SECURITIES AND EXCHANGE COMMISSION
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Company Information

SEC Registration No.: CS201738919
Company Name: OPTIMUM QUALITY HEALTH VENTURES, INC. DOING BUSINESS UNDER THE NAME AND STYLE OF CAMARIN DOCTORS HOSPITAL
Industry Classification: M85100
Company Type: Stock Corporation

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COVER SHEET

SEC Registration Number

C	S	2	0	1	7	3	8	9	1	9

Company Name

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

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

1 CAMARIN ROAD BARANGAY 172, CAMARIN, , CALOOCAN CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q	MSRD	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
oqhviofficial2024@camarindoctorshospital.ph	(02)8260-5952	(63)9177134206

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
738	2nd SUNDAY OF MAY	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ricardo O. Javison	N/A	(02)82605952	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 September 30, 2025 (Unaudited)
and
December 31, 2024 (Audited)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q
(3rd 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 **September 30, 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	**56,660 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
As of September 30, 2025 and December 31, 2024
(All amounts in Philippine peso)

ASSETS	30-Sep 2025 (Unaudited)	31-Dec 2024 (Audited)
Currents assets		
Cash and Equivalents	115,651,205	71,128,693
Trade and Other receivables, net	212,571,557	143,017,502
Inventories, net	36,183,757	56,768,845
Other Current Asset	52,889,345	17,105,642
Total Current Assets	**417,295,865**	**288,020,682**
Non-Current Assets		
Property and Equipment	588,848,169	605,222,688
Right of Use Asset net	840,283	3,361,127
Intangible Assets -net	502,232	669,643
Security Deposit	1,316,123	614,843
Deferred Tax Assets	-	9,645,050
Total non-current assets	**591,506,806**	**619,513,351**
TOTAL ASSETS	**1,008,802,672**	**907,534,033**
LIABILITIES AND EQUITY		
Current liabilities		
Trade and other payables	262,593,379	225,186,071
Accrued finance cost	7,479,028	8,389,122
Advances from stockholders	5,940,000	11,848,551
Loans payable	7,150,000	31,150,000
Income Tax Payable	7,259,829	
Lease Liability	666,300	4,952,015
Total Current liabilities	**291,088,536**	**281,525,759**
Non-Current liabilities		
Loans payable - net of current portion	355,050,000	355,050,000
Total non current liabilities	**355,050,000**	**355,050,000**
TOTAL LIABILITIES	**646,138,536**	**636,575,759**
STOCKHOLDERS' EQUITY		
Capital Stock	132,490,000	129,565,200
Additional paid capital	161,460,000	157,090,000
Income/(Deficits)	68,714,135	(15,696,926)
Total Stockholders' Equity	**362,664,135**	**270,958,274**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**1,008,802,672**	**907,534,033**

OPTIMUM QUALITY HEALTH VENTURES, INC
(Doing Business Under the Name and style of CAMARIN DOCTORS HOSPITAL)
STATEMENTS OF INCOME
For the Nine months period ending September 30, 2025 and 2024
(All amounts in Philippine Peso)

	September 30 2025 (Unaudited)	September 30 2024 (Unaudited)
REVENUE -net	731,866,011	521,895,305
DIRECT COSTS	(373,681,822)	(330,895,398)
GROSS INCOME	**358,184,189**	**190,999,907**
OTHER INCOME	10,375,856	9,179,973
INCOME FROM OPERATION	**368,560,045**	**200,179,880**
OPERATING EXPENSES	(233,384,590)	(145,632,050)
FINANCE COSTS	(22,627,375)	(31,604,232)
INCOME BEFORE TAX	**112,548,081**	**22,943,598**
INCOME TAX EXPENSE	(28,137,020)	5,735,900
NET INCOME	**84,411,061**	**17,207,699**

OPTIMUM QUALITY HEALTH VENTURES, INC
(Doing Business Under the Name and style of CAMARIN DOCTORS HOSPITAL)
Cash Flow Statement
For the period ending September 30, 2025 and 2024
(All amounts in Philippine Peso)

