



**QUARTERLY FINANCIAL INFORMATION
FOR THE SECOND QUARTER ENDED**

October 31, 2025

Memorial Healthcare System Disclosure Representative:

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Important Information

In accordance with undertakings of the South Broward Hospital District d/b/a Memorial Healthcare System (the “Issuer”), regarding secondary market disclosure made pursuant to SEC Rule 15c2-12(b)(5)(i), by various continuing disclosure certificates, attached is the quarterly financial information (hereinafter collectively called the “Fiscal Quarter Information”) and operating data for the Fiscal quarter ended October 31, 2025. All of the information provided herein is unaudited.

The provision of this information is not intended as an offer to sell any securities. It is provided solely to comply with the contractual undertakings made by the Issuer with respect to certain outstanding obligations of the Issuer, which contractual undertakings require the provision of limited financial information and operating data with respect to the Issuer. It is not intended to be and is not an update of all of the information included in the Issuer’s prior Official Statements. Other events may have occurred since the date of the Issuer’s prior Official Statements which might be material to investors in the Issuer’s bonds including, without limitation, changes in regulation of the healthcare industry and certain other risk factors. No representation is made as to whether any such other events have occurred with respect to the Issuer or its outstanding debt that might be material or important to owners of the Issuer’s outstanding debt. No representation is made as to the materiality or completeness of the Fiscal Quarter Information. No representation is made that the Fiscal Quarter Information is indicative of financial or operating results of the Issuer since the end of the last fiscal year or of future financial or operating results.

In connection with the sale of each bond issue, the Issuer delivered Official Statements. Capitalized terms used herein shall have the meanings ascribed to such terms in the applicable Official Statement.

This report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and any expression of opinion contained herein are subject to change without notice, and the delivery of this report will not, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or other matters described.

This report may contain additional information that is not required to be provided under the terms of the continuing disclosure undertakings entered into by the Issuer. Any such additional information is provided on a voluntary basis and may be excluded from future reports without notice.

Information about COVID Relief Funds

During the six months ended October 31, 2025 and 2024, the Issuer recognized \$5.5 million and \$76.9 million, respectively, of COVID-19 related relief funds from the Federal Emergency Management Agency for expenses incurred during the pandemic. The COVID-19 funding recognized for the six months ended October 31, 2025 and 2024, are shown as part of non-operating revenue in the Statements of Revenue and Expenses and Changes in Net Position contained in this report.

**South Broward Hospital District
d/b/a Memorial Healthcare System**

**Combined Balance Sheets
In Thousands**

	October 31,	
	2025	2024
Assets and Deferred Outflows of Resources		
Current assets:		
Cash and cash equivalents	\$ 350,520	\$ 319,820
Investments	2,872,954	2,463,125
Patient accounts receivable, net of estimated uncollectibles	286,301	382,469
Inventories	62,508	59,738
Other current assets	363,116	350,320
Restricted assets:		
Investments under indenture agreements for debt service	25,279	24,781
Investments under self-insurance agreements	13,065	13,215
Total Current Assets	<u>3,973,743</u>	<u>3,613,468</u>
Noncurrent assets:		
Designated investments for employee disability	22,031	20,909
Capital assets, net	1,373,870	1,262,511
Right-to-use lease assets, net	46,818	54,231
Right-to-use subscription assets, net	93,167	105,912
Other assets	46,941	45,104
Restricted assets, net of current portion:		
Investments under self-insurance agreements	55,094	51,472
Total Assets	<u>5,611,664</u>	<u>5,153,607</u>
Deferred outflows of resources:		
Pension related items	121,859	150,406
Loss on defeasance	12,841	14,115
Total deferred outflows of resources	<u>134,700</u>	<u>164,521</u>
Total assets and deferred outflows of resources	<u>\$ 5,746,364</u>	<u>\$ 5,318,128</u>
Liabilities, Deferred Inflows of Resources and Net Position		
Current liabilities:		
Accounts payable and accrued expenses	\$ 145,763	\$ 140,822
Accrued compensation and payroll taxes	270,942	253,663
Estimated third-party payor settlements	145,327	115,607
Current installments of long-term debt	20,080	18,280
Current portion of estimated claims liability	18,960	16,301
Current portion of lease payable	10,031	13,007
Current portion of subscription liability	20,856	24,435
Other current liabilities	123,140	120,274
Total current liabilities	<u>755,099</u>	<u>702,389</u>
Noncurrent liabilities:		
Long-term portion of estimated claims liability	29,486	29,255
Net pension liability	61,437	52,979
Other noncurrent liabilities	65,130	65,102
Lease payable	42,087	45,629
Subscription liability	38,813	44,257
Long-term debt	840,176	862,440
Total liabilities	<u>1,832,228</u>	<u>1,802,051</u>
Deferred inflows of resources:		
Pension related items	66,635	113,990
Lease related items	12,621	13,284
Total deferred inflows of resources	<u>79,256</u>	<u>127,274</u>
Net position:		
Net investment in capital assets	529,681	402,880
Restricted	25,949	25,871
Unrestricted	3,279,250	2,960,052
Total net position	<u>3,834,880</u>	<u>3,388,803</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 5,746,364</u>	<u>\$ 5,318,128</u>

