

**MINUTES OF THE 2024 (8th) ANNUAL STOCKHOLDERS' MEETING¹
ASIA-PACIFIC MEDICAL CENTER BACOLOD, INC.**

**Wednesday, 05 June 2024 at 9:00 AM Meeting via Remote Communication through Zoom
Park Inn by Radisson Bacolod, Reclamation Area, Palanca Avenue, SM City Bacolod Complex,
Bacolod City, Philippines, 6100**

Stockholders Present and Represented:

Total Number of Shares Present and Represented: 201,592 Total

Number of Outstanding Shares: 210,660

Percentage of Shares vis-à-vis Total Outstanding Shares: 95.70%

Directors Present:

Name	Designation
Dr. Ferjenel G. Biron	Chairman, Board Director
Dr. Bel Manuel G. Magallanes	Vice Chairman, Board Director
Dr. Ma. Leila M. Magbanua	President, Board Director
Dr. Danilo C. Regozo	Executive Vice President, Board Director
Dr. Ma. Ivy V. Malata	Corporate Secretary, Board Director
Dr. May Claire R. Tad-y	Assistant Corporate Secretary, Board Director
Dr. Olga H. Pabicon	Corporate Treasurer, Board Director
Dr. Rhona T. Balinas	Assistant Corporate Treasurer, Board Director
Dr. Jimmy B. Pacete	Board Director
Dr. Anthony C. Gebusion	Board Director
Dr. Wendell Z. Espinosa	Board Director
Dr. Meride D. Lavilla	Board Director
Dr. Andrew I. Mallen	Independent Director
Dr. John Clifton U. Martyr	Independent Director

Director Absent:

Name	Designation
Dr. Joseline C. Encarnacion	Independent Director

Attendance of Stockholders

Stockholders	Type of Shares	No. of Shares	Appointee/Beneficial Owner
Dr. Abad, Alben Teodoro T.	Common Shares	2,984	Abad, Alben Teodoro T.
	Founder Shares	14	
Dr. Achurra, Alexander Kent T.	Common Shares	4,917	Achurra, Alexander Kent T.
	Founder Shares	14	
Dr. Biron, Ferjenel G.	Common Shares	56,014	Biron, Ferjenel G.
	Founder Shares	98	

¹ This Minutes have been approved by the majority votes of the outstanding stockholders of record on the Company's 9th Annual Stockholders' Meeting held on 04 June 2025.

Dr. Concel, Leopoldo M.	Common Shares	4,916	Concel, Leopoldo M.
	Founder Shares	14	
Dr. Cu, Dorothy Mildred S.	Common Shares	1,592	Cu, Dorothy Mildred S.
	Founder Shares	10	
Dr. Daulo-Lavilla, Meride	Common Shares	2,192	Daulo-Lavilla, Meride
	Founder Shares	10	
Dr. Dy-Villanueva, Maria Teresa	Common Shares	4,917	Dy-Villanueva, Maria Teresa
	Founder Shares	14	
Dr. Espinosa, Wendell Z.	Common Shares	4,916	Espinosa, Wendell Z.
	Founder Shares	14	
Dr. Gafate-Ong, Mary Flor	Common Shares	1,592	Gafate-Ong, Mary Flor
	Founder Shares	10	
Dr. Gallega-Perez, Ma. Grace	Common Shares	1,592	Gallega-Perez, Ma. Grace
	Founder Shares	10	
Dr. Galve, Gregorio L.	Common Shares	4,917	Galve, Gregorio L.
	Founder Shares	14	
Dr. Gebusion, Anthony C.	Common Shares	4,917	Gebusion, Anthony C.
	Founder Shares	14	
Dr. Germinal, Rodolfo, Jr. F.	Common Shares	4,917	Germinal, Rodolfo, Jr. F.
	Founder Shares	14	
Dr. Jalea, Ruel U.	Common Shares	4,917	Jalea, Ruel U.
	Founder Shares	14	
Dr. Jesena, Salve Regina S.	Common Shares	4,917	Jesena, Salve Regina S.
	Founder Shares	14	
Dr. Lavalley, Amado Jr. M.	Common Shares	4,984	Lavalley, Amado Jr. M.
	Founder Shares	20	
Dr. Magallanes, Bel Manuel G.	Common Shares	4,917	Magallanes, Bel Manuel G.
	Founder Shares	14	
Dr. Magbanua, Ma. Leila M.	Common Shares	4,917	Magbanua, Ma. Leila M.
	Founder Shares	16	
Dr. Malata, Ma. Ivy V.	Common Shares	4,915	Malata, Ma. Ivy V.
	Founder Shares	16	
Dr. Mallen, Andrew I.	Common Shares	2,482	Mallen, Andrew I.
	Founder Shares	16	
Dr. Martyr, John Clifton U.	Common Shares	2,482	Martyr, John Clifton U.
	Founder Shares	16	
Dr. Minerva, Ike T.	Common Shares	4,848	Minerva, Ike T.
	Founder Shares	10	
Dr. Pabicon, Olga H.	Common Shares	4,915	Pabicon, Olga H.
	Founder Shares	16	
Dr. Pacete, Jimmy B.	Common Shares	4,915	Pacete, Jimmy B.
	Founder Shares	16	
Dr. Parreño-Bautista, Kathryn	Common Shares	4,915	Parreño-Bautista, Kathryn

Kristy	Founder Shares	16	Kristy
Dr. Regner-Tad-y, May Claire D.	Common Shares	4,917	Regner-Tad-y, May Claire D.
	Founder Shares	14	
Dr. Regozo, Danilo C.	Common Shares	5,986	Regozo, Danilo C.
	Founder Shares	20	
Dr. Tio-Balinas, Rhona	Common Shares	4,917	Tio-Balinas, Rhona
	Founder Shares	14	
Dr. Villaflor, Agnes Jean M.	Common Shares	1,592	Villaflor, Agnes Jean M.
	Founder Shares	10	
Dr. Yap, Jose Joel B.	Common Shares	4,917	Yap, Jose Joel B.
	Founder Shares	14	
Achurra-Villahermosa, Ana Katherina T.	Common Shares	10	Achurra-Villahermosa, Ana Katherina T.
Ariola, Crispiniano Maghari Jr.	Common Shares	10	Ariola, Crispiniano Maghari Jr.
Jubilag, Krystel Laine Somotsot	Common Shares	10	Jubilag, Krystel Laine Somotsot
Palic, Eliser Alejano	Common Shares	10	Palic, Eliser Alejano
Total		177,382	

