/or this offering. You should carefully consider these risks prior to investing in this offering.

**Operating History:**

The Issuer has limited or no operating history because the Issuer may have operated for only a short period of time, it has produced little or no profit. There is no assurance that it will ever produce a profit.

**Difficulty to collect from patients (select all that apply): Check Box**

√	Existing law penalizes the refusal of hospitals and medical clinics to administer appropriate initial medical treatment and support in emergency or serious medical cases.
√	Hospital experience delay in payment from Health Insurance or Health Maintenance Organizations.

However, the Issuer can mitigate said risk by:

The Issuer mitigates such risk through the accreditation of various Health Maintenance Organizations (HMO) to cover more patients and increase the probability of getting paid. With HMO covered patients, special rates are given. The Issuer mitigates delays in payment from HMOs by investing in software programs that will efficiently monitor the Hospital's finances and receivables to ensure that its exposure to unpaid promissory notes is maintained at manageable levels.

The Issuer mitigates such risk through the availability of the credit line facility with the Development Bank of the Philippines amounting to P1,688,800,000.00. Furthermore, holders of Founders' shares are likewise readily available to support and provide additional funding for the Hospital's operations.

**Limited Resources/Losses (select all that apply):**

√	The Issuer has limited resources and will not be able to continue operating without the proceeds from this offering. It is possible that the proceeds from this offering and other resources may not be sufficient for the Issuer to continue to finance operations. The Issuer expects to continue to experience losses from operations and it cannot be predicted when or if the Issuer will become profitable. If the Issuer achieves profitability, it may not be sustainable.
√	The Issuer has incurred losses since inception and may incur future losses. The Issuer has not yet generated a profit from operations. As of the date of the most recent financial statements, the Issuer had an accumulated deficit of ₱24,331,803 as of the recent financial statements, September 30, 2021.

However, the Issuer can mitigate said risk by:

The Issuer mitigates such risk through the availability of the credit line facility with the Development Bank of the Philippines amounting to Php 1,688,800,000.00 (Php 1,188,800,000.00 for the construction of the Main Hospital Building, Php 146,000,000.00 to finance the acquisition of medical instruments, furniture and appliances and Php 354,000,000.00 for the Omnibus facility for the purchase of equipment. As of the date of this Final Prospectus, the Hospital has not utilized any amount from its available loan facility for hospital construction.

Furthermore, holders of Founders' shares are likewise readily available to support and provide additional funding for the Hospital's operations.

**Key Personnel**

	The Issuer's success depends substantially on the services of a small number of individuals
√	The Issuer may be harmed if it loses the services of these people and it is not able to attract and retain qualified replacements
√	The Issuer's officers, directors, managers and key persons will continue to have substantial ownership and control over the Issuer after the offering
√	The Issuer does not maintain key person life insurance on those individuals on whom the Issuer's success depends. The loss of any of these individuals could have a substantial negative impact on the Issuer and your investments.

However, the Issuer can mitigate said risk by:

The Issuer mitigates such risk by maintaining a competitive compensation package and benefits for its Management and Key Officers. The Human Resources Department will likewise maintain a program that will enhance and develop the career path of key officers and employees to ensure continued stay and loyalty to the Company.

**Inexperienced Management (select all that apply):**

	None of the Issuer's officers, directors, and/or managers has managed a company in this industry. The Issuer's ability to operate successfully may depend on its ability to attract and retain qualified personnel, who may be in great demand.
	None of the Issuer's officers, directors, and/or managers has experience in managing a development stage hospital

However, the Issuer can mitigate said risk by:

√	Not Applicable
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**Past Failures**

	Prior to organizing the Issuer, one or more of the Issuer's officers, directors, and/or managers operated a business in which shareholders lost part or all of their investment. The Issuer's ability to operate successfully may depend on its officers, directors, and/or managers to succeed where they have failed before.
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However, the Issuer can mitigate said risk by:

√	Not Applicable
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**Government Regulations:**

√	The Issuer must comply with local and national rules and regulations. If the Issuer fails to comply with a rule or regulation, it may be subject to fines or other penalties, or its permit or license may be revoked or suspended. The Issuer may have to stop operation and you may lose your entire investment.
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The Hospital, to the best of its ability, will comply with local and national rules and regulations, so as not to be subjected to any fines or penalties or its license revoked or suspended.

**Dilution (select all that apply):**

√	The price of a share in this offering is significantly higher than the book value of the securities. By participating in this offering, you will incur immediate and substantial dilution of the book value of your investment.
	To the extent outstanding options or warrants to purchase securities are exercised, new Investors will incur further dilution of the book value of their investment
√	There are no limits in place to restrict the Issuer's ability to issue securities in the future. If the Issuer issues additional securities, by participating in this offering you may experience further dilution of the value of your investment.

### No Existing Market

√	Because there is no market for the Issuer’s securities, you may not be able to sell your securities or recover any part of your investment. You should not invest unless you can afford to hold your investment indefinitely.
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We can mitigate the risk by promoting the professional expertise of the medical practitioners of APMC Bacolod and creating a good market for hospital services and the healthcare industry. If we package quality healthcare and investment, this can easily attract many investors.

### Offering Price:

	The offering price of the Issuer’s securities has been arbitrarily set and accordingly should not be considered an indication of the actual value of the Issuer.
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The hospital believes that this risk does not apply since the price was not arbitrarily set by the Issuer as discussed under Determination of Offer Price.

### Best-effort Offering:

√	The Issuer is offering these securities on a “best-effort” basis. The Issuer has <u>not</u> contracted with an underwriter, placement agent, or other person to purchase or sell all, or a portion of its securities and there is no assurance that it can sell all or any of the securities.
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APMC Bacolod will be the first, JCI-accredited hospital in Bacolod City and Western Visayas. Considering Negros province has significant portion of its population working as overseas workers and business owners, the institution is optimistic that its shares will be saleable.

### Lack of Investor Control (select if applicable):

√	The Issuer’s officers, directors, managers, and/or key persons will continue to have substantial control over the Issuer after the offering. As such, you may have little or no ability to influence the affairs of the Issuer.
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The hospital does not have mitigating measures for this risk because it is in the best interest of the corporation that it is run by professionals and experts in the medical field and hospital administration.

### Restriction on the Transfer of Shares

√	As indicated in the Articles of Incorporation and By-Laws of the Issuer, the ownership of its securities is restricted and is subject to the conditions stated therein. Likewise, the ownership of the shares of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. by individuals no matter how many, does not automatically entitle such holder the privilege to practice or use the facilities of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. The prospective medical practitioner or even the non-medical stockholder has to pass the evaluation and qualifications set forth by the Credentials Committee and the Board of
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	Directors. He has to possess the minimum requirements in order to be allowed to practice and enjoy the privileges of the hospital, including the regular payment of dues. And even if one is already admitted, if he violates the by-laws, internal rules and duly promulgated resolutions of the board, such stockholder may not be allowed to further practice or enjoy the facilities of the Hospital. Of course, this will be implemented after observing the basic rule of due process.
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The Issuer offers no mitigating measures for this risk. Precisely, such restriction has been carefully considered and agreed upon by the Founders, as written in the By-laws. An investor that decides to purchase the shares is bound by such restrictions.

### Political and Economic Factors

√	<p>In general, the profitability of the Company depends to a large extent on the overall level of business and economic activity in the country, which in turn is affected by political and economic factors. Any political instability in the future may have a negative effect on the industries proposed to be served by the Company.</p> <p>In the past, the Philippine economy and the securities of Philippine companies have been, to varying degrees, influenced by economic and market conditions in other countries, especially in Southeast Asia, as well as investors' responses to those conditions. Although economic conditions are different in each country, investors' reactions to adverse developments in one country may affect the market price of securities of companies in other countries, including the Philippines. For example, the recent economic crisis in the United States and Europe triggered market volatility in other countries' markets, including the Philippines. Accordingly, adverse developments in the global economy could lead to a reduction in the demand for, and market price of the Offer Shares.</p>
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### New Entrant Risk

√	New Entrant Risk is low. Once our hospital is operational, it will offer the best and the latest facilities in the treatment and management of diseases in the province of Negros. To explain it further, listed below are the factors that enable APMC- Bacolod to be the favored health facility in the province and a force in health care for many years to come.
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#### The risk can be mitigated by:

1. Constant improvements and upgrading our facilities and accepting new techniques and technologies for use in the hospital.
2. Promoting continuous medical education and training of medical consultants and hospital staff.
3. Continuously improving the expertise and increasing the number of our specialists of our already comprehensive roster of medical and dental specialists covering a broad range of specialties.
4. Having a level 2 hospital with the most extensive diagnostic and treatment facility in Bacolod City and Negros. At APMC Bacolod, we will endeavor to have the most complete array of medical, diagnostic and treatment facilities in the province and the latest and most advanced diagnostic facilities like the MRI, CT Scan, Mammogram, 2D Echo, Chest X-Ray and Ultrasound. Specialized services will be made available such as Physical & Occupational Therapy and Rehabilitation Facilities, Cardiac Cath Lab, Lithotripsy Center, Ambulatory Chemotherapy Unit, Hemodialysis Center, Eye Center,



Wellness Center, Aesthetic Center, Cardiovascular & Pulmonary Center and Kidney Transplant Center among others.

5. Setting a goal to secure an international accreditation, specifically by the Joint Commission International (JCI)<sup>3</sup>. Having JCI accreditation will put APMC Bacolod at par with the leading hospitals in the country and other hospitals in the world which continually seek to improve the safety and quality of care in the international community in their quest for excellence.

## Taxation

√	Existing tax rates may increase in the future or existing tax exemptions and deductions may likewise be revoked, adversely affecting the Company's revenues. Similarly, such tax rates may decrease or new exemptions and deductions may be created, to the Company's benefit.
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Tax Rates can decrease or increase to the advantage or disadvantage (respectively) of the company. The company's stand is, it will comply with all government regulations especially regarding taxation. The effects of the TRAIN law on the hospital business are related to VAT Exemptions and Capital Gains Tax on shares of stocks. Health services are among the VAT-exempted sectors, along with educational services, cooperatives, PWDs, senior citizens, and raw agricultural and marine products. With the implementation of the TRAIN Law, health services remained as one of the VAT-exempt sectors. Sale of drugs and medicines prescribed for high cholesterol, diabetes, and hypertension were also included as VAT-exempt transactions.

Regarding Capital Gains Tax, the TRAIN Law states that "The net capital gains realized by an individual and a domestic corporation from the sale, barter, exchange, or other disposition of shares of stock in a domestic corporation that are not traded in the local stock exchange are subject to 15%. Train law simplifies the computation of capital gains tax because it removes the 5% -10% tax rates. However, the single tax rate is higher compared to the previous tax rates." Hence, the Capital Gains Tax on shares of stocks of the hospital increased to 15%.

Please refer to pages 93 for further discussion on Taxation under the National Internal Revenue Code (NIRC) as amended by the TRAIN Law.

### **Application for Exemption from Taxes by the Asia Pacific Medical Center - Bacolod Inc. (APMC Bacolod Inc.)**

APMC Bacolod intends to apply for tax incentives before the Fiscal Incentives Review Board by registering the construction and operation of its Hospital which is an approved project or activity under the Strategic Investment Priority Plan. If approved, APMC Bacolod will be entitled to the following incentives under Title XIII of RA 11534 otherwise known as the Corporate Income Tax and Incentive System:

1. Income Tax Holiday
2. 5% Special Corporate Income Tax
3. (SCIT) based on Gross Income Earned, in lieu of all national and local taxes – 5 to 10 years
4. Duty exemption on importation of Capital Equipment, raw materials, spare parts, or accessories

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<sup>3</sup>Joint Commission International (JCI) is an independent, not for profit organization which accredits and certifies health care organizations and programs across the globe. JCI accreditation and certification is recognized as a global leader for health care quality of care and patient safety.

5. Enhanced Deductions
6. VAT exemption on Importation and VAT Zero-Rating on local purchases ( export activities)

Enhanced Deductions include the following:

1. Depreciation allowance of assets-additional, 10% for buildings and additional 20% for machineries and equipment
2. 50% additional deduction on labor expense
3. 100% additional deduction on R&D
4. 100% additional deduction on training expense given to Filipino employees
5. 50% additional deduction on domestic input expense
6. 50% additional deduction on power
7. Enhanced NOLCO

The aforementioned incentives are expected to cushion the impact of debt services of the Company as it is estimated to offset 20-40% of the interest expense on the first two years of operation, 50-60% on the third year and 80-90% on the fourth year thereby maximizing income and optimizing shareholder value.

### Healthcare Illness: Emerging / Re-Emerging Infections

√	Outbreaks of emerging infectious diseases and re-emerging infections such as leptospirosis, dengue, meningococemia, tuberculosis, HIV, COVID-19 and other new pathogen will continue to emerge and spread across regions and will challenge public health as never before signifying grim repercussions and health burden. These may cause countless morbidities and mortalities, disrupting trade and negatively affect the economy.
√	Emerging and Re-emerging Infectious Diseases are unpredictable and create a gap between planning and concrete action.
√	The presence of a Pandemic can easily overwhelm any healthcare facility, not only its bed capacity, but the healthcare workers themselves can get infected, that will result to lack of manpower.

These can be mitigated by:

The current situation emphasizes the risks and highlights the need to improve preparedness at local, national and international levels against future pandemics.

To address this gap, there is a need to come up with proactive systems that would ensure preparedness and response in anticipation to negative consequences that may result in pandemic proportions of diseases. Proactive and multi- disciplinary preparedness must be in place to reduce the impact of the public health threats.

To have a health system that is resilient, capable to prevent, detect and respond to the public health threats caused by emerging and re-emerging infectious diseases and provide and strengthen an integrated, responsive, and collaborative health system on emerging and re-emerging infectious diseases towards a healthy and bio-secure country.

Strategies are:

- Policy Development
- Resource Management and Mobilization

- Coordinated Networks of Facilities
- Building Health Human Resource Capacity
- Establishment of Logistics Management System
- Managing Information to Enhance Disease Surveillance
- Improving Risk Communication and Advocacy

## Technology

√	Healthcare institutions use new technology to implement into patient care, and facility management. But cyber threats also continue to evolve in order to circumnavigate the updates in our technology.
√	Hospital Information System hold sensitive personal information of patients, hospital staff and even medical practitioners. Cyber criminals can hack into the system and steal sensitive information and violate privacy of hospital data and patients' data.

These can be mitigated by:

1. Enforcing System awareness and proper training of hospital personnel and staff. The hospital will employ incident response plans to address specific problems involving the Hospital Information System.
2. Install anti-malware applications in the system to prevent hacking and employ well trained Information Technology team to constantly monitor threats to the System.

## Other Risks

Risk relating to Hospital Business

- Licenses, permits
- Regulatory risks
- Emergencies/disaster risks
- Government discount programs/collection from Philippine Health Insurance Corporation
- Hazardous material events, e.g., chemical/radiological exposure
- Physician litigation

The Hospital intends to mitigate risks related to emergency/disasters, hazardous materials events e.g., chemical/radiological exposure through facility - readiness, staff training and education, and compliance with government regulations. For example, the hospital intends to deal with the pandemic, chemical contamination, and natural calamities by designing the structure in such a way as to provide the highest standards of safety for the patients.

Regarding physician litigation, the hospital intends to mitigate this risk by aiming for and complying with the highest standards of ethical medical practice. The hospital intends to uphold the interest and dignity of every patient in the delivery of compassionate health care, hence decreasing the risk of physician litigation.

Risks to purchasers associated with corporate actions including:

- Additional issuance of securities
- Issuer repurchases of securities
- A sale of the Issuer or of assets of the Issuers
- Transactions with related parties
- Risk on Dividends

For many investors, the main incentive for buying shares of stocks is the dividend that they expect to receive. For the shareholders of this company, the benefits that they will gain from the purchase of shares will come from both the management discounts on diagnostic and professional services as well as dividends. The risks on dividends are related to the fact that they are dependent on the market, the hospital revenues, financial standing, the direction towards further growth that the hospital will be taking and the expectation of the shareholder. The shareholder must understand that in the early stages of the hospital operation the dividend, if any, may be small because the company will use its retained earnings to sustain the business operations and for payment of loans. When the company has been operating and in a more stable situation, higher dividend rates may be expected.

For further discussion on dividends and dividend policy of the company, please see page 65.

In addition to the foregoing enumeration, there may be other risks (either unknown to the Company as of the date of this Prospectus or deemed immaterial) which may have an adverse effect on the investment to be made by the prospective buyers.

## **BUSINESS INFORMATION**

### **1. Anticipated Business Plan of the Issuer**

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will set up a Level 2 health care facility with an organized, systematic, cost-effective, sympathetic and holistic approach to its goal in providing the best quality and justifiable medical services to its clients and stakeholders. ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will be a 7-storey 248-bed capacity hospital with 1 basement parking, with total floor area of 38,084.03 sqm. constructed in a 10,000 sqm. property located at Lacson St., Barangay Bata, Bacolod City, Negros Occidental. It will be a multidisciplinary specialty medical facility that will house medical specialists who are subscribers to the capital stock of the Corporation. The intended and considered markets for its shares are mostly medical specialists and individuals who are related to medical specialists.

The act of purchasing the securities being offered does not automatically entitle such purchaser to practice his profession and use the facilities of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC., although it is a prerequisite. Physicians and dental specialists who are subscribers to at least one (1) block or ten (10) shares of the capital stock, whether Founders' or common shares, and have paid in full may be allowed to practice. Such purchasers have to undergo the required screening process and must possess the minimum requirements as indicated in the Articles of Incorporation, By-Laws and Internal Rules of the Hospital. After successfully passing this process, the applicant shall then be entitled to the privileges granted by the Hospital. The privilege to practice in the Hospital is subject to restrictions, limitations, and obligations as maybe imposed by ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. pursuant to its rules and duly approved resolutions. Medical Specialists who have been granted the right to practice shall continuously possess the required qualifications and may be subjected to post-qualification assessment to ensure the quality of service provided by the hospital.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. shall assess and collect from each duly admitted medical, surgical and dental specialist the appropriate lease/rental fee for the doctor's clinic and monthly dues (for utilities) effective on the date of turnover.

### **2. Operations**

The Issuer (select all that apply):

<input checked="" type="checkbox"/>	Has never conducted operations
<input checked="" type="checkbox"/>	Is in the construction development stage
<input type="checkbox"/>	Is currently conducting operations
<input type="checkbox"/>	Has shown a profit in the last fiscal year

Briefly describe:

The Hospital is not yet operational as construction of the Hospital building and its facilities is still ongoing.

3. **Jurisdiction:** Is the Issuer an entity organized and doing business in the Philippines?

Yes  No

4. Date of Incorporation: **July 04, 2017**

5. Fiscal Year End (Month and Day): **31 December**

#### Suppliers:

The Issuer (select all that apply):

<input checked="" type="checkbox"/>	Has major supply contracts
<input type="checkbox"/>	Is currently or expects to be dependent upon a limited number of suppliers
<input type="checkbox"/>	Has no suppliers

Sources and availability of raw materials and the names of principal suppliers; If the registrant is or is expected to be dependent upon one or a limited number of suppliers for essential raw materials, energy or other items, describe. Describe any major supply contracts.

APMC Bacolod has entered into supply contracts with **INOVADIS Inc.** for deformed steel bars and **PEB Steel Buildings Co., Ltd.** For pre-engineered steel. Purchase and Supply Agreement with **Prime Powers Industrial Electric Corporation** for the supply of electrical materials and provider of installation services

APMC Bacolod also has executed Service Contract with the following providers: **UNITAN Construction & Development Corporation** as the General Contractor; **DND Atelier Inc.** for Architectural Design, Interior Design and MEPFS Bid Management; **Bureau Veritas S.A.** as the Project Management Team, **Domber Security Agency, Inc.** for the security manpower, and **Sophils General Merchandise (Pure 03 Philippines)** for the Sewage Treatment Plant Design, Supply and Construction.

## Procurement Policy

State the procurement policy of the hospital.

A Purchasing Committee was created, the members were appointed by the President.

- The Committee meets regularly, on a weekly/monthly basis, to conduct a bidding process depending on the urgency to procure a particular item.
- The Committee invites at least 3 prospective bidders from Bacolod, Iloilo or Manila. Suppliers are asked to submit a quotation on a particular item, through a sealed bidding process.
- The Committee will witness the opening of bids, tabulate and analyze through an “apple to apple” comparison and make sure that the item offered is in conformity with the specification/s given.
- The Committee, prior to the awarding of the winning bid, consults first with the end-users to ensure that the item to be purchased will serve its intended purpose.
- The Committee will submit the canvassed items together with the bid analysis/tabulation of the offer to the Executive Committee for further scrutiny and subsequent endorsement to the Board for approval.
- Upon approval of the Board, the Purchasing Committee will prepare the Purchase Order (PO) to be issued to the winning bidder for delivery of the item.

## Competition

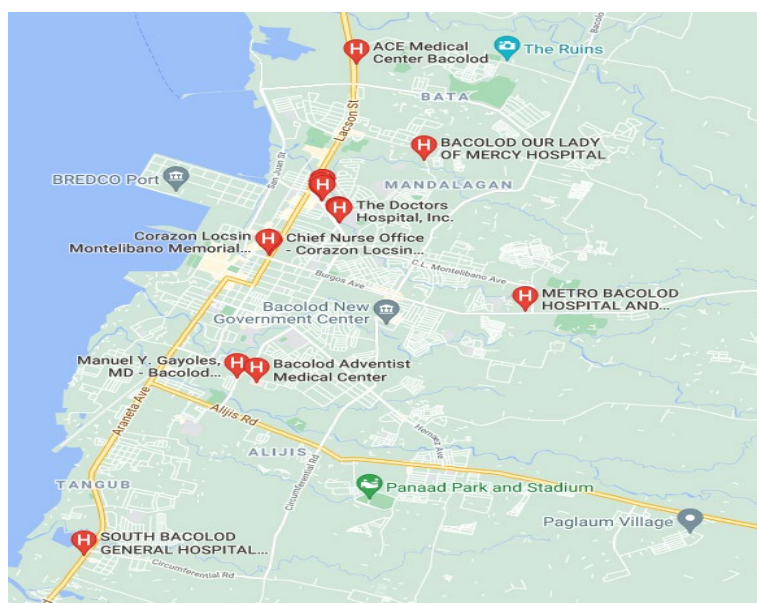
Describe the competition that the Issuer faces, and how the Issuer intends to compete. If the Issuer offers what it considers to be unique goods or services, discuss competition from companies that provide similar or substantial goods or services.

Name the Issuer’s principal competitors, and indicate their relative size and financial market strengths. Describe the Issuer’s strategy, whether to compete by price, service, or some other basis.

The issuer belongs to the industry which caters to the need of the public and medical, surgical and dental specialists for hospital facilities. There are no recognized trends within such an industry. The geographic area of competition is in Bacolod City, wherein the following hospitals are operating: Riverside Medical Center, Bacolod Adventist Medical Center, The Doctors’ Hospital Inc., Corazon Locsin Montelibano Memorial Regional Hospital, South Bacolod General Hospital, Metro Bacolod Hospital Medical Center, and Bacolod Queen of Mercy Hospital.

NAME OF HOSPITAL	ADDRESS	BED CAPACITY	CATEGORY	LEVEL OF CLASSIFICATION
Riverside Medical Center Inc.	B.S. Aquino Drive Bacolod City, 6100 Philippines	300	Private	3
Bacolod Adventist Medical Center	C.V. Ramos St, Barangay Taculing, Bacolod, 6100 Negros	170	Private	3

	Occidental			
The Doctors' Hospital Inc.	B.S. Aquino Drive, Bacolod, 6100 Negros Occidental	169	Private	3
Corazon Lacson Montelibano Memorial Regional Hospital	Lacson St, Bacolod, 6100 Negros Occidental	1000	Public	3
South Bacolod General Hospital	Araneta Ave, Bacolod, Negros Occidental	100	Private	2
Metro Bacolod Hospital Medical Center	Burgos St, Bacolod, 6100 Negros Occidental	110	Private	2
Bacolod Queen of Mercy Hospital	Eroreco, Mandalagan, Bacolod City, 6100 Negros Occidental	200	Private	2



The strategic location<sup>4</sup> of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. primarily influences the decision of the medical, surgical and dental specialists to subscribe to the shares of stock in ASIA -PACIFIC MEDICAL CENTER BACOLOD, INC. Once the physician or dentist decides where to practice, price and quality of facility management come as the next factors.

Good location, proximity to patients, reasonableness of the offer price and quality of the facilities enable ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. to effectively compete with its competitors within the area.

<sup>4</sup> Strategic Location - where population demographics are high because it is near or within the business district, close proximity to transportation terminals, church and gas stations. The area is very convenient for patients and their relatives in terms of the proximity of health service with other services within the locality. With this, patients prefer to be admitted in APMCBI. Being in the right location is a key ingredient in the success of a business. Photo credits to google maps



Patients will find a better ambiance with ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. due to its carefully planned, designed, constructed hospital building. Its advantage is not simply its newly built structure but it also boasts of new facilities and equipment unlike the competitors whose structures have existed for 60 years with minimal improvement.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will be a one-stop-shop with its latest technology, with complete laboratory and diagnostic facilities and specialized services.

#### LABORATORY AND IMAGING FACILITIES:

- MRI
- CT Scan
- Mammogram
- 2D Echo
- Chest X-Ray
- Ultrasound
- Bone Densitometry
- Eye Center
- Wellness Center
- Aesthetic Center
- Cardiovascular & Pulmonary Center
- Kidney Transplant Center
- Neuro-laboratory
- Oncology Center and Transfusion Unit
- Nutrition and Dietetics
- High Risk Pregnancy and Infertility

#### Marketing

Describe how the Issuer plans to market its products or services during the next 12 months, including who will perform these marketing activities

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will market and offer the securities through hospital employees who are well versed with Hospital operations who have been designated as salesmen<sup>5</sup>. These organic employees are well aware of the mission and vision of the hospital and are accustomed with hospital operations. Management believes that the strategic location of the hospital, the facilities and the services it will provide, and the people behind the hospital, are sufficient to entice medical and dental specialists and prospective investors to consider the offer. ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will greatly rely on these organic salesmen and satisfied patients to spread the word about the facilities the hospital can offer.

The marketing strategies are designed to develop long-term relationship with the clients of the hospital. Everyone in the hospital will be trained to provide excellent healthcare services and customer service. The following actions will be done in order to slowly attract clients to patronize the services provided by the hospital:

- Advertising and promotion through social media and mass media.
- Distribute flyers in strategic locations within the city.
- Send introductory letters to schools, businesses, and other commercial establishments
- Collaborate with Healthcare Insurance Companies and drug companies.
- Branding: Make the hospital logo visible in the employees' uniforms, hospital vehicles, and the ambulance.
- Hire a specialized hospital marketing agency.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will be positioned as the first green hospital in Bacolod City. Among the benefits of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. as a Green

Hospital are:

- Potential to reduce patient recovery time
- Eliminate the Sick Building Syndrome (SBS) for both patients and Staff
- Reduce stress levels in hospital workers, thus improving the quality of care
- Lower energy and water consumption.

As a green hospital, the management will focus on the following areas for the hospital design: lighting, indoor air quality, green house-keeping, clean and green interior building materials and gardens and landscapes.

### Employees

The Issuer (select all that apply):

	Has existing Labor Union in the company
	Has existing Collective Bargaining Agreement
	Has existing labor strike

Indicate whether or not any of them are subject to collective bargaining agreements (CBA) and the expiration dates of any CBA. If the registrant's employees are on strike, or have been in the past three (3) years, or are threatening to strike, describe the dispute. Indicate any supplemental benefits or incentive arrangements the registrant has or will have with its employees;

Since the hospital is under construction and we see that we will be operational by 2024, the Board has not decided yet on the supplemental benefits or incentive arrangements that will be given to its employees.

Type of Employees	Number of Current Employees	Expected within the Next 12 months
Medical Support Staff	-	-
Administrative Staff	5	6
Engineering and Maintenance	2	3
Outsourced	Security	Security
Others	-	-

### Medical and Dental Specialists

Briefly describe the qualifications and criteria to qualify. Disclose the current number of medical and dental specialists and its expected number within the next 12 months.

Medical and dental specialists are doctors who possess the minimum qualifications and are deemed fit to practice, upon recommendation by the Credentials Committee and approved by the Board and Management of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.

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<sup>5</sup>Please see details under Plan of Distribution on page 55.

The admission to the medical and dental staff roster of APMC Bacolod will be under the jurisdiction of the Credentialing and Privileging Committee.

He/She must be a graduate of an accredited training hospital and must have passed the Credentials Committee of APMC Bacolod. He/she must be in good standing with the Philippine Medical Association or Philippine Dental Association and their respective component societies. Documentary requirements to include, but not limited to, Professional Regulation Commission (PRC) license and Philippine Health Insurance Corporation (PHIC) accreditation, shall be submitted to the Credentialing and Privileging Office upon application. Upon submission of the requirements, the committee will recommend to the Chief of Medical Services, the Executive Vice President, the Chief Executive Officer, and the BOD for final approval.

Medical and dental specialists may have the option to apply for a Privilege to Practice and enjoy a clinic space and time at APMC Bacolod, or practice as regular visiting medical and dental staff. Policies and procedures for acceptance to the medical and dental staff will be stated in the Manual of Policies and Procedures of the Credentialing and Privileging. Review of the medical, surgical and dental staff credentials is annually, and privileges review is every two years.

It is estimated that, ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. has a total of 24 medical Specialists who will practice within the hospital. Within the next 12 months, it is expected that the Hospital will accept at least 50 more medical specialists.

<b>No.</b>	<b>Medical Specialist</b>	<b>Specialization</b>
1	Abad, Alben Teodoro T.	Radiology
2	Achurra, Alexander Kent T.	Surgery (Transplant, Vascular and General)
3	Balinas, Rhona T.	Anesthesiology
4	Bautista, Katheryn Kristy P.	Obstetrics And Gynecology (Ultrasonology)
5	Concel, Leopoldo M.	Internal Medicine
6	Encarnacion, Joseline C.	Internal Medicine
7	Espinosa, Wendell Z.	Internal Medicine (Gastroenterology)
8	Galve, Gregorio L	Internal Medicine (Oncology)
9	Gebusion, Anthony C.	Internal Medicine (Cardiology)
10	Germinal, Rodolfo, Jr. E.	Internal Medicine (Neurology)
11	Jalea, Ruel U.	Surgery (Oncology)
12	Jesena, Salve Regina S.	Pediatrics
13	Magallanes, Bel Manuel G.	HEENT
14	Magbanua, Ma. Leila M.	Internal Medicine (Nephrology)
15	Malata, Ma. Ivy V.	Pediatrics
16	Mallen, Andrew I.	Internal Medicine (Oncology)
17	Martyr, John Clifton U.	Internal Medicine (Pulmonology)
18	Pabicon, Olga H.	Internal Medicine (Rheumatology And Connective Tissue Diseases)
19	Pacete, Jimmy B.	General Surgery
20	Pedroza, David G.	Pathology

21	Rodrigo, Sherwin Lowe B.	Surgery (Hepatobiliary And Pancreatic, Minimally Invasive Surgery, Surgical Endoscopy)
22	Tad-y, May Claire R.	Obstetrics And Gynecology
23	Villanueva, Maria Teresa D.	Pediatrics
24	Yap, Jose Joel B.	Internal Medicine (Cardiology)

## Properties

The Issuer (select all that apply):

Property	Own	Lease
Land/Building/Real Estate	√	
Equipment and other long-term assets	√	
Intangible property such as patents, licenses, copyrights, trademarks, etc.	√	

Give the location and describe the condition of the principal properties (such as real estate, plant and equipment, mines, patents, etc.) that the registrant and its subsidiaries own. Disclose any mortgage, lien or encumbrance over the property and describe the limitations on ownership or usage over the same. Indicate also what properties it leases, the amount of lease payments, expiration dates and the terms of renewal options. Indicate what properties the registrant intends to acquire in the next twelve (12) months, the cost of such acquisitions, the mode of acquisition (i.e., by purchase, lease or otherwise) and the sources of financing it expects to use. If the property is being leased, indicate and describe the terms and conditions of the lease.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. Hospital will be a 7-storey with lower ground level, 248-bed capacity hospital with 1 basement parking level. Total floor area is around 38,084.03sq.m. constructed in a 10,000 sq.m. property located at Lacson St., Brgy. Bata, Bacolod City, Negros Occidental. It will also serve as a Referral Center for Asia-Pacific Medical Center (APMC) institutions in other parts of the country which APMC Bacolod has a Memorandum of Agreement with.

The land on which the hospital building will rise was bought in cash by the company. It is covered by TCT No.092-2018008504 and Tax Declaration Nos. 238299-2020 registered in the name of Allied Care Experts Medical Center - Bacolod Inc. (now Asia-Pacific Medical Center Bacolod, Inc.) The land is mortgaged to DBP for the loans secured intended for the construction of the hospital building, purchase of medical equipment, and other medical instruments.

The Hospital will have the following facilities:

*The following table shows the individual floor areas of the two buildings of Asia-Pacific Medical Center Bacolod, Inc., the areas of their respective key component department/unit/room areas, the total floor areas of both buildings and finally, the total gross floor area of the entire facility.*

*Floor and component department/unit/room areas. All areas are expressed in square meters.*

**MAIN HOSPITAL BUILDING**

<b>LOWER GROUND FLOOR - MAIN HOSPITAL BUILDING</b>	<b>5,917.89</b>
Satellite Laboratory (Blood Bank and Drug Testing Room)	168.18
Psychiatric Nursing Unit	415.89
Patient Discharge Area	46.95
Staff Lockers and Lounge	110.24
Patient Transport and Motorpool Department	57.77
Bellman Service Office	33
Linen and Housekeeping Unit	162.66
Dietary Unit	657.52
Security Department	82.26
Nuclear Medicine unit	243.18
Space for fire pump	177.43
Loading Bay	79.08
Driveway	2,159.76
Morgue	80.96
Patient lift Lobby/Public Stair	174.3
Warehouse Department	296.05
Purchasing Department	112.49
Biomedical Department	92.66
Engineering Department	143.22
General space/Stair/ramp	624.29
<b>AUXILARY BUILDING - Utilities outside the building like Powerhouse, STP &amp; Housekeeping</b>	<b>289.64</b>
<b>UPPER GROUND FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,542.36</b>
Main Lobby	308.19
Cafeteria	171.63
Business Center	284.12
Guest Services Department	76.36
Emergency Department	1,064.34
Laboratory	292.06
Radiology Department	540.93
Patient lift Lobby/Public Stair	176.4
General space/Stair/ramp	628.33
<b>SECOND FLOOR - MAIN HOSPITAL BUILDING</b>	<b>4,097.07</b>
Surgical Suite [including Post-Anesthesia Care Unit (PACU)/Recovery Room]	1,265.99
Obstetrical Suite [including Post-anesthesia Care Unit (PACU)/Recovery Room]	711.66
Neonatal Intensive Care Unit (NICU)	267.4
Pediatric Intensive Care Unit (PICU)	178.47
Medical, Surgical and Neurological Intensive Care Unit (MICU, SICU, and Neuro ICU)	519.67

Infectious Medical Intensive Care Unit (IMICU)	321.75
Patient lift Lobby/Public Stair	176.13
Lounge	45.59
General space/Stair/ramp	610.41
<b>THIRD FLOOR - MAIN HOSPITAL BUILDING</b>	<b>4,317.20</b>
Nurse Station	112.65
Pediatric Ward (4-5 beds each)	410.06
Pediatric Private Room	(6 units) 168.20
Pediatric Semi-Private Room (2 beds each)	(9 units) 355.00
Pediatric Isolation Room	38.77
Gyne Private Room	(3 units) 78.09
Gyne Ward (5 beds)	85.42
Obstetric Private Room	(4 units) 127.72
Obstetric Semi-Private Room (2 beds each)	(3 units) 137.79
Obstetric Junior Suite Room	(2 units) 85.15
Obstetric Ward (4 beds)	62.73
Pediatric Department Head Office and Conference Room	58.22
Ob-Gyne Department Head Office and Conference Room	36.81
Playroom	26.05
Doctors' Lounge (with Toilet and Bath)	22.4
Dialysis suite	282.57
Central Sterile Room	88.22
PCSO/PHIC/Cashier/Waiting Area/Offices	240.28
Cafeteria	244.06
Information Counter	40.41
Patient lift Lobby/Public Stair	176.66
General space/Free space/Lift and Stair/Public Toilet/Bridge	1439.94
<b>FOURTH FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,847.54</b>
Nurse Station	95.31
Semi-Private Room	(15units) 658.73
Isolation Room	27.97
Cardiology Center	287.21
Pulmonary Center	145.65
Physical Medicine and Rehabilitation Center	265.95
Hematology - Oncology Center	343.89
Lactation Center	60.4
Urology Center	84.93
Research Center	63.68
Ethics Committee Office	29.55
Medical Department Head Office and Conference Room	57.26
Surgical Department Head Office and Conference Room	57.26
Family Medicine Department Head Office and Conference Room	78.83
ENT/Orthopedic Department Head Office and Conference Room	42.22
Family Conference Room	14

Doctors' Lounge	18.74
On-Call Doctors' Room (2 beds each)	22.58
Chapel (with Resident Priest's/Chaplain's Bedroom)	117.05
Information Counter	46.16
Patient lift Lobby/Public Stair	176.63
General space/Free space/Lift and Stair/Public Toilet/Bridge	1153.54
<b>FIFTH FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,341.08</b>
Nurse Station	213.93
Private Room	(32units) 869.72
Semi-Private Room	(16units) 686.95
Isolation Room	26.1
Family Conference Room	25
Prayer Room	19.9
Doctors' Lounge (with Toilet and Bath)	20
Coffee Lounge (excluding outdoor area)	117.34
Patient lift Lobby/Public Stair <b>22211</b>	177.86
Information Counter	<b>39.5</b>
General space/Free space/Lift and Stair/Public Toilet	1144.78
<b>SIXTH FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,662.27</b>
Nurse Station	213.93
Private Room	(22units) 593.48
Isolation Room	39.58
Junior Suite Room	(13units) 494.34
Private Suite Room	(11units) 602.82
Family Conference Room	25
Prayer Room	19.9
Doctors' Lounge (with Toilet and Bath)	20
Business/Function Room	40
Patient lift Lobby/Public Stair	176.79
Information Counter	39.68
General space/Free space/Lift and Stair/Public Toilet	1396.75
<b>SEVENTH FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,549.95</b>
Executive Offices Section	279
Boardroom (with Pantry)	109
Ancillary Services Office	76
Nursing and Support Services Section and Marketing Department	325.25
Finance and Accounting Department	135.54
Hospital Administrator's Office	74.05
Medical Service Committee Office	245.56
HR Department	347.42
Medical Records Department	183.91
Auditorium	434.03
Staff Canteen (excluding outdoor dining area)	159.53
Guest Doctor's Room	(2units) 60.33
Skills Training & Conference Room	89.53



Patient lift Lobby/Public Stair	176.51
Reception	39.52
General space/Free space/Lift and Stair/Public Toilet	814.77
<b>ROOF DECK-MAIN HOSPITAL BUILDING</b>	<b>359.84</b>
<b>TOTAL OFFICIAL GROSS FLOOR AREA</b>	<b>32,924.84</b>

### MEDICAL ARTS BUILDING

<b>LOWER GROUND FLOOR - MEDICAL ARTS BUILDING</b>	<b>725.64</b>
IT Department	112.58
Gym (Fitness) Room	91.49
Bank Vault	60.09
Convenience Store Storage	45.8
Pharmacy Storage	148.88
General space/Free space/Lift and Stair	266.8
<b>UPPER GROUND FLOOR - MEDICAL ARTS BUILDING</b>	<b>683.43</b>
Ambulatory Services Center	194.06
Pharmacy	162.96
Bank	54.39
Convenience Store	43.93
General space/Free space/Lift and Stair	228.09
<b>SECOND FLOOR - MEDICAL ARTS BUILDING</b>	<b>908.76</b>
Single-Doctor/Founder's Clinic (with Toilet and Bathroom)	(7 units) 157.08
Shared Clinic (with Toilet and Bathroom)	(10 units) 306.03
General space/Free space/Lift and Stair/Public Toilet	<b>445.65</b>
<b>THIRD FLOOR - MEDICAL ARTS BUILDING</b>	<b>908.76</b>
Single-Doctor/ Founder's Clinic (with Toilet and Bathroom)	(7 units) 157.08
Shared Clinic (with Toilet and Bathroom)	(10 units) 306.03
General space/Free space/Lift and Stair/Public Toilet	<b>445.65</b>
<b>FOURTH FLOOR - MEDICAL ARTS BUILDING</b>	<b>908.76</b>
Single-Doctor/Founder's Clinic (with Toilet and Bathroom)	(7 units) 157.08
Shared Clinic (with Toilet and Bathroom)	(8 units) 267.96
Dental Unit	63.82
General space/Free space/Lift and Stair/Public Toilet	<b>419.9</b>
<b>FIFTH FLOOR - MEDICAL ARTS BUILDING</b>	<b>908.76</b>
Single-Doctor/Founder's Clinic (with Toilet and Bathroom)	(7 units) 157.08
Shared Clinic (with Toilet and Bathroom)	(10 units) 306.03
General space/Free space/Lift and Stair/Public Toilet	<b>445.65</b>
<b>SIXTH FLOOR-MEDICAL ARTS BUILDING</b>	<b>115.08</b>
<b>TOTAL OFFICIAL GROSS FLOOR AREA</b>	<b>5,159.19</b>

**TOTAL FLOOR AREA (MAIN HOSPITAL BUILDING AND MEDICAL ARTS BUILDING):**  
**38,084.03 sq.m.**

The Hospital does not intend to acquire any property within the next twelve (12) months.

**Legal Proceedings of Company, its Subsidiaries and/or Affiliates**

Describe briefly any material pending legal proceedings to which the registrant or any of its subsidiaries or affiliates is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities or any other entity

THE ISSUER IS NOT A PARTY TO ANY LEGAL PROCEEDINGS, NEITHER IS ANY OF ITS PROPERTIES THE SUBJECT OF ANY PENDING LEGAL PROCEEDINGS.

**Government Regulation** (select all that apply):

√	The Issuer and/or its products/services are subject to material regulation by a government agency.
√	The Issuer is required to have a license or permit (other than organizational license) to conduct business.
√	The Issuer has obtained any required licenses or permits to conduct business.

Need for any government approval of principal products or services. If government approval is necessary and the registrant has not yet received that approval, discuss the status of the approval within the government approval process.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. has secured the necessary permits to construct the Hospital. Other permits may be required later for its operation and shall be complied with by the Company.

	List of Permits	Permit Number	Date Granted	Date of Expiration
1	Building Permit (OBO)	06006-0984B	November 08, 2019	N/A
2	Electrical, Line and Grade, Architectural, Civil, Mechanical, Plumbing Permit (DPWH)	N/A	October 29, 2019	N/A
3	Mayor's Permit	202296031	February 15, 2022	February 15, 2023
4	Barangay Business Permit	150551062	January 31, 2022	January 31, 2023

5	Certificate of Finality- Land Use and Zoning (DAR)	A-0600-005-2019	May 29, 2019	N/A
6	Civil Aviation Authority of the Philippines (CAAP) Clearance	I-0406-19-968719	May 08, 2019	N/A
7	Certificate of Zoning Compliance	7765414	April 25, 2018	N/A
8	Certificate of Annual Inspection	C106006-2003010	April 22, 2020	April 22, 2021
9	Fire Safety Evaluation Clearance	06-21-103744	November 17, 2021	November 22, 2022
10	Certificate of Registration (BIR)	2RC0001234208	July 04, 2017	N/A
11	Approval of Construction Safety and Health Program (DOLE)	A-1410-0619-ROVI-NOCFO-0153	June 4, 2019	N/A
12	License to Operate	N/A	To be secured	N/A
13	Occupancy Permit	N/A	To be secured	N/A

In the course of its pre-operation stage, ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will secure permits and licenses from national and local government entities particularly the License to Operate (LTO) from the DOH, Environmental Compliance Certificate and Hazardous Waste Permit from DENR. The Building Permit and Occupancy Permit will be issued by the Bacolod City Office of the Building Official and Business Permit from BPLO of Bacolod City.

The LTO will be secured after the full construction of the Hospital and the necessary Occupancy Permit from the Building Official has been issued. The DOH will need to conduct ocular inspection of the facilities of the Hospital, as well as the pre-operation procedures of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. to ensure it is compliant with the standards of the Department prior to issuance of the LTO.

## Services and Departments

Provide information on hospital departments and their functions. Include personnel overview per department and their functions.

### DEPARTMENT OF INTERNAL MEDICINE

The Department of Internal Medicine shall include physicians with a pivotal role in the medical care to adult patients in the hospital. The department shall include physicians trained in Internal Medicine and/or its various affiliate and associate sub-specialties. Its members shall collaborate with physicians from other specialties, members of paramedical services and other hospital departments to provide compassionate, safe, affordable and effective medical care.

Objectives:

- a. Demonstrate clinical competence in providing prompt, informed, state-of-the-art specialty care for patients.
- b. Promulgate a high standard of ethical and professional service in the various subspecialties of Internal Medicine.

- c. Collaborate with other specialties and paramedical personnel in providing competent, compassionate care to medical patients.
- d. Initiate continuing medical education programs for the medical staff and other hospital personnel.
- e. Promote cooperation and camaraderie among the medical staff.
- f. Participate in the implementation of hospital policies involving Internal Medicine emanating from the Board of Directors, Hospital Administrator, medical Director and Chief of Clinics.
- g. Using Philippine College of Physicians (PCP) Residency Training Program (RTP) guides, establish a residency training program for accreditation by the PCP.

**Manpower Complement**

Department Chairman	:	1
Training Officer	:	1
Chief Resident	:	1
Resident Physicians	:	2

**DEPARTMENT OF PEDIATRICS**

The Department of Pediatrics promotes the health of children and adolescents with a balanced program that seeks new knowledge through research, provides outstanding educational opportunities, delivers high quality comprehensive clinical care and service, advocates vigorously for children and adolescents, and is responsive to the changing needs of our community and society.

**Objectives:**

- a. Provide optimum child health care for the community based on current clinical practice guidelines.
- b. Formulate and implement cost effective therapeutic regimens
- c. Enhance professional skills and knowledge through initiation and participation in Continuing Medical Education activities.
- d. Develop camaraderie, understanding, and unity among consultant staff.
- e. Plan towards standardization of specific service units to meet the requirements of the Philippine Pediatric Society (PPS) – Hospital Accreditation Board for Residency Training program, through which we would be proficient enough to deliver the best medical services to our patients.
- f. Establish a pediatric residency training program following the guidelines set by the PPS.

**Manpower Complement**

Department Chairman	:	1
Training Officer	:	1
Chief Resident	:	1
Resident Physician	:	2

**DEPARTMENT OF OBSTETRICS AND GYNECOLOGY**

The Department of Obstetrics and Gynecology focuses on women’s health and wellness by providing high quality patient care, educating future leaders, and fulfilling innovative

research within a highly collaborative environment. It is a leading institution in all aspects of women’s health with nationally recognized programs in obstetrics and gynecology, including high-risk pregnancy, reproduction genetics, gynecology, breast disease, infertility, contraception and cancer.

Objectives:

- a. To provide prompt, updated obstetrical and gynecologic care for patients
- b. To maintain a high standard of ethical and professional service in the various fields of Obstetrics and Gynecology.
- c. To support the continuing medical education programs for the medical staff and paramedical personnel.
- d. To develop a residency training program in Obstetrics and Gynecology with the ultimate goal of accreditation by the Philippine Board of Obstetrics and Gynecology (PBOGS).
- e. To implement hospital policies emanating from the Board of Directors, Hospital Administrator, Medical Director and Chief of Clinics.
- f. To promote camaraderie among medical staff.

Manpower Complement

Department Chairman	:	1
Training Officer	:	1
Chief Resident	:	1
Resident Physician	:	2

**DEPARTMENT OF SURGERY**

The department of General Surgery is committed to manage and deliver state of the art service to surgical patients, founded on Scientific evidence and Clinical Practice Guidelines. The department will ensure a good working relationship with the allied disciplines to produce best clinical outcomes.

Objectives:

- a. To provide prompt, scientific, and updated surgical care founded on Clinical Practice
- b. To maintain a high standard of ethical and professional service in the various fields of surgery.
- c. To facilitate the accreditation of the different sections by their respective mother societies, to primarily build their respective residency training programs.
- d. To perform Elective, Emergency, and outpatient surgical procedures based on the indications set by the surgical staff of the different sections.
- e. To manage malignant, benign, infectious, and inflammatory surgical cases.
- f. To promote multidisciplinary approach in the management of unique and difficult surgical cases.
- g. To promote camaraderie among the surgical staff.
- h. To support the continuing medical education programs of the different surgical societies.
- i. To implement hospital policies emanating from the Hospital Management.

Manpower Complement

Department Chairman	:	1
Training Officer	:	1
Resident Physician	:	

## DEPARTMENT OF FAMILY MEDICINE

The Department of Family Medicine shall include general practitioners and physicians trained in Family Medicine. Their main focus shall be on the medical conditions commonly encountered in a primary care setting and shall provide for initial management in these cases prior to referral to the next level of specialty care. They will be engaging more in the health promotion aspects of medicine.

Objectives:

- a. Provide initial, immediate care to patients.
- b. Assess patients and facilitate referral to the appropriate specialty among patients that require specialized care.
- c. Research, formulate and implement programs for health promotion and lifestyle regimens that shall compliment specialty care.
- d. Be at the forefront in the implementation of health promotion and disease prevention programs of local health boards and of the Department of Health.
- e. Establish a Family Medicine Residency Training program based on the guidelines set by the Philippine Academy of Family Physicians (PAFP)

Manpower complement

Department Chairman	:	1
Training Officer	:	1
Chief Resident	:	1
Resident Physicians	:	2

## DEPARTMENT OF MEDICAL IMAGING AND RADIATION

Medical imaging encompasses different imaging modalities and processes to image the human body for diagnostic and treatment purposes and therefore plays an important role in initiatives to improve public health for all population groups. Imaging for medical purposes involves a team of various medical and allied health personnel, biomedical engineers, and other support staff working together to optimize the wellbeing of patients, one at a time.

Objectives:

- a. Provide imaging techniques, modalities and procedures most appropriate to investigate and/or treat clinical problems.
- b. Select imaging technique or perform a selected treatment including ensuring image quality is clinically acceptable
- c. Communicates reliable and quality imaging findings to the clinicians in a time-appropriate manner and follow-up as appropriate
- d. Providing objective consultations and discussion of imaging results
- e. Formulate and implement a quality assurance system to provide quality diagnostics images and reports.

Manpower complement

Radiologist	:	1
Radiographers	:	3
Sonographers	:	1
Medical physicists	:	1
Nurses	:	3
Biomedical engineers	:	1
Radiation Safety Officer (RSO)	:	1

## DEPARTMENT OF LABORATORY MEDICINE

Clinical laboratory measurements form the scientific basis upon which medical diagnosis and management of patients is established. These results constitute the largest section of the medical record of patients. Laboratory tests help determine the presence, extent or absence of disease and monitor the effectiveness of treatment. These tests are generated by two distinct but well-coordinated departments of Clinical Pathology and Anatomical Pathology that aim to generate reliable and timely quality laboratory test results.

Clinical Pathology Laboratory. This laboratory is composed of medical and allied medical staff (medical technologist, laboratory technicians, phlebotomist and clinical laboratory chemist) engaged in specimen collection, transport, analysis, validation and timely dissemination of laboratory information.

### Major Roles:

- a. Microscopic examination and analysis of blood, body fluids, tissues and cells.
- b. Identify body fluids and measure corresponding chemical analytes.
- c. Store, process, test blood and blood components for transfusion.
- d. Utilize sophisticated equipment and instruments that can perform a number of tests simultaneously.
- e. Performs the above tests in an organized manner through: formulation of work instructions, standardized operating procedures and establishment of quality assurance programs to monitor timeliness and ensure the accuracy of test results.
- f. Liaise laboratory information in both timely and concise manner to aid in diagnosis and treatment of disease, or provide information needed for maintenance of health.

Anatomical Pathology Laboratory. Similar to the clinical laboratory this department are composed of medical and paramedical staff (histotechnologist, cytotechnologist and histotechnicians) engage in accurate enumeration, collection, transport, processing analysis of cells, tissues and fluids removed from a patient.

### Major Roles:

- a. Examination of sampled tissues under the microscope
- b. Study of individual cells in disease under the microscope
- c. Performance of ancillary tests in tissue and cytology samples to confirm presence or absence of disease
- d. Performs the above procedures in a standardized and reproducible manner through adherence to work instructions, manufacturers equipment guidelines, and national or international standards of reporting.
- e. Formulate and implement a quality assurance program to ensure timely and quality surgical and cytopathological laboratory reports.

### Manpower complement

Head or chair of the department	:	1
Associate Anatomic Pathologist	:	1
Associate Clinical Pathologist	:	1
Junior Pathologist	:	2
Chief Medical Technologist	:	1
Medical Technologists	:	4
Information Technologist Support	:	1

## NUTRITION AND DIETETICS

The hospital foodservice is a vital part of the medical treatment of patients, contributing to patients' nutritional needs and achieving patient satisfaction, quality outcomes, cost

containment, and revenue generation. The department aims to apply lean principles in a framework of low-cost, high-quality hospital food production/service that will not only serve patients but hospital guests, visitors and staff. It aims to provide a variety of menu items with nutritional considerations, and improves mealtimes. Training for all catering staff to improve the communication between staff and patients. It aims to streamline the process from raw material specifications, selection of standard recipes with varied preparation from cook-serve, cook-chill, cook freeze and ready-meal service, in varying preparations from plated and trolley services that aims to improve patient perception of food and satisfy their expectations. It aims to reduce and eliminate plate wastage and improve patient health to nutrition.

Manpower complement

Department Head	:	1
Cook	:	1
Administrative Staff	:	3

**INFECTION CONTROL DEPARTMENT**

The department headed by an infectious disease specialist will coordinate with a multidisciplinary team composed of the following:

- Nursing staff,
- Infection control practitioners,
- Quality assurance personnel,
- Risk management personnel,
- Representatives from microbiology,
- Surgery,
- Central sterilization,
- Waste management, and
- Environmental services.

The goal of this department is to bring individuals with different expertise in various areas of healthcare to plan, monitor, evaluate, update and educate all healthcare personnel on infection control measures and policies that prevents and control nosocomial infection. This provides a safe environment for healing of patients, and limits the spread of pathogens to the community.

Manpower complement

IDS Designate	:	1
Staff Nurse	:	2
Lab. Representative	:	1
CSR	:	1
Nursing Representative	:	1
Internal Medicine Representative	:	1
Pediatrics Representative	:	1
Ob-Gyne Representative	:	1
Surgery Representative	:	1
Family Medicine Representative	:	1
Radiology Representative	:	1

**EMERGENCY DEPARTMENT**

The Department is a vital part of the hospital as it is the first to receive patients needing immediate medical attention, either because of the life-threatening condition, multiple injuries



or severity of symptoms. It is especially equipped with the life-saving devices and trained personnel to handle emergency cases.

Objectives:

- Provide competent emergency care at all times by a team of qualified and experienced Emergency Room personnel.
- Provide prompt, lifesaving treatment without discrimination.
- Maintain the highest standard of emergency care facility.

Manpower Complement:

ER Head	:	1
Staff Nurse	:	10
Orderlies	:	2
Ambulance Driver	:	2

## **REHABILITATION MEDICINE AND PHYSICAL THERAPY**

The Rehabilitation Department caters to individuals who have impairments, functional limitations, disabilities, or changes in physical function and health status resulting from injury, disease or other causes. By designing and implementing therapeutic interventions that may include, but not limited to pharmacologic management, therapeutic exercises, functional training in self-care and home management, manual therapy techniques, prescription and fabrication of assistive and orthotic devices, electrotherapeutic modalities, physical agents and medical modalities, the Rehabilitation Medicine and Physical Therapy Center alleviates impairment and functional limitations. Cases handled vary from neurological, musculoskeletal, cardiopulmonary and pediatric among others. The patient load will consist of in-patients, out-patients and those who will need domiciliary services.

The Department's main objectives are:

- Establishing a comprehensive treatment plan to restore the patient to his highest functional mobility, activities of daily living, community reintegration, workplace requirements and recreation.
- Provision of patient and family education which is a cornerstone to all clinical programs.
- Planning of individualized exercises to increase of daily activities, increase musculoskeletal strength, maximize cardiovascular fitness.

