
ArdentHealth

# 2Q26 Earnings Presentation

## August 4, 2026

# Important Disclaimers

## Forward-Looking Statements

This presentation may contain certain “forward-looking statements,” as that term is defined in the U.S. federal securities laws. These forward-looking statements include, but are not limited to, statements other than statements of historical facts, including, among others, statements relating to our future financial performance, our business prospects and strategy, anticipated financial position, liquidity and capital needs, the industry in which we operate and other similar matters. Words such as “anticipates,” “expects,” “intends,” “plans,” “predicts,” “believes,” “seeks,” “estimates,” “could,” “would,” “will,” “may,” “can,” “continue,” “potential,” “should” and the negative of these terms or other comparable terminology often identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements.

Factors, risks, and uncertainties that could cause actual outcomes and results to be materially different from those contemplated include, among others: (1) general economic and business conditions, both nationally and in the regions in which we operate, including the impact of challenging macroeconomic conditions and inflationary pressures, current geopolitical instability, and impacts from the imposition of, or changes in, tariffs, as well as the potential impact on us of uncertain political, financial, credit and capital conditions; (2) possible reductions or other changes in Medicare, Medicaid and other state programs, including Medicaid supplemental payment programs, Medicaid waiver programs or state directed payments, that could have an adverse effect on our revenues and business; (3) reduction in the reimbursement rates paid by commercial payors, increased reimbursement denials or payment delays by commercial payors, our inability to retain and negotiate favorable contracts with private third party payors, or an increasing volume of uninsured or underinsured patients; (4) effects of changes in healthcare policy or legislation, including the One Big Beautiful Bill Act (the "OBBBA") and any other reforms that have or may be undertaken by the current presidential administration, and legal and regulatory restrictions on our hospitals that have physician owners; (5) the ability to achieve operating and financial targets, develop and execute mitigation plans to offset to the extent possible impacts from the OBBBA, the expiration of temporary enhanced subsidies for individuals eligible to purchase insurance coverage through health insurance marketplaces and imposition of tariffs, attain expected levels of patient volumes and revenues, and control the costs of providing services; (6) security threats, catastrophic events and other disruptions affecting our, our service providers’ or our joint venture ("JV") partners’ information technology and related systems, which have adversely affected, and could in the future adversely affect, our relationships with patients and business partners and subject us to legal claims and liabilities, reputational harm and business disruption and adversely affect our financial condition; (7) the highly competitive nature of the healthcare industry and continued industry trends towards clinical transparency and value-based purchasing may impact our competitive position; (8) inability to recruit and retain quality physicians and increased labor costs resulting from increased competition for staffing or a continued or increased shortage of experienced nurses, as well as the loss of key personnel, including key members of our management team; (9) changes to physician utilization practices and treatment methodologies and other factors outside our control that impact demand for medical services and may reduce our revenues and ability to grow profitability; (10) continued industry trends toward value-based purchasing, third party payor consolidation and care coordination among healthcare providers; (11) inability to successfully complete acquisitions or strategic JVs or inability to realize all of the anticipated benefits; (12) liabilities because of professional liability and other claims brought against our hospitals, physician practices, outpatient facilities or other business operations; (13) exposure to certain risks and uncertainties by the JVs through which we conduct a significant portion of our operations, including anticipated synergies of past acquisitions and the risk that transactions may not receive necessary government clearances; (14) failure to obtain drugs and medical supplies at favorable prices or sufficient volumes; (15) operational, legal and financial risks associated with outsourcing functions to third parties; (16) our facilities are heavily concentrated in Texas and Oklahoma, which makes us sensitive to regulatory, economic and competitive conditions and changes in those states; (17) negative impact of severe weather, climate change, and other factors beyond our control, which could restrict patient access to care or cause one or more facilities to close temporarily or permanently; (18) risks related to the Master Lease with Ventas (“Ventas Master Lease”) and its restrictions and limitations on our business; (19) the impact of our significant indebtedness and the ability to refinance such indebtedness on acceptable terms; (20) our failure to comply with complex laws and regulations applicable to the healthcare industry or to adjust our operations in response to changing laws and regulations; (21) the impact of governmental claims or governmental investigations, payor audits and litigation brought against our hospitals, physician practices, outpatient facilities or other business operations; (22) actual or perceived failures to comply with applicable data protection, privacy and security laws, regulations, standards and other requirements; (23) the impact of a deterioration of public health conditions associated with a future pandemic, epidemic or outbreak of infectious disease; (24) actual or perceived failures to comply with applicable data protection, privacy and security laws, regulations, standards and other requirements could adversely affect our business, results of operations and financial condition; (25) inability to or delay in building, acquiring, selling, renovating or expanding our healthcare facilities; (26) failure to comply with federal and state laws relating to Medicare and Medicaid enrollment, permit, licensing and accreditation requirements; (27) the results of our efforts to use technology, including artificial intelligence (“AI”) and machine learning, to drive efficiencies, better outcomes and an enhanced patient experience; (28) our status as a controlled company; (29) conflicts of interest between our controlling stockholder and other holders of our common stock; and (30) other risk factors described in our filings with the Securities and Exchange Commission.

