Middle East Healthcare Company "MEAHCO"

Earnings Release

4Q 2025 Financial Highlights

Revenue	Gross Profit
SAR 809 mn ↑ 8% y-o-y	SAR 284 mn ↑ 1% y-o-y 35.2% Margin

EBITDA	Net Profit
SAR 151 mn ↓ 5% y-o-y 18.7% Margin	SAR 38 mn ↓ 66% y-o-y 4.7% Margin

FY 2025 Financial Highlights

Revenue	Gross Profit
SAR 3,103 mn ↑ 8% y-o-y	SAR 1,160 mn ↑ 4% y-o-y 37.4% Margin

EBITDA	Net Profit
SAR 633 mn ↓ 4% y-o-y 20.4% Margin	SAR 302 mn ↑ 7% y-o-y 9.7% Margin

4Q 2025 Operational Highlights

Inpatient Admissions	Outpatient Visits	Performed Surgeries	Utilisation Rate*
30k	657k	14k	69%
↑ 15% y-o-y	↑ 6% y-o-y	↓ 21% y-o-y	↓ 30 bps y-o-y

Jeddah, Saudi Arabia, 24 February 2026

Middle East Healthcare Company (MEAHCO), Saudi Arabia's most geographically diversified healthcare player, reported today its consolidated financial results for FY 2025, ending 31 December 2025.

Key highlights

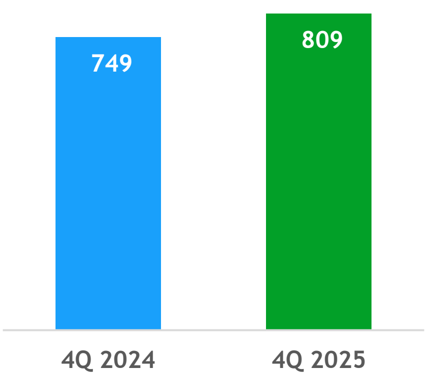
- **Consolidated revenue** grew by 8% y-o-y to SAR 809 million in 4Q 2025
- **Total number of served patients** reached 687k patients across the Group's network of hospitals in 4Q 2025, with an increase of 6% vs. the comparable quarter last year
- Insurance **contribution to total revenue** stood at 55%, followed by Ministry of Health at 29%, cash at 13% and others at 4%
- **EBITDA** inched down 5% y-o-y to SAR 151 million in 4Q 2025, implying an **EBITDA margin** of 18.7%. **Net profit after zakat and minority interest** amounted to SAR 38 million in 4Q 2025
- **Like-for-like earnings,** excluding SAJB Medical Hospital, amounted to SAR 49 million, down 28% Y-o-Y vs. the comparable period, excluding 4Q 24 non-recurring gain on zakat restructuring
- The Board of Directors recommended a **cash dividend distribution of SAR 0.50 per share** for FY 2025, totaling SAR 46 million, equating to a dividend payout ratio of c.15%

** Inpatient utilisation rate based on number of operational beds*

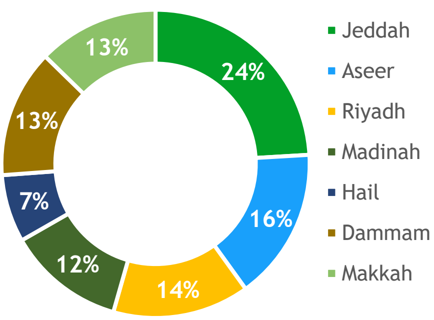
Middle East Healthcare Company (MEAHCO)

