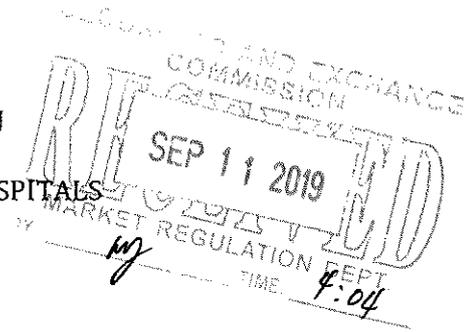


SECURITIES AND EXCHANGE COMMISSION
SEC FORM 12-1 SRS
SIMPLIFIED REGISTRATION STATEMENT FOR HOSPITALS

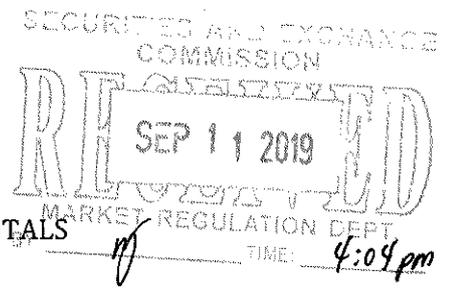
GENERAL INSTRUCTIONS



1. Pursuant to SEC Res. No. 225, s. of 2017, hospitals may use Form 12-1 SRS for registration of its securities that are sold or offered for sale pursuant to Section 8 and 12 of the Code. The use of Form 12-1 SRS is without prejudice to the right of the Commission to require such other information or documents as it may prescribe, consistent with the interest of the general public and for the protection of investors.
2. Under Section 13.1(b) of the Securities Regulation Code ("SRC"), the Commission may reject Registration Statement which on its face is *incomplete*. Notwithstanding the said provision, Sec. 14.2 of the SRC states that an amendment filed prior to the effectivity date of the Registration Statement ("RS") shall recommence the forty-five (45) day period within which the Commission shall act on a RS. Thus, should the company be amendable to extending the 45-day processing period (by executing a letter consenting to the processing time of the application to enable the company to amend its RS) the Market and Securities Regulation Department ("MSRD") shall be constrained to elevate the application based on the existing RS on file, to enable MSRD to comply with the said processing period mandated under Section 12.6 of the SRC.
3. Attention is directed under Section 68, As Amended on the Financial Statement requirements. Prior to preparation of their filings, registrants should also review the provisions of SRC Rule 72.1, "General Rules and Regulations for Filing of SEC Forms with the Securities and Exchange Commission." Definitions contained in "Annex B" and SRC Rule 68, as amended, to the extent they are not defined herein, shall govern the meanings of similar terms used herein.
4. The registration statement shall be signed by the registrant's chief executive officer, its chief operating officer, its chief financial officer, its controller, its chief accounting officer, its corporate secretary or persons performing similar functions.
5. The name of each person who signs the registration statement shall be typed or printed beneath his/her signature. Any person who occupies more than one of the specified position shall indicate the capacity in which he signs the registration statement. At least one (1) copy of the documents filed shall be manually signed and the unsigned copies shall be conformed.
6. Every amendment to a registration statement shall be signed by the persons specified in Section 12.4 of the Code or by any executive officer duly authorized by the Board of Directors. The final prospectus shall, however, be signed by all required signatories under Section 12.4 of the Code.
7. Three (3) copies of the complete Form 12-1 SRS shall be filed including exhibits and all other papers and documents filed as part thereof.
8. In case of withdrawal of a registration statement, fifty percent (50%) of the filing fee paid shall be *forfeited and not* be allowed for future application.

9. In the event that the registration statement is rejected pursuant to Section 13 of the Code, the filing fee paid thereon shall be *forfeited*.
10. Confidential Treatment of Information filed with the Commission –any request for confidentiality will be presented to Commission En Banc prior its application for registration or offering
11. How to use this form: Put ✓ inside the box to mark a box.

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 12-1 SRS
SIMPLIFIED REGISTRATION STATEMENT FOR HOSPITALS



1. SEC Registration Number CS201423954

2. Exact name of issuer as specified in its charter
..... ALLIED CARE EXPERTS (ACE) MEDICAL CENTER - ILOILO INC.

3. Principal Business Address including postal code..... Iloilo Medical Society, Brgy. Bantud Luna St. La Paz, Iloilo City 5000

4. Province, country of other jurisdiction of incorporation or organization..... Iloilo City, Philippines

5. BIR Tax Identification No. 008-922-703

6. Industry Group: Hospitals and Physicians

7. Telephone Number including area code: (033) 3215748
Fax Number: None

8. Official company's website..... www.acemc-iloilo.com

9. Fiscal Year (Day and Month) 31 December

COMPUTATION OF FILING FEE

Title of each class of securities to be registered	Shares to be registered	Proposed Offering Price per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Founder (I)	600	-	600,000	
Common (I)	203,400	-	203,400,000	863,500.00
common	2,600	250,000	650,000,000	8,635.00
	500	300,000	150,000,000	
	500	400,000	200,000,000	
Total	240,000		P1,204,000,000	P872,135.00

Registration Statements filed pursuant to Section 12 of the Code shall be accompanied by a fee as follows:

Maximum aggregate price of securities to be offered	Amount of filing fee
Not more than P500 Million	0.10% of the maximum aggregate price of the securities to be offered
More than P500 Million but not more than P750 Million	P500,000 plus 0.075% of the excess over P500 Million
More than P750 Million but not more than P1 Billion	P687,500 plus 0.05% of the excess over P750 Million
More than P1 Billion	P812,500 plus 0.025% of the excess over P1 Billion

A legal research fee of 1% of the filing fee paid for filings made pursuant to SRC Rule 8.1 shall also be paid at the time of the filing.

PART I - INFORMATION REQUIRED IN PROSPECTUS

1. Front of the Registration Statement and Outside Front Cover Page of Prospectus
2. Inside Front Cover and First Two or More Pages of Prospectus
3. Forward looking Statement
4. Definition of Terms
5. Executive Summary
6. Risk Factors
7. Business Information
8. Use of Proceeds
9. Description of Securities Offered
10. Plan of Distribution
11. Capitalization
12. Outstanding Securities and Principal Shareholders
13. Board of Directors
14. Management
15. Financial Information
16. Information on Independent Accountant and Other Related Matters
17. Independent Auditors and Counsels
18. Regulatory Framework
19. Corporate Governance and Board Committees
20. Other Material Factors

PART II - INFORMATION REQUIRED IN REGISTRATION STATEMENT BUT NOT REQUIRED IN PROSPECTUS

21. Other Expenses of Issuance and Distribution

Give the itemized statement of all expenses of the offering other than the discounts and commission (if applicable). If any of the securities are registered for sale by security holders, state how much of the expenses the security holders will pay. If the amount of any items are not known, give estimates but identify them as such.

22. Exhibits

Description	Exhibit No.
1. Publication of Notice re: Filing	"A"
2. Articles of Incorporation and By-laws	"B", "B-1", "B-2"
3. Instruments defining the rights of security holders	"C"
4. Opinion re: Legality	"D"
5. Opinion re: Tax Matters	"D"
6. Material Contracts	"E"
7. Audited Financial Statements/Audited Interim Financial Statements	"F", "F-1"

Description	Exhibit No.
8. Subsidiaries of the Issuer	N.A.
9. Consent of Experts and Independent Counsel	"D"& "F"
10. Notarized Curriculum Vitae and Latest Photographs of Officers and Members of the Board of Directors	"G" -
11. Authorization re: Issuer's Bank Account	"H"
12. Copy of Board Resolution approving the securities offering and authorizing the filing of Registration Statement	"I"
13. Duly verified resolution of the Issuer's Board of Directors approving the disclosure contained in the registration statement and prospectus and assuming liability for the information contained therein	"I"
14. Manual on Corporate Governance	TBS
15. Additional Exhibits:	
Certification that all mandated government license, permit are secured and valid	"J"
Certification on No Pending Legal Proceedings filed against and by the Issuer	"K"
Certification that all AFS of all subsidiaries has been filed with the Commission (if applicable)	N.A.
Certification by selling shareholder as to the accuracy of any part of the registration statement contributed by such selling shareholders (if applicable)	N.A.
Certification from Project Engineer as to percentage of building constructed	"L"
Tax Compliance Report filed by the Issuer	"M"
Feasibility study prepared by qualified profession on the capacity of the Issuer to provide Medical Benefits	"N"
Memorandum of Agreement with other Group of Hospitals (if applicable)	"O"
Permit to Construct Hospital issued by Bureau of Health Facilities and Services (BHFS) of the Department of Health (DOH)	"P"
Escrow/Custodian Agreement with a reputable bank	N.A.
Credit Line Agreement	N.A.
Copy of the Environmental Compliance Certificate	"Q"
Certified True Copy of Transfer Certificate Title	"R"
List of Equipment to be Purchased	"S"

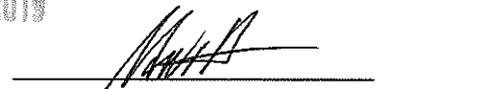
23. Furnish any other document the omission of which will render the foregoing material facts or any other part of the Registration Statement misleading.

SIGNATURES

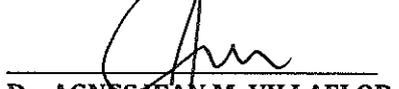
Pursuant to the requirements of the Securities Regulation Code, this registration statement is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of

~~MANDALUYONG CITY~~ on _____ SEP 04 2019


FERJENEL G. BIRON, M.D
 President / Chief Executive Officer


MAYLENE B. VILLANUEVA
 Corporate Secretary/ Compliance Officer

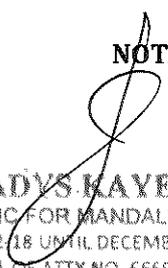

ELMER Z. SAMORO
 Chief Finance Officer


Dr. AGNES JEAN M. VILLAFLOR
 Treasurer

SUBSCRIBED AND SWORN to before me this SEP 04 2019 affiants exhibiting to me their competent proof of ID as follows:

Name	Type of Identification	I.D. Number	Date/Place of Issue
FERJENEL G. BIRON	Passport	P1721544A	June 23, 2017/DFA-Manila
MAYLENE B. VILLANUEVA	Passport	P3513874A	June 28, 2017/DFA-Manila
ELMER Z. SAMORO	PRC	87761	Dec. 04, 1992/Manila
AGNES JEAN M. VILLAFLOR	PRC	70893	September 17, 1990/Manila

Page No. 45
 Doc. No. 10
 Book No. 17
 Series of 2019

NOTARY PUBLIC

ATTY. GLADYS KAYE L. CHUA
 NOTARY PUBLIC FOR MANDALUYONG CITY
 APPT. NO. 0522/18 UNTIL DECEMBER 31, 2019
 ROLL OF ATTY NO. 66695
 PTR No. 2844070 JAN. 14, 2019- MANDALUYONG CITY
 IFETIME IBP NO. 014902; JULY 29, 2016 - ZAMBASULTA CHAPTER
 MCLC COMPLIANCE VI; JUNE 04, 2018
 UNIT GI-32 ST. FRANCIS SQUARE BLDG., BANK DRIVE COR.,
 JULIA VARGAS ST., MANDALUYONG CITY



**ALLIED CARE EXPERTS (ACE)
MEDICAL CENTER – ILOILO INC.**

A Corporation existing and duly organized under the
Laws of the Republic of the Philippines with

SEC Certificate of Registration No. CS201423954

This Final Prospectus relates to the registration of **204,000 issued and outstanding shares of ACE Medical Center - Iloilo Inc. (ACEMCI)** consisting of *600 Founders shares* and *203,400 common shares* plus **36,000 common shares equivalent to 3,600 blocks** of ACE - Iloilo (the *Offer Shares*) for issuance to the public at an Offer Price ranging from Php250,000.00 up to a maximum amount of Php400,000.00 per block.

The securities will be traded Over-the-Counter through organic employees ¹.

DATE: December 21, 2018

Principal Office:

Iloilo Medical Society, Brgy. Bantud Luna St.
La Paz, Iloilo City 5000

Telephone Numbers:

(033) 321 5748

**ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL
INFORMATION CONTAINED HEREIN ARE TRUE AND CORRECT.**

This Final Prospectus relates to the primary offer and sale of 36,000 common shares of Allied Care Experts (ACE) Medical Center – Iloilo Inc. (the “Issuer”) equivalent to 3,600 blocks (consisting of 10 shares per block) at an offer price ranging from Php250,000.00 per block up

¹ As amended by at least majority members of the Board of Directors at a meeting held on 25 March 2019. Please see page 46 for the list of founders who will act as Salesmen.

to a maximum offer price of Php400,000.00 per block with an aggregate principal amount of One Billion Pesos (P1,000,000,000.00). The securities will be issued upon approval of the Securities and Exchange Commission

The 3,600 blocks will be offered in tranches, through a series of offerings at an offer price in progressive amounts. The first 2,600 blocks will be sold at the price of Php250,000.00 per block, the next 500 blocks at the price of Php300,000.00 per block and the remaining 500 blocks at the price of Php400,000.00 per block. While the blocks of common shares that will be issued have the same features and privileges (except the privilege to practice, that is available only to Medical Practitioners), the staggered Offer Price per series of shares for sale to the public was arrived at by considering several factors including but not limited to: (i) the timing of purchase relative to the completion of the Hospital and its facilities, (ii) the number of applicants the Hospital could serve and accommodate, (iii) the total development costs based on cost assessments of the engineers, architects and other professionals hired for the project, (iv) comparable price of similarly situated structure with similar facilities, (v) market demand and (vi) risk undertaken by the original stockholders. As the hospital building rises, the lesser the risk of the investors.

The blocks will be sold on a first come, first served basis, subject to pre-qualification procedures. Once the maximum number of blocks per series are sold, the next series will be offered at an increased offer price. The offer shares will not be listed in the Exchange and will be issued over the counter only, through registered salesmen.

ACEMCI expects to raise gross proceeds amounting up to One Billion Pesos (P1,000,000,000.00) and the net proceeds are estimated to be at least Nine Hundred Fifty-One Million Nine Hundred Twenty-Seven Thousand Eight Hundred Sixty-Five Pesos (Php956,927,865.00) after deducting fees, commissions and expenses relating to the issuance of the securities. The net proceeds of the Offer shall be used primarily by the Company for the construction, development and pre-operation of ACE Medical Center Iloilo (the "Hospital"). For further detailed information on the use of proceeds, see "Use of Proceeds" on page 30 of this Preliminary Prospectus.

Each investor must comply with all laws applicable to it and must obtain the necessary consent, approvals or permission for its purchase, offer or sale under the laws and regulation in force to which it is subject.

The company is organized under the Philippine Law. The Company is authorized to distribute dividends out of its surplus profit, in cash, properties of the Company, shares of stock. Dividends paid in the form of cash or property, are subject to approval of the Board of Directors of the Company. Dividends paid in the form of additional Common Shares are subject to the approval of the Board of Directors and stockholders who owns at least two-third (2/3) of the outstanding capital of the company. The Board may not declare dividends as determined by the Board, taking into consideration factors such as implementation of business plans, debt service requirements, operating expenses, budgets, funding of new investments and acquisitions and appropriate reserves and working capital. Refer to page 56 on Dividends and Dividend Policy of this Prospectus.

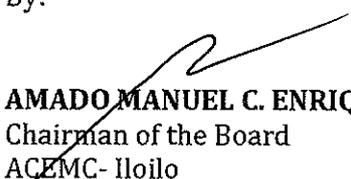
Unless otherwise indicated, all information in this Prospectus is as of the date of this Final Prospectus. Neither the delivery of this Final Prospectus nor any sale made pursuant to this Final Prospectus shall, under any circumstances, create implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date.

No person has been authorized to give any information or to make any representation not contained in this FinalProspectus. If given or made, any such information or representation must not be relied upon as having been authorized by the Company. This PreliminaryProspectus does not constitute an offer or any securities, or any offer to sell or solicitation of any offer to buy any of the securities of the Company in any jurisdiction, to or from any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Before making an investment decision, investor must rely on their own examination of the Company and the terms of the Offer including the risks involved.

The Issuer has included in this Statement all of its representation about this offering. If anyone gives you more or different information, you should ignore it. You should carefully review and rely only on the information in this Statement in making an investment decision. The Investors should be aware that risks and uncertainties might occur.

By:



AMADO MANUEL C. ENRIQUEZ JR., MD
Chairman of the Board
ACEMC- Iloilo

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Forward-looking Statements

This Prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to:

- known and unknown risks;
- uncertainties and other factors which may cause actual results, performance or achievements of the Issuer, to be materially different from any future results; and
- performance or achievements expressed or implied by forward-looking statements.

Such forward-looking statements are based on assumptions regarding the present and future business strategies and the environment in which the registrant will operate in the future. Important factors that could cause some or all of the assumptions not to occur or cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other things:

- the ability of the registrant to successfully implement its strategies;
- the ability of the registrant to anticipate and respond to healthcare trends;
- the ability of the registrant to successfully manage its growth;
- the condition and changes in the Philippines, Asian or global economies;
- any future political instability in the Philippines, Asia or other regions;
- changes in interest rates, inflation rates and the value of the Peso against the U.S. Dollar and other currencies;
- changes in government regulations, including tax laws, or licensing requirements in the Philippines, Asia or other regions; and
- competition in the healthcare industries in the Philippines and globally.

Additional factors that could cause actual results, performance or achievements of registrant to differ materially include, but are not limited to, those disclosed under "Risk Factors" and elsewhere in this Prospectus.

These forward-looking statements speak only as of the date of this Prospectus. The registrant expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the expectations of the registrant with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

This Prospectus includes forward-looking statements, including statements regarding the expectations and projections of the Issuer for future operating performance and business prospects. The words "believe", "expect", "anticipate", "estimate", "project", "may", "plan", "intend", "will", "shall", "should", "would" and similar words identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Prospectus are forward-looking statements. Statements in this Prospectus as to the opinions, beliefs and intentions of the Issuer accurately reflect in all material respects the opinions, beliefs and intentions of the management of the registrant as to such matters at the date of this Prospectus, although the Issuer can give no assurance that such opinions or beliefs will prove to be correct or that such intentions will not change. This Prospectus discloses, under the section "Risk Factors" and elsewhere, important factors that could cause actual results to differ materially from the expectation of the Issuer. All subsequent written and oral forward-looking statements attributable to either the Issuer or persons acting on behalf of the Issuer are expressly qualified in their entirety by cautionary statements

DEFINITION OF TERMS

As used in this Prospectus, the following terms shall have the meanings ascribed to them:

"Articles"	The Articles of Incorporation of the issuer
"ACEMCI"	ALLIED CARE EXPERTS (ACE) MEDICAL CENTER – ILOILO INC.
"Board"	The Board of Directors of the issuer collectively referred to as one consisting of fifteen (15) members
"By-Laws"	The By-laws of the issuer
"Corporation"	Refers to ALLIED CARE EXPERTS (ACE) MEDICAL CENTER – ILOILO INC. unless otherwise specifically described in this document
"Director"	The individual membership of the incumbent Board of Directors of the Issuer
"DOH"	Department of Health
Environmental Compliance Certificate ("ECC")	Environmental Compliance Certificate is a document issued by the DENR/EMB after a positive review of an ECC application certifying that the proposed project will not cause significant negative environmental impact and the project proponent has complied with all the requirements of the Environmental Impact System, and has committed to implement its approved Environmental Management Plan
"Founder"	Refers to the individual holders of founder share
"Hospital"	ACE Medical Center - Iloilo Hospital, or the building referred hereto being built in the name of ACE Medical Center – Iloilo Inc.
"Internal Rules"	Refers to the rules and regulations concerning application procedures, availment, use and enjoyment of facilities and services, and all amendments thereto
"Issuer"	The same as Allied Care Experts (ACE) Medical Center- Iloilo Inc.
"Offer Price"	The price at which the Offer Securities are being offered in tranches to the public as indicated in this Prospectus

"Offer Securities"	Refers to the 36,000 Common shares or 3,600 blocks (1 block is equivalent to 10 shares) of ACE Medical Center-Iloilo Inc. to be offered for sale to the public, also interchangeably called "Offer Shares"
"Medical Specialist"	A doctor or medical practitioner who has successfully passed the screening process of ACE Medical Center-Iloilo Inc., in good standing and is admitted/accepted to practice his profession.
"Prospectus"	This document and any supplement or amendments thereto, pertaining to the issuance and sale of the Offer Securities.
"SEC"	Philippine Securities and Exchange Commission
"Stock Certificate"	The written or electronic evidence of ownership of share of stock of ACE Medical Center-Iloilo Inc.
"Stockholder"	A registered holder of shares of stocks of ACE Medical Center-Iloilo Inc. He may be a medical practitioner or a non-medical stockholder.

EXECUTIVE SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and audited financial statements, including notes thereto, found in the appendices of this Prospectus.

Prospective investors should read this entire Prospectus fully and carefully, including the section on "Risk Factors". In case of any inconsistency between this summary and the more detailed information in this Prospectus, then the more detailed portions, as the case may be, shall at all times prevail.

Brief Background on the Company

ACE Medical Center – Iloilo Inc. (ACEMCI) is a stock corporation duly organized under the laws of the Republic of the Philippines on December 10, 2014. ACE Iloilo originally had an authorized capital stock of One Hundred Twenty Million Pesos (120,000,000.00) divided into Six Hundred (600) Founders' shares and One Hundred Nineteen Thousand Four Hundred (119,400) Common shares both with a par value of One Thousand Pesos (P1,000.00) per share.

On March 23, 2018, the Securities and Exchange Commission approved the Issuer's application to increase its authorized capital stock from One Hundred Twenty Million Pesos (120,000,000.00) divided into Six Hundred (600) Founders' shares and One Hundred Nineteen Thousand Four Hundred (119,400) Common shares both with a par value of One Thousand Pesos (P1,000.00) per share to Two Hundred Forty Million Pesos (240,000,000.00) divided into Six Hundred (600) Founders' shares and Two Hundred Thirty Nine Thousand Four Hundred (239,400) Common shares both with a par value of One Thousand Pesos (P1,000.00) per share. As such, as of the date of this Preliminary Prospectus, Two Hundred Four Thousand (204,000) shares consisting of Six Hundred (600) Founders' shares and Two Hundred Three Thousand Four Hundred (203,400) Common shares both with a par value of One Thousand Pesos (P1,000.00) per share have been subscribed while paid up is One Hundred Forty-One Million Pesos (P141,000,000).

Core Business

ACE Medical Center-Iloilo was established to maintain, operate, own, and manage hospitals, medical and related healthcare facilities and businesses such as, but without restriction to clinical laboratories, diagnostic centers, ambulatory clinics, condo hospitals, scientific research and other allied undertakings and services which shall provide medical, surgical, nursing, therapeutic, paramedic, or similar care, provided that purely professional, medical or surgical services shall be performed by duly qualified physicians or surgeons who may or may not be connected with the hospitals and whose services shall be freely and individually contracted by the patients.

