

COVER SHEET

SEC Registration Number

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Company Name

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Principal Office (No./Street/Barangay/City/Town/Province)

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Form Type

Department requiring the report

Secondary License Type, If Applicable

17 - Q

MSRD

N / A

Company's Email Address

oqhviofficial2024@camarindoctorphospital.ph

COMPANY INFORMATION

Company's Telephone Number/s

(02)8260-5952

Mobile Number

(63)9177134206

No. of Stockholders

719

Annual Meeting

Month/Day

2nd SUNDAY OF MAY

Fiscal Year

Month/Day

December 31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Ricardo O. Javison

Email Address

N/A

Telephone Number/s

(02)82605952

Mobile Number

N/A

Contact Person's Address

1 Camarin Road, Barangay 172, Camarin ,Caloocan City, 1421

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.

***OPTIMUM QUALITY HEALTH VENTURES, INC.
Doing business under the name and style of
CAMARIN DOCTORS HOSPITAL***

***Financial Statements
As of March 31, 2025 (Unaudited)
and
December 31, 2024 (Audited)***

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q
(1st Quarter)

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC
RULE 17(2) (b) THEREUNDER**

1. For the quarterly period ended **March 31, 2025**
2. SEC Identification Number **CS 201738919** 3. BIR Tax Identification No. **009-895-673-000**
4. Exact name of issuer as specified in its charter **OPTIMUM QUALITY HEALTH VENTURES INC.**
Doing business under the name and style
Camarin Doctors Hospital
5. Province, Country or other jurisdiction of incorporation or organization **NCR, Philippines**
6. Industry Classification Code: (SEC Use Only)
7. **1Camarin Road, Barangay 172, Camarin Caloocan City** **1421**
Address of principal office Postal Code
8. **(02) 82605952/ (63)9177040822**
Issuer's telephone number, including area code
9. **N/A**
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Subscribed/Issued and Outstanding
Preferred Shares	1,116,000 Shares
Common Shares A	930,000 Shares
Common Shares C	55,140 Shares

11. Are any or all of these securities listed on a Stock Exchange?
Yes [] No [X]

If yes, state the name of such stock exchange and the classes of securities listed therein:

12. Check whether the issuer:

- (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);
Yes [X] No []
- (b) has been subject to such filing requirements for the past ninety (90) days.
Yes [X] No []

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OPTIMUM QUALITY HEALTH VENTURES INC.
doing Business Under the name and style of CAMARIN DOCTORS HOSPITAL
Statements of Financial Position
March 31, 2025, and December 31, 2024
(All amounts in Philippine peso)

<u>ASSETS</u>	March 31 2025 (Unaudited)	December 31 2024 (Audited)
Currents assets		
Cash and Equivalents	90,665,882	71,128,693
Trade and Other receivables, net	151,445,713	143,017,502
Inventories, net	53,034,447	56,768,845
Other Current Asset	31,872,150	17,105,642
Total Current Assets	327,018,193	288,020,682
Non Current Assets		
Property and Equipment	600,132,538	605,222,688
Right of Use Asset net	2,520,845	3,361,127
Intangible Assets -net	613,839	669,643
Security Deposit	614,843	614,843
Deferred tax assets	9,645,050	9,645,050
Total non-current assets	613,527,115	619,513,351
TOTAL ASSETS	940,545,307	907,534,033
<u>LIABILITIES AND EQUITY</u>		
Current liabilities		
Trade and other payables	196,170,105	225,186,071
Accrued finance cost	8,554,500	8,389,122
Advances from stockholders	13,698,108	11,848,551
Loans payable	31,150,000	31,150,000
Income Tax Payable	16,637,005	-
Lease Liability	4,416,300	4,952,015
Total Current liabilities	270,626,018	281,525,759
Non-Current liabilities		
Loans payable - net of current portion	349,050,000	355,050,000
Total non-current liabilities	349,050,000	355,050,000
TOTAL LIABILITIES	619,676,018	636,575,759
STOCKHOLDERS' EQUITY		
Capital Stock	129,565,200	129,565,200
Additional paid-in capital	157,090,000	157,090,000
Income/(Deficits)	34,214,089	(15,696,926)
Total Stockholders' Equity	320,869,289	270,958,274
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	940,545,307	907,534,033

OPTIMUM QUALITY HEALTH VENTURES INC
doing Business Under the name and style of CAMARIN DOCTORS HOSPITAL
For the period ended March 31, 2025 and 2024
(All amounts in Philippine peso)

	March 31	March 31
	2025	2024
	<u>(Unaudited)</u>	<u>(Unaudited)</u>
Net revenues	240,736,560	159,593,629
Direct Cost	(114,637,059)	(104,022,735)
Gross Income	126,099,502	55,570,894
Other Income	4,023,951	2,911,784
Income (Loss) from operation	130,123,452	58,482,678
Operating Expense	(55,435,454)	(41,706,321)
Finance Cost	(8,139,979)	(14,000,000)
Income before income tax	66,548,020	2,776,357
Income Tax Expense	(16,637,005)	(1,111,418)
Net Income	49,911,015	1,664,939

OPTIMUM QUALITY HEALTH VENTURES INC
(Doing Business Under the name and style of CAMARIN DOCTORS HOSPITAL
Cash Flows Statement
For the period ended March 31, 2025 and 2024
(All amounts in Philippine peso)

	March 31 2025 (Unaudited)	March 31 2024 (Unaudited)
Cash flows from operating activities		
Loss before tax	66,548,020	2,776,357
Adjustments for:		
Finance Cost		
Amortization		
Depreciation	11,860,697	8,872,424
Finance Income		
Operating Cash flows before changes in working capital	78,408,716	11,648,781
Decrease(Increase) in operating assets:		
Trade and other receivables	(8,428,211)	(17,477,836)
Inventory	3,734,398	(8,109,376)
Other Current assets	(14,766,508)	15,525,902
Right of Use Asset net	840,282	840,282
Intangible Assets -net	55,804	55,804
Payments on lease liability	(535,715)	(583,663)
Income tax Payable	16,637,005	
Increase and (Decrease) in trade and other payables	(35,472,670)	14,627,400
Net cash from (used in) operating activities	40,473,101	16,527,294
Cash Flows from investing activities		
Finance In received		
Payments of advances to contractors		
Property and equipment	(16,950,847)	2,071,639
Net cash used in investing activities	(16,950,847)	2,071,639
Cash flows from financing activities		
Proceeds from issuance of shares		
Finance Cost on loans	165,378	5,358,672
Payments on loans	(6,000,000)	(2,000,000)
Payments of finance cost on lease liability		(360,590)
Advances from stockholders	1,849,557	
Net cash used in financing activities	(3,985,065)	2,998,082
Net Increase/(Decrease) in cash	19,537,189	21,597,015
Cash beginning of the year, 2024	71,128,693	32,449,597
Cash end of the period	90,665,882	54,046,612