**South Broward Hospital District
d/b/a Memorial Healthcare System**

**Statements of Revenue and Expenses and Changes in Net Position
In Thousands**

	Second Quarter ended October 31,		Six Months ended October 31,	
	2025	2024	2025	2024
Operating revenue:				
Net patient service revenue	\$ 869,119	\$ 811,299	\$ 1,707,513	\$ 1,583,064
Disproportionate share distributions	13,199	9,805	23,547	18,206
Other operating revenues	95,447	74,705	180,330	137,797
Total operating revenue	<u>977,765</u>	<u>895,809</u>	<u>1,911,390</u>	<u>1,739,067</u>
Operating expenses:				
Salaries and wages	445,534	430,405	860,619	827,379
Employee benefits	69,695	72,101	134,312	139,899
Professional fees	21,830	23,684	41,358	45,718
Supplies	215,396	185,563	434,172	361,975
Purchased services	59,183	59,336	120,588	115,562
Facilities	25,774	24,467	49,154	46,811
Depreciation and amortization	44,258	40,544	86,042	80,005
Other	35,533	34,283	64,708	62,332
Total operating expenses	<u>917,203</u>	<u>870,383</u>	<u>1,790,953</u>	<u>1,679,681</u>
Income from operations	60,562	25,426	120,437	59,386
Nonoperating revenues, net*	<u>107,465</u>	<u>15,963</u>	<u>151,466</u>	<u>188,192</u>
Excess of revenues over expenses	168,027	41,389	271,903	247,578
Capital contributions and grants	232	270	484	338
Increase in net position	168,259	41,659	272,387	247,916
Net position at the beginning of the period	3,666,621	3,347,144	3,562,493	3,140,887
Net position at the end of the period	<u>\$ 3,834,880</u>	<u>\$ 3,388,803</u>	<u>\$ 3,834,880</u>	<u>\$ 3,388,803</u>
Net Margin	<u>17.2%</u>	<u>4.6%</u>	<u>14.2%</u>	<u>14.2%</u>
* Includes as follows:				
Interest expense	\$ 8,201	\$ 8,495	\$ 16,397	\$ 17,028
COVID-19 relief funds	<u>\$ 5,474</u>	<u>\$ -</u>	<u>\$ 5,467</u>	<u>\$ 76,923</u>

South Broward Hospital District
d/b/a Memorial Healthcare System
Hospitals and Primary Care
Combining Statement of Revenue and Expenses
Quarter ended October 31, 2025
(In Thousands)

