



Medical Arts Tower, Inc.

B1 Medical Arts Tower Bldg., Don Eugenio Lopez Sr. Medical Complex, Ortigas Ave., Pasig City
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APPROVED

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING On 11 July 2024

Held at the Augusto M. Barcelon Auditorium
The Medical City, Don Eugenio Lopez Sr. Medical Complex
Brgy. Ugong, Ortigas Avenue, Pasig City
Also held through Zoom Video/Tele Conference

I. CALL TO ORDER

The *Chairman*, Mr. Jose Xavier B. Gonzales, called the meeting to order at around 9:15 in the morning and Atty. Sherilyne S. Namqui acted as the Secretary to the meeting.

The Philippine National Anthem was played followed by a prayer led by Ms. Maria Christina M. Centeno.

II. CERTIFICATION ON THE SENDING OF NOTICES AND DETERMINATION OF QUORUM

Upon inquiry of the Chairman, the Corporate Secretary, Atty. Sherilyne S. Namqui, certified that the Notices for the 2024 Annual Stockholders' Meeting and the SEC Form 201S or Information Statement have been distributed to each of the Stockholders of record by publication, in accordance with the By-Laws of the Medical Arts Tower, Inc. ("MATI" or "Corporation" for brevity) and pursuant to the relevant rules and regulations of the Securities and Exchange Commission.

It was also certified that the same Information Statement, the 2023 Audited Financial Statements and the 2024 First Quarter Report were all duly distributed and made accessible through the QR Code provided in the distributed Notice of Annual Stockholders' Meeting.



The Corporate Secretary likewise certified that out of the total 70,000 shares issued and outstanding, composed of Classes "A", "B", and "C", there were stockholders present holding a total of **40,676** shares – consisting of 40,082 shares represented by way of proxies and 594 shares representing those who are personally present, of the 40,082 shares represented by way of proxies – 1,379 shares are represented by way of individual proxies and 38,703 shares are corporate stockholders present through their authorized representatives, of the **40,676** total shares in attendance – no shares were present through remote communication as all **40,676** shares are personally present.

The **40,676** total shares in attendance is an equivalent of 58.10% of the total issued and outstanding capital stock of the Corporation which is more than majority of the outstanding capital stock, the list of which are available for any stockholder to check at the offices of the Corporate Services of TMC considering that the same list consists of several pages.

Thus, a quorum was declared for the body to transact business.

III. **READING/APPROVAL OF THE 2023 MINUTES OF ANNUAL STOCKHOLDERS MEETING**

Copies of the Minutes of the Annual Stockholders' Meeting held last 08 June 2023 were previously distributed to all stockholders at the entrance of the Auditorium.

Thus, upon a motion made and as duly seconded, the Stockholders passed and approved the following resolution thru viva voce vote of stockholders representing 40,463 shares (57.80%) or more than a majority of the outstanding capital stock of the Corporation, without any objection:

Stockholders' Resolution, Series of 2024

RESOLVED, that the reading of the Minutes of the Annual Stockholders' Meeting of Medical Arts Tower, Inc. held last 08 June 2023 be dispensed with and that the same be, as it is hereby, approved.

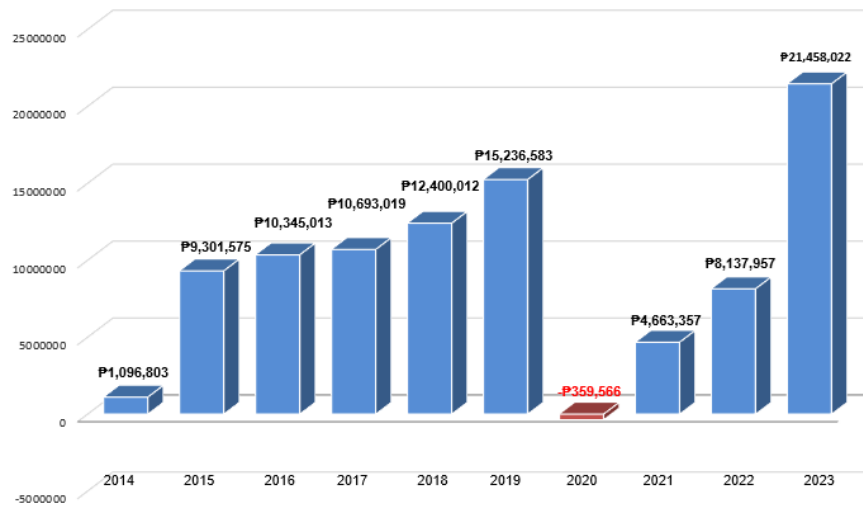
IV. **RATIFICATION OF THE REPORT ON THE RESULT OF OPERATIONS FOR 2023**

Dr. Michael Edmond S. Dazo, the Chief Operating Officer (COO), rendered the report as follows:



