

MAXICARE HEALTHCARE CORPORATION

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

Boardroom, Maxicare Tower
203 Salcedo Street, Legaspi Village, Makati City¹
26 July 2024, 12:00 N.N.

PRESENT:	ALSO PRESENT:
ROBERTO M. MACASAET, JR. ANTONIO L. GO LANCE Y. GOKONGWEI CHRISTIAN S. ARGOS RENE J. BUENAVENTURA ENRICO S. CRUZ BRIAN M. GO ESTHER WILEEN S. GO MICHAEL P. LIWANAG EDGAR J. SIA II RIZALINA G. MANTARING TEODORO M. PANGANIBAN CHRISTINE O. TUERES VICENTE Q. ARGUELLES RICARDO V. MARTIN	DR. FEREDERICO LEELIN MARIA TERESITA A. ESPALLARDO JOSEPHINE LOPEZ JASPER HENDRIK T. CHENG RODELEE V. UY FIONA MARIE L. VICTORIA JOSEPH JAY MAURICIO ATTY. ANDREW FORNIER KURLEIGH GACTUAN ATTY. DANNY E. BUNYI ATTY. MARY ZOELLI R. VELASCO RIZ GAURAN

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 the 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 24 April 2024 Regular Board of Directors’ Meeting, 21 May 2024 Special Board of Directors’ Meeting, and 21 May 2024 Organizational Board of Directors’ Meeting, collectively, (the “**Minutes**”) copies of which were previously distributed to the Members of the Board. Upon motion duly made and seconded, the Minutes were approved.

III. REPORTS –FINANCIAL HIGHLIGHTS

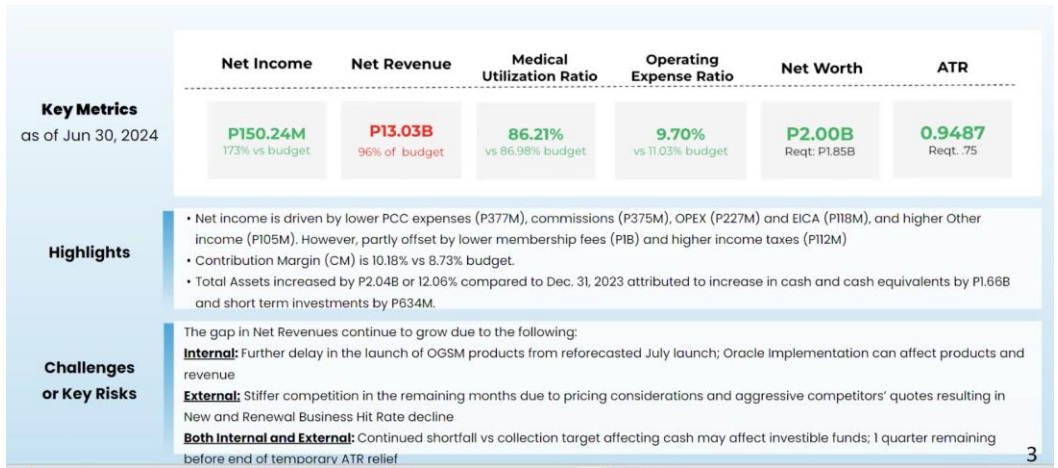
i. Financial Statements

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

Ms. Maria Teresita A. Espallardo, (“**Ms. Espallardo**”), the Corporation’s Chief Financial Officer, reported on the: (i) 30 June 2023 Maxicare’s FS; (ii) Consolidated 30 June 2023 FS; and (iii) related party transactions (“**RPT**”) for Board approval, the details of which were set forth in the presentation materials.

Executive Summary

For the first six (6) months of 2024, the Corporation’s performance in relation to its key metrics against the budget were as follows:



Ms. Espallardo reported that the Corporation had a net income in the amount of Php 150.24 Million, which is 173% higher than the budget of net loss of Php 205.26 million. The total direct and indirect costs and other income all contributed to the better results with the total favorable variances that exceeded the shortfall in the net revenue of Maxicare.

The net revenue of Php 13.03 Billion was 96% of the budget of Php 13.51 Billion. The 4% shortfall was the net impact of the lower Earned Membership Fees (“**EMF**”), reduced by the favorable variances from the higher Administrative Services Only (“**ASO**”) income, lower commission, and lower CER provision.

The medical utilization ratio of 6.21% amounted to Php 519.51 Million, which was about 0.77% points favorably lower than the budget. The operating expense (“**OPEX**”) ratio at 9.7% amounted to Php229.97 million which was 1.33% lower than budget.

For the period, Maxicare was compliant with both the net worth and the Acid-Test Ratio (“**ATR**”) requirements of the Insurance Commission (“**IC**”). Ms. Espallardo also highlighted the contribution margin for the first half of the year which was 10.18% compared to the 8.73% budget.

Based on Ms. Espallardo’s report, the total assets as of 30 June 2024 amounted to Php 18.93 Billion which was a Php 2 Billion increase or better by 12.06% compared to 31 December 2023. This increase was attributed to the rise in cash, cash equivalents, and short-term investments.

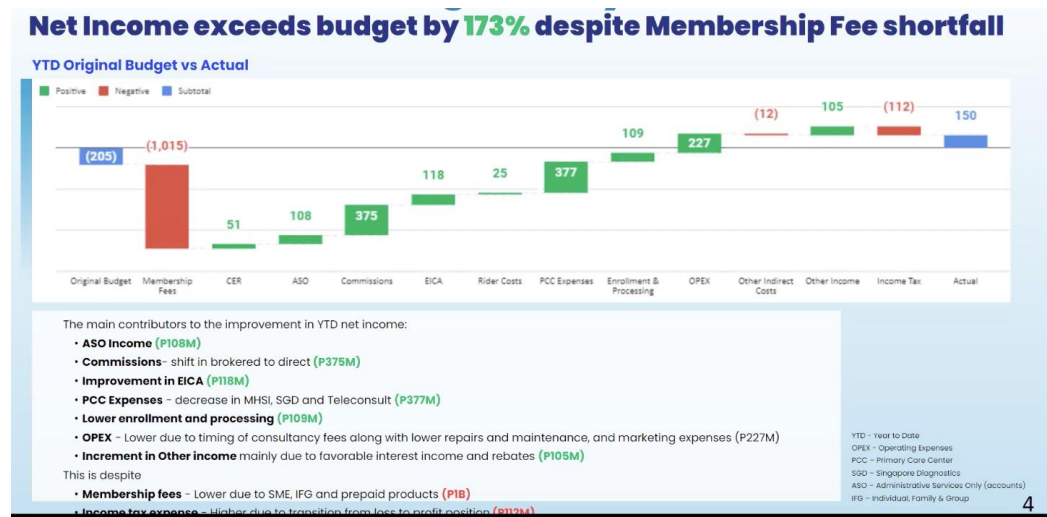
There were challenges and key risks identified, which were the gap or the shortfall in the net revenues that may continue to grow due to the following:

- (i) *Internal:* Further delay in the launch of OGSM products from the reforecasted July launch and the Oracle implementation can affect products and revenue;

- (ii) External: Stiffer competition in the remaining months due to pricing considerations and aggressive competitors' quotes resulting in a decline in new and renewal of business hit rate; and
- (iii) Both Internal and External: Continued shortfall in the target collection ratio and aged receivables may result in higher provisioning in credit impairment, which may affect cashflow and investible funds; she noted that the temporary relief from IC would only be until 30 September 2024.

With regard to the temporary relief, Maxicare, through the Philippine Association of Health Maintenance Organizations Companies (“PAHMOC”), would request an extension for another year since it is still uncertain whether all or majority of other Health Maintenance Organizations (“HMO”) would be able to fully recover and achieve an ATR of 1.0 by the end of 2024.

Bridge Analysis



Ms. Espallardo presented the results of operations against the budget in a bridge format. The projected net loss of Php 205.26 Million based on the budget, the EMF for the period at Php 13.62 Billion fell short by Php 1 Billion or 6.94% against the budget. This was driven by non-renewal of corporate accounts which had high medical utilization costs (“MUC”). As regards the consumer products, the selling of EReady and Prima Silver prepaid cards were put on hold since 01 June 2024 while the same were being reviewed and enhanced.