Earnings Release 4Q 2025

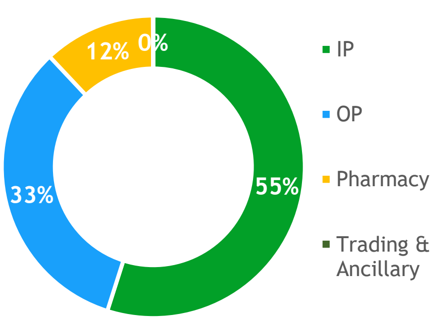
Consolidated Revenue
SAR mn



Revenue by Region*
4Q 2025



Revenue by Segment
4Q 2025



Financial Performance

(In SAR mn)	4Q25	4Q24	y-o-y	FY25	FY24	y-o-y
Revenue	**809**	**749**	**8%**	**3,103**	**2,883**	**8%**
CoGS	(524)	(467)		(1,943)	(1,769)	
Gross Profit	**284**	**282**	**1%**	**1,160**	**1,114**	**4%**
Gross Profit Margin	*35.2%*	*37.7%*		*37.4%*	*38.6%*	
Operating Profit	**87**	**102**	**(14%)**	**387**	**441**	**(12%)**
Operating Margin	*10.8%*	*13.6%*		*12.5%*	*15.3%*	
Net Profit	**38**	**111**	**(66%)**	**302**	**282**	**7%**
Net Profit Margin	*4.7%*	*14.9%*		*9.7%*	*9.8%*	

Middle East Healthcare Company (MEAHCO) reported a record-high revenues of SAR 809 million for the fourth quarter of 2025, representing a solid 8% year-on-year (Y-o-Y) increase. The performance underscores MEAHCO's solid operational execution and its ability to leverage its diversified footprint to mitigate challenges across select markets.

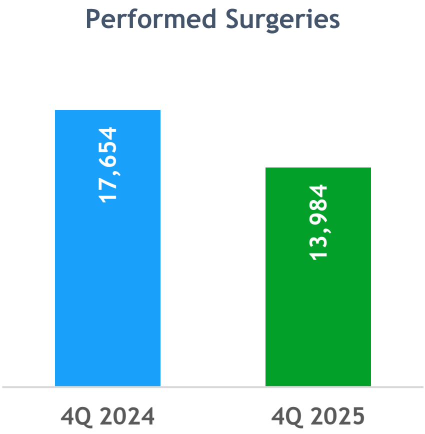
Revenue growth during the quarter was primarily driven by higher census, on both, the inpatients and outpatients front, supported by the Group's strategic focus on expanding subspecialty services. All regions delivering Y-o-Y revenue growth, except Jeddah, which recorded a modest single-digit decline. Makkah, Hail, and Aseer were the key growth drivers for the quarter on continued organic growth across core service lines.

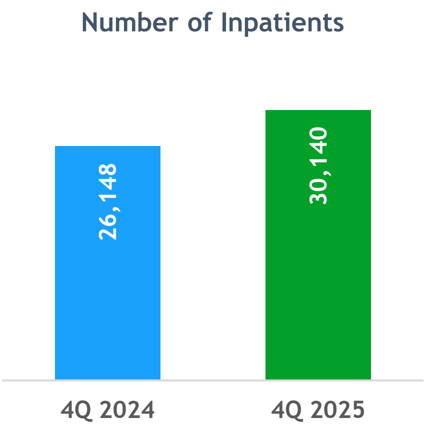
The Group's inpatient census increased by 15% Y-o-Y to 30k patients, while outpatient visits rose by 6% Y-o-Y to 657k patients. Inpatient revenue grew 7% Y-o-Y to SAR 444 million, as solid volume growth offset the marginal decline in average revenue per stay. Meanwhile, outpatient revenue increased 19% Y-o-Y to SAR 268 million, further boosted by enhanced average charge per visit.

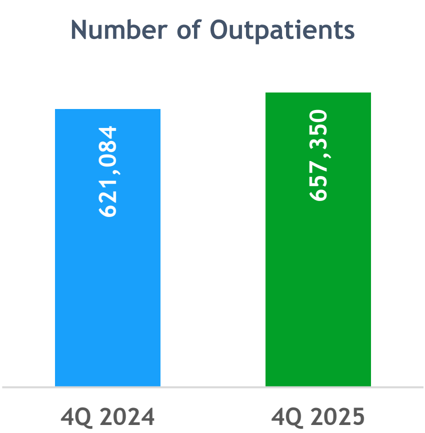
MEAHCO's payer mix remained stable, with the insurance segment accounting for 55% of total revenue, followed by the Ministry of Health (MoH) at 29%, and cash patients at 13%. Insurance revenue grew 9% Y-o-Y, maintaining its position as the Group's primary revenue stream.