# Important Disclaimers

## Non-GAAP Financial Information

We have included certain financial measures in this presentation that have not been prepared in a manner that complies with U.S. generally accepted accounting principles ("GAAP"), including Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBITDAR, Adjusted EBITDAR margin and free cash flow, net of noncontrolling interest distributions.. We define these terms as follows:

**Adjusted EBITDA and Adjusted EBITDA Margin.** Adjusted EBITDA is defined as net income plus (i) provision for income taxes, (ii) interest expense and (iii) depreciation and amortization expense (or EBITDA), as adjusted to deduct noncontrolling interest earnings, and excludes the effects of other non-operating losses; recoveries from the cybersecurity incident in November 2023 (the "Cybersecurity Incident"), net of incremental information technology and litigation costs; certain legal matters and related costs; other expenses, including development, restructuring and enterprise system conversion costs; equity-based compensation expense; and loss (income) from disposed operations. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by total revenue.

Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP performance measures used by our management and external users of our financial statements, such as investors, analysts, lenders, rating agencies and other interested parties, to evaluate companies in our industry. Adjusted EBITDA and Adjusted EBITDA margin are performance measures that are not prepared in accordance with GAAP and are presented in this presentation because our management considers them important analytical indicators that is commonly used within the healthcare industry to evaluate financial performance and allocate resources. Further, our management believes that Adjusted EBITDA and Adjusted EBITDA margin are useful financial metrics to assess our operating performance from period to period by excluding certain material non-cash items and unusual or non-recurring items that we do not expect to continue in the future and certain other adjustments we believe are not reflective of our ongoing operations and our performance.

Because not all companies use identical calculations, our presentation of Adjusted EBITDA and Adjusted EBITDA margin may not be comparable to other similarly titled measures of other companies. While we believe these are useful supplemental performance measures for investors and other users of our financial information, you should not consider Adjusted EBITDA and Adjusted EBITDA margin in isolation or as a substitute for net income or any other items calculated in accordance with GAAP. Adjusted EBITDA and Adjusted EBITDA margin have inherent material limitations as a performance measures, because they add back certain expenses to net income, resulting in those expenses not being taken into account in the performance measures. We have borrowed money, so interest expense is a necessary element of our costs. Because we have material capital and intangible assets, depreciation and amortization expense are necessary elements of our costs. Likewise, the payment of taxes is a necessary element of our operations. Because Adjusted EBITDA and Adjusted EBITDA margin exclude these and other items, they have material limitations as measures of our performance.

**Adjusted EBITDAR and Adjusted EBITDAR Margin.** Adjusted EBITDAR is defined as Adjusted EBITDA further adjusted to add back rent expense payable to real estate investment trusts ("REITs"), which consists of rent expense pursuant to the master lease agreement (the "Ventas Master Lease") with Ventas, Inc. ("Ventas"), lease agreements with Ventas for 18 medical office buildings and a lease arrangement with Medical Properties Trust, Inc. ("MPT") for the Hackensack Meridian Mountainside Medical Center. Adjusted EBITDAR margin is defined as Adjusted EBITDAR further adjusted to add back noncontrolling interest earnings divided by total revenue.

