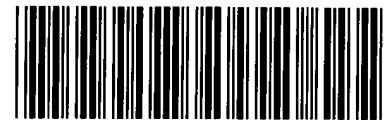


MPT 27 (ESPERANCE HOSPITAL) LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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MPT 27 (ESPERANCE HOSPITAL) LIMITED.

COMPANY INFORMATION

Directors	James Joshua Barber-Lomax James Kevin Hanna Donna Leanne Shorto
Company secretary	Praxis Secretaries (UK) Limited
Registered number	05783498
Registered office	1st Floor Senator House 85 Queen Victoria Street London EC4V 4AB
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

MPT 27 (ESPERANCE HOSPITAL) LIMITED

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MPT 27 (ESPERANCE HOSPITAL) LIMITED

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020**

The Directors present their report and the financial statements for the period ended 31 December 2020.

During the year, the Company has changed its accounting period from 31 March to 31 December. Due to this change the accounting period for 2020 was shortened from twelve to nine months and prior period amounts presented in the financial statements, including notes, are not entirely comparable.

The Company sold its investment property during the year for £1,300,000. A loss of £5,000 was recognized upon completion of the sale.

Principal activity

The principal activity of the Company is to conduct ordinary business activities.

Directors

The Directors who served during the period were:

James Joshua Barber-Lomax
James Kevin Hanna
Donna Leanne Shorto

Other matters

On 31 January 2020, the United Kingdom left the European Union and a transition period was set until 31 December 2020, the date on which the rules governing the new relationship between the United Kingdom and the European Union took effect. There was no impact on the Company as a result of this change and the Directors do not expect any changes going forward.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, has expressed its willingness to continue in office.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 16 September 2021 and signed on its behalf.



Donna Leanne Shorto
Director

MPT 27 (ESPERANCE HOSPITAL) LIMITED
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**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2020**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MPT 27 (ESPERANCE HOSPITAL) LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss for the period from 1 April 2020 to 31 December 2020;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of MPT 27 (Esperance Hospital) Limited ("the Company") for the period ended 31 December 2020 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MPT 27 (ESPERANCE HOSPITAL) LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MPT 27 (ESPERANCE HOSPITAL) LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and tax legislation.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and we considered the adequacy of controls in place in the company.

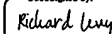
We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Richard Levy (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

Date 17 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

MPT 27 (ESPERANCE HOSPITAL) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Note	31 December 2020 £000	31 March 2020 £000
Turnover		-	-
Gross Profit		-	-
Administrative expenses		(43)	1,168
Fair value movements		-	540
Loss on disposal of investment property		(5)	-
Gain on debt write-off		-	163
Loss on revaluation of interest rate swap		-	(79)
Interest payable and similar expenses		-	(300)
Profit (loss) before tax		(48)	1,492
Tax on profit		-	37
Profit (loss) for the financial period		(48)	1,529

There was no other comprehensive income for the period ended 31 December 2020 (31 March 2020: £NIL).

The notes on pages 9 to 12 form part of these financial statements.

MPT 27 (ESPERANCE HOSPITAL) LIMITED
REGISTERED NUMBER: 05783498

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	31 December 2020 £000	31 March 2020 £000
Fixed assets			
Investment property	6	-	1,305
		-	1,305
Current assets			
Debtors: amounts falling due within one year	7	2,264	1,010
		2,264	1,010
Creditors: amounts falling due within one year	8	(36)	(39)
Net current assets		2,228	971
Total assets less current liabilities		2,228	2,276
Net assets		2,228	2,276
Capital and reserves			
Share premium		2,693	2,693
Capital contribution		7,231	7,231
Profit and loss account		(7,696)	(7,648)
		2,228	2,276

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 September 2021.

Shorto

Donna Leanne Shorto
Director

The notes on pages 9 to 12 form part of these financial statements.