Business Strategies

It is the mission of ACE Medical Center - Iloilo to set up a Tertiary²Health Care facility with an organized, systematic, cost-effective, sympathetic and holistic approach to its goal in providing the best quality and justifiable medical services to its clients and stakeholders.

²*Tertiary Hospital is a hospital that provides tertiary care, which is health care from specialists in a large hospital after referral from primary care and secondary care. Tertiary Hospitals offer training programs for doctors who want to go into specialization.*

Initially, ACEMCI upon construction, will operate as a Secondary Hospital. After which, it will secure accreditation for residency training of its Doctors and accomplish its purpose of setting up a Tertiary Hospital. It will operate a complete and world-class facility, manned by medical specialists who are competent and fully qualified in their line of work, and have equally efficient well motivated employees and management staff.

ACEMCI will accomplish its purpose by the acquisition of complete and world-class facilities, provide medical specialists who are competent and fully qualified in their line of work, and have equally efficient well motivated employees and management staff.

ACE Medical Center - Iloilo will be a 9-storey 200-bed capacity hospital with helipad and one (1) basement parking area (108 parking slots), with total floor area of 25,086sq.m. constructed in a 6,000 sq.m. property located at Barangay Sambag, Ungka 1, Jaro, Iloilo City. It will provide services to residents of Jaro, Iloilo City, nearby Barangays and Municipalities, the whole of Iloilo and the neighboring provinces which are considered its catchment areas. ACEMCI will be a multidisciplinary specialty medical facility that will house medical specialists who are subscribers to the capital stock of the Corporation. The intended and considered markets for its shares are mostly medical specialists and individuals who are related to medical specialists.

The act of purchasing the securities being offered does not automatically entitle such purchaser to practice his profession and use the facilities of ACE Medical Center – Iloilo Inc., although it is a prerequisite. Physicians and medical specialists who are subscribers to at least one (1) block or ten (10) shares of the capital stock, whether Founders or common shares, and have paid in full may be allowed to practice. Such purchasers have to undergo the required screening process and must possess the minimum requirements as indicated in the Articles of Incorporation, By-Laws and Internal Rules of the Hospital. After successfully passing this process, the applicant shall then be entitled to the privileges offered by the Hospital. The privilege to practice in the Hospital is subject to restrictions, limitations, and obligations as maybe imposed by ACE Medical Center – Iloilo Inc. pursuant to its rules and duly approved resolutions. Medical Specialists who have been granted the privilege to practice shall continuously possess the required qualifications and may be subjected to post-qualification assessment to ensure the quality of service provided by the hospital.

ACE Medical Center – Iloilo Inc. will collect from each duly admitted medical specialist a one-time “privilege to practice” fee amounting to One Hundred Fifty Thousand Pesos (Php150,000.00) plus monthly fees for maintenance and utilities used for the Clinic.

Tertiary Level 2 Hospital

A Tertiary Hospital is a hospital that provides tertiary care, which is health care from specialists in a large hospital after referral from primary care and secondary care³. Tertiary Hospitals offer training programs for doctors who want to go into specialization.

ACE Medical Center - Iloilo will be a Tertiary Level 2 Hospital. Under the Rules and Regulations Governing the New Classification of Hospitals and Other Health Facilities in the Philippines (Effective: August 18, 2012), the following are the minimum requirements for Level 2 Hospitals:

A Level 2 Hospital shall have as minimum, all of Level 1 capacity⁴, including, but not limited to, the following:

³ https://en.wikipedia.org/wiki/Tertiary_referral_hospital

⁴ *A Level 1 hospital shall have as minimum the services stipulated under Rule V. B. 1. b. 1. of the Order, including, but not limited to, the following: 1. A staff of qualified medical, allied medical and administrative personnel headed by a*

1. An organized staff of qualified and competent personnel with Chief of Hospital/Medical Director and appropriate board certified Clinical Department Heads;
2. Departmentalized and equipped with the service capabilities needed to support board certified/eligible medical specialists and other licensed physicians rendering services in the specialties of Medicine, Pediatrics, Obstetrics and Gynecology, Surgery; their subspecialties and ancillary services;
3. Provision for general ICU for critically ill patients.
4. Provision for NICU (Neonatal Intensive Care Unit)
5. Provision for HRP (High Risk Pregnancy Unit)
6. Provision for respiratory therapy services;
7. A DOH licensed tertiary clinical laboratory;
8. A DOH licensed level 2 imaging facility with mobile x-ray inside the institution and with capability for contrast examinations.

RISK FACTORS

An investor should seek professional advice if he or she is uncertain of, or has not understood any aspect of the securities to invest in or the nature of risks involved in buying of securities.

An investor deals in an investment of which may carry a different level of risks.

1. The following is a summary of all the risks that apply to the Issuer and/or this offering. You should carefully consider these risks prior to investing in this offering.

Operating History:

The Issuer has limited or no operating history because the Issuer may have operated for only a short period of time, it has produced little or no profit. There is no assurance that it will ever produce a profit.

Difficulty to collect from patients (select all that apply): Check Box

√	Existing law penalizes the refusal of hospitals and medical clinics to administer appropriate initial medical treatment and support in emergency or serious medical cases.
√	Hospital experience delay in payment from Health Insurance or Health Maintenance Organizations.

physician duly licensed by PRC; 2. Bed space for its authorized bed capacity in accordance with DOH Guidelines in the Planning and Design of Hospitals; 3. An operating room with standard equipment and provision for sterilization of equipment and supplies in accordance with: a. DOH Reference Plan in the Planning and Design of an Operating Room/Theater (Annex A); b. DOH Guidelines on Cleaning, Disinfection and Sterilization of Reusable Medical Devices in Hospital Facilities in the Philippines (Annex B); 4. A post-operative recovery room; 5. Maternity facilities, consisting of ward(s), room(s), a delivery room, exclusively for maternity patients and newborns; 6. Isolation facilities with proper procedures for the care and control of infectious and communicable diseases as well as for the prevention of cross infections; 7. A separate dental section/clinic; 8. Provision for blood station; 9. A DOH licensed secondary clinical laboratory with the services of a consulting pathologist; 10. A DOH licensed level 1 imaging facility with the services of a consulting radiologist; 11. A DOH licensed pharmacy.

However, the Issuer can mitigate said risk by:

The Issuer mitigates such risk through the availability of the credit line facility with the Land Bank of the Philippines amounting to a total of Php1,060,000,000.00, (Php660,000,000.00 for construction costs and Php400,000,000.00 for hospital equipment, furniture and fixtures). As of the date of this prospectus, the Hospital has utilized about Php479,150,000.00 of the total available facility.

Limited Resources/Losses (select all that apply):

√	The Issuer has limited resources and will not be able to continue operating without the proceeds from this offering. It is possible that the proceeds from this offering and other resources may not be sufficient for the Issuer to continue to finance operations. The Issuer expects to continue to experience losses from operations and it cannot be predicted when or if the Issuer will become profitable. If the Issuer achieves profitability, it may not be sustainable.
√	The Issuer has incurred losses since inception and may incur future losses. The Issuer has not yet generated a profit from operations. As of the date of the most recent financial statements, the Issuer had an accumulated deficit of ₱11,203,245 as of December 31, 2017 and ₱16,543,350 as of June 30, 2018

However, the Issuer can mitigate said risk by:

The Issuer mitigates such risk through the availability of the credit line facility with the Land Bank of the Philippines amounting to a total of Php1,060,000,000.00, (Php660,000,000.00 for construction costs and Php400,000,000.00 for hospital equipment, furniture and fixtures). As of the date of this prospectus, the Hospital has utilized about Php479,150,000.00 of the total available facility.

Key Personnel

	The Issuer success depends substantially on the services of a small number of individuals
√	The Issuer may be harmed if it loses the services of these people and it is not able to attract and retain qualified replacements
√	The Issuer's officers, directors, managers and key persons will continue to have substantial ownership and control over the Issuer after the offering
√	The Issuer does not maintain key person life insurance on those individuals on whom the Issuer's success depends. The loss of any of these individuals could have a substantial negative impact on the Issuer and your investments.

However, the Issuer can mitigate said risk by:

The Issuer mitigates such risk by maintaining a competitive compensation package and benefits for its Management and Key Officers. The Human Resources Department will likewise maintain a program that will enhance and develop the career path of key officers and employees to ensure continued stay and loyalty to the Company.

Inexperienced Management (select all that apply):

	None of the Issuer's officers, directors, and/or managers has managed a company in this industry. The Issuer's ability to operate successfully may depend on its ability to attract and retain qualified personnel, who may be in great demand.
	None of the Issuer's officers, directors, and/or managers has experience in managing a development stage hospital

However, the Issuer can mitigate said risk by:

N/A

Past Failures

	Prior to organizing the Issuer, one or more of the Issuer's officers, directors, and/or managers operated a business in which shareholders lost part or all of their investment. The Issuer's ability to operate successfully may depend on its officers, directors, and/or managers to succeed where they have failed before.
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However, the Issuer can mitigate said risk by:

N/A

Government Regulations:

√	The Issuer must comply with local and national rules and regulations. If the Issuer fails to comply with a rule or regulation it may be subject to fines or other penalties, or its permit or license may be revoked or suspended. The Issuer may have to stop operation and you may lose your entire investment.
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Dilution(select all that apply):

√	The price of a share in this offering is significantly higher than the book value of the securities. By participating in this offering, you will incur immediate and substantial dilution of the book value of your investment.
	To the extent outstanding options or warrants to purchase securities are exercised, new Investors will incur further dilution of the book value of their investment
√	There are no limits in place to restrict the Issuer's ability to issue securities in the future. If the Issuer issues additional securities, by participating in this offering you may experience further dilution of the value of your investment.

No Existing Market

√	Because there is no market for the Issuer's securities, you may not be able to sell your securities or recover any part of your investment. You should not invest unless you can afford to hold your investment indefinitely.
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Offering Price:

√	The offering price of the Issuer's securities has been arbitrarily set and accordingly should not be considered an indication of the actual value of the Issuer.
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Best-effort Offering:

√	The Issuer is offering these securities on a "best-effort" basis. The Issuer has <u>not</u> contracted with an underwriter, placement agent, or other person to purchase or sell all, or a portion of its securities and there is no assurance that it can sell all or any of the securities.
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Lack of Investor Control (select if applicable):

√	The Issuer's officers, directors, managers, and/or key persons will continue to have substantial control over the Issuer after the offering. As such, you may have little or no ability to influence the affairs of the Issuer.
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Restriction on the Transfer of Shares

√	As indicated in the Articles of Incorporation and By-Laws of the Issuer, the ownership of its securities is restricted and is subject to the conditions stated therein. Likewise, the ownership of the shares of ACE Medical Center – Iloilo Inc. by individuals no matter how many, does not automatically entitle such holder the privilege to practice or use the facilities of ACE Medical Center -Iloilo Hospital. The prospective medical practitioner or even the non-medical stockholder has to pass the evaluation and qualifications set forth by the Credentials Committee and the Board of Directors. He has to possess the minimum requirements in order to be allowed to practice and enjoy the privileges of the hospital, including the regular payment of dues. And even if one is already admitted, if he violates the by-laws, internal rules and duly promulgated resolutions of the board, such stockholder may not be allowed to further practice or enjoy the facilities of the Hospital. Of course this will be implemented after observing the basic rule of due process.
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Political and Economic Factors

√	<p>In general, the profitability of the Company depends to a large extent on the overall level of business and economic activity in the country, which in turn is affected by political and economic factors. Any political instability in the future may have a negative effect on the industries proposed to be served by the Company.</p> <p>In the past, the Philippine economy and the securities of Philippine companies have been, to varying degrees, influenced by economic and market conditions in other countries, especially in Southeast Asia, as well as investors' responses to those conditions. Although economic conditions are different in each country, investors' reactions to adverse developments in one country may affect the market price of</p>
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	securities of companies in other countries, including the Philippines. For example, the recent economic crisis in the United States and Europe triggered market volatility in other countries' markets, including the Philippines. Accordingly, adverse developments in the global economy could lead to a reduction in the demand for, and market price of the Offer Shares.
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Taxation

√	Existing tax rates may increase in the future or existing tax exemptions and deductions may likewise be revoked, adversely affecting the Company's revenues. Similarly such tax rates may decrease or new exemptions and deductions may be created, to the Company's benefit.
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Other Risks

Risk relating to Hospital Business

- Licenses, permits
- Regulatory risks
- Healthcare infections
- Emergencies/disaster risks
- Government discount programs/collection from Philhealth
- Hazardous material events, e.g. chemical/radiological exposure
- Physician litigation

Risks to purchasers associated with corporate actions including:

- Additional issuance of securities
- Issuer repurchases of securities
- A sale of the Issuer or of assets of the Issuers
- Transactions with related parties

In addition to the foregoing enumeration, there may be other risks (either unknown to the Company as of the date of this Prospectus or deemed immaterial) which may have an adverse effect on the investment to be made by the prospective buyers.

BUSINESS INFORMATION

1. Anticipated Business Plan of the Issuer

ACE Medical Center - Iloilo will set up a tertiary health care facility with an organized, systematic, cost-effective, sympathetic and holistic approach to its goal in providing the best quality and justifiable medical services to its clients and stakeholders. ACE Medical Center - Iloilo will be a 9-storey 200-bed capacity hospital with helipad and one (1) basement parking, with total floor area of 25,086sq.m. constructed in a 6,000 sq.m. property located at Barangay Sambag, Ungka 1, Jaro, Iloilo City. It will be a multidisciplinary specialty medical facility that will house medical specialists who are subscribers to the capital stock of the Corporation. The intended and considered markets for its shares are mostly medical specialists and individuals who are related to medical specialists.

The act of purchasing the securities being offered does not automatically entitle such

purchaser to practice his profession and use the facilities of ACE Medical Center – Iloilo Inc., although it is a prerequisite. Physicians and medical specialists who are subscribers to at least one (1) block or ten (10) shares of the capital stock, whether Founders’ or common shares, and have paid in full may be allowed to practice. Such purchasers have to undergo the required screening process and must possess the minimum requirements as indicated in the Articles of Incorporation, By-Laws and Internal Rules of the Hospital. After successfully passing this process, the applicant shall then be entitled to the privileges granted by the Hospital. The privilege to practice in the Hospital is subject to restrictions, limitations, and obligations as maybe imposed by ACE Medical Center – Iloilo Inc. pursuant to its rules and duly approved resolutions. Medical Specialists who have been granted the privilege to practice shall continuously possess the required qualifications and may be subjected to post-qualification assessment to ensure the quality of service provided by the hospital.

ACE Medical Center – Iloilo Inc. will collect from each duly admitted medical specialist a one-time “privilege to practice” fee amounting to One Hundred Fifty Thousand Pesos (Php150,000.00) plus monthly fees for maintenance and utilities used for the Clinic.

2. Operations

The Issuer (select all that apply):

<input checked="" type="checkbox"/>	Has never conducted operations
<input checked="" type="checkbox"/>	Is in the construction development stage
<input type="checkbox"/>	Is currently conducting operations
<input type="checkbox"/>	Has shown a profit in the last fiscal year

Briefly describe

3. **Jurisdiction:** Is the Issuer an entity organized and doing business in the Philippines?

Yes No

4. **Date of Incorporation:** December 10, 2014

5. **Fiscal Year End (Month and Day):** 31 December

Suppliers:

The Issuer (select all that apply):

<input checked="" type="checkbox"/>	Has major supply contracts
<input type="checkbox"/>	Is currently or expects to be dependent upon a limited number of suppliers
<input type="checkbox"/>	Has no suppliers

Sources and availability of raw materials and the names of principal suppliers; If the registrant is or is expected to be dependent upon one or a limited number of suppliers for essential raw materials, energy or other items, describe. Describe any major supply contracts.

ACEMC - Iloilo has entered into several supply contracts for the construction material requirements of the Hospital. Some of the major suppliers include Domestic Construction Supply Inc. and Weslink, Inc. for the cement. Warlen Industrial Sales Corp. and Deka Sales for the aircon units and installation services. RDT Industrial Sales and Services, Inc. for the circuit breakers, while Crossworld Construction Supply provided the cladding materials and Phelps Dodge Phils. supplied electrical materials. Endure Medical Inc. (EMI) is an importer of Pharmaceuticals, medical supplies and equipment. EMI was designated as the buying agent of ACEMC - Iloilo for construction materials produced abroad like, elevators, vinyl tiles, tempered glass, etc.

Procurement Policy

State the procurement policy of the hospital.

A Purchasing Committee is created, the members were appointed by the President.

- The Committee meets regularly, on a weekly/monthly basis, to conduct bidding process depending on the urgency to procure a particular item.
- The Committee invites at least 3 prospective bidders. Suppliers are asked to submit a quotation on a particular item, through sealed bidding process.
- The Committee will witness the opening of bids, tabulate and analyze through an “apple to apple” comparison and making sure that the item offered is in conformity with the specification/s given.
- The Committee, prior to the awarding of the winning bid, consults first with the end-users to ensure that the item to be purchased will serve its intended purpose.
- The Committee will submit the canvassed items together with the bid analysis/tabulation of the offer to the Executive Committee for further scrutiny and subsequent endorsement to the Board for approval.
- Upon approval of the Board, the Purchasing Committee will prepare the Purchase Order (PO) to be issued to the winning bidder for delivery of the item.

Competition

Describe the competition that the Issuer faces, and how the Issuer intends to compete. If the Issuer offers what it considers to be unique good or services, discuss competition from companies that provide similar or substantial goods or services.

Name the Issuer’s principal competitors, and indicate their relative size and financial market strengths. Describe the Issuer’s strategy, whether to compete by price, service, or some other basis

The issuer belongs to the industry which caters to the need of the public and medical specialists for hospital facilities. There are no recognized trends within such industry. The geographic area of competition is in Iloilo City wherein the following Hospitals are operating:

NAME OF HOSPITAL	ADDRESS	BED CAPACITY	CATEGORY	LEVEL CLASSIFICATION
Iloilo Doctor’s Hospital	Infante St, Molo, Iloilo City	300	Private	3

Iloilo Mission Hospital	Mission Road, Jaro, Iloilo City	220	Private	3
Medicus Medical Center Iloilo	Dr. Rizalina Bernardo Avenue, San Rafael Mandurriao, Iloilo City	150	Private	2
Metro Iloilo Hospital and Medical Center, Inc	Metropolis Avenue, Brgy. Tagbakjaro, Iloilo City	110	Private	2
Qualimed Hospital	DonatoPison Avenue, San Rafael Mandurriao, Iloilo City	100	Private	2
St Paul's Hospital	General Luna St, Brgy. Danao, Iloilo City	265	Private	3
St. Therese MTCC Hospital	San Agustin St, Iloilo City	100	Private	2
The Medical City Iloilo	Locsin St, Molo, Iloilo City	108	Private	2
West Visayas State University Medical Center	E. Lopez St, Jaro, Iloilo City	300	Public	3
Western Visayas Medical Center	Q. Abeto St, Mandurriao, Iloilo City	400	Public	3

The strategic location of ACE Medical Center-Iloilo primarily influences the decision of the medical specialists to subscribe to the shares of stock in ACE Medical Center - Iloilo. Once the Doctor decides where to practice, price and quality of facility management come as the next factors. Good location, proximity to patients, reasonableness of the offer price and quality of the facilities enable ACE Medical Center-Iloilo Inc. to effectively compete with its competitors within the area.

ACEMC Iloilo is primarily owned and managed by doctor specialists who have established medical practice in the locality. This unique set up is a strong strategic factor of the hospital since each doctor-owner has established patient following in their respective fields. Furthermore, the roster of local medical practitioners who have signified their commitment to the hospital is very significant.

ACEMC Iloilo places itself as a center for Clinical Competence and Patient Safety. Among its flagship plans, will be the creation of a High-Risk Pregnancy and Women's Health center, Male and Female Fertility Center, Health and Aesthetic Centre, Regenerative Medicine and among other services, the hospital is preparing to build a Cardiac Cath laboratory and Rehabilitation Center, an Eye Center and Oncology Center.

The hospital is currently working on an international accreditation with an ISO-International Organization for Standardization which is a world-wide federation of national standard bodies and Joint Commission International, standards of which properly define the performance, expectations, structures and functions of a hospital which seeks accreditation. Its major thrust is on the delivery of quality healthcare and patient safety.

The hospital will also offer both preventive and medical treatment packages at a very competitive cost, if not lesser than the nearby hospital facilities, without compromising the quality of healthcare service it delivers to its patients. The hospital will also make sure that by following the policies of the Credentials and Privileging Committee, the medical staff of ACEMC Iloilo are clinically competent and certified specialists.

Aside from these, patients will find a better ambiance with ACE Medical Center-Iloilo due to its carefully planned, designed, constructed hospital building. Its advantage is not simply its newly built structure but it also boasts of new facilities and equipment, plus the competency of its Medical Specialists.

ACE Medical Center-Iloilo will be a one-stop-shop with its latest technology, complete laboratory and imaging facilities such as:

- MRI
- CT Scan
- Mammogram
- Echocardiography
- Bone Densitometry
- Liver elastometry

Specialized services such as the following will also be provided:

- Cardiac Catheter Laboratory
- Renal and Urology Center
- Endoscopy Center
- Oncology Center and Transfusion Unit
- Eye Center
- Nutrition and Dietetics
- Blood Bank and Apheresis Center
- Neurolaboratory
- Operating room and Minimally invasive Surgery
- Physical & Occupational Therapy and Rehabilitation Facilities
- Sleep Center
- Metabolic Wellness and Aesthetic Center
- High Risk Pregnancy and Infertility
- Human Milk Bank and Lactation Center
- Research Center

Marketing

Describe how the Issuer plans to market its products or services during the next 12 months, including who will perform these marketing activities

ACE Iloilo will market and offer the securities through organic employees⁵ who are well versed with Hospital operations. Management believes that the strategic location of the Hospital, the facilities and the services it will provide, and the people behind the Hospital, are sufficient to entice medical specialists and prospective investors to consider the offer. ACE Iloilo will greatly rely on the salesmen and satisfied patients to spread the word about the facilities the Hospital can offer.

Employees

The Issuer (select all that apply):

⁵As amended by at least majority of the members of the Board of Directors at the meeting held on 25 March 2019

	Has existing Labor Union in the company
	Has existing Collective Bargaining Agreement
	Has existing labor strike

Indicate whether or not any of them are subject to collective bargaining agreements (CBA) and the expiration dates of any CBA. If the registrant's employees are on strike, or have been in the past three (3) years, or are threatening to strike, describe the dispute. Indicate any supplemental benefits or incentive arrangements the registrant has or will have with its employees;

The Hospital will be staffed with medical specialists who will provide the skeleton force and attract other specialist to practice in the Hospital. Below is the breakdown of the current manpower of ACEMCI and when it goes into commercial operations:

Type of Employees	Number of Current Employees	Expected within the Next 12 months
Medical Support Staff	4	110
Administrative Staff	7	42
Engineering and Maintenance	0	7
Outsourced	0	30
Clerical	3	63
Others	14	252

Medical Specialists

Briefly describe the qualifications and criteria to qualify. Disclose the current number of medical specialists and its expected number within the next 12 months.