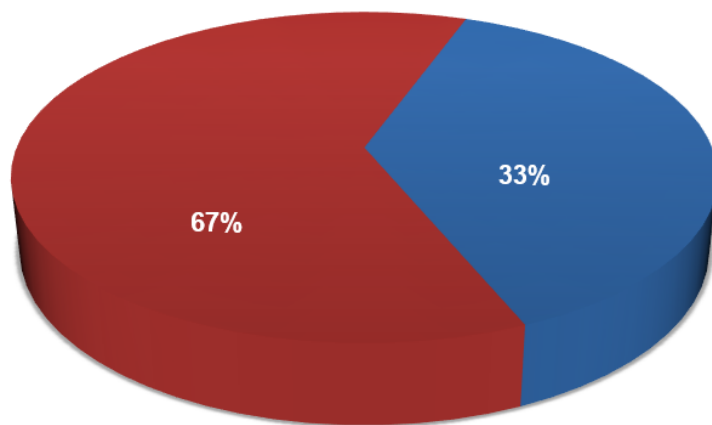
Comprehensive Net Profit trend After Income Tax

**Comprehensive Net Profit Trend
After Income Tax**



2023 Net Profit Breakdown

**2023 Comprehensive Net Profit
After Income Tax**



■ Tower ■ Parking

Tower 7,008,976.00

Parking 14,449,045.00

P 21,458,022.00



▪ Income and Expenses Profile 2023

Income and Expenses Profile Parking and Tower 2023

	PARKING	TOWER	TOTAL
Revenues			
Rental Income - MATI Units		30,603,050	30,603,050
Rental Income-Commercial area		9,122,391	9,122,391
Rental Income - Parking	54,091,918		54,091,918
Other Income - Miscellaneous	37,174	1,232,977	1,270,151
Interest Income	1,646	17,474,066	17,475,711
	<u>54,130,738</u>	<u>58,432,483</u>	<u>112,563,221</u>
Operating Expenses			
Heat, Light & Power	3,268,501	1,430,062	4,698,563
Communication	12,000	104,996	116,996
Insurance Expense	604,766	951,603	1,556,369
Housekeeping Services	481,417	4,157,080	4,638,496
Security Services	6,266,349	4,612,426	10,878,775
Commission & Professional Fee	138,000	3,961,608	4,099,608
Parking Management Fee	5,851,171		5,851,171
Board of Directors Allowance	0	642,222	642,222
Salaries & Wages	3,449,768	7,507,532	10,957,300
Retirement Benefits Cost	267,723	340,738	608,461
Taxes & Licenses w/ doc stamp	297,217	2,984,286	3,281,502
Sanitation & PPE Supplies	-	-	-
Supplies	416,435	1,073,739	1,490,175
Repairs and Maintenance	1,222,399	3,576,962	4,799,361
Miscellaneous Expense	80,758	645,799	726,557
Transportation Expense		102,282	102,282
Representation Expense		536,205	536,205
Depreciation	12,420,148	15,281,632	27,701,781
Provision for Expected Credit Loss (ECL)		675,468	675,468
Total Operating Expense	<u>34,776,652</u>	<u>48,584,641</u>	<u>83,361,293</u>
Profit before income tax	<u>19,354,086</u>	<u>9,847,843</u>	<u>29,201,929</u>
Provision for income tax	<u>4,905,041</u>	<u>2,319,645</u>	<u>7,224,686</u>
Net Profit	<u>14,449,045.22</u>	<u>7,528,197</u>	<u>21,977,243</u>
Other Comprehensive Income			
Actuarial gain/(loss) on retirement, net of tax		519,221	519,221
TOTAL COMPREHENSIVE INCOME/(LOSS)	<u>14,449,045</u>	<u>7,008,976</u>	<u>21,458,022</u>



- Statement of Comprehensive Income for the years ended 31 December 2023 and 2022