Manpower Complement:

Chair	:	1
Rehabilitation Doctor or Physiatrist	:	1
Physical Therapist	:	4

## **PULMONARY DEPARTMENT**

The Department provides immediate cardio-pulmonary management, as requested by the Physician, that will help lead in the accurate diagnosis of an illness for proper administration of therapeutic procedure.

The Department's main objectives are:

- To deliver official results of the procedures within 24 hours.
- To respond during Code Blue.
- To provide ventilator support to intubated patient.
- To gradually remove mechanically intubated patient from ventilator.
- To provide accurate pulmonary diagnostic procedure:
  - a. Blood Gas Analysis (ABG)
  - b. Spirometry and Lung Volume Studies
  - c. Peak Expiratory Flow Measurement (PEFR)
- To provide effective pulmonary therapeutic procedures:
  - a. Aerosol Therapy (Nebulization)
  - b. Intermittent Positive Pressure Breathing Therapy (IPPB)

Manpower Complement:

Chair	:	1
Supervisor, RT	:	1
Respiratory Therapist	:	2
Medical Staff	:	2

### **OUT-PATIENT DEPARTMENT**

This is a combination of several departments. It is a miniature version of the hospital except that the patient is ambulatory. Physicians with different specializations provide services. Individual patients come to consult or receive treatment, others go back to the physician to assess their progress following discharge from hospital.

The Department's main objectives are:

- To be the channel of our foremost goal which is to provide "Quality Service" to our clientele. Their satisfaction is our top most priority.
- To ensure that all patients for consultation are given proper assessment before they are decked to the concerned doctor.
- To ensure that all necessary documents are properly prepared, kept and organized.
- To enhance secretaries' knowledge in handling patients.

Manpower Complement:

Department Head	:	1
OPD Supervisor	:	1
OPD Clerk	:	3
Medical Staff	:	1

### **PSYCHIATRY DEPARTMENT**

The Department of Psychiatry and Behavioral Services include physicians whose primary role is to provide comprehensive mental health and counseling services. This team of providers includes physicians who work closely with nurses and other staff to provide expert and effective psychiatric care.

The Department's main objectives are:

- To provide advanced, evidenced-based individualized treatment care plan based on latest research;
- To maintain a high standard of ethical and professional service in mental health and counseling services
- To support the continuing medical education program for the staff and personnel

- To implement hospital policies emanating from the Board of Directors, Hospital Administrators, Medical Director and Chief of clinics
- To promote camaraderie among the staff

Manpower Complement:

Chair	:	1
Co-chair	:	1
Medical Staff	:	3

**PHARMACY**

The Department serves an important link between medical professionals and in consultation with the patient, the provision of healthcare plan through optimal drug therapy. Develop and use effective information management systems that support both drug therapy management and drug dispensing. The staff coordinates hospital-wide drug management and outpatient care medicine needs. The department will monitor and effectively implement rational drug use and procurement in collaboration with the medical staff and Therapeutics Committee.

Manpower complement

Department Head	:	1
Chief Pharmacist	:	1
Staff Pharmacist	:	4

**CENTRAL SUPPLIES DEPARTMENT**

The department aims to provide at all times an adequate supply of safe, effective and quality products for the need of the patients. It aims to conserve time and material by reducing the duplication of supplies and effort to render to doctor and patient the best and most efficient service. The function of CSR is to procure, process, store and distribute medical and surgical supplies and equipment to the surgical suites, patient care areas and medical services within the community.

Manpower complement

Department Head	:	1
Asst. Head	:	1
CSR Clerk	:	4

**BILLING SECTION**

The Billing Section is one of the major components of hospital operation. This unit is working based on the revenue of the different departments and ancillary services of the hospital. It works to coordinate and communicate with doctors and hospital staff, to provide efficient and accurate computation of billable services rendered to the patient. It works in lines of transparency, accounting and preparation of appropriate reports using the approved hospital information system.

Manpower complement:

Department Head	:	1
Administrative Staff	:	4

## ADMINISTRATIVE DEPARTMENT

The department aims to streamline activities of the health informatics, patient advocacy, legal department and finance. Activities related to compliance of electronic/paper medical records to ensure properly storing, securing, and utilizing patient and provider information. Informatics specialists ensures appropriate data analytics, to communicate appropriate information for the needs of the business to translate into realizable outcomes. The department advocates patient concerns related to service provide to meet their healthcare needs. The staff should be well-versed in payment options, insurance matters, and government regulation. The department is responsible for maintaining compliance to existing laws and regulations. The department is also responsible for budgets, purchasing, healthcare service costs, and even forecasting. The department is also responsible for investor relations or even securing capital for improvements.

### Manpower complement

Admin Officer	:	1
Asst. to the Admin Officer	:	1
Messenger/Liaison Officer	:	1

### Transactions with and/or dependence on related parties

The Company, in the normal course of business, has entered into transactions with related parties principally consisting of:

#### *Advances from Shareholders*

This account represents advances made by its stockholders in support of the Company's building construction requirements. These advances are non-interest bearing and to be paid subject to availability of funds and/or the Board may decide to convert said advances to equity in the distant future.

Pursuant to a Board Resolution issued on November 24, 2017, all directors and stockholders of record were enjoined to contribute other funds and resources to be able to implement the preliminary phase of the construction of the hospital facilities. It was agreed that the advances will not earn any interest and will be paid only if the Hospital has sufficient funds to cover the payment. The Board has been authorized to make conversion of debt to equity, subject to the general requirements of existing laws and in accordance with SEC rules on conversion. As to the date of conversion, the same has not been determined yet as the Hospital is still in the early stages of construction. Advances were made by all the founders in installments beginning on December 31, 2017. Advances from shareholders amounted to **P234,520,499.61** as of September 30, 2021.

### USE OF PROCEEDS

*Where less than all of the securities to be offered may be sold and more than one use is listed for the proceeds, the registrant shall indicate the order of priority of such purposes and discuss its plans if substantially less than the maximum proceeds are obtained.*

*If any material amounts of other funds are necessary to accomplish the specified purpose(s) for which the offering is made, the registrant shall state the amounts and sources of such other funds needed.*

The figures herein are only estimate and are made under the assumption that all or a significant portion of the Offer Securities will be sold setting aside fortuitous events or acts of men beyond the control of the management of the Issuer.

In the event all the Offer Securities are sold, it will generate maximum gross proceeds of approximately P1,000,000,000.00. The gross proceeds, less transaction expenses, taxes, professional and registration fees, etc. will yield Nine Hundred Ninety-Seven Million Five Hundred Seventeen Thousand Eight Hundred Sixty-Five Pesos (**P 997,517,865.00**) which shall be used to complete the construction, development and operation of the Hospital. An estimate of the net proceeds, assuming the best case and complete sell out of the Offer Securities as currently priced is as follows:

Anticipated Gross Proceeds	<b>P 1,000,000,000.00</b>
Less:	
Registration/Filing Fees	863,500.00
Legal Research Fee	8,635.00
Documentary Stamp Taxes	360,000.00
Legal Fees (to include professional fee, Notarization, and others)	300,000.00
Audit Fees	400,000.00
Multimedia Advertising	
Photography / Video Shoot for Social Media Ads	45,000.00
Radio	100,000.00
TV Ads	300,000.00
Local Newspaper (Half Page, once a week for 4 weeks)	28,000.00
Tarpaulins	12,000.00
Newsletter & Brochures Printing	15,000.00
Miscellaneous Expenses	50,000.00
<b>Total</b>	<b>2,482,135.00</b>
	<b>P 997,517,865.00</b>

In the event that the actual expenses relating to the Offer differ from the above estimates, the net proceeds to the Company from the Offer may be higher or lower than the expected net proceeds set forth above. Any increase or decrease in the net proceeds to the Company shall be addressed by making a corresponding increase or decrease, as the case may be, to the proposed use pro-rata.

In the event the maximum net proceeds of **P997,517,865.00** is realized, it will be applied to the purposes mentioned below, in the **estimated** amounts, based on % to the total proceeds that will be raised as follows: *(enumerated in descending order of priority)*

Proposed Use	Amount Required	To Be Funded By Proceeds	Estimated Period Of Disbursement	To Be Financed Thru Bank Loan
Building & Construction	1,645,817,865.00	457,017,865.00	2 <sup>ND</sup> Q 2022-	1,188,800,000.00
			3 <sup>RD</sup> Q 2023	
Loan Interest Payment	80,000,000.00	80,000,000.00	2 <sup>ND</sup> Q 2022-	0
			3 <sup>RD</sup> Q 2024	
Architect, PMT and other PFs	40,500,000.00	40,500,000.00	2 <sup>ND</sup> Q 2022-	0
			2 <sup>ND</sup> Q 2024	
Hospital Information Mgt System (HIMS)	20,000,000.00	20,000,000.00	2 <sup>ND</sup> Q 2023-	0
			4 <sup>TH</sup> Q 2023	
Pre-operating Expenses	200,000,000.00	200,000,000.00	3 <sup>RD</sup> Q 2023-	0
			1 <sup>ST</sup> Q 2024	
Working Capital	200,000,000.00	200,000,000.00	2 <sup>ND</sup> Q 2024	0

The primary use of proceeds will be for construction expenses. The total construction cost estimate of the project is P1.64 B. This will be partially financed by the proceeds of the public offering, as only 45.70 % of the proceeds is allotted for this. The balance will be financed by the existing loan facility provided by the Development Bank of the Philippines.

The company will avail of the loan facility from the Development Bank of the Philippines amounting to P1,688,800,000.00, an interest-bearing loan in support of the construction of the hospital building and purchase of medical equipment. The interest rate is variable, based on the lender’s prevailing rate on date of drawdown, subject to a floor rate of 4.5% per annum with one-time fixing one year from the date of initial drawdown. Out of this total amount of loan, P1,188,800,000.00 will be used for the construction of the hospital building and P 500,000,000.00 will be used for the acquisition of medical instruments, furniture, appliances and equipment. The P 1,188,800,000.00 will be availed before the start of the second quarter of 2022 and the P500,000,000.00 will be availed 6 months before the completion of the project. Interest payment will be computed using simple interest formula, which is Principal amount multiplied by the Interest Rate, multiplied by Time Duration. The interest due on the loan from the 1<sup>st</sup> quarter of 2022 up to the 3<sup>rd</sup> quarter of 2023, which is approximately P 80,000,000.00 or 8%, will be paid from the proceeds of the Offer.

Another intended use of the proceeds will be for payment of professional fees of architects, engineers, Bid Management Team, and Project Management Team contracted by the Hospital which will amount to 4.1 % of the proceeds.

Another intended use will be for procurement of the Hospital Information Management System (HIMS) which is 2.0 % of the proceeds.

Pre-operating expenses will cover the salaries/allowances of the staff as well as the daily operational expenses of the Hospital prior to the grant of the LTO and the first few months of operation and will amount to 20.0% of the proceeds.

Working capital will cover operating expenses after the completion of the project which is 20% of the proceeds.

The medical instrument, hospital beds, office furniture, fixtures and other equipment, estimated to cost P 500,000,000.00, will be fully financed by the loan from DBP and will not be derived from the proceeds of the sale of shares.

Pre-operating expenses pertains to expenses for procurement of supplies (pharmacy, laboratory and central supply), training/seminar of staff and all those expenses which are all required prior to the grant of the LTO. These expenses also cover other unforeseen expenses that may be incurred due to delays in the grant of LTO brought about by the pandemic. While working capital requirements will cover the salaries/allowances of the staff as well as the daily operational expenses of the Hospital during the first few months of operation. Below is a summary of these expenses:

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	TOTAL
Payroll	3,000,000.00	3,000,000.00	4,000,000.00	4,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	38,000,000.00
Pharmacy		2,000,000.00	3,000,000.00	3,000,000.00	6,000,000.00	6,000,000.00	6,000,000.00	26,000,000.00
Laboratory	200,000.00	500,000.00	2,000,000.00	2,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	16,700,000.00
CSR	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	21,000,000.00
Office Supplies	300,000.00	300,000.00	300,000.00	400,000.00	500,000.00	500,000.00	500,000.00	2,800,000.00
Other Supplies	3,000,000.00	3,000,000.00	3,000,000.00	4,000,000.00	4,000,000.00	4,500,000.00	4,500,000.00	26,000,000.00
Professional Fees	2,000,000.00	2,500,000.00	3,500,000.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	24,000,000.00
Utilities	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	21,000,000.00

Training & Seminars	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	3,500,000.00
Unforeseen Expenses	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	21,000,000.00
Estimated Expenses	18,000,000.00	20,800,000.00	25,300,000.00	26,900,000.00	36,000,000.00	36,500,000.00	36,500,000.00	200,000,000.00

The construction of the Company’s hospital building started in February 2020. However, due to the COVID-19 pandemic, delivery of construction supplies and deployment of manpower were postponed resulting to a delay in the construction of the hospital building. Upon lifting of some quarantine restrictions involving transportation, the contractors instituted measures to catch up with the delay. The construction team resumed work on the Substructure (Package 1 – Bored Piles) through the installation of bored piles in July 2020. On February 1, 2021, work on the Superstructure (Package 2 – Pile Cap, Pedestal, Footing Tie Beam, Retaining Wall, and Pre-Engineered Building) phase of the construction started. The project has approximately 30 months construction timeline from February 1, 2021. However, the stated construction timeline is only an approximate of the actual duration of the construction. There maybe further delays aside from the pandemic. The DOH may implement revisions on the orientation/installation of hospital equipment which will happen only after the construction of the hospital is done. Other causes of delay may include training of hospital staff and employees in preparation for the opening of the hospital, and delay in securing of the necessary government permits and licenses after completion of the construction.

Current expenses for construction were financed by paid up subscriptions and advances from Founders.

The whole project is 17.84% completed as of March 31, 2022. Work accomplished so far consists of part of the structural foundation. The project is expected to be completed based on the following schedule: Architectural works to include final finishes to be completed by the 2<sup>nd</sup> quarter of 2023; Mechanical works which includes Sanitary/Plumbing and Fire Protection Works is expected to be completed by the 2<sup>nd</sup> quarter of 2023. Electrical works to be completed by the 4<sup>th</sup> quarter of 2022. Testing and commissioning of all utilities including medical equipment will be on the 3<sup>rd</sup> quarter of 2023. The building inauguration is expected to be anytime during the 2<sup>nd</sup> quarter of 2024.

The facilities to be constructed within the Hospital include the doctors/dentists’ clinics, office area for the HMO, administration office, parking lots, commercial area for coffee shop, restaurants, elevators, comfort rooms and waiting areas for patients.

No amount from the proceeds are to be used to reimburse any officer, director, employee or shareholder for service rendered, assets previously transferred, money loaned or advanced or otherwise.

As the offer will be made in tranches on a best effort basis, the estimate gross proceeds may not be realized at the same time or within a fixed period.

In any event that the projected proceeds are not realized, the Hospital’s available credit facility from DBP will be utilized to finance the construction of the Hospital Building. In addition to this, the Founders’ resources may also be tapped to finance the project as the need arises.

The figures in the **Use of Proceeds** are estimates based on current pricing of the equipment, development costs and operational expenses of the Company. As such, adjustments and/or deviations in the disclosed uses may be made. To the extent that the net proceeds from the Offer are not immediately applied to the above purposes, the Company will invest the net proceeds in

short term demand deposits and/or money market instruments. In any event there will be material adjustments or deviations, the company undertakes to inform the Commission within 30 days prior to its implementation.

If the proceeds will be used to pay-off existing debt, disclose the following:  Not Applicable

Name of Debtor	Amount of Debt	Maturity Date	Interest
Development Bank of the Philippines	P 1,188,800,000.00	13 years from the date of first drawdown	Interest rate is variable, based on the lender's prevailing rate on date of drawdown, subject to a floor rate of 4.5% per annum with one-time fixing one year from the date of initial drawdown
Development Bank of the Philippines	P 146,000,000.00	5 years from the date of first drawdown	
Development Bank of the Philippines	P 354,000,000.00	10 years from the date of first drawdown	
<b>TOTAL</b>	P 1,688,800,000.00		

Asia Pacific Medical Center Bacolod, Inc. secured a loan from Development Bank of the Philippines on August 11, 2021. The total principal amount is ONE BILLION SIX HUNDRED EIGHTY-EIGHT MILLION EIGHT HUNDRED THOUSAND PESOS (Php 1,688,800,000.00) with a variable interest rate, based on DBP's prevailing rate on the date of the initial drawdown with a floor rate of 4.5% with a one-time option to fix for three (3) or five (5) years, within one (1) year from date of initial drawdown, based on the lender's prevailing rate on date of drawdown. The loan is an aggregate of 3 term loans. Maturity dates of the loans are as follows: (1) for the Main Hospital Building and its foundation, maturity will be after 13 years, (2) for the acquisition of medical instruments, furniture and appliances, maturity will be after 5 years, and (3) the Omnibus Facility for the equipment, maturity will be after 10 years. Currently, Asia-Pacific Medical Center Bacolod, Inc. has not yet utilized the amount available.

Is the debtor related to the Issuer or any of its Directors or Officers?  Yes  No

If the answer to any of the above is "yes", disclose the relationship between each person and the issuer and the principal terms of each transaction. If assets were acquired from a person, disclose the cost of the asset to the issuer and the method used to determine this cost. Disclosure for each person who has been involved in more than one related party transaction, their relationship with the issuer and which of the transactions they have been involved with.

If the proceeds will be used to purchase real estate property?  Yes  No

(Provide information on each property acquired) Not applicable

If the answer to any of the above is "yes", disclose the relationship between each person and the issuer and the principal terms of each transaction. If assets were acquired from a person, disclose the cost of the asset to the issuer and the method used to determine this cost. Disclosure for each person who has been involved in more than one related party transaction, their relationship with the issuer and which of the transactions they have been involved with.



If any material amount of the proceeds is to be used to acquire assets or finance the acquisitions of other businesses, describe the assets or businesses and identify the persons from whom they will be bought. State the cost of the assets and, where such assets are to be acquired from affiliates of the registrant or their associates, give the names of the persons from whom they are to be acquired and set forth the principle followed in determining the cost to the registrant. - Not Applicable

If the proceeds will be used for the construction of the hospital, provide the following:

Project Name	ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
Project Cost (Estimate)	P2,600,000,000.00.
Schedule of Disbursement	2 <sup>ND</sup> Quarter 2022 to 3 <sup>RD</sup> Quarter of 2024
Target Completion Date	2 <sup>ND</sup> Quarter of 2024
Percentage Completed	17.84% completed as of March 31, 2022

9. If proceeds to this offering is not sufficient to fund the intended use, where will the company source the additional funding?

Asia-Pacific Medical Center Bacolod, Inc. has secured three (3) term loans from the Development Bank of the Philippines on August 11, 2021. The total principal amount is ONE BILLION SIX HUNDRED EIGHTY-EIGHT MILLION EIGHT HUNDRED THOUSAND PESOS (P 1,688,800,000.00).

The first loan is a 13-year term loan of ONE BILLION ONE HUNDRED EIGHTY-EIGHT MILLION EIGHT HUNDRED THOUSAND PESOS (P1,188,800,000.00) for the construction of the Main Hospital Building and its foundation.

The second loan is a 5-year term loan of ONE HUNDRED FORTY-SIX MILLION PESOS (P 146,000,000.00) for the acquisition of medical instruments, furniture and appliances.

The third is an Omnibus Facility to be available via (1) 10-year term loan with sublimit of THREE HUNDRED FIFTY-FOUR MILLION PESOS (P 354,000,000.00) and (2) Import and/or Domestic Letter of Credit via Sight for Usance to be drawn from the proposed 10-year term loan. The intended use of this loan is for acquisition of equipment.

Interest rate is variable, floating, based on the Lender's prevailing rate on date of drawdown, payable and reviewable quarterly, subject to a floor rate of 5% per annum, with one-time option to fix for three (3) or five (5) years, within one (1) year from date of initial drawdown, based on the Lender's prevailing rate on date of drawdown, payable quarterly. Interest shall be reviewed every three (3) or five (5) years based on the Lender's prevailing rate on date of drawdown, subject to a floor rate equivalent to the existing rate provided that option shall be exercised on an interest payment date. As of the date of this prospectus, the Hospital has not utilized any portion of such facility.

## DESCRIPTION OF SECURITIES OFFERED

### Securities of the Registrant

10. The securities being offered are (select all that apply):

	Founders Shares
√	Common Shares
	Preferred Shares
	Others (specify):

- (a) State the amount of capital stock of each class issued or included in the shares of stock to be offered:
- (b) If the registrant is offering common equity, describe any dividend, voting and preemption rights.
- (c) If the registrant is offering preferred stock, describe the dividend, voting, conversion and liquidation rights as well as redemption or sinking fund provisions.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. is registering the following shares: **600** Founders' shares, **203,400** common shares (all issued and outstanding) and **36,000** common shares equivalent to **3,600** blocks (10 shares per block) which will be offered for sale to the public by way of primary offering.

The 3,600 blocks will be offered in tranches, through a series of offerings at an offer price in progressive amounts. The first 2,400 blocks will be sold at the price of P 250,000.00 per block, the next 800 blocks at the price of P 300,000.00 per block, and the remaining 400 blocks at the price of P 400,000.00 per block. The blocks will be sold on a first come, first served basis, subject to pre-qualification procedures. Once the maximum number of blocks per series are sold, the next series will be offered at an increased offer price. The offer shares will not be listed in the Exchange and will be issued over the counter only, through its organic employees who will act as salesmen.

The 3,600 blocks will be offered to the public, and sold primarily to Medical Specialists who possess the minimum qualifications and are deemed fit to practice, upon recommendation by the Credentials Committee and approved by the Board and Management of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. Other purchasers may be non-medical specialists who are related to medical specialists and those who intend to purchase the shares purely for investment purposes.

The common shares/blocks that will be offered will qualify the medical shareholder to practice at the Hospital, subject to pre-qualification procedures, aside from earning dividends as may be declared by the Board.

### RIGHTS AND RESTRICTIONS

The ownership of the Offer Securities is subject to the following rights and restrictive conditions:

- 1. The transfer, or otherwise disposal of shares shall observe the following priorities:
  - a. First Priority-to the corporation which must exercise its option within thirty (30) days from the date of receipt of the written offer by the Secretary of the corporation.

- b. Second Priority- to the holders of Founder’s Shares, who must exercise the option within the same period of thirty (30) days from date of receipt of the written offer by the Secretary of the corporation.
- c. Third Priority- to holders of Common shares who must likewise exercise the option within a period of thirty (30) days from date of receipt of the written offer by the Secretary of the corporation.
- d. Fourth Priority- to outsiders who must likewise exercise the option within a period of thirty (30) days from the date of receipt of the written offer by the Secretary of the corporation.

The foregoing restrictions shall not apply to the dispositions by the stockholder by will, donation, inheritance, bequest and related transfer of said shares.

Any transfer of a share of the capital stock in violation of the foregoing provisions shall be null and void and shall not be transferable in the books of the Corporation.

11. These securities have (select all that apply):

√	Cumulative voting rights
√	Pre-emptive rights to purchase any new issue of securities
	Preference as to dividends or interest
	Restrictions on dividends or other distributions
	Preference over liquidation
	Anti-dilution
	Conversion rights
	Other special voting rights
	Other special rights or preference (specify):

- a) Describe any other material rights of common or preferred stockholders.
- b) Describe any provision in the charter or by-laws that would delay, defer or prevent a change in control of the registrant.

**Cumulative Voting.** Common shareholders are entitled to vote during the Annual Meeting. Each Shareholder shall have the right to vote in person or by proxy the number of shares registered in his name in the stock transfer book of the Hospital for as many persons as there are directors to be elected. Each shareholder shall have the right to cumulate said shares and give one (1) nominee 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 cumulative voting principle among as many nominees as he shall see fit; provided, that the number of votes cast by a shareholder shall not exceed the number of his shares multiplied by the number of directors to be elected.

**Pre-emptive Right.** The right of a shareholder in a corporation to have the first opportunity to purchase a new issue of stock of that corporation in proportion to the amount of stock already owned by the shareholder. All holders of common shares shall enjoy pre-emptive right

to subscribe to all issues or disposition of shares of any class, in proportion to their respective shareholdings.

12. Source of the aforementioned shares offered for sale (select all that apply):

<input checked="" type="checkbox"/>	Primary (from the unissued portion of the Authorized Capital Stock)
<input type="checkbox"/>	Secondary Selling Shareholders

**SECONDARY OFFERING**

13. If any of the securities to be registered are to be offered for the account of shareholder, name each such security holder, indicating the following:  Not Applicable

Name of Selling Shareholder	Class of Securities Offered	No. of Shares Offered for Sale	Offer Price	Issue Value

14. The selling shareholder/s (select all that apply):  Not Applicable

	Certifies as to the accuracy of any part of the registration statement contributed to
	Certifies that he/she is the legitimate beneficial owner of the securities.

15. Are these securities to be registered under a delay or continuous offering?  
 Yes  No

**RECENT SALE OF UNREGISTERED OR EXEMPT SECURITIES**

Furnish the following information as to all securities of the registrant sold by it within the past three (3) years which were not registered under the Code. Include sales of reacquired securities, as well as new issues, securities issued in exchange for property, services, or other securities, and new securities resulting from the modification of outstanding securities. Indicate whether the issuer received written confirmation from the Commission under SRC Rule 10.1 that such exemptive relief from registration was available and, if so, the date such confirmation was issued.

Class of Securities Sold	Purchasers	Consideration	Exemption from Registration Claimed
107,880 common shares	26 existing stockholders	Cash	None
120 founder shares	34 existing stockholders	Cash	None

## DETERMINATION OF THE OFFER PRICE

Discuss the various factors considered in determining the offering price of the securities for registration.

The following factors may be relevant to the price at which the securities are being offered: after-tax earnings, price/earnings multiple, net tangible book value per share.

The staggered Offer Price per series of shares for sale to the public was arrived at by considering several factors including but not limited to: the timing of purchase relative to the completion of the Hospital and its facilities, the number of applicants the Hospital could serve and accommodate, the total development costs based on cost assessments of the engineers, architects and other professionals hired for the project, comparable price of similarly situated structure with similar facilities, market demand, risk undertaken by the original stockholders, the exclusive and premium nature of the Hospital and its intended patients and the acceptability of the pricing strategy to the current market.

The breakdown of the Offer Price is presented as follows:

Series	Number of Blocks of Common Shares	Maximum Proposed Selling Price per Block
1 <sup>st</sup>	2,400 Blocks	₱250,000 per block
2 <sup>nd</sup>	800 Blocks	₱300,000 per block
3 <sup>rd</sup>	400 Blocks	₱400,000 per block

## DILUTION

Where common equity securities are being registered and there is a substantial disparity between the public offering price and the effective cash cost to officers, directors, promoters and affiliated persons of common equity acquired by them in transactions during the past five (5) years, or which they have the right to acquire, and the registrant is not subject to the reporting requirements of Section 17 of the Code immediately prior to filing of the registration statement, there shall be included a comparison of the public contribution under the proposed public offering and the effective cash contribution of such persons. In such cases, and where common equity securities are being registered by a registrant that has had losses in each of its last three fiscal years, or from inception if shorter, and there is a material dilution of the purchasers' equity interest, the following shall be disclosed:

- (1) The net tangible book value per share before and after the distribution. For this purpose, net tangible book value means total assets (exclusive of copyrights, patents, goodwill, research and development costs, pre-operating costs, and similar intangible assets) minus total liabilities.
- (2) The amount of the increase in such net tangible book value per share attributable to the cash payments made by purchasers of the shares being offered; and
- (3) The amount of the immediate dilution from the public offering price which will be absorbed by such purchasers.

The net tangible book value of the Company as of **December 31, 2021** was ₱135,378,900.00 or ₱663.62 per share, which represents the amount of the Company's total assets (excluding intangible assets) less its total liabilities. The Company's net tangible book value per share represents the net tangible book value divided by the number of Common Shares outstanding.

After giving effect to the increase in the Company's total assets to reflect the receipt of the net proceeds from the Offer, estimated to be ₱997,517,865.00 and the addition of **108,000** new Common Shares subject of the Offer, the Company's adjusted net tangible book value would be ₱1,132,896,765.00 or ₱4,720.40 per share. This represents an increase of ₱4,057.08 per share to the existing shareholders and an average dilution of **₱22,779.60 per share (maximum: ₱35,179.60)** to the investors participating in the Offer.

*The dilution in the book value per share represents the estimated difference between the Offer Price and the approximate adjusted tangible book value per share immediately following the completion of the Offer.*

**The following table illustrates dilution on a per share basis based on the Series of Offer Prices:**

	Existing Stockholders	2,400 blocks	800 blocks	400 blocks
Offer Price per share	₱1,000.00	₱25,000.00	₱30,000.00	₱40,000.00
Net tangible book value per share, September 30, 2021 (₱135,378,900.00/204,000 shares)	₱663.32 per share	-	-	-
Net tangible book value per share, after Offer (₱1,132,896,765.00/240,000 shares)	₱4,720.40 per share	₱4,720.40 per share	₱4,720.40 per share	₱4,720.40 per share
Increase (dilution) per share	₱4,057.08 per share	(₱20,279.60) per share	(₱25,279.60) per share	(₱35,179.60) per share

The net tangible book value of the Company as of December 31, 2020 was Php 76,313,504.00\_or Php794.93per share, which represents the amount of the Company's total assets (excluding intangible assets) less its total liabilities. The Company's net tangible book value per share represents the net tangible book value divided by the number of Common Shares outstanding.

After giving effect to the increase in the Company's total assets to reflect the receipt of the net proceeds from the Offer, estimated to be ₱ 997,517,865.00and the addition of 108,000 new Common Shares subject of the Offer, the Company's adjusted net tangible book value would be ₱1,073,831,369.00 or ₱4,474.30 per share. This represents an increase of ₱3,679.37per share to the existing shareholders and an average dilution of **₱23,303.48 per share (maximum: ₱35,525.70)** to the investors participating in the Offer.

*The dilution in the book value per share represents the estimated difference between the Offer Price and the approximate adjusted tangible book value per share immediately following the completion of the Offer.*

**The following table illustrates dilution on a per share basis based on the Series of Offer Prices:**

	Existing Stockholders	2,400 blocks	800 blocks	400 blocks
Offer Price per share	₱1,000.00	₱25,000.00	₱30,000.00	₱40,000.00
Net tangible book value per share, December 31, 2020	₱794.93 per share	-	-	-

(₱76,313,504.00/96,000s shares)				
Net tangible book value per share, after Offer (₱1,073,831,369.00/240,000 shares)	₱4,474.30 per share	₱4,474.30 per share	₱4,474.30 per share	₱4,474.30 per share
Increase (dilution) per share	₱3,679.37 per share	(₱20,525.70) per share	(₱25,525.70) per share	(₱35,525.70) per share

The dilution in the block value per share represents the estimated difference between the offer price and the approximate adjusted tangible book value per share immediately following the completion of the offer.

Stockholder	Before the Offer			After the Offer		
	Class	Number of Shares	Percentage	Class	Number of Shares	Percentage
Biron, Ferjenel G.	Founder	112	30.94%	Founder	128	27.63%
	Common	63,000		Common	66,184	
	<b>Total</b>	<b>63,112</b>		<b>Total</b>	<b>66,312</b>	
Galve, Gregorio L.	Founder	14	2.42%	Founder	14	2.05%
	Common	4,917		Common	4,917	
	<b>Total</b>	<b>4,931</b>		<b>Total</b>	<b>4,931</b>	
Achurra, Alexander Kent T.	Founder	14	2.42%	Founder	14	2.05%
	Common	4,917		Common	4,917	
	<b>Total</b>	<b>4,931</b>		<b>Total</b>	<b>4,931</b>	
Malata, Ma. Ivy V.	Founder	14	2.32%	Founder	14	1.97%
	Common	4,725		Common	4,725	
	<b>Total</b>	<b>4,739</b>		<b>Total</b>	<b>4,739</b>	
Bautista, Kathryn Kristy P.	Founder	14	2.32%	Founder	14	1.97%
	Common	4,725		Common	4,725	
	<b>Total</b>	<b>4,739</b>		<b>Total</b>	<b>4,739</b>	
Magallanes, Bel Manuel G.	Founder	10	1.98%	Founder	10	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,035</b>	
Magbanua, Ma. Leila M.	Founder	12	1.98%	Founder	12	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,037</b>		<b>Total</b>	<b>4,037</b>	
Pabicon, Olga H.	Founder	10	1.98%	Founder	14	1.97%
	Common	4,025		Common	4,725	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,739</b>	
Pacete, Jimmy B.	Founder	10	1.98%	Founder	12	1.76%
	Common	4,025		Common	4,215	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,227</b>	
Regozo, Danilo C.	Founder	12	2.16%	Founder	12	1.84%
	Common	4,394		Common	4,394	

	<b>Total</b>	<b>4,406</b>		Total	<b>4,406</b>	
Tad-y, May Claire R.	Founder	10	1.98%	Founder	10	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,035</b>	
Pedroza, David G.	Founder	10	1.98%	Founder	10	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,035</b>	
Rodrigo, Sherwin Lowe B.	Founder	10	1.98%	Founder	10	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,035</b>	
Abad, Alben Teodoro T.	Founder	14	1.47%	Founder	14	1.25%
	Common	2,984		Common	2,984	
	<b>Total</b>	<b>2,998</b>		<b>Total</b>	<b>2,998</b>	
Martyr, John Clifton U.	Founder	14	1.13%	Founder	14	0.96%
	Common	2,292		Common	2,292	
	<b>Total</b>	<b>2,306</b>		<b>Total</b>	<b>2,306</b>	
Other Stockholders (27)	Founder	320	40.98%	Founder	298	33.12%
	Common	83,271		Common	79,197	
	<b>Total</b>	<b>83,591</b>		<b>Total</b>	<b>79,495</b>	
Public	Founder		0.00%	Founder	-	15.00%
	Common			Common	36,000	
	<b>Total</b>			<b>Total</b>	<b>36,000</b>	
<b>Total</b>		<b>204,000</b>	100%		<b>240,000</b>	100%

The following does not purport to be a complete listing of all the rights, obligations, and privileges attaching to or arising from the Offer Shares. Some rights, obligations, or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective investors are enjoined to perform their own independent investigation and analysis of the Company and the Offer Shares. Each prospective investor must rely on its own appraisal of the Company and the Offer Shares and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to invest in the Offer Shares and must not rely solely on any statement or the significance, adequacy, or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective investor's independent evaluation and analysis.

#### TERMS AND CONDITIONS OF THE OFFER

Issue Size	P1,000,000,000.00
Offer Shares	36,000 shares (3,600 Blocks of 10 shares per block) for a minimum subscription of 10 shares
Offer Period	From approval until fully subscribed
Terms and Manner of Payment	Cash/installment
Eligible Applicant	Medical, surgical and dental specialists and their relatives and the public
Restriction on Ownership	None
Documentary Requirements:	



Corporate Applicants	N. A
Institutional Applicants	N. A
Right to Accept, Reject and Scale Down Applications	<p>The act of purchasing the securities being offered does not automatically entitle such purchaser to practice his profession, use the facilities and enjoy the privileges of a stockholder of Asia-Pacific Medical Center Bacolod, Inc., although it is a prerequisite. Physicians and dentists who are subscribers to at least one (1) block or ten (10) shares of the capital stock and have paid in full may be allowed to practice. Such purchasers have to undergo the required screening process and must possess the minimum requirements as may be determined by the Hospital. After successfully passing this process, the applicant shall then be entitled to the privilege to practice in Asia-Pacific Medical Center Bacolod Hospital, subject to restrictions, limitations, and obligations as may be imposed by the Hospital pursuant to its rules and duly approved resolutions. Medical and dental specialists who have been granted the right to practice shall continuously possess the required qualifications and may be subjected to post-qualification assessment to ensure the quality of service provided by the hospital.</p>
Refunds	<p>In the event the project for which the securities of Asia-Pacific Medical Center Bacolod, Inc. are sold, is for any reason, not completed within the periods stated in the prospectus, it shall refund the amount of investments of purchasers within ten (10) business days from receipt of written demand.</p>
Issuance and Transfer Taxes	<p>The gains on subsequent sale of Asia-Pacific Medical Center Bacolod, Inc.'s shares are subject to Capital Gains Tax. The law provides that a 15% final tax is imposed upon the net capital gains realized during the taxable year from the sale, barter, exchange or other disposition of shares of stock in a domestic corporation, except shares sold or disposed of through the stock exchange [Sec. 28 (6) (5) (c) NIRC as amended. An exception of this would be those provisions of tax treaties.</p> <p>Also, value added tax is imposed on every sale or other disposition, in the course of trade or business, of tangible or intangible property based on the gross selling price or gross value in money of the goods or properties sold. If the seller of shares is a dealer of securities, this sale is subject to such value added tax.</p> <p>Documentary Stamp Tax (DST). Upon the original issuance of Asia-Pacific Medical Center Bacolod, Inc. shares, DST will be imposed at a rate of P2.00 for every P200 or a fractional part of the par value of the shares to be issued. DST is payable on or before the 5<sup>th</sup> day of the month following the corporation's acceptance of the stock subscription. The secondary transfer of Asia-Pacific Medical Center Bacolod, Inc.'s shares is subject to documentary stamp tax at a rate of P1.50 on each P200 or fractional part thereof of the par value of the share transferred.</p>

	<p>Tax on Interest Income. Interest income earned and received by Asia- Pacific Medical Center Bacolod, Inc. from time deposits on excess cash is subject to a final withholding tax rate of 20% [Sec. 27 (D) (1), NIRC as amended). Tax on Dividend. The NIRC imposes a final tax of 10% upon the cash and/or property dividends actually or constructively received by the individual from a domestic corporation (Sec. 24 (B) (2). However, if the recipient of the dividend is a domestic corporation, the dividend received shall not be subject to tax [Sec. 27 (D) (4)]. Value Added Taxes. Sec. 105 of RA 8424 enumerates those liable to the Value Added Tax, they are: (1) those who in the course of trade or business, sells, barter, exchanges, leases goods or properties, renders services; and (2) any person who imports goods.</p>
Restriction on the Issuance and Disposal of Shares	<p>The transfer, or otherwise disposition of shares of stocks of the corporation shall likewise be subject to the following priorities: a. First Priority-to the corporation which must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation; b. Second Priority- to the holders of Founder's Shares, who must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation; c. Third Priority- to holders of common shares who must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation; d. To outsiders who must likewise exercise its option within thirty (30) days from the date of receipt of the written offer by the Secretary of the Corporation.</p>
Trading of Securities	The shares will be traded over-the-counter
Others	None

## BENEFITS AND/OR PRIVILEGES

16. Does the company provide benefits and/or privileges to its medical and non-medical stockholders?

Disclose in details the benefits and/or privileges

The Company only provides the following Management Discounts:

### MANAGEMENT DISCOUNTS

#### I. BENEFITS

##### A. BOARD AND LODGING PRIVILEGES

1. Board and lodging privileges of 45 days per annum will be shared by the stockholder, spouse, natural parents, and qualified dependents in a standard private room on a first come first served basis. Unused days of the preceding period of coverage cannot be carried over to the succeeding period and the reckoning date will be the day of the first confinement. The investor may upgrade to a Suite or VIP room and pay the corresponding difference in room rates.

## **B. STOCKHOLDERS AND SPOUSES**

1. Free Board and lodging for stockholder and spouse.
2. Guaranteed a minimum of 10% discount on the professional fees on confinement and OPD consultation unless the preferred physician of the stockholder is not on the Roster of Physicians Affiliated with APMC Bacolod who agreed on the management discount.
3. No operating room, delivery room and emergency room fees. The consumables, supplies and specialized equipment are not included.
4. Maximum of Fifty percent (50%) discount on the following:
  - a. X-ray, CT scan, MRI, UTZ, Mammography;
  - b. Laboratory procedures;
  - c. EEG, ECG, Treadmill, 2D Echocardiography;
  - d. Physical Therapy.

\*\* Excluding professional fees and consumables (see No. 5).  
\*\* Minimum of 10% discount on professional fee unless the preferred physician of the stockholder is not on the Roster of Physicians Affiliated with APMC Bacolod who agreed on the management discount.
5. Ten percent (10%) discount for pharmacy, CSR, OR materials [ see VI. LIMITATIONS]
6. For dental services:
  - a. Free Consultation;
  - b. 10% discount on Restorative, Preventive, Periodontics, Endodontics Surgery and Bleaching;
  - c. Ten percent (10%) discount on Prosthodontics procedures.

## **C. MEDICAL AND DENTAL STOCKHOLDERS**

1. May hold clinics within the hospital and select an AM time slot and/or PM time slot and pay only the maintenance, telephone, water, electric bills and common usage area (CUSA).

\* AM Time Slot is equivalent to a maximum of 4 hours / day (e.g., 8:00 AM - 12:00NN) and maximum of 24 hours per week.

\*\* PM Time Slot is equivalent to a maximum of 4 hours / day (e.g., 1:00 PM - 5:00 PM) and maximum of 24 hours per week.
2. May be included in the decking/rotation of house cases and walk-in cases subject to the following conditions:
  - a. Full payment of one (1) block equivalent to ten (10) common shares and 300,000 pesos per time slot for privilege to hold a clinic.
  - b. The stockholder must be a graduate of an accredited training or residency training program and subject to the approval of the Credentials and Privilege Committee.

c. Agreement to provide discounts on professional fees to Stockholders as mentioned in the Benefits of Stockholders.

#### **D. STOCKHOLDER'S NATURAL PARENTS AND DEPENDENTS**

1. Fifty percent (50%) discount on board and lodging.
2. Guaranteed a minimum of 10% discount on the professional fees on confinement and OPD consultation unless the preferred physician of the stockholder is not on the Roster of Physicians Affiliated with APMC Bacolod who agreed on the management discount.
3. 50% discount on operating room, delivery room and emergency room fees. The consumables, supplies and specialized equipment are not included.
4. Maximum of Twenty-Five percent (25%) discount on the following:
  - a. X-ray, CT scan, MRI, UTZ, Mammography;
  - b. Laboratory procedures;
  - c. EEG, ECG, Treadmill, 2D Echocardiography;
  - d. Physical Therapy.

\*\* Excluding professional fees and consumables (see No. 5).  
\*\* Minimum of 10% discount on professional fee unless the preferred physician of the stockholder is not on the Roster of Physicians Affiliated with APMC Bacolod who agreed on the management discount.
5. Five percent (5%) discount on Pharmacy and CSR. [ see VI. LIMITATIONS]
6. Dental Services
  - A. Fifty percent (50%) discount on consultation
  - B. Ten percent (10%) discount on Restorative, Preventive, Periodontics, Endodontics Surgery and Bleaching
  - C. Ten percent (10%) discount on Prosthodontics procedures

#### **E. PORTABILITY (EXTENDED BENEFITS)**

1. These benefits, using the schedule of discounts given to dependents, may be availed by the principal investor, his/her spouse, dependents and natural parents in all medical facilities that have entered into a memorandum of agreement (MOA) with APMC Bacolod. However, such availment shall depend on the internal policy of APMC Bacolod and provided that granting of such discount shall not jeopardize the financial position of such hospital.

Members of other Hospitals not affiliated with APMC Bacolod and/or are not signatories to the MOA herein submitted (please see Exhibit "O") or any MOA executed with APMC Bacolod, shall not be entitled to these benefits.

2. Medical stockholders may have the privilege subject to pertinent credentialing policies/requirements, to admit and/or manage patients in other APMCs

## **II. DIVIDENDS**

Long term when the hospital has attained positive retained earnings. Dividends and Dividend Policy are discussed further on page 66.

### **III. DEFINITIONS OF TERMS**

For purposes of this binding document, the following words shall mean:

1. APMCBI – Asia- Pacific Medical Center Bacolod, Inc.
2. Base hospital – APMC hospital to which one is a stockholder
3. Stockholder - a person who owns at least one (1) block of shares in APMCBI (1 block = 10 common shares)
4. Medical Stockholder - a stockholder who is a licensed physician and who is granted the privilege to practice as defined by the medical shareholders guidelines
5. Dental Stockholder – a stockholder who is a licensed dentist and who is granted the privilege to practice as defined by the dental shareholders guidelines.
6. Dependents
  - A. Legitimate or legally adopted single children under 21 years of age
  - B. Acknowledged illegitimate single children under 21 years of age
  - C. Children of any age-legitimate, legally adopted or acknowledged illegitimate-with disability (PWD)
  - D. Natural parents of the stockholder
7. House Cases  
These are service cases that enjoy certain benefits deemed appropriate by the hospital social health worker. These may include indigent or charity cases.
8. Walk-in Cases  
These are patients who seek consultation or admission with no identified attending physician.

### **IV. DURATION**

These discounted confinements, which shall be enjoyed in the base hospital or in any of the affiliated hospitals, are non-cumulative (no carry-over to coverage period) and non-transferable.

### **V. EFFECTIVITY**

The above privileges shall commence only upon full payment of shares of stocks subscribed, certified and verified by the Corporate Secretary or his/her duly authorized staff. These can be availed of at APMC-BACOLOD once it is operational or at any affiliate hospitals, subject to a Memorandum of agreement.

### **VI. LIMITATIONS**

- A. Benefits and privileges
- B. Health insurance benefits

C. The health benefits mentioned above are not cumulative and cannot be enjoyed together with discounts. In case the Stockholder/Dependent is entitled to discounts granted by law, the Stockholder/Dependent shall choose the discount that he wants to avail himself of. Thus, the discount privilege on Pharmacy, CSR and OR materials mentioned above cannot be subjected to additional discounts available to senior citizens and disabled persons under the law. *Should the senior citizen or disabled person choose the discount granted by law, he is no longer entitled to the discount granted to a stockholder and the discounts granted by law shall be computed on the basis of the regular prices at which the medicines and supplies are sold to the general public.*

## VII. PRICE

Price of stocks and the corresponding benefits and privileges for the acquisition of such stocks may be subject to change upon prior notice to the regulator. ***Any such change, to the extent allowed by the financial position of the hospital*** shall be effected without prejudice to previous buyers and shall, therefore, not affect the privileges and benefits they are already enjoying.

### Investor Restrictions

The aggregate amount of securities purchased from one or more Issuers offering or selling securities under the registration statement during the 12-month period preceding the date of the sale, together with the securities to be sold by the Issuer to the Investor:

17. Is the offering subject to any other Investor restrictions? \_\_\_ Yes \_\_\_ No

18. Are the securities subject to any other resale restrictions by the Issuer? \_\_\_ Yes \_\_\_ No

Please see Rights and Restrictions on page 43

### PLAN OF DISTRIBUTION

19. List the persons or companies who will offer and sell the securities on behalf of the Issuer:

Name	Relationship to Issuer	Address	Tel. No.	Compensation received for selling securities
Ariel S. Malata	Employee	Blk. 46, Lot 1, Cluster 1, Providence Negros, Granada, Bacolod City	(034) 7031637	N/A
Chleo Dominique P. Espera	Employee	Blk. 27, Lot 92, NHA Phase 4, Pahanocoy Village, Bacolod City	(034) 7031637	N/A

Outline briefly the plan of distribution of any securities to be registered.

Asia-Pacific Medical Center Bacolod, Inc. will market and offer the securities through its organic employees, mentioned above, who will act as salesmen. These employees are well versed with the Hospital's operations and are the best persons to market the Company's securities. These employees will not receive additional compensation for the marketing/selling services rendered.

Management believes that the strategic location of the Hospital, the facilities and the services it will provide, are sufficient to entice medical/dental specialists and prospective investors to consider the offer. Asia-Pacific Medical Center Bacolod, Inc. will greatly rely on these salesmen to spread the word about the facilities the Hospital can offer.

The subscription payments made by the public will be utilized to fund the development costs, finish the hospital up to its operational stage and pay existing debts.

Purchasers may avail of different terms in acquiring the Offer Securities. They may pay it in spot cash or deferred payment plan. The following payment terms may be extended to the prospective buyers as follows:

### **STOCKS PAYMENT SCHEDULE**

#### **I. Non-Medical Stockholders ----**

For one block of 10 shares:

- Php 250,000.00
- Php 300,000.00
- Php 400,000.00

Payment Schedule for One (1) Block of 10 Shares

- For Php 250,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 20 months.
- For Php 300,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 25 months.
- For Php 400,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 35 months.

#### **II. Medical and Dental Stockholders ----**

For one block of 10 shares:

- Php 250,000.00
- Php 300,000.00
- Php 400,000.00

Payment Schedule for One (1) Block of 10 Shares

- For Php 250,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 20 months.
- For Php 300,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 25 months.
- For Php 400,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 35 months.

## **PRIVILEGE TO PRACTICE**

Privilege to practice is a privilege given to a physician or dentist who passed the requirements of the APMC Credentials and Privilege Committee and approved by the APMC President. An accredited physician or dentist of APMC can bring patient for admission and can avail the services of the hospital.

How to avail the Privilege to Practice in APMC

1. The physician or dentist must be a graduate of an accredited medical or dental school and training program.
2. The physician or dentist must apply to the APMC President for the privilege to practice in APMC Hospital.
3. The physician's or dentist's application for the privilege to practice will go on routing and subject to the approval of the Credentials and Privilege Committee and lastly by the APMC President.

### **THE PRIVILEGES OF AN ACCREDITED PHYSICIAN OR DENTIST IN APMC**

1. Admitting Privileges – The physician or dentist can admit his/her patient to the APMC hospital.
2. Access to hospital services
3. The physician or dentist is listed in the Roster and Decking of Accredited APMC physicians and dentists. An accredited physician or dentist will be assigned to walk-in patients without attending physician or dentist on admission or consult.
4. The physician or dentist can accept referral for consult / co-management from Accredited APMC physicians and dentists.

### **QUALIFICATION OF AN ACCREDITED PHYSICIAN OR DENTIST IN APMC**

1. Must be a medical or dental stockholder who passed the Credentials and Privilege Committee requirements.
2. Unique and needed specialty.
3. Active department consultants.

### **PRIVILEGE TO HOLD CLINIC & RESPONSIBILITIES**

1. Must be a medical or dental stockholder unless there is no available stocks to sell.
2. Must be an APMC accredited physician or dentist.
3. Full payment of non-refundable fee of P300,000.00 pesos per time slot on a 5-year term limit.
4. Signed agreement to participate in the APMC management benefits program.
5. May hold clinic within the hospital / Medical arts building on a time slot system.

\* AM Time Slot is equivalent to a maximum of 4 hours / day (e.g. 8:00 AM - 12:00NN) and maximum of 24 hours per week.

\*\* PM Time Slot is equivalent to a maximum of 4 hours / day (e.g. 1:00 PM - 5:00 PM) and maximum of 24 hours per week.

6. Responsible for the following fees: maintenance, internet, telephone, water, electricity bills and common usage area (CUSA).



## CAPITALIZATION

### Capital Stock

ACS	Par Value	No. of Shares Subscribed		Amount Paid - Up	
		Founder	Common	Founder	Common
120,000,000.00	1,000.00	480	95,520	480,000.00	95,520,000.00
<i>Increase</i>					
<b>120,000,000.00</b>	1,000.00	-	107,880	-	27,000,000.00
After increase		120		120,000.00	120,000
<b>P240,000,000.00</b>		<b>600</b>	<b>203,400</b>	<b>P600,000.00</b>	<b>P122,640,000.00</b>

The Securities and Exchange Commission has approved the Company's application for increase in authorized capital stock from One Hundred Twenty Million Pesos to Two Hundred Forty Million Pesos on September 21, 2021. As such, the issuance of additional unregistered shares was carried out after the approval.

## OUTSTANDING SECURITIES AND PRINCIPAL SHAREHOLDERS

### Outstanding Securities

20. For each class of the Issuer's securities, indicate the total number of outstanding securities and the total number of securities the Issuer is authorized to issue. Also, include a description of each class of securities.

Class of Securities	Securities Outstanding	Securities the Issuer is Authorized to Issue
Founder	600	-
Common	203,400	36,000
<b>TOTAL</b>	204,000	36,000

### Description of Securities

Founder's Share – the holders of the Founder's shares shall have the exclusive right to vote and be voted upon in the election of Directors for a limited period not to exceed five (5) years. The five-year period shall commence from the date of registration with the Securities and Exchange Commission.

Common Share – the holders of Common shares have cumulative voting rights.

### Stockholders

#### Original Stockholders

21. Provide the names of the original stockholders, class of securities, number of shares held and percentage of total shares held over outstanding shares.

No	Name	Class of Securities	Shares Held	%
1	Abad, Alben Teodoro T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
2	Achurra, Alexander Kent T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
3	Balinas, Rhona T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
4	Bautista, Kathryn Kristy P.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
5	Biron, Ferjenel G.	Founder	64	13.33%
		Common	12,736	
		Total	12,800	
6	Carlos, Fernando P.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
7	Comuelo, Jerusha A.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
8	Concel, Leopoldo M.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
9	Cu, Dorothy Mildred S.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
10	De Castro, Felicisimo D.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	

11	Dianco, Felibert O. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
12	Encarnacion, Joseline C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
13	Enriquez, Amado Manuel Jr. C. *	Founder	64	13.33%
		Common	12,736	
		Total	12,800	
14	Espinosa, Wendell Z.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
15	Galve, Gregorio L.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
16	Gebusion, Anthony C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
17	Germinal, Rodolfo, Jr. F.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
18	Gubatina, Maria Geraldine L. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
19	Jalea, Ruel U.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
20	Jesena, Salve Regina S.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
21	Lavilla, Meride D.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	

22	Lavalle, Amado Jr. M.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
23	Lopez, Geanie C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
24	Magallanes, Bel Manuel G.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
25	Magbanua, Ma. Leila M.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
26	Malata, Ma. Ivy V.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
27	Mallen, Andrew I.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
28	Martyr, John Clifton U.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
29	Minerva, Ike T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
30	Ong, Mary Flor G.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
31	Orillaza, Generozo M. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
32	Orillaza, Marissa A. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	

33	Pabicon, Olga H.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
34	Pacete, Jimmy B.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
35	Pedroza, David G.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
36	Perez, Ma. Grace G.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
37	Raca, Julian Rizaldy Jr. C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
38	Regozo, Danilo C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
39	Rodrigo, Sherwin Lowe B.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
40	Samoro, Fredilyn G. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
41	Samoy, Marietta T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
42	Saquian, Jeremy M. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
43	Tad-y, May Claire R.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	

44	Villaflor, Agnes Jean M.	Founder	8	1.67%
		Common	1,592	
		<b>Total</b>	<b>1,600</b>	
45	Villanueva, Maria Teresa D.	Founder	8	1.67%
		Common	1,592	
		<b>Total</b>	<b>1,600</b>	
46	Yap, Jose Joel B.	Founder	8	1.67%
		Common	1,592	
		<b>Total</b>	<b>1,600</b>	
	<b>SUB-TOTAL</b>	<b>Founder</b>	<b>480</b>	<b>0.50%</b>
		<b>Common</b>	<b>95,520</b>	<b>99.50%</b>
	<b><u>GRAND TOTAL</u></b>	<b><u>Total</u></b>	<b><u>96,000</u></b>	<b><u>100%</u></b>

Current Stockholders (as of April 6, 2022)

22. Provide the names of the current stockholders, class of securities, number of shares held and percentage of total shares held over outstanding shares. √ Same as Above

No	Name	Class of Securities	Shares Held	%
1	Abad, Alben Teodoro T.	Founder	14	1.47%
		Common	2,984	
		<b>Total</b>	<b>2,998</b>	
2	Achurra, Alexander Kent T.	Founder	14	2.42%
		Common	4,917	
		<b>Total</b>	<b>4,931</b>	
3	Balinas, Rhona T.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
4	Bautista, Kathryn Kristy P.	Founder	14	2.32%
		Common	4,725	
		<b>Total</b>	<b>4,739</b>	
5	Biron, Ferjenel G..	Founder	128	32.51%
		Common	66,184	
		<b>Total</b>	<b>66,312</b>	
6	Comuelo, Jerusha A.	Founder	10	0.79%
		Common	1592	
		<b>Total</b>	<b>1,602</b>	
7	Concel, Leopoldo M.	Founder	14	2.42%

		Common	4,916	
		<b>Total</b>	<b>4,930</b>	
8	Cu, Dorothy Mildred S.	Founder	10	0.79%
		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
9	Encarnacion, Joseline C.	Founder	10	0.79%
		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
10	Enriquez, Amado Manuel C., Jr. *	Founder	62	6.18%
		Common	12,546	
		<b>Total</b>	<b>12,608</b>	
11	Espinosa, Wendell Z.	Founder	14	2.42%
		Common	4,916	
		<b>Total</b>	<b>4,930</b>	
12	Galve, Gregorio L.	Founder	14	2.42%
		Common	4,917	
		<b>Total</b>	<b>4,931</b>	
13	Gebusion, Anthony C.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
14	Germinal, Rodolfo, Jr. F.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
15	Jalea, Ruel U.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
16	Jesena, Salve Regina S.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
17	Lavilla, Meride D.	Founder	10	1.08%
		Common	2,192	
		<b>Total</b>	<b>2,202</b>	
18	Lavalle, Amado Jr. M.	Founder	20	2.45%
		Common	4,984	
		<b>Total</b>	<b>5,004</b>	
19	Magallanes, Bel Manuel G.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
20	Magbanua, Ma. Leila M.	Founder	12	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,037</b>	
21	Malata, Ma. Ivy V.	Founder	14	2.32%

		Common	4,725	
		<b>Total</b>	<b>4,739</b>	
22	Mallen, Andrew I.	Founder	14	1.13%
		Common	2,292	
		<b>Total</b>	<b>2,306</b>	
23	Martyr, John Clifton U.	Founder	14	1.13%
		Common	2,292	
		<b>Total</b>	<b>2,306</b>	
24	Minerva, Ike T.	Founder	10	2.38%
		Common	4,848	
		<b>Total</b>	<b>4,858</b>	
25	Orillaza, Generoso M. *	Founder	4	0.44%
		Common	892	
		<b>Total</b>	<b>896</b>	
26	Orillaza, Marissa A. *	Founder	4	0.35%
		Common	700	
		<b>Total</b>	<b>704</b>	
27	Ong, Mary Flor G.	Founder	10	0.79%
		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
28	Pabicon, Olga H.	Founder	14	2.32%
		Common	4,725	
		<b>Total</b>	<b>4,739</b>	
29	Pacete, Jimmy B.	Founder	12	2.07%
		Common	4,215	
		<b>Total</b>	<b>4,227</b>	
30	Pedroza, David G.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
31	Perez, Ma. Grace G.	Founder	10	0.79%
		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
32	Raca, Julian Rizaldy Jr. C.	Founder	8	0.78%
		Common	1,592	
		<b>Total</b>	<b>1,600</b>	
33	Regozo, Danilo C.	Founder	20	2.94%
		Common	5,986	
		<b>Total</b>	<b>6,006</b>	
34	Rodrigo, Sherwin Lowe B.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
35	Tad-y, May Claire R.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
36	Villaflor, Agnes Jean M.	Founder	10	0.79%



		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
37	Villanueva, Maria Teresa D.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
38	Yap, Jose Joel B.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
	<b>SUB-TOTAL</b>	<b>Founder</b>	<b>600</b>	<b>0.29%</b>
		<b>Common</b>	<b>203,400</b>	<b>99.71%</b>
	<b><u>GRAND TOTAL</u></b>	<b><u>Total</u></b>	<b><u>204,000</u></b>	<b><u>100%</u></b>

\* Shares have been sold but still awaiting Certificate Authorizing Registration (CAR)

#### Top 20 Stockholders

23. Provide the names of the Top Twenty (20) principal shareholders who beneficially owns at least 10% interest of each class of securities in the Issuer.

