



SECURITIES AND EXCHANGE COMMISSION

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The following document has been received:

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Company Information

SEC Registration No.: CS201506626

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

Industry Classification: N85100

Company Type: Stock Corporation

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

Interim Financial Statements

As at March 31, 2025 (Unaudited) and December 31, 2024

(Audited)

and for the Three months Ended March 31, 2025 and 2024 (Unaudited)

COVER SHEET

SEC Registration Number

CS201506226

COMPANY NAME

A	L	L	I	E	D	C	A	R	E	E	X	P	E	R	T	S	(A	C	E)	D	U	M	A	G	U	E	T	E		
D	O	C	T	O	R	S	I	N	C	.																						

PRINCIPAL OFFICE (No. Street Barangay City/Town/ Province)

D	M	L	B	U	I	L	D	I	N	G	,	N	O	R	T	H	R	O	A	D	,	D	U	M	A	G	U	E	T	E	C	I	T	Y

Form Type

1 7 - Q

Department requiring the report

C R M D

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

1,818

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, 2025**
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

6200

7. Address of issuer's principal office

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	168,000 shares; ₱168,000,000
Founder Shares	600 shares; ₱600,000
Amount of Outstanding Debt	₱149,500,000.00

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

Yes ☐ No ☒

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 ☒ No ☐

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

Yes ☒ No ☐

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

The interim financial statements as at March 31, 2025 (Unaudited) and December 31, 2024 (Audited) and for the three months ended March 31, 2025 and 2024 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, 2025 (Unaudited)	December 31, 2024 (Audited)
CURRENT ASSETS			
Cash	4	P66,621,598	P57,918,947
Trade and other receivables	5	86,314,448	84,882,564
Inventories	6	34,040,898	30,532,645
Prepayments and other current assets	7	2,508,126	5,049,558
		189,485,070	178,383,714
NONCURRENT ASSETS			
Property and equipment (net)	8	645,275,203	636,148,809
Advances to suppliers		8,765,321	7,976,814
Deferred tax assets		3,662,544	3,662,544
Intangible assets (net)		2,812,610	3,020,100
Other noncurrent assets		31,642,516	33,750,950
		692,158,194	684,559,217
TOTAL ASSETS		P881,643,264	P862,942,931
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	9	P125,419,084	P90,640,899
Current portion of bank loans	10	149,500,000	155,750,000
		274,919,084	246,390,899
NONCURRENT LIABILITIES			
Noncurrent portion of bank loans	10	-	24,000,000
Advances from shareholders	11	31,855,354	27,945,354
Retirement benefit obligation		1,252,523	1,252,523
		33,107,877	53,197,877
TOTAL LIABILITIES		308,026,961	299,588,776
EQUITY			
Share capital	12	168,600,000	168,600,000
Share premium	12	397,660,800	397,660,800
Retained Earnings (Deficit)		7,355,503	(2,906,645)
		573,616,303	563,354,155
TOTAL LIABILITIES AND EQUITY		P881,643,264	P862,942,931

(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, 2025	January 1 to March 31, 2024	December 31, 2024 (Annual)
REVENUE	₱181,410,211	₱176,951,355	₱613,058,922
DIRECT COSTS	123,621,871	130,481,297	417,694,316
GROSS PROFIT	57,788,340	46,470,058	195,364,606
OTHER INCOME	4,188,393	1,474	5,567,102
GROSS INCOME	61,976,733	46,471,532	200,931,708
OPERATING EXPENSES	43,930,019	27,202,160	153,663,061
NET OPERATING INCOME (LOSS)	18,046,714	19,269,372	47,268,647
FINANCE COST	4,367,097	4,392,101	15,100,484
NET INCOME (LOSS) BEFORE INCOME TAX	13,679,617	14,877,271	32,168,163
PROVISION FOR INCOME TAX	3,417,469	2,242,034	4,317,337
NET INCOME (LOSS) FOR THE PERIOD	10,262,148	12,635,237	27,850,826
OTHER COMPREHENSIVE INCOME	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	₱10,262,148	₱12,635,237	₱27,850,826
BASIC EARNINGS PER SHARE	₱60.87	₱75.34	₱165.19

(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, 2022	P167,180,000	P355,520,000	(P52,621,743)	P470,078,257
Increase in share capital	530,000	-	-	530,000
Share premium	-	12,720,000	-	12,720,000
Net income for the year	-	-	21,864,271	21,864,271
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	-	-	-	-
Share premium	-	-	-	-
Net income for the period ended	-	-	10,262,148	10,262,148
As at March 31, 2025	P168,600,000	P397,660,800	P7,355,503	P573,616,303

