

MAXICARE HEALTHCARE CORPORATION

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

Boardroom, Maxicare Tower  
203 Salcedo Street, Legaspi Village, Makati City<sup>1</sup>  
26 January 2024, 1:00 P.M.

PRESENT:

ROBERTO M. MACASAET, JR.  
ANTONIO L. GO  
LANCE Y. GOKONGWEI  
CHRISTIAN S. ARGOS  
TERESITA M. ALEGRE  
ENRICO S. CRUZ  
BRIAN M. GO  
ESTHER WILEEN S. GO  
DR. FEDERICO T. LEELIN  
EDGAR J. SIA II  
MICHAEL P. LIWANAG  
RIZALINA G. MANTARING  
TEODORO M. PANGANIBAN

ALSO PRESENT:

DR. VICENTE Q. ARGUELLES  
RENE J. BUENAVENTURA  
BACH JOHANN M. SEBASTIAN  
FIONA MARIE L. VICTORIA  
MARIA TERESITA A. ESPALLARDO  
JOSEPH L. REYES  
NEDINO LESTER D. CAYETANO  
ARTEMIO V. RILLO II  
ELIZABETH KRSITINE D. GREGORIO  
JASPER HENDRIK T. CHENG  
RODELEE V. UY  
DR. ARTURO C. LIBAO  
JOE MERRITO P. BUOT  
RIZ GAURAN  
ATTY. DANNY E. BUNYI  
ATTY. MARY ZOELLI R. VELASCO

I. CALL TO ORDER AND DETERMINATION OF QUORUM

The Chairman, Mr. Roberto M. Macasaet, Jr. (“**Mr. Macasaet**”) called the meeting to order and presided over the same. The Corporate Secretary, Atty. Danny E. Bunyi, (“**Atty. Bunyi**”) recorded the Minutes of the proceedings.

The Corporate Secretary certified that notices were sent to all the members of the Board in accordance with Maxicare Healthcare Corporation’s (“**Maxicare**” or the “**Corporation**”) By-Laws. The members were instructed to turn on their video and audio for verification of their identity and presence, as well as for confirmation that their video and audio are functioning. Upon confirmation that majority of the members of the Board were present, the Secretary certified the existence of a quorum for the transaction of business at hand.

II. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

The Chairman presented to the Board for approval the Minutes of the 03 November 2023 regular Board of Directors’ Meeting, copies of which were previously distributed to the Members of the Board. Upon motion duly made and seconded, the Minutes were approved.

III. REPORTS – SALES & FINANCE DEPARTMENTS

<sup>1</sup> The meeting was also attended virtually by some directors, members of the Senior Management Team, and corporate officers through video conferencing (Zoom video conferencing).

A. Finance and Treasury

Ms. Maria Teresita A. Espallardo (“**Ms. Espallardo**”), the Corporation’s Chief Finance Officer, reported on Maxicare’s Unaudited Financial Statements for the year 2023.

Unaudited Financial Statements for the year 2023

Income Statements

| (in Thousands)                            | DECEMBER 2023<br>ACTUAL |   | DECEMBER 2023<br>ORIGINAL BUDGET |   | VARIANCE |       | DECEMBER 2022<br>ACTUAL |   | VARIANCE |       |
|---|-------------------------|---|----------------------------------|---|----------|-------|-------------------------|---|----------|-------|
|   | AMOUNT                  | % | AMOUNT                           | % | AMOUNT   | %     | AMOUNT                  | % | AMOUNT   | %     |
|   | (A)                     |   | (B)                              |   | C=A-B    | D=C/B | (H)                     |   | I=H-B    | J=I/B |
| EARNED MEMBERSHIP FEES                    |                         |   |                                  |   |          |       |                         |   |          |       |
| CORPORATE                                 |                         |   |                                  |   |          |       |                         |   |          |       |
| INDIVIDUAL, FAMILY AND GROUP              |                         |   |                                  |   |          |       |                         |   |          |       |
| PREPAID                                   |                         |   |                                  |   |          |       |                         |   |          |       |
| RIDERS                                    |                         |   |                                  |   |          |       |                         |   |          |       |
| ONE-OFF ADJUSTMENTS                       |                         |   |                                  |   |          |       |                         |   |          |       |
| CLIENT EXPERIENCE REFUND                  |                         |   |                                  |   |          |       |                         |   |          |       |
| PRIMA                                     |                         |   |                                  |   |          |       |                         |   |          |       |
| ADMINISTRATIVE SERVICES ONLY (ASO) INCOME |                         |   |                                  |   |          |       |                         |   |          |       |
| TOTAL REVENUE                             |                         |   |                                  |   |          |       |                         |   |          |       |
| COMMISSION EXPENSE TO BROKERS AND AGENTS  |                         |   |                                  |   |          |       |                         |   |          |       |
| TOTAL REVENUE net of COMMISSION           |                         |   |                                  |   |          |       |                         |   |          |       |
| MEDICAL UTILIZATION COST                  |                         |   |                                  |   |          |       |                         |   |          |       |
| ESTIMATED INCURRED CLAIMS AMOUNT*         |                         |   |                                  |   |          |       |                         |   |          |       |
| HOSPITALS AND DOCTORS *                   |                         |   |                                  |   |          |       |                         |   |          |       |
| INCURRED BUT NOT YET REPORTED (IBNR) *    |                         |   |                                  |   |          |       |                         |   |          |       |
| IBNR ADJUSTMENTS                          |                         |   |                                  |   |          |       |                         |   |          |       |
| RIDER COSTS                               |                         |   |                                  |   |          |       |                         |   |          |       |
| OTHER BENEFITS AND ADJUSTMENTS            |                         |   |                                  |   |          |       |                         |   |          |       |
| TELECONSULT                               |                         |   |                                  |   |          |       |                         |   |          |       |
| PCC RELATED EXPENSES                      |                         |   |                                  |   |          |       |                         |   |          |       |
| ENROLLMENT AND PROCESSING CHARGES         |                         |   |                                  |   |          |       |                         |   |          |       |
| TOTAL DIRECT COST                         |                         |   |                                  |   |          |       |                         |   |          |       |
| CONTRIBUTION MARGIN                       |                         |   |                                  |   |          |       |                         |   |          |       |
| OPERATING EXPENSES                        |                         |   |                                  |   |          |       |                         |   |          |       |
| GENERAL AND ADMINISTRATIVE EXPENSES       |                         |   |                                  |   |          |       |                         |   |          |       |
| SALES AND MARKETING EXPENSES              |                         |   |                                  |   |          |       |                         |   |          |       |
| INDIRECT MEMBER AND LOA-RELATED           |                         |   |                                  |   |          |       |                         |   |          |       |
| INDIRECT LIA INITIATIVES                  |                         |   |                                  |   |          |       |                         |   |          |       |
| TOTAL INDIRECT COST                       |                         |   |                                  |   |          |       |                         |   |          |       |
| INCOME (LOSS) FROM OPERATIONS             |                         |   |                                  |   |          |       |                         |   |          |       |
| OTHER INCOME, net                         |                         |   |                                  |   |          |       |                         |   |          |       |
| UTILIZATION INCURMENT                     |                         |   |                                  |   |          |       |                         |   |          |       |
| INTEREST INCOME                           |                         |   |                                  |   |          |       |                         |   |          |       |
| OTHER INCOME (EXPENSES)                   |                         |   |                                  |   |          |       |                         |   |          |       |
| INCOME (LOSS) BEFORE TAX                  |                         |   |                                  |   |          |       |                         |   |          |       |
| PROVISION FOR INCOME TAX                  |                         |   |                                  |   |          |       |                         |   |          |       |
| NET INCOME (LOSS)                         |                         |   |                                  |   |          |       |                         |   |          |       |

\* EICA is computed as percentage of TOTAL REVENUE net of COMMISSION

\* Rider fees do not include the fee to the PCC

A net loss of \_\_\_\_\_ was reported for the year 2023 in contrast to the projected income of \_\_\_\_\_. At the same time in 2022, the Corporation incurred a \_\_\_\_\_ net loss, thus the 2023 reported net loss was still 27.89% better when compared to the same period in 2022. Meanwhile the total revenue in 2023 was at \_\_\_\_\_ exceeding the budget by \_\_\_\_\_ and gained almost 20% or \_\_\_\_\_ billion than the full-year 2022. The increase was dominated by the membership fees from the full-risk funding arrangement. One of the adjustments, EMF, totaled \_\_\_\_\_ million, \_\_\_\_\_ of which resulted from the reconciliation of 2018 to 2022 of Concentrix and mostly of member cancellations.

Client Experience Refund (“**CER**”) decreased by \_\_\_\_\_ compared to 2022, as a result of higher medical utilization costs (“**MUC**”). The revenue from the PRIMA and Administrative Services Only (“**ASO**”) products were higher than 2022. The increase in ASO income was due to higher claims handling fee (“**CHF**”) coupled with increased transaction volume. There was also an increase in PCC<sup>2</sup> availment from ASO accounts, which provided additional revenue to Maxicare.

The increase of PRIMA revenue was due to the rise in sales volume and the product’s price increase. The projected revenue of PRIMA was low since the sale of PRIMA was suspended from 28 June to 15 October 2023 awaiting the approval of the Insurance Commission (“**IC**”) on the new rate.

Despite higher commission expense when compared to the same time last year and this year's budget, it remained within the 7% range. The Total Revenue Net of Commission expense was at Php 23.38 million, which was 8% higher than the budget and 20% higher than in 2022.

The total direct cost for the period amounted to \_\_\_\_\_, which exceeded the budget by \_\_\_\_\_ or 25.71%. This was higher by 18.39% or by \_\_\_\_\_ when

compared to the same period in 2022. The increase was attributable to the estimated incurred claims amount (“EICA”), high transaction volume, and high MUC.

The IBNR<sup>3</sup> adjustment line refers to the MFAT for the IBNR deficit from January to May 2023, while other benefits and adjustments for 2023 pertain to the laboratory and home care services in relation to the Best Life Program. In 2022, this line item pertained mostly to COVID vaccines and the Best Life Program. The telephone medical consultations (“TeleConsult”) expense exceeded the budget and had a higher value compared to the same time in 2022. This was due to the increase in volume of the TeleConsult transactions. Enrollment and processing charges also exceeded the budget and was also higher than in 2022, which was likewise due to higher transaction volume that required increase in agents, OPEX<sup>4</sup> and increased rates of the outsourced service providers. The unfavorable variance in the total direct cost was the major factor for the results of the Corporation’s business operations in 2023.

The operating expenses amounted to ₱1,000,000 and were 26.98% lower than the budget. However, after the mid-year review and based on the mid-year projection, the unspent operating expenses as of 30 September 2023 were ₱1,200,000 coming from personnel expenses, advertising, repairs and maintenance, professional and supervision fees, and meetings, seminars, and conferences, among others, of which ₱500,000 might still be spent this year and ₱700,000 might already be considered savings.

Moving on to total indirect cost, which was favorably lower by ₱1,000,000 or 11.34%. Indirect member and LOA-related expenses, higher both against the budget in 2022, were mainly due to high volume of transactions.

On the other hand, for the indirect UM initiatives, which included the Best Life Program, was higher than the budget due to the extension of the program and with more members enrolled therein. The indirect UM initiatives cost pertains to the implementation the Best Life Program for members with chronic conditions such as: hypertension, diabetes, and high cholesterol. The indirect UM initiatives yielded a higher cost when compared with the previous year and also was beyond the allotted budget.

