

TAGUM GLOBAL MEDICAL CENTER INCORPORATED
MINUTES OF THE 6th ANNUAL STOCKHOLDERS MEETING
June 2, 2024 at 8:00AM

Venue: Videoconference Via Zoom and Face to Face

Date: June 2, 2024

Venue: 5th Floor, Multipurpose Hall, Tagum Global Medical Center, Daang Maharlika, Visayan Village, Tagum City

Meeting Started: 8:05 AM Meeting Ended: 9:10 AM

The Meeting started with the introduction of the Board of Directors followed by the Invocation and the Singing of the National Anthem led by the Corporate Secretary.

- I. **Call to Order:** After the Chair delivered his welcome message, he then called the meeting to order at around 8:05 AM

- II. **Roll Call and Declaration of Quorum:**
 - As requested by the Chair, the Corporate Secretary confirmed that notices for the meeting have been sent to all stockholders in accordance with the By-Laws and the rules issued by the Securities and Exchange Commission. This particularly pertains to SEC Notice dated February 23, 2024, in relation to SEC Memorandum Circular No. 6, series 2020, which allows registered corporations an alternative mode of sending the notices and distribution of the Definitive Information Statement. The Corporate Secretary further said the notice was published in Manila Times and Business Mirror on May 15 and 16, 2024 and that the Notice of Meeting, the Definitive Information Statement and the Y2023 SEC Form 17-A of the Corporation have been posted on the Corporation's website.
 - The Corporate Secretary likewise confirmed that stockholders owning at least 95.5% of the total issued and outstanding shares are present either in person or by proxy thus a quorum to decide any and all matters that may be taken up at the meeting was declared. The list of attendees and proxies are on file.

- III. **Reading and Approval of the Minutes of the Previous Meeting** (5th Annual Stockholder's Meeting held last June 29, 2023 via Teleconference by Zoom by the Corporate Secretary).
 - The draft of the minutes of the previous annual stockholders' meeting was flashed on the screen. Dr. Calixto Esparagoza moved that the reading of the minutes be dispensed with and that the same time be approved. She was

seconded by Dr. Victoria Guillano. The Chair asked the Corporate Secretary for any objection on the motion to which there was none. Considering that there were no objections, the Chair deemed it that the stockholders present approve the motion; thus, the minutes of the 5th Annual Stockholders Meeting was approved. The Chair directed the Corporate Secretary to record the number of shares representing the stockholders present who voted for the approval of the minutes.

IV. Approval of the Audited Financial Statements for the fiscal year ended December 31, 2023.

- The Corporate Treasurer, Dr. Evelyn Perdido reported that the Annual Financial Statement is included in the Definitive Information Statement uploaded in the company's website according to SEC rules. It was audited by our external auditor, Perez, Sese, Villa & Co., CPA'S.
- The Corporate Treasurer, Dr. Evelyn Ross H. Perdido presented the highlights of the financial report for Y2023, the highlights of which are as follows:

The company commenced operations last December 18, 2023.

Highlights of the significant aspects of the financial condition of the company:

- The company is liquid with a cash balance of Php64 million as of December 31, 2024. The total assets stand at Php1,134,497,613. A big growth of 46% (Php358,978,593) from year 2022.
- The construction of the hospital was completed in the last quarter of 2023 with a total cost of Php816,735,534. The investment on hospital equipment totaled Php70 Million. The total investment of the company on land, building and equipment amounted to Php1,040,044,592.00 as of December 31, 2023.
- Equity amounted to Php 302,177,685.00, an increase of 64% from 2022 figures.
- The company's share capital and share premium increased by Php12 million due to additional investment from founders and investors.
- Debt to equity ratio is maintained at 2.75:1 which is in compliance with the Loan Agreement with Development Bank of the Philippines.
- The first 14 days of operation showed:
 - A total gross revenue of Php735,000.00.
 - Cost of Sales and Services amounted to Php2,776,774.
 - Total Operating Expenses (2023) = Php26,155,555., an increase of Php23 Million due to salaries and wages, taxes and licenses,

recruitment, administrative and other expenses necessary in preparation for the full operation of the hospital.