(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, 2025	January 1 to March 31, 2024	December 31, 2024 (Annual)
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income (loss) before income tax		P10,262,148	P14,877,271	P32,168,163
Adjustments				
Depreciation and amortization	8	18,993,262	19,817,094	73,374,095
Interest expense		4,367,097	4,392,101	15,100,484
Interest income		(16,699)	(1,474)	(48,686)
Operating cash flows before changes in working capital		33,605,808	39,084,992	120,594,056
Changes in working capital components				
Decrease (increase) in current assets				
Trade and other receivables		(1,431,884)	(2,352,197)	10,395,491
Inventories		(3,508,253)	(394,450)	(2,528,429)
Prepayments and other current assets		2,541,432	(1,971,120)	30,670,282
Increase (decrease) in current liabilities				
Trade and other payables		33,844,934	(9,615,084)	1,861,074
Retirement benefit obligation			-	1,252,523
Net cash generated from (used in) operations		162,244,997	24,752,141	162,244,997
Payment of income tax		(3,417,469)	-	(7,979,881)
Interest received		16,699	1,474	48,686
Net cash provided by (used in) operating activities		65,068,736	24,753,615	154,313,802
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) decrease in:				
Advances from suppliers		(788,507)	(64,551)	5,439,185
Other non-current assets		-	-	(33,734,950)
Acquisition of property and equipment	8	(25,803,731)	(2,960,717)	(22,908,720)
Additions to intangible assets		-	(357,098)	(3,712,987)
Net cash used in investing activities		(26,592,238)	(3,382,366)	(54,917,472)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of principal loans	10	(30,250,000)	(30,250,000)	(122,000,000)
Payment of interest expense	10	(3,433,847)	(4,805,218)	(15,100,484)
Proceeds from (payment of) advances from shareholders	11	3,910,000	4,050,000	25,560,700
Increase in share capital	12	-	-	890,000
Additional paid-up capital	12	-	-	29,420,800
Net cash provided by financing activities		(29,773,847)	(31,005,218)	(81,228,984)
NET INCREASE (DECREASE) IN CASH		8,702,651	(9,480,498)	18,167,346
CASH, beg of year		57,918,947	39,751,601	39,751,601
CASH, end of year		P66,621,598	P30,271,103	P57,918,947

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

ACEDDI_17Q_March 31, 2025
February 2001

ALLIED CARE EXPERTS (ACE) DUMAGUETE DOCTORS INC.

NOTES TO FINANCIAL STATEMENTS

As at March 31, 2025 and December 31, 2024 and for the period ended March 31, 2025, 2024 and December 31, 2024 (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, 2024.

The unaudited interim consolidated financial statements of the Company for the three months ended March 31, 2024 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 2024**

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, 2025.

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 PFRS 21, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

The amendments clarify when a currency is considered exchangeable into another currency and how an entity determines the exchange rate for currencies that lack exchangeability. The amendments also introduce new disclosure requirements to help users of financial statements assess the impact when a currency is not exchangeable. An entity does not apply the amendments retrospectively. Instead, an entity recognizes any effect of retained earnings when entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation difference in equity. Earlier application is permitted.

PFRS 17, Insurance Contracts

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, Insurance Contracts. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurances and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach mainly for short-duration contracts)

On December 15, 2021, the FRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB.

PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

Unless otherwise indicated, the Company does not expect that the future adoption of the said pronouncements will have a significant impact on the financial statements. The Company intends to adopt the following pronouncements when they become effective.

NOTE 4 - CASH

The account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash on hand	P3,612,862	P5,054,231
Cash in banks	63,008,736	52,864,716
	P66,621,598	P57,918,947

Cash on hand and cash in bank that are unrestricted and available for current operations.

Cash on hand pertains to undeposited collection as at the end of the reporting period which will be deposited on the next banking day and petty cash funds that are maintained to cover expenditures on small items such as transportation, supplies, miscellaneous items and other departmental funds for emergency purchases of hospital supplies and services.

Cash in banks represent savings/current accounts in five (5) reputable local banks. Savings account deposits earn interest rate at the respective bank deposit rates and current account deposits do not earn interest.

