



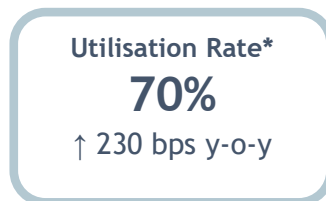
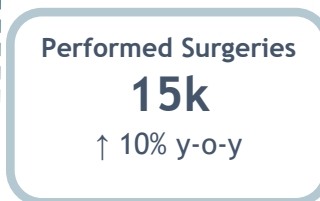
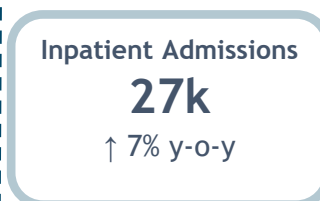
Middle East Healthcare Company “MEAHCO”

Earnings Release

1Q 2026 Financial Highlights



1Q 2026 Operational Highlights



Jeddah, Saudi Arabia, 3 May 2026

Middle East Healthcare Company (MEAHCO), Saudi Arabia’s most geographically diversified private healthcare player, reported today its consolidated financial results for 1Q 2026, ending 31 March 2026.

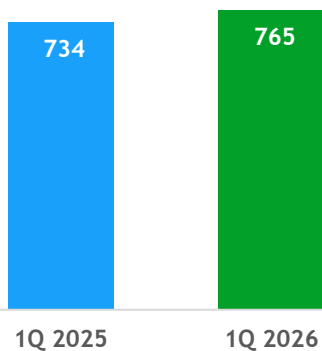
Key highlights

- **Consolidated revenue** grew by 4% Y-o-Y to SAR 765 million in 1Q 2026
- **Total number of served patients** reached 585k patients across the Group’s network of hospitals in 1Q 2026, with an increase of 1% vs. the comparable quarter last year
- **Insurance contribution to total revenue** stood at 55%, followed by Ministry of Health (MoH) at 28%, cash at 13% and others at 3%
- **EBITDA** declined 13% Y-o-Y to SAR 138 million in 1Q 2026, implying an **EBITDA margin** of 18.1%. **Net profit after zakat and minority interest** amounted to SAR 26 million in 1Q 2026
- **Like-for-like earnings**, excluding losses from minority-owned SAJB Medical Hospital, amounted to SAR 33 million, down 30% Y-o-Y vs. the comparable period, adjusted to 1Q 25 one-off capital gain on land sale of SAR 114 million
- The Board of Directors recommended **share buyback program of up to 4.6 million shares** to hold as treasury shares, amounting to 5% of total issued shares, subject to the EGM approval
- Commercial operations of the **Outpatient Clinics Complex in Al-Taawun district, Riyadh**, commenced in March 2026, with a capacity of 16 clinics covering various medical specialties
- The Group signed a **one-year exclusive agreement with Tawuniya** for the provision of specialized medical services to the members of Saudia Airlines Group Policy in Jeddah

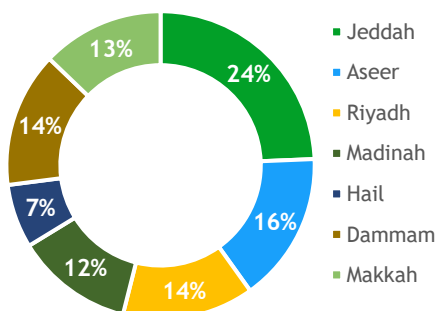
* Inpatient utilisation rate based on number of operational beds



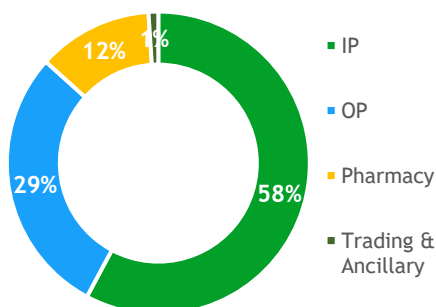
Consolidated Revenue
SAR mn



Revenue by Region*
1Q 2026



Revenue by Segment
1Q 2026



* Jeddah includes Management Fees

Financial Performance

(In SAR mn)	1Q26	1Q25	Y-o-Y
Revenue	765	734	4%
CoGS	(511)	(450)	
Gross Profit	254	284	(10%)
Gross Profit Margin	33.2%	38.7%	
Operating Profit	74	102	(27%)
Operating Margin	9.7%	13.8%	
Net Profit	26	160	(84%)
Net Profit Margin	3.4%	21.8%	

Middle East Healthcare Company (MEAHCO) reported total revenues of SAR 765 million for the first quarter of 2026, delivering a growth of 4% year-on-year (Y-o-Y). The top-line growth, despite the naturally weaker seasonality as opposed to the comparable period given the occurrence of the Eid Al-Fitr national break during the quarter, reflects the Group's resilient operating model 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 and improved revenue per patient supported by the Group's strategic focus on expanding subspecialty services, with 400+ additional subspecialized physician onboarded over the past year.