Statement of Comprehensive Income

For the Years Ended December 31, 2022 AND 2023

	2022	2023		PERCENT ON MONETARY CHANGES
TOWER & PARKING				
Revenue:				
Rental Income - MATI Units	27,466,586	30,603,050	3,136,464	11%
Rental Income-Commercial area	6,294,011	9,122,391	2,828,380	45%
Rental Income - Parking	41,078,235	54,091,918	13,013,683	32%
Other Income - Miscellaneous	649,284	1,270,151	620,867	96%
Interest Income	15,848,280	17,475,712	1,627,432	10%
	<u>91,336,396</u>	<u>112,563,221</u>		
Operating Expenses				
Heat, Light & Power	5,887,552	4,698,563	1,188,989	20%
Communication	86,295	116,996	- 30,701	-36%
Insurance Expense	1,630,460	1,556,369	74,091	5%
Housekeeping Services	4,371,111	4,638,496	- 267,385	-6%
Security Services	10,085,765	10,878,775	- 793,010	-8%
Commission & Professional Fee	3,625,010	4,099,608	- 474,598	-13%
Parking Management Fee	5,319,246	5,851,171	- 531,925	-10%
Board of Directors Allowance	753,333	642,222	111,111	15%
Salaries & Wages	10,918,626	10,957,300	- 38,674	0%
Retirement Benefits Cost	626,562	608,461	18,101	3%
Taxes & Licenses w/ doc stamp	3,643,595	3,281,502	362,093	10%
Sanitation & PPE Supplies	338,140	-	338,140	100%
Supplies	871,097	1,490,175	- 619,078	-71%
Repairs and Maintenance	4,039,510	4,799,361	- 759,851	-19%
Miscellaneous Expense	396,373	726,556	- 330,183	-83%
Transportation Expense	122,895	102,282	20,613	17%
Representation Expense	250,607	536,205	- 285,598	-114%
Depreciation	27,637,224	27,701,782	- 64,558	0%
Provision for Expected Credit Loss (ECL)	687,596.00	675,468.00	12,128	2%
Total Operating Expense	<u>81,290,997</u>	<u>83,361,292</u>		
Profit before income tax	<u>10,045,399</u>	<u>29,201,929</u>		
Provision for income tax				
Current	2,812,820	7,545,669	4,732,849	168%
Deferred	(324,215)	(320,982)	3,233	-1%
	<u>2,488,605</u>	<u>7,224,687</u>		
Net Profit	<u>7,556,794</u>	<u>21,977,242</u>	14,420,449	191%
Other Comprehensive Income				
Actuarial gain/(loss) on retirement, net of tax	581,163	519,221		
TOTAL COMPREHENSIVE INCOME/(LOSS)	<u>8,137,957</u>	<u>21,458,021</u>	13,320,065	164%



▪ **Highlights of Financial Position**

▫ Debt to Equity Ratio

**Highlights of Financial Position
Debt to Equity Ratio**

	2022	2023
Total Liabilities	30,106,881	36,974,153
Total Equity	1,073,910,323	1,095,368,345
Debt to Equity Ratio	.028:1	.034:1

▫ Current Asset vs. Current Liabilities

**Current Assets vs
Current Liabilities**

	2022	2023
Current Asset	328,902,846	387,576,638
Current Liability	25,053,302	29,922,615
Liquidity Ratio	13:1	13:1



▪ Statement of Financial Position 31 December 2023 and 2022

Statement of Financial Position December 31, 2022 AND 2023

	2022	2023
ASSETS		
Current Assets		
Cash and cash equivalents	64,459,937	139,738,298
Trade and other receivables, net	26,727,624	14,934,365
Current portion of loans receivable, net	234,887,207	227,720,540
Other current assets	2,828,078	5,183,435
Total current assets	328,902,846	387,576,638
Non-current assets		
Loans receivable, net of current portion	38,199,322	28,092,996
Investment properties, net	726,244,509	704,891,742
Property and equipment, net	8,865,538	9,156,209
Deferred input tax	658,275	984,144
Deferred tax asset	1,146,714	1,640,769
Total non-current assets	775,114,358	744,765,860
TOTAL ASSETS	1,104,017,204	1,132,342,498
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	24,131,368	27,084,189
Income Tax Payable	921,934	2,838,426
Total current liabilities	25,053,302	29,922,615
Non-current liabilities		
Deposits	767,657	737,657
Output tax - deferred	985,241	1,712,445
Retirement liability	3,300,681	4,601,436
Total non-current liabilities	5,053,579	7,051,538
Total liabilities	30,106,881	36,974,153
EQUITY		
Share Capital	70,500,000	70,500,000
Paid in capital in excess of par	954,104,705	954,104,705
Retained earnings	49,595,178	71,572,421
Accumulated other comprehensive loss	(289,560)	(808,781)
Total equity	1,073,910,323	1,095,368,345
TOTAL LIABILITIES AND EQUITY	1,104,017,204	1,132,342,498



