

NEWS RELEASE

Medical Properties Trust Takes Control of Its Real Estate From Steward Health Care

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Executed New Lease Agreements with Four Quality Replacement Operators

Completed Safe and Orderly Transitions of Operations at 15 Hospitals

BIRMINGHAM, Ala.--(BUSINESS WIRE)--Sep. 11, 2024-- Medical Properties Trust, Inc. (the "Company" or "MPT") (NYSE: MPW) today announced that it reached a global settlement agreement with Steward Health Care System ("Steward"), its secured lenders ("the Lenders") and the Unsecured Creditors Committee ("UCC") that restores MPT's control over its real estate, severs its relationship with Steward and facilitates the immediate transition of operations to quality replacement operators at 15 hospitals around the country.

Regarding the settlement, the Company issued the following statement:

"From our initial underwriting of these properties, MPT has strongly believed in the mission critical nature of these hospitals as well as their cash flow potential under the right management.

Throughout Steward's lengthy restructuring process, our focus has been on supporting efforts to bring quality replacement operators into each of these facilities. That is why we consented to Steward marketing our real estate alongside operations as part of the bankruptcy sales process. And it is why we have worked around the clock for the past several weeks to facilitate a consensual resolution following Steward's motion to reject our lease.

We have been working tirelessly to identify replacement operators and negotiate new lease terms, and we have been encouraged by the enthusiasm and eagerness of multiple operators to manage these important facilities despite declines in Steward's operations during its restructuring process. As a result, we were able to rapidly come

to terms with several new tenants. We have also collaborated closely with state regulators to put orderly transition plans in place that would avoid hospital closures, protect jobs, and ensure continuity of care for patients.

We believe this global settlement is a positive outcome for all stakeholders. By replacing Steward, we are better positioned to protect the critical function of these facilities for the benefit of their communities and the value of our real estate for the benefit of our shareholders.”

The settlement agreement involves 23 hospitals previously operated by Steward which will remain following the anticipated “Space Coast” transaction described later in this press release. MPT has already reached definitive agreements with four tenants to immediately lease and operate 15 hospitals in Arizona, Florida, Louisiana, Ohio and Texas, as summarized in the following table:

OPERATOR	REGION(S)	OPERATOR DESCRIPTION
HEALTHCARE SYSTEMS OF AMERICA	Southeast Florida (5), East Texas (2), Louisiana (1)	A community-based hospital system based in Los Angeles, CA affiliated with American Hospital Systems, which currently operates four acute care hospitals
HONOR HEALTH	Arizona (3)	A non-profit, local community healthcare system serving the greater Phoenix area with a network encompassing acute-care hospitals, an extensive medical group, outpatient surgery centers, a cancer care network, clinical research, and more
QUORUM HEALTH	West Texas (2)	A leading operator of general acute care hospitals and outpatient services with a diversified portfolio in rural and mid-sized markets across the United States
INSIGHT HEALTH	Ohio (2)	A physician-led provider of community-based, patient-centric care

Effective September 11, 2024, these replacement operators will be the beneficiaries of operating revenue and have responsibility for the expenses of the hospitals each will manage for Steward on an interim basis until purchase agreements can be finalized with Steward with respect to the operations.

Based on the new lease agreements already in place, MPT expects to receive aggregate annualized cash rental payments of approximately \$160 million on this portfolio’s approximate \$2.0 billion lease base upon stabilization in the fourth quarter of 2026, including the impact of each lease’s contractual minimum annual escalator. This represents approximately 95% of the cash rent Steward would have contractually owed for the same assets in the fourth quarter of 2026, based on minimum rent escalators. The weighted average initial term of the leases is approximately 18 years.

To expedite the re-tenanting process and minimize any disruption to patient care as new operators are ramping up, cash rent payments will not be due for the remainder of 2024 for all 15 properties. Cash rent payments are generally expected to commence in the first quarter of 2025, reach approximately 50% of aggregate fully stabilized rent by the end of 2025 and achieve full stabilization in the fourth quarter of 2026.

