



SECURITIES AND EXCHANGE COMMISSION

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Receipt Date and Time: May 15, 2026 10:02:21 AM

Company Information

SEC Registration No.: CS201506626

Company Name: ALLIED CARE EXPERTS (ACE) DUMAGUETE DOCTORS INC.

Industry Classification: N85100

Company Type: Stock Corporation

Document Information

Document ID: OST105152026811380508

Document Type: Quarterly Report

Document Code: SEC_Form_17-Q

Period Covered: March 31, 2026

Submission Type: Original Filing

Remarks: None

Acceptance of this document is subject to review of forms and contents

**ALLIED CARE EXPERTS (ACE)
DUMAGUETE DOCTORS INC.**

Interim Financial Statements

As at March 31, 2026 (Unaudited) and December 31, 2025
(Audited)

and for the Three months Ended March 31, 2026(Unaudited), March
31, 2025 (Unaudited) and December 31, 2025 (Audited)

COVER SHEET

SEC Registration Number
CS201506226

COMPANY NAME

**ALLIED CARE EXPERTS (ACE) DUMAGUETE
DOCTORS INC.**

PRINCIPAL OFFICE(No. Street Barangay City Town Province)

DML BUILDING , NORTHRoad , DUMAGUETE CITY

Form Type

17 - Q

Department requiring the report

CRMD

Secondary License Type If Applicable

N / A

COMPANY INFORMATION

Company's Email Address

acedumaguetedoctors@yahoo.com.ph

Company's Telephone Number/s

(035) 421-2119

Mobile Number

0932-242-0610

No. of Stockholders

1,842

Annual Meeting (Month / Day)

July 2

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Dr. Aejeleth B. Eyas

Email Address

**acedumaguetedoctors@yahoo.com.
ph**

Telephone Number/s

(035) 421-2119

Mobile Number

-

CONTACT PERSON'S ADDRESS

F. Cimafranca St., Daro, Dumaguete City

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and or non-receipt of Notice of Deficiencies. Further, non-receipt shall not excuse the corporation from liability for its deficiencies.

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended: **March 31, 2026**
2. Commission identification number: **CS201506626**
3. BIR Tax Identification No.: **008-997-532-000**

Allied Care Experts (ACE) Dumaguete Doctors Inc.

4. Exact name of issuer as specified in its charter:

Negros Oriental, Philippines

5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

DML Building, Northroad, Dumaguete, Philippines

7. Address of issuer's principal office

6200

Postal Code

(035) 421-2119

8. Issuer's telephone number, including area code

N/A

9. Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding
Common Shares	168,220 shares; ₱168,220,000
Founder Shares	600 shares; ₱600,000
Amount of Outstanding Debt	₱50,000,000

11. Are any or all of the securities listed on a Stock Exchange?

Yes [] No [x]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [x] No []

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [x] No []

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

The interim financial statements as at March 31, 2026 (Unaudited) and December 31, 2025 (Audited) and for the three months ended March 31, 2026 and 2025 and the related notes to financial statements of Allied Care Experts (ACE) Dumaguete Doctors Inc. ("the Company") are filed as part of this Form 17-Q.

For purposes of segment reporting, the Company has no other reportable segment.

There are no other material events subsequent to the end of this interim period that had not been reflected in the unaudited consolidated financial statements filed as part of this report.

ALLIED CARE EXPERTS (ACE) DUMAGUETE DOCTORS INC.
INTERIM STATEMENTS OF FINANCIAL POSITION
(With comparative figures for 2024)

ASSETS	Notes	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
CURRENT ASSETS			
Cash	4	P95,111,118	P148,725,865
Trade and other receivables	5	81,052,964	69,411,165
Inventories	6	39,098,065	36,905,597
Prepayments and other current assets	7	4,595,728	3,671,149
		219,857,875	258,713,776
NONCURRENT ASSETS			
Property and equipment (net)	8	598,432,704	605,711,096
Advances to suppliers		21,796,903	15,999,200
Deferred tax assets		5,130,619	5,130,619
Intangible assets (net)		25,238,296	27,554,220
Other noncurrent assets		16,000	16,000
		650,614,522	654,411,135
TOTAL ASSETS		P870,472,397	P913,124,911
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	9	P166,695,611	P209,753,280
Loans payable	10	50,000,000	59,000,000
		216,695,611	268,753,280
NONCURRENT LIABILITIES			
Advances from shareholders	11	50,012,519	47,558,354
Retirement benefit obligation		5,747,237	5,747,237
		55,759,756	53,305,591
TOTAL LIABILITIES		272,455,367	322,058,871
EQUITY			
Share capital	12	168,820,000	168,820,000
Share premium	12	402,940,800	402,940,800
Retained Earnings (Deficit)		26,256,230	19,305,240
		598,017,030	591,066,040
TOTAL LIABILITIES AND EQUITY		P870,472,397	P913,124,911

(The accompanying Notes to Financial Statements are an integral part of these Financial Statements)

ALLIED CARE EXPERTS (ACE) DUMAGUETE DOCTORS INC.
INTERIM STATEMENTS OF FINANCIAL PERFORMANCE
(Amounts in Philippine Peso)

	Unaudited		Audited
	January 1 to March 31, 2026	January 1 to March 31, 2025	December 31, 2025 (Annual)
REVENUE	₱151,134,232	₱181,410,211	₱609,670,225
DIRECT COSTS	108,189,768	123,621,871	413,673,473
GROSS PROFIT	42,944,464	57,788,340	195,996,752
OTHER INCOME	4,156,015	4,188,393	4,135,987
GROSS INCOME	47,100,479	61,976,733	200,132,739
OPERATING EXPENSES	36,479,836	43,930,019	160,504,123
NET OPERATING INCOME (LOSS)	10,620,643	18,046,714	39,628,616
FINANCE COST	1,359,463	4,367,097	7,925,243
NET INCOME (LOSS) BEFORE INCOME TAX	9,261,180	13,679,617	31,703,373
PROVISION FOR INCOME TAX	2,310,190	3,417,469	9,491,488
NET INCOME (LOSS) FOR THE PERIOD	6,950,990	10,262,148	22,211,885
OTHER COMPREHENSIVE INCOME	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	₱6,950,990	₱10,262,148	₱22,211,885
BASIC EARNINGS PER SHARE	₱41.17	₱60.87	₱131.57