There were also delays in the launch of OGSM products. However, the combined favorable balances in the CER by Php 50.68 Million, the increase in ASO income by Php 107.67 million due to higher network access fee (“NAF”), Primary Care Clinics (“PCC”) availment of ASO accounts, and the lower commission by Php 375.49 Million as some accounts shifted from broker to direct, reduced the shortfall in the net revenue to 4% or Php 481.46 Million.

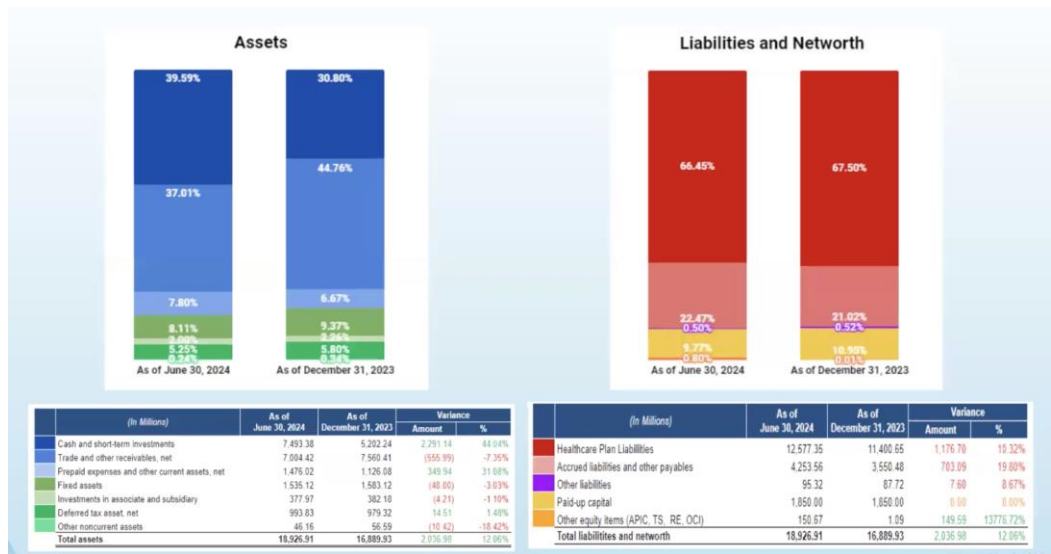
The total direct costs contributed the highest positive contribution to the net income in terms of absolute amount, which is Php 628.66 Million. There were significant contributions which came from the improvement with Estimated Incurred Claims Amount (“EICA”) by Php 117.55 Million, which was seen as due to increased steerage to PCCs. PCC-related expenses decreased by Php 377.12 Million, attributed to reduced costs from MaxiHealth, Singapore Diagnostics (“SGD”), and teleconsult services. Enrollment and processing fees also decreased by Php 109.15 Million, mainly on the availment of Letter of Authority (“LOA”) issuance cost due to fewer agents and a reduction in the rates from a provider.

The total indirect costs comprising OPEX and other indirect expenses showed a favorably lower net variance of Php 215.4 Million or 11.12%. The OPEX budget was

underspent by Php 227 Million due to lower advertising expenses, professional and supervision fees, outsourcing fees and contractual services, and repairs and maintenance, among others. Meanwhile, the unfavorable variance in other indirect costs was due to an increase in the enrollment in the Best Life Program (“BLP”). Other income also posted a total favorable variance of Php 104.52 Million. Other income was composed mainly of utilization, discount, and interest income. Income tax was higher by Php 111.6 Million due to higher taxable income.

Mr. Antonio S. Go (“Mr. A. Go”) asked the total amount in peso value of the 4% shortfall on the net revenue. Ms. Espallardo responded that the shortfall amounts to approximately Php 1 Billion.

Balance Sheet



Ms. Espallardo then presented the balance sheet in a stock bar form. For the period 30 June 2024, total assets amounted to Php 18.93 Billion, which was an increase of Php 2 Billion when compared to 31 December 2023. The increase in the total assets were mostly coming from the increase in cash, cash equivalents, and short-term investments.

According to Ms. Espallardo, almost 84% of Maxicare’s total assets were current assets, as follows: (i) 39.69% of the total assets was cash, cash equivalents, and short-term investments amounting to Php 7.5 Billion, which was 44% higher than the 31 December 2023 balance; and (ii) 37% of the total assets was from the trade and other receivables, which was net of allowance for doubtful accounts and CER, trade receivables decreased by Php 556 Million or 7.35% from 31 December 2023, and (iii) 7.8% of the total assets were prepaid expenses amounting to Php 1.48 Billion, which was composed mostly of creditable withholding tax and advances to vendors and counterparties.

Ms. Espallardo reported that the total liabilities increased by Php 1.88 Billion as of 30 June 2024 when compared to 31 December 2023. She discussed that 99.5% of the total liabilities were comprised mainly of health care plan liabilities and accrued liabilities and other payables.

Lastly, the net worth amounted to Php 2 Billion was Php 150 Million higher than the paid-up capital of Php 1.85 Billion. This represented the income for the period, which was compliant with the IC net worth requirement.

Cash Flows Statement



Ms. Espallardo then presented the cash flow statement of Maxicare. She discussed that the operating activities generated positive cash flows of Php 2.18 Billion, which was primarily from improved collections. Meanwhile, the investing activities resulted in outflows in the amount of Php 515.94 Million. The acquisition of investments and capital assets which amounted to Php 2.41 Billion exceeded the proceeds and interest received from the investments of Php 1.9 Billion. Finally, the financing activities had an outflow of Php 6.17 Million pertaining to the released contracts.

Mr. Enrico S. Cruz (“**Mr. Cruz**”) asked whether the discussed improvement in the net revenue (represented by the green bars in the chart above) was sustainable given that the improvements were from commissions and decreases in PCC-related expenses. He inquired whether this would still be true in the next half of the year. He also factored in the challenging competitive market and the considerable did-not-renew accounts. He also asked how much would be sustainable in terms of offsetting a possible shortfall in revenues.

Mr. Christian S. Argos (“**Mr. Argos**”) discussed that the non-MUC positive variance would be sustainable. On the other hand, if the OPEX was examined, part of it was linked with the volume. Thus, according to Mr. Argos, Maxicare was still at the point where it can leverage on its economies of scale despite lower top line volume. Thus, it was expected that most of the OPEX savings would continue until the rest of the year. Meanwhile, the other positive variance was the MUC where the uncertainty lies for the rest of the year. This would be the biggest driver for Maxicare’s performance for the full year.

Mr. Argos discussed that for the month of July, initially, there was an observed higher than expected MUC but it had been moderated because of natural calamities, like the flooding. This must be taken into consideration. He opined that most of the positive variances in the revenue would continue for the rest of the year, especially the investment income. He added that the OPEX savings would generally continue. Meanwhile, the MUC, specifically the EICA portion would be dependent on unforeseen events for the rest of the year.

As Mr. A. Go observed that the OPEX and the in-patient costs were under control, he then asked on what can be done in order to sustain the savings and control the costs. He requested that this should be explored and studied.

Mr. Argos noted that in July there was a surplus on the outpatient MUC. He discussed that the excess MUC on the emergency patients and out-patient utilization can be traced to infectious diseases. He explained that according to Maxicare’s Medical Team, the infection utilization frequency was uncontrollable. However, what can be controlled is the cost of each engagement. Through the Health Network Management, the Corporation is negotiating package rates for infectious diseases such as dengue and pneumonia. A similar approach was done with metabolic conditions, which have package rates for Maxicare. Thus, in order to have a predictable cost and fixed cost, Maxicare needs to have package rates with the

medical provider since frequency cannot be restrained. The ability to quickly turn that around and define package rates for these will be critical for the Corporation.

Mr. A. Go asked whether Maxicare can reach over Php 800 Million in revenue in 2024. According to Mr. Argos, based on the 6+6 forecast, Maxicare could be closer to its original budget, which was approximately Php 700 Million to Php 711 Million. The impact on the package rates with the infectious diseases can be seen upon approaching F3 or the 9+3. Mr. Argos said that an updated assessment of the whole year's performance would be provided.