No	Name	Class of Securities	Number of Share Held	%
1	Ferjenel G. Biron	Founders/ Common	128 66,184	32.51%

#### Dividends and Dividend Policy

##### 24. Dividends and Dividend Policy

- a) Discuss any cash dividends declared on each class of its common equity by the registrant for the two most recent fiscal years and any subsequent interim period for which financial statements are required to be presented by SRC Rule 68.
- b) Describe any restriction that limits the ability to pay dividends on common equity or that are likely to do so in the future.
- c) Describe company's dividend policy

Asia-Pacific Medical Center Bacolod, Inc.'s Board is authorized to declare cash or stock dividends or a combination thereof. A cash dividend declaration requires the approval of the Board and no shareholder approval is necessary. A stock dividend declaration requires the approval of the Board and shareholders representing at least two-thirds of the Company's outstanding capital stock. Holders of outstanding shares on a dividend record date for such shares will be entitled to the full dividend declared without regard to any subsequent transfer of shares.

The Board of Directors has the power to fix and determine the amount to be reserved or provided for declaration and payment of dividends from Asia-Pacific Medical Center Bacolod, Inc.'s unrestricted retained earnings. The amount of such dividends (either in cash, stocks or property) will depend on the Corporation's profits, cash flow, capital expenditure, financial condition and other factors and will follow the SEC guidelines on determination of retained earnings available for dividend declaration. The existence of surplus profit is a condition precedent before a dividend can be declared. The surplus profits or income must be a bona fide income founded upon

actual earnings. Actual earnings or profits shall be the net income for the year based on Audited Financial Statements, adjusted for unrealized items, which are considered not available for dividend declaration. Taking into account the Hospital's cash flows, capital expenditure, investment objective and financial condition, at least 10% of the actual earnings or profits may be declared by the Board. The Company is yet to adopt a specific dividend policy.

## BOARD OF DIRECTORS

### *DIRECTORS*

25. The table below sets forth each member of the Board of Directors of the Issuer as of the date of the Prospectus:

No	Name	Age	Position	Citizenship	Year Appointed
1	Biron, Ferjenel G.	56	Chairman President	Filipino	2020 2017
2	Magallanes, Bel Manuel G.	51	Vice-Chairman	Filipino	2019
3	Regozo, Danilo C.	57	Director/Exec. V-Pres.	Filipino	2017
4	Malata, Ma. Ivy V.	56	Corporate Secretary	Filipino	2017
5	Magbanua, Ma. Leila M.	58	Corporate Treasurer	Filipino	2019
6	Lavilla, Meride D.	58	Director/Asst. Corp. Sec	Filipino	2021
7	Balinas, Rhona T.	62	Director/ Asst. Corp. Treas.	Filipino	2021
8	Pacete, Jimmy B.	61	Director	Filipino	2017
9	Pabicon, Olga H.	58	Director	Filipino	2020
10	Rodrigo, Sherwin Lowe B.	46	Director	Filipino	2017
11	Pedroza, David G.	43	Director	Filipino	2020
12	Tad-y, May Claire R.	59	Director	Filipino	2020
13	Martyr, John Clifton U.	53	Independent Director	Filipino	2020
14	Abad, Alben Teodoro T.	39	Independent Director	Filipino	2021
15	Encarnacion, Joseline C.	63	Independent Director	Filipino	2021

### **Business and Work Experience**

26. Provide information on the business and working experience of the above-named Directors for the past five (5) years:

Name	Business and Professional Work Experience
Biron, Ferjenel G.	Chairman and Past President – Asia Pacific Medical Center – Iloilo (formerly Allied Care Experts (ACE) Medical Center – Iloilo, Inc.)

	<p>Chairman and Past President - Asia Pacific Medical Center – Aklan Inc. (formerly Allied Care Experts (ACE) Medical Center – Aklan, Inc.)</p> <p>Chairman and President – Asia-Pacific Medical Center Bacolod Inc. (formerly Allied Care Experts (ACE) Medical Center – Bacolod, Inc.)</p> <p>Director - Allied Care Experts (ACE) Medical Center – Butuan, Inc.</p> <p>Director - Allied Care Experts (ACE) Medical Center – General Santos, Inc.</p> <p>Allied Care Experts (ACE) Medical Center – Cagayan De Oro, Inc.</p> <p>President – Baguio Cordillera Doctors Hospital, Inc.</p> <p>President – Aesthetica Manila, Inc.</p> <p>President – Smartlab Diagnostics and Dialysis Center – Inc.</p> <p>President - Allied Care Experts (ACE) Medical Center – Butuan, Inc.</p> <p>Chairman – Botikang Pinoy, Inc.</p> <p>Chairman – Super BP Mart Corporation</p> <p>President – EMI Properties, OPC</p> <p>Member, House of Representatives 13<sup>th</sup> – 15<sup>th</sup>, 17<sup>th</sup> Congress (representing 4<sup>th</sup> District of Iloilo)</p>
<p>Magallanes, Bel Manuel G.</p>	<p>Philippine Society Otolaryngology Head and Neck Surgery (Western Visayas) – Chapter President 2016 – 2017</p> <p>Board Of Trustees Philippine Society Otolaryngology Head and Neck Surgery (National) – 2018</p> <p>Vice Chairman – Asia-Pacific Medical Center Bacolod, Inc.</p>
<p>Regozo, Danilo C.</p>	<p>Director - Asia Pacific Medical Center – Iloilo (formerly Allied Care Experts (ACE) Medical Center – Iloilo, Inc.)</p> <p>Executive Vice President - Asia-Pacific Medical Center Bacolod, Inc.</p> <p>Director - Allied Care Experts (ACE) Medical Center – Butuan, Inc.</p> <p>Director - Allied Care Experts (ACE) Medical Center – General Santos, Inc.</p> <p>Director - Asia Pacific Medical Center – Aklan (formerly Allied Care Experts (ACE) Medical Center – Aklan, Inc.)</p> <p>Founding Member - Allied Care Experts (ACE) Medical Center – Cagayan De Oro, Inc.</p> <p>Director – Baguio Cordillera Doctors Hospital</p> <p>Treasurer – Philippine Academy of Family Physicians, Iloilo Chapter</p> <p>Vice President – Philippine Academy of Family Physicians, Iloilo Chapter</p> <p>Assistant Secretary – Iloilo Medical Society</p> <p>Vice President – Iloilo Medical Society</p>

	Director – Iloilo Medical Society
Malata, Ma. Ivy V.	<p>Philippine Medical Women’s Association – President 2016 - 2020</p> <p>Philippine Medical Association – Canlaon Medical Society</p> <p>Province Of Negros Occidental – Most Outstanding Physician – 2022; President 2019-2020; Treasurer 2018 – 2019; Secretary 2017-2018; Auditor 2016-2017; Secretary 2015-2016</p> <p>Fellow - Philippine Pediatric Society</p> <p>Philippine Pediatric Society, Negros Island Chapter – P.I.O. 2016 - 2018</p> <p>PPS Breastfeeding Coordinator, The Doctors’ Hospital, Inc., 2015 – 2021</p> <p>Breastfeeding Committee Chairman, The Doctors’ Hospital, Inc. 2015 – 2017</p> <p>Providence Negros Homeowners Association, Bacolod City – Treasurer 2015 - 2016</p> <p>CISV International Philippine Delegate to Europe (Denmark) – Leader 2006</p> <p>Corporate Secretary– Asia-Pacific Medical Center Bacolod, Inc.</p>
Magbanua, Ma. Leila M.	<p>President- Philippine College of Physicians Western Visayas-Negros Occidental Chapter (PCP WVNO) (2000-2001)</p> <p>Vice-President -PCP WVNO (2001-2002)</p> <p>Secretary - PCP WVNO (1999-2000)</p> <p>Treasurer - PCP WVNO (1998-1999)</p> <p>Director - PCP WVNO (1997-1998)</p> <p>Diplomate – Philippine Specialty Board of Internal Medicine</p> <p>Fellow- Philippine College of Physicians</p> <p>Training Officer - Riverside Medical Center, Dept. of Medicine (1996)</p> <p>Member, Canlaon Medical Society</p> <p>Member, Philippine Medical Association</p> <p>Member, Philippine Society of Nephrology, Western Visayas Chapter</p> <p>Vice- President -Premier Nephro Care Systems, Inc. (2018-2021),</p> <p>Vice-President - Metro Bacolod Kidney Center, Inc. (2014-2021),</p> <p>Vice-President - Nephroprime Corporation (2018-2020)</p> <p>President - Nephroprime Corporation (2021)</p> <p>Corporate Treasurer -Asia-Pacific Medical Center Bacolod, Inc.</p>
Lavilla, Meride D.	<p>Vice Chairman - Asia Pacific Medical Center – Iloilo Inc.</p> <p>Vice President - Asia Pacific Medical Center – Aklan Inc.</p>

	<p>Assistant Corporate Secretary – Asia-Pacific Medical Center Bacolod Inc.          Director - Allied Care Experts (ACE) Medical Center – Butuan, Inc.          Founding Member - Allied Care Experts (ACE) Medical Center – Cagayan De Oro, Inc.          Founding Member - Director - Allied Care Experts (ACE) Medical Center – General Santos, Inc.          Director – Healthlink Iloilo, Inc.          Founding Member - Excelglobal, Inc.          Visiting Consultant – West Visayas State University Medical Center, Iloilo Mission Hospital, St. Paul’s Hospital, Medicus Medical Center, St. Therese Hospital, Qualimed Medical Center          Medical Retainer – Vitarich Corporation (Vismin), Angelina Bakeshop (Iloilo)          Assistant Corporate Secretary – Asia-Pacific Medical Center Bacolod, Inc.</p>
Balinas, Rhona T.	<p>Instructor - University of Negros Occidental – Recoletos –          Physician – Kaayong Lawas Foundation          Medical Officer III - Valladolid District Hospital          Medical Officer III- Corazon Locsin Montelibano Memorial Regional Hospital – Department of Anesthesiology          Medical Officer IV- Corazon Locsin Montelibano Memorial Regional Hospital – Department of Anesthesiology          Visiting Consultant- Dr. Pablo O. Torre Memorial Hospital          Visiting Consultant- Adventist Medical Center – Bacolod          Rotating Consultant- The Doctors’ Hospital, Inc.          Rotating Consultant- South Bacolod General Hospital          Department Chair- Bacolod Our Lady of Mercy Specialty Hospital          Professor - University of St. La Salle – Department of Pharmacology          President - Philippine Society of Anesthesiologist          Assistant Corporate Treasurer - Asia-Pacific Medical Center Bacolod, Inc.</p>
Pacete, Jimmy B.	<p>Rural Health Practice Program Volunteer (1988)          Part Time Professor Fellowship Baptist College (1989)          Medical Officer III – Silay General Hospital (1990)          Medical Officer III – Department of Surgery - Corazon Locsin Montelibano Memorial Regional Hospital (1991 – 1995)          Part Time Professor - College of Arts/Sciences - University of St. La Salle (1996)          Retainer Doctor of Colegio De San Agustin – Bacolod (1996)</p>

	<p>Accredited Health Care Provider (Intellicare) – (2012 – Present)  Accredited Health Care Provider (Caritas) – (2013 – Present)  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Pabicon, Olga H.	<p>Philippine Medical Association – Member  Philippine College of Physician – Diplomate &amp; Fellow  Philippine Rheumatology Association – Diplomate &amp; Fellow  Canlaon Medical Society – Member  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Rodrigo, Sherwin Lowe B.	<p>Examiner - Philippine Board of Surgery  Fellow - Philippine College of Surgeons; Philippine Society of General Surgeons; Philippine Association of Laparoscopic &amp; Endoscopic Surgeons; Philippine Society of Ultrasound for Surgeons; Philippine Society of Ultrasound in Clinical Medicine, Inc.  Diplomate - Philippine Board of Surgery  Member - Philippine Association of Training Officers in Surgery  Chairman - Corazon Locsin Montelibano Memorial Regional Hospital – Department of Surgery (2018)  Chairman - University of St. La Salle College of Medicine – Department of Surgery (2017 – Present)  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Tad-y, May Claire R.	<p>The Doctors’ Hospital, Inc. – Ob – Gyn Sonologist  Adventist Medical Center – Bacolod – Ob-Gyn Sonologist  South Bacolod General Hospital – Ob-Gyn Sonologist</p> <p>Negros Occidental Medical Society, Inc. – Member  International College of Surgeons - Fellow  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Pedroza, David G.	<p>Medical Specialist - Corazon Locsin Montelibano Memorial Regional Hospital  Practicing Pathologist -South Bacolod General Hospital; Metro Bacolod Hospital; Bacolod Adventist Medical Center; and Riverside Medical Center Inc.</p> <p>Member - Philippine Society of Pathologist Inc.  Member - American Society of Clinical Pathologist International  Vice President for Negros Occidental - Philippine Society of Pathologist - Western Visayas Chapter  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Martyr, John Clifton U.	<p>Chair: Division of Microbiology and Parasitology, University of St. La Salle, Bacolod City  Past Chair: Department of Internal Medicine, The Doctors’ Hospital, Inc.</p>

	<p>Past President: Philippine College of Physicians Negros Chapter</p> <p>Chief Of Clinics: The Doctors' Hospital, Inc.</p> <p>Volunteer Physician: Sagay Municipal Health Office 1995</p> <p>Chief Fellow: Division of Pulmonary &amp; Critical Care Medicine, Philippine Heart Center 2001</p> <p>Independent Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Abad, Alben Teodoro T.	<p>Junior Intern – West Visayas State University Medical Center</p> <p>PGI – West Visayas State University Medical Center</p> <p>Residency Training – SPH Iloilo</p> <p>Contractual Radiologist – Corazon Locsin Montelibano Memorial Regional Hospital</p> <p>Independent Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Encarnacion, Joseline C.	<p>Philippine Medical Association</p> <p>Negros Occidental Medical Society</p> <p>PCP – Negros Occidental Chapter</p> <p>PCP – National Chapter</p> <p>Independent Director - Asia-Pacific Medical Center Bacolod, Inc.</p>

## 27. Other Directorship of Independent Directors

Name of Independent Director	Reporting Company	Year Appointed
Martyr, John Clifton U.	none	2020
Abad, Alben Teodoro T.	none	2021
Encarnacion, Joseline C.	none	2021

## Security Ownership of Directors

The following table shows the security ownership of directors in the common shares of the Company as of April 6, 2022.

Name	Amount and Nature of Beneficial Ownership		Citizenship	No. of Shares	% Ownership
	Direct	Indirect			
Biron, Ferjenel G.	66,312,000		Filipino	66,312	32.51%
Magallanes, Bel Manuel G.	4,035,000		Filipino	4,035	1.98%

Regozo, Danilo C.	6,006,000		Filipino	6,006	2.94%
Malata, Ma. Ivy V.	4,739,000		Filipino	4,739	2.32%
Magbanua, Ma. Leila M.	4,037,000		Filipino	4,037	1.98%
Balinas, Rhona T.	4,035,000		Filipino	4,035	1.98%
Lavilla, Meride D.	2,202,000		Filipino	2,202	1.08%
Pabicon, Olga H.	4,739,000		Filipino	4,739	2.32%
Pacete, Jimmy B.	4,227,000		Filipino	4,227	2.07%
Tad-y, May Claire R.	4,035,000		Filipino	4,035	1.98%
Pedroza, David G.	4,035,000		Filipino	4,035	1.98%
Rodrigo, Sherwin Lowe B.	4,035,000		Filipino	4,035	1.98%
Martyr, John Clifton U.	2,306,000		Filipino	2,306	1.13%
Abad, Alben Teodoro T.	2,998,000		Filipino	2,998	1.47%
Encarnacion, Joseline C.	1,602,000		Filipino	1,602	0.79%

After the issuance of the CAR for the shares that they had bought, the shares of the following directors will be as follows:

Name	Amount and Nature of Beneficial Ownership		Citizenship	No. of Shares	% Ownership
	Direct	Indirect			
Biron, Ferjenel G.	66,312,000		Filipino	66,312	32.51%
Magallanes, Bel Manuel G.	4,931,000		Filipino	4,931	2.42%
Regozo, Danilo C.	6,006,000		Filipino	6,006	2.94%
Malata, Ma. Ivy V.	4,931,000		Filipino	4,931	2.42%
Magbanua, Ma. Leila M.	4,933,000		Filipino	4,933	2.42%
Balinas, Rhona T.	4,931,000		Filipino	4,931	2.42%
Lavilla, Meride D.	2,202,000		Filipino	2,202	1.08%
Pabicon, Olga H.	4,931,000		Filipino	4,931	2.42%
Pacete, Jimmy B.	4,931,000		Filipino	4,931	2.42%
Tad-y, May Claire R.	4,931,000		Filipino	4,931	2.42%
Pedroza, David G.	4,931,000		Filipino	4,931	2.42%
Rodrigo, Sherwin Lowe B.	4,931,000		Filipino	4,931	2.42%
Martyr, John Clifton U.	2,498,000		Filipino	2,498	1.22%
Abad, Alben Teodoro T.	2,998,000		Filipino	2,998	1.47%
Encarnacion, Joseline C.	2,498,000		Filipino	2,498	1.22%



## MANAGEMENT

### Officer, Manager and Key Person

28. Provide background information for each Officer, Manager and Key Person. The term “Key Person” means a person who makes significant contribution to the business of the Issuer.

Name	Dr. Ferjenel G. Biron
Age	57
Title	Chairman/CEO
Time spent on Issuer’s business	Full time
Education	<p>College: BS Biological Sciences, West Visayas State University (Magna Cum Laude)</p> <p>Medical School: West Visayas State University</p> <p>Masteral: Manufacturing and Finance Course for Senior Executives (Asian Institute of Management, 1999)</p> <p>Further Studies/Training:            Master In Hospital Management, Cebu Doctors College 2015-2017 (For Thesis Compliance); Strategic Business Economic Planning, University of Asia and The Pacific 2014</p>

Name	Dr. Bel Manuel G. Magallanes
Age	51
Title	Vice- Chairman/COO
Time spent on Issuer’s business	Full Time
Hospital affiliation – 5 years	<p>Dr. Pablo O. Torre Memorial Hospital, Bacolod City</p> <p>The Doctors’ Hospital, Inc., Bacolod City</p> <p>Adventist Medical Center – Bacolod, Bacolod City</p> <p>Bacolod Our Lady Of Mercy Specialty Hospital, Bacolod City</p>
Education	<p>College: BS Biology, West Negros University (1991)</p> <p>Medical School: University of the Philippines (1996)</p> <p>Post-Graduate Internship: Philippine General Hospital University of The Philippines (1996)</p> <p>Further Studies/Training:            Corazon Locsin Montelibano Memorial Regional Hospital (2005)            Masteral: Master of Arts in Hospital Administration, Cebu Doctors University (On-Going)</p>

Name	Dr. Danilo C. Regozo
Age	58
Title	Executive Vice-President
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	Iloilo Doctor's Hospital Iloilo Mission Hospital St. Therese-MTC Colleges Hospital The Medical City Iloilo Medicus Medical Center Iloilo
Education	College: BS Biological Science, West Visayas State University (1984)  Further Studies/Training: BS Nursing, West Negros College (2006)  Medical School: West Visayas State University (1988)  Post-Graduate Internship: Iloilo St. Paul's Hospital (1988) Diplomate in Family Medicine (1999)  Fellow Philippine Academy of Family Physician (2004)

Name	Dr. Ma. Ivy V. Malata
Age	57
Title	Corporate Secretary
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	The Doctors' Hospital, Inc., BS Aquino Drive, Bacolod City Riverside Medical Center, BS Aquino Drive, Bacolod City Adventist Medical Center-Bacolod, Taculing, Bacolod City Bacolod Our Lady Of Mercy Specialty Hospital, Bacolod City
Education	College: BS Biological Sciences, West Visayas State University (1984)  Further Studies/Training: BS Nursing, Central Philippine Adventist College (2005) Masteral: Master in Hospital Administration, Cebu Doctors University (On-Going)  Medical School: West Visayas State University (1990) Residency Training: The Doctors' Hospital, Inc. (1997-1999) Fellowship/Subspecialty Training: Philippine Children's Medical Center (1999)

	Post-Graduate Internship: Corazon Locsin Montelibano Memorial Regional Hospital (1990-1991)
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Name	Dr. Meride D. Lavilla
Age	58
Title	Assistant Corporate Secretary
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	St. Paul's Hospital – Gen. Luna St., Iloilo City Iloilo Mission Hospital – Jaro, Iloilo City West Visayas State Univ. Medical Center – Jaro, Iloilo City Medicus Medical Center – Iloilo City Qualimed Medical Center – Iloilo City St., Therese Hospital – Iloilo City
Education	College: BS Biology, West Visayas State University - Iloilo (1984)  Further Studies/Training: Masteral: Master in Hospital Administration, Cebu Doctors University (On-Going)  Medical School: West Visayas State University (1988) Residency Training: West Visayas State University Medical Center (1990-1993)  Post-Graduate Internship: St. Paul's Hospital (1988-1989)  Fellowship/Subspecialty Training: N/A

Name	Dr. Ma. Leila M. Magbanua
Age	58
Title	Corporate Treasurer
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	Dr. Pablo O. Torre Medical Hospital, Bacolod City The Doctors' Hospital, Inc., Bacolod City Bacolod Our Lady of Mercy Hospital, Bacolod City
Education	College: BS Biological Science, University of the Philippines - Diliman (1979-1983)

	<p>Medical School: West Visayas State University (1983- 1987)</p> <p>Residency Training: Internal Medicine – Riverside Medical Center (1989-1991)</p> <p>Post-Graduate Internship: Riverside Medical Center (1988-1989)</p> <p>Fellowship/Subspecialty Training: Philippine General Hospital – UP (1992-1993)</p> <p>Further Studies/Training: Master in Hospital Administration, Cebu Doctors University (On-Going)</p>
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Name	Dr. Rhona T. Balinas
Age	63
Title	Assistant Corporate Treasurer
Time spent on Issuer’s business	Full Time
Hospital affiliation – 5 years	<p>Bacolod Our Lady Of Mercy Specialty Hospital, Bacolod City</p> <p>The Doctors’ Hospital, Inc. Bacolod City</p> <p>Riverside Medical Center, Bacolod City</p> <p>Adventist Medical Center – Bacolod, Bacolod City</p> <p>South Bacolod General Hospital, Bacolod City</p> <p>Metro Bacolod Hospital And Medical Center, Bacolod City</p>
Education	<p>College: AB General Science, University of Negros Occidental- Recoletos - Bacolod (1979) BS Nursing, Central Philippine Adventist College (2005)</p> <p>Further Studies/Training: Masteral: Master in Hospital Administration, Cebu Doctors University (2021)</p> <p>Medical School: Cebu Institute of Medicine (1984) Residency Training: Anesthesiology, Corazon Locsin Montelibano Memorial Regional Hospital (1994-1997)</p> <p>Post-Graduate Internship: St. Joseph Hospital (1985)</p>

## Security Ownership of Management

The following table shows the security ownership of management in the common shares of the Company as of September 30, 2021.

Name	Amount and Nature of Beneficial Ownership		Citizenship	No. of Shares	% Ownership
	Direct	Indirect			
Biron, Ferjenel G.	66,312,000		Filipino	66,312	32.51%
Magallanes, Bel Manuel G.	4,035,000		Filipino	4,035	1.98%
Regozo, Danilo C.	6,006,000		Filipino	6,006	2.94%
Malata, Ma. Ivy V.	4,739,000		Filipino	4,739	2.32%
Magbanua, Ma. Leila M.	4,037,000		Filipino	4,037	1.98%
Balinas, Rhona T.	4,035,000		Filipino	4,035	1.98%
Lavilla, Meride D.	2,202,000		Filipino	2,202	1.08%

## Compensation

29. List the compensation paid by the Issuer to the Chief Executive Officers and four (4) most highly compensated officers other than the CEO, all of whom shall be individually named during the last fiscal year:

### SUMMARY COMPENSATION TABLE

#### Annual Compensation

(a)	(b)	(c)	(d)	(e)
Name and Principal Position	Year	Annual Salary (P)	Bonus (P)	Other Annual Compensation
CEO Ferjenel G. Biron	2021	108,000.00	none	120,000 per diem
Chairman Ferjenel G. Biron	2021	108,000.00	none	120,000 per diem
A Bel Manuel G. Magallanes	2021	84,000.00	None	120,000 per diem
B Danilo C. Regozo	2021	84,000.00	None	120,000 per diem
C Ma. Ivy V. Malata	2021	84,000.00	None	120,000 per diem
D Ma. Leila M. Magbanua	2021	84,000.00	None	120,000 per diem
E All other officers and directors as a group unnamed (10 directors)	2021	204,000.00	none	120,000 per diem

30. The Issuer (select all that apply):

√	Expects compensation to change in the next year
	Owes compensation for prior years

### Arrangements with Officers, Directors, Managers and Key Persons

31. The Issuer (select all that apply):

	Has entered into employment or non-compete agreements with any Officer, Manager, Director or Key Person.
	Plans to enter into employment or non-compete agreements with any Officer, Manager, Director or Key Person

### Insolvency Legal Proceedings of Management and Key Personnel

32. An Officer, Manager, Director, Key Person of the Issuer (Put ✓ in column if applicable and x otherwise):

Name	Position: D = Director ID - Independent Director O - Officer	Civil	Criminal	Administrative	Bankruptcy	Case Details
Dr. Biron, Ferjenel G.	D/O	x	x	x	x	
Dr. Magallanes, Bel Manuel G.	D/O	x	x	x	x	
Dr. Regozo, Danilo C.	D/O	x	x	x	x	
Dr. Malata, Ma. Ivy V.	D/O	x	x	x	x	
Dr. Lavilla, Meride D.	D/O	x	x	x	x	
Dr. Magbanua, Ma. Leila M.	D/O	x	x	x	x	
Dr. Balinas, Rhona T.	D/O	x	x	x	x	
Dr. Pacete, Jimmy B.	D	x	x	x	x	
Dr. Rodrigo, Sherwin Lowe B.	D	x	x	x	x	
Dr. Pabicon, Olga H.	D	x	x	x	x	
Dr. Pedroza, David G.	D	x	x	x	x	
Dr. Tad-y, May Claire R.	D	x	x	x	x	

Dr. Martyr, John Clifton U.	ID	x	x	x	x	
Dr. Abad, Alben Teodoro T.	ID	x	x	x	x	
Dr. Encarnacion, Joseline C.	ID	x	x	x	x	

**Certain Legal Proceedings**

This section applies to:

- The issuer, its subsidiaries and affiliates
- All Directors and Officers of the Issuer
- All Beneficial Owners of 10% or more of the Issuer’s outstanding voting equity and
- All Promoters of the Issuers

33. Have any of the above-listed persons filed or subject of any bankruptcy petition filed by or against any business of which such person was a general partner or executive either at the time of the bankruptcy or within two (2) years prior to that time.  Yes  No
34. Have any of the above-listed persons been named as the subject of a pending felony or misdemeanor criminal proceeding excluding traffic violations or other minor offenses not related to fraud or a financial crime?  Yes  No
35. Have any of the above-listed persons been the subject of an order, judgment, decree, sanction or administrative findings imposed by any government agency, administrative agency, self-regulatory organization, civil court, or administrative court in the last five (5) years related to his or her involvement in any type of business, securities, insurance, or banking activity?  Yes  No
36. Are any of the above-listed persons the subject of a pending civil, administrative, or self-regulatory action related to his or her involvement in any type of business, securities, insurance, or banking activity?  Yes  No
37. Has any civil action, administrative proceeding, or self-regulatory proceeding been threatened against any of the above-listed persons related to his or her involvement in any type of business, securities, insurance or banking activity?  Yes  No

**Litigation**

38. The Issuer (select all that apply):

	Has been involved in litigation or subject to administrative action in the last five (5) years that has had a material effect upon the Issuer’s business, financial condition or operations
	Has pending litigation or administrative action that may have a material effect upon the Issuer’s business, financial condition, or operations
	Is currently threatened by litigation or administrative action that may have a material effect upon the Issuer’s business, financial condition, or operations
<input checked="" type="checkbox"/>	None of the above

### Family Relationship

39. Describe any family relationships up to the fourth civil degree either by consanguinity or affinity among directors, executive officers, or persons nominated or chosen by the registrant to become directors or executive officers.

Pls. disclose if any – Not Applicable

### Certain Relationship and Related Party Transactions

40. The Issuer (select all that apply):

	Has made loans to an Officer, Manager, Director or Principal Stockholders within the last two (2) years
	Has one or more outstanding loans with an Officer, Manager, Director or Principal Stockholder in the future.
	Has done other business not associated with this offer with current Officer, Manager, Director, or Principal Stockholder within the last two (2) years
	Plans to do other business not associated with this offering with a current Officer, Manager, Director, or Principal Stockholder in the future

## FINANCIAL INFORMATION

### Management Discussion and Analysis (MD&A) or Plan of Operation

Results of Operations (December 31, 2021 vs. December 31, 2020)

	For the year ended		Horizontal Analysis		Vertical Analysis	
	December 31, 2021	December 31, 2020	Inc (Dec)	%	2021	2020
Revenues	P-	P-	-	-	n/a	n/a
Direct costs	-	-	-	-	n/a	n/a
Gross profit	-	-	-	-	n/a	n/a
Other income	514,903	2,635,791	(2,120,888)	(80%)	n/a	n/a
Gross income	514,903	2,635,791	(2,120,888)	(80%)	n/a	n/a
General and administrative expenses	(7,326,232)	(12,857,286)	(5,531,054)	(43%)	n/a	n/a
Loss from operations	(6,811,329)	(10,221,495)	3,410,166	(33%)	n/a	n/a
Income tax expense	(1,808)	-	1,808	n/a	n/a	n/a
Net loss for the year	(6,813,137)	(10,221,495)	3,408,358	(33%)	n/a	n/a
Add (deduct) comp income (loss)	-	-	-	-	n/a	n/a
Net comprehensive loss for the year	(P6,813,137)	(P10,221,495)	3,408,358	(33%)	n/a	n/a



### Other Income

Other income during the period December 31, 2021 is lower than December 31, 2020 by 80%. The decrease is due to the termination of some time deposits and decrease in the bank interest rates in 2021.

### General and Administrative Expenses

General and administrative expenses during December 31, 2021 is lower than December 31, 2020 by 43%. This is due to capital gains tax and increase in meetings and conferences.

### Loss for the Period

Loss for the period December 31, 2021 is lower than in the same period on December 31, 2020 by 33%. This is due to the non-operational status of the Company. There is still no income to sustain the expenses.

### Financial Condition (December 31, 2021 and December 31, 2020)

	As at	As at	Horizontal Analysis		Vertical Analysis	
	December 31, 2021	December 31, 2020	Inc (Dec)	%	2021	2020
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	P22,326,536	P93,666,173	(71,339,637)	(76%)	6%	35%
Receivables	56,106,654	40,513,422	15,593,232	38%	15%	15%
Other current assets	14,115,156	8,333,448	5,781,708	69%	4%	3%
	92,548,346	142,513,043	(49,964,697)	(35%)	25%	52%
<b>Noncurrent Assets</b>						
Property and equipment (net)	284,645,878	128,927,826	155,718,052	121%	75%	48%
Security deposit	45,466	45,000	466	1%	-	-
	284,691,344	128,972,826	155,718,518	121%	75%	48%
<b>TOTAL ASSETS</b>	<b>P377,239,690</b>	<b>P271,485,869</b>	<b>105,753,821</b>	<b>39%</b>	<b>100%</b>	<b>100%</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	P23,640,264	P17,926,211	5,714,053	32%	6%	7%
Income tax payable	1,808	-	1,808	n/a	-	-
Deposit for future share subscription	-	27,000,000	(27,000,000)	(100%)	-	10%
	23,642,072	44,926,211	(21,284,139)	(47%)	6%	17%
<b>Noncurrent Liability</b>						
Advances from shareholders	218,218,718	150,246,154	67,972,564	45%	58%	55%
<b>TOTAL LIABILITIES</b>	<b>241,860,790</b>	<b>195,172,365</b>	<b>46,688,425</b>	<b>24%</b>	<b>64%</b>	<b>72%</b>
<b>Equity</b>						

Share capital	161,878,533	96,000,000	65,878,533	69%	43%	35%
Deficit	(26,499,633)	(19,686,496)	6,813,137	35%	(7%)	(7%)
	135,378,900	76,313,504	59,065,396	77%	36%	28%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P377,239,690</b>	<b>P271,485,869</b>	<b>105,753,821</b>	<b>39%</b>	<b>100%</b>	<b>100%</b>

### **Total Assets**

Total assets increased from P271.5 million to P377.2 million, a 39% increase from December 31, 2020 to December 31, 2021. The increase was primarily due to increase in property and equipment.

### *Cash and cash equivalents*

Cash and cash equivalents decreased by P71.3 million (76%), as a result of payment of expenses for the on-going construction of hospital building.

### *Receivables*

The receivables amounting to P56.1 million as of December 31, 2021 consists mainly of advances to contactors.

### *Other current assets*

Other current assets increased by P5.8 million (69%), due to the input VAT related to the construction of the hospital building.

### *Property and equipment*

Property and equipment amounted to P284.6 million as of December 31, 2021, which consists mainly of the land and construction in progress of the hospital building.

### **Total Liabilities**

Total liabilities increased by P46.7 million from December 31, 2020 to December 31, 2021. The increase was primarily due to the additional advances from shareholders.

### *Trade and other payables*

The increase in trade and other payables by P5.7 million was due to recognition of accounts and retention payables in connection with the construction of the hospital building.

### *Deposit for future share subscription*

In 2020, the Company received cash for the additional subscription of capital stock pending application and approval from SEC for the increase in authorized capital stock as of December 31, 2020.

### *Income tax payable*

In 2021, the Company has unpaid income tax.

### *Advances from shareholders*

Advances from shareholders increased by P68.0 million (45%) from December 31, 2020 to December 31, 2021. The Company received additional advances from shareholders.

### **Equity**

The 29% increase in the total equity is due to the subscription of share capital from the increase in authorized capital stock approved by the SEC on September 21, 2021. The Company is still non-operational and mostly of the expenses incurred is in line with planning and construction.

Results of Operations (December 31, 2020 vs. December 31, 2019)

	For the year ended		Horizontal Analysis		Vertical Analysis	
	December 31, 2020	December 31, 2019	Inc (Dec)	%	2020	2019
Revenues	P-	P-	-	-	n/a	n/a
Direct costs	-	-	-	-	n/a	n/a
Gross profit	-	-	-	-	n/a	n/a
Other income	2,635,791	5,806,468	(3,170,677)	(55%)	n/a	n/a
Gross income	2,635,791	5,806,468	(3,170,677)	(55%)	n/a	n/a
General and administrative expenses	(12,857,286)	(7,413,785)	5,443,501	73%	n/a	n/a
Loss from operations	(10,221,495)	(1,607,317)	8,614,178	536%	n/a	n/a
Income tax expense	-	-	-	-	n/a	n/a
Net loss for the year	(10,221,495)	(1,607,317)	8,614,178	536%	n/a	n/a
Add (deduct) comp income (loss)	-	-	-	-	n/a	n/a
Net comprehensive loss for the year	(P10,221,495)	(P1,607,317)	8,614,178	536%	n/a	n/a

*Other Income*

Other income during the period December 31, 2020 is lower than December 31, 2019 at 55%. The decrease is due to the termination of some time deposits and decrease in the bank interest rates in 2021.

*General and Administrative Expenses*

General and administrative expenses during December 31, 2020 are higher than December 31, 2019 by 73%. This is due to capital gains tax and increase in meetings and conferences.

*Loss for the Period*

Loss for the period December 31, 2020 is higher than in the same period December 31, 2019 by 536%. This due to the non-operational status of the Company. There is still no income to sustain the expenses.

Financial Condition (December 31, 2020 and December 31, 2019)

	As at	As at	Horizontal Analysis		Vertical Analysis	
	December 30, 2020	December 31, 2019	Inc (Dec)	%	2020	2019
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	P93,666,173	P177,128,990	(83,462,817)	(47%)	35%	65%
Receivables	40,513,422	175,000	40,338,422	23,051%	15%	-
Other current assets	8,333,448	15,029,510	(6,696,062)	(45%)	3%	5%
	142,513,043	192,333,500	(49,820,457)	(26%)	53%	70%
<b>Noncurrent Assets</b>						
Property and equipment (net)	128,927,826	80,543,658	48,384,168	60%	47%	30%
Security deposit	45,000	45,000	-	-	-	-
	128,972,826	80,588,658	48,384,168	60%	47%	30%

<b>TOTAL ASSETS</b>	P271,485,869	P272,922,158	(1,436,289)	(1%)	100%	100%
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	P17,926,211	P16,747	17,909,464	106,941%	7%	-
Deposit for future share subscription	27,000,000	-	27,000,000	n/a	10%	9%
Loans payable	-	24,250,000	(24,250,000)	n/a		
	44,926,211	24,266,747	20,659,464	85%	17%	9%
Advances from shareholders	150,246,154	162,120,412	(11,874,258)	(7%)	55%	59%
<b>TOTAL LIABILITIES</b>	195,172,365	186,387,159	8,785,206	5%	72%	68%
<b>Equity</b>						
Share capital	96,000,000	96,000,000	-	-	35%	35%
Deficit	(19,686,496)	(9,465,001)	10,221,495	108%	(7%)	(3%)
	76,313,504	86,534,999	(10,221,495)	(12%)	28%	32%
<b>TOTAL LIABILITIES AND EQUITY</b>	P271,485,869	P272,922,158	1,436,289	(1%)	100%	100%

#### **Total Assets**

Total assets decreased from P272.9 million to P271.5 million, 1% decrease from December 31, 2019 to December 30, 2020. The decrease was primarily due to increase in expenses.

#### *Cash and cash equivalents*

Cash and cash equivalents decreased by P83.5 million (47%), as a result of payment of expenses and on-going construction of hospital building.

#### *Receivables*

The receivables amounting to P40.5 million as of December 30, 2020 consists mainly of advances to contactors.

#### *Other current assets*

Other current assets decreased by P6.7 million (45%), as a result of transfer of prepayments for the construction of hospital building to property and equipment account.

#### *Property and equipment*

Property and equipment amounted to P128.9 million as of December 31, 2020, which consists mainly of the land and construction in progress of the hospital building.

#### **Total Liabilities**

Total liabilities increased by P8.8 million from December 31, 2019 to December 31, 2020. The increase was primarily due to accounts and retention payable and cash received for the additional subscription of capital stock pending application and approval from SEC for the increase in authorized capital stock as of December 31, 2020.

#### *Trade and other payables*

The increase in trade and other payables by P17.9 million was due to recognition of accounts and

retention payables in connection with the construction of the hospital building.

*Deposit for future share subscription*

In 2020, the Company received cash for the additional subscription of capital stock pending application and approval from SEC for the increase in authorized capital stock as of December 31, 2020.

*Loans payable*

In 2020, the Company paid the loans payable.

*Advances from shareholders*

Advances from shareholders decreased by P11.9 million (7%) from December 31, 2019 to December 31, 2020. The Company paid some advances from the shareholders.

**Equity**

The 12% decrease in the total equity is due to the results of operations in 2020. The Company is still non-operational and mostly of the expenses incurred is in line with planning and construction.

Results of Operations (December 31, 2019 vs. December 31, 2018)

	For the year ended		Horizontal Analysis		Vertical Analysis	
	December 30, 2019	December 30, 2018	Inc (Dec)	%	2019	2018
Revenues	P-	P-	-	-	n/a	n/a
Direct costs	-	-	-	-	n/a	n/a
Gross profit	-	-	-	-	n/a	n/a
Other income	5,806,468	1,700,472	4,105,996	241%	n/a	n/a
Gross income	5,806,468	1,700,472	4,105,996	241%	n/a	n/a
General and administrative expenses	(7,413,785)	(7,027,189)	386,596	6%	n/a	n/a
Loss from operations	(1,607,317)	(5,326,717)	(3,719,400)	70%	n/a	n/a
Income tax expense	-	-	-	-	n/a	n/a
Net loss for the year	(1,607,317)	(5,326,717)	(3,719,400)	70%	n/a	n/a
Add (deduct) comp income (loss)	-	-	-	-	n/a	n/a
Net comprehensive loss for the year	(P1,607,317)	(P5,326,717)	(3,719,400)	70%	n/a	n/a

*Other Income*

Other income in 2019 is higher than in 2018 at 241%. The increase was due to interest income time deposit account.

*General and Administrative Expenses*

General and administrative expenses in 2019 are slightly higher in 2018 by 6%.

*Loss for the Period*

Loss for the period December 31, 2019 is lower than in the same period December 31, 2018 by

70%. This due to the non-operational status of the Company. There is still no income to sustain the expenses.

Financial Condition (December 31, 2019 and December 31, 2018)

	As at	As at December	Horizontal Analysis		Vertical Analysis	
	December 30,	31,	Inc (Dec)	%	2019	2018
	2019	2018				
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	P177,128,990	P125,227,896	51,901,094	41%	65%	54%
Receivables	175,000	20,000,000	(19,825,000)	(99%)	-	9%
Other current assets	15,029,510	5,716,656	9,312,854	163%	5%	2%
	192,333,500	150,944,552	41,388,948	27%	70%	65%
<b>Noncurrent Assets</b>						
Property and equipment (net)	80,543,658	80,554,094	(10,436)	(0.01%)	30%	35%
Security deposit	45,000	45,000	-	-	-	-
	80,588,658	80,599,094	(10,436)	(0.01%)	30%	35%
<b>TOTAL ASSETS</b>	<b>P272,922,158</b>	<b>P231,543,646</b>	<b>41,378,512</b>	<b>18%</b>	<b>100%</b>	<b>100%</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	P16,747	P971,781	(955,034)	(98%)	-	-
Loans payable	24,250,000	24,250,000	-	n/a	9%	11%
	24,266,747	25,221,781	(955,034)	(4%)	9%	11%
Advances from shareholders	162,120,412	118,179,549	43,940,863	37%	59%	51%
<b>TOTAL LIABILITIES</b>	<b>186,387,159</b>	<b>143,401,330</b>	<b>42,985,829</b>	<b>30%</b>	<b>68%</b>	<b>62%</b>
<b>Equity</b>						
Share capital	96,000,000	96,000,000	-	-	35%	41%
Deficit	(9,465,001)	(7,857,684)	(1,607,317)	(20%)	(3%)	(3%)
	86,534,999	88,142,316	(1,607,317)	(2%)	32%	38%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P272,922,158</b>	<b>P231,543,646</b>	<b>41,378,512</b>	<b>18%</b>	<b>100%</b>	<b>100%</b>

**Total Assets**

Total assets increased from P231.5 million to P272.9 million, 18% increase from December 31, 2018 to December 30, 2019. The increase was primarily due to funds received from stockholders.

*Cash and cash equivalents*

Cash and cash equivalents increased by P51.9 million (41%), as a result of funds from stockholders.

### *Receivables*

Decreased in receivables was due to collection of advances to related parties.

### *Other current assets*

Other current assets increased by P9.3 million (163%), as a result of prepayments for the construction of hospital building to property and equipment account.

### *Property and equipment*

Property and equipment amounted to P128.9 million as of December 31, 2020, which consists mainly of the land and construction in progress of the hospital building.

### **Total Liabilities**

Total liabilities increased by P43.0 million from December 31, 2018 to December 31, 2019. The increase was primarily due to advances received from stockholders.

### *Trade and other payables*

The decrease in trade and other payables by P1.0 million was due to payment of interest and other payables

### *Advances from shareholders*

Advances from shareholders increased by P43.9 million (37%) from December 31, 2018 to December 31, 2019. The Company received advances from the shareholders to fund the construction of hospital building.

### **Equity**

The 2% decrease in the total equity is due to the results of operations in 2019. The Company is still non-operational and mostly of the expenses incurred is in line with planning and construction.

## **Summary Financial Information**

Prospective purchasers of the Offer should read the summary financial data below together with the financial statements, including the notes thereto, included in this Prospectus and "Management's Discussion and Analysis of Results of Operations and Financial Condition". The summary financial data for the years ended December 31, 2021, 2020 and 2019, are derived from the audited financial statements of Asia-Pacific Medical Center Bacolod, Inc. (formerly Allied Care Experts Medical Center – Bacolod Inc.), including the notes thereto.

The summary of financial and operating information of Asia-Pacific Medical Center Bacolod, Inc. presented below as of and for the years ended December 31, 2021, 2020 and 2019 were derived from the financial statements of Asia-Pacific Medical Center Bacolod, Inc., audited by Mendoza Querido & Co. and have been prepared in compliance with the Philippine Financial Reporting Standards ("PFRS"). The financial and operating information of Asia-Pacific Medical Center Bacolod, Inc. presented below as of and for the years ended December 31, 2021, 2020 and 2019 were derived from the reviewed condensed financial statements of Asia-Pacific Medical Center Bacolod, Inc. prepared in compliance with Philippine Accounting Standards ("PAS") 34. The information below should be read in conjunction with the financial statements of Asia-Pacific Medical Center Bacolod, Inc. and the related notes thereto, which are included in Exhibit "G" and "G-1" of this Final Prospectus. The historical financial condition, results of operations and cash flows of Asia-Pacific Medical Center Bacolod, Inc. are not a guarantee of its future operating and financial performance.

### **Statements of Income Data**

	December 31, 2021	December 31, 2020	December 31, 2019
Interest Income – net	P514,903	P2,635,791	P5,806,468
Expenses	(7,328,040)	(12,857,286)	(7,413,785)
<b>Net Loss</b>	<b>(P6,813,137)</b>	<b>(P10,221,495)</b>	<b>(P1,607,317)</b>
Loss per Share	(P55.39)	(P106.47)	(P16.74)

### Statements of Financial Position Data

	December 31, 2021	December 31, 2020	December 31, 2019
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and Cash Equivalents	P22,326,536	P93,666,173	P177,128,990
Receivables	56,106,654	40,513,422	175,000
Other Current Assets	14,115,156	8,333,448	15,029,510
<b>Total Current Assets</b>	<b>92,548,346</b>	<b>142,513,043</b>	<b>192,333,500</b>
<i>Noncurrent Assets</i>			
Property and equipment – net	284,645,878	128,927,826	80,543,658
Security Deposit	45,466	45,000	45,000
<b>Total Noncurrent Assets</b>	<b>284,691,344</b>	<b>128,972,826</b>	<b>80,588,658</b>
<b>TOTAL ASSETS</b>	<b>P377,239,690</b>	<b>P271,485,869</b>	<b>P272,922,158</b>
<b>LIABILITIES AND EQUITY</b>			
<i>Current Liabilities</i>			
Trade and other Payables	P23,640,264	P17,926,211	P16,747
Income tax payable	1,808	-	-
Deposits for future share subscriptions	-	27,000,000	-
Loans Payable	-	-	24,250,000
<b>Total Current Liabilities</b>	<b>23,642,072</b>	<b>44,926,211</b>	<b>24,266,747</b>
<i>Noncurrent Liabilities</i>			
Advances from Shareholders	218,218,718	150,246,154	162,120,412
<b>TOTAL LIABILITIES</b>	<b>241,860,790</b>	<b>195,172,365</b>	<b>186,387,159</b>
<b>EQUITY</b>			
Share Capital	161,878,533	96,000,000	96,000,000
Deficit	(26,499,633)	(19,686,496)	(9,465,001)
<b>TOTAL EQUITY</b>	<b>135,378,900</b>	<b>76,313,504</b>	<b>86,534,999</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>P377,239,690</b>	<b>P271,485,869</b>	<b>P272,922,158</b>

### Statements of Cash Flows Data

	December 31, 2021	December 31, 2020	December 31, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss	(P6,811,329)	(P10,221,495)	(P1,607,317)
Adjustments for:			
Interest income	(514,903)	(2,635,791)	(5,806,468)
Depreciation	173,092	130,269	105,826



<b>Loss before working capital changes</b>	<b>(7,153,140)</b>	<b>(12,727,017)</b>	<b>(7,307,959)</b>
Increase in other current assets	(5,781,708)	(8,191,741)	(9,312,854)
Increase (decrease) in trade and other payables	5,714,053	17,909,464	(955,034)
<b>Net cash used for operations</b>	<b>(7,220,795)</b>	<b>(3,009,294)</b>	<b>(17,575,847)</b>
Interest received	514,903	2,635,791	5,806,468
<b>Net cash used in operating activities</b>	<b>(6,705,892)</b>	<b>(373,503)</b>	<b>(11,769,379)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment of security deposit	(466)	-	-
Payments received from related parties	(129,867)	140,000	19,825,000
Payments made to contractors	(15,463,365)	(40,478,422)	-
Additions to property and equipment	(155,891,144)	(33,626,634)	(95,390)
<b>Net cash provided by (used in) investing activities</b>	<b>(171,484,842)</b>	<b>(73,965,056)</b>	<b>19,729,610</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from shareholders for future share subscriptions	-	27,000,000	-
Payment of loans payable	-	(24,250,000)	-
Proceeds from (payment of) advances from shareholders	67,972,564	(11,874,258)	43,940,863
Proceeds from subscription of share capital	38,878,533	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>106,851,097</b>	<b>(9,124,258)</b>	<b>43,940,863</b>
Net Increase (Decrease) in Cash and Cash Equivalents	(71,339,637)	(83,462,817)	51,901,094
Cash and Cash Equivalents at the Beginning of the Period	93,666,173	177,128,990	125,227,896
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>P22,326,536</b>	<b>P 93,666,173</b>	<b>P 177,128,990</b>

### **Summary of Financial Ratios**

Financial KPI	Definition	December 31, 2021	December 31, 2020	December 31, 2019
Current ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	<b>3.91:1</b>	3.17:1	7.93:1
Acid test ratio	$\frac{\text{Current Assets} - \text{Prepayments}}{\text{Current Liabilities}}$	<b>3.32:1</b>	2.99:1	7.31:1

Solvency ratio	$\frac{\text{Net Income} + \text{Depreciation}}{\text{Total Liabilities}}$	NA	NA	NA
Debt-to-equity ratio	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$	1.79:1	2.56:1	2.15:1
Asset-to-equity ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	2.79:1	3.56:1	3.15:1
Interest rate coverage ratio	$\frac{\text{Operating EBITDA}}{\text{Net Interest}}$	NA	NA	NA
Return on assets	$\frac{\text{Net Income}}{\text{Average Total Assets}}$	NA	NA	NA
Return on equity	$\frac{\text{Net Income}}{\text{Average Total Equity}}$	NA	NA	NA
Net profit margin	$\frac{\text{Net Income}}{\text{Total Revenue}}$	NA	NA	NA
Operating EBITDA margin	$\frac{\text{Operating EBITDA}}{\text{Net Revenue}}$	NA	NA	NA

### Information on Independent Accountant and other Related Matters

#### External Audit Fees and Services

41. The External Auditor has rendered (select all that apply):

√	audit of the registrant's annual financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements for those fiscal years
	Other assurance and related services that are reasonable related to the performance of the audit or review of the registrant's financial statements.
√	The audit committee has approved the above-mentioned services

42. The aggregate fees billed are shown below

Fees approved in connection with the assurance rendered by Dimaculangan, Dimaculangan and Co., and Mendoza Querido & Co. pursuant to the regulatory and statutory requirements for the years ended December 31, 2017, December 31, 2018, December 31, 2019 and December 31, 2020 amounts to ₱200,000.00 per review, inclusive of 10% out-of-pocket expenses (OPEs) and 12% value-added tax (VAT). The fees for the interim AFS for the period January to June 2020 conducted by MG Madrid and Company amount to ₱226,841.44 inclusive of 12% VAT and other fees. A Special Audit was conducted in June 2021 as a requirement by the SEC for the application for Increase in Capitalization. The auditor's fees amount to ₱89,600.00 inclusive of 12% VAT. The fees for the interim AFS for the period September 30, 2021 and 2020 conducted by Mendoza Querido & Co. amount to ₱225,848.00 inclusive of 12% VAT and other fees. The total auditor's fees in connection with the assurance rendered amount to **₱1,335,576.16**, inclusive of 12% VAT and other fees.

Year	Auditor	Audit Fees	Value-Added Tax	Other Fees	Total
2017	Dimaculangan, Dimaculangan and Co.	P 200,000.00	P 24,000.00	0	P 224,000.00
2018	Dimaculangan, Dimaculangan and Co.	200,000.00	24,000.00	0	224,000.00
2019	Mendoza Querido & Co.	200,000.00	24,000.00	6,900.00	230,900.00
June 2020 - Interim	MG Madrid	200,000.00	24,304.44	2,537.00	226,841.44
December 31, 2020	Mendoza Querido & Co.	100,000.00	12,255.72	2,131.00	114,386.72
2021 - Special Audit *	Mendoza Querido & Co.	80,000.00	9,600.00	0	89,600.00
September 30, 2021 and 2020 - Interim	Mendoza Querido & Co.	200,000.00	24,198.00	1,650.00	225,848.00
<b>TOTAL</b>		<b>1,180,000.00</b>	<b>142,358.16</b>	<b>13,218.00</b>	<b>1,335,576.16</b>

### Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

43. The Issuer has no disagreement with its external auditor on any matter regarding (select all that apply):

√	Accounting principles or practices
√	Financial statement disclosures
√	Auditing scope or procedure

There were no disagreements with Dimaculangan, Dimaculangan and Co., MG Madrid & Co. and Mendoza Querido & Co. for the years December 31, 2017, December 31, 2018, December 31, 2019, December 31, 2020 and September 30, 2021 on any matter relating to accounting principles or practices, disclosure of financial statements, auditing scope and procedures.

Note 3, *Transition to the PFRS*, to the financial statements provide discussion on the change in the financial reporting framework, pursuant to the Securities Regulation Code Rule 68, as Amended (2011), including adjustments made on prior period correction of errors.