(The accompanying Notes to Financial Statements are an integral part of these Financial Statements)

ALLIED CARE EXPERTS (ACE) DUMAGUETE DOCTORS INC.
INTERIM STATEMENTS OF CHANGES IN EQUITY
(Amounts in Philippine Peso)

	Share capital (Note 12)	Share premium (Note 12)	Deficit	Total
EQUITY				
As at December 31, 2023	167,710,000	368,240,000	(30,757,471)	505,192,529
Increase in share capital	890,000	-	-	890,000
Share premium	-	29,420,800	-	29,420,800
Net income for the year	-	-	27,850,826	27,850,826
As at December 31, 2024	168,600,000	397,660,800	(2,906,645)	563,354,155
Increase in share capital	220,000	-	-	220,000
Share premium	-	5,280,000	-	5,280,000
Net income for the year	-	-	22,211,885	22,211,885
As at December 31, 2025	168,820,000	402,940,800	19,305,240	591,066,040
Increase in share capital	-	-	-	-
Share premium	-	-	-	-
Net income for the period ended	-	-	6,950,990	6,950,990
As at March 31, 2026	₱168,600,000	₱402,940,800	₱26,256,230	₱598,017,030

(The accompanying Notes to Financial Statements are an integral part of these Financial Statements)

ALLIED CARE EXPERTS (ACE) DUMAGUETE DOCTORS INC.

INTERIM STATEMENTS OF CHANGES IN EQUITY

(Amounts in Philippine Peso)

		Unaudited		Audited
	Notes	January 1 to March 31, 2026	January 1 to March 31, 2025	December 31, 2025 (Annual)
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income (loss) before income tax		₱9,261,180	₱10,262,148	31,703,373
Adjustments				
Depreciation and amortization	8	18,752,808	18,993,262	78,970,763
Expected credit losses		-	-	5,782,556
Retirement benefit obligation		-	-	4,494,714
Interest expense		1,359,463	4,367,097	7,925,243
Interest income		(35,008)	(16,699)	(116,285)
Operating cash flows before changes in working capital		29,338,443	33,605,808	128,760,364
Changes in working capital components				
Decrease (increase) in current assets				
Trade and other receivables		(11,641,799)	(1,431,884)	9,688,843
Inventories		(2,192,468)	(3,508,253)	(6,372,952)
Prepayments and other current assets		(924,579)	2,541,432	(97,651)
Increase (decrease) in current liabilities				
Trade and other payables		(43,128,706)	33,844,934	119,112,381
Net cash generated from (used in) operations		(28,549,110)	65,052,037	251,090,985
Payment of income tax		(2,310,190)	(3,417,469)	(9,483,503)
Net cash provided by (used in) operating activities		(30,859,300)	65,068,736	241,607,482
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property and equipment	8	(9,158,490)	(25,803,731)	(39,332,220)
(Increase) decrease in:				
Advances from suppliers		(5,797,703)	(788,507)	(8,022,386)
Interest received		35,008	16,699	116,285
Net cash used in investing activities		(14,921,185)	(26,592,238)	(47,238,321)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of principal loans	10	(34,000,000)	(30,250,000)	(120,750,000)
Proceeds from loan availment	10	25,000,000		
Payment of interest expense	10	(1,288,428)	(3,433,847)	(7,925,243)
Proceeds from (payment of) advances from shareholders	11	2,454,165	3,910,000	19,613,000
Increase in share capital	12	-	-	220,000
Additional paid-up capital	12	-	-	5,280,000
Net cash provided by financing activities		(7,834,263)	(29,773,847)	(103,562,243)
NET INCREASE (DECREASE) IN CASH		(53,614,747)	8,702,651	90,806,918
CASH, beg of year		148,725,865	57,918,947	57,918,947
CASH, end of year		₱95,111,118	₱66,621,598	₱148,725,865

(The accompanying Notes to Financial Statements are an integral part of these Financial Statements)

ALLIED CARE EXPERTS (ACE) DUMAGUETE DOCTORS INC.

NOTES TO FINANCIAL STATEMENTS

As at March 31, 2026 and December 31, 2025 and for the period ended March 31, 2026, 2025 and December 31, 2025 (Amounts in Philippine Peso)

NOTE 1 - CORPORATE INFORMATION AND STATUS OF OPERATIONS

Corporate Information

ALLIED CARE EXPERTS (ACE) DUMAGUETE DOCTORS INC. (the "Company") was incorporated as a domestic corporation under Philippine laws and was duly registered with the Securities and Exchange Commission (SEC) under registration No. CS201506626 on April 1, 2015.

The Company's primary purpose is to establish, maintain, operate, own and manage hospitals, medical and related healthcare facilities and businesses such as but without restriction to clinical laboratories, diagnostic centers, ambulatory clinic, condo-hospital, scientific research institutions 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 and licensed 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.

On June 28, 2019, the SEC En Banc under SEC MSRD Order No.37 approved effective the registration statement of the Company for 186,000 shares broken down as follows: the primary offering to be sold by way of initial public offering for 36,000 shares equivalent to 3,600 blocks or 10 shares per block at an offer price ranging from ₱250,000 up to ₱400,000 per block. Issued and outstanding Founder shares (600) and common shares (149,400) are not included in the offer. These shares have been registered and may now be offered for sale or sold to the public subject to full compliance with the provisions of the Securities Regulation Code and its Amended Implementing Rules and Regulations, Revised Code of Corporate Governance, and other applicable laws and orders as may be issued by the Commission.