All regions delivered Y-o-Y revenue growth, except Riyadh, which contracted by a modest single-digit, chiefly on decline in MoH referral business. Makkah and Dammam were the leading regions, on continued organic growth across core service lines. Meanwhile, Jeddah, the Group's largest market, shifted back to growth, despite intensifying competition and declining MoH business, following two consecutive quarters of declining revenues. The business was further backed by Tawuniya's one-year exclusive agreement for the provision of specialized medical services to the members of Saudia Airlines Group Policy in Jeddah, effective mid-March 2026.

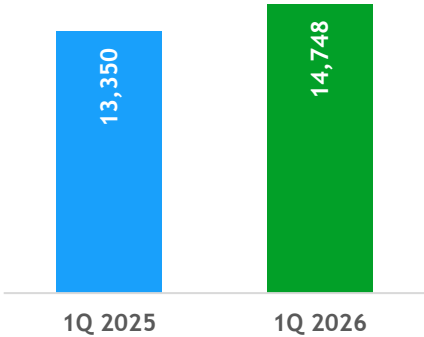
The Group's inpatient census increased by 7% Y-o-Y to 27k patients, while outpatient visits inched up 1% Y-o-Y to 558k patients. Blended average revenue per stay showed a marginal decline on lower contribution from declining MoH business (28% of total revenue; down 6% Y-o-Y), while outpatient average charge per visit improved 5% Y-o-Y.

Cash conversion cycle improved to 182 days in 1Q 2026 from 196 days in FY 2025, with better collection from MoH and key insurance partner, further strengthening liquidity position and overall cash generation.

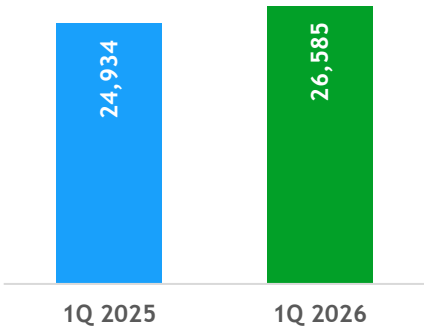


Operational Performance

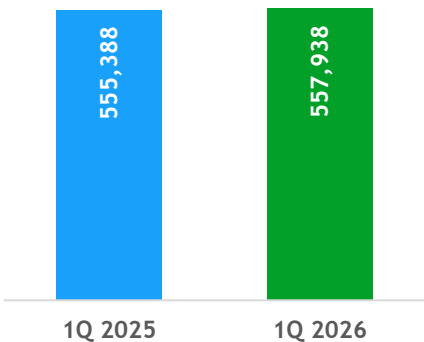
Performed Surgeries



Number of Inpatients



Number of Outpatients



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

During the quarter, MEAHCO served a total of 585k patients across its hospital network, representing a 1% Y-o-Y increase. Meanwhile, the number of surgeries performed witness a surge of 10% Y-o-Y to 15k procedures, a testament to the Group’s rewarding strategy to focus on expanding subspecialty services to counter challenges in select locations on rising competitions and decline in MoH referrals.

Group-wide utilization levels improved despite the addition of new beds following recent expansions. The total number of operational beds reached 1.6k, up from 1.5k in the comparable quarter, supported by approximately 600 clinics across the portfolio. Inpatient and outpatient occupancy rates stood at 70% and 75%, respectively, with a blended average length of stay (ALOS) of approximately 3.7 nights.

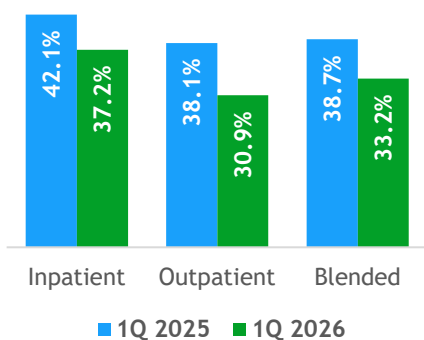
Robust underlying demand in the Eastern Province and the Holy city of Makkah was among the main driving forces to fuel the growth during the quarter, with Dammam maintaining its leading position as one of the Group’s fastest growing markets over the past five consecutive quarters. During 2025, SGH Dammam added 21 new clinics and doubled its licensed bed capacity from 150 to 300 beds, in line with the Group’s strategy to strengthen its subspecialty offering.