## **Taxation**

### 44. Describe any material tax consequences to Investors in this Offering:

This is just a summary of the material discussion on the taxation under the National Internal Revenue Code (NIRC), as amended by the TRAIN law, as a consequence of an investment in the Offer Securities. The discussion does not deal with all possible tax consequences relating to an investment in common stocks and does not purport to deal with the tax consequences applicable to all categories, some of which may be subject to special rules.

As a general rule, all incomes derived from the Philippines are subject to income tax laws, except for some instances as specifically provided for by the National Internal Revenue Code and the TRAIN law. Such income may be subject to a fixed rate or staggered rate as the case may be.

Net capital gains realized from selling of securities other than those traded in the stock exchange is subject to tax of 15% on the net capital gain. An exception of this would be those provisions of tax treaties. Also, value added tax is imposed on every sale or other disposition, in the course of trade or business, of tangible or intangible property based on the gross selling price or gross value in money of the goods or properties sold. If the seller of shares is a dealer of securities, this sale is subject to such value added tax.

Documentary Stamp Tax (DST). Upon the original issuance of Asia-Pacific Medical Center Bacolod, Inc. shares, DST will be imposed at a rate of P2.00 for every P200 or a fractional part of the par value of the shares to be issued. DST is payable on or before the 5<sup>th</sup> day of the month following the corporation's acceptance of the stock subscription. The secondary transfer of Asia-Pacific Medical Center Bacolod, Inc.'s shares is subject to documentary stamp tax at a rate of P1.50 on each P200 or fractional part thereof of the par value of the share transferred.

Tax on Capital Gains on the subsequent sale of the Asia-Pacific Medical Center Bacolod, Inc.'s shares are subject to Capital Gains Tax. The law provides that a 15% final tax is imposed upon the net capital gains realized during the taxable year from the sale, barter, exchange or other disposition of shares of stock in a domestic corporation, except shares sold or disposed of through the stock exchange [Sec. 28 (6) (5) (c) NIRC as amended].

Tax on Interest Income. Interest income earned and received by Asia-Pacific Medical Center Bacolod, Inc. from time deposits on excess cash is subject to a final withholding tax rate of 20% [Sec. 27 (D) (1), NIRC as amended].

Tax on Dividend. The NIRC imposes a final tax of 10% upon the cash and/or property dividends actually or constructively received by the individual from a domestic corporation (Sec. 24 (B) (2)). However, if the recipient of the dividend is a domestic corporation, the dividend received shall not be subject to tax [Sec. 27 (D) (4)].

Value Added Taxes. Sec. 105 of RA 8424 enumerates those liable to the Value Added Tax, they are: (1) those who, in the course of trade or business, sells, barter, exchanges, leases goods or properties, renders services; and (2) any person who imports goods.

## **INDEPENDENT AUDITORS AND COUNSELS**

### **Legal Matters**

All legal opinions/matters in connection with the issuance of each Offer will be passed upon by Atty. Ronald Renitz V. Ilas for the Company. Atty. Ilas has no direct interest in the Company.

Atty. Ilas may from time to time be engaged to advise in the transactions of the Company and perform legal services on the basis that it does not conflict with other services she provides to her other clients.

### **Independent Auditors**

Dimaculangan, Dimaculangan and Co. was engaged for the financial statements audit for the years ended December 31, 2017 and 2018. MG Madrid & Company was engaged for the financial statements audit for the six- month period ended June 30, 2020. Mendoza Querido and Co. was engaged to audit for the years ended December 31, 2019 and December 31, 2020 and the six-month period ended June 30, 2021 as well as the Special Audit in June 2021 for the compliance of the requirements of SEC for the application for Increase in Capitalization. The interim financial statements for the period ended September 30, 2021 and September 30, 2020 were likewise prepared by Mendoza Querido and Co. Their responsibility is to express an opinion on these financial statements based on their audits conducted in accordance with Philippine Standards on Auditing.

Dimaculangan, Dimaculangan and Co., MG Madrid & Company and Mendoza Querido and Co. have neither shareholding in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe to the securities of the Hospital. These independent public accountants will not receive any direct or indirect interest in the Hospital and in any securities thereof (including options, warrants, or rights thereto). The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

The Audit Committee of the Company, reviews and monitors, among others, the integrity of all financial reports and ensures compliance with both internal financial management manual and pertinent accounting standards, including regulatory requirements

There is no arrangement that experts and independent counsels will receive a direct or indirect interest in the Issuer or was a promoter, underwriter, voting trustee, director, officer, or employee of the Issuer.

## **OTHER MATERIAL FACTORS**

Describe any other material factors that will or could affect the Issuer or its business or which are necessary to make any other information in this Statement not misleading or incomplete.

SECURITIES AND EXCHANGE COMMISSION  
**SEC FORM 12-1 SRS**  
SIMPLIFIED REGISTRATION STATEMENT FOR HOSPITALS

**GENERAL INSTRUCTIONS**

1. Pursuant to SEC Res. No. 225, s. of 2017, hospitals may use Form 12-1 SRS for registration of its securities that are sold or offered for sale pursuant to Section 8 and 12 of the Code. The use of Form 12-1 SRS is without prejudice to the right of the Commission to require such other information or documents as may prescribe, consistent with the interest of the general public and for the protection of investors.
2. Under Section 13.1(b) of the Securities Regulation Code ("SRC"), the Commission may reject Registration Statement which on its face is *incomplete*. Notwithstanding the said provision, Sec. 14.2 of the SRC states that an amendment filed prior to the effective date of the Registration Statement ("RS") shall recommence the forty-five (45) day period within which the Commission shall act on a RS. Thus, should the company be amenable to extending the 45-day processing period (by executing a letter consenting to the processing time of the application to enable the company to amend its RS) the Market and Securities Regulation Department ("MSRD") shall be constrained to elevate the application based on the existing RS on file, to enable MSRD to comply with the said processing period mandated under Section 12.6 of the SRC.
3. Attention is directed under Section 68, As Amended on the Financial Statement requirements. Prior to preparation of their filings, registrants should also review the provisions of SRC Rule 72.1, "General Rules and Regulations for Filing of SEC Forms with the Securities and Exchange Commission." Definitions contained in "Annex B" and SRC Rule 68, as amended, to the extent they are not defined herein, shall govern the meanings of similar terms used herein.
4. The registration statement shall be signed by the registrant's chief executive officer, its chief operating officer, its chief financial officer, its controller, its chief accounting officer, its corporate secretary or persons performing similar functions.
5. The name of each person who signs the registration statement shall be typed or printed beneath his/her signature. Any person who occupies more than one of the specified positions shall indicate the capacity in which he signs the registration statement. At least one (1) copy of the documents filed shall be manually signed and the unsigned copies shall be conformed.
6. Every amendment to a registration statement shall be signed by the persons specified in Section 12.4 of the Code or by any executive officer duly authorized by the Board of Directors. The final prospectus shall, however, be signed by all required signatories under Section 12.4 of the Code.
7. Three (3) copies of the complete Form 12-1 SRS shall be filed including exhibits and all other papers and documents filed as part thereof.
8. In case of withdrawal of a registration statement, fifty percent (50%) of the filing fee paid shall be *forfeited and not* be allowed for future application.
9. In the event that the registration statement is rejected pursuant to Section 13 of the Code, the filing fee paid thereon shall be *forfeited*.

10. Confidential Treatment of Information filed with the Commission –any request for confidentiality will be presented to Commission En Banc prior its application for registration or offering

11. How to use this form: Put ✓ inside the box to mark a box.

SECURITIES AND EXCHANGE COMMISSION  
**SEC FORM 12-1 SRS**  
SIMPLIFIED REGISTRATION STATEMENT FOR HOSPITALS

1. SEC Registration Number ..... CS201721758
  
2. Exact name of issuer as specified in its charter ..... ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.  
(formerly Allied Care Experts Medical Center - Bacolod Inc.)
  
3. Principal Business Address including postal code..... RM. 4, GROUND FLOOR, MC METROPLEX BLDG., BS  
AQUINO DRIVE, BACOLOD CITY 6100  
  
Hospital Building Address..... LACSON ST., BARANGAY BATA, BACOLOD CITY 6100
  
4. Province, country of other jurisdiction of incorporation or organization..... NEGROS OCCIDENTAL, PHILIPPINES
  
5. BIR Tax Identification No. 009-725-618-000
  
6. Industry Group: Hospitals and Physicians
  
7. Telephone Number including area code: (034) 7031637  
(+63) 9171884699
  
8. Official company's website..... [www.apmcbacolod.com](http://www.apmcbacolod.com)
  
9. Fiscal Year (Day and Month) 31 December



### COMPUTATION OF FILING FEE

Title of each class of securities to be registered	Shares to be registered	No. of Blocks (10 shares per block)	Proposed Offering Price per Block	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
<b>Founder (I)</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>600,000</b>	<b>863,500.00</b>
<b>Common (I)</b>	<b>203,400</b>	<b>-</b>	<b>-</b>	<b>203,400,000</b>	
<b>Common</b>	<b>24,000</b>	<b>2,400</b>	<b>250,000</b>	<b>600,000,000</b>	
<b>Common</b>	<b>8,000</b>	<b>800</b>	<b>300,000</b>	<b>240,000,000</b>	
<b>Common</b>	<b>4,000</b>	<b>400</b>	<b>400,000</b>	<b>160,000,000</b>	
<b>Total</b>	<b>240,000</b>			<b>1,204,000,000</b>	

<b>Registration Fee</b>	<b>P 863,500.00</b>
<b>Legal Research Fee</b>	<b>8,635.00</b>
<b>Total Filing Fee</b>	<b>P 872,135.00</b>

Registration Statements filed pursuant to Section 12 of the Code shall be accompanied by a fee as follows:

Maximum aggregate price of securities to be offered	Amount of filing fee
Not more than P500 Million	0.10% of the maximum aggregate price of the securities to be offered
More than P500 Million but not more than P750 Million	P500,000 plus 0.075% of the excess over P500 Million
More than P750 Million but not more than P1 Billion	P687,500 plus 0.05% of the excess over P750 Million
More than P1 Billion	P812,500 plus 0.025% of the excess over P1 Billion

A legal research fee of 1% of the filing fee paid for filings made pursuant to SRC Rule 8.1 shall also be paid at the time of the filing.

## **PART I - INFORMATION REQUIRED IN PROSPECTUS**

1. Front of the Registration Statement and Outside Front Cover Page of Prospectus
2. Inside Front Cover and First Two or More Pages of Prospectus
3. Forward looking Statement
4. Definition of Terms
5. Executive Summary
6. Risk Factors
7. Business Information
8. Use of Proceeds
9. Description of Securities Offered
10. Plan of Distribution
11. Capitalization
12. Outstanding Securities and Principal Shareholders
13. Board of Directors
14. Management
15. Financial Information
16. Information on Independent Accountant and Other Related Matters
17. Independent Auditors and Counsels
18. Regulatory Framework
19. Corporate Governance and Board Committees
20. Other Material Factors

## **PART II - INFORMATION REQUIRED IN REGISTRATION STATEMENT BUT NOT REQUIRED IN PROSPECTUS**

21. Other Expenses of Issuance and Distribution

Give the itemized statement of all expenses of the offering other than the discounts and commission (if applicable). If any of the securities are registered for sale by security holders, state how much of the expenses the security holders will pay. If the amount of any items are not known, give estimates but identify them as such.

22. Exhibits

<b>Description</b>	<b>Exhibit No.</b>
1. Publication of Notice re: Filing	"A" series
2. Articles of Incorporation and By-laws	"B", "B-1", "B-2"
3. Instruments defining the rights of security holders (Management Discounts)	"C"
4. Opinion re: Legality	"D"
5. Opinion re: Tax Matters	"D"
6. Material Contracts	"E" series
7. Audited Financial Statements/Audited Interim Financial Statements	"F" -series
8. Subsidiaries of the Issuer	N.A.
9. Consent of Experts and Independent Counsel	"D"& "F"

10. Notarized Curriculum Vitae and Latest Photographs of Officers and Members of the Board of Directors	"G" series
11. Authorization re: Issuer's Bank Account	"H"
12. Copy of Board Resolution approving the securities offering and authorizing the filing of Registration Statement	"I"
13. Duly verified resolution of the Issuer's Board of Directors approving the disclosure contained in the registration statement and prospectus and assuming liability for the information contained therein	"I"
14. Manual on Corporate Governance	Undertaking submitted
15. Additional Exhibits:	
Certification that all mandated government licenses, permits are secured and valid	"J" series
Certification of no pending legal proceedings filed against and by the Issuer	K
Certification that all AFS of all subsidiaries has been filed with the Commission (if applicable)	N.A.
Certification by selling shareholder as to the accuracy of any part of the registration statement contributed by such selling shareholders (If applicable)	N.A.
Certification from Project Engineer as to percentage of building constructed	"L"
Tax Compliance Report filed by the Issuer (Tax Clearance)	"M"
Feasibility study prepared by qualified profession on the capacity of the Issuer to provide Medical Benefits	"N"
Memorandum of Agreement with other Group of Hospitals (if applicable)	"O"
Permit to Construct Hospital issued by Bureau of Health Facilities and Services (BHFS) of the Department of Health (DOH)	"P"
Escrow/Custodian Agreement with a reputable bank	N.A.
Credit Line Agreement	N.A.
Copy of the Environmental Compliance Certificate	"Q"
Copy of Development Agreement	N.A.
Certified True Copy of Transfer Certificate Title	"R"
Certified True Copy of Tax Declaration	"S"
List of Equipment to be Purchased	"T"
Certificate Authorizing Registration (CAR)	"U"

23. Furnish any other document the omission of which will render the foregoing material facts or any other part of the Registration Statement misleading.

### SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, this registration statement is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of ILOILO on MAY 12 2022.

  
Dr. FERJENEL G. BIRON  
Chairman / Chief Executive Officer

\_\_\_\_\_  
Dr. MA. IVY V. MALATA  
Corporate Secretary

  
Dr. DANILO C. REGOZO  
Executive Vice President

\_\_\_\_\_  
Dr. MA. LEILA M. MAGBANUA  
Corporate Treasurer

**SUBSCRIBED AND SWORN** to before me this MAY 12 2022 affiants exhibiting to me their competent proof of ID as follows:

Name	Type of Identification	I.D. Number	Date/Place of Issue
Ferjanel G. Biron	TIN	127-685-650	11/08/1999 / MANILA
Danilo C. Regozo	TIN	162-755-820	01/24/1994 / ILOILO CITY
Ma. Ivy V. Malata	TIN	168-842-058	07/16/1994 / BACOLOD CITY
Ma. Leila M. Magbanua	TIN	138-728-295	01/08/2008 / BACOLOD CITY

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Doc. No. 10  
Book No. 5  
Series of 2022.

### NOTARY PUBLIC

  
Atty. CARL RUPERT CRISME MUELA  
NOTARY PUBLIC FOR CITY AND PROVINCE OF ILOILO  
Notarial Commission No. 36 until Dec. 31, 2021  
Extended by SC B.P. 295 until June 30, 2022  
IBP No. 001846 / 03/03/2022 / Iloilo City  
PTR No. 7678091 / 01/03/2022 / Iloilo City  
Reg. No. 65139  
MCLÉ Compliance No. 0003767 until April 14, 2022  
Door No. 2, Dacls Bldg., Bonifacio Drive, Iloilo City

## SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, this registration statement is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of BACOLOD on MAY 19 2022.

\_\_\_\_\_  
Dr. FERJENEL G. BIRON  
Chairman / Chief Executive Officer

  
\_\_\_\_\_  
Dr. MA. IVY V. MALATA  
Corporate Secretary

\_\_\_\_\_  
Dr. DANILO C. REGOZO  
Executive Vice President

  
\_\_\_\_\_  
Dr. MA. LEILA M. MAGBANUA  
Corporate Treasurer

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ affiants exhibiting to me their competent proof of ID as follows:

Name	Type of Identification	I.D. Number	Date/Place of Issue
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Ma. Leila M. Magbanua	TIN	138-728-295	01/08/2008 / BACOLOD CITY

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Doc. No. 53  
Book No. XXX  
Series of 2022.

  
ERNESTO M. MALABAG  
NOTARY PUBLIC  
NOTARY PUBLIC  
COMMISSIONED BY THE BOARD OF NOTARIES OF  
THE PHILIPPINES  
1-C Juan Luna St., 1st Fl., Nolas,  
La Castellana Neg. Occ.



**ASIA – PACIFIC MEDICAL CENTER BACOLOD, INC.**  
*(Formerly Allied Care Experts Medical Center- Bacolod Inc.)*

A Corporation existing and duly organized under the  
Laws of the Republic of the Philippines with

**SEC Certificate of Registration No. CS201721758**

This **Amended** Prospectus relates to the registration of **240,000 shares of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.** consisting of *600 Founders shares* and *203,400 common shares* that are issued and outstanding plus **36,000 common shares equivalent to 3,600 blocks of APMC Bacolod** (the *Offer Shares*) for issuance to the public at an Offer Price ranging from Php 250,000.00 up to a maximum amount of Php 400,000.00 per block.

The securities will be traded Over-the-Counter through the Hospital's employees namely Ariel S. Malata and Chleo Dominique P. Espera who were designated to act as salesmen<sup>1</sup>.

**DATE: May 19, 2022**

**Principal Office:**

Room 4, Ground Floor,  
MC Metroplex Bldg., Bacolod City 6100  
BS Aquino Drive, Negros Occidental, Philippines

**Telephone Numbers:**

(034) 7031637  
(+63) 9171884699

**THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.**

This **Amended** Prospectus relates to the primary offer and sale of 36,000 common shares of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. (the "Issuer") equivalent to 3,600 blocks (consisting of 10 shares per block) at an offer price ranging from Php 250,000.00 per block up to a maximum offer price of Php 400,000.00 per block with an aggregate principal amount of One Billion Pesos (P1,000,000,000.00). The securities will be issued upon approval of the Securities and Exchange Commission. Assuming all Offer Shares are issued, ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will have a total of **240,000 shares** consisting of **600 Founder's Shares and 203,400 Common shares** issued and outstanding plus the **36,000 Offer Shares**, all with a par value of Php 1,000.00 per share.

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<sup>1</sup>Please refer to p. 55, Plan of Distribution, for the details on the authorized salesmen.

The 3,600 blocks will be offered in tranches, through a series of offerings at an offer price in progressive amounts. The first 2,400 blocks will be sold at the price of Php 250,000.00 per block, the next 800 blocks at the price of P300,000.00 per block and the remaining 400 blocks at the price of P400,000.00 per block. The blocks will be sold on a first-come, first-served basis, subject to pre-qualification procedures. Once the maximum number of blocks per series are sold, the next series will be offered at an increased offer price. The offer shares will not be listed in the Exchange and will be issued over the counter only, through the Hospital's employees who will be designated as salesmen. It is understood that no shares held by existing shareholders will be sold or disposed during the offer period until after all the offer shares are sold.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. expects to raise gross proceeds amounting to One Billion Pesos (P1,000,000,000.00) and the net proceeds are estimated to be at least **Nine Hundred Ninety-Seven Million Five Hundred Seventeen Thousand Eight Hundred Sixty-Five Pesos (Php 997,517,865.00)** after deducting fees, commissions and expenses relating to the issuance of the securities. The net proceeds of the Offer shall be used primarily by the Company to complete the construction, development and operation of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. (the "Hospital"). For further detailed information on the use of proceeds, see "**Use of Proceeds**" on page 37 of this Amended Prospectus.

Each investor must comply with all laws applicable to it and must obtain the necessary consent, approvals or permission for its purchase, offer or sale under the laws and regulation in force to which it is subject.

The company is organized under the Philippine Law. The Company is authorized to distribute dividends out of its surplus profit, in cash, properties of the Company, shares of stock. Dividends paid in the form of cash or property, are subject to approval of the Board of Directors of the Company. Dividends paid in the form of additional Common Shares are subject to the approval of the Board of Directors and stockholders who own at least two-thirds (2/3) of the outstanding capital of the company. The Board may not declare dividends as determined by the Board, taking into consideration factors such as implementation of business plans, debt service requirements, operating expenses, budgets, funding of new investments and acquisitions and appropriate reserves and working capital. The Company is yet to adopt a specific dividend policy. Refer to page 66 on "**Dividends and Dividend Policy of this Prospectus.**"

Unless otherwise indicated, all information in this Prospectus is as of the date of this Amended Prospectus. Neither the delivery of this **Amended** Prospectus nor any sale made pursuant to this **Amended** Prospectus shall, under any circumstances, create implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date.

No person has been authorized to give any information or to make any representation not contained in this **Amended** Prospectus. If given or made, any such information or representation must not be relied upon as having been authorized by the Company. This **Amended** Prospectus does not constitute an offer of any securities, or any offer to sell or solicitation of any offer to buy any of the securities of the Company in any jurisdiction, to or from any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Before making an investment decision, investor must rely on their own examination of the Company and the terms of the Offer including the risks involved.

The Issuer has included in this Statement all of its representation about this offering. If anyone gives you more or different information, you should ignore it. You should carefully review and





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## Forward-looking Statements

This Prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to:

- known and unknown risks;
- uncertainties and other factors which may cause actual results, performance or achievements of the Issuer, to be materially different from any future results; and
- performance or achievements expressed or implied by forward-looking statements.

Such forward-looking statements are based on assumptions regarding the present and future business strategies and the environment in which the registrant will operate in the future. Important factors that could cause some or all of the assumptions not to occur or cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other things:

- the ability of the registrant to successfully implement its strategies;
- the ability of the registrant to anticipate and respond to healthcare trends;
- the ability of the registrant to successfully manage its growth;
- the condition and changes in the Philippines, Asian or global economies;
- any future political instability in the Philippines, Asia or other regions;
- changes in interest rates, inflation rates and the value of the Peso against the U.S. Dollar and other currencies;
- changes in government regulations, including tax laws, or licensing requirements in the Philippines, Asia or other regions; and
- competition in the healthcare industries in the Philippines and globally.

Additional factors that could cause actual results, performance or achievements of registrant to differ materially include, but are not limited to, those disclosed under **“Risk Factors”** and elsewhere in this Prospectus.

These forward-looking statements speak only as of the date of this Prospectus. The registrant expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the expectations of the registrant with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

This Prospectus includes forward-looking statements, including statements regarding the expectations and projections of the Issuer for future operating performance and business prospects. The words “believe”, “expect”, “anticipate”, “estimate”, “project”, “may”, “plan”, “intend”, “will”, “shall”, “should”, “would” and similar words identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Prospectus are forward-looking statements. Statements in this Prospectus as to the opinions, beliefs and intentions of the Issuer accurately reflect in all material respects the opinions, beliefs and intentions of the management of the registrant as to such matters at the date of this Prospectus, although the Issuer can give no assurance that such opinions or beliefs will prove to be correct or that such intentions will not change. This Prospectus discloses, under the section **“Risk Factors”** and elsewhere, important factors that could cause actual results to differ materially from the expectation of the Issuer. All subsequent written and oral forward-looking statements attributable to either the Issuer or persons acting on behalf of the Issuer are expressly qualified in their entirety by cautionary statements

## DEFINITION OF TERMS

As used in this Prospectus, the following terms shall have the meanings ascribed to them:

"Articles"	The Articles of Incorporation of the issuer
"APMC Bacolod" / "APMCBI"	ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
"Board"	The Board of Directors of the issuer collectively referred to as one consisting of fifteen (15) members
"By-Laws"	The By-laws of the issuer
"Corporation"	Refers to ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. formerly <i>Allied Care Experts Medical Center - Bacolod Inc.</i> unless otherwise specifically described in this document.
"Dental Specialist"	A dentist or dental practitioner who has successfully passed the screening process of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC., in good standing and is admitted/accepted to practice his profession.
"Director"	The individual membership of the incumbent Board of Directors of the Issuer
"DOH"	Department of Health
<b>Environmental Compliance Certificate ("ECC")</b>	Environmental Compliance Certificate is a document issued by the DENR/EMB after a positive review of an ECC application certifying that the proposed project will not cause significant negative environmental impact and the project proponent has complied with all the requirements of the Environmental Impact System, and has committed to implement its approved Environmental Management Plan
"Founder"	Refers to the individual holders of founder share
"Hospital"	ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. Hospital, or the building referred hereto being built in the name of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
"Internal Rules"	Refers to the rules and regulations concerning application procedures, availment, use and enjoyment of facilities and services, and all amendments thereto

<b>"Issuer"</b>	The same as ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
<b>"Offer Price"</b>	The price at which the Offer Securities are being offered in tranches to the public as indicated in this Prospectus
<b>"Offer Securities"</b>	Refers to the 36,000 Common shares or 3,600 blocks (1 block is equivalent to 10 shares) of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. to be offered for sale to the public, also interchangeably called "Offer Shares"
<b>"Medical Specialist"</b>	A doctor or medical practitioner who has successfully passed the screening process of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC., in good standing and is admitted/accepted to practice his profession.
<b>"Prospectus"</b>	This document and any supplement or amendments thereto, pertaining to the issuance and sale of the Offer Securities.
<b>"SEC"</b>	Philippine Securities and Exchange Commission
<b>"Stock Certificate"</b>	The written or electronic evidence of ownership of share of stock of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
<b>"Stockholder"</b>	A registered holder of shares of stocks of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. He may be a medical practitioner or a non-medical stockholder.

## EXECUTIVE SUMMARY

*The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and audited financial statements, including notes thereto, found in the appendices of this Prospectus.*

*Prospective investors should read this entire Prospectus fully and carefully, including the section on "Risk Factors". In case of any inconsistency between this summary and the more detailed information in this Prospectus, then the more detailed portions, as the case may be, shall at all times prevail.*

### **Brief Background on the Company**

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. (APMC Bacolod) is a stock corporation duly organized and registered under the laws of the Republic of the Philippines on July 4, 2017. APMC Bacolod originally had an authorized capital stock of One Hundred Twenty Million Pesos (120,000,000.00) divided into Six Hundred (600) Founders' shares and One Hundred Nineteen Thousand Four Hundred (119,400) Common shares both with a par value of One Thousand Pesos (P1,000.00) per share. On September 21, 2021, the company's application has been approved by the Securities and Exchange Commission and APMC Bacolod now has a total of Two Hundred Forty Thousand (240,000) shares.

As of the date of this Final Prospectus, Two Hundred Four Thousand Shares (204,000) divided into Six Hundred (600) Founders Shares and Two Hundred Three Thousand Four Hundred (203,400) Common Shares both with a par value of One Thousand Pesos (P1,000.00) per share have been subscribed, while paid up is One Hundred Twenty-Three Million One Hundred Twenty Thousand Pesos (P123,120,000.00).

### **Core Business**

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. was established to maintain, operate, own, and manage hospitals, medical and related healthcare facilities and businesses such as, but without restriction to clinical laboratories, diagnostic centers, ambulatory clinics, condo hospitals, scientific research and other allied undertakings and services which shall provide medical, dental, nursing, therapeutic, paramedic, or similar care, provided that purely professional, medical or dental services shall be performed by duly qualified physicians or dentists who may or may not be connected with the hospitals and whose services shall be freely and individually contracted by the patients.

### **Business Strategies**

It is the mission of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. to set up a Level 2 Health Care facility with an organized, systematic, cost-effective, sympathetic and holistic approach to its goal in providing the best quality and justifiable medical and dental services to its clients and stakeholders.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will accomplish its purpose by the acquisition of complete and world-class facilities, provide medical and dental specialists who are competent and fully qualified in their line of work, and have equally efficient well motivated employees and management staff.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will be a 7-storey 248-bed capacity hospital with 1 basement parking area with total floor area of 38,084.03sq.m. constructed in a 10,000 sq.m. property located at Lacson St., Brgy. Bata, Bacolod City, Negros Occidental. It will provide

services to residents of Bacolod City, nearby Barangays and Municipalities, the whole of Negros and the neighboring provinces which are considered its catchment areas. APMC Bacolod will be a multidisciplinary facility that will house medical and dental specialists who are subscribers to the capital stock of the Corporation. The intended and considered markets for its shares are mostly specialists and individuals who are related to these specialists.

The act of purchasing the securities being offered does not automatically entitle such purchaser to practice his profession and use the facilities of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC., although it is a prerequisite. Physicians and dental specialists who are subscribers to at least one (1) block or ten (10) shares of the capital stock, whether Founders or Common shares, and have paid in full may be allowed to practice. Such purchasers have to undergo the required screening process and must possess the minimum requirements as indicated in the Articles of Incorporation, By-Laws and Internal Rules of the Hospital. After successfully passing this process, the applicant shall then be entitled to the privileges offered by the Hospital. The privilege to practice in the Hospital is subject to restrictions, limitations, and obligations as maybe imposed by ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. pursuant to its rules and duly approved resolutions. Medical and dental specialists who have been granted the right to practice shall continuously possess the required qualifications and may be subjected to post-qualification assessment to ensure the quality of service provided by the hospital.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. shall assess and collect from each duly admitted medical or dental specialist who opts to maintain a clinic.

## **PRIVILEGE TO PRACTICE**

Privilege to practice is a privilege given to a physician or dentist who passed the requirements of the APMC Credentials and Privilege Committee and approved by the APMC President. An accredited physician or dentist of APMC can bring patients for admission and can avail the services of the hospital.

### **How to avail the Privilege to Practice in APMC**

1. The physician or dentist must be a graduate of an accredited medical and dental school and training program.
2. The physician or dentist must apply to the APMC President for the privilege to practice in APMC Hospital.
3. The physician's or dentist's application for the privilege to practice will go on routing and subject to the approval of the Credentials and Privilege Committee and lastly by the APMC President.

### **The Privileges of An Accredited Physician or Dentist In APMC**

1. Admitting Privileges – The physician or dentist can admit his/her patient to the APMC hospital.
2. Access to hospital services
3. The physician or dentist is listed in the roster and decking of accredited APMC physicians and dentists. An accredited physician or dentist will be assigned to walk-in patients without attending physician or dentist on admission or consult.
4. The physician or dentist can accept referral for consult / co-management from accredited APMC physicians or dentists.

### **Qualifications of an Accredited Physician or Dentist In APMC**

1. Must be a medical or dental stockholder who passed the Credentials and Privilege Committee requirements.
2. Unique and needed specialty.
3. Active Department Consultants.

### **Privilege to Hold Clinic & Responsibilities**

1. Must be a medical or dental stockholder unless there is no available stocks to sell.
2. Must be an APMC accredited physician or dentist.
3. Full payment of non-refundable fee of P300,000.00 pesos on a 5-year term limit.
4. Signed agreement to participate in the APMC management benefits program.
5. May hold clinic within the hospital / Medical arts building on a time slot system.
  - \* AM Time Slot is equivalent to a maximum of 4 hours / day (e.g. 8:00 AM - 12:00NN) and maximum of 24 hours per week.
  - \*\* PM Time Slot is equivalent to a maximum of 4 hours / day (e.g. 1:00 PM - 5:00 PM) and maximum of 24 hours per week.
6. Responsible for the following fees: maintenance, internet, telephone, water, electricity bills and common usage area (CUSA).

### **Level 2 Hospital**

Asia-Pacific Medical Center Bacolod Inc. will be a Level 2 Hospital. Under the Rules and Regulations Governing the New Classification of Hospitals and Other Health Facilities in the Philippines (Effective: August 18, 2012), the following are the minimum requirements for Level 2 Hospitals:

**A Level 2 Hospital** shall have as minimum, all of Level 1 capacity<sup>2</sup>, including, but not limited to, the following:

1. An organized staff of qualified and, competent personnel with Chief of Hospital/Medical Director and appropriate board-certified Clinical Department Heads.
2. Departmentalized and equipped with the service capabilities needed to support board certified/eligible medical specialists and other licensed physicians rendering services in the specialties of Medicine, Pediatrics, Obstetrics and Gynecology, Surgery; and their subspecialties and ancillary services;

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<sup>2</sup>A Level 1 Hospital shall have as minimum the services stipulated under Rule V. B.1. b. 1. of the Order, including, but not limited to, the following: 1. A staff of qualified medical, allied medical and administrative personnel headed by a physician duly licensed by PRC; 2. Bed space for its authorized bed capacity in accordance with DOH Guidelines in the Planning and Design of Hospitals; 3. An operating room with standard equipment and provision for sterilization of equipment and supplies in accordance with a: a. DOH Reference Plan in the Planning and Design of an Operating Room/Theater (Annex A); b. DOH Guidelines on Cleaning, Disinfection and Sterilization of Reusable Medical Devices in Hospital Facilities in the Philippines (Annex B); 4. A post-operative recovery room; 5. Maternity facilities, consisting of ward(s), room(s), a delivery room, exclusively for maternity patients and newborns; 6. Isolation facilities with proper procedures for the care and control of infectious and communicable diseases as well as for the prevention of cross infections; 7. A separate dental section/clinic; 8. Provision for blood station; 9. A DOH licensed secondary clinical laboratory with the services of a consulting pathologist; 10. A DOH licensed level 1 imaging facility with the services of a consulting radiologist; 11. A DOH licensed pharmacy.



3. Provision for Intensive Care Units – Medical ICU, Surgical ICU and Coronary Care Unit for critically ill patients.
4. Provision for PICU (Pediatric Intensive Care Unit) and NICU (Neonatal Intensive Care Unit)
5. Provision for HRP (High Risk Pregnancy Unit)
6. Provision for respiratory therapy services;
7. A DOH licensed tertiary clinical laboratory;
8. A DOH licensed level 2 imaging facility with mobile x-ray inside the institution and with capability for contrast examinations.

### **RISK FACTORS**

An investor should seek professional advice if he or she is uncertain of, or has not understood any aspect of the securities to invest in or the nature of risks involved in buying of securities.

An investor deals in an investment of which may carry a different level of risks.

1. The following is a summary of all the risks that apply to the Issuer and/or this offering. You should carefully consider these risks prior to investing in this offering.

#### **Operating History:**

The Issuer has limited or no operating history because the Issuer may have operated for only a short period of time, it has produced little or no profit. There is no assurance that it will ever produce a profit.

#### **Difficulty to collect from patients (select all that apply): Check Box**

√	Existing law penalizes the refusal of hospitals and medical clinics to administer appropriate initial medical treatment and support in emergency or serious medical cases.
√	Hospital experience delay in payment from Health Insurance or Health Maintenance Organizations.

However, the Issuer can mitigate said risk by:

The Issuer mitigates such risk through the accreditation of various Health Maintenance Organizations (HMO) to cover more patients and increase the probability of getting paid. With HMO covered patients, special rates are given. The Issuer mitigates delays in payment from HMOs by investing in software programs that will efficiently monitor the Hospital's finances and receivables to ensure that its exposure to unpaid promissory notes is maintained at manageable levels.

The Issuer mitigates such risk through the availability of the credit line facility with the Development Bank of the Philippines amounting to P1,688,800,000.00. Furthermore, holders of Founders' shares are likewise readily available to support and provide additional funding for the Hospital's operations.

**Limited Resources/Losses (select all that apply):**

√	The Issuer has limited resources and will not be able to continue operating without the proceeds from this offering. It is possible that the proceeds from this offering and other resources may not be sufficient for the Issuer to continue to finance operations. The Issuer expects to continue to experience losses from operations and it cannot be predicted when or if the Issuer will become profitable. If the Issuer achieves profitability, it may not be sustainable.
√	The Issuer has incurred losses since inception and may incur future losses. The Issuer has not yet generated a profit from operations. As of the date of the most recent financial statements, the Issuer had an accumulated deficit of ₱24,331,803 as of the recent financial statements, September 30, 2021.

However, the Issuer can mitigate said risk by:

The Issuer mitigates such risk through the availability of the credit line facility with the Development Bank of the Philippines amounting to Php 1,688,800,000.00 (Php 1,188,800,000.00 for the construction of the Main Hospital Building, Php 146,000,000.00 to finance the acquisition of medical instruments, furniture and appliances and Php 354,000,000.00 for the Omnibus facility for the purchase of equipment. As of the date of this Final Prospectus, the Hospital has not utilized any amount from its available loan facility for hospital construction.

Furthermore, holders of Founders' shares are likewise readily available to support and provide additional funding for the Hospital's operations.

**Key Personnel**

	The Issuer's success depends substantially on the services of a small number of individuals
√	The Issuer may be harmed if it loses the services of these people and it is not able to attract and retain qualified replacements
√	The Issuer's officers, directors, managers and key persons will continue to have substantial ownership and control over the Issuer after the offering
√	The Issuer does not maintain key person life insurance on those individuals on whom the Issuer's success depends. The loss of any of these individuals could have a substantial negative impact on the Issuer and your investments.

However, the Issuer can mitigate said risk by:

The Issuer mitigates such risk by maintaining a competitive compensation package and benefits for its Management and Key Officers. The Human Resources Department will likewise maintain a program that will enhance and develop the career path of key officers and employees to ensure continued stay and loyalty to the Company.

**Inexperienced Management (select all that apply):**

	None of the Issuer's officers, directors, and/or managers has managed a company in this industry. The Issuer's ability to operate successfully may depend on its ability to attract and retain qualified personnel, who may be in great demand.
	None of the Issuer's officers, directors, and/or managers has experience in managing a development stage hospital

However, the Issuer can mitigate said risk by:

√	Not Applicable
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**Past Failures**

	Prior to organizing the Issuer, one or more of the Issuer's officers, directors, and/or managers operated a business in which shareholders lost part or all of their investment. The Issuer's ability to operate successfully may depend on its officers, directors, and/or managers to succeed where they have failed before.
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However, the Issuer can mitigate said risk by:

√	Not Applicable
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**Government Regulations:**

√	The Issuer must comply with local and national rules and regulations. If the Issuer fails to comply with a rule or regulation, it may be subject to fines or other penalties, or its permit or license may be revoked or suspended. The Issuer may have to stop operation and you may lose your entire investment.
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The Hospital, to the best of its ability, will comply with local and national rules and regulations, so as not to be subjected to any fines or penalties or its license revoked or suspended.

**Dilution (select all that apply):**

√	The price of a share in this offering is significantly higher than the book value of the securities. By participating in this offering, you will incur immediate and substantial dilution of the book value of your investment.
	To the extent outstanding options or warrants to purchase securities are exercised, new Investors will incur further dilution of the book value of their investment
√	There are no limits in place to restrict the Issuer's ability to issue securities in the future. If the Issuer issues additional securities, by participating in this offering you may experience further dilution of the value of your investment.

### No Existing Market

√	Because there is no market for the Issuer's securities, you may not be able to sell your securities or recover any part of your investment. You should not invest unless you can afford to hold your investment indefinitely.
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We can mitigate the risk by promoting the professional expertise of the medical practitioners of APMC Bacolod and creating a good market for hospital services and the healthcare industry. If we package quality healthcare and investment, this can easily attract many investors.

### Offering Price:

√	The offering price of the Issuer's securities has been arbitrarily set and accordingly should not be considered an indication of the actual value of the Issuer.
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The hospital believes that this risk does not apply since the price was not arbitrarily set by the Issuer as discussed under Determination of Offer Price.

### Best-effort Offering:

√	The Issuer is offering these securities on a "best-effort" basis. The Issuer has <u>not</u> contracted with an underwriter, placement agent, or other person to purchase or sell all, or a portion of its securities and there is no assurance that it can sell all or any of the securities.
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APMC Bacolod will be the first, JCI-accredited hospital in Bacolod City and Western Visayas. Considering Negros province has significant portion of its population working as overseas workers and business owners, the institution is optimistic that its shares will be saleable.

### Lack of Investor Control (select if applicable):

√	The Issuer's officers, directors, managers, and/or key persons will continue to have substantial control over the Issuer after the offering. As such, you may have little or no ability to influence the affairs of the Issuer.
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The hospital does not have mitigating measures for this risk because it is in the best interest of the corporation that it is run by professionals and experts in the medical field and hospital administration.

### Restriction on the Transfer of Shares

√	As indicated in the Articles of Incorporation and By-Laws of the Issuer, the ownership of its securities is restricted and is subject to the conditions stated therein. Likewise, the ownership of the shares of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. by individuals no matter how many, does not automatically entitle such holder the privilege to practice or use the facilities of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. The prospective medical practitioner or even the non-medical stockholder has to pass the evaluation and qualifications set forth by the Credentials Committee and the Board of
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	Directors. He has to possess the minimum requirements in order to be allowed to practice and enjoy the privileges of the hospital, including the regular payment of dues. And even if one is already admitted, if he violates the by-laws, internal rules and duly promulgated resolutions of the board, such stockholder may not be allowed to further practice or enjoy the facilities of the Hospital. Of course, this will be implemented after observing the basic rule of due process.
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The Issuer offers no mitigating measures for this risk. Precisely, such restriction has been carefully considered and agreed upon by the Founders, as written in the By-laws. An investor that decides to purchase the shares is bound by such restrictions.

**Political and Economic Factors**

√	<p>In general, the profitability of the Company depends to a large extent on the overall level of business and economic activity in the country, which in turn is affected by political and economic factors. Any political instability in the future may have a negative effect on the industries proposed to be served by the Company.</p> <p>In the past, the Philippine economy and the securities of Philippine companies have been, to varying degrees, influenced by economic and market conditions in other countries, especially in Southeast Asia, as well as investors’ responses to those conditions. Although economic conditions are different in each country, investors’ reactions to adverse developments in one country may affect the market price of securities of companies in other countries, including the Philippines. For example, the recent economic crisis in the United States and Europe triggered market volatility in other countries’ markets, including the Philippines. Accordingly, adverse developments in the global economy could lead to a reduction in the demand for, and market price of the Offer Shares.</p>
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**New Entrant Risk**

√	<p>New Entrant Risk is low. Once our hospital is operational, it will offer the best and the latest facilities in the treatment and management of diseases in the province of Negros. To explain it further, listed below are the factors that enable APMC- Bacolod to be the favored health facility in the province and a force in health care for many years to come.</p>
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**The risk can be mitigated by:**

1. Constant improvements and upgrading our facilities and accepting new techniques and technologies for use in the hospital.
2. Promoting continuous medical education and training of medical consultants and hospital staff.
3. Continuously improving the expertise and increasing the number of our specialists of our already comprehensive roster of medical and dental specialists covering a broad range of specialties.
4. Having a level 2 hospital with the most extensive diagnostic and treatment facility in Bacolod City and Negros. At APMC Bacolod, we will endeavor to have the most complete array of medical, diagnostic and treatment facilities in the province and the latest and most advanced diagnostic facilities like the MRI, CT Scan, Mammogram, 2D Echo, Chest X-Ray and Ultrasound. Specialized services will be made available such as Physical & Occupational Therapy and Rehabilitation Facilities, Cardiac Cath Lab, Lithotripsy Center, Ambulatory Chemotherapy Unit, Hemodialysis Center, Eye Center,

Wellness Center, Aesthetic Center, Cardiovascular & Pulmonary Center and Kidney Transplant Center among others.

5. Setting a goal to secure an international accreditation, specifically by the Joint Commission International (JCI)<sup>3</sup>. Having JCI accreditation will put APMC Bacolod at par with the leading hospitals in the country and other hospitals in the world which continually seek to improve the safety and quality of care in the international community in their quest for excellence.

## Taxation

√	Existing tax rates may increase in the future or existing tax exemptions and deductions may likewise be revoked, adversely affecting the Company's revenues. Similarly, such tax rates may decrease or new exemptions and deductions may be created, to the Company's benefit.
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Tax Rates can decrease or increase to the advantage or disadvantage (respectively) of the company. The company's stand is, it will comply with all government regulations especially regarding taxation. The effects of the TRAIN law on the hospital business are related to VAT Exemptions and Capital Gains Tax on shares of stocks. Health services are among the VAT-exempted sectors, along with educational services, cooperatives, PWDs, senior citizens, and raw agricultural and marine products. With the implementation of the TRAIN Law, health services remained as one of the VAT-exempt sectors. Sale of drugs and medicines prescribed for high cholesterol, diabetes, and hypertension were also included as VAT-exempt transactions.

Regarding Capital Gains Tax, the TRAIN Law states that "The net capital gains realized by an individual and a domestic corporation from the sale, barter, exchange, or other disposition of shares of stock in a domestic corporation that are not traded in the local stock exchange are subject to 15%. Train law simplifies the computation of capital gains tax because it removes the 5% -10% tax rates. However, the single tax rate is higher compared to the previous tax rates." Hence, the Capital Gains Tax on shares of stocks of the hospital increased to 15%.

Please refer to pages 93 for further discussion on Taxation under the National Internal Revenue Code (NIRC) as amended by the TRAIN Law.

### **Application for Exemption from Taxes by the Asia Pacific Medical Center - Bacolod Inc. (APMC Bacolod Inc.)**

APMC Bacolod intends to apply for tax incentives before the Fiscal Incentives Review Board by registering the construction and operation of its Hospital which is an approved project or activity under the Strategic Investment Priority Plan. If approved, APMC Bacolod will be entitled to the following incentives under Title XIII of RA 11534 otherwise known as the Corporate Income Tax and Incentive System:

1. Income Tax Holiday
2. 5% Special Corporate Income Tax
3. (SCIT) based on Gross Income Earned, in lieu of all national and local taxes – 5 to 10 years
4. Duty exemption on importation of Capital Equipment, raw materials, spare parts, or accessories

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<sup>3</sup>Joint Commission International (JCI) is an independent, not for profit organization which accredits and certifies health care organizations and programs across the globe. JCI accreditation and certification is recognized as a global leader for health care quality of care and patient safety.

5. Enhanced Deductions
6. VAT exemption on Importation and VAT Zero-Rating on local purchases ( export activities)

Enhanced Deductions include the following:

1. Depreciation allowance of assets-additional, 10% for buildings and additional 20% for machineries and equipment
2. 50% additional deduction on labor expense
3. 100% additional deduction on R&D
4. 100% additional deduction on training expense given to Filipino employees
5. 50% additional deduction on domestic input expense
6. 50% additional deduction on power
7. Enhanced NOLCO

The aforementioned incentives are expected to cushion the impact of debt services of the Company as it is estimated to offset 20-40% of the interest expense on the first two years of operation, 50-60% on the third year and 80-90% on the fourth year thereby maximizing income and optimizing shareholder value.

**Healthcare Illness: Emerging / Re-Emerging Infections**

√	Outbreaks of emerging infectious diseases and re-emerging infections such as leptospirosis, dengue, meningococemia, tuberculosis, HIV, COVID-19 and other new pathogen will continue to emerge and spread across regions and will challenge public health as never before signifying grim repercussions and health burden. These may cause countless morbidities and mortalities, disrupting trade and negatively affect the economy.
√	Emerging and Re-emerging Infectious Diseases are unpredictable and create a gap between planning and concrete action.
√	The presence of a Pandemic can easily overwhelm any healthcare facility, not only its bed capacity, but the healthcare workers themselves can get infected, that will result to lack of manpower.

These can be mitigated by:

The current situation emphasizes the risks and highlights the need to improve preparedness at local, national and international levels against future pandemics.

To address this gap, there is a need to come up with proactive systems that would ensure preparedness and response in anticipation to negative consequences that may result in pandemic proportions of diseases. Proactive and multi- disciplinary preparedness must be in place to reduce the impact of the public health threats.

To have a health system that is resilient, capable to prevent, detect and respond to the public health threats caused by emerging and re-emerging infectious diseases and provide and strengthen an integrated, responsive, and collaborative health system on emerging and re-emerging infectious diseases towards a healthy and bio-secure country.

Strategies are:

- Policy Development
- Resource Management and Mobilization

- Coordinated Networks of Facilities
- Building Health Human Resource Capacity
- Establishment of Logistics Management System
- Managing Information to Enhance Disease Surveillance
- Improving Risk Communication and Advocacy

## Technology

√	Healthcare institutions use new technology to implement into patient care, and facility management. But cyber threats also continue to evolve in order to circumnavigate the updates in our technology.
√	Hospital Information System hold sensitive personal information of patients, hospital staff and even medical practitioners. Cyber criminals can hack into the system and steal sensitive information and violate privacy of hospital data and patients' data.

These can be mitigated by:

1. Enforcing System awareness and proper training of hospital personnel and staff. The hospital will employ incident response plans to address specific problems involving the Hospital Information System.
2. Install anti-malware applications in the system to prevent hacking and employ well trained Information Technology team to constantly monitor threats to the System.

## Other Risks

Risk relating to Hospital Business

- Licenses, permits
- Regulatory risks
- Emergencies/disaster risks
- Government discount programs/collection from Philippine Health Insurance Corporation
- Hazardous material events, e.g., chemical/radiological exposure
- Physician litigation

The Hospital intends to mitigate risks related to emergency/disasters, hazardous materials events e.g., chemical/radiological exposure through facility - readiness, staff training and education, and compliance with government regulations. For example, the hospital intends to deal with the pandemic, chemical contamination, and natural calamities by designing the structure in such a way as to provide the highest standards of safety for the patients.

Regarding physician litigation, the hospital intends to mitigate this risk by aiming for and complying with the highest standards of ethical medical practice. The hospital intends to uphold the interest and dignity of every patient in the delivery of compassionate health care, hence decreasing the risk of physician litigation.

Risks to purchasers associated with corporate actions including:

- Additional issuance of securities
- Issuer repurchases of securities
- A sale of the Issuer or of assets of the Issuers
- Transactions with related parties
- Risk on Dividends



For many investors, the main incentive for buying shares of stocks is the dividend that they expect to receive. For the shareholders of this company, the benefits that they will gain from the purchase of shares will come from both the management discounts on diagnostic and professional services as well as dividends. The risks on dividends are related to the fact that they are dependent on the market, the hospital revenues, financial standing, the direction towards further growth that the hospital will be taking and the expectation of the shareholder. The shareholder must understand that in the early stages of the hospital operation the dividend, if any, may be small because the company will use its retained earnings to sustain the business operations and for payment of loans. When the company has been operating and in a more stable situation, higher dividend rates may be expected.

For further discussion on dividends and dividend policy of the company, please see page 65.

In addition to the foregoing enumeration, there may be other risks (either unknown to the Company as of the date of this Prospectus or deemed immaterial) which may have an adverse effect on the investment to be made by the prospective buyers.

## **BUSINESS INFORMATION**

### **1. Anticipated Business Plan of the Issuer**

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will set up a Level 2 health care facility with an organized, systematic, cost-effective, sympathetic and holistic approach to its goal in providing the best quality and justifiable medical services to its clients and stakeholders. ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will be a 7-storey 248-bed capacity hospital with 1 basement parking, with total floor area of 38,084.03 sqm. constructed in a 10,000 sqm. property located at Lacson St., Barangay Bata, Bacolod City, Negros Occidental. It will be a multidisciplinary specialty medical facility that will house medical specialists who are subscribers to the capital stock of the Corporation. The intended and considered markets for its shares are mostly medical specialists and individuals who are related to medical specialists.

The act of purchasing the securities being offered does not automatically entitle such purchaser to practice his profession and use the facilities of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC., although it is a prerequisite. Physicians and dental specialists who are subscribers to at least one (1) block or ten (10) shares of the capital stock, whether Founders' or common shares, and have paid in full may be allowed to practice. Such purchasers have to undergo the required screening process and must possess the minimum requirements as indicated in the Articles of Incorporation, By-Laws and Internal Rules of the Hospital. After successfully passing this process, the applicant shall then be entitled to the privileges granted by the Hospital. The privilege to practice in the Hospital is subject to restrictions, limitations, and obligations as maybe imposed by ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. pursuant to its rules and duly approved resolutions. Medical Specialists who have been granted the right to practice shall continuously possess the required qualifications and may be subjected to post-qualification assessment to ensure the quality of service provided by the hospital.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. shall assess and collect from each duly admitted medical, surgical and dental specialist the appropriate lease/rental fee for the doctor's clinic and monthly dues (for utilities) effective on the date of turnover.

### **2. Operations**

The Issuer (select all that apply):

<input checked="" type="checkbox"/>	Has never conducted operations
<input checked="" type="checkbox"/>	Is in the construction development stage
<input type="checkbox"/>	Is currently conducting operations
<input type="checkbox"/>	Has shown a profit in the last fiscal year

Briefly describe:

The Hospital is not yet operational as construction of the Hospital building and its facilities is still ongoing.

3. **Jurisdiction:** Is the Issuer an entity organized and doing business in the Philippines?

Yes  No

4. Date of Incorporation: **July 04, 2017**

5. Fiscal Year End (Month and Day): **31 December**

**Suppliers:**

The Issuer (select all that apply):

<input checked="" type="checkbox"/>	Has major supply contracts
<input type="checkbox"/>	Is currently or expects to be dependent upon a limited number of suppliers
<input type="checkbox"/>	Has no suppliers

Sources and availability of raw materials and the names of principal suppliers; If the registrant is or is expected to be dependent upon one or a limited number of suppliers for essential raw materials, energy or other items, describe. Describe any major supply contracts.

APMC Bacolod has entered into supply contracts with **INOVADIS Inc.** for deformed steel bars and **PEB Steel Buildings Co., Ltd.** For pre-engineered steel. Purchase and Supply Agreement with **Prime Powers Industrial Electric Corporation** for the supply of electrical materials and provider of installation services

APMC Bacolod also has executed Service Contract with the following providers: **UNITAN Construction & Development Corporation** as the General Contractor; **DND Atelier Inc.** for Architectural Design, Interior Design and MEPFS Bid Management; **Bureau Veritas S.A.** as the Project Management Team, **Domber Security Agency, Inc.** for the security manpower, and **Sophils General Merchandise (Pure 03 Philippines)** for the Sewage Treatment Plant Design, Supply and Construction.

## Procurement Policy

State the procurement policy of the hospital.

A Purchasing Committee was created, the members were appointed by the President.

- The Committee meets regularly, on a weekly/monthly basis, to conduct a bidding process depending on the urgency to procure a particular item.
- The Committee invites at least 3 prospective bidders from Bacolod, Iloilo or Manila. Suppliers are asked to submit a quotation on a particular item, through a sealed bidding process.
- The Committee will witness the opening of bids, tabulate and analyze through an “apple to apple” comparison and make sure that the item offered is in conformity with the specification/s given.
- The Committee, prior to the awarding of the winning bid, consults first with the end-users to ensure that the item to be purchased will serve its intended purpose.
- The Committee will submit the canvassed items together with the bid analysis/tabulation of the offer to the Executive Committee for further scrutiny and subsequent endorsement to the Board for approval.
- Upon approval of the Board, the Purchasing Committee will prepare the Purchase Order (PO) to be issued to the winning bidder for delivery of the item.

## Competition

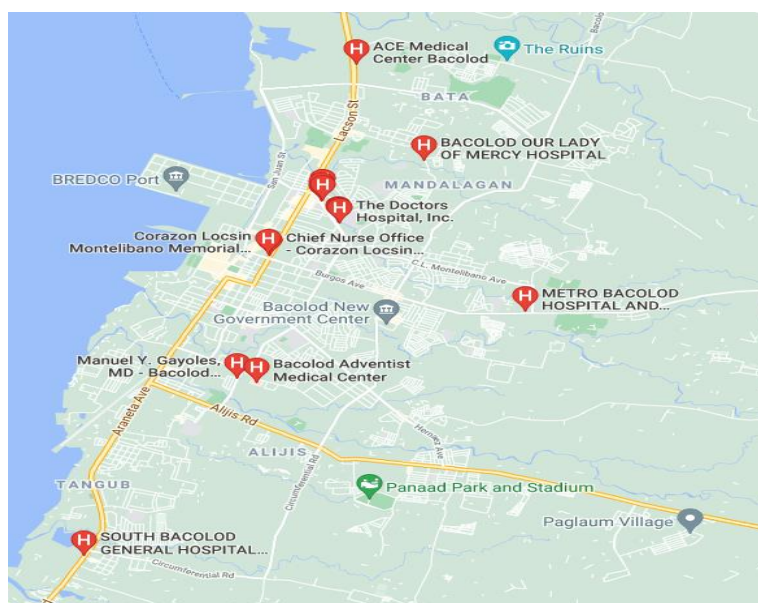
Describe the competition that the Issuer faces, and how the Issuer intends to compete. If the Issuer offers what it considers to be unique goods or services, discuss competition from companies that provide similar or substantial goods or services.

Name the Issuer’s principal competitors, and indicate their relative size and financial market strengths. Describe the Issuer’s strategy, whether to compete by price, service, or some other basis.

The issuer belongs to the industry which caters to the need of the public and medical, surgical and dental specialists for hospital facilities. There are no recognized trends within such an industry. The geographic area of competition is in Bacolod City, wherein the following hospitals are operating: Riverside Medical Center, Bacolod Adventist Medical Center, The Doctors’ Hospital Inc., Corazon Locsin Montelibano Memorial Regional Hospital, South Bacolod General Hospital, Metro Bacolod Hospital Medical Center, and Bacolod Queen of Mercy Hospital.