- Total finance costs (interest on loans) on the 4th quarter of 2023= Php3.2 million
 - Results of the company's operations for 2023 showed a negative (loss) of Php23 million.
 - Sufficient internal controls and risk management system have been put in place to ensure efficient management of the various risks attendant to the hospital operations.
 - The company's external auditor is the auditing firm of Perez, Sese, Villa and Company CPAs
 - The aggregate annual external audit fees billed for year 2023 was Php448,900.00 which included audit, other assurance and related services by the External Auditor that are reasonably related to the performance of the audit or review of our financial statements and all other fees, including out of pocket expenses accrued by the company as of March, 2024.
 - The Company hasn't yet declared dividends since its incorporation in 2018 considering that the company only started operations in December 2023. As stated in our By-Laws, dividends shall be declared and paid out of the unrestricted retained earnings which shall be payable in cash, property, or stock to all stockholders on the basis of outstanding stock held by the stockholders as often and at such times as may be decided by the Board of Directors.
 - In conclusion, the Corporate Treasurer said that the Company's Management is taking all possible efforts and steps to attract more patients to increase its revenue. Assets are safeguarded and controls are put in place to protect the shareholders investments. Likewise, expenses are closely monitored to minimize unnecessary expenses.
- The Chair asked for questions and/or clarifications regarding the Treasurers Financial Report and asked the Corporate Secretary if there were questions from the stockholders in the chat box and she reported that there were none.
 - Dr. Glen Pono made a motion to approve the Audited Financial Statements for the Year 2023. This motion was seconded by Dr. Aryeel Llanos.
 - The Chair asked if there were objections to the motion and there were none as reported by the Corporate Secretary. There being no objection, the Chair declared that the motion is carried to approve the 2023 Audited Financial Statement. The Chairman directed the Corporate Secretary to record the number of shares representing the stockholders present as voting for the approval of the Y2023 audited financial statements.

V. President's Report

- The President, Dr. La Rhaine G. Viernes, reported on the results of the Company's operations and highlights of the company's accomplishments for the year 2023-2024.
- The following was the outline of the President's Report:
 - I. Administrative Affairs
 - II. Medical Services
 - III. Hospital Operations
 - IV. Other Activities such as Trainings, Workshops, Seminars, etc
 - V. Future Plans

I. ADMINISTRATIVE AFFAIRS

- TGMCI was incorporated as a domestic corporation under Philippine Laws and was duly registered with SEC on April 25, 2018 with SEC Registration Number CS201806242. Its registered office is Room 227, 2nd Floor, Gabriel Building Corner Apokon, National Highway, Tagum City, Davao del Norte.
- The company was issued license to sell securities to the public by SEC MSRD order No. 12 Series of 2022.
- There are fifteen members of the board, 3 of whom are independent directors. The term of office of each member is one year or until the next succeeding Annual Stockholders Meeting and until his/her successor is elected and qualified.
- The total number of founding members is 46.
- The company has an existing credit facility and entered into two loan agreement from Development Bank of the Philippines.
- With a Total Amount of Php 650 million pesos, Term Loan 1 was used to help finance the construction of the hospital building in the amount of Php500 million and Term Loan 2 amounting to 150 million pesos was used to partially finance the acquisition of various hospital machinery and equipment.
- Tagum Global Medical Center Inc. has secured the necessary permits and licenses from National and Local Government entities particularly the license to operate from the Department of Health.
- Other secured documents included:

- permit to operate from the Department of Environment and Natural Resources (DENR)
- Hazardous waste generator certificate from DENR
- Business Permit from office of the City Mayor
- Certificate of Accreditation from PHIC among others
- Inauguration and Blessing of TGMC was done last August 20, 2025 with the DOH Regional Director Annabelle P. Yumang as guest of honor
- DOH Inspection Team Inspection November 20, 2023 led by Dr. Cleofe S. Tabada of DOH, after which the License to operate was released after 17 days by DOH
- First Christmas Party was on December 18, 2023 together with the hospital's opening.