Adjusted EBITDAR and Adjusted EBITDAR margin are commonly used non-GAAP valuation measures used by our management, research analysts, investors and other interested parties to evaluate and compare the enterprise value of different companies in our industry. Adjusted EBITDAR and Adjusted EBITDAR margin exclude: (1) certain material noncash items and unusual or non-recurring items that we do not expect to continue in the future; (2) certain other adjustments that do not impact our enterprise value; and (3) rent expense payable to our REITs. We operate 30 acute care hospitals, 12 of which we lease from two REITs, Ventas and MPT, pursuant to long-term lease agreements. Additionally, we lease 18 medical office buildings from Ventas pursuant to lease agreements with initial terms of 12 years and eight options to renew for additional five-year terms. Our management views the long-term lease agreements with Ventas and MPT, as more like financing arrangements than true operating leases, with the rent payable to such REITs being similar to interest expense. As a result, our capital structure is different than many of our competitors, especially those whose real estate portfolio is predominately owned and not leased. Excluding the rent payable to such REITs allows investors to compare our enterprise value to those of other healthcare companies without regard to differences in capital structures, leasing arrangements and geographic markets, which can vary significantly among companies. Our management also uses Adjusted EBITDAR and Adjusted EBITDAR margin as measures in determining the value of prospective acquisitions or divestitures. Finally, financial covenants in certain of our lease agreements, including the Ventas Master Lease, use Adjusted EBITDAR as a measure of compliance. Adjusted EBITDAR and Adjusted EBITDAR margin do not reflect our cash requirements for leasing commitments. As such, our presentation of Adjusted EBITDAR and Adjusted EBITDAR margin should not be construed as performance or liquidity measures.

Because not all companies use identical calculations, our presentation of Adjusted EBITDAR and Adjusted EBITDAR margin may not be comparable to other similarly titled measures of other companies. While we believe these are useful supplemental valuation measures for investors and other users of our financial information, you should not consider Adjusted EBITDAR and Adjusted EBITDAR margin in isolation or as a substitute for net income or any other items calculated in accordance with GAAP. Adjusted EBITDAR and Adjusted EBITDAR margin have inherent material limitations as valuation measures because they add back certain expenses to net income, resulting in those expenses not being taken into account in the valuation measures. The payment of rent and noncontrolling interest earnings are necessary elements of our valuation. Because Adjusted EBITDAR and Adjusted EBITDAR margin exclude these and other items, they have material limitations as measures of our valuation.

**Free Cash Flow, Net of Noncontrolling Interest Distributions.** Free cash flow, net of noncontrolling interest distributions is defined as cash flows from operating activities net of (i) capital expenditures and (ii) distributions to noncontrolling interests and is a non-GAAP liquidity measure used by our management and external users of our financial statements, such as investors, analysts, lenders, rating agencies and other interested parties, to evaluate the core cash growth of companies in our industry. Free cash flow, net of noncontrolling interest distributions is a liquidity measure that is not prepared in accordance with GAAP and is presented in this presentation because our management considers it an important analytical indicator that is commonly used within the healthcare industry to evaluate financial stability and cash availability. Further, our management believes that free cash flow, net of noncontrolling interest distributions is a useful financial metric to assess our cash availability from period to period by including normal-course capital investment and distributions to noncontrolling interests we believe are required to maintain ongoing operations.

Because not all companies use identical calculations, our presentation of free cash flow, net of noncontrolling interest distributions may not be comparable to other similarly titled measures of other companies. While we believe this is a useful supplemental liquidity measure for investors and other users of our financial information, you should not consider free cash flow, net of noncontrolling interest distributions in isolation or as a substitute for net cash provided by operating activities or any other items calculated in accordance with GAAP. Free cash flow, net of noncontrolling interest distributions has inherent material limitations as a liquidity measure because it deducts certain cash flows from operating cash flows, resulting in those cash flows being taken into account in the liquidity measure. The investment in capital assets and the distribution of cash to noncontrolling interests are necessary elements of our operations. Because free cash flow, net of noncontrolling interest distributions includes these items, it has material limitations as a measure of our liquidity.