The other net income for 2023 amounted to ₱1,000,000 which had exceeded that of 2022 by 29% and mostly contributed by utilization discount. and interest income. Maxicare’s interest expense from loans amounted to ₱500,000 and the share in the net loss of MaxiLife amounted to ₱500,000.

Maxicare also generated miscellaneous income coming from collected penalty charges to certain clients for late payments, identification card replacements fees, rental income, claims handling fee on excess charges, service fee for the hospital, and cash rider, among others, which amounted to ₱1,000,000 and higher than the expenses, as shown under the other income expenses line.

Ms. Espallardo recalled that in 2022, the interest income mainly came from the PCCs related assets prior to its transfer to Maxicare Health Services, Inc. (“MaxiHealth”) as well as the cost for the management fee for the shared services rendered by Maxicare to MaxiHealth during its start-up period.

**Statement of Financial Position**

<sup>3</sup> IBNR - Incurred But Not Recorded.

<sup>4</sup> OPEX- Out of Pocket Expenses.

| (In Thousands)                               | As of December 31, 2023 |   | As of December 31, 2022 |   | Variance |   |
|--|-------------------------|---|-------------------------|---|----------|---|
|  | Unaudited               |   | Audited                 |   |          |   |
|  | Amount                  | % | Amount                  | % | Amount   | % |
| ASSETS                                       |                         |   |                         |   |          |   |
| CURRENT ASSETS                               |                         |   |                         |   |          |   |
| CASH AND CASH EQUIVALENTS                    |                         |   |                         |   |          |   |
| SHORT-TERM INVESTMENTS                       |                         |   |                         |   |          |   |
| TRADE AND OTHER RECEIVABLES, NET             |                         |   |                         |   |          |   |
| TRADE RECEIVABLES, NET                       |                         |   |                         |   |          |   |
| NON-TRADE AND OTHER RECEIVABLES, NET         |                         |   |                         |   |          |   |
| PREPAID EXPENSES & OTHER CURRENT ASSETS, NET |                         |   |                         |   |          |   |
| NONCURRENT ASSETS                            |                         |   |                         |   |          |   |
| AVAILABLE-FOR-SALE FINANCIAL ASSETS          |                         |   |                         |   |          |   |
| PROPERTY AND EQUIPMENT, NET                  |                         |   |                         |   |          |   |
| SYSTEMS AND APPLICATIONS, NET                |                         |   |                         |   |          |   |
| INVESTMENT PROPERTY, NET                     |                         |   |                         |   |          |   |
| INVESTMENT IN ASSOCIATES                     |                         |   |                         |   |          |   |
| INVESTMENT IN SUBSIDIARY                     |                         |   |                         |   |          |   |
| RETIREMENT BENEFIT ASSET                     |                         |   |                         |   |          |   |
| DEFERRED TAX ASSET, NET                      |                         |   |                         |   |          |   |
| OTHER NONCURRENT ASSETS                      |                         |   |                         |   |          |   |
| TOTAL ASSETS                                 |                         |   |                         |   |          |   |

The total assets as of 31 December 2023 amounted to , which was 4.15% or higher than the 31 December 2022 covered period, coming from trade and other receivables. This was primarily due to higher business volume.

The prepaid expenses and other non-current assets increased by 105.42% or when compared to 31 December 2022 covered period, majority of which was the creditable withholding tax amounting to for non-utilization due to Maxicare’s net loss position. The increase in other prepaid assets were mostly from the unexpired portion of group life insurance and unexpired license costs, among others.

The non-current assets grew by primarily due to the increase in deferred tax assets by or 40.92% coming mainly from additional Net Operation Loss Carry Over (“NOLCO”), accrued IBNR, and provision for credit loss. Property and equipment decreased by attributed to depreciation.

Total liabilities increased by ₱ or 6.55% when compared with the same period in 2022. The Total Current Assets of Maxicare increased by 14.66% from 31 December 2022. This was driven by the increase in health care plan liabilities, mostly from membership and IBNR.

Accrued liabilities and other payables also increased by , majority of which came from the increase in VAT payable by ₱. The non-current liabilities decreased by attributed to the loan payment to Pin-An Holdings Corporation (“Pin-An”) with subsequently paid for preferred share subscription.

The decrease in net worth by , which was the net effect of th net loss for the year and the received as full payment for the subscription of the preferred shares.

Statement of Cash Flows

| (In Thousands)                                   | December 31, 2023<br>Unaudited | December 31, 2022<br>Audited |
|--|--------------------------------|------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>      |                                |                              |
| Loss before income tax                           |                                |                              |
| Adjustments for:                                 |                                |                              |
| Depreciation and amortization                    |                                |                              |
| Provision on credit and other losses             |                                |                              |
| Retirement expense                               |                                |                              |
| Interest expense                                 |                                |                              |
| Loss/ (gain) on sale of property and equipment   |                                |                              |
| ROU and lease liability retirement               |                                |                              |
| Share in net loss of associates                  |                                |                              |
| Gain on disposal                                 |                                |                              |
| Interest income                                  |                                |                              |
| Changes in operating assets and liabilities:     |                                |                              |
| (Increase) decrease in:                          |                                |                              |
| Trade receivables, net                           |                                |                              |
| Non-trade and other receivables, net             |                                |                              |
| Prepaid expenses and other current assets, net   |                                |                              |
| Other noncurrent assets                          |                                |                              |
| Increase (decrease) in:                          |                                |                              |
| Membership fee reserves, net                     |                                |                              |
| Claims reserves                                  |                                |                              |
| Accrued liabilities and other payables           |                                |                              |
| ASO reserves                                     |                                |                              |
| Net cash provided (used) from operations         |                                |                              |
| Income taxes paid                                |                                |                              |
| Net cash provided (used) by operating activities |                                |                              |

| (In Thousands)  | December 31, 2023<br>Unaudited | December 31, 2022<br>Audited |
|---|--------------------------------|------------------------------|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>               |                                |                              |
| Acquisitions of:  |                                |                              |
| Short-term investments                                    |                                |                              |
| Investment in associate                                   |                                |                              |
| Property and equipment                                    |                                |                              |
| Software cost   |                                |                              |
| Received from:  |                                |                              |
| Short-term investments                                    |                                |                              |
| Interests   |                                |                              |
| Redemption of preferred shares                            |                                |                              |
| Proceeds from disposal of assets                          |                                |                              |
| Proceeds from sale of available-for-sale financial assets |                                |                              |
| Proceeds from sale of investment in associates            |                                |                              |
| Net cash provided (used) by investing activities          |                                |                              |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>               |                                |                              |
| Payments of:  |                                |                              |
| Dividends   |                                |                              |
| Loan  |                                |                              |
| Lease liability   |                                |                              |
| Interest  |                                |                              |
| Received from the:  |                                |                              |
| Availment of long-term loans                              |                                |                              |
| Capital subscription                                      |                                |                              |
| Deposit for future stock subscription                     |                                |                              |
| Net cash provided (used) by financing activities          |                                |                              |
| Net changes in cash and cash equivalents                  |                                |                              |
| Cash and cash equivalents at the beginning of the year    |                                |                              |
| Cash and cash equivalents at the end of the year          |                                |                              |

The net decrease in cash for the year 2023 amounted to \$1.1 million mainly due to the following: (i) the net cash used from operating activities amounting to \$1.1 million; (ii) net cash provided from investing activities amounting to \$0.1 million from short-term investments, acquisition of property and equipment, leasehold improvement, and software licenses, among others; and (iii) net cash used for financing activities amounting to \$0.2 million primarily from the full payment of the loan from Pin-An, including interest and lease payments.

Key Performance Ratio / Acid Test Ratio (“ATR”)



Ms. Uy next presented the new and renewal business. The Corporation acquired \_\_\_\_\_ worth of new accounts, which represented a growth of **3.06%** when compared to the same period in 2022. However, this only represented **74.72%** achievement of the actual target of \_\_\_\_\_

Ms. Uy noted that the Corporation’s renewal business from January to December 2023 was at \_\_\_\_\_ which represented a **34.9%** growth when compared to the same period in 2022. This likewise represented **113.95%** achievement of the actual target of \_\_\_\_\_. In total, Consumer Sales’ performance was at \_\_\_\_\_ which represented a **23.49%** growth when compared to the same period in 2022. This represented **96.91%** achievement of the actual target of \_\_\_\_\_

SME Gain-Loss Study (in Millions) Jan-Dec 2023

| Competitor              | Competitive Gain # Headcount | Competitive Gain # of Account | Competitive Gain Total Contract Value | Competitive Loss # Headcount | Competitive Loss # of Account | Competitive Loss Total Contract Value | Net # of Headcount | Net # of Account | Net TCV | % |
|-------------------------|------------------------------|-------------------------------|---------------------------------------|------------------------------|-------------------------------|---------------------------------------|--------------------|------------------|---------|---|
| FRESH ACCOUNTS          |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| MAXICARE                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| INTELLICARE             |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| MEDICARD                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| PHILCARE                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| CareHealth Plus         |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| AVEGA                   |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| EASTWEST                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| VALUCARE                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| PACIFIC CROSS           |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| HMM                     |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| HALPE HEALTHCARE        |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| PHILAM LIFE             |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| MEDOCARE                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| ICARE                   |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| GETWELL                 |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| MEDICARE PLUS           |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| LIFE & HEALTH           |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| GREPALIFE               |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| KAISER                  |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| HPPI                    |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| AXA                     |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| CEBUANA INSURANCE       |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| LACSON & LACSON         |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| FWD                     |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| PHILBRITISH             |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| PRU LIFE UK             |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| AMAPHIL                 |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| CARITAS                 |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| OHMF                    |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| SELF-ADMINISTERED       |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| COCOLIFE                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| GENERALI                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| ETIGA                   |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| OTHERS/DID NOT DISCLOSE |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| NONE                    |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| TOTAL                   |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |

Ms. Uy reported that the gain came from Fresh Accounts with a total of 1,586 Fresh Accounts and with a TCV of \_\_\_\_\_. The highest loss was from None, with the primary reason being budget constraints, accounts undecided, or accounts closed shop. Opportunities with these clients have been identified as part of the OGSM.

Profitability for Boxed Type Products

| BOXED TYPE PRODUCTS<br>B2B & B2C – YTD & FTM 2023 |           |   |           |   |                                 |   |   |           |   |
|---|-----------|---|-----------|---|---------------------------------|---|---|-----------|---|
| CONSUMER PRODUCTS PROFITABILITY                   |           |   |           |   | CONSUMER PRODUCTS PROFITABILITY |   |   |           |   |
| YTD December 2023                                 | TOTAL B2B | % | TOTAL B2C | % | Grand Total                     | % | FTM December 2023                       | TOTAL B2B | % |
| EARNED MEMBERSHIP FEES                            |           |   |           |   |                                 |   | EARNED MEMBERSHIP FEES                  |           |   |
| COMMISSION EXPENSE                                |           |   |           |   |                                 |   | COMMISSION EXPENSE                      |           |   |
| TOTAL REVENUE net of COMMISSION                   |           |   |           |   |                                 |   | TOTAL REVENUE net of COMMISSION         |           |   |
| MEDICAL UTILIZATION COST                          |           |   |           |   |                                 |   | MEDICAL UTILIZATION COST                |           |   |
| Estimated Incurred Claims Amount (EICA)           |           |   |           |   |                                 |   | Estimated Incurred Claims Amount (EICA) |           |   |
| IBNR Adjustments                                  |           |   |           |   |                                 |   | IBNR Adjustments                        |           |   |
| Rider costs                                       |           |   |           |   |                                 |   | Rider costs                             |           |   |
| AD&D INSURANCE                                    |           |   |           |   |                                 |   | AD&D INSURANCE                          |           |   |
| DENTAL FEE  |           |   |           |   |                                 |   | DENTAL FEE                              |           |   |
| Telemedicine                                      |           |   |           |   |                                 |   | Telemedicine                            |           |   |
| PCC Related                                       |           |   |           |   |                                 |   | PCC Related                             |           |   |
| Other Benefits/Adjustments (Home Care)            |           |   |           |   |                                 |   | Other Benefits/Adjustments (Home Care)  |           |   |
| ENROLMENT AND PROCESSING CHARGES                  |           |   |           |   |                                 |   | ENROLMENT AND PROCESSING CHARGES        |           |   |
| TOTAL DIRECT COST                                 |           |   |           |   |                                 |   | TOTAL DIRECT COST                       |           |   |
| CONTRIBUTION MARGIN                               |           |   |           |   |                                 |   | CONTRIBUTION MARGIN                     |           |   |
| ADVERTISING COST                                  |           |   |           |   |                                 |   | ADVERTISING COST                        |           |   |
| PROFIT AFTER ADVERTISING COST                     |           |   |           |   |                                 |   | PROFIT AFTER ADVERTISING COST           |           |   |

Ms. Uy presented the consumer profitability for the boxed type products as of December 2023, comparing Busines-2-Business (“B2B”) and Business-2-Consumer (“B2C”) products.