In 2019, the Company became a BOI-Registered Non-Pioneer Status Hospital certified by the Board of Investments under registration no. 2019-034 dated February 19, 2019. Pursuant to the abeyance of the provisions of Executive Order No. 226 (otherwise known as the Omnibus Investments Code of 1987), the Company is eligible to enjoy certain grants, particularly, but not limited to – Income Tax Holiday -- for a period of 4 years starting from November 2018 or actual start of commercial operations, whichever is earlier (the availment of which shall not be earlier than the date of registration).

The registered office of the Company is located at DML Building, Northroad, Dumaguete City, Negros Oriental. The Hospital site is located at F. Cimafranca St. Daro, Dumaguete City, Negros Oriental

Status of Operations

In March 2019, the Company started its operations for outpatient clinics, radiology and laboratory department. Accordingly, the Company started its in-patients operations in July 2019, thereby, effectively commencing its full commercial operations. The Company is a 100-bed capacity Level II hospital.

NOTE 2 - BASIS OF PREPARATION AND PRESENTATION

The unaudited interim financial statements of the Company have been prepared on the historical cost basis of accounting and are presented in Philippine Peso, the Company's functional and presentation currency. All values represent absolute amounts except when otherwise stated.

The unaudited interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at December 31, 2025.

The unaudited interim consolidated financial statements of the Company for the three months ended March 31, 2026 have been prepared in accordance with PAS 34, *Interim Financial Reporting* and in compliance with Philippine Financial Reporting Standards (PFRS) issued by the Philippine Financial Reporting Standards Council (FRSC) and adopted by the SEC. This financial reporting framework included PFRS, Philippine Accounting Standards (PAS), Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC), and SEC provisions.

NOTE 3 - ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Adoption of New and Revised Accounting Standards Effective in 2026

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new and amended PFRS which the Company adopted effective for the annual periods beginning on or after January 1, 2026.

Unless otherwise indicated, the adoption of the new and amended PFRS did not have any material effect on the financial statements. Additional disclosures have been included in the notes to financial statements, as applicable.

Amendments to Illustrative Examples PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, Disclosures about Uncertainties in the Financial Statements

The amendments add illustrative examples to several PFRS Accounting Standards intended to improve the reporting of climate-related and other uncertainties in the financial statements, particularly to address stakeholders' concerns about consistency of information within the general-purpose financial reports and sufficient information on climate-related risks and other uncertainties in the financial statements.

The example addresses topics such as materiality judgements, significant judgements and estimates, and aggregation and disaggregation.

The illustrative examples are not an integral part of PFRS Accounting Standards and, as such, do not have an effective date or transition requirements. However, an entity is expected to be entitled to sufficient time to implement any changes to align the information disclosed in its financial statements with the illustrative examples. Determining how much time is sufficient is a matter of judgement that depends on an entity's particular facts and circumstances. The amendments would be expected to complement any changes on a timely basis.

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*

The amendments clarify that a financial liability is derecognized on the “settlement date”, i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features. Furthermore, the amendments clarify the treatment of non-recourse assets and contractually linked instruments.

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*

The amendments only apply to contracts that reference nature-dependent electricity such as contracts to buy or sell nature-dependent electricity, as well as financial instruments that reference such electricity. This amendment cannot be applied by analogy to other contracts, items or transactions.

The amendments clarify the application of the ‘own-use’ requirements for in-scope contracts, amend the description requirements for a hedge item in a cash flow hedging relationship for in-scope contracts and include new disclosure requirements.

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

Annual Improvements to PFRS Accounting Standards—Volume 11

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

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

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

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

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

- Amendments to PFRS 9, *Financial Instruments*

- Lessee Derecognition of Lease Liabilities

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

- Transaction Price

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

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

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

- Amendments to PAS 7, *Cost Method*

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

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:

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

Based on preliminary assessment, the management believes that the adoption of PFRS 18 will not affect total profit or equity of the Company. However, the adoption may affect the subtotals and performance measures presented in the statement of comprehensive income. The Company is continuously evaluating the full impact of this new standard on its financial statements.

PFRS 19, *Subsidiaries without Public Accountability*

The standard allows eligible entities to elect to apply PFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS Accounting Standards.

In 2025, PFRS 19 was amended to provide reduced disclosure requirements for new or amended PFRS Accounting Standards adopted by the FRSC from the issuances of the IASB between February 2021 and May 2024.

The application of the standard is optional for eligible entities.

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

The amendments introduce translation requirements for entities translating their financial statements, or the results and financial position of a foreign operation, from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy.

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

Deferred effectivity

Amendments to PFRS 10 and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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

On January 13, 2016, the FRSC deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

Based on management assessment, this is not expected to have material impact on the financial statements of the Company.

The revised, amended, and additional disclosures or accounting changes provided by the standards and interpretations will be included in the Company's financial statements, as applicable.

NOTE 4 - CASH

The account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash on hand	₱154,000	₱154,000
Cash in banks	94,957,118	148,571,865
	₱66,621,598	₱148,725,865

Cash in bank generally earns interest at rates based on daily bank deposit rates. These are unrestricted and available for use in the Company's operation.

Interest income earned from cash in banks amounted to ₱35,008 in 2026, ₱116,285 in 2025 and ₱48,686 in 2024. These are presented under Other Income in the statements of comprehensive income.

NOTE 5 - TRADE AND OTHER RECEIVABLES

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Trade receivable	94,739,220	₱83,087,983
Advances to officers and employees	315,485	188,164
Other receivables	773,532	910,291
	95,828,237	84,186,438
Less: Allowance for credit losses	(14,775,273)	(14,775,273)
	81,052,964	69,411,165

Trade and other receivables consist primarily of trade receivables, advances to employees, and other receivables.