II. MEDICAL SERVICES

- Administrative and Medical Services- TGMC is the newest hospital in Davao del Norte that offers state of the art facility, excellent and specialized medical services
- Diesse Chorus Trio Machine was procured to test for autoimmune diseases.
- Procured Huro Path Liquid-based technology for increased accuracy in cervical cancer detection.
- Radiology Department offers 24/7 imaging services and is equipped with the ff: machines:
 - a. cutting-edge 64-slice CT Scan machine which improves patient experience with trend-setting work flow.
 - b. Advanced mobile Xray system with new superior values, evolutionary modernity, responsive and easy maneuverability
 - c. Samsung Medison Hs-40 ultrasound for OB-Gyne and ultrasound imaging catering the internal medicine needs
- The Cardiopulmonary unit is open from Monday-Friday. Stress echocardiography, 2D Echo, treadmill and stress test are available
- The endoscopy unit is also open from Monday to Friday. Services include: esophagogastroduodenoscopy and colonoscopy.
- The hemodialysis unit is open 24/7 and offers a zero-co-pay opening promo from April 15, 2024.
- The hearing and balance center offers the following services: Puretone audiometry tympanometry, hearing conservation program, hearing aid fitting and others.
- Medical and surgical dermatology services is also open from Monday to Friday.

- The Medical Services, specialties and amenities of Tagum Global Medical Center are varied and specialized to cater to better quality medical care among well and sick patients.

III. HOSPITAL OPERATIONS

- Currently, Tagum Global Medical Center is on its 5th month of operation
- It has a total of 193 manpower of which, 113 are regular, 74 are probationary and 6 are outsourced to from the Security Department
- The total salary expense from the time we hired employees from August, 2023 to April 2024 is Php23,618,887.45 or an average of P2,624,431.84 pesos per month.
- The admission census INCREASED BY 68% FROM December 2023 to April 2024. Most admissions came from the Internal Medicine Department followed by the Pediatrics, OB-Gyne and Surgery Departments
- The top 10 diseases as reasons for admission and the top 10 operative procedures in the hospital census were shown. Details of which are on file.
- For the Philhealth, 73% of the charts (372 out of 470 charts) were filed as of May 31, 2024. The total collectible amount is Php6,949,491.00 of which, Php1,213,335.00 was recently paid or 17% of the total collectible.
- From December 2-23 to May 2024, our total Philhealth Collectible is 83%
- Health maintenance organizations (HMOs) cover a portion of the cost in emergency situations and complements Philhealth coverage. TGMCI welcomes and embraces HMO as partners in the care of patients. Currently, the following HMOs have applied affiliation in our hospital facility: GENERALI, MEDICARD, FORTICARE, INTELICARE, AVEGA, INSULAR LIFE, SUNLIFE AND PHILCARE. Aside from HMO, there are corporate accounts who sought affiliation in our hospital which includes NCCC (one of the biggest department stores in Tagum City) and 1 Coop.
- The Medical Government agency accredited for financial assistance in our institution are Philippine Charity Sweepstakes, MAIF and DSWD are among the accredited agencies in our hospital.
- The trend of the monthly total outpatient census increased by 87% from 214 patients since the time we started last December 2023 to 1696 patients for April 2024.
- The President commended the doctors who take their time to attend to their OPD clinics. The President enumerated the top 10 doctors having the most number of patients in the OPD.
- Ancillary Services:
 - A. Radiology Department

- The total number of Procedures in the department increased by 80% from December 2023 to April 2024 resulting to a higher gross sale
- Most procedures come from xrays followed by ultrasound and CT scan

B. Laboratory Department

- The total number of tests was higher from the OPD patients by 68% compared to in patients. There was an increase of 35% of the total number of tests since January to April 2024 translating to an increase in the total gross of sales of Php1,599,559.15 for the month of April. Most of the tests came from the chemistry unit.

C. Pharmacy Department

- There was an increase in the gross sales of the pharmacy from December 2023 to April 2023 by 74%. Sixty three percent of the gross sales came from the in-patient department.