OPTIMUM QUALITY HEALTH VENTURES, INC
doing Business Under the Name and style of CAMARIN DOCTORS HOSPITAL
Unaudited Statement of changes in Equity
For each of three-month period ended March 31, 2025 and 2024

	Capital Stock	Additional Paid - in Capital	Income / (Deficit)	Total
Balance at December 31, 2023	84,510,000	152,950,000	(66,012,590)	171,447,410
Issuance of common shares	45,055,200			45,055,200
Additional paid - in capital		4,140,000		4,140,000
Net Income			50,315,664	50,315,664
Balance at December 31, 2024	129,565,200	157,090,000	(15,696,926)	270,958,274
Net Income			49,911,015	49,911,015
As of March 31, 2025 (Unaudited)	129,565,200	157,090,000	34,214,089	320,869,289

Notes to the Financial Statements

As of March 31, 2025 (Unaudited) and December 31, 2024 (Audited)

(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

Note 1- Business Information

1.1 General Information

Optimum Quality Health Ventures, Inc. doing business under the name and style of Camarin Doctors Hospital (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR) on November 23, 2017 and January 12, 2018, respectively. The principal activities of the Company are to establish, operate, own, manage and maintain a hospital or hospitals, medical and clinical laboratories and such other enterprises which may have similar or analogous undertakings or dedicated to services in connection therewith, subject to the condition that purely professional medical and surgical services shall be performed by duly qualified physicians or surgeons who may or may not be connected with the corporation and whose services shall be freely and individually contracted by the patients.

On December 27, 2022, SEC approved the Company's Registration Statement and issued a Certificate of Permit to Offer Securities for Sale consisting of 2,296,000 shares covered under SEC MSRD Order No. 93 series of 2022. The corporation was granted the permit to offer securities for sale by the Securities and Exchange Commission. The 250,000 Common Shares C or the "Offer Shares" is equivalent to 3,125 blocks (80 shares per block) for issuance to the public at an offer price of Php270,000.00 per block

The Hospital has 515 employees as at March 31, 2025.

The Company's registered office address is located at #1 Camarin Road, Brgy. 172, Camarin, Caloocan City.

1.2 Status of Operations

The Hospital obtained its license to operate from Health Facilities and Services Regulatory Bureau of the Department of Health on November 28, 2022. The Hospital shall allow medical and dental practitioners, who are shareholders, to practice their profession within the medical facilities.

Soft opening was held on December 3, 2022 when the Hospital opened its doctor's clinics and out-patient services for individuals needing specialized treatments. Partial commercial operations however started only in December 22, 2022. The Hospital expects to further expand its business operations through additional hospital services and expected to increase in the number of patients that will be provided with utmost care.

Management believes that all these business operations will generate sufficient and sustainable income for the Hospital.

Note 2 - Cash

Cash consists of:

	March 31, 2025	December 31, 2024
Cash in Banks	90,665,882	71,128,693

Cash in banks represent demand deposit accounts in various universal banks that earn interest at prevailing bank deposit rates.

Interest Income earned from cash deposits in banks for the period ending March 31, 2025 amounted to P195,020 (December 31, 2024- P74,115)

Note 3 - Trade and other receivables-net

Receivables

As of the 3rd month of 2025 and year end ended December 31, 2024 the company's receivables amounting to P151,445,713 and 143,017,502 respectively, mostly from Health Maintenance Organization (HMO) and Philippine Health Insurance Corporation (PHIC).

The Hospital's receivables are all denominated in Philippine Peso.

Note 4 - Inventories

Inventories from pharmacy, CSSD, Dietary, Laboratory supplies amounts to P53,034,447 and 56,768,845 as of March 31, 2025 and December 31, 2024 respectively.

No provision for inventory losses has been recognized for the three months period ended March 31, 2025 and December 31, 2024.

Note 5 - Other Current Assets

Other Current Assets Consists of :

	March 31, 2025
Advances to Suppliers	24,990,469
Advances to Contractors	1,323,200
Creditable withholding tax	5,927,251
Input Tax – Current Portion	18,750
Output tax	(387,520.08)
Total	31,872,150

The hospital input VAT arose from building construction and purchase of various medical equipment, furniture, goods and services.

Note 6 - Property And Equipment - Net

PROPERTY AND EQUIPMENT

	Land	Hospital Building/Improve ment	Hospital Equipment	Transportation Equipment	Furniture and Fixtures	Office Equipment	Janitorial Equipment	Total
January 1, 2022								
Cost	55,444,070.00	525,296,930.00	15,249,875.00	1,584,025.00	1,147,706.00	717,678.00	127,939.00	599,568,223.00
Accumulated Depreciation	-	-	-	-	-	-	-	-
Carrying Amount	₱55,444,070.00	₱525,296,930.00	₱15,249,875.00	₱1,584,025.00	₱1,147,706.00	₱717,678.00	₱127,939.00	₱599,568,223.00
Movements during 2023								
Balance, January 1	55,444,070.00	525,296,930.00	15,249,875.00	1,584,025.00	1,147,706.00	717,678.00	127,939.00	599,568,223.00
Additions	-	9,400,648.00	21,330,068.00	-	2,142,859.00	3,066,002.00	-	35,939,577.00
Depreciation 2023	-	(27,097,664.00)	(2,864,167.00)	(158,403.00)	(250,286.00)	(247,516.00)	(42,646.00)	(30,660,682.00)
Balance at December 31, 2023	55,444,070.00	507,599,914.00	33,715,776.00	1,425,622.00	3,040,279.00	3,536,164.00	85,293.00	604,847,118.00
December 31, 2023								
Cost	55,444,070.00	534,697,578.00	36,579,943.00	1,584,025.00	3,290,565.00	3,783,680.00	127,939.00	635,507,800.00
Accumulated Depreciation	-	(27,097,664.00)	(2,864,167.00)	(158,403.00)	(250,286.00)	(247,516.00)	(42,646.00)	(30,660,682.00)
Carrying Amount	55,444,070.00	507,599,914.00	33,715,776.00	1,425,622.00	3,040,279.00	3,536,164.00	85,293.00	604,847,118.00
Movements during 2024								
Balance, January 1	55,444,070.00	507,599,914.00	33,715,776.00	1,425,622.00	3,040,279.00	3,536,164.00	85,293.00	604,847,118.00
Additions	-	698,800.00	35,370,110.00	-	2,084,319.00	1,304,058.00	-	39,457,287.00
Depreciation 2024	-	(27,265,296.00)	(6,971,438.00)	(316,805.00)	(2,202,160.00)	(2,262,048.00)	(63,970.00)	(39,081,717.00)
Balance at December 31, 2024	55,444,070.00	481,033,418.00	62,114,448.00	1,108,817.00	2,922,438.00	2,578,174.00	21,323.00	605,222,688.00
December 31, 2024								
Cost	55,444,070.00	535,396,378.00	71,950,053.00	1,584,025.00	5,374,884.00	5,087,738.00	127,939.00	674,965,087.00
Accumulated Depreciation	-	(54,362,960.00)	(9,835,605.00)	(475,208.00)	(2,452,446.00)	(2,509,564.00)	(106,616.00)	(69,742,399.00)
Carrying Amount	55,444,070.00	481,033,418.00	62,114,448.00	1,108,817.00	2,922,438.00	2,578,174.00	21,323.00	605,222,688.00
Movements during 2025								
Balance, January 1	55,444,070.00	481,033,418.00	62,114,448.00	1,108,817.00	2,922,438.00	2,578,174.00	21,323.00	605,222,688.00
Additions (1st Q 2025)	-	-	3,478,237.00	833,571.00	602,766.00	971,687.00	-	5,886,261.00
Depreciation (1st Q 2025)	-	(6,818,698.00)	(2,620,882.00)	(114,157.00)	(713,041.00)	(681,840.00)	(15,992.00)	(10,964,610.00)
Balance at March 31, 2025	55,444,070.00	474,214,720.00	62,971,803.00	1,828,231.00	2,812,163.00	2,868,021.00	5,331.00	600,144,339.00
March 31, 2025								
Cost	55,444,070.00	535,396,378.00	75,416,491.05	2,417,596.00	5,977,650.00	6,059,425.00	127,939.00	680,839,549.05
Accumulated Depreciation	-	(61,181,658.00)	(12,456,487.00)	(589,365.00)	(3,165,487.00)	(3,191,404.00)	(122,608.00)	(80,707,009.00)
Carrying Amount	55,444,070.00	474,214,720.00	62,960,004.05	1,828,231.00	2,812,163.00	2,868,021.00	5,331.00	600,132,540.05