Cash conversion cycle inched up slightly to 196 days in FY 2025 from 194 days in FY 2024, on typical slowdown in the pace of collection from MoH following the start of processing MoH payment through NPHIES platform effective April 2025. Nonetheless, early signs on expected collections from MoH in 1H 2026 are promising and should further strengthen liquidity position and enhance overall cash generation.

** Jeddah includes Management Fees*







Operational Performance

The Group delivered another resilient quarter in terms of patient volume growth in 4Q 2025 despite intensifying competition across key markets, underpinned by the strength and resilience of its diversified geographic footprint.

During the quarter, MEAHCO served a total of 687k patients across its hospital network, representing a 6% Y-o-Y increase. Meanwhile, the number of surgeries performed witness a decline of 21% Y-o-Y to 14k procedures, an outcome of the Group's ongoing strategy to focus on high complexity cases vs. low profitability procedures and challenges in select locations on rising competitions and decline in MoH referrals.

Group-wide utilization levels declined marginally due to the addition of new bed capacity following recent expansions. The total number of operational beds reached 1.6k, up from 1.4k in the comparable quarter, supported by approximately 600 clinics across the portfolio. Inpatient and outpatient occupancy rates stood at 69% and 81%, respectively, with a blended average length of stay (ALOS) of approximately 3.2 nights.

Building on robust underlying demand in the Eastern Province, SGH Dammam launched 21 new clinics specializing in advanced medical services in July 2025, in line with the Group's strategy to strengthen its subspecialty offering. Dammam has been one of the strongest growing markets for the Group over the past four consecutive quarters. Earlier in the year, SGH Dammam expanded its licensed bed capacity from 150 to 300 beds, marking an important milestone in the Group's capacity enhancement initiatives.

Inpatient volumes increased 15% Y-o-Y to 30k patients, supported by strong growth in the insurance segment, which offset flattish performance in cash patients at the Group level. All regions recorded Y-o-Y growth in inpatients census, with Makkah, Aseer, and Hail being the main contributors to inpatient growth, aided by the ramp-up of existing capacities and strong regional demand.

Outpatient visits rose 6% Y-o-Y to 657k, with lagging performance in Jeddah offset by solid double-digit volume growth across all other regions. The robust OP performance was driven by the insurance segment, while average charge per outpatient improved a notable 13% compared to the comparable quarter last year.

Profitability

The Group reported a consolidated gross profit of SAR 284 million for Q4 2025, with a 1% Y-o-Y growth. The gross profit margin stood at 35.2%, reflecting a contraction of 250 bps compared to the same period last year.

The margin compression primarily reflects the impact of new physician hires and higher depreciation expenses associated with capacity expansions. Inpatient (IP) gross margin stood at 36.8%, compared to 40.8% in 4Q 2024, while outpatient (OP) gross margin was flattish at 37.6%, in line with the prior-year period.

The uptick in operating expense reflects the management's strategy to strengthen the Group's focus on subspecialty services, which necessitated the recruitment of highly qualified physicians across multiple departments, mostly part timers. Additionally, overheads associated with recently commissioned capacity in Dammam contributed to the higher cost base. These strategic investments are expected to support margin improvement and higher average revenue per patient over the medium to long term as operations scale.

