



## Conference Call Transcript Auna Q4 2025 Results

### **Operator**

Good morning, and welcome to Auna's Fourth Quarter 2025 Earnings Conference Call. My name is Ellie, and I will be your operator for today's call. [Operator Instructions] Please note that this call is being recorded. [Operator Instructions].

Now I would like to turn the call over to Ana Maria Mora, Head of Investor Relations. Ma'am, you may now go ahead, please.

### **Ana Maria Mora**

*Head of Investor Relations*

Thank you, operator. Hello, everyone, and welcome to Auna's conference call to review our fourth quarter and full year results. Please note that there is a webcast presentation to accompany the discussion during this call. If you need a copy of the presentation, please go to our Investor Relations website or contact Auna's Investor Relations team. Please note that when we discuss variances, we will be doing so on a year-over-year basis and in FX neutral or local currency terms, with regard to Mexico and Colombia, unless we note otherwise.

Let's move to Slide 2. In addition to reporting unaudited financial results in accordance with international financial reporting standards, we will discuss certain non-IFRS financial measures and operating metrics, including foreign exchange neutral calculations. Investors should carefully read the definitions of these measures and metrics included in our earnings press release of yesterday to ensure that they understand them. Non-IFRS financial measures and operating metrics should not be considered in isolation as a substitute for or superior to IFRS financial measures and are provided as supplemental information only.

Before we begin our remarks, please also note that certain statements made during the course of today's discussion may constitute forward-looking statements, which are based on management's current expectations and beliefs and which are subject to a number of risks and uncertainties that could cause actual results to materially differ, including factors that may be beyond the company's control.

This includes but are not limited to, our target leverage ratio, the expected resolution of the issues with physicians, suppliers and information systems in Mexico, the results of the key initiatives we're implementing in Mexico, Colombia and Peru, the expected capacity and market of Torre Trecca once built, the execution of our strategic plan, including the recovery of our growth levels and the roll-out of the AunaWay in Mexico, our planned investments in Mexico, expected revenue growth and EBITDA guidance, and the creation of further growth and sustainable value for all stakeholders.

For a description of these risks, please refer to our Form 20-F filing with the U.S. Securities and Exchange Commission and our earnings press release.

Slide 3, please. On today's call, we have Suso Zamora, our Executive Chairman and President; Gisele Remy, our Chief Financial Officer and Executive Vice President; and Lorenzo Massart, our Executive Vice President of Strategy and Equity Capital Markets. They will discuss Auna's consolidated and segment financial and operating results for the fourth quarter and full year and we'll also provide updates on our various strategic growth initiatives. After that, we will open the call for your questions.

Suso, please go ahead.

**Suso Zamora**

*Executive Chairman and President*

Thanks, Annie. Good morning, everyone, and thank you for joining us to review our 2025 results. During the fourth quarter, we stabilized our Mexico operations, which are now on a clear path to sustained top line and EBITDA growth in 2026. Under the leadership of our new management team in Mexico, we have focused on expanding our reach into the larger segments of privately insured families and furthering our alignment with certain physician groups. These initiatives were implemented late in the year and therefore, did not offset the volume losses experienced earlier in 2025, resulting in disappointing results for the year.

Evidence of progress in Mexico includes Auna being, again, included in the policies that serve the larger segment of the privately insured market, additional evidence is an award for the extension of a healthcare plan to cover on an exclusive basis for most of the services, ISSSTELEON, the social security institution covering all state employees of the state of Nuevo Leon. During the quarter, Peru continued to outperform and underpin Auna's overall performance, driven primarily by a strong pricing mix in healthcare services and a record low medical loss ratio. Peru has operational scale and significant runway for growth.

As recently announced, we signed an agreement with EsSalud under a public-private partnership framework to refurbish and operate a 600,000 square foot high-complexity outpatient facility in Lima, expanding access to care for approximately 3 million patients currently served by EsSalud. Colombia's results came in line with our objectives to grow, yet improve cash flow with a higher mix of risk-sharing contracts and reduced reliance on intervened payors. These are promising results.

Consolidated adjusted net income reached 136 million soles in the quarter compared with 36 million soles in the same quarter last year. For the full year, adjusted net income more than tripled to 336 million soles. We also strengthened Auna's capital structure during the quarter through the \$825 million debt refinancing, which improved our maturity profile and lowered our interest expense. Despite the premiums and costs associated with the refinancing, we maintained our leverage ratio at 3.6x supported by a strong free cash flow generation that increased our cash position by 42%.

Let's move to our consolidated results on Slide 5. Peru's strong performance and Colombia's resilience helped offset last year's setbacks in Mexico, which is now well positioned for a strong recovery this year. Consolidated revenue grew 6% FX neutral in the quarter, while adjusted EBITDA declined 14% FX neutral, mainly reflecting Mexico's underperformance as well as an unfavorable year-over-year comparison in Colombia related to extraordinary items recorded in the prior year quarter.