Medical Specialists are Doctors who possess the minimum qualifications and are deemed fit to practice, upon recommendation by the Credentials Committee and approved by the Board and Management of ACE Medical Center Iloilo.

The admission to the Medical Staff roster of ACEMC Iloilo will be under the jurisdiction of the Credentialing and Privileging Committee.

The Credentialing and Privileging Committee requires that the medical specialists of ACEMC Iloilo have updated professional licenses as practicing physicians from the PRC and PHIC.

They should have finished their training in the Accredited Specialty and Subspecialty Societies of their fields in the Philippines, and should be certified Diplomates and Fellows of their respective Medical Specialties. Documentary requirements shall be submitted to the office of the Credentialing and Privileging Office upon application, and upon submission of the requirements, the committee will recommend to the Chief of Medical Services, the Executive Vice President, the Chief Executive Officer, and the BOD for final approval.

Medical specialists may have the option to apply for a Privilege to Practice and enjoy a clinic space and time at ACEMC Iloilo, or practice as regular visiting medical staff. Policies and procedures for acceptance to the medical Staff is stated in the Manual of Policies and

Procedures of the Credentialing and Privileging. Review of the medical staff credentials is annually, and privileges review is every two years.

Currently, ACE Medical Center Iloilo has a total of 270 Medical Specialists that will practice within the hospital. Within the next 12 months, it is expected that the Hospital will accept at least 100 more Doctors.

Properties

The Issuer (select all that apply):

Property	Own	Lease
Land/Building/Real Estate	√	
Equipment and other long term assets	√	
Intangible property such as patents, licenses, copyrights, trademarks, etc.	√	

Give the location and describe the condition of the principal properties (such as real estate, plant and equipment, mines, patents, etc.) that the registrant and its subsidiaries own. Disclose any mortgage, lien or encumbrance over the property and describe the limitations on ownership or usage over the same. Indicate also what properties it leases, the amount of lease payments, expiration dates and the terms of renewal options. Indicate what properties the registrant intends to acquire in the next twelve (12) months, the cost of such acquisitions, the mode of acquisition (i.e. by purchase, lease or otherwise) and the sources of financing it expects to use. If the property is being leased, indicate and describe the terms and conditions of the lease.

ACE Medical Center – Iloilo Hospital will be a 9-storey, 200-bed capacity hospital with helipad and one (1) basement parking level. Total floor area is around 25,086sq.m. constructed in a 6,000 sq.m. property located at Barangay Ungka, Jaro, Iloilo City. It will also serve as a Referral Center for Allied Care Experts (ACE) institutions in other parts of the country which ACEMC Iloilo has a Memorandum of Agreement with.

The property is covered by Transfer Certificate of Title Nos. 095-2015000546 and 095-2015000547 and Tax Declaration Nos. 15-03-042-00552 and 15-03-042-00553 registered in the name of Allied Care Experts (ACE) Medical Center - Iloilo Inc.

The Hospital will have the following facilities:

Basement (3,558.00 sq.m.)

- Parking lots
- Housekeeping Department
- Staff lockers
- Bulk warehouse/ Hazardous storage
- IT office
- Engineering office
- Central Sterile room
- Biomed storage
- Psychiatric ward – 10 beds
- Isolation room – 1 bed
- Cadaver’s holding room

STP pump room
Purchasing Department office
Facilities and Maintenance Manager Office

Ground Floor (2,517.50sq.m.)

Main Lobby
Emergency Department
Laboratory
Lactation Center
Nurse's Male/Female Lockers
PABX
Guest Services Department
Pharmacy
Admitting Section / Billing / Cashier
Radiology, MRI, CT Scan and Mammography
Ultrasonography
Fluoroscopy
External – Generator room, Oxygen Tank farm, MRF, Biomed waste
Parking Areas

Second Floor (3,457.42sq.m.)

Neonatal Intensive Care Unit (NICU)/Breastfeeding Station
Newborn Screening Extraction Room
OB-OR complex
Delivery Room
PACU
Medical, Surgical and Pedia ICU
Medical Service Committee Office
VP and Ancillary Office
VP Nursing and Nursing Director's Offices
VIP lounge
Endoscopy Center
Chapel
Central Supply Room

Third Floor (2,151.54 sq.m.)

Cardiac Catheter Laboratory
Oncology Center
HR Training rooms
Research Center
Blood Bank and Apheresis Center
Pulmo center
Cardiac/Neuro Center
Eye Center
Private clinics

Fourth Floor (2,151.54 sq.m.)

Dialysis Center
Urology Center
Pharmacy

Lamaze Center
Metabolic Wellness and Aesthetic Center
Rehabilitation and Physical Therapy Center
Dental Center
Private Clinics

Fifth Floor (2,136.00 sq.m.)

Private Rooms – 27 beds
Semi-private rooms – 36 beds
Step down ICU – 4 beds
Sleep lab
Isolation Room – 1 bed

Sixth Floor (2,136.00 sq.m.)

Private rooms – 6 beds
Semi-private rooms – 8 beds
Storage rooms – 33 rooms

Seventh Floor (2,136.00 sq.m.)

Private rooms – 27 beds
Semi-private rooms – 4 beds
Junior Suite rooms- 13 beds
Pediatric rooms – 9 beds
Isolation room – 1 bed

Eighth Floor (2,136.00 sq.m.)

Private rooms – 27 beds
Semi-private rooms – 4 beds
Junior Suite rooms- 13 beds
Pediatric rooms – 9 beds
Isolation room – 1 bed

Ninth Floor (2,136.00 sq.m.)

Auditorium
Guest Doctor's room
Dining area
Boardroom
VIP offices
VP Support and VP Marketing Offices

Roofdeck (below Helipad) (570.00 sq. m.)

Lift Machine room
VP Finance Room
Accounting
HR Manager
Medical Records and Compactor
Skills Laboratory – Training Room

TOTAL FLOOR AREA: 25,086sq.m.

Legal Proceedings of Company, its Subsidiaries and/or Affiliates

Describe briefly any material pending legal proceedings to which the registrant or any of its subsidiaries or affiliates is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities or any other entity.

- ***Complaint filed before the Insurance Commission (IC) for engaging in Pre-need activities without license***

The Insurance Commission (IC) has summoned the Chairman, Dr. Amado C. Enriquez to appear in a clarificatory conference before the Regulation Enforcement and Prosecution Division of the IC relative to the conduct of operations of the ACE Group of Hospitals, for allegedly engaging in pre-need business activities without the necessary license.

On March 8, 2018, Dr. Enriquez being represented by Atty. Arlex L. Ines, appeared before the IC and explained the Company's operations. Atty. Ines was directed to file a Supplemental Explanation until April 7, 2018 to address all queries of the IC relative to the Hospital's business activities.

On May 18, 2018, Atty. Ines again appeared before the Regulation Enforcement and Prosecution Division of the Insurance Commission, in a hearing before Atty. Brian Gale T. Sibuyan (Officer-in-Charge). He was asked to comment on the complaint filed by Dr. Kionisala.

Atty. Ines raised the following facts:

- Dr. Kionisala is a stockholder of ACE-Cebu. He is not, however, a stockholder nor is he connected or related in any way or manner to any of the other hospitals which he had implicated or mentioned in his complaint. On that ground alone, the complaint should be dismissed as against the other hospitals because he has no legal right or interest in these hospital which may be benefited or prejudiced by the filing of the complaint;
- Even assuming that he is a stockholder of all these hospitals, the complaint should nevertheless be dismissed for the reason that the hospitals are not engaged in selling or offering pre-need plans. The respondents are engaged in the hospital business. They provide medical services to whomsoever wants to avail them regardless of who they are, where they come from, or whether or not they have Philhealth or HMO coverage;
- As a corporation, the hospitals have stockholders. They are classified into (i) medical stockholders, who consist of medical doctors who are allowed but not compelled to practice their profession in the hospital, and (ii) non-medical stockholders, who as the name implies, cannot practice the medical profession and thus represent the rest of the stockholders who are passive investors of the corporation;
- Both medical and non-medical stockholders enjoy the rights and privileges of a stockholder such as: right to vote, be voted upon as directors (if qualified), right to get records of the corporation, and right to partake of dividends (if any). In addition, the corporation extends special benefits to the stockholders which take the form of what is called as "medical benefits." They are actually discounts given to them in case they decide to avail of the services of the hospital. They get discounts from professional fees

of doctors, patient rooms, medicines, and hospital bills. The discounts can be extended to their allowed heirs but the rates of discount will be different. In short, since what they get are just discounts, they still need to pay the rest of the hospital bills which are not covered by the discount;

- There is also no need to pay for the benefit which is given to them for so long as they remain a stockholder of the corporation. There is no recurring duty to pay a premium or regular fee which is the case for a real pre-need plan like HMOs. Hence, payment of a recurring fee or amount is not a precondition for the continuation of the discount.

It was surmised that the doctor is waging a personal vendetta against the officers of ACE-Cebu on a rather simple reason that he failed to get his stock certificate much earlier than he had wanted. Now the certificate is already available but he simply refused to get it so that he has an excuse to cause damage and inconvenience to a lot of people.

Another hearing was set together with the complainant on July 24, 2018. However, only the Doctor's counsel, Atty. Lora, appeared. He manifested that he is filing a 7-page letter with several annexes and this will summarize the position of his client. He eventually read portions thereof.

Complainant's theory, according to his lawyer, is that he and the other common shareholders were motivated to buy 1 block of shares in the various hospitals not because of the prospect of reaping dividends but because of the medical benefits which have been attached to the shares. Their interest in the corporation is so miniscule that it will take them forever to recover the Php250,000 or so which they paid for the shares if they will rely only on the dividends which may or may not be given by the corporation. In other words, the shares are just being used as a subterfuge to sell a preneed plan.

If the problem of his client relates to the sale of shares, then the IC does not have the jurisdiction to hear the complaint. The SEC is the correct venue for that. However, Dr. Kionisala should disclose to the Commission that he has already filed a complaint with the SEC, a regular court in Cebu, and in other government agencies as well. He is actually guilty of forum shopping. He is waging a personal vendetta at the expense of other parties.

Atty. Lora was asked how much his client paid for the shares. Php250,000, he said. Whether he was asked to pay separately for the benefits, to which he replied no. Whether his client is being asked to pay a recurring fee for the benefits. He hesitatingly said no. In that case, no preneed plan was sold to Dr. Kionisala. Unlike a typical HMO plan, Dr. Kionisala was never asked to pay money or any form of consideration in exchange for the benefits he stands to get. There is no continuing obligation on his part to pay the corporation a recurring fee so as to avail of the benefits or to make the benefits available. The benefits are also mere discounts on the cost of medical goods or services which he will avail of. He still needs to pay something for them.

On that note, the hearing officer decided to terminate the proceedings. The respondents were required by the Commission to submit within thirty (30) days their REPLY or POSITION PAPER to the seven-page Letter-Complaint filed by Ferdinand P. Kionisala. In compliance, a joint Position Paper was filed on 23 August 2018 by the following companies:

Allied Care Experts (ACE) Medical Center – Cebu, Inc. (or “Cebu”)
Allied Care Experts (ACE) Medical Center – Valenzuela, Inc. (or “Valenzuela”)
Allied Care Experts (ACE) Medical Center – Pateros, Inc. (or “Pateros”)
Allied Care Experts (ACE) Medical Center – Baypointe, Inc. (or “Baypointe”),
Allied Care Experts (ACE) Medical Center – Quezon City, Inc. (or “Quezon City”), and
Allied Care Experts (ACE) Medical Center – Baliwag, Inc. (or “Baliwag”)

With the submission of said pleading, the case/matter was considered submitted for resolution.

On December 11, 2018, Commissioner Funa of the Insurance Commission issued a letter on the findings of the Commission after the investigation conducted on the allegations of Mr. Kionisala, to wit:

"In summary, the Commission finds that, based from the record, the benefits and privileges enjoyed by you or offered by any of the named respondents on this matter is not a pre-need contract, agreement, deed, nor plan contemplated under the law. The ACEMC – Cebu or any other respondent named on this matter are not engaged in pre-need business hence not required to secure a separate license for such before the insurance Commission."

Government Regulation (select all that apply):

√	The Issuer and/or its products/services are subject to material regulation by a government agency.
√	The Issuer is required to have a license or permit (other than organizational license) to conduct business.
√	The Issuer has obtained any required licenses or permits to conduct business.

Need for any government approval of principal products or services. If government approval is necessary and the registrant has not yet received that approval, discuss the status of the approval within the government approval process

ACE Medical Center - Iloilo Inc. has secured the necessary permits to construct the Hospital. Other permits may be required later for its operation and shall be complied with by the Company.

In the course of its pre-operation stage, ACE Medical Center – Iloilo Inc. will secure permits and licenses from national and local government entities particularly the License to Operate (LTO) from the DOH, Environmental Compliance Certificate and Hazardous Waste Permit from DENR. The Building Permit and Occupancy Permit will be issued by the Iloilo City Office of the Building Official and Business Permit from BPLO of Iloilo City.

The LTO will be secured after the full construction of the Hospital and the necessary Occupancy Permit from the Building Official has been issued. The DOH will need to conduct ocular inspection of the facilities of the Hospital, as well as the pre-operation procedures of ACE Medical Center - Iloilo to ensure it is compliant with the standards of the Department prior to issuance of the LTO.

Services and Departments

Provide information on hospital departments and their functions. Include personnel overview per department and their functions.

DEPARTMENT OF ANESTHESIA

The mission of the department is to provide safe, effective, and ethical care to our patients. The Anesthesiology Department shall be responsible for providing all primary anesthesia and pain management services. This includes, but is not limited to, general and regional

anesthesia in operating suites, obstetrics, emergency room, radiology and intensive care. Anesthesia services shall be available twenty-four (24) hours of the day and night for emergency cases.

Objectives:

- a. Select, implement, and evaluate anesthesia management plans
- b. Implement the anesthesia plan employing the full scope of anesthesia practice to include both general and regional anesthesia
- c. Perform and utilize associated procedures needed during the anesthetic management of the patient
- d. Perform, within medically established guidelines, resuscitation of the newborn infant, child, or adult as the need arises

Manpower Complement:

Department Chairman	:	1
Co-chair	:	1
Medical Staff	:	18

DEPARTMENT OF INTERNAL MEDICINE

The Department of Internal Medicine includes physicians whose primary role is to provide medical care in the hospital. This team of providers includes physicians, resident physicians and nurse practitioners, who work closely with bedside nurses, social workers, physical therapists and other staff to provide thoughtful, safe, collaborative and effective medical care.

Objectives:

- a. To provide prompt, updated medical care for patient
- b. To maintain a high standard of ethical and professional service in the various fields of Internal Medicine.
- c. To support the continuing medical education programs for the medical staff and paramedical personnel
- d. To develop a residency training program in Internal Medicine with the ultimate goal of accreditation by the Philippine College of Physicians (PCP).
- e. To implement hospital policies emanating from the Board of Directors, Hospital Administrator, Medical Director and Chief of Clinics.
- f. To promote camaraderie among medical staff

Manpower Complement

Department Chairman	:	1
Co-chair	:	1
Hospitalist	:	9
Medical Staff	:	75

DEPARTMENT OF OBSTETRICS AND GYNECOLOGY

The Department of Obstetrics and Gynecology focuses on women’s health and wellness by providing high quality patient care, educating future leaders, and fulfilling innovative

research within a highly collaborative environment. It is a leading institution in all aspects of women's health with nationally recognized programs in obstetrics and gynecology, including high-risk pregnancy, reproduction genetics, gynecology, breast disease, infertility, contraception and cancer.

Objectives:

- a. To provide prompt, updated obstetrical and gynecologic care for patients
- b. To maintain a high standard of ethical and professional service in the various fields of OB-Gyn.
- c. To support the continuing medical education programs for the medical staff and paramedical personnel.
- d. To develop a residency training program in OB-Gyne with the ultimate goal of accreditation by the Philippine Board of Obstetrics and Gynecology (PBOGS).
- e. To implement hospital policies emanating from the Board of Directors, Hospital Administrator, Medical Director and Chief of Clinics.
- f. To promote camaraderie among medical staff.

Manpower Complement

	Department Chairman	:	1
	Co-chair	:	1
Hospitalist	:9		
	Medical Staff	:	40

DEPARTMENT OF PEDIATRICS

The Department of Pediatrics promotes the health of children and adolescents with a balanced program that seeks new knowledge through research, provides outstanding educational opportunities, delivers high quality comprehensive clinical care and service, advocates vigorously for children and adolescents, and is responsive to the changing needs of our community and society.

Objectives:

- a. To implement hospital policies emanating from the Board of Directors, Hospital Administrator, Medical Director and Chief of Clinics
- b. To provide optimum child health care for the Community based on professional skills, knowledge, and experience.
- c. To plan towards standardization of specific service units to meet the requirements of the PPS, through which we would be proficient enough to deliver the best medical services to our patients
- d. To provide subspecialty services of pediatric patients in the clinic and beyond.
- e. To promote judicious use of antibiotics for our pediatric patients
- f. To encourage each and every pediatrician to formulate and implement cost effective therapeutic regimens
- g. To develop camaraderie, understanding, and unity among consultant staff

Manpower complement

	Department Chairman	:	1
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Co-chair	:	1
Hospitalists	:	9
Medical Staff	:	62

DEPARTMENT SURGERY

The department of surgery treats patients both in emergency situations and for scheduled procedures. Scopes of services of the departments are:

- Inpatient services to patients diagnosed with a disease that requires surgery.
- Provides outpatient treatment for patients in the outpatient surgery clinic.
- Providing subspecialty surgical services to patients in the clinic and beyond
- Subspecialty surgical procedure under general surgery department based on the time or even during an emergency.
- Perform outpatient surgical procedures
- Helping patients to achieve optimal health status while in hospital.

Objectives:

- a. To provide prompt, updated surgical care for patients
- b. To maintain a high standard of ethical and professional service in the various fields of surgery.
- c. To support the continuing medical education programs for the medical staff and paramedical personnel
- d. To develop and maintain a residency-training program in General Surgery accredited by the Philippine College of Surgeons.
- e. To implement hospital policies emanating from the Board of Directors, Hospital Administrator, Medical Director and Chief of Clinics.
- f. To promote camaraderie among the medical staff

Manpower Complement

Department Chairman	:	1
Co-chair	:	1
Hospitalist	:	9
Medical Staff	:	20

CLINICAL PATHOLOGY DEPARTMENT

The Department performs pathologic examinations efficiently and accurately in the shortest possible time with the least use of materials and reagents for confirmation of clinical impression, screening, or detection of diseases, for prognosis and for therapeutic management, to aid the physicians in the management of their patients.

The Department caters to the needs of clinical or surgical services of the hospital. It also serves as training field for undergraduate medical students and paramedical personnel. CPD shall assess nosocomial environmental conditions in the hospital.

The Department of Pathology involves the study and diagnosis of diseases through examination of the surgically removed organ, tissues (biopsy samples), body fluids and in some cases the whole body (autopsy). It promotes understanding the basis of diseases, teaching knowledge to others and to apply understanding to improve medical diagnosis and treatment of patient leading to improve diagnosis, treatment and eventually, prevention.

Objectives:

- a. To provide prompt, updated, and accurate pathologic result.
- b. To maintain a high standard of ethical and professional service in the field of pathology.
- c. To support the continuing medical education program for the staff and personnel.
- d. To implement hospital policies from the Hospital board and administration.

Manpower Complement

Chairman	:	1
Co-chair	:	1
Medical staff	:	9

RADIOLOGY DEPARTMENT

The Department of Radiology uses medical imaging to diagnose and treat diseases such as radiography, ultrasound, computed tomography, and magnetic resonance imaging. It functions under the control of Radiologists and qualified technical staff.

The Department shall provide the hospital with high quality radiological services as required for Good Patient Care. These shall be achieved by the adherence to the following criteria:

- All procedures are to be done on a strict basis of clinical priority and confidentiality.
- All services are to be provided only upon the knowledge of the referring physician.
- Adherence to radiation safety shall conform with the guidelines provided by the Radiation Health Office.
- Assistance shall be provided to other hospital departments in the development of optimal clinical diagnosis and management and protocols.
- Prospective clinical research program will be developed.
- Continuing Education Program for all the staff shall be maintained.

The scope of services include:

- a. Out-patient and in-patient diagnostic imaging.
- b. Helping patients to achieve optimal health status while in hospital.

Objectives:

- a. To provide prompt and updated diagnostic procedures for patients
- b. To maintain a high standard of ethical and professional services
- c. To support continuing medical education for the medical and paramedical services
- d. To implement hospital policies in the scope of radiology
- e. To promote camaraderie among the medical staff.

Manpower complement:

Chairman	:	1
Co-chair	:	1
Medical Staff	:	10

INFECTION CONTROL DEPARTMENT

The Infection Control Department, through its Chairperson or physician member, has the authority to institute any appropriate control measures or studies and to recommend corrective action within any department, when there is considered to be a danger to any patient or to personnel. The Infection Control Department has the ultimate authority, in the event that there is a question or disagreement in relation to infection control policy or procedure. To facilitate early and complete reporting, the Infection Control Department, Infection Control Practitioner or the Registered Nurse on the patient care unit has the authority to initiate culture and sensitivity testing and institute any appropriate isolation procedures. When any of these actions are taken, the physician responsible for the patient will be notified.

The Department’s Objectives are:

- To establish a functional surveillance system for control of nosocomial infections.
- To identify, through the surveillance system, any specific problem areas in need of administrative or professional resolution and report to the medical staff of the hospital.

Manpower Complement:

Chair	:	1
Co-chair	:	1
Medical Staff	:	4
Infection Control Nurse	:	1

TISSUE COMMITTEE

This Committee reviews histo-pathological results done on tissues recovered from operations and determines if operations performed were appropriate and discrepancies in pre-operative and post-operative diagnosis.

The Tissue Committee evaluates the report on every piece of tissue surgically removed. When there is consistency among the pre-operative diagnosis, operative diagnosis and pathological diagnosis, the results are tabulated for the purpose of quarterly and annual reports. In those instances of diagnostic and pathological inconsistency, the case is studied in detail. Further evaluation would include a review of the patient’s chart and the responsible surgeon has to justify his or her course of action. The results and recommendation are tabulated. Cases presenting unresolved inconsistencies or potential deficiencies in desired standards of care are referred to Executive Committee for further evaluation.

Manpower Complement:

Chairman	:	1
Pathologist	:	1
Department Chairs	:	4

EMERGENCY DEPARTMENT

The Emergency Room department is a vital part of the hospital as it is the first to receive

patients needing immediate medical attention, either because of the life-threatening condition, multiple injuries or severity of symptoms. It is especially equipped with the life - saving devices and trained personnel to handle emergency cases.