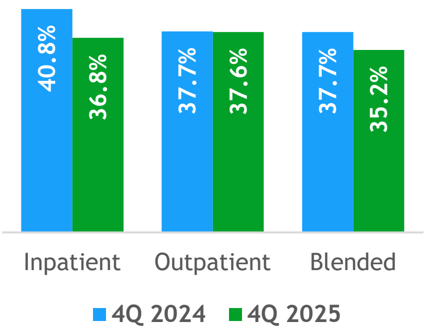
The cost structure remained broadly consistent with historical trends, with salaries and benefits representing 55%, while growing 13% Y-o-Y, and medical consumables accounting for 27% of total costs. The Group recorded flat EBITDA of SAR 151 million in 4Q 2025, implying an EBITDA margin of 18.7%, partially pressured by the inclusion of NPHIES fees, booked at the SG&A level, on MoH invoices effective April 2025.

Net finance costs, including prior years' zakat-related and hedging payments, came at SAR 50 million. The Group also recorded a share of loss from associate amounting to SAR 11 million, related to its 22.4% investment in SAJB Medical Hospital, which commenced operations in mid-September 2025.

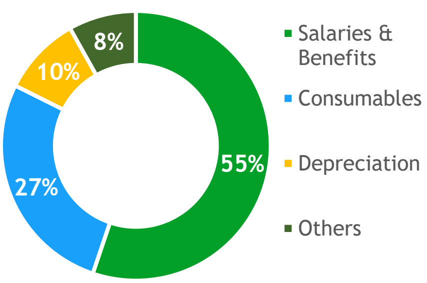
Net profit after zakat and minority interest amounted to SAR 38 million in 4Q 2025, compared to SAR 111 million in the corresponding period last year, translating to a net profit margin of 4.6%. Nonetheless, on a like-for-like basis, net profit, excluding SAJB Medical Hospital, amounted to SAR 49 million, down 28% Y-o-Y vs. the comparable period, excluding 4Q 2024 non-recurring gain on zakat restructuring.

In 4Q 2024, MEAHCO reached an agreement for instalment plan to settle the Zakat and withholding tax differences for the years 2015-20 over a period of 12 years in 48 instalments. As a result, the company booked a one-off SAR 45 million gain in 4Q 2024, to be amortized over the payment period, on the restructuring of the Zakat liability.

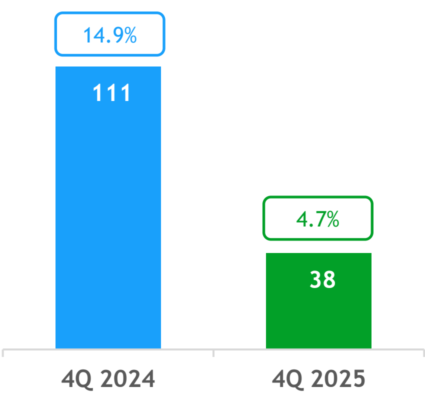
Gross Profit Margin



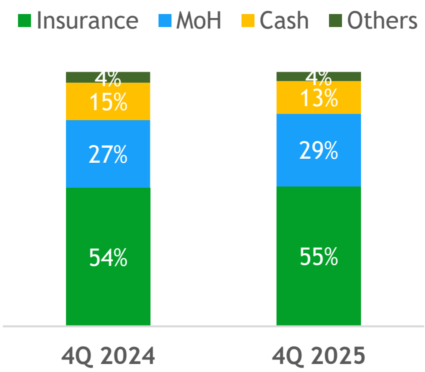
CoGS Breakdown
4Q 2025



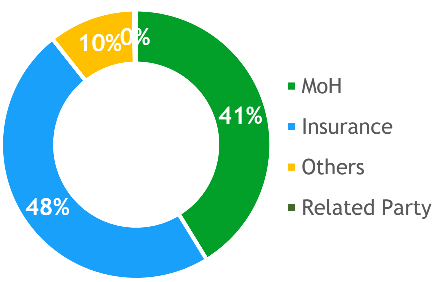
Net Profit
(SAR mn, % margin)



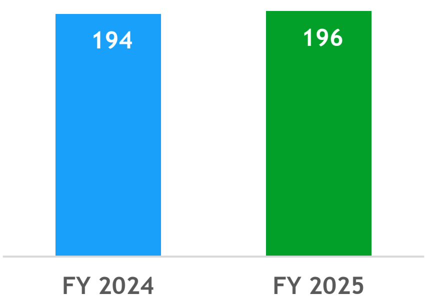
Revenue by Clientele



Receivables by Clientele
FY 2025



Cash Conversion Cycle
Days on Hand (DoH)



Cash Management

As of December 2025, MEAHCO's outstanding receivables stood at SAR 2.0 billion, reflecting a minor 4% increase compared to December 2024, despite continued business growth. Receivable days-on-hand continued to improved on firm footing, down 4% Y-o-Y and 25% vs. 2023 levels, on sustained improved collections from key business partners.