	Memorial Regional Hospital	Memorial Regional Hospital South	Joe DiMaggio Children's Hospital	Memorial Hospital West	Memorial Hospital Pembroke	Memorial Hospital Miramar	Memorial Primary Care	Total Hospitals and Primary Care
Operating revenue:								
Net patient service revenue	\$294,484	\$37,174	\$106,367	\$250,983	\$54,525	\$81,609	\$3,711	\$828,853
Disproportionate share distributions	4,267	766	395	4,506	1,662	1,603	-	13,199
Other operating revenues	7,585	605	1,094	181	261	365	6,675	16,766
Total operating revenue	306,336	38,545	107,856	255,670	56,448	83,577	10,386	858,818
Operating expenses:								
Salaries and wages	115,499	18,104	45,113	83,754	23,300	28,742	5,690	320,202
Employee benefits	17,978	3,223	7,590	13,806	3,914	5,024	850	52,385
Professional fees	4,874	398	2,797	6,209	1,298	1,593	376	17,545
Supplies	68,765	7,310	16,654	56,184	7,458	8,518	354	165,243
Purchased services	11,317	2,136	4,759	12,871	3,320	4,919	824	40,146
Facilities	7,653	1,187	3,398	5,096	1,768	2,470	471	22,043
Depreciation and amortization	7,442	1,728	4,889	6,826	1,930	2,010	503	25,328
Other	7,618	1,179	3,216	6,362	1,950	2,018	799	23,142
Intrasytem allocation	35,077	5,091	12,003	27,174	6,530	8,411	712	94,998
Total operating expenses	276,223	40,356	100,419	218,282	51,468	63,705	10,579	761,032
Income (loss) from operations	30,113	(1,811)	7,437	37,388	4,980	19,872	(193)	97,786
Nonoperating (expenses), net	(1,989)	(209)	(708)	(2,452)	(159)	(741)	(34)	(6,292)
Excess (deficit) of revenues over (under) expenses	\$28,124	(\$2,020)	\$6,729	\$34,936	\$4,821	\$19,131	(\$227)	\$91,494

**South Broward Hospital District
d/b/a Memorial Healthcare System
Ancillary Services
Combining Statement of Revenue and Expenses
Quarter ended October 31, 2025
(In Thousands)**

	Memorial Manor Nursing Home	Memorial Physician Group	Outpatient Pharmacy Services	Urgent Care Centers	Memorial Corporate Services*	Total Hospitals and Primary Care	Memorial Healthcare System
Operating revenue:							
Net patient service revenue	\$3,777	\$33,901	\$898	\$1,573	\$117	\$828,853	\$869,119
Disproportionate share distributions	-	-	-	-	-	13,199	13,199
Other operating revenues	54	6,634	57,772	-	14,221	16,766	95,447
Total operating revenue	3,831	40,535	58,670	1,573	14,338	858,818	977,765
Operating expenses:							
Salaries and wages	3,354	63,770	3,902	1,233	53,073	320,202	445,534
Employee benefits	605	6,533	638	155	9,379	52,385	69,695
Professional fees	26	-	-	13	4,246	17,545	21,830
Supplies	567	5,458	41,906	60	2,162	165,243	215,396
Purchased services	337	1,166	137	51	17,346	40,146	59,183
Facilities	154	3,119	208	44	206	22,043	25,774
Depreciation and amortization	118	2,930	245	205	15,432	25,328	44,258
Other	171	1,154	172	40	10,854	23,142	35,533
Intrasytem allocation	344	4,510	2,369	108	(102,329)	94,998	-
Total operating expenses	5,676	88,640	49,577	1,909	10,369	761,032	917,203
(Loss) income from operations	(1,845)	(48,105)	9,093	(336)	3,969	97,786	60,562
Nonoperating (expenses) revenues, net	(6)	(150)	(6)	(20)	113,939	(6,292)	107,465
(Deficit) excess of revenues (under) over expenses	(\$1,851)	(\$48,255)	\$9,087	(\$356)	\$117,908	\$91,494	\$168,027

* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Broward Guardian, Memorial Assurance, and Eliminations.