For B2B products, Ms. Uy noted a positive contribution margin for January to December 2023 amounting to \_\_\_\_\_. For the month of December, it yielded an amount of \_\_\_\_\_. For the B2C products, despite a negative contribution

margin as of December 2023 with \_\_\_\_\_ for the month of December, it posted a positive of \_\_\_\_\_

2023 Profitability Report per Boxed Type Products YTD (December)

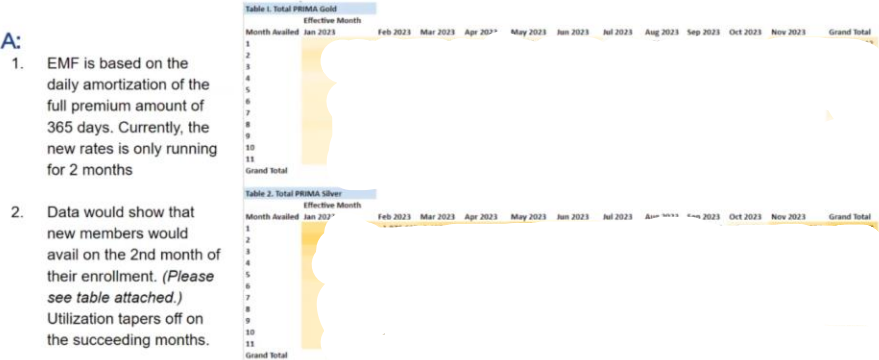
| CONSUMER PRODUCTS PROFITABILITY         |            |                |       |              |               |                |         |
|---|------------|----------------|-------|--------------|---------------|----------------|---------|
| YTD December 2023                       | 1          | 2              | 3     | 4            | 5             | 6              |         |
|   | MAXIPLUS % | STARTER PLAN % | MBE % | MYMAXICARE % | EREADY - OR % | EREADY - ADV % | PRIMA % |
| EARNED MEMBERSHIP FEES                  |            |                |       |              |               |                |         |
| COMMISSION EXPENSE                      |            |                |       |              |               |                |         |
| TOTAL REVENUE net of COMMISSION         |            |                |       |              |               |                |         |
| MEDICAL UTILIZATION COST                |            |                |       |              |               |                |         |
| Estimated Incurred Claims Amount (EICA) |            |                |       |              |               |                |         |
| IBNR Adjustments                        |            |                |       |              |               |                |         |
| Rider costs                             |            |                |       |              |               |                |         |
| AD&D INSURANCE                          |            |                |       |              |               |                |         |
| DENTAL FEE                              |            |                |       |              |               |                |         |
| Telemedicine                            |            |                |       |              |               |                |         |
| PCC Related                             |            |                |       |              |               |                |         |
| Other Benefits/Adjustments (Home Care)  |            |                |       |              |               |                |         |
| ENROLMENT AND PROCESSING CHARGES        |            |                |       |              |               |                |         |
| TOTAL DIRECT COST                       |            |                |       |              |               |                |         |
| CONTRIBUTION MARGIN                     |            |                |       |              |               |                |         |
| ADVERTISING COST                        |            |                |       |              |               |                |         |
| PROFIT AFTER ADVERTISING COST           |            |                |       |              |               |                |         |

On the profit and loss of Maxicare’s boxed type products, positive full year profit was noted after advertising costs for Maxicare Plus, Starter Plan, and MyMaxicare amounting to \_\_\_\_\_ and \_\_\_\_\_ respectively. On the other hand, there was a negative full year profit after advertising costs for Maxicare Business Essential, EReady Original, EReady Advance and PRIMA amounting to - \_\_\_\_\_ respectively.

Ms. Uy noted that the third quarter of 2023 posted the highest achievement among all the quarters in 2023 as of the covered period.

Mr. Antonio L. Go (“**Mr. A. Go**”) inquired about the business plan for those products which yielded a negative profit. Ms. Uy discussed that these products were adjusted and modified. As an example, she mentioned that EReady Advance was changed in October 2022, EReady Original was modified last July 2023, and the PRIMA products were adjusted in October 2023.

Q: Why are we losing money on new PRIMA accounts



EReady were assessed on utilization and have been modified, such as adjusting the activation period to decrease utilization.

Mr. Christian S. Argos (“**Mr. Argos**”) gave a supplementary discussion on the organizational restructuring and transformation that would create a dedicated product management team to improve profitability for each product. Previously, this function was combined with sales, leading to unclear ownership as to product development. The new structure aims to fix this and allow for the efficient execution of the practical measures mentioned earlier, such as adjusting product benefits, underwriting rules, and pricing.

Mr. Lance Y. Gokongwei (“**Mr. Gokongwei**”) inquired about the specific remodeling of the PRIMA products considering its huge contribution to Maxicare’s losses. Ms. Fiona Marie L. Victoria (“**Ms. Victoria**”) discussed that previously, the PRIMA product offered two variants with identical benefits. However, some of these benefits were frequently utilized and drove up its cost (EICA). To address this, the Sales Team revised the benefit structure into two variants: the higher-priced variant that would cover a wider range of procedures, while the lower-priced variant would cover a basic set of procedures, even if used at PCC<sup>5</sup>s. Mr. Argos further discussed that the previous pricing of the PRIMA products failed to consider the expensive medical and diagnostic tests, such as thyroid function test, which costs over . The product has now provided a very defined inclusion down to the Current Procedural Terminology (“CPT”). Mr. Brian M. Go (“**Mr. Brian Go**”) reinforced the importance of product ownership. A defined group that would be responsible in understanding the product features, ensuring product development and verifying that the systems in place. Essential details could be overlooked with a lack of a clear product ownership.

Mr. A. Go suggested that the PRIMA products be offered to households as a family set considering that not all the family members would utilize this and that PRIMA products are utilized in the PCCs, which would have lower costs. Mr. Gokongwei added that family products would be a good product opportunity. He mentioned that employee unions would prefer family products considering that these were more affordable. He discussed that Human Resource Departments of companies saw that the HMO insurance premiums were too steep that’s why they opted for products like family-based insurance wherein there was just an Annual Benefit Limitation.

Mr. Gokongwei also made mention of the large insurance companies setting up subsidiary companies throughout Asia. An example was the AIA Group acquisition of MediCard Philippines, Inc. According to Mr. Gokongwei, eventually, these insurance companies would be selling through their bancassurance partners. He wanted to point out that Maxicare could open a discussion on having a bancassurance partner in the next two to three years. Mr. A. Go agreed that Maxicare should look for a potential partner and he suggested that it should be done within the year instead.

**Corporate Sales**

Ms. Victoria presented the Corporate Sales performance and initiatives.

---

<sup>5</sup>PCC: Primary Care Center.

2023 Corporate Sales Performance  
(January to December)

- Corporate Sales Performance
  - 100.30% achievement
  - 22.17% growth from 2022
- Corporate Gain & Loss
  - Highest Gain *Intellicare at*
  - Highest Loss *Intellicare at*
  - Highest Net Gain *Generali*
  - Highest Net Loss *Etiqa at*

| 2023 Actual<br>Performance<br>(M) | 2022 Actual<br>Performance<br>(M) | % Growth | Php Growth<br>(M) | 2023 Actual<br>Target | %<br>Performance |
|-----------------------------------|-----------------------------------|----------|-------------------|-----------------------|------------------|
| New Business                      |                                   |          |                   |                       |                  |
| Renewal Business                  |                                   |          |                   |                       |                  |
| Renewal Business less DNR         |                                   |          |                   |                       |                  |
| Corporate Total                   |                                   |          |                   |                       |                  |

January – December 2023

Corporate Sales achieved 100.3% of its target amounting to , which represented a 22.17% growth when compared to 2022 actual performance.

During the covered period, the highest gain was from Intellicare at , while the highest loss was likewise from Intellicare at . The highest net gain was from Generali at , whereas the highest net loss was from Etiqa at ₱644 million.

The new business performance was at -61% of the annual target and a decline of -5% from 2022's actual performance rather, and for renewal business through by 24.88% with 105.43% achievement.

January to December 2023 New Accounts and Renewal Business

| Highlights: Jan - Dec 2023            |             |             |          |
|---------------------------------------|-------------|-------------|----------|
| New Business - Jan to Dec 2023        |             |             |          |
| Particular                            | 2023 Actual | 2022 Actual | % Growth |
| Number of New Accounts                |             |             | -24.66%  |
| Number of New Members of New Accounts |             |             | -32.58%  |
| Estimated Total Contract Value (TCV)  |             |             | -7.74%   |
| Renewal Business - Jan to Dec 2023    |             |             |          |
| Particular                            | 2023 Actual | 2022 Actual | % Growth |
| Number of Renewed Accounts            |             |             |          |
| Number of Renewed Members             |             |             |          |
| Estimated Total Contract Value (TCV)  |             |             |          |

Ms. Victoria next presented the new and renewal business. Based on records, the Corporation’s number of new accounts and new members decreased by -24.66% and -32.58%, respectively, when compared to the same period in 2022.

The Estimated Total Contract Value (“TCV”) of the new accounts declined, which amounted to , which represented -7.74%, growth compared to the same period in 2022. The per capita cost increased by an average of 36% for quoted accounts for this new business when compared to the 2022, wherein in 2022 per capita cost is at ₱ compared to the new premiums that were costed at an average of ₱ per member.

Ms. Victoria noted that the Corporation’s renewal of accounts from January to December 2023 decreased by -8.72% when compared to the same period in 2022. There was also a decrease in the number of renewed members by -5.43%. The Estimated TCV of the renewed accounts amounted to , which

represented 41.12% growth compared to the same period in 2022. The per capita rate increased by an average of 25% for quoted renewed accounts for January to September 2023 when compared to the same period in 2022.