Voting in Absentia

Stockholders	Type of Shares	No. of Shares	Beneficial Owner
Dr. Comuelo, Jerusha A.	Common Shares	1,592	Comuelo, Jerusha A.
	Founder Shares	10	
Dr. Pedroza, David G.	Common Shares	4,917	Pedroza, David G.
	Founder Shares	14	
Sta. Ana, Anabelle R.	Common Shares	2,484	Sta. Ana, Anabelle R.
	Founder Shares	12	
Dr. Rodrigo, Sherwin Lowe B.	Common Shares	4,917	Rodrigo, Sherwin Lowe B.
	Founder Shares	14	
Total		13,960	

Represented by Proxy

Stockholders	Type of Shares	No. of Shares	Beneficial Owner
Biron, Braeden John Q.	Common Shares	3,390	Chairman
	Founder Shares	10	
Biron, Brandt Luke Q.	Common Shares	3,390	Chairman
	Founder Shares	10	
Biron, Bryant Paul Q.	Common Shares	3,390	Chairman
	Founder Shares	10	
De Castro, Josephine Vergara	Common Shares	10	Chairman
Macasa, Benjamin Villarosa	Common Shares	10	Chairman

Macasa, Michael Gerard Lacson	Common Shares	10	Chairman
Macasa, Vincent Raymond Lacson	Common Share	10	Chairman
Macasa, Vicente Villarosa, Jr.	Common Share	10	Chairman
Total		10,250	

Other Attendees

1. Atty. Maylene B. Villanueva	Compliance Officer, Legal Counsel
2. Mr. Ariel S. Malata	Investor Relation and Data Protection Officer
3. Mrs. Ma. Jocelyn S. Sumugat	Chief Accounting Officer
4. Ma. Antonette A.Diel	Querido Diel & Co., CPA's Representative
5. Ma. Suzannah Mae M. Antenor-Cruz	DBP Bacolod Lending Center Representative

OPENING FORMALITIES

After the Invocation and National Anthem, the host/facilitator of the meeting welcomed the Stockholders, Officers, Board of Directors, and Founders of the Asia-Pacific Medical Center Bacolod, Inc.

I. Call to Order

The 2024 Annual Stockholders' Meeting was called to order by the Chairman of the Board of Directors, Dr. Ferjenel G. Biron at 9:42 in the morning of 05 June 2024. The Corporate Secretary, Dr. Ma. Ivy. V. Malata recorded the Minutes of the Meeting.

The Chairman stated that the Annual Stockholders' Meeting is held via remote communication through the Zoom application and is being recorded in compliance with the requirements of the Securities and Exchange Commission. Before starting the meeting, he recognized the following Directors, Officers and guests: Dr. Ma. Leila M. Magbanua (President), Dr. Bel Manuel G. Magallanes (Vice Chairman), Dr. Danilo C. Regozo (Executive Vice President), Dr. Ma. Ivy V. Malata (Corporate Secretary), Dr. Olga H. Pabicon (Corporate Treasurer), Atty. Maylene B. Villanueva (Compliance Officer), Dr. May Claire R. Tad-y (Assistant Corporate Secretary), Dr. Rhona T. Balinas (Assistant Corporate Treasurer) Mr. Ariel S. Malata (Data Protection and Investor Relations Officer), Mrs. Ma. Jocelyn T. Sumugat, (Chief Accounting Officer) and representatives from Querido Diel & Co., CPAs (External Auditor) and Development Bank of the Philippines (DBP), Bacolod Lending Center, and other members of the Board.

II. Certification of Notice and Quorum

The Corporate Secretary, Dr. Ma. Ivy. V. Malata, stated that as required by the Securities and Exchange Commission (SEC) and in compliance with the Revised Corporation Code and the SEC Notice dated 13 March 2023, on 14th and 15th of May 2024, the notice of the meeting for the 2024 ASM were sent to all stockholders of record in three ways: first via email; second, by posting in the corporation's website at www.apmcbacolod.com; and third, by publication in the business section of two (2) newspapers of general circulation, The Philippine Daily Inquirer and The Daily Tribune Newspapers in print and online format for two (2) consecutive days. The last day of publication was 15 May 2024 is at least twenty-one.

Upon the Chairman's request, the Corporate Secretary certified that there was a quorum based on the tally of those who successfully registered online and validated proxies on hand, the number of shareholders present and in person and represented by proxy.

Stockholders	No. of Shares	Percentage
Voting in Absentia	13,960	6.63%
Remote Communication	177,382	84.21%
By Proxy	10,250	4.87%
Absent	9,068	1.19%
Total	210,660	100.00%

III. Rules of Conduct and Procedure

The Chairman requested the Corporate Secretary to briefly discuss the rules for the conduct and voting procedure of the meeting.

The Corporate Secretary mentioned that the voting rights of each stockholder and the requirements and procedures for participation by remote communication, through proxy, and voting in absentia

has been set forth in the Definitive Information Statement. She highlighted the following points:

1. Stockholders who registered online or who notified the company via email to businessoffice@apmcbacolod.com of their intention to participate in this Meeting via remote communication may ask or send their questions and comments to the same email address and in the chat box during the open forum.

2. The Moderator of the ASM Programme will read the questions and comments received before 9:00 AM and those in the chat box during the Q & A period which will take place during the open forum under item 10 in the Agenda. Management will reply to questions not taken up during the meeting by email.

3. As indicated in the Ballot for the voting of shareholders in absentia, there are six (6) Resolutions proposed for adoption by the stockholders in this Meeting. These proposed resolutions shall be flashed on the screen as the same is being taken up.