	Intangible Asset	Total
Movements during		
2024		
Balance, January 1	892,857.00	892,857.00
Additions	-	-
Depreciation 2024	(223,214.00)	(223,214.00)
Balance at December		-
31, 2024	669,643.00	669,643.00
December 31, 2024		
Cost	1,116,071.00	1,116,071.00
Accumulated		-
Depreciation	(446,428.00)	(446,428.00)
		-
Carrying Amount	669,643.00	669,643.00

	Intangible Asset	Total
Movements during		
2025		
Balance, January 1	669,643.00	669,643.00
Additions (1st Q 2025)	-	-
Depreciation (1st Q 2025)	(55,804.00)	(55,804.00)
Balance at March		-
31, 2025	613,839.00	613,839.00
March 31, 2025		
Cost	1,116,071.00	1,116,071.00
Accumulated		-
Depreciation	(502,232.00)	(502,232.00)
Carrying Amount	613,839.00	613,839.00

RIGHT-OF-USE ASSET

	March 2025	March 2024
Cost	10,083,381.00	10,083,381.00
Accumulated Depreciation	(6,722,254.00)	(3,361,127.00)
Carrying Amount	3,361,127.00	6,722,254.00
Movement during the year		
Balance Jan 1	3,361,127.00	6,722,254.00
Additions		
Depreciation	(840,281.73)	(3,361,127.00)
Balance Mar 31	2,520,845.27	3,361,127.00
Balance Dec 31		
Cost	10,083,381.00	10,083,381.00
Accumulated Depreciation	(7,562,535.73)	(6,722,254.00)
Carrying Amount	2,520,845.27	3,361,127.00

Property and equipment consist of:

Land / Office Equipment/ furniture and Fixtures and Hospital Equipment amounting to P600,132,540

Depreciation expense charge to profit and loss at March 31, 2025: P11,860,697

Critical accounting estimate and assumption: Useful lives of property and equipment

Property and equipment is stated initially at cost including expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Land is not depreciated. Depreciation is computed on the straight-line method based on the estimated useful life of the assets below:

Hospital building	10-20 years
Hospital equipment	7 years
Transportation equipment	5 years
Furniture and fixtures	2 years
Office equipment	2 years
Janitorial equipment	2 years

The property and equipment's residual values, useful lives and depreciation method are reviewed, and adjusted prospectively, if appropriate, if there is an indication of significant change since the last reporting date.

An item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Critical accounting judgement: Recoverability of property and equipment

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. On a regular basis, management determines if there are triggering events or impairment indicators based on current circumstances. An impairment loss is recognized whenever evidence exists that the carrying value is not recoverable.

Management believes that there are no events or changes in circumstances indicating that the carrying amount of their property and equipment may not be recoverable as at reporting date.

Note 7 - Intangible Assets

The intangible asset of the Company pertains to hospital information system.

Management had considered the remaining useful life of the intangible asset for three (3) years as of December 31, 2024. The asset is reviewed annually to ensure the carrying amount does not exceed the recoverable amount regardless of whether an indicator of impairment is present. The Company considers its hospital information system to be upgraded after the said period to enhance the company's operation in connection with professional medical and surgical services.

Note 8 - Trade And Other Payables

Details of the Company's trade and other payables amounting to are as follows:

	MARCH 31, 2025	DECEMBER 31, 2024
Trade	93,448,276	119,551,967
Accrued Expenses	77,775,952	72,377,971
Professional fees Payable	21,254,245	28,640,424
Due to Government Agencies	3,691,632	4,615,708
Balance, Ending	P 196,170,105	P 225,186,070

Trade Payables include outstanding balances related to purchases of certain hospital equipment, office supplies, etc. that is related to operation of the Company.

Accrued expenses pertain to accrual of obligation from outside services, utilities, readers' fee and junior consultants' incentives, employees benefits and salaries and wages.

Professional fees payable pertains to the outstanding obligations of the Corporation to its doctors with respect to their rendered services.

Due to government agencies pertains to withholding taxes and SSS, PHIC and HDMF premium contributions.

Note 9 - Loans Payable

On December 10, 2019 The Company entered into an Omnibus Loan Agreement with Development Bank of the Philippines (DBP) wherein DBP has approved to extend in favor of the Company two (2) term loans in the aggregate principal amount of P475,000,000 to be made available as follows: (a) Term Loan 1 in the amount of P400,000,000 or Seventy percent (70%) of validated project cost, whichever is lower; and (b) Term Loan II in the amount of P 75,000,000 or Seventy percent (70%) of validated project cost, whichever is lower.

The proceeds of the loan shall be used to finance the following: (a) Term Loan I – To partially finance construction of a seven-storey Level 2 hospital building with basement and roof deck located in Camarin, Caloocan City with one hundred five (105) Bed capacity; and (b) Term Loan II – To partially finance acquisition of hospital machinery and equipment.

The Company shall repay the Term Loan I in the following manner:

- (a) Twelve (12) years inclusive of two (2) years grace period on principal repayment.
- (b) Principal payable in forty (40) equal quarterly amortizations commencing at the end of ninth (9th) quarter from date of initial drawdown until fully paid.