- **Special Assessment for the period June 2022 to May 2023**

Special Assessment Fund for the period June 2022 to May 2023

BEGINNING BALANCE (June 01,2022)		₱ 1,378,285.16
COLLECTIONS AND INTEREST EARNED (June 2022 to May 2023)		₱ 801,140.54
FUND USED & ACCOMPLISHMENTS		
	Events and Members' Affair	<u>(159,904.21)</u>
FUND BALANCE	YTD - May 2023	₱ 2,019,521.49
NET FUND BALANCE		₱ 2,019,521.49

- **As Accomplishments, Projects and Activities for 2023, Pictures of the following were shown:**

- 1st Quarter

- Repainting of Alcove Area, Basement 2
- Painting of Reserved Area Parking Slot
- Fabrication and Installation of Decorative Plant Rack at e-Vehicle Charging Station
- Electrical Provision for e-Vehicle Charging Station
- Installation of Decorative Plant at e-Vehicle Charging Station
- Art Works from Artists Community of Taytay
- Artists Community of Taytay Donation for Akbay Ginhawa Foundation
- Installation of Tissue Holder at Common Area Restroom
- Repainting of Bicycle Path in Front at e-Vehicle Charging Station
- New Motorcycle Parking Area at Basement 1
- Service Road Creek Chokepoint Trimming
- New Driveway and Drop-Off Area in Front of UnionBank Basement 1
- Purchase of New Bollard Post for Parking Area
- Painting Works at Basement 1



- Painting Works at Main Driveway of MATI Basement 1
- Painting of Pedestrian Lane at Parking Entrance
- Additional Lightings at Bicycle Area
- Meeting with Interior Designer for Main Lobby and Doctors Lounge Enhancement
- Removal of Rotonda at MATI Main Driveway
- Meeting with a Valet Parking Provider
- Meeting and Inspection with IEEI (Mitsubishi) for Elevator Upgrade Study
- Basement 2 Parking Autopay Station
- Launching of e-Vehicle Charging Station at Basement 1
- e-Cars at e-Vehicle Charging Station

▫ 2nd Quarter

- Repainting of Service Elevator Lobby and Fire Exit Doors
- Installation of Video Phone at EV Charging Station
- Installation of CCTV at EV Charging Station
- Wheelchair Donation from Mecima
- Participation in TMC Complex Wide General Fire Drill
- New Art Works Exhibit from Artists Community of Taytay
- Replacement of Fan Coil Unit at Basement 1 Elevator Lobby
- Installation of Frameless Glass Door at Ground Floor and B1 Entrance
- Painting of Pedestrian Lane at Camacho Road
- Relocation of Signages
- Placement of Parking Autopay units at B1 and B3
- No Cashier at Exit Policy for Parkers
- New Parking Designation (B1 Slot Owners, Department/Office Heads)
- New Parking Designation (B2 Consultants and Hospital Staff)
- New Parking Designation (B3 Patient Parking)
- Installation of New Directional Signage Basement Parking
- Painting of Floor Arrow Signage in Front of MATI Driveway
- Painting of Floor Arrow Signage at Basement 1 Parking
- MATI Main Driveway and Garden

▫ 3rd Quarter

- Repainting of Service Elevator Lobby and Fire Exit Doors
- No Cashier at Exit Policy for Parkers
- Replacement of Lightings at Common Area
- Repainting of Fire Exit Wall and Ceiling



- Replacement of Fan Coil Unit at 17th Floor Elevator Lobby
- Installation of Additional Lightings at Motorcycle Area, Basement 1
- Installation of Frameless Glass Door at 5th Floor Bridgeway
- Acquisition of New Stretcher
- New Arts Exhibit From Artists Community of Taytay at Ground Floor
- Enhancement of MATI Doctors Lounge
- MATI Main Driveway and Garden
- MATI Digital Directory

▫ 4th Quarter

- Replacement of Lightings at the Ground Floor Elevator Lobby
- Provision of PWD Ramp at the MATI Side Area
- Mobility Award for Medical City Bicycle Area Facilities
- Doctors Directory Wall at the Basement 1 - Main Lobby
- Additional Spot Lights and Lightings at MATI Main Garden
- Additional Plants and Pots, Provision of Trash Bins and Scent Diffuser at Main Lobby
- MATI Main Lobby