Mr. Brian Go ("**Mr. B. Go**") inquired regarding the ATR regulatory requirement and the situation regarding such ratio. He recalled that during the Executive Committee ("**ExCom**") Meeting, there's a certain amount of profit that Maxicare would need to reach to attain the needed ATR. Mr. Argos said that Maxicare would send a request to extend the relief for another year through PAHMOC and the Association of Health Maintenance Organizations of the Philippines, Inc. ("**AHMOPI**"). It is expected that the IC would grant a relief for another year, which would be from September 2024 to September 2025. According to Mr. Argos, the request is to lower the ATR to 0.85. Thus, he said that Maxicare should be fine as far as the ATR was concerned.

Mr. Argos explained that Maxicare's net worth should be closely monitored. Maxicare's net worth was about Php 2 Billion and the requirement was that it should remain above Php 1.85 Billion. As long as Maxicare could generate a positive result every month, its net worth would remain above the Php 1.85 Billion threshold. It is imperative for the Corporation to not accumulate a year-to-date net loss greater than Php 150 Million in the third quarter of the year.

Mr. A. Go asked how much was needed to hit the ATR of 1.0. According to Ms. Espallardo, Maxicare would need a net income worth Php 1 Billion. Mr. Argos explained that upon observing the industry and the IC, the important metric was the net worth. He mentioned that a draft circular was released addressing the industry-wide potential issues for the net worth. He said that the good news was the draft circular already provides a mechanism for HMOs to shore up their net worth without going the APIC² route (contingent liability surplus). In response to Mr. B. Go's query, Mr. Argos said while the ATR requirement would not be dropped, the real concern was directed on the net worth and the IC had recognized such. He also said that there was a chance that Maxicare would reach a Php 1 Billion net income if it would exceed its high target.

ii. **Consolidated FS as of 30 June 2024**

Consolidated Income Statement

Ms. Espallardo presented to the Board the Maxicare Group of Companies' ("**MaxiGroup**") Consolidated Income Statement:

² Additional Paid-In Capital

	MHC		MHSI		CONSOLIDATED		CONSOLIDATED		VARIANCE	
	Unaudited		Unaudited		June 30, 2024		June 30, 2023			
	Amount	%	Amount	%	(A)	%	(B)	%	C = A - B	D = C / B
Earned Membership Fees	13,616,472	104.49%	0	0.00%	13,597,262	104.50%	12,201,476	105.95%	1,395,786	11.44%
Client Experience Refund (CER)	7,620	0.06%	0	0.00%	7,620	0.06%	(1,726)	-0.01%	9,346	541.48%
Administrative Services Only (ASO) Income	237,144	1.82%	0	0.00%	237,144	1.82%	143,816	1.25%	93,328	64.89%
Other Service Revenues (MHSI)	0	0.00%	1,107,642	100.00%	0	0.00%	0	0.00%	0	0.00%
Total Revenue	13,861,236	106.37%	1,107,642	100.00%	13,842,026	106.38%	12,343,566	107.18%	1,498,460	12.14%
Commission Expense to Brokers and Agents	829,883	6.37%	0	0.00%	829,883	6.38%	827,430	7.18%	2,453	0.30%
Net Revenue	13,031,353	100.00%	1,107,642	100.00%	13,012,143	100.00%	11,516,136	100.00%	1,496,007	12.99%
Medical Utilization Cost	11,233,713	86.21%	999,090	90.20%	11,107,793	85.36%	10,616,072	92.18%	491,721	4.63%
Estimated Incurred Claims Amount	9,418,073	72.27%	0	0.00%	9,418,073	72.38%	9,250,471	80.33%	167,602	1.81%
Rider Costs	385,529	2.96%	0	0.00%	318,487	2.45%	215,389	1.87%	103,098	47.87%
Other adjustments	0	0.00%	0	0.00%	0	0.00%	(4,019)	-0.03%	(4,019)	-100.00%
PCC and Other Related Expenses	1,430,111	10.97%	999,090	90.20%	1,371,233	10.54%	1,154,231	10.02%	217,002	18.80%
Enrollment and Processing Charges	471,017	3.61%	0	0.00%	471,017	3.62%	405,804	3.52%	65,213	16.07%
Total Direct Cost	11,704,730	89.82%	999,090	90.20%	11,578,810	88.98%	11,021,876	95.71%	556,934	5.05%
Contribution Margin	1,326,623	10.18%	108,552	9.80%	1,433,333	11.02%	494,260	4.29%	939,073	190.00%
Total Operating Expenses	1,263,659	9.70%	48,653	4.39%	1,309,698	10.07%	1,033,130	8.97%	276,568	26.77%
Indirect Member and LOA-Related	383,924	2.95%	0	0.00%	383,924	2.95%	309,542	2.69%	74,382	24.03%
Indirect UM Initiatives	73,907	0.57%	0	0.00%	73,907	0.57%	39,419	0.34%	34,488	87.49%
Total Indirect Cost	1,721,490	13.21%	48,653	4.39%	1,767,529	13.58%	1,382,091	12.00%	385,438	27.89%
Income (Loss) from Operations	(394,867)	-3.03%	59,899	5.41%	(334,196)	-2.57%	(887,831)	-7.71%	553,635	62.36%
Other Income, net	588,298	4.51%	(22,942)	-2.07%	564,583	4.34%	494,461	4.29%	70,122	14.18%
Utilization Discount	420,250	3.22%	0	0.00%	420,250	3.23%	400,571	3.48%	19,679	4.91%
Interest Income	150,394	1.15%	148	0.01%	150,542	1.16%	131,725	1.14%	18,817	14.29%
Other Income (Expense)	17,654	0.14%	(23,090)	-2.08%	(6,209)	-0.05%	(37,835)	-0.33%	31,626	83.59%
Income (Loss) Before Tax	193,431	1.48%	36,957	3.34%	230,387	1.77%	(393,370)	-3.42%	623,757	158.57%
Provision For Income Tax (Income Tax Benefit)	43,190	0.33%	13,628	1.23%	56,817	0.44%	(92,650)	-0.80%	149,467	161.32%
Net Income (Loss)	150,241	1.15%	23,329	2.11%	173,570	1.33%	(300,720)	-2.61%	474,290	-157.72%

The MaxiGroup’s net income as of 30 June 2024 amounted to Php 175.57 Million. The primary contributor to the consolidated FS was still Maxicare. The consolidated revenues net of commission amounted to Php 13.01 Billion, which was all attributed to Maxicare. The consolidated direct cost amounted to Php 11.58 Million, wherein the Php 999 Million was from the direct cost from Maxicare Healthcare Services, Inc. (“MHSI”). The contribution margin of MaxiGroup was positive with the amount of Php 1.43 Billion at 11.02%.

Ms. Espallardo discussed that MaxiGroup’s OPEX amounted to Php 1.31 Billion, which included the Php 46 Million from MHSI. Meanwhile, the other net income amounted to Php 564.58 Million, wherein Php 588.30 Million was from Maxicare, mainly due to utilization discounts and interest income while this was reduced by Php 23.09 Million for other expenses of MHSI. These other expenses of MHSI were from interest expenses that amounted to Php 6.8 Million, and lease liabilities that amounted to Php 14.02 Million. MaxiGroup’s income tax amounted to Php 43.19 Million, which was the combination of Maxicare’s and MHSI’s income tax amounting to Php 43.19 Million and Php 13.63 Million, respectively.