The Department's Objectives include:

- providing competent emergency care at all times by a team of qualified and experienced Emergency Room personnel
- providing prompt, lifesaving treatment without discrimination
- maintaining the highest standards of emergency care facility.

Manpower Complement:

ER Head	:	1
Staff Nurse	:	12
Orderlies	:	2
Ambulance Driver	:	1

REHABILITATION MEDICINE AND PHYSICAL THERAPY

The Rehab Department caters to individuals who have impairments, functional limitations, disabilities, or changes in physical function and health status resulting from injury, disease or other causes. By designing and implementing therapeutic interventions that may include, but not limited to pharmacologic management, therapeutic exercises, functional training in self-care and home management, manual therapy techniques, prescription and fabrication of assistive and orthotic devices, electrotherapeutic modalities, physical agents and mechanical modalities, the Rehabilitation Medicine and Physical Therapy Center alleviates impairment and functional limitations. Cases handled vary from neurological, musculoskeletal, cardiopulmonary and pediatric among others. The patient load will consist of in-patients, out-patients and those who will need domiciliary services.

The Department's main objectives are:

- Establishing a comprehensive treatment plan to restore the patient to his highest functional mobility, activities of daily living, community reintegration, workplace requirements and recreation.
- Provision of patient and family education which is a cornerstone to all clinical programs.
- Planning of individualized exercises to increase of daily activities, increase musculoskeletal strength, and maximize cardiovascular fitness.

Manpower Complement:

Chair	-	1
Rehabilitation Doctor or Physiatrist	-	2
Physical Therapist	-	4

PULMONOLOGY DEPARTMENT

The Department provides immediate cardio-pulmonary management, as requested by the Physician, that will help lead in the accurate diagnosis of an illness for proper administration of therapeutic procedure.

The Department's Objectives include:

- To deliver official results of the procedures within 24 hours.
- To respond during Code Blue.
- To provide ventilatory support to intubated patient.
- To gradually remove mechanically intubated patient from ventilator.
- To provide accurate pulmonary diagnostic procedure:
 - a. Blood Gas Analysis (ABG)
 - b. Pulmonary Function Test (PFT)
 - c. Peak Expiratory Flow Measurement (PEFR)
- To provide effective pulmonary therapeutic procedures:
 - a. Aerosol Therapy (Nebulization)
 - b. Intermittent Positive Pressure Breathing Therapy (IPPB)

Manpower Complement:

Chair	:	1
Supervisor, RT	:	1
Respiratory Therapist	:	4
Medical Staff	:	10

OUT-PATIENT DEPARTMENT

This is a combination of several departments. It is a miniature version of the hospital except that the patient is ambulatory. Physicians with different specializations provide services. Individual patients come to consult or receive treatment, others go back to the physician to assess their progress following discharge from hospital.

Department's Objectives include:

- To be the channel of our foremost goal which is to provide "Quality Service" to our clientele. Their satisfaction is our top most priority.
- To ensure that all patients for consultation are given proper assessment before they are decked to the concerned doctor.
- To ensure that all necessary documents are properly prepared, kept and organized.
- To enhance secretaries' knowledge in handling patients.

Manpower Complement

Department Head	:	1
OPD Supervisor	:	1
OPD Clerk	:	3

ADMINISTRATIVE DEPARTMENT

This Department accommodates complaints of patients and their relatives and other hospital problems/issues. Proper approach is needed in dealing with patient's relatives and hospital staff.

Objectives:

- To man the department with qualified and competent staff able to handle and meet the needs & satisfaction of patients being admitted in the hospital.
- To ensure that the staffs' responsibilities & obligations are being observed with

quality output and at the same time given job descriptions are properly followed.

- Ensure that the existing policies & regulation of the hospitals pertaining to professional fees, discounts, promissory notes & discharge of patients are properly observed.
- Make sure that less patients will be seeking for social service assistance instead convince & encourage them to settle their bills and or issue collateral prior to discharge.
- To be able to meet all the required assignments of the department within the allowable or least time with quality output.

Manpower Complement

Admin Officer	:	1
Asst. to the Admin Officer	:	1
Messenger/Liaison Officer	:	1

BILLING SECTION

The Billing Section is one of the major components of hospital operation. This unit is working based on the revenue of the different departments of the hospital. A proper coordination and communication with the Doctors and staff are very vital in this unit.

Objectives:

- To provide efficient, accurate computation and fastest service to patient, in accordance with the implementing guidelines and hospital policy.
- To provide good service and customer total satisfaction.
- To improve service to patients in order to shorten the processing of their bills or minimize if not eliminate occurrence of "late bills".

Manpower Complement

Billing Supervisor	:	1
Billing Clerk	:	4

PHARMACY

This Department serves as the vital link in the chain of health professionals dedicated to patient care. The Pharmacist will provide at all times an adequate supply of safe effective and good quality drugs in appropriate dosage forms consistent with the needs of the patients and to rationalize drug utilization in collaboration with the medical staff.

Objectives:

- To properly utilize the Pharmacy Service to the maximum geared toward the actual dynamics of better patient care.
- To provide at all times, medications of the highest standard in appropriate dosage forms consistent with needs of the patients in collaboration with the medical staff.
- To rationalize drug utilization and procurement in collaboration with the Pharmacy and Therapeutics Committee.
- To render effective and efficient professional service to in and out patients of all economic levels.

- To maintain an adequate system of stock and inventory control and must have the ability to control operational cost without comprising services.

Manpower Complement:

Chair	:	1
Chief Pharmacist	:	1
Staff Pharmacist	:	5

CENTRAL SUPPLIES DEPARTMENT

The CS Department has the following personnel: the department head, the assistant head and four (4) clerks. The department is open twenty-four (24) hours servicing all sectors of the hospital. CSR personnel work forty-eight (48) hours a week and rotate on three (3) shifts- morning, afternoon and night.

The CS department will serve as essential link in the chain of hospital health service dedicated to patient care. The department will provide at all times an adequate supply of safe, effective and quality products for the need of the patients.

Objectives:

- To improve patient care by providing the necessary sterile and un-sterile supplies, articles and equipment in the nursing units and other department of the hospital.
- To provide and maintain products and emergency equipment made safe for patient use.
- To ensure proper sterilization of supplies relevant to hospital procedure.

Manpower Complement:

Department Head	:	1
Assistant Head	:	1
CSR Clerk	:	4

PSYCHIATRY DEPARTMENT

The Dept of Psychiatry and Behavioral Services include physicians whose primary role is to provide comprehensive mental health and counseling services. This team of providers includes physicians who work closely with nurses and other staff to provide expert and effective psychiatric care.

Objectives:

- To provide advanced ,evidenced-based individualized treatment care plan based on latest research;
- To maintain a high standard of ethical and professional service in mental health and counseling services
- To support the continuing medical education program for the staff and personnel
- To implement hospital policies emanating from the BoardofDirectors,Hospital Administrators,Medical Director and Chief of Clinics
- To promote camaraderie among the staff

Manpower Complement

Chair	:	1
Co- chair	:	1

Medical Staff : 5

DEPARTMENT OF FAMILY MEDICINE

The Department of Family Medicine includes comprehensive healthcare for people of all ages. The team of providers are primary care physicians that integrate biological, clinical and behavioral sciences.

Objectives:

- a. To implement hospital policies emanating from Board of Directors, Hospital Administrator, Medical Director and Chief of Clinics.
- b. To provide physician-patient relationship with the patient viewed in the context of family.
- c. To provide prompt, updated, updated medical care of patients.
- d. To support continuing medical education for the medical staff and paramedical personnel.
- e. To develop residency training program in Family Medicine with ultimate goal of accreditation by Philippine Academy of Family Physicians.

Manpower complement:

Chair	:	1
Co-chair	:	1
Medical Staff	:	20

Transactions with and/or dependence on related parties

The Company, in the normal course of business, has entered into transactions with related parties principally consisting of:

- a. Advances to related party - They engaged the services of an indenter (Endure Medical, Inc.) which have relatively significant influence over a key management personnel of the Company. The indenter facilitates the importation and acquisition of medical equipments, furniture and fixtures for the hospital allotment (*see Note 16 in the AFS 2017 and Note 15 in the Interim AFS 2018*).
- b. Loan receivable - The Company granted a loan to its affiliate, ACE Medical Center-Butuan Inc., in the amount of P37,000,000 with interest rate of 5% payable monthly commencing on the last day of the month after the date of the advance of the loan plus pro-rated interest rates of 5% per month on the maturity value of the loan after its due date of May 16, 2017. As of date, the account has remained due and demandable but with high expectancy of settlement in spite of the delay(*see Note 16 in the AFS 2017 and Note 15 in the Interim AFS 2018*).
- c. Advances from shareholders - This account represents advances made by its shareholders in support of the Company's building construction requirements. These advances are non-interest bearing and to be paid subject to availability of funds and/or the Board may decide to convert said advances to equity in the distant future. As of June30,2018 total amount of advances from shareholders amounted to P312,571,705 (*see Note 16 in the AFS 2017 and Note 15 in the Interim AFS 2018*).

USE OF PROCEEDS

The figures herein are only estimates and are made under the assumption that all or a significant portion of the Offer Securities will be sold setting aside fortuitous events or acts of men beyond the control of the management of the Issuer.

In the event all the Offer Securities are sold, it will generate maximum gross proceeds of approximately Php1,000,000,000.00. The gross proceeds, less transaction expenses, taxes, professional and registration fees, etc. will yield Php951,927,865.00 which shall be used to complete the construction, development and operation of the Hospital. An estimate of the net proceeds, assuming the best case and complete sell out of the Offer Securities as currently priced is as follows:

Anticipated Gross Proceeds	P 1,000,000,000.00
Less:	
Registration/Filing Fees	872,135.00
Taxes	10,000,000.00
Legal and Audit Fees	700,000.00
Marketing Fees	36,000,000.00
Other Incidental Expenses	500,000.00
Total	48,072,135.00
	P 951,927,865.00

In the event that the actual expenses relating to the Offer differ from the above estimates, the net proceeds to the Company from the Offer may be higher or lower than the expected net proceeds set forth above. Any increase or decrease in the net proceeds to the Company shall be addressed by making a corresponding increase or decrease, as the case may be, to the proposed use pro-rata.

In the event the maximum net proceeds of Php951,927,865.00 is realized, it will be applied to the purposes mentioned below, in the **estimated** amounts, based on the % to the total proceeds that will be raised as follows: *(enumerated in descending order of priority)*

Proposed Use	Amount	%	Est. Period of disbursement
Construction	380,771,146.00	40%	1 st Q 2019
Medical equipment	285,578,359.50	30%	1 st Q 2019
Architects and other PFs	47,596,393.25	5%	2 nd Q 2019
Pre-operating expenses	190,385,573.00	20%	4 th Q 2019
Hospital/Office furniture & fixtures	47,846,393.25	5%	1 st Q 2019
Total	₱951,927,865.00	100%	

Primary use of proceeds will be for construction expenses. Total construction cost estimate of the project is at Php825,000,000.00. This will be partially financed by the proceeds of the public offering, as only 40% of the proceeds is allotted for this. However, with the recent inflation affecting the country, the construction cost estimate provided may no longer be accurate.

Another intended use of the proceeds of the IPO is for procurement of medical equipment. 30% of the proceeds is allotted for purchase of medical equipment such as CT Scan, X-ray machines, MRI, Anesthesia Machine, Patient Monitors, Defibrillators, etc. The list of equipment to be purchased is provided under Exhibit "T".

Another use will be for payment of professional fees to Architects and Engineers contracted by the Hospital.

Pre-operating expenses will cover the salaries/allowances of the staff as well as the daily operational expenses of the Hospital prior to the grant of the LTO and during the first few months of operation.

A small amount is allocated for hospital furniture and fixtures of the different offices such as the Admitting Department, Administration, Billing, Doctors clinics, Laboratory, etc.

The commitment of the major stockholders to fund the construction, development, pre-operations and start-up costs of the Hospital, is backed up with a credit line facility amounting to Php1,060,000,000.00 (Php660,000,000.00 for construction and Php400,000,000.00 for equipment) with initial interest at 5.25% variable with one-time fixing at 6% per annum for 10 years. Maturity date is June 2026. Currently, ACE Iloilo has already utilized Php479,150,000.00.

ACE Medical Center Iloilo may also borrow from other financial institutions depending on the situation that will come during the operation period.

As of December 15, 2018, the Hospital Building is at 77% constructed and estimated to be completed under the following schedule:

- Remaining 32% of Architectural works to include final finishes to be completed by December 2019⁶.
- Remaining 43% of Mechanical works which includes Sanitary/Plumbing and Fire Protection Works is expected to be completed on/before December 2019.
- Remaining 37% of Electrical works to be completed on or before December 2019.

ACE Medical Center Iloilo will endeavor to open by the First Quarter of 2020 subject to the issuance by the Department of Health of a License to Operate.⁷

The facilities to be constructed within the Hospital include the doctors/dentists' clinics, office area for the HMO, administration office, parking lots, commercial area for coffee shop, elevators, comfort rooms and waiting areas for patients.

As the offer will be made in tranches, the estimate gross proceeds may not be realized at the same time or within a fixed period.

⁶ Per Board Resolution _____ issued during the regular meeting of the Board of Directors in Ka Tunying Restaurant, NAIA Terminal 3, Pasay City, Metro Manila held last 30 August 2019.

⁷ Per Board Resolution _____ issued during the regular meeting of the Board of Directors in Ka Tunying Restaurant, NAIA Terminal 3, Pasay City, Metro Manila held last 30 August 2019.

The figures in the **Use of Proceeds** are estimates based on current pricing of the equipment, development costs and operational expenses of the Company. As such, adjustments and/or deviations in the disclosed uses may be made. To the extent that the net proceeds from the Offer are not immediately applied to the above purposes, the Company will invest the net proceeds in short term demand deposits and/or money market instruments. In any event there will be material adjustments or deviations, the company undertakes to inform the Commission within 30 days prior to its implementation.

Where less than all of the securities to be offered may be sold and more than one use is listed for the proceeds, the registrant shall indicate the order of priority of such purposes and discuss its plans if substantially less than the maximum proceeds are obtained.

If any material amounts of other funds are necessary to accomplish the specified purpose(s) for which the offering is made, the registrant shall state the amounts and sources of such other funds needed.

If the proceeds will be used to pay-off existing debt, disclose the following: Not Applicable

Name of Debtor	Amount of Debt	Interest	Maturity Date
Land Bank of the Philippines	Php465,000,000.00	5.25% variable with one-time fixing at 6% p.a.	June 2026
Land Bank of the Philippines	Php595,000,000.00	5.25% variable with one-time fixing at 6% p.a.	June 2026
TOTAL	Php1,060,000,000.00		

ACE Medical Center-Iloilo, Inc. initially secured a loan from Land Bank of the Philippines on September 25, 2015, for the principal amount of Php500,000,000.00 (TL-1 P465,000,000.00 and TL-2 P35,000,000.00) with initial interest at 5.25% variable with one-time fixing at 6% per annum for 10 years. TL-1 shall have a term of 10 years to be reckoned from initial drawdown date, inclusive of 3 years grace period on the principal. TL-2 shall have a term of 7 years, inclusive of 1 year grace period on the principal.

Another Loan was granted on July 31, 2018 for the principal amount of Php595,000,000.00 (TL-3 P195,000,000.00 and TL-4 P400,000,000.00) subject to variable interest rate with option to shift to fixed rate after full drawdown. TL-3 shall have a term of 8 years to be reckoned from initial drawdown date, inclusive of 1 year grace period on the principal. TL-2 shall have a term of 7 years, inclusive of 2 years grace period on the principal.

With the grant of the second loan, TL-2 amounting to P35M was cancelled, TL-4 amounting to P400M shall be used for the purchase of equipment.

Is the debtor related to the Issuer or any of its Directors or Officers? Yes No

If the answer to any of the above is "yes", disclose the relationship between each person and the issuer and the principal terms of each transaction. If assets were acquired from a person, disclose the cost of the asset to the issuer and the method used to determine this cost. Disclose for each person who has been involved in more than one related party transaction, their relationship with the issuer and which of the transactions they have been involved with

If the proceeds will be used to purchase real estate property? _____ Yes No _____ Not Applicable

(Provide information on each property acquired)

Description of Property	
Name of Seller	
Acquisition Cost	
Terms of Payment	

If the answer to any of the above is "yes", disclose the relationship between each person and the issuer and the principal terms of each transaction. If assets were acquired from a person, disclose the cost of the asset to the issuer and the method used to determine this cost. Disclose for each person who has been involved in more than one related party transaction, their relationship with the issuer and which of the transactions they have been involved with.

If any material amount of the proceeds is to be used to acquire assets or finance the acquisitions of other businesses, describe the assets or businesses and identify the persons from whom they will be bought. State the cost of the assets and, where such assets are to be acquired from affiliates of the registrant or their associates, give the names of the persons from whom they are to be acquired and set forth the principle followed in determining the cost to the registrant.

If the proceeds will be used for the construction of the hospital, provide the following:

Project Name	ACE Medical Center - Iloilo Hospital
Project Cost (Estimate)	825,000,000.00
Schedule of Disbursement	Until 4 th Quarter of 2019
Target Completion Date	September 2019
Percentage Completed	77%

9. If proceeds to this offering is not sufficient to fund the intended use, where will the company source the additional funding? ___ Not Applicable

ACE Medical Center Iloilo Inc. secured loans from Land Bank of the Philippines. Principal amounts are Php465,000,000.00 and Php595,000,000.00. As of the date of this prospectus, the Hospital has utilized about Php 733,600,481.00 of the total available facility.

DESCRIPTION OF SECURITIES OFFERED

Securities of the Registrant

10. The securities being offered are (select all that apply):

	Founder's Shares
√	Common Shares
	Preferred Shares
	Others (specify):

- (a) State the amount of capital stock of each class issued or included in the shares of stock to be offered:
- (b) If the registrant is offering common equity, describe any dividend, voting and preemption rights.
- (c) If the registrant is offering preferred stock, describe the dividend, voting, conversion and liquidation rights as well as redemption or sinking fund provisions.

ACE Medical Center – Iloilo Inc. is registering the following shares: **600** Founders' shares, **203,400** common shares (all issued and outstanding) and **36,000** common shares equivalent to **3,600** blocks (10 shares per block) which will be offered for sale to the public by way of primary offering.

The 3,600 blocks will be offered in tranches, through a series of offerings at an offer price in progressive amounts. The first 2,600 blocks will be sold at the price of Php250,000.00 per block, the next 500 blocks at the price of Php300,000.00 per block and the remaining 500 blocks at the price of Php400,000.00 per block. The blocks will be sold on a first come, first served basis, subject to pre-qualification procedures. Once the maximum number of blocks per series are sold, the next series will be offered at an increased offer price. The offer shares will not be listed in the Exchange and will be issued over the counter only, through registered salesmen.

The 3,600 blocks will be offered to the public, and sold primarily to Medical Specialists who possess the minimum qualifications and are deemed fit to practice, upon recommendation by the Credentials Committee and approved by the Board and Management of ACE Medical Center - Iloilo Inc. Other purchasers may be non-medical specialists who are related to medical specialists and those who intend to purchase the shares purely for investment purposes.

The common shares/blocks that will be offered will qualify the medical shareholder to practice at the Hospital, subject to pre-qualification procedures, aside from earning dividends as may be declared by the Board.

RIGHTS AND RESTRICTIONS

The ownership of the Offer Securities is subject to the following rights and restrictive conditions

1. The transfer, or otherwise disposal of shares shall observe the following priorities:
 - a. First Priority-to the corporation which must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the corporation.

- b. Second Priority- to the holders of Founder's Shares, who must exercise the option within the same period of thirty (30) days from date of receipt of the written offer by the Secretary of the corporation.
- c. Third Priority- to holders of Common shares who must likewise exercise the option within a period of thirty (30) days from date of receipt of the written offer by the Secretary of the corporation.
- d. Fourth Priority- to outsiders who must likewise exercise the option within a period of thirty (30) days from the date of receipt of the written offer by the Secretary of the corporation.

The foregoing restrictions shall not apply to the dispositions by the stockholder by will, donation, inheritance, bequest and related transfer of said shares.

Any transfer of a share of the capital stock in violation of the foregoing provisions shall be null and void and shall not be transferrable in the books of the Corporation.

11. These securities have (select all that apply):

√	Cumulative voting rights
√	Pre-emptive rights to purchase any new issue of securities
	Preference as to dividends or interest
	Restrictions on dividends or other distributions
	Preference over liquidation
	Anti-dilution
	Conversion rights
	Other special voting rights
	Other special rights or preference (specify):

- (a) Describe any other material rights of common or preferred stockholders.
- (b) Describe any provision in the charter or by-laws that would delay, defer or prevent a change in control of the registrant.

Cumulative Voting. Common shareholders are entitled to vote during the Annual Meeting. Each Shareholder shall have the right to vote in person or by proxy the number of shares registered in his name in the stock transfer book of the Hospital for as many persons as there are directors to be elected. Each shareholder shall have the right to cumulate said shares and give one (1) nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same cumulative voting principle among as many nominees as he shall see fit; provided, that the number of votes cast by a shareholder shall not exceed the number of his shares multiplied by the number of directors to be elected.

Pre-emptive Right. The right of a shareholder in a corporation to have the first opportunity to purchase a new issue of stock of that corporation in proportion to the amount of stock

already owned by the shareholder.

All holders of common shares shall enjoy pre-emptive right to subscribe to all issues or disposition of shares of any class, in proportion to their respective shareholdings.

12. Source of the aforementioned shares offered for sale (select all that apply):

<input checked="" type="checkbox"/>	Primary (from the unissued portion of the Authorized Capital Stock)
<input type="checkbox"/>	Secondary Selling Shareholders

Secondary Offering

13. If any of the securities to be registered are to be offered for the account of shareholder, name each such security holder, indicating the following: Not Applicable

Name of Selling Shareholder	Class of Securities Offered	No. of Shares Offered for Sale	Offer Price	Issue Value

14. The selling shareholder/s (select all that apply):

<input type="checkbox"/>	Certifies as to the accuracy of any part of the registration statement contributed to
<input type="checkbox"/>	Certifies that he/she are the legitimate beneficial owner of the securities.

15. Are these securities are to be registered under a delay or continuous offering?
 Yes No

Recent sale of Unregistered or Exempt Securities

Furnish the following information as to all securities of the registrant sold by it within the past three (3) years which were not registered under the Code. Include sales of reacquired securities, as well as new issues, securities issued in exchange for property, services, or other securities, and new securities resulting from the modification of outstanding securities. Indicate whether the issuer received written confirmation from the Commission under SRC Rule 10.1 that such exemptive relief from registration was available and, if so, the date such confirmation was issued:

Class of Securities Sold	Purchasers	Consideration	Exemption from Registration Claimed

increase in ACS – common shares	Existing shareholders	cash	no
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Determination of the Offer Price

Discuss the various factors considered in determining the offering price of the securities for registration.

The following factors may be relevant to the price at which the securities are being offered: after-tax earnings, price/earnings multiple, net tangible bookvalue per share.