As to the Term Loan II, the Company opted to not to avail of the said approved Term Loan, citing its favorable cash flow position from the previous year extending into the current reporting quarter.

Details of drawdown under Term Loan I is as follows:

	March 31, 2025	December 31, 2024
Balance, Beginning	386,200,000	398,200,000
Payments	(6,000,000)	(12,000,000)
Balance, Ending	P 380,200,000	P 386,200,000

The loan is subject to an interest rate of 5.25% to 5.50% per annum payable quarterly based on drawdown amount and is subject to bank's revaluation of current prevailing interest rate. The interest may be increased or decreased during the term of the loan.

Movements of accrued finance cost are as follows:

	March 31, 2025	December 31, 2024
Balance, beginning	P 8,389,122	P 2,246,503
Finance cost incurred	165,378	6,142,619
Finance cost paid	-	-
Balance, Ending	P 8,554,500	P 8,389,122

The loan is secured by a parcel of land, including all improvements existing or may thereafter existing thereon as well as project assets to be financed. The aggregate carrying amounts of pledged assets are as follow:

	March 31, 2025	December 31, 2024
Hospital Building	507,599,914	507,599,914
Land	55,444,070	55,444,070
Hospital Equipment	33,715,776	33,715,776
Office Equipment	3,536,164	3,536,164
Furniture and Fixtures	3,040,279	3,040,279
Transportation Equipment	1,425,622	1,425,622
Janitorial Equipment	85,293	85,293
	P 604,847,118	P 604,847,118

The company shall maintain a total debt-to-equity-ratio of 1.93:1. Total credit shall mean the aggregate amount of all short-term and long-term liabilities of the corporation. Equity shall mean the aggregate issued share capital and retained earnings of the company.

The Company is compliant with the terms and conditions of the loan agreement. Further, the Company pays the amortization without any delays.

Note 10 - Related Party Transactions

The Company's related party is its stockholders acting as its key management personnel. Balances and transaction between the Company and its related party are disclosed below:

Balance of advances from stockholders as shown in the statements of financial position are as follows:

	March 31, 2025 Outstanding	December 31, 2024 Outstanding
Advances	P 13,698,108	P 11,848,551

Advances from stockholders pertain to cash received to finance the purchase of land and future construction of hospital building. The amount outstanding are non – interest bearing, unsecured, payable on demand and will be settled in cash. No guarantee has been given in respect to these advances.

Remuneration of key Management Personnel

The Company remuneration to its key management personnel amounted to P12,847,218 and P7,343,035 for the 3 months period ending March 31, 2025 and March 31, 2024, respectively. The same consist of short period employee benefits.

Note 11 - Capital Stock

Components of capital stock are as follows:

	2025 As of March 31, 2025	2024 As of December 31, 2024
Common Shares	P 118,405,200	P 118,405,000
Preference Shares	11,160,000	11,160,000
	P129,565,200	P 129,565,200

Common Shares

Details of Company's authorized common shares as at March 31, 2025 are as follows:

	SHARES	AMOUNT
Common A – P50 par value	930,000	P 46,500,000
Common B – 300 par value	155,000	46,500,000
Common C – 500 par value	250,000	125,000,000
	1,335,000	218,000,000

All common shares carry on (1) vote per share and a right to dividends.

Common “A” Shares

Shown below are the details of common “A” shares:

	March 31, 2025		December 31, 2024	
	SHARES	AMOUNT	SHARES	AMOUNT
Authorized, Issued and fully paid:				
P50 par value	930,000	P46,500,000	930,000	P46,500,000

Common “A” shares tagged as founders’ shares carry one (1) vote per share and right to dividends.

Common “B” Shares

Common “B” shares can be owned and held by both Filipino and foreign individuals and corporations.

	March 31, 2025		December 31, 2024	
	SHARES	AMOUNT	SHARES	AMOUNT
Authorized Common “B” P300 par value	155,000	P46,500,000	155,000	P46,500,000
Issued and fully paid:				
Balance Beginning	147,784	P44,335,200		
Issuances			147,784	P44,335,200
Balance Ending	147,784	P44,335,200	147,784	P44,335,200

Common “B” shares carry one (1) vote per share and right to dividends.

Common “C” Shares

Shown below are the details of common “C” shares:

	March 31, 2025		December 31, 2024	
	SHARES	AMOUNT	SHARES	AMOUNT
Authorized Common “C” P500 par value	250,000	P125,000,000	250,000	P125,000,000
Issued and fully paid:				
Balance, Beginning	55,140	P27,570,000	53,700	P26,850,000
Issuances			1,440	P720,000
Balance, Ending	55,140	P27,570,000	55,140	P27,570,000

Common “C” shares carry one (1) vote per share and right to dividends.

Preferred Shares

Shown below are the details of preferred shares in both years:

	March 31, 2025		December 31, 2024	
	SHARES	AMOUNT	SHARES	AMOUNT
Authorized, Issued and fully paid:				
P10 par value	1,116,000	P11,160,000	1,116,000	P11,160,000

The Company's preferred shares are classified as founders' shares. Preferred shares are non-voting and are entitled to dividends to be paid from the unrestricted retained earnings at pro-rata basis with the common stock base on their par values.

The preferred shares shall be participating with the common voting stock in the distribution of any residual dividends at pro-rata basis with the common stock based on their par value. They shall have preference in the distribution of the assets of the Company in the event of liquidation.

Note 12 - Revenue

As of March 31, 2025 and 2024 the Company's revenue earned from professional medical and surgical services amounted to 240,736,560 and P159,593,629 net revenue (net of applicable discounts) respectively.

Note 13 - Cost Of Sales

As of March 31, 2025 Cost of Sales amounting to P51,900,775 while at the end of March 31, 2024 amounting to P55,972,399.