Ms. Victoria presented five (5) recent accounts for the month of November and December 2023:

| EFFECTIVE DATE | ACCOUNT NAME                             | TCV (M) | Headcount | Previous Provider       | CM  | CM (New Definition) | Actuarial Handler  |
|----------------|--|---------|-----------|-------------------------|-----|---------------------|--------------------|
| 15-Dec-23      | OFFICE OF THE PRESIDENT- PROVIDENT FUND  | 48      | 1809      | OTHERS/DID NOT DISCLOSE | 25% | 25%                 | Automated Proposal |
| 1-Nov-23       | PRINCE MOTOR CORPORATION                 | 6       | 357       | HMI                     | 25% | 25%                 | Automated Proposal |
| 1-Nov-23       | Cisive Philippines Inc.                  | 5       | 280       | FRESH ACCOUNTS          | 12% | 22%                 | Rhej               |
| 16-Nov-23      | TRI-PHIL INTERNATIONAL INC               | 5       | 300       | MEDICARD                | 21% | 21%                 | Automated Proposal |
| 6-Dec-24       | ZAMBOANGA DEL NORTE ELECTRIC COOPERATIVE | 5       | 504       | FRESH ACCOUNTS          | 25% | 25%                 | Rhej               |

The Corporate Sales Team was able to transition five new accounts with a TCV amounting to at least The biggest of which was the Office of the President - Provident Fund. All of these new accounts were costed with the new pricing requirements of 20% and above Contribution Margin (“CM”) in Maxicare’s automated proposal.

| Major Accounts Renewed<br>JAN-DEC 2023   |   |          |        |        |                   |                      |           |                   |
|--|---|----------|--------|--------|-------------------|----------------------|-----------|-------------------|
| EFFECTIVE DATE   | ACCOUNT NAME  | INCREASE | LR     | CM     | CM New Definition | 2023 TCV WITHOUT VAT | HEADCOUNT | Actuarial Handler |
| 1-Nov-2023   | DXC TECHNOLOGY PHILIPPINES, INC   | 40%      | 99.98% | 14.00% | 15%               |                      |           | Adrian            |
| 15-Nov-2023  | SYNCHRONY GLOBAL SERVICES PHILIPPINES, INC. [Formerly: GEC RF GLOBAL SERVICES PHILIPPINES INC.] | 31%      | 93.00% | 15.00% | 15%               |                      |           | Cel               |
| 4-Nov-2023   | INGRAM MICRO  | 32%      | 82.10% | 20.00% | 19%               |                      |           | Robin             |
| 31-Dec-2023  | LEXMARK RESEARCH AND DEVELOPMENT CORPORATION  | 22%      | 84.82% | 20.00% | 20%               |                      |           | Rhej              |
| 1-Nov-2023   | NTT DATA SERVICES PHILIPPINES, INC. (FORMERLY DELL SYSTEMS PHILIPPINES, INC.)                   | 30%      | 73.00% | 20.50% | 21%               |                      |           | Marianne          |
| 30-Nov-2023  | ZENDESK INCORPORATED  | 48%      | 75.00% | 25.00% | 26%               |                      | ?         | Cel               |
| 31-Dec-2023  | CENTURY PROPERTIES  | 29%      | 96.81% | 15.00% | 15%               |                      |           | Marianne          |
| 1-Nov-2023   | REGUS MANAGEMENT PHILIPPINES, INC.  | 34%      | 82.90% | 17.00% | 17%               |                      |           | Robin             |
| 26-Dec-2023  | Pro Source Global BPO, Inc.   | 12%      | 95.36% | 18.00% | 18%               |                      |           | Adrian            |
| 31-Dec-2023  | LEXMARK RESEARCH AND DEVELOPMENT CORPORATION (EXTENDED DEPENDENTS)                              | 33%      | 96.21% | 17.00% | 17%               |                      |           | Rhej              |
| TOTAL  |   |          |        |        |                   |                      |           |                   |
| BOARD_SALES JANUARY 26, 2024 Note: Additional from last Excom of RB accounts Php10M and above. |   |          |        |        |                   |                      |           |                   |

Ms. Victoria also presented the major accounts renewed. The biggest account was DXC Technology Philippines, Inc. amounting to The new CMs were also reported here based on the new pricing methodology and the inflation as well. The other assumptions were also based on the new pricing methodology. The increases were based on the loss ratio of the account and the adjustments that must be made on the benefits and pricing assumptions.

Top Major DNR (Did Not Renew) Accounts:  
Jan - Dec 2023

| Effective Date | COMPANY NAME  | Reason for non-renewal | Chosen Provider  | Years with Maxicare | MLR     | CM  | CM (New Definition) | INCREASE | 2022 HEADCOUNT | 2022 TCV WITHOUT VAT | Actuarial Handler |
|----------------|---|------------------------|------------------|---------------------|---------|-----|---------------------|----------|----------------|----------------------|-------------------|
| 5-Dec-22       | GENPACT SERVICES LLC                                  | RENEWAL PRICE CONCERN  | PHILCARE         | 4                   | 92.00%  | 15% | 15%                 | 27%      | -              | -                    | Robin             |
| 1-Nov-22       | CS Global Workplace, Inc.                             |                        | INTELLICARE      | 7                   | 121.00% | 15% | 19%                 | 44%      |                |                      | Adrian            |
| 1-Nov-22       | SCHENKER MANILA ADMINISTRATIVE COMPETENCE CENTER INC. |                        | PHILCARE         | 6                   | 85.05%  | 45% | 18%                 | 42%      |                |                      | Cel               |
| 1-Dec-22       | CARGILL PHILIPPINES, INC. AND AFFILIATES              |                        | COCOLIFE         | 15                  | N/A     | 13% | 13%                 | N/A      |                |                      | Dar               |
| 1-Dec-22       | QIAGEN BUSINESS SERVICES (MANILA) INC.                |                        | MEDICARD         | 4                   | 74.20%  | 20% | 20%                 | 16%      |                |                      | Marianne          |
| 1-Nov-22       | HEXWARE TECHNOLOGIES LTD - PHIL. OFFICE BRANCH        |                        | INLIFE           | 2                   | 74.20%  | 21% | 21%                 | 13%      |                |                      | Jenneth           |
| 1-Nov-22       | OSM Maritime Services, Inc.                           |                        | COCOLIFE         | 5                   | N/A     | 17% | 17%                 | N/A      |                |                      | 3 Rhei            |
| 16-Dec-22      | EMIRATE SECURITY AND MAINTENANCE SYSTEMS, INC.        |                        | DID NOT DISCLOSE | 14                  | 88.00%  | 17% | 17%                 | 21%      |                |                      | Dar               |
| 1-Dec-22       | UST GLOBAL, INC                                       |                        | INLIFE           | 12                  | 90.76%  | 17% | 17%                 | 26%      |                |                      | Rhei              |
| 1-Nov-22       | PRIME METRO BMD CORPORATION                           |                        | LACSON & LACSON  | 5                   | 84.39%  | 20% | 20%                 | 23%      |                |                      | Al                |
| 1-Nov-22       | TOM'S WORLD   |                        | VALUCARE         | 7                   | 74.15%  | 20% | 20%                 | 21%      |                |                      | Marianne          |
| TOTAL          |   |                        |                  |                     |         |     |                     |          | -              | -                    |                   |

BOARD\_SALES  
JANUARY 26, 2024

Note: Additional from last Excom of DNR accounts Php10M and above.

25

Ms. Victoria also presented the major accounts renewed for the year 2023, as well as the major accounts that did not renew (“DNR”) with Maxicare.

The biggest loss was Genpact Services LLC (“Genpact”), which transferred to Philcare. The loss ratio of the account was at 92% while the contract value was ₱1.1M and the last offer was at 27% increase. Mr. Gokongwei inquired on the reason behind Genpact’s transfer to Philcare. According to Ms. Victoria, Genpact was still undergoing transition and Genpact’s representative has still yet to respond. However, Ms. Victoria noted that there are roadshows happening featuring the new benefit package for Genpact.

Gain and Loss Study

Gain - Loss Study (in Millions)  
JAN-DEC 2023

| Competitor              | Competitive Gain # Headcount | Competitive Gain # of Account | Competitive Gain Total Contract Value | Competitive Loss # Headcount | Competitive Loss # of Account | Competitive Loss Total Contract Value | Net # of Headcount | Net # of Account | Net TCV | % |
|-------------------------|------------------------------|-------------------------------|---------------------------------------|------------------------------|-------------------------------|---------------------------------------|--------------------|------------------|---------|---|
| GENERALI                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| FRESH ACCOUNTS          |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| MAXICARE                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| CareHealth Plus         |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| KAISER                  |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| HMI                     |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| EASTWEST                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| GREPALIFE               |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| CLIMBS                  |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| RCBC LIFE               |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| PACIFIC CROSS           |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| AVEGA                   |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| FPG Insurance           |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| NONE                    |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| MERCER                  |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| LACSON & LACSON         |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| SELF-ADMINISTERED       |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| PHILBRITISH             |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| LIFE AND HEALTH         |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| INTELLICARE             |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| INSULAR LIFE            |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| COCOLIFE                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| VALUCARE                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| OTHERS/DID NOT DISCLOSE |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| PHILCARE                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| MEDICARD                |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| ETIQA                   |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |
| TOTAL                   |                              |                               |                                       |                              |                               |                                       |                    |                  |         |   |

4

During the covered period, the highest gain was from Intellicare at ₱1.1M, while the highest loss was likewise from Intellicare at ₱1.1M.

The gain was attributed to the new major accounts acquired during the first quarter, which were: (i) Nestle Philippines, Inc.; and (ii) Sykes Asia Inc.

The highest net gain would be from Generali, which was attributable to closing the two affiliates of Oracle Philippines: Oracle NetSuite and Oracle Corporation last June 2023.

The highest net loss was from Etiqa. The biggest loss from Etiqa was in January of 2023, which was the transfer of Bank of the Philippine Islands (“BPI”) account in the amount of ₱1.2M. But Maxicare was able to recover BPI effective 01 January 2024 with TCV<sup>6</sup> amounting to ₱1.2M.

Mr. A. Go raised his concern about the accounts or clients that transferred to another HMO. Ms. Victoria explained that the transfers were due to a high price increase. Nevertheless, Mr. A. Go asked the Sales Team and the Information Technology Team to provide better customer experience as soon as possible since customer service should be a priority to retain the clients, especially the major accounts. While Ms. Rizalina Mantaring (“Ms. Mantaring”) agreed with the prioritization of customer service to retain clients, she discussed that based on experience the primary concern of Philippine companies was the pricing. She suggested that the Sales Team should look into lessening the price by looking for ways to lower the cost.

C. 2023 Key Project Updates

Mr. Argos presented to the Board a brief update on the three work streams that the Senior Management Team (“SMT”) had initiated in 2023 to better manage Maxicare’s costs and to prepare the Corporation for 2024 onwards.

The first engagement that was with Boston Consulting Group (“BCG”) to help Maxicare across five different areas of the business, specifically on pricing the Corporation’s products:



**IC1 Pricing + Renewals**

- Completed negotiations of all Top 50 contracts effective 2023
- Completed design and implementation plan for Alagang Maxicare Program
- Improved inflation forecast methodology; includes latest info across LOA types and expected industry changes
- Sales playbook started to improve communication of utilization, prices and product modification

**IC2 Provider Network Optimization**

- P176 M impact as of December 1: P49M uploaded in system; P127M pending uploading/clarification with hospital
- Established structured approach for provider curation and negotiations
- Developed clear view of how to tier providers, and systematically applying tiering across network
- Created provider negotiation playbook for PNM upskilling

**IC3 Claims + Process Excellence**

- Achieved annualized impact of PHP5.4M (~PHP900k declined over 8 weeks by 6 claims processors)

**IC4 Member Steerage + PCC Optimization**

- Change of contact center KPIs to actual availments rather than bookings
- Expansion of PCN service range (e.g. digital mammogram, MRI)
- Pilot removal of provider initiated LOAs
- Expanding Carepool coverage and capacity

**IC5 KPIs/Data/Governance**

- First set of dashboards still under development

According to Mr. Argos this project had already made great progress. He recalled the discussion by Ms. Victoria on raising membership renewal fees to over 30%. Maxicare had also implemented controls on claims and network management to get better rates from affiliated providers.