Trade receivables pertain to amounts due from patients for hospital and medical services rendered.

Including reimbursements from healthcare and government institutions such as Health Maintenance Organizations (HMOs), the Philippine Charity Sweepstakes Office (PCSO), the Philippine Social Welfare Department (PSWD), the Department of Social Welfare and Development (DSWD), and PhilHealth for services availed of by patients.

Advances to officers and employees represent amounts granted to employees which are recoverable through salary deductions over an agreed repayment period.

Other receivables consist mainly of maternity and sickness benefit receivable from SSS and other miscellaneous receivables arising from the Company's operations.

Trade and other receivables are initially recognized at transaction price and subsequently measured at amortized cost, net of any allowance for expected credit losses.

The Company applies the expected credit loss (ECL) model in measuring impairment of financial assets measured at amortized cost. In estimating expected credit losses, the Company considers historical credit loss experience, current conditions, and forward-looking information that may affect the collectability of receivables.

Trade receivables are assessed collectively based on shared credit risk characteristics and the aging profile of the receivables. Advances to employees and other receivables are evaluated individually or collectively depending on the nature and credit risk characteristics of the receivables.

The allowance for expected credit losses is reviewed at each reporting date and adjusted to reflect changes in credit risk and forward-looking economic factors that may affect the recoverability of receivables.

The Company recognized provision for expected credit losses amounting to ₱14,775,273 in 2026, ₱14,775,273 in 2025 and ₱13,397,690 in 2024, which is presented as part of operating expenses in the statements of comprehensive income.

A reconciliation of the allowance for expected credit losses at the beginning and end of 2026 and 2025 is shown below:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Beginning balances	P14,775,273	P13,397,690
Credit losses	-	5,782,556
Write off		(4,404,973)
Ending balances	P14,775,273	P14,775,273

The allowance for ECL on receivables is being evaluated continuously by Management and overdue accounts are specifically identified on the basis of factors that affect their collectability.

NOTE 6 - INVENTORIES

The account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Pharmacy supplies	P18,227,842	P13,818,633
Medical and laboratory supplies	17,062,710	16,594,737
Maintenance supplies	3,807,513	6,492,227
	P39,098,065	P36,905,597

Inventories consist mainly of pharmacy, laboratory, and hospital supplies, which include medicines and medical supplies administered or used in the treatment and care of patients.

The Company recognized as expense inventories costing P17,380,119, P61,616,992 and P70,662,085 in 2026, 2025 and 2024, respectively.

No portion of the Company's inventories was pledged as security for any liability as of March 31, 2026 and December 31, 2025.

NOTE 7 - PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Prepayments	1,156,568	P1,156,567
Prepaid income tax	1,037,641	1,670,398
Input VAT	2,251,519	694,184
Advances for liquidation	150,000	150,000
	P4,595,728	P3,671,149

Prepayments and other current assets consist mainly of prepaid expenses, input taxes, advances for liquidation, and prepaid income taxes, which are expected to be realized or utilized within one year from the reporting date.

Prepayments represent payments made in advance for services to be received in future periods including but not limited to insurance premiums. These are initially recognized at cost and subsequently amortized or recognized as expense over the period to which benefits relate.

Prepaid income tax pertains to excess income tax payment and creditable tax on income payment which can be credited against Company's future income tax liability.

Input VAT pertains to value-added taxes paid on purchase of goods and services that are creditable against future output value-added taxes in accordance with applicable tax regulations.

Advances for liquidation pertain to cash advances for official business expenses.

NOTE 8 - PROPERTY AND EQUIPMENT (net)

Reconciliation of property and equipment (net) as at March 31, 2026 follows:

	Land and land improvement	Building and building improvements	Medical Machineries and Equipment	Transportation equipment	Office Equipment, Furniture and Fixtures	Total
Cost						
At beginning of year	53,318,860	624,137,608	315,444,965	3,123,100	60,880,249	1,056,904,782
Additions	-	-	8,300,409	-	858,083	9,158,492
At end of year	53,318,860	624,137,608	323,745,374	3,123,100	61,738,332	1,066,063,274
At beginning of year	555,000	154,376,998	255,981,103	2,246,835	38,033,750	451,193,686
Depreciation expense	-	6,629,669	7,820,711	67,405	1,919,099	16,436,883
At end of year	555,000	161,006,667	263,801,814	2,314,240	39,952,849	467,630,570
Net carrying value	52,763,860	463,130,941	59,943,560	808,860	21,785,483	598,432,704

Reconciliation of property and equipment (net) as at December 31, 2025 follows

	Land and land improvement	Building and building improvements	Medical Machineries and Equipment	Transportation equipment	Office Equipment, Furniture and Fixtures	Total
Cost						
At beginning of year	53,318,860	623,757,608	282,507,074	3,123,100	54,865,921	1,017,572,563
Additions	-	380,000	32,937,891	0	6,014,329	39,332,220
At end of year	53,318,860	624,137,608	315,444,965	3,123,100	60,880,250	1,056,904,783
At beginning of year	555,000	127,896,322	219,395,277	1,977,215	31,599,940	308,964,081
Depreciation expense	-	26,480,676	36,585,827	269,620	6,433,810	69,769,933
At end of year	555,000	154,376,998	255,981,104	2,246,835	38,033,750	451,193,687
Net carrying value	52,763,860	469,760,610	59,463,861	876,265	22,846,500	605,711,096

Depreciation expenses amounted to ₱16,436,883, ₱69,769,933 and ₱78,370,694 for the period ended March 31, 2026, December 31, 2025 and 2024, respectively.

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that are directly attributable to the acquisition or construction of the asset.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Land is not depreciated. Depreciation commences when the asset is available for its intended use.