South Broward Hospital District
d/b/a Memorial Healthcare System
Hospitals and Primary Care
Combining Statement of Revenue and Expenses
Quarter ended October 31, 2024
(In Thousands)

	Memorial Regional Hospital	Memorial Regional Hospital South	Joe DiMaggio Children's Hospital	Memorial Hospital West	Memorial Hospital Pembroke	Memorial Hospital Miramar	Memorial Primary Care	Total Hospitals and Primary Care
Operating revenue:								
Net patient service revenue	\$281,484	\$39,107	\$98,051	\$221,291	\$51,614	\$82,132	\$2,425	\$776,104
Disproportionate share distributions	4,453	640	394	2,067	1,375	876	-	9,805
Other operating revenues	6,277	563	1,274	4,472	92	177	6,272	19,127
Total operating revenue	292,214	40,310	99,719	227,830	53,081	83,185	8,697	805,036
Operating expenses:								
Salaries and wages	112,744	17,817	41,529	81,191	23,028	28,846	5,089	310,244
Employee benefits	18,445	3,445	7,434	14,303	4,023	5,260	811	53,721
Professional fees	3,822	311	3,999	6,551	1,231	936	414	17,264
Supplies	63,810	6,524	14,298	48,476	7,367	9,090	296	149,861
Purchased services	11,090	2,837	4,809	12,455	3,620	5,311	635	40,757
Facilities	6,874	1,368	3,688	4,862	1,769	2,198	386	21,145
Depreciation and amortization	6,148	1,493	4,593	6,274	2,861	2,099	216	23,684
Other	6,823	1,025	2,823	5,011	1,436	1,891	729	19,738
Intrasytem allocation	37,212	5,263	12,355	30,626	7,536	9,418	653	103,063
Total operating expenses	266,968	40,083	95,528	209,749	52,871	65,049	9,229	739,477
Income (loss) from operations	25,246	227	4,191	18,081	210	18,136	(532)	65,559
Nonoperating (expenses), net	(2,168)	(217)	(710)	(2,515)	(193)	(762)	(14)	(6,579)
Excess (deficit) of revenues over (under) expenses	\$23,078	\$10	\$3,481	\$15,566	\$17	\$17,374	(\$546)	\$58,980

**South Broward Hospital District
d/b/a Memorial Healthcare System
Ancillary Services
Combining Statement of Revenue and Expenses
Quarter ended October 31, 2024
(In Thousands)**

	Memorial Manor Nursing Home	Memorial Physician Group	Outpatient Pharmacy Services	Urgent Care Centers	Memorial Corporate Services*	Total Hospitals and Primary Care	Memorial Healthcare System
Operating revenue:							
Net patient service revenue	\$3,411	\$29,598	\$907	\$1,158	\$121	\$776,104	\$811,299
Disproportionate share distributions	-	-	-	-	-	9,805	9,805
Other operating revenues	58	5,315	37,951	-	12,254	19,127	74,705
Total operating revenue	3,469	34,913	38,858	1,158	12,375	805,036	895,809
Operating expenses:							
Salaries and wages	3,233	58,070	3,679	1,068	54,111	310,244	430,405
Employee benefits	663	6,122	626	133	10,836	53,721	72,101
Professional fees	23	(6)	4	16	6,383	17,264	23,684
Supplies	598	4,698	28,753	79	1,574	149,861	185,563
Purchased services	330	886	210	64	17,089	40,757	59,336
Facilities	249	2,759	222	40	52	21,145	24,467
Depreciation and amortization	108	2,290	250	247	13,965	23,684	40,544
Other	87	1,019	138	34	13,267	19,738	34,283
Intrasytem allocation	330	2,976	869	97	(107,335)	103,063	-
Total operating expenses	5,621	78,814	34,751	1,778	9,942	739,477	870,383
(Loss) income from operations	(2,152)	(43,901)	4,107	(620)	2,433	65,559	25,426
Nonoperating (expenses) revenues, net	(7)	(173)	(7)	(23)	22,754	(6,579)	15,963
(Deficit) excess of revenues (under) over expenses	(\$2,159)	(\$44,074)	\$4,100	(\$643)	\$25,187	\$58,980	\$41,389

* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Broward Guardian, Memorial Assurance, and Eliminations.