1. Resolution Approving the Minutes of the Previous Stockholders' Meeting held last 11 June 2023
2. Resolution Noting the 2023 Annual Report & Approving the 2023 Audited Financial Statements
3. Resolution Noting the President's Report and the Construction Chairman's Report on the Status of the Hospital Construction as of 30 April 2024
4. Resolution Ratifying the Acts, Proceedings and Resolutions of the Board of Directors and Corporate Officers, Board Committees and Management from the date of the Last Annual Stockholders' Meeting up to 05 June 2024
5. Resolution on the Appointment of Querido Diel & Co., CPAs as the External Auditor for the Fiscal Year 2024 and Fixing of its Remuneration.
6. Resolution Confirming the Election to the Board of Directors of the Top 15 Nominees

4. Stockholders who had successfully registered to cast their votes electronically, the polls for the proposed resolutions and Election of Directors for 2024 in the Online Voting Portal, can still join the meeting and the polls shall remain open from 10:00 AM of 29 May 2024 until the adjournment of the meeting on 05 June 2024.

5. The Method of Voting: Straight and Cumulative Voting

In all items for approval, each voting share of stock entitles its registered owner as of the Record Date to one vote. Stockholders may vote by remote communication, proxy or in absentia.

In the election of directors, each stockholder may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate the aforesaid shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many nominees as he shall see fit; provided that, the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the total number of directors to be elected.

A stockholder may vote electronically in absentia using the online voting portal, a link of which shall be provided. A stockholder voting electronically in absentia shall be deemed present for purposes of quorum.

Upon successful registration at the Annual Stockholders' Meeting, each stockholder will be provided a ballot within the period stated in the [Annex "A"](#) to enable him to vote on each

item or proposal in the Agenda. All votes will be counted by the vote count system integrated in the voting application and tabulated and canvassed by the Board of Canvassers.

Proxies shall be in writing, signed, and notarized (unless there is notice to the contrary) and filed by the stockholders, in the form provided in the Information Statement and shall be received by the Corporate Secretary via email at businessoffice@apmcbacolod.com on or before 9:00 AM, 22 May 2024. Proxy votes will be counted and tabulated by the Inspection of Proxies and Ballots Committee.

6. The initial votes have been tabulated after the end of the proxy validation process and the night before, for the voting in absentia system. These votes are from stockholders owning 201,592 shares present in the meeting and 95.70% of the total outstanding shares of 210,660 shares. The Corporate Secretary would be referring to the results of the preliminary tabulation when she reports the voting results throughout the meeting. The results of the final tabulation of votes with full details of the affirmative and negative votes and abstentions will be reflected in the Minutes of the Meeting.

IV. Approval of the Minutes of the Regular Stockholders' Meeting held on 11 June 2023

The Chairman then proceeded with the approval of the Minutes of the Annual Stockholders' Meeting held on 11 June 2023. Flashed on screen is the resolution:

ASM Resolution No. 2024- 01

RESOLVED, as it is hereby RESOLVED that the Minutes of the 2023 Annual Stockholders' Meeting held on the 11th of June 2023 be approved.

The Corporate Secretary mentioned that a copy of the Minutes of the Annual Stockholders' Meeting in 2023 prepared in accordance with the requirements of the Revised Corporation Code was posted on the Company's website. The matters approved in the previous stockholder's meeting were provided under Annex "F" of the Definitive Information Statement which was uploaded in the Company's website as well. For this reason, she proposed that they dispense with the reading of the Minutes of the 2023 Annual Stockholders' Meeting and approve the Minutes as appearing in the Company's records.

The Chairman duly noted the proposal. He then asked if there are any inquiries received regarding the foregoing matter. The Corporate Secretary answered that there were no questions submitted via e-mail regarding the matter.

The tally of the votes and validated proxies on the adoption of ASM Resolution No. 2024-01 based on the total votes received, majority of the outstanding shares of the company present in the meeting providing for the approval of the 2023 Minutes of the Annual Stockholders Meeting held on 11 June 2023, was presented by the Corporate Secretary.

VOTING RESULTS

Vote	No. of Shares Voting	Percentage
For	201,592	100%
Against	0	0%
Abstain	0	0%
Total	201,592	100%

The Chairman mentioned that based on the report of the Corporate Secretary, the Minutes of the 2023 Annual Stockholders Meeting held on 11 June 2023 was approved.

V. Annual Report with AVP

The Chairman proceeded to the next order of business in the agenda which was the presentation of the Annual Report consisting of the Chairman's Message, the Audio Visual Presentation of the Hospital Construction, and the 2023 Audited Financial Statements to be presented by the Corporate Treasurer.

Chairman's Message

Dr. Ferjenel G. Biron, Chairman of APMC Bacolod, Inc. started his message addressing the stockholders and shareholders with a message of resilience and optimism in the face of challenging times. He added that the journey to build a state-of-the-art healthcare facility has been a long and arduous one but he assured them that it will certainly be worth the wait. He recognized the need to pivot and adapt to the paradigm shifts in the global and Philippine economy. Still reeling from the effects of the pandemic and the rising geopolitical tensions, inflationary pressures have affected the cost and timeline of the construction of the hospital. Nevertheless, the Corporation remains steadfast in its commitment to financial prudence and responsible sourcing to ensure its completion and sustainability of operations in the long run. He emphasized that despite the headwinds and uncertainties, they have weathered the challenges by ensuring a steady flow of capitalization by empowering their resources. The finances of the Corporation during the next twelve (12) months will primarily be allotted on the completion of the hospital structure including its interiors, landscapes, and procurement of additional hospital equipment, medical instruments and furniture. Moreover, due to the proposed increase in the floor area and escalation of prices of construction material, the budget for the construction of the hospital increased to Two Billion Two Hundred Eight Million Eight Hundred Fifty-Six Thousand Nine Hundred and Seventy-Five Pesos (PHP 2,208,856,975.00). To meet the financial requirements of this endeavor, the Corporation will rely on an additional loan facility, the sale of its IPO shares, and willingness and commitment of the founders to infuse their personal funds. With these increasing cash demands, all means has to be maximized to market more and sell the offered shares to the public.

Dr. Biron asked for the support of the stockholders to help maximize the exposure of the project to more investors. According to him, by becoming their partner in building the most advanced health facility in the City of Bacolod, investors do not only funnel resources for a potential return of income but participate in legacy building. Consonant to the culture of safety and compliance that they are fostering, the construction timeline will have to be extended for another two years. It is a decision that was not made lightly but necessary to ensure that they deliver a facility that meets the highest standards of quality and safety. The Corporation is mindful of the importance of completing the hospital in a timely manner and are dedicated to expediting the construction process while maintaining its focus on excellence. He shared that the Board of Investments had approved their application as a New Operator of Level 2 General Hospital entitling the hospital to tax incentives. These incentives are expected to help them offset the cost of the delays they endure right now. Despite the challenges, they take pride that the Company consistently provides practical solutions that address the pain points of the community. To lessen environmental footprint, Founders had undertaken a Tree Planting Activity on 23 September 2023 in Bago City, Negros Occidental. They have also strengthened their ties with the community as they partnered with JCI Bacolod Inc., SM Foundation, and Banco De Oro in a Medical Mission held in San Enrique, Negros Occidental last 09 August 2023.