Interest income earned from cash in banks amounted to P16,699 in 2025, P48,686 in 2024 and P23,058 in 2023 and is presented as part of "other income" in the statement of comprehensive income.

NOTE 5 - TRADE AND OTHER RECEIVABLES

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade:		
PhilHealth	64,407,398	55,559,866
HMO, Corporate and GLs	30,654,881	37,555,205
Self-pay	3,485,471	4,164,055
	98,547,750	97,279,126
Less: Allowance for ECL	(13,397,690)	(13,397,690)
	85,150,060	83,881,436
Nontrade:		
Advances to officers and employees	284,220	175,826
Other receivables	880,168	825,302
Total receivables	1,164,388	1,001,128
	86,314,448	84,882,564

The Company's trade receivables pertain to reimbursement for hospital expenses availed by patients who are members of the Philippine Health Insurance Corporation (PhilHealth) and Health Maintenance Organizations (HMOs) and employees of corporate accounts, which include private companies (self-managed health plan). Guarantee Letters (GLs) received from Department of Social Welfare and Development (DSWD), Department of Health (DOH) and other government agencies pertain to financial assistance availed by patients. Self-pay represents receivables from private individuals whose accounts remain unpaid/or payments are coursed through promissory notes and credit cards. These are non-interest bearing and generally on a 30-day term.

Advances to officers and employees comprise of personal cash advances and unliquidated cash advances and are paid through salary deduction.

Other receivables consist of uncollected SSS maternity and sickness benefits and other various insignificant amounts.

The rollforward analysis of allowance for ECL, which is based on collection experience and forward looking rate is as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Beginning balances	₱13,397,690	₱8,976,338
Provision for ECL	-	4,421,352
Ending balances	₱13,399,746	₱13,397,690

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, 2025 (Unaudited)	December 31, 2024 (Audited)
Inventories Held for Consumption:		
Medical and laboratory supplies	₱15,502,243	₱15,009,925
General hospital supplies	7,691,765	7,707,895
	23,194,009	22,717,820
Pharmaceutical goods for sale - Pharmacy	10,846,889	7,814,825
	₱34,040,898	₱30,532,645

These inventories and hospital supplies are the unsold medicines and drugs in the Pharmacy department and unused hospital supplies in the various ancillary departments such as Laboratory, Radiology and Imaging, CSR supplies including medical, maintenance, and cleaning supplies as at end of the reporting period. The inventories and hospital supplies are valued at the lower of cost or net realizable value.

The inventories for the Pharmacy department recognized as an expense during the period amounted to ₱25,511,080, ₱70,662,085 and ₱48,013,738 in 2025, 2024 and 2023, respectively.

NOTE 7 - PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Input VAT	₱878,042	₱793,970
Creditable withholding taxes	759,189	3,146,458
Prepaid insurance	720,895	959,130
Advances for liquidation	150,000	150,000
	₱2,508,126	₱5,049,558

Creditable Withholding Tax (CWT) is recognized for the amount of withholding tax on certain income payment of the payors to the Company, and is creditable against the income tax due of the Company.

Input VAT represents value added tax (VAT) paid to suppliers that can be claimed as credit against the Company's VAT liabilities.

Prepaid expenses refer to unamortized prepayments including but not limited to insurance premiums and will be charged to expense in the next financial year.

Advances subject to liquidation comprise of cash advances for official business for business expenses that are anticipated to be incurred by the officers and employees on behalf of the Company. These are settled through liquidation.

NOTE 8 - PROPERTY AND EQUIPMENT (net)

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

	Land and land improvement	Building and building improvements	Medical Machineries and Equipment	Transportati on 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	-	-	23,866,897	-	1,936,835	25,803,732
At end of year	53,318,860	623,757,608	306,373,971	3,123,100	56,802,756	1,043,376,295
At beginning of year	555,000	127,896,322	219,395,277	1,977,215	31,599,940	381,423,754
Depreciation expense	-	6,610,669	8,627,011	67,405	1,372,253	16,677,338
At end of year	555,000	134,506,991	228,022,288	2,044,620	32,972,193	398,101,092
Net carrying value	52,763,860	489,250,617	78,351,683	1,078,480	23,830,563	645,275,203

Reconciliation of property and equipment (net) as at December 31, 2024 follows:

	Land and land improvement	Building and building improvements	Medical Machineries and Equipment	Transportati on equipment	Office Equipment, Furniture and Fixtures	Total
Cost						
At beginning of year	53,318,860	623,431,877	264,896,244	1,775,000	51,241,861	994,663,842
Additions	-	325,731	17,610,830	1,348,100	3,624,060	22,908,721
At end of year	53,318,860	623,757,608	282,507,074	3,123,100	54,865,921	1,017,572,563
At beginning of year	555,000	101,453,682	179,550,989	1,775,000	25,649,410	308,984,081
Depreciation expense	-	26,442,640	39,844,288	202,215	5,950,530	72,439,673
At end of year	555,000	127,896,322	219,395,277	1,977,215	31,599,940	381,423,754
Net carrying value	52,763,860	495,861,286	63,111,797	1,145,885	23,265,981	636,148,809

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 other existing and future improvements thereon as disclosed in Note 12. The fair market value of the land as at March 31, 2024 and December 31, 2023 approximates its cost.

Management has reviewed the carrying values of property and equipment as at March 31, 2025 and December 31, 2024 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, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade payables	P91,889,554	P70,364,846
Other payables	22,679,108	12,971,584
Accrued expenses	6,696,577	4,448,761
Other current liabilities	4,153,845	2,855,708
	P125,419,084	P90,640,899

Trade payables represent the unpaid portion of the Company's purchases of goods and services from its suppliers and professional fees of medical practitioners. They do not earn interest and are expected to be settled within a short period of time.

Other payables re 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.

Accrued expenses include accruals for various expenses incurred in the operations of the hospital and are settled throughout the financial year.

Other current liabilities are the Company's statutory obligations which have been recognized as at the end of the reporting date and are expected to be paid the following month.

NOTE 10 – BANK LOAN

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.

On December 18, 2019, the Company obtained a short-term loan facility amounting to **P50,000,000** 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, 2025 are classified as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Current portion of bank loans	P149,500,000	P155,750,000
Noncurrent portion of bank loans	-	24,000,000
	P149,500,000	P179,750,000

The classification of bank loans are as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Construction of hospital building	P96,000,000	P120,000,000
Medical equipment and hospital furniture	12,500,000	18,750,000
Working capital requirement	41,000,000	41,000,000
	P149,500,000	P301,750,000

In 2025 and 2024, 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 P31,855,354 and P27,945,354 as at March31, 2025 and December 31, 2024, respectively.

NOTE 12 – RETIREMENT BENEFIT OBLIGATION

The Company does not have an established retirement plan and only conforms on the minimum regulatory benefit under the Retirement Pay Law (Republic Act No. 7641) which is of the final salary defined benefit type and provides a retirement benefit for every year of credited service. The regulatory benefit is paid in a lump sum upon retirement.

The retirement benefit obligation recognized by the Company amounted to P1,252,523 as at March31, 2025.

NOTE 12 - SHARE CAPITAL

Details of share capital as at March 31, 2024 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	168,000	168,000,000
Total subscribed share capital	168,600	168,600,000
Paid-up share capital:		
Founder's shares	600	600,000
Common shares	168,000	168,000,000
Total paid-up share capital	168,600	168,600,000

Details of share capital as at December 31, 2024 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	168,000	168,000,000
Total subscribed share capital	168,600	168,600,000
Paid-up share capital:		
Founder's shares	600	600,000
Common shares	168,000	168,000,000
Total paid-up share capital	168,600	168,600,000

As at March 31, 2025, 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, 2025 and December 31, 2024, the Company has fifty-three (56) 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 licenses 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, 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.

For the three months ended March 31, 2024, the Company's operation has generated net revenue of ₱177.0 million.

For the three months ended March 31				
	2024	2023	Peso change	% Change 2024 v 2023
Revenue, net	₱176,951,355	125,126,567	51,824,788	41%
Cost of sales	130,481,297	72,613,835	57,867,462	80%
Gross profit	46,470,058	52,512,732	(6,042,674)	-12%
General and administrative expenses	27,202,160	36,403,422	(9,201,262)	-25%
Net operating income (loss)	19,267,898	16,109,310	3,158,588	20%
Finance cost	4,392,101	5,927,173	(1,535,072)	-26%
Net income (loss) before other charges	14,875,797	10,182,137	4,693,660	46%
Other charges	(2,240,560)	-	(2,240,560)	-
Net income (loss)	₱12,635,237	₱10,182,137	₱2,453,100	24%

Revenue in 2024 has significantly increased by 41% or ₱51.8 million due to increase in occupancy rate and out-patient census. Relatively, cost of sales increase to ₱130.5 million in 2024 from ₱72.6 million in 2023 or an 80% increase. Cost of sales 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 wages of administrative employees, allocated depreciation expense, utilities expense, repairs and maintenance, supplies and consumables, and taxes and licenses which represent 77% of the Company's total operating expenses. The total operating expenses has increased by 25% or ₱9.2 million in 2024 as compared to 2023. This is due to the increase in the repairs and maintenance cost of the medical equipment of the Company.