South Broward Hospital District
d/b/a Memorial Healthcare System
Hospital and Primary Care
Combining Statement of Revenue and Expenses
Six Months ended October 31, 2025
(In Thousands)

	Memorial Regional Hospital	Memorial Regional Hospital South	Joe DiMaggio Children's Hospital	Memorial Hospital West	Memorial Hospital Pembroke	Memorial Hospital Miramar	Memorial Primary Care	Total Hospitals and Primary Care
Operating revenue:								
Net patient service revenue	\$570,757	\$78,749	\$213,446	\$486,487	\$106,377	\$163,750	\$7,198	\$1,626,764
Disproportionate share distributions	8,591	1,439	783	7,307	3,089	2,338	-	23,547
Other operating revenues	15,158	1,206	1,843	3,303	511	752	10,130	32,903
Total operating revenue	594,506	81,394	216,072	497,097	109,977	166,840	17,328	1,683,214
Operating expenses:								
Salaries and wages	224,086	35,020	85,845	161,568	46,011	55,403	10,989	618,922
Employee benefits	34,708	6,248	14,519	26,645	7,635	9,703	1,718	101,176
Professional fees	9,203	744	6,164	11,347	2,501	2,685	718	33,362
Supplies	140,198	14,155	31,720	115,344	15,029	17,534	569	334,549
Purchased services	23,350	5,976	9,630	25,238	6,852	10,115	1,671	82,832
Facilities	15,008	2,846	6,200	8,830	3,245	4,867	957	41,953
Depreciation and amortization	14,576	3,235	9,608	13,062	4,158	4,033	997	49,669
Other	14,506	2,300	5,857	12,259	3,743	4,101	942	43,708
Intrasytem allocation	67,471	9,777	23,050	52,213	12,545	16,149	1,377	182,582
Total operating expenses	543,106	80,301	192,593	426,506	101,719	124,590	19,938	1,488,753
Income (loss) from operations	51,400	1,093	23,479	70,591	8,258	42,250	(2,610)	194,461
Nonoperating (expenses), net	(4,094)	(420)	(1,420)	(4,920)	(318)	(1,483)	(60)	(12,715)
Excess (deficit) of revenues over (under) expenses	\$47,306	\$673	\$22,059	\$65,671	\$7,940	\$40,767	(\$2,670)	\$181,746

**South Broward Hospital District
d/b/a Memorial Healthcare System
Ancillary Services**
Combining Statement of Revenue and Expenses
Six Months ended October 31, 2025
(In Thousands)

	Memorial Manor Nursing Home	Memorial Physician Group	Outpatient Pharmacy Services	Urgent Care Centers	Memorial Corporate Services*	Total Hospitals and Primary Care	Memorial Healthcare System
Operating revenue:							
Net patient service revenue	\$7,412	\$68,291	\$1,753	\$3,025	\$268	\$1,626,764	\$1,707,513
Disproportionate share distributions	-	-	-	-	-	23,547	23,547
Other operating revenues	117	12,830	112,895	4	21,581	32,903	180,330
Total operating revenue	7,529	81,121	114,648	3,029	21,849	1,683,214	1,911,390
Operating expenses:							
Salaries and wages	6,435	123,324	7,487	2,394	102,057	618,922	860,619
Employee benefits	1,162	12,588	1,232	325	17,829	101,176	134,312
Professional fees	38	5	-	26	7,927	33,362	41,358
Supplies	1,107	11,003	83,526	141	3,846	334,549	434,172
Purchased services	610	2,370	112	106	34,558	82,832	120,588
Facilities	265	6,148	378	91	319	41,953	49,154
Depreciation and amortization	233	5,198	495	409	30,038	49,669	86,042
Other	314	2,309	311	80	17,986	43,708	64,708
Intrasytem allocation	661	8,499	4,549	209	(196,500)	182,582	-
Total operating expenses	10,825	171,444	98,090	3,781	18,060	1,488,753	1,790,953
(Loss) income from operations	(3,296)	(90,323)	16,558	(752)	3,789	194,461	120,437
Nonoperating (expenses) revenues, net	(12)	(316)	(12)	(41)	164,562	(12,715)	151,466
(Deficit) excess of revenues (under) over expenses	(\$3,308)	(\$90,639)	\$16,546	(\$793)	\$168,351	\$181,746	\$271,903

* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Broward Guardian, Memorial Assurance, and Eliminations.