Inpatient census increased by 7% Y-o-Y to 27k patients, supported by strong growth in the insurance segment, which offset declining MoH business and flattish performance in cash patients at the Group level. Meanwhile, average revenue per stay showed a marginal decline of 2% Y-o-Y on lower contribution from MoH business.

Despite the naturally weaker seasonality as opposed to the comparable period last year, given the occurrence of the Eid Al-Fitr national break during the quarter, outpatient visits inched up 1% Y-o-Y to 558k patients, driven by growing cash patients while maintaining the same level for the insurance business. Average charge per outpatient improved a notable 5% compared to the comparable quarter last year.



Gross Profit Margin



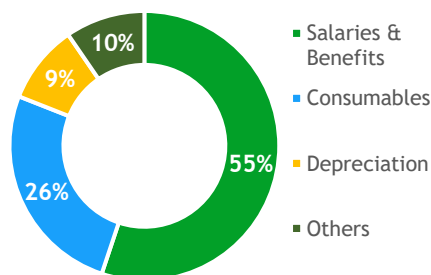
Profitability

The Group reported a consolidated gross profit of SAR 254 million for 1Q 2026, implying a 10% Y-o-Y decline and a gross profit margin of 33.2%, with margin reduction of 5.4pp vs. last year's equivalent period.

The margin compression primarily reflects the impact of new physicians' hires, lower contribution from high-margin MoH business, and higher depreciation expenses associated with capacity expansions. Inpatient (IP) gross margin stood at 37.2% while outpatient (OP) gross margin recorded 30.9% compared to 42.1% and 38.1% in the comparable period last year, respectively.

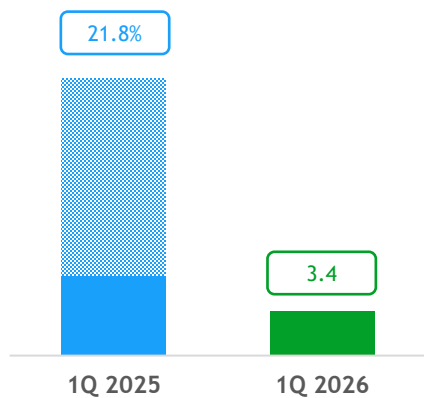
The uptick in operating expense reflects the management's strategy to further strengthen the Group's focus on subspecialty services, which will be a key asset in the ongoing transformation of the Kingdom's healthcare system towards Value-Based Healthcare. This strategic move necessitated the recruitment of highly qualified physicians across multiple departments, with 400+ additional subspecialized physician onboarded over the past year. As operations scale, this medical transformation is expected to support margin improvement and enhance average revenue per patient over the medium-to long-term.

CoGS Breakdown 1Q 2026



The cost structure remained broadly consistent with historical trends, with salaries and benefits representing 55%, while growing 10% Y-o-Y, and medical consumables accounting for 26% of total costs. The Group recorded an EBITDA of SAR 138 million in 1Q 2026, implying an EBITDA margin of 18.1%, further pressured by the inclusion of NPHIES fees on MoH invoices effective April 2025.

Net Profit (SAR mn, % margin)



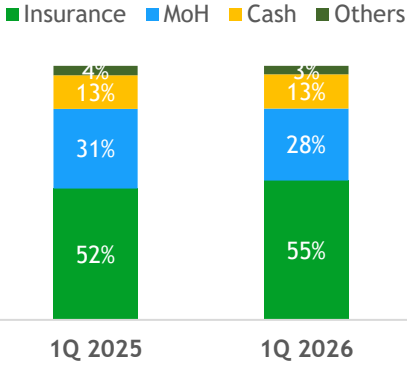
Net finance costs, including prior years' zakat-related and hedging payments, came at SAR 43 million, down a significant 18% Y-o-Y on improved balance sheet quality and lower interest rates. The Group's share of loss from associate totaled SAR 7 million, related to the 22.4% equity investment in SAJB Medical Hospital, which commenced operations in mid-September 2025.

Net profit after zakat and minority interest amounted to SAR 26 million in 1Q 2026, compared to SAR 160 million in the corresponding period last year, with a net profit margin of 3.4%. Like-for-like earnings, excluding losses from minority-owned SAJB Medical Hospital, amounted to SAR 33 million, down 30% Y-o-Y vs. the comparable period, adjusted to 1Q 2025 one-off capital gain on land sale of SAR 114 million.