	September 30 2025 (Unaudited)	September 30 2024 (Unaudited)
Cash flows from operating activities		
Net Income/(Loss)	84,411,061	17,207,699
Adjustments to reconcile net income to net income to net cash		
Depreciation	36,728,935	27,269,132
Operating Cash Flows before changes in working capital	**121,139,996**	**44,476,830**
Accounts Receivable	(69,554,055)	(57,684,392)
Inventory	20,585,088	(12,035,258)
Other current assets	(26,138,653)	32,319,360
Input Tax		
Prepaid Expenses		
Creditable Withholding Tax		
Trade and other payables	44,667,137	65,284,916
Cash Generated from operations	**(30,440,483)**	**27,884,626**
Cash Flows from investing activities		
Property and Equipment	(20,354,416)	(16,124,159)
Right-of-use asset - net	2,520,844	-
Intangible asset - net	167,411	-
Security Deposit	(701,280)	(14,842)
Net cash used in investing activities	**(18,367,440)**	**(16,139,001)**
Cash flows from financing activities		
Accrued finance cost	(910,094)	6,264,620
Advances from stockholders	(5,908,551)	(16,801,200)
Loans payable	(24,000,000)	(47,000,000)
Retention Payable		(8,035,714)
Lease liability -		(3,344,254)
Loans payable - net of current portion		41,000,000
Lease liability - net of Current portion	(4,285,715)	(107,143)
Capital Stock	2,924,800	720,000
Additional paid in capital	4,370,000	4,140,000
Net cash used in financing activities	**(27,809,560)**	**(23,163,691)**
Net Increase/(Decrease) in cash	**44,522,512**	**33,058,765**
Cash beginning of the year, 2024	**71,128,693**	**32,449,597**
Cash end of the period, September 30, 2025	**115,651,205**	**65,508,362**

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 Nine months period ended September 30, 2025 and year end 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
Payment of Previous Issued Common Shares	2,164,800			2,164,800
Issuance of common shares	760,000			760,000
Additional paid - in - capital		4,370,000		4,370,000
Net Income			84,411,061	84,411,061
As of September 30, 2025 (Unaudited)	132,490,000	161,460,000	68,714,135	362,664,135

Notes to the Financial Statements
As of September 30,2025 (Unaudited) and December 31, 2024 (Audited)

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 519 employees as of September 30, 2025.

The Company's registered office address is located at #1 Camarin Road, Barangay. 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.

As of the reporting date, the Hospital, had attained its targeted sales thus, resulted to positive net income for the period ending 2025. It is continued to be guided by its Mission and Vision, continues to meet its revenue targets while providing its clients and the public with the highest standards of professionalism and compassion

1.3 Basis of Preparation

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in Philippine peso, which is the Company's functional and presentation currency under **Philippine Financial Reporting Standards (PFRS).** All values are rounded to the nearest thousand peso, except when otherwise indicated.

The financial statements have been prepared under **the going concern assumption**.

Material Accounting Judgments, Estimates and Assumptions

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Uncertainty about these estimates and assumptions could result in outcomes that require an adjustment to the carrying amount of the affected asset or liability in the future period.

Except as otherwise disclosed, there were no significant changes in the significant accounting judgments, estimates and assumptions used by the Company for the nine-month period ended September 30, 2025.

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2024, except for the following amendments which the Company has adopted starting January 1, 2025. **Adoption of these pronouncements did not have any material impact on the Company's financial statements.**

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Future Changes in Accounting Policies and Disclosures

Pronouncements issued but not yet effective are listed below. The Company does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Company intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11

  The amendments are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversight or conflicts between the requirements in the Accounting Standards. The following is the summary of the Standards involved and their related amendments.

- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*

  The amendments included in paragraphs B5 and B6 of PFRS 1 cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.

- Amendments to PFRS 7, *Gain or Loss on Derecognition*

  The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.