# 2Q26 Results Summary

## 2Q26 performance was impacted by lower surgeries and admissions, but volumes improved after our intra-quarter update in early June

| | 2Q26 | | 2Q26 YTD | |
|---|---|---|---|---|
| | Amount | YoY % Change | Amount | YoY % Change |
| Total Revenue (in millions) | $1,622 | (1.4%) | $3,224 | 2.6% |
| Adjusted EBITDA (in millions) | $115 | (32.3%) | $239 | (10.9%) |
| Adjusted Admissions | 89,326 | 2.5% | 175,570 | 2.3% |
| Net Patient Service Revenue per Adjusted Admission | $17,864 | (3.9%) | $18,111 | 0.6% |
| Operating Cash Flow (in millions) | $197 | 67.4% | $137 | 47.3% |
| | **Margin** | **Margin △** | **Margin** | **Margin △** |
| Adjusted EBITDA Margin | 7.1% | (320)bps | 7.4% | (110)bps |
| Adjusted EBITDAR Margin | 10.7% | (350)bps | 11.1% | (130)bps |

Note: 2Q26 YoY performance was impacted by 2Q25 including two quarters of financial benefit from the New Mexico state directed payment program.

- The first two months of 2Q26 experienced volume pressure followed by meaningful improvement in June.
- Key actions started to benefit 2Q results, including incremental IMPACT program savings and better-than-expected payor re-contracting. Those savings step-up in 3Q26 as they reach full-run rate.
- Payor denials remained stable. Continued SW&B momentum, including 42% decline in contract labor.
- Operating cash flow:
  - 2Q26: +67% to $197mm
  - 1H26: +47% to $137mm

# 2Q26 Volume Summary

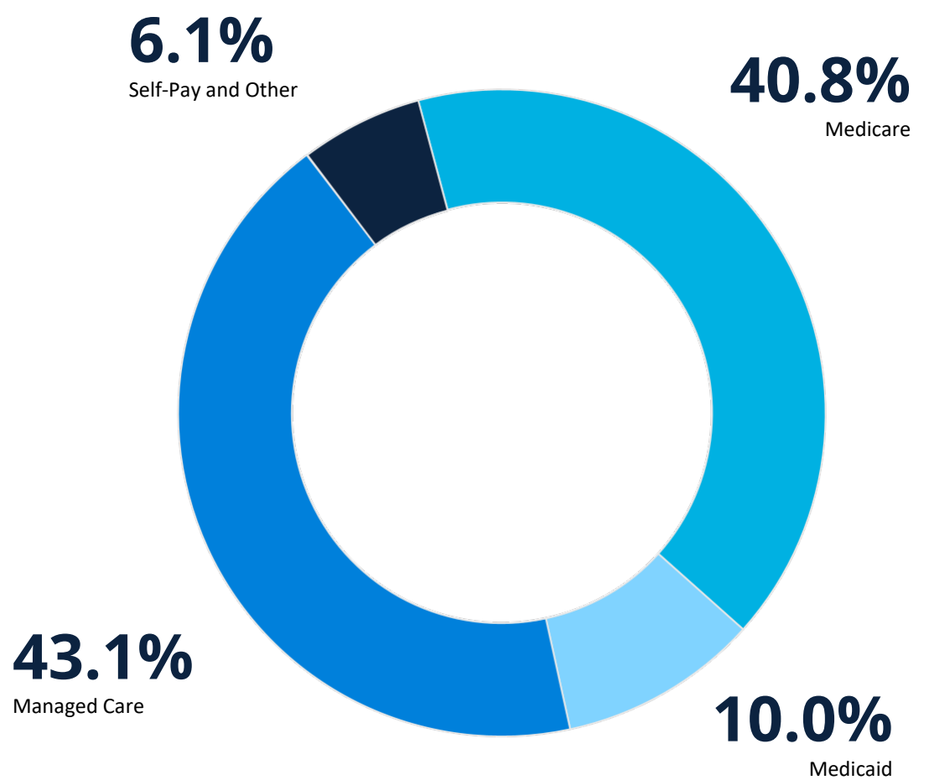
| | 2Q26 | 2Q26 YTD |
|---|---|---|
| | YoY % Change | YoY % Change |
| Admissions | (1.0%) | (1.1%) |
| Adjusted Admissions | 2.5% | 2.3% |
| Inpatient Surgeries | (7.5%) | (3.8%) |
| Outpatient Surgeries | (0.9%) | 0.4% |
| Total Surgeries | (2.9%) | (0.9%) |

- 2Q26 adjusted admissions growth of 2.5% was consistent with 2026 guidance of 1.5% - 2.5%.
- 2Q26 total surgeries declined 2.9%, approximately half of which was driven by intentional service line rationalization. Surgeries improved YoY in June compared to April and May.