NAME OF HOSPITAL	ADDRESS	BED CAPACITY	CATEGORY	LEVEL OF CLASSIFICATION
Riverside Medical Center Inc.	B.S. Aquino Drive Bacolod City, 6100 Philippines	300	Private	3
Bacolod Adventist Medical Center	C.V. Ramos St, Barangay Taculing, Bacolod, 6100 Negros	170	Private	3

	Occidental			
The Doctors' Hospital Inc.	B.S. Aquino Drive, Bacolod, 6100 Negros Occidental	169	Private	3
Corazon Lacson Montelibano Memorial Regional Hospital	Lacson St, Bacolod, 6100 Negros Occidental	1000	Public	3
South Bacolod General Hospital	Araneta Ave, Bacolod, Negros Occidental	100	Private	2
Metro Bacolod Hospital Medical Center	Burgos St, Bacolod, 6100 Negros Occidental	110	Private	2
Bacolod Queen of Mercy Hospital	Eroreco, Mandalagan, Bacolod City, 6100 Negros Occidental	200	Private	2



The strategic location<sup>4</sup> of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. primarily influences the decision of the medical, surgical and dental specialists to subscribe to the shares of stock in ASIA -PACIFIC MEDICAL CENTER BACOLOD, INC. Once the physician or dentist decides where to practice, price and quality of facility management come as the next factors.

Good location, proximity to patients, reasonableness of the offer price and quality of the facilities enable ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. to effectively compete with its competitors within the area.

<sup>4</sup> Strategic Location - where population demographics are high because it is near or within the business district, close proximity to transportation terminals, church and gas stations. The area is very convenient for patients and their relatives in terms of the proximity of health service with other services within the locality. With this, patients prefer to be admitted in APMCBI. Being in the right location is a key ingredient in the success of a business. Photo credits to google maps

Patients will find a better ambiance with ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. due to its carefully planned, designed, constructed hospital building. Its advantage is not simply its newly built structure but it also boasts of new facilities and equipment unlike the competitors whose structures have existed for 60 years with minimal improvement.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will be a one-stop-shop with its latest technology, with complete laboratory and diagnostic facilities and specialized services.

#### LABORATORY AND IMAGING FACILITIES:

- MRI
- CT Scan
- Mammogram
- 2D Echo
- Chest X-Ray
- Ultrasound
- Bone Densitometry
- Eye Center
- Wellness Center
- Aesthetic Center
- Cardiovascular & Pulmonary Center
- Kidney Transplant Center
- Neuro-laboratory
- Oncology Center and Transfusion Unit
- Nutrition and Dietetics
- High Risk Pregnancy and Infertility

#### Marketing

Describe how the Issuer plans to market its products or services during the next 12 months, including who will perform these marketing activities

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will market and offer the securities through hospital employees who are well versed with Hospital operations who have been designated as salesmen<sup>5</sup>. These organic employees are well aware of the mission and vision of the hospital and are accustomed with hospital operations. Management believes that the strategic location of the hospital, the facilities and the services it will provide, and the people behind the hospital, are sufficient to entice medical and dental specialists and prospective investors to consider the offer. ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will greatly rely on these organic salesmen and satisfied patients to spread the word about the facilities the hospital can offer.

The marketing strategies are designed to develop long-term relationship with the clients of the hospital. Everyone in the hospital will be trained to provide excellent healthcare services and customer service. The following actions will be done in order to slowly attract clients to patronize the services provided by the hospital:

- Advertising and promotion through social media and mass media.
- Distribute flyers in strategic locations within the city.
- Send introductory letters to schools, businesses, and other commercial establishments
- Collaborate with Healthcare Insurance Companies and drug companies.
- Branding: Make the hospital logo visible in the employees' uniforms, hospital vehicles, and the ambulance.
- Hire a specialized hospital marketing agency.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will be positioned as the first green hospital in Bacolod City. Among the benefits of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. as a Green

Hospital are:

- Potential to reduce patient recovery time
- Eliminate the Sick Building Syndrome (SBS) for both patients and Staff
- Reduce stress levels in hospital workers, thus improving the quality of care
- Lower energy and water consumption.

As a green hospital, the management will focus on the following areas for the hospital design: lighting, indoor air quality, green house-keeping, clean and green interior building materials and gardens and landscapes.

**Employees**

The Issuer (select all that apply):

	Has existing Labor Union in the company
	Has existing Collective Bargaining Agreement
	Has existing labor strike

Indicate whether or not any of them are subject to collective bargaining agreements (CBA) and the expiration dates of any CBA. If the registrant’s employees are on strike, or have been in the past three (3) years, or are threatening to strike, describe the dispute. Indicate any supplemental benefits or incentive arrangements the registrant has or will have with its employees;

Since the hospital is under construction and we see that we will be operational by 2024, the Board has not decided yet on the supplemental benefits or incentive arrangements that will be given to its employees.

Type of Employees	Number of Current Employees	Expected within the Next 12 months
Medical Support Staff	-	-
Administrative Staff	5	6
Engineering and Maintenance	2	3
Outsourced	Security	Security
Others	-	-

**Medical and Dental Specialists**

Briefly describe the qualifications and criteria to qualify. Disclose the current number of medical and dental specialists and its expected number within the next 12 months.

Medical and dental specialists are doctors who possess the minimum qualifications and are deemed fit to practice, upon recommendation by the Credentials Committee and approved by the Board and Management of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.

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<sup>5</sup>Please see details under Plan of Distribution on page 55.

The admission to the medical and dental staff roster of APMC Bacolod will be under the jurisdiction of the Credentialing and Privileging Committee.

He/She must be a graduate of an accredited training hospital and must have passed the Credentials Committee of APMC Bacolod. He/she must be in good standing with the Philippine Medical Association or Philippine Dental Association and their respective component societies. Documentary requirements to include, but not limited to, Professional Regulation Commission (PRC) license and Philippine Health Insurance Corporation (PHIC) accreditation, shall be submitted to the Credentialing and Privileging Office upon application. Upon submission of the requirements, the committee will recommend to the Chief of Medical Services, the Executive Vice President, the Chief Executive Officer, and the BOD for final approval.

Medical and dental specialists may have the option to apply for a Privilege to Practice and enjoy a clinic space and time at APMC Bacolod, or practice as regular visiting medical and dental staff. Policies and procedures for acceptance to the medical and dental staff will be stated in the Manual of Policies and Procedures of the Credentialing and Privileging. Review of the medical, surgical and dental staff credentials is annually, and privileges review is every two years.

It is estimated that, ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. has a total of 24 medical Specialists who will practice within the hospital. Within the next 12 months, it is expected that the Hospital will accept at least 50 more medical specialists.

<b>No.</b>	<b>Medical Specialist</b>	<b>Specialization</b>
1	Abad, Alben Teodoro T.	Radiology
2	Achurra, Alexander Kent T.	Surgery (Transplant, Vascular and General)
3	Balinas, Rhona T.	Anesthesiology
4	Bautista, Katheryn Kristy P.	Obstetrics And Gynecology (Ultrasonology)
5	Concel, Leopoldo M.	Internal Medicine
6	Encarnacion, Joseline C.	Internal Medicine
7	Espinosa, Wendell Z.	Internal Medicine (Gastroenterology)
8	Galve, Gregorio L	Internal Medicine (Oncology)
9	Gebusion, Anthony C.	Internal Medicine (Cardiology)
10	Germinal, Rodolfo, Jr. E.	Internal Medicine (Neurology)
11	Jalea, Ruel U.	Surgery (Oncology)
12	Jesena, Salve Regina S.	Pediatrics
13	Magallanes, Bel Manuel G.	HEENT
14	Magbanua, Ma. Leila M.	Internal Medicine (Nephrology)
15	Malata, Ma. Ivy V.	Pediatrics
16	Mallen, Andrew I.	Internal Medicine (Oncology)
17	Martyr, John Clifton U.	Internal Medicine (Pulmonology)
18	Pabicon, Olga H.	Internal Medicine (Rheumatology And Connective Tissue Diseases)
19	Pacete, Jimmy B.	General Surgery
20	Pedroza, David G.	Pathology

21	Rodrigo, Sherwin Lowe B.	Surgery (Hepatobiliary And Pancreatic, Minimally Invasive Surgery, Surgical Endoscopy)
22	Tad-y, May Claire R.	Obstetrics And Gynecology
23	Villanueva, Maria Teresa D.	Pediatrics
24	Yap, Jose Joel B.	Internal Medicine (Cardiology)

## Properties

The Issuer (select all that apply):

Property	Own	Lease
Land/Building/Real Estate	√	
Equipment and other long-term assets	√	
Intangible property such as patents, licenses, copyrights, trademarks, etc.	√	

Give the location and describe the condition of the principal properties (such as real estate, plant and equipment, mines, patents, etc.) that the registrant and its subsidiaries own. Disclose any mortgage, lien or encumbrance over the property and describe the limitations on ownership or usage over the same. Indicate also what properties it leases, the amount of lease payments, expiration dates and the terms of renewal options. Indicate what properties the registrant intends to acquire in the next twelve (12) months, the cost of such acquisitions, the mode of acquisition (i.e., by purchase, lease or otherwise) and the sources of financing it expects to use. If the property is being leased, indicate and describe the terms and conditions of the lease.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. Hospital will be a 7-storey with lower ground level, 248-bed capacity hospital with 1 basement parking level. Total floor area is around 38,084.03sq.m. constructed in a 10,000 sq.m. property located at Lacson St., Brgy. Bata, Bacolod City, Negros Occidental. It will also serve as a Referral Center for Asia-Pacific Medical Center (APMC) institutions in other parts of the country which APMC Bacolod has a Memorandum of Agreement with.

The land on which the hospital building will rise was bought in cash by the company. It is covered by TCT No.092-2018008504 and Tax Declaration Nos. 238299-2020 registered in the name of Allied Care Experts Medical Center - Bacolod Inc. (now Asia-Pacific Medical Center Bacolod, Inc.) The land is mortgaged to DBP for the loans secured intended for the construction of the hospital building, purchase of medical equipment, and other medical instruments.

The Hospital will have the following facilities:

*The following table shows the individual floor areas of the two buildings of Asia-Pacific Medical Center Bacolod, Inc., the areas of their respective key component department/unit/room areas, the total floor areas of both buildings and finally, the total gross floor area of the entire facility.*

*Floor and component department/unit/room areas. All areas are expressed in square meters.*



## MAIN HOSPITAL BUILDING

<b>LOWER GROUND FLOOR - MAIN HOSPITAL BUILDING</b>	<b>5,917.89</b>
Satellite Laboratory (Blood Bank and Drug Testing Room)	168.18
Psychiatric Nursing Unit	415.89
Patient Discharge Area	46.95
Staff Lockers and Lounge	110.24
Patient Transport and Motorpool Department	57.77
Bellman Service Office	33
Linen and Housekeeping Unit	162.66
Dietary Unit	657.52
Security Department	82.26
Nuclear Medicine unit	243.18
Space for fire pump	177.43
Loading Bay	79.08
Driveway	2,159.76
Morgue	80.96
Patient lift Lobby/Public Stair	174.3
Warehouse Department	296.05
Purchasing Department	112.49
Biomedical Department	92.66
Engineering Department	143.22
General space/Stair/ramp	624.29
<b>AUXILARY BUILDING - Utilities outside the building like Powerhouse, STP &amp; Housekeeping</b>	<b>289.64</b>
<b>UPPER GROUND FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,542.36</b>
Main Lobby	308.19
Cafeteria	171.63
Business Center	284.12
Guest Services Department	76.36
Emergency Department	1,064.34
Laboratory	292.06
Radiology Department	540.93
Patient lift Lobby/Public Stair	176.4
General space/Stair/ramp	628.33
<b>SECOND FLOOR - MAIN HOSPITAL BUILDING</b>	<b>4,097.07</b>
Surgical Suite [including Post-Anesthesia Care Unit (PACU)/Recovery Room]	1,265.99
Obstetrical Suite [including Post-anesthesia Care Unit (PACU)/Recovery Room]	711.66
Neonatal Intensive Care Unit (NICU)	267.4
Pediatric Intensive Care Unit (PICU)	178.47
Medical, Surgical and Neurological Intensive Care Unit (MICU, SICU, and Neuro ICU)	519.67

Infectious Medical Intensive Care Unit (IMICU)	321.75
Patient lift Lobby/Public Stair	176.13
Lounge	45.59
General space/Stair/ramp	610.41
<b>THIRD FLOOR - MAIN HOSPITAL BUILDING</b>	<b>4,317.20</b>
Nurse Station	112.65
Pediatric Ward (4-5 beds each)	410.06
Pediatric Private Room	(6 units) 168.20
Pediatric Semi-Private Room (2 beds each)	(9 units) 355.00
Pediatric Isolation Room	38.77
Gyne Private Room	(3 units) 78.09
Gyne Ward (5 beds)	85.42
Obstetric Private Room	(4 units) 127.72
Obstetric Semi-Private Room (2 beds each)	(3 units) 137.79
Obstetric Junior Suite Room	(2 units) 85.15
Obstetric Ward (4 beds)	62.73
Pediatric Department Head Office and Conference Room	58.22
Ob-Gyne Department Head Office and Conference Room	36.81
Playroom	26.05
Doctors' Lounge (with Toilet and Bath)	22.4
Dialysis suite	282.57
Central Sterile Room	88.22
PCSO/PHIC/Cashier/Waiting Area/Offices	240.28
Cafeteria	244.06
Information Counter	40.41
Patient lift Lobby/Public Stair	176.66
General space/Free space/Lift and Stair/Public Toilet/Bridge	1439.94
<b>FOURTH FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,847.54</b>
Nurse Station	95.31
Semi-Private Room	(15units) 658.73
Isolation Room	27.97
Cardiology Center	287.21
Pulmonary Center	145.65
Physical Medicine and Rehabilitation Center	265.95
Hematology - Oncology Center	343.89
Lactation Center	60.4
Urology Center	84.93
Research Center	63.68
Ethics Committee Office	29.55
Medical Department Head Office and Conference Room	57.26
Surgical Department Head Office and Conference Room	57.26
Family Medicine Department Head Office and Conference Room	78.83
ENT/Orthopedic Department Head Office and Conference Room	42.22
Family Conference Room	14

Doctors' Lounge	18.74
On-Call Doctors' Room (2 beds each)	22.58
Chapel (with Resident Priest's/Chaplain's Bedroom)	117.05
Information Counter	46.16
Patient lift Lobby/Public Stair	176.63
General space/Free space/Lift and Stair/Public Toilet/Bridge	1153.54
<b>FIFTH FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,341.08</b>
Nurse Station	213.93
Private Room	(32units) 869.72
Semi-Private Room	(16units) 686.95
Isolation Room	26.1
Family Conference Room	25
Prayer Room	19.9
Doctors' Lounge (with Toilet and Bath)	20
Coffee Lounge (excluding outdoor area)	117.34
Patient lift Lobby/Public Stair <b>22211</b>	177.86
Information Counter	<b>39.5</b>
General space/Free space/Lift and Stair/Public Toilet	1144.78
<b>SIXTH FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,662.27</b>
Nurse Station	213.93
Private Room	(22units) 593.48
Isolation Room	39.58
Junior Suite Room	(13units) 494.34
Private Suite Room	(11units) 602.82
Family Conference Room	25
Prayer Room	19.9
Doctors' Lounge (with Toilet and Bath)	20
Business/Function Room	40
Patient lift Lobby/Public Stair	176.79
Information Counter	39.68
General space/Free space/Lift and Stair/Public Toilet	1396.75
<b>SEVENTH FLOOR - MAIN HOSPITAL BUILDING</b>	<b>3,549.95</b>
Executive Offices Section	279
Boardroom (with Pantry)	109
Ancillary Services Office	76
Nursing and Support Services Section and Marketing Department	325.25
Finance and Accounting Department	135.54
Hospital Administrator's Office	74.05
Medical Service Committee Office	245.56
HR Department	347.42
Medical Records Department	183.91
Auditorium	434.03
Staff Canteen (excluding outdoor dining area)	159.53
Guest Doctor's Room	(2units) 60.33
Skills Training & Conference Room	89.53

Patient lift Lobby/Public Stair	176.51
Reception	39.52
General space/Free space/Lift and Stair/Public Toilet	814.77
<b>ROOF DECK-MAIN HOSPITAL BUILDING</b>	<b>359.84</b>
<b>TOTAL OFFICIAL GROSS FLOOR AREA</b>	<b>32,924.84</b>

### MEDICAL ARTS BUILDING

<b>LOWER GROUND FLOOR - MEDICAL ARTS BUILDING</b>	<b>725.64</b>
IT Department	112.58
Gym (Fitness) Room	91.49
Bank Vault	60.09
Convenience Store Storage	45.8
Pharmacy Storage	148.88
General space/Free space/Lift and Stair	266.8
<b>UPPER GROUND FLOOR - MEDICAL ARTS BUILDING</b>	<b>683.43</b>
Ambulatory Services Center	194.06
Pharmacy	162.96
Bank	54.39
Convenience Store	43.93
General space/Free space/Lift and Stair	228.09
<b>SECOND FLOOR - MEDICAL ARTS BUILDING</b>	<b>908.76</b>
Single-Doctor/Founder's Clinic (with Toilet and Bathroom)	(7 units) 157.08
Shared Clinic (with Toilet and Bathroom)	(10 units) 306.03
General space/Free space/Lift and Stair/Public Toilet	<b>445.65</b>
<b>THIRD FLOOR - MEDICAL ARTS BUILDING</b>	<b>908.76</b>
Single-Doctor/ Founder's Clinic (with Toilet and Bathroom)	(7 units) 157.08
Shared Clinic (with Toilet and Bathroom)	(10 units) 306.03
General space/Free space/Lift and Stair/Public Toilet	<b>445.65</b>
<b>FOURTH FLOOR - MEDICAL ARTS BUILDING</b>	<b>908.76</b>
Single-Doctor/Founder's Clinic (with Toilet and Bathroom)	(7 units) 157.08
Shared Clinic (with Toilet and Bathroom)	(8 units) 267.96
Dental Unit	63.82
General space/Free space/Lift and Stair/Public Toilet	<b>419.9</b>
<b>FIFTH FLOOR - MEDICAL ARTS BUILDING</b>	<b>908.76</b>
Single-Doctor/Founder's Clinic (with Toilet and Bathroom)	(7 units) 157.08
Shared Clinic (with Toilet and Bathroom)	(10 units) 306.03
General space/Free space/Lift and Stair/Public Toilet	<b>445.65</b>
<b>SIXTH FLOOR-MEDICAL ARTS BUILDING</b>	<b>115.08</b>
<b>TOTAL OFFICIAL GROSS FLOOR AREA</b>	<b>5,159.19</b>

**TOTAL FLOOR AREA (MAIN HOSPITAL BUILDING AND MEDICAL ARTS BUILDING):**  
**38,084.03 sq.m.**

The Hospital does not intend to acquire any property within the next twelve (12) months.

**Legal Proceedings of Company, its Subsidiaries and/or Affiliates**

Describe briefly any material pending legal proceedings to which the registrant or any of its subsidiaries or affiliates is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities or any other entity

THE ISSUER IS NOT A PARTY TO ANY LEGAL PROCEEDINGS, NEITHER IS ANY OF ITS PROPERTIES THE SUBJECT OF ANY PENDING LEGAL PROCEEDINGS.

**Government Regulation** (select all that apply):

√	The Issuer and/or its products/services are subject to material regulation by a government agency.
√	The Issuer is required to have a license or permit (other than organizational license) to conduct business.
√	The Issuer has obtained any required licenses or permits to conduct business.

Need for any government approval of principal products or services. If government approval is necessary and the registrant has not yet received that approval, discuss the status of the approval within the government approval process.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. has secured the necessary permits to construct the Hospital. Other permits may be required later for its operation and shall be complied with by the Company.

	List of Permits	Permit Number	Date Granted	Date of Expiration
1	Building Permit (OBO)	06006-0984B	November 08, 2019	N/A
2	Electrical, Line and Grade, Architectural, Civil, Mechanical, Plumbing Permit (DPWH)	N/A	October 29, 2019	N/A
3	Mayor's Permit	202296031	February 15, 2022	February 15, 2023
4	Barangay Business Permit	150551062	January 31, 2022	January 31, 2023

5	Certificate of Finality- Land Use and Zoning (DAR)	A-0600-005-2019	May 29, 2019	N/A
6	Civil Aviation Authority of the Philippines (CAAP) Clearance	I-0406-19-968719	May 08, 2019	N/A
7	Certificate of Zoning Compliance	7765414	April 25, 2018	N/A
8	Certificate of Annual Inspection	C106006-2003010	April 22, 2020	April 22, 2021
9	Fire Safety Evaluation Clearance	06-21-103744	November 17, 2021	November 22, 2022
10	Certificate of Registration (BIR)	2RC0001234208	July 04, 2017	N/A
11	Approval of Construction Safety and Health Program (DOLE)	A-1410-0619-ROVI-NOCFO-0153	June 4, 2019	N/A
12	License to Operate	N/A	To be secured	N/A
13	Occupancy Permit	N/A	To be secured	N/A

In the course of its pre-operation stage, ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. will secure permits and licenses from national and local government entities particularly the License to Operate (LTO) from the DOH, Environmental Compliance Certificate and Hazardous Waste Permit from DENR. The Building Permit and Occupancy Permit will be issued by the Bacolod City Office of the Building Official and Business Permit from BPLO of Bacolod City.

The LTO will be secured after the full construction of the Hospital and the necessary Occupancy Permit from the Building Official has been issued. The DOH will need to conduct ocular inspection of the facilities of the Hospital, as well as the pre-operation procedures of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. to ensure it is compliant with the standards of the Department prior to issuance of the LTO.

## Services and Departments

Provide information on hospital departments and their functions. Include personnel overview per department and their functions.

### DEPARTMENT OF INTERNAL MEDICINE

The Department of Internal Medicine shall include physicians with a pivotal role in the medical care to adult patients in the hospital. The department shall include physicians trained in Internal Medicine and/or its various affiliate and associate sub-specialties. Its members shall collaborate with physicians from other specialties, members of paramedical services and other hospital departments to provide compassionate, safe, affordable and effective medical care.

Objectives:

- a. Demonstrate clinical competence in providing prompt, informed, state-of-the-art specialty care for patients.
- b. Promulgate a high standard of ethical and professional service in the various subspecialties of Internal Medicine.

- c. Collaborate with other specialties and paramedical personnel in providing competent, compassionate care to medical patients.
- d. Initiate continuing medical education programs for the medical staff and other hospital personnel.
- e. Promote cooperation and camaraderie among the medical staff.
- f. Participate in the implementation of hospital policies involving Internal Medicine emanating from the Board of Directors, Hospital Administrator, medical Director and Chief of Clinics.
- g. Using Philippine College of Physicians (PCP) Residency Training Program (RTP) guides, establish a residency training program for accreditation by the PCP.

**Manpower Complement**

Department Chairman	:	1
Training Officer	:	1
Chief Resident	:	1
Resident Physicians	:	2

**DEPARTMENT OF PEDIATRICS**

The Department of Pediatrics promotes the health of children and adolescents with a balanced program that seeks new knowledge through research, provides outstanding educational opportunities, delivers high quality comprehensive clinical care and service, advocates vigorously for children and adolescents, and is responsive to the changing needs of our community and society.

**Objectives:**

- a. Provide optimum child health care for the community based on current clinical practice guidelines.
- b. Formulate and implement cost effective therapeutic regimens
- c. Enhance professional skills and knowledge through initiation and participation in Continuing Medical Education activities.
- d. Develop camaraderie, understanding, and unity among consultant staff.
- e. Plan towards standardization of specific service units to meet the requirements of the Philippine Pediatric Society (PPS) – Hospital Accreditation Board for Residency Training program, through which we would be proficient enough to deliver the best medical services to our patients.
- f. Establish a pediatric residency training program following the guidelines set by the PPS.

**Manpower Complement**

Department Chairman	:	1
Training Officer	:	1
Chief Resident	:	1
Resident Physician	:	2

**DEPARTMENT OF OBSTETRICS AND GYNECOLOGY**

The Department of Obstetrics and Gynecology focuses on women’s health and wellness by providing high quality patient care, educating future leaders, and fulfilling innovative

research within a highly collaborative environment. It is a leading institution in all aspects of women's health with nationally recognized programs in obstetrics and gynecology, including high-risk pregnancy, reproduction genetics, gynecology, breast disease, infertility, contraception and cancer.

Objectives:

- a. To provide prompt, updated obstetrical and gynecologic care for patients
- b. To maintain a high standard of ethical and professional service in the various fields of Obstetrics and Gynecology.
- c. To support the continuing medical education programs for the medical staff and paramedical personnel.
- d. To develop a residency training program in Obstetrics and Gynecology with the ultimate goal of accreditation by the Philippine Board of Obstetrics and Gynecology (PBOGS).
- e. To implement hospital policies emanating from the Board of Directors, Hospital Administrator, Medical Director and Chief of Clinics.
- f. To promote camaraderie among medical staff.

Manpower Complement

Department Chairman	:	1
Training Officer	:	1
Chief Resident	:	1
Resident Physician	:	2

## **DEPARTMENT OF SURGERY**

The department of General Surgery is committed to manage and deliver state of the art service to surgical patients, founded on Scientific evidence and Clinical Practice Guidelines. The department will ensure a good working relationship with the allied disciplines to produce best clinical outcomes.

Objectives:

- a. To provide prompt, scientific, and updated surgical care founded on Clinical Practice
- b. To maintain a high standard of ethical and professional service in the various fields of surgery.
- c. To facilitate the accreditation of the different sections by their respective mother societies, to primarily build their respective residency training programs.
- d. To perform Elective, Emergency, and outpatient surgical procedures based on the indications set by the surgical staff of the different sections.
- e. To manage malignant, benign, infectious, and inflammatory surgical cases.
- f. To promote multidisciplinary approach in the management of unique and difficult surgical cases.
- g. To promote camaraderie among the surgical staff.
- h. To support the continuing medical education programs of the different surgical societies.
- i. To implement hospital policies emanating from the Hospital Management.

Manpower Complement

Department Chairman	:	1
Training Officer	:	1
Resident Physician	:	



## DEPARTMENT OF FAMILY MEDICINE

The Department of Family Medicine shall include general practitioners and physicians trained in Family Medicine. Their main focus shall be on the medical conditions commonly encountered in a primary care setting and shall provide for initial management in these cases prior to referral to the next level of specialty care. They will be engaging more in the health promotion aspects of medicine.

Objectives:

- a. Provide initial, immediate care to patients.
- b. Assess patients and facilitate referral to the appropriate specialty among patients that require specialized care.
- c. Research, formulate and implement programs for health promotion and lifestyle regimens that shall compliment specialty care.
- d. Be at the forefront in the implementation of health promotion and disease prevention programs of local health boards and of the Department of Health.
- e. Establish a Family Medicine Residency Training program based on the guidelines set by the Philippine Academy of Family Physicians (PAFP)

Manpower complement

Department Chairman	:	1
Training Officer	:	1
Chief Resident	:	1
Resident Physicians	:	2

## DEPARTMENT OF MEDICAL IMAGING AND RADIATION

Medical imaging encompasses different imaging modalities and processes to image the human body for diagnostic and treatment purposes and therefore plays an important role in initiatives to improve public health for all population groups. Imaging for medical purposes involves a team of various medical and allied health personnel, biomedical engineers, and other support staff working together to optimize the wellbeing of patients, one at a time.

Objectives:

- a. Provide imaging techniques, modalities and procedures most appropriate to investigate and/or treat clinical problems.
- b. Select imaging technique or perform a selected treatment including ensuring image quality is clinically acceptable
- c. Communicates reliable and quality imaging findings to the clinicians in a time-appropriate manner and follow-up as appropriate
- d. Providing objective consultations and discussion of imaging results
- e. Formulate and implement a quality assurance system to provide quality diagnostics images and reports.

Manpower complement

Radiologist	:	1
Radiographers	:	3
Sonographers	:	1
Medical physicists	:	1
Nurses	:	3
Biomedical engineers	:	1
Radiation Safety Officer (RSO)	:	1

## DEPARTMENT OF LABORATORY MEDICINE

Clinical laboratory measurements form the scientific basis upon which medical diagnosis and management of patients is established. These results constitute the largest section of the medical record of patients. Laboratory tests help determine the presence, extent or absence of disease and monitor the effectiveness of treatment. These tests are generated by two distinct but well-coordinated departments of Clinical Pathology and Anatomical Pathology that aim to generate reliable and timely quality laboratory test results.

Clinical Pathology Laboratory. This laboratory is composed of medical and allied medical staff (medical technologist, laboratory technicians, phlebotomist and clinical laboratory chemist) engaged in specimen collection, transport, analysis, validation and timely dissemination of laboratory information.

### Major Roles:

- a. Microscopic examination and analysis of blood, body fluids, tissues and cells.
- b. Identify body fluids and measure corresponding chemical analytes.
- c. Store, process, test blood and blood components for transfusion.
- d. Utilize sophisticated equipment and instruments that can perform a number of tests simultaneously.
- e. Performs the above tests in an organized manner through: formulation of work instructions, standardized operating procedures and establishment of quality assurance programs to monitor timeliness and ensure the accuracy of test results.
- f. Liaise laboratory information in both timely and concise manner to aid in diagnosis and treatment of disease, or provide information needed for maintenance of health.

Anatomical Pathology Laboratory. Similar to the clinical laboratory this department are composed of medical and paramedical staff (histotechnologist, cytotechnologist and histotechnicians) engage in accurate enumeration, collection, transport, processing analysis of cells, tissues and fluids removed from a patient.

### Major Roles:

- a. Examination of sampled tissues under the microscope
- b. Study of individual cells in disease under the microscope
- c. Performance of ancillary tests in tissue and cytology samples to confirm presence or absence of disease
- d. Performs the above procedures in a standardized and reproducible manner through adherence to work instructions, manufacturers equipment guidelines, and national or international standards of reporting.
- e. Formulate and implement a quality assurance program to ensure timely and quality surgical and cytopathological laboratory reports.

### Manpower complement

Head or chair of the department	:	1
Associate Anatomic Pathologist	:	1
Associate Clinical Pathologist	:	1
Junior Pathologist	:	2
Chief Medical Technologist	:	1
Medical Technologists	:	4
Information Technologist Support	:	1

## NUTRITION AND DIETETICS

The hospital foodservice is a vital part of the medical treatment of patients, contributing to patients' nutritional needs and achieving patient satisfaction, quality outcomes, cost

containment, and revenue generation. The department aims to apply lean principles in a framework of low-cost, high-quality hospital food production/service that will not only serve patients but hospital guests, visitors and staff. It aims to provide a variety of menu items with nutritional considerations, and improves mealtimes. Training for all catering staff to improve the communication between staff and patients. It aims to streamline the process from raw material specifications, selection of standard recipes with varied preparation from cook-serve, cook-chill, cook freeze and ready-meal service, in varying preparations from plated and trolley services that aims to improve patient perception of food and satisfy their expectations. It aims to reduce and eliminate plate wastage and improve patient health to nutrition.

Manpower complement

Department Head	:	1
Cook	:	1
Administrative Staff	:	3

**INFECTION CONTROL DEPARTMENT**

The department headed by an infectious disease specialist will coordinate with a multidisciplinary team composed of the following:

- Nursing staff,
- Infection control practitioners,
- Quality assurance personnel,
- Risk management personnel,
- Representatives from microbiology,
- Surgery,
- Central sterilization,
- Waste management, and
- Environmental services.

The goal of this department is to bring individuals with different expertise in various areas of healthcare to plan, monitor, evaluate, update and educate all healthcare personnel on infection control measures and policies that prevents and control nosocomial infection. This provides a safe environment for healing of patients, and limits the spread of pathogens to the community.

Manpower complement

IDS Designate	:	1
Staff Nurse	:	2
Lab. Representative	:	1
CSR	:	1
Nursing Representative	:	1
Internal Medicine Representative	:	1
Pediatrics Representative	:	1
Ob-Gyne Representative	:	1
Surgery Representative	:	1
Family Medicine Representative	:	1
Radiology Representative	:	1

**EMERGENCY DEPARTMENT**

The Department is a vital part of the hospital as it is the first to receive patients needing immediate medical attention, either because of the life-threatening condition, multiple injuries

or severity of symptoms. It is especially equipped with the life-saving devices and trained personnel to handle emergency cases.

Objectives:

- Provide competent emergency care at all times by a team of qualified and experienced Emergency Room personnel.
- Provide prompt, lifesaving treatment without discrimination.
- Maintain the highest standard of emergency care facility.

Manpower Complement:

ER Head	:	1
Staff Nurse	:	10
Orderlies	:	2
Ambulance Driver	:	2

## **REHABILITATION MEDICINE AND PHYSICAL THERAPY**

The Rehabilitation Department caters to individuals who have impairments, functional limitations, disabilities, or changes in physical function and health status resulting from injury, disease or other causes. By designing and implementing therapeutic interventions that may include, but not limited to pharmacologic management, therapeutic exercises, functional training in self-care and home management, manual therapy techniques, prescription and fabrication of assistive and orthotic devices, electrotherapeutic modalities, physical agents and medical modalities, the Rehabilitation Medicine and Physical Therapy Center alleviates impairment and functional limitations. Cases handled vary from neurological, musculoskeletal, cardiopulmonary and pediatric among others. The patient load will consist of in-patients, out-patients and those who will need domiciliary services.

The Department's main objectives are:

- Establishing a comprehensive treatment plan to restore the patient to his highest functional mobility, activities of daily living, community reintegration, workplace requirements and recreation.
- Provision of patient and family education which is a cornerstone to all clinical programs.
- Planning of individualized exercises to increase of daily activities, increase musculoskeletal strength, maximize cardiovascular fitness.

Manpower Complement:

Chair	:	1
Rehabilitation Doctor or Physiatrist	:	1
Physical Therapist	:	4

## **PULMONARY DEPARTMENT**

The Department provides immediate cardio-pulmonary management, as requested by the Physician, that will help lead in the accurate diagnosis of an illness for proper administration of therapeutic procedure.

The Department's main objectives are:

- To deliver official results of the procedures within 24 hours.
- To respond during Code Blue.
- To provide ventilator support to intubated patient.
- To gradually remove mechanically intubated patient from ventilator.
- To provide accurate pulmonary diagnostic procedure:
  - a. Blood Gas Analysis (ABG)
  - b. Spirometry and Lung Volume Studies
  - c. Peak Expiratory Flow Measurement (PEFR)
- To provide effective pulmonary therapeutic procedures:
  - a. Aerosol Therapy (Nebulization)
  - b. Intermittent Positive Pressure Breathing Therapy (IPPB)

Manpower Complement:

Chair	:	1
Supervisor, RT	:	1
Respiratory Therapist	:	2
Medical Staff	:	2

**OUT-PATIENT DEPARTMENT**

This is a combination of several departments. It is a miniature version of the hospital except that the patient is ambulatory. Physicians with different specializations provide services. Individual patients come to consult or receive treatment, others go back to the physician to assess their progress following discharge from hospital.

The Department’s main objectives are:

- To be the channel of our foremost goal which is to provide “Quality Service” to our clientele. Their satisfaction is our top most priority.
- To ensure that all patients for consultation are given proper assessment before they are decked to the concerned doctor.
- To ensure that all necessary documents are properly prepared, kept and organized.
- To enhance secretaries’ knowledge in handling patients.

Manpower Complement:

Department Head	:	1
OPD Supervisor	:	1
OPD Clerk	:	3
Medical Staff	:	1

**PSYCHIATRY DEPARTMENT**

The Department of Psychiatry and Behavioral Services include physicians whose primary role is to provide comprehensive mental health and counseling services. This team of providers includes physicians who work closely with nurses and other staff to provide expert and effective psychiatric care.

The Department’s main objectives are:

- To provide advanced, evidenced-based individualized treatment care plan based on latest research;
- To maintain a high standard of ethical and professional service in mental health and counseling services
- To support the continuing medical education program for the staff and personnel

- To implement hospital policies emanating from the Board of Directors, Hospital Administrators, Medical Director and Chief of clinics
- To promote camaraderie among the staff

Manpower Complement:

Chair	:	1
Co-chair	:	1
Medical Staff	:	3

**PHARMACY**

The Department serves an important link between medical professionals and in consultation with the patient, the provision of healthcare plan through optimal drug therapy. Develop and use effective information management systems that support both drug therapy management and drug dispensing. The staff coordinates hospital-wide drug management and outpatient care medicine needs. The department will monitor and effectively implement rational drug use and procurement in collaboration with the medical staff and Therapeutics Committee.

Manpower complement

Department Head	:	1
Chief Pharmacist	:	1
Staff Pharmacist	:	4

**CENTRAL SUPPLIES DEPARTMENT**

The department aims to provide at all times an adequate supply of safe, effective and quality products for the need of the patients. It aims to conserve time and material by reducing the duplication of supplies and effort to render to doctor and patient the best and most efficient service. The function of CSR is to procure, process, store and distribute medical and surgical supplies and equipment to the surgical suites, patient care areas and medical services within the community.

Manpower complement

Department Head	:	1
Asst. Head	:	1
CSR Clerk	:	4

**BILLING SECTION**

The Billing Section is one of the major components of hospital operation. This unit is working based on the revenue of the different departments and ancillary services of the hospital. It works to coordinate and communicate with doctors and hospital staff, to provide efficient and accurate computation of billable services rendered to the patient. It works in lines of transparency, accounting and preparation of appropriate reports using the approved hospital information system.

Manpower complement:

Department Head	:	1
Administrative Staff	:	4

## ADMINISTRATIVE DEPARTMENT

The department aims to streamline activities of the health informatics, patient advocacy, legal department and finance. Activities related to compliance of electronic/paper medical records to ensure properly storing, securing, and utilizing patient and provider information. Informatics specialists ensures appropriate data analytics, to communicate appropriate information for the needs of the business to translate into realizable outcomes. The department advocates patient concerns related to service provide to meet their healthcare needs. The staff should be well-versed in payment options, insurance matters, and government regulation. The department is responsible for maintaining compliance to existing laws and regulations. The department is also responsible for budgets, purchasing, healthcare service costs, and even forecasting. The department is also responsible for investor relations or even securing capital for improvements.

### Manpower complement

Admin Officer	:	1
Asst. to the Admin Officer	:	1
Messenger/Liaison Officer	:	1

### Transactions with and/or dependence on related parties

The Company, in the normal course of business, has entered into transactions with related parties principally consisting of:

#### *Advances from Shareholders*

This account represents advances made by its stockholders in support of the Company's building construction requirements. These advances are non-interest bearing and to be paid subject to availability of funds and/or the Board may decide to convert said advances to equity in the distant future.

Pursuant to a Board Resolution issued on November 24, 2017, all directors and stockholders of record were enjoined to contribute other funds and resources to be able to implement the preliminary phase of the construction of the hospital facilities. It was agreed that the advances will not earn any interest and will be paid only if the Hospital has sufficient funds to cover the payment. The Board has been authorized to make conversion of debt to equity, subject to the general requirements of existing laws and in accordance with SEC rules on conversion. As to the date of conversion, the same has not been determined yet as the Hospital is still in the early stages of construction. Advances were made by all the founders in installments beginning on December 31, 2017. Advances from shareholders amounted to **P234,520,499.61** as of September 30, 2021.

## USE OF PROCEEDS

*Where less than all of the securities to be offered may be sold and more than one use is listed for the proceeds, the registrant shall indicate the order of priority of such purposes and discuss its plans if substantially less than the maximum proceeds are obtained.*

*If any material amounts of other funds are necessary to accomplish the specified purpose(s) for which the offering is made, the registrant shall state the amounts and sources of such other funds needed.*

The figures herein are only estimate and are made under the assumption that all or a significant portion of the Offer Securities will be sold setting aside fortuitous events or acts of men beyond the control of the management of the Issuer.

In the event all the Offer Securities are sold, it will generate maximum gross proceeds of approximately P1,000,000,000.00. The gross proceeds, less transaction expenses, taxes, professional and registration fees, etc. will yield Nine Hundred Ninety-Seven Million Five Hundred Seventeen Thousand Eight Hundred Sixty-Five Pesos (**P 997,517,865.00**) which shall be used to complete the construction, development and operation of the Hospital. An estimate of the net proceeds, assuming the best case and complete sell out of the Offer Securities as currently priced is as follows:

Anticipated Gross Proceeds	<b>P 1,000,000,000.00</b>
Less:	
Registration/Filing Fees	863,500.00
Legal Research Fee	8,635.00
Documentary Stamp Taxes	360,000.00
Legal Fees (to include professional fee, Notarization, and others)	300,000.00
Audit Fees	400,000.00
Multimedia Advertising	
Photography / Video Shoot for Social Media Ads	45,000.00
Radio	100,000.00
TV Ads	300,000.00
Local Newspaper (Half Page, once a week for 4 weeks)	28,000.00
Tarpaulins	12,000.00
Newsletter & Brochures Printing	15,000.00
Miscellaneous Expenses	50,000.00
<b>Total</b>	<b>2,482,135.00</b>
	<b>P 997,517,865.00</b>

In the event that the actual expenses relating to the Offer differ from the above estimates, the net proceeds to the Company from the Offer may be higher or lower than the expected net proceeds set forth above. Any increase or decrease in the net proceeds to the Company shall be addressed by making a corresponding increase or decrease, as the case may be, to the proposed use pro-rata.

In the event the maximum net proceeds of **P997,517,865.00** is realized, it will be applied to the purposes mentioned below, in the **estimated** amounts, based on % to the total proceeds that will be raised as follows: *(enumerated in descending order of priority)*

Proposed Use	Amount Required	To Be Funded By Proceeds	Estimated Period Of Disbursement	To Be Financed Thru Bank Loan
Building & Construction	1,645,817,865.00	457,017,865.00	2 <sup>ND</sup> Q 2022-	1,188,800,000.00
			3 <sup>RD</sup> Q 2023	
Loan Interest Payment	80,000,000.00	80,000,000.00	2 <sup>ND</sup> Q 2022-	0
			3 <sup>RD</sup> Q 2024	
Architect, PMT and other PFs	40,500,000.00	40,500,000.00	2 <sup>ND</sup> Q 2022-	0
			2 <sup>ND</sup> Q 2024	
Hospital Information Mgt System (HIMS)	20,000,000.00	20,000,000.00	2 <sup>ND</sup> Q 2023-	0
			4 <sup>TH</sup> Q 2023	
Pre-operating Expenses	200,000,000.00	200,000,000.00	3 <sup>RD</sup> Q 2023-	0
			1 <sup>ST</sup> Q 2024	
Working Capital	200,000,000.00	200,000,000.00	2 <sup>ND</sup> Q 2024	0



The primary use of proceeds will be for construction expenses. The total construction cost estimate of the project is P1.64 B. This will be partially financed by the proceeds of the public offering, as only 45.70 % of the proceeds is allotted for this. The balance will be financed by the existing loan facility provided by the Development Bank of the Philippines.

The company will avail of the loan facility from the Development Bank of the Philippines amounting to P1,688,800,000.00, an interest-bearing loan in support of the construction of the hospital building and purchase of medical equipment. The interest rate is variable, based on the lender’s prevailing rate on date of drawdown, subject to a floor rate of 4.5% per annum with one-time fixing one year from the date of initial drawdown. Out of this total amount of loan, P1,188,800,000.00 will be used for the construction of the hospital building and P 500,000,000.00 will be used for the acquisition of medical instruments, furniture, appliances and equipment. The P 1,188,800,000.00 will be availed before the start of the second quarter of 2022 and the P500,000,000.00 will be availed 6 months before the completion of the project. Interest payment will be computed using simple interest formula, which is Principal amount multiplied by the Interest Rate, multiplied by Time Duration. The interest due on the loan from the 1<sup>st</sup> quarter of 2022 up to the 3<sup>rd</sup> quarter of 2023, which is approximately P 80,000,000.00 or 8%, will be paid from the proceeds of the Offer.

Another intended use of the proceeds will be for payment of professional fees of architects, engineers, Bid Management Team, and Project Management Team contracted by the Hospital which will amount to 4.1 % of the proceeds.

Another intended use will be for procurement of the Hospital Information Management System (HIMS) which is 2.0 % of the proceeds.

Pre-operating expenses will cover the salaries/allowances of the staff as well as the daily operational expenses of the Hospital prior to the grant of the LTO and the first few months of operation and will amount to 20.0% of the proceeds.

Working capital will cover operating expenses after the completion of the project which is 20% of the proceeds.

The medical instrument, hospital beds, office furniture, fixtures and other equipment, estimated to cost P 500,000,000.00, will be fully financed by the loan from DBP and will not be derived from the proceeds of the sale of shares.

Pre-operating expenses pertains to expenses for procurement of supplies (pharmacy, laboratory and central supply), training/seminar of staff and all those expenses which are all required prior to the grant of the LTO. These expenses also cover other unforeseen expenses that may be incurred due to delays in the grant of LTO brought about by the pandemic. While working capital requirements will cover the salaries/allowances of the staff as well as the daily operational expenses of the Hospital during the first few months of operation. Below is a summary of these expenses:

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	TOTAL
Payroll	3,000,000.00	3,000,000.00	4,000,000.00	4,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	38,000,000.00
Pharmacy		2,000,000.00	3,000,000.00	3,000,000.00	6,000,000.00	6,000,000.00	6,000,000.00	26,000,000.00
Laboratory	200,000.00	500,000.00	2,000,000.00	2,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	16,700,000.00
CSR	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	21,000,000.00
Office Supplies	300,000.00	300,000.00	300,000.00	400,000.00	500,000.00	500,000.00	500,000.00	2,800,000.00
Other Supplies	3,000,000.00	3,000,000.00	3,000,000.00	4,000,000.00	4,000,000.00	4,500,000.00	4,500,000.00	26,000,000.00
Professional Fees	2,000,000.00	2,500,000.00	3,500,000.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	24,000,000.00
Utilities	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	21,000,000.00

Training & Seminars	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	3,500,000.00
Unforeseen Expenses	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	21,000,000.00
Estimated Expenses	18,000,000.00	20,800,000.00	25,300,000.00	26,900,000.00	36,000,000.00	36,500,000.00	36,500,000.00	200,000,000.00

The construction of the Company's hospital building started in February 2020. However, due to the COVID-19 pandemic, delivery of construction supplies and deployment of manpower were postponed resulting to a delay in the construction of the hospital building. Upon lifting of some quarantine restrictions involving transportation, the contractors instituted measures to catch up with the delay. The construction team resumed work on the Substructure (Package 1 – Bored Piles) through the installation of bored piles in July 2020. On February 1, 2021, work on the Superstructure (Package 2 – Pile Cap, Pedestal, Footing Tie Beam, Retaining Wall, and Pre-Engineered Building) phase of the construction started. The project has approximately 30 months construction timeline from February 1, 2021. However, the stated construction timeline is only an approximate of the actual duration of the construction. There maybe further delays aside from the pandemic. The DOH may implement revisions on the orientation/installation of hospital equipment which will happen only after the construction of the hospital is done. Other causes of delay may include training of hospital staff and employees in preparation for the opening of the hospital, and delay in securing of the necessary government permits and licenses after completion of the construction.

Current expenses for construction were financed by paid up subscriptions and advances from Founders.

The whole project is **17.84% completed as of March 31, 2022**. Work accomplished so far consists of part of the structural foundation. The project is expected to be completed based on the following schedule: Architectural works to include final finishes to be completed by the 2<sup>nd</sup> quarter of 2023; Mechanical works which includes Sanitary/Plumbing and Fire Protection Works is expected to be completed by the 2<sup>nd</sup> quarter of 2023. Electrical works to be completed by the 4<sup>th</sup> quarter of 2022. Testing and commissioning of all utilities including medical equipment will be on the 3<sup>rd</sup> quarter of 2023. The building inauguration is expected to be anytime during the 2<sup>nd</sup> quarter of 2024.

The facilities to be constructed within the Hospital include the doctors/dentists' clinics, office area for the HMO, administration office, parking lots, commercial area for coffee shop, restaurants, elevators, comfort rooms and waiting areas for patients.

No amount from the proceeds are to be used to reimburse any officer, director, employee or shareholder for service rendered, assets previously transferred, money loaned or advanced or otherwise.

As the offer will be made in tranches on a best effort basis, the estimate gross proceeds may not be realized at the same time or within a fixed period.

In any event that the projected proceeds are not realized, the Hospital's available credit facility from DBP will be utilized to finance the construction of the Hospital Building. In addition to this, the Founders' resources may also be tapped to finance the project as the need arises.

The figures in the **Use of Proceeds** are estimates based on current pricing of the equipment, development costs and operational expenses of the Company. As such, adjustments and/or deviations in the disclosed uses may be made. To the extent that the net proceeds from the Offer are not immediately applied to the above purposes, the Company will invest the net proceeds in

short term demand deposits and/or money market instruments. In any event there will be material adjustments or deviations, the company undertakes to inform the Commission within 30 days prior to its implementation.

If the proceeds will be used to pay-off existing debt, disclose the following:  Not Applicable

Name of Debtor	Amount of Debt	Maturity Date	Interest
Development Bank of the Philippines	P 1,188,800,000.00	13 years from the date of first drawdown	Interest rate is variable, based on the lender's prevailing rate on date of drawdown, subject to a floor rate of 4.5% per annum with one-time fixing one year from the date of initial drawdown
Development Bank of the Philippines	P 146,000,000.00	5 years from the date of first drawdown	
Development Bank of the Philippines	P 354,000,000.00	10 years from the date of first drawdown	
<b>TOTAL</b>	P 1,688,800,000.00		

Asia Pacific Medical Center Bacolod, Inc. secured a loan from Development Bank of the Philippines on August 11, 2021. The total principal amount is ONE BILLION SIX HUNDRED EIGHTY-EIGHT MILLION EIGHT HUNDRED THOUSAND PESOS (Php 1,688,800,000.00) with a variable interest rate, based on DBP's prevailing rate on the date of the initial drawdown with a floor rate of 4.5% with a one-time option to fix for three (3) or five (5) years, within one (1) year from date of initial drawdown, based on the lender's prevailing rate on date of drawdown. The loan is an aggregate of 3 term loans. Maturity dates of the loans are as follows: (1) for the Main Hospital Building and its foundation, maturity will be after 13 years, (2) for the acquisition of medical instruments, furniture and appliances, maturity will be after 5 years, and (3) the Omnibus Facility for the equipment, maturity will be after 10 years. Currently, Asia-Pacific Medical Center Bacolod, Inc. has not yet utilized the amount available.

Is the debtor related to the Issuer or any of its Directors or Officers?  Yes  No

If the answer to any of the above is "yes", disclose the relationship between each person and the issuer and the principal terms of each transaction. If assets were acquired from a person, disclose the cost of the asset to the issuer and the method used to determine this cost. Disclosure for each person who has been involved in more than one related party transaction, their relationship with the issuer and which of the transactions they have been involved with.

If the proceeds will be used to purchase real estate property?  Yes  No

(Provide information on each property acquired) Not applicable

If the answer to any of the above is "yes", disclose the relationship between each person and the issuer and the principal terms of each transaction. If assets were acquired from a person, disclose the cost of the asset to the issuer and the method used to determine this cost. Disclosure for each person who has been involved in more than one related party transaction, their relationship with the issuer and which of the transactions they have been involved with.

If any material amount of the proceeds is to be used to acquire assets or finance the acquisitions of other businesses, describe the assets or businesses and identify the persons from whom they will be bought. State the cost of the assets and, where such assets are to be acquired from affiliates of the registrant or their associates, give the names of the persons from whom they are to be acquired and set forth the principle followed in determining the cost to the registrant. - Not Applicable

If the proceeds will be used for the construction of the hospital, provide the following:

Project Name	ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.
Project Cost (Estimate)	P2,600,000,000.00.
Schedule of Disbursement	2 <sup>ND</sup> Quarter 2022 to 3 <sup>RD</sup> Quarter of 2024
Target Completion Date	2 <sup>ND</sup> Quarter of 2024
Percentage Completed	17.84% completed as of March 31, 2022

9. If proceeds to this offering is not sufficient to fund the intended use, where will the company source the additional funding?

Asia-Pacific Medical Center Bacolod, Inc. has secured three (3) term loans from the Development Bank of the Philippines on August 11, 2021. The total principal amount is ONE BILLION SIX HUNDRED EIGHTY-EIGHT MILLION EIGHT HUNDRED THOUSAND PESOS (P 1,688,800,000.00).

The first loan is a 13-year term loan of ONE BILLION ONE HUNDRED EIGHTY-EIGHT MILLION EIGHT HUNDRED THOUSAND PESOS (P1,188,800,000.00) for the construction of the Main Hospital Building and its foundation.

The second loan is a 5-year term loan of ONE HUNDRED FORTY-SIX MILLION PESOS (P 146,000,000.00) for the acquisition of medical instruments, furniture and appliances.

The third is an Omnibus Facility to be available via (1) 10-year term loan with sublimit of THREE HUNDRED FIFTY-FOUR MILLION PESOS (P 354,000,000.00) and (2) Import and/or Domestic Letter of Credit via Sight for Usance to be drawn from the proposed 10-year term loan. The intended use of this loan is for acquisition of equipment.

Interest rate is variable, floating, based on the Lender's prevailing rate on date of drawdown, payable and reviewable quarterly, subject to a floor rate of 5% per annum, with one-time option to fix for three (3) or five (5) years, within one (1) year from date of initial drawdown, based on the Lender's prevailing rate on date of drawdown, payable quarterly. Interest shall be reviewed every three (3) or five (5) years based on the Lender's prevailing rate on date of drawdown, subject to a floor rate equivalent to the existing rate provided that option shall be exercised on an interest payment date. As of the date of this prospectus, the Hospital has not utilized any portion of such facility.

## DESCRIPTION OF SECURITIES OFFERED

### Securities of the Registrant

10. The securities being offered are (select all that apply):

	Founders Shares
√	Common Shares
	Preferred Shares
	Others (specify):

- (a) State the amount of capital stock of each class issued or included in the shares of stock to be offered:
- (b) If the registrant is offering common equity, describe any dividend, voting and preemption rights.
- (c) If the registrant is offering preferred stock, describe the dividend, voting, conversion and liquidation rights as well as redemption or sinking fund provisions.

ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. is registering the following shares: **600** Founders' shares, **203,400** common shares (all issued and outstanding) and **36,000** common shares equivalent to **3,600** blocks (10 shares per block) which will be offered for sale to the public by way of primary offering.

The 3,600 blocks will be offered in tranches, through a series of offerings at an offer price in progressive amounts. The first 2,400 blocks will be sold at the price of P 250,000.00 per block, the next 800 blocks at the price of P 300,000.00 per block, and the remaining 400 blocks at the price of P 400,000.00 per block. The blocks will be sold on a first come, first served basis, subject to pre-qualification procedures. Once the maximum number of blocks per series are sold, the next series will be offered at an increased offer price. The offer shares will not be listed in the Exchange and will be issued over the counter only, through its organic employees who will act as salesmen.

The 3,600 blocks will be offered to the public, and sold primarily to Medical Specialists who possess the minimum qualifications and are deemed fit to practice, upon recommendation by the Credentials Committee and approved by the Board and Management of ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC. Other purchasers may be non-medical specialists who are related to medical specialists and those who intend to purchase the shares purely for investment purposes.

The common shares/blocks that will be offered will qualify the medical shareholder to practice at the Hospital, subject to pre-qualification procedures, aside from earning dividends as may be declared by the Board.

### RIGHTS AND RESTRICTIONS

The ownership of the Offer Securities is subject to the following rights and restrictive conditions:

- 1. The transfer, or otherwise disposal of shares shall observe the following priorities:
  - a. First Priority-to the corporation which must exercise its option within thirty (30) days from the date of receipt of the written offer by the Secretary of the corporation.

- b. Second Priority- to the holders of Founder’s Shares, who must exercise the option within the same period of thirty (30) days from date of receipt of the written offer by the Secretary of the corporation.
- c. Third Priority- to holders of Common shares who must likewise exercise the option within a period of thirty (30) days from date of receipt of the written offer by the Secretary of the corporation.
- d. Fourth Priority- to outsiders who must likewise exercise the option within a period of thirty (30) days from the date of receipt of the written offer by the Secretary of the corporation.

The foregoing restrictions shall not apply to the dispositions by the stockholder by will, donation, inheritance, bequest and related transfer of said shares.

Any transfer of a share of the capital stock in violation of the foregoing provisions shall be null and void and shall not be transferable in the books of the Corporation.