▪ **On-Going Projects**

- MATI Participation in the TMC Food Waste Project Initial Simulation Run with Pasig City CENRO
- Additional Rubber Humps at Basement 1 Parking near Bicycle Crossing
- Relocation and Additional Exit Kiosk terminal with Boom Barrier
- Clearing of Old Cashier's Booth at Basement 1, Parking Exit
- Relocation and Additional Exit Kiosk Terminal With Boom Barrier
- TMC, MATI and MMDA Search and Rescue Emergency Response Training
- MATI Staff Participation in the Hands-Only CPR for the Lay Training
- Valet Parking at the Foyer Area
- Repainting of Walls and Hallways
- 400cc Capacity Motorcycle Big Bike Parking Area at Basement 1
- Installation of Signage of UnionBank and Intellicare
- Additional Lightings at Motorcycle Parking Area – Basement 2
- Provision of Plant Box at Parking Exit
- Participation in TMC Complex Wide General Fire and Earthquake Drill
- Baby Changing Diaper at Common Restroom
- Replacement of Two (2) Units FCU at 18th and 9th Floor, Elevator Lobby



After the report of the Chief Operating Officer was heard, upon motion duly made and seconded, the Stockholders/proxies passed and approved thru viva voce vote representing 40,463 shares (57.80%) or at least majority of the outstanding capital stock of the Corporation, without any objection, the standard resolution on the ratification of the approval of the Report on the Operations for 2023:

**Stockholders' Resolution
Series of 2024**

RESOLVED that the Report on the Operations for 2023 of Medical Arts Tower, Inc. for the year 2023 are hereby approved and ratified.

V. RATIFICATION AND APPROVAL OF THE AUDITED FINANCIAL STATEMENTS FOR 2023

After the report of the Chief Operating Officer was heard, upon motion duly made and seconded, the Stockholders/proxies passed and approved thru viva voce vote representing 40,463 shares (57.80%) or at least majority of the outstanding capital stock of the Corporation, without any objection, the following standard resolution on the ratification of the approval by the Board of Directors of the Annual Audited Financial Statements of the Corporation as of 31 December 2023, which was earlier distributed to all stockholders of record as an attachment to the distributed SEC Forms 20-IS and Notice of Stockholders' Meeting, to wit:

**Stockholders' Resolution
Series of 2024**

RESOLVED that the Board Resolution approving the Audited Financial Statements for the fiscal year ending 31 December 2023 of Medical Arts Tower, Inc., as presented during the meeting, be as it is hereby ratified and approved.

VI. RATIFICATION OF ALL BOARD ACTIONS/RESOLUTIONS, AS WELL AS MANAGEMENT ACTIONS FOR 2023

Upon motion made and duly seconded, the stockholders/proxies passed and approved during the meeting the following resolution thru viva voce vote representing 40,463 shares (57.80%) or at least majority of the outstanding capital stock of the Corporation, without any objection, to wit:



**Stockholders' Resolution
Series of 2024**

RESOLVED that all the corporate acts of the Management and all the resolutions of the Board of Directors of Medical Arts Tower, Inc. for the year 2023 are hereby approved and ratified.

VII. RATIFICATION OF THE SELECTION BY THE BOARD OF DIRECTORS OF THE EXTERNAL AUDITORS FOR THE YEAR 2023

On the selection and appointment of external auditors for the fiscal year 2021, the following resolution was duly passed and approved during the meeting of the stockholders thru viva voce vote representing 40,463 shares (57.80%) or at least majority of the outstanding capital stock of the Corporation, without any objection, to wit:

**Stockholders' Resolution
Series of 2024**

RESOLVED that R. G. Manabat & Co. be, as it is hereby, appointed as the external auditors of Medical Arts Tower, Inc. for the calendar year of 2023.

VIII. ELECTION OF DIRECTORS INCLUDING INDEPENDENT DIRECTORS, WHOSE TERM WILL END IN JUNE 2025

As per recommendation of the Nominations Committee and as disclosed in the SEC Form 20-Information Statement, the following were read by the Chairman as duly nominated for election to become members of the Board of Directors of Medical Arts Tower, Inc. for the year 2024 – 2025, to serve as such until the next stockholders' meeting or until their successors shall have been duly elected and qualified:

A. As Regular Directors:

1. Dr. Chua, Lyra Ruth C.
2. Dr. Claudio, Rafael S.
3. Dr. Dazo, Michael Edmond S.
4. Dr. Esguerra, Carlos Ponciano R.
5. Mr. Gonzales, Jose Xavier B.
6. Dr. Kaw, Pierette Y.