D. Renal Dialysis Unit

- The RDU was recently inaugurated last April 22, 2024 serving 5 patients with 15 sessions of treatment in just a week of operations. The RDU census went up to 10 patients with a total of 79 sessions for the month of May.

E. Endoscopy Unit

- Recently opened last April 22, 2024 and already served 4 patients for the month of April and served 11 patients for the month of May, 2024.

F. Cardiopulmonary Unit

- For the first 4.5 months, the Cardio-Pulmonary Unit was able to serve 120 patients for 2D Echo with an increasing Census from 2 to 35 patients from December 2023 and April 2024 respectively resulting to an increase in the gross sales from the unit.
- For Stress test, a total of 8 patients were served while 4 patients were served for Stress echo.
- The President showed the census for all modalities in the unit.
- The Board of Directors of the company reviews and monitors the integrity of all financial reports and ensures compliance with the financial management and accounting standards.
- The Company's external auditor for year 2023-2024 is the auditing firm of Perez, Sese and Villa CPAs.
- To ensure that Tagum Global Medical Center Inc. complies with the regulatory requirements and legal documents as well as internal

policies and by Laws, Atty. Myla Amboy was hired by the company as compliance officer.

IV. OTHER ACTIVITIES

- Some of the members of the board attended the SEC seminar on corporate governance last August 11, 2023 at SEC Headquarters in Makati City.
- ACLS (Advanced Cardiac Life Support) Training under the American Heart Association attended to by our nurses and doctors last October 7-8, 2023.
- BLS (Basic Life Support) Training by ILCOR (International Liason Committee on Resuscitation) attended by our nurses last September 7-8, 2023.
- Medical Assembly last October 10, 2023 attended by doctors and doctor investors and visiting physicians. Venue was the hospital lobby.
- Earthquake drill by the City Disaster Risk Reduction and Management last October 17, 2023 attended by our hospital staff.
- Blood-letting activity (29 donors) last October 18, 2023. Venue: ER and hospital lobby. Some employees donated blood.
- Investment Day: held at TGMCI Lobby.
- Strategic Planning and Team Building at Dusit Thani Lubi Plantation Resort last April 20, 2024 attended by our chiefs of departments and founders
- ICD Code 10 Training April 8-12, 2024, TGMCI Multi-Purpose Hall

V. FUTURE PLANS

1. Invite more doctors to have clinic and admit patients in our institution.
2. To open specialty units such as Oncology Unit and Infertility Clinic
3. To partner with Operation Smile Foundation.
4. Prepare and plan for residency training (Pediatrics or IM, etc.)
5. Accept affiliations from the different schools in the community
6. Additional purchase of equipment and machinery e.g., MRI, dialysis machines

VI. Ratification of Acts and Proceedings of the Board of Directors, Officers and Management of the Corporation.

- The list of all the corporate acts and proceedings of the Board of Directors, Officers and Management of the Corporation from May 31, 2023 to June 1, 2024, 2024 for ratification were flashed on the screen.
- **Dr. Janice Esparagoza moved to ratify all the acts and proceedings of the Board of Directors, Officers and Management of the Corporation from May 31, 2023 to June 1, 2024. Dr. Francis Besas then seconded the motion.**
- The Chair confirmed that all the Acts and Proceedings of the Board of Directors, Officers and Management of the Corporation has been duly ratified through a motion and second the motion. He also asked if there were objections to the ratification of the above to which the Secretary confirmed that there were no objections posted in the chat box.
- There being no objections, the Chair deemed it that the stockholders present approve the motion to ratify the Acts and Proceedings of the Board of Directors, Officers and Management of the Corporation from May 31, 2023 to June 1, 2024 and that the same be carried out. The list of ratified acts and and proceedings of the Board of Directors, Officers and Management are attached herewith. (Addendum 2)