# Payor Mix

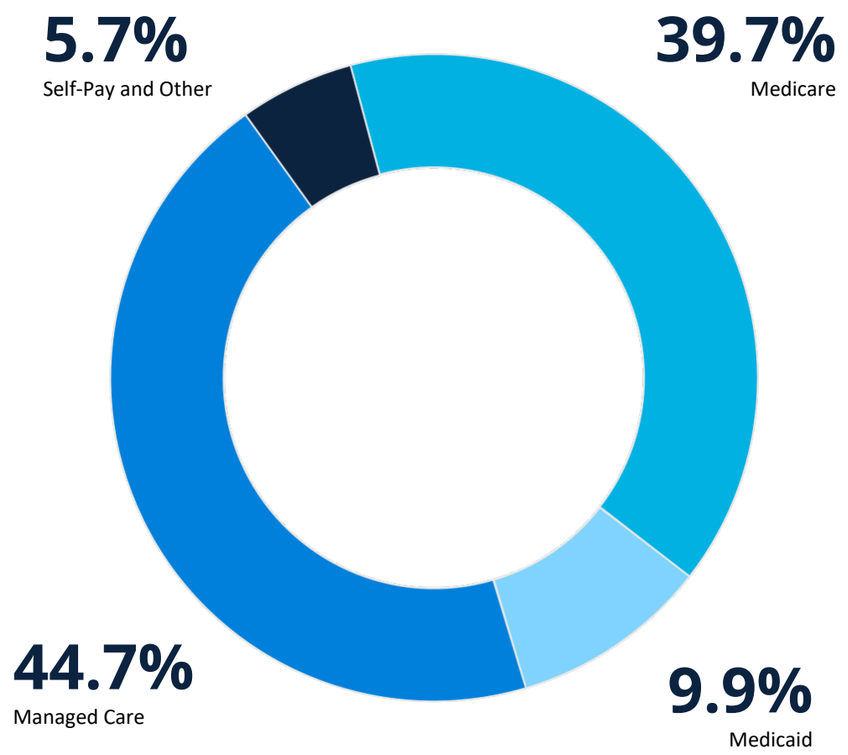
## 2Q26 Payor Mix

% of Net Patient Service Revenue




## 2Q25 Payor Mix

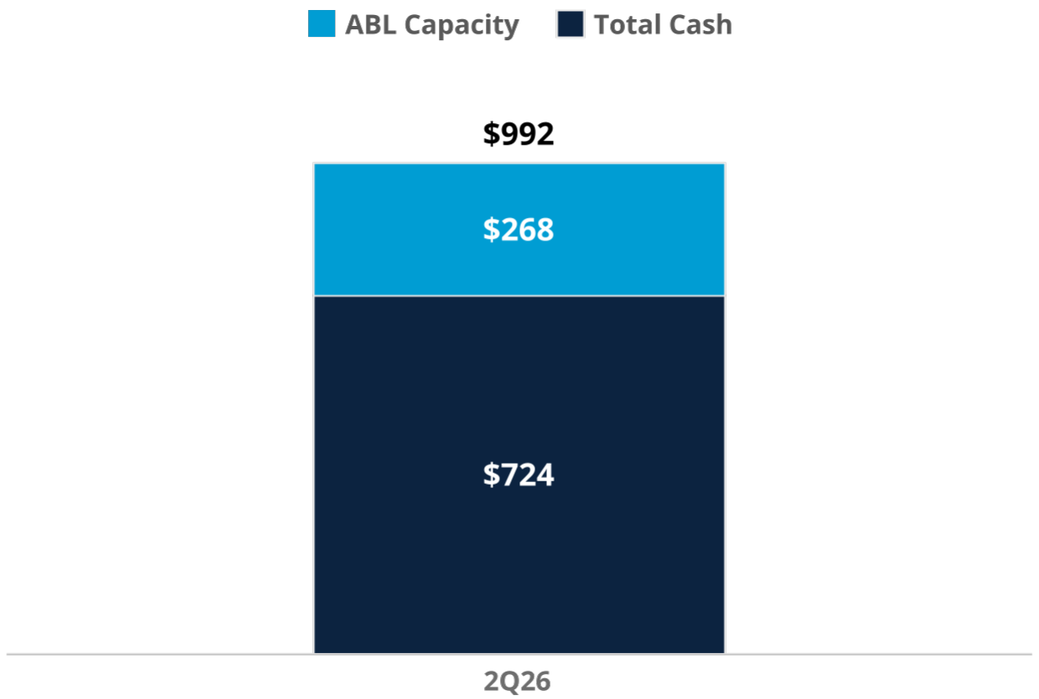
% of Net Patient Service Revenue



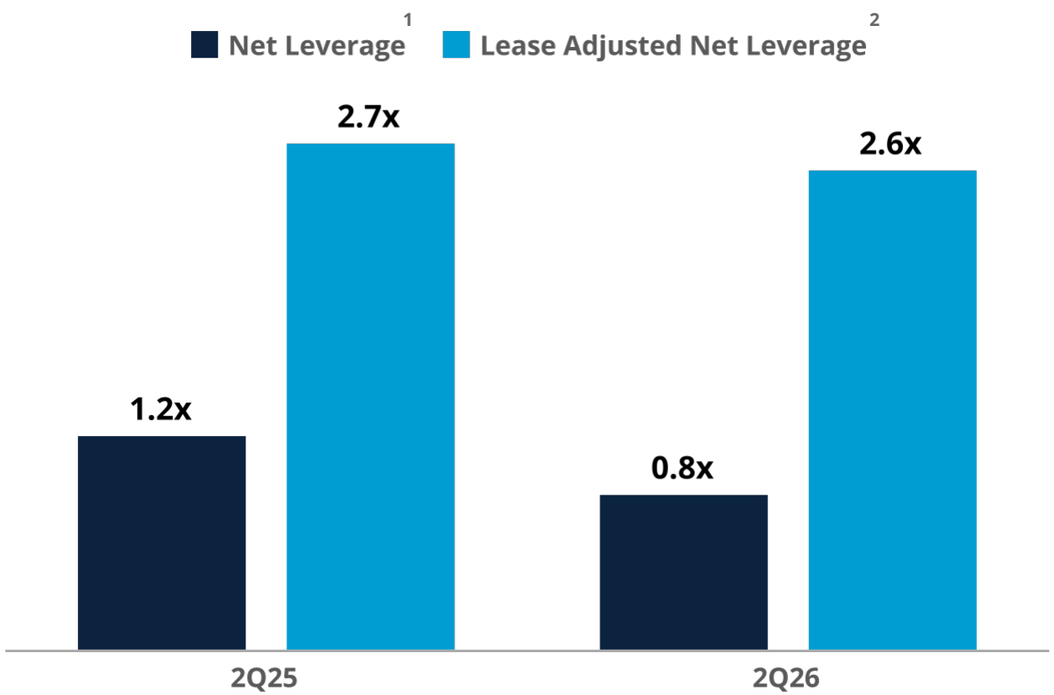
# Capital Structure to Support Opportunistic Growth

## Strong balance sheet and ample liquidity to support growth strategy

### Available Liquidity




### Net Leverage Ratio Profile




1. Net leverage is calculated as net debt / Adjusted EBITDA, with net debt calculated as total debt less cash and cash equivalents;
2. Lease-adjusted net leverage is calculated as (net debt + 8x REIT rent expense) / Adjusted EBITDAR. Leverage ratios are calculated according to our credit agreements and exclude cash held by JVs.