- Amendments to PFRS 9
  - Lessee Derecognition of Lease Liabilities

The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.

- Transaction Price

  The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to 'transaction price as defined by PFRS 15' with 'the amount determined by applying PFRS 15'. The term 'transaction price' in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.

- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*

  The amendments to paragraph B74 of PFRS 10 clarified that the relationship described in B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.

- Amendments to PAS 7, *Cost Method*

  The amendments to paragraph 37 of PAS 7 replaced the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements* replaces PAS 1, *Presentation of Financial Statements*, and responds to investors' demand for better information about companies' financial performance. The new requirements include:

  - Required totals, subtotals and new categories in the consolidated statement of income
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

  The new standard will have an impact on the presentation of income and expenses and additional disclosures on management-defined performance measures but will not have an impact on the recognition and measurement in the consolidated financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*

Deferred Effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture,* address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

Note 2 - Cash

Cash consists of:

	September 30, 2025	December 31, 2024
Cash in Banks	101,991,171	54,161,422
Cash On Hand	851,185	4,285,735
Short-term Investments	12,808,849	12,681,536
Total	**115,651,205**	**71,128,693**

Cash in banks represent demand deposit accounts in various universal banks that earn interest at prevailing bank deposit rates. Short-term investments represent money market placements in functional currencies with maturities of three (3) months or less from the date of investment and earn interest at the respective short-term investment rates

Interest Income earned from cash deposits in banks for the period ending Sept. 30, 2025, amounted to P716,240.61 (December 31, 2024- P127,313)

Note 3 - Trade and other receivables-net

As of the 9th month of 2025 and year end ended December 31, 2024, the company's receivables amounting to P212,571,557 and 143,017,502 respectively, mostly from Health Maintenance Organization (HMO) and Philippine Health Insurance Corporation (PHIC) which are non-interest bearing and are collectible within 90-day term.

Receivables are assessed by Company's Management as not impaired, good and collectible.

Note 4 - Inventories

Inventories from pharmacy, CSSD, Dietary, Laboratory supplies amount to P36,183,757 and 56,768,845 as of September 30, 2025 and December 31, 2024, respectively.

No provision for inventory losses has been recognized for the nine months period ended September 30, 2025, and December 31, 2024, and expected to be recovered within 12 months after reporting period.

Note 5 - Other Current Assets

Other Current Assets Consists of:

	September 30, 2025	December 31, 2024
Advances to Suppliers	52,889,345	17,105,642
Total	**52,889,345**	**17,105,642**

Advances to suppliers pertain to advance payments to suppliers of medical supplies.

Note 6 - Property And Equipment - Net

	Land	Hospital Building/Improvement	Hospital Equipment	Transportation Equipment	Furniture and Fixtures	Office Equipment	Janitorial Equipment	Total
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**

	Land	Hospital Building/Improvement	Hospital Equipment	Transportation Equipment	Furniture and Fixtures	Office Equipment	Janitorial Equipment	Total
Movements during 2025								
Balance, June 30	55,444,070	538,171,928	77,333,582	2,417,596	7,426,349	6,541,290	127,939	**687,462,754**
Additions (3rd Q 2025)		831,436	2,739,323	-	459,135	1,138,601	-	**5,168,494**
Depreciation (3rd Q 2025)	-	(6,897,622)	(2,836,783)	(120,880)	(928,306)	(897,889)		**(11,681,479)**
Balance at September 30, 2025	55,444,070	532,105,742	77,236,122	2,296,716	6,957,178	6,782,002	127,939	**680,949,769**
September 30, 2025								
Cost	55,444,070	539,003,364	80,072,905	2,417,596	7,885,484	7,679,891	127,939	**692,631,248**
Accumulated Depreciation	-	(74,950,933)	(18,028,617)	(831,125)	(4,975,627)	(4,868,838)	(127,939)	**(103,783,078)**
Carrying Amount	55,444,070	464,052,431	62,044,288	1,586,471	2,909,857	2,811,053	-	**588,848,170**

In September 30, 2025 and 2024, Management determined that there is no indication that impairment has occurred on its property and equipment.