South Broward Hospital District
d/b/a Memorial Healthcare System
Hospital and Primary Care
Combining Statement of Revenue and Expenses
Six Months ended October 31, 2024
(In Thousands)

	Memorial Regional Hospital	Memorial Regional Hospital South	Joe DiMaggio Children's Hospital	Memorial Hospital West	Memorial Hospital Pembroke	Memorial Hospital Miramar	Memorial Primary Care	Total Hospitals and Primary Care
Operating revenue:								
Net patient service revenue	\$533,569	\$75,015	\$196,044	\$438,070	\$103,174	\$160,992	\$5,204	\$1,512,068
Disproportionate share distributions	8,454	1,229	595	4,143	2,313	1,472	-	18,206
Other operating revenues	14,152	1,057	2,439	8,504	336	553	8,981	36,022
Total operating revenue	556,175	77,301	199,078	450,717	105,823	163,017	14,185	1,566,296
Operating expenses:								
Salaries and wages	217,883	34,108	80,167	156,575	45,157	55,197	9,601	598,688
Employee benefits	36,081	6,652	14,218	27,766	7,861	10,145	1,623	104,346
Professional fees	7,555	623	7,879	11,257	2,496	2,370	795	32,975
Supplies	126,591	12,328	28,739	93,776	14,657	17,827	633	294,551
Purchased services	21,890	5,536	9,294	24,621	7,318	10,573	1,275	80,507
Facilities	13,312	2,988	6,623	8,965	3,209	4,557	765	40,419
Depreciation and amortization	12,184	2,944	9,114	12,600	5,711	4,107	519	47,179
Other	12,982	1,988	5,154	10,170	2,769	3,776	917	37,756
Intrasytem allocation	71,366	10,096	23,699	58,742	14,459	18,059	1,240	197,661
Total operating expenses	519,844	77,263	184,887	404,472	103,637	126,611	17,368	1,434,082
Income (loss) from operations	36,331	38	14,191	46,245	2,186	36,406	(3,183)	132,214
Nonoperating revenues (expenses), net	23,547	627	321	15,522	9,601	9,547	(29)	59,136
Excess (deficit) of revenues over (under) expenses	\$59,878	\$665	\$14,512	\$61,767	\$11,787	\$45,953	(\$3,212)	\$191,350

South Broward Hospital District
d/b/a Memorial Healthcare System
Ancillary Services
Combining Statement of Revenue and Expenses
Six Months ended October 31, 2024
(In Thousands)

	Memorial Manor Nursing Home	Memorial Physician Group	Outpatient Pharmacy Services	Urgent Care Centers	Memorial Corporate Services*	Total Hospitals and Primary Care	Memorial Healthcare System
Operating revenue:							
Net patient service revenue	\$7,114	\$59,020	\$2,225	\$2,392	\$245	\$1,512,068	\$1,583,064
Disproportionate share distributions	-	-	-	-	-	18,206	18,206
Other operating revenues	105	11,789	71,680	6	18,195	36,022	137,797
Total operating revenue	7,219	70,809	73,905	2,398	18,440	1,566,296	1,739,067
Operating expenses:							
Salaries and wages	6,255	110,244	6,949	2,049	103,194	598,688	827,379
Employee benefits	1,288	11,958	1,210	272	20,825	104,346	139,899
Professional fees	38	9	4	28	12,664	32,975	45,718
Supplies	1,200	9,723	52,999	137	3,365	294,551	361,975
Purchased services	659	1,611	414	122	32,249	80,507	115,562
Facilities	418	5,335	493	84	62	40,419	46,811
Depreciation and amortization	214	3,912	497	402	27,801	47,179	80,005
Other	236	2,159	260	69	21,852	37,756	62,332
Intrasytem allocation	633	5,745	1,666	185	(205,890)	197,661	-
Total operating expenses	10,941	150,696	64,492	3,348	16,122	1,434,082	1,679,681
(Loss) income from operations	(3,722)	(79,887)	9,413	(950)	2,318	132,214	59,386
Nonoperating revenues (expenses), net	24	(366)	(15)	(46)	129,459	59,136	188,192
(Deficit) excess of revenues (under) over expenses	(\$3,698)	(\$80,253)	\$9,398	(\$996)	\$131,777	\$191,350	\$247,578

* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Broward Guardian, Memorial Assurance, and Eliminations.