The land covered by TCT # 109-2015000619 and 109-2015000621 amounting to ₱52,438,860 with total area of 7,833 sqm located at F. Cimafranca St., Daro, Dumaguete City where the Company had constructed a multidisciplinary specialty medical facility (hospital) and is the subject of the real estate mortgage including all ACEDDI_17Q_March 31, 2026
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other existing and future improvements thereon as disclosed in Note 12. The fair market value of the land as at March 31, 2026 and December 31, 2025 approximates its cost.

Management has reviewed the carrying values of property and equipment as at March 31, 2026 and December 31, 2025 for any impairment. Based on the results of its evaluation, there are no indications that these assets are impaired.

NOTE 9 – TRADE AND OTHER PAYABLES

This account consists of

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Trade payables	P156,300,799	P189,409,200
Accrued expenses	5,853,227	4,796,494
Other payables	4,541,585	10,359,738
	P166,695,611	P204,565,432

Trade payables represent unpaid balances arising from purchases of supplies and professional fees payable to doctors. These payables are non-interest bearing and are generally payable within 30 to 60 days.

Accrued expenses represent liabilities for expenses incurred but not yet billed or paid as of the reporting date. These include, among others, communication expenses, utilities (light and water), professional fees, security services, housekeeping services, and employee-related benefits.

Retention payable represents amounts retained by the Company from contractors' progress billings in accordance with the terms of the construction contracts. These amounts are payable upon completion of the project and acceptance of the contractor's work by the Company, subject to the terms and conditions of the construction agreement.

Other payables are also non-interest-bearing payables arising from the acquisition of hospital equipment, outstanding and stale checks and liabilities arising from payroll deductions. They do not earn interest and are expected to be settled within a short period of time.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost. Due to their short-term nature, the carrying amounts of these liabilities approximate their fair values.

NOTE 10 – LOANS PAYABLE

The Landbank of the Philippines – Negros Lending Center extended to the Company several term loans equivalent to a credit line facility totaling **P500,000,000** to finance the construction of the hospital structure and the acquisition of various medical equipment, hospital furniture and fixtures.

The foregoing credit line facility consists of a term loan 1 the availment which was granted in 2015 amounting to **P400,000,000** for financing the hospital building. The term loan 2 availment amounting to **P100,000,000** was for the acquisition of medical equipment and hospital furniture.

The loan can be availed in several drawdowns, payable ranging from 7 to 10 years in ladderized quarterly amortizations, including a grace periods ranging from 1 to 3 years for principal amortization. Interest rate is at floating rate of 5% per annum with a fixed rate of 6% per annum. In February 2026, the Company has full paid off its long-term loan.

On December 18, 2019, the Company obtained a short-term loan facility amounting to **₱50,000,000** to augment working capital requirement of the hospital operations payable in lump sum upon maturity. Interest on loan is at Landbank's prevailing interest at the time of availment and subject to quarterly repricing.

The loan is secured by a real estate mortgage on the Company's land including all other existing and future improvements thereon (Note 10) as well as a chattel mortgage on various medical machineries and equipment.

The amount of bank loans as at March 31, 2026 are classified as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Current portion of bank loans	₱50,000,000	₱59,000,000
Noncurrent portion of bank loans	-	-
	₱50,000,000	₱59,000,000

The classification of bank loans are as follows:

	March 31, 2025 (Unaudited)	December 31, 2025 (Audited)
Working capital requirement	₱50,000,000	₱25,000,000
Construction of hospital building	-	24,000,000
	₱50,000,000	₱59,000,000

In 2026 and 2025, finance costs pertaining to the bank loans were charged to profit and loss.

NOTE 11 – ADVANCES FROM SHAREHOLDERS

In the special meeting of the Board held last May 7, 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.

Accordingly, the Shareholders advanced the monies in support of the Company's building construction requirement. These advances are non-interest-bearing and to be paid subject to availability of funds and/or the Management may decide to convert said advances to equity in the distant future. Likewise, the Company reserves the right to defer settlement of the advances and prioritizes the cash requirements of the Company on its existing projects.

The unsecured non-interest-bearing advances from shareholders amounted to **₱50,012,519** and **₱47,558,354** as at March 31, 2026 and December 31, 2025, respectively.

NOTE 12 – RETIREMENT BENEFIT OBLIGATION

The Company is in the process of establishing and formally adopting a Defined Contribution (DC) retirement plan covering all regular full-time employees. Under the DC plan, the Company will pay fixed contribution based on employees' monthly salaries. In accordance with IAS 19, par. 51 to 52, once the contributions are paid, the Company has no further legal or constructive obligation to make additional payments.

Pending the completion of the forma retirement benefit program and the actuarial valuation, which are expected to be finalized in 2026, the retirement obligation recognized as of March 31, 2026 and December 31, 2025 was provisionally measured based on the minimum benefit formula prescribed Retirement Pay Law (Republic Act No. 7641).

The retirement benefit obligation recognized by the Company amounted to **₱5,747,237** as at March 31, 2026.

NOTE 12 - SHARE CAPITAL

Details of share capital as at March 31, 2026 are as follows:

	No. of Shares	Amount
Authorized share capital – ₱1,000 par value		
Founder's shares	600	600,000
Common shares	239,400	239,400,000
Total authorized share capital	240,000	240,000,000
Subscribed share capital:		
Founder's shares	600	600,000
Common shares	168,220	168,000,000
Total subscribed share capital	168,820	168,600,000
Paid-up share capital:		
Founder's shares	600	600,000
Common shares	168,220	168,000,000
Total paid-up share capital	168,820	168,600,000

Details of share capital as at December 31, 2025 are as follows:

	No. of Shares	Amount
Authorized share capital – ₱1,000 par value		
Founder's shares	600	600,000
Common shares	239,400	239,400,000
Total authorized share capital	240,000	240,000,000
Subscribed share capital:		
Founder's shares	600	600,000
Common shares	168,220	168,000,000
Total subscribed share capital	168,820	168,600,000
Paid-up share capital:		
Founder's shares	600	600,000
Common shares	168,220	168,000,000
Total paid-up share capital	168,820	168,600,000

As at March 31, 2026, pursuant to the SEC's approval of the Company's registration statement of its public offering of its shares of stock, the Company issued a total of SEVENTEEN THOUSAND ONE HUNDRED EIGHTY (17,110) common shares. The common share offer price amounted to ₱250,000 up to ₱400,000 per block [one(1) block = ten (10) common shares].