The staggered Offer Price per series of shares for sale to the public was arrived at by considering several factors including but not limited to: the timing of purchase relative to the completion of the Hospital and its facilities, the number of applicants the Hospital could serve and accommodate, the total development costs based on cost assessments of the engineers, architects and other professionals hired for the project, comparable price of similarly situated structure with similar facilities, market demand, risk undertaken by the original stockholders, the exclusive and premium nature of the Hospital and its intended patients and the acceptability of the pricing strategy to the current market.

The breakdown of the Offer Price is presented as follows:

<u>Series</u>	<u>Number of Blocks of Common Shares</u>	<u>Maximum Proposed Selling Price per block</u>
1 st	2,600blocks	P250,000per block
2 nd	500 blocks	P300,000 per block
3 rd	500 blocks	P400,000 per block

Dilution

Where common equity securities are being registered and there is a substantial disparity between the public offering price and the effective cash cost to officers, directors, promoters and affiliated persons of common equity acquired by them in transactions during the past five (5) years, or which they have the right to acquire, and the registrant is not subject to the reporting requirements of Section 17 of the Code immediately prior to filing of the registration statement, there shall be included a comparison of the public contribution under the proposed public offering and the effective cash contribution of such persons. In such cases, and where common equity securities are being registered by a registrant that has had losses in each of its last three fiscal years, or from inception if shorter, and there is a material dilution of the purchasers' equity interest, the following shall be disclosed:

- (1) The net tangible book value per share before and after the distribution. For this purpose, net tangible book value means total assets (exclusive of copyrights, patents, goodwill, research and development costs, pre-operating costs, and similar intangible assets) minus total liabilities.
- (2) The amount of the increase in such net tangible book value per share attributable to the cash payments made by purchasers of the shares being offered; and
- (3) The amount of the immediate dilution from the public offering price which will be absorbed by such purchasers.

The net tangible book value of the Company as of December 31, 2017 was ₱108,796,755 or ₱906.64 per share, which represents the amount of the Company's total assets (excluding intangible assets) less its total liabilities. The Company's net tangible book value per share

represents the net tangible book value divided by the number of Common Shares outstanding.

After giving effect to the increase in the Company's total assets to reflect the receipt of the net proceeds from the Offer, estimated to be ₱956,927,865, and the addition of 36,000 new Common Shares subject of the Offer, the Company's adjusted net tangible book value would be ₱1,065,724,620 or ₱6,831.57 per share. This represents an increase of ₱5,924.93 per share to the existing shareholders and an average dilution of ₱20,946.21 per share to the investors participating in the Offer.

The dilution in the book value per share represents the estimated difference between the Offer Price and the approximate adjusted tangible book value per share immediately following the completion of the Offer.

The following table illustrates dilution on a per share basis based on the Series of Offer Prices:

	Existing Stockholders	2,600 blocks	500 blocks	500 blocks
Offer Price per share	₱1,000.00	₱25,000.00	₱30,000.00	₱40,000.00
Net tangible book value per share, Dec 31, 2017 (₱108,796,755/120,000 shares)	₱906.64	-	-	-
Net tangible book value per share, after Offer (₱1,065,724,620/156,000 shares)	₱6,831.57	₱6,831.57	₱6,831.57	₱6,831.57
Increase (dilution) per share	₱ 5,924.93	(₱18,168.43)	(₱23,168.43)	(₱33,168.43)

During the interim six-month period ending June 30, 2018, the net tangible book value of the Company was ₱124,456,650 or ₱882.67 per share, which represents the amount of the Company's total assets (excluding intangible assets) less its total liabilities. The Company's net tangible book value per share represents the net tangible book value divided by the number of Common Shares outstanding.

After giving effect to the increase in the Company's total assets to reflect the receipt of the net proceeds from the Offer, estimated to be ₱956,927,865, and the addition of 36,000 new Common Shares subject of the Offer, the Company's adjusted net tangible book value would be ₱1,081,384,515 or ₱6,109.52 per share. This represents an increase of ₱ 5,226.85 per share to the existing shareholders and an average dilution of ₱ 21,668.26 per share to the investors participating in the Offer.

The dilution in the book value per share represents the estimated difference between the Offer Price and the approximate adjusted tangible book value per share immediately following the completion of the Offer.

The following table illustrates dilution on a per share basis based on the Series of Offer Prices as of June 30, 2018:

	Existing Stockholders	2,600 blocks	500 blocks	500 blocks
Offer Price per share	₱1,000.00	₱25,000.00	₱30,000.00	₱40,000.00
Net tangible book value per share, June 30, 2018 (₱108,796,755/141,000 shares)	₱882.67	-	-	-
Net tangible book value per share, after Offer	₱6,109.52	₱6,109.52	₱6,109.52	₱6,109.52

(₱1,081,384,515/177,000 shares)				
Increase (dilution) per share	₱5,226.85	(₱18,890.48)	(₱23,890.48)	(₱33,890.48)

Stockholder	Before the Offer			After the Offer		
	Class	Number of Shares	Percentage	Class	Number of Shares	Percentage
Biron, Ferjenel G.	Founder	50	11.764%	Founder	50	10%
	Common	23,950		Common	23,950	
	Total	24,000		Total	24,000	
Enriquez, Amado Manuel Jr. C.	Founder	80	13.333%	Founder	80	11.333%
	Common	27,120		Common	27,120	
	Total	27,200		Total	27,200	
Samoy, Marietta T.	Founder	20	3.333%	Founder	20	2.833%
	Common	6,780		Common	6,780	
	Total	6,800		Total	6,800	
Cerna-Lopez, Geanie A.	Founder	20	2.647%	Founder	20	2.25%
	Common	5,380		Common	5,380	
	Total	5,400		Total	5,400	
De Leon Roberto M.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
De Castro, Felicisimo D.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
De Los Trinos, Ricardo	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
Lavalle, Amado Jr. M.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
Lavilla, Meride D.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
Nolasco Felix O.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
Orillaza, Generoso M.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
Regozo, Danilo C.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
Saquian, Jeremy M.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
Villaflor, Agnes Jean M.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	

Samoro, Fredilyn G.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
Cruz, Maita C.	Founder	10	1.666%	Founder	10	1.417%
	Common	3,390		Common	3,390	
	Total	3,400		Total	3,400	
Other Stockholders (30)	Founder	300	47.941%	Founder	300	40.75%
	Common	97,500		Common	97,500	
	Total	97,800		Total	97,800	
Public	Founder	-	0.00%	Founder	-	15%
	Common	-		Common	36,000	
	Total	-		Total	36,000	

The following does not purport to be a complete listing of all the rights, obligations, and privileges attaching to or arising from the Offer Shares. Some rights, obligations, or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective investors are enjoined to perform their own independent investigation and analysis of the Company and the Offer Shares. Each prospective investor must rely on its own appraisal of the Company and the Offer Shares and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to invest in the Offer Shares and must not rely solely on any statement or the significance, adequacy, or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective investor's independent evaluation and analysis.

Terms and Conditions of the Offer

Issue Size	P1,000,000,000.00
Offer Shares	36,000 shares for a minimum subscription of 10 shares
Offer Period	From approval until fully subscribed
Terms and Manner of Payment	Cash/installment
Eligible Applicant	Medical specialists, relatives of medical specialists, the public
Restriction on Ownership	none
Documentary Requirements:	
Corporate Applicants	N.A
Institutional Applicants	N.A
Right to Accept, Reject and Scale Down Applications	The act of purchasing the securities being offered does not automatically entitle such purchaser to practice his profession, use the facilities and enjoy the privileges of a stockholder of ACE Medical Center-Iloilo Inc., although it is a prerequisite. Physicians who are subscribers to at least one (1) block or ten (10) shares of the capital stock and have paid in full may be allowed to practice. Such purchasers have to undergo the required screening process and must possess the minimum requirements as may be determined by the Hospital. After successfully passing this process, the applicant shall then be entitled to the privilege

	<p>to practice in ACE Medical Center - Iloilo Hospital, subject to restrictions, limitations, and obligations as may be imposed by the Hospital pursuant to its rules and duly approved resolutions. Medical specialists who have been granted the privilege to practice shall continuously possess the required qualifications and may be subjected to post-qualification assessment to ensure the quality of service provided by the hospital.</p>
<p>Refunds</p>	<p>In the event the project for which the securities of ACE Medical Center- Iloilo Inc. are sold, is for any reason, not completed within the periods stated in the prospectus, It shall refund the amount of investments of purchasers within ten (10) business days from receipt of written demand.</p>
<p>Issuance and Transfer Taxes</p>	<p>Revenue Regulations No. 9-2018 signed by Finance Secretary Carlos G. Dominguez III and Internal Revenue Commissioner Caesar R. Dulay contained the guidelines implementing the increase in stock transfer tax provided in Section 39 of Republic Act No. 10963 or the TRAIN Law. There shall be levied, assessed and collected on every sale, barter, exchange, or other disposition of shares of stock listed and traded through the local stock exchange other than the sale by a dealer in securities, a tax at the rate of six-tenths of 1 percent [0.6 percent] of the gross selling price or gross value in money of the shares of stock sold, bartered, exchanged or otherwise disposed which shall be paid by the seller or transferor. Documentary Stamp Tax (DST). Upon the original issuance of the ACE Medical Center – Cebu, Inc. shares, DST will be imposed at a rate of P2.00 for every P200 or a fractional part of the par value of the shares to be issued. In case of no par value, it shall be based on the actual consideration or in case of stock dividends based on the actual value of each share. DST is payable on or before the 5th day of the month following the corporation's acceptance of the stock subscription. The secondary transfer of ACE's shares is subject to documentary stamp tax at a rate of P1.50 on each P200 or fractional part thereof of the par value of the share transferred. In case of no par value, 50% of the DST paid upon original issuance thereof.</p> <p>Dividend income of an individual citizen and a resident alien received from domestic corporations is subject to 10% final withholding tax. Dividends received by domestic and resident foreign corporations from another domestic corporation are exempt from income tax. Tax on Interest Income. Interest income earned and received by ACE Medical Center – Cebu, Inc. from peso savings</p>

	accounts/time deposits is subject to 20% final withholding tax. Interest on certain time deposits of individuals with a term of at least five years may be exempt from final tax. On the other hand, interest on foreign currency deposits of resident individuals and domestic corporations is subject to 15% final withholding tax, as recently amended by the TRAIN Law. Interest income on foreign currency deposits of resident foreign corporations remains subject to 7.5% final withholding tax. Interest income from bonds considered deposit substitutes are also subject to 20% final withholding tax.
Restriction on the Issuance and Disposal of Shares	The transfer, or otherwise disposition of shares of stocks of the corporation shall likewise be subject to the following priorities: a. First Priority-to the corporation which must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation; b. Second Priority- to the holders of Founder's Shares, who must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation; c. Third Priority- to holders of common shares who must exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation; d. To outsiders who must likewise exercise its option within thirty (30) days from date of receipt of the written offer by the Secretary of the Corporation.
Trading of Securities	The shares will be traded over-the-counter
Others	none

Benefits and/or Privileges

16. Does the company provide benefits and/or privileges to its medical and non-medical stockholders?

Disclose in details the benefits and/or privileges

The Company only provides the following Management Discounts –

I. MANAGEMENT DISCOUNTS

A. STOCKHOLDERS & SPOUSE

(1) Free board and lodging for 45 days per annum up to Standard Room (depending on availability and on a “first come, first served”- FCFS basis). In case of unavailability, the difference in rate shall be shouldered by the investor.

(2) Guaranteed 20% discount on professional fees of medical stockholders during confinement and OPD consultation.

(3) No operating room, delivery room and emergency room fees

(4) Fifty percent (50%) discount on the following:

- a. X-ray, CT Scan, MRI, UTZ, mammography;
- c. Laboratory Procedures;
- d. EEG, ECG, Tread Mill, 2D Echocardiography;
- e. Physical Therapy

(5) Ten percent (10%) discount for pharmacy, CSR, OR materials

(6) For dental services:

- a. Free consultation;
- b. Thirty percent (30%) discount on Restorative, Preventive, Periodontics, Endodontics, Surgery and Bleaching;
- c. Ten percent (10%) discount on Prosthodontics procedures

B. MEDICAL STOCKHOLDERS

(1) May hold clinic within the Hospital for a minimum of 12 hours to a maximum of 20 hours a week paying only the maintenance, telephone, water & electric bills.

(2) May be included in the decking/rotation of House Cases. This privilege to practice is subject to the following conditions:

- a. Full payment of minimum holding of one (1) block equivalent to ten (10) common shares.
- b. The stockholder must be a graduate of an accredited residency training program and subject to the approval of the Credentials Committee.
- c. Agreement to provide discounts on professional fees to Stockholders as mentioned in the Benefits of Stockholders.

C. STOCKHOLDERS' NATURAL PARENTS and DEPENDENTS--

(1) Fifty percent (50%) discount on board and lodging for 45 days per annum up to private room (depending on availability and on a FCFS basis), which may be upgraded to Suite Room subject to payment of corresponding fee difference.

(2) Guaranteed 20% discount on professional fees of medical stockholders during confinement and OPD consultation.

(3) Fifty percent (50%) discount in operating room, delivery room and emergency room fees

(4) Twenty- five percent (25%) discount on the following:

- a. X-ray, CT Scan, MRI, UTZ, mammography;
- c. Laboratory Procedures;
- d. EEG, ECG, Tread Mill, 2D Echocardiography;
- e. Physical Therapy

(5) Ten percent (10%) discount for pharmacy, CSR, OR materials

(6) For dental services:

- a. Fifty percent (50%) discount on consultation;

- b. Thirty percent (30%) discount on Restorative, Preventive, Periodontics, Endodontics, Surgery and Bleaching;
- c. Ten percent (10%) discount on Prosthodontics procedures

D. PORTABILITY (EXTENDED DISCOUNTS)

(1) These benefits, using the schedule of discounts given to dependents (see number II), may be availed of by the principal investor, his/her spouse, dependents and natural parents in all medical facilities that have entered into a Memorandum of Agreement with ACE Medical Center- Iloilo, Inc. However, such availment shall depend on the internal policy of the ACE Medical Center concerned and provided that granting of such discount shall not jeopardize the financial position of such Hospital.

(2) Medical stockholders may have the privilege, subject to pertinent credential policies/requirements, to admit and/or manage patients in other ACE Medical Centers.

II. DIVIDENDS

Long term when the Hospital has attained positive retained earnings.

Investor Restrictions

The aggregate amount of securities purchased from one or more Issuers offering or selling securities under the registration statement during the 12-month period preceding the date of the sale, together with the securities to be sold by the Issuer to the Investor:

- 17. Is the offering subject to any other investor restrictions? Yes No
- 18. Are the securities subject to any other resale restrictions by the Issuer? Yes No

PLAN OF DISTRIBUTION

19. List the persons or companies who will offer and sell the securities on behalf of the Issuer:

Name	Relationship to Issuer	Address	Tel. No.	Compensation received for selling securities
Lusyl M. Gomez	Stockholder /Employee	Blk1 lot14 Savannah Crest A, Abilay Norte, Oton,Iloilo	09989824189	none
Ma. Iris V. Salazar	Stockholder /Employee	Palmares Subd., Sta. Cruz, Arevalo, Iloilo City	09565888189/ 09488822075	none

Name	Relationship to Issuer	Address	Tel. No.	Compensation received for selling securities

Outline briefly the plan of distribution of any securities to be registered.

Pursuant to the provisions of SRC Rule 28.3, ACE Medical Center - Iloilo will market and offer the securities through its organic employee/s who will act as salesmen. These employees are well versed with the Hospital's operations and are the best persons to market the Company's securities. These employees will not receive additional compensation for the marketing/selling services rendered. Management believes that the strategic location of the Hospital, the facilities and the services it will provide, are sufficient to entice medical/dental specialists and prospective investors to consider the offer. ACE Iloilo will greatly rely on these salesmen to spread the word about the facilities the Hospital can offer.

The subscription payments made by the public will be utilized to fund the development costs, finish the hospital up to its pre-operational stage.

Purchasers may avail of different terms in acquiring the Offer Securities. They may pay it in spot cash or deferred payment plan. The following payment terms may be extended to the prospective buyers as follows:

STOCKS PAYMENT SCHEDULE

I. **Non-Medical** ---- For one block of shares -----
 Php _____

Payment Options for One (1) Block of Shares (10 common shares):

- Php 10,000 per month post-dated checks for _____ months.
 Php 5,000 per month post-dated checks for _____ months.

II. **Medical** ----- For one block of shares -----
 Php _____

Payment options:

- Php 10,000 per month post-dated checks for _____ months.
 Php 5,000 per month post-dated checks for _____ months.

CAPITALIZATION

Capital Stock

ACS	Par Value	No. of Shares Subscribed	Amount Paid - Up

**As amended by at least majority of the members of the Board of Directors at the meeting held on 25 March 2019*

		<i>Founder</i>	<i>Common</i>	<i>Founder</i>	<i>Common</i>
120,000,000.00	1,000.00	600	119,400	600,000.00	119,400,000.00
<i>increase</i>					
120,000,000.00	1,000.00	-	84,000	-	21,000,000.00
P240,000,000.00		600	203,400	P600,000.00	P140,400,000.00

OUTSTANDING SECURITIES AND PRINCIPAL SHAREHOLDERS

Outstanding Securities

20. For each class of the Issuer's securities, indicate the total number of outstanding securities and the total number of securities of the Issuer is authorized to issue. Also, include a description of each class of securities.

Class of Securities	Securities Outstanding	Securities the Issuer is Authorized to Issue
Founder	600	-
Common	203,400	36,000
TOTAL	204,000	36,000

Description of Securities

Founder's Share – the holders of the Founder's shares shall have the exclusive right to vote and be voted upon in the election of Directors for a limited period not to exceed five (5) years. The five-year period shall commence from the date of registration with the Securities and Exchange Commission.

Common Share – the holders of Common shares have cumulative voting right.

Stockholders

Original Stockholders

21. Provide the names of the original stockholders, class of securities, number of shares held and percentage of total shares held over outstanding shares.

No	Name	Class of Securities	Shares Held	%
1	Barrameda, Romulo S.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
2	Biron, Ferjenel G.	Founder	60	10%

No	Name	Class of Securities	Shares Held	%
		Common	11,940	
		total	12,000	
3	Cerna-Lopez, Geanie A.	Founder	20	3.33%
		Common	3,980	
		total	4,000	
4	Comuelo, Jerusha A.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
5	Cruz, Maita C.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
6	Daulo, Sylva L.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
7	Debuque, Ma. Teresa F.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
8	De Castro, Felicisimo D.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
9	De Castro, Maria Gloria T.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
10	Dela Rosa, Esmeralda V.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
11	De Leon, Roberto M.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
12	De Leon, Maria Rhodora	Founder	10	1.67%

No	Name	Class of Securities	Shares Held	%
	G.	Common	1,990	
		total	2,000	
13	De Los Trinos, Ricardo	Founder	10	1.67%
		Common	1,990	
		total	2,000	
14	Dianco, Felibert O.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
15	Domingo, Carmelo Jr.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
16	Enriquez, Amado Manuel Jr. C.	Founder	80	13.33%
		Common	15,920	
		total	16,000	
17	Enriquez, Marilyn R.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
18	Enriquez, Michael Edward R.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
19	Enriquez, Miguel Antonio R.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
20	Fernandez, Lemuel T.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
21	Gallega-Perez, Ma. Grace	Founder	10	1.67%
		Common	1,990	
		total	2,000	
22	Gomez, Lusyl M.	Founder	10	1.67%

No	Name	Class of Securities	Shares Held	%
		Common	1,990	
		total	2,000	
23	Gonzales, Noel G.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
24	Gubatina, Maria Geraldine L.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
25	Hayano, Windie V.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
26	Lavalle, Amado Jr. M.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
27	Lavilla, Meride D.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
28	Minerva, Ike T.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
29	Nolasco, Felix P.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
30	Nolasco, Eulena P.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
31	Ong, Mary Flor G.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
32	Orillaza, Generozo M.	Founder	10	1.67%

No	Name	Class of Securities	Shares Held	%
		Common	1,990	
		total	2,000	
33	Orillaza, Marissa A.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
34	Patrimonio, Demetrio	Founder	10	1.67%
		Common	1,990	
		total	2,000	
35	Ramirez, Ruben B.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
36	Ramiro, Ronald L.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
37	Regozo, Danilo C.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
38	Salazar, Maria Iris V.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
39	Samoro, Fredilyn G.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
40	Samoy, Marietta T.	Founder	20	3.33%
		Common	3,980	
		total	4,000	
41	Saquian, Jeremy M.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
42	Suplico, Rolex T.	Founder	10	1.67%

No	Name	Class of Securities	Shares Held	%
		Common	1,990	
		total	2,000	
43	Tingson, Pedro Jr. F.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
44	Tongo, Cesar D.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
45	Villaflor, Agnes Jean M.	Founder	10	1.67%
		Common	1,990	
		total	2,000	
46	Zozobrado, Evangeline Y.	Founder	10	1.67%
		Common	1,990	
		total	2,000	

Current Stockholders

22. Provide the names of the current stockholders, class of securities, number of shares held and percentage of total shares held over outstanding shares. √ Same as Above

No	Name	Class of Securities	Shares Held	%
1	Barrameda, Romulo S.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
2	Biron, Ferjenel G.	Founder	50	11.76%
		Common	23,950	
		total	24,000	
3	Cerna-Lopez, Geanie A.	Founder	20	2.65%
		Common	5,380	
		total	5,400	
4	Comuelo, Jerusha A.	Founder	10	1.67%
		Common	3,390	

No	Name	Class of Securities	Shares Held	%
		total	3,400	
5	Cruz, Maita C.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
6	Daulo, Sylva L.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
7	Debuque, Ma. Teresa F.	Founder	10	.98%
		Common	1,990	
		total	2,000	
8	Carlos, Fernando	Founder	0	0.68%
		Common	1,400	
		total	1,400	
9	De Castro, Felicisimo D.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
10	De Castro, Maria Gloria T.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
11	Dela Rosa, Esmeralda V.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
12	De Leon, Roberto M.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
13	De Leon, Maria RhodoraG.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
14	De Los Trinos, Ricardo	Founder	10	1.67%
		Common	3,390	
		total	3,400	

No	Name	Class of Securities	Shares Held	%
15	Dianco, Felibert O.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
16	Domingo, Carmelo Jr.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
17	Enriquez, Amado Manuel Jr. C.	Founder	80	13.33%
		Common	27,120	
		total	27,200	
18	Enriquez, Marilyn R.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
19	Enriquez, Michael Edward R.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
20	Enriquez, Miguel Antonio R.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
21	Fernandez, Lemuel T.	Founder	10	0.98%
		Common	1,990	
		total	2,000	
22	Gallega-Perez, Ma. Grace	Founder	10	1.67%
		Common	3,390	
		total	3,400	
23	Gomez, Lusyl M.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
24	Gonzales, Noel G.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
25	Gubatina, Maria Geraldine L.	Founder	10	1.67%

No	Name	Class of Securities	Shares Held	%
		Common	3,390	
		total	3,400	
26	Hayano, Windie V.	Founder	10	0.98%
		Common	1,900	
		total	2,000	
27	Lavalle, Amado Jr. M	Founder	10	1.67%
		Common	3,390	
		total	3,400	
28	Lavilla, Meride D.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
29	Minerva, Ike T.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
30	Nolasco, Felix P.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
31	Nolasco, Eulena P.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
32	Ong, Mary Flor G.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
33	Orillaza, Generozo M.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
34	Orillaza, Marissa A.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
35	Patrimonio, Demetrio	Founder	10	1.67%

No	Name	Class of Securities	Shares Held	%
		Common	3,390	
		total	3,400	
36	Ramirez, Ruben B.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
37	Ramiro, Ronald L.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
38	Regozo, Danilo C.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
39	Salazar, Ma. Iris V.	Founder	10	0.98%
		Common	1,990	
		total	2,000	
40	Samoro, Fredilyn G.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
41	Samoro, Ronnie Z.	founder	10	1.67%
		Common	3,390	
		total	3,400	
42	Samoy, Marietta T.	Founder	20	3.33%
		Common	6,780	
		total	6,800	
43	Saquian, Jeremy M.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
44	Suplico, Rolex T.	Founder	10	0.98%
		Common	1,990	
		total	2,000	
45	Tingson, Pedro F. Jr.	Founder	10	1.67%
		Common	3,390	

No	Name	Class of Securities	Shares Held	%
		total	3,400	
46	Tongo, Cesar D.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
47	Villaflor, Agnes Jean M.	Founder	10	1.67%
		Common	3,390	
		total	3,400	
48	Zozobrado, Evangeline Y.	Founder	10	1.67%
		Common	3,390	
		total	3,400	

Top 20 Stockholders

23. Provide the names of the Top Twenty (20) principal shareholders who beneficially owns at least 10% interest of each class of securities in the Issuer.