Overall cash conversion cycle on the other hand inched up slightly to 196 days in FY 2025 from 194 days in FY 2024 on shortened payables cycle and typical slowdown in the pace of collection from MoH following the start of processing MoH payment through NPHIES platform effective April 2025. Nevertheless, early signs on expected collections from MoH in 1H 2026 are promising and should further strengthen liquidity position and enhance overall cash generation.

The composition of receivables remained largely intact, with the insurance segment amounting to 48% of total receivables, while the MoH segment standing at 41%. On the revenue side, the insurance segment remained the largest contributor, accounting for 55% of total revenues in 4Q 2025, representing a 9% Y-o-Y increase. MoH-related revenues delivered 16% Y-o-Y growth, increasing their share to 29% of total revenues, while the cash segment declined slightly, contributing 13%.

Net debt, including Sukuk, inched up by 3% to SAR 2.4 billion as of December 2025, while net debt-to-equity ratio improved to 1.2x, compared to 1.4x at year-end 2024, reflecting stronger cash collection, improved operational efficiency and balance sheet strength.

Capital expenditures (CapEx) for the year of 2025 totaled SAR 457 million, primarily directed toward the development of a new medical tower in Jeddah and renovation works across MEAHCO's hospital network. A major SAR 400 million brownfield expansion is currently underway at Saudi German Hospital Jeddah, the Group's flagship facility established in 1988. The project includes the construction of a new medical tower, which will add 194 beds and 22 outpatient clinics, effectively doubling the hospital's capacity upon completion.

The Board of Directors recommended a cash dividend distribution for FY 2025 totaling SAR 46 million, equating to a payout ratio of c.15% and a dividend of SAR 0.50 per share. The dividend remains subject to approval by the Ordinary General Assembly, with the eligibility date to be announced in due course.

Latest Developments

Throughout the year, several significant milestones were achieved across various pillars, further elevating the quality of services offered and strengthening the customer perception of the Saudi German Health brand. A major milestone was the expansion of MEAHCO's collaboration with the prestigious Mayo Clinic healthcare network, extending the partnership to include Dammam and Jeddah, in addition to Riyadh. Through this expanded agreement, SGH becomes the exclusive Mayo Clinic partner in these key markets, positioning it as the largest member of the Mayo Clinic Care Network in the GCC region.

On the accreditation front, earlier in the year, the Group successfully obtained the Healthcare Information and Management Systems Society (HIMSS) accreditation for branches in Dammam, Makkah, and Hai Al Jamea. This milestone not only affirms MEAHCO's commitment to digital transformation and clinical excellence but also positively impacted Ministry of Health (MoH) pricing for these facilities, which collectively generate approximately 10–25% of their revenues from MoH contracts.

The Group also achieved a pioneering milestone in nursing excellence, as Saudi German Hospital Aseer, Riyadh, and Jeddah—the latter with distinction—earned the prestigious Magnet designation, the world's highest international recognition for nursing excellence. This distinction places SGH among the top 10% of hospitals globally and marks SGH Jeddah as the first and only hospital outside the United States to receive this honor, underscoring the Group's unwavering commitment to clinical excellence and patient-centered care.

As part of the Group's vertical expansion strategy to enhance operational efficiency, and diversify sources of revenue, the Board of Directors has approved the establishment of two wholly owned limited liability companies. Saudi German Pharmaceutical Company, operating in the field of pharmacy management and operation, as well as the sale and distribution of medicines and medical supplies, and Saudi German Health for Medical Care and Services, operating in the provision of healthcare services and supporting operational and medical services.