COST OF SALES	MARCH 31, 2025	MARCH 31, 2024
Pharmacy	23,100,800	29,586,155
Laboratory	10,652,287	4,664,079
CSSD	9,276,738	14,857,682
Dietary	4,086,105	3,555,353
Hemodialysis	3,169,183	2,516,058
Radiology	1,228,058	498,335
Pulmonary	387,604	294,737
TOTAL	P 51,900,775	P 55,972,399

Note 14 - Direct Cost

The account is composed of the following expenses:

	MARCH 31, 2025	MARCH 31, 2024
Laboratory Send Out	2,613,334	2,256,619
Linen Supplies Expense	78,792	108,349
Laundry Expense	574,632	492,051
Reader' Fee	7,528,500	5,715,421
On Call Fees	89,500	67,242
AMS Fee	11,000	0
HD Incentives	334,650	0
Stat Fee (DR)	417,910	228,562

Famed Pre-Emp	34,300	0
Doctor's Salary JCON	2,677,540	3,222,681
Doctor's Salary ROD	1,387,791	1,226,952
JCON/ROD Incentives	1,030,123	903,500
ED Incentives	5,090,857	3,399,373
Pathologist Fixed Compensation	3,418,103	1,819,184
Neurosleep Fee	244,232	0
Instrumentation Fee	694,710	0
Salaries & Wages	16,182,000	13,848,482
De Minimis Allowance	3,779,531	1,408,463
Hazard Pay	3,910,688	3,422,852
SSS Expense	2,431,560	1,145,035
Philhealth Expense	389,137	319,477
Pag-ibig Expense	214,200	156,400
13 th Month Pay Expense	1,223,922	1,122,947
Depreciation	8,379,271	7,186,747
TOTAL	P 62,736,284	P 48,050,336

Note 15 – Other Income

Details of the Company's other income are as follows:

	MARCH 31, 2025	MARCH 31, 2024
Rental and Cafeteria Sales	3,828,930	2,837,669
Finance Income	195,020	74,115
TOTAL	P 4,023,951	P 2,911,784

Note 16 - Operating Expenses

The account is composed of the following expenses:

Particulars	MARCH 31, 2025	MARCH 31, 2024
Salaries & Wages	6,143,288	5,839,256
De Minimis Allowance	872,193	186,237
Hazard Pay	772,635	732,952
SSS Expense	761,320	450,625
Philhealth Expense	150,270	127,538
Pag-ibig Expense	77,200	60,900
13 th Month Pay Expense	471,126	495,422
Consultant Fee	230,702	223,333
Water Expense	1,092,296	805,904
Electricity	4,092,782	3,283,712
Solar (Cenag)	188,571	-
Office Supplies	1,044,366	960,064
Taxes & License	2,194,113	1,706,290
Repair & Maintenance	595,334	684,286
Telecommunication	649,536	331,629
Gasoline & Parking Expense	26,048	72,731
Transpo / Travel Expense	6,896,165	8,299,170
Representation Expense	80,000	44,971

Meal Allowance	37,149	38,051
Janitorial Services	1,987,404	1,532,357
Housekeeping Supplies	24,228	69,797
Security Services Expense	1,657,476	1,397,156
Advertising Expense	469,643	253,736
Training / Seminar Expense	756,638	400,000
Notarial Fee Expense	-	10,130
Garbage Expense	430,420	426,262
Rent Expense	364,464	357,530
Registration / Membership Fee	34,061	-
Bank Charge Expense	1,148,685	728,826
Postage / Notarial Expense	28,786	13,631
Management Fees Expense	12,847,219	7,343,035
Management Employee Benefits	1,277,257	463,874
Donations	-	100,000
Legal & Audit Expense	326,442	114,000
Interest Expense (Lease Liability)	-	255,747
Depreciation	-	1,685,677
Miscellaneous Expense	4,007,884	1,296,153
Insurance Expense	161,699	339,500
ITMD Expense	56,625	575,839
TOTAL	55,435,454	41,706,321

EMPLOYEE BENEFITS

Total short-term employee benefits include:

DIRECT COSTS		
PARTICULARS	MARCH 31, 2025	MARCH 31, 2024
Salaries & Wages_Direct Cost	16,182,000	13,848,482
Allow (De Minimis)_Direct Cost	3,779,531	1,408,463
Hazzard Pay (De Minimis)_Direct Cost	3,910,688	3,422,852
SSS Expense (ER)_Direct Cost	2,431,560	1,145,035
Philhealth Expense (ER)_Direct Cost	389,137	319,477
Pag - ibig Expense (ER)_Direct Cost	214,200	156,400
13th Month Pay Expense_Direct Cost	1,223,922	1,122,947
TOTAL	28,131,037	21,423,656
OPERATING EXPENSE		
Salaries & Wages	6,143,288	5,839,256
De Minimis Allowance	872,194	186,237
Hazard Pay	772,636	732,952
SSS Expense	761,320	450,625
Philhealth Expense	150,271	127,538
Pag-ibig Expense	77,200	60,900
13th Month Pay Expense	471,127	495,422
TOTAL	9,248,036	7,892,930
TOTAL	37,379,072	29,316,586

Note 17 - Income Taxes

17.1 Income Tax Recognized in Profit or Loss

A numerical reconciliation between tax benefit and the product of accounting loss multiplied by the tax rate.

	March 31, 2025	March 31, 2024
Accounting Income	66,548,020	2,276,357
Tax benefit at 25%,	16,637,005	694,089
Unrecognized DTA FROM NOLCO		
Unrecognized DTA from MCIT	2,521,990	1,111,418
Unrecognized DTA due to PFRS 16		
Non-deductible donation		
Non -deductible finance cost		
Finance income subjected to Final Tax		
	P 16,637,005	P 1,111,418

The company's Net Operating Loss Carry-Over (NOLCO) in 2022 and 2023 are as follows:

Year Incurred	Amount	Applied Previous Year	Applied Current Year	Expired	Unapplied	Expiry Date
2022	33,187,571	-	33,187,571	-	-	2025
2023	12,100,448	-	8,144,786	-	3,955,662	2026
	P 45,288,019	-	P 41,332,357		P 3,955,662	

Details of NOLCO covered by Revenue Regulation No. 25-2020 is as follows:

Year Incurred	Amount	Applied Previous Year	Applied Current Year	Expired	Unapplied	Expiry Date
2020	4,377,308	-	4,377,308	-	-	2025
2021	2,053,556	-	2,053,556	-	-	2026
	P 6,430,864	-	P 6,430,864	-	-	

The Bureau of Internal Revenue (BIR) has recently issued Revenue Regulations (RR) 25-2020 to inform all concerned on the longer period for claiming NOLCO from taxable years 2020 and 2021.

Pursuant to Section 4 of Bayanihan II and as implemented under RR 25-2020, the net operating losses of a business enterprise incurred for taxable years 2020 and 2021 can be carried over as a deduction from gross income for the next five (5) consecutive taxable years following the year of such loss. Ordinarily, NOLCO can be carried over as deduction from gross income for the next three (3) years only.

Details of MCIT are as follows:

Year Incurred	Amount	Applied Previous Year	Applied Current Year	Expired	Unapplied	Expiry Date
2023	P 2,204,784	-	-	-	P 2,204,784	2026
2024	6,014,174	-	-	-	6,014,174	2027

Note 18 – Lease Agreement

The Company as a Lessee

Lease Payment recognized as Lease Liabilities

The Corporation's lease pertains to leases of parking space. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the statements of financial position as right-of-use asset and lease liability. The corporation presents its right-of-use asset as a separate line item on the statements of financial position.

The corporation leased a parking space located at 278 Susano Road, barangay Camarin, Caloocan City owned by Project 45 Ventures Corporation. The monthly rental fee shall be P300,000. The leased asset has lease term of three (3) years starting January 1, 2023 up to December 31, 2025.