For the nine months period ending September 30, 2025, the Hospital had acquired a total of P5.168M, the composition of which are inline with the its programs to better serve the hospital's clientele.

RIGHT-OF-USE ASSET

	Sep-25	**2024**
Cost	10,083,381	10,083,381
Accumulated Depreciation	(6,722,254)	(3,361,127)
Carrying Amount	3,361,127	6,722,254
Movement during the year		
Balance Jan 1	3,361,127	6,722,254
Additions		
Depreciation	(2,520,845)	(3,361,127)
Balance September 30	840,282	3,361,127
Balance September 30		
Cost	10,083,381	10,083,381
Accumulated Depreciation	(9,243,099)	(6,722,254)
Carrying Amount	840,282	3,361,127

Property and equipment consist of:

Land / Office Equipment/ furniture and Fixtures and Hospital Equipment amounting to P588,848,169. Total Depreciation expense charge to profit and loss on September 30, 2025, is 36,728,935.

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

Property and equipment are 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.

	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, June 30	1,116,071	**1,116,071**
Additions (3rd Q 2025)	-	-
Depreciation (3rd Q 2025)	(55,804)	**(55,804)**
Balance at September 30, 2025	**1,060,267**	**1,060,267**
September 30, 2025		
Cost	1,116,071	**1,116,071**
Accumulated Depreciation	(613,840)	**(613,840)**
Carrying Amount	**502,231**	**502,231**

Management had considered the remaining useful life of the intangible asset for three (3) years. 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:

	SEPTEMBER 30, 2025	**DECEMBER 31, 2024**
Trade	100,769,458	119,551,967
Accrued Expenses	119,075,027	72,377,971
Professional fees Payable	36,365,118	28,640,424
Due to Government Agencies	6,383,776	4,615,708
Balance, Ending	**P 262,593,379**	**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-story 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 loan in the following manner: (a) For Term Loan I - Twelve (12) years inclusive of two (2) years grace period on principal repayment. Principal payable in forty (40) equal quarterly amortizations commencing at the end of ninth (9th) quarter from date of initial drawdown until fully paid; (b) For Term Loan II - Seven (7) years inclusive of one (1) year grace period on principal repayment. Principal payable in twenty-four (24) quarterly amortizations commencing the end of the fifth (5th) quarter from date of initial drawdown until fully paid.

As of to the Term Loan II, the company opted 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 are as follows:

	September 30, 2025	December 31, 2024
Balance, Beginning	386,200,000	398,200,000
Payments	(24,000,000)	(12,000,000)
Balance, Ending	P 362,200,000	P 386,200,000

The loan is subject to an interest rate of 8% 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:

	September 30, 2025	December 31, 2024
Balance, beginning	P 8,389,122	P 2,246,503
Finance cost incurred	910,094	6,142,619
Finance cost paid	-	-
Balance, Ending	P 7,479,028	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, net of depreciations, are as follows:

	September 30, 2025	December 31, 2024
Hospital Building	464,052,431	481,033,418
Land	55,444,070	55,444,070
Hospital Equipment	62,044,288	62,114,448
Office Equipment	2,811,053	2,578,174
Furniture and Fixtures	2,909,857	2,922,438
Transportation Equipment	1,586,470	1,108,817
Janitorial Equipment	0	21,323
Balance, Ending	**P 588,848,169**	**P 605,222,688**

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

	September 30, 2025	December 31, 2024
Advances from stockholders	P 5,940,000	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 renumeration to its key management personnel consist of short-term period Management Fee amounted to P50,366,816 and P28,092,476 for the nine months period ending September 30, 2025 and September 30, 2024, respectively.

