NEWS RELEASE

Medical Facilities Corporation Announces 2023 First Quarter Results

TORONTO, Ontario, May 11, 2023 – Medical Facilities Corporation ("Medical Facilities," "MFC," or the "Corporation") (TSX: DR), reported its financial results today for the first quarter ended March 31, 2023. All amounts are expressed in U.S. dollars unless indicated otherwise.

Q1 2023 Highlights
(Compared to Q1 2022)

- Facility service revenue increased 8.4% to $109.3 million;
- Income from operations was $13.5 million, an increase of 4.9% when excluding government stimulus income of $1.8 million in Q1 2022;
- EBITDA[1] was $19.1 million, an increase of 6.3% when excluding government stimulus income of $1.8 million in Q1 2022;
- Cash available for distribution increased by 20.6% on a per common share basis; and,
- Arkansas Surgical Hospital, Black Hills Surgical Hospital, and Sioux Falls Specialty Hospital named top hospitals for joint replacements in their states by Healthgrades.

"It was a strong quarter from an operational standpoint as higher surgical volumes from our surgical hospitals contributed to an 8.4% increase in facility service revenue," said Jason Redman, President and CEO of Medical Facilities. "We had strong cash flow and our income from operations and EBITDA were up 4.9% and 6.3% respectively, when excluding government stimulus income in the prior year. Moreover, our cash available for distribution on a per common share basis and our payout ratio benefited from the significant reduction in our share count because of last year's Substantial Issuer Bid and our ongoing Normal Course Issuer Bid program."

"We continue to be pleased with the strength of our surgical hospitals. During the quarter, three of our hospitals were recognized by Healthgrades as the leading hospitals for joint replacements in their respective states. MFC is committed to providing the highest-quality treatment and care to our patients, and this recognition reflects the incredible efforts of our physician partners and staff."

Financial Results

Financial Results	For the three months ended March 31		
(thousands of U.S. dollars, except per share amounts and where otherwise noted)	**2023**	2022	% change
Facility service revenue	**109,250**	100,788	8.4%
Government stimulus income	**-**	1,810	(100.0%)
Total revenue and other income	**109,250**	102,598	6.5%
Consolidated operating expenses	**95,745**	87,918	8.9%
Income from operations	**13,505**	14,680	(8.0%)
Finance costs (net interest income)	**1,636**	1,401	16.8%
Finance costs (changes in values of derivative instruments and gain/loss on foreign currency)	**551**	12,504	(95.6%)
Impairment loss on loan receivable	**-**	3,990	(100.0%)
Share of equity income in associates	**-**	(6)	100.0%
Income tax expense (recovery)	**1,652**	(2,094)	178.9%
Net income (loss)[2]	**9,666**	(1,115)	966.9%
Earnings (loss) per share			
Basic	**$0.17**	($0.26)	165.4%
Diluted	**$0.17**	($0.26)	165.4%

Reconciliation of Net Income (Loss) to EBITDA[1]	For the three months ended March 31		
(thousands of U.S. dollars, except where otherwise noted)	**2023**	2022	% change
Net income (loss)	**9,666**	(1,115)	966.9%
Income tax expense (recovery)	**1,652**	(2,094)	178.9%
Share of equity income in associates	**-**	(6)	100.0%
Finance costs	**2,187**	17,895	(87.8%)
Depreciation and amortization	**5,640**	5,137	9.8%
EBITDA	**19,145**	19,817	(3.4%)

Distributable Cash Flow	For the three months ended March 31		
(thousands of dollars, except per share amounts and where otherwise noted)	**2023**	2022	% change
Cash available for distribution[1] (C$)	**5,583**	5,503	1.5%
Distributions (C$)	**2,053**	2,448	(16.1%)
Distributions per common share (C$)	**0.08**	0.08	-
Payout ratio[1]	**36.9%**	44.4%	(16.9%)

During the quarter, MFC paid a quarterly cash dividend of C$0.0805 per common share (or C$0.322 per share on an annualized basis), which represented an annualized yield of 4.05% on the March 31, 2023, closing price of C$7.95 per common share.

On March 31, 2023, MFC had consolidated net working capital of $31.9 million, compared to $32.5 million on December 31, 2022.

MFC's financial statements and management's discussion and analysis, for the three-month period ended March 31, 2023, will be filed on SEDAR at www.sedar.com on Thursday, May 11, 2023, and will also be available on Medical Facilities' website at www.medicalfacilitiescorp.ca.

Notice of Conference Call

Management of MFC will host a conference call today, May 11, 2023, at 8:30 am ET to discuss its first quarter financial results. All interested parties may join the conference call by dialing 416-764-8650 or 1-888-664-6383 approximately 15 minutes prior to the call to secure a line. To join the conference call without operator assistance, you may register and enter your phone number at https://emportal.ink/3o9IPRy to receive an instant automated call back.

A live audio webcast of the call will be available at https://bit.ly/MFC2023Q1. Please connect at least 15 minutes prior to the call to ensure adequate time for any software download that may be required to join the webcast. The webcast will be archived on MFC's website following the call date.

About Medical Facilities

Medical Facilities, in partnership with physicians, owns a portfolio of highly rated, high-quality surgical facilities in the United States. MFC's ownership includes controlling interest in four specialty surgical hospitals located in Arkansas, Oklahoma, and South Dakota, and an ambulatory surgery center ("ASC") located in California. In addition, through a partnership with NueHealth LLC, Medical Facilities owns a controlling interest in five ambulatory surgery centers located in Michigan, Missouri, Nebraska, Ohio, and Pennsylvania. MFC also owns a non-controlling interest in an ASC in Missouri. The specialty surgical hospitals perform scheduled surgical, imaging, diagnostic and other procedures, including primary and urgent care, and derive their revenue from the fees charged for the use of their facilities. The ASCs specialize in outpatient surgical procedures, with patient stays of less than 24 hours. For more information, please visit www.medicalfacilitiescorp.ca.

Caution concerning forward-looking statements

Statements made in this news release, other than those concerning historical financial information, may be forward-looking and therefore subject to various risks and uncertainties. Some forward-looking statements may be identified by words like "may", "will", "anticipate", "estimate", "expect", "intend", or "continue" or the negative thereof or similar variations. Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements. Factors that could cause results to vary include those identified in Medical Facilities' filings with Canadian securities regulatory authorities such as legislative or regulatory developments, intensifying competition, technological change and general economic conditions. All forward-looking statements presented herein should be considered in conjunction with *such filings. Medical Facilities does not undertake to update any forward-looking statements; such statements speak only as of the date made.*

For further information, please contact:

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[1] EBITDA, cash available for distribution and payout ratio are non-IFRS financial measures. While Medical Facilities believes that these measures are useful for the evaluation and assessment of its performance, they do not have any standard meaning prescribed by IFRS, are unlikely to be comparable to similar measures presented by other issuers, and should not be considered as alternatives to comparable measures determined in accordance with IFRS. For further information on these non-IFRS financial measures, including a reconciliation of each of these non-IFRS financial measures to the most directly comparable measure calculated in accordance with IFRS, please refer to Medical Facilities' most recently filed management's discussion and analysis, available on SEDAR at www.sedar.com.

[2] Net Income (Loss) is attributable to the owners of the Corporation and the non-controlling interest holders.