Security deposit amounted to P614,843 as of March 31, 2025 .

The carrying amount of right-of-use asset P2,520,845 as of March 31, 2025 and P3,361,127 as of December 31, 2024 respectively.

The Company as a Lessor

Operating leases relate to the office space located in the ground floor of the building owned by Optimum Quality Health Ventures Corporation, which is leased out to third parties with lease terms between one (1) to three (3) years starting January 1, 2023 up to December 31, 2025, with escalation rate of five (5%) percent. The lease contract is renewable upon mutual agreement of both parties. For the first quarter of 2025, the Corporation earned rental income of ₱248,684, consistent with the amount reported as of December 31, 2024. The Company anticipate an increase in rental income starting every October, moving forward.

Note 19 - Loss Per Share

The Company's results of operation as of March 31, 2025 and 2024 amounted to P49,911,015 and P 1,664,939 respectively. Accordingly, the Company's earnings per share on March 31, 2025 and loss per share as of March 31, 2024, amounted to P52.20 and P1.69 respectively. The Company's earnings per share in December 2024 is 52.63.

The weighted average number of ordinary shares used in the calculations of loss per share are as follows:

	1 st Quarter 2025	March 31, 2024
Weighted average number of shares	956,071	983,200

The Company did not have any potential dilutive instruments as of March 31, 2025 and December 31, 2024.

Note 20 - Fair Value Measurements

The carrying amounts and estimated fair values of the Company's financial asset and financial liabilities as of March 31, 2025 and December 31, 2024, respectively are presented below:

	MARCH 31, 2025		December 31, 2024	
	Carrying Amount	Fair Values	Carrying Amount	Fair Values
Financial Assets				
Cash in Banks	90,665,882	90,665,882	71,128,693	71,128,693
Trade Receivables	151,445,713	151,445,713	143,017,502	143,017,502
Security Deposit	614,843	614,843	614,843	614,843
	P 242,726,438	P 242,726,438	214,761,038	214,761,038
Financial Liabilities				
Trade Payables	196,170,105	196,170,105	225,186,071	225,186,071
Accrued Finance Cost	8,554,500	8,554,500	8,389,122	8,389,122
Advances from Stockholders	13,698,108	13,698,108	11,848,551	11,848,551
Loans Payable	380,200,000	380,200,000	386,200,000	386,200,000
Income Tax Payable	16,637,005	16,637,005	-	-
Lease Liability	4,416,300	4,416,300	4,952,015	4,952,015
	P 619,676,018	P 619,676,018	P 636,575,759	P 636,575,759

The fair values of financial asset and liabilities are determined as follows:

- Due to the short-term nature of cash in banks, trade receivable, security deposit, trade payables, accrued finance cost, advances from stockholders and retention payable, the carrying amount approximate their fair values.
- Loans payable bears market interest rate, hence, the fair value of these loans payable is equal to it carrying value.
- The Company measures its lease liability at the present value of the lease payments unpaid at that date, discounted using market rate. Management believes that fair value approximates amortized cost.

Note 21 - Financial Risk Management Objectives, Policies And Procedures

Management function provides services to the business, coordinates access to domestic markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risks including interest rate risk, credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks through appropriate dedicated investment planning aimed to reduce risk exposure. These parameters include monitoring cash flows and investigation of counterparty's credit quality. Compliance with policies and exposure limits are reviewed by the Management on a continuous basis.

Management reports quarterly to monitor the risks and policies implemented to mitigate risk exposures.

21.1 Market Risk Management

21.1.1 Interest Rate Risk Management

The company's exposure to interest rate risk arises from its cash deposits in banks and which is subject to variable interest rates.

The interest rate risk arising from deposits with banks is managed by means of effective investment planning and analysis and maximizing investment opportunities in various local banks and financial institutions.

21.2 Credit Risk Management

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is expose to credit risks from cash in banks.

The Company considers the following policies to manage its credit risk:

- *Cash in Banks and Cash Equivalents*

The Company transacts only to banks with investment grade credit rating.

This information is supplied by independent rating agencies. The Company uses other publicly available information such as annual report to monitor the financial status of the banks. The Company assesses the current and forecast information of the banking industry and macro-economic factors such as GDP, interest and inflation rates to determine the possible impact to banks.

- *Trade and Other Receivables*

The Company transacts with numerous patients with different financial capacities. It is the Company's policy to perform appropriate initial medical treatment to all new patients in emergency or serious cases to comply with the existing law. Moreover, in situations other than emergency or serious cases, it is the Company's policy that patients shall undergo background investigation. The Company assesses the creditworthiness of each recurring patients before the Company's performance of services. The Company's performance of services shall be approved by the management. The Company assesses the current and forecast information of the clients' industry and the macro-economic factors such as GDP, interest and inflation to determine the possible impact to clients.

The calculation of allowance for expected credit are based on the following three (3) components:

- *Probability of Default (PD)*

PD is the likelihood over a specified period, usually one year that a client will not able to make scheduled repayments. PD depends not only on the client's characteristics, but, also on the economic environment. PD may be estimated using historical data and statistical techniques.

Cash in Banks and Cash Equivalent

The Company determined the probability of default rate by considering the following:

The credit ratings; the past, current, and forecast performance of Banking Industry, the past, current, and forecast macro-economic factors that may affect the banks; and the current and projected financial information. The company estimated the probability of default to be nil in March 31, 2025 and December 31, 2024.

Trade and Other Receivables

The Company determined the probability of default rate by considering the following:

The schedules of trade and other receivables for the past five years; the past, current, and forecast performance of each client's industry; and the past, current, and forecast macro-economic factors that may affect the Company's clients. The Company estimated the probability of default to be nil for its clients for the quarter ending March 31, 2025.

21.3 Liquidity Risks Management

Ultimate responsibility for liquidity risk management rests with the Board of Director, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate liquid assets in the form of cash through infusion and funding from its shareholders in order to meet the obligation to the creditors.

21.4 Capital Management Objectives, Policies And Procedures

Management manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged from the previous reporting period.

Pursuant to Section 42 of the Revised Corporation Code of the Philippines, stock corporations are prohibited from retaining surplus plus profits in excess of 100% of their paid-in capital stock, except:

- 1) when justified by definite corporate expansion projects or programs approved by the board of directors; or
- 2) when the corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its/his consent, and such consent has not yet been secured; or
- 3) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation, such as when there is a need for special reserve for probable contingencies. As of the reporting period, the Company is compliant with this agreement.

The Company's BOD reviews the capital structure of the Company on an annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

	MARCH 31, 2025	DECEMBER 31, 2024
Debt	619,676,018	636,575,759
Cash	(90,665,882)	(71,128,693)
Net Debt	529,010,136	565,447,066
Equity	320,869,289	270,958,274
Net Debt to Equity Ratio	1.64:1	2.09:1

Note 20 – Summary of Significant Accounting Policies

Changes in accounting policies and disclosure

In the application of the Company's accounting policies, Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgment in Applying Accounting Policies.