For the full year, revenue grew 4%, while EBITDA declined 3%. As shown in the bottom half of the slide, capacity utilization in healthcare services decreased 2.3 percentage points to 64%, reflecting lower utilization, particularly in Colombia, as part of our focus to reduce reliance on intervened

payors. At Oncosalud Peru, planned memberships increased 4.4%, while the oncology MLR continued to improve, reaching a record low of 48.5%.

Let's move to our segment results, beginning with Mexico on Slide 7. As we further integrated Opcion Oncologia, and partly as a result of launching our new Oncocenter at Doctors Hospital, Oncology revenues grew again in the fourth quarter, increasing 35% compared with the previous quarter. Notably, Out-of-Pocket revenues also increased, reaching 12% of total revenues in Mexico in December. This growth reflects the early stages of Mexico's recovery and helped offset some of the legacy volume and margin pressures related to physician and supplier relationships that we are gradually putting behind us.

We expect our oncology growth initiatives to continue gaining traction in 2026, as we further integrate the Oncocenter into our healthcare network in Mexico. Market conditions remained soft in Mexico, affecting the number of surgeries and emergency visits and contributing to a 3% decline in fourth quarter revenues in local currency. It is important to note, however, that revenues were unchanged from the previous quarter, reflecting the stabilization of our operations. As shown on the right side of the slide, fourth quarter adjusted EBITDA declined 36% and was down 18% for the full year. Lower revenues throughout the year and lower profitability in the last quarter, resulted from higher costs and lower margins under our previous healthcare plan with ISSSTELEON.

On Slide 8, we provide an update on the various initiatives underway to get back on track toward achieving these goals. We have strengthened our leadership team in Mexico with a commercial, operational and clinical experience and skill set required to lead Mexico. And with a reinforced team, we have implemented very successful actions that give us confidence we have achieved a turnaround of our operations in Mexico. The team includes a new Chief Medical Officer, who is helping deepen physician engagement, increase productivity and improve medical outcomes across our facilities. These actions position us well to resume growth in 2026.

The fourth quarter results evidenced the turnaround of our operations in Mexico. I highlight the inclusion of our hospital network in the preferred provider tiers, policies covering the larger segments of the privately insured population and the rollout of various packaged services to better penetrate several market segments, particularly the Out-of-Pocket segment. Through targeted pricing initiatives and pre-negotiated physician rates, this high-margin segment reached 12% of revenues in Mexico in December, up from 8% in the third quarter.

Corporates and government agencies represent another important opportunity. The most immediate impact of this strategy was the extension of the healthcare plan to cover on an exclusive basis for most services, ISSSTELEON, the social security institution covering all state employees of the state of Nuevo Leon, which resulted in a double-digit price increase for the year. We are currently in discussions with other governmental agencies.

As mentioned earlier, we moved into the preferred tier with two major insurers, which should produce higher patient volumes going forward. We also signed an agreement with a leading insurer to direct policyholders to Auna's oncology services through targeted deductible structures and financial incentives. This will help further scale our oncology franchise, including the Oncocenter Monterrey, where we plan to double the medical staff this year. Physician engagement and productivity continue to grow.

And during the quarter, we confirmed volume and margin improvement from approximately 250 physicians who account for about 80% of revenues in the hospital network. These alignment incentives support higher productivity, improved clinical outcomes and stronger operating performance.

Let's turn to Slide 9 to discuss Peru's performance. Operating at scale, Peru continues to outperform in both revenue and EBITDA. Revenue increased 11% during the quarter, driven by growth in high-complexity services that lifted the average ticket as well as higher volumes supported by investments in new medical equipment, increased bed capacity and targeted marketing initiatives.

On the insurance side, Oncosalud's revenues grew 10% supported by a 4% increase in planned memberships and annual price adjustments. Oncology's MLR also declined 4.4 percentage points to 48.5%, reflecting a sixth consecutive quarterly decrease in the MLR. This improvement was driven by a combination of higher tickets and continued moderation in pharmaceutical costs. Total adjusted EBITDA increased 14% in the quarter and 14% for the full year. As we further penetrate Peru's healthcare market and expand relationships, we expect this segment of our regional platform to remain an important driver of growth going forward.

Now let's move to Colombia on Slide 10. During the quarter, we constrained our services to government intervened payors and thus, effectively managed the risks posed by them in our accounts receivables, and this resulted in a healthy cash cycle in Colombia. In addition, we expanded risk-sharing models such as PGP, which grew four percentage points to represent 21% of segment revenue. Higher tickets and surgeries and emergency treatments more than offset lower volumes, supported by growth in chemotherapy and imaging.

In addition, serving the patient population of a new payor and the expansion of PGPs contributed to a 6% increase in Colombia revenue for the quarter. For the full year, revenue increased 4%, mainly driven by higher tickets. The decreases in adjusted EBITDA and margins shown on the right side of the slide reflect an unfavorable comparison with the fourth quarter of 2024, which benefited from extraordinary price adjustments and the year-end recognition of procurement rebates.