As at March 31, 2026 and December 31, 2025, the Company has fifty-three (53) shareholders, each owning 100 or more shares of the Company's shares of stock. Founder's shares however, have the exclusive right to vote and be voted upon in the election of directors for five (5) years from the date of registration. Thereafter, the holders of Founder's shares shall have the same rights and privileges as holders of common shares.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

2.1 OVERVIEW

Allied Care Experts (ACE) Dumaguete Doctors, Inc. (the "Company") was incorporated as a domestic corporation under Philippine laws and was duly registered with the Securities and Exchange Commission (SEC) under registration no. CS201506626 on April 1, 2015.

The Company's primary purpose is to establish, maintain, operate, own and manage hospitals, medical and related healthcare facilities and businesses such as but without restriction to clinical laboratories, diagnostic centers, ambulatory clinic, condo-hospital, scientific research institutions 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 and licensed 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.

The registered office of the Company is located at DML Building, Northroad, Dumaguete City, Negros Oriental.

The Company was issued its Board of Investments Certificate of Registration No. 2019-034 on February 9, 2019. As a BOI-registered Non-Pioneer Status Hospital, the Company enjoys certain grants, particularly, but not limited to income tax holiday for a period of 4 years from the start of its commercial operation.

On June 28, 2019, the Company was issued a license to sell its securities to the public by the SEC.

There are no recognized trends within such industry.

In March 2019, the Company started its operations for outpatient clinics, radiology and laboratory department. Accordingly, the Company started its in-patients operations in July 2019, thereby, effectively commencing its full commercial operations. The Company is a 100-bed capacity Level II hospital.

2.1 RESULTS OF OPERATIONS

For the three months ended March 31, 2026, the Company's operation has generated net revenue of ₱181.4 million.

UNAUDITED INTERIM STATEMENTS OF FINANCIAL PERFORMANCE

For the three months ended March 31				
	2026	2025	Peso change	% Change 2026 v 2025
Revenue, net	₱151,134,232	₱181,410,211	(₱30,275,979)	-17%
Direct costs	(108,189,768)	(123,621,871)	(15,432,103)	-12%
Gross profit	42,944,464	57,788,340	(14,843,876)	-26%
General and administrative expenses	(36,479,836)	(43,930,019)	(7,450,183)	-17%
Net operating income (loss)	6,464,628	13,858,321	(7,393,693)	-53%
Finance cost	(1,359,463)	(4,367,097)	(3,007,634)	-69%
Net income (loss) before other charges	5,105,165	9,491,224	(4,386,059)	-46%
Other charges and income, net	1,845,825	770,924	1,074,901	139%
Net income (loss)	₱6,950,990	₱10,262,148	(₱3,311,158)	-32%

Revenue in 2026 has significantly decreased by 17% or ₱30.3 million due to decrease in occupancy rate and out-patient census. Direct costs decrease to ₱108.2 million in 2026 from ₱123.6 million in 2025 or a 12% decrease due to the decrease in cost of medicines, depreciation and cost of laboratory reagents used. Direct costs includes depreciation; cost of medicines, medical supplies and laboratory reagents; professional fee of resident and junior consultants; salaries and wages of medical staff; and allocated utilities expense.

The Company's operating expenses pertain mainly to salaries and other benefits of administrative employees, allocated depreciation expense, utilities expense, repairs and maintenance, supplies and consumables, and security services which represent 78% of the Company's total operating expenses. The total operating expenses has decreased by 17% or ₱7.5 million in 2026 as compared to 2025. This is due to the decrease in the depreciation, and repairs and maintenance cost of the medical equipment of the Company.

Other charges and income includes other income, interest income and income tax expense for the period.

For the three months ended March 31, 2025, the Company's operation has generated net revenue of ₱181.4 million.

UNAUDITED INTERIM STATEMENTS OF FINANCIAL PERFORMANCE

For the three months ended March 31				
	2025	2024	Peso change	% Change 2025 v 2024
Revenue, net	₱181,410,211	₱176,951,355	₱4,458,856	3%
Direct costs	123,621,871	130,481,297	(6,859,426)	-5%
Gross profit	57,788,340	46,470,058	11,318,282	24%
General and administrative expenses	43,930,019	27,202,160	16,727,859	61%
Net operating income (loss)	13,858,321	19,267,898	(5,409,577)	-28%
Finance cost	4,367,097	4,392,101	(25,004)	-1%
Net income (loss) before other charges	9,491,224	14,875,797	(5,384,573)	-36%
Other charges	770,924	(2,240,560)	3,011,484	-134%
Net income (loss)	₱10,262,148	₱12,635,237	(₱2,373,089)	-19%

Revenue in 2025 has significantly increased by 3% or ₱4.5 million due to increase in occupancy rate and out-patient census. Direct costs decrease to ₱123.6 million in 2024 from ₱130.5 million in 2025 or a 5% decrease due to the decrease in depreciation and cost of laboratory reagents. Direct costs includes depreciation; cost of medicines, medical supplies and laboratory reagents; professional fee of resident and junior consultants; salaries and wages of medical staff, and allocated utilities expense.