The following is a critical judgment, apart from those involving estimations that Management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

Assessment of Contractual Terms of a Financial Asset

The Company determines whether the contractual terms of a financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In making its judgments, the Company considers whether the cash flows before and after the changes in timing or in the amount of payments represent only payments of principal and interest on the principal amount outstanding. Management assessed that the contractual terms of its financial assets are solely payments of principal and interest and consistent with the basic lending arrangement.

Assessment on Capitalization of Borrowing Cost

The Conceptual Framework for Financial Reporting defines an asset as a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity. Entities normally obtain assets by purchasing or producing them, but other transactions or events may generate assets. Future economic benefits may flow to the entity in a number of ways, it could be used singly or in combination with other assets in the production of goods or services to be sold by the entity; exchange for other assets; used to settle liability; or distributed to the owners of the entity.

Assessment of Timing of Satisfaction of Performance Obligations

An entity satisfies a performance obligation by transferring control of a promised good or service to the customer, which could occur over time or at a point in time.

The Company's revenue from medical services is recognized over time. The Company transfers control of service over time and, therefore, satisfies a performance obligation and recognizes revenue over time, if the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

Assessment of the Allocation of Transaction Price to Performance Obligations

A performance obligation is a vendor's promise to transfer a good or service that is "distinct" from other goods and services identified in the contract.

Management assessed that the allocation of transaction price to performance obligations is not applicable because there is only one performance obligation in both sales of goods and services.

Assessment of 30 days Rebuttable Presumption

The Company determines when a significant increase in credit risk occurs on its financial assets based on the credit Management practice of the Company.

Management believes that the 30 days rebuttable presumption on determining whether there is a significant increase in credit risk in financial assets is not applicable because based on the Company's historical experience, credit risk has not increased significantly even the amounts are past due form more than 30 days.

Assessment of 90 Days Rebuttable Presumption

The Company determines when a default occurs on its financial assets based on historical experience on collections per patient, HMO, PHIC, PCSO and other counterparties and credit management practice of the Company.

Management believes that the 90 days rebuttable presumption on determining whether financial assets are credit impaired is not applicable because based on the Company's historical experience on collections per patients and aging schedules, the Company considers some of its financial assets to be not impaired even if this is past due for over one (1) year.

Determining whether or not it is Reasonably Certain that an Extension Option will be Exercised, and Termination Option will not Exercised

Lease term is the non-cancellable period for which the Company has the right to use an underlying asset including optional periods when the Company is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term and the enforceability of the option. The option to extend the lease term should be included in the lease term if it is reasonably certain that the lessee will exercise the option and the option is enforceable. The Company is required to reassess the option when significant events or changes in circumstances occur that are within the control of the lessee. The lease contracts state that the lease is terminated upon the expiration of the lease period, unless renewed by both parties. Thus, the lease term covers only the non-cancelable term of the contract.

For the lease agreement with Project 45 Ventures Corporation, Management assessed that the Company will extend the lease term beyond the non-cancelable lease period because the renewal is subject to mutual

consent by both parties. However, extension of lease contract without mutual consent of both parties is not enforceable. The lease term determined by the Management comprises the non-cancelable term of three (3) years.

Determining Whether or not a Contract Contains a Lease

Management assessed that lease agreement with Project 45 Ventures Corporation qualifies as a lease since the contract contains an identified asset. The Company has the right to obtain substantially all the economic benefits, and the Company has the right to direct the use of the identified asset throughout the period of use.

Assessment of Classification of Lease as a Lessor

The Company determines whether a lease qualifies as an operating lease. In making its judgements, the Company considers whether the risk and reward of the leased property will be transferred to the lessee. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Whether a lease is finance lease or an operating lease depends on the substance of the transaction rather than the form of the contract.

Management assessed that the Company's lease contract qualify as operating lease because the risk and reward of the leased property will not be transferred to the lessee at the end of the lease term.

Key Sources of Estimation Uncertainties

The following are the key assumptions concerning the future and other key source of estimation uncertainty of the end of the reporting period that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimating Inventories at Net Realizable Values

Net realizable values of inventories are assessed regularly based on the prevailing selling prices of inventories less estimated costs to sell. The Company recognizes expenses and provides allowances for decline in value of inventories whenever net realizable values of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, changes on price levels or causes. Inventory items identified to be obsolete and unusable is written-off and charge against allowance account. Increase in the net realizable values will increase the carrying amount through reduction of allowance for decline but only to the extent of original acquisition cost.

As of March 31, 2025 ,Management determined that the net realizable values of the Company's inventories approximate their costs; hence no impairment or write-down was recognized. The cost of inventories as of March 31, 2025 and December 31, 2024 amounted to P53,034,447 and P56,768,845, respectively.

Reviewing Useful Lives and Depreciation of Property and Equipment

The useful life and depreciation method of the Company's property and equipment are reviewed at least annually, and adjusted prospectively if appropriate, if there is an indication of a significant change in, how an asset is used; significant unexpected wear and tear; technological advancement; and changes in market prices since the most recent annual reporting date. The useful lives of the Company's assets are estimated based on the period over which the assets are expected to be available for use. In determining the useful life of an asset,

the Company considers the expected usage, expected physical wear and tear, technical or commercial obsolescence arising from changes, improvements in production, or from a change in the market demand for the product or service output and legal or other limits on the use of the Company's assets. In addition, the estimation of the useful lives is based on the Company's collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that the future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors or circumstances. A reduction in the estimated useful lives of property and equipment would increase the recognized operating expenses and decrease non-current assets. The Company uses a depreciation method that reflects the pattern in which it expects to consume the asset's future economic benefits. If there is an indication that there has been a significant change in the pattern used by which the Company expects to consume the asset's future economic benefits, the entity shall review its present depreciation method and if current expectations differ, change the depreciation method to reflect the new pattern.

Management assess that there is no significant change from previous estimates. As of March 31, 2025 and December 31, 2024, the carrying amount of depreciable property and equipment amounted to P600,132,538 and P605,222,688, respectively.

Asset Impairment

The Company performs an impairment review when certain impairment indicators are present. Determining the fair value of property and equipment, right-of-use asset, intangible asset, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Company to make estimates and assumptions that can materially affect the financial statements. Future events could cause the Company to conclude that property and equipment, right-of-use asset, intangible asset are impaired. Any resulting impairment loss could have a material adverse impact on the financial condition and results of operations. The preparation of the estimated future cash flows involves significant judgment and estimations. While the Company believes that its assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future additional impairment charges under PFRS. Management believed that there are no indications of impairment that could materially affect its other current assets, property and equipment, right-of-use asset, and intangible asset and deferred tax assets. As of March 31, 2025 and December 31, 2024, the aggregate carrying amounts of the aforementioned assets amounted to P613,527,115 and P619,513,351, respectively.