The second project was in cooperation with JG Summit Group Digital Transformation Office wherein Maxicare focused on providing better patient experience in the PCC<sup>7</sup>s:

<sup>6</sup> TCV: Total Contract Value  
<sup>7</sup> PCC: Primary Care Center.



**Stream 1: PCN Awareness**

- Creation and Review of the E2E Customer Journey
- Calendarized schedule of marketing campaigns
- Agile creation of on-demand marketing initiatives for Utilization Management

**Stream 2 and 3: Booking PCC**

- Finalization of the BRD for the Booking and scheduling process, member information, medical records via a member portal
- for awarding of the contract to identified vendor

The first work stream was focused on the creating a way for Maxicare to communicate and engage patients as well as to provide accessibility to the PCCs. The second and third work streams are to enable better scheduling and booking and clinic experience for any patient that goes to the PCCs. In this regard, a contractor was already selected to provide the new queuing system, the billing system, and the patient portal for the PCC, all which are expected to be available this 2024.

The third engagement was with Acumen and involves guidance and assistance to Maxicare with the completion of its Objective, Goals Strategies and Measures (“OGSM”), or the corporate strategy for the next five years.



- Completed Maxigroup's 5-year OGSM
  - Identified Where-To-Play Spaces
  - Detailed How-To-Win Opportunities
- Ongoing Organizational Transformation

The project with Acumen relates to the organizational transformation for the entire Maxicare Group of Companies (“**MaxiGroup**”). This transformation will impact all departments, from product development to sales, to ensure that the entire organization is aligned with MaxiGroup’s OGSM. The expected completion date was by February 2024.

**IV. RECAP OF THE 5-YEAR OGSM OF MAXIGROUP**

Mr. Argos then presented a recap of the five-year MaxiGroup OGSM and related it to Maxicare’s 2024 budget.

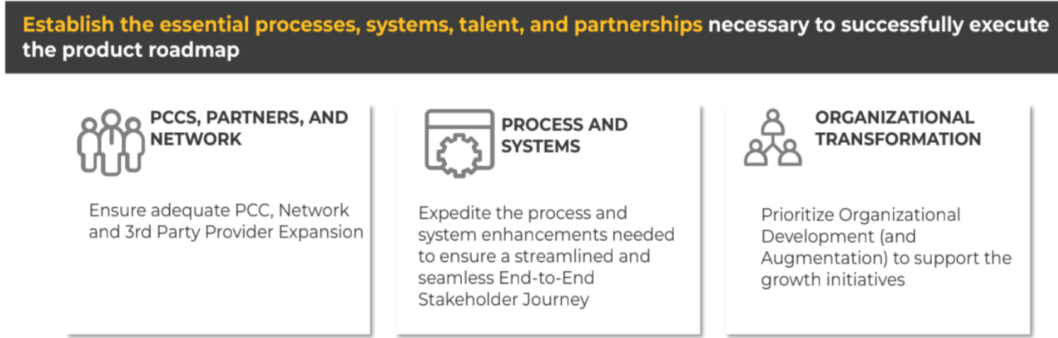


According to Mr. Argos, upon evaluation, there were three specific segments that Maxicare should place its focus on: (i) the B2B segment, (ii) B2C segment, and (iii) an opportunistic B2G segment.

The strategy of MaxiGroup is to further refine these segments into personas, depending on how clients purchase their healthcare and benefits from MaxiGroup, not just from Maxicare. Upon the SMT's research there are nine (9) personas identified across the B2B and B2C segments.

The recognized competitive advantage and value proposition was to make everything instantaneous, satisfactory, and complete. This means that the customer experience shall be seamless in between the services provided by the three companies of MaxiGroup, wherein various medical services in the MaxiGroup ecosystem would be available to the customer, thus creating a more holistic perspective on healthcare. This was driven by MaxiGroup's objective, which was to help everyone live their best lives.

Mr. Argos focused on the three critical enablers for the execution of the OGSM:



The first enabler is MaxiGroup's network, which refers to the medical network providers, the PCCs, and MaxiGroup's partners that assist in delivering the benefits that MaxiGroup is selling.

The second enabler is process and system. The ideal state would be a system that automatically delivers any relevant product that Maxicare would define, minimizing or even eliminating manual processes and repetitive tasks. This will free frontline staff from administrative burdens. By equipping the frontline staff with new technology and streamlined processes, it enables them to become expert guides, navigating members through the medical network and the patient's healthcare journey.

The last enabler is the organizational transformation wherein there will be clearly cut rules and roles in every department. This would also enable Maxicare to fill the key positions with a competent people and the right profile.

V. 2024 MAXICARE KEY INITIATIVES



The key initiatives of MaxiGroup in 2024 as aligned with the OGSM strategic goals and reflected in the budget, focused on three key enablers: (i) the PCCs, Partners and Network; (ii) Process and Systems; and (iii) Organizational Transformation.

*PCCs, Partners, and Network*

For the first key enabler, MaxiGroup had three main plans of action: (1) expanding and adding 15 new PCC clinics, (2) enhance our provider network, and (3) execute strategic partnerships to round out the capabilities of MaxiGroup’s medical network.

*Process and Systems*

The most important priority project is to build the next generation MaxiGroup’s core insurance system. The new core insurance system will streamline operations across Maxicare, MaxiLife, and MaxiHealth, encompassing the entire customer journey from enrollment to claims processing.

The next was to build a 360 degree view of every single MaxiGroup customer down to the individual level. This will basically be a repository of not just utilization data, but other personal information for MaxiGroup’s nine target segments that would allow for better service delivery and crafting of new products.

Finally, from a process perspective, MaxiGroup should transition wherever appropriate to a more rapid cadence of execution through agile at scale. This initiative will be first applied to product development and product marketing.

*Organizational Transformation*

For organizational transformation, the first step was to reorient the entire MaxiGroup towards a customer centric product organization, similar to a fast-moving consumer goods company but the real object was to assign accountabilities for the essential functions for each of the three companies within MaxiGroup. In support of the execution of the OGSM, a Project Management Office (“PMO”) will be established to support strategic initiatives and priority projects. It will have two branches: a technical project team for specific projects and a strategic management

team focused on group-level priorities like member-initiated benefit approvals and promoting PCC utilization. An example of a strategic project was to build a steerage program that leads members towards the PCCs.

Mr. A. Go inquired on the process and system. He mentioned that wanted a smooth implementation of the system and this must be scalable. On the enhanced provider network, he prefers that the services be done by the PCCs.

VI. 2024 MAXICARE BUDGET PRESENTATION

Ms. Espallardo presented Maxicare’s 2024 Budget Assumptions and Observations, Projected Income Statement and Capital Expenditure.

### Key Budget Assumptions and Observations

- Total Contract Value to increase from
- Membership base to decrease by 9% (full risk only) coupled with a 31% average increase in revenue per capita
- Overall Medical Utilization Cost (MUC) per capita increase of 12%
  - EICA and Rider Costs calculated by Actuarial team
  - EICA per capita increase of 13%
  - Impact of provider rate negotiations imputed at 1% of EICA
  - PCC cost included with 15 new PCCs
- Direct enrolment and processing charges to increase from 3.7% to 4.1% of Net Revenue to provide for increased steerage activities and Alagang Maxicare
- Opex ratio to increase from 12% to 15% including:
  - Allowance for credit loss set at 1% of revenue or
  - Consultancy fees (+ Personnel ; Advertising ; Systems & IT (+ Indirect Claims Processing
- Tax computed as 25% considering release of DTA

Ms. Espallardo discussed that based on their projections, the TCV would increase from , which was net of provision for non-renewal losses. Member count was expected to lessen by 9% or approximately a decrease of 150,000 members. However, there was a projected 31% increase in revenue per capita. Therefore, the projected increase in net revenue was 20% from 2023 to 2024.

Overall, the MUC<sup>8</sup> per capita increased by 12%. EICA per capita increased by 13% but reduced by the impact of the provider negotiations and service cost value spread of PCC expansion. Direct enrollment and processing charges were assumed to slightly increase from 3.7 to 4.1% of net revenue to provide for increased storage activities and our Alagang Maxicare design.

The operation expenses ratio was projected to increase from 12 to 15% of net revenue and income tax rate imputed at 25%.

*Projected Income Statement for 2024*

<sup>8</sup> MUC: Medical Utilization Cost.

17 | Page

| (In Thousands)                    | 2024 BUDGET |   | 2023 UNAUDITED |   | 2024B vs 2023UA |   |
|-----------------------------------|-------------|---|----------------|---|-----------------|---|
|                                   | Amount      | % | Amount         | % | PHP MM          | % |
| NET REVENUE                       |             |   |                |   |                 |   |
| MEDICAL UTILIZATION COST          |             |   |                |   |                 |   |
| ESTIMATED INCURRED CLAIMS AMOUNT* |             |   |                |   |                 |   |
| RIDER COSTS                       |             |   |                |   |                 |   |
| TELECONSULT                       |             |   |                |   |                 |   |
| PCC RELATED EXPENSES              |             |   |                |   |                 |   |
| OTHER DIRECT COSTS                |             |   |                |   |                 |   |
| CONTRIBUTION MARGIN               |             |   |                |   |                 |   |
| OPERATING AND INDIRECT EXPENSES   |             |   |                |   |                 |   |
| INCOME (LOSS) FROM OPERATIONS     |             |   |                |   |                 |   |
| OTHER INCOME, net                 |             |   |                |   |                 |   |
| INCOME (LOSS) BEFORE TAX          |             |   |                |   |                 |   |
| PROVISION FOR INCOME TAX          |             |   |                |   |                 |   |
| NET INCOME (LOSS)                 |             |   |                |   |                 |   |

The projected net income after tax for the year 2024 was ₱1,000,000 coming from a ₱1,200,000 net loss for 2023.

The 2024 TCV projection was split between consumer sales with ₱1,000,000 which represented a 33% increase from last year and ₱200,000 TCV for corporate sales, a 7% increase from last year.

Given the target TCV of ₱1,000,000 in 2024 and existing accounts, the Finance team estimated net revenue at ₱1,200,000, which was an increase of almost 20% increase from 2023. MUC was projected at ₱960,000 or 80.1% of net revenue increased by ₱160,000 from 2023 and MUC which was comprised of EICA estimated a ₱160,000. The PCC related expenses increased due to the targeted 15 new PCCs to be launched in 2024. On the other hand, riders were projected to increase largely attributable to higher onsite medical services or the corporate clinics.

The TeleConsult expenses was also expected to rise mainly due to the increase in costs. Other direct costs were projected to amount to ₱42,000 or 4.2% of net revenue. The other direct cost was composed of member LOA, and other related expenses for availment, enrollment, and claims processing.

Mr. A. Go raised his concern on the increase of TeleConsult expense and the system in place for it. Mr. Argos discussed that the TeleConsult services of Maxicare were being provided by three providers. Maxicare does not have an in-house capacity for this activity. The providers were also instructed to direct the members to the PCCs. Latest statistics reflect that 38-40% of TeleConsultations that require a medical or laboratory test went to the PCCs, if such test was available thereat.

Mr. Fonallardo continued and discussed that the contribution margin increased to 19.9% or 2.6% or ₱238,000 of net revenue. Operating and indirect expenses were projected at ₱1,000,000, which increased from 12% to 15% ratio to net revenue. For operating expenses, the expected spend was a ₱1,000,000 which was a ₱100,000 increase from the projected spend from 2023. This was driven by professional and supervision fees, ₱100,000 to increase by ₱100,000 from 2023, mainly from the additional consultants, BCG and JG Summit.