The Chairman extended his heartfelt gratitude to dedicated Directors and employees for their hard work throughout the years. It is worth recognizing the importance of making and actually made difficult choices to ensure the long-term success of Asia-Pacific Medical Center Bacolod, Inc. Additionally, he gave thanks to the stockholders for their trust and confidence in the Corporation. Their investment in the hospital will be instrumental in bringing the Company's vision to life. He encouraged the

stockholders to remain with the Company until they unveil the facility that will set a new standard in a healthcare excellence in Bacolod City and the entire country. Dr. Biron also recognized the stakeholders and was grateful for their motivation and rational consensus through deliberative engagement.

The Chairman ended his speech with encouragement to never waver on the goal of being a game changer in the healthcare industry, driving positive change, and innovation.

Treasurer's Report

After the Audio Visual Presentation of the Hospital Construction, the Corporate Treasurer, Dr. Olga H. Pabicon presented the Audited Financial Statement of Asia-Pacific Medical Center Bacolod, Inc. for the year ended December 31, 2024. The Audited Financial Statement was also attached as Annex "E" of the Definitive Information Statement which was also uploaded to the Company's website.

Statements of Financial Position: For the years ended 31 December 2023 vs. 31 December 2022

	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents	₱22,111,663	₱89,957,922
Advances to a related party	-	₱622,067
Advances to contractors	₱33,213,994	₱32,788,211
Input VAT	₱41,720,983	₱25,219,111
Prepayments	₱3,094,867	₱1,182,014
Total Current Assets	₱100,141,507	₱149,769,325

Current assets for the year ended December 31, 2023 was 100,141,507 pesos. There was a decrease of 49,627,818 pesos or 33% from 149,769,325 pesos in 2022. The decrease was due to the decrease in cash and cash equivalents and advances to related parties, and the increase in the advances to contractors, Value Added Tax and other current assets primarily used for construction related expenses.

	2023	2022
Noncurrent Assets		
Property and equipment – net	₱875,317,823	₱652,810,597
Security deposit	₱45,466	₱45,466
Total Noncurrent Assets	₱875,363,289	₱652,856,063
TOTAL ASSETS	₱975,504,796	₱802,625,388

The noncurrent assets of the company increase from 652,856,063 pesos in 2022 to 875,363,289 pesos in 2023. This is due to the increase in construction in progress and acquisition of various office equipment for the year. Therefore, total assets for the year increased by 22%.

	2023	2022
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	₱49,653,541	₱30,960,703
Retention payable	₱56,739,982	₱43,936,332
Income tax payable	₱4,320	₱49

Advances from shareholders	₱226,133,559	₱165,624,718
Total Current Liabilities	₱332,531,402	₱240,521,802

Total current liabilities increased by 38% from 240,521,802 pesos in 2022 to 332,531,402 pesos in 2023 due to increase in trade, retention & advances from shareholders. Therefore, total liabilities increased by 15%.

	2023	2022
Noncurrent Liability		
Loans Payables	₱356,640,000	₱356,640,000
Total Liabilities	₱689,171,402	₱597,161,802
Equity		
Share capital	₱210,660,000	₱189,994,866
Additional paid-in capital	₱159,840,000	₱74,360,000
Deficit	(₱84,166,606)	(₱58,891,280)
Total Equity	₱286,333,394	₱205,463,586
TOTAL LIABILITIES AND EQUITY	₱975,504,796	₱802,625,388.00

The total liabilities in 2023 is amounted to 689,171,402 pesos. The corporation's equity increased from 205,463,586 pesos in 2022 to 286,333,394 pesos in 2023. The total liabilities and equity as of December 31, 2023 reconciled with the assets of the corporation which amounted to 975,504,796 pesos. There is 22% increase from 802,625,388 last December 31, 2022. Increase in additional paid in capital of 115% and share capital of 11% resulted in a 39% increase in total equity was due the Company's selling its Initial Public Offering since March 28, 2022.

Statements of Comprehensive Income: For the years ended 31 December 2023, 2022, and 2021

	2023	2022	2021
Interest Income	₱391,160	₱104,300	₱514,903
Expenses	(₱25,662,166)	(₱32,495,898)	(₱7,326,232)
Loss before Income Tax	(₱25,271,006)	(₱32,391,598)	(₱6,811,329)
Provision for Income Tax	(₱4,320)	(₱49)	(₱1,808)
Net Loss	(₱25,275,326)	(₱32,391,647)	(₱6,813,137)
LOSS PER SHARE	(₱120.21)	(₱158.57)	(₱55.39)

Due to the construction of the hospital building, the only income that the corporation received was interest income from bank deposits and interest earned from related party. The interest income for the year 2023 is amounting to 391,160 pesos, which is higher by 286,860 pesos or 275% compared to December 31, 2022. The increase is due to interest earned from the payment of a related party.

The company incurred operational expenses mainly due to taxes and licenses, salaries and wages, government contributions and utilities which amounted to 25,662,166 pesos for December 31, 2023, 32,495,898 pesos for December 31, 2022 and 7,326,232 pesos for December 31, 2021. The net loss of the company for December 31, 2023 amounted to 25,275,326 pesos, 32,391,647 pesos for December 31, 2022 and 6,813,137 pesos for December 31, 2021. The loss per share was 120.21 for December 31, 2023, 158.57 pesos for December 31, 2022 and 55.39 pesos for December 31, 2021.

