

NEWS RELEASE

Medical Facilities Corporation Announces Third Quarter Results

TORONTO, Ontario, November 6, 2025 – Medical Facilities Corporation (“Medical Facilities,” “MFC,” or the “Corporation”) (TSX: DR), reported its financial results today for the three-month and nine-month periods ended September 30, 2025. All amounts are expressed in U.S. dollars unless indicated otherwise.

Q3 2025 Highlights

(For continuing operations¹, excluding government stimulus income, and non-controllable, non-cash corporate level charges related to share-based compensation plans, compared to Q3 2024)

- Facility service revenue increased 7.5% to \$82.6 million.
- Surgical case volumes increased 1.1%.
- Income from operations increased 17.1% to \$11.9 million.
- EBITDA² increased 10.2% to \$15.8 million.
- Return of an additional \$5.6 million to shareholders through the purchase of 514,200 common shares under its normal course issuer bid (“NCIB”).

“Our third quarter results reflect the strength and stability of our highly rated, high-quality surgical facilities,” said Jason Redman, President and CEO of Medical Facilities. “As expected, surgical case volumes at Sioux Falls Specialty Hospital rebounded nicely after a key referral group moved its clinic to a new location earlier in the year. On a consolidated basis, favourable impacts from case and payor mix, along with payor rate increases and higher surgical case volumes, drove growth in facility service revenue as well as increased income from operations and EBITDA on a normalized basis. Our balance sheet remained strong, and we continued to buy back shares under our NCIB.”

Financial Results from Continuing Operations	For the three months ended September 30			For the nine months ended September 30		
<i>(thousands of U.S. dollars, except per share amounts and where otherwise noted)</i>	2025	2024	% change	2025	2024	% change
Facility service revenue	82,561	76,821	7.5%	244,832	240,452	1.8%
Government stimulus income	-	11,957	(100.0%)	-	11,957	(100.0%)
Revenue and other income	82,561	88,778	(7.0%)	244,832	252,409	(3.0%)
Operating expenses, before non-cash share-based compensation charges	70,700	66,693	6.0%	207,677	203,358	2.1%
Non-cash share-based compensation charges (income)	(304)	652	(146.6%)	11	1,982	(99.4%)
Income from operations	12,165	21,433	(43.2%)	37,144	47,069	(21.1%)
Finance costs (changes in values of derivative instruments and loss on foreign currency)	(4,342)	6,875	(163.2%)	(349)	24,429	(101.4%)
Finance costs (net interest expense)	521	919	(43.3%)	1,032	3,148	(67.2%)
Income tax expense (recovery)	3,057	(347)	981.0%	4,913	(1,272)	486.2%
Net income ³ from continuing operations	12,929	13,986	(7.6%)	31,548	20,764	51.9%
Earnings per share attributable to owners of the Corporation						
Basic	\$0.44	\$0.23	91.3%	\$0.83	\$0.13	538.5%
Fully diluted	\$0.23	\$0.23	-	\$0.72	\$0.13	453.8%

Net income fluctuates significantly between the periods, primarily due to variations in non-cash finance costs (change in the value of exchangeable interest liability) and income taxes; these charges are incurred at the corporate level rather than at the facility level.

Reconciliation of Net Income from Continuing Operations to EBITDA²	For the three months ended September 30			For the nine months ended September 30		
<i>(thousands of U.S. dollars, except where otherwise noted)</i>	2025	2024	% change	2025	2024	% change
Net income from continuing operations	12,929	13,986	(7.6%)	31,548	20,764	51.9%
Income tax expense (recovery)	3,057	(347)	981.0%	4,913	(1,272)	486.2%
Finance costs (income)	(3,821)	7,794	(149.0%)	683	27,577	(97.5%)
Depreciation and amortization	3,895	4,169	(6.6%)	12,178	12,457	(2.2%)
EBITDA	16,060	25,602	(37.3%)	49,322	59,526	(17.1%)

Distributable Cash Flow	For the three months ended September 30			For the nine months ended September 30		
<i>(thousands of dollars, except per share amounts and where otherwise noted)</i>	2025	2024	% change	2025	2024	% change
Cash available for distribution ² (C\$)	4,698	7,031	(33.2%)	18,950	25,829	(26.6%)
Distributions (C\$)	1,651	2,115	(21.9%)	5,100	6,249	(18.4%)
Distributions per common share (C\$)	\$0.089	\$0.089	-	\$0.256	\$0.258	(0.8%)
Payout ratio ²	35.2%	30.1%	16.9%	26.9%	24.2%	11.2%

During the quarter, MFC paid a quarterly cash dividend of C\$0.09 per common share (or C\$0.36 per share on an annualized basis), which represented an annualized yield of 2.55% on the September 30, 2025, closing price of C\$14.14 per common share.

On September 30, 2025, MFC had consolidated net working capital of \$43.0 million and cash and cash equivalents of \$46.8 million compared to net working capital of \$76.4 million and cash and cash equivalents of \$108.5 million as at December 31, 2024. The change in consolidated net working capital was mainly due to the completion of the substantial issuer bid in March 2025, resulting in a decrease in cash and cash equivalents, in addition to the \$14.4 million tax payment in April 2025 related to the sale of Black Hills Surgical Hospital.

MFC's financial statements and management's discussion and analysis, for the three and nine months ended September 30, 2025, will be filed on SEDAR+ at www.sedarplus.ca on Thursday, November 6, 2025, 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 at 8:30 am ET to discuss its third quarter financial results. You may join the conference call by dialing 1-888-699-1199 approximately 15 minutes prior to the call to secure a line. To join the call without operator assistance, you may register and enter your phone number at <https://emportal.ink/3WlmckZ> to receive an instant automated call back.

A live audio webcast of the call will be available at <https://app.webinar.net/3BAxwRZwVdq>. Please connect at least 15 minutes prior to the call to allow 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. Medical Facilities' ownership includes controlling interests in three specialty surgical hospitals located in Arkansas, Oklahoma, and South Dakota, and an ambulatory surgery center ("ASC") located in California. 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 ASC specializes 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, except as required by applicable law; such statements speak only as of the date made.

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¹ Continuing operations is defined as consolidated operations excluding Black Hills Surgical Hospital, LLP, which was treated as discontinued operations in the financial results for the three and nine months ended September 30, 2024.

² 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 Accounting Standards, 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 Accounting Standards. 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 Accounting Standards, please refer to Medical Facilities' most recently filed management's discussion and analysis, available on SEDAR+ at www.sedarplus.ca.

³ Net income is attributable to the owners of the Corporation and the non-controlling interest holders.