Note 11 - Capital Stock

Components of capital stock are as follows:

	2025 As of September 30, 2025	2024 As of December 31, 2024
Common Shares	P 121,330,000	P 118,405,000
Preferred Shares	11,160,000	11,160,000
	P132,490,000	P 129,565,200

Common Shares

Details of Company's authorized common shares as of September 30, 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	56,660	28,330,000
	1,141,660	P121,330,000

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

<u>Common "A" Shares</u>

Shown below are the details of common "A" shares:

	September 30, 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.

	September 30, 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		
Payment of Issued Shares	7,216	2,164,800	147,784	P44,335,200
Balance Ending	155,000	P46,500,000	147,784	44,335,200

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:

	September 30, 2025		December 31, 2024	
	SHARES	**AMOUNT**	**SHARES**	**AMOUNT**
Authorized Common "C" P500 par value	250,000	P125,000,000	250,000	P 125,000,000
Issued and fully paid:				
Balance, Beginning	56,660	P28,330,000	53,700	P26,850,000
Issuances			1,440	P720,000
Balance, Ending	56,660	P28,330,000	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:

	September 30, 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

For the nine-month period ending September 30, 2025 and September 30, 2024, the Company's net revenue earned from professional medical and surgical services amounted to 731,866,011 and P521,895,305, respectively.

Note 13 - Cost Of Sales

As of September 30, 2025 Cost of Sales amounting to P373,681,822 while at the end of September 30, 2024 amounting to P330,895,398.

Note 14 – Other Income

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

	September 30, 2025	September 30, 2024
Rental and Cafeteria Sales	9,659,615	9,068,414
Finance Income	716,241	111,559
TOTAL	**P 10,375,856**	**P 9,179,973**

Note 15 - Operating Expenses

The account is composed of the following expenses:

Particulars	September 2025	September 2024
Salaries & Wages	25,100,529	17,558,018
Allow (De Minimis)	914,194	1,780,030
Hazzard Pay (De Minimis)	772,636	2,186,358
SSS Expense (ER)	2,556,350	1,652,355
PhilHealth Expense (ER)	594,194	394,895
Pag - ibig Expense (ER)	254,000	208,500
13th Month Pay Expense	1,902,369	1,745,616
Penalty Expense	8,571	-
Consultant fee	624,035	677,368
Water Expense	3,725,605	2,835,547
Electricity	13,983,351	10,617,110
Solar (Cenag)	942,857	
Office Supplies	2,998,466	2,869,895
Taxes & License	2,222,707	1,706,290
Repair & Maintenance	3,753,206	3,109,262
Telecommunication	5,766,790	1,157,673
Gasoline & Parking Expense	114,524	214,171
Transpo/Travel Expense	27,788,669	21,215,859

Representation Expense	5,770,411	2,787,845
Meal allowance	141,930	118,723
Meeting Allowance	722,826	353,500
Janitorial Services	5,786,962	4,478,936
Housekeeping Supplies	25,603	133,936
Security Services Expense	4,971,173	4,116,232
Advertising Expense	1,819,898	588,117
Training/Seminar Expense	1,812,456	1,294,994
Notarial Fee Expense	-	30,508
Garbage Expense	1,476,730	1,240,152
Rent Expense	1,653,649	950,744
Registration/membership fee Expense	121,523	228,221
Bank charge Expense	3,887,981	2,666,354
Cash Overage/Shortage	(80)	-
Postage/Notarial Expense	70,339	26,001
Management Fees Expense	50,366,816	28,092,476
Management Employee Benefits	20,560,711	16,156,917
Donations	50,000	130,000
Legal & Audit Expense	960,617	261,386
Interest expense (Lease liability)	-	255,747
Misc. Expense	8,786,567	3,814,878
Insurance Expense	631,316	654,426
ITMD Expense	881,214	1,439,116
Employees Health Benefits	17,799,421	-
Separation Pay	421,476	-
Provision For Expected Credit Loss (ECL)	411,240	-
Depreciation Expense	10,230,759	5,883,895
Total	**233,384,590**	**145,632,050**