In addition, MPT is in active discussions regarding solutions related to its ongoing Norwood, Massachusetts and Texarkana, Texas construction projects, as well as, separately, four hospitals closed well before Steward's bankruptcy and two that recently closed or otherwise became subject to uncertainty during the restructuring process. These six facilities have an aggregate lease base of approximately \$300 million.

Under the terms of the agreement, MPT has consented to the sale of three "Space Coast" Florida hospitals to Orlando Health, with a substantial portion of the proceeds being transferred to Steward. In turn, Steward and its other stakeholders have relinquished all rights to any further allocation of value from transactions related to any other hospital remaining in the portfolio as of September 11, 2024. Further, upon completion of the transition process for the hospitals, the parties have agreed to mutually dismiss claims against each other and exchange broad general releases including for MPT's loans and deferred rent.

The Bankruptcy Court has scheduled a hearing for Tuesday, September 17, for consideration and approval of a final order confirming the settlement. The agreement also remains subject to the completion of Steward's sales to the replacement operators and approval by relevant state and local regulators.

About Medical Properties Trust, Inc.

Medical Properties Trust, Inc. is a self-advised real estate investment trust formed in 2003 to acquire and develop net-leased hospital facilities. From its inception in Birmingham, Alabama, the Company has grown to become one of the world's largest owners of hospital real estate with 435 facilities and approximately 42,000 licensed beds in nine countries and across three continents as of June 30, 2024. MPT's financing model facilitates acquisitions and recapitalizations and allows operators of hospitals to unlock the value of their real estate assets to fund facility improvements, technology upgrades and other investments in operations. For more information, please visit the Company's website at www.medicalpropertystrust.com.

Forward-Looking Statements

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "would", "could",

“expect”, “intend”, “plan”, “estimate”, “target”, “anticipate”, “believe”, “objectives”, “outlook”, “guidance” or other similar words, and include statements regarding our strategies, objectives, asset sales and other liquidity transactions (including the use of proceeds thereof), expected re-tenanting of vacant facilities and any related regulatory approvals, and expected outcomes from Steward’s Chapter 11 restructuring process, including the terms of the agreement described in this press release. Forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results or future events to differ materially from those expressed in or underlying such forward-looking statements, including, but not limited to: (i) the risk that the outcome and terms of the bankruptcy restructuring of Steward will not be consistent with those anticipated by the Company; (ii) the risk that the Company is unable to successfully re-tenant the Steward portfolio hospitals, on the terms described herein or at all; (iii) the risk that previously announced or contemplated property sales, loan repayments, and other capital recycling transactions do not occur as anticipated or at all; (iv) the risk that MPT is not able to attain its leverage, liquidity and cost of capital objectives within a reasonable time period or at all; (v) MPT’s ability to obtain debt financing on attractive terms or at all, as a result of changes in interest rates and other factors, which may adversely impact its ability to pay down, refinance, restructure or extend its indebtedness as it becomes due, or pursue acquisition and development opportunities; (vi) the ability of our tenants, operators and borrowers to satisfy their obligations under their respective contractual arrangements with us; (vii) the ability of our tenants and operators to operate profitably and generate positive cash flow, remain solvent, comply with applicable laws, rules and regulations in the operation of our properties, to deliver high-quality services, to attract and retain qualified personnel and to attract patients; (viii) the risk that we are unable to monetize our investments in certain tenants at full value within a reasonable time period or at all, (ix) our success in implementing our business strategy and our ability to identify, underwrite, finance, consummate and integrate acquisitions and investments; and (x) the risks and uncertainties of litigation or other regulatory proceedings.

The risks described above are not exhaustive and additional factors could adversely affect our business and financial performance, including the risk factors discussed under the section captioned “Risk Factors” in our most recent Annual Report on Form 10-K and our Form 10-Q, and as may be updated in our other filings with the SEC. Forward-looking statements are inherently uncertain and actual performance or outcomes may vary materially from any forward-looking statements and the assumptions on which those statements are based. Readers are cautioned to not place undue reliance on forward-looking statements as predictions of future events. We disclaim any responsibility to update such forward-looking statements, which speak only as of the date on which they were made.

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