The Company's operating expenses pertain mainly to salaries and other benefits of administrative employees, allocated depreciation expense, utilities expense, repairs and maintenance, supplies and consumables, and taxes and licenses which represent 80% of the Company's total operating expenses. The total operating expenses has increased by 61% or ₱16.7 million in 2025 as compared to 2024. This is due to the increase in the repairs and maintenance cost of the medical equipment of the Company.

Other charges includes other income, interest income and income tax expense for the period.

2.2 FINANCIAL CONDITION

UNAUDITED INTERIM STATEMENTS OF FINANCIAL POSITION

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	Peso change	% Change 2026 v 2025
Current assets	₱219,857,875	₱258,713,776	(₱38,855,901)	-15%
Noncurrent assets	650,614,522	654,411,135	(3,796,613)	-1%
Total assets	870,472,397	913,124,911	(42,652,514)	-5%
Current liabilities	216,695,611	268,753,280	(52,057,669)	-19%
Noncurrent liabilities	55,759,756	53,305,591	2,454,165	5%
Total liabilities	272,455,367	322,058,871	(49,603,504)	-15%
Total equity	598,017,030	591,066,040	6,950,990	1%
Total liabilities and equity	870,472,397	913,124,911	(42,652,514)	-5%
Current assets/Total assets	25%	28%		
Current ratio	101%	96%		
Debt to equity ratio	46%	54%		

The net decrease in current assets mainly pertains to the decrease in cash amounting to ₱53.6 million which was partially offset by the increase in trade receivables amounting to ₱11.6 million.

The noncurrent assets of the Company mainly consist of property and equipment and advances for capital acquisition. The net decrease is mainly due to the depreciation expense which was partially offset by the acquisition of new medical equipment of the Company acquired for the three months ended March 31, 2025.

The liabilities of the Company mainly consist of payables to suppliers, statutory payables and advances from shareholders. The decrease was mainly due to payment of payables to suppliers and payment of principal of the long-term loan from Landbank of the Philippines.

UNAUDITED INTERIM STATEMENTS OF FINANCIAL POSITION

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	Peso change	% Change 2024 v 2023
Current assets	₱189,485,070	₱178,383,714	₱11,101,356	1%
Noncurrent assets	692,158,194	684,559,217	7,598,977	2%
Total assets	881,643,264	862,942,931	18,700,333	12%
Current liabilities	274,919,084	246,390,899	28,528,185	-38%
Noncurrent liabilities	33,107,877	53,197,877	(20,090,000)	3%
Total liabilities	308,026,961	299,588,776	8,438,185	2%
Total equity	573,616,303	563,354,155	10,262,148	2%
Total liabilities and equity	881,643,264	862,942,931	18,700,333	
Current assets/Total assets	21%	21%		
Current ratio	69%	72%		
Debt to equity ratio	54%	53%		

The net increase in current assets mainly pertains to the increase in cash and inventories amounting to ₱8.7 million and ₱3.5 million which was partially offset by the decrease in prepayments and other current assets amounting to ₱2.5 million.

The noncurrent assets of the Company mainly consist of property and equipment and advances for capital acquisition. The net increase is mainly due to the acquisition of new medical equipment which was partially offset by the depreciation expense of the property and equipment of the Company charged for the three months ended March 31, 2025.

The liabilities of the Company mainly consist of payables to suppliers, statutory payables and advances from shareholders. The decrease was mainly due to payment of payables to suppliers and payment of principal of the long-term loan from Landbank of the Philippines.

2.3 LIQUIDITY AND CAPITAL RESOURCES

The table below shows the Company's consolidated cash flows for the three months ended March 31, 2026 and 2025:

UNAUDITED INTERIM STATEMENTS OF CASH FLOWS

For the three months ended March 31

	2026	2025	Peso change	% Change 2026 v 2025
Net cash provided by (used in)				
operating activities	(P30,859,300)	P65,068,736	(P95,928,036)	163%
Net cash used in investing activities	(14,921,185)	(26,592,238)	11,671,053	686%
Net cash provided by financing activities	(7,834,263))	(29,773,847)	21,939,584	-3%
Net decrease in cash	(53,614,747)	8,702,651	(62,317,399)	-192%
Cash at beg of period	148,725,865	57,918,947	90,806,918	46%
Cash at end of period	P95,111,118	P66,621,598	P28,489,519	120%

The Company believes that it has sufficient resources to finance its working capital requirements. The Company expects to regularly provide healthcare services which will generate cash inflow to the Company. All funding for the Company's operations for the next 12 months shall be internally generated.

Cash used in financing activities mainly pertain to the payment of principal loan in February 2026 which was partially offset by availment of additional short-term loan.

The table below shows the Company's consolidated cash flows for the three months ended March 31, 2025 and 2024:

UNAUDITED INTERIM STATEMENTS OF CASH FLOWS

For the three months ended March 31

	2025	2024	Peso change	% Change 2025 v 2024
Net cash provided by (used in)				
operating activities	P65,068,736	P24,753,615	P40,315,121	163%
Net cash used in investing activities	(26,592,238)	(3,382,366)	(23,209,872)	686%
Net cash provided by financing activities	(29,773,847)	(30,851,747)	1,077,900	-3%
Net decrease in cash	8,702,651	(9,480,498)	18,183,149	-192%
Cash at beg of period	57,918,947	39,751,601	18,167,346	46%
Cash at end of period	P66,621,598	P30,271,103	P36,350,495	120%

The Company believes that it has sufficient resources to finance its working capital requirements. The Company expects to regularly provide healthcare services which will generate cash inflow to the Company. All funding for the Company's operations for the next 12 months shall be internally generated.

Cash used in financing activities mainly pertain to the payment of principal loan in February 2025.