Statement of Changes in Equity: For the years ended 31 December 2023, 2022, and 2021

	2023	2022	2021
Share Capital (Notes 2,4 and 13)	₱210,660,000	₱189,994,866	₱161,878,533
Additional Paid-In Capital	₱159,840,000	₱74,360,000.00	
Deficit			
Balance at the beginning of year	(₱58,891,280)	(₱26,499,633.00)	(₱19,686,496.00)
Net Loss	(₱32,391,647.00)	(₱32,391,647.00)	(₱6,813,137.00)
Balance at the end of the year	(₱58,891,280.00)	(₱58,891,280.00)	(₱26,499,633.00)
TOTAL EQUITY	₱205,463,586.00	₱205,463,586.00	₱135,378,900.00

The company has started to sell its Initial Public Offering (IPO) last March 28, 2022 as approved by the Securities and Exchange Commission. Therefore, there is an increase of P20.6 million of 11% in the share capital from 189,994,866 pesos on December 31, 2022 to 210,660,000 pesos on December 31, 2023. The total outstanding shares as of December 31, 2023 is 210,660. This results to the increase of additional paid in capital from 74,360,000 pesos in December 31, 2022 to 159,840,000 pesos in December 31, 2023. The company's deficit for the year December 31, 2023 was 84,166,606 pesos, 58,891,280 pesos in December 31, 2022 and 26,499,633 pesos in December 31, 2021. Therefore, the total equity was 286,333,394 pesos for 2023, 205,463,586 pesos for 2022 and 135,378,900 pesos for 2021.

Statement of Cash Flows: For the years ended 31 December 2023, 2022, and 2021

	2023	2022	2021
Loss before income tax	(₱25,271,006)	(₱32,391,598)	(₱6,811,329)
Adjustments to reconcile pretax loss to cash:			
Interest income	(₱391,160)	(₱104,300)	(₱514,903)
Depreciation	₱166,129	₱138,041	₱173,092
Loss before working capital changes	(₱25,496,037)	(₱32,357,857)	(₱7,153,140)
Increase in input VAT	(₱16,501,872)	(₱11,468,574)	(₱5,538,864)
Increase in prepayments	(₱1,912,853)	(₱817,395)	(₱242,844)
Increase (decrease) in trade and other payable	₱18,692,838	₱16,265,983	(₱55,270)
Net cash used for operations	(₱25,217,924)	(₱28,377,843)	(₱12,990,118)
Interest received	₱391,160	₱104,300	₱514,903
Income tax paid	(₱49)	(₱1,808)	—
Net cash used in operating activities	(₱24,826,813)	(₱28,275,351)	(₱12,475,215)

	2023	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Retention from payment to contractors	₱12,803,650	₱34,990,788	₱5,769,323
Application of advances (payments made) to contractors	(₱425,783)	₱23,153,576	(₱15,463,365)
Payment of security deposit	—	—	(₱466)
Payments received from (advances to) a related party	₱622,067	(₱457,200)	(₱129,867)
Additions to property and equipment	(₱222,673,355)	(₱368,302,760)	(₱155,891,144)
Net cash used in investing activities	(₱209,673,421)	(₱310,615,596)	(₱165,715,519)

	2023	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans payable	—	₱356,640,000	—
Proceeds from (payments of) advances from shareholders	₱60,508,841	(₱52,594,000)	₱67,972,564
Proceeds from shareholders for future share subscriptions	—	—	—
Proceeds from subscription of share capital	₱106,145,134	₱102,476,333	₱38,878,533
Payment of loans payable	—	—	—
Net cash provided by (used in) financing activities	₱166,653,975	₱406,522,333	₱106,851,097

	2023	2022	2021
Net Increase (Decrease) in Cash and Cash Equivalents	(₱67,846,259)	₱67,631,386.00	(₱71,339,637.00)
Cash and Cash Equivalents at Beginning of the Year	₱89,957,922	₱22,326,536.00	₱93,666,173.00
Cash and Cash Equivalents at the End of the Year	₱22,111,663	₱89,957,922.00	₱22,326,536.00

The net cash used in operating activities amounted to negative 12,475,215 in 2021, 28,275,351 in 2022 and 24,826,813 pesos in 2023. The net cash used in investing activities amounted to negative 165,175,519 in 2021, negative 310,615,596 in 2022 and negative 209,673,421 pesos in 2023. The net cash used in financing activities amounted to 106,851,097 in 2021, 406,522,333 in 2022 and 166,653,975 pesos in 2023. The cash and cash equivalents at the end of the year 2021 amounted to 22,326,536, 89,957,922 in 2022 and 22,111,663 in 2023.

The Chairman thanked Dr. Pabicon after her report then asked the Corporate Secretary to present the proposed resolution and the tally of the votes.

ASM Resolution No. 2024- 02

RESOLVED, as it is hereby RESOLVED that the 2024 APMC Bacolod, Inc. Annual Report which consists of the Chairman’s Message and the Audio-Visual Presentation of the Hospital Construction be noted;

RESOLVED FURTHER that the Audited Financial Statements as of 31st of December 2023 as audited by the External Auditor, Querido Diel & Co., CPAs be approved.

The Corporate Secretary presented ASM Resolution No.2024-02 and the tally of the majority of the stockholders owning outstanding shares present and voted in favor on the said matter.

VOTING RESULTS

Vote	No. of Shares Voting	Percentage
For	201,592	100%
Against	0	0%
Abstain	0	0%
Total	201,592	100%

The Corporate Secretary reported that based on the voting results the ASM Resolution No. 2024-02 has been approved.

VI. Management Report

President’s Report

The President, Dr. Ma. Leila M. Magbanua welcomed the Chairman, Dr. Ferjenel Biron, Board of Directors, Founders, Stockholders, partners from the Development Bank of the Philippines, External Auditor, Querido Diel & Co., CPAs, Compliance officer and Legal counsel, Atty. Maylene Villanueva, guests, and the APMC Staff to the 2024 Annual Stockholders’ Meeting of APMC Bacolod .

She then emphasized that the year 2023 has been marked by disruptive changes compounded by the slow growth of the global economy. Nevertheless, significant strides in the project have been made. She added that with their collective efforts, they will see the completion of the hospital by the second quarter of 2026. The delay in the timeline has been mitigated by the support of the Chairman’s family and other founders who have extended loans to ensure the completion of the hospital. Moreover, in terms of financial performance, the Company has shown tenacity in the face of the challenges. As evidenced, there was a decrease in loss for the period and increase in other income. While the hospital is not yet operational, they will continue to take steps to ensure compliance with all regulations and investor protection measures mandated by the Security and Exchange Commission.