Consolidated Balance Sheet

Ms. Espallardo presented next the Balance Sheet of MaxiGroup:

(In Thousands)	MHC		MHSI		CONSOLIDATED		CONSOLIDATED		VARIANCE	
	Unaudited		Unaudited		June 30, 2024		December 31, 2023		in PHP	in %
ASSETS										
Current Assets										
Cash and Cash Equivalents	5,099,272	26.94%	250,544	16.35%	5,349,816	27.19%	3,572,800	20.42%	1,777,016	49.74%
Financial Assets at Amortized Cost	2,394,110	12.65%	0	0.00%	2,394,110	12.17%	1,760,299	10.06%	633,811	36.01%
Trade Receivables	6,270,152	33.13%	178,223	11.63%	6,265,111	31.85%	7,168,376	40.97%	(903,265)	-12.60%
Non Trade and Other Receivables	734,267	3.88%	550	0.04%	434,816	2.21%	385,984	2.21%	48,832	12.65%
Prepaid Expenses and Other Current Assets	1,476,020	7.80%	143,019	9.33%	1,599,053	8.13%	1,189,749	6.80%	409,304	34.40%
Total Current Assets	15,973,821	84.40%	572,336	37.35%	16,042,906	81.55%	14,077,208	80.45%	1,965,698	13.96%
Noncurrent Assets										
Available For Sale Financial Assets	6,277	0.03%	0	0.00%	6,277	0.03%	6,277	0.04%	0	0.00%
Property And Equipment, Net	1,256,956	6.64%	887,254	57.90%	2,146,260	10.91%	1,944,789	11.11%	201,471	10.36%
Systems And Applications, Net	125,763	0.66%	5,090	0.33%	130,852	0.67%	166,070	0.95%	(35,218)	-21.21%
Investment Property, Net	152,403	0.81%	0	0.00%	152,403	0.77%	142,871	0.82%	9,532	6.67%
Investment In An Associate	93,122	0.49%	0	0.00%	93,122	0.47%	97,331	0.56%	(4,209)	-4.32%
Investment In Subsidiaries	284,852	1.51%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Deferred Tax Asset, Net	993,834	5.25%	7,877	0.51%	1,001,711	5.09%	987,201	5.64%	14,510	1.47%
Other Non Current Asset	39,884	0.21%	59,758	3.90%	99,643	0.51%	75,444	0.43%	24,199	32.08%
Total Noncurrent Assets	2,953,091	15.60%	959,979	62.65%	3,630,268	18.45%	3,419,983	19.55%	210,285	6.15%
TOTAL ASSETS	18,926,912	100.00%	1,532,315	100.00%	19,673,174	100.00%	17,497,191	100.00%	2,175,983	12.44%

As of 30 June 2024, the consolidated assets of MaxiGroup amounted to Php 19.67 Billion. MHSI assets were comprised of:

- (i) Cash in banks, which amounted to Php 250.54 Million;
- (ii) Other current assets, which amounted to Php 321.79 Million;
- (iii) Property, plant, equipment and software, which amounted to Php 892.34 Million; and
- (iv) Other non-current assets, which amounted to Php 67.64 Million.

Ms. Espallardo reported that the consolidated liabilities of MaxiGroup amounted to Php 17.56 Billion for the period. This included the Php 262.5 Million loans payable, and Php 427.1 Million finance lease liability of MHSI.

She also discussed that the consolidated equity of MaxiGroup amounted to Php 2.11 Billion, which mostly came from Maxicare's equity. This also included the retained earnings of MHSI which amounted to Php 103.45 Million.

iii. **RPT for the Board’s Approval**

Ms. Espallardo sought the Board’s approval for the RPT of Maxicare with its fully-owned subsidiary, MHSI.

This proposal was to set up a Php 300 Million revolving fund, approximately 150% based on the current monthly transaction volume but this was projected to be equivalent to 100% towards the end of 2024, as more clinics would be opened based on the last forecast for 2024. This was included in the service agreement between Maxicare and MHSI, which was similar with the other service agreements with other medical providers with revolving funds (i.e. Makati Med and Medical City).

Ms. Espallardo discussed the second item for approval. It was to extend advances to MHSI with an aggregate amount of Php 600 million in three scheduled tranches and drawdowns as follows:

Particulars	Date	Amount
Revolving Fund	May 2024	P300 million
1st Drawdown	July 2024	P200 million
2nd Drawdown	August 2024	P200 million
3rd Drawdown	September 2024	P200 million

Each drawdown would be documented by a debit non-interest bearing document with a one-year tenor. The Documentary Stamp Tax on the document would be paid. The advances will be used by MHSI to build fifteen (15) PCCs in 2024. Msl Espallardo discussed that both the RPT and Executive Committees have approved these proposed RPT transactions. Based on Maxicare’s RPT mandate, as the transaction involves an amount more than Php 50 Million, board approval was also required.

Ms. Espallardo confirmed Mr. Macasaet’s clarification that there were there two RPTs that were for Board approval. First, the revolving fund of Php 300 Million for MHSI; and second, the three (3) drawdowns totaling Php 600 Million.

Upon motion duly made and seconded, the RPT transactions with MSHI setting up a revolving fund of Php 300 Million; and the three (3) drawdowns amounting to Php 600 Million were approved.

IV. **REPORTS – SALES UPDATES**

Ms. Fiona Marie L. Victoria (“**Ms. Victoria**”) presented the Corporate Sales performance and initiatives, the details of which were set forth in the presentation materials.

i. **Corporate Sales**

January – June 2024

	2024 Actual Performance (M)	2023 Actual Performance (M)	% Growth	Php Growth (M)	2024 Actual Target	% Performance
NEW BUSINESS (NB)	989	1,282	-22.85%	-293	901	109.77%
RENEWAL BUSINESS (RB)						
RENEWED	12,839	11,226	14.37%	1,613	11,284	113.78%
DNR	2,256	1,580	42.78%	676		19.99%
TOTAL NB AND RB	13,828	12,508	10.55%	1,320	12,185	113.48%

Corporate Sales Performance

- 113.48% achievement
- 10.55% growth from 2023

Corporate Gain & Loss

- Highest Gain: **Etiqa at 417 M**
- Highest Loss: **Intellicare at 579 M**
- Highest Net Gain: **Etiqa at 395 M**
- Highest Net Loss: **ICare at 388 M**

Corporate Sales achieved 113.48% of its target amounting to Php 13,828 Billion from its actual target of Php 12.185 Billion. This represented a 10.55% growth when compared to 2023 actual performance.

The new business performance was at 109.77% of the annual target and a decline of -22.85% from 2023's actual performance at Php 1.2 Billion. Nonetheless, this was still above the target for the year. Renewal business recorded an increase of 113.78% achievement with a growth of 14.73% when compared with the same period last year.

For the corporate gain-loss, the highest gain was from Etiqa at Php 417 Million, while the highest loss was from Intellicare at Php 579 Million. The highest net gain posted was the transition of Bank of the Philippine Islands (“BPI”) back in January. Meanwhile, the highest loss of Maxicare was to Intellicare, losing twelve (12) accounts, the biggest of which was Metrobank, an ASO account, which was lost in January with a 25,000 headcount. The highest net gain was from Etiqa at Php 395 Million whereas, the highest net loss was to ICare at Php 388 Million, losing three (3) accounts, the biggest of which was Carelon.

January to June 2024 New Accounts and Renewal Business

New Business Jan - Jun 2024			
Particular	2024 Actual	2023 Actual	% Growth
Number of New Accounts	114	116	-1.72%
Number of New Members of New Accounts	47,582	74,680	-36.29%
Estimated Total Contract Value (TCV)	989,347,782.05	1,282,442,106.78	-22.85%
Estimated premium per capita	20,792	17,172	21.08%
Renewal Business Jan - Jun 2024			
Particular	2024 Actual	2023 Actual	% Growth
Number of Renewed Accounts	519	636	-18.40%
Number of Renewed Members	716,469	817,151	-12.32%
Estimated Total Contract Value (TCV)	12,839,318,181.73	11,226,986,426.60	14.36%
Estimated premium per capita	17,920	13,739	30.43%
DNR Jan - Jun 2024			
Particular	2024 Actual	2023 Actual	% Growth
Number of DNR Accounts	165	191	-13.61%
Number of DNR Members	164,327	127,165	29.22%
Estimated Total Contract Value (TCV)	2,256,123,583.23	1,833,385,859.00	23.06%
Estimated premium per capita	13,729	14,417	-4.77%

Ms. Victoria thereafter presented the new and renewal business. For new business accounts, 114 accounts were transitioned to Maxicare, this posed a -1.72% decline when compared to the same period from last year. The decline in the headcount was recorded at -36.29% as compared to last year. The total contract value that was proposed to these new accounts was a -22.85% from Php 1.2 Billion Total Contract Value (“TCV”) that was closed last year to Php 989 Million to this year. There was an increase on a per capita basis at Php 20,792 compared to an estimated per capita last year at Php 17,172 posing an increase of 21.08%.