That concludes my review of the quarter and the year. I will now turn the call over to Gisele who will discuss our results in greater detail.

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

Thank you, Suso. As the graph shows on Slide 12, the diversity of Auna's regional platform enabled us to deliver 6% revenue growth in the quarter and 4% for the year. Looking at the quarter, the 11% growth in Peru and 6% growth in Colombia, offset the 3% decline in Mexico, where we have achieved steadier results in operations. And although demand in the country remains soft, our business there has established a strong foundation for profitable growth this year and beyond, as Suso explained earlier.

Now let's please turn to Slide 13. Fourth quarter adjusted EBITDA decreased 14% in FX neutral to 220 million soles, with the margin contracting 4.5 percentage points to 19.5%. Margin expansion and EBITDA growth in our Peru business was more than offset by Mexico's margin decline related to the mix of services and specialties, our previous healthcare plan to cover ISSSTELEON, and our efforts to improve the operation in Mexico through the adjustments to our leadership and new IT systems. Also contributing to our EBITDA decline in the quarter was a higher proportion of risk-sharing contracts in Colombia as well as the rebates recognized in the fourth quarter of last year in Colombia, which created an unfavorable year-over-year comparison.

When excluding extraordinary impacts in both periods, Colombia's EBITDA would have been relatively flat in the fourth quarter 2025 versus the fourth quarter 2024.

Slide 14, please. For the year, adjusted EBITDA remained relatively flat, decreasing 3% in FX neutral to 917 million soles, with margin decreasing 1.7 percentage points to just under 21%. The trend in EBITDA was largely due to the same reasons that I explained for the fourth quarter.

Let's now move to Slide 15. Our adjusted net income increased more than 3x in the fourth quarter, aided by non-cash FX gains. On this slide, we break down the year-over-year change. Starting at the left of the bridge is operating income. The 46 million soles decrease was primarily driven by Mexico's underperformance in the quarter as well as the extraordinary pricing that Colombia benefited from in last year's quarter. The positive 71 million soles non-cash FX variance is primarily related to the appreciation of the Peruvian sol against the U.S. dollar outside the range of the previous call spreads we had in place.

The 154 million soles delta in net interest expenses that you see in the middle of the bridge was mainly due to 170 million soles of extraordinary expenses related to our refinancing, including not only the tender premiums paid, but also non-cash accounting impacts of derivative unwinds and derivative roll-overs in order to effectively hedge the newly issued instruments as well as the recognition of the unamortized costs of the previous term loan, which was repaid. These impacts are also a part of the 187 million soles in extraordinary items and adjustments along with the incentive payments related to the Opcion Oncologia doctors.

The 41 million soles in less income taxes are related to negative pretax profit in the quarter due to the extraordinary refinancing impacts, which resulted in an income tax credit.

Slide 16, please. For the year, adjusted net income grew, thanks to greater financial discipline and the steps we took to improve Auna's debt structure. The 158 million soles decrease in operating profit was driven primarily by Mexico's aforementioned stabilization. The 235 million soles difference in FX reflects a positive non-cash amount of 193 million in 2025 compared to a negative 42 million soles impact in 2024 and is related to the appreciation of the Peruvian sol, as I explained before.

It is important to note that following the refinancing, we have adjusted the range on the Peruvian sol call spread hedges closer to current FX levels, which means we will likely not see these swings in 2026. The 62 million soles increase in net interest expense was mainly driven by the extraordinary expenses related to the refinancing. Importantly, excluding net finance costs from exchange rate differences as well as extraordinary refinancing costs, net finance costs would have been 459 million soles in the full year 2025 and 561 million soles in the full year 2024, representing a decrease of 102 million soles, or 18.2%.

The 205 million in non-cash and extraordinary items mostly reflects the partial repayment of the 2029 notes, but also a 24 million soles adjustment to business development expenses in the first quarter of 2025 that was related to payments to the Opcion Oncologia doctors. Lastly on this slide, the 29million soles increase in income tax simply reflects higher pretax profit in 2025. The 2025 effective tax rate was unfavorably impacted by the refinancing exercise in the fourth quarter. When excluding the impacts of the refinancing, our effective tax rate would have been largely in line with statutory rates and within our target range of 35% to 40%.

Let's now move to the cash flow bridge on Slide 17. Free cash flow grew 35% to 582 million soles while our year-end cash position increased 42% to 335 million soles. This means we have adequate funds to continue investing in our strategic growth initiatives in Mexico and Peru. Pretax operating cash flow increased nearly 2% on improved cash conversion. Organic maintenance CapEx was 145 million soles or 3.3% of revenues. This mostly included 86 million soles of infrastructure CapEx, 51 million soles for the implementation of SAP and Hospital Information Systems in Monterrey and 15 million soles of the OCA holdback obligations.