Afterwards, she presented the results of the Company’s’ operations for the year 2023 as follows:

Revenue

In 2023, the Company have not yet commenced commercial operations hence no revenue was recorded.

Other Income

Other income for the year 2023 is higher than the year 2022 by 275%. The increase is due to the interest earned from payment of loan extended to a related party.

General and Administrative Expenses

General and administrative expenses during December 31, 2023 is lower than December 31, 2022 by 21%. This is due to the decrease in the executive compensation and board meetings and conferences.

Loss for the Period

Loss for the period ended December 31, 2022 was decreased by 22% in December 31, 2023. This is due to the decrease in the executive compensation and board meetings and conferences.

On the other hand, the Key Performance Indicators (KPI) for the year 2023 and 2022 are as follows:

Liquidity Ratios

Quick Asset Ratio	2023	2022
	0.07:1	0.38:1

The company has a low quick asset ratio for the years 2023 and 2022 which shows that it could not pay off its short-term obligations with its most liquid assets. This is because most of its cash is allocated to the expenses of the construction.

Current Asset Ratio	2023	2022
	0.30:1	0.62:1

The current assets of the company are being utilized for the construction of the hospital which results to a low current asset ratio for 2023 and for 2022 respectively. It is expected to increase as soon as the hospital starts its operations in 2026.

Solvency Ratio

Debt to Equity Ratios	2023	2022
	2.41:1	2.91:1

The company's long-term debts are fully covered by the company's equities. The ongoing hospital construction has led to an increase in the construction in progress account, representing a significant allocation of the company's resources.

Profitability Ratios

Net Profit Margin	2023	2022
	0%	0%

The company is still in the construction phase with no revenue being generated resulting in a zero percent net profit margin for the years 2022 and 2023.

Return on Equity	2023	2022
	-10.28%	-19.01%

The hospital is not yet operational; hence, the financial ratios show negative results for all the periods. This shows the company is spending most of its assets in construction. The hospital is not yet operational. Data is not yet available.

Return on Assets	2023	2022
	-2.84%	-5.49%

Given the Company's ongoing construction phase, there is an increase in the negative return on assets for periods which still signifies continued investment in construction without immediate profitability.

Leverage Ratios

Debt to Total Asset Ratio	2023	2022
	0.37:1	0.44:1

Since the company has increased its construction in progress. The ongoing hospital construction has led to an increase in the construction in progress account, representing a significant allocation of the company's resources.

Asset to Equity Ratio	2023	2022
	3.41:1	3.91:1

The company has more assets than its equity for both years due to the ongoing construction of the hospital. The company is also selling its IPO shares which could mean an improvement for these ratios in the next financial statements.

Interest Rate Coverage Ratio	2023	2022
	0.99:1	3.58:1

The decrease in the interest coverage ratio from 2022 to 2023 can be attributed to the significant ongoing construction projects throughout the present year. These projects have likely increased the company's interest expenses while its earnings before interest and taxes (EBIT) may have been impacted by the temporary disruption or delay in operations due to construction activities. As a result, the company's ability to cover its interest payments with its operating income has decreased, leading to the lower ratio. Once the construction projects are completed and operations resume or expand, it is expected that the interest coverage ratio will improve.

In addition, she expressed the need to focus on completing the construction, setting up the information system, procuring medical equipment, developing policies and procedures, and marketing the hospital effectively. Furthermore, she put emphasis that the Company was bent on strengthening its human capital. In line with this, the Company's Directors and Executive Officers have undergone various training programs which were carefully vetted not only to comply with the requirements of the SEC

but also to enhance their capacity and competencies in preparation for future operations. The President said that in line with their commitment to upholding the highest standards of corporate governance and risk management, the Board of Directors has established a Board Risk and Oversight Committee. This committee is tasked with overseeing the identification, assessment, and management of risks that may impact the company's operations and objectives. By proactively addressing potential challenges and uncertainties, the Board Risk and Oversight Committee plays a crucial role in safeguarding the interests of their stakeholders and ensuring the long-term sustainability of the company. Furthermore, recognizing the importance of data privacy in today's digital landscape, Data Privacy Committee was also established. This committee is responsible for ensuring compliance with data protection regulations, safeguarding the privacy of their stakeholders' information, and implementing robust data security measures. By prioritizing data privacy and security, they aim to build trust with their customers, partners, and investors, and demonstrate their commitment to responsible data management practices. The President stated that the establishment of these committees underscores their dedication to sound corporate governance practices, risk management, and data privacy protection. The Company believes that by proactively addressing risks and safeguarding data privacy, it is better positioned to surmount difficulties, seize opportunities, and foster enduring value for its stakeholders. It will remain committed to upholding these principles and will continue to strengthen its governance framework to enhance transparency, accountability, and sustainability in all its operations.

Finally, she acknowledged the people whose collective commitment to providing exemplary healthcare services to the community will ensure that the dream hospital will be achieved.

Construction Report

The Construction Report was presented by Dr. Jimmy B. Pacete as the Company's Construction Chairman. He started his report by welcoming everyone to the 8th Annual Stockholders' Meeting. He stated that the year 2023 was challenging and busy year for the company with so many disciplines and trades to be engaged. The electrical components comprising generator sets, transformers, switch gears, panel boards, and UPS need to be on board. The immediate priorities are the curtain walls, air conditioners, sanitary pumps, medical gases, and pneumatic systems. He added that because of inflation rate coupled with the rise in construction commodities that were catching up with the budget, they opted for an Owner Supplied Materials (OSM) as one strategy that could lessen the cost of the project. This involves direct sourcing of materials from China which are a first-class commodity with a cheaper cost of 40% less compared to existing local market.

In May 2023, Mr. Eric Zheng, a Chinese Supplier and owner of Shenzhen Royal Golden Sun Import & Export Co., Ltd. (SRGS) came to Bacolod to discuss these different trades with the Board. Anticipating the additional expenses, the management and finance team submitted the loan requirements to DBP for the new project cost last May 10, 2023. Dr. Pacete was hoping that the 2nd tranche of the loan will be released to cover the incoming expenses. He said that one of the revisions of the hospital was to prepare it as a "pandemic ready" facility, in case of future pandemics. The Office of the Building (OBO) requirements for the revision were submitted last May 11, 2023. However, they were advised that the revised plans will be dealt with accordingly as "As Built Plans", and will be inspected prior to the release of their Occupancy Permit.