Sobhi Abdul Jalil Batterjee Medical Hospital (SAJB Medical Hospital)—a 22.4%-owned subsidiary—received its final operating license from the MoH and commenced commercial operations in 4Q 2025. Located in the Al-Rehab district of Jeddah, the hospital features 70 outpatient clinics and an initial licensed capacity of 200 beds, enhancing MEAHCO's footprint and service capabilities in the Western Region.

Financial Statements

Income Statement

(In SAR mn)	4Q 2025	4Q 2024	Change	FY 2025	FY 2024	Change
Revenue	809	749	8%	3,103	2,883	8%
Cost of Revenue	(524)	(467)		(1,943)	(1,769)	
Gross Profit	284	282	1%	1,160	1,114	4%
Gross Profit Margin	*35.2%*	*37.7%*		*37.4%*	*38.6%*	
Selling & marketing Expenses	(33)	(20)		(100)	(73)	
General & Admin Expenses	(165)	(160)		(672)	(600)	
Operating Profit	87	102	(14%)	387	441	(12%)
Operating Profit Margin	*10.8%*	*13.6%*		*12.5%*	*15.3%*	
Share of Loss from Associate	(11)	(1)		(14)	(1)	
Other Income	9	58		153	92	
Finance Cost	(50)	(47)		(201)	(222)	
Profit before Zakat	34	113	(70%)	325	310	5%
Zakat	3	(1)		(16)	(26)	
Net Profit	37	112	(67%)	309	284	9%
Net Profit Margin	*4.6%*	*15.0%*		*10.0%*	*9.8%*	
Distributed as:						
Parent Company	**38**	**111**	**(66%)**	**302**	**282**	**7%**
Non-Controlling Interest	(0)	1		8	2	

Financial Statements

Balance Sheet

(In SAR mn)	Dec 2025	Dec 2024
Property and Equipment	2,973	2,767
Right of Use Assets	124	80
Intangible Assets	57	44
Investment in Subsidiary / Associated Company	56	60
Total Non-Current Assets	**3,210**	**2,952**
Inventories	65	66
Account Receivable	2,016	1,946
Prepayments and Others	149	108
Cash and Bank Balances	26	52
Total Current Assets	**2,256**	**2,173**
Total Assets	**5,466**	**5,125**
Share Capital	920	920
Statutory & FX Reserves	226	228
Retained Earnings	726	478
Equity Attributable to Shareholders	**1,872**	**1,626**
Non-Controlling Interests	55	48
Total Equity	**1,928**	**1,674**
Term Loans	603	753
Lease Obligations	113	71
Sukuk	983	989
Other Financial Liability	91	98
Derivative Financial Instruments	15	26
Deferred Income	6	8
Employees' End of Service Benefits	270	244
Total Non-Current Liabilities	**2,082**	**2,189**
Short-Term Borrowings	836	640
Other Non-Current Liabilities	7	6
Lease Obligations	8	12
Accounts Payable	285	322
Accrued Expenses and Others	301	256
Zakat Payable	25	26
Total Current Liabilities	**1,457**	**1,262**
Total Liabilities	**3,539**	**3,451**
Total Liabilities and Equity	**5,466**	**5,125**

