HCA Florida Highlands Hospital
Fair Market Value Analysis

Prepared for Jones Walker on behalf of the Highlands County Hospital District

Valuation Date: December 31, 2025 | Distribution Date: August 21, 2026

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Executive Summary

Engagement Overview

Weaver and Tidwell, L.L.P. ("Weaver", "our", or "we") performed valuation related services ("Services") for Highlands County Hospital District ("Client"). Our services are intended to aid the Board in: (i) negotiations with the current or future tenant regarding a contemplated lease; (ii) planning for a possible future sale, and (iii) fulfilling the Hospital District's fiduciary and regulatory compliance duties. The Services, which are advisory in nature, related to determining the fair market value ("FMV") of the business enterprise ("BEV" or "Subject Interest") of HCA Florida Highlands Hospital ("Hospital") as of December 31, 2025 (the "Valuation Date"). We understand our valuation will be used to evaluate the benefits to the public of selling or leasing the entirety of the assets of the Hospital District to a non-for profit or for-profit entity in order to continue to provide health care services to the community. As supplemental to this analysis, we were also requested to provide an objective operating comparison of the Hospital to other similarly situated hospitals, both non-for-profit and for-profit, which have a similar service mix in order to determine whether there is a difference in the costs.

The Services were performed in accordance with Statement on Standards for Valuation Services No. 1 and Statement on Standards for Consulting Services No. 1 as established by the American Institute of Certified Public Accountants. The procedures performed included valuation tests considered necessary and appropriate under the circumstances. We relied on information received regarding the Hospital's operations as a fair reflection of its operations and made no investigation as to the accuracy and completeness of such information. Our analysis was based in part on this information as well as on other data we developed.

Our analysis should **NOT** be construed in any way as providing our opinion of the feasibility, fairness of an actual or proposed transaction, a solvency opinion, or an investment recommendation. Our work may contain prospective information, estimates or opinions that represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as forecasts, prospective financial statements or opinions, predictions or as assurances that a particular patient census, level of income or profit will be achieved. The success or failure in achieving prospective results depends on a variety of operational, logistical, and economic factors, some of which are not under the control of the operator. Differences between prospective and actual financials results are often material. In performing our analysis, we reviewed multiple sources of information. Information, estimates and opinions contained herein are obtained from sources considered to be reliable, and we assume no responsibility, whether legal or otherwise, for its accuracy.

None of the professionals who worked on this engagement (nor the partners of Weaver) have any present or contemplated future interest in this matter, any personal interest with respect to the parties involved, or any other interest that might prevent us from performing an unbiased work product. Our fees were not contingent on the results of this engagement.

FMV Opinion

Business enterprise value ("BEV" or the "Subject Interest") represents the aggregate fair market value of all assets that comprise the Hospital as a going concern, including both tangible assets (such as real property, personal property, and working capital) and intangible assets (such as the operator's tradename and goodwill). The value of each individual component is determined within, and must reconcile to, the overall business enterprise value.

The objective of performing the BEV analysis was to fully support and contextualize the fair market value of the assets owned by the District, which serves as a key input in determining an appropriate lease rate for the Hospital operator. It is important to note, however, that BEV includes certain assets that are not owned by the District—specifically personal property, working capital, and the operator's tradename—but are owned by the Hospital operator.

Based on our analysis, it is our opinion the FMV of the Subject Interest is reasonably represented as follows:

Component	Note	Low	Midpoint	High
Business Enterprise Value ("BEV")	1, 2, 3	62,000,000	66,000,000	70,000,000

Implied Valuation Multiple	Metric	Low	Multiple	High
BEV / FY 25 Revenue	77,640,000	0.80x	0.85x	0.90x

Notes

1) High/Low FMV range is +/- 6.0% of the midpoint.
2) Value comprises all assets of the Hospital including real property, personal property, working capital and intangible assets.
3) Target net working capital included in the BEV is $5,100,000, or 6.5% of base year total net revenue.

Qualifying Assumptions

Our conclusion of value is reflective of important qualifying conditions and assumptions.

General

- Our valuation reflects the FMV of a controlling, marketable interest under the premise of a going concern as of the Valuation Date and is intended solely for Client planning purposes. Valuations prepared for other purposes, under different standards or premises of value, or as of a different valuation date may yield materially different results.
- In performing our valuation analysis, we have assumed we were provided accurate and reliable data and information. We have NOT performed any assurance services (e.g. audits, compilations, reviews, quality of earnings assessment) regarding the financial statements, forecasts, or other data provided, and do not express any such opinion. As such, our engagement cannot be relied on to disclose errors, fraud, or other illegal acts that may exist. We have further relied upon management to disclose any material information which would be relevant to our valuation analysis.
- Our analysis should NOT be construed in any way as providing our opinion of the fairness of an actual or proposed transaction, a solvency opinion, or an investment recommendation. No opinion will be rendered as to legal fee or property title, and no opinion will be expressed for matters that require legal, engineering or other specialized expertise beyond that customarily employed by consultants/appraisers valuing businesses and/or assets. Additionally, we provide no assurance that a particular price will be offered or accepted.
- Our analysis reflects known or knowable circumstances as of the Valuation Date stated. Subsequent events to the Valuation Date may have a material impact to our analysis, and the parties should ascertain the continued relevancy of our work at the time of any transaction. Weaver is under no obligation to update our analysis for subsequent events.
- In performing our services, Weaver did NOT specifically consider the volume or value of downstream referrals or any buyer specific synergies which may (or may not) result from a transaction. We have performed our valuation of the Hospital through the lens of a hypothetical market participant.
- Business enterprise value ("BEV") represents the aggregate value of all assets that comprise the underlying entity including real property, personal property, working capital and intangible assets.

Hospital Specific

- We received limited information while performing our analysis. To the extent additional information becomes available, we reserve the right to amend our analysis.
- According to the 1995 First Restated and Amended Lease Agreement, HCA Healthcare, Inc. ("HCA") is obligated to provide the District "as soon as practicable after the close of the fiscal year, an annual balance sheet and related statement showing the results of the operations of the Hospital during the fiscal year, certified by a public accounting firm." In compliance with the agreement, HCA provided audited annual financials for 2022 – 2025 as prepared by Ernst & Young LLP.
- Weaver accessed additional financial and operational data from Florida's Agency for Health Care Administration (AHCA), obtaining detailed metrics on the Hospital's finances and operations from 2022 to 2025.
- Weaver conducted a site visit and held a management interview on February 4, 2026. HCA management provided a general overview of the facility, market landscape, and services; however, detailed information was limited. Accordingly, Weaver supplemented available information with independent research and professional judgement.

Qualifying Assumptions - Cont.

Hospital Specific (Continued)

- As part of our analysis, we allocated the total value of the Hospital among tangible and intangible assets.
  - The FMV of the real property was based on Weaver's separate appraisal as of December 31, 2025.
  - The FMV of the personal property was based on Weaver's separate appraisal as of December 31, 2025. According to the 1995 First Restated and Amended Lease Agreement, it should be noted the District has the right to "acquire the Lessee's personal property at its then book value" (Section 16.5). For District planning purposes, it should noted book value for the personal property was lower than FMV as of the Valuation Date.

Standards & Procedures

This valuation analysis was conducted in accordance with the Statement on Standards for Valuation Services No. 1 and the Statement on Standards for Consulting Services No. 1 as established by the American Institute of Certified Public Accountants ("AICPA") as well as with the standards set forth by the National Association of Certified Valuators and Analysts. The procedures performed included valuation tests considered necessary and appropriate under the circumstances.

The standard of value for our analysis is fair market value, which is defined by Revenue Ruling 59-60, 1959-1 C.B. 237 as "the price at which the property would change hands between a willing buyer and a willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both parties having reasonable knowledge of relevant facts."

In developing our conclusions of value, we considered the factors listed in Revenue Ruling 59-60, which includes the following:

I. The nature of the business and its history from inception;
II. The economic outlook in general and the condition and outlook of the specific industries in which the company operates;
III. The book value of the stock and the financial condition of the business;
IV. The earning capacity of the business;
V. The dividend-paying capacity of the business;
VI. Whether the enterprise had goodwill or other intangible value;
VII. Prior sales of the stock and the size of the block to be valued;
VIII. The market price of the stock of corporations engaged in the same or similar line of business having their stocks actively traded on an exchange;
IX. The marketability, or lack thereof, of the securities; and
X. Whether the seller would obtain a control premium from an unrelated third party with regard to the block of securities being valued.

Additionally, we have considered updates, definitions and guidance included in the Physician Self-Referral or "Stark" laws provided by the Centers for Medicare and Medicaid (CMS) and Anti-Kickback Statute regulations provided by the Office of Inspector General (OIG). Effective January 19, 2021, relevant CMS and OIG definitions are as follows:

Fair market value means:

I. **General**. The value in an arm's-length transaction, consistent with the general market value of the subject transaction.

II. **Rental of equipment**. With respect to the rental of equipment, the value in an arm's length transaction of rental property for general commercial purposes (not taking into account its intended use), consistent with the general market value of the subject transaction.

III. **Rental of office space**. With respect to the rental of office space, the value in an arm's-length transaction of rental property for general commercial purposes (not taking into account its intended use), without adjustment to reflect the additional value the prospective lessee or lessor would attribute to the proximity or convenience to the lessor where the lessor is a potential source of patient referrals to the lessee, and consistent with the general market value of the subject transaction.

General market value means:

- **Assets**. With respect to the purchase of an asset, the price that an asset would bring on the date of acquisition of the asset as the result of bona fide bargaining between a well-informed buyer and seller that are not otherwise in a position to generate business for each other.
- **Compensation**. With respect to compensation for services, the compensation that would be paid at the time the parties enter into the service arrangement as the result of bona fide bargaining between well-informed parties that are not otherwise in a position to generate business for each other.

Standards & Procedures - Cont.

- **Rental of equipment or office space.** With respect to the rental of equipment or the rental of office space, the price that rental property would bring at the time the parties enter into the rental arrangement as the result of bona fide bargaining between a well-informed lessor and lessee that are not otherwise in a position to generate business for each other.

We assumed the information received from the Hospital's management ("Management") provided a fair reflection of operations. This information included financials statements, operating statistics, various documents and verbal or written representations. We made limited investigations as to the accuracy and completeness of any such information provided by Management.

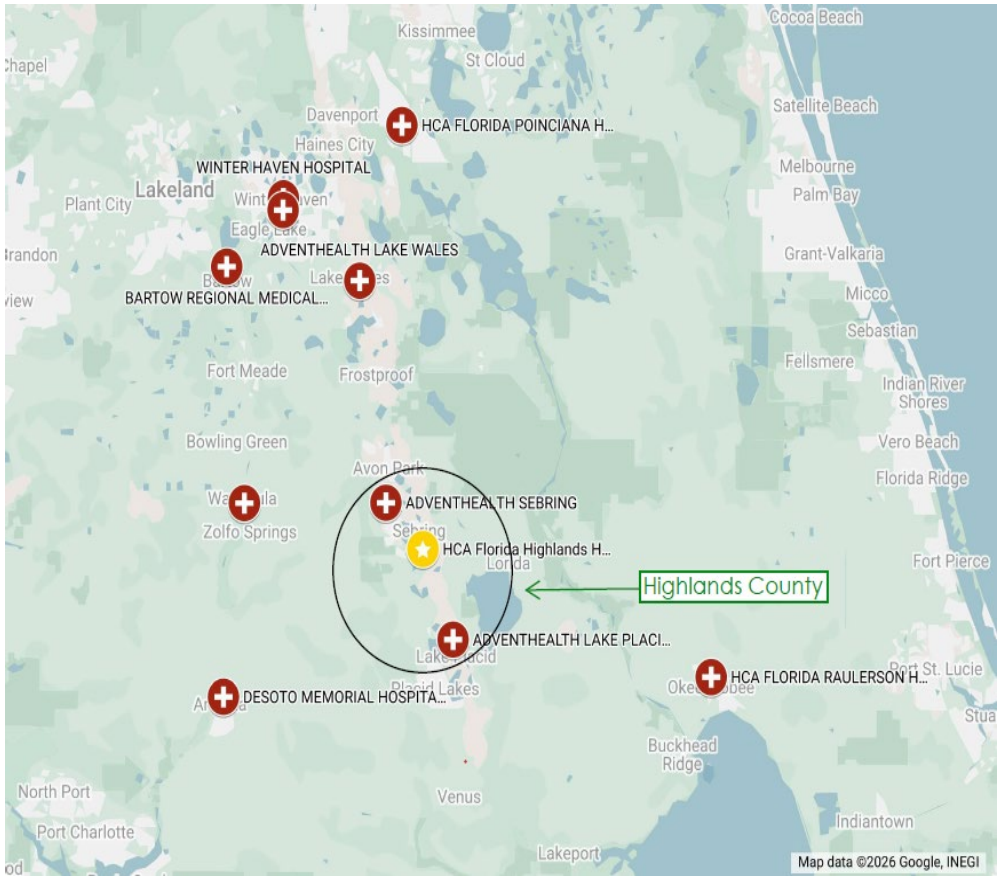
Our analysis was based on information received from Management as well as other data reviewed during the course of our analysis. Our valuation analysis included, but was not necessarily limited to, the following procedures:

I. Financial statement analysis of the Hospital's performance prior to the Valuation Date;
II. Review of macroeconomic and industry information pertaining to the Subject Interest;
III. An analysis of other operational and relevant financial information;
IV. Interviews or written correspondence with Management;
V. Consideration of the Hospital's future performance under the operation of a hypothetical operator; and
VI. The application of appropriate valuation techniques and procedures.

Hospital Overview

Overview

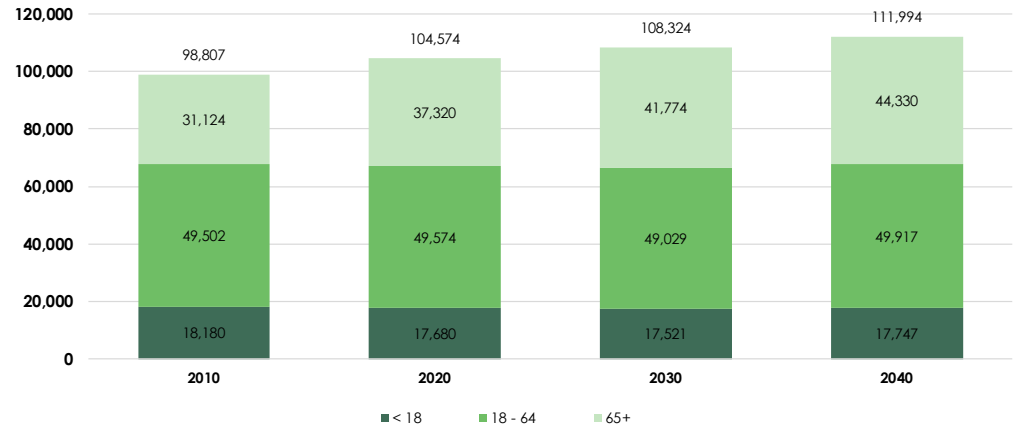
- The Hospital is a Medicare-certified 126-bed, full-service short-term acute care hospital in Sebring, Florida, and holds full accreditation from The Joint Commission. It is one of three hospitals located in Highlands County.
- The Hospital was founded in 1965 as Highlands Regional Medical Center. In 1985, the District entered a lease with a for-profit hospital operator who, through a series of transactions, ultimately became a subsidiary of Community Health Systems, Inc. ("CHS"). In 2017, CHS sold the Hospital to HCA for approximately $11 million. This acquisition integrated the Hospital into HCA's East Florida Division.
- The Hospital offers a full continuum of clinical services, including cardiovascular services with an interventional catheterization lab, orthopedic services with total joint replacement and specialized spine surgery, hemodialysis, 24/7 emergency services, advanced radiology (CTA, CT, MRI, and nuclear medicine), outpatient rehabilitation and wound care services, an ICU, and a broad range of surgical procedures including vascular, general, and robotic surgery.
- HCA places an emphasis on high-acuity, technology-driven services, including advanced cardiovascular interventions (such as trans carotid artery revascularization (TCAR) for stroke-risk reduction), orthopedic and spine surgery, robotic surgical procedures, comprehensive women's health, a dedicated senior ER designed for older adults, and endobronchial ultrasound (EBUS) for advanced lung evaluation and diagnostics.
- As of the most recent financials for 2025, the Hospital generated approximately $77.6 million in net revenue and $7.2 million in earnings before interest, taxes, depreciation and amortization ("EBITDA").
- During fiscal year 2025, the Hospital had 3,420 inpatient admissions, 1,620 surgeries, and 23,665 emergency department visits.
- The Hospital is supported by a network of local independent physicians and HCA's virtual providers. If necessary, patients may be referred or transferred to HCA Florida Lawnwood Hospital.



Highlands County, FL Demographics

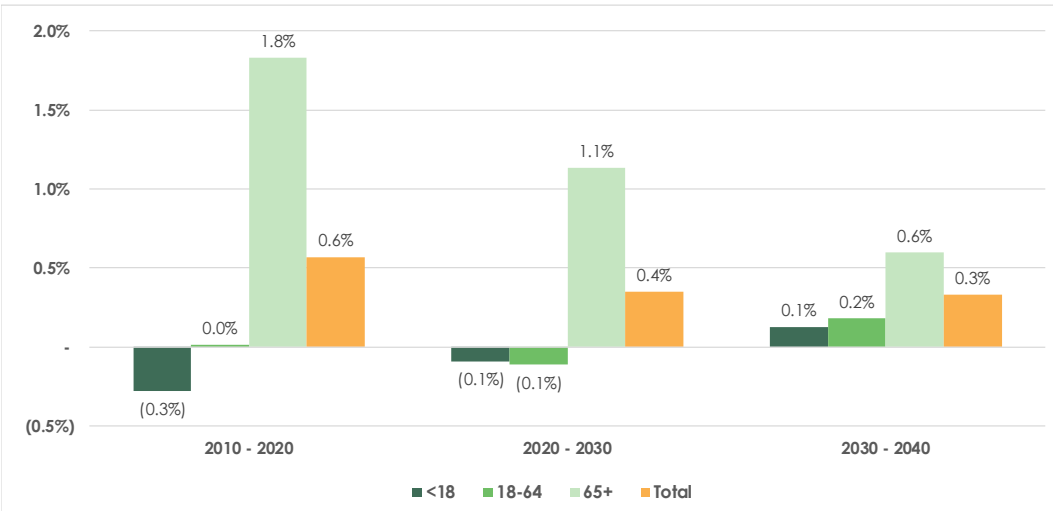
- The population of Highlands County is projected to increase from 104,574 in 2020 to 111,994 in 2040, 7.1% or 0.3% annually.
- As of 2020 Census data, the population of Highlands County was composed of the following age groups:
  - Ages <18: 17,680
  - Ages 18-64: 49,574
  - Ages 65+: 37,320
- By 2040, the population of Highlands County is projected to be composed of the following age groups:
  - Ages <18: 17,747
  - Ages 18-64: 49,917
  - Ages 65+: 44,330

Population Growth by Age Category - Highlands County



Source: U.S. Census Bureau; University of Florida Bureau of Economic and Business Research

Population Growth CAGR by Age Category - Highlands County

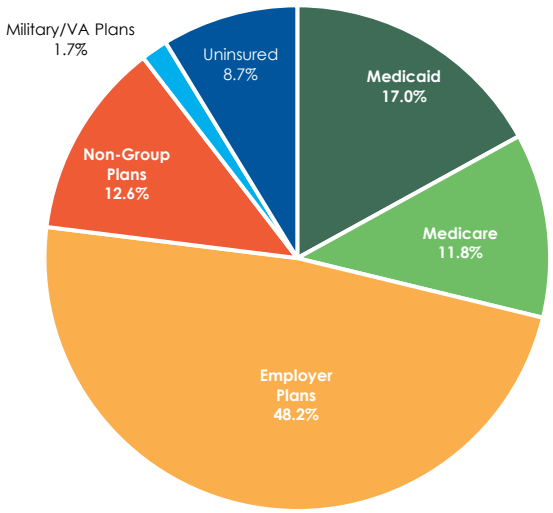


Source: U.S. Census Bureau

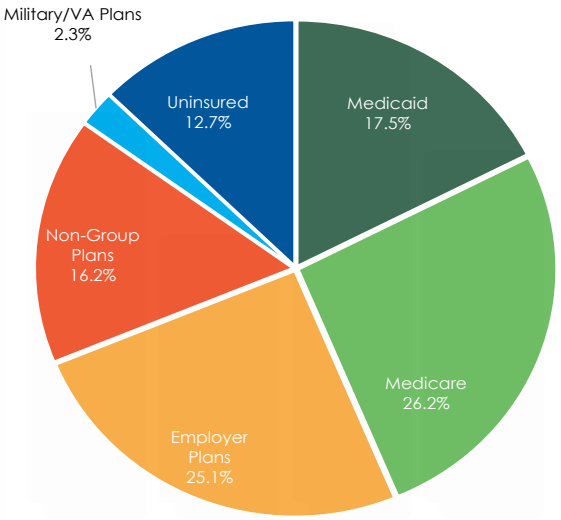
Highlands County, FL Demographics – Cont.

- 87.3% of the population in Highlands County has insurance.
- The Highlands County Primary Market has a higher rate of uninsured residents compared to the national benchmark.
- The Highlands County Primary Market also has a higher Medicare insured population compared to the national benchmark.
- The median resident age in Highlands County is 54.4.

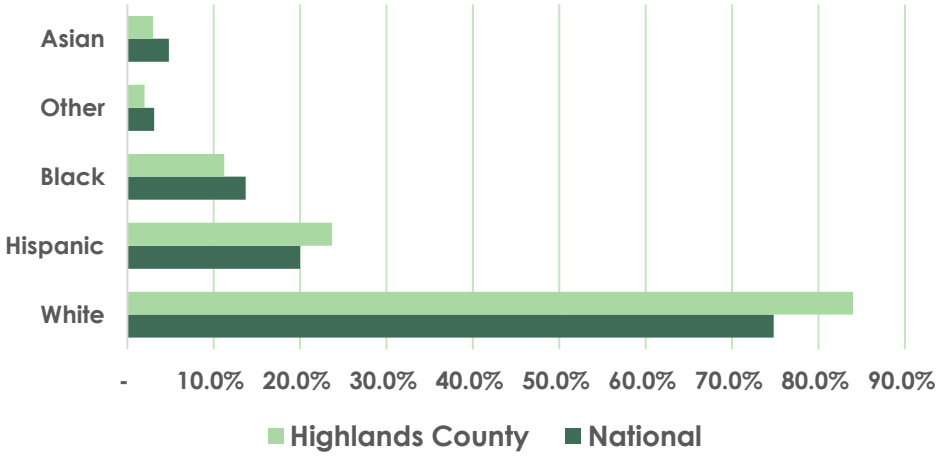
Payer Mix - National



Payer Mix - Highlands County



Ethnic Demographics - Highlands County



- Highlands County has a higher proportion of White and Hispanic residents compared to the national benchmark.
- The median household income in Highlands County is $57,580 compared to $81,604 nationally.
- Highlands County's poverty rate is 14.7% compared to 12.1%, nationally.

The sum of percentages does not equal 100% as Hispanics may be of any race and are also included in applicable categories.

Source: US Census Bureau

Historical Reported Balance Sheet

	$ Audited				Common-Sized Audited			
	Dec-22	Dec-23	Dec-24	Dec-25	Dec-22	Dec-23	Dec-24	Dec-25
Assets								
Current Assets								
Cash & Cash Equivalents	$ 1,130	$ 2,600	$ 15,404	$ 1,581	(0.1%)	(0.1%)	(0.2%)	(0.0%)
Accounts Receivable	9,757,577	12,566,957	10,564,664	10,802,334	(793.2%)	(361.4%)	(133.5%)	(156.1%)
Inventory	2,459,994	2,699,794	2,203,887	1,976,585	(200.0%)	(77.6%)	(27.9%)	(28.6%)
Other Current Assets	2,890,262	339,879	120,007	86,944	(234.9%)	(9.8%)	(1.5%)	(1.3%)
	15,108,963	15,609,230	12,903,962	12,867,444	(1,228.2%)	(448.9%)	(163.1%)	(185.9%)
Fixed Assets								
Land	400,000	400,000	400,000	400,000	(32.5%)	(11.5%)	(5.1%)	(5.8%)
Equipment	26,072,838	30,953,871	33,294,351	45,776,418	(2,119.4%)	(890.2%)	(420.8%)	(661.4%)
Construction-in-Progress	942,040	1,893,436	8,280,772	1,024,263	(76.6%)	(54.5%)	(104.7%)	(14.8%)
Buildings	8,378,632	8,975,222	9,205,664	9,529,771	(681.1%)	(258.1%)	(116.3%)	(137.7%)
Accumulated Depreciation	(18,471,117)	(22,639,313)	(24,814,765)	(29,120,384)	1,501.5%	651.1%	313.6%	420.8%
	17,322,393	19,583,216	26,366,022	27,610,068	(1,408.1%)	(563.2%)	(333.2%)	(399.0%)
Other Assets								
Right-Of-Use Operating Lease Assets	1,087,225	733,225	387,089	220,395	(88.4%)	(21.1%)	(4.9%)	(3.2%)
Goodwill	652,138	652,138	652,138	652,138	(53.0%)	(18.8%)	(8.2%)	(9.4%)
Other Non-Current Assets	111,610	111,610	111,610	112,110	(9.1%)	(3.2%)	(1.4%)	(1.6%)
Due to HCA Healthcare, Inc.	(35,512,523)	(40,166,556)	(48,333,132)	(48,382,787)	2,886.7%	1,155.2%	610.9%	699.1%
	(33,661,550)	(38,669,583)	(47,182,295)	(47,398,144)	2,736.3%	1,112.1%	596.3%	684.9%
Total Assets	$ (1,230,194)	$ (3,477,137)	$ (7,912,311)	$ (6,920,632)	100.0%	100.0%	100.0%	100.0%

Based on our review of the Hospital's assets reported on its balance sheet, we have made the following general observations:

- Current assets increased by December 2025, driven primarily by higher accounts receivable and inventory balances associated with increased operating scale and timing of collections. These items reflect routine working capital requirements and were not considered primary drivers of enterprise value.
- Fixed Assets increased materially over the period due to capital investments in equipment, buildings, and construction-in-progress. The corresponding increase in accumulated depreciation reflects the placement of these assets into service and ongoing utilization.
- Other Assets primarily consist of right-of-use operating lease assets, goodwill, and related-party balances. Changes in these balances reflect lease amortization, historical acquisition activity, and increased amounts due to affiliated entities.

Historical Reported Balance Sheet – Cont.

	$ Audited				Common-Sized Audited			
	Dec-22	Dec-23	Dec-24	Dec-25	Dec-22	Dec-23	Dec-24	Dec-25
Liabilities & Equity								
Current Liabilities								
Accounts Payable	4,472,958	3,730,167	2,826,669	2,459,452	(363.6%)	(107.3%)	(35.7%)	(35.5%)
Other Accrued Expenses	4,229,286	4,541,897	4,500,363	4,246,996	(343.8%)	(130.6%)	(56.9%)	(61.4%)
Third Party Reimb. Accounts Payable	-	99,477	613,022	1,100,467	-	(2.9%)	(7.7%)	(15.9%)
Current Portion of Right-Of-Use Operating Lease Liabilities	421,330	359,779	297,950	157,612	(34.2%)	(10.3%)	(3.8%)	(2.3%)
Current Portion of Finance Lease Liabilities	795,511	794,942	660,111	506,206	(64.7%)	(22.9%)	(8.3%)	(7.3%)
	9,919,085	9,526,262	8,898,115	8,470,733	(806.3%)	(274.0%)	(112.5%)	(122.4%)
Long-Term Liabilities								
Other long-term debt	586,573	598,889	530,241	526,912	(47.7%)	(17.2%)	(6.7%)	(7.6%)
Right-Of-Use Operating Lease Liabilities	710,104	412,779	114,829	72,262	(57.7%)	(11.9%)	(1.5%)	(1.0%)
Financial Lease Liabilities	1,400,720	1,181,535	542,419	36,212	(113.9%)	(34.0%)	(6.9%)	(0.5%)
	2,697,397	2,193,203	1,187,489	635,386	(219.3%)	(63.1%)	(15.0%)	(9.2%)
Total Liabilities	12,616,482	11,719,465	10,085,604	9,106,119	(1,025.6%)	(337.0%)	(127.5%)	(131.6%)
Equity								
Equity	(13,846,676)	(15,196,603)	(17,997,915)	(16,026,751)	1,125.6%	437.0%	227.5%	231.6%
	(13,846,676)	(15,196,603)	(17,997,915)	(16,026,751)	1,125.6%	437.0%	227.5%	231.6%
Total Liabilities & Equity	$ (1,230,194)	$ (3,477,138)	$ (7,912,311)	$ (6,920,632)	100.0%	100.0%	100.0%	100.0%

Source: Ernst & Young, LLP Audited Financials (2022-2025)

Based on our review of the Hospital's liabilities and equity reported on its balance sheet, we have made the following general observations:

- Current liabilities fluctuated over the period, driven primarily by changes in accounts payable, accrued expenses, and the timing of short-term obligations. These balances reflect routine operating liabilities associated with the Hospital's scale and growth and were considered part of normal working capital requirements.
- Long-term liabilities decreased materially by December 2025, largely due to reductions in lease-related obligations. These balances reflect financing and leasing arrangements.
- Equity remains negative across all periods presented, primarily due to accumulated net income losses. Book equity was not considered indicative of fair market value.

For a full historical view of the Hospital's balance sheet, refer to Exhibit 10.

Historical Reported Income Statement

	$				Common-Sized			
	Audited				Audited			
	FY 22	FY 23	FY 24	FY 25	FY 22	FY 23	FY 24	FY 25
Revenue								
Total Net Revenue	$ 83,307,219	$ 83,913,759	$ 77,453,507	$ 77,638,790	100.0%	100.0%	100.0%	100.0%
Operating Expenses								
Salaries, Wages, & Benefits								
Salaries & Benefits	35,263,514	35,494,446	33,508,719	32,913,096	42.3%	42.3%	43.3%	42.4%
	35,263,514	35,494,446	33,508,719	32,913,096	42.3%	42.3%	43.3%	42.4%
Supply Costs								
Supply Expense	18,476,277	15,591,054	13,778,461	10,922,264	22.2%	18.6%	17.8%	14.1%
	18,476,277	15,591,054	13,778,461	10,922,264	22.2%	18.6%	17.8%	14.1%
General & Administrative								
Other Operating Expenses	24,688,358	27,378,690	26,173,296	23,971,510	29.6%	32.6%	33.8%	30.9%
Management Fee	2,871,877	2,886,509	2,671,650	2,641,958	3.4%	3.4%	3.4%	3.4%
	27,560,235	30,265,199	28,844,946	26,613,468	33.1%	36.1%	37.2%	34.3%
Total Operating Expenses	$ 81,300,026	$ 81,350,699	$ 76,132,126	$ 70,448,828	97.6%	96.9%	98.3%	90.7%
EBITDA	$ 2,007,193	$ 2,563,060	$ 1,321,381	$ 7,189,962	2.4%	3.1%	1.7%	9.3%

Source: Ernst & Young, LLP Audited Financials (2022-2025)

Based on our review of the Hospital's income statement, we have made the following general observations:

- Total net revenue declined from $83.3 million in FY 2022 to $77.6 million in FY 2025, representing an overall decrease of approximately 6.8% over the period. The decline occurred primarily in FY 2024 and FY 2025, following relatively stable revenue between FY 2022 and FY 2023.
- Total operating expenses declined from $81.3 million in FY 2022 to $70.5 million in FY 2025, a reduction of approximately 13.3% over the period. The reduction in operating expenses outpaced the decline in revenue, contributing to improved profitability.

Observations continued on next page

Historical Reported Income Statement – Cont.

- Salaries and benefits declined from approximately $35.3 million in FY 2022 to $32.9 million in FY 2025. As a percentage of revenue, salaries and benefits remained relatively flat from 42.3% to 42.4%.
- Supply expense declined significantly from $18.5 million in FY 2022 to $10.9 million in FY 2025. Supply costs as a percentage of revenue decreased from 22.2% to 14.1%, due to improved cost controls, case mix changes, and vendor pricing efficiencies per Management.
- General and administrative expenses remained relatively stable in dollar terms, ranging from $24.7 million to $24.0 million over the period. As a percentage of revenue, G&A expenses increased modestly due to declining revenue.
- EBITDA improved materially in FY 2025 to approximately $7.2 million, compared to $1.3 million in FY 2024 and $2.0–$2.6 million in prior years. EBITDA margin expanded to 9.3% in FY 2025, compared to 1.7%–3.1% in FY 2022–FY 2024. The improvement largely reflects supply cost expense reductions.

For a full historical view of the Hospital's income statement, refer to Exhibit 11.

Historical Reported Operating Statistics

Inpatient

Metric	Note	FY 22	FY 23	FY 24	FY 25	Period-over-Period Change FY 22	FY 23	FY 24	FY 25
Admissions	1	3,745	3,991	3,701	3,420	n/a	6.6%	(7.3%)	(7.6%)
Avg. Length of Stay (Days)		4.6	4.1	3.9	3.6	n/a	(9.6%)	(5.0%)	(8.1%)
Patient Days	1	17,138	16,514	14,554	12,360	n/a	(3.6%)	(11.9%)	(15.1%)
Licensed Beds		126	126	126	126	n/a	-	-	-
Beds in Service		126	126	126	126	n/a	-	-	-
Avg. Daily Census		47.0	45.2	39.8	33.9	n/a	(3.6%)	(12.1%)	(14.8%)
Occupancy Rate		37.3%	35.9%	31.6%	26.9%	n/a	(3.6%)	(12.1%)	(14.8%)
Case Mix Index	2	2.0	2.0	1.9	1.7	n/a	(2.6%)	(2.6%)	(10.2%)
Net Revenue per Patient Day		$ 2,594	$ 2,768	$ 3,047	$ 3,007	n/a	6.7%	10.1%	(1.3%)
Net Revenue per Admission		$ 11,871	$ 11,453	$ 11,981	$ 10,866	n/a	(3.5%)	4.6%	(9.3%)
Net Inpatient Revenue	1	**$ 44,456,095**	**$ 45,709,964**	**$ 44,341,989**	**$ 37,160,948**	**n/a**	**2.8%**	**(3.0%)**	**(16.2%)**

Based on our review of the Hospital's historical inpatient operating statistics, we have made the following general observations:

- Inpatient admissions declined from 3,745 in FY 2022 to 3,420 in FY 2025.
- Average length of stay declined modestly over the period, suggesting potential shifts toward lower-acuity cases or efficiency improvements.
- Net revenue per inpatient admission fell from approximately $11,900 in FY 2022 to $10,900 in FY 2025, indicating pressure on pricing, case mix, or reimbursement.
- Net inpatient revenue decreased from approximately $44.5 million in FY 2022 to $37.2 million in FY 2025, reflecting both lower volumes and a decline in net revenue per admission.

Historical Reported Operating Statistics – Cont.

Outpatient

Metric		FY 22	FY 23	FY 24	FY 25	Period-over-Period Change FY 22	FY 23	FY 24	FY 25
Surgeries	1	2,755	2,512	1,734	1,620	n/a	(8.8%)	(31.0%)	(6.6%)
ED Visits	1	21,655	23,122	24,127	23,665	n/a	6.8%	4.3%	(1.9%)
Imaging Procedures	1	42,629	45,403	46,696	46,696	n/a	6.5%	2.8%	-
Clinic Visits	1,3	108,193	112,620	98,310	145,929	n/a	4.1%	(12.7%)	48.4%
ED Visits / Day		59.3	63.3	65.9	64.8	n/a	6.8%	4.1%	(1.6%)
Total Visits		175,232	183,657	170,867	222,600	n/a	4.8%	(7.0%)	30.3%
Net Revenue per Visit		$ 205	$ 189	$ 177	$ 170	n/a	(8.1%)	(6.3%)	(4.0%)
Net Outpatient Revenue		**$ 35,952,111**	**$ 34,638,891**	**$ 30,211,841**	**$ 37,776,279**	**n/a**	**(3.7%)**	**(12.8%)**	**25.0%**

Based on our review of the Hospital's historical outpatient operating statistics, we have made the following general observations:

- From FY 2022 to FY 2025, surgeries declined while imaging procedures, emergency department (ED) and clinic visits increased.
- In FY 2025, the Hospital was seeing approximately 65 patients per day through the emergency department.
- Net outpatient revenue increased materially in FY 2025 to approximately $37.8 million, up from $30.2 million in FY 2024, representing a period-over-period increase of over 25%.

Historical Reported Operating Statistics – Cont.

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Adjusted Statistics

Metric		FY 22	FY 23	FY 24	FY 25	Period-over-Period Change FY 22	FY 23	FY 24	FY 25
Gross Inpatient Revenue	1	393,805,000	420,653,000	401,662,000	374,861,000	n/a	6.8%	(4.5%)	(6.7%)
Gross Outpatient Revenue	1	414,366,000	431,911,000	415,316,000	464,172,000	n/a	4.2%	(3.8%)	11.8%
Adjustment Factor		2.05x	2.03x	2.03x	2.24x	n/a	(1.2%)	0.4%	10.0%
Adjusted Admissions		7,686	8,089	7,528	7,655	n/a	5.2%	(6.9%)	1.7%
Adjusted Patient Days		35,171	33,470	29,603	27,665	n/a	(4.8%)	(11.6%)	(6.5%)
Net Revenue per Adj. Admission		$ 10,839	$ 10,374	$ 10,289	$ 10,142	n/a	(4.3%)	(0.8%)	(1.4%)
Net Revenue per Adj. Patient Day		$ 2,369	$ 2,507	$ 2,616	$ 2,806	n/a	5.8%	4.4%	7.3%
Total Net Patient Revenue		**$ 83,307,219**	**$ 83,913,759**	**$ 77,453,507**	**$ 77,638,790**	**n/a**	**0.7%**	**(7.7%)**	**0.2%**

Based on our review of the Hospital's overall statistics, we have made the following general observations:

- The revenue mix shifted toward outpatient services over time, with outpatient revenue representing an increasing proportion of total net revenue.
- This shift is consistent with a broader trend toward outpatient care delivery and reduced reliance on inpatient services.

Refer to Exhibit 6.

Historical Financial Normalizations

	Notes	$ Audited FY 25	$ Adjustments	$ Normalized Base Year	% of Net Revenue Audited FY 25	% of Net Revenue Normalized Base Year
Revenue						
Total Net Revenue		$ 77,638,790	$ -	$ 77,638,790	100.0%	100.0%
Operating Expenses						
Salaries, Wages, & Benefits						
Salaries & Benefits		32,913,096	-	32,913,096	42.4%	42.4%
		32,913,096	-	32,913,096	42.4%	42.4%
Supply Costs						
Supply Expense		10,922,264	-	10,922,264	14.1%	14.1%
		10,922,264	-	10,922,264	14.1%	14.1%
General & Administrative						
Other Operating Expenses		23,971,510	-	23,971,510	30.9%	30.9%
Management Fee		2,641,958	-	2,641,958	3.4%	3.4%
		26,613,468	-	26,613,468	34.3%	34.3%
Total Operating Expenses		$ 70,448,828	$ -	$ 70,448,828	90.7%	90.7%
EBITDA		$ 7,189,962	$ -	$ 7,189,962	9.3%	9.3%

- Normalized base year adjustments are made by appraisers to normalize earnings and reflect current economic conditions rather than historical performance. These adjustments typically remove non-recurring revenues or expenses and incorporate recurring revenues or expenses that are not yet reflected on a full-year basis, resulting in a more representative measure of ongoing operating performance.
- Management did not identify any normalized base year adjustments.
- Refer to Exhibit 12.

Valuation Methodology

Introduction

The three generally accepted approaches used in determining the fair market value of a business and/or assets are the income, market and cost approaches. Depending on the facts and circumstances of a particular valuation, applying the three approaches independently of one another can yield conclusions that are substantially different. Typically, simultaneous application of at least two of the three approaches allows a valuation professional to arrive at mutually supporting conclusions indicating a reasonable range of value. As the valuation is performed, the strengths of the individual approaches are considered and the influence of each approach in the valuation process is weighted according to its suitability. The following is a brief description of the three general approaches to value.

- The **Income Approach** determines the value of a business as the sum of its free cash flow generated over time, discounted to a present value. The discount rate reflects (i) the time value of money, (ii) investor required rates of return and (ii) the degree of risk in achieving the forecast. The income approach best captures the specific attributes of an underlying business. Because Management was unwilling to provide specific guidance, Weaver based forecast assumptions on the Hospital's past financial trends, local demographics, location, service and payor mix, and similar hospital profiles. The annual free cash flows estimate what a hypothetical buyer could expect from operating the Hospital.

- The **Market Approach** determines the value of a business based on the principle of substitution, such that similar assets should be exchanged for similar prices. This approach applies historical hospital transactions, publicly traded valuation metrics, market commentary and appraiser experience to the subject entity. The market approach best captures the general pricing environment for similar assets; however, comparability issues may exist.

- The **Cost Approach** determines the value of a business as the discrete cost of replacing or reproducing its specific tangible assets (e.g. real estate, equipment, working capital, etc.) and intangible assets (e.g. tradename, trained workforce, licenses, etc.).

The following pages outline the results of each methodology.

Income Approach Overview

Overview

We performed a discounted cash flow analysis ("DCF") to estimate the Hospital's business enterprise value ("BEV"). The DCF method is based on the premise that the value of a business equals the present value of the future economic benefits expected to accrue to its owners, discounted at a rate that appropriately reflects the risks associated with the investment.

Application of the DCF method generally involves projecting revenues, cost of goods sold, operating expenses, incremental working capital requirements, capital expenditures, depreciation, and tax liabilities over a discrete forecast period through the point at which operations stabilize. Based on these projections, unlevered free cash flows are calculated and discounted to present value. A terminal value is then estimated at the end of the discrete projection period to reflect the value of the business into perpetuity, and similarly discounted to present value. The sum of the present value of projected cash flows and the present value of the terminal value provides an indication of the enterprise value.

For the Hospital, we utilized an unlevered cash flow forecast and applied a weighted average cost of capital ("WACC") as the discount rate. The resulting value indication represents the aggregate value of the Hospital's invested capital, inclusive of both tangible and identifiable intangible assets.

Cash Flow Projections

Weaver relied on discussions with Management and appraiser judgement to develop a forecast of free cash flows over the next five (5) years.

		Normalized	Projections				
	FY 25	Base Year	Year 1	Year 2	Year 3	Year 4	Year 5
Total Net Operating Revenue	$ 77,638,790	$ 77,638,790	$ 80,170,924	$ 82,786,154	$ 85,487,221	$ 88,276,962	$ 91,158,304
Growth	0.2%	-	3.3%	3.3%	3.3%	3.3%	3.3%
EBITDA	7,189,962	7,189,962	8,142,017	9,139,895	10,185,406	11,280,425	12,426,895
Margin	9.3%	9.3%	10.2%	11.0%	11.9%	12.8%	13.6%
Less: Depreciation & Amortization			(7,511,788)	(9,676,241)	(6,621,316)	(4,813,885)	(5,083,986)
EBIT			630,228	(536,347)	3,564,090	6,466,540	7,342,909
NOL Use (Carryforward)			-	(536,347)	536,347	-	-
Less: Interest Expense			-	-	-	-	-
Less: Taxes	Tax rate:	25.3%	(159,731)	-	(767,382)	(1,638,945)	(1,861,060)
Net Income			470,497	(536,347)	2,796,708	4,827,595	5,481,849
Plus: Depreciation & Amortization			7,511,788	9,676,241	6,621,316	4,813,885	5,083,986
Less: Capital Expenditures			(10,321,649)	(2,397,602)	(2,476,055)	(2,557,090)	(2,640,794)
Plus: Change in Net Working Capital	% of Revenue	6.5%	(165,046)	(170,462)	(176,057)	(181,836)	(187,807)
Free Cash Flow			**(2,504,410)**	**6,571,831**	**6,765,913**	**6,902,554**	**7,737,234**

Cash Flow Projections

The following were key considerations when developing the projections on the previous page:

Revenue

- Volume and pricing were discretely projected based on knowable events, historical trends, observed patterns, Management discussions, appraiser judgement and industry experience. We also discretely projected other non-patient revenue.
- Inpatient volume was assumed to increase consistent with population growth; outpatient volume was assumed to grow slightly above population growth consistent with national trends. See Exhibit 13 for full details.

Operating Expenses

- Most expense items were projected to grow as a percentage of revenue, annual inflation or per unit cost.
- See Exhibit 14 for full details.

Net Working Capital

- Net working capital is a necessary amount of cash perpetually tied in the day-to-day operations of the business, reflecting the cash flow timing difference between current assets (accounts receivable, inventories, deposits, etc.) and certain current liabilities (accrued payroll expenses, accounts payable, etc.) for services performed through a specific date. We analyzed net working capital requirements given its direct impact on the cash flows. In our analysis of the Company, we focused on debt-free, net working capital ("DF NWC").
- We projected net working capital based on its relationship with changes in revenue. We derived a normalized DF NWC based upon considerations of the Hospital's historical DF NWC and the Guideline Public Companies DF NWC. Net working capital as a percentage of revenue was assumed to remain constant for the Discrete Projection Period and through the residual period.
- See Exhibit 28 for full details.

Capital Expenditures

- Capital expenditures are purchases of furniture, fixtures, or equipment that are not recorded on the income statement; however, these items are placed on the balance sheet and depreciated over time. We separately forecasted maintenance capital expenditures (i.e. regular ongoing purchases to support the business) versus those related to special projects.
- See Exhibit 16 for full details.

Depreciation

- Depreciation is the reduction in value of an asset due to the passage of time and use, and results in annual tax savings. Existing assets with remaining depreciable values along with the forecasted capital expenditures were forecasted to depreciate in accordance with the Modified Accelerated Cost Recovery System (MACRS), the current tax depreciation system in the United States. For simplicity, the half-year convention was utilized in all calculations.
- It was assumed the transaction for the entity would be an asset purchase. As such, tax depreciation would reflect a step-up in basis for existing assets to FMV and the buyer could depreciate 100% of the purchased assets that year.

Tax Rate

- The unique tax circumstance of any specific buyer was not considered. For valuation purposes, the Hospital's tax rates during the Historical Period were considered, however, the median tax rate of the GPCs was utilized as a proxy for the Hospital's future tax rate.

Discount Rate

A discount rate, or weighted average cost of capital ("WACC"), was selected and applied to the free cash flows of the Hospital. This discount rate represents the weighted average return requirements from equity and debt financing sources given the risks inherent in the subject entity. The discount rate was determined using a multi-step process:

Cost of Equity

A firm's cost of equity capital ("Ke") is the expected, or required, rate of return on the firm's common stock. In deriving the Hospital's Ke, we utilized the capital asset pricing model ("CAPM"), calculated as follows:

Ke = Rf + (Beta x [Rm - Rf]) + a

Rf = Risk-free rate of return.

Although there is no true risk-free security from which to derive a risk-free rate, we utilized Treasury securities backed by the U.S. government, which reflect a minimal level of investment risk. We use the long-term government bond rates to best match with the duration of projected cash flows in the forecast.

Rm – Rf = Equity risk premium, or expected return of the market portfolio ("Rm") less Rf.

The equity risk premium captures the incremental systemic risk inherent in any equity security that is undiversifiable. Systemic risk is caused by macro-economic factors such as recessions or geopolitical impacts. In determining the equity risk premium we reviewed a number of studies performed by various academics over differing long-run time periods. Ultimately, we relied on the supply-side equity risk premium reported in the Kroll Cost of Capital Navigator, which is commonly used as the industry standard metric.

Beta = Systemic risk quantification.

Beta is a statistical measure that quantifies a security's sensitivity to the price movements of the broader market. A security with a beta of 1.0 tends to rise and fall by the same percentage as the market, which would indicate an average level of systematic risk. Securities with a beta greater than 1.0 tend, on average, to rise and fall by a greater percentage than the market, suggesting higher sensitivity to systemic risk. Likewise, a security with a beta less than 1.0 has a low level of systematic risk and is therefore less sensitive to price changes in the general market.

Since the subject business is not publicly-traded and therefore does not have an observable beta, we looked to similar public companies, or otherwise referenced as the "Guideline Companies," within the Hospital's industry as a proxy for the Hospital's beta.

a = Unsystematic risks.

Unsystematic risk includes two adjustments:

- Size-premium: Smaller enterprises are more volatile than larger ones. We relied on data contained in the Kroll Cost of Capital Navigator for businesses operating in the 10th decile of size as our input for size premium.
- Hospital-specific risk premium ("CRSP"): The selection of the CSRP is a somewhat subjective exercise based on appraiser judgement of the unique facts and circumstances of the business or valuation interest. There are four major considerations we balanced when determining the CRSP: qualitative factors, quantitative factors, investor return requirements and the sensitivity of value to the CRSP. See Exhibit 18 for full details.

Based on the selected risk-free rates, market risk premiums, unsystematic risk premiums and betas, the cost of equity, or Ke, was determined to be **18.6%.**

Cost of Debt

- The cost of debt ("Kd") should reflect the interest rate applicable for a hypothetical buyer to borrow funds finance the assets of the subject entity. For purposes of our analysis, we have assumed a hypothetical market participant's cost of debt can be approximated by the median borrowing costs of the Guideline Companies. Since interest expense on debt results in tax savings, we have utilized the tax rate to determine the after-tax cost of debt. The after-tax cost of debt was determined to be **3.6%.**

Discount Rate - Cont.

Weighted Average Cost of Capital

The equation used for the calculation of the WACC is presented below:

WACC = (We * Ke) + (Wd * Kd * (1-Tm))

- We / Wd = Percentage of total value financed by equity ("We") versus debt ("Wd")

The selected weighting of debt and equity was based on a review of (i) the capital structure of the Guideline Companies, (ii) the Hospital's current capital structure, (iii) the Hospital's long-term capital structure, and (iv) appraiser experience regarding similar entities.

Based on the parameters discussed above, the WACC for the Hospital was determined to be **12.5%.**

See Exhibit 17 for full calculation details of the discount rate.

WACC

Component	Value	Weighting [7]	Conclusion
Cost of Equity (**A**)	18.6%	60.0%	11.2%
Cost of Debt (**B**)	3.6%	40.0%	1.4%
Weighted Average Cost of Capital (Rounded)			**12.5%**

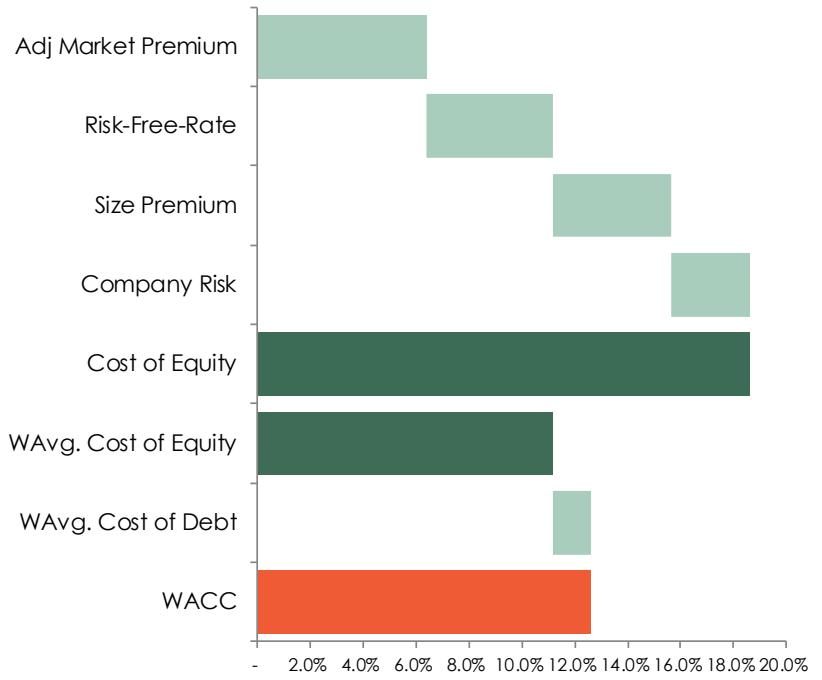
Cost of Equity Components

Component	Note	Conclusion
Market Risk Premium (Rm - Rf)	1	6.3%
Multiplied by: Industry Levered Beta		1.01
Adjusted Market Risk Premium		6.4%
Add: Risk-Free Rate of Return (Rf)	2	4.8%
Add: Size Premium	3	4.5%
Add: Company Specific Risk Premium	4	3.0%
Cost of Equity		**18.6%**

Cost of Debt Components

Component	Note	Conclusion
Cost of Debt	5	4.8%
Tax Rate	6	25.3%
After-Tax Cost of Debt		3.6%

WACC Walk



Income Approach Conclusion

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Residual Value

The present value of all future income streams after the Discrete Projection Period ("S") was calculated using the formula for a growing, perpetual annuity (a/k/a the Gordon Growth Model). The formula is as follows:

S = D / (WACC – g)

D = The projected free cash flow amount in the first year after the Discrete Projection Period
WACC = The discount rate previously determined
g = The terminal growth rate of the free cash flow into perpetuity, which reflects a combination of volume and pricing growth (or inflation).

Income Approach Conclusion

Using the selected discount rate, we calculated and summed the present value of the projected free cash flows and residual value. Based on the results of the Income Approach, we have estimated the FMV of the Hospital at approximately **$66.7 million**.

See Exhibit 16 for the full discounted cash flow analysis.

			Projections				
			Year 1	Year 2	Year 3	Year 4	Year 5
Free Cash Flow			**(2,504,410)**	**6,571,831**	**6,765,913**	**6,902,554**	**7,737,234**
Partial Period			0.5	1.5	2.5	3.5	4.5
Present Value Factor	Discount rate:	12.5%	0.9428	0.8381	0.7449	0.6622	0.5886
Present Value of Cash Flows			(2,361,180)	5,507,539	5,040,169	4,570,629	4,554,067
Present Value, Years 1-5						26.0%	17,311,224
Present Value, Years 6-Perpetuity	Residual growth rate:	3.0%				74.0%	49,375,672
Business Enterprise Value ("BEV")						100.0%	**$66,686,897**

Market Approach Overview

Overview

The most common methodologies used in the market approach involve the application of relative valuation metrics observed from (i) guideline (or similar) publicly traded companies (Guideline Public Company Method) and (ii) actual historical transactions of similar businesses (Comparable Transactions Method). The market approach may also consider (i) previous offers, or private transactions, for the company itself, (ii) commentary from market participants including operators and bankers, and (iii) management commentary, estimates or opinions. After reviewing the various available data points, the valuator must ultimately use professional judgement to select the appropriate metrics applicable to the subject entity after adjusting for comparability factors.

Given the limited visibility into the Hospital's near-term and projected profitability, we determined that a Market Approach which focuses on business enterprise value (BEV) to revenue relationships (i.e. "revenue multiples"), as opposed to BEV to EBITDA (i.e. "EBITDA multiples"), provides a more reliable and objective basis for comparability.

Guideline Public Company Method

We screened for public companies that were deemed comparable to the subject Hospital, and reviewed business enterprise value to revenue relationships on a historical, trailing, and forward-looking basis. Observations were as follows:

Significant comparability issues often exist between the identified public companies and subject Hospital, including, but not limited to:

- Size, product, and geographic diversification
- Competitive advantages
- Management depth
- Access to capital sources
- Profitability and growth

Transactions Method

Using various databases and sources, we generated a list of historical transactions in the industry where we could obtain somewhat reliable data. The database excludes many private transactions where no information could be found. We reviewed revenue multiples for each transaction identified; however, complete information for many of the deals (such as key terms, historical performance, forward estimates, etc.) was not available. Screening criteria was as follows:

- Short-term acute care hospital transactions with publicly available information (2014-2025) that have occurred in Florida
- All short-term acute care hospital transactions with publicly available information (2010-2025)
- Short-term acute care hospital transactions with publicly available information (2010-2025) and EBITDA margins greater than 5.0%
- Short-term acute care hospital transactions with publicly available information (2010-2025) and EBITDA margins less than 5.0%
- Precedent Hospital transaction between Community Health Systems and HCA completed in 2017
- Single-facility short-term acute care hospital transactions occurring in Florida with EBITDA margins between 5% and 18%

Comparability issues between the transactions reviewed and subject Hospital were noted, including but not limited to:

- Size
- Geographic location
- Competitive advantages
- Specific market environment at the time of the transaction
- Profitability differences
- Unknown growth potential
- Unknown transaction terms

Market Approach Revenue Multiples

	BEV to Revenue Multiples - Summary			
	25th Percentile	75th Percentile	Median	Average
Florida Hospital Transactions	0.5x	1.0x	0.8x	0.8x
All Hospital Transactions	0.3x	0.9x	0.5x	0.7x
Non-distressed Hospital Transactions	0.5x	1.1x	0.8x	0.9x
Distressed Hospital Transactions	0.2x	0.5x	0.3x	0.4x
Specific Company Transaction	n/a	n/a	n/a	n/a
Select Transactions	0.6x	1.0x	0.9x	0.8x
Guideline Public Companies	1.0x	1.6x	1.1x	1.2x

The above table summarizes the revenue multiples from the guideline public companies and various transaction groups reviewed. General observations are as follows:

- The median revenue multiple for a hospital transaction in Florida was 0.8x, while the median revenue multiple was 0.5x nationally.
- The median revenue multiple for non-distressed hospital transactions was 0.8x nationally, compared to 0.3x nationally for distressed hospital transactions.
- For the group of select short-term acute care hospital transactions that occurred in Florida, the range of revenue multiples spanned 0.6x (25th%) to 1.0x (75th%), with a median revenue multiple of 0.9x and average revenue multiple of 0.8x.
- Revenue multiples for guideline public companies ranged from 1.0x (25th%) to 1.6x (75th%).

See Exhibits 19-26 for further information.

Specific Company Transaction (n/a):
It should be noted Weaver did not view the 2017 Hospital transaction between CHS and HCA as an applicable comparable transaction to the current valuation. Based on company public filings, HCA paid approximately $11 million cash to CHS and such amount would not have included real property or working capital.

Per the American Hospital Directory, the Hospital's revenue and EBITDA around the time of this transaction was ~$51.0 million and ~$1.5 million, respectively. Since 2017, the Hospital's revenue has grown ~$25.0 million to ~$77.7 million in 2025 and profits have increased. Additionally, cumulative capital expenditures have been significant (over $33 million) since HCA became the lessee.

Market Approach Conclusion

Appraiser Selection of Applicable Revenue Multiple Range

In addition to the information presented on the prior page, we considered the following when selecting an applicable revenue multiple for the Hospital:

- The Hospital appears to be in a state of transition. Financial results for FY 2025 showed an improvement in profitability compared to prior years. Payor mix is improving with a higher percentage of commercial payors. Additionally, HCA has recently added a new CEO and CFO who have been making significant positive impact. However, the Hospital has historically been an underperformer, and is operating in a slow growth market against a larger long-standing competitor with a more developed physician network.

- Over the last few years, we understand the Hospital has been undergoing considerable plant (e.g. electrical, HVAC, etc.) and equipment upgrades. We believe such investment is evidence of the Hospital's desirability, as underperforming hospitals with weak outlooks do not receive additional capital investment (especially from for-profit operators such as HCA).

- The Hospital is part of HCA's East Florida Division and patient care is provided by local resources, a large virtual medical staff and transfers to other facilities (if medically appropriate). We understand the Hospital transfers some patients to the parent company's larger, and very profitable, HCA Florida Lawnwood Hospital. While we are unable to directly quantify the network impact of patients originating from the Hospital, we do believe a hypothetical third-party buyer would realize some benefits of either bring additional capabilities/services directly to Sebring or continuing to coordinate care within a larger ecosystem.

- Various other factors were considered, including but not limited to: low historical profit levels as a stand-alone facility, age of the facility and equipment, strong market competitor with majority market share, reimbursement headwinds from government payors, local population growth and demographics, increasing profitability and potential, loyal independent physician group not affiliated with the larger market competitor, the tangible assets (i.e. real estate, working capital, personal property) comprising the majority value of total assets, and the current operator. Several other nearby hospitals are also profitable.

All considered, we have selected a revenue multiple range of **0.80x** to **0.90x** as applicable to the subject Hospital.

Market Approach Conclusion

Using the Market Approach, we have estimated the FMV of the Hospital at approximately **$66.0 million**. We **relied on** the Market Approach method to determine the Hospital's business enterprise value.

		Selected Multiple Ranges		Value Implied Business Enterprise Value ("BEV")
Metric		Low	High	Midpoint
Revenue - Normalized Base Year (2025)	77,640,000	0.80x	0.90x	66,000,000

Cost Approach Overview & Conclusion

Overview

The Cost Approach determines value as the aggregate FMV of individual tangible and intangible assets of an enterprise. Tangible assets include fixed assets (e.g. real property, personal property, working capital). Intangible assets include assets that are not necessarily physical in nature but are important elements driving business earnings (e.g. tradenames, licensures, and residual goodwill). The Cost Approach was established to ensure that the aggregate value of the individual asset components comprising the Hospital aligns with the overall value derived from the Market Approach.

Along with other relevant considerations, we regarded the Cost Approach as both informative and supportive of the conclusions drawn from the Market Approach. For purposes of this analysis, we have performed a separate FMV appraisal of the Hospital's real property and personal property. The total value of the business also informs the value of each component, including real property, due to the single purpose nature of hospital operations and associated infrastructure.

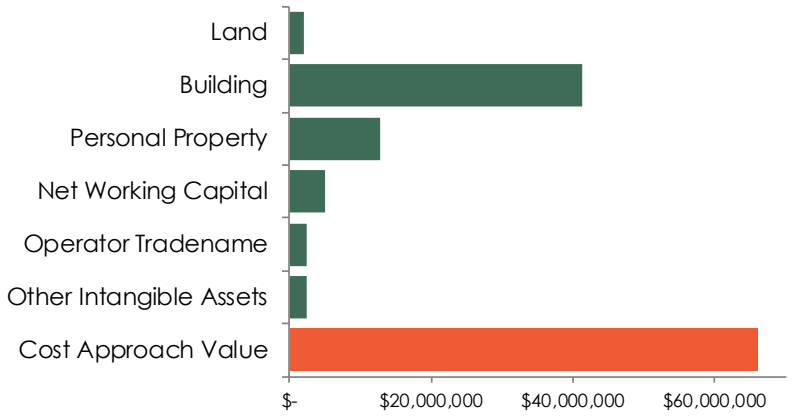
Cost Approach Conclusion

Based on the results of the Cost Approach, we have estimated and confirmed the FMV of the Hospital at approximately $66 million

See Exhibits 27-32 for more detail.

Component	Notes	Value Indication	%
Land	1	2,000,000	3.0%
Building	1	41,300,000	62.6%
Personal Property	2	12,840,000	19.5%
Net Working Capital	3	5,100,000	7.7%
Operator Tradename	4	2,400,000	3.6%
Other Intangible Assets	5	2,360,000	3.6%
Business Enterprise Value, Cost Approach		**66,000,000**	**100.0%**

Cost Approach Conclusion Walk



See next page for notes

Cost