# Reaffirming Full-Year 2026 Guidance

| Dollars in millions, except per share data | Previous | | | Revised | | |
|---|---|---|---|---|---|---|
| | Low | | High | Low | | High |
| Total revenue | $6,400 | – | $6,700 | $6,400 | – | $6,700 |
| Net income attributable to Ardent Health, Inc. | $129 | – | $183 | $110 | – | $163 |
| Adjusted EBITDA | $485 | – | $535 | $485 | – | $535 |
| Rent expense payable to REITs | $168 | – | $168 | $168 | – | $168 |
| Diluted earnings per share | $0.90 | – | $1.27 | $0.78 | – | $1.15 |
| Adjusted admissions growth | 1.5% | – | 2.5% | 1.5% | – | 2.5% |
| Capital expenditures | $225 | – | $265 | $225 | – | $265 |

## Guidance Assumptions Update

- Biased to lower end of 2026 revenue range to reflect a lower volume outlook.
- Maintaining 2026 adjusted EBITDA guidance: Incremental $15-20mm of IMPACT savings and $5-10mm of higher earnings from payor re-contracting expected to offset lower volume outlook.
- Reaffirming 2026 adjusted EBITDA Exchange headwind of $35mm.
- Lower net income outlook largely reflects costs associated with accelerated and expanded workforce reduction initiatives.

See appendix for reconciliation of Non-GAAP financial metrics, including Adjusted EBITDA.

# APPENDIX

# Non-GAAP Reconciliation

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| (in thousands) | | | | |
| Net income | $ 34,689 | $ 95,701 | $ 93,177 | $ 154,666 |
| Income tax expense | 8,514 | 26,291 | 24,617 | 41,524 |
| Interest expense | 12,569 | 14,729 | 24,780 | 28,905 |
| Depreciation and amortization | 41,342 | 39,309 | 84,328 | 75,510 |
| Noncontrolling interest earnings | (17,790) | (22,751) | (36,428) | (40,333) |
| Other non-operating losses [1] | — | 560 | — | 777 |
| Cybersecurity Incident recoveries, net [2] | — | — | — | (19,705) |
| Certain legal matters and related costs | 462 | — | 2,464 | — |
| Other expenses, including development, restructuring and enterprise system conversion costs [3] | 27,207 | 4,781 | 34,995 | 6,188 |
| Equity-based compensation | 7,952 | 11,246 | 16,881 | 20,509 |
| Loss (income) from disposed operations | 6 | 7 | (5,877) | 33 |
| **Adjusted EBITDA** | **$ 114,951** | **$ 169,873** | **$ 238,937** | **$ 268,074** |
| Total revenue | $ 1,622,245 | $ 1,645,280 | $ 3,224,115 | $ 3,142,514 |
| **Adjusted EBITDA Margin** | **7.1%** | **10.3%** | **7.4%** | **8.5%** |
| | | | | |
| Rent expense payable to REITs [4] | $ 41,579 | $ 40,674 | $ 83,135 | $ 81,561 |
| **Adjusted EBITDAR** | **$ 156,530** | **$ 210,547** | **$ 322,072** | **$ 349,635** |
| Plus: noncontrolling interest earnings | $ 17,790 | $ 22,751 | $ 36,428 | $ 40,333 |
| **Adjusted EBITDAR, pre-NCI** | **$ 174,320** | **$ 233,298** | **$ 358,500** | **$ 389,968** |
| Total revenue | $ 1,622,245 | $ 1,645,280 | $ 3,224,115 | $ 3,142,514 |
| **Adjusted EBITDAR Margin** | **10.7%** | **14.2%** | **11.1%** | **12.4%** |

# **Non-GAAP Reconciliation** (continued)

1. Other non-operating losses include losses realized on certain non-recurring events or events that are non-operational in nature.

2. Cybersecurity Incident recoveries, net represent insurance recovery proceeds associated with the Cybersecurity Incident, net of incremental information technology and litigation costs.

3. Other expenses, including development, restructuring and enterprise system conversion costs consist of (i) enterprise restructuring costs, including severance costs related to workforce reductions for restructuring and CEO transition, (ii) penalties and costs incurred for terminating pre-existing contracts at acquired facilities, (iii) third-party professional fees and expenses, salaries and benefits, and other internal expenses incurred in connection with potential and completed acquisitions, and (iv) various costs incurred in connection with our enterprise resource planning system conversion. These costs included (i) salaries and benefits of $17.2 million and $3.2 million for the three months ended June 30, 2026 and 2025, respectively, and $21.5 million and $3.2 million for the six months ended June 30, 2026 and 2025, respectively, (ii) professional fees of $9.8 million and $0.8 million for the three months ended June 30, 2026 and 2025, respectively, and $13.1 million and $2.0 million for the six months ended June 30, 2026 and 2025, respectively, and (iii) other expenses of $0.2 million and $0.8 million for the three months ended June 30, 2026 and 2025, respectively, and $0.4 million and $1.0 million for the six months ended June 30, 2026 and 2025, respectively. The increase in salaries and benefits for the three and six months ended June 30, 2026, compared to the respective prior year periods, was primarily driven by non-recurring severance costs as a result of workforce reductions in connection with enterprise restructuring activity and transition of the CEO during the current period. The increase in professional fees for the three and six months ended June 30, 2026, compared to the respective prior year periods, was primarily attributable to incremental third-party costs incurred in connection with enterprise restructuring activity and enterprise resource planning system conversion during the current period.