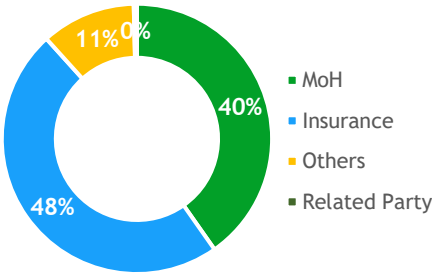
One-off capital gain on sale of PPE



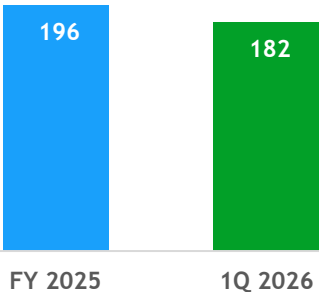
Revenue by Clientele



Receivables by Clientele 1Q 2026



Cash Conversion Cycle Days on Hand (DoH)



Cash Management

As of March 2026, MEAHCO’s outstanding receivables stood at SAR 1.9 billion, with a 5% decline compared to December 2025, despite continued business growth. Receivable days-on-hand continued to improve on firm footing, down 6% YTD and 30% vs. 2023 levels, on sustained improved collections from key business partners.

Overall cash conversion cycle improved, in line with the enhancement in receivables collection, to 182 days from 196 days in FY 2025 on improved collection from key insurance players and MoH, post a phase of slowdown in the pace of collection from MoH following the start of processing MoH payment through NPHIES platform effective April 2025.

The composition of receivables remained largely intact, with the insurance segment amounting to 48% of total receivables, while the MoH segment standing at 40%. On the revenue side, the insurance segment grew by 11% Y-o-Y, holding the lion’s share with contribution of 55% of total revenues. Meanwhile, MoH-related revenues declined by 6% Y-o-Y, dropping their share to 28% of total revenues, while the cash segment grew by 6% Y-o-Y and maintained its contribution at 13%.

Net debt, including Sukuk, declined by 4% to SAR 2.3 billion as of March 2026, while net debt-to-equity ratio improved to 1.18x, compared to 1.24x at year-end 2025, reflecting stronger cash collection, improved operational efficiency and balance sheet strength.

Capital expenditures (CapEx) for the first quarter of 2026 totaled SAR 154 million, primarily directed toward the ongoing development of the new medical tower in Jeddah and renovation works across MEAHCO’s hospital network. The two-phase project in Jeddah includes the construction of a new medical tower and full renovation of the Group’s flagship facility in Jeddah, established in 1988.

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 decision remains subject to the approval of the Ordinary General Assembly.



Latest Developments



The Group kicked-off the year on firm footing, sealing a number of key partnerships and agreements that are expected to further boost growth and strengthen ties with existing partners. A significant milestone was the signing of a one-year exclusive agreement with Tawuniya for the provision of specialized medical services to the members of Saudia Airlines Group Policy in Jeddah, effective mid-March 2026. The contract is a testament to SGH's medical excellence and strong brand equity in Jeddah, our largest market.



SAJB Medical Hospital, the Group's 22.4%-owned subsidiary located in the Al-Rehab district of Jeddah, signed a three-year contract with King Fahad Military Hospital for the provision of Long-Term Care (LTC) services for 31 beds, marking the hospital's first partnership with the MoH. SAJB Medical Hospital commenced operations in September 2025 with an initial licensed capacity of 200 beds and 70 outpatient clinics.



The Group successfully maintained several re-accreditations during the quarter, including the ACHSI accreditation across the entire network of hospitals, and CBAHI accreditation in Beverly Clinics in Jeddah. SAJB Medical Hospital successfully passed the Essential Safety Requirements (ESR) assessment, enabling it to start receiving MoH referrals, and is scheduled for The Saudi Central Board for Accreditation of Healthcare Institutions (CBAHI) assessment in 4Q 2026.



As part of the ongoing medical transformation to upscale the services provided, the Group has recruited 400+ additional highly qualified subspecialized physician over the past year across its network. This will help further improve the Case Mix Index to well position the Group in preparation for the transformation of the Kingdom's healthcare system towards Value-Based Healthcare. Within the same scope, the Group further expanded its partnership with Mayo Clinic healthcare network in late 2025 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.



The Board of Directors recommended share buyback program of up to 4.6 million shares to hold as treasury shares, amounting to 5% of total issued shares. The proposed recommendation remains subject to the approval of the Extraordinary General Meeting (EGM).