2.4 FINANCIAL SOUNDNESS INDICATORS

All secondary licensees of the Commission (financing companies, broker dealer of securities and underwriters) and public companies are required to include schedule showing financial soundness indicators in two comparative periods, as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Current Assets	₱ 219,857,875	₱258,713,776
Current Liabilities	216,695,611	268,753,280
Current Ratio	1.01	0.96
Total Liabilities	272,455,367	322,058,871
Total Equity	598,017,030	591,066,040
Debt to equity ratio	0.46	0.54
Total Assets	870,472,397	913,124,911
Total Liabilities	272,455,367	322,058,871
Solvency ratio	3.19	2.84
Total Assets	870,472,397	913,124,911
Total Equity	598,017,030	591,066,040
Asset to equity ratio	1.46	1.54
Loss before Interest Expense and Taxes	10,620,643	39,628,616
Interest Expense	1,359,463	7,925,243
Interest rate coverage ratio	7.81	5.00
Net Income	6,950,990	22,211,885
Total Assets	870,472,397	913,124,911
Return on Asset ratio	1%	2%
Net Loss	6,950,990	22,211,885
Total Equity	598,017,030	591,066,040
Return on Equity ratio	1%	4%

2.5 RISK

The major risks involved in the Company's business as well as the measures being undertaken by the Company to manage such risks are as follows:

1. Credit Risk – The Company manages the level of credit risk through comprehensive credit risk policy such as initial assessment of clients and accreditation of various Health Maintenance Organizations (HMOs). With HMO covered patients, special rates are given. The Issuer will mitigate delays in payment from HMOs by investing in software programs that will efficiently monitor the Hospital's finances and receivables to ensure that its exposure to unpaid promissory notes is maintained at manageable levels. In addition, the Company has engaged with a third-party debt-recovery specialist (SPES Credit Recovery Services) to collect long outstanding receivables.
2. Liquidity Risk - The Company mitigates such risk through the availability of the credit line facility with the Land Bank of the Philippines amounting to ₱500,000,000 (₱400 million for construction and ₱100 million for equipment with initial interest at 5% variable with one-time fixing at 6% per annum for 10 years. Maturity date is on February 27, 2026. As of report date, the Company has fully utilized the available credit facility for equipment and construction. Additionally, the Company has a ₱50 million short term loan credit facility used as working capital. As of March 31, 2026, the outstanding balance of the short term loan is ₱50,000,000.

To strengthen its liquidity further, the Company actively manages and monitors its capital levels, asset levels, matching position, cash forecasts against established targets.

3. Key Personnel – The Company intends to mitigate such risk by maintaining a competitive compensation package and full 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.

2.6 KEY PERFORMANCE INDICATORS

The Company's management intends to analyze future results of operations through the following key performance indicators, among other measures:


	Mar. 31, 2026	Dec. 31, 2025	Dec. 31, 2024
CURRENT RATIO = Current assets / Current liabilities	1.01	0.96	0.72
Remarks: The current ratio measures a company's ability to pay short-term obligations or those due within one year. It tells investors and analysts how a company can maximize the current assets on its balance sheet to satisfy its current debt and other payables. Current ratio in 2026 and 2025 increased as net result of the increase in cash and trade receivables.			
DEBT TO EQUITY RATIO = Debt / Equity	0.46	0.54	0.53
Remarks: Debt to equity ratio shows the proportions of equity and debt a company is using to finance its assets and it signals the extent to which shareholder's equity can fulfill obligations to creditors. Debt to equity in 2026 decreased as a net effect of the loan repayments during the year and increase in the retained earnings account of the Company.			
DEBT TO TOTAL ASSET RATIO = Debt / Asset	0.31	0.35	0.35
Remarks: Debt to total asset ratio is an indicator of a company's financial leverage. It is the percentage of a company's total assets that were financed by creditors. Debt to total asset ratio in 2026 decreased as result of principal payments during the year totaling to P34 million which was partially offset by the availment of additional short term loan amounting to P25.0 million. Debt to total asset in 2025 remains the same due to the net effect of decrease in bank loans due to repayment and increase in equity due to profit for the period.			
ASSET TO EQUITY RATIO = Assets / Equity	1.46	1.54	1.53
Remarks: Asset to equity ratio shows the relationship of the total assets of the Company to the portion owned by shareholders. This ratio is an indicator of the company's leverage (debt) used to finance the firm. No significant change in 2025. However, asset to equity ratio in 2026 decreased due to the increase in retained earnings, and increase in share capital and share premium together with the decrease in total assets due to depreciation of property and equipment.			
PROFIT MARGIN = Net Income (Loss) / Net Revenue	0.01	0.04	0.05
Remarks: Profit margin is a measure of the Company's income (loss) relative to its revenue. It represents what percentage of revenue has turned into income or loss. Profit margin in 2026 lower due to the Company's decrease in gross profit for the three-month ended March 31, 2026.			

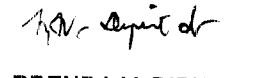
PART II – OTHER INFORMATION

There are no other information not previously reported in SEC Form 17-C that need to be reported in this section.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.


ROBERT H. TAN
President



BRENDA V. DIPUTADO
Corporate Secretary


ROY DIAMOND M. ARCO
Corporate Treasurer

NOTE: There is no "Comptroller" position in the existing organizational structure of ACE Dumaguete Doctors.

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ATTY. JULIUS ANTHONY R. CUENCIO, CPA
Notary Public for Dumaguete City, Sorsogon,
Valencia, Zamboanga, Davao, Basilan, and
Sibuyan, Province of Negros Oriental
Series No. 2025-016, Until Dec. 31, 2026
Room 405, Sultan Portal West Bldg., Dumaguete City
Roll of Attorneys No. 75804
P.P. No. 4706874A / Jan. 5, 2026, Davao, Negros Or.
IBP No. NV573923 / December 27, 2025, Pasig City
MCLE Compliance No. VII-0000001