11. These securities have (select all that apply):

√	Cumulative voting rights
√	Pre-emptive rights to purchase any new issue of securities
	Preference as to dividends or interest
	Restrictions on dividends or other distributions
	Preference over liquidation
	Anti-dilution
	Conversion rights
	Other special voting rights
	Other special rights or preference (specify):

- a) Describe any other material rights of common or preferred stockholders.
- b) Describe any provision in the charter or by-laws that would delay, defer or prevent a change in control of the registrant.

**Cumulative Voting.** Common shareholders are entitled to vote during the Annual Meeting. Each Shareholder shall have the right to vote in person or by proxy the number of shares registered in his name in the stock transfer book of the Hospital for as many persons as there are directors to be elected. Each shareholder shall have the right to cumulate said shares and give one (1) nominee 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 cumulative voting principle among as many nominees as he shall see fit; provided, that the number of votes cast by a shareholder shall not exceed the number of his shares multiplied by the number of directors to be elected.

**Pre-emptive Right.** The right of a shareholder in a corporation to have the first opportunity to purchase a new issue of stock of that corporation in proportion to the amount of stock already owned by the shareholder. All holders of common shares shall enjoy pre-emptive right

to subscribe to all issues or disposition of shares of any class, in proportion to their respective shareholdings.

12. Source of the aforementioned shares offered for sale (select all that apply):

<input checked="" type="checkbox"/>	Primary (from the unissued portion of the Authorized Capital Stock)
<input type="checkbox"/>	Secondary Selling Shareholders

#### SECONDARY OFFERING

13. If any of the securities to be registered are to be offered for the account of shareholder, name each such security holder, indicating the following:  Not Applicable

Name of Selling Shareholder	Class of Securities Offered	No. of Shares Offered for Sale	Offer Price	Issue Value

14. The selling shareholder/s (select all that apply):  Not Applicable

<input type="checkbox"/>	Certifies as to the accuracy of any part of the registration statement contributed to
<input type="checkbox"/>	Certifies that he/she is the legitimate beneficial owner of the securities.

15. Are these securities to be registered under a delay or continuous offering?  
 Yes  No

#### RECENT SALE OF UNREGISTERED OR EXEMPT SECURITIES

Furnish the following information as to all securities of the registrant sold by it within the past three (3) years which were not registered under the Code. Include sales of reacquired securities, as well as new issues, securities issued in exchange for property, services, or other securities, and new securities resulting from the modification of outstanding securities. Indicate whether the issuer received written confirmation from the Commission under SRC Rule 10.1 that such exemptive relief from registration was available and, if so, the date such confirmation was issued.

Class of Securities Sold	Purchasers	Consideration	Exemption from Registration Claimed
107,880 common shares	26 existing stockholders	Cash	None
120 founder shares	34 existing stockholders	Cash	None

## DETERMINATION OF THE OFFER PRICE

Discuss the various factors considered in determining the offering price of the securities for registration.

The following factors may be relevant to the price at which the securities are being offered: after-tax earnings, price/earnings multiple, net tangible book value per share.

The staggered Offer Price per series of shares for sale to the public was arrived at by considering several factors including but not limited to: the timing of purchase relative to the completion of the Hospital and its facilities, the number of applicants the Hospital could serve and accommodate, the total development costs based on cost assessments of the engineers, architects and other professionals hired for the project, comparable price of similarly situated structure with similar facilities, market demand, risk undertaken by the original stockholders, the exclusive and premium nature of the Hospital and its intended patients and the acceptability of the pricing strategy to the current market.

The breakdown of the Offer Price is presented as follows:

Series	Number of Blocks of Common Shares	Maximum Proposed Selling Price per Block
1 <sup>st</sup>	2,400 Blocks	₱250,000 per block
2 <sup>nd</sup>	800 Blocks	₱300,000 per block
3 <sup>rd</sup>	400 Blocks	₱400,000 per block

## DILUTION

Where common equity securities are being registered and there is a substantial disparity between the public offering price and the effective cash cost to officers, directors, promoters and affiliated persons of common equity acquired by them in transactions during the past five (5) years, or which they have the right to acquire, and the registrant is not subject to the reporting requirements of Section 17 of the Code immediately prior to filing of the registration statement, there shall be included a comparison of the public contribution under the proposed public offering and the effective cash contribution of such persons. In such cases, and where common equity securities are being registered by a registrant that has had losses in each of its last three fiscal years, or from inception if shorter, and there is a material dilution of the purchasers' equity interest, the following shall be disclosed:

- (1) The net tangible book value per share before and after the distribution. For this purpose, net tangible book value means total assets (exclusive of copyrights, patents, goodwill, research and development costs, pre-operating costs, and similar intangible assets) minus total liabilities.
- (2) The amount of the increase in such net tangible book value per share attributable to the cash payments made by purchasers of the shares being offered; and
- (3) The amount of the immediate dilution from the public offering price which will be absorbed by such purchasers.

The net tangible book value of the Company as of **December 31, 2021** was **₱135,378,900.00** or **₱663.62** per share, which represents the amount of the Company's total assets (excluding intangible assets) less its total liabilities. The Company's net tangible book value per share represents the net tangible book value divided by the number of Common Shares outstanding.



After giving effect to the increase in the Company's total assets to reflect the receipt of the net proceeds from the Offer, estimated to be ₱997,517,865.00 and the addition of **108,000** new Common Shares subject of the Offer, the Company's adjusted net tangible book value would be **₱1,132,896,765.00 or ₱4,720.40 per share**. This represents an increase of ₱4,057.08 per share to the existing shareholders and an average dilution of **₱22,779.60 per share (maximum: ₱35,179.60)** to the investors participating in the Offer.

*The dilution in the book value per share represents the estimated difference between the Offer Price and the approximate adjusted tangible book value per share immediately following the completion of the Offer.*

**The following table illustrates dilution on a per share basis based on the Series of Offer Prices:**

	Existing Stockholders	2,400 blocks	800 blocks	400 blocks
Offer Price per share	₱1,000.00	₱25,000.00	₱30,000.00	₱40,000.00
Net tangible book value per share, September 30, 2021 (₱135,378,900.00/204,000 shares)	₱663.32 per share	-	-	-
Net tangible book value per share, after Offer (₱1,132,896,765.00/240,000 shares)	₱4,720.40 per share	₱4,720.40 per share	₱4,720.40 per share	₱4,720.40 per share
Increase (dilution) per share	₱4,057.08 per share	(₱20,279.60) per share	(₱25,279.60) per share	(₱35,179.60) per share

The net tangible book value of the Company as of December 31, 2020 was Php 76,313,504.00\_or Php794.93per share, which represents the amount of the Company's total assets (excluding intangible assets) less its total liabilities. The Company's net tangible book value per share represents the net tangible book value divided by the number of Common Shares outstanding.

After giving effect to the increase in the Company's total assets to reflect the receipt of the net proceeds from the Offer, estimated to be ₱ 997,517,865.00and the addition of 108,000 new Common Shares subject of the Offer, the Company's adjusted net tangible book value would be ₱1,073,831,369.00 or ₱4,474.30 per share. This represents an increase of ₱3,679.37per share to the existing shareholders and an average dilution of **₱23,303.48 per share (maximum: ₱35,525.70)** to the investors participating in the Offer.

*The dilution in the book value per share represents the estimated difference between the Offer Price and the approximate adjusted tangible book value per share immediately following the completion of the Offer.*

**The following table illustrates dilution on a per share basis based on the Series of Offer Prices:**

	Existing Stockholders	2,400 blocks	800 blocks	400 blocks
Offer Price per share	₱1,000.00	₱25,000.00	₱30,000.00	₱40,000.00
Net tangible book value per share, December 31, 2020	₱794.93 per share	-	-	-

(₱76,313,504.00/96,000s shares)				
Net tangible book value per share, after Offer (₱1,073,831,369.00/240,000 shares)	₱4,474.30 per share	₱4,474.30 per share	₱4,474.30 per share	₱4,474.30 per share
Increase (dilution) per share	₱3,679.37 per share	(₱20,525.70) per share	(₱25,525.70) per share	(₱35,525.70) per share

The dilution in the block value per share represents the estimated difference between the offer price and the approximate adjusted tangible book value per share immediately following the completion of the offer.

Stockholder	Before the Offer			After the Offer		
	Class	Number of Shares	Percentage	Class	Number of Shares	Percentage
Biron, Ferjenel G.	Founder	112	30.94%	Founder	128	27.63%
	Common	63,000		Common	66,184	
	<b>Total</b>	<b>63,112</b>		<b>Total</b>	<b>66,312</b>	
Galve, Gregorio L.	Founder	14	2.42%	Founder	14	2.05%
	Common	4,917		Common	4,917	
	<b>Total</b>	<b>4,931</b>		<b>Total</b>	<b>4,931</b>	
Achurra, Alexander Kent T.	Founder	14	2.42%	Founder	14	2.05%
	Common	4,917		Common	4,917	
	<b>Total</b>	<b>4,931</b>		<b>Total</b>	<b>4,931</b>	
Malata, Ma. Ivy V.	Founder	14	2.32%	Founder	14	1.97%
	Common	4,725		Common	4,725	
	<b>Total</b>	<b>4,739</b>		<b>Total</b>	<b>4,739</b>	
Bautista, Kathryn Kristy P.	Founder	14	2.32%	Founder	14	1.97%
	Common	4,725		Common	4,725	
	<b>Total</b>	<b>4,739</b>		<b>Total</b>	<b>4,739</b>	
Magallanes, Bel Manuel G.	Founder	10	1.98%	Founder	10	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,035</b>	
Magbanua, Ma. Leila M.	Founder	12	1.98%	Founder	12	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,037</b>		<b>Total</b>	<b>4,037</b>	
Pabicon, Olga H.	Founder	10	1.98%	Founder	14	1.97%
	Common	4,025		Common	4,725	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,739</b>	
Pacete, Jimmy B.	Founder	10	1.98%	Founder	12	1.76%
	Common	4,025		Common	4,215	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,227</b>	
Regozo, Danilo C.	Founder	12	2.16%	Founder	12	1.84%
	Common	4,394		Common	4,394	

	<b>Total</b>	<b>4,406</b>		Total	<b>4,406</b>	
Tad-y, May Claire R.	Founder	10	1.98%	Founder	10	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,035</b>	
Pedroza, David G.	Founder	10	1.98%	Founder	10	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,035</b>	
Rodrigo, Sherwin Lowe B.	Founder	10	1.98%	Founder	10	1.68%
	Common	4,025		Common	4,025	
	<b>Total</b>	<b>4,035</b>		<b>Total</b>	<b>4,035</b>	
Abad, Alben Teodoro T.	Founder	14	1.47%	Founder	14	1.25%
	Common	2,984		Common	2,984	
	<b>Total</b>	<b>2,998</b>		<b>Total</b>	<b>2,998</b>	
Martyr, John Clifton U.	Founder	14	1.13%	Founder	14	0.96%
	Common	2,292		Common	2,292	
	<b>Total</b>	<b>2,306</b>		<b>Total</b>	<b>2,306</b>	
Other Stockholders (27)	Founder	320	40.98%	Founder	298	33.12%
	Common	83,271		Common	79,197	
	<b>Total</b>	<b>83,591</b>		<b>Total</b>	<b>79,495</b>	
Public	Founder		0.00%	Founder	-	15.00%
	Common			Common	36,000	
	<b>Total</b>			<b>Total</b>	<b>36,000</b>	
<b>Total</b>		<b>204,000</b>	100%		<b>240,000</b>	100%

The following does not purport to be a complete listing of all the rights, obligations, and privileges attaching to or arising from the Offer Shares. Some rights, obligations, or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective investors are enjoined to perform their own independent investigation and analysis of the Company and the Offer Shares. Each prospective investor must rely on its own appraisal of the Company and the Offer Shares and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to invest in the Offer Shares and must not rely solely on any statement or the significance, adequacy, or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective investor's independent evaluation and analysis.

#### TERMS AND CONDITIONS OF THE OFFER

Issue Size	P1,000,000,000.00
Offer Shares	36,000 shares (3,600 Blocks of 10 shares per block) for a minimum subscription of 10 shares
Offer Period	From approval until fully subscribed
Terms and Manner of Payment	Cash/installment
Eligible Applicant	Medical, surgical and dental specialists and their relatives and the public
Restriction on Ownership	None
Documentary Requirements:	

Corporate Applicants	N. A
Institutional Applicants	N. A
Right to Accept, Reject and Scale Down Applications	<p>The act of purchasing the securities being offered does not automatically entitle such purchaser to practice his profession, use the facilities and enjoy the privileges of a stockholder of Asia-Pacific Medical Center Bacolod, Inc., although it is a prerequisite. Physicians and dentists who are subscribers to at least one (1) block or ten (10) shares of the capital stock and have paid in full may be allowed to practice. Such purchasers have to undergo the required screening process and must possess the minimum requirements as may be determined by the Hospital. After successfully passing this process, the applicant shall then be entitled to the privilege to practice in Asia-Pacific Medical Center Bacolod Hospital, subject to restrictions, limitations, and obligations as may be imposed by the Hospital pursuant to its rules and duly approved resolutions. Medical and dental specialists who have been granted the right to practice shall continuously possess the required qualifications and may be subjected to post-qualification assessment to ensure the quality of service provided by the hospital.</p>
Refunds	<p>In the event the project for which the securities of Asia-Pacific Medical Center Bacolod, Inc. are sold, is for any reason, not completed within the periods stated in the prospectus, it shall refund the amount of investments of purchasers within ten (10) business days from receipt of written demand.</p>
Issuance and Transfer Taxes	<p>The gains on subsequent sale of Asia-Pacific Medical Center Bacolod, Inc.'s shares are subject to Capital Gains Tax. The law provides that a 15% final tax is imposed upon the net capital gains realized during the taxable year from the sale, barter, exchange or other disposition of shares of stock in a domestic corporation, except shares sold or disposed of through the stock exchange [Sec. 28 (6) (5) (c) NIRC as amended. An exception of this would be those provisions of tax treaties.</p> <p>Also, value added tax is imposed on every sale or other disposition, in the course of trade or business, of tangible or intangible property based on the gross selling price or gross value in money of the goods or properties sold. If the seller of shares is a dealer of securities, this sale is subject to such value added tax.</p> <p>Documentary Stamp Tax (DST). Upon the original issuance of Asia-Pacific Medical Center Bacolod, Inc. shares, DST will be imposed at a rate of P2.00 for every P200 or a fractional part of the par value of the shares to be issued. DST is payable on or before the 5<sup>th</sup> day of the month following the corporation's acceptance of the stock subscription. The secondary transfer of Asia-Pacific Medical Center Bacolod, Inc.'s shares is subject to documentary stamp tax at a rate of P1.50 on each P200 or fractional part thereof of the par value of the share transferred.</p>

	<p><b>Tax on Interest Income.</b> Interest income earned and received by Asia- Pacific Medical Center Bacolod, Inc. from time deposits on excess cash is subject to a final withholding tax rate of 20% [Sec. 27 (D) (1), NIRC as amended). <b>Tax on Dividend.</b> The NIRC imposes a final tax of 10% upon the cash and/or property dividends actually or constructively received by the individual from a domestic corporation (Sec. 24 (B) (2). However, if the recipient of the dividend is a domestic corporation, the dividend received shall not be subject to tax [Sec. 27 (D) (4)]. <b>Value Added Taxes.</b> Sec. 105 of RA 8424 enumerates those liable to the Value Added Tax, they are: (1) those who in the course of trade or business, sells, barter, exchanges, leases goods or properties, renders services; and (2) any person who imports goods.</p>
Restriction on the Issuance and Disposal of Shares	<p>The transfer, or otherwise disposition of shares of stocks of the corporation shall likewise be subject to the following priorities: a. First Priority-to the corporation which must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation; b. Second Priority- to the holders of Founder's Shares, who must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation; c. Third Priority- to holders of common shares who must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation; d. To outsiders who must likewise exercise its option within thirty (30) days from the date of receipt of the written offer by the Secretary of the Corporation.</p>
Trading of Securities	The shares will be traded over-the-counter
Others	None

## **BENEFITS AND/OR PRIVILEGES**

16. Does the company provide benefits and/or privileges to its medical and non-medical stockholders?

Disclose in details the benefits and/or privileges

The Company only provides the following Management Discounts:

### **MANAGEMENT DISCOUNTS**

#### **I. BENEFITS**

##### **A. BOARD AND LODGING PRIVILEGES**

1. Board and lodging privileges of 45 days per annum will be shared by the stockholder, spouse, natural parents, and qualified dependents in a standard private room on a first come first served basis. Unused days of the preceding period of coverage cannot be carried over to the succeeding period and the reckoning date will be the day of the first confinement. The investor may upgrade to a Suite or VIP room and pay the corresponding difference in room rates.

## **B. STOCKHOLDERS AND SPOUSES**

1. Free Board and lodging for stockholder and spouse.
2. Guaranteed a minimum of 10% discount on the professional fees on confinement and OPD consultation unless the preferred physician of the stockholder is not on the Roster of Physicians Affiliated with APMC Bacolod who agreed on the management discount.
3. No operating room, delivery room and emergency room fees. The consumables, supplies and specialized equipment are not included.
4. Maximum of Fifty percent (50%) discount on the following:
  - a. X-ray, CT scan, MRI, UTZ, Mammography;
  - b. Laboratory procedures;
  - c. EEG, ECG, Treadmill, 2D Echocardiography;
  - d. Physical Therapy.

\*\* Excluding professional fees and consumables (see No. 5).  
\*\* Minimum of 10% discount on professional fee unless the preferred physician of the stockholder is not on the Roster of Physicians Affiliated with APMC Bacolod who agreed on the management discount.
5. Ten percent (10%) discount for pharmacy, CSR, OR materials [ see VI. LIMITATIONS]
6. For dental services:
  - a. Free Consultation;
  - b. 10% discount on Restorative, Preventive, Periodontics, Endodontics Surgery and Bleaching;
  - c. Ten percent (10%) discount on Prosthodontics procedures.

## **C. MEDICAL AND DENTAL STOCKHOLDERS**

1. May hold clinics within the hospital and select an AM time slot and/or PM time slot and pay only the maintenance, telephone, water, electric bills and common usage area (CUSA).

\* AM Time Slot is equivalent to a maximum of 4 hours / day (e.g., 8:00 AM - 12:00NN) and maximum of 24 hours per week.

\*\* PM Time Slot is equivalent to a maximum of 4 hours / day (e.g., 1:00 PM - 5:00 PM) and maximum of 24 hours per week.
2. May be included in the decking/rotation of house cases and walk-in cases subject to the following conditions:
  - a. Full payment of one (1) block equivalent to ten (10) common shares and 300,000 pesos per time slot for privilege to hold a clinic.
  - b. The stockholder must be a graduate of an accredited training or residency training program and subject to the approval of the Credentials and Privilege Committee.

c. Agreement to provide discounts on professional fees to Stockholders as mentioned in the Benefits of Stockholders.

#### **D. STOCKHOLDER'S NATURAL PARENTS AND DEPENDENTS**

1. Fifty percent (50%) discount on board and lodging.
2. Guaranteed a minimum of 10% discount on the professional fees on confinement and OPD consultation unless the preferred physician of the stockholder is not on the Roster of Physicians Affiliated with APMC Bacolod who agreed on the management discount.
3. 50% discount on operating room, delivery room and emergency room fees. The consumables, supplies and specialized equipment are not included.
4. Maximum of Twenty-Five percent (25%) discount on the following:
  - a. X-ray, CT scan, MRI, UTZ, Mammography;
  - b. Laboratory procedures;
  - c. EEG, ECG, Treadmill, 2D Echocardiography;
  - d. Physical Therapy.

\*\* Excluding professional fees and consumables (see No. 5).  
\*\* Minimum of 10% discount on professional fee unless the preferred physician of the stockholder is not on the Roster of Physicians Affiliated with APMC Bacolod who agreed on the management discount.
5. Five percent (5%) discount on Pharmacy and CSR. [ see VI. LIMITATIONS]
6. Dental Services
  - A. Fifty percent (50%) discount on consultation
  - B. Ten percent (10%) discount on Restorative, Preventive, Periodontics, Endodontics Surgery and Bleaching
  - C. Ten percent (10%) discount on Prosthodontics procedures

#### **E. PORTABILITY (EXTENDED BENEFITS)**

1. These benefits, using the schedule of discounts given to dependents, may be availed by the principal investor, his/her spouse, dependents and natural parents in all medical facilities that have entered into a memorandum of agreement (MOA) with APMC Bacolod. However, such availment shall depend on the internal policy of APMC Bacolod and provided that granting of such discount shall not jeopardize the financial position of such hospital.

Members of other Hospitals not affiliated with APMC Bacolod and/or are not signatories to the MOA herein submitted (please see Exhibit "O") or any MOA executed with APMC Bacolod, shall not be entitled to these benefits.

2. Medical stockholders may have the privilege subject to pertinent credentialing policies/requirements, to admit and/or manage patients in other APMCs

## **II. DIVIDENDS**

Long term when the hospital has attained positive retained earnings. Dividends and Dividend Policy are discussed further on page 66.

### **III. DEFINITIONS OF TERMS**

For purposes of this binding document, the following words shall mean:

1. APMCBI – Asia- Pacific Medical Center Bacolod, Inc.
2. Base hospital – APMC hospital to which one is a stockholder
3. Stockholder - a person who owns at least one (1) block of shares in APMCBI (1 block = 10 common shares)
4. Medical Stockholder - a stockholder who is a licensed physician and who is granted the privilege to practice as defined by the medical shareholders guidelines
5. Dental Stockholder – a stockholder who is a licensed dentist and who is granted the privilege to practice as defined by the dental shareholders guidelines.
6. Dependents
  - A. Legitimate or legally adopted single children under 21 years of age
  - B. Acknowledged illegitimate single children under 21 years of age
  - C. Children of any age-legitimate, legally adopted or acknowledged illegitimate-with disability (PWD)
  - D. Natural parents of the stockholder
7. House Cases  
These are service cases that enjoy certain benefits deemed appropriate by the hospital social health worker. These may include indigent or charity cases.
8. Walk-in Cases  
These are patients who seek consultation or admission with no identified attending physician.

### **IV. DURATION**

These discounted confinements, which shall be enjoyed in the base hospital or in any of the affiliated hospitals, are non-cumulative (no carry-over to coverage period) and non-transferable.

### **V. EFFECTIVITY**

The above privileges shall commence only upon full payment of shares of stocks subscribed, certified and verified by the Corporate Secretary or his/her duly authorized staff. These can be availed of at APMC-BACOLOD once it is operational or at any affiliate hospitals, subject to a Memorandum of agreement.

### **VI. LIMITATIONS**

- A. Benefits and privileges
- B. Health insurance benefits



C. The health benefits mentioned above are not cumulative and cannot be enjoyed together with discounts. In case the Stockholder/Dependent is entitled to discounts granted by law, the Stockholder/Dependent shall choose the discount that he wants to avail himself of. Thus, the discount privilege on Pharmacy, CSR and OR materials mentioned above cannot be subjected to additional discounts available to senior citizens and disabled persons under the law. *Should the senior citizen or disabled person choose the discount granted by law, he is no longer entitled to the discount granted to a stockholder and the discounts granted by law shall be computed on the basis of the regular prices at which the medicines and supplies are sold to the general public.*

## VII. PRICE

Price of stocks and the corresponding benefits and privileges for the acquisition of such stocks may be subject to change upon prior notice to the regulator. ***Any such change, to the extent allowed by the financial position of the hospital*** shall be effected without prejudice to previous buyers and shall, therefore, not affect the privileges and benefits they are already enjoying.

### Investor Restrictions

The aggregate amount of securities purchased from one or more Issuers offering or selling securities under the registration statement during the 12-month period preceding the date of the sale, together with the securities to be sold by the Issuer to the Investor:

17. Is the offering subject to any other Investor restrictions? \_\_\_ Yes \_\_\_ No

18. Are the securities subject to any other resale restrictions by the Issuer? \_\_\_ Yes \_\_\_ No

Please see Rights and Restrictions on page 43

### PLAN OF DISTRIBUTION

19. List the persons or companies who will offer and sell the securities on behalf of the Issuer:

Name	Relationship to Issuer	Address	Tel. No.	Compensation received for selling securities
Ariel S. Malata	Employee	Blk. 46, Lot 1, Cluster 1, Providence Negros, Granada, Bacolod City	(034) 7031637	N/A
Chleo Dominique P. Espera	Employee	Blk. 27, Lot 92, NHA Phase 4, Pahanocoy Village, Bacolod City	(034) 7031637	N/A

Outline briefly the plan of distribution of any securities to be registered.

Asia-Pacific Medical Center Bacolod, Inc. will market and offer the securities through its organic employees, mentioned above, who will act as salesmen. These employees are well versed with the Hospital's operations and are the best persons to market the Company's securities. These employees will not receive additional compensation for the marketing/selling services rendered.

Management believes that the strategic location of the Hospital, the facilities and the services it will provide, are sufficient to entice medical/dental specialists and prospective investors to consider the offer. Asia-Pacific Medical Center Bacolod, Inc. will greatly rely on these salesmen to spread the word about the facilities the Hospital can offer.

The subscription payments made by the public will be utilized to fund the development costs, finish the hospital up to its operational stage and pay existing debts.

Purchasers may avail of different terms in acquiring the Offer Securities. They may pay it in spot cash or deferred payment plan. The following payment terms may be extended to the prospective buyers as follows:

### **STOCKS PAYMENT SCHEDULE**

#### **I. Non-Medical Stockholders ----**

For one block of 10 shares:

- Php 250,000.00
- Php 300,000.00
- Php 400,000.00

Payment Schedule for One (1) Block of 10 Shares

- For Php 250,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 20 months.
- For Php 300,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 25 months.
- For Php 400,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 35 months.

#### **II. Medical and Dental Stockholders ----**

For one block of 10 shares:

- Php 250,000.00
- Php 300,000.00
- Php 400,000.00

Payment Schedule for One (1) Block of 10 Shares

- For Php 250,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 20 months.
- For Php 300,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 25 months.
- For Php 400,000.00 per block:  
Php 50,000 Minimum Initial Payment then Php 10,000 per month for 35 months.

## **PRIVILEGE TO PRACTICE**

Privilege to practice is a privilege given to a physician or dentist who passed the requirements of the APMC Credentials and Privilege Committee and approved by the APMC President. An accredited physician or dentist of APMC can bring patient for admission and can avail the services of the hospital.

How to avail the Privilege to Practice in APMC

1. The physician or dentist must be a graduate of an accredited medical or dental school and training program.
2. The physician or dentist must apply to the APMC President for the privilege to practice in APMC Hospital.
3. The physician's or dentist's application for the privilege to practice will go on routing and subject to the approval of the Credentials and Privilege Committee and lastly by the APMC President.

### **THE PRIVILEGES OF AN ACCREDITED PHYSICIAN OR DENTIST IN APMC**

1. Admitting Privileges – The physician or dentist can admit his/her patient to the APMC hospital.
2. Access to hospital services
3. The physician or dentist is listed in the Roster and Decking of Accredited APMC physicians and dentists. An accredited physician or dentist will be assigned to walk-in patients without attending physician or dentist on admission or consult.
4. The physician or dentist can accept referral for consult / co-management from Accredited APMC physicians and dentists.

### **QUALIFICATION OF AN ACCREDITED PHYSICIAN OR DENTIST IN APMC**

1. Must be a medical or dental stockholder who passed the Credentials and Privilege Committee requirements.
2. Unique and needed specialty.
3. Active department consultants.

### **PRIVILEGE TO HOLD CLINIC & RESPONSIBILITIES**

1. Must be a medical or dental stockholder unless there is no available stocks to sell.
2. Must be an APMC accredited physician or dentist.
3. Full payment of non-refundable fee of P300,000.00 pesos per time slot on a 5-year term limit.
4. Signed agreement to participate in the APMC management benefits program.
5. May hold clinic within the hospital / Medical arts building on a time slot system.

\* AM Time Slot is equivalent to a maximum of 4 hours / day (e.g. 8:00 AM - 12:00NN) and maximum of 24 hours per week.

\*\* PM Time Slot is equivalent to a maximum of 4 hours / day (e.g. 1:00 PM - 5:00 PM) and maximum of 24 hours per week.

6. Responsible for the following fees: maintenance, internet, telephone, water, electricity bills and common usage area (CUSA).

## CAPITALIZATION

### Capital Stock

ACS	Par Value	No. of Shares Subscribed		Amount Paid - Up	
		Founder	Common	Founder	Common
120,000,000.00	1,000.00	480	95,520	480,000.00	95,520,000.00
<i>Increase</i>					
<b>120,000,000.00</b>	1,000.00	-	107,880	-	27,000,000.00
After increase		120		120,000.00	120,000
<b>P240,000,000.00</b>		<b>600</b>	<b>203,400</b>	<b>P600,000.00</b>	<b>P122,640,000.00</b>

The Securities and Exchange Commission has approved the Company's application for increase in authorized capital stock from One Hundred Twenty Million Pesos to Two Hundred Forty Million Pesos on September 21, 2021. As such, the issuance of additional unregistered shares was carried out after the approval.

## OUTSTANDING SECURITIES AND PRINCIPAL SHAREHOLDERS

### Outstanding Securities

20. For each class of the Issuer's securities, indicate the total number of outstanding securities and the total number of securities the Issuer is authorized to issue. Also, include a description of each class of securities.

Class of Securities	Securities Outstanding	Securities the Issuer is Authorized to Issue
Founder	600	-
Common	203,400	36,000
<b>TOTAL</b>	204,000	36,000

### Description of Securities

Founder's Share – the holders of the Founder's shares shall have the exclusive right to vote and be voted upon in the election of Directors for a limited period not to exceed five (5) years. The five-year period shall commence from the date of registration with the Securities and Exchange Commission.

Common Share – the holders of Common shares have cumulative voting rights.

### Stockholders

#### Original Stockholders

21. Provide the names of the original stockholders, class of securities, number of shares held and percentage of total shares held over outstanding shares.

No	Name	Class of Securities	Shares Held	%
1	Abad, Alben Teodoro T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
2	Achurra, Alexander Kent T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
3	Balinas, Rhona T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
4	Bautista, Kathryn Kristy P.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
5	Biron, Ferjenel G.	Founder	64	13.33%
		Common	12,736	
		Total	12,800	
6	Carlos, Fernando P.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
7	Comuelo, Jerusha A.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
8	Concel, Leopoldo M.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
9	Cu, Dorothy Mildred S.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
10	De Castro, Felicisimo D.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	

11	Dianco, Felibert O. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
12	Encarnacion, Joseline C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
13	Enriquez, Amado Manuel Jr. C. *	Founder	64	13.33%
		Common	12,736	
		Total	12,800	
14	Espinosa, Wendell Z.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
15	Galve, Gregorio L.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
16	Gebusion, Anthony C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
17	Germinal, Rodolfo, Jr. F.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
18	Gubatina, Maria Geraldine L. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
19	Jalea, Ruel U.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
20	Jesena, Salve Regina S.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
21	Lavilla, Meride D.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	

22	Lavalle, Amado Jr. M.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
23	Lopez, Geanie C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
24	Magallanes, Bel Manuel G.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
25	Magbanua, Ma. Leila M.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
26	Malata, Ma. Ivy V.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
27	Mallen, Andrew I.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
28	Martyr, John Clifton U.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
29	Minerva, Ike T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
30	Ong, Mary Flor G.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
31	Orillaza, Generozo M. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
32	Orillaza, Marissa A. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	

33	Pabicon, Olga H.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
34	Pacete, Jimmy B.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
35	Pedroza, David G.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
36	Perez, Ma. Grace G.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
37	Raca, Julian Rizaldy Jr. C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
38	Regozo, Danilo C.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
39	Rodrigo, Sherwin Lowe B.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
40	Samoro, Fredilyn G. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
41	Samoy, Marietta T.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
42	Saquian, Jeremy M. *	Founder	8	1.67%
		Common	1,592	
		Total	1,600	
43	Tad-y, May Claire R.	Founder	8	1.67%
		Common	1,592	
		Total	1,600	



44	Villaflor, Agnes Jean M.	Founder	8	1.67%
		Common	1,592	
		<b>Total</b>	<b>1,600</b>	
45	Villanueva, Maria Teresa D.	Founder	8	1.67%
		Common	1,592	
		<b>Total</b>	<b>1,600</b>	
46	Yap, Jose Joel B.	Founder	8	1.67%
		Common	1,592	
		<b>Total</b>	<b>1,600</b>	
	<b>SUB-TOTAL</b>	<b>Founder</b>	<b>480</b>	<b>0.50%</b>
		<b>Common</b>	<b>95,520</b>	<b>99.50%</b>
	<b><u>GRAND TOTAL</u></b>	<b><u>Total</u></b>	<b><u>96,000</u></b>	<b><u>100%</u></b>

Current Stockholders (as of **April 6, 2022**)

22. Provide the names of the current stockholders, class of securities, number of shares held and percentage of total shares held over outstanding shares. √ Same as Above

No	Name	Class of Securities	Shares Held	%
1	Abad, Alben Teodoro T.	Founder	14	1.47%
		Common	2,984	
		<b>Total</b>	<b>2,998</b>	
2	Achurra, Alexander Kent T.	Founder	14	2.42%
		Common	4,917	
		<b>Total</b>	<b>4,931</b>	
3	Balinas, Rhona T.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
4	Bautista, Kathryn Kristy P.	Founder	14	2.32%
		Common	4,725	
		<b>Total</b>	<b>4,739</b>	
5	Biron, Ferjenel G..	Founder	128	32.51%
		Common	66,184	
		<b>Total</b>	<b>66,312</b>	
6	Comuelo, Jerusha A.	Founder	10	0.79%
		Common	1592	
		<b>Total</b>	<b>1,602</b>	
7	Concel, Leopoldo M.	Founder	14	2.42%

		Common	4,916	
		<b>Total</b>	<b>4,930</b>	
8	Cu, Dorothy Mildred S.	Founder	10	0.79%
		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
9	Encarnacion, Joseline C.	Founder	10	0.79%
		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
10	Enriquez, Amado Manuel C., Jr. *	Founder	62	6.18%
		Common	12,546	
		<b>Total</b>	<b>12,608</b>	
11	Espinosa, Wendell Z.	Founder	14	2.42%
		Common	4,916	
		<b>Total</b>	<b>4,930</b>	
12	Galve, Gregorio L.	Founder	14	2.42%
		Common	4,917	
		<b>Total</b>	<b>4,931</b>	
13	Gebusion, Anthony C.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
14	Germinal, Rodolfo, Jr. F.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
15	Jalea, Ruel U.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
16	Jesena, Salve Regina S.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
17	Lavilla, Meride D.	Founder	10	1.08%
		Common	2,192	
		<b>Total</b>	<b>2,202</b>	
18	Lavalle, Amado Jr. M.	Founder	20	2.45%
		Common	4,984	
		<b>Total</b>	<b>5,004</b>	
19	Magallanes, Bel Manuel G.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
20	Magbanua, Ma. Leila M.	Founder	12	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,037</b>	
21	Malata, Ma. Ivy V.	Founder	14	2.32%

		Common	4,725	
		<b>Total</b>	<b>4,739</b>	
22	Mallen, Andrew I.	Founder	14	1.13%
		Common	2,292	
		<b>Total</b>	<b>2,306</b>	
23	Martyr, John Clifton U.	Founder	14	1.13%
		Common	2,292	
		<b>Total</b>	<b>2,306</b>	
24	Minerva, Ike T.	Founder	10	2.38%
		Common	4,848	
		<b>Total</b>	<b>4,858</b>	
25	Orillaza, Generoso M. *	Founder	4	0.44%
		Common	892	
		<b>Total</b>	<b>896</b>	
26	Orillaza, Marissa A. *	Founder	4	0.35%
		Common	700	
		<b>Total</b>	<b>704</b>	
27	Ong, Mary Flor G.	Founder	10	0.79%
		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
28	Pabicon, Olga H.	Founder	14	2.32%
		Common	4,725	
		<b>Total</b>	<b>4,739</b>	
29	Pacete, Jimmy B.	Founder	12	2.07%
		Common	4,215	
		<b>Total</b>	<b>4,227</b>	
30	Pedroza, David G.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
31	Perez, Ma. Grace G.	Founder	10	0.79%
		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
32	Raca, Julian Rizaldy Jr. C.	Founder	8	0.78%
		Common	1,592	
		<b>Total</b>	<b>1,600</b>	
33	Regozo, Danilo C.	Founder	20	2.94%
		Common	5,986	
		<b>Total</b>	<b>6,006</b>	
34	Rodrigo, Sherwin Lowe B.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
35	Tad-y, May Claire R.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
36	Villaflor, Agnes Jean M.	Founder	10	0.79%

		Common	1,592	
		<b>Total</b>	<b>1,602</b>	
37	Villanueva, Maria Teresa D.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
38	Yap, Jose Joel B.	Founder	10	1.98%
		Common	4,025	
		<b>Total</b>	<b>4,035</b>	
	<b>SUB-TOTAL</b>	<b>Founder</b>	<b>600</b>	<b>0.29%</b>
		<b>Common</b>	<b>203,400</b>	<b>99.71%</b>
	<b><u>GRAND TOTAL</u></b>	<b><u>Total</u></b>	<b><u>204,000</u></b>	<b><u>100%</u></b>

\* Shares have been sold but still awaiting Certificate Authorizing Registration (CAR)

#### Top 20 Stockholders

23. Provide the names of the Top Twenty (20) principal shareholders who beneficially owns at least 10% interest of each class of securities in the Issuer.

No	Name	Class of Securities	Number of Share Held	%
1	Ferjenel G. Biron	Founders/ Common	128 66,184	32.51%

#### Dividends and Dividend Policy

24. Dividends and Dividend Policy

- a) Discuss any cash dividends declared on each class of its common equity by the registrant for the two most recent fiscal years and any subsequent interim period for which financial statements are required to be presented by SRC Rule 68.
- b) Describe any restriction that limits the ability to pay dividends on common equity or that are likely to do so in the future.
- c) Describe company's dividend policy

Asia-Pacific Medical Center Bacolod, Inc.'s Board is authorized to declare cash or stock dividends or a combination thereof. A cash dividend declaration requires the approval of the Board and no shareholder approval is necessary. A stock dividend declaration requires the approval of the Board and shareholders representing at least two-thirds of the Company's outstanding capital stock. Holders of outstanding shares on a dividend record date for such shares will be entitled to the full dividend declared without regard to any subsequent transfer of shares.

The Board of Directors has the power to fix and determine the amount to be reserved or provided for declaration and payment of dividends from Asia-Pacific Medical Center Bacolod, Inc.'s unrestricted retained earnings. The amount of such dividends (either in cash, stocks or property) will depend on the Corporation's profits, cash flow, capital expenditure, financial condition and other factors and will follow the SEC guidelines on determination of retained earnings available for dividend declaration. The existence of surplus profit is a condition precedent before a dividend can be declared. The surplus profits or income must be a bona fide income founded upon

actual earnings. Actual earnings or profits shall be the net income for the year based on Audited Financial Statements, adjusted for unrealized items, which are considered not available for dividend declaration. Taking into account the Hospital's cash flows, capital expenditure, investment objective and financial condition, at least 10% of the actual earnings or profits may be declared by the Board. The Company is yet to adopt a specific dividend policy.

## BOARD OF DIRECTORS

### DIRECTORS

25. The table below sets forth each member of the Board of Directors of the Issuer as of the date of the Prospectus:

No	Name	Age	Position	Citizenship	Year Appointed
1	Biron, Ferjenel G.	56	Chairman President	Filipino	2020 2017
2	Magallanes, Bel Manuel G.	51	Vice-Chairman	Filipino	2019
3	Regozo, Danilo C.	57	Director/Exec. V-Pres.	Filipino	2017
4	Malata, Ma. Ivy V.	56	Corporate Secretary	Filipino	2017
5	Magbanua, Ma. Leila M.	58	Corporate Treasurer	Filipino	2019
6	Lavilla, Meride D.	58	Director/Asst. Corp. Sec	Filipino	2021
7	Balinas, Rhona T.	62	Director/ Asst. Corp. Treas.	Filipino	2021
8	Pacete, Jimmy B.	61	Director	Filipino	2017
9	Pabicon, Olga H.	58	Director	Filipino	2020
10	Rodrigo, Sherwin Lowe B.	46	Director	Filipino	2017
11	Pedroza, David G.	43	Director	Filipino	2020
12	Tad-y, May Claire R.	59	Director	Filipino	2020
13	Martyr, John Clifton U.	53	Independent Director	Filipino	2020
14	Abad, Alben Teodoro T.	39	Independent Director	Filipino	2021
15	Encarnacion, Joseline C.	63	Independent Director	Filipino	2021

### Business and Work Experience

26. Provide information on the business and working experience of the above-named Directors for the past five (5) years:

Name	Business and Professional Work Experience
Biron, Ferjenel G.	Chairman and Past President – Asia Pacific Medical Center – Iloilo (formerly Allied Care Experts (ACE) Medical Center – Iloilo, Inc.)

	<p>Chairman and Past President - Asia Pacific Medical Center – Aklan Inc. (formerly Allied Care Experts (ACE) Medical Center – Aklan, Inc.)</p> <p>Chairman and President – Asia-Pacific Medical Center Bacolod Inc. (formerly Allied Care Experts (ACE) Medical Center – Bacolod, Inc.)</p> <p>Director - Allied Care Experts (ACE) Medical Center – Butuan, Inc.</p> <p>Director - Allied Care Experts (ACE) Medical Center – General Santos, Inc.</p> <p>Allied Care Experts (ACE) Medical Center – Cagayan De Oro, Inc.</p> <p>President – Baguio Cordillera Doctors Hospital, Inc.</p> <p>President – Aesthetica Manila, Inc.</p> <p>President – Smartlab Diagnostics and Dialysis Center – Inc.</p> <p>President - Allied Care Experts (ACE) Medical Center – Butuan, Inc.</p> <p>Chairman – Botikang Pinoy, Inc.</p> <p>Chairman – Super BP Mart Corporation</p> <p>President – EMI Properties, OPC</p> <p>Member, House of Representatives 13<sup>th</sup> – 15<sup>th</sup>, 17<sup>th</sup> Congress (representing 4<sup>th</sup> District of Iloilo)</p>
<p>Magallanes, Bel Manuel G.</p>	<p>Philippine Society Otolaryngology Head and Neck Surgery (Western Visayas) – Chapter President 2016 – 2017</p> <p>Board Of Trustees Philippine Society Otolaryngology Head and Neck Surgery (National) – 2018</p> <p>Vice Chairman – Asia-Pacific Medical Center Bacolod, Inc.</p>
<p>Regozo, Danilo C.</p>	<p>Director - Asia Pacific Medical Center – Iloilo (formerly Allied Care Experts (ACE) Medical Center – Iloilo, Inc.)</p> <p>Executive Vice President - Asia-Pacific Medical Center Bacolod, Inc.</p> <p>Director - Allied Care Experts (ACE) Medical Center – Butuan, Inc.</p> <p>Director - Allied Care Experts (ACE) Medical Center – General Santos, Inc.</p> <p>Director - Asia Pacific Medical Center – Aklan (formerly Allied Care Experts (ACE) Medical Center – Aklan, Inc.)</p> <p>Founding Member - Allied Care Experts (ACE) Medical Center – Cagayan De Oro, Inc.</p> <p>Director – Baguio Cordillera Doctors Hospital</p> <p>Treasurer – Philippine Academy of Family Physicians, Iloilo Chapter</p> <p>Vice President – Philippine Academy of Family Physicians, Iloilo Chapter</p> <p>Assistant Secretary – Iloilo Medical Society</p> <p>Vice President – Iloilo Medical Society</p>

	Director – Iloilo Medical Society
Malata, Ma. Ivy V.	<p>Philippine Medical Women’s Association – President 2016 - 2020</p> <p>Philippine Medical Association – Canlaon Medical Society</p> <p>Province Of Negros Occidental – <b>Most Outstanding Physician – 2022</b>; President 2019-2020; Treasurer 2018 – 2019; Secretary 2017-2018; Auditor 2016-2017; Secretary 2015-2016</p> <p>Fellow - Philippine Pediatric Society</p> <p>Philippine Pediatric Society, Negros Island Chapter – P.I.O. 2016 - 2018</p> <p>PPS Breastfeeding Coordinator, The Doctors’ Hospital, Inc., 2015 – 2021</p> <p>Breastfeeding Committee Chairman, The Doctors’ Hospital, Inc. 2015 – 2017</p> <p>Providence Negros Homeowners Association, Bacolod City – Treasurer 2015 - 2016</p> <p>CISV International Philippine Delegate to Europe (Denmark) – Leader 2006</p> <p>Corporate Secretary– Asia-Pacific Medical Center Bacolod, Inc.</p>
Magbanua, Ma. Leila M.	<p>President- Philippine College of Physicians Western Visayas-Negros Occidental Chapter (PCP WVNO) (2000-2001)</p> <p>Vice-President -PCP WVNO (2001-2002)</p> <p>Secretary - PCP WVNO (1999-2000)</p> <p>Treasurer - PCP WVNO (1998-1999)</p> <p>Director - PCP WVNO (1997-1998)</p> <p>Diplomate – Philippine Specialty Board of Internal Medicine</p> <p>Fellow- Philippine College of Physicians</p> <p>Training Officer - Riverside Medical Center, Dept. of Medicine (1996)</p> <p>Member, Canlaon Medical Society</p> <p>Member, Philippine Medical Association</p> <p>Member, Philippine Society of Nephrology, Western Visayas Chapter</p> <p>Vice- President -Premier Nephro Care Systems, Inc. (2018-2021),</p> <p>Vice-President - Metro Bacolod Kidney Center, Inc. (2014-2021),</p> <p>Vice-President - Nephroprime Corporation (2018-2020)</p> <p>President - Nephroprime Corporation (2021)</p> <p>Corporate Treasurer -Asia-Pacific Medical Center Bacolod, Inc.</p>
Lavilla, Meride D.	<p>Vice Chairman - Asia Pacific Medical Center – Iloilo Inc.</p> <p>Vice President - Asia Pacific Medical Center – Aklan Inc.</p>

	<p>Assistant Corporate Secretary – Asia-Pacific Medical Center Bacolod Inc.  Director - Allied Care Experts (ACE) Medical Center – Butuan, Inc.  Founding Member - Allied Care Experts (ACE) Medical Center – Cagayan De Oro, Inc.  Founding Member - Director - Allied Care Experts (ACE) Medical Center – General Santos, Inc.  Director – Healthlink Iloilo, Inc.  Founding Member - Excelglobal, Inc.  Visiting Consultant – West Visayas State University Medical Center, Iloilo Mission Hospital, St. Paul’s Hospital, Medicus Medical Center, St. Therese Hospital, Qualimed Medical Center  Medical Retainer – Vitarich Corporation (Vismin), Angelina Bakeshop (Iloilo)  Assistant Corporate Secretary – Asia-Pacific Medical Center Bacolod, Inc.</p>
<p>Balinas, Rhona T.</p>	<p>Instructor - University of Negros Occidental – Recoletos –  Physician – Kaayong Lawas Foundation  Medical Officer III - Valladolid District Hospital  Medical Officer III- Corazon Locsin Montelibano Memorial Regional Hospital – Department of Anesthesiology  Medical Officer IV- Corazon Locsin Montelibano Memorial Regional Hospital – Department of Anesthesiology  Visiting Consultant- Dr. Pablo O. Torre Memorial Hospital  Visiting Consultant- Adventist Medical Center – Bacolod  Rotating Consultant- The Doctors’ Hospital, Inc.  Rotating Consultant- South Bacolod General Hospital  Department Chair- Bacolod Our Lady of Mercy Specialty Hospital  Professor - University of St. La Salle – Department of Pharmacology  President - Philippine Society of Anesthesiologist  Assistant Corporate Treasurer - Asia-Pacific Medical Center Bacolod, Inc.</p>
<p>Pacete, Jimmy B.</p>	<p>Rural Health Practice Program Volunteer (1988)  Part Time Professor Fellowship Baptist College (1989)  Medical Officer III – Silay General Hospital (1990)  Medical Officer III – Department of Surgery - Corazon Locsin Montelibano Memorial Regional Hospital (1991 – 1995)  Part Time Professor - College of Arts/Sciences - University of St. La Salle (1996)  Retainer Doctor of Colegio De San Agustin – Bacolod (1996)</p>



	<p>Accredited Health Care Provider (Intellicare) – (2012 – Present)  Accredited Health Care Provider (Caritas) – (2013 – Present)  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Pabicon, Olga H.	<p>Philippine Medical Association – Member  Philippine College of Physician – Diplomate &amp; Fellow  Philippine Rheumatology Association – Diplomate &amp; Fellow  Canlaon Medical Society – Member  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Rodrigo, Sherwin Lowe B.	<p>Examiner - Philippine Board of Surgery  Fellow - Philippine College of Surgeons; Philippine Society of General Surgeons; Philippine Association of Laparoscopic &amp; Endoscopic Surgeons; Philippine Society of Ultrasound for Surgeons; Philippine Society of Ultrasound in Clinical Medicine, Inc.  Diplomate - Philippine Board of Surgery  Member - Philippine Association of Training Officers in Surgery  Chairman - Corazon Locsin Montelibano Memorial Regional Hospital – Department of Surgery (2018)  Chairman - University of St. La Salle College of Medicine – Department of Surgery (2017 – Present)  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Tad-y, May Claire R.	<p>The Doctors’ Hospital, Inc. – Ob – Gyn Sonologist  Adventist Medical Center – Bacolod – Ob-Gyn Sonologist  South Bacolod General Hospital – Ob-Gyn Sonologist</p> <p>Negros Occidental Medical Society, Inc. – Member  International College of Surgeons - Fellow  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Pedroza, David G.	<p>Medical Specialist - Corazon Locsin Montelibano Memorial Regional Hospital  Practicing Pathologist -South Bacolod General Hospital; Metro Bacolod Hospital; Bacolod Adventist Medical Center; and Riverside Medical Center Inc.</p> <p>Member - Philippine Society of Pathologist Inc.  Member - American Society of Clinical Pathologist International  Vice President for Negros Occidental - Philippine Society of Pathologist - Western Visayas Chapter  Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Martyr, John Clifton U.	<p>Chair: Division of Microbiology and Parasitology, University of St. La Salle, Bacolod City  Past Chair: Department of Internal Medicine, The Doctors’ Hospital, Inc.</p>

	<p>Past President: Philippine College of Physicians Negros Chapter  Chief Of Clinics: The Doctors' Hospital, Inc.  Volunteer Physician: Sagay Municipal Health Office 1995  Chief Fellow: Division of Pulmonary &amp; Critical Care Medicine, Philippine Heart Center 2001  Independent Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Abad, Alben Teodoro T.	<p>Junior Intern – West Visayas State University Medical Center  PGI – West Visayas State University Medical Center  Residency Training – SPH Iloilo  Contractual Radiologist – Corazon Locsin Montelibano Memorial Regional Hospital  Independent Director - Asia-Pacific Medical Center Bacolod, Inc.</p>
Encarnacion, Joseline C.	<p>Philippine Medical Association  Negros Occidental Medical Society  PCP – Negros Occidental Chapter  PCP – National Chapter  Independent Director - Asia-Pacific Medical Center Bacolod, Inc.</p>

## 27. Other Directorship of Independent Directors

Name of Independent Director	Reporting Company	Year Appointed
Martyr, John Clifton U.	none	2020
Abad, Alben Teodoro T.	none	2021
Encarnacion, Joseline C.	none	2021

## Security Ownership of Directors

The following table shows the security ownership of directors in the common shares of the Company as of April 6, 2022.

Name	Amount and Nature of Beneficial Ownership		Citizenship	No. of Shares	% Ownership
	Direct	Indirect			
Biron, Ferjenel G.	66,312,000		Filipino	66,312	32.51%
Magallanes, Bel Manuel G.	4,035,000		Filipino	4,035	1.98%

Regozo, Danilo C.	6,006,000		Filipino	6,006	2.94%
Malata, Ma. Ivy V.	4,739,000		Filipino	4,739	2.32%
Magbanua, Ma. Leila M.	4,037,000		Filipino	4,037	1.98%
Balinas, Rhona T.	4,035,000		Filipino	4,035	1.98%
Lavilla, Meride D.	2,202,000		Filipino	2,202	1.08%
<b>Pabicon, Olga H.</b>	<b>4,739,000</b>		<b>Filipino</b>	<b>4,739</b>	<b>2.32%</b>
<b>Pacete, Jimmy B.</b>	<b>4,227,000</b>		<b>Filipino</b>	<b>4,227</b>	<b>2.07%</b>
Tad-y, May Claire R.	4,035,000		Filipino	4,035	1.98%
Pedroza, David G.	4,035,000		Filipino	4,035	1.98%
Rodrigo, Sherwin Lowe B.	4,035,000		Filipino	4,035	1.98%
Martyr, John Clifton U.	2,306,000		Filipino	2,306	1.13%
Abad, Alben Teodoro T.	2,998,000		Filipino	2,998	1.47%
Encarnacion, Joseline C.	1,602,000		Filipino	1,602	0.79%

After the issuance of the CAR for the shares that they had bought, the shares of the following directors will be as follows:

Name	Amount and Nature of Beneficial Ownership		Citizenship	No. of Shares	% Ownership
	Direct	Indirect			
Biron, Ferjenel G.	66,312,000		Filipino	66,312	32.51%
Magallanes, Bel Manuel G.	4,931,000		Filipino	4,931	2.42%
Regozo, Danilo C.	6,006,000		Filipino	6,006	2.94%
Malata, Ma. Ivy V.	4,931,000		Filipino	4,931	2.42%
Magbanua, Ma. Leila M.	4,933,000		Filipino	4,933	2.42%
Balinas, Rhona T.	4,931,000		Filipino	4,931	2.42%
Lavilla, Meride D.	2,202,000		Filipino	2,202	1.08%
Pabicon, Olga H.	4,931,000		Filipino	4,931	2.42%
Pacete, Jimmy B.	4,931,000		Filipino	4,931	2.42%
Tad-y, May Claire R.	4,931,000		Filipino	4,931	2.42%
Pedroza, David G.	4,931,000		Filipino	4,931	2.42%
Rodrigo, Sherwin Lowe B.	4,931,000		Filipino	4,931	2.42%
Martyr, John Clifton U.	2,498,000		Filipino	2,498	1.22%
Abad, Alben Teodoro T.	2,998,000		Filipino	2,998	1.47%
Encarnacion, Joseline C.	2,498,000		Filipino	2,498	1.22%

## MANAGEMENT

### Officer, Manager and Key Person

28. Provide background information for each Officer, Manager and Key Person. The term “Key Person” means a person who makes significant contribution to the business of the Issuer.