For the elevators, Team Schindler scheduled a kick-off meeting together with the owners and Project Management Team (PMT) last May 16, 2023. The purpose of the meeting was to make sure that the site would be ready for its installation. A total of 6 elevators including 2 guest lifts and 2 patient lifts, both of which have panoramic features, creating a scenic view of the garden area with a soothing

ambiance of a green hospital. In August 2023, the Board of Directors of Asia-Pacific Medical Center Bacolod, Inc. went to China to visit the different factories that would cater their Owner Supply Materials (OSM). One of the Company's goals was to visit their hospital and look into their Building Information Modeling (BIM) system and their pneumatic system, as well as their healthcare system. The Board also had a chance to look into their electrical systems; switch gears, panel boards, bus duct system, Uninterrupted Power Supply (UPS), Gen sets, and transformers. Additionally, they visited the glass factory and looked at some of the high-rise buildings that envelope their facade with curtain walls, fueling their appetite to see the beauty and elegance of the hospital someday. Satisfied with what they saw in China, they finalized the OSM which will be catered by SRGS including the generator sets, transformers, UPS, switch gears, and panel boards. The installation of these OSM is expected to begin at the end of this year.

Dr. Pacete stated that the grounding works started last September 2023. As of this date, continuous activity at the lower ground floor or slab on grade, was done comprising about 50% of work accomplishments. Another recorded milestone for the construction was the Topping Off Ceremony which was held last December 2023. The APMC Bacolod founders took the time to witness this momentous event.

Dr. Pacete added that the civil structural package is coming to its completion with a progress accomplishment of 86%. The Mechanical, Electrical, Plumbing, and Firefighting System (MEPFS) works has reached an accomplishment of 29.08%, while the Basic Architectural works is at 53.22% accomplishment. He stated that the total percentage completion of the construction of multi-disciplinary hospital is at 45.76% as of December 31, 2023.

On 23 December 2023, the Board of Directors approved the proposal to increase the area of the hospital to 41,001.41 sqm due to inclusion of works in the roof deck, helipad, bridges, assigned areas and parking.

Due to the increase in the floor area and escalation of prices of construction materials, the estimated total project cost increased, and in effect the total physical percentage of the project completion is 37.775% as of this date. Dr. Pacete finished his presentation saying, "We still have a lot of things to do, but with God's grace, HE will make things beautiful for APMC Bacolod in HIS perfect time".

The Chairman thanked Dr. Magbanua and Dr. Pacete after the presentation of their reports. The Chairman then requested the Corporate Secretary to present the proposed resolution and the preliminary voting results. The Corporate Secretary presented ASM Resolution 2024-03 noting the Management Report consisting of the President's report and the Hospital Construction Status.

ASM Resolution No. 2024- 03

RESOLVED, as it is hereby RESOLVED that the Management Report consisting of the President's report and the Hospital Construction Status be noted;

The Corporate Secretary presented ASM Resolution No.2024-03 and the tally of the majority of the stockholders owning outstanding shares present and voted in favor on the said matter.

VOTING RESULTS

Vote	No. of Shares Voting	Percentage
For	201,592	100%
Against	0	0%
Abstain	0	0%
Total	201,592	100%

The Corporate Secretary reported that based on the voting results the ASM Resolution No. 2024-03 has been approved.

VII. Ratification and Approval of All the Acts, Proceedings, and Resolutions of the Board of Directors, Corporate Officers, and Management from 11 June 2023 to 05 June 2024

The Chairman informed the stockholders that the next item on the agenda was the Ratification and approval of all acts, proceedings, and resolutions of the Board of Directors, Corporate Officers, and Management in the exercise of their duties for the year 2023 including all acts up to 05 June 2024 and requested the Corporate Secretary to explain the matter and report the voting results.

The Corporate Secretary explained to the stockholders that the acts, resolutions and proceedings presented to be ratified are the Corporate acts performed by the Board of Directors, Corporate Officers, and Management in the ordinary course of the Company's business and that the list of resolutions by the Board of Directors for the period covered have been enumerated and were embodied in the Minutes of the Meetings and they included resolutions on treasury matters related to opening of accounts and transactions with banks, appointment of signatories and amendments thereto, schedule of the Annual Stockholders' Meeting, Election of Officers, Appointment of Chairman and member of the Board Committees and matters covered by Disclosure to the Securities and Exchange Commission.

The Corporate Secretary reported and recorded the following votes for this agenda item:

ASM Resolution No. 2024-04

"RESOLVED, as it is hereby RESOLVED that all the Acts and Proceedings of the Board of Directors, Corporate Officers, Board Committees and Management of Asia-Pacific Medical Center Bacolod, Inc. from the 11th of June 2023 to 05th of June 2024 be ratified."

VOTING RESULTS

Vote	No. of Shares Voting	Percentage
For	201,592	100%
Against	0	0%
Abstain	0	0%
Total	201,592	100%

The Corporate Secretary reported that based on the voting results the ASM Resolution No. 2024-04 has been approved.

VIII. Appointment of External Auditor

The Chairman informed the stockholders that the next item on the agenda was the election of the External Auditor and requested the Chairman of the Audit Committee, Dr. Joseline C. Encarnacion to enlighten the stockholders on the matter.

The Audit Committee Chairman reported to the stockholders that the Audit Committee had evaluated the last year performance of the Corporation's Auditor, the firm of Mendoza Querido & Co. for the first semester and Querido Diel and Co., CPAs for the annual audit and found it satisfactory. She added that based on the recommendation of the Audit Committee, the Board of Directors agreed to endorse the election of Querido Diel & Co. CPAs as the Corporation's External Auditor for the current year for an audit fee of Four Hundred Twenty Thousand Pesos (P420,000.00 inclusive of VAT) exclusive of out-of-pocket expenses and per diems.

Upon the request of the Chairman, the Corporate Secretary presented the proposed resolution, reported, and recorded the following votes for this agenda item:

ASM Resolution No. 2024-05

"RESOLVED, as endorsed by the Audit Committee and the Board of Directors, to approve the Election of Querido Diel & Co. CPAs as Independent Auditor of the Company for 2024 for an Audit Fee of Four Hundred Twenty Thousand Pesos (Php 420,000.00) Inclusive of Value Added Tax."