For renewal business, there was a decline in the number of renewed accounts when compared with last year, from 636 accounts to 519 accounts. There was a decline of -12.32% headcount in the number of renewed members. The TCV of the existing remaining renewal accounts increased by 14.36%. There was an increase in the per capita renewed at 30.43% where there were renewed accounts at P17,920 per head

estimated versus P13,739 per head of last year. This was brought about by the discipline on the pricing assumptions following the guidelines on renewing accounts.

For DNR or did not renew accounts for the months of January to June, Ms. Victoria noted that the estimated premium per capita at the time of losing the account remained at Php13,729 levels, this was very close to the last year's performance of the renewed accounts. This showed a 4% decline from the experience of last year.

Ms. Victoria showed another form of breakdown of the new business, renewal business, and did not renew accounts, providing a segregation of the performance of the premiums per capita for full risk in ASO:

Breakdown per Funding Arrangement								
New Business Jan - Jun								
Particular	FULL RISK			ASO			HYBRID	
	2024	2023	% Growth	2024	2023	% Growth	2024	2023
Count of Accounts	100	74	35.14%	9	2	350.00%	5	4
Number of New Members	20,917	47,377	-55.85%	19,242	241	7884.23%	6,364	18,352
Estimated Total Contract Value (TCV)	371,665,622.08	650,608,440.83	-42.87%	458,691,942.31	4,060,263.86	11197.10%	158,990,217.66	598,816,632.20
Estimated premium per capita	17,769	13,733	29.39%	23,838	16,848	41.49%	24,983	32,630
Renewal Business Jan - Jun								
Particular	FULL RISK			ASO			HYBRID	
	2024	2023	% Growth	2024	2023	% Growth	2024	2023
Count of Renewed Accounts	432	521	-17.08%	57	60	-5.00%	20	15
Number of Renewed Members	596,356	619,191	-3.69%	77,932	147,011	-46.99%	55,521	52,262
Estimated Total Contract Value (TCV)	10,777,213,634.07	9,463,473,867.37	13.88%	688,104,848.78	1,146,465,180.30	-39.98%	1,373,999,698.88	814,731,162.24
Estimated premium per capita	18,072	15,284	18.24%	8,830	7,798	13.22%	24,747	15,589
Did Not Renew Jan - Jun								
Particular	FULL RISK			ASO			HYBRID	
	2024	2023	% Growth	2024	2023	% Growth	2024	2023
Count of DNR Accounts	157	186	-15.59%	7	14	-50.00%	1	2
Number of DNR Members	132,475	108,724	21.85%	30,066	21,216	41.71%	1,786	3,120
Estimated Total Contract Value (TCV)	1,844,313,735.03	1,333,169,621.46	38.34%	398,558,728.38	227,601,104.80	75.11%	13,251,119.82	20,048,696.89
Estimated premium per capita	13,922	12,262	13.54%	13,256	10,728	23.57%	7,419	6,426

For the new business, both full risk and ASO accounts had growth by 30% for full risk and 40% for ASO. The pricing assumptions particularly for ASO were the increases in network access fee and the discipline of the claims handling fee depending on the estimated claims ratio of the account.

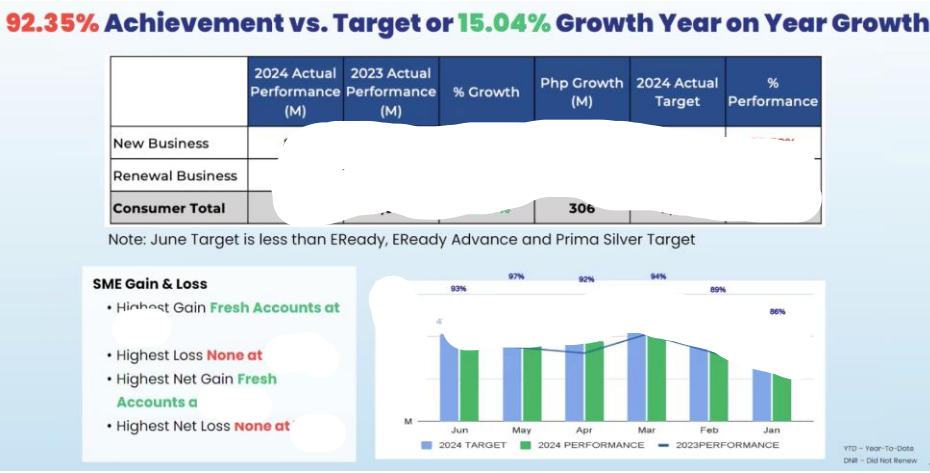
For renewal business, it also had an increase by 18% for the full risk portion and a 13% increase on the ASO portion. This one was heavily driven by the change of the ASO program from percentage claims handling fee to a fixed network access fee.

The did not renew accounts remain to have low premium per capita at Php 13,000 for full risk and Php 13,000 as well for ASO which was no longer aligned with the pricing assumptions and estimated claims expected per member per year.

ii. Consumer Sales

Ms. Rodelee V. Uy, (“Ms. Uy”) presented the Consumer Sales performance for January to June 2024, the details of which were set forth in the presentation materials.

January –June 2024



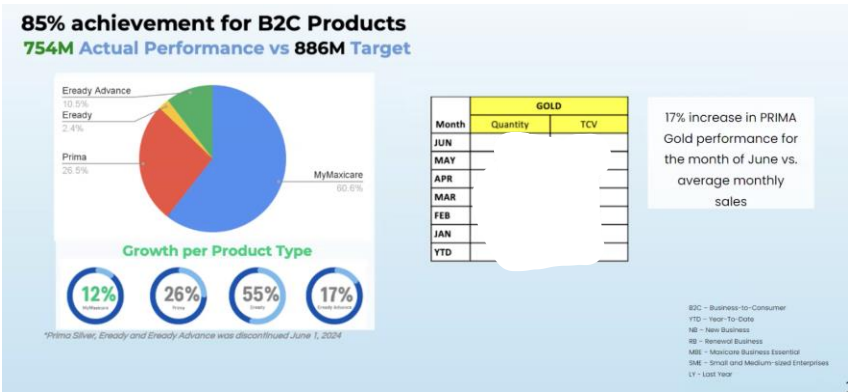
Consumer Sales achieved 92.35% of its target, which represented a 15.04% growth when compared to the same period in 2023.

For new business, Maxicare was able to achieve Php 694 Million and 18.47% growth versus target, however, Maxicare was able to achieve 83.52%. Meanwhile, the renewal business was at 97.88% with 13.27% growth versus target achievement was at 97.88%.

For SMEs Gain and Loss, the result has been consistent for the past months. During the covered period, the highest gain was from Fresh Accounts at ₱1,000,000, while the highest loss was from None at ₱0. The highest net gain was from Fresh Accounts at ₱1,000,000 whereas the highest net loss was from None at ₱0.

The presented graph shows Maxicare’s monthly performance. This performance was at 93%. It was still expected to increase up to 96% due to some late renewals.

Ms. Uy presented the performance of Maxicare’s B2C products:



According to Ms. Uy, when Maxicare stopped its sale of PRIMA Silver, EReady, and EReady Advance last 01 June 2024, the growth for B2C products was interrupted. The EReady and EReady Advance were being revamped pending IC approval. The target launch date was 01 October 2024.

The Corporation’s full HMO product, MyMaxicare, for individuals and families, was able to maintain its growth at 12%. Meanwhile, PRIMA Gold also posted a 17% increase in sales performance last June versus its average monthly sales.

Next, Ms. Uy presented the performance of Maxicare’s B2B products:



The B2B products reflected continuous growth. Major contributor in terms of sales channels for this product would be the agents bringing 80% of the business to Maxicare.

The deficit would be coming from new businesses, but this was recovered by the renewal business.