Financial Statements

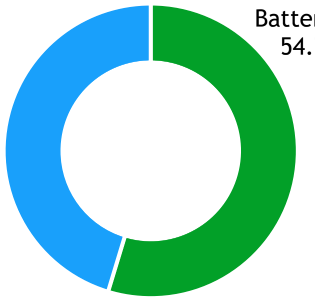
Cash Flow

(In SAR mn)	FY 2025	FY 2024
Cash Flows From Operating Activities		
Profit before Zakat	**325**	**310**
Depreciation	213	188
Amortization of Intangible Assets	13	11
Depreciation of Right of Use Assets	20	18
Allowance for Expected Credit Losses	6	(29)
Unwinding Impact of Other Financial Liabilities	7	0
Provisions for Slow Moving and Obsolete Inventories	0	3
Amortization of Deferred Income	(2)	(1)
Finance Charges Related to Lease Obligations	6	7
Finance Charges Related to Borrowings	190	215
(Gain) On Zakat Liability Restructure	0	(45)
(Gain) On Derivative Financial Instruments	(12)	(2)
Share of Loss of Associate	14	1
Sukuk Deferred Cost	3	0
(Gain)/Loss on Termination Finance Lease	(1)	0
(Gain)/Loss on Disposal of Property & Equipment	(113)	(19)
Provisions for Employees' End of Service Benefits	50	49
Operating Cash before Changes in Working Capital	***719***	***704***
Accounts Receivable	(76)	383
Inventories	1	6
Prepayments & Other Current Assets	(40)	8
Accounts Payable	(36)	(237)
Accrued Expenses & Other Current Liabilities	37	(44)
Other Financial Liabilities	(6)	(9)
Cash Flow from Operating Activities	**598**	**811**
Employees' End of Service Paid	(33)	(27)
Zakat Paid	(21)	(18)
Net Cash Flow from Operating Activities	**537**	**638**
Cash Flow from Investing Activities		
Additions to Property & Equipment & Intangible Assets, Net	(457)	(479)
Proceeds from Disposal of Property & Equipment	128	21
Investment in An Associate	(9)	(51)
Net Cash Flow from Investing Activities	**(338)**	**(509)**
Cash Flow from Financing Activities		
Lease Obligations, Net	(31)	(26)
Loans and Borrowings, Net	37	(44)
Dividend Paid	(46)	0
Financial Charges Paid	(189)	(186)
Net Cash Flow from Financing Activities	**(229)**	**(256)**
Net Change in Cash and Cash Equivalent	**(23)**	**1**
FX Translation Adjustments	(3)	7
Cash and Cash Equivalent at the Beginning of the Period	52	44
Cash and Cash Equivalent at the End of the Period	**26**	**52**

Middle East Healthcare Company (MEAHCO)

Earnings Release 4Q 2025

Shareholder Structure



Share Information

Reuters / Bloomberg
2009.SE / MEH AB

Shares Outstanding
92,040,000

Free Float
45.3%

About Middle East Healthcare Company

Middle East Healthcare Company, publicly known as Saudi German Health, is a leading healthcare provider in Saudi Arabia with operations spanning across seven cities in the Kingdom. Building on a long family legacy as medical pioneers in the Kingdom, Saudi German Health was founded by the Batterjee family c.35 years ago to relieve people's suffering and have a positive impact on their health.

In 1988, Eng. Sobhi Batterjee, Chairman of Saudi German Health, and Dr. Khalid Batterjee, Vice President of Saudi German Health, established the first hospital in Jeddah and collaborated with German University Hospitals to bring advanced German healthcare standards and expertise to the local community for the first time in the Kingdom of Saudi Arabia. These associations inspired the 'German' in our name.

Since then, MEAHCO has been expanding and growing its presence organically on firm footing. MEHACO is the most geographically diverse healthcare player in Saudi Arabia with a comprehensive network of 8 full-fledged hospitals in Jeddah, Aseer, Riyadh, Madinah, Hail, Dammam, and Makkah, enabling it to access ~90% of the Kingdom's population.

The Group has a total licensed capacity of c.1.8k beds and operational capacity of c.1.6k beds.

Learn more at: www.saudigermanhealth.com

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Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “aims”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding business and management, future growth or profitability and general economic and regulatory conditions and other matters affecting the Company.

Forward-looking statements reflect the current views of the Company’s management (“Management”) on future events, which are based on the assumptions of the Management and involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause the Company’s actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements.

The Company’s business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to differ materially from those expressed or implied by the forward-looking statements contained in this prospectus. The information, opinions and forward-looking statements contained in this communication speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this communication.