Free cash flow also benefited from 76 million soles of cash resulting from a rebalancing of Auna Seguros investment portfolio. The 454 million soles in interest paid, which net of refinancing fees would have been 407 million soles, reflects an almost 90 million soles decrease versus the 498 million soles in interest paid in the 12-month period of 2024, also net of extraordinary items. This represents a material reduction in interest expense with increased interest coverage, leaving Auna in a solid position to continue deleveraging into 2026 off the back of growing cash flows and reduced interest expenses.

Now a few words about Auna's new debt structure on Slide 18. Our \$825 million soles equivalent debt refinancing has significantly reinforced Auna's capital structure by reducing interest expense, extending our maturity profile, increasing short-term liquidity and as a result, freeing up a material portion of short-term revolving credit facilities. I'd like to point out again that when excluding premiums and expenses resulting from the 2025 refinancing, we have successfully generated cash after interest payments in 2025 and are well positioned to increase that cash generation in 2026.

Finally, all the aforementioned impacts have moved us closer to achieving our target leverage ratio of 3x net debt-to-EBITDA in the medium term.

That concludes my review. I'll now turn the call back to Suso, who would like to wrap up our presentation before we open the call for questions.

### **Suso Zamora**

*Executive Chairman and President*

Thank you, Gisele. Let me close with a few key takeaways. We began 2026 well positioned, both operationally and financially. Our new leadership team in Mexico has a clear path to growth, while the risk mitigation measures in Colombia continue to protect our cash cycle and where Peru continues to underpin Auna's vertically integrated platform, demonstrating the strength and predictability of our business model at scale. The addition of initiatives such as Centro Ambulatorio Trecca will further expand our addressable market in Peru and highlights the significant growth opportunities that remain as do our PGP growth in Colombia and as do the ISSSTELEON healthcare plan award in Monterrey.

In Colombia, we will continue to diversify away from intervened payors and prioritize cash flows through PGP arrangements. We expect Mexico to recover in 2026, regaining volumes and margins. The team has increased Auna's accessibility to more policyholders and coverage plans, be it with private insurance companies, employer groups or ISSSTELEON. Finally, we entered the year with stronger liquidity and the financial flexibility needed to execute our growth strategy.

Before turning to guidance, as trading volumes strengthen and our commercial and operational initiatives and high complexity gain traction, we expect Auna's share price to more fully reflect the intrinsic value of our platform. We will continue to strengthen our engagement with the investment community to further the understanding of what Auna is and can be in the future.

Finally, let's turn to guidance on Slide 20. Taking into account expected market conditions this year, our stronger position in Mexico and Auna's strengthened capital structure, we expect adjusted EBITDA to increase 12% FX-neutral, supported by disciplined cost management and ongoing investments in our strategic growth initiatives. We are also projecting revenue growth of 12%, driven by sustained commercial momentum and operational execution. Finally, we expect CapEx to remain at approximately 4% of revenue as we continue balancing growth investments with cash flow generation. With that, we will open the call for questions. Thank you very much.

## **Operator**

[Operator Instructions] Your first question comes from the line of Artur Alves of Morgan Stanley.

## **Artur do Amaral Alves**

*Morgan Stanley, Research Division*

We wanted to explore a little bit more your guidance. And if you're able to break down a little bit more by region or by business line, what are your growth and EBITDA expansions in each line? We would assume that a Mexico recovery is what drives most of this improvement year-on-year. But if so, shouldn't we expect a little bit more on the margin side, especially since revenues and adjusted EBITDA guidance imply flat margins. But if Mexico is recovering, and this is a fixed business segment of the company, shouldn't we expect a little bit more in the EBITDA growth versus the revenue growth?

And a second question also on the guidance, what are the risks to your 2026 guidance? Where do you think things could potentially go wrong? And how are you assessing that?

## **Suso Zamora**

*Executive Chairman and President*

Good morning, everybody, and thank you for the call. It's a long question and it's a long response. Let me address it in the following way. First of all, on Mexico, Mexico is off to a solid start for the year, in line with our expectations and the part of everything that we've done in 2025. I see January and February 2026 versus 2025 metrics improved in various different lines. I mean surgery is up single-digit growth and hemodynamics are up double-digit growth. And of course, in oncology, radiotherapy and chemotherapy, in the double to triple-digit growth. And, of course, extremely high in comparison to last year because we did not have Opcion Oncologia. We see occupancy utilization in Mexico also trending up. I see it in February reaching 41%. So overall, results in Mexico, revenues are up on high single digits versus the same last period. Of course, ISSSTELEON is just kicking up its volume. So, I'm excited about this.

With respect to margin, and I'll get to guidance, but with respect to margin, as we did also comment on that. Mexico's EBITDA margin reflects a mix of services and specialties, that I'm referring to 2025. As we see 2026, with the expansion of ISSSTELEON, with the preferred provider status now, and with all our cost containment strategies that we've mentioned as well in the earnings release, we see higher volumes and margin gains in 2026.