VOTING RESULTS

Vote	No. of Shares Voting	Percentage
For	201,592	100%
Against	0	0%
Abstain	0	0%
Total	201,592	100%

The Corporate Secretary reported that based on the voting results the ASM Resolution No. 2024-05 has been approved.

IX. Election of the Board of Directors

The Chairman announced that the next order of business was the election of the Fifteen (15) Directors for the ensuing year. The Chairman requested Dr. Alben Teodoro T. Abad, Chairman of the Nominations and Elections Committee to explain this item.

The NOMELEC Committee Chairman, Dr. Abad reiterated that in accordance with the Company's By-Laws, Manual on Corporate Governance, and the pertinent rules and regulations of the Securities and Exchange Commission, the following stockholders were nominated to the Board of Directors for the ensuing term:

Nominees for Regular Director:

1. Dr. Rhona T. Balinas
2. Dr. Ferjenel G. Biron
3. Dr. Wendell Z. Espinosa
4. Dr. Anthony C. Gebusion
5. Dr. Meride D. Lavilla

6. Dr. Bel Manuel G. Magallanes
7. Dr. Ma. Leila M. Magbanua
8. Dr. Ma. Ivy V. Malata
9. Dr. Olga H. Pabicon
10. Dr. Jimmy B. Pacete
11. Dr. Danilo C. Regozo
12. Dr. May Claire R. Tad-y

Nominees for Independent Director:

1. Dr. Joseline C. Encarnacion
2. Dr. Andrew I. Mallen
3. Dr. John Clifton U. Martyr

The Chairman requested the Corporate Secretary to announce & record the results for this agenda item.

The Corporate Secretary stated that they have tallied the ballots and proxies received and certified that each of the nominees has received enough votes for election to the Board of Directors and announced that the fifteen (15) named nominees have been duly elected as members of the Board of Directors to serve for a term of one (1) year until their successors will have been qualified and elected. She then presented the tally of the votes as well as the ASM Resolution No. 2024-06.

NAME	VOTES
REGULAR DIRECTOR	
Dr. Ferjenel G. Biron	732,123
Dr. Danilo C. Regozo	368,869
Dr. Ma. Leila M. Magbanua	257,434
Dr. Jimmy B. Pacete	181,324
Dr. Ma. Ivy V. Malata	146,824
Dr. Meride D. Lavilla	144,454
Dr. Bel Manuel G. Magallanes	139,324
Dr. Wendell Z. Espinosa	136,194
Dr. Rhona T. Balinas	133,024
Dr. Olga H. Pabicon	132,324
Dr. Anthony C. Gebusion	129,694
Dr. May Claire R. Tad-y	129,349
INDEPENDENT DIRECTOR	
Dr. John Clifton U. Martyr	129,194
Dr. Andrew I. Mallen	124,763
Dr. Joseline C. Encarnacion	123,893

ASM Resolution No. 2024-06

“RESOLVED, as it is hereby RESOLVED that the election of the twelve (12) Regular Directors and three (3) Independent Directors be approved.”

VOTING RESULTS

Vote	No. of Shares Voting	Percentage
For	201,592	100%
Against	0	0%
Abstain	0	0%
Total	201,592	100%

The Corporate Secretary reported that based on the voting results the ASM Resolution No. 2024-06 has been approved.

X. Other Matters

The Chairman took the opportunity to thank the outgoing director, Dr. Alben Teodoro T. Abad for his time, effort, contribution, and support during his term of office. Afterwards, he welcomed Dr. Andrew I. Mallen for his willingness to serve as a new director of Asia-Pacific Medical Center Bacolod, Inc.

Finally, the Chairman asked the Corporate Secretary if there are other matters that require consideration of the Stockholders. The Corporate Secretary replied that there was none.

XI. Open Forum and Adjournment

The Chairman announced to the stockholders that the next item on the agenda was the open forum to address questions and comments from the stockholders. He requested the ASM Moderator to read the questions and comments sent via email and in the Zoom chat box with the names of the stockholders who sent them.

The ASM Moderator read the questions received from the stockholders and reiterated that the rest of the queries not taken will be addressed as they were received from the offices of the Corporate Secretary and the Investor Relations via email. The following questions were asked and addressed:

1. Ms. Janell Cawalling: When is the date of the hospital operation and when shall the stock certificate be issued?

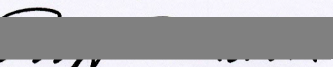
Hospital operations are expected to commence in the third quarter of 2026. The stock certificates are currently being printed and will be issued gradually before the end of the year.

2. Ms. Ma. Ethel Almoguera: Is the construction timeline in line with the planned timeline? And is the budget allocated sufficient to finish the hospital?

To ensure the highest standards of quality and safety, the timeline has been extended by two years and the budget increased to Php 2.2 Billion due to expanded floor area and rising material costs. We continue to remain committed to financial prudence and responsible sourcing, with support from additional loans, IPO shares, and personal funds from founders.

The Chairman then asked the stockholders if there were any matters they wanted to be discussed. No other questions or agenda were raised. Thus, the meeting was adjourned at 10:54 in the morning of 05 June 2024. The Chairman again thanked everyone for their continuous support.

Prepared by:


Dr. Ma. Ivy V. Malata
Corporate Secretary

FINAL

ANNEX “1”

The following questions below were asked and addressed during the meeting:

Ms. Janell Cawalling

1. When is the date of the hospital operation and when shall the stock certificate be issued?

Dr. Ferjenel G. Biron: Hospital operations are expected to commence in the third quarter of 2026. The stock certificates are currently being printed and will be issued gradually before the end of the year.

Ms. Ma. Ethel Almoguera

2. Is the construction timeline in line with the planned timeline? And is the budget allocated sufficient to finish the hospital?

Dr. Ferjenel G. Biron: To ensure the highest standards of quality and safety, the timeline has been extended by two years and the budget increased to Php 2.2 Billion due to expanded floor area and rising material costs. We continue to remain committed to financial prudence and responsible sourcing, with support from additional loans, IPO shares, and personal funds from founders.

There were no other questions or queries raised and received via email that were not taken and addressed during the Annual Stockholders' Meeting.