On the other hand, provision for credit losses and impairment at ₱120,000 or 1% of the 2024 net revenue was in alignment with the collection target of 99%. Personal expenses at ₱120,000 with the ₱120,000 increase from 2023 due to 51 additional headcount, annual increases of existing plantilla, and other benefits and incentives. Advertising expense was budgeted at ₱120,000 which was a ₱120,000 increase from the projected spend last year due to conscious non-spend, moving away from digital media. However, this is the projected budget as there was a move for a new marketing plan in 2024.

Repairs and maintenance budget was at \$1.5 million which was a increase from last year attributable to systems maintenance. For indirect member and LOA-related spend, the projected spend was at \$1.5 million or a 10% increase from 2022 with the main driver being the higher cost of the Genysys and Nice systems at \$1.5 million and \$1.5 million, combined at \$3.0 million. Other income net of \$1.5 million or 3% of net revenue still mainly came from utilization discount and interest income. She noted that a 4.5% interest rate was used. Net income before tax was 4.5% of net revenue and provision for income tax at 25% of net income before tax.

Mr. Gokongwei inquired about the sales incentives program (“SIP”) since it had increased from \$1.5 million to \$1.5 million. Mr. Argos discussed that the sales incentives have three metrics: (i) production; (ii) collection; and (iii) profitability. In production, the sales officer has a target; in collection, the commissions are only released to the sales officer upon the collection of the billed amount; and in profitability, it is required that the account reached the required CM<sup>9</sup>. Mr. Argos further explained that the SIP was understated in 2022 and overstated in 2023. The Finance Team said that it would provide a split report correcting the amounts to provide a better overview of the SIP. Mr. A. Go inquired about the CM and expressed his concern that there should be a clawback process when the CM was not reached.

Mr. Cruz reiterated the concern on the TeleConsult vis-à-vis the utilization of the PCCs. He hoped that the high utilization of the TeleConsult would translate to the PCC. Mr. Argos responded that this has been one of the considerations in establishing 15 new PCCs in 2024.

Capital Expenditures

| Item                                    | 2023 | 2024 |
|---|------|------|
| <b>Systems and Automations</b>          |      |      |
| Maxigroup Insurance Solutions           |      |      |
| SAP Chart of Accounts                   |      |      |
| Telephony Automations                   |      |      |
| Anaplan                                 |      |      |
| IT Operations Related                   |      |      |
| Marketing and Consumer Sales Automation |      |      |
| Others                                  |      |      |
| <b>Hardware</b>                         |      |      |
| <b>Facilities Renovations</b>           |      |      |
| <b>Benefits Related Capex</b>           |      |      |
| <b>CAPEX TOTAL</b>                      |      |      |

For 2024, capital expenditures ("CAPEX") budget, the Finance Team proposed a total budget of \$1.5 million due to the investment expenses to improve data handling and processes particularly, the Maxicare Insurance Solution at \$1.5 million.

The SAP chart of accounts implementation project at \$1.5 million and Anaplan at \$1.5 million. Other automation projects included telephone enhancements at \$1.5 million for non-voice channels and other Genesys related enhancements.

Marketing and Consumer Sales related automation at \$1.5 million, including online payment system and prepaid system enhancement.

<sup>9</sup> CM: Contribution Margin.

The hardware CAPEX was comprised mostly of the purchases for refitting of laptops at Facilities renovations and related CAPEX have a budget c million. These are for major renovations of office facilities. Benefits related CAPEX for car plan of the new Vice Presidents and Assistant Vice Presidents, as well as those scheduled for renewal were at

The presented Maxicare key initiatives and finance presentations were hereby noted by the Board of Directors.

VII. RATIFICATION OF ALL ACTS AND RESOLUTIONS OF THE EXECUTIVE COMMITTEE

The Board ratified all acts and resolutions of the Executive Committee as of the date of the last Board Meeting, 03 November 2023 and until the Board Meeting held to date, 26 January 2024.

VIII. MATTERS FOR APPROVAL

- a. Appointment of New Assistant Corporate Secretary. The Corporate Secretary presented two items for approval from his end which are: (i) the acceptance of the resignation of the assistant corporate secretary, Atty. Anna Katrina T. Singcol (“**Atty. Singcol**”); and (ii) the appointment of Atty. Mary Zoelli R. Velasco (“**Atty. Velasco**”) as the new assistant corporate secretary. Upon motion duly made and seconded, the resignation of Atty. Singcol was accepted and the appointment of Atty. Velasco was approved by the Board, with the following resolution:

“RESOLVED, that MAXICARE HEALTHCARE CORPORATION (the ‘Corporation’) hereby approves the appointment of Atty. Mary Zoelli R. Velasco at the new Assistant Corporate Secretary replacing Atty. Anna Katrina T. Singcol.”

- b. Finance Matters. The Chairman informed the board of the finance matters for approval, which included the following authorizations: Mr. Jerry Perez to be a corporate signatory, for the Corporation to invest in public funds, in bonds and other debt instruments of the Republic of the Philippines, its political subdivisions or instrumentalities or of government-owned and controlled corporations and entities including the BSP and the Bank of the Philippine Islands (“**BPI**”), and appointments relate to the Bureau of Treasury Registry of Scripless Securities and BPI for securities held by the Corporation. Pursuant thereto, the following resolutions have been approved by the Board:

- i. Authorization of Mr. Jerry S. Perez

“RESOLVED, amending all previous resolutions on the subject, that MAXICARE HEALTHCARE CORPORATION (the ‘Corporation’) be authorized to designate **Mr. Jerry S. Perez, Jr.**, Assistant Vice President-Finance to be one of the approvers of the Corporation. For this purpose, he shall be authorized to sign, execute, endorse, and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary as a **Class C signatory**, under such terms as may be deemed acceptable and beneficial for the Corporation.”

- ii. Investment in Public Funds, Bonds, and Other Debt Instruments

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to invest in funds or make money market placements with or through the Bank of the Philippine Islands, (“BPI”), its subsidiaries and affiliates, such as BPI Capital Corporation, by giving orders or instructions for placements in or purchases of Unit Investment Trust Funds and Mutual Funds managed by BPI, promissory notes, commercial papers, bonds and other securities and investment instruments, issued by private corporations, the Republic of the Philippines or other governmental agencies or instrumentalities, denominates in local or foreign currency, (collectively, the “Investment Instruments”);

“RESOLVED, FURTHER, that the Corporation designates, as it hereby designates the following persons as its authorized representatives who shall operate and manage its investments in, and purchase of, Investment Instruments:

| Class A                      | Class B                        | Class C                             |
|------------------------------|--------------------------------|-------------------------------------|
| <b>Class A-1</b>             | Rodelee V. Uy                  | Dr. Mary Antonette M. Tan-Ricamonte |
| Christian S. Argos           | Artemio V. Rillo II            | Mary Grace R. Mesugas               |
| Jasper Hendrik T. Cheng      | Dr. Arturo C. Libao            | Nestlie Sison                       |
| Roberto M. Macasaet Jr.      | Marcelito G. Ortiz             | Renato P. Cariño                    |
| Maria Teresita A. Espallardo | Lorena L. Iquina               | Jerry S. Perez, Jr.                 |
| Fiona Marie L. Victoria      | Ma. Cecilia L. David           |                                     |
| Joe Meritto P. Buot          | Jordan R. Pabico               |                                     |
|                              | Elizabeth Kristine D. Gregorio |                                     |
|                              |                                |                                     |
| <b>Class A-2</b>             |                                |                                     |
| Aldrich Richard T. Javellana |                                |                                     |
| Christine O. Tueres          |                                |                                     |
| Marijoy Y. Kawpeng           |                                |                                     |
| Chona Athena R. Ferrer       |                                |                                     |

“RESOLVED, FURTHERMORE, that: (i) one Class A-1, one Class A-2 AND one Class B or C signatories, OR (ii) one Class A-2, one Class B AND one Class C signatories, are hereby authorized to fund, withdraw, pre-terminate, and renew the Investment Instruments, including the proceeds thereof, to open securities and deposit accounts with BPI, its subsidiaries and affiliates, to issue a debit authority against any deposit or money market investments of the Corporation maintained at BPI Head Office or any of its branches, and to execute and deliver such documents, agreements and instruments as may be necessary or appropriate in relation to their authority to operate and manage the Corporation’s funds and investments as above-provided; and

“RESOLVED, FINALLY, that this Certificate may be relied upon by BPI, its subsidiaries or affiliates, until receipt of a written notice of revocation or amendment of the foregoing resolutions.”

iii. Authorizations Relative to the Securities Held by the Corporation

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) appoints the Bureau of Treasury-Registry of

Scripless Securities (‘BTr-NRoSS’) as the third-party registry for any and all securities held by the Corporation in its name;  
“RESOLVED, FURTHER, that the Corporation appoints Bank of the Philippine Islands (‘BPI’) to be the Corporation’s true and lawful attorney-in-fact, to act for and in its name, place and stead, in appointing and transacting business, directly or indirectly, with the BTr-NRoSS, to do and perform any or all necessary acts or transactions in reference to any and all securities held by the Corporation in its name;

“RESOLVED, FURTHER, that as the Corporation’s Attorney-in-Fact, BPI is authorized to execute any and all acts, including being a party to any contract or agreement with BTr-NRoSS;

“RESOLVED, FURTHER, that the Corporation further authorizes the following persons as its authorized representatives, to execute and deliver on behalf of the Corporation any and all applications, forms, contracts, instruments, and such other documents necessary for the implementation of these resolutions:

| Class A                      | Class B                        | Class C                             |
|------------------------------|--------------------------------|-------------------------------------|
| Class A-1                    | Rodelee V. Uy                  | Dr. Mary Antonette M. Tan-Ricamonte |
| Christian S. Argos           | Artemio V. Rillo II            | Mary Grace R. Mesugas               |
| Jasper Hendrik T. Cheng      | Dr. Arturo C. Libao            | Nestlie Sison                       |
| Roberto M. Macasaet Jr.      | Marcelito G. Ortiz             | Renato P. Cariño                    |
| Maria Teresita A. Espallardo | Lorena L. Iquina               | Jerry S. Perez, Jr.                 |
| Fiona Marie L. Victoria      | Ma. Cecilia L. David           |                                     |
| Joe Meritto P. Buot          | Jordan R. Pabico               |                                     |
|                              | Elizabeth Kristine D. Gregorio |                                     |
|                              |                                |                                     |
| Class A-2                    |                                |                                     |
| Aldrich Richard T. Javellana |                                |                                     |
| Christine O. Tueres          |                                |                                     |
| Marijoy Y. Kawpeng           |                                |                                     |
| Chona Athena R. Ferrer       |                                |                                     |

“RESOLVED, FINALLY, that any and all additional powers and authority, consistent with BPI’s office as Attorney-in-Fact herein, are, by virtue of these presents, deemed to have been vested upon BPI; furthermore, the Board of Directors hereby ratify any all acts performed by BPI in furtherance of the functions and purpose of its office.”

- c. Actuarial Matters. The next items for approval were the change of signatories due to the change of the Corporation’s Chief Actuarial Officer. Upon motion duly made and seconded, the following resolutions have been approved:
- i. Deletion of Mr. Horacio T. Templo as bank approver/signatory:

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) hereby removes the following signatory:

| Authorized Signatory  | Class |
|-----------------------|-------|
| Mr. Horacio T. Templo | A     |

all effective immediately, with respect to: (i) all contracts and agreements pertaining to the operations of the Corporation, and (ii)

deposits, withdrawals, and other transactions pertaining to any and all funds of the Corporation, by means of checks, drafts, withdrawal slips or other similar instruments, from the existing deposit accounts maintained by the Corporation with all its depository banks.”

ii. Appointment of Mr. Jasper Hendrik T. Cheng as bank approver/ signatory:

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) hereby approves the following signatory:

| Authorized Signatory        | Class |
|-----------------------------|-------|
| Mr. Jasper Hendrik T. Cheng | A     |

all effective immediately, with respect to: (i) all contracts and agreements pertaining to the operations of the Corporation, and (ii) deposits, withdrawals, and other transactions pertaining to any and all funds of the Corporation, by means of checks, drafts, withdrawal slips or other similar instruments, from the existing deposit accounts maintained by the Corporation with all its depository banks.”

d. Local Government Permits. The Board next discussed items related to the local government requirements for some of the Corporation’s sites. Upon motion duly made and seconded, the following resolutions have been approved:

i. Calamba City

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to apply for, secure and renew all approvals, licenses and permits from all government and non-governmental regulatory agencies which are necessary for the Corporation’s business operation in City of Calamba. For this purpose, **Messrs. Roy Tungol** or **Ariel Abihay** are hereby jointly or separately authorized to transact and negotiate with the local government unit of City of Calamba, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary for the purpose, under such terms as they may deem acceptable and beneficial for the Corporation.”

ii. San Fernando City

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to apply for, and secure all approvals, licenses and permits from all government and non-governmental regulatory agencies which are necessary to effect the Corporation’s change of office address, including the relevant revisions to the Bureau of Internal Revenue (‘BIR’) Form 2303 Certificate of Registration for its office in the City of San Fernando Pampanga, where such change shall be from: *Ground Floor, Diamond Building, Mac Arthur Highway, Dolores City of San Fernando Pampanga* to *Unit A AEC Commercial Complex, Jose Abad Santos Avenue, San Jose, City of San Fernando Pampanga*, (the ‘Purpose’); and

RESOLVED, FINALLY, that for this Purpose, **Messrs. Roy E. Tungol** or **Mr. Ramie Banas** are hereby jointly or separately authorized to transact and negotiate with the local government unit, relevant BIR revenue district office, and other non-governmental regulatory agencies of the City of San Fernando, Pampanga, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary for the purpose, under such terms as they may deem acceptable and beneficial for the Corporation.”

iii. Iloilo City

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to apply for, and secure all approvals, licenses and permits from all government and non-governmental regulatory agencies which are necessary to effect the Corporation’s change of office address, including the relevant revisions to the Bureau of Internal Revenue (‘BIR’) Form 2303 Certificate of Registration for its office in Iloilo City, where such change shall be from: *Ground Floor Alexa Bldg., Cor. Quezon, Ledesma St. Brgy. Ed Ganzon, Iloilo City* to *Retail 2, Three Technohub Place, Iloilo Business Park, Brgy. San Rafael Mandurriao Iloilo City* (the ‘Purpose’); and

RESOLVED, FINALLY, that for this Purpose, **Messrs. Roy E. Tungol** or **Mr. Ramie Banas** are hereby jointly or separately authorized to transact and negotiate with the local government unit, relevant BIR revenue district office, and other non-governmental regulatory agencies of the Iloilo City, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary for the purpose, under such terms as they may deem acceptable and beneficial for the Corporation.”

iv. Baguio City

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to apply for, and secure all approvals, licenses and permits from all government and non-governmental regulatory agencies which are necessary to effect the Corporation’s change of office address, including the relevant revisions to the Bureau of Internal Revenue (‘BIR’) Form 2303 Certificate of Registration for its office in Baguio City, where such change shall be from: *3<sup>rd</sup> Floor BPI Bldg., Upper Session Road, Baguio City* to *Patria de Baguio 102 Ground Floor and Mezzanine Session Road, Baguio City* (the ‘Purpose’); and

RESOLVED, FINALLY, that for this Purpose, **Messrs. Roy E. Tungol** or **Mr. Ramie Banas** are hereby jointly or separately authorized to transact and negotiate with the local government unit, relevant BIR revenue district office, and other non-governmental regulatory agencies of the Baguio City, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary for the

purpose, under such terms as they may deem acceptable and beneficial for the Corporation.”

v. Lipa City

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to apply for, and secure all approvals, licenses and permits from all government and non-governmental regulatory agencies which are necessary to effect the Corporation’s change of office address, including the relevant revisions to the Bureau of Internal Revenue (‘BIR’) Form 2303 Certificate of Registration for its office in Lipa City, Batangas, where such change shall be from: *NGC Plaza, J.P. Laurel Highway Balintawak Lipa City, Batangas* to *Seasons Lipa, Barangay Tambo, Lipa City, Batangas* (the ‘Purpose’); and

“RESOLVED, FINALLY, that for this Purpose, **Messrs. Roy E. Tungol** or **Mr. Ramie Banas** are hereby jointly or separately authorized to transact and negotiate with the local government unit, relevant BIR revenue district office, and other non-governmental regulatory agencies of Lipa City, Batangas to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary for the purpose, under such terms as they may deem acceptable and beneficial for the Corporation.”

vi. Makati City

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to apply for, and secure all approvals, licenses and permits from all government and non-governmental regulatory agencies which are necessary to effect the Corporation’s change of office address, including the relevant revisions to the Bureau of Internal Revenue (‘BIR’) Form 2303 Certificate of Registration for its office in Makati City, where such change shall be from: *3<sup>rd</sup> Floor Tower 1, Makati Medical Center Bldg., Amorsolo cor. Dela Rosa St., Makati City* to *Ground Floor Tower 2, Makati Medical Center, Amorsolo St., San Lorenzo, Makati City* (the ‘Purpose’); and

RESOLVED, FINALLY, that for this Purpose, **Messrs. Roy E. Tungol** or **Mr. Ramie Banas** are hereby jointly or separately authorized to transact and negotiate with the local government unit, relevant BIR revenue district office, and other non-governmental regulatory agencies of the Makati City, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary for the purpose, under such terms as they may deem acceptable and beneficial for the Corporation.”

- e. Sale of the Corporation’s Vehicles. The next item on the agenda involved the sale of the assigned vehicles of the Corporation. Upon motion duly made and seconded, the following resolutions have been approved:

i. Ford Territory

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to sell its company vehicle that was

assigned to **Mr. Horacio T. Templo**, more particularly described as follows:

|                         |   |                       |
|-------------------------|---|-----------------------|
| Model Series/Car Make   | : | Ford Territory 1.5 AT |
| Conduction/Plate Number | : | NIE 3176              |
| Color                   | : | Crystal Pearl White   |
| Motor Number            | : | N5Go38794             |
| Serial/Chassis No.      | : | LJXCU2BB7NTF28267     |

RESOLVED, FURTHER, that the Corporation’s President and Chief Executive Officer, **Mr. Christian S. Argos**, is hereby authorized, with full power and authority to delegate the powers granted herein, to negotiate for the said sale, at such price and under such terms and conditions as he may deem most beneficial for the Corporation, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts and deeds proper and necessary to effect the foregoing resolutions.”

ii. Ford Territory

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to sell its company vehicle that was assigned to **Ms. April Rose M. Correces**, more particularly described as follows:

|                         |   |                         |
|-------------------------|---|-------------------------|
| Model Series/Car Make   | : | 2021 Ford Territory     |
| Conduction/Plate Number | : | NGN 6997                |
| Color                   | : | Moonstone Blue Metallic |
| Motor Number            | : | M2Go28916               |
| Serial/Chassis No.      | : | LJXCU2BB4LTPA032        |

RESOLVED, FURTHER, that the Corporation’s President and Chief Executive Officer, **Mr. Christian S. Argos**, is hereby authorized, with full power and authority to delegate the powers granted herein, to negotiate for the said sale, at such price and under such terms and conditions as he may deem most beneficial for the Corporation, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts and deeds proper and necessary to effect the foregoing resolutions.”

iii. Hyundai Grand Starex

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to sell its company vehicle that was assigned to **Mr. Artemio D. Rillo**, more particularly described as follows:

|                         |   |                      |
|-------------------------|---|----------------------|
| Model Series/Car Make   | : | Hyundai Grand Starex |
| Conduction/Plate Number | : | NCM 6393             |
| Color                   | : | Creamy White         |
| Motor Number            | : | D4CBGo35047          |
| Serial/Chassis No.      | : | KHMWH81KBGU842603    |

RESOLVED, FURTHER, that the Corporation’s President and Chief Executive Officer, **Mr. Christian S. Argos**, is hereby authorized, with full power and authority to delegate the powers granted herein, to negotiate for the said sale, at such price and under such terms and

conditions as he may deem most beneficial for the Corporation, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts and deeds proper and necessary to effect the foregoing resolutions.”

iv. Honda CR-V

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to sell its company vehicle that was assigned to **Mr. Joseph L. Reyes**, more particularly described as follows:

|                         |   |                   |
|-------------------------|---|-------------------|
| Model Series/Car Make   | : | Honda CR-V        |
| Conduction/Plate Number | : | NBQ 4033          |
| Color                   | : | Black             |
| Motor Number            | : | N16A51106165      |
| Serial/Chassis No.      | : | MRHRW7870JP023308 |

RESOLVED, FURTHER, that the Corporation’s President and Chief Executive Officer, **Mr. Christian S. Argos**, is hereby authorized, with full power and authority to delegate the powers granted herein, to negotiate for the said sale, at such price and under such terms and conditions as he may deem most beneficial for the Corporation, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts and deeds proper and necessary to effect the foregoing resolutions.”

v. Toyota Rush

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to sell its company vehicle that was assigned to **Mr. Lloyd Rustee Balba**, more particularly described as follows:

|                         |   |                         |
|-------------------------|---|-------------------------|
| Model Series/Car Make   | : | Toyota Rush             |
| Conduction/Plate Number | : | NFC 3256                |
| Color                   | : | Dark Red Mica Metallica |
| Motor Number            | : | 2NRG640771              |
| Serial/Chassis No.      | : | MHKE8FF3PMK033058       |

RESOLVED, FURTHER, that the Corporation’s President and Chief Executive Officer, **Mr. Christian S. Argos**, is hereby authorized, with full power and authority to delegate the powers granted herein, to negotiate for the said sale, at such price and under such terms and conditions as he may deem most beneficial for the Corporation, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts and deeds proper and necessary to effect the foregoing resolutions.”

vi. Toyota Rush

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to sell its company vehicle that was assigned to **Dr. Arturo C. Libao**, more particularly described as follows:

|                       |   |             |
|-----------------------|---|-------------|
| Model Series/Car Make | : | Toyota Rush |
|-----------------------|---|-------------|

Conduction/Plate Number :NDK 4732  
Color : White  
Motor Number :2NRF851413  
Serial/Chassis No. :MHKE8FF2PKK003783

RESOLVED, FURTHER, that the Corporation’s President and Chief Executive Officer, **Mr. Christian S. Argos**, is hereby authorized, with full power and authority to delegate the powers granted herein, to negotiate for the said sale, at such price and under such terms and conditions as he may deem most beneficial for the Corporation, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts and deeds proper and necessary to effect the foregoing resolutions.”

f. Certification of Signatories. The Board of Directors next discussed certification procedures to confirm that certain corporate signatories are one and the same person. Upon motion duly made and seconded, the following was approved:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) certifies that the following corporate signatories as stated in previous resolutions are one and the same person:

| Name in the issued Sec Cert, attached as Annex “A” | Class | Name in the ID               |
|--|-------|------------------------------|
| Aldrich T. Javellana                               | A-2   | Aldrich Richard T. Javellana |
| Artemio V. Rillo                                   | B     | Artemio II V. Rillo          |
| Dr. Mary Antoinette M. Tan-Ricamonte               | C     | Mary Antoinette T. Ricamonte |

g. Bureau of Internal Revenue (“BIR”) Compliance. The Board of Directors then discussed the CDR compliance required with the BIR. Upon motion duly made and seconded, the following resolutions have been approved:

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to transact with the Bureau of Internal Revenue (‘BIR’) in compliance with CDR Nos. Fo8o5 Registration of Books of Accounts; Fo8o6 Authority to Print; and Fo8BF Application for Registration of Branch and Facility; and

RESOLVED FURTHER, that for this purpose **Ms. Maria Teresita Espallardo** or **Mr. Jerry S. Perez, Jr.** are hereby authorized to sign, execute, endorse, and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary for the purpose, under such terms as may be deemed acceptable and beneficial for the Corporation.”

h. Renewal with the Philippine Government Electronic Procurement System (“PhilGEPS”). The next item on the agenda was the authorization required for the renewal of the Corporation’s PhilGEPS Certificate. Upon motion duly made and seconded, the following resolutions have been approved:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to transact with the Philippine Government Electronic Procurement System (‘PhilGEPS’) for the renewal of the Corporation’s PhilGEPS Certificate; and

RESOLVED FURTHER, that for this purpose, **Mr. Bruce Fulgencio**, the Corporation’s Database Officer, is hereby authorized to sign, execute, endorse, and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary for the purpose, under such terms as may be deemed acceptable and beneficial for the Corporation.”

- i. Trademark Application. The next item on the agenda was the trademark application for the EREADY mark. Upon motion duly made and seconded, the following resolutions have been approved:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) is hereby authorized to register its trademark over the mark, **MAXICARE EREADY THE FIRST PREPAID EMERGENCY HEALTHCARD**, with the Intellectual Property Office of the Philippines (‘IPO’);

RESOLVED, FURTHER, that the Corporation’s President and Chief Executive Officer, **Mr. Christian S. Argos**, (‘Mr. Argos’) is hereby designated as the Corporation’s authorized representative to apply for and secure the registration of the Corporation’s trademark over the said marks, to sign, execute, endorse and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts and deeds proper and necessary, under such terms and conditions as he may deem to be most beneficial to the Corporation, to effect the foregoing resolutions;

RESOLVED, FINALLY, that **Divina Law Offices**, specifically, **Attys. Nilo T. Divina, Enrique V. Dela Cruz Jr., Janna Mae B. Tecson, Nasha Jemimah R. Reyes, Jennel L. Chu, and Kristina Mae C. Durana**, or any other lawyer or staff as may be designated by the Managing Partner, are hereby authorized, as they are hereby authorized, to act as legal counsel and to represent the Corporation, in the absence of Mr. Argos in (a) processing the Corporation’s application for registration of the aforesaid trademark; (b) executing, signing, and filing any and all papers, affidavits, and documents as may be necessary relative thereon and attending all other proceedings to be conducted in connection therewith; and (c) in general, doing any and all acts as may be necessary, required, incidental or proper to give effect to the foregoing resolutions.”

- j. Authorization of Assistant Vice Presidents (“AVPs”) of the Health Network Management (“HNM”) Department. The next item on the agenda was the authorization of the HNM AVPs. Upon motion duly made and seconded, the following resolutions have been approved:

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to designate **Ms. Christine Eliza Lim, Ms. Noelle N. Rivera, and Mr. Eric E. Francisco**, Health Network Management Assistant Vice Presidents, to be additional approvers of the Corporation. For this purpose, they shall be authorized to sign, execute, endorse, and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind, and to execute and perform any and all acts necessary as **Class C**

**signatories**, under such terms as may be deemed acceptable and beneficial for the Corporation.”

- k. Authorization of FutureNet and Technology Corp. The next item on the agenda was the authorization for the FutureNet and Technology Corp. contract execution and settlement. Upon motion duly made and seconded, the following resolutions have been approved:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to proceed with the execution of the contract and settlement of invoices for FutureNet and Technology Corp. (the ‘Purpose’);

RESOLVED FURTHER, that the Corporation hereby approves any of the following representatives:

| Authorized Signatory     | Position                        |
|--------------------------|---------------------------------|
| Mr. Christian S. Argos   | President & CEO                 |
| Ms. Fiona L. Victoria    | Chief Operating Officer         |
| Ms. Ma. Cecilia L. David | Senior Assistant Vice President |
| Ms. Elinor Siasoco       | Assistant Vice President        |
| Mr. Acer Alester Machado | Business Development Manager    |
| Mr. Myron Raymundo       | Account Officer                 |

to execute, sign, endorse, and deliver, for and on behalf of the Corporation, any and all documents and other writings of whatever nature or kind pursuant to the Purpose, under such terms as may be deemed acceptable and beneficial for the Corporation.”

- l. Petron Fleet Card Enrollment. The Board next discussed if the Corporation should enroll with Petron for purposes of availing its Fleet Card. Upon motion duly made and seconded, the following resolutions have been approved:

“RESOLVED, as it is hereby resolved, that the following officer of **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be given the authority to enroll the Corporation in PETRON FLEET CARD;

FURTHER RESOLVED, as it is hereby resolved, that **MR. JOE MERRITO P. BUOT**, in his capacity as Chief HR and Administration Officer be, as he is hereby authorized to sign for, and in behalf of the Corporation, any and all documents in relation to the Corporation’s enrollment in Petron Fleet Card;

By Virtue of said resolution, the incumbent officer authorized to sign and his/her corresponding specimen signature is as follows:

| Name                | Position                            | Signature |
|---------------------|-------------------------------------|-----------|
| JOE MERRITO P. BUOT | Chief HR and Administration Officer |           |

FURTHER RESOLVED, as it is hereby resolved, that the Corporation guarantees for all Petron Fleet Cards issued to the Corporation;

FINALLY RESOLVED, as it is hereby resolved, that any and all acts done and/or performed by the above-mentioned officer under and by virtue of this resolution be, as it is hereby, confirmed and ratified.”

m. Litigation. The Board next discussed the necessary authorizations pursuant to the case, *Ma. Theresa G. Ceniza vs. Maxicare Healthcare Corporation*. Upon motion duly made and seconded, the following resolutions have been approved:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to file the necessary pleading/s, and/or document/s in relation to the case entitled “***Ma. Theresa G. Ceniza vs. Maxicare Healthcare Corporation***” docketed as **NLRC Case No. NCR-03-00597-24**, for the protection of its rights and interests, as well as to properly defend/represent itself in any actions/proceedings of whatever nature commenced by any other person/entity, whether private or public, before any court, administrative agency, quasi-judicial body, or any fora, including the performance of any of the following acts, to wit: 1) filing of the necessary pleadings, motions, correspondences, and other papers in any actions/proceedings wherein the Corporation is involved; 2) filing of the necessary appeals, or any other appropriate actions, with a higher court, administrative agency, quasi-judicial body, or any fora, in case of any adverse decision, resolution, order, or any other issuance with regard to any actions/proceedings wherein the Corporation is involved; and 3) doing such other acts as may be necessary to protect and preserve the interest of the Corporation relative to any actions/proceedings wherein it is involved;

RESOLVED FURTHER, that **ATTYS. NILO T. DIVINA, IAN JERNY E. DE LEON, HARLY JAYSON U. REYES, ALEXANDRA NICOLE D. SUGAY**, or any other lawyers of DivinaLaw that may be appointed by its managing partner, are hereby authorized to be the true and lawful attorneys-in-fact of the Corporation, to do and execute any of the following acts on behalf of the Corporation: to execute, sign, submit and file the Verification and Certification of Non-Forum Shopping, any and all papers, correspondences, memoranda, pleadings, affidavits, and documents as may be necessary in connection with any actions/proceedings of whatever nature wherein the Corporation is involved; and to attend the conferences, preliminary or otherwise, conciliation, mediation, judicial arbitration, pre-trial, hearings, as well as all other proceedings to be conducted in connection with any administrative, quasi-judicial, or any other legal actions/proceedings involving the Corporation as may be directed by any court, tribunal or body, with full power to enter into compromise, settle, desist from or dismiss the case/action either totally or partially, and also for the purpose of considering any and all of the following matters: a) amicable settlement or submission to arbitration or judicial dispute resolution; b) simplification of the issues; c) necessity or desirability of amendments to the pleadings; d) possibility of obtaining stipulations or admissions of facts and of documents to avoid unnecessary proof; e) limitation of the number of witnesses; f) advisability of a preliminary reference of issues to a commissioner; g) such other matters as may aid in the prompt disposition of the action; h) execution of compromise agreement or documents in the exercise of the aforesaid authority; and i) such acts as may be deemed fit and proper to be done under the circumstances;

RESOLVED FURTHERMORE, hereby giving and granting unto the Corporation and the designated attorneys-in-fact full power and

authority to do and perform whatsoever is requisite or necessary to be done in and about the premises as full to all intents and purposes as the Corporation may do, ratifying and confirming any and all the Corporation’s attorneys-in-fact or their substitute shall lawfully do or cause to be done by virtue of these presents;

“RESOLVED FINALLY, that the Corporate Secretary and/ or Assistant Corporate Secretary are hereby authorized to certify the foregoing.”

IX. OTHER MATTERS

The Corporate Secretary sought approval for the schedule of the meetings of the Board for 2024.

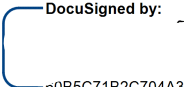
X. ADJOURNMENT

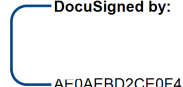
There being no other matters to discuss, and upon motion duly made and seconded, the meeting was adjourned.

CERTIFIED TRUE AND CORRECT:

  
DocuSigned by:  
71AD7785C6AC4C1...  
**ATTY. DANNY E. BUNYI**  
*Corporate Secretary*

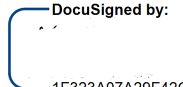
ATTESTED BY:

  
DocuSigned by:  
0B5C71B2C704A3...  
**ROBERTO M. MACASAET, JR.**  
*Chairman*

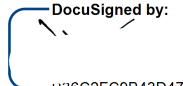
  
DocuSigned by:  
AE0AEBD2CE0F4EB...  
**ANTONIO L. GO**  
*Vice Chairman*

  
DocuSigned by:  
D68D36EBA4F345D...  
**LANCE Y. GOKONGWEI**  
*Vice Chairman*

  
DocuSigned by:  
5D02F94AF90246C...  
**CHRISTIAN S. ARGOS**  
*President*

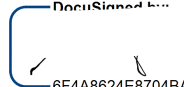
  
DocuSigned by:  
1F323A07A29F42C...  
**TERESITA M. ALEGRE**

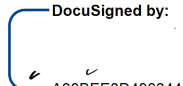
  
DocuSigned by:  
CCA742ABC973419...  
**ENRICO S. CRUZ**

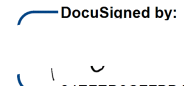
  
DocuSigned by:  
B36C2FC9B43D471...  
**BRIAN M. GO**

**ESTHER WILEEN S. GO**

**FEDERICO T. LEELIN**

  
DocuSigned by:  
6F4A8624E8704BA...  
**MICHAEL P. LIWANAG**

  
DocuSigned by:  
A90BEE8D4903445...  
**RIZALINA G. MANTARING**

  
DocuSigned by:  
94FFED0CFFB449...  
**TEODORO M. PANGANIBAN**

**EDGAR J. SIA II**