Of course, as mentioned before, we see interesting and very promising growth in oncology. And of course, those are businesses that we have cost containment. And then with respect to guidance, to finish off the question. First of all, in terms of what could prevent or delay our achieving guidance, I think last year, we didn't feel comfortable because there were many externalities. And that's why we didn't provide guidance. The political headwinds in Colombia, the issues we had in Mexico as well. Today, given all the plans and the way we've confronted these challenges and made them into opportunities, I think we're very confident in the stability of the business and the outlook, and we feel very comfortable with the guidance.

The main variables remain, of course, the pace of volume covering Mexico. We see that growing, as I mentioned before. The macroeconomic conditions in operating markets definitely, but we see Mexico pretty stable on that front. And of course, certain dynamics affecting payers, that I think might even benefit us. I think with Peru continuing to perform strongly, Mexico way on its way to

recovery, I'm very confident that guidance is achievable. I don't know Gisele, would you want to complement anything on this more open-ended question?

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

Of course, Suso, thank you. Thank you for the question. Perhaps, what I would complement there is kind of what's that mix behind the guidance from a country perspective and what are we expecting from margins is that I think normally, when we set out our growth targets, it's very well balanced across the three geographies. So, we are expecting solid growth from all three geographies off the back of all the strategic initiatives that we mentioned in the call.

And in the case of margins, specifically when we talk about Mexico, as we noted in the call, the fourth quarter, the impact on the fourth quarter margin. But we will see that margin recovering in the case of Mexico going into the first quarter of 2026 and the rest of the year from that fourth quarter level, right? So, we will see both a mix of EBITDA growth across the three geographies as well as all the strategic initiatives that we're taking in the case of Mexico also to contain costs and to finally increase volumes, which obviously will have a favorable impact on margins as well.

**Suso Zamora**

*Executive Chairman and President*

And I think just to finalize, we're not giving guidance by country. At the same moment, we might consider that definitely. But right now, just directionally, as I project the company five years out, I think Mexico and Peru will be the motors of the company. Colombia will be diminished because of the growth of Mexico and Peru. Now it's a critical part of our strategy in Colombia. But because of the scale, the cost efficiencies it has that we take them to the other two countries, but the growth opportunities in Mexico and in Peru as well, continue to be the most important sources for growth in the next five years.

**Operator**

[Operator Instructions] Your next question comes from the line of Giovanni Vescovi of JPMorgan.

**Giovanni Portilho Vescovi**

*JPMorgan Chase & Co, Research Division*

My question in regards to Torre Trecca, which have seen some updates recently. But I wanted to know more color and more details in terms of margins, revenue contribution? And if the company already has like a set date for the opening of the project, maybe third quarter, fourth quarter of 2028, if I'm not mistaken. And just to recap on the ISSSTELEON price increase, you guys are expecting the double-digit price increase for 2026. Is this correct?

**Suso Zamora**

*Executive Chairman and President*

Thank you very much, Giovanni. So, going with the last question first, yes, it is for all of 2026. It's a much better award than we've had in the past. It allows us to control also prescription and devices. So, I'm seeing qualitatively and quantitatively, it's a much improved contract. I think we're going to deliver great service to them, and we're going to also have attractive margins from –the largest contract you can get with respect to a counterparty in the state of Nuevo Leon. So yes, it is for all of 2026.

And then with respect to Torre Trecca, this has to be viewed as a very attractive opportunity for Auna. I want to step back and make sure the investor community understands. Auna is a healthcare player that has been very successful in B2B relations with an insurance company, of course, large collective employers or groups, and then in Peru, particularly within B2C. The biggest market when you project out the next 10 years, it is the B2G segment, state being the large payer for certain services. You have that everywhere in the world, and you have it as a very attractive segment in Peru and particularly in Mexico as well.

So, this contract is also foundational for our development for the B2G segment. Torre Trecca, we don't want to call it Torre Trecca anymore. We want to call it Centro Ambulatorio Trecca. It is an ambulatory center that will deliver three million services for the EsSalud population. EsSalud is Peru's social security system. And it's an ambulatory center that's very focused on few services, those that EsSalud has limitations to provide with a very well-known and very stable system of payments through EsSalud, which are the issuance of some certificates for the operation every month.

And for the construction, as we make progress, the EsSalud will issue these certificates. They're easily discountable in the market. There are implicit risks of the public approval. And there's no risk of payment. It's a system of private public partnerships that works in Peru and has been proven over the last I think, over 10 years. So, there's no risk in them. There's no risk in payment. The contract is very solid and very focused, as I said in very few services, six clinical services, scaled. And yes, this will commence operation in the second semester of 2028. And I can't give the numbers. I think right now, what we see is that Centro Ambulatorio Trecca will represent something like 20%, 25% of our business in Peru at maturity. It is a significant business. And more importantly, qualitatively, it's a segment in which we have not been there. People are sometimes talking about the private sector in health care in Peru and the size of it and it's growing, but it's not growing as fast as the other segments. But this is a substantial new opportunity for Auna in a major scale, serving the principal payor in Peru. It is a very important opportunity for Auna, no doubt.

