ANNUAL REPORT 2025

MI HEALTHCARE INC.

Pioneer House Makati
108 Paseo De Roxas, Legaspi Village, Makati City

https://mihealthcare.com.ph
www.pioneer.com.ph

MI HEALTHCARE INC.

PIONEER GROUP

Established in 1954, the Pioneer Group has consistently charted insurance milestones for over half a century through its main arms of life and non-life insurance.

Pioneer Group has an extensive network of 23 branch offices and shared offices throughout the country. With an office in Hong Kong, it remains as the only active Philippine non-life company writing business in China's Special Administrative Region.

Pioneer has been named by Euromoney Annual Insurance Survey as the best Insurance Company in the Philippines for two consecutive years beginning 2009. In 2010, it was likewise recognized as the Best Insurer in Asia. In 2012, Pioneer was recognized by the Insurance Commission for its significant contributions to the field of microinsurance.

Comprising the Pioneer Group are: Pioneer Insurance & Surety Corporation, Pioneer Life Inc, Pioneer Intercontinental Insurance Corporation, CARD Pioneer Microinsurance Inc, M Pioneer Insurance Inc., and Pioneer Hollard Inc.

CORPORATE PROFILE

MI Healthcare Inc. (MHI) is a joint venture HMO company between CARD Mutually Reinforcing Institutions (CARD MRI) and Pioneer Group.

MHI aspires to be a trusted provider of healthcare benefits to the underserved Filipinos.

It aims to empower its customers to take care of their health through affordable and accessible healthcare benefits.

Board of Directors

Mr. Lorenzo O. Chan, Jr.

Ms. Jocelyn D. Dequito

Mr. Jomer H. Aquino

Mr. Vener S. Abellera

Ms. Molly C. Uyecio

Mr. James C. Uyecio

Ms. Luz F. Lalap

Ms. Emily A. Abrera

OUR CORE VALUES

Integrity

We know who we are and take pride in our mission. We live out our values. We strongly believe in this dual standard: **To be strict with others but strictest with one's self, especially when no one is looking.**

Excellence

We go above and beyond mere compliance. We believe in doing the right things the right way. **We continuously better our best**. We believe that mediocrity is a form of dishonesty; it is not being true to who we are.

Malasakit

Tunay ang pagpapahalaga natin sa ating gawain, tungkulin, at layunin. Kaya't itinuturing nating itong parang atin at ipinapanalo ang pagbangon at pag-unlad.

We genuinely value our work and duty. That's why we take ownership of it and work hand-in-hand in championing the progress of all stakeholders.

FINANCIAL STATEMENTS

MI HEALTHCARE INC.
STATEMENTS OF FINANCIAL POSITION

	Note	December 31 2025	2024*
ASSETS			
Cash and cash equivalents	4	₱113,210,511	₱68,979,774
Investments in debt securities	5	32,508,611	32,915,135
Receivables	6	2,294,148	2,213,246
Computer software	7	8,298,505	–
Furniture and fixtures	8	30,431	42,473
Deferred tax assets	18	1,128,788	–
Other assets	9	1,491,456	11,147,424
		₱158,962,450	₱115,298,052
LIABILITIES AND EQUITY			
Liabilities			
Accounts and other payables	10	₱9,312,580	₱10,330,802
Membership fee reserves	11	25,064,035	–
Claims reserves	12	2,647,517	–
Retirement benefit liability	15	830,649	823,530
Income tax payable		247,405	–
Deferred tax liability	18	–	109,150
		38,102,186	11,263,482
Equity			
Capital stock		100,000,000	100,000,000
Contingency surplus	14	10,000,000	10,000,000
Retained earnings (deficit)		10,235,886	(6,292,878)
Cumulative remeasurement gain on retirement benefit liability	15	624,378	327,448
		120,860,264	104,034,570
		₱158,962,450	₱115,298,052

See accompanying Notes to Financial Statements.

**The Company was incorporated in the Philippines and registered with the Securities and Exchange Commission on January 29, 2024.*

MI HEALTHCARE INC.

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MI HEALTHCARE INC.

STATEMENTS OF COMPREHENSIVE INCOME

For the Year Ended December 31, 2025
and for the Period January 29, 2024 to December 31, 2024

	Note	2025 (One Year)	2024 (11 months)*
REVENUES	11	₱45,536,599	₱–
COST OF SERVICES	16	(8,161,155)	–
GROSS INCOME		37,375,444	–
GENERAL AND ADMINISTRATIVE EXPENSES	17	(26,380,638)	(10,293,225)
INTEREST INCOME	4	6,943,974	4,223,417
INCOME (LOSS) BEFORE INCOME TAX		17,938,780	(6,069,808)
PROVISION FOR INCOME TAX	18		
Current		1,177,036	–
Deferred		(1,336,915)	–
Final		1,569,895	223,070
		1,410,016	223,070
NET INCOME (LOSS)		16,528,764	(6,292,878)
OTHER COMPREHENSIVE INCOME			
Item not to be reclassified to profit or loss			
Remeasurement gain on retirement benefit liability (net of tax effect of ₱98,977 in 2025 and ₱109,150 in 2024)	15	296,930	327,448
TOTAL COMPREHENSIVE INCOME (LOSS)		₱16,825,694	(₱5,965,430)

See accompanying Notes to Financial Statements.