For the three-months ended March 31, 2024, the Company has generated net income of ₱12.6 million.

2.2 FINANCIAL CONDITION

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, 2025 and 2024:

UNAUDITED INTERIM STATEMENTS OF CASH FLOWS

	For the three months ended March 31			
	2025	2023	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, 2025 (Unaudited)	December 31, 2024 (Audited)
Current Assets	P189,485,070	P178,383,714
Current Liabilities	274,919,084	246,390,899
Current Ratio	0.69	0.72
Total Liabilities	308,026,961	299,588,776
Total Equity	573,616,303	563,354,155
Debt to equity ratio	0.54	0.53
Total Assets	881,643,264	862,942,931
Total Liabilities	308,026,961	299,588,776
Solvency ratio	2.86	2.88
Total Assets	881,643,264	862,942,931
Total Equity	573,616,303	563,354,155
Asset to equity ratio	1.54	1.53
Loss before Interest Expense and Taxes	13,875,020	41,750,230
Interest Expense	4,367,097	15,100,483
Interest rate coverage ratio	3.18	2.76
Net Income	10,262,148	27,850,826
Total Assets	881,643,264	862,942,931
Return on Asset ratio	1%	3%
Net Loss	10,262,148	27,850,826
Total Equity	573,616,303	563,354,155
Return on Equity ratio	2%	5%

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 P500,000,000 (P400 million for construction and P100

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 P50 million short term loan credit facility used as working capital. As of March 31, 2025, the outstanding balance of the short term loan is P41,000,000.

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, 2025	Dec. 31, 2024	Dec. 31, 2023
CURRENT RATIO = Current assets / Current liabilities	0.69	0.72	0.77
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 2025 and 2024 decreased as net result of the decrease of other current assets and increase in trade and other payables.			
DEBT TO EQUITY RATIO = Debt / Equity	0.54	0.53	0.78
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 2025 and 2024 decreased as a net effect of the loan payments during the year and decrease in the deficit of the Company.			
DEBT TO TOTAL ASSET RATIO = Debt / Asset	0.35	0.35	0.44
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 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. Debt to total asset ratio in 2024 decreased as result of principal payments during the year totaling to P122 million.			
ASSET TO EQUITY RATIO = Assets / Equity	1.54	1.53	1.78
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. Asset to equity ratio in 2024 decreased due to the significant decrease in deficit, and increase in share capital and share premium. No significant change in 2025.			

PROFIT MARGIN = Net Income (Loss) / Net Revenue	0.06	0.05	0.04
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 2025 slightly higher due to the Company's decrease in direct costs.			

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.

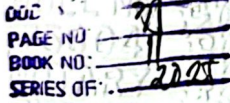

ROBERT H. TAN
President

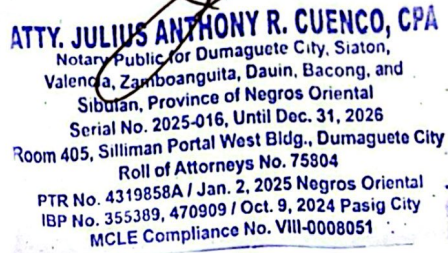

AEJELETH B. EYAS
Corporate Secretary


ROY DIAMOND M. ARCO
Corporate Treasurer

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

SUBSCRIBED AND SWORN TO BEFORE
this 06 MAY 2025 2025 in Dumaguete
City, Negros Oriental


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PAGE NO. 170
BOOK NO. 2208
SERIES OF 2208


ATTY. JULIUS ANTHONY R. CUENCO, CPA
Notary Public for Dumaguete City, Siaton,
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Sibulan, Province of Negros Oriental
Serial No. 2025-016, Until Dec. 31, 2026
Room 405, Silliman Portal West Bldg., Dumaguete City
Roll of Attorneys No. 75804
PTR No. 4319858A / Jan. 2, 2025 Negros Oriental
IBP No. 355389, 470909 / Oct. 9, 2024 Pasig City
MCLE Compliance No. VIII-0008051