I don't know, Gisele, if you want to add anything, if I forget any parts of the question.

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

No, Suso, I think it's very clear. I would just reinforce the point for the audience's benefit, that construction expenditures are reimbursed through progress certificates, paid by EsSalud, which significantly reduces any capital risk that Auna is exposed to. So, it's fully funded.

**Suso Zamora**

*Executive Chairman and President*

And we're not the first public private partnership in Peru that has this system. This is something we're taking on that works and has been working, as I indicated before, for years in Peru.

**Operator**

There are no more questions from the phone lines. So, I will now turn the call over to Ana Maria Mora from Auna, who will proceed with questions from the webcast platform.

**Ana Maria Mora**

*Head of Investor Relations*

Thank you, operator. Good morning, everyone. Let me begin with the questions from the webcast. Some of them have already been answered. I would still like to acknowledge them. So, in case Gisele and Suso would like to mention something else regarding the questions, the answers, please go ahead. Otherwise, I can move on.

So, the first one is from Joaquin Riesco from Moneda Patria Investments, and his question is, can you guys please detail more into the Torre Trecca project, financing, operating, what is your view there? And the second one is related to Trecca as well, comes from Julio Lam. He is a graduate from Universidad de Piura. I have a question, if you have expected CapEx that you will invest in Torre Trecca this year and the next one? And if it exists, is it possible to watch it?

**Suso Zamora**

*Executive Chairman and President*

So, just quickly to reiterate, given that there are two questions. Again, Centro Ambulatorio Trecca, it's structured under a concession framework. So, predictable revenues supported by minimum guaranteed payments from EsSalud. As Gisele said, the construction expenditures, they're all reimbursed by these progress certificates you mentioned. This reduces capital risk. This is very much related to the large unmet demand for outpatient services in Lima. We're taking a huge chunk of these unmet demand for outpatient services in Lima and in a very de-risked way. Of course, as we make progress, we'll be happy to share milestones that we're reaching.

And with respect to if it exists, is it possible to watch it? I mean, of course, it's a tower that exists already. It hasn't been finished, and we will be refurbishing and finishing it. So yes, of course, we'll make sure that we post some photographs and some images of the inside and outside, as we progress and maybe some virtual tours as well. Let's jot that one down, Annie, please. Thank you.

**Ana Maria Mora**

*Head of Investor Relations*

Thank you, Suso. The next question then will come from Christian Tesi from Aquila Asset Management. What is the expected CapEx for 2026 and for 2027 and 2028? I recall you have mentioned an expansion of the business. What would be the expected CapEx there?

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

Thank you, Annie. Yes. So, to give you a little bit more color on CapEx. As Suso already mentioned, our guidance for the year is approximately 4% of revenue. So, very much in line with what we've seen in previous years, and that CapEx will be allocated to maintenance investments, both across medical equipment as well as infrastructure. It also includes our technology investments as we continue with systems implementations across Mexico as well as Colombia, and the rest of our recurring CapEx investments.

We're not giving any specific guidance further on into '27 or '28. But as was mentioned in the question, we should expect investment for the expansion of our Lima network to begin in 2027. And we will give the market more information into that as the year progresses.

**Suso Zamora**

*Executive Chairman and President*

With respect to Gisele's last comment. So, Lima is reaching high levels of occupancy. And as you can tell with that, we see ourselves considering certain options to expand urban ecosystem health care in Lima in '27 and '28.

**Ana Maria Mora**

*Head of Investor Relations*

Thank you. Suso. The next question comes from Christian Tesi from Aquila Asset Management. When do you expect to happen that Mexico's total occupancy rate reaches 40%?

**Suso Zamora**

*Executive Chairman and President*

Thank you very much for that question. As I mentioned in the previous answer, I believe, we're already at 41%. I've seen certain days, especially in Doctors Hospital, our main higher complexity facility in Monterrey, at much higher rates than that. So again, I'm optimistic. We are already above 40%. We're at 41% and we continue to see some potential for growing that, of course, during the whole year.

**Ana Maria Mora**

*Head of Investor Relations*

Thank you, Suso. The next question comes from Gerard Fort from AFP Integra. Regarding Colombia, what conditions are required for provisions to be reversed? Could this materialize beginning in the first half of 2026?

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

Thank you, Gerard, for the question. As we've previously mentioned to the market, our provisions are based on an expected loss model. And that is the case for all three of the geographies. Specifically, in the case of Colombia, within that expected loss model, there is separate methodology for the intervened entities. We continue to provision according to the expected loss model. And we think that even though this does not reflect a view on that we will not be able to collect on those accounts, it does permit us to derisk the balance sheet and derisk future results. We do not expect to have any reversions in impairments of accounts receivable in the first half of 2026.

**Ana Maria Mora**

*Head of Investor Relations*

The next question comes from Alexander Louis from TheWritingInvestor. And also, I'm going to bundle that with the question from Temo Tarago. And this relates to the Sojitz MOU. Can you provide any update on the Sojitz MOU?