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MI HEALTHCARE INC.

STATEMENTS OF CHANGES IN EQUITY

For the Year Ended December 31, 2025
And for the Period January 29, 2024 to December 31, 2024

	Note	2025 (One Year)	2024 (11 months)*
CAPITAL STOCK - ₱100 par value			
Authorized - 1,000,000 shares			
Balance at beginning of period		₱100,000,000	₱–
Issuance		–	100,000,000
Balance at end of year		100,000,000	100,000,000
CONTINGENCY SURPLUS			
Balance at beginning of period		10,000,000	–
Cash infusion from stockholders	14	–	10,000,000
Balance at end of year		10,000,000	10,000,000
RETAINED EARNINGS (DEFICIT)			
Balance at beginning of period		(6,292,878)	–
Net income (loss)		16,528,764	(6,292,878)
Balance at end of year		10,235,886	(6,292,878)
CUMULATIVE REMEASUREMENT GAIN ON RETIREMENT BENEFIT LIABILITY	15		
Balance at beginning of period		327,448	–
Remeasurement gain (net of deferred tax)		296,930	327,448
Balance at end of year		624,378	327,448
		₱120,860,264	₱104,034,570

See accompanying Notes to Financial Statements.

**The Company was incorporated in the Philippines and registered with the Securities and Exchange Commission on January 29, 2024.*

MI HEALTHCARE INC.

STATEMENTS OF CASH FLOWS

For the Year Ended December 31, 2025
and for the Period January 29, 2024 to December 31, 2024

	Note	2025 (One Year)	2024 (11 months)*
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before provision for income tax		**₱17,938,780**	(₱6,069,808)
Adjustments for:			
Interest income	4	**(6,943,974)**	(4,223,417)
Depreciation and amortization	8	**1,671,744**	5,697
Retirement benefit expense	15	**297,298**	24,760
Operating income (loss) before changes in working capital		**12,963,848**	(10,262,768)
Decrease (increase) in:			
Receivable		**165,895**	–
Other assets		**(302,239)**	(1,189,217)
Increase (decrease) in:			
Accounts and other payables		**(1,039,449)**	10,282,913
Membership fee reserves		**25,064,035**	–
Claims reserves		**2,647,517**	–
Net cash generated from (used for) operations		**39,499,607**	(1,169,072)
Income taxes paid		**(2,499,526)**	(223,070)
Net cash provided by (used in) operating activities		**37,000,081**	(1,392,142)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		**7,230,656**	3,371,276
Additions to:			
Investments in debt securities	5	**–**	(32,992,983)
Software under implementation	9	**–**	(9,958,207)
Furniture and fixtures	8	**–**	(48,170)
Net cash provided by (used in) investing activities		**7,230,656**	(39,628,084)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Issuance of capital stock		**–**	100,000,000
Contingency surplus	14	**–**	10,000,000
Cash provided by financing activities		**–**	110,000,000
NET INCREASE IN CASH AND CASH EQUIVALENTS		**44,230,737**	68,979,774
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**68,979,774**	–
CASH AND CASH EQUIVALENTS AT END OF YEAR	4	**₱113,210,511**	₱68,979,774

See accompanying Notes to Financial Statements.

**The Company was incorporated in the Philippines and registered with the Securities and Exchange Commission on January 29, 2024.*

INDEPENDENT AUDITORS' REPORT

REYES TACANDONG & CO.
FIRM PRINCIPLES. WISE SOLUTIONS.

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
MI Healthcare Inc.
108 Pioneer House Makati
Paseo De Roxas Legaspi Village San Lorenzo Makati
City of Makati, Fourth District, National Capital Region (NCR), 1229

Opinion

We have audited the financial statements of MI Healthcare Inc. (the Company), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended December 31, 2025 and for the period January 29, 2024 to December 31, 2024, and notes to financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the year ended December 31, 2025 and for the period January 29, 2024 to December 31, 2024 in accordance with Philippine Financial Reporting Standard (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to the audit of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with the PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audits. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REYES TACANDONG & CO.

PAMELA ANN P. ESCUADRO
Partner
CPA Certificate No. 128829
Tax Identification No. 216-321-915-000
BOA Accreditation No. 4782/P-013; Valid until June 6, 2026
IC Accreditation No. IC-EA-2025-0050-S
Issued January 22, 2026
Valid for Financial Periods 2025 to 2027
SEC Accreditation No. 128829-SEC Group A
Issued March 23, 2021
Valid for Financial Periods 2020 to 2025
BIR Accreditation No. 08-005144-013-2025
Valid until October 20, 2028
PTR No. 10764016
Issued January 2, 2026, Makati City

April 8, 2026
Makati City, Metro Manila