Name	Dr. Ferjenel G. Biron
Age	57
Title	Chairman/CEO
Time spent on Issuer’s business	Full time
Education	<p>College: BS Biological Sciences, West Visayas State University (Magna Cum Laude)</p> <p>Medical School: West Visayas State University</p> <p>Masteral: Manufacturing and Finance Course for Senior Executives (Asian Institute of Management, 1999)</p> <p>Further Studies/Training:            Master In Hospital Management, Cebu Doctors College 2015-2017 (For Thesis Compliance); Strategic Business Economic Planning, University of Asia and The Pacific 2014</p>

Name	Dr. Bel Manuel G. Magallanes
Age	51
Title	Vice- Chairman/COO
Time spent on Issuer’s business	Full Time
Hospital affiliation – 5 years	<p>Dr. Pablo O. Torre Memorial Hospital, Bacolod City</p> <p>The Doctors’ Hospital, Inc., Bacolod City</p> <p>Adventist Medical Center – Bacolod, Bacolod City</p> <p>Bacolod Our Lady Of Mercy Specialty Hospital, Bacolod City</p>
Education	<p>College: BS Biology, West Negros University (1991)</p> <p>Medical School: University of the Philippines (1996)</p> <p>Post-Graduate Internship: Philippine General Hospital University of The Philippines (1996)</p> <p>Further Studies/Training:            Corazon Locsin Montelibano Memorial Regional Hospital (2005)            Masteral: Master of Arts in Hospital Administration, Cebu Doctors University (On-Going)</p>

Name	Dr. Danilo C. Regozo
Age	58
Title	Executive Vice-President
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	Iloilo Doctor's Hospital Iloilo Mission Hospital St. Therese-MTC Colleges Hospital The Medical City Iloilo Medicus Medical Center Iloilo
Education	College: BS Biological Science, West Visayas State University (1984)  Further Studies/Training: BS Nursing, West Negros College (2006)  Medical School: West Visayas State University (1988)  Post-Graduate Internship: Iloilo St. Paul's Hospital (1988) Diplomate in Family Medicine (1999)  Fellow Philippine Academy of Family Physician (2004)

Name	Dr. Ma. Ivy V. Malata
Age	57
Title	Corporate Secretary
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	The Doctors' Hospital, Inc., BS Aquino Drive, Bacolod City Riverside Medical Center, BS Aquino Drive, Bacolod City Adventist Medical Center-Bacolod, Taculing, Bacolod City Bacolod Our Lady Of Mercy Specialty Hospital, Bacolod City
Education	College: BS Biological Sciences, West Visayas State University (1984)  Further Studies/Training: BS Nursing, Central Philippine Adventist College (2005) Masteral: Master in Hospital Administration, Cebu Doctors University (On-Going)  Medical School: West Visayas State University (1990) Residency Training: The Doctors' Hospital, Inc. (1997-1999) Fellowship/Subspecialty Training: Philippine Children's Medical Center (1999)

	Post-Graduate Internship: Corazon Locsin Montelibano Memorial Regional Hospital (1990-1991)
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Name	Dr. Meride D. Lavilla
Age	58
Title	Assistant Corporate Secretary
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	St. Paul's Hospital – Gen. Luna St., Iloilo City Iloilo Mission Hospital – Jaro, Iloilo City West Visayas State Univ. Medical Center – Jaro, Iloilo City Medicus Medical Center – Iloilo City Qualimed Medical Center – Iloilo City St., Therese Hospital – Iloilo City
Education	College: BS Biology, West Visayas State University - Iloilo (1984)  Further Studies/Training: Masteral: Master in Hospital Administration, Cebu Doctors University (On-Going)  Medical School: West Visayas State University (1988) Residency Training: West Visayas State University Medical Center (1990-1993)  Post-Graduate Internship: St. Paul's Hospital (1988-1989)  Fellowship/Subspecialty Training: N/A

Name	Dr. Ma. Leila M. Magbanua
Age	58
Title	Corporate Treasurer
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	Dr. Pablo O. Torre Medical Hospital, Bacolod City The Doctors' Hospital, Inc., Bacolod City Bacolod Our Lady of Mercy Hospital, Bacolod City
Education	College: BS Biological Science, University of the Philippines - Diliman (1979-1983)

	<p>Medical School: West Visayas State University (1983- 1987)</p> <p>Residency Training: Internal Medicine – Riverside Medical Center (1989-1991)</p> <p>Post-Graduate Internship: Riverside Medical Center (1988-1989)</p> <p>Fellowship/Subspecialty Training: Philippine General Hospital – UP (1992-1993)</p> <p>Further Studies/Training: Master in Hospital Administration, Cebu Doctors University (On-Going)</p>
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Name	Dr. Rhona T. Balinas
Age	63
Title	Assistant Corporate Treasurer
Time spent on Issuer’s business	Full Time
Hospital affiliation – 5 years	<p>Bacolod Our Lady Of Mercy Specialty Hospital, Bacolod City</p> <p>The Doctors’ Hospital, Inc. Bacolod City</p> <p>Riverside Medical Center, Bacolod City</p> <p>Adventist Medical Center – Bacolod, Bacolod City</p> <p>South Bacolod General Hospital, Bacolod City</p> <p>Metro Bacolod Hospital And Medical Center, Bacolod City</p>
Education	<p>College: AB General Science, University of Negros Occidental- Recoletos - Bacolod (1979) BS Nursing, Central Philippine Adventist College (2005)</p> <p>Further Studies/Training: Masteral: Master in Hospital Administration, Cebu Doctors University (2021)</p> <p>Medical School: Cebu Institute of Medicine (1984) Residency Training: Anesthesiology, Corazon Locsin Montelibano Memorial Regional Hospital (1994-1997)</p> <p>Post-Graduate Internship: St. Joseph Hospital (1985)</p>

## Security Ownership of Management

The following table shows the security ownership of management in the common shares of the Company as of September 30, 2021.

Name	Amount and Nature of Beneficial Ownership		Citizenship	No. of Shares	% Ownership
	Direct	Indirect			
Biron, Ferjenel G.	66,312,000		Filipino	66,312	32.51%
Magallanes, Bel Manuel G.	4,035,000		Filipino	4,035	1.98%
Regozo, Danilo C.	6,006,000		Filipino	6,006	2.94%
Malata, Ma. Ivy V.	4,739,000		Filipino	4,739	2.32%
Magbanua, Ma. Leila M.	4,037,000		Filipino	4,037	1.98%
Balinas, Rhona T.	4,035,000		Filipino	4,035	1.98%
Lavilla, Meride D.	2,202,000		Filipino	2,202	1.08%

## Compensation

29. List the compensation paid by the Issuer to the Chief Executive Officers and four (4) most highly compensated officers other than the CEO, all of whom shall be individually named during the last fiscal year:

### SUMMARY COMPENSATION TABLE

#### Annual Compensation

(a)	(b)	(c)	(d)	(e)
Name and Principal Position	Year	Annual Salary (P)	Bonus (P)	Other Annual Compensation
CEO Ferjenel G. Biron	2021	108,000.00	none	120,000 per diem
Chairman Ferjenel G. Biron	2021	108,000.00	none	120,000 per diem
A Bel Manuel G. Magallanes	2021	84,000.00	None	120,000 per diem
B Danilo C. Regozo	2021	84,000.00	None	120,000 per diem
C Ma. Ivy V. Malata	2021	84,000.00	None	120,000 per diem
D Ma. Leila M. Magbanua	2021	84,000.00	None	120,000 per diem
E All other officers and directors as a group unnamed (10 directors)	2021	204,000.00	none	120,000 per diem



30. The Issuer (select all that apply):

√	Expects compensation to change in the next year
	Owes compensation for prior years

### Arrangements with Officers, Directors, Managers and Key Persons

31. The Issuer (select all that apply):

	Has entered into employment or non-compete agreements with any Officer, Manager, Director or Key Person.
	Plans to enter into employment or non-compete agreements with any Officer, Manager, Director or Key Person

### Insolvency Legal Proceedings of Management and Key Personnel

32. An Officer, Manager, Director, Key Person of the Issuer (Put ✓ in column if applicable and x otherwise):

Name	Position: D = Director ID - Independent Director O - Officer	Civil	Criminal	Administrative	Bankruptcy	Case Details
Dr. Biron, Ferjenel G.	D/O	x	x	x	x	
Dr. Magallanes, Bel Manuel G.	D/O	x	x	x	x	
Dr. Regozo, Danilo C.	D/O	x	x	x	x	
Dr. Malata, Ma. Ivy V.	D/O	x	x	x	x	
Dr. Lavilla, Meride D.	D/O	x	x	x	x	
Dr. Magbanua, Ma. Leila M.	D/O	x	x	x	x	
Dr. Balinas, Rhona T.	D/O	x	x	x	x	
Dr. Pacete, Jimmy B.	D	x	x	x	x	
Dr. Rodrigo, Sherwin Lowe B.	D	x	x	x	x	
Dr. Pabicon, Olga H.	D	x	x	x	x	
Dr. Pedroza, David G.	D	x	x	x	x	
Dr. Tad-y, May Claire R.	D	x	x	x	x	

Dr. Martyr, John Clifton U.	ID	x	x	x	x	
Dr. Abad, Alben Teodoro T.	ID	x	x	x	x	
Dr. Encarnacion, Joseline C.	ID	x	x	x	x	

**Certain Legal Proceedings**

This section applies to:

- The issuer, its subsidiaries and affiliates
- All Directors and Officers of the Issuer
- All Beneficial Owners of 10% or more of the Issuer’s outstanding voting equity and
- All Promoters of the Issuers

33. Have any of the above-listed persons filed or subject of any bankruptcy petition filed by or against any business of which such person was a general partner or executive either at the time of the bankruptcy or within two (2) years prior to that time.  Yes  No

34. Have any of the above-listed persons been named as the subject of a pending felony or misdemeanor criminal proceeding excluding traffic violations or other minor offenses not related to fraud or a financial crime?  Yes  No

35. Have any of the above-listed persons been the subject of an order, judgment, decree, sanction or administrative findings imposed by any government agency, administrative agency, self-regulatory organization, civil court, or administrative court in the last five (5) years related to his or her involvement in any type of business, securities, insurance, or banking activity?  Yes  No

36. Are any of the above-listed persons the subject of a pending civil, administrative, or self-regulatory action related to his or her involvement in any type of business, securities, insurance, or banking activity?  Yes  No

37. Has any civil action, administrative proceeding, or self-regulatory proceeding been threatened against any of the above-listed persons related to his or her involvement in any type of business, securities, insurance or banking activity?  Yes  No

**Litigation**

38. The Issuer (select all that apply):

<input type="checkbox"/>	Has been involved in litigation or subject to administrative action in the last five (5) years that has had a material effect upon the Issuer’s business, financial condition or operations
<input type="checkbox"/>	Has pending litigation or administrative action that may have a material effect upon the Issuer’s business, financial condition, or operations
<input type="checkbox"/>	Is currently threatened by litigation or administrative action that may have a material effect upon the Issuer’s business, financial condition, or operations
<input checked="" type="checkbox"/>	None of the above

### Family Relationship

39. Describe any family relationships up to the fourth civil degree either by consanguinity or affinity among directors, executive officers, or persons nominated or chosen by the registrant to become directors or executive officers.

Pls. disclose if any – Not Applicable

### Certain Relationship and Related Party Transactions

40. The Issuer (select all that apply):

	Has made loans to an Officer, Manager, Director or Principal Stockholders within the last two (2) years
	Has one or more outstanding loans with an Officer, Manager, Director or Principal Stockholder in the future.
	Has done other business not associated with this offer with current Officer, Manager, Director, or Principal Stockholder within the last two (2) years
	Plans to do other business not associated with this offering with a current Officer, Manager, Director, or Principal Stockholder in the future

## FINANCIAL INFORMATION

### Management Discussion and Analysis (MD&A) or Plan of Operation

Results of Operations (December 31, 2021 vs. December 31, 2020)

	For the year ended		Horizontal Analysis		Vertical Analysis	
	December 31, 2021	December 31, 2020	Inc (Dec)	%	2021	2020
Revenues	P-	P-	-	-	n/a	n/a
Direct costs	-	-	-	-	n/a	n/a
Gross profit	-	-	-	-	n/a	n/a
Other income	514,903	2,635,791	(2,120,888)	(80%)	n/a	n/a
Gross income	514,903	2,635,791	(2,120,888)	(80%)	n/a	n/a
General and administrative expenses	(7,326,232)	(12,857,286)	(5,531,054)	(43%)	n/a	n/a
Loss from operations	(6,811,329)	(10,221,495)	3,410,166	(33%)	n/a	n/a
Income tax expense	(1,808)	-	1,808	n/a	n/a	n/a
Net loss for the year	(6,813,137)	(10,221,495)	3,408,358	(33%)	n/a	n/a
Add (deduct) comp income (loss)	-	-	-	-	n/a	n/a
Net comprehensive loss for the year	(P6,813,137)	(P10,221,495)	3,408,358	(33%)	n/a	n/a

### Other Income

Other income during the period December 31, 2021 is lower than December 31, 2020 by 80%. The decrease is due to the termination of some time deposits and decrease in the bank interest rates in 2021.

### General and Administrative Expenses

General and administrative expenses during December 31, 2021 is lower than December 31, 2020 by 43%. This is due to capital gains tax and increase in meetings and conferences.

### Loss for the Period

Loss for the period December 31, 2021 is lower than in the same period on December 31, 2020 by 33%. This is due to the non-operational status of the Company. There is still no income to sustain the expenses.

### Financial Condition (December 31, 2021 and December 31, 2020)

	As at	As at	Horizontal Analysis		Vertical Analysis	
	December 31, 2021	December 31, 2020	Inc (Dec)	%	2021	2020
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	P22,326,536	P93,666,173	(71,339,637)	(76%)	6%	35%
Receivables	56,106,654	40,513,422	15,593,232	38%	15%	15%
Other current assets	14,115,156	8,333,448	5,781,708	69%	4%	3%
	92,548,346	142,513,043	(49,964,697)	(35%)	25%	52%
<b>Noncurrent Assets</b>						
Property and equipment (net)	284,645,878	128,927,826	155,718,052	121%	75%	48%
Security deposit	45,466	45,000	466	1%	-	-
	284,691,344	128,972,826	155,718,518	121%	75%	48%
<b>TOTAL ASSETS</b>	<b>P377,239,690</b>	<b>P271,485,869</b>	<b>105,753,821</b>	<b>39%</b>	<b>100%</b>	<b>100%</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	P23,640,264	P17,926,211	5,714,053	32%	6%	7%
Income tax payable						
Deposit for future share subscription	1,808	-	1,808	n/a	-	-
	-	27,000,000	(27,000,000)	(100%)	-	10%
	23,642,072	44,926,211	(21,284,139)	(47%)	6%	17%
<b>Noncurrent Liability</b>						
Advances from shareholders	218,218,718	150,246,154	67,972,564	45%	58%	55%
<b>TOTAL LIABILITIES</b>	<b>241,860,790</b>	<b>195,172,365</b>	<b>46,688,425</b>	<b>24%</b>	<b>64%</b>	<b>72%</b>
<b>Equity</b>						

Share capital	161,878,533	96,000,000	65,878,533	69%	43%	35%
Deficit	(26,499,633)	(19,686,496)	6,813,137	35%	(7%)	(7%)
	135,378,900	76,313,504	59,065,396	77%	36%	28%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P377,239,690</b>	<b>P271,485,869</b>	<b>105,753,821</b>	<b>39%</b>	<b>100%</b>	<b>100%</b>

### **Total Assets**

Total assets increased from P271.5 million to P377.2 million, a 39% increase from December 31, 2020 to December 31, 2021. The increase was primarily due to increase in property and equipment.

### *Cash and cash equivalents*

Cash and cash equivalents decreased by P71.3 million (76%), as a result of payment of expenses for the on-going construction of hospital building.

### *Receivables*

The receivables amounting to P56.1 million as of December 31, 2021 consists mainly of advances to contactors.

### *Other current assets*

Other current assets increased by P5.8 million (69%), due to the input VAT related to the construction of the hospital building.

### *Property and equipment*

Property and equipment amounted to P284.6 million as of December 31, 2021, which consists mainly of the land and construction in progress of the hospital building.

### **Total Liabilities**

Total liabilities increased by P46.7 million from December 31, 2020 to December 31, 2021. The increase was primarily due to the additional advances from shareholders.

### *Trade and other payables*

The increase in trade and other payables by P5.7 million was due to recognition of accounts and retention payables in connection with the construction of the hospital building.

### *Deposit for future share subscription*

In 2020, the Company received cash for the additional subscription of capital stock pending application and approval from SEC for the increase in authorized capital stock as of December 31, 2020.

### *Income tax payable*

In 2021, the Company has unpaid income tax.

### *Advances from shareholders*

Advances from shareholders increased by P68.0 million (45%) from December 31, 2020 to December 31, 2021. The Company received additional advances from shareholders.

### **Equity**

The 29% increase in the total equity is due to the subscription of share capital from the increase in authorized capital stock approved by the SEC on September 21, 2021. The Company is still non-operational and mostly of the expenses incurred is in line with planning and construction.

Results of Operations (December 31, 2020 vs. December 31, 2019)

	For the year ended		Horizontal Analysis		Vertical Analysis	
	December 31, 2020	December 31, 2019	Inc (Dec)	%	2020	2019
Revenues	P-	P-	-	-	n/a	n/a
Direct costs	-	-	-	-	n/a	n/a
Gross profit	-	-	-	-	n/a	n/a
Other income	2,635,791	5,806,468	(3,170,677)	(55%)	n/a	n/a
Gross income	2,635,791	5,806,468	(3,170,677)	(55%)	n/a	n/a
General and administrative expenses	(12,857,286)	(7,413,785)	5,443,501	73%	n/a	n/a
Loss from operations	(10,221,495)	(1,607,317)	8,614,178	536%	n/a	n/a
Income tax expense	-	-	-	-	n/a	n/a
Net loss for the year	(10,221,495)	(1,607,317)	8,614,178	536%	n/a	n/a
Add (deduct) comp income (loss)	-	-	-	-	n/a	n/a
Net comprehensive loss for the year	(P10,221,495)	(P1,607,317)	8,614,178	536%	n/a	n/a

*Other Income*

Other income during the period December 31, 2020 is lower than December 31, 2019 at 55%. The decrease is due to the termination of some time deposits and decrease in the bank interest rates in 2021.

*General and Administrative Expenses*

General and administrative expenses during December 31, 2020 are higher than December 31, 2019 by 73%. This is due to capital gains tax and increase in meetings and conferences.

*Loss for the Period*

Loss for the period December 31, 2020 is higher than in the same period December 31, 2019 by 536%. This due to the non-operational status of the Company. There is still no income to sustain the expenses.

Financial Condition (December 31, 2020 and December 31, 2019)

	As at	As at	Horizontal Analysis		Vertical Analysis	
	December 30, 2020	December 31, 2019	Inc (Dec)	%	2020	2019
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	P93,666,173	P177,128,990	(83,462,817)	(47%)	35%	65%
Receivables	40,513,422	175,000	40,338,422	23,051%	15%	-
Other current assets	8,333,448	15,029,510	(6,696,062)	(45%)	3%	5%
	142,513,043	192,333,500	(49,820,457)	(26%)	53%	70%
<b>Noncurrent Assets</b>						
Property and equipment (net)	128,927,826	80,543,658	48,384,168	60%	47%	30%
Security deposit	45,000	45,000	-	-	-	-
	128,972,826	80,588,658	48,384,168	60%	47%	30%

<b>TOTAL ASSETS</b>	P271,485,869	P272,922,158	(1,436,289)	(1%)	100 %	100 %
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	P17,926,211	P16,747	17,909,464	106,941 %	7%	-
Deposit for future share subscription	27,000,000	-	27,000,000	n/a	10%	9%
Loans payable	-	24,250,000	(24,250,000)	n/a		
	44,926,211	24,266,747	20,659,464	85%	17%	9%
Advances from shareholders	150,246,154	162,120,412	(11,874,258)	(7%)	55%	59%
<b>TOTAL LIABILITIES</b>	195,172,365	186,387,159	8,785,206	5%	72%	68%
<b>Equity</b>						
Share capital	96,000,000	96,000,000	-	-	35%	35%
Deficit	(19,686,496)	(9,465,001)	10,221,495	108%	(7%)	(3%)
	76,313,504	86,534,999	(10,221,495)	(12%)	28%	32%
<b>TOTAL LIABILITIES AND EQUITY</b>	P271,485,869	P272,922,158	1,436,289	(1%)	100 %	100 %

#### **Total Assets**

Total assets decreased from P272.9 million to P271.5 million, 1% decrease from December 31, 2019 to December 30, 2020. The decrease was primarily due to increase in expenses.

#### *Cash and cash equivalents*

Cash and cash equivalents decreased by P83.5 million (47%), as a result of payment of expenses and on-going construction of hospital building.

#### *Receivables*

The receivables amounting to P40.5 million as of December 30, 2020 consists mainly of advances to contactors.

#### *Other current assets*

Other current assets decreased by P6.7 million (45%), as a result of transfer of prepayments for the construction of hospital building to property and equipment account.

#### *Property and equipment*

Property and equipment amounted to P128.9 million as of December 31, 2020, which consists mainly of the land and construction in progress of the hospital building.

#### **Total Liabilities**

Total liabilities increased by P8.8 million from December 31, 2019 to December 31, 2020. The increase was primarily due to accounts and retention payable and cash received for the additional subscription of capital stock pending application and approval from SEC for the increase in authorized capital stock as of December 31, 2020.

#### *Trade and other payables*

The increase in trade and other payables by P17.9 million was due to recognition of accounts and

retention payables in connection with the construction of the hospital building.

*Deposit for future share subscription*

In 2020, the Company received cash for the additional subscription of capital stock pending application and approval from SEC for the increase in authorized capital stock as of December 31, 2020.

*Loans payable*

In 2020, the Company paid the loans payable.

*Advances from shareholders*

Advances from shareholders decreased by P11.9 million (7%) from December 31, 2019 to December 31, 2020. The Company paid some advances from the shareholders.

**Equity**

The 12% decrease in the total equity is due to the results of operations in 2020. The Company is still non-operational and mostly of the expenses incurred is in line with planning and construction.

Results of Operations (December 31, 2019 vs. December 31, 2018)

	For the year ended		Horizontal Analysis		Vertical Analysis	
	December 30, 2019	December 30, 2018	Inc (Dec)	%	2019	2018
Revenues	P-	P-	-	-	n/a	n/a
Direct costs	-	-	-	-	n/a	n/a
Gross profit	-	-	-	-	n/a	n/a
Other income	5,806,468	1,700,472	4,105,996	241%	n/a	n/a
Gross income	5,806,468	1,700,472	4,105,996	241%	n/a	n/a
General and administrative expenses	(7,413,785)	(7,027,189)	386,596	6%	n/a	n/a
Loss from operations	(1,607,317)	(5,326,717)	(3,719,400)	70%	n/a	n/a
Income tax expense	-	-	-	-	n/a	n/a
Net loss for the year	(1,607,317)	(5,326,717)	(3,719,400)	70%	n/a	n/a
Add (deduct) comp income (loss)	-	-	-	-	n/a	n/a
Net comprehensive loss for the year	(P1,607,317)	(P5,326,717)	(3,719,400)	70%	n/a	n/a

*Other Income*

Other income in 2019 is higher than in 2018 at 241%. The increase was due to interest income time deposit account.

*General and Administrative Expenses*

General and administrative expenses in 2019 are slightly higher in 2018 by 6%.

*Loss for the Period*

Loss for the period December 31, 2019 is lower than in the same period December 31, 2018 by



70%. This due to the non-operational status of the Company. There is still no income to sustain the expenses.

Financial Condition (December 31, 2019 and December 31, 2018)

	As at	As at December	Horizontal Analysis		Vertical Analysis	
	December 30,	31,	Inc (Dec)	%	2019	2018
	2019	2018				
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	P177,128,990	P125,227,896	51,901,094	41%	65%	54%
Receivables	175,000	20,000,000	(19,825,000)	(99%)	-	9%
Other current assets	15,029,510	5,716,656	9,312,854	163%	5%	2%
	192,333,500	150,944,552	41,388,948	27%	70%	65%
<b>Noncurrent Assets</b>						
Property and equipment (net)	80,543,658	80,554,094	(10,436)	(0.01%)	30%	35%
Security deposit	45,000	45,000	-	-	-	-
	80,588,658	80,599,094	(10,436)	(0.01%)	30%	35%
<b>TOTAL ASSETS</b>	<b>P272,922,158</b>	<b>P231,543,646</b>	<b>41,378,512</b>	<b>18%</b>	<b>100%</b>	<b>100%</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Trade and other payables	P16,747	P971,781	(955,034)	(98%)	-	-
Loans payable	24,250,000	24,250,000	-	n/a	9%	11%
	24,266,747	25,221,781	(955,034)	(4%)	9%	11%
Advances from shareholders	162,120,412	118,179,549	43,940,863	37%	59%	51%
<b>TOTAL LIABILITIES</b>	<b>186,387,159</b>	<b>143,401,330</b>	<b>42,985,829</b>	<b>30%</b>	<b>68%</b>	<b>62%</b>
<b>Equity</b>						
Share capital	96,000,000	96,000,000	-	-	35%	41%
Deficit	(9,465,001)	(7,857,684)	(1,607,317)	(20%)	(3%)	(3%)
	86,534,999	88,142,316	(1,607,317)	(2%)	32%	38%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P272,922,158</b>	<b>P231,543,646</b>	<b>41,378,512</b>	<b>18%</b>	<b>100%</b>	<b>100%</b>

**Total Assets**

Total assets increased from P231.5 million to P272.9 million, 18% increase from December 31, 2018 to December 30, 2019. The increase was primarily due to funds received from stockholders.

*Cash and cash equivalents*

Cash and cash equivalents increased by P51.9 million (41%), as a result of funds from stockholders.

#### *Receivables*

Decreased in receivables was due to collection of advances to related parties.

#### *Other current assets*

Other current assets increased by P9.3 million (163%), as a result of prepayments for the construction of hospital building to property and equipment account.

#### *Property and equipment*

Property and equipment amounted to P128.9 million as of December 31, 2020, which consists mainly of the land and construction in progress of the hospital building.

#### **Total Liabilities**

Total liabilities increased by P43.0 million from December 31, 2018 to December 31, 2019. The increase was primarily due to advances received from stockholders.

#### *Trade and other payables*

The decrease in trade and other payables by P1.0 million was due to payment of interest and other payables

#### *Advances from shareholders*

Advances from shareholders increased by P43.9 million (37%) from December 31, 2018 to December 31, 2019. The Company received advances from the shareholders to fund the construction of hospital building.

#### **Equity**

The 2% decrease in the total equity is due to the results of operations in 2019. The Company is still non-operational and mostly of the expenses incurred is in line with planning and construction.

### **Summary Financial Information**

Prospective purchasers of the Offer should read the summary financial data below together with the financial statements, including the notes thereto, included in this Prospectus and "Management's Discussion and Analysis of Results of Operations and Financial Condition". The summary financial data for the **years ended December 31, 2021, 2020 and 2019, are derived from the audited financial statements of Asia-Pacific Medical Center Bacolod, Inc. (formerly Allied Care Experts Medical Center – Bacolod Inc.), including the notes thereto.**

The summary of financial and operating information of Asia-Pacific Medical Center Bacolod, Inc. presented below as of and for the **years ended December 31, 2021, 2020 and 2019** were derived from the financial statements of Asia-Pacific Medical Center Bacolod, Inc., audited by Mendoza Querido & Co. and have been prepared in compliance with the Philippine Financial Reporting Standards ("PFRS"). The financial and operating information of Asia-Pacific Medical Center Bacolod, Inc. presented below as of and for the years ended December 31, 2021, 2020 and 2019 were derived from the reviewed condensed financial statements of Asia-Pacific Medical Center Bacolod, Inc. prepared in compliance with Philippine Accounting Standards ("PAS") 34. The information below should be read in conjunction with the financial statements of Asia-Pacific Medical Center Bacolod, Inc. and the related notes thereto, which are included in Exhibit "G" and "G-1" of this Final Prospectus. The historical financial condition, results of operations and cash flows of Asia-Pacific Medical Center Bacolod, Inc. are not a guarantee of its future operating and financial performance.

#### **Statements of Income Data**

	December 31, 2021	December 31, 2020	December 31, 2019
Interest Income – net	P514,903	P2,635,791	P5,806,468
Expenses	(7,328,040)	(12,857,286)	(7,413,785)
<b>Net Loss</b>	<b>(P6,813,137)</b>	<b>(P10,221,495)</b>	<b>(P1,607,317)</b>
Loss per Share	(P55.39)	(P106.47)	(P16.74)

### Statements of Financial Position Data

	December 31, 2021	December 31, 2020	December 31, 2019
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and Cash Equivalents	P22,326,536	P93,666,173	P177,128,990
Receivables	56,106,654	40,513,422	175,000
Other Current Assets	14,115,156	8,333,448	15,029,510
<b>Total Current Assets</b>	<b>92,548,346</b>	<b>142,513,043</b>	<b>192,333,500</b>
<i>Noncurrent Assets</i>			
Property and equipment – net	284,645,878	128,927,826	80,543,658
Security Deposit	45,466	45,000	45,000
<b>Total Noncurrent Assets</b>	<b>284,691,344</b>	<b>128,972,826</b>	<b>80,588,658</b>
<b>TOTAL ASSETS</b>	<b>P377,239,690</b>	<b>P271,485,869</b>	<b>P272,922,158</b>
<b>LIABILITIES AND EQUITY</b>			
<i>Current Liabilities</i>			
Trade and other Payables	P23,640,264	P17,926,211	P16,747
Income tax payable	1,808	-	-
Deposits for future share subscriptions	-	27,000,000	-
Loans Payable	-	-	24,250,000
<b>Total Current Liabilities</b>	<b>23,642,072</b>	<b>44,926,211</b>	<b>24,266,747</b>
<i>Noncurrent Liabilities</i>			
Advances from Shareholders	218,218,718	150,246,154	162,120,412
<b>TOTAL LIABILITIES</b>	<b>241,860,790</b>	<b>195,172,365</b>	<b>186,387,159</b>
<b>EQUITY</b>			
Share Capital	161,878,533	96,000,000	96,000,000
Deficit	(26,499,633)	(19,686,496)	(9,465,001)
<b>TOTAL EQUITY</b>	<b>135,378,900</b>	<b>76,313,504</b>	<b>86,534,999</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>P377,239,690</b>	<b>P271,485,869</b>	<b>P272,922,158</b>

### Statements of Cash Flows Data

	December 31, 2021	December 31, 2020	December 31, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss	(P6,811,329)	(P10,221,495)	(P1,607,317)
Adjustments for:			
Interest income	(514,903)	(2,635,791)	(5,806,468)
Depreciation	173,092	130,269	105,826

<b>Loss before working capital changes</b>	<b>(7,153,140)</b>	<b>(12,727,017)</b>	<b>(7,307,959)</b>
Increase in other current assets	(5,781,708)	(8,191,741)	(9,312,854)
Increase (decrease) in trade and other payables	5,714,053	17,909,464	(955,034)
<b>Net cash used for operations</b>	<b>(7,220,795)</b>	<b>(3,009,294)</b>	<b>(17,575,847)</b>
Interest received	514,903	2,635,791	5,806,468
<b>Net cash used in operating activities</b>	<b>(6,705,892)</b>	<b>(373,503)</b>	<b>(11,769,379)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment of security deposit	(466)	-	-
Payments received from related parties	(129,867)	140,000	19,825,000
Payments made to contractors	(15,463,365)	(40,478,422)	-
Additions to property and equipment	(155,891,144)	(33,626,634)	(95,390)
<b>Net cash provided by (used in) investing activities</b>	<b>(171,484,842)</b>	<b>(73,965,056)</b>	<b>19,729,610</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from shareholders for future share subscriptions	-	27,000,000	-
Payment of loans payable	-	(24,250,000)	-
Proceeds from (payment of) advances from shareholders	67,972,564	(11,874,258)	43,940,863
Proceeds from subscription of share capital	38,878,533	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>106,851,097</b>	<b>(9,124,258)</b>	<b>43,940,863</b>
Net Increase (Decrease) in Cash and Cash Equivalents	(71,339,637)	(83,462,817)	51,901,094
Cash and Cash Equivalents at the Beginning of the Period	93,666,173	177,128,990	125,227,896
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>P22,326,536</b>	<b>P 93,666,173</b>	<b>P 177,128,990</b>

### Summary of Financial Ratios

Financial KPI	Definition	December 31, 2021	December 31, 2020	December 31, 2019
Current ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	<b>3.91:1</b>	3.17:1	7.93:1
Acid test ratio	$\frac{\text{Current Assets} - \text{Prepayments}}{\text{Current Liabilities}}$	<b>3.32:1</b>	2.99:1	7.31:1

Solvency ratio	$\frac{\text{Net Income} + \text{Depreciation}}{\text{Total Liabilities}}$	NA	NA	NA
Debt-to-equity ratio	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$	1.79:1	2.56:1	2.15:1
Asset-to-equity ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	2.79:1	3.56:1	3.15:1
Interest rate coverage ratio	$\frac{\text{Operating EBITDA}}{\text{Net Interest}}$	NA	NA	NA
Return on assets	$\frac{\text{Net Income}}{\text{Average Total Assets}}$	NA	NA	NA
Return on equity	$\frac{\text{Net Income}}{\text{Average Total Equity}}$	NA	NA	NA
Net profit margin	$\frac{\text{Net Income}}{\text{Total Revenue}}$	NA	NA	NA
Operating EBITDA margin	$\frac{\text{Operating EBITDA}}{\text{Net Revenue}}$	NA	NA	NA

### Information on Independent Accountant and other Related Matters

#### External Audit Fees and Services

41. The External Auditor has rendered (select all that apply):

√	audit of the registrant's annual financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements for those fiscal years
	Other assurance and related services that are reasonable related to the performance of the audit or review of the registrant's financial statements.
√	The audit committee has approved the above-mentioned services

42. The aggregate fees billed are shown below

Fees approved in connection with the assurance rendered by Dimaculangan, Dimaculangan and Co., and Mendoza Querido & Co. pursuant to the regulatory and statutory requirements for the years ended December 31, 2017, December 31, 2018, December 31, 2019 and December 31, 2020 amounts to ₱200,000.00 per review, inclusive of 10% out-of-pocket expenses (OPEs) and 12% value-added tax (VAT). The fees for the interim AFS for the period January to June 2020 conducted by MG Madrid and Company amount to ₱226,841.44 inclusive of 12% VAT and other fees. A Special Audit was conducted in June 2021 as a requirement by the SEC for the application for Increase in Capitalization. The auditor's fees amount to ₱89,600.00 inclusive of 12% VAT. The fees for the interim AFS for the period September 30, 2021 and 2020 conducted by Mendoza Querido & Co. amount to ₱225,848.00 inclusive of 12% VAT and other fees. The total auditor's fees in connection with the assurance rendered amount to **₱1,335,576.16**, inclusive of 12% VAT and other fees.

Year	Auditor	Audit Fees	Value-Added Tax	Other Fees	Total
2017	Dimaculangan, Dimaculangan and Co.	P 200,000.00	P 24,000.00	0	P 224,000.00
2018	Dimaculangan, Dimaculangan and Co.	200,000.00	24,000.00	0	224,000.00
2019	Mendoza Querido & Co.	200,000.00	24,000.00	6,900.00	230,900.00
June 2020 - Interim	MG Madrid	200,000.00	24,304.44	2,537.00	226,841.44
December 31, 2020	Mendoza Querido & Co.	100,000.00	12,255.72	2,131.00	114,386.72
2021 - Special Audit *	Mendoza Querido & Co.	80,000.00	9,600.00	0	89,600.00
September 30, 2021 and 2020 - Interim	Mendoza Querido & Co.	200,000.00	24,198.00	1,650.00	225,848.00
<b>TOTAL</b>		<b>1,180,000.00</b>	<b>142,358.16</b>	<b>13,218.00</b>	<b>1,335,576.16</b>

### Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

43. The Issuer has no disagreement with its external auditor on any matter regarding (select all that apply):

√	Accounting principles or practices
√	Financial statement disclosures
√	Auditing scope or procedure

There were no disagreements with Dimaculangan, Dimaculangan and Co., MG Madrid & Co. and Mendoza Querido & Co. for the years December 31, 2017, December 31, 2018, December 31, 2019, December 31, 2020 and September 30, 2021 on any matter relating to accounting principles or practices, disclosure of financial statements, auditing scope and procedures.

Note 3, *Transition to the PFRS*, to the financial statements provide discussion on the change in the financial reporting framework, pursuant to the Securities Regulation Code Rule 68, as Amended (2011), including adjustments made on prior period correction of errors.

## **Taxation**

### 44. Describe any material tax consequences to Investors in this Offering:

This is just a summary of the material discussion on the taxation under the National Internal Revenue Code (NIRC), as amended by the TRAIN law, as a consequence of an investment in the Offer Securities. The discussion does not deal with all possible tax consequences relating to an investment in common stocks and does not purport to deal with the tax consequences applicable to all categories, some of which may be subject to special rules.

As a general rule, all incomes derived from the Philippines are subject to income tax laws, except for some instances as specifically provided for by the National Internal Revenue Code and the TRAIN law. Such income may be subject to a fixed rate or staggered rate as the case may be.

Net capital gains realized from selling of securities other than those traded in the stock exchange is subject to tax of 15% on the net capital gain. An exception of this would be those provisions of tax treaties. Also, value added tax is imposed on every sale or other disposition, in the course of trade or business, of tangible or intangible property based on the gross selling price or gross value in money of the goods or properties sold. If the seller of shares is a dealer of securities, this sale is subject to such value added tax.

Documentary Stamp Tax (DST). Upon the original issuance of Asia-Pacific Medical Center Bacolod, Inc. shares, DST will be imposed at a rate of P2.00 for every P200 or a fractional part of the par value of the shares to be issued. DST is payable on or before the 5<sup>th</sup> day of the month following the corporation's acceptance of the stock subscription. The secondary transfer of Asia-Pacific Medical Center Bacolod, Inc.'s shares is subject to documentary stamp tax at a rate of P1.50 on each P200 or fractional part thereof of the par value of the share transferred.

Tax on Capital Gains on the subsequent sale of the Asia-Pacific Medical Center Bacolod, Inc.'s shares are subject to Capital Gains Tax. The law provides that a 15% final tax is imposed upon the net capital gains realized during the taxable year from the sale, barter, exchange or other disposition of shares of stock in a domestic corporation, except shares sold or disposed of through the stock exchange [Sec. 28 (6) (5) (c) NIRC as amended].

Tax on Interest Income. Interest income earned and received by Asia-Pacific Medical Center Bacolod, Inc. from time deposits on excess cash is subject to a final withholding tax rate of 20% [Sec. 27 (D) (1), NIRC as amended].

Tax on Dividend. The NIRC imposes a final tax of 10% upon the cash and/or property dividends actually or constructively received by the individual from a domestic corporation (Sec. 24 (B) (2)). However, if the recipient of the dividend is a domestic corporation, the dividend received shall not be subject to tax [Sec. 27 (D) (4)].

Value Added Taxes. Sec. 105 of RA 8424 enumerates those liable to the Value Added Tax, they are: (1) those who, in the course of trade or business, sells, barter, exchanges, leases goods or properties, renders services; and (2) any person who imports goods.

## **INDEPENDENT AUDITORS AND COUNSELS**

### **Legal Matters**

All legal opinions/matters in connection with the issuance of each Offer will be passed upon by Atty. Ronald Renitz V. Ilas for the Company. Atty. Ilas has no direct interest in the Company.

Atty. Ilas may from time to time be engaged to advise in the transactions of the Company and perform legal services on the basis that it does not conflict with other services she provides to her other clients.

### **Independent Auditors**

Dimaculangan, Dimaculangan and Co. was engaged for the financial statements audit for the years ended December 31, 2017 and 2018. MG Madrid & Company was engaged for the financial statements audit for the six-month period ended June 30, 2020. Mendoza Querido and Co. was engaged to audit for the years ended December 31, 2019 and December 31, 2020 and the six-month period ended June 30, 2021 as well as the Special Audit in June 2021 for the compliance of the requirements of SEC for the application for Increase in Capitalization. The interim financial statements for the period ended September 30, 2021 and September 30, 2020 were likewise prepared by Mendoza Querido and Co. Their responsibility is to express an opinion on these financial statements based on their audits conducted in accordance with Philippine Standards on Auditing.

Dimaculangan, Dimaculangan and Co., MG Madrid & Company and Mendoza Querido and Co. have neither shareholding in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe to the securities of the Hospital. These independent public accountants will not receive any direct or indirect interest in the Hospital and in any securities thereof (including options, warrants, or rights thereto). The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

The Audit Committee of the Company, reviews and monitors, among others, the integrity of all financial reports and ensures compliance with both internal financial management manual and pertinent accounting standards, including regulatory requirements

There is no arrangement that experts and independent counsels will receive a direct or indirect interest in the Issuer or was a promoter, underwriter, voting trustee, director, officer, or employee of the Issuer.

## **OTHER MATERIAL FACTORS**

Describe any other material factors that will or could affect the Issuer or its business or which are necessary to make any other information in this Statement not misleading or incomplete.



## COVER SHEET for AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	7	2	1	7	5	8
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Company Name

A	S	I	A	-	P	A	C	I	F	I	C	M	E	D	I	C	A	L	C	E	N	T	E	R				
B	A	C	O	L	O	D	,		I	N	C	.		(	F	O	R	M	E	R	L	Y	A	L	L	I	E	D
C	A	R	E	E	X	P	E	R	T	S	M	E	D	I	C	A	L	C	E	N	T	E	R	-				
B	A	C	O	L	O	D		I	N	C	.																	

Principal Office ( No./Street/Barangay/City/Town)Province)

R	O	O	M	4	,	G	R	O	U	N	D	F	L	O	O	R	,	M	C						
M	E	T	R	O	P	L	E	X	B	U	I	L	D	I	N	G	,	B	S	A	Q	U	I	N	O
D	R	I	V	E	,	B	A	C	O	L	O	D	C	I	T	Y	6	1	0	0					
N	E	G	R	O	S	O	C	C	I	D	E	N	T	A	L										

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S	S E C	

### COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
acemcbacolod@gmail.com	(034) 703-1637	09171884699
No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
35	1st Sunday of April	December 31

### CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Dr. Ma. Ivy V. Malata	attymbv.endure@gmail	(034) 703-1637	09175234802

Contact Person's Address

Room 4, Ground Floor, MC Metroplex Building, BS Aquino Drive, Bacolod City, Negros Occidental
---

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

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



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY  
FOR FINANCIAL STATEMENTS**

The management of Asia-Pacific Medical Center Bacolod, Inc. (formerly Allied Care Experts Medical Center-Bacolod Inc.) (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2021, 2020 and 2019, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Mendoza Querido & Co., the independent auditors appointed by the stockholders, have audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, have expressed its opinion on the fairness of presentation upon completion of such audit.



**Ferjenel G. Biron**  
*Chairman of the Board and President*



**Ma. Leila M. Magbanua**  
*Corporate Treasurer*



Signed this 19th day of March, 2022

SUBSCRIBED AND SWORN to before me this 28 MAR 2022 with the presentation of the following:

Name	Government ID	Place Issued	Date Issued
Ferjenel G. Biron	TIN 127-685-650-000		11/08/1999
Ma. Leila M. Magbanua	TIN 138-728-295-000		

Doc. No.: 436  
 Page No.: 88  
 Book No.: LXIX  
 Series of 2022

**ERNIE E. MACASPAG**  
 NOTARY PUBLIC FOR THE CITIES OF LA CASTELLANA AND MUNICIPALITIES OF PONTEVEDRA, LA CASTELLANA, LA ISABELA AND MOSES PADILLA  
 COMMISSION EXPIRES DECEMBER 31, 2021  
 PTR. No. 3533/53-12/19-20-Negros Occidental  
 IBP No. 136325-12/20-20- Negros Occidental  
 ROLL OF ATTORNEY'S NO. 45465  
 MCLE COMPLIANCE NO. 0001425  
 SPACE 8, 2ND LEVEL, MC METROPLEX BUILDING,  
 BS AQUINO DRIVE, BACOLOD CITY  
 1-C Juan Luna St., Brgy. Robles,  
 La Castellana Neg. Occ.





**Mendoza Querido & Co.**

16<sup>th</sup> Floor, The Salcedo Towers  
169 H.V. de la Costa St., Salcedo Village  
Makati City 1227 Philippines

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[www.mqc.com.ph](http://www.mqc.com.ph)

PRC/BOA Accreditation No. 0966  
September 22, 2020, valid until  
August 22, 2023

SEC Accreditation No. 0966-SEC (Group A)  
Issued November 24, 2020  
Valid for Financial Periods 2020 to 2024

**SUPPLEMENTAL WRITTEN STATEMENT OF AUDITORS**

To the Stockholders and the Board of Directors  
Asia-Pacific Medical Center Bacolod, Inc.  
(Formerly Allied Care Experts Medical Center-Bacolod Inc.)  
Rm. 4, Ground Floor, MC Metroplex Bldg.  
BS Aquino Drive, Bacolod City, Negros Occidental

We have audited the financial statements of Asia-Pacific Medical Center Bacolod, Inc. (formerly Allied Care Experts Medical Center-Bacolod Inc.) (the Company) for the year ended December 31, 2021, on which we have rendered the attached report dated March 19, 2022.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the said Company has a total number of thirty five (35) stockholders owning one hundred (100) or more shares each.

For the Firm: **MENDOZA QUERIDO & CO.**



**RICHARD S. QUERIDO**  
Partner  
CPA Certificate No. 84807  
SEC Accreditation No. 84807-SEC (Group A)  
Issued November 24, 2020  
Valid for Financial Periods 2020 to 2024  
TIN 102-094-633  
BIR Accreditation No. 08-002617-002-2022,  
January 25, 2022, valid until January 24, 2025  
PTR No. 8856593, January 7, 2022, Makati City

March 19, 2022



**Mendoza Querido & Co.**

16<sup>th</sup> Floor, The Salcedo Towers  
169 H.V. de la Costa St., Salcedo Village  
Makati City 1227 Philippines

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[www.mqc.com.ph](http://www.mqc.com.ph)

PRC/BOA Accreditation No. 0966

September 22, 2020, valid until  
August 22, 2023

SEC Accreditation No. 0966-SEC (Group A)

Issued November 24, 2020

Valid for Financial Periods 2020 to 2024

**INDEPENDENT AUDITORS' REPORT**

The Stockholders and the Board of Directors  
Asia-Pacific Medical Center Bacolod, Inc.  
(Formerly Allied Care Experts Medical Center-Bacolod Inc.)  
Rm. 4, Ground Floor, MC Metroplex Bldg.  
BS Aquino Drive, Bacolod City, Negros Occidental

**Report on the Audit of the Financial Statements***Opinion*

We have audited the financial statements of Asia-Pacific Medical Center Bacolod, Inc. (formerly Allied Care Experts Medical Center-Bacolod Inc.) (the Company), which comprise the statements of financial position as at December 31, 2021 and 2020, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and of its financial performance and its cash flows for each of the three years in the period ended December 31, 2021 in accordance with Philippine Financial Reporting Standards (PFRS).

*Basis for Opinion*

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, the *Code of Ethics for Professional Accountants in the Philippines*, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

---



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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties, license fees and schedules prescribed under existing revenue issuances in Note 20 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

For the Firm: **MENDOZA QUERIDO & CO.**



**RICHARD S. QUERIDO**

Partner

CPA Certificate No. 84807

SEC Accreditation No. 84807-SEC (Group A)

Issued November 24, 2020

Valid for Financial Periods 2020 to 2024

TIN 102-094-633

BIR Accreditation No. 08-002617-002-2022,

January 25, 2022, valid until January 24, 2025

PTR No. 8856593, January 7, 2022, Makati City

March 19, 2022





**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.***(Formerly Allied Care Experts Medical Center-Bacolod Inc.)***STATEMENTS OF FINANCIAL POSITION****DECEMBER 31, 2021 AND 2020***(Amounts in Philippine Peso)*

	2021	2020
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Notes 2, 3, 4 and 5)	P22,326,536	P93,666,173
Receivables (Notes 2, 3, 4, 6 and 14)	56,106,654	40,513,422
Other current assets (Notes 2, 3 and 7)	14,115,156	8,333,448
Total Current Assets	92,548,346	142,513,043
<b>Noncurrent Assets</b>		
Property and equipment – net (Notes 2, 3 and 8)	284,645,878	128,927,826
Security deposit (Notes 2, 3, 9 and 13)	45,466	45,000
Total Noncurrent Assets	284,691,344	128,972,826
<b>TOTAL ASSETS</b>	<b>P377,239,690</b>	<b>P271,485,869</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables (Notes 2, 4 and 10)	P23,640,264	P17,926,211
Income tax payable	1,808	–
Deposits for future share subscription (Notes 2 and 11)	–	27,000,000
Total Current Liabilities	23,642,072	44,926,211
<b>Noncurrent Liability</b>		
Advances from shareholders (Notes 2, 4 and 14)	218,218,718	150,246,154
Total Liabilities	241,860,790	195,172,365
<b>Equity</b>		
Share capital (Notes 2, 4 and 11)	161,878,533	96,000,000
Deficit (Notes 2 and 4)	(26,499,633)	(19,686,496)
Total Equity	135,378,900	76,313,504
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P377,239,690</b>	<b>P271,485,869</b>

*See accompanying Notes to Financial Statements.*



**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.***(Formerly Allied Care Experts Medical Center-Bacolod Inc.)***STATEMENTS OF COMPREHENSIVE INCOME**

FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

*(Amounts in Philippine Peso)*

	2021	2020	2019
<b>INTEREST INCOME</b> – net (Notes 2, 5 and 14)	<b>P514,903</b>	P2,635,791	P5,806,468
<b>EXPENSES</b> (Notes 2 and 12)	<b>(7,326,232)</b>	(12,857,286)	(7,413,785)
<b>LOSS BEFORE INCOME TAX</b>	<b>(6,811,329)</b>	(10,221,495)	(1,607,317)
<b>PROVISION FOR INCOME TAX</b> (Notes 2 and 15)	<b>(1,808)</b>	–	–
<b>NET LOSS</b>	<b>(P6,813,137)</b>	(P10,221,495)	(P1,607,317)
<b>LOSS PER SHARE</b> (Notes 2 and 16)	<b>(P55.39)</b>	(P106.47)	(P16.74)

*There was no other comprehensive income during the years ended December 31, 2021, 2020 and 2019.**See accompanying Notes to Financial Statements.*

**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.**

*(Formerly Allied Care Experts Medical Center-Bacolod Inc.)*

**STATEMENTS OF CHANGES IN EQUITY**

**FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019**

*(Amounts in Philippine Peso)*

	2021	2020	2019
<b>SHARE CAPITAL</b> (Notes 2, 4 and 11)	<b>P161,878,533</b>	<b>P96,000,000</b>	<b>P96,000,000</b>
<b>DEFICIT</b> (Notes 2 and 4)			
Balance at beginning of year	(19,686,496)	(9,465,001)	(7,857,684)
Net loss	(6,813,137)	(10,221,495)	(1,607,317)
Balance at end of year	(26,499,633)	(19,686,496)	(9,465,001)
	<b>P135,378,900</b>	<b>P76,313,504</b>	<b>P86,534,999</b>

See accompanying Notes to Financial Statements.



**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.***(Formerly Allied Care Experts Medical Center-Bacolod Inc.)***STATEMENTS OF CASH FLOWS**

FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

*(Amounts in Philippine Peso)*

	2021	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before income tax	(P6,811,329)	(P10,221,495)	(P1,607,317)
Adjustments to reconcile pretax loss to cash:			
Interest income (Notes 5 and 14)	(514,903)	(2,635,791)	(5,806,468)
Depreciation (Notes 8 and 12)	173,092	130,269	105,826
Loss before working capital changes	(7,153,140)	(12,727,017)	(7,307,959)
Increase in other current assets (Note 7)	(5,781,708)	(8,191,741)	(9,312,854)
Increase (decrease) in trade and other payables (Note 10)	5,714,053	17,909,464	(955,034)
Net cash used for operations	(7,220,795)	(3,009,294)	(17,575,847)
Interest received	514,903	2,635,791	5,806,468
Net cash used in operating activities	(6,705,892)	(373,503)	(11,769,379)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment of security deposit (Notes 9 and 13)	(466)	–	–
Payments received from (advances to) a related party (Note 14)	(129,867)	140,000	19,825,000
Payments made to contractors (Note 6)	(15,463,365)	(40,478,422)	–
Additions to property and equipment (Note 8)	(155,891,144)	(33,626,634)	(95,390)
Net cash provided by (used in) investing activities	(171,484,842)	(73,965,056)	19,729,610
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from (payments of) advances from shareholders (Notes 14 and 17)	67,972,564	(11,874,258)	43,940,863
Proceeds from shareholders for future share subscriptions (Note 11)	–	27,000,000	–
Proceeds from subscription of share capital (Note 11)	38,878,533	–	–
Payment of loans payable (Note 14)	–	(24,250,000)	–
Net cash provided by (used in) financing activities	106,851,097	(9,124,258)	43,940,863
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(71,339,637)</b>	<b>(83,462,817)</b>	<b>51,901,094</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>93,666,173</b>	<b>177,128,990</b>	<b>125,227,896</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>P22,326,536</b>	<b>P93,666,173</b>	<b>P177,128,990</b>



	2021	2020	2019
<b>NONCASH FINANCIAL INFORMATION</b>			
Transfer of deposits for future share subscription to share capital (Note 11)	(P27,000,000)	P-	P-
Increase in share capital (Note 9)	27,000,000	-	-
Transfer of other current asset to property and equipment	-	14,887,803	-
Additions to property and equipment	-	(14,887,803)	-
	P-	P-	P-

See accompanying Notes to Financial Statements.





**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.**  
***(Formerly Allied Care Experts Medical Center-Bacolod Inc.)***  
**NOTES TO FINANCIAL STATEMENTS**

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**1. General Information**

Allied Care Experts Medical Center-Bacolod Inc. (the Company) was registered with the Philippine Securities and Exchange Commission (SEC) on July 4, 2017, with limited life of fifty (50) years from the date of registration primarily to establish, maintain, operate, own and manage hospitals, medical and related healthcare facilities and businesses such as but without restriction to clinical laboratories, diagnostic centers, ambulatory clinics, condo hospitals, scientific research and other allied undertaking and services which shall provide medical, surgical, nursing, therapeutic, paramedic or similar care, provided that purely professional, medical or surgical services shall be performed by duly qualified and licensed physicians or surgeons who may or may not be connected with the hospitals and whose services shall be freely and individually contracted by the patients.

On August 22, 2020, the majority of the Board of Directors and the vote of the shareholders owning and representing at least two-thirds of the outstanding share capital approved the amendment of Article I of the Articles of Incorporation (AOI) by changing its name from Allied Care Experts Medical Center-Bacolod Inc. to Asia-Pacific Medical Center Bacolod, Inc. On September 21, 2021, the SEC approved the amendment to the Articles of Incorporation of the Company to change its corporate name.

Its principal place of business is located at Rm. 4, Ground Floor, MC Metroplex Bldg. BS Aquino Drive, Bacolod City, Negros Occidental. The hospital building address is located at Lacson Street, Barangay Bata, Bacolod City, Negros Occidental.

The Company has seven (7) and six (6) employees as at December 31, 2021 and 2020, respectively.

The accompanying financial statements of the Company for the years ended December 31, 2021 and 2020 were approved and authorized for issue by the Board of Directors on March 19, 2022.

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**2. Summary of Significant Accounting Policies and Disclosures**

Basis of Preparation

The accompanying financial statements of the Company have been prepared on a historical cost basis, except as otherwise stated. Historical costs refer to the amount of cash paid to acquire an asset or, in the case of exchange, the fair value of the consideration given to acquire an asset. The financial statements are presented in Philippine peso, which is the functional and presentation currency under the Philippine Financial Reporting Standards (PFRS). All values are rounded to the nearest peso except as otherwise indicated.

Statement of Compliance

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS, in general, includes all applicable PFRS, Philippine Accounting Standards (PAS) and Interpretations issued by former Standing Interpretations Committee, the Philippine Interpretations Committee and the International Financial Reporting Interpretations Committee (IFRIC), which have been approved by the Philippine Financial Reporting Standards Council and adopted by the Philippine SEC.

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#### Changes in Accounting Policies

The Company consistently adopted and applied all accounting policies under PFRS which have been issued and becomes effective except adoption of the following amendments effective beginning January 1, 2021. Adoption of these amendments to PFRS, PAS and Philippine Interpretations did not have any significant impact on the Company's financial position or performance unless otherwise indicated.

- Amendments to PFRS 16, "*Leases*"

COVID-19-Related Rent Concessions (effective June 1, 2020). The amendments permit lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications.

These amendments have no impact on the financial statements.

- PFRS 17, "*Insurance Contracts*"

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, "*Insurance Contracts*". This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adoption for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

The amendments are not applicable to the Company since the Company does not have activities that are predominantly connected with insurance or issue insurance contracts.

The adoption of the foregoing new and revised PFRS and PAS will not have any material impact on the financial statements. Additional disclosures have been included in the notes to financial statements, as applicable.

#### New Accounting Standards, Amendments to Existing Standards and Interpretations Effective Subsequent to December 31, 2021

The standards, amendments and interpretations which have been issued but not yet effective as at December 31, 2021 are disclosed below. Except as otherwise indicated, the Company does not expect the adoption of the applicable new and amended PFRS to have a significant impact on the financial position or performance.

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*Effective beginning on or after January 1, 2022*

- Amendments to PFRS 3, "*Reference to the Conceptual Framework*"

The amendments updated the reference to the "*Conceptual Framework*" and an exception to its requirement for an entity to refer to the "*Conceptual Framework*" to determine what constitutes an asset or a liability. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying PFRS 3 should instead refer to PAS 37, "*Provisions, Contingent Liabilities and Contingent Assets*". This exception is to avoid an unintended consequence of updating the reference. Without the exception, an entity would have recognized some liabilities on the acquisition of a business that it would not recognize in other circumstances. Immediately after the acquisition, the entity would have had to derecognize such liabilities and recognize a gain that did not depict an economic gain.

The amendments will apply on future business combinations of the Company, if any.

- Amendments to PAS 16, "*Property, Plant and Equipment - Proceeds before Intended Use*"

The amendments prohibit from deducting the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The adoption of this amendment is not expected to have any significant impact on the financial statements.

- Amendments to PAS 37, "*Onerous Contracts - Cost of Fulfilling a Contract*"

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The adoption of this amendment is not expected to have any significant impact on the financial statements.