**Suso Zamora**

*Executive Chairman and President*

Great. We actually have been meeting it in the last few weeks in Mexico and elsewhere with Sojitz on various alternatives. I think we're not ready to inform anything to the market, but I think we're gaining traction there. I do think that we need to focus in the future as we have in the past to grow inorganically. And Sojitz is offering

an attractive potential capital increase that will sustain our growth in Mexico in particular. So, we'll bring that back, but it is related to Mexico and have to allocate more dollars to Mexico and grow Mexico. And once we have it a little more built and defined with Sojitz, we'll definitely bring it back to the investor community.

That will be Temo Tarago's question on Sojitz. I don't know, Gisele, I think that's the situation there. Anything else?

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

Correct. Nothing to add on my end.

**Ana Maria Mora**

*Head of Investor Relations*

The next question comes from Antonio Cardoso from Jefferies LLC and it relates to our debt. So, what's the all-in cost debt after the refinancing?

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

Thank you for that question. First of all, it's important to note that after the refinancing exercise, which we executed last year, we increased the proportion of direct local currency funding, which now leaves us, as was mentioned during the call, with 56% of our total debt in direct local currency funding, and the remaining 44% of the debt is in U.S. dollar-denominated debt. However, that U.S. dollar-denominated debt is 85% hedged to the Peruvian sol via derivatives.

As you will recall, our all-in rate, which again obviously reflects a mix of currencies and where rates are in each one of the three geographies. Our blended rate in 2025 was closer to approximately 12.5% with the old debt structure, and as a product of the refinancing and now also including the new derivatives, which have been put in place to hedge the new debt structure, that rate has dropped over 100 basis points. And that's from a blended perspective, including all of our debt, both short and long term.

**Ana Maria Mora**

*Head of Investor Relations*

The next question comes from Facundo Turconi from Moonflow and it's also related to cash flow. Congratulations on the strong 2025 finish. Now that the company has officially reached a positive free cash flow inflection point and is guiding for USD 45 million free cash flow for 2026. How is the Board prioritizing capital allocation? Specifically, given that the stock is trading significantly below its book value, is there any internal discussion regarding a share buyback program once the leverage ratio hits the 3x target?

**Suso Zamora**

*Executive Chairman and President*

That's a good question Facundo and thank you for that. I don't have a precise answer, but at the Board, we've been discussing the best use of capital and the different alternative allocations that we have. I think it's important to note that - I think we mentioned in the earnings release - the stock has underperformed dramatically we believe because of the selling pressure from a very large shareholder that now is officially no longer a shareholder has sold their position. So, we believe that

the share, given that there's no significant selling pressure from anybody, I think the stock will trade much better and closer to its book value, certainly.

But to be clear, the Board has analyzed share buyback programs. We think that given that this selling pressure has been solved, I'm not certain it would be a high priority. I think a higher priority would be to use the balance sheet once it's below 3x to continue to grow at the rate that we've grown in the past, particularly in Mexico. In Mexico, we have a very rich pipeline of growth opportunities, high complexity, higher margin opportunities, that's where we need to put the money to produce, I believe, more appreciation in the stock price. Would you like to, Gisele, complement my response?

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

Yes. Just to complement Suso on the first part of the question with reference to free cash flow and what our expectations are. While we have not specifically given any guidance related to free cash flow, as Suso already mentioned, we've given strong guidance with reference to revenues and EBITDA growth, which will obviously have a direct impact in free cash flow generation in 2026. And additional to this, as we continue our disciplined working capital management, as well as I already mentioned around the CapEx numbers, which in 2026 will continue to be close to historical levels and limited to maintenance and IT investments. We expect to see growth in free cash flow, also in line with what we're guiding for revenues and EBITDA. And given that, as I already mentioned, we've materially reduced interest expense, this does generate a virtuous cycle as far as deleveraging. So, I do want to emphasize the point that the company already showed in 2025 that we were able to generate generate cash flow after interest payments, and this will only grow going into 2026, permitting us to continue to delever and get closer to that 3x net debt-to-EBITDA target.

**Ana Maria Mora**

*Head of Investor Relations*

Okay. The next question comes from Joaquin Berro from Fundamenta Capital SA. Thank you for this question. How are you planning the ramp-up in occupancy in Mexico and the margins to come back up to 30%? What is the normalized level of occupancy you're looking for in 2026?

**Suso Zamora**

*Executive Chairman and President*

Thank you, Joaquin. So, these two levers of occupancy and margins, we managed particularly through mix, higher complexity mix. Of course, one can fill a hospital much faster, but with much lower margins. So, we're very careful with that. But to fill a hospital and to maintain higher margins means to have a higher mix of higher complexity. And that's how we plan to manage the ramp-up of occupancy in Mexico and, of course, the recovery of the margins. I think very importantly, I do want to say volume and volume growth is a foundation on which everything else comes, even higher complexity, margins of course.