The per capita cost growth was presented:

Per Capita Cost Growth - B2C & B2B Products as of May 2024

PRODUCT TYPE	2024 YTD (Jan to May)			2023 YTD (Jan to May)			comparison 2024 vs 2023		
	2024 Actual NCV (net of comm)	Headcount	per capita	2023 Actual NCV (net of comm)	Headcount	per capita	NCV Growth (+/-)	Headcount growth (+/-)	per capita growth (+/-)
B2C - Individual and Family									
1. MYMAXICARE									
2. EREADY (Platinum & Titanium)									
3. PRIMA (Gold & Silver)									
4. EREADY ADVANCE (Platinum & Titanium)									
SUBTOTAL									
B2B - SME Boxed Type									
1. MAXICARE PLUS									
2. MAXICARE STARTER PLAN									
3. MAXICARE BUSINESS ESSENTIAL									
SUBTOTAL									
TOTAL :									

RB - Business-to-Business
B2C - Business-to-Consumer
NCV - Net Contract Value (net of commission)
SME - Small and Medium-sized Enterprises

The three columns on the right showed the percentage variance for 2024 versus 2023.

For B2C, the drop in EReady and PRIMA headcount was due to the price increases implemented. There was also a significant drop in headcount with the MaxicarePLUS product. The reduction, however, did not affect the per capita growth of the product. Necessary adjustments were made in the policy and pricing, which would take effect on 01 August . In response to Mr. Macasaet’s query, Ms. Uy explained that the headcount being presented pertained to the active members.

Mr. Cruz asked how the B2C product profitability was being addressed. Ms. Uy explained that the reason why Maxicare stopped selling PRIMA Silver, EReady and EReady Advance was because of the negative result on the P&L. Thus, pricing adjustments were made including adjustments in the benefit package. This was already forwarded to IC for approval. The prices were increased and limited the benefits for EReady and EReady Advance. The PRIMA was still being reviewed and would be presented in the next Executive Committee meeting for approval.

Mr. Cruz clarified whether the change made on the pricing improved the confidence level on achieving the profitability targets. Ms. Uy affirmed this.

Mr. A. Go inquired about the PRIMA products. He asked whether it would be cheaper if MHSI would sell the PRIMA products rather than Maxicare, saving 12% VAT. According to Ms. Espallardo, this was being studied because, while MHSI iwas not subject to VAT, there would be expenses in contracting Maxicare for the entire

journey of transactions that would still involve VAT components. Mr. A. Go asked whether those amounts would be smaller. Ms. Espallardo explained that it would not be necessarily smaller, thus, their team was still studying it.

Mr. Argos explained that Maxicare sought the assistance of BCG to review the cost structure of Maxicare and the pricing at MHSI. This study was completed and shown to the Executive Committee. He discussed that based on the study, MHSI was performing well with 4% inflation under services for the past few years, beating the entire market. Upon understanding the unit cost of MHSI for all the various services, the next step was to productize it. This was because the new version of PRIMA was being studied to be a personal ASO type that is app-enabled for payments top-up and co-payments. The PRIMA Silver would not be relaunched in its existing form, changing its type of product. PRIMA Silver would be housed in the appropriate unit, which would likely be MHSI.

Mr. A. Go asked whether PRIMA would be sold by Maxicare or MHSI and the projected timeline. According to Mr. Argos, it would be sold under MHSI and there was no prepared timeline yet for this. Mr. A. Go instructed that there should be a timeline. Mr. Argos said PRIMA was aimed to be a purely digital product thus there should be a mobile application and a billing back-end in place. He added that this was linked with Project MIS under the IT Department. Mr. A. Go emphasized the need to make an additional Php 300 Million in 2024 to reach Php 1 Billion and that he is counting on the Product Team for this.

Mr. A. Go asked why there was a shortage of 4% in the targeted net revenue when the corporate sales achieved over 100% of its target. Ms. Espallardo explained that there were did-not-renew accounts in the Corporate Sales and there were shortfalls in the launching of the OGSM products, which were originally part of the budget. The failure to launch the OGSM products during the first half of the year contributed to the 4% shortage in the net revenue. The OGSM product revenue was re-forecasted starting July as these were already launched during the second quarter or were ready to be launched.

Mr. Argos also explained that there was also the impact of the timing of revenue recognition. The Sales Team presented the TCV but the effectivity date of some of these contracts were on a different period, thus the price increases were only impacting half the year or the back half. Some of the Corporation's performance presented as revenue came from renewals and sales closed accounts from last year.

Mr. A. Go requested that the gross revenue must be reported to complete the big picture in the executive summary. He also requested whether a software or a machine could generate all the reports to avoid human error.

Mr. Argos said that a timeline would be presented and this was covered under a project with Anaplan to include the forecasts. He also said that Mr. Mark Macapagat had a timetable for all the reports coming online.

Mr. Rene J. Buenaventura (“**Mr. Buenaventura**”) asked whether there could be a process by which the directors or advisors can reach out and pitch ideas or suggestions to the Corporations’ president or new product development officer, particularly on the consumer products. Mr. Argos would get back on this suggestion. He discussed that the current mechanism was a more structured product development process and he said that a stakeholder engagement with the Board at a certain point of the product life cycle can be inserted. Before finalizing a product and going to the market, the team would seek inputs.

Mr. Argos said that they could give a walk through to the directors on the product roadmap for the next two or three years. Thereafter, carve outs can be done to individual products in going through the development pipeline, then seeking also inputs on a per product level.

Mr. A. Go asked Mr. Raymond Hernandez ("**Mr. Hernandez**") whether there was wisdom in combining MaxiLife and Maxicare, wherein MaxiLife can focus on wellness, similar to what other countries are doing instead of just pure life insurance. According to Mr. Hernandez, it would make sense without looking into any regulatory concerns. It would also make sense that there was some part of MaxiLife products within the Maxicare offerings. There will always be a way to integrate the different services and products. He said that it was something that should be explored.

Mr. A. Go said that in case MaxiLife would offer these new products, IC approval would be needed. Unfortunately this would take some time. Thus, it would be best to initiate it as soon as possible.

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

Upon motion duly made and seconded, the Board ratified all acts and resolutions of the Executive Committee, from the date of the last Board meeting to as of the date of this meeting.

VI. MATTERS FOR APPROVAL

a. Approval of Transactions and Authorization of Signatories. The Corporate Secretary sought for the approval to enter into various transactions and to appointment authorized signatories and representatives for various purposes. Upon motion duly made and seconded, the following resolutions have been approved:

i. Appointment of Atty. Andrew A. Fornier as the Chief Legal, Risk and Compliance Officer of Maxicare:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) hereby appoints **ATTY. ANDREW A. FORNIER**, in his capacity as Chief Legal, Risk and Compliance Officer, as the Compliance Officer of the Corporation.”

ii. Designation of signatories for the Healthcare contracts:

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) hereby authorizes the following individuals as signatories relative to the execution of healthcare contracts specifically for HMO Agreements (Conforme or Compendious Service Agreement):

Class A	Class B	Class C
Christian S. Argos	Corporate Lorena Iquina	Corporate Mirasol Mauhay Gajisan

	Cecilia David	Jenny Marie Pascual Moralde Alessandra Ocampo Aquino Maria Kathrina Tejada Bocala Jeffrey Jae Sablaon Justiniani Karen Therese Quinanola Rodriguez Edwin Puno Nueva Roel Mahaguay Sevilla Elinor Alvero Siasoco Jesma Rica Caipang Alingal
	Consumer	Consumer
	Rodelee Uy	Dick Cruz Mercado Lloyd Rustee Lucas Balba Mary Ivory Joy Santos Lagazon Jennilyn Michelle Tan Limbaring Rowena Tampus Vivares

RESOLVED FURTHER, that the Corporation hereby authorizes the following individuals as signatories relative to the execution of Supplementary Contracts-Special Conditions of the Agreement, Addendum, and/ or Advance SCA:

Class A	Class B
Christian S. Argos Jasper Hendrik T. Cheng	Lorena Iquina Cecilia David Rodelee Uy

RESOLVED FINALLY, that the signing authorization shall be subject to the following procedure:

A.1.	A.2.
a) Corporate Accounts shall be signed by the handling Class B and Class C b) Consumer Accounts shall be signed by the handling Class B and Class C c) Jumbo Accounts shall be signed by Christian S. Argos and handling Class B	a) Corporate and Consumer Accounts with P50M and above TCV shall be signed by the handling Class B and Christian S. Argos b) Corporate and Consumer Accounts with less than P50M TCV shall be signed by the handling Class B and Jasper Hendrik T. Cheng

- iii. Revision of the signing mechanism for Provider Network Management:

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

approves the revision to the signing procedure for Provider Network Management (‘PNM’) documents;

RESOLVED FURTHER, that for Class A documents: any one (1) Class A signatory AND any two (2) Class B, with (Optional) 1 Class C signatory for provider agreements with hospitals, and any one (1) Class A signatory AND any one (1) Class B signatory for healthcare contracts (except for HMO agreements such as Conforme or Compendious Service Agreements and Supplementary Contracts Contracts-Special Conditions of the Agreement (‘SCA’), Addendum, and/ or Advance SCA) with various corporate, individual, family, and group clients ;

RESOLVED FURTHER, that for Class B documents: any two (2) Class A or Class B signatory AND any one (1) Class C signatory for service and/ or maintenance agreements, agreements with vendors clinics (large/small), dental providers, individual doctors/ specialists and Any one (1) Class A or B signatory AND any one (1) Class C signatory for buyers, lease agreements, and any other contracts but not limited to banks, international partners and employment; and

RESOLVED FINALLY, that for Class C documents: any one (1) Class A or B signatory and any one (1) Class C signatory for agreements with part-timer general practitioners and/or company physicians.”

iv. Removal of Ms. Chona A. Ferrer as Class A-2 approver:

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

Authorized Signatory	Class
Ms. Chona A. Ferrer	A-2

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; and

RESOLVED FURTHER, that in lieu of Ms. Chona A. Ferrer, **MS. MARA U. BARRETTO** shall be designated as a new Class A-2 signatory.”

v. Removal of Mr. Renato Carino as bank approver:

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

Authorized Signatory	Class
Mr. Renato P. Cariño	C

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.”

vi. Authorization of corporate signatories for banks:

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

Authorized Signatory	Class
Ms. Mara U. Barretto	A-2
Mr. Mark Noel R. Macapagat	C
Mr. Alen Roie Tatco	C

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.”

vii. Authorization the SEC electronic filing submission tool:

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to designate **Ms. Edlyn Joyce Y. Hernandez** and **Ms. Jenny Rose C. Cabatic** in replacement of Ms. Fabienne C. Trangia and Ms. Arisa Perando as authorized filers and representatives for purposes of the Securities and Exchange Commission (‘SEC’) Electronic Filing and Submission Tool (‘Efast’).”

viii. Authorization on securing loan/credit facilities from Union Bank Philippines:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to obtain or secure credit/ loan facilities from Union Bank of the Philippines Inc. (the ‘Bank’), for a principal amount not exceeding **Five Hundred Ninety Million Pesos (₱**

RESOLVED FURTHER, 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, to wit:

Class A	Class B	Class C
Class A-1	Rodelee V. Uy	Dr. Mary Antoniette Tan-Ricamonte
Christian S. Argos	Artemio V. Rillo II	Nestlie Sison
Jasper Hendrik T. Cheng	Dr. Arturo C. Libao	Jerry S. Perez, Jr.
Roberto M. Macasaet Jr.	Marcelito G. Ortiz	Mark Noel R. Macapagat
Maria Teresita A. Espallardo	Lorena L. Iquina	Alen Roie T. Tatco
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		
Mara U. Barretto		

are hereby authorized and empowered, on behalf of the Corporation (i) to negotiate, execute, sign and deliver such contracts, documents or papers in connection with the abovementioned credit line facility/ies, such as but not limited to, promissory notes, disclosure statements, loan agreements, and such other documents in favor of, and as may be required by, the Bank that would be necessary and incidental for the aforementioned credit line facility; and (iii) to receive the proceeds therefor;

RESOLVED, FURTHERMORE, that the Corporation hereby agrees and undertakes to reimburse the Bank for any and all amounts of money that may have been credited by the Bank to the Corporation’s designated account/s in connection with the above-stated transaction, in the event that any of the checks purchased by the Bank pursuant thereto were dishonored by the drawee banks thereof;

RESOLVED, MOREOVER, that the Corporation shall indemnify and hold the Bank and/ or its directors, stockholders, officers or representatives free and harmless from any and all liabilities, claims, suits, charges, or expenses, of whatever nature arising out of, in connection with or by virtue of the implementation of and the Bank’s reliance on the foregoing resolutions; and

RESOLVED, FINALLY, that the foregoing resolutions of the Board of Directors are valid, binding, and subsisting, and shall continue to be valid, binding, and subsisting unless superseded, amended, or modified by any resolution or act of the Board of Directors and/ or stockholders of the Corporation.”

ix. Authorization relating to trademark filings:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘**Corporation**’) recognizes the importance of protecting its intellectual property rights over its marks, names, and various works, collectively (“**Works**”) via registration and/ or recordation, as may be applicable, with the Intellectual Property Office of the Philippines (‘**IPOP**’);

RESOLVED, FURTHER, that the Corporation’s President and Chief Executive Officer, **Mr. Christian S. Argos**, or any duly authorized representative that he shall delegate, is hereby designated as the Corporation’s authorized representative to instruct and procure the registration and/ or recordation of the Corporation’s Works, 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 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, FURTHER, that Divina Law Offices, specifically, Attys. Enrique V. Dela Cruz, Jr., Janna Mae B. Tecson, Nasha Jemimah R.

Reyes, Jennel L. Chu, Mary Zoelli Velasco, Clarizza Grace D. Napa, Kristina Mae C. Durana, Angel Isah Romero, and Isabella A. Rodriguez or any lawyer or staff as may be designated by the Managing Partner, are hereby appointed as the Corporation's attorneys-in-fact, for and in the name, place, and stead of the Corporation, in (a) processing the Corporation's application for registration of the aforesaid Works; (b) executing, signing, and filing any and all papers, affidavits, and documents as may be necessary relative thereon attending all other proceedings to be conducted in connection therewith; and (c) general, doing any and all acts as may be necessary, required, incidental or proper to give effect to the foregoing resolutions."

"RESOLVED, FINALLY, that the foregoing resolutions remain valid and subsisting and in full force and effect unless otherwise revoked and/or amended in writing by a subsequent resolution adopted by the Board of Directors."

x. Authorization as to purchase of ‘Method to Greatness Book’:

"RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to purchase two hundred (200) copies of the book entitled, “Method to Greatness”, from National Bookstore. For this purpose, **Mr. Artemio V. Rillo**, *Chief Marketing Officer*, is hereby authorized, with full power and authority to delegate the powers granted herein, to sign, execute, certify, endorse and deliver, for and on behalf of the Corporation, any and all documents, contracts, 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 resolution."

xi. Authorization as to signing mechanism for auxiliary documents:

"RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) has approved the signing mechanism for the auxiliary documents, (the ‘Document/s’) listed below:

Document	Label
1. Non-Disclosure Agreements	A
2. Supplier Covenants and Undertakings	B
3. Data Sharing and Data Processing Agreements	C
4. Requirements for Bidding Proposals with No Stated Penalty of Financial Consequence Independent from a Primary Agreement	D

RESOLVED FURTHER, that the following signatories shall be authorized to sign the Documents following the indicated Label assignments:

Signatory	Position	Authorized to Sign Documents Labelled as:

1. Christian S. Argos	President and Chief Executive Officer	A, B, C, D
2. Fiona Marie L. Victoria	Chief Operating Officer	A, B, C, D
3. Jasper Hendrik T. Cheng	Chief Actuarial Officer	A, B, C, D
4. Andrew Patrick A. Fornier	Chief Legal, Risk and Compliance Officer	A, B, C
5. Ma. Cecilia L. David	Senior Vice President-Corporate Sales	D
6. Lorena L. Iquina	Senior Assistant Vice President-Corporate Sales (Key Accounts)	D
7. Rodelee V. Uy	Chief Consumer Officer	D

provided that, for signatories 5 to 7, their authority shall be limited to proposals and third-party transactions within the scope of their functions.

- xii. Authorization as to additional approvers for Union Bank of the Philippines payments in the Electronic Filing and Payment System of the Bureau of Internal Revenue:

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) hereby designates either of the following as additional approvers:

Authorized Signatory	Position
Mr. Jasper Hendrik T. Cheng	Chief Actuarial Officer
Mr. Jerry S. Perez, Jr.	Assistant Vice-President-Finance

with respect to payments for Union Bank of the Philippines, Inc. in the Electronic Filing and Payment System (‘EFPS’) of the Bureau of Internal Revenue (‘BIR’).