Note 16 - Income Taxes

16.1 Income Tax Recognized in Profit or Loss

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

	September 30, 2025	September 30, 2024
Accounting Income	112,548,081	22,943,598
Tax benefit at 25%,	28,137,020	5,735,900
Unrecognized DTA FROM NOLCO		
Unrecognized DTA from MCIT	7,163,684	3,819,998
Unrecognized DTA due to PFRS 16		
Non-deductible donation		
Non -deductible finance cost		
Finance income subjected to Final Tax		
	P 28,137,020	**P 5,735,900**

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 17 – 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 P1,316,123 as of September 30, 2025. The carrying amount of right-of-use asset P 840,283 as of September 30, 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

Note 18 – Income Per Share

The Company's results of operation as of September 30, 2025, and 2024 amounted to P84,411,061 and P 17,207,699 respectively. Accordingly, the Company's earnings per share on September 30, 2025 and as of September 30, 2024, amounted to P74.87 and P17.50, respectively.

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

	3rd Quarter 2025	3rd Qtr, 2024
Weighted average number of shares	1,127,495	983,200

The Company did not have any potential dilutive instruments as of September 30, 2025 and September 30, 2024.

Note 19 - Fair Value Measurements

The carrying amounts and estimated fair values of the Company's financial asset and financial liabilities as of SEPTEMBER 30, 2025 and December 31, 2024, respectively are presented below:

	SEPTEMBER 30, 2025		December 31, 2024	
	Carrying Amount	Fair Values	Carrying Amount	Fair Values
Financial Assets				
Cash in Banks	115,651,205	115,651,205	71,128,693	71,128,693
Trade Receivables	212,571,557	212,571,557	143,017,502	143,017,502
Security Deposit	1,316,123	1,316,123	614,843	614,843
	P 329,538,885	**P 329,538,885**	**214,761,038**	**214,761,038**
Financial Liabilities				
Trade Payables	269,853,208	269,853,208	225,186,071	225,186,071
Accrued Finance Cost	7,479,028	7,479,028	8,389,122	8,389,122
Advances from Stockholders	5,940,000	5,940,000	11,848,551	11,848,551
Loans Payable	362,200,000	362,200,000	386,200,000	386,200,000
Lease Liability	666,300	666,300	4,952,015	4,952,015
	P 646,138,536	**P 646,138,536**	**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 20 - 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.

20.1 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.

<u>Cash in Banks and Cash Equivalent</u>

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 September 30, 2025 and December 31, 2024.

<u>Trade and Other Receivables</u>

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 September 30, 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.

	SEPTEMBER 30, 2025	DECEMBER 31, 2024
Debt	646,138,536	636,575,759
Cash	(115,651,205)	(71,128,693)
Net Debt	530,487,331	565,447,066
Equity	362,664,135	270,958,274
Net Debt to Equity Ratio	**1.46:1**	**2.09:1**

Note 22 – 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 several 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 qualifies 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 September 30, 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 September 30, 2025 and December 31, 2024 amounted to P36,183,757 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 annul 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 assesses that there is no significant change from previous estimates. As of September 30, 2025 and December 31, 2024, the carrying amount of depreciable property and equipment amounted to P588,848,169 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 September 30, 2025 and December 31, 2024, the aggregate carrying amounts of the aforementioned assets amounted to P591,506,806 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.

The Company uses growth in health industry and other macro-economic factors to assess the expected credit losses on its trade and other receivables.

ANALYSIS OF RESULTS OF OPERATION AND FINANCIAL CONDITION

3rd QUARTER 2025

Review of results of operations for the nine (9) months ended September 30, 2025.

Result of Operations

Revenues

CDH recorded net revenues of **₱731.8 million** in the 3rd quarter of 2025, marking a **40% increase** from **₱521.8 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 **₱142.00 million**, reflecting a 45**% increase** from **₱98.17 million** in Quarter 3 of 2024.