4. Rent expense payable to REITs consists of $38.7 million and $37.8 million for the three months ended June 30, 2026 and 2025, respectively, and $77.4 million and $75.9 million for the six months ended June 30, 2026 and 2025, respectively, related to the Ventas Master Lease and other lease agreements with Ventas for medical office buildings and rent expense of $2.8 million and $2.9 million for the three months ended June 30, 2026 and 2025, respectively, and $5.7 million for each of the six months ended June 30, 2026 and 2025 related to a lease arrangement with MPT for the lease of Hackensack Meridian Mountainside Medical Center.

# **Non-GAAP Reconciliation** (continued)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| (in thousands) | | | | |
| Operating cash flow | $ 196,735 | $ 117,490 | $ 136,513 | $ 92,703 |
| Capital expenditures | (38,678) | (46,197) | (66,766) | (69,105) |
| **Free cash flow** | **$ 158,057** | **$ 71,293** | **$ 69,747** | **$ 23,598** |
| Distributions to noncontrolling interests | (22,829) | (20,286) | (44,143) | (39,525) |
| **Free cash flow, net of noncontrolling interest distributions** | **$ 135,228** | **$ 51,007** | **$ 25,604** | **$ (15,927)** |

# Non-GAAP Reconciliation: Full-Year 2026 Guidance

| | Previous | | Revised | |
|---|---|---|---|---|
| Dollars in millions | Low | High | Low | High |
| Net income | $221 | $280 | $202 | $260 |
| Income tax expense | 58 | 73 | 53 | 69 |
| Interest expense, net | 56 | 53 | 56 | 53 |
| Depreciation and amortization | 175 | 170 | 175 | 170 |
| Noncontrolling interest earnings | (92) | (97) | (92) | (97) |
| Cybersecurity Incident recoveries [1] | (7) | (7) | (7) | (7) |
| Other expenses, including development, restructuring and enterprise system conversion costs [2] | 28 | 21 | 56 | 49 |
| Equity-based compensation | 46 | 42 | 42 | 38 |
| **Adjusted EBITDA** | **$485** | **$535** | **$485** | **$535** |
| Rent expense payable to REITs | 168 | 168 | 168 | 168 |
| **Adjusted EBITDAR** | **$653** | **$703** | **$653** | **$703** |
| Plus: noncontrolling interest earnings | $92 | $97 | $92 | $97 |
| **Adjusted EBITDAR, pre-NCI** | **$745** | **$800** | **$745** | **$800** |

| | Midpoint | Midpoint |
|---|---|---|
| Total revenue | $6,550 | $6,550 |
| Adjusted EBITDA | $510 | $510 |
| **Adjusted EBITDA Margin** | **7.8%** | **7.8%** |
| | | |
| Total revenue | $6,550 | $6,550 |
| Adjusted EBITDAR, pre-NCI | $773 | $773 |
| **Adjusted EBITDAR Margin** | **11.8%** | **11.8%** |

1. Cybersecurity Incident recoveries represent insurance recovery proceeds associated with the Cybersecurity Incident.
2. Other expenses, including development, restructuring and enterprise system conversion costs consist of (i) enterprise restructuring costs, including severance costs related to workforce reductions for restructuring and CEO transition, (ii) penalties and costs incurred for terminating pre-existing contracts at acquired facilities, (iii) third-party professional fees and expenses, salaries and benefits, and other internal expenses incurred in connection with potential and completed acquisitions, and (iv) various costs incurred in connection with our enterprise resource planning system conversion.