Financial Statements

Income Statement

<i>(In SAR mn)</i>	1Q 2026	1Q 2025	Change
Revenue	765	734	4%
Cost of Revenue	(511)	(450)	
Gross Profit	254	284	(10%)
<i>Gross Profit Margin</i>	<i>33.2%</i>	<i>38.7%</i>	
Selling & marketing Expenses	(22)	(18)	
General & Admin Expenses	(158)	(164)	
Operating Profit	74	102	(27%)
<i>Operating Profit Margin</i>	<i>9.7%</i>	<i>13.9%</i>	
Share of Loss from Associate	(7)	(0)	
Other Income	6	119	
Finance Cost	(43)	(53)	
Profit before Zakat	30	168	(82%)
Zakat	(5)	(5)	
Net Profit	25	163	(85%)
<i>Net Profit Margin</i>	<i>3.3%</i>	<i>22.2%</i>	
<i>Distributed as:</i>			
Parent Company	26	160	(84%)
Non-Controlling Interest	1	3	



Financial Statements

Balance Sheet

<i>(In SAR mn)</i>	Mar 2026	Dec 2025
Property and Equipment	3,070	2,973
Right of Use Assets	126	124
Intangible Assets	55	57
Investment in Subsidiary / Associated Company	49	56
Total Non-Current Assets	3,300	3,210
Inventories	83	65
Account Receivable	1,914	2,016
Prepayments and Others	147	149
Cash and Bank Balances	24	26
Total Current Assets	2,168	2,256
Total Assets	5,468	5,466
Share Capital	920	920
Statutory & FX Reserves	226	226
Retained Earnings	751	726
Equity Attributable to Shareholders	1,898	1,872
Non-Controlling Interests	55	55
Total Equity	1,953	1,928
Term Loans	575	603
Lease Obligations	118	113
Sukuk	984	983
Other Financial Liability	90	91
Derivative Financial Instruments	14	15
Deferred Income	6	6
Employees' End of Service Benefits	260	270
Total Non-Current Liabilities	2,046	2,082
Short-Term Borrowings	777	836
Other Non-Current Liabilities	7	7
Lease Obligations	7	8
Accounts Payable	307	285
Accrued Expenses and Others	345	301
Zakat Payable	26	25
Total Current Liabilities	1,468	1,457
Total Liabilities	3,515	3,539
Total Liabilities and Equity	5,468	5,466



Financial Statements

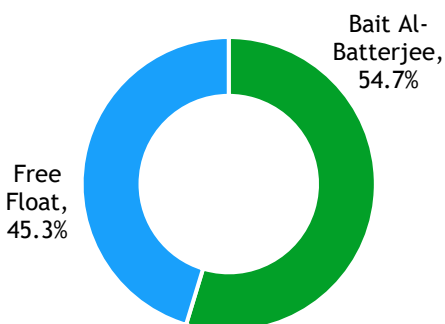
Cash Flow

(In SAR mn)

	1Q 2026	1Q 2025
Operating Activities		
Profit for the Period Before Zakat	30	168
<i>Non-cash adjustments to reconcile profit before zakat to net cash flow</i>		
Depreciation	56	51
Amortization of Intangible Assets	3	3
Depreciation of Right of Use Assets	5	4
Allowance for Expected Credit Losses	(5)	(2)
Unwinding Impact of Other Financial Liabilities	2	2
Provisions for Slow Moving and Obsolete Inventories	0	1
Amortization of Deferred Income	0	(1)
Finance Charges Related to Lease Obligations	1	2
Finance Charges Related to Borrowings	41	51
(Gain) On Derivative Financial Instruments	(1)	(0)
Share of Loss of Associate	7	0
Sukuk Deferred Cost	1	0
(Gain)/Loss on Disposal of Property & Equipment	(0)	(114)
Provisions for Employees' End of Service Benefits	13	12
Operating Cash before Changes in Working Capital	153	176
Accounts Receivable	108	161
Inventories	(18)	(5)
Prepayments & Other Current Assets	2	(26)
Accounts Payable	21	(21)
Accrued Expenses & Other Current Liabilities	41	14
Other Financial Liabilities	(2)	(3)
Cash Flow from Operating Activities	305	295
Employees' End of Service Paid	(23)	(5)
Zakat Paid	0	0
Net Cash Flow from Operating Activities	282	290
Additions to Property & Equipment & Intangible Assets, Net	(154)	(56)
Proceeds from Disposal of Property & Equipment	0	122
Net Cash Flow from Investing Activities	(153)	66
Lease Obligations, Net	(5)	(5)
Loans and Borrowings, Net	(87)	(72)
(Repurchased) Proceeds of Sukuk	0	0
Financial Charges Paid	(39)	(48)
Net Cash Flow from Financing Activities	(131)	(126)
Net Change in Cash and Cash Equivalent	(2)	230
FX Translation Adjustment	0	0
Cash and Cash Equivalent at the Beginning of the Period	26	52
Cash and Cash Equivalent at the End of the Period	24	282



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.