Estimating Allowance for Expected Credit Losses

The Company evaluates the expected credit losses related to a financial asset based on an individual assessment and available facts and circumstances, including, but not limited to historical loss experience and current and forecast macro-economic information.

The Company uses credit ratings, performance of banking industry, macro-economic and bank's financial information to assess the expected credit losses on its cash in banks. In view of the foregoing factors, Management believes that the estimated expected credit loss is nil in both periods.

The Company uses growth in health industry and other macro-economic factors to assess the expected credit losses on its trade and other receivables. In view of the foregoing factors, Management believes that the estimated expected credit loss is nil in both periods.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATION AND FINANCIAL CONDITION

1ST QUARTER 2025

Review of results of operations for the three (3) months ended March 31, 2025.

Result of Operations

Revenues

CDH recorded revenues of **₱265.44 million** in the first quarter of 2025, marking a **53% increase** from **₱173.54 million** during the same period in 2024. The growth is attributed to significant increases in our key service areas:

Laboratory

Revenues from the Laboratory reached **₱48.67 million**, reflecting a **72% increase** from **₱28.27 million** in Quarter 1 of 2024.

Pharmacy

Pharmacy sales amounted to **₱45.38 million**, a **19% increase** compared to **₱38.03 million** in Quarter 1 of 2024.

Hemodialysis

Revenues from Hemodialysis soared to **₱26.20 million**, a remarkable **145% increase** from **₱10.68 million** in the same period last year.

Discount

The Hospital's discount of **₱24.70 million** to senior citizens and persons with disabilities, which represents approximately **9%** of our gross revenue. This amount reflects a significant **91% increase** compared to **₱12.95 million** in the same period of 2024.

Cost of services

The cost of services amounted to **₱114.63 million**, which represents **43%** of our gross revenues. This reflects a substantial **105% increase** from the **₱55.97 million** reported in 2024.

General and Administrative expenses

Operating expenses were **₱55.44 million**, the bulk of which are attributable to salaries and wages, utilities, management fees and transportation expenses.

Finance Cost of **₱8.14 million** due to accrual of interest for loan from Development Bank of the Philippines.

OTHER INCOME

Other Income **₱4.02 million** referring to rental income derived from the canteen concessionaires and rental by the Stone Center.

Net Operating Income (Loss)

The 1st quarter of 2025 posted a net operating income before depreciation of P69.83 million and a net income of P 49.91 million after depreciation and taxes. Interest income amounted to P195,020.43.

Review of the financial condition of the Hospital as of March 31, 2025, compared with the financial condition as of December 31, 2024:

Financial Condition

As of March 31, 2025, the Hospital's total assets reached P940,545,307, an increased by P33,011,274.49, or 4%, compared to 907,534,033 year-end December 31, 2024.

Current assets increased by 14% or P38,997,510.59 (December 31, 2024 – P288,020,682), primarily attributable to the increase in trade and other receivables (P8,428,211), inventories Decrease (P3,734,398), and increased by other current assets amounting to P14,766,508.

Non-current assets went down by (1%) or P (5,986,236) (December 31, 2024 – P619,513,351), caused mainly by accumulated depreciation of property and equipment.

Total liabilities of P619,676,018 (December 31, 2024 – P636,575,759) decreased by (P16,899,740), due to the following: Decrease in Trade and Other Payable amounted to (P29,015,966) or a percentage decrease of (13%), and loans payable that decreased by (P6,000,000) or (2%).

Statement of Financial Position (Increase/Decrease of December 31, 2024)

Increase in Cash

The increase in cash is attributable to the payments received from self-pay patients.

Increase in Receivables

This came from receivable from HMO due to the increase in medical services under HMO accounts. The increase is also attributable from claims filed with the Philippine Health Insurance Corporation (PHIC).

Decrease in Accounts payable and accrued expenses.

The factor for the Decrease in payable is mainly due to trade and other payables of (P29,015,966) and lease liability by (P535,715).

Income Statements (Increase/Decrease of December 31, 2024)

Increase in Gross Revenues

The increase is mainly due to the several accredited HMOs were in placed thus resulting in a substantial increase in gross revenues.

Increase in Discounts

Increase in discounts were from senior citizens and PWD cardholders.

Increase in Cost of Services

Due to the increase in gross revenue, the increase in the cost of services is directly proportional to the said increase. The increase is attributable to professional services of resident doctors and junior consultants, reader's fees and increase in number of personnel in the nursing service unit and ancillary departments.

Increase in Operating Expenses

Increase came from salaries, wages and benefits of back office, taxes and licenses and utilities, transportation and travel expenses, and management fees.

Decrease in Finance Costs

As the loan principal is paid overtime, the amount of interest on the outstanding balance decreases.

Financial Soundness Indicators

Discussions on financial instruments to the Unaudited Interim Financial Statements as of March 31, 2025, and year ended December 31, 2024:

Ratio	Formula	March 31, 2025	December 31, 2024
Current ratio	Total current assets divided by total current liabilities	1.21	1.02
Acid test ratio	Quick assets (total current assets less inventories and other current assets) divided by total current liabilities	0.89	0.76
Debt to equity	Total liabilities divided by total stockholders' equity	1.93	2.35
Asset-to-equity ratio	Total assets divided by Stockholders' equity	2.93	3.35
Return on Equity	Net income divided by average stockholders' equity	0.23	0.23
Return on Assets	Net Income divided by total assets	0.05	0.06
Net Profit margin	Net Income Divided by revenues	0.21	0.07
Gross Profit margin	Gross Profit (revenues less cost of services) divided by revenues	0.52	0.39
Book Value per share	Stockholders' equity divided by weighted average outstanding number of common shares	52.20	52.63

PART II - OTHER INFORMATION

The Hospital is not in possession of any information which has not been previously reported in a report on SEC Form 17-C and with respect to which a report on SEC Form 17-C is required to be filled.

SIGNATURE

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

OPTIMUM QUALITY HEALTH VENTURES, INC.

Issuer

By:



JONATHAN L. LATONIO
Corporate Treasurer



CATHERINE P. CABALIC
Compliance Officer

Subscribed and sworn to before me
this _____ day _____ in _____

MAY 14 2025

Caloocan City, Metro Manila


ATTY. SEVERINA S. AGUILAR-ACUÑA

Notary Public

for and within the Jurisdiction of Caloocan City Merto Manila

Notarial Commission No. C-532 until Dec. 31, 2026

PTR No. 2421928 / January 15, 2025 / Caloocan City, MM

Attorney's Roll No. 30232

Lifetime IBP No. 776295 / January 27, 2009 / CALMANA CHAPTER

MCLE Compliance No. VIII-0022861 Valid until April 14, 2028 / Pasig City

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