Pharmacy

Pharmacy sales amounted to **₱138.00 million**; a 28 **% increase** compared to **₱107.60 million** in Quarter 3 of 2024.

Hemodialysis

Revenues from Hemodialysis soared to **₱90.31 million**, a remarkable 137**% increase** from **₱38.13 million** in the same period last year.

Discount

The Hospital's discount of **₱77.98 million** to senior citizens and persons with disabilities, which represents approximately **10%** of our gross revenue. This amount reflects a significant 62**% increase** compared to **₱48.07 million** in the same period of 2024.

Cost of services

The cost of services amounted to **₱373.68 million**, which represents 46**%** of our gross revenues. This reflects a substantial 13**% increase** from the **₱330.89 million** reported in 2024.

General and Administrative expenses

Operating expenses were **₱245.78 million,** the bulk of which are attributable to salaries and wages, utilities, management fees and transportation expenses.

Finance Cost of **₱22.62 million** due to accrual of interest for loan from Development Bank of the Philippines.

OTHER INCOME

Other Income **P10.3 million** referring to rental income derived from the canteen concessionaires and rental by the Stone Center.

Net Operating Income (Loss)

The 3rd quarter of 2025 posted a net operating income before depreciation of P122.06 million and a net income of P 112.55 million after depreciation and taxes. Interest income amounted to P716,241.

Review of the financial condition of the Hospital as of September 30, 2025, compared with the financial condition as of December 31, 2024:

Financial Condition

As of September 30, 2025, the Hospital's total assets reached P1,008,802,672, an increased by P101,268,639, or 11%, compared to 907,534,033 year-end December 31, 2024.

Current assets increased by 45% or P129,275,183 (December 31, 2024 – P288,020,682), primarily attributable to the increase 49% trade and other receivables (P69,554,055), 63% Cash Increase (P44,522,512), and 209% increased of other current assets amounting to P35,783,703.

Non-current assets went down by (5%) or (P28,006,545) (December 31, 2024 – P619,513,351), caused mainly by decreased of property and equipment additions.

Total liabilities of P646,138,536 (December 31, 2024 – P636,575,759) Increased by P9,562,777, due to the following: Increase in Trade and Other Payable amounted to P37,407,308 or a percentage Increase of (17%).

Statement of Financial Position

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).

Increase in Accounts payable.

The factor for the Increase in payable is mainly due to trade and other payables of P37,407,308.

Review of the Income Statements of the Hospital as of September 30, 2025, compared with the financial condition as 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, Employee Benefits, transportation 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 September 30, 2025, and year ended December 31, 2024:

Ratio	Formula	September 30, 2025	December 31, 2024
Current ratio	Total current assets divided by total current liabilities	1.43	1.02
Acid test ratio	Quick assets (total current assets less inventories and other current assets divided by total current liabilities	1.13	0.76
Debt to equity	Total liabilities divided by total stockholders' equity	1.78	2.35
Asset-to-equity ratio	Total assets divided by Stockholders' equity	2.78	3.35
Return on Equity	Net income divided by average stockholders' equity	0.38	0.23
Return on Assets	Net Income divided by total assets	0.08	0.06
Net Profit margin	Net Income Divided by revenues	0.12	0.07
Gross Profit margin	Gross Profit (revenues less cost of services divided by revenues	.49	0.39
Book Value per share	Stockholders' equity divided by weighted average outstanding number of common shares **2025: (362,664,135 / 1,127,495)** **2024: (270,958,274/956,071)**	321.65	283.41

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

Subscribed and sworn to before me
this ____day ____in____________.
NOV 0 5 2025 Caloocan City, Metro Manila

CATHERINE P. CABALIC
Compliance Officer

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Book No. 223
Series of 2025

ATTY. SEVERINA S. AGUILAR-ACUÑA
Notary Public
for and within the Jurisdiction of Caloocan City Metro 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-0022361 Valid until April 14, 2028 / Pasig City
No. 15 Zone Brgy. 172, Zamora Compund, Gate 1, Camarin, Caloocan City