MPT 27 (ESPERANCE HOSPITAL) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Share premium £000	Capital contribution £000	Profit and loss account £000	Total equity £000
At 1 April 2020	2,693	7,231	(7,648)	2,276
Loss for the period	-	-	(48)	(48)
At 31 December 2020	2,693	7,231	(7,696)	2,228

The notes on pages 9 to 12 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2020**

	Share premium £000	Capital contribution £000	Profit and loss account £000	Total equity £000
At 1 April 2019	-	-	(9,177)	(9,177)
Profit for the year	-	-	1,529	1,529
Equity capital	2,693	7,231	-	9,924
At 31 March 2020	2,693	7,231	(7,648)	2,276

The notes on pages 9 to 12 form part of these financial statements.

MPT 27 (ESPERANCE HOSPITAL) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

1. General information

MPT 27 (Esperance Hospital) Limited (hereinafter the "Company") is a private limited company incorporated in the United Kingdom and has a registered office at 1st Floor Senator House, 85 Queen Victoria Street, London, EC4V 4AB. The nature of the Company's principal activities is set out in the Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company has changed its accounting period from 31 March to 31 December. Due to this change the accounting period for 2020 was shortened from twelve to nine months and prior period amounts presented in the financial statements, including notes, are not entirely comparable.

2.2 Going concern

The financial statements are prepared on a going concern basis unless it is inappropriate to assume that the Company will be able to continue in operational existence for a period of at least 12 months from the date of the approval of the financial statements. The Directors considered several factors in determining whether the Company would continue as a going concern.

Following the sale of its property during the year, the Company has limited sources of income but also limited obligations.

The spread of the COVID-19 virus during 2020 and beyond has negatively affected economies around the globe and the healthcare industry has experienced significant volatility. As COVID-19 pandemic continues to evolve, the extent of its effect will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration, scope and severity of the pandemic, the actions taken to contain or mitigate its impact (including vaccines), and the direct and indirect economic effects of the pandemic and related containment measures, among others. The Directors are continuously monitoring and assessing the impact on the Company. As of the date of the audit report there are no indications that there is a material uncertainty about the Company's ability to continue operations.

After consideration, the Directors conclude that it is appropriate to prepare the financial statements on a going concern basis and present the financial statements accordingly.

MPT 27 (ESPERANCE HOSPITAL) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.3 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.4 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.5 Cash and cash equivalents

The Company maintains its cash in a bank account shared by related parties, which is managed and controlled by Medical Properties Trust Limited. All disbursements for the Company are made from this shared account. The Company's specific balance is £122,248 at 31 December 2020.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Accounting policies which have a significant bearing on the reported financial condition and results of the Company may require subjective or complex estimates or judgements. These respective estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

As at 31 December 2020 there are no key sources of estimation uncertainty.

4. Auditor's remuneration

	31 December 2020 £000	31 March 2020 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	3	4

MPT 27 (ESPERANCE HOSPITAL) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

5. Employees

The Company has no employees and no Directors received any remuneration (31 March 2020 - £4,158).

The average monthly number of employees during the period was 0 (31 March 2020 - 0).

6. Investment property

	Freehold investment property £000
At 1 April 2020	1,305
Disposals	(1,305)
At 31 December 2020	-

Since the Company did not hold investment property at 31 December 2020, a valuation was not performed.

MPT 27 (ESPERANCE HOSPITAL) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020**

7. Debtors

	31 December 2020 £000	<i>31 March 2020 £000</i>
Amounts owed by group companies	2,095	588
Prepayments and accrued income	4	3
Corporation tax	43	43
Cash held by MPT Limited	122	376
	<u>2,264</u>	<u>1,010</u>

8. Creditors: Amounts falling due within one year

	31 December 2020 £000	<i>31 March 2020 £000</i>
Amounts owed to group undertakings	18	12
Accruals and deferred income	18	27
	<u>36</u>	<u>39</u>

9. Related party transactions

The Company has taken advantage of the exemption in FRS 102 Section 1A - small entities not to disclose transactions with related parties.

10. Controlling party

The Company's immediate parent undertaking is MPT Propco Holdco Limited and the ultimate parent undertaking is Medical Properties Trust Inc., with registered offices at 1209 Orange Street, Corporation Trust Center, Wilmington, Delaware 19801. The 2020 annual report, including the consolidated financial statements of Medical Properties Trust Inc., is available to the public and may be obtained by visiting www.medicalpropertystrust.com.