No	Name	Class of Securities	Number of Share Held	%
1	Enriquez, Amado Manuel Jr. C.	Founders/ common	(D)27,200 (I) 10,200	18.33%
2	Biron, Ferjenel G.	Founders/ common	(D) 24,000	11.76%
3				
4				
5				
6				
7				
8				
9				
10				
11				

No	Name	Class of Securities	Number of Share Held	%
12				
13				
14				
15				
16				
17				
18				
19				
20				
	TOTAL		61,400	30.10%

Dividends and Dividend Policy

24. Dividends and Dividend Policy

- a) Discuss any cash dividends declared on each class of its common equity by the registrant for the two most recent fiscal years and any subsequent interim period for which financial statements are required to be presented by SRC Rule 68.
- b) Describe any restriction that limits the ability to pay dividends on common equity or that are likely to do so in the future.
- c) Describe company's dividend policy

ACE Medical Center – Iloilo Inc.'s Board is authorized to declare cash or stock dividends or a combination thereof. A cash dividend declaration requires the approval of the Board and no shareholder approval is necessary. A stock dividend declaration requires the approval of the Board and shareholders representing at least two-thirds of the Company's outstanding capital stock. Holders of outstanding shares on a dividend record date for such shares will be entitled to the full dividend declared without regard to any subsequent transfer of shares.

The Board of Directors has the power to fix and determine the amount to be reserved or provided for declaration and payment of dividends from ACE Medical Center – Iloilo Inc.'s unrestricted retained earnings. The amount of such dividends (either in cash, stocks or property) will depend on the Corporation's profits, cash flow, capital expenditure, financial condition and other factors and will follow the SEC guidelines on determination of retained earnings available for dividend declaration. The existence of surplus profit is a condition precedent before a dividend can be declared. The surplus profits or income must be a bona fide income founded upon actual earnings. Actual earnings or profits shall be the net income for the year based on Audited Financial Statements, adjusted for unrealized items, which are considered not available for dividend declaration. Taking into account the Hospital's cash flows, capital expenditure, investment objective and financial condition, at least 10% of the actual earnings or profits may be declared by the Board.

BOARD OF DIRECTORS

Directors

25. The table below sets forth each member of the Board of Directors of the Issuer as of the date of the Prospectus:

No	Name	Age	Position	Citizenship	Year Appointed
1	Enriquez, Amado Manuel Jr. C.	66	Chairman	Filipino	2014
2	Lavalle, Amado Jr.	54	Vice President	Filipino	2018
3	Biron, Ferjenel G.	53	Director/Pres.	Filipino	2014
4	Minerva, Ike T. ⁹	54	Director	Filipino	2019
5	Lavilla, Meride D.	55	Director/Ass. Corp. Sec. ¹⁰	Filipino	2016
6	Cerna-Lopez, Geanie	65	Director ¹¹	Filipino	2014
7	Villaflor, Agnes Jean M.	54	Director/Treasurer	Filipino	2016
8	Samoy, Marietta T.	61	Director/Asst. Treas.	Filipino	2014
9	De Castro, Felicisimo D.	65	Director	Filipino	2014
10	Regozo, Danilo	55	Director	Filipino	2014
11	Samoro, Fredilyn G.	53	Director/ Vice Chairman ¹²	Filipino	2014
12	Orillaza, Generoso M.	62	Director	Filipino	2014
13	Fernandez, Lemuel	51	Independent Director	Filipino	2018
14	Ramiro, Ronald	60	Independent Director	Filipino	2018
15	Delos Trinos, Ricardo Jr.	70	Independent Director	Filipino	2018

Business and Work Experience

26. Provide information on the business and working experience of the above named Directors for the past five (5) years:

⁹ Elected as Director on August 17, 2019 vice Jeremy Saquian whose resignation was accepted on the same day.

¹⁰ Resigned as Corporate Secretary on August 17, 2019 and Elected as Assistant Corporate Secretary on the same day

¹¹ Resigned as Assistant Corporate Secretary on August 17, 2019

¹² Elected as Vice Chairman on August 17, 2019

Name	Business and Professional Work Experience
Enriquez, Amado Manuel Jr. C.	<p>Chairman of the Board – Manila East Medical Center (2007-2008, 2017); Paranaque Doctors Hospital (2012-2017); ACE Medical Center Baypointe, Subic (2007-2011); Unihealth Paranaque Hospital (2014-2017); Alaminos Medical Center Foundation (2001-present)</p> <p>Founding Chairman – ACE Medical Center Valenzuela, ACE Medical Center Baliwag, ACE Medical Center Pateros, ACE Medical Center Malolos, ACE Medical Center Mandaluyong, ACE Medical Center Palawan, ACE Medical Center Iloilo, ACE Medical Center Tacloban, ACE Medical Center Iloilo, ACE Medical Center Dumaguete, ACE Medical Center Bacolod, ACE Medical Center General Santos, ACE Medical Center CDO, ACE Medical Center Dipolog, ACE Medical Center Zamboanga, ACE Medical Center Butuan</p> <p>Active consultant in Cardiovascular-Thoracic Surgery – St. Luke’s Medical Center, Manila East Medical Center, ACE Medical Center Hospitals.</p>
Biron, Ferjenel G.	<p>Founding President/Past CEO – Phil Pharmawealth, Inc.</p> <p>Member, House of Representatives 13th – 15th Congress, 17th Congress (representing 4th District of Iloilo)</p> <p>Past CEO – Endure Medical Inc.</p> <p>President – ACE Medical Center Iloilo,</p> <p>Director – ACE MC Butuan,</p> <p>Director- TAGUM GLOBAL MEDICAL CENTER</p> <p>ACE MC General Santos, ACE MC CDO, ACE MC BACOLOD, ACE MC AKLAN, President Aesthetica Manila, President- Smartlab Diagnostics</p>
Cerna-Lopez, Geanie C.	<p>President- ACEMC- CEBU</p> <p>President - Las Pinas City Medical Center, Medical Director- Unihealth Paranaque, Management Consultant - Medical Center Muntinlupa, Past President - Medical Center Muntinlupa (2016), Past Hospital Admin - UniHealth Paranaque Hospital (2016) and Las Pinas City Medical Center (2016); Past president Paranaque Doctors Hospital (2015)</p>
Lavalle, Amado Jr.	<p>Training Officer, Dept. of Surgery, St. Paul’s Hospital (1997-2004);</p> <p>Chairman, Dept. of Surgery – St. Paul’s Hospital (2009 – present); Consultant, Dept. of Surgery – West Visayas State University</p>

Name	Business and Professional Work Experience
	Hospital Medical Center (1998 – present); Executive VP/ Chief Operations Officer- ACEMC-ILOILO Director-ACEMC-Bacolod Director- ACEMC-Aklan Founding Member –ACEMC-BACOLOD,AKLAN, CDO, BAGUIO CORDILLERA,GENSAN AND BUTUAN
Saquian, Jeremy M.	Clinical Practitioner – Saquian Eye Clinic (Iloilo St. Paul’s Hospital, 1997-present); Chairman – Dept. of Ophthalmology (Iloilo St. Paul’s Hospital, 2016-present); ACE MC Iloilo – EVP (2015-2017), VP for Support Services; Board of Director and Treasurer – Panay Eye Center (2012-present); Medical Specialist IV – Western Visayas Medical Center
Samoy, Marietta T.	President ACEMC- LEGASPI President ACEMC-BAYAWAN President ACEMC-MANDALUYONG Medical CenterMuntinlupa Medical Services Head, Las Pinas City Medical Center- Administrator, Uni-Health Paranaque Hospital and Medical Center- Management consultant. Paranaque Doctors Hospital, Head Ob-Gyne Dept., Past president Las Pinas Med Center (2014) , Past president UniHealth Paranaque (2016) , Treasurer- Medical CenterMuntinlupa (2015) , Past Corp Sec Paranaque Doctors Hospital (2013), Medical Director - Paranaque Doctors Hospital (2010-2012).
Lavilla, Meride D.	Clinical Practitioner in Pediatrics-Lavilla Medical Clinic (1994-present) Professorial Lecturer/Clinical Preceptor-WVSU-COLLEGE of Medicine (1994-present); Visiting Consultant – West Visayas State University Medical Center, Iloilo Mission Hospital, St. Paul’s Hospital, Medicus Medical Center, St. Therese Hospital, Qualimed Medical Center (1994-present) Medical Retainer – Vitarich Corporation (Vismin) (1999-present), Medical Retainer - Angelina Bakeshop (Iloilo) (2008-present), Executive Vice President-ACEMC-Aklan (2018),Treasurer-ACEMC-Bacolod (2017-2018), Director – ACEMC-Cagayan De Oro (2016-present), Founding Member- ACEMC Gen San, ACEMC- Butuan, Director-Healthlink Iloilo, Inc. (2014-present)
Villaflor, Agnes Jean M.	Clinical Practitioner – Internal Medicine, Nephrology Medical Director -M3 Dialysis Center (2007-present); Medical Director –Renal Specialty Inc (2016 - present);Head Nephrologist – Iloilo Mission Hospital Dialysis Unit; Training Officer- Department of Internal Medicine West Visayas State University

Name	Business and Professional Work Experience
	Medical Center, Professional Lecturer, - WestVisayas State University College of Medicine; Chairman - Department of Internal Medicine, St. Therese MTC Hospital; VP for Medical Services – ACEMC Iloilo; Director – ACEMC AKLAN; Director – ACEMC CDO Independent Director – ACEMC BUTUAN Founding Member – ACEMC ILOILO, ACEMC BACOLOD, ACEMC AKLAN, ACEMC CDO, ACEMC GENERAL SANTOS,
De Castro Felicisimo D.	Head Dept. of Ophthalmology - ACE Medical Center-QC (2017); ACE-Baypointe Medical Center, Subic (2011-present); UnihealthTagaytay Hospital & Medical Center, Tagaytay (2010-2013)
Orillaza, Generoso M.	Director – Paranaque Doctors Hospital (2007 – present); ACE Baypointe Hospital & Medical Center (2010- present); ACE Baliwag (2012-2014) Head, Engineering and Maintenance Service- ACE Valenzuela (2011-2014); ACE Baypointe Hospital & Medical Center (2010- present); ACE Baliwag (2012-2014); Unihealth Paranaque Hospital and Medical Center 2014-2014); ACE Pateros (2013-2015); ACE QC (2013-present);Chairman of Construction Committee (2008 – present) – ACE Iloilo; ACE Iloilo; ACE Dumaguete; ACE Iloilo; ACE Tacloban; ACE Butuan
Regozo, Danilo	Director/Executive Vice President- ACEMC Bacolod; Director /Chairman of Construction Committee / VP Ancillary Dept. ACEMC Iloilo; - ACEMC Iloilo, ACEMC Bacolod, ACEMC Aklan, ACEMC GenSan, ACEMC Butuan, Tagum Global Medical Center,; Founder- ACEMC CDO; Visiting Consultant- Iloilo Doctor’s Hospital, Iloilo Mission Hospital, The Medical City Iloilo, Medicus Medical Center, St. Therese MTCC Hospital; Phil. Academy of Family Physician Iloilo Chapter- Treasurer (2001-2003), Vice President (2003- 2004); Iloilo Medical Society- Asst. Secretary (2014-2016), Vice President (2016- 2018); Philippine College of Occupational Medicine- Associate Member- 1994- Present.
Samoro, Fredilyn G.	President-ACEMC –GENSAN; President- ACEMC-BUTUAN; VP for Marketing –ACEMC-ILOILO FOUNDING MEMBER-ACEMC ILOILO; ACEMC-BACOLOD; ACEMC-AKLAN; ACEMC-CDO; ACEMC-BUTUAN; ACEMC-GENSAN; Board of Director-ACEMC-BACOLOD; TAGUM GLOBAL MEDICAL CENTER Clinical Practitioner – OB-GYN; Professorial Lecturer – West Visayas State University, College of Medicine; Active Staff – West Visayas State University Medical Center; Member Executive Committee – Dept. of OB-

Name	Business and Professional Work Experience
	GYN, West Visayas State University Medical Center; Head – OPD Section of OB&GYN, West Visayas State University Medical Center; Vice President and COO, Iloilo Integrated School; COO- MD Check Iloilo Inc. Board of Director, Healthlink Iloilo, Inc.; Past President –Phil. Society of OB-GYN Panay Chapter-2014; Ex Officio Board Member– Phil. Society of OB-GYN; Visiting Staff – St. Paul’s Hospital, Iloilo Doctors’ Hospital & Medical Center, Iloilo Mission Hospital, Medicus Medical Center
Fernandez, Lemuel	President, Rotary Club of Iloilo; Past President, Iloilo Press Club; Publisher, The Daily Guardian
Ramiro, Ronald	Chairman, Dept. of Surgery – Ramiro Community Hospital (1990-2014); Vice President, Bohol Critical Care Services, Inc.; Medical Director, Ramiro Community Hospital (1990-present) President, ACE Medical Center-Bohol (2014-present)
Delos Trinos, Ricardo Jr.	Past Surgery Chairman, Perpetual Help Medical Center; Past Surgery Chairman, Medical center Muntinlupa Inc.; Past President, Medical Center Muntinlupa Inc.; Past President, UnihealthParañaque Hospital and Medical Center; Past Corporate Secretary, Parañaque Doctors Hospital and Medical Center; President, Metro South Medical Center, Bacoor City; President, Bacoor Doctors Medical Center; Board member, Valenzuela Citicare Hospital and Medical Center; Management Consultant UnihealthParañaque Hosp. & Medical Center; Asst. Corporate Secretary, Medical Center Muntinlupa Inc. Founder, UnihealthSouthwoods Hosp & Medical Center; Founder, Calamba Doctors Hospital

27. Other Directorship of Independent Directors

Name of Independent Director	Reporting Company	Year Appointed
Fernandez, Lemuel	none	2018
Ramiro, Ronald	none	2018
Delos Trinos, Ricardo Jr.	none	2018

Security Ownership of Directors

The following table shows the security ownership of directors in the common shares of the Company as of November 30, 2018.

Name	Amount and Nature of Beneficial Ownership		Citizenship	No. of Shares	% Ownership
	Direct	Indirect			
Enriquez, Amado Manuel Jr. C.	27,200,000	10,200,000	Filipino	47,600	18.33%
Lavalle, Amado Jr.	3,400,000		Filipino	3,400	1.67%
Biron, Ferjenel G.	24,000,000		Filipino	24,000	11.76%
Saquian, Jeremy M.	3,400,000		Filipino	3,400	1.67%
Lavilla, Meride D.	3,400,000		Filipino	3,400	1.67%
Cerna-Lopez, Geanie	5,400,000		Filipino	5,400	2.65%
Villaflor, Agnes Jean M.	3,400,000		Filipino	3,400	1.67%
Samoy, Marietta T.	6,800,000		Filipino	6,800	3.33%
De Castro, Felicisimo D.	3,400,000		Filipino	3,400	1.67%
Regozo, Danilo	3,400,000		Filipino	3,400	1.67%
Samoro, Fredilyn G.	3,400,000	3,400,000	Filipino	6,800	3.33%
Orillaza, Generoso M.	3,400,000	3,400,000	Filipino	6,800	3.33%
Fernandez, Lemuel	2,000,000		Filipino	2,000	0.98%
Ramiro, Ronald	3,400,000		Filipino	3,400	1.67%
Delos Trinos, Ricardo Jr.	3,400,000		Filipino	3,400	1.67%

MANAGEMENT

Officer, Manager and Key Person

28. Provide background information for each Officer, Manager and Key Person. The term "Key Person" means a person who makes significant contribution to the business of the Issuer.

Name	Dr. Ferjenel G. Biron
Age	53
Title	President/CEO (on leave)
Time spent on Issuer's business	Part time

Hospital affiliation – 5 years	See Business and Professional Work Experience on p. 60
Education	<p>College : BS Biological Sciences, West Visayas State University (Magna Cum Laude)</p> <p>Medical School: West Visayas State University</p> <p>Masteral: Manufacturing And Finance Course For Senior Executives (Asian Institute of Management, 1999)</p> <p>Further Studies/Training: Master In Hospital Management, Cebu Doctors College 2015-2017 (For Thesis Compliance); Strategic Business Economic Planning, University Of Asia and The Pacific 2014</p>

Name	Dr. Amado Lavallo Jr.
Age	55
Title	Executive VP/COO
Time spent on Issuer’s business	Full Time
Hospital affiliation – 5 years	See Business and Professional Work Experience on p. 61
Education	<p>College: BS Biological Sciences, West Visayas State University (1980-1984) Magna Cum Laude</p> <p>Medical School: West Visayas State University College of Medicine (1988)</p> <p>Post Graduate Training: St. Paul’s Hospital Iloilo; Residency Training (General Surgery) St. Paul’s Hospital Iloilo; Subspecialty Training (General Oncology) UP-PGH</p> <p>Further Studies: Masters in Hospital Administration, Cebu Doctors University (on Thesis Writing)</p>

Name	Atty. Maylene B. Villanueva ¹³
Age	38
Title	Corporate Secretary/ Compliance Officer
Time spent on Issuer’s business	Part Time
Hospital affiliation /Business and Professional Experience	<p>President – TIPP Digital Solutions Inc.</p> <p>Vice President for Legal Affairs and Human Resource - Corporate Secretary –Smartlab</p> <p>2019 General Legal Counsel – Junior Chamber International Philippines</p>

¹³ Appointed as Compliance Officer on 27 January 2019 and elected as Corporate Secretary on 17 August 2019

Education	College: University in the Philippines in the Visayas (2001) Law School: University of San Agustin (2011)
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Name	Dr. Meride D. Lavilla
Age	55
Title	Assistant Corporate Secretary/ VP for Nursing Service
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	See Business and Professional Work Experience on p.61
Education	College: Bachelor Science in Biological Sciences- West Visayas State University (1980-1984), Cum Laude Medical School: West Visayas State University – 1988 Residency: Pediatrics-West Visayas Medical Center Further Studies/Training: Bachelor of Science in Nursing, West Negros College Masteral Masters in Hospital Administration, Cebu Doctors University (on going)

Name	Dr. Agnes Jean M.Villaflor
Age	54
Title	Treasurer/Hospital Administrator
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	See Business and Professional Work Experience on p. 62
Education	College : BS Biological Sciences, University Of The Philippines in the Visayas(1981-1985) Medical School: West Visayas State University (1985-1989) Post-Graduate Internship: West Visayas State University (1989-1990); Residency Training:Internal Medicine West Visayas State University Medical Center (1991-1993) Fellowship/Subspeciality Training: Nephrology, Philippine General Hospital (1994-1995) Masteral: Cebu Doctors University

Name	Dr. Lusyl M. Gomez
Age	59
Title	VP for Finance

Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	Visiting Staff- Iloilo Mission Hospital, St. Paul's Hospital Iloilo, Iloilo Doctor's Hospital, The Medical City- Iloilo, Qualimed Hospital, Holy Mary Hospital Director- Healthlink Iloilo Inc.
Education	BS Biology – West Visayas State College- 1980 Doctor of Medicine – West Visayas State College-1984 Residency Training in Pediatrics-Iloilo Doctor's Hospital- 1987-1990 Masters in Hospital Administration- Cebu Doctor's University- 2015-2016 (on Thesis Writing Diplomate in Pediatrics-2014

Name	Dr. Danilo C. Regozo
Age	55
Title	VP for Ancillary
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	See Business and Professional Work Experience on p. 62
Education	College: BS Fisheries (Inland), UP Visayas (1979-1983); BS Biological Science, West Visayas State University (1983-1984); BS Nursing, West Negros College (2006-2004) Medical School: West Visayas State University (1984-1988) Post Graduate Internship: St. Paul Hospital (1988); Diplomate in family Medicine (1999), Fellow Phil. Academy of Family Physician (2004); Fellow Life Phil. Academy of Family Physician (2014) Masteral : Masters in Hospital Administration, Cebu Doctors University (on going)

Name	Dr. Fredilyn G. Samoro
Age	53
Title	VP for Marketing
Time spent on Issuer's business	Full Time
Hospital affiliation – 5 years	See Business and Professional Work Experience on p. 63
Education	College: BS Biological Science, West Visayas State University (1985) Medical School: West Visayas State University (1989) Post Graduate Internship: West Visayas State University

	<p>Medical Center (1990); Residency Training in OB Gynecology, West Visayas State University Medical Center (1993-1995)</p> <p>Masteral : Masters in Hospital Administration, Cebu Doctors University (Thesis writing)</p>
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Name	Elmer Samoro ¹⁴
Age	
Title	Chief Finance Officer
Time spent on Issuer's business	Part Time
Hospital affiliation	
Education	College:

Security Ownership of Management

The following table shows the security ownership of management in the common shares of the Company as of November 30, 2018.