*Annual Improvements to PFRSs 2018-2020 Cycle*

The Annual Improvements to PFRSs (2018-2020 cycle) are effective for annual periods beginning 2022 and are not expected to have a material impact on the Company.

- Amendments to PFRS 1, "*Subsidiary as a First-time Adopter*"

The amendment permits a subsidiary that measures the assets and liabilities at the carrying amounts that would be included in the parent's consolidated financial statements, based on the parent's date of transition to PFRSs, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary, to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to PFRSs.

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The adoption of this amendment is not expected to have any significant impact on the financial statements.

- Amendments to PFRS 9, "*Fees in the '10 per cent' Test for Derecognition of Financial Liabilities*"

The improvements clarify the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

The adoption of this amendment is not expected to have any significant impact on the financial statements.

- Amendments to PFRS 16, "*Lease Incentives*"

The amendment removes reimbursement relating to leasehold improvements. PFRS 16 does not contain explicit guidance on how to account for leasehold improvements made by the lessee or when reimbursements made by the lessor in respect of those leasehold improvements can be regarded as lease incentives. Thus, created some confusion on how a lessee should account for such reimbursement by stating that the lessee should apply the appropriate standard and should not account for the reimbursement as a lease incentive. The standard had not clearly explained the conclusion as to whether the reimbursement would meet the definition of a lease incentive in PFRS 16.

The adoption of this amendment is not expected to have any significant impact on the financial statements.

- Amendments to PAS 41, "*Taxation in Fair Value Measurements*"

The amendment removes the requirement for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in PFRS 13.

The adoption of this amendment is not expected to have any significant impact on the financial statements.

*Effective beginning on or after January 1, 2023*

- Amendments to PAS 1 and PFRS Practice Statement 2, "*Disclosure Initiative – Accounting Policies*"

The amendments to PAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to PFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The adoption of this amendment is not expected to have any significant impact on the financial statements.

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- Amendments to PAS 8, "*Definition of Accounting Estimates*"

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

The adoption of this amendment is not expected to have any significant impact on the financial statements.

- Amendments to PFRS 17, "*Insurance Contracts*"

The amendments, which respond to feedback from stakeholders, are designed to:

- Reduce costs by simplifying some requirements in the Standard;
- Make financial performance easier to explain; and
- Ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying PFRS 17 for the first time.

The deferral of the effective date by two years, to annual reporting periods beginning on or after January 1, 2023, is intended to allow time for an orderly adoption of the amended PFRS 17 by jurisdictions. This should enable more insurers to implement the new Standard at the same time.

The amendments are not applicable to the Company since it does not have activities that are predominantly connected with insurance or issue insurance contracts.

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

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

The adoption of this amendment is not expected to have any significant impact on the financial statements.

- Amendments to PAS 12, "*Deferred Tax related to Assets and Liabilities from a Single Transaction*"

The amendments require companies to recognize deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The proposed amendments will typically apply to transactions such as leases for the lessee and decommissioning obligations.

The adoption of this amendment is not expected to have any significant impact on the financial statements.

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*Effective beginning on or after January 1, 2025\**

- Amendment to PFRS 17, "*Initial Application of PFRS 17 and PFRS 9 – Comparative Information*"

The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements.

The adoption of this amendment is not expected to have any significant impact on the financial statements.

*\*On December 15, 2021, the FRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of IFRS 17 by two (2) years after its effective date as decided by the IASB.*

*Deferred Effectivity*

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

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3, "*Business Combinations*". Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the FRSC deferred the original effective date of January 1, 2016 of the said amendments until the International Accounting Standards Board (IASB) completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

These amendments may apply to future transactions of the Company.

- Deferment of Implementation of International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, "*Borrowing Cost*") for the Real Estate Industry

In March 2019, IFRIC published an Agenda Decision on whether borrowing costs can be capitalized on real estate inventories that are under construction and for which the related revenue is/will be recognized over time under par. 35 (c) of PFRS 15. IFRIC concluded that borrowing costs cannot be capitalized for such real estate inventories as they do not meet the definition of a qualifying asset under PAS 23 considering that these inventories are ready for their intended sale in their current condition.



On February 21, 2020, the Philippine SEC issued MC No. 4, Series of 2020, providing relief to the Real Estate Industry by deferring the mandatory implementation of the above IFRIC Agenda Decision until December 31, 2020. Effective January 2021, the Real Estate Industry will adopt the IFRIC agenda decision and any subsequent amendments thereto retrospectively or as the SEC will later prescribe. A real estate company may opt not to avail of the deferral and instead comply in full with the requirements of the IFRIC agenda decision.

The adoption of this amendment is not expected to have any significant impact on the financial statements since the Company is not in a real estate industry.

#### *No Mandatory Effective Date*

- PFRS 9, "Financial Instruments (Hedge Accounting and Amendments to PFRS 9, PFRS 7 and PAS 39)"

The amendments require the inclusion of general hedge accounting model in the notes disclosure to the financial statements. The amendments allow early adoption of the requirement to present fair value changes due to own credit on liabilities designated as at fair value through profit or loss (FVPL) to be presented in the other comprehensive income.

These amendments are not applicable to the Company and expected not to have an impact on the financial statements.

#### Significant Accounting Policies

##### Current versus Noncurrent Classification

The Company presents assets and liabilities in the statements of financial position based on current or noncurrent classification. An asset is current if:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent.

Deferred income tax assets and liabilities, if any, are classified as noncurrent assets and liabilities.

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#### Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy.

#### Financial Instruments

Financial instrument is any contract that gives rise to a financial asset of one entity or a financial liability or equity instrument of another entity.

#### Date of Recognition

The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using settlement date accounting.

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#### *"Day 1" Difference*

Where the transaction in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a "Day 1" difference) in profit or loss. In cases where there is no observable data on inception, the Company deems the transaction price as the best estimate of fair value and recognizes "Day 1" difference in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the "Day 1" difference.

#### *Financial Assets*

##### *Initial Recognition*

Financial assets are recognized initially at fair value, which is the fair value of the consideration given. The initial measurement of financial assets, except for those designated at fair value through profit or loss (FVPL), includes transaction cost.

##### *Classification*

The Company classifies its financial assets at initial recognition under the following categories: (a) financial assets at amortized cost, (b) financial assets at fair value through other comprehensive income (FVOCI) and (c) financial assets at FVPL. The classification of a financial asset at initial recognition largely depends on the Company's business model for managing the asset and its contractual cash flow characteristics.

##### *Financial Assets at Amortized Cost*

Financial assets are measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial assets give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method, less any allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. Financial assets at amortized cost are included under current assets if realizability or collectability is within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

The Company's cash and cash equivalents and advances to a related party are classified under this category (see Notes 5, 6 and 14).

##### *Debt Instruments at FVOCI*

For debt instruments that are not designated at FVPL under the fair value option, the financial assets are measured at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The contractual terms of the financial assets give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.
-

After initial recognition, interest income (calculated using the effective interest rate method), foreign currency gains or losses and impairment gains or losses of debt instruments measured at FVOCI are recognized directly in profit or loss. When the financial asset is derecognized, the cumulative gains or losses previously recognized in OCI are classified from equity to profit or loss as a reclassification adjustment.

As at December 31, 2021 and 2020, the Company does not have debt instruments at FVOCI.

#### Equity Instruments at FVOCI

For equity instruments that are not held for trading, the Company may irrevocably designate, at initial recognition, a financial asset to be measured at FVOCI when it meets the definition of equity instrument under PAS 32, "*Financial Instruments: Presentation*". This option is available and made on an instrument by instrument basis.

Dividends from equity instruments held at FVOCI are recognized in profit or loss when the right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. All other gains or losses from equity instruments are recognized in OCI and presented in the equity section of the statements of financial position. These fair value changes are recognized in equity and are not reclassified to profit or loss in subsequent periods, instead, these are transferred directly to retained earnings.

As at December 31, 2021 and 2020, the Company does not have equity instruments at FVOCI.

#### Financial Assets at FVPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVOCI are classified under this category. Specifically, financial assets at FVPL include financial assets that are (a) held for trading, (b) designated upon initial recognition at FVPL, or (c) mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

This category includes debt instruments whose cash flows, based on the assessment at initial recognition of the assets, are not "solely for payment of principal and interest", and which are not held within a business model whose objective is either to collect contractual cash flows or to both collect contractual cash flows and sell.

This category also includes equity instruments which the Company had not irrevocably elected to classify at FVOCI at initial recognition.

After initial recognition, financial assets at FVPL are subsequently measured at fair value. Gains or losses arising from the fair valuation of financial assets at FVPL are recognized in profit or loss.

As at December 31, 2021 and 2020, the Company has no financial assets at FVPL.

#### Reclassification

The Company reclassifies its financial assets when, and only when, it changes its business model for managing those financial assets. The reclassification is applied prospectively from the first day of the first reporting period following the change in the business model (reclassification date).

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For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVPL, any gain or loss arising from the difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

For a financial asset reclassified out of the financial assets at amortized cost category to financial assets at FVOCI, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in OCI.

For a financial asset reclassified out of the financial assets at FVPL category to financial assets at amortized cost, its fair value at the reclassification date becomes its new gross carrying amount.

For a financial asset reclassified out of the financial assets at FVOCI category to financial assets at amortized cost, any gain or loss previously recognized in OCI, and any difference between the new amortized cost and maturity amount, are amortized to profit or loss over the remaining life of the investment using the effective interest method. If the financial asset is subsequently impaired, any gain or loss that has been recognized in OCI is reclassified from equity to profit or loss.

In the case of a financial asset that does not have a fixed maturity, the gain or loss shall be recognized in profit or loss when the financial asset is sold or disposed. If the financial asset is subsequently impaired, any previous gain or loss that has been recognized in OCI is reclassified from equity to profit or loss.

For a financial asset reclassified out of the financial assets at FVPL category to financial assets at FVOCI, its fair value at the reclassification date becomes its new gross carrying amount. Meanwhile, for a financial asset reclassified out of the financial assets at FVOCI category to financial assets at FVPL, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss as a reclassification adjustment at the reclassification date.

#### Impairment of Financial Assets at Amortized Cost and FVOCI

The Company recognizes an allowance for ECL for all debt instruments not held at FVPL. ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For other debt instruments measured at amortized cost and FVOCI, the ECL is based on the 12-month ECL, which pertains to the portion of lifetime ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. The Company also considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

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The Company considers a financial asset in default when contractual payments are 30 days past due unless it is demonstrated that the nonpayment was an administrative oversight rather than resulting from financial difficulty of the borrower. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### Derecognition

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The right to receive cash flows from the asset has expired;
- The Company retains the right to receive cash flows from the financial asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- The Company has transferred its right to receive cash flows from the financial asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from a financial asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Company's continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Company could be required to repay.

#### *Financial Liabilities*

##### Initial Measurement

Financial liabilities are recognized initially at fair value, which is the fair value of the consideration received. In case of financial liabilities at amortized cost, the initial measurement is net of any directly attributable transaction costs.

##### Classification and Subsequent Measurement

The Company classifies its financial liabilities at initial recognition as either financial liabilities at FVPL or financial liabilities at amortized cost.

##### Financial liabilities at FVPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in PFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

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As at December 31, 2021 and 2020, the Company does not have financial liabilities at FVPL.

#### Financial liabilities at amortized cost

Financial liabilities are categorized as financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

After initial recognition, these financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on the issue and fees that are an integral part of the effective interest rate.

Included in this category are the Company's trade and other payables (except government payables) and advances from shareholders.

#### Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statements of comprehensive income.

#### Fair Value Option

The Company may, at initial recognition, irrevocably designate a financial asset or liability that would otherwise have to be measured at amortized cost or fair value through other comprehensive income to be measured at fair value through profit or loss if doing so would eliminate or significantly reduce an accounting mismatch or otherwise results in more relevant information.

#### Classification of Financial Instrument between Liability and Equity

A financial instrument is classified as liability if it provides for a contractual obligation to:

- Deliver cash or another financial asset to another entity;
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
- Satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

#### Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statements of financial position.

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### Other Current Assets

#### Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to expense as they are consumed in operations, capitalized to qualifying asset or expire with the passage of time.

#### Input VAT

Input VAT represents value-added tax (VAT) paid to suppliers that can be claimed as credit against the Company's VAT liabilities.

### Property and Equipment

Property and equipment, except land, are carried at cost less accumulated depreciation and amortization and accumulated provision for any impairment in value, if any.

The initial cost of property and equipment comprises its purchase price and other costs directly attributable in bringing the assets to its working condition and location for its intended use. Expenditures incurred after the property have been put into operation, such as repairs and maintenance, are normally charged to income in the year the costs are incurred. In situations when it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance and the cost of such item can be measured reliably, the expenditures are capitalized as an additional cost of the said property and equipment.

Land is stated at cost less impairment in value, if any.

Depreciation is computed using the straight-line method over the estimated useful life of office equipment which is 3 to 5 years.

The useful life and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property.

Construction in progress represents structures under constructions and is stated at cost (include cost of construction, machinery and equipment under installation and other related costs). Construction in progress is not depreciated until such time as the relevant assets are completed and ready for its intended use.

The carrying values of property and equipment are reviewed for impairment when events or changes in the circumstances indicate that the carrying values may not be recoverable.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation and amortization are recognized in profit or loss.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss in the period the asset is derecognized.

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#### Security Deposit

Security deposit represents deposit made on lease contracts of office, initially measured at cost less impairment loss, if any, and which are recoverable at the end of lease terms.

#### Impairment of Nonfinancial Assets

Property and equipment, security deposit and other current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication exists and where the carrying amount of an asset exceeds its recoverable amount, the asset or cash-generating unit (CGU) is written down to its recoverable amount. The estimated recoverable amount is the higher of an asset's fair value less cost to sell and value in use. The fair value less cost to sell is the amount obtainable from the sale of an asset in an arm's-length transaction less the costs of disposal while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other fair value indicators. Impairment losses are recognized in the statements of comprehensive income.

Recovery of impairment loss recognized in prior years is recorded on nonfinancial asset when there is an indication that the impairment loss recognized for the asset no longer exists or has decreased. The recovery is recorded in the statements of comprehensive income. However, the increased carrying amount of an asset due to a recovery of an impairment loss is recognized to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for that asset in prior years.

#### Deposit for Future Share Subscription

Deposit for future share subscription represents the amount received from shareholders that will be applied as payment in exchange for a fixed number of the Company's own equity instruments. It is presented as equity if it meets all the following requirements:

- the unissued authorized share capital of the entity is insufficient to cover the amount of shares indicated in the contract;
- there is BOD approval on the proposed increase authorized share capital (for which a deposit was received by the corporation);
- there is shareholder's approval of said proposed increase; and
- the application for the approval of the proposed increase has been filed with the Philippine SEC.

Deposit for future share subscription is classified as a liability if not all of the above requirements have been met.

#### Equity

##### *Share Capital*

Share capital is recognized as issued when the share is paid for or subscribed under a binding subscription agreement and is measured at par value.

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The share capital is classified into founders' share and common share.

*Deficit*

Deficit includes all current and prior period results as disclosed in the statements of comprehensive income.

Revenue Recognition

Revenue from contract with customers is recognized when the performance obligation in the contract has been satisfied, either at a point in time or over time. Revenue is recognized over time if one of the following criteria is met: (a) the customer simultaneously receives and consumes the benefits as the Company performs its obligations; (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognized at a point in time.

The Company also assesses its revenue arrangements to determine if it is acting as a principal or as an agent.

*Interest Income*

Interest income is recognized as the interest accrues taking into account the effective yield on the asset.

Cost and Expenses

Costs and expenses are recognized in the statements of comprehensive income upon utilization of the service or goods or at the date they are incurred or received.

Borrowing Costs

Borrowing costs are generally expensed as incurred. Interest and other finance costs incurred during the construction period on borrowings used to finance property development are capitalized to the appropriate asset accounts.

The capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. The capitalization of these borrowing costs ceases when substantially all activities necessary to prepare the asset for sale or its intended use are complete. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

Employee Benefits

*Short-term Benefits*

Short-term employee benefits are those benefits expected to be settled wholly before 12 months after the end of the annual reporting period during which employee services are rendered, but do not include termination benefits. Short-term benefits given by the Company to its employees include salaries and wages, social security, health insurance and housing contributions, short-term compensated absences, bonuses and other non-monetary benefits.

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### Leases

The Company assesses whether the contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Company assesses whether, throughout the period of use, it has the following:

- the contract involves an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. The Company has the right to direct the use of the asset of either:
  - a. the Company has the right to operate the asset; or
  - b. the Company designed the asset in a way that predetermines how and for what purpose it will be used.

#### *Short-term Leases and Leases of Low-Value Assets*

The Company applies the short-term lease recognition exemption to its short-term leases of office space (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### Related Parties

Parties were considered to be related if one party has the ability, directly or indirectly, to control the other party or exercises significant influence over the other party in making financial and operating decisions. Parties were also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Transactions between related parties are based on terms similar to those offered to non-related parties.

### Income Taxes

#### *Current Income Tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting period.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the profit or loss.

#### *Deferred Income Tax*

Deferred income tax is provided using the liability method on temporary differences at the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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Deferred tax liabilities are recognized for all taxable temporary differences except: (1) when the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and (2) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carryforward benefits of unused tax credits from excess minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carry-over (NOLCO) to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward benefit of unused tax credits and unused tax losses can be utilized except: (1) when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and (2) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

Deferred income tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

#### Provisions

Provisions are recognized when the Company has present obligations, legal or constructive, as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income, net of any reimbursements. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to passage of time is recognized as interest expense.

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#### Contingencies

Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

#### Loss Per Share

Basic loss per share is calculated by dividing the net loss (less preferred dividends net of tax, if any) for the year attributable to common shareholders by the weighted average number of common shares outstanding during the year, with retroactive adjustment for any stock dividends or stock splits declared during the year.

Diluted loss per share is computed by dividing net loss by the weighted average number of common stocks outstanding during the year, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the year, and adjusted for the effect of dilutive options.

#### Events After the Reporting Period

Post year-end events that provide additional information about the Company's financial position at the end of the reporting period (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

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### **3. Significant Judgments, Accounting Estimates and Assumptions**

The preparation of the financial statements in conformity with PFRS requires management to make judgments and estimates that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the reporting date. The uncertainties inherent in these judgments and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities affected in future years.

#### Judgments

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

#### *Business Model Assessment*

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

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*Significant Increase of Credit Risk*

Where the fair values of financial assets and financial liabilities recorded on the statements of financial position cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The input to these models is taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values. These estimates may include considerations of liquidity, volatility and correlation.

*Classification of Financial Instruments*

The Company classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss) and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

*Determination Whether an Arrangement Contains a Lease*

The Company uses its judgment in determining whether an arrangement contains a lease, based on the substance of the arrangement at inception date and makes assessment whether the arrangement is dependent on the use of a specific asset or assets, the arrangement conveys a right to use the asset and the arrangement transfers substantially all the risks and rewards incidental to ownership to the Company.

The details of these lease agreements are disclosed in Note 13.

*Determining the Lease Term of Contracts with Renewal and Termination Options – Company as Lessee*

The Company determines the lease term as the noncancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contract that includes extension and termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Company did not include the renewal period as part of the lease term for lease of its temporary office space even though the Company typically exercises its option to renew this lease because the Company does not have enforceable right to extend the lease beyond the noncancellable period.



*Determining the Fair Values of Financial Instruments*

Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to this model are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Estimates and Assumptions

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

*Assessment for ECL on Other Financial Assets at Amortized Cost*

The Company determines the allowance for ECL using general approach based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12 months unless there has been a significant increase in credit risk since initial recognition in which case ECL is provided based on lifetime ECL.

The Company also considers financial assets that are more than 30 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the borrower.

When determining if there has been a significant increase in credit risk, the Company considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and
- Actual or expected significant adverse changes in the operating results of the borrower.

The Company has assessed that the ECL on other financial assets at amortized cost is not material because the transactions with respect to these financial assets were entered into by the Company only with reputable banks and companies with good credit standing and relatively low risk of defaults. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized in 2021 and 2020. The carrying amounts of other financial assets at amortized cost is as follows:

	<b>2021</b>	2020
Cash in banks	<b>P22,311,536</b>	P34,410,333
Time deposits	–	59,240,840
Advances to a related party	<b>164,867</b>	35,000
	<b>P22,476,403</b>	P93,686,173

*Assessment for Impairment of Nonfinancial Assets*

The Company assesses impairment on nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of the assets or group of assets may not be recoverable. The relevant factors that the Company considers in deciding whether to perform an asset impairment review include, among others, the following:

- Significant underperformance of a business in relation to expectations;
- Significant negative industry or economic trends; and
- Significant changes or planned changes in the use of the assets.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. Recoverable amounts are estimated for individual assets or, if it is not possible, for the CGU to which the asset belongs.

The recoverable amount of the asset is the greater of the fair value less cost of disposal or value in use. The fair value less cost of disposal is the amount obtainable from the sale of an asset in an arm's-length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

No impairment loss on nonfinancial assets was recognized for the years ended December 31, 2021 and 2020. The carrying amounts of nonfinancial assets are as follows:

	2021	2020
Advances to contractors	P55,941,787	P40,478,422
Other current assets	14,115,156	8,333,448
Property and equipment	284,645,878	128,927,826
Security deposit	45,466	45,000
	<b>P354,748,287</b>	<b>P177,784,696</b>

*Estimating Useful Life of Property and Equipment, Except Land*

The estimated useful lives used as bases for depreciating the Company's property and equipment, excluding land, were determined on the basis of management's assessment of the period within which the benefits of these asset items are expected to be realized taking into account actual historical information on the use of such assets.

The carrying amount of property and equipment, except land, amounted to P204,443,376 and P48,725,324 as at December 31, 2021 and 2020, respectively (see Note 8).

*Recognition of Deferred Tax Assets*

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

The management believes that the Company will not be able to realize the NOLCO in the future. The Company provided full valuation allowance on its NOLCO, thus no deferred tax asset was set up in 2021 and 2020.



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#### 4. Financial Risk Management Objectives and Capital Management

##### Financial Risk Management Objectives and Policies

The main purpose of the Company's financial instruments is to fund its operations. The Company's principal financial instruments arising from operations consist of cash and cash equivalents, advances to a related party, trade and other payables (excluding government liabilities), loans payable and advances from shareholders. The main risks from the use of financial instruments are credit and liquidity risk. The Company has minimal exposure on interest rate risk since its loans payable are short-term and bear fixed interest rate.

The Company does not have foreign currency risk because the Company has no monetary assets and liabilities denominated in foreign currency for the years ended December 31, 2021 and 2020.

The Company's Board of Directors reviews and approves the policies for managing each of these risks and these are summarized below:

##### Credit Risk

The Company's exposure to credit risk arises from the failure on the part of its counterparty in fulfilling its financial commitments to the Company under the prevailing contractual terms. Financial instruments that potentially subject the Company to credit risk consist primarily of other financial assets at amortized cost.

The carrying amounts of financial assets at amortized costs represent its maximum credit exposure.

##### Other Financial Assets at Amortized Cost

The Company's other financial assets at amortized cost are composed of cash in banks and time deposits. The Company limits its exposure to credit risk by investing its cash only with banks that have good credit standing and reputation in the local and international banking industry. These instruments are graded in the top category by an acceptable credit rating agency and, therefore, are considered to be low credit risk investments.

It is the Company's policy to measure ECL on the above instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

When determining if there has been a significant increase in credit risk, the Company considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and
- Actual or expected significant adverse changes in the operating results of the borrower.

The Company also considers financial assets that are more than 30 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent significant credit risk such as when non-payment arises from administrative oversight rather than resulting from financial difficulty of the borrower.

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The table below presents the summary of the Company's exposure to credit risk and shows the credit quality of the assets by indicating whether the assets are subjected to 12-month ECL or lifetime ECL. Assets that are credit-impaired are separately presented.

December 31, 2021				
	Financial asset at amortized cost			
	12-month ECL	Lifetime ECL		Total
		– not credit impaired	Lifetime ECL – credit impaired	
Cash in banks	P22,311,536	P–	P–	P22,311,536
Advances to a related party	164,867	–	–	164,867
	P22,476,403	P–	P–	P22,476,403

December 31, 2020				
	Financial asset at amortized cost			
	12-month ECL	Lifetime ECL		Total
		– not credit impaired	Lifetime ECL – credit impaired	
Cash in banks	P34,410,333	P–	P–	P34,410,333
Time deposits	59,240,840	–	–	59,240,840
Advances to a related party	35,000	–	–	35,000
	P93,686,173	P–	P–	P93,686,173

*Liquidity Risk*

In the management of liquidity, the Company monitors and maintains a level of cash deemed adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

To meet the Company's short-term obligations and funding for the construction of its building, the Company will call for payment of the subscription receivable from the stockholders. Also, the Company secured from Development Bank of the Philippines a credit line facility on August 11, 2021 as one of its sources in funding the construction of hospital building.

The table below summarizes the maturity profile of the Company's financial assets and liabilities as at December 31, 2021 and 2020 based on contractual and undiscounted payments.

**As at December 31, 2021**

	On Demand	Within 1 year	1 to 5 years	More than 5 years	Total
<i>Financial liabilities:</i>					
Trade and other payables*	P–	P23,520,627	P–	P–	P23,520,627
Advances from shareholders	–	–	218,218,718	–	218,218,718
	P–	P23,520,627	P218,218,718	P–	P241,739,345
<i>Financial assets:</i>					
Cash and cash equivalents	P22,326,536	P–	P–	P–	P22,326,536
Advances to a related party	164,867	–	–	–	164,867
	P22,491,403	P–	P–	P–	P22,491,403

\*Excluding government payables amounting to P119,638 as at December 31, 2021.



As at December 31, 2020

	On Demand	Within 1 year	1 to 5 years	More than 5 years	Total
<i>Financial liabilities:</i>					
Trade and other payables*	P-	P17,093,451	P-	P-	P17,093,451
Advances from shareholders	-	-	150,246,154	-	150,246,154
	P-	P17,093,451	P150,246,154	P-	P167,339,605
<i>Financial assets:</i>					
Cash and cash equivalents	P93,666,173	P-	P-	P-	P93,666,173
Advances to a related party	35,000	-	-	-	35,000
	P93,701,173	P-	P-	P-	P93,701,173

\*Excluding government payables amounting to P832,760 as at December 31, 2020.

#### Fair Values of Financial Instruments

The historical cost carrying amounts of the Company's financial assets and financial liabilities are all subject to normal credit terms, and are short-term in nature, and approximate their fair values. Details are as follows:

	2021	2020
<i>Financial assets:</i>		
Cash and cash equivalents	<b>P22,326,536</b>	P93,666,173
Advances to a related party	<b>164,867</b>	35,000
	<b>P22,491,403</b>	P93,701,173
<i>Financial liabilities:</i>		
Trade and other payables*	<b>P23,520,627</b>	P17,093,451
Advances from shareholders	<b>218,218,718</b>	150,246,154
	<b>P241,739,345</b>	P167,339,605

\*Excluding government payables amounting to P119,638 and P832,760 as at December 31, 2021 and 2020, respectively.

#### Capital Management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business, pay existing obligations and maximize shareholder value.

The Company manages capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust capital, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended December 31, 2021 and 2020.

The following table pertains to the account balances the Company considers as its core economic capital:

	2021	2020	2019
Share capital	<b>P161,878,533</b>	P96,000,000	P96,000,000
Deficit	<b>(26,499,633)</b>	(19,686,496)	(9,465,001)
	<b>P135,378,900</b>	P76,313,504	P86,534,999

The Company is not subject to externally-imposed capital requirements.

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## 5. Cash and Cash Equivalents

This account consists of:

	2021	2020
Cash on hand	P15,000	P15,000
Cash in banks	22,311,536	34,410,333
Time deposits	-	59,240,840
	<b>P22,326,536</b>	<b>P93,666,173</b>

Cash in banks earn interest at the respective bank deposit rates. Interest income earned from cash in banks amounted to P111,506 and P68,460 as at December 31, 2021 and 2020, respectively.

Time deposits earn interest at the respective bank deposit rates. Interest income earned from time deposits amounted to P222,575 and P1,433,998 as at December 31, 2021 and 2020, respectively.

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## 6. Receivables

This account consists of:

	2021	2020
Advances to contractors	P55,941,787	P40,478,422
Advances to a related party (Note 14)	164,867	35,000
	<b>P56,106,654</b>	<b>P40,513,422</b>

The Company believes that receivables are fully recoverable, thus, no allowance for doubtful accounts was provided as at December 31, 2021 and 2020.

Advances to contractors represent advances for each awarded project activity and is liquidated via deduction, on a pro-rate basis from the contractor's periodic progress billings.

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## 7. Other Current Assets

This account consists of:

	2021	2020
Input VAT	P13,750,537	P8,211,673
Prepaid tax	241,680	-
Prepaid rent (Note 13)	115,939	102,775
Others	7,000	19,000
	<b>P14,115,156</b>	<b>P8,333,448</b>

Prepaid rent pertains to unamortized portion of its payment of lease with MC Metroplex Holdings, Inc. (see Note 13).

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## 8. Property and Equipment

This account consists of:

	2020	Additions	Disposal	2021
Cost:				
Land	P80,202,502	P-	P-	<b>P80,202,502</b>
Construction in progress	48,341,686	155,790,386	-	<b>204,132,072</b>
Office equipment	734,993	100,758	-	<b>835,751</b>
	129,279,181	155,891,144	-	<b>285,170,325</b>
Accumulated depreciation:				
Office equipment	351,355	173,092	-	<b>524,447</b>
<b>Net book value</b>	<b>P128,927,826</b>			<b>P284,645,878</b>

	2019	Additions	Disposal	2020
Cost:				
Land	P80,202,502	P-	P-	P80,202,502
Construction in progress	-	48,341,686	-	48,341,686
Office equipment	562,242	172,751	-	734,993
	80,764,744	48,514,437	-	129,279,181
Accumulated depreciation:				
Office equipment	221,086	130,269	-	351,355
<b>Net book value</b>	<b>P80,543,658</b>			<b>P128,927,826</b>

Land pertains to properties located in Bacolod City, Negros Occidental with a total area of 10,000 square meters, where its hospital building is being constructed.

Construction in progress pertains to building under construction to be used as hospital building upon completion.

Details of construction in progress account as at December 31, 2021 are as follows:

Contracted services – bored piling works	P46,676,044
Contracted services – fabrication and supply of steels	46,470,278
Contracted services – civil and structural works	40,038,851
Construction materials	27,713,291
Contracted services – architectural design	15,670,103
Mortgage taxes and annotations	14,434,125
Project management team fee	7,170,863
Zoning fee for building permit processing	1,106,956
Building permit and certification	819,315
Contracted services – soil lab and groundbreaking	744,780
Contracted services – survey works	151,000
Others	3,136,466
	<b>P204,132,072</b>

The Company paid other direct costs attributable to the construction of hospital building such as completion of permits, feasibility study, accommodation fee, insurance, and bidding expenses which amounted to P1,534,359 as at December 31, 2021.

Beginning 2020, the Company entered into contracts with various contractors and suppliers for the construction of its hospital building.



The total estimated cost for the construction of the hospital building is P1.66 billion. The total estimated cost for the whole project until full operation is P2.686 billion.

As per construction manager, the estimated percentage of completion of the construction is at 16.81% as at December 31, 2021, and construction of the hospital building is estimated to be completed by the second quarter of 2023.

No borrowing costs incurred and capitalized.

On August 11, 2021, the Company entered into a Mortgage Agreement with Development Bank of the Philippines for loan and credit accommodations to finance the construction of the hospital building and acquisition of medical instruments, furniture and appliances. The Mortgage Agreement is secured by the land together with the buildings and other permanent improvements.

There were no amount of compensations received from any third parties for items of property and equipment that were impaired, lost or given up.

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#### 9. Security Deposit

This account pertains to rent security deposit amounting to P45,466 and P45,000 as at December 31, 2021 and 2020, respectively (see Note 13).

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#### 10. Trade and Other Payables

This account consists of:

	2021	2020
Accounts payable	P14,575,083	P13,917,230
Retention payable	8,945,544	3,176,221
Withholding tax payable – compensation	12,778	42,700
SSS/PhilHealth/HDMF payable	12,420	42,956
Withholding tax payable – expanded	94,439	747,104
	<b>P23,640,264</b>	<b>P17,926,211</b>

Retention payable refers to the amount withheld by the Company from the contractor's periodic progress billings as provided for in their respective contract. The amount will be released to the contractor, net of deductions, if any, upon full completion and final acceptance by the Company.

Accounts payable pertains to short-term, unsecured, noninterest-bearing payable to other party.



## 11. Share Capital

This account consists of:

	2021	2020	2019
<b>Authorized share capital</b>			
600 founders' share at P1,000 par value	<b>P600,000</b>	P600,000	P600,000
239,400 common share in 2021 and 119,400 common share in 2020 and 2019 at P1,000 par value	<b>239,400,000</b>	119,400,000	119,400,000
	<b>P240,000,000</b>	P120,000,000	P120,000,000
<b>Subscribed</b>			
480 founders' shares at P1,000 par value	<b>P480,000</b>	P480,000	P480,000
Current year issuance - 120 founders' shares	<b>120,000</b>	-	-
Balance at end of year - 600 founders' shares in 2021 and 480 founders' shares in 2020	<b>600,000</b>	480,000	480,000
95,520 common shares at P1,000 par value	<b>95,520,000</b>	95,520,000	95,520,000
Current year issuance - 107,880 common shares	<b>107,880,000</b>	-	-
Balance at end of year - 203,400 common shares in 2021 and 95,520 common shares in 2020 and 2019	<b>203,400,000</b>	95,520,000	95,520,000
Less subscription receivable	<b>(42,121,467)</b>	-	-
	<b>161,278,533</b>	95,520,000	95,520,000
	<b>P161,878,533</b>	P96,000,000	P96,000,000

The founders' share has the exclusive right to vote and be voted upon in the election of directors for a limited period not to exceed five (5) years.

On August 22, 2020, the majority of the Board of Directors and the vote of the shareholders owning and representing at least two-thirds of the outstanding share capital approved the increase in authorized share capital from P120,000,000 divided into 119,400 common shares and 600 founders' shares to P240,000,000 divided into 239,400 common shares and 600 founders' shares which all of it have par value of P1,000 per share.

In view of the above, P27,000,000 was paid-up by the existing shareholders representing 25% payment of the 90% subscribed capital amounting to P107,880,000 of the increase in authorized share capital amounting to P120,000,000.

The application of the said increase of authorized share capital was approved by the SEC on September 21, 2021. The deposit for future share subscriptions amounting to P27,000,000 was transferred to paid-up share capital. This transaction is considered as a noncash financial information in the statements of cash flows.

## 12. Expenses

This account consists of:

	2021	2020	2019
Taxes and licenses	<b>P2,519,039</b>	P428,255	P764,254
Salaries and wages	<b>1,679,067</b>	1,728,518	571,193
Professional fees	<b>1,174,143</b>	542,857	743,950
Directors' fee (Note 14)	<b>666,000</b>	-	-
Communication, power and water	<b>426,452</b>	192,765	209,507
Depreciation (Note 8)	<b>173,092</b>	130,269	105,826
Meetings and conferences	<b>157,878</b>	6,984,927	3,679,679
Rentals (Note 13)	<b>144,384</b>	149,009	153,000
SSS/Philhealth/HDMF expense	<b>76,824</b>	108,150	60,972
Office supplies	<b>46,374</b>	33,325	49,272
Outside services	<b>32,500</b>	13,393	-
Transportation and travel	<b>20,088</b>	74,984	808,471
Repairs and maintenance	<b>4,500</b>	5,320	18,000
Capital gains tax	-	2,396,800	-
Representation	-	8,500	116,505
Miscellaneous	<b>205,891</b>	60,214	133,156
	<b>P7,326,232</b>	P12,857,286	P7,413,785

## 13. Lease Agreement

In September 2019, the Company renewed its contract of lease with MC Metroplex Holdings, Inc. for a period of one (1) year, commencing from October 1, 2019 to September 30, 2020 and paid the total amount of P146,170, inclusive of VAT and net of withholding tax.

In October 2020, the Company renewed its contract of lease with MC Metroplex Holdings, Inc. for a period of one (1) year, commencing from October 1, 2020 to September 30, 2021 and paid the total amount of P146,170, inclusive of VAT and net of withholding tax.

In October 2021, the Company renewed its contract of lease with MC Metroplex Holdings, Inc. for a period of one (1) year, commencing from October 1, 2021 to September 30, 2022 and paid the total amount of P147,684, inclusive of VAT and net of withholding tax.

Due to the lease agreement which is for a period of 1 year and no purchase option, the lease is accounted as short-term and of low value and lease payments are recognized as expense on a straight-line basis over the lease term.

Rent expense charged to operations amounted to P144,384, P149,009 and P153,000 in 2021, 2020 and 2019, respectively (see Note 12).

The Company has a refundable security deposit of P45,466 and P45,000 as at December 31, 2021 and 2020 (see Note 9) and prepaid rent of P115,939 and P102,775 as at December 31, 2021 and 2020, respectively (see Note 7).

At year-end, the Company has an outstanding commitments under noncancellable operating leases that fall due as follows:

	2021	2020	2019
Within 1 year	<b>P115,939</b>	P102,775	P114,750
Later than 1 year but within 5 years	-	-	-
	<b>P115,939</b>	P102,775	P114,750

#### 14. Related Party Disclosure

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

In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. Related parties may be individuals or corporate entities.

The following are the details of related party transactions:

	Period	Classification	Terms and conditions	Amount of the Transaction	Outstanding Balance
Shareholders	<b>2021</b>	Advances from shareholders	Unsecured, noninterest-bearing, demandable, no term, payable in cash.	<b>P67,972,564</b>	<b>P218,218,718</b>
	2020			(11,874,258)	150,246,154
Individual	<b>2021</b>	Loans payable (Note 10)	Unsecured, interest-bearing, demandable, payable in cash.	-	-
	2020			(24,250,000)	-
APMC - Iloilo	<b>2021</b>	Advances to a related party (Note 6)	Unsecured, interest-bearing, no term, collectible in cash.	<b>129,867</b>	<b>164,867</b>
	2020			(140,000)	35,000
APMC - Aklan	<b>2021</b>	Advances to a related party	Unsecured, interest-bearing, payable in installment (see Note 6).	<b>40,000,000</b>	-
	2020			-	-
APMC - Aklan	<b>2021</b>	Interest income		<b>180,822</b>	-
	2020			-	-



The following are other relevant related party disclosures:

Identification	Relationship	Business Purpose of Arrangement	Commitments
Shareholders	Shareholder	Advances from shareholders in support for the Company's hospital building construction requirements.	No contract
Individual	Other related party	Provided by a related party in support for the preliminary financing aspect of the construction of the hospital building.	No contract
APMC - Iloilo	Other related party	Reimbursement of expenses.	No contract
APMC - Aklan	Other related party	Loans provided to other related party for financing purposes.	Loan Agreement

Advances from shareholders are payable upon demand. However, the Company is in the status of financing the construction of its hospital building, thus, settlement of advances is not the priority of the Company.

Loans payable from an individual who is a close member of a shareholder's family was paid in January 2020 amounting to P24,250,000. Interest accrued from prior years was reversed in 2019 following the conditions stipulated in the contract.

The Company also has a receivable from APMC - Iloilo amounting to P164,867 and P35,000 in 2021 and 2020, respectively, which pertains to the reimbursement of expenses incurred by the latter but paid by the Company.

The Company has advances to Asia Pacific Medical Center (APMC) - Aklan Inc. (APMC - Aklan) amounting to P40,000,000 which is unsecured and bears an interest of five percent (5%) per annum and payable on demand.

No allowance for doubtful accounts and bad debt expense were recognized in 2021 and 2020.

*Compensation of Key Management Personnel*

Compensation of the key management personnel of the Company consists only of directors' fees amounting to P666,000 in 2021 and nil in 2020 (see Note 12).

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## 15. Income Tax

The President signed into law on March 26, 2021 the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act to attract more investments and maintain fiscal prudence and stability in the Philippines. Republic Act (RA) 11534 or the CREATE Act introduces reforms to the corporate income tax and incentives systems. It will take effect 15 days after its complete publication in the Official Gazette or in a newspaper of general circulation.

The following are the key provisions to the Philippine tax law pursuant to the CREATE Act which have an impact on the Company:

*Corporate Income Tax (CIT)*

- Starting July 1, 2020, CIT rate for corporations is reduced as follows:
  - a. Reduced CIT rate of 20% is applicable to domestic corporations with net taxable income not exceeding P5 million and with total assets not exceeding P100 million (excluding land on which the business entity's office, plant and equipment are situated).

- b. Reduced CIT rate of 25% is applicable to all other domestic and resident foreign corporations.
- For the period beginning July 1, 2020 until June 30, 2023, MCIT rate is 1%, instead of 2%.
  - Improperly accumulated earnings tax is repealed.
  - The option to be taxed at 15% of gross income if allowed by the President subject to certain conditions is repealed.

*Deductions from Gross Income*

Due to the proposed reduction in CIT rate, interest arbitrage is reduced to 20% of interest income subjected to final tax, and will be further adjusted in case final tax on interest income will be adjusted in the future.

As clarified by the Philippine Financial Reporting Standards Council in its Philippine Interpretations Committee Q&A No. 2020-07, the CREATE Act was not considered substantively enacted as at December 31, 2020 even though some of the provisions have retroactive effect to July 1, 2020. The passage of the CREATE Act into law on March 26, 2021 is considered as a non-adjusting subsequent event in the 2020 financial statements. Accordingly, current and deferred taxes as at December 31, 2020 were computed and measured using the applicable income tax rates as at December 31, 2020 (i.e., 30% RCIT / 2% MCIT) for financial reporting purposes.

Applying the provisions of the CREATE Act, the Company would have been subjected to lower regular CIT rate of 25% effective July 1, 2020. However, there is still no significant impact to the Company's financial statements since the Company has not set up deferred tax asset that requires adjustment due to change in tax rate starting July 1, 2020.

The provision for income tax for 2021 represents MCIT. The Company is not subject to MCIT until its fourth year of operations.

The following are the computations of RCIT:

	2021	2020	2019
Loss before income tax	(P6,811,329)	(P10,221,495)	(P1,607,317)
Deduct permanent differences on:			
Nondeductible representation	-	8,500	116,505
Interest income subjected to final tax	(334,081)	(1,502,458)	(5,425,007)
<b>Taxable loss</b>	<b>(P7,145,410)</b>	<b>(P11,715,453)</b>	<b>(P6,915,819)</b>
Tax due at 25% in 2021 and 30% in 2020	P-	P-	P-

The following are the computations of MCIT:

Taxable income	P180,822
<b>Tax due at 1%</b>	<b>P1,808</b>



The reconciliation of the tax computed at statutory tax rate to provision for income tax follow:

	2021	2020	2019
Tax at applicable statutory income tax rate	(P1,702,832)	(P3,066,449)	(P482,195)
Additions to (reductions in) income taxes:			
Nondeductible representation	-	2,550	34,951
Interest income subjected to final tax	(83,521)	(450,737)	(1,627,502)
Unrecognized deferred tax assets	1,788,161	3,514,636	2,074,746
	<b>P1,808</b>	P-	P-

As at December 31, 2021, the Company has NOLCO before taxable year 2021 which can be carried forward as a deduction for the next three consecutive taxable years immediately following the year of such loss, under certain conditions, as provided under Section 34(D) of the Tax Code. Details are as follows:

Date Incurred	Amount	Applied/ Expired	Remaining Balance	Expiry Date
December 31, 2019	P6,915,819	P-	P6,915,819	2022
December 31, 2018	5,885,119	-	5,885,119	2021
	<b>P12,800,938</b>	<b>P-</b>	<b>P12,800,938</b>	

As at December 31, 2021, the Company has NOLCO in taxable year 2021 and 2020 which can be carried forward as a deduction for the next five consecutive taxable years immediately following the year of such loss, pursuant to the Bayanihan to Recover As One Act. Details are as follows:

Date Incurred	Amount	Applied/ Expired	Remaining Balance	Expiry Date
December 31, 2021	P7,145,410	P-	P7,145,410	2026
December 31, 2020	11,715,453	-	11,715,453	2025
	<b>P18,860,863</b>	<b>P-</b>	<b>P18,860,863</b>	

Details of Company's MCIT which can be claimed as tax credits against regular income tax are as follows:

Date Incurred	Amount	Applied/ Expired	Remaining Balance	Expiry Date
December 31, 2021	P1,808	P-	P1,808	2024

The management believes that the Company will not be able to realize the tax benefits from NOLCO and MCIT in the future. The Company provided full valuation allowance on its NOLCO and MCIT, thus, no deferred tax asset was set up.

## 16. Loss Per Share

Basic loss per share is computed as follows:

	2021	2020	2019
Net loss	(P6,813,137)	(P10,221,495)	(P1,607,317)
Weighted average number of shares outstanding	123,000	96,000	96,000
Basic loss per share	<b>(P55.39)</b>	<b>(P106.47)</b>	<b>(P16.74)</b>

There were no common stock equivalents outstanding that would require calculation of diluted loss per share.

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**17. Changes in Liabilities Arising from Financing Activities**

The following table summarizes the changes in liabilities arising from financing activities:

	2020	Cash flows	Foreign exchange movement	2021
Advances from shareholders	P150,246,154	P67,972,564	P-	<b>P218,218,718</b>

	2019	Cash flows	Foreign exchange movement	2020
Advances from shareholders	P162,120,412	(P11,874,258)	P-	P150,246,154
Loans payable	24,250,000	(24,250,000)	-	-
	<b>P186,370,412</b>	<b>(P36,124,258)</b>	<b>P-</b>	<b>P150,246,154</b>

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**18. Impact of Coronavirus of 2019 (COVID-19) Update**

The Company has been exposed to the risks brought about by COVID-19, a novel strain of coronavirus, which has rapidly spread worldwide and reached a pandemic magnitude as it continues to affect more and more countries and territories.

On March 16, 2020, the President of the Philippines issued Proclamation No. 929 declaring a state of calamity throughout the Philippines due to COVID-19 which resulted to the imposition of an Enhanced Community Quarantine throughout Luzon starting midnight of March 16, 2020 until May 15, 2020. Bacolod City is under various quarantine classifications up to present. As of to date, lifting of quarantine classifications is still uncertain.

The enhanced community quarantine, travel restrictions, temporary closure of different establishments, and social distancing measures imposed by the government exposed the Company's operations to risks that may impact its financial performance.

The construction of Company's hospital building has started in February 2020. However, due to COVID-19 outbreak, delivery of construction supplies was postponed and deployment of engineers and construction workers were postponed resulting to a delay in the construction of the hospital building. Upon the lifting of some quarantine restrictions particularly sea travel, the contractor continues the construction and catches up with the delay.

The events surrounding the outbreak did not have a significant impact to the Company's financial position and performance as at and for the year ended December 31, 2021. Nevertheless, the Company will continue to monitor the situation.



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**19. Events After the End of the Reporting Period**

No events occurred between the statements of financial position date and the date on which these financial statements were approved by the Company's Board of Directors that would require adjustments to or disclosure in the financial statements.

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**20. Supplemental Information Required Under Revenue Regulation Nos. 15-2010 and 19-2011**

*Revenue Regulation 15-2010*

On November 25, 2010, the BIR issued Revenue Regulation (RR) 15-2010, which requires certain information on taxes, duties and license fees paid or accrued during the taxable year to be disclosed as part of the notes to financial statements. These supplemental information, which are additions to the disclosures required under PFRS, are presented as follows:

*VAT Output Tax*

The Company has not yet started commercial operations and has no receipts subject for output tax.

*VAT Input Tax*

The Company has input tax from current year's domestic purchases amounting to P11,765,422.

*Taxes on Importation*

In 2021, the Company has not imported goods for business use. No customs duties and tariff fees were accrued or paid during the year.

*Excise Tax*

The Company does not have excise tax in 2021 since it does not have any transactions which are subject to excise tax.

*Withholding Taxes*

The details of total withholding taxes are as follows:

Compensation and benefits	P151,063
Creditable - at source	1,858,279
	<u>P2,009,342</u>

*Documentary Stamp Tax*

The Company paid documentary stamp tax for the subscription of share capital amounting to P1,200,000 in 2021.

*Taxes and Licenses*

The details of taxes and licenses included in expenses are as follows:

SEC filing fees	P1,239,414
Documentary stamp tax	1,200,000
Business permit	12,975
Annual registration	500
Others	66,150
	<u>P2,519,039</u>

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*Deficiency Tax Assessment*

The Company does not have any deficiency tax assessments with BIR or tax cases outstanding or pending in courts or bodies outside of the BIR as of December 31, 2021.

*Revenue Regulation 19-2011*

Revenue Regulation No. 19-2011 was issued to prescribe the new BIR forms that will be used for Income Tax filing covering and starting with December 31, 2011, and to modify Revenue Memorandum Circular No. 57-2011 dated November 25, 2011.

The following are the schedules prescribed under existing revenue issuances applicable to the Company as at December 31, 2021:

*Revenue*

The Company has not yet started commercial operations and did not earn any revenue.

*Cost of Sales*

The Company has not yet started commercial operations and did not incur any cost of sales.

*Non-operating and Taxable Other Income*

The Company has non-operating and taxable other income amounting to P180,822.

*Itemized Deductions*

Details of the Company's itemized deductions for the year are as follows:

	Exempt	RCIT
Taxes and licenses	P-	P2,519,039
Salaries and wages	-	1,679,067
Professional fees	-	1,174,143
Directors' fee (Note 14)	-	666,000
Communication, power and water	-	426,452
Depreciation (Note 8)	-	173,092
Meetings and conferences	-	157,878
Rentals (Note 13)	-	144,384
SSS/Philhealth/HDMF expense	-	76,824
Office supplies	-	46,374
Outside services	-	32,500
Transportation and travel	-	20,088
Repairs and maintenance	-	4,500
Miscellaneous	-	205,891
	P-	P7,326,232

Taxes, fees and charges presented as part of "Expenses" account in the Company's statement of comprehensive income include the following:

	Exempt	RCIT
SEC filing fees	P-	P1,239,414
Documentary stamp tax	-	1,200,000
Business permit	-	12,975
Annual registration	-	500
Others	-	66,150
	P-	P2,519,039



**Mendoza Querido & Co.**

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PRC/BOA Accreditation No. 0966

September 22, 2020, valid until

August 22, 2023

SEC Accreditation No. 0966-SEC (Group A)

Issued November 24, 2020

Valid for Financial Periods 2020 to 2024

**INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTARY SCHEDULES**

To the Stockholders and the Board of Directors  
Asia-Pacific Medical Center Bacolod, Inc.  
(Formerly Allied Care Experts Medical Center-Bacolod Inc.)  
Rm. 4, Ground Floor, MC Metroplex Building  
BS Aquino Drive, Bacolod City, Negros Occidental

We have audited in accordance with Philippine Standards on Auditing, the financial statements of Asia-Pacific Medical Center Bacolod, Inc. (formerly Allied Care Experts Medical Center-Bacolod Inc.) (the Company), as at December 31, 2021 and 2020, and for each of the three years in the period ended December 31, 2021, and have issued our report thereon dated March 19, 2022. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary schedules required by paragraph 7, Part II of Revised Securities Regulation Code (SRC) Rule 68 (Annex 68-J), Reconciliation of Retained Earnings Available for Dividend Declaration, and Schedule of Financial Soundness Indicators are the responsibility of the Company's management. These schedules are presented for purposes of complying with Revised SRC Rule 68 (2019), and are not part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic financial statements taken as a whole.

For the Firm: **MENDOZA QUERIDO & CO.**

**RICHARD S. QUERIDO**

Partner

CPA Certificate No. 84807

SEC Accreditation No. 84807-SEC (Group A)

Issued November 24, 2020

Valid for Financial Periods 2020 to 2024

TIN 102-094-633

BIR Accreditation No. 08-002617-002-2022,

January 25, 2022, valid until January 24, 2025

PTR No. 8856593, January 7, 2022, Makati City

March 19, 2022

**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.***(Formerly Allied Care Experts Medical Center-Bacolod Inc.)***Schedule A – Financial Assets****December 31, 2021**

Name of Issuing Entity and Association of Each Issue	Number of Shares or Principal Amounts of Bonds and Notes	Amount Shown in the Statement of Financial Position	Value based on Market Quotations at End of Reporting Period	Income Received and Accrued
<i>Cash and cash equivalents</i>				
Cash in banks	Not applicable	P22,311,536	Not applicable	P111,506
Time deposits	Not applicable	–	Not applicable	222,575
		<b>P22,311,536</b>		<b>P334,081</b>

**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.**

***(Formerly Allied Care Experts Medical Center-Bacolod Inc.)***

**Schedule B – Amounts Receivable from Directors, Officers, Employees, Related Parties,  
and Principal Stockholders**

**December 31, 2021**

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Not Current	Balance at End of Period
APMC - Iloilo	P35,000	P164,867	P35,000	P-	P164,867	P-	P164,867

**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.**

*(Formerly Allied Care Experts Medical Center-Bacolod Inc.)*

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**Schedule C – Amounts Receivable from and Payable to Related Parties which are  
Eliminated during the Consolidation of Financial Statements  
December 31, 2021**

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Not Current	Balance at End of Period
			Not applicable				

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**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.**

*(Formerly Allied Care Experts Medical Center-Bacolod Inc.)*

**Schedule D – Long Term Debt**

**December 31, 2021**

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount shown under caption "Current portion of long-term debt" in related Statement of Financial Position	Amount shown under caption "Long-Term Debt" in related Statement of Financial Position
Advances from shareholders	P218,218,718	P–	P218,218,718

**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.**

*(Formerly Allied Care Experts Medical Center-Bacolod Inc.)*

**Schedule E – Indebtedness to Related Parties (Long-Term Loans from Related Companies)**  
**December 31, 2021**

Name of related party	Balance at Beginning of Period	Balance at End of Period
Shareholders	P150,246,154	P218,218,718

**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.**

***(Formerly Allied Care Experts Medical Center-Bacolod Inc.)***

**Schedule F – Guarantees of Securities and Other Issues**

**December 31, 2021**

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed	Title of Issue of each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which Statement is Filed	Nature of Guarantee
		Not applicable		



**ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.***(Formerly Allied Care Experts Medical Center-Bacolod Inc.)***Schedule G – Capital Stock****December 31, 2021**

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding under related Statement of Financial Position caption	Number of Shares Reserved for Options, Warrants, Conversions, and Other Rights	Number of Shares Held By		
				Related Parties	Directors, Officers and Employees	Others
Founder	600	600	–	–	268	332
Common	239,400	203,400	–	–	113,379	90,021
	240,000	204,000	–	–	113,647	90,353

**RECONCILIATION OF RETAINED EARNINGS  
AVAILABLE FOR DIVIDEND DECLARATION**

As of December 31, 2021

Asia-Pacific Medical Center Bacolod, Inc.  
*(Formerly Allied Care Experts Medical Center-Bacolod Inc.)*  
BS Aquino Drive, Bacolod City, Negros Occidental

Deficit, beginning	(P19,686,496)
Net loss during the period	(6,813,137)
<b>DEFICIT, END</b>	<b>(P26,499,633)</b>

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## SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

Asia-Pacific Medical Center Bacolod, Inc.  
(Formerly Allied Care Experts Medical Center-Bacolod Inc.)  
As of December 30, 2021

Financial KPI	Definition	December 31, 2021	December 31, 2020
Current ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	<b>3.91:1</b>	3.17:1
Acid test ratio	$\frac{\text{Current Assets} - \text{Prepayments}}{\text{Current Liabilities}}$	<b>3.32:1</b>	2.99:1
Solvency ratio	$\frac{\text{Net Income} + \text{Depreciation}}{\text{Total Liabilities}}$	<b>NA</b>	NA
Debt-to-equity ratio	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$	<b>1.79:1</b>	2.56:1
Asset-to-equity ratio	$\frac{\text{Total Assets}}{\text{Total Equity}}$	<b>2.79:1</b>	3.56:1
Interest rate coverage ratio	$\frac{\text{Operating EBITDA}}{\text{Net Interest}}$	<b>NA</b>	NA
Return on assets	$\frac{\text{Net Income}}{\text{Average Total Assets}}$	<b>NA</b>	NA
Return on equity	$\frac{\text{Net Income}}{\text{Average Total Equity}}$	<b>NA</b>	NA
Net profit margin	$\frac{\text{Net Income}}{\text{Total Revenue}}$	<b>NA</b>	NA
Operating EBITDA margin	$\frac{\text{Operating EBITDA}}{\text{Net Revenue}}$	<b>NA</b>	NA