- b. Renewal of Accreditation with Mercury Drug Corporation. The renewal of the accreditation for Mercury Drug Corporation was likewise sought. Upon motion duly made and seconded, the following resolution was approved:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Company’) hereby approves and confirms the renewal of accreditation of **MERCURY DRUG CORPORATION** with the Company.”

- c. Sale of Assigned Cars. Several resolutions for the sale of company vehicles were also raised for approval. Upon motion duly made and seconded, the following resolutions were approved:

- i. Sale of vehicle assigned to Ms. Espallardo:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to sell its company vehicle, due to the expiration of the car plan, that was assigned to **Ms. Maria Teresita A. Espallardo**, more particularly described as follows:

Model Series/Car Make:	Toyota Fortuner 2.4L 4X2 V Diesel AT
Conduction/Plate Number:	NBS 5752
Color:	Gray Metallic
Motor Number:	2GDC356851
Serial/Chassis No.	MHFGB8GSXJo872593

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. Sale of vehicle assigned to Ms. Jennilyn Michelle Limbaring:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to sell its company vehicle, due to the expiration of the car plan, that was assigned to **Ms. Jennilyn Michelle Limbaring**, more particularly described as follows:

Model Series/Car Make:	2019 Innova 2.8E DSL AT
Conduction/Plate Number:	NFT 4o81
Color:	Blackish Red Mica
Motor Number:	1GDo7o196o
Serial/Chassis No.	PA2JASEM9Koo67727

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. Sale of vehicle assigned to Ms. Rowena T. Vivares:

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to sell its company vehicle, due to the expiration of the car plan, that was assigned to **Ms. Rowena T. Vivares**, more particularly described as follows:

Model Series/Car Make:	2019 JAC S3 1.6L VVT SUV Compact SUV
Conduction/Plate Number:	NEB 6199
Color:	Silver

Motor Number:	HFC4G83.3D*J3347462
Serial/Chassis No.	U12EKR27J4739995

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.”

d. Participation in Bidding. Board approval was also sought to participate in the bidding of several accounts. Upon motion duly made and seconded, the following resolutions were approved:

- i. Authorization to participate in the public bidding for Cotabato Electric Cooperative, Inc.

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to participate in the public bidding of the Cotabato Electric Cooperative, Inc. for the healthcare program of its employees. For this purpose, **Mr. Clinton S. Malate** and **Mr. Reybert Riogelon**, Account Officer and Business Development Manager, respectively, in lieu of Ms. Cecilia David, are hereby authorized, with full power and authority to delegate the powers granted herein, to submit a bid proposal, sign, execute, certify, endorse and deliver, for and on behalf of the Corporation, any and all documents, contracts, 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 they may deem to be most beneficial to the Corporation, to effect the foregoing resolution.”

- ii. Authorization to participate in the public bidding for Municipality of Malapatan

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to participate in the public bidding for the account of **MUNICIPALITY OF MALAPATAN** for the healthcare program of its employees. For this purpose, **Mr. Joel Glenn B. Ruiz**, Account Officer, in lieu of Ms. Cecilia David, are hereby authorized, with full power and authority to delegate the powers granted herein, to submit a bid proposal, sign, execute, certify, endorse and deliver, for and on behalf of the Corporation, any and all documents, contracts, 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 they may deem to be most beneficial to the Corporation, to effect the foregoing resolution.”

- iii. Authorization to participate in the public bidding for the Office of the Ombudsman

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) be authorized to participate in the public bidding of the Office of the Ombudsman for the healthcare program of its employees. For this purpose, **Ms. Elinor Siasoco**, *Assistant Vice President-Sales* and **Ms. Cecilia David**,

Senior Assistant Vice President-Sales are hereby authorized, with full power and authority to delegate the powers granted herein, to submit a bid proposal, sign, execute, certify, endorse and deliver, for and on behalf of the Corporation, any and all documents, contracts, 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 they may deem to be most beneficial to the Corporation, to effect the foregoing resolution.”

e. Closure of Offices. Matters relating to closures of certain offices were tackled. Upon motion duly made and seconded, the following resolutions were approved:

i. Closure of Binondo Office

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) has decided to close its office located at: 262, 8th Floor Equitable Building, Juan Luna St., Barangay 289, Binondo, City of Manila, (the ‘Office’);

RESOLVED FURTHER, that the effective date of the Office’s retirement shall be on 16 September 2024; and

RESOLVED FINALLY, that the Corporation be authorized to apply for and secure all certifications and clearances from the applicable regulatory agencies for the Office’s closure including the Manila City Hall and the applicable Bureau of Internal Revenue-Revenue District Office. For this purpose, **Messrs. Roy Tungol** or **Bernard Fortaleza** are hereby authorized to transact and negotiate with such agencies, 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 Office’s closure, under such terms as they may deem acceptable and beneficial for the Corporation.”

ii. Closure of Makati Medical Center Office

“RESOLVED, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) has decided to close its office located at: 8th Floor, Makati Medical Center, Amorsolo St., San Lorenzo Makati City;

RESOLVED FURTHER, that the effective date of the Office’s retirement shall be on 16 September 2024; and

RESOLVED FINALLY, that the Corporation be authorized to apply for and secure all certifications and clearances from the applicable regulatory agencies for the Office’s closure including the Makati City Hall and the applicable Bureau of Internal Revenue-Revenue District Office. For this purpose, **Messrs. Roy Tungol** or **Bernard Fortaleza** are hereby authorized to transact and negotiate with such agencies, 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 Office’s closure, under such terms as they may deem acceptable and beneficial for the Corporation.”

f. Closure of Offices. Lastly, approval was sought for authority to access the Maxicare’s safety deposit boxes. Upon motion duly made and seconded, the following resolutions were approved:

i. Banco de Oro-Medical Plaza Branch Safety Deposit Box

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) authorized the following officers to have access to its safety deposit box maintained in Banco de Oro-Medical Plaza Branch:

From		To	
Class A	Class B	Class A	Class B
Christian S. Argos	Jerry S. Perez Jr.	Christian S. Argos	Jerry S. Perez Jr.
Maria Teresita A. Espallardo	Ligaya P. Justo	Jasper Hendrik T. Cheng	Ligaya P. Justo
		Fiona Marie L. Victoria	Andrew Patrick A. Fornier

RESOLVED, FINALLY, that pursuant to the foregoing, any one (1) Class A **and** one (1) Class B shall be authorized to access the Corporation’s safety deposit box.”

ii. Equicom Savings Bank- Main Office Safety Deposit Box

“RESOLVED, amending all previous resolutions on the subject, that **MAXICARE HEALTHCARE CORPORATION** (the ‘Corporation’) authorized the following officers to have access to its safety deposit box maintained in Equicom Savings Bank- Main Office Branch:

From		To	
Class A	Class B	Class A	Class B
Christian S. Argos	Jerry S. Perez Jr.	Christian S. Argos	Jerry S. Perez Jr.
Maria Teresita A. Espallardo	Ligaya P. Justo	Jasper Hendrik T. Cheng	Ligaya P. Justo
		Fiona Marie L. Victoria	Andrew Patrick A. Fornier

RESOLVED, FINALLY, that pursuant to the foregoing, any one (1) Class A **and** one (1) Class B shall be authorized to access the Corporation’s safety deposit box.”

VII. **ADJOURNMENT**

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

CERTIFIED TRUE AND CORRECT:

ATTY. DANNY E. BUNYI
Corporate Secretary

ATTESTED BY:

ROBERTO M. MACASAET, JR.
Chairman

ANTONIO L. GO
Vice Chairman

LANCE Y. GOKONGWEI
Vice Chairman

CHRISTIAN S. ARGOS
President

RENE J. BUENAVENTURA

ENRICO S. CRUZ

BRIAN M. GO

ESTHER WILEEN S. GO

VICENTE Q. ARGUELLES

MICHAEL P. LIWANAG

RIZALINA G. MANTARING

TEODORO M. PANGANIBAN

EDGAR J. SIA II

CHRISTINE O. TUERES

RICARDO V. MARTIN