Name	Amount and Nature of Beneficial Ownership		Citizenship	No. of Shares	% Ownership
	Direct	Indirect			
Ferjenel G. Biron	24,000,000		Filipino	24,000	11.76%
Amado M. Lavallo Jr.	3,400,000		Filipino	3,400	1.67%
Meride D. Lavilla	3,400,000		Filipino	3,400	1.67%
Agnes Jean M. Villaflor	3,400,000		Filipino	3,400	1.67%
Lusyl M. Gomez	3,400,000		Filipino	3,400	1.67%
Danilo C. Regozo	3,400,000		Filipino	3,400	1.67%
Fredilyn G. Samoro	3,400,000	3,400,000	Filipino	6,800	3.33%
Total	44,400,000	3,400,000		47,800	23.43%

¹⁴ Appointed as Chief Finance Officer on 26 February 2019

Compensation

29. List the compensation paid by the Issuer to the Chief Executive Officers and four (4) most highly compensated officers other than the CEO, all of whom shall be individually named during the last fiscal year:

SUMMARY COMPENSATION TABLE

Annual Compensation

	(a)	(b)	(c)(d)	(e)	
Name and Principal position	Year	Salary (P)	Bonus (P)	Other Annual Compensation	
CEO Ferjenel G. Biron	2017	-	-	60,000 (per diem)	
A Jeremy M. Saquian	2017	-	-	60,000 (per diem)	
B Meride D. Lavilla	2017	-	-	60,000 (per diem)	
C Agnes Jean Villaflor	2017	-	-	60,000 (per diem)	
D Amado C. Enriquez	2017	-	-	60,000 (per diem)	
E All other officers and directors as a group unnamed	2017	-	-	600,000 (per diem of 10 Directors)	

30. The Issuer (select all that apply):

<input checked="" type="checkbox"/>	Expects compensation to change in the next year
<input type="checkbox"/>	Owes compensation for prior years

Arrangements with Officers, Directors, Managers and Key Persons

31. The Issuer (select all that apply):

<input type="checkbox"/>	Has entered into employment or non-compete agreements with any Officer, Manager, Director or Key Person.
<input type="checkbox"/>	Plans to enter into employment or non-compete agreements with any Officer, Manager, Director or Key Person

Insolvency Legal Proceedings of Management and Key Personnel

32. An Officer, Manager, Director, Key Person of the Issuer (Put ✓ in column if applicable and x otherwise):

Name	Position: D = Director ID - Independent Director O - Officer	Civil	Criminal	Administrative	Bankruptcy	Case Details
Enriquez, Amado Manuel Jr. C.	D/O	✓	x	✓	x	Dr. Ferdinand Kionisala and Dax Matthew Quijano, together with Rose Marie Quijano, Eric Cheung, Girlie Cheung and Candice Joy Sia filed separate complaints before RTC Br. XI, Cebu City for Issuance of Stock Certificate, Declaration of Sale in Installment as Subscription Contract, and Declaration of Rights of Pre-emption against the regular Directors and Officers of ACE Cebu.
Lavalle, Amado Jr.	D/O	x	x	x	x	
Biron, Ferjenel G.	D/O	x	x	x	x	
Saquian, Jeremy M.	D/O	x	x	x	x	
Lavilla, Meride D.	D/O	x	x	x	x	
Cerna-Lopez, Geanie	D/O	✓	x	✓	x	Dr. Ferdinand Kionisala and Dax Matthew Quijano, together with Rose Marie Quijano, Eric Cheung, Girlie Cheung and Candice Joy Sia filed separate complaints before RTC Br. XI, Cebu City for Issuance of Stock Certificate, Declaration of Sale in Installment as Subscription Contract, and Declaration of Rights of Pre-emption against the regular Directors and Officers of ACE Cebu. Leo T. Sumatra, Sps. Stephen Paul M. Bergado and Conhita B. Bergado, Marie Davielene Beatriz Ong-Dy and Leonard Matthew Dy, et. al. have filed a Special Civil Action case for Mandamus against Allied Care Experts (ACE) Medical Center-Cebu, Inc., GeanieCerna-Lopez and Velma T. Chan, to compel the Respondents to immediately issue their 100% pre-emptive rights. The Petitioners claim they are entitled to 10 shares based on their computation of 0.0000833333% ownership multiplied by 120,000 (increase in Capital).
Villaflor, Agnes Jean M.	D/O	x	x	x	x	
Samoy, Marietta T.	D/O	✓	x	✓	x	Dr. Ferdinand Kionisala and Dax Matthew Quijano, together with Rose Marie Quijano, Eric Cheung, Girlie Cheung and Candice Joy Sia filed separate complaints before RTC Br. XI, Cebu City for Issuance of Stock Certificate,

						Declaration of Sale in Installment as Subscription Contract, and Declaration of Rights of Pre-emption against the regular Directors and Officers of ACE Cebu.
De Castro Felicisimo D.	D	x	x	x	x	
Regozo, Danilo	D	x	x	x	x	
Samoro, Fredilyn G.	D	x	x	x	x	
Orillaza, Generoso M.	D	✓	x	✓	x	Dr. Ferdinand Kionisala and Dax Matthew Quijano, together with Rose Marie Quijano, Eric Cheung, Girlie Cheung and Candice Joy Siafiled separate complaints before RTC Br. XI, Cebu City for Issuance of Stock Certificate, Declaration of Sale in Installment as Subscription Contract, and Declaration of Rights of Pre-emption against the regular Directors and Officers of ACE Cebu.
Fernandez, Limuel	ID	x	x	x	x	
Ramiro, Ronald	ID	x	x	x	x	
Delos Trinos, Ricardo Jr.	ID	x	x	x	x	

Certain Legal Proceedings

This section applies to:

- The issuer, its subsidiaries and affiliates
- All Directors and Officers of the Issuer
- All Beneficial Owners of 10% or more of the Issuer's outstanding voting equity and
- All Promoters of the Issuers

33. Have any of the above-listed persons filed or subject of any bankruptcy petition filed by or against any business of which such person was a general partner or executive either at the time of the bankruptcy or within two (2) years prior to that time. Yes No

34. Have any of the above-listed persons been named as the subject of a pending felony or misdemeanor criminal proceeding excluding traffic violations or other minor offenses not related to fraud or a financial crime? Yes No

35. Have any of the above-listed persons been the subject of an order, judgment, decree, sanction or administrative findings imposed by any government agency, administrative agency, self-regulatory organization, civil court, or administrative court in the last five (5) years related to his or her involvement in any type of business, securities, insurance, or banking activity?? Yes No

Doctors Enriquez, De Leon, Cerna-Lopez and Samoy, including Engr. Orillaza have been subject of an Order from the SEC relative to their Directorship in ACE Medical Center-Cebu.

The Commission, through the Enforcement and Investor Protection Department (EIPD), relative to the Offer of Settlement tendered by ACE Medical Center-Cebu, Inc. has issued an Order dated March 13, 2018, directing the Hospital to pay the penalties assessed against the company and its Directors. The Hospital paid the penalties and the corresponding Notice of Settlement Agreement has been issued on March 19, 2018.

36. Are any of the above-listed persons the subject of a pending civil, administrative, or self-regulatory action related to his or her involvement in any type of business, securities, insurance, or banking activity? ? Yes No

Dr. Ferdinand Kionisala and Dax Matthew Quijano, together with Rose Marie Quijano, Eric Cheung, Girlie Cheung and Candice Joy Sia filed separate complaints before RTC Br. XI, Cebu City for Issuance of Stock Certificate, Declaration of Sale in Installment as Subscription Contract, and Declaration of Rights of Pre-emption against the regular Directors and Officers of ACE MC-Cebu, including Doctors Enriquez, De Leon, Cerna-Lopez and Samoy and Engr. Orillaza .

37. Has any civil action, administrative proceeding, or self-regulatory proceeding been threatened against any of the above-listed persons related to his or her involvement in any type of business, securities, insurance or banking activity? Yes No

The Insurance Commission (IC) has summoned the Chairman, Dr. Amado C. Enriquez to appear in a clarificatory conference before the Regulation Enforcement and Prosecution Division of the IC relative to the conduct of operations of the ACE Group of Hospitals, for allegedly engaging in pre-need business activities without the necessary license.

On March 8, 2018, Dr. Enriquez being represented by Atty. Arlex L. Ines, appeared before the IC and explained the Company's operations. Atty. Ines was directed to file a Supplemental Explanation until April 7, 2018 to address all queries of the IC relative to the Hospital's business activities.

On April 14, 2018, ACEMC Iloilo received a letter dated 16 March 2018 ordering it to submit a written explanation to address the complaint of Kionisala.

On May 8, 2018, Atty. Maylene B. Villanueva appeared in behalf of ACEMC Iloilo before the Regulation Enforcement and Prosecution Division of the Insurance Commission, in a hearing before Atty. Brian Gale T. Sibuyan (Officer-in-Charge). She was asked to comment on the complaint filed by Dr. Kionisala. Another hearing was set on 24 July 2018 where the lawyer of Dr. Kionisala, Atty. Kristian Jacob Lora appeared on his behalf. Atty. Lora filed a letter which sums up the position of Dr. Kionisala and read it. The lawyers of ACEMC hospitals including ACEMC Iloilo and Diliman Doctors Hospital which was also included in the complaint of Dr. Kionisala rebutted the arguments therein, so Atty. Sibuyan ordered all parties to submit a position paper thirty (30) days after the said hearing after which the case shall be deemed submitted for resolution. ACEMC Iloilo filed its position paper on 23 August 2018.

On December 11, 2018, Commissioner Funa of the Insurance Commission issued a letter on the findings of the Commission after the investigation conducted on the allegations of Dr. Kionisala, to wit:

"In summary, the Commission finds that, based from the record, the benefits and privileges enjoyed by you or offered by any of the named respondents on this matter is not a pre-need contract, agreement, deed, nor plan contemplated under the law. The ACEMC – Cebu or any other respondent named on this matter are not engaged in pre-need business hence not required to secure a separate license for such before the insurance Commission."

Litigation

38. The Issuer (select all that apply):

	Has been involved in litigation or subject to administrative action in the last five (5) years that has had a material effect upon the Issuer's business, financial condition or operations
	Has pending litigation or administrative action that may have a material effect upon the Issuer's business, financial condition, or operations
	Is currently threatened by litigation or administrative action that may have a material effect upon the Issuer's business, financial condition, or operations
√	None of the above

Family Relationship

39. Describe any family relationships up to the fourth civil degree either by consanguinity or affinity among directors, executive officers, or persons nominated or chosen by the registrant to become directors or executive officers.

The Chief Finance Officer, Elmer Samoro is the brother-in-law of Director Fredilyn Samoro.

Certain Relationship and Related Party Transactions

40. The Issuer (select all that apply):

	Has made loans to an Officer, Manager, Director or Principal Stockholders within the last two (2) years
√	Has one or more outstanding loans with an Officer, Manager, Director or Principal Stockholder in the future.
	Has done other business not associated with this offer with current Officer, Manager, Director, or Principal Stockholder within the last two (2) years
	Plans to do other business not associated with this offering with a current Officer, Manager, Director, or Principal Stockholder in the future

Advances from shareholders amounted to 312,571,705 and 258,250,000 in 2018 and 2017 respectively. These advances are non-interest bearing and to be paid subject to availability of funds and/or the Board may decide to convert said advances to equity in the distant future.

FINANCIAL INFORMATION

Management Discussion and Analysis (MD&A) or Plan of Operation

Results of Operations (June 30, 2018 vs. June 30, 2017)

	For the six months period ended June 30,		Horizontal Analysis		Vertical Analysis	
	2018	2017	Inc (Dec)	%	2018	2017
Revenues	P	-	P	-	n/a	n/a
Direct costs	-	-	-	-	n/a	n/a

Gross profit	P	-	P	-	-	n/a	n/a
Other income		105,037		222,603	(117,566)	-53%	n/a
Gross income	P	105,037	P	222,603	(117,566)	-53%	n/a
General and administrative expenses		5,445,142		4,531,381	913,761	20%	n/a
Loss from operations	P	(5,340,105)	P	(4,308,778)	(1,031,326)	24%	n/a
Finance cost		-		-	-	-	n/a
Loss before income tax	P	(5,340,105)	P	(4,308,778)	(1,031,326)	24%	n/a
Income tax expense		-		-	-	-	n/a
Net loss for the year	P	(5,340,105)	P	(4,308,778)	(1,031,326)	24%	n/a
Add (deduct) comp income (loss)		-		-	-	-	n/a
Net comprehensive loss for the year	P	(5,340,105)	P	(4,308,778)	(1,031,326)	24%	n/a

Other income

Other income during June 30, 2018 is lower than June 30, 2017 at 53%. This is due to reduced cash in banks deposits in June 30, 2018.

General and Administrative Expenses

General and administrative expenses during June 30, 2018 is higher than June 30, 2017 by 20%. This is due to higher expenses incurred during the year resulting to huge increase in professional fee and legal fees and per diem paid to board member during meetings.

Loss for the year

Loss for the June 30, 2018 is much higher than June 30, 2017 at 24%. This due to the non-operational status of the Company. There is still no income to sustain the expenses.

Financial Condition (June 30, 2018 vs. December 31, 2017)

	As at June 30,		As at December 31,		Horizontal Analysis		Vertical Analysis	
	2018		2017		Inc (Dec)	%	2018	2017
ASSETS								
Current Assets								
Cash and cash equivalents	108,032,747	191,137,640	(83,104,893)	-43%	12%	27%		
Short-term investments	10,169,812	10,070,222	99,590	1%	1%	1%		
Advances to related party	202,771,755	118,386,696	84,385,059	71%	22%	16%		
Receivable -others	28,469,273	13,200,304	15,268,969	116%	3%	2%		
Loans receivables	37,000,000	37,000,000	-	0%	4%	5%		
Other current assets	222,407	189,643	32,764	17%	0%	0%		
	386,665,994	369,984,505	16,681,489	5%	42%	51%		
Noncurrent Assets								
Property and equipment (net)	41,319,099	41,030,887	288,212	1%	5%	6%		
Construction-in-progress	476,770,012	308,200,131	168,569,881	55%	53%	43%		
Other noncurrent assets	15,000	15,000	-	0%	0%	0%		
	518,104,111	349,246,018	168,858,093	48%	58%	49%		
TOTAL ASSETS	904,770,105	719,230,523	185,539,582	26%	100%	100%		
LIABILITIES AND EQUITY								
Current Liabilities								
Payables	26,361,750	28,153,768	(1,792,019)	-6%	3%	4%		
Deposit for future subscription	-	21,000,000	(21,000,000)	-100%	0%	3%		
Loans payable to individuals	75,250,000	75,250,000	-	0%	8%	10%		
	101,611,750	124,403,768	(22,792,019)	-18%	11%	7%		
Noncurrent Liabilities								
Notes payable	366,130,000	227,780,000	138,350,000	61%	40%	32%		
Advances from shareholders	312,571,705	258,250,000	54,321,705	21%	35%	36%		
	678,701,705	486,030,000	192,671,705	40%	75%	78%		
TOTAL LIABILITIES	780,313,455	610,433,768	169,879,687	28%	86%	85%		
Equity								
Share capital	141,000,000	120,000,000	21,000,000	18%	16%	17%		

Deficit	(16,543,350)	(11,203,245)	(5,340,105)	48%	-2%	-2%
	124,456,650	108,796,755	15,659,895	14%	14%	15%
TOTAL LIABILITIES AND EQUITY	904,770,105	719,230,523	185,539,582	26%	100%	100%

Total Assets

Total assets increased from P719.2M to P904.7M a 26% increase from December 31, 2017 to June 30, 2018. The increase was primarily due to increase in advances to suppliers represents 50% - 80% downpayment on medical equipment, receivable – others of which pertains to advances to contractors, and addition to construction in progress. Altogether these amounts came from proceeds from loans from individuals and from banks and advances from shareholders.

Cash and cash equivalents

Cash and cash equivalents decreased by P83.1M (-43%) due to additional expenses incurred for the construction of the hospital building and advances made to suppliers for the purchased of medical equipments paying 50% - 80% downpayment.

Short-term investments

The account pertains to short-term time deposits invested in 2017 with original maturity date of more than ninety (90) days with interest rate ranging from 1.00% to 2.00% per annum. Increase is due to interest income earned in the investment.

Advances to related party

These are down payments made to an indentor/related party that facilitates the importation and acquisition of medical equipments and furniture and fixtures. The amounts represent 50% - 80% of the total contract price of the items purchased. Increase is due to proceeds from banks loans and additional advances from shareholders.

Receivable – others

Receivable – others increase by P15.2M (116%) is due to advances made to contractors for the construction of the Hospital building and accrual of interest receivable from loans receivable from a related party.

Loans receivable

Pertains to receivable from an affiliate and the amount has remained to be outstanding.

Property and equipment

Land is initially recognized at cost. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Freehold land is not depreciated.

The property and equipment increased by 1% is due to acquisitions of office equipment. As of June 30, 2018 the amount of P420,385,162 is to be paid to suppliers for undelivered medical/hospital equipment less advances to supplier per FS.

Construction-in-progress

As of June 30, 2018 the composite percentage of completion as certified by the Construction Manager is estimated to be at sixty four percent (64%). The construction-in-progress increased by P168.5M (55%) was due to additional construction cost incurred and capitalized borrowing costs from bank.

Total Liabilities

Total liabilities increased from P610.4M to 780.3M from December 31, 2017 to June 30, 2018. The increase was primarily due to the availments of bank loans and borrowings from shareholders.

Payables

The decreased in payable by P1.7M (-6%) was mainly due to payments made to contractors.

Deposit for future subscription

The account pertains to the additional contribution made by the Shareholders for the intended increase in the capitalization of the Company. The increase in authorized capital was approved by the SEC on March 23, 2018, thus was reclassified to paid-up capital.

Notes payables

The company obtained a P1.060billion term loan line from Land Bank of the Philippines (LBP) to finance the construction of its hospital building and the acquisition of various medical equipment and fixtures and is available in several draw downs. During the year the bank released additional loans amounting to P138.3M to the Company, thus total loans payable amounted to P366M.

Advances from shareholders

The increase in advances from shareholders of P54.3M (21%) was due to additional capital requirements for hospital building as well as for working capital. In the board meeting dated February 5, 2017, the directors and shareholders were mandated and empowered to contribute resources and make cash advances to the Company for the development of its medical structures and appurtenances. These advances are non-interest bearing and to be paid subject to availability of funds and/or the Board may decide to convert said advances to equity in the distant future. During the year, the treasurer has certified the additional borrowings from various shareholders.

Loans payable to individuals

This account pertains to non-interest bearing borrowings from private individuals to partly finance the Company's Hospital Building Construction payable on demand. Then shall be paid when there is an available excess cash from operations of the Company.

Equity

The 14% increase in the total equity resulted from additional contribution made by the shareholders due the increase in capitalization of the Company.

Results of Operations (December 31, 2017 vs. December 31, 2016)

	For the years ended December 31,		Horizontal Analysis		Vertical Analysis	
	2017	2016	Inc (Dec)	%	2017	2016
Revenues	P -	P -	-	-	n/a	n/a
Direct costs	-	-	-	-	n/a	n/a
Gross profit	P -	P -	-	-	n/a	n/a
Other income	376,828	288,632	88,196	31%	n/a	n/a
Gross income	P 376,828	P 288,632	88,196	31%	n/a	n/a
General and administrative expenses	8,621,067	2,217,999	6,403,068	289%	n/a	n/a
Loss from operations	P (8,244,239)	P (1,929,367)	(6,314,871)	327%	n/a	n/a
Finance cost	-	-	-	-	n/a	n/a
Loss before income tax	P (8,244,239)	P (1,929,367)	(6,314,871)	327%	n/a	n/a
Income tax expense	-	-	-	-	n/a	n/a
Net loss for the year	P (8,244,239)	P (1,929,367)	(6,314,871)	327%	n/a	n/a
Add (deduct) comp income (loss)	-	-	-	-	n/a	n/a
Net comprehensive loss for the year	P (8,244,239)	P (1,929,367)	(6,314,871)	327%	n/a	n/a

Other income

The increase of 31% in other income was due to the interest income earned from deposits in banks.

General and Administrative Expenses

The increase of 289% in general and administrative expenses resulted from the increase in almost all the expenses particularly the following accounts: board meetings and meals, taxes and licenses, transportation and travel and salaries and allowances.

Loss for the year

The increase in losses was due to the increase in general and administrative expenses.

Financial Condition (December 31, 2017 vs. December 31, 2016)

	As at December 31,		Horizontal Analysis		Vertical Analysis	
	2017	2016	Inc (Dec)	%	2017	2016
ASSETS						
Current Assets						
Cash and cash equivalents	191,137,640	133,437,444	57,700,196	43%	27%	36%
Short-term investments	10,070,222	-	10,070,222	-	1%	0%
Advances to related party	118,386,696	-	118,386,696	-	16%	0%
Receivable -others	13,200,304	4,996,700	8,203,604	164%	2%	1%
Loans receivables	37,000,000	37,000,000	-	0%	5%	10%
Other current assets	189,643	189,643	-	0%	0%	0%
	369,984,505	175,623,787	194,360,718	111%	51%	48%
Noncurrent Assets						
Property and equipment (net)	41,030,887	28,482,106	12,548,781	44%	6%	8%
Construction-in-progress	308,200,131	163,413,978	144,786,154	89%	43%	44%
Other noncurrent assets	15,000	15,000	-	0%	0%	0%
	349,246,018	191,911,084	157,334,934	82%	49%	52%
TOTAL ASSETS	719,230,523	367,534,871	351,695,652	96%	100%	100%
LIABILITIES AND EQUITY						
Current Liabilities						
Payables	28,153,768	11,026,413	17,127,356	155%	4%	3%
Deposit for future subscription	21,000,000	-	21,000,000	-	3%	0%
Loans payable to individuals	75,250,000	-	75,250,000	-	10%	0%
	124,403,768	11,026,413	113,377,356	1028%	7%	3%
Noncurrent Liabilities						
Notes payable	227,780,000	54,800,000	172,980,000	316%	32%	15%
Advances from shareholders	258,250,000	184,667,464	73,582,536	40%	36%	50%
	486,030,000	239,467,464	246,562,536	103%	78%	65%
TOTAL LIABILITIES	610,433,768	250,493,877	359,939,891	144%	85%	68%
Equity						
Share capital	120,000,000	120,000,000	-	0%	17%	33%
Deficit	(11,203,245)	(2,959,006)	(8,244,239)	279%	-2%	-1%
	108,796,755	117,040,994	(8,244,239)	-7%	15%	32%
TOTAL LIABILITIES AND EQUITY	719,230,523	367,534,870	351,695,653	96%	100%	100%

Total Assets

Total assets increased from P367.5M to P719.2M a 96% increase from 2016 to 2017. The increase was primarily due to increase in cash and cash equivalents, short term investments, advances to suppliers, receivable – others, property and equipment and construction in progress, the funds of which came from proceeds from loans from individuals and banks and additional advances from shareholders.

Cash and cash equivalents

Cash and cash equivalents increased by P57.7M (43%) due to higher financing from bank loans and from shareholders for capital expenditure.