So, being in the much larger health care plans throughout Monterrey gives us a huge improvement in the total addressable market with respect to the private policies. That will produce volume growth. And then the mix will produce the margin recovery. We have a very clear plan for 2026 to recover at least a couple of points of the margin contraction that we have implemented to make sure that we have a growing volume of all our services and treatments in our hospital network. I don't think we're giving guidance on the occupancy level. Gisele, I definitely think that 40%, 41% that we have

today is a really good base. We're going to be growing that. We're definitely going to be growing that. I don't know, Gisele, should we comment on the occupancy in Mexico?

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

I would simply add, Suso, both from an occupancy as well as a margin perspective. I would like to remind the market, as Suso already said, that we have successfully been awarded the extension for the ISSSTELEON healthcare plan with very improved economics. We are starting the year with preferred provider status with two major insurers. Cost containment strategies have been an integral part of the discussion with payors to secure the preferred provider status, and this will have a direct impact on the increase of volumes in 2026 as well as margin gains.

And finally, as Suso already mentioned, in the first two months of 2026, we have continued to see growth across several services and utilization normalizing as well as the cost base stabilizing. So therefore, we expect to gradually recover during 2026.

**Ana Maria Mora**

*Head of Investor Relations*

The next question comes from Constanza Urmeneta from LarrainVial Asset Management. Could you please detail how ISSSTEL hurt your performance in Mexico in the Q4? And how this planned extension will be an improvement for 2026?

**Suso Zamora**

*Executive Chairman and President*

Great. Thank you, Constanza. So basically, the improvement on the award of the ISSSTEL contract for 2026 is related to, first of all, we increased prices 30% and we included the agreement that we control the pharma and the device prescription. And that's critical for cost containment and of course for the increases in prices for better margins. The end of the quarter on the previous award of 2025 was mainly affected by higher complexity volume in that award that, of course, reduced the margins, but at a set price that was set in 2025, of course, it reduced margins. So, I think the 30% more than covers a very healthy margin for us with a large indirect insurer, as we said earlier. So, we're very excited about what has occurred and our relationship with ISSSTELEON is every day much more intimate and the NPS we're getting from the beneficiaries of ISSSTELEON is very positive. I think that's going to be a growing contract in the future and a growing award in the future.

**Ana Maria Mora**

*Head of Investor Relations*

Thank you, Suso. We only have time for one or two more questions. I realize the time you have. So, the next question comes from Joaquin Berro from Fundamenta Capital SA. I've noted high impairment losses in trade receivables, not only in Colombia but in Peru. Can you give us more color on this?

**Gisele Remy**

*Chief Financial Officer and Executive Vice President*

Thank you for the question, Joaquin. I think we talked a little bit about the impairment losses in Colombia in the previous question. So, I'll address the ones in Peru. The first thing I'd like to highlight is that it's very important to note that accounts receivable days in Peru have improved in

the third and fourth quarter of 2025. And we expect to continue on that trend during 2026, as a product of several process and system initiatives, which we are rolling out, specifically in the accounts receivable cycle.

The higher impairment in the case of Peru in 2025 is more related to specific conciliations with some payers from previous years, right, related to services around 2024, where we have had some specific negotiations related to those specific services, especially as a product of technology changes that have occurred in the insurance companies as well as on our end, which led to a lag in recovering those accounts. And that's what impacted the impairment impact in Peru, specifically in 2025. It's a much more isolated effect, and we will be basically working on those conciliation impacts during the quarters of 2026. We should not expect to see impairment increases versus the 2025 levels.

**Ana Maria Mora**

*Head of Investor Relations*

Thank you, Gisele. And I do think we have time for one more question. And this question comes from Cesar Piedra from Olympic. Peru continues to be the main growth driver for the group. How much of the performance do you see as a structural versus temporary, whether for pricing mix, ramp-up effects or unusually favorable conditions?

**Suso Zamora**

*Executive Chairman and President*

I feel I'm very comfortable in representing that Peru is a very solid and consistent part of Auna. So, very predictable for us. So, it's difficult for me to put Peru's performance with temporary or any unusual considerations. I think Peru works pretty much like clockwork with a model that is very mature with brands and the medical staff is very well known. And our integrated insurance business, we manage for an MLR. And again, that proves a lot of predictability. So, no, besides some upside from Trecca and some other things in the future, I think it's a very stable operation with very few risks for surprises of any sort.

**Ana Maria Mora**

*Head of Investor Relations*

Thank you, Suso. This was our time for the questions. And now I will leave it to you for your closing remarks.

**Suso Zamora**

*Executive Chairman and President*

Well, thank you very much, everybody. We know it's been a difficult year in 2025 for Auna. We've done the work. It has been a year of introspection. It has been a year of a lot of internal work. We have built the foundation for continued and recovered growth for 2026 and onwards. I want to thank the investment community for supporting us and our mandate to transform health care in Latin America. Thank you again.

**Operator**

This concludes today's conference call. You may now disconnect.