7. Dr. Lacanilao, Ma. Felicia Corazon E.
8. Dr. Ramos, Eugenio Jose F.
9. Dr. Tiongson, John Jerusalem A.

B. As Independent Directors:

1. Dr. Racelis, Louie C.
2. Dr. Villafuerte, Lillian L.

However, prior the conduct of the election and for the information of everyone, it was announced that two (2) of the nominees for the 2024 Election of MATI Board of Directors have recently and formally submitted their withdrawal from the nomination and election. These nominees are Dr. Rafael S. Claudio and Dr. Lyra Ruth C. Chua, and both were previously nominated for the position of regular directors. Considering their withdrawal from the list of nominees, there remained seven (7) nominees for regular directors and two (2) nominees for independent directors.

Considering further that there were only seven (7) nominees for Regular Directors with only seven (7) seats to be filled up and that there are only two (2) nominees for Independent Directors with corresponding two (2) seats to be filled-up, the body agreed unanimously to facilitate the election by dispensing with the use of the Ballot. Instead, the body agreed to conduct the election *viva voce*.

The Compliance Officer, Atty. Norman P. Serapio, also raised the manner of proper compliance with the Revised Corporation Code which requires the recording of votes in electing the members of the Board, the vote tabulation procedures and the declaration as to how many votes the candidates garnered before they are declared as duly elected. He further recommended that, in the interest of time and considering that the number of positions for regular and independent directors equally corresponds to the number of nominees for both regular and independent directors, the actual canvassing of votes for the election of directors be conducted after the adjournment of the meeting, in compliance with the SEC requirements. He added that, should there be no objections to the recommendation and the pending motions for each item of the agenda, that the actual tabulation of votes be similarly conducted after the adjournment. Upon motion raised and duly seconded, and there being no objection, the body resolved to adopt the recommendations of the Compliance Officer. All the representatives of corporate stockholders, the proxies and the individual stockholders personally present in the meeting were considered to have cast the votes they were entitled to among the 7 nominees for regular directors and between the 2 nominees for independent directors. The Proxies received from the stockholders, including the corporate stockholders, adding that for those stockholders who opted to vote for some but not all of the nominees pursuant to the Proxies they



submitted, the same shall be respected in which case only those nominees they marked to have voted for in their Proxies were considered.

Thereafter, the presiding Chairman, Dr. Ramos, declared the new members of the Board of Directors. The following are the new members of the Board of Directors with their corresponding tabulation of votes, based on the summary of Proxies received, present by way of remote communication and personally present:

For Regular Directors:

1. Dr. Chua, Lyra Ruth C.	1,916 votes (withdrawn)
2. Dr. Claudio, Rafael S.	620 votes (withdrawn)
3. Dr. Dazo, Michael Edmond S.	40,824 votes
4. Dr. Esguerra, Carlos Ponciano R.	40,118 votes
5. Mr. Gonzales, Jose Xavier B.	39,961 votes
6. Dr. Kaw, Pierette Y.	40,521 votes
7. Dr. Lacanilao, Ma. Felicia Corazon E.	40,118 votes
8. Dr. Ramos, Eugenio Jose F.	40,161 votes
9. Dr. Tiongson, John Jerusalem A.	40,419 votes

For Independent Directors:

1. Dr. Racelis, Louie C.	40,955 votes
2. Dr. Villafuerte, Lillian L.	40,057 votes

All of the elected directors were declared and congratulated by the Chairman as the duly elected members of the Board of the Corporation to serve as such until the next stockholders' meeting or until their successors shall have been qualified and duly elected.

In compliance with Sec. 49 of the Revised Corporation Code, among those duly elected, the following were present during the meeting:

1. Dr. Dazo, Michael Edmond S.
2. Dr. Esguerra, Carlos Ponciano R.
3. Mr. Gonzales, Jose Xavier B.
4. Dr. Kaw, Pierette Y.
5. Dr. Lacanilao, Ma. Felicia Corazon E.
6. Dr. Racelis, Louie C.
7. Dr. Tiongson, John Jerusalem A.
8. Dr. Villafuerte, Lillian L.



IX. OTHER MATTERS

None.

X. ADJOURNMENT

There being no other matters to discuss, the meeting was adjourned at 10:05 a.m.

Certified Correct:

SHERILYNE S. NAMQUI
Corporate Secretary

Attested by:

JOSE XAVIER B. GONZALES
Chairman of the Meeting

APPROVED