Short-term investments

The account pertains to short-term time deposits invested in 2017 with original maturity date of more than ninety (90) days with interest rate ranging from 1.00% to 2.00% per annum. Increase in investment is due to additional proceeds from banks loans.

Advances to related party

These are down payments made to an indenter/related party that facilitates the importation and acquisition of medical equipments and furniture and fixtures. The amounts represent 30% - 50% of the total contract price of the items purchased. Increase is due to proceeds from banks loans and additional advances from shareholders.

Receivable – others

Receivable – others increase by P8.2M (164%) is due to advances made to contractors for the construction of the Hospital building.

Loans receivable

Pertains to receivable from an affiliate and the amount has remained to be outstanding for a year.

Property and equipment

Land is initially recognized at cost. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Freehold land is not depreciated.

The property and equipment increased by 12.5M is due to the fully paid equipments already delivered to the warehouses awaiting of the hospital building.

Construction-in-progress

As of December 31, 2017 the composite percentage of completion as certified by the Construction Manager is estimated to be at thirty two percent (32%). The construction-in-progress increased by P144.8M (89%) was due to additional construction cost incurred and capitalized borrowing costs from bank.

Total Liabilities

Total liabilities increased from P250.5M to P610.4M from December 31, 2016 to December 31, 2017. The increase was primarily due to the availments of bank loans and borrowings from shareholders, and from individuals.

Payables

The increased in payable by P17.1M (155%) was mainly due to payables related to the construction of Hospital building such as retention payable which is withheld by the Company from progress billings of the contractor and will only be remitted upon completion of contract and release of certificate of completion and due to contractors, which refers to unpaid billing from contractors.

Deposit for future subscription

The account pertains to the additional contribution made by the Shareholders for the intended increase in the capitalization of the Company.

Notes payables

The company obtained a P500 million term loan line from Land Bank of the Philippines (LBP) to finance the construction of its hospital building and is available in several drawdowns. During the year the bank released a total of P172.98M to the Company.

Advances from shareholders

The increase in advances from shareholders of P73.6M (40%) was due to additional capital

requirements for hospital building as well as for working capital. In the board meeting dated February 5, 2017, the directors and shareholders are mandated and empowered to contribute resources and make cash advances to the Company for the development of its medical structures and appurtenances. These advances are non-interest bearing and to be paid subject to availability of funds and/or the Board may decide to convert said advances to equity in the future.

Loans payable to individuals

This account pertains to non-interest bearing borrowings from private individuals to partly finance the Company's Hospital Building Construction payable on demand.

Equity

The 7% decrease in the total equity resulted from additional losses incurred by the Company for the year.

Results of Operations (December 31, 2016 vs. December 31, 2015)

	For the years ended December 31,		Horizontal Analysis		Vertical Analysis	
	2016	2015	Inc (Dec)	%	2017	2016
Revenues	P -	P -	-	-	n/a	n/a
Direct costs	-	-	-	-	n/a	n/a
Gross profit	-	-	-	-	n/a	n/a
Other income	288,632	59,245	229,387	387%	n/a	n/a
Gross income	P 288,632	59,245	229,387	387%	n/a	n/a
General and administrative expenses	2,217,999	851,041	1,366,959	161%	n/a	n/a
Loss from operations	P (1,929,367)	(791,796)	(1,137,572)	144%	n/a	n/a
Finance cost	-	-	-	-	n/a	n/a
Loss before income tax	P (1,929,367)	(791,796)	(1,137,572)	144%	n/a	n/a
Income tax expense	-	-	-	-	n/a	n/a
Net loss for the year	P (1,929,367)	(791,796)	(1,137,572)	144%	n/a	n/a
Add (deduct) comp income (loss)	-	-	-	-	n/a	n/a
Net comprehensive loss for the year	P (1,929,367)	P (791,796)	(1,137,572)	144%	n/a	n/a

Other income

The increase of 387% in other income was due to the interest income earned from deposits in banks.

General and Administrative Expenses

The increase of 161% in general and administrative expenses resulted from the increase in almost all the expenses particularly the following accounts: board meetings and meals, transportation and travel and salaries and allowances, professional fees, and rental expenses.

Loss for the year

The increase in losses was due to the increase in general and administrative expenses.

Financial Condition (December 31, 2016 vs. December 31, 2015)

	As at December 31,		Horizontal Analysis		Vertical Analysis	
	2016	2015	Inc (Dec)	%	2017	2016
ASSETS						
Current Assets						
Cash and cash equivalents	P 133,437,444	P 52,169,137	81,268,307	156%	36%	37%
Receivable -others	4,996,700	-	4,996,700	-	1%	0%
Loans receivables	37,000,000	-	37,000,000	-	10%	0%
Other current assets	189,643	194,179	(4,536)	-2%	0%	0%
	P 175,623,787	P 52,363,316	123,260,471	235%	48%	37%
Noncurrent Assets						
Property and equipment (net)	P 28,482,106	P 28,519,416	(37,310)	0%	8%	20%
Construction-in-progress	163,413,978	60,221,012	103,192,965	171%	44%	43%

Other noncurrent assets	15,000	15,000	-	0%	0%	0%
	P 191,911,084	P 88,755,428	103,155,655	116%	52%	63%
TOTAL ASSETS	P 367,534,871	P 141,118,744	226,416,127	160%	100%	100%
LIABILITIES AND EQUITY						
Current Liabilities						
Payables	P 11,026,413	P 4,693,947	6,332,466	135%	3%	3%
Noncurrent Liabilities						
Notes payable	P 54,800,000	P -	54,800,000	-	15%	0%
Advances from shareholders	184,667,464	17,454,435	167,213,029	958%	50%	12%
	P 239,467,464	P 17,454,435	222,013,029	1272%	65%	12%
TOTAL LIABILITIES	P 250,493,877	P 22,148,382	228,345,495	1031%	68%	16%
Equity						
Share capital	P 120,000,000	P 120,000,000	-	0%	33%	85%
Deficit	(2,959,006)	(1,029,638)	(1,929,368)	187%	-1%	-1%
	P 117,040,994	P 118,970,362	(1,929,368)	-2%	32%	84%
TOTAL LIABILITIES AND EQUITY	P 367,534,870	P 141,118,744	226,416,126	160%	100%	100%

Total Assets

Total assets increased from P141.1M to P367.5M a 160% increase from 2015 to 2016. The increase was primarily due to increase in cash and cash equivalents, receivable – others, and construction in progress, the funds of which came from proceeds from loans from banks and additional advances from shareholders.

Cash and cash equivalents

Cash and cash equivalents increased by P81.2M (156%) due to higher financing from bank loans and from shareholders for capital expenditure.

Receivable – others

Pertains to the advances made to contractors for the construction of the Hospital building.

Loans receivable

Pertains to loans receivable from a related party.

Property and equipment

Land is initially recognized at cost. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Freehold land is not depreciated.

The property and equipment of the hospital amounted to P28.4M as of December 31, 2016. Pertains to purchased land and office equipment.

Construction-in-progress

The increased of construction-in-progress by P103.2M (171%) was due to additional construction cost incurred and capitalized borrowing costs from bank.

Total Liabilities

Total liabilities increased from P22.1M to P250.5M from December 31, 2015 to December 31, 2016. The increase was primarily due to the availments of bank loans and borrowings from shareholders.

Payables

The increased in payable by P6.3M (135%) was mainly caused of payables related to the construction of Hospital building such as retention payable which is withheld by the Company

and will only be remitted upon completion of contact and release of certificate of completion and other payables which pertains to unpaid expenses incurred during the year.

Notes payables

The company obtained a P500 million term loan line from Land Bank of the Philippines (LBP) to finance the construction of its hospital building and is available in several drawdowns. During the year the bank released a total of P54.8M to the Company.

Advances from shareholders

The increase in advances from shareholders of P167.2M (958%) was due to additional capital requirements for hospital building as well as for working capital. The directors and shareholders are mandated and empowered to contribute resources and make cash advances to the Company for the development of its medical structures and appurtenances. These advances are non-interest bearing and to be paid subject to availability of funds and/or the Board may decide to convert said advances to equity in the future.

Equity

The 2% decrease in the total equity resulted from additional losses incurred by the Company for the year.

Summary Financial Information

Prospective purchasers of the Offer should read the summary financial data below together with the financial statements, including the notes thereto, included in this Prospectus and "Management's Discussion and Analysis of Results of Operations and Financial Condition". The summary financial data for the three-years ended December 31, 2017, 2016, and 2015 are derived from the audited financial statements of ACE Medical Center – Iloilo Inc., including the notes thereto.

The summary of financial and operating information of ACE Medical Center – Iloilo Inc. presented below as of and for the years ended December 31, 2017, 2016, and 2015 were derived from the financial statements of ACE Medical Center – Iloilo Inc., as audited by Dimaculangan, Dimaculangan and Company CPAs and Mrs. Lagrimas Ong and have been prepared in compliance with the Philippine Financial Reporting Standards ("PFRS").

The financial and operating information of ACE Medical Center – Iloilo Inc. presented below as of and for the six-months ended June 30, 2018 and 2017 were derived from the audited interim financial statements of ACE Medical Center – Iloilo Inc. prepared in compliance with Philippine Accounting Standards ("PAS") 34, "Interim Financial Reporting" and reviewed by Dimaculangan, Dimaculangan and Company CPAs in accordance with Philippine Standards on Reviewing Engagements ("PSRE") 2410, "Review of Interim Financial Information performed by the Independent Auditors of the Entity."

The information below should be read in conjunction with the financial statements of ACE Medical Center – Iloilo Inc. and the related notes thereto, which are included in Exhibit "G" and "G-1" of this Preliminary Prospectus. The historical financial condition, results of operations and cash flows of ACE Medical Center – Iloilo Inc. are not a guarantee of its future operating and financial performance.

Statements of Income Data

	For the six months period ended June 30,	
	2018	2017

Revenues	P	-	P	-
Direct costs		-		-
Gross profit		-		-
Other income		105,037		222,603
Gross income		105,037		222,603
General and administrative expenses		5,445,142		4,531,381
Loss from operations		(5,340,105)		(4,308,778)
Finance cost		-		-
Loss before income tax		(5,340,105)		(4,308,778)
Income tax expense		-		-
Net loss for the year		(5,340,105)		(4,308,778)
Add (deduct) comp income (loss)		-		-
Net comprehensive loss for the year	P	(5,340,105)	P	(4,308,778)

For the years ended December 31,					
	2017		2016		2015
	P	-	P	-	P
Revenues		-		-	-
Direct costs		-		-	-
Gross profit		-		-	-
Other income		376,828		288,632	59,245
Gross income		376,828		288,632	59,245
General and administrative expenses		8,621,067		2,217,999	851,041
Loss from operations		(8,244,239)		(1,929,367)	(791,796)
Finance cost		-		-	-
Loss before income tax		(8,244,239)		(1,929,367)	(791,796)
Income tax expense		-		-	-
Net loss for the year		(8,244,239)		(1,929,367)	(791,796)
Add (deduct) comp income (loss)		-		-	-
Net comprehensive loss for the year	P	(8,244,239)	P	(1,929,367)	P (791,796)

Statements of Financial Position Data

As at June 30,			
	2018		2017
ASSETS			
Current Assets			
Cash and cash equivalents	P	108,032,747	P 234,494,931
Short-term investments		10,169,812	-
Advances to related party		202,771,755	-
Receivable -others		28,469,273	5,916,534
Loans receivables		37,000,000	37,000,000
Other current assets		222,407	189,643
	P	386,665,994	P 277,601,108
Noncurrent Assets			
Property and equipment (net)	P	41,319,099	P 28,547,979
Construction-in-progress		476,770,012	221,143,126
Other noncurrent assets		15,000	15,000
	P	518,104,111	P 249,706,105
TOTAL ASSETS	P	904,770,105	P 527,307,213

LIABILITIES AND EQUITY			
Current Liabilities			
Payables	P	26,361,750	P 15,093,915
Deposit for future subscription		-	-
Loans payable to individuals		75,250,000	-
	P	101,611,750	P 15,093,915
Noncurrent Liabilities			
Notes payable	P	366,130,000	P 125,780,000
Advances from shareholders		312,571,705	273,701,081
	P	753,950,638	P 399,481,081
TOTAL LIABILITIES	P	780,313,455	P 414,574,996
Equity			
Share capital	P	141,000,000	P 120,000,000
Deficit		(16,543,350)	7,267,783
	P	124,456,650	P 112,732,217
TOTAL LIABILITIES AND EQUITY	P	904,770,105	P 527,307,213

				As at December 31,		
				2017	2016	2015
ASSETS						
Current Assets						
Cash and cash equivalents	P	191,137,640	P	133,437,444	P	52,169,137
Short-term investments		10,070,222		-		-
Advances to related party		118,386,696		-		-
Receivable -others		13,200,304		4,996,700		-
Loans receivables		37,000,000		37,000,000		-
Other current assets		189,643		189,643		194,179
	P	369,984,505	P	175,623,787	P	52,363,316
Noncurrent Assets						
Property and equipment (net)	P	41,030,887	P	28,482,106	P	28,519,416
Construction-in-progress		308,200,131		163,413,978		60,221,012
Other noncurrent assets		15,000		15,000		15,000
	P	349,246,018	P	191,911,084	P	185,663,182
TOTAL ASSETS	P	719,230,523	P	367,534,871	P	141,118,744
LIABILITIES AND EQUITY						
Current Liabilities						
Payables	P	28,153,768	P	11,026,413	P	4,693,947
Deposit for future subscription		21,000,000		-		-
Loans payable to individuals		75,250,000		-		-

	P 124,403,768	P 11,026,413	P 4,693,947
Noncurrent Liabilities			
Notes payable	P 227,780,000	P 54,800,000	P -
Advances from shareholders	258,250,000	184,667,464	17,454,435
	P 486,030,000	P 239,467,464	P 17,454,435
TOTAL LIABILITIES	P 610,433,768	P 250,493,877	P 22,148,382
Equity			
Share capital	P 120,000,000	P 120,000,000	P 120,000,000
Deficit	(11,203,245)	(2,959,006)	(1,029,638)
	P 108,796,755	P 117,040,994	P 118,970,362
TOTAL LIABILITIES AND EQUITY	P 719,230,523	P 367,534,870	P 141,118,744

Statements of Cash Flows Data

	As at June 30,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	P (5,340,105)	P (4,308,778)
Adjustments to reconcile net receipts to net cash used in operating activities:		
Depreciation	38,318	30,983
Interest income	(69,034)	(222,603)
Operating cash flows before changes in working capital	(5,370,820)	(4,500,399)
Decrease (increase) in current assets:		
Short term investments	(99,590)	-
Advances to suppliers	(84,385,059)	-
Receivable -others	(15,268,969)	(919,833)
Other current assets	(32,764)	-
Increase (decrease) in current liabilities:		
Payables	(1,792,018)	4,067,502
Net cash used in operations	(106,949,221)	(1,352,729)
Interest received	69,034	222,603
Net cash used in operating activities	(106,880,188)	(1,130,126)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(326,530)	(96,855)
Additions to construction in progress	(168,569,880)	(57,729,149)
Net cash used in investing activities	(168,896,410)	(57,826,004)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of bank loan	138,350,000	70,980,000
Proceeds from advances from shareholders	54,321,705	89,033,617
Net cash provided by financing activities	192,671,705	160,013,617
NET INCREASE IN CASH AND CASH EQUIVALENTS	(83,104,893)	101,057,487
CASH AND CASH EQUIVALENTS, beginning of year	191,137,640	133,437,444

CASH AND CASH EQUIVALENTS, end of year P 108,032,747 P 234,494,931

	Year Ended December 31,		
	2017	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax	P (8,244,239)	P (1,929,367)	P (791,796)
Adjustments to reconcile net receipts to net cash used in operating activities:			
Depreciation	70,567	54,358	31,218
Interest income	(376,828)	(288,632)	(59,245)
Operating cash flows before changes in working capital	(8,550,500)	(2,163,641)	(819,823)
Decrease (increase) in current assets:			
Short term investments	(10,070,222)	-	-
Advances to suppliers	(118,386,696)	-	-
Receivable -others	(8,203,605)	(4,996,700)	-
Other current assets	-	4,536	(169,623)
Increase (decrease) in current liabilities:			
Payables	17,128,423	6,332,474	(19,364,597)
Net cash used in operations	(128,083,667)	(823,331)	(20,354,043)
Interest received	376,828	288,632	59,245
Net cash used in operating activities	(127,706,839)	(534,699)	(20,294,798)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment	(12,619,347)	(17,057)	(780,384)
Additions to construction in progress	(144,786,154)	(102,944,736)	(59,858,481)
Increase in other noncurrent asset	-	-	(15,000)
Net cash used in investing activities	(157,405,501)	(102,961,793)	(60,653,865)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from deposit for future subscription	21,000,000	-	-
Loans receivable	-	(37,000,000)	-
Proceeds of bank loan	172,980,000	54,551,770	-
Proceeds from advances from shareholders	73,582,536	167,213,029	106,854,435
Proceeds from loans payable to individuals	75,250,000	-	-
Net cash provided by financing activities	342,811,469	184,764,799	106,854,435
NET INCREASE IN CASH AND CASH EQUIVALENTS	57,700,196	81,268,307	25,905,772
CASH AND CASH EQUIVALENTS, beginning of year	133,437,444	52,169,137	26,263,365
CASH AND CASH EQUIVALENTS, end of year	P 191,137,640	P 133,437,444	P 52,169,137

Information on Independent Accountant and other Related Matters

External Audit Fees and Services

41. The External Auditor has rendered (select all that apply):

✓	audit of the registrant's annual financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements for those fiscal years
	Other assurance and related services that are reasonable related to the performance of the audit or review of the registrant's financial statements.
✓	The audit committee has approved the above mentioned services

42. The aggregate fees billed are shown below

Fees approved in connection with the assurance rendered by Dimaculangan, Dimaculangan and Company CPAs pursuant to the regulatory and statutory requirements for the years ended December 31, 2017 amounts to ₱300,000.00, exclusive of 10% out-of-pocket expenses (OPes) and 12% value-added tax (VAT). Mrs. Lagrimas Ong's fees in connection with the assurance rendered for the years ended December 31, 2016 and 2015 amounts to ₱76,159.80, inclusive of 12% VAT.

Year	2017	2016
Audit Fees	₱300,000.00	₱
Tax Fees	-	-
All Other Fees	-	-

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

43. The Issuer has no disagreement with its external auditor on any matter regarding (select all that apply):

✓	Accounting principles or practices
✓	Financial statement disclosures
✓	Auditing scope or procedure

There were no disagreements with Dimaculangan, Dimaculangan and Company CPAs for years 2018 and 2017 and with Mrs. Lagrimas Ong for the years 2016 and 2015 on any matter relating to accounting principles or practices, disclosure of financial statements, auditing scope and procedures.

Note 3, *Transition to the PFRS*, to the financial statements provide discussion on the change in the financial reporting framework, pursuant to the Securities Regulation Code Rule 68, as Amended (2011), including adjustments made on prior period correction of errors in classification of accounts.

44. Describe any material tax consequences to Investors in this Offering:

Taxation

This is just a summary of the material discussion on the taxation under the National Internal Revenue Code (NIRC), as amended by the TRAIN law, as a consequence of an investment in the Offer Securities. The discussion does not deal with all possible tax, consequences relating to an investment in common stocks and does not purport to deal with the tax consequences applicable to all categories, some of which may be subject to special rules.

As a general rule, all incomes derived from the Philippines are subject to income tax laws, except for some instances as specifically provided for by the National Internal Revenue Code and the TRAIN Law. Such income may be subject to a fixed rate or staggered rate as the case may be.

Net capital gains realized from selling of securities other than those traded in the stock exchange is subject to tax of 15% on the net capital gain. An exception of this would be those provisions of tax treaties. Also, value added tax is imposed on every sale or other disposition, in the course of trade or business, of tangible or intangible property based on the gross selling price or gross value in money of the goods or properties sold. If the seller of shares is a dealer of securities, this sale is subject to such value added tax.

Documentary Stamp Tax (DST). Upon the original issuance of ACE Medical Center-Cebu, Inc. shares, DST will be imposed at a rate of P2.00 for every P200 or a fractional part of the par value of the shares to be issued. DST is payable on or before the 5th day of the month following the corporation's acceptance of the stock subscription. The secondary transfer of ACE Medical Center-Cebu, Inc.'s shares is subject to documentary stamp tax at a rate of P1.50 on each P200 or fractional part thereof of the par value of the share transferred.

Tax on Capital Gains on the subsequent sale of the ACE Cebu shares is subject to Capital Gains Tax. The law provides that a 15% final tax is imposed upon the net capital gains realized during the taxable year from the sale, barter, exchange or other disposition of shares of stock in a domestic corporation, except shares sold or disposed of through the stock exchange [Sec. 28 (6) (5) (c) NIRC as amended]

Tax on Interest Income. Interest income earned and received by ACE Cebu from time deposits on excess cash is subject to a final withholding tax rate of 20% [Sec. 27 (D) (1), NIRC as amended).

Tax on Dividend. The NIRC imposes a final tax of 10% upon the cash and/or property dividends actually or constructively receives by the individual from domestic corporation (Sec. 24 (B) (2). However if the recipient of the dividend is a domestic corporation, the dividend received shall not be subject to tax [Sec. 27 (D) (4)].

Value Added Taxes. Sec. 105 of RA 8424 enumerates those liable to the Value Added Tax, they

are: (1) those who in the course of trade or business, sells, barter, exchanges, leases goods or properties, renders services; and (2) any person who imports goods.

INDEPENDENT AUDITORS AND COUNSELS

Independent Auditors

Dimaculangan, Dimaculangan and Company CPAs was engaged by the Hospital to audit the Company's financial statements for the year ended December 31, 2017. Mrs. Lagrimas Ong was engaged for the financial statements audit for the year ended December 31, 2015 and 2014. Their responsibility is to express an opinion on these financial statements based on their audits conducted in accordance with Philippine Standards on Auditing.

Dimaculangan, Dimaculangan and Company CPAs has neither shareholding in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe to the securities of the Hospital. These independent public accountants will not receive any direct or indirect interest in the Hospital and in any securities thereof (including options, warrants, or rights thereto). The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

The Audit Committee of the Company, reviews and monitors, among others, the integrity of all financial reports and ensures compliance with both internal financial management manual and pertinent accounting standards, including regulatory requirements

There is no arrangement that experts and independent counsels will receive a direct or indirect interest in the Issuer or was a promoter, underwriter, voting trustee, director, officer, or employee of the Issuer.

Legal Matters

All legal opinions/matters in connection with the issuance of each Offer will be passed upon by Atty. Ronald Renitz V. Ilas for the Company. Atty. Ilas has no direct interest in the Company.

Atty. Ilas may from time to time be engaged to advise in the transactions of the Company and perform legal services on the basis that it does not conflict with other services he provides to his other clients.

OTHER MATERIAL FACTORS

Describe any other material factors that will or could affect the Issuer or its business or which are necessary to make any other information in this Statement not misleading or incomplete.