VII. Election of the Board of Directors

- The following nominees were elected to the Board for the fiscal year 2024-2025, until their successors are duly elected and qualified:
 1. Dr. Fernando P. Carlos
 2. Dr. Mae T. Dalisay
 3. Dr. Amado Manuel C. Enriquez Jr.
 4. Dr. Michael Edward R. Enriquez
 5. Dr. Marilyn R. Enriquez
 6. Dr. Mariebeth P. Juarez
 7. Dr. Aryeel C. Llanos (Independent Director)
 8. Dr. Geanie Cerna- Lopez
 9. Dr. Maria Bernarda DJ Mendoza
 10. Dr. Nimfa L. Nuevas
 11. Dr. Evelyn Ross H. Perdido
 12. Dr. John Elmer C. Quilisadio (Independent Director)
 13. Dr. Marietta T. Samoy
 14. Dr. Orlando A. Valencia (Independent Director)
 15. Dr. La Rhaine G. Viernes

VIII. Appointment of the External Auditor

- **Dr. Cleofe Llanos made a motion to appoint Perez, Sese and Villa and Co. as our External Auditor for the Year 2024, which was seconded by Dr. Franklin Guillano**
- The Chair confirmed from the Corporate Secretary that there were no objections or comments posted in the chat box.
- Considering that there were no objections, the Chairman deemed it that the stockholders present approved of the appointment of Perez, Sese and Villa and Co. as the Corporation's External Auditor for the year 2024.

IX. Other Matters

- The Chair asked for any other matters to be discussed in the meeting and there having none, he asked the participants if they want to proceed with the adjournment of the meeting.
- Dr. Renato Maranan moved that the Annual Stockholders Meeting be adjourned and she was seconded by Dr. Mae Dalisay.
- The Chair asked the Corporate Secretary if there are any objections from the attendees and the chat box to the adjournment of the meeting. There being no objections, the Chair declared that the meeting was adjourned.
- The Chair gave his closing remarks and thanked the investors after which, the meeting ended at around 9:10 AM.

Prepared by:

Mariebeth P. Juarez
Corporate Secretary

ADDENDUM:**I. ATTENDANCE 6TH ANNUAL STOCKHOLDERS MEETING JUNE 2, 2024**

Attendance of Stockholders
During the 6th Annual Stockholders' Meeting
June 2, 2024

	Name	Position	No of Shares
1	Apolinario, Lou Josephine M.		2000
2	Badilla, Edelyn A.		2000
3	Besas, Francis P.		2000
4	Carlos, Fernando P.		2000
5	Cerna, Geanie L.	Director	2000
6	Cu, Dorothy Mildred S.		2000
7	Dalisay, Mae T.	Director/Vice-President	4000
8	Demegillo, Kenny Jun N.		2000
9	Del Fierro, Jose Emmanuel S.		2000
10	Enriquez, Amado Manuel C, Jr.	Director/Chairman	18000
11	Enriquez, Marilyn R.		2000
12	Enriquez, Michael Edward R.	Director	6000
13	Enriquez, Miguel Antonio R.		6000
14	Esparagoza, Calixto S.	Independent Director	2000
15	Esparagoza, Janice G.		2000
16	Espino, Victor D.		2000
17	Guillano Franklin B.	Director/Asst. Corporate Secretary	2000
18	Guillano, Victoria P.		2000
19	Geralde, Jonah Suzette A.		2000
20	Juarez, Mariebeth P.	Director/Corporate Secretary	2000
21	Leonardia, Cesar P.		2000
22	Llanos, Aryeel D.C.		2000
23	Llanos, Cleofe C.		2000

24	Maranan, Renato A.		2000
26	Mendoza, Maria Bernarda D.J.		2000
27	Merin, Fe G.		2000
28	Narvaza, Jo Ann M.		2000
29	Nuevas, Nimfa L.		2000
30	Orillaza, Generoso, D.M.	Director	4000
31	Padilla, John Patrick C.		2000
32	Perdido, Evelyn Ross H.	Director/Treasurer	2000
33	Pono, Glenn A.		2000
34	Quilisadio, John Elmer C.	Independent Director	2000
35	Samoro, Fredilyn C.		2000
36	Samoy, Marietta C.	Director/Asst. Treasurer	2000
37	Santo, Audrey Katherina A.		2000
38	Sasing, Russel G.		2000
39	Ugdang, Emilie D.		2000
40	Valencia, Orlando A.	Independent Director	2000
41	Viernes, Earl Courtney A.		2000
42	Viernes, La Rhaine G.	Director/President	2000

II. CORPORATE ACTS AND PROCEEDINGS OF BOARD OF DIRECTORS, OFFICERS AND MANAGEMENT 2024-2025.

BOARD RESOLUTION NUMBER	DATE APPROVED	TITLE
2024- 6 - 001	June 27, 2024 62 nd RBM	A Resolution to Approve Purchase of 4 Units 5000 series dialysis machines and 3 Units of standard Dialysis Machine for the Renal Dialysis Unit.
2025-2-001	February 20, 2025 70 th RBM	A Resolution to Approve purchase of an Oxygen Generator, Gas Ion 40 (75/cubic meter)
2025-2-002	February 20, 2025 70 th RBM	A Resolution to Approve Purchase of a Non-Patient Use Vehicle (Toyota Hi-Ace) for Administrative and Ancillary Use
2025-2-003	February 20, 2025 70 th RBM	A Resolution to Change the Date of the Annual Stockholders' Meeting from June 1, 2025 to June 2, 2025.

2025-4-001	Special Board Meeting April 14, 2025	A Resolution Approving the Candidates for Nomination for the Board of Directors for the Year 2025-2026
2025-4-002	Special Board Meeting April 14, 2025	A Resolution to Appoint Villa, Sese, Perez and Co. CPAs. As our External Auditor for 2025.

I. ATTENDANCE 4th ANNUAL STOCKHOLDERS' MEETING

Attendance of Stockholders
During the 4th Annual Stockholders' Meeting
June 6, 2022

	Name	Director/Officer	No of Shares
1	Apolinario, Lou Josephine M.		2000
2	Badilla, Edelyn A.		2000
3	Besas, Francis P.		2000
4	Carlos, Fernando P.		2000
5	Carlos, Julieta B.		2000
6	Cerna, Geanie L.	Director	2000
7	Cu, Dorothy Mildred S.		2000
8	Dalisay, Mae T.	Director/Vice-President	2000
9	Demegillo, Kenny Jun N.		4000
10	Del Fierro, Jose Emmanuel S.		2000
11	Enriquez, Amado Manuel C, Jr.	Director/Chairman	2000
12	Enriquez, Marilyn R.		18000
13	Enriquez, Michael Edward R.	Director	2000
14	Enriquez, Miguel Antonio R.		6000
15	Esparagoza, Calixto S.	Independent Director	6000
16	Esparagoza, Jnaice G.		2000
17	Espino, Victor D.		2000
18	Guillano Franklin B.	Director/Asst. Corporate Secretary	2000
19	Guillano, Victoria P.		2000
20	Geralde, Jonah Suzette A.		2000
21	Jampayas, Marie Michelle J.		2000
22	Jaya, Maria Pilipinas D.		2000
23	Juarez, Mariebeth P.	Director/Corporate Secretary	2000
24	Leonardia, Cesar P.		2000
26	Llanos, Aryeel D.C.		2000
27	Llanos, Cleofe C.		2000
28	Maranan, Renato A.		2000
29	Mendoza, James Ryan D.J.		2000
30	Mendoza, Maria Bernarda D.J.		2000
31	Merin, Fe G.		2000
32	Narvaza, Jo Ann M.		2000
33	Nuevas, Nimfa L.		2000
34	Orillaza, Generoso, D.M.	Director	2000
35	Padilla, John Patrick C.		2000
36	Perdido, Evelyn Ross H.	Director/Treasurer	2000
37	Pono, Glenn A.		2000
38	Quilisadio, John Elmer C.	Independent Director	2000
39	Samoro, Fredilyn C.		2000
40	Samoy, Marietta C.	Director/Asst. Treasurer	2000

41	Santo, Audrey Katherina A.		2000
42	Sasing, Russel G.		2000
43	Ugdang, Emilie D.		2000
44	Valencia, Orlando A.	Independent Director	2000
45	Viernes, Earl Courtney A.		2000
46	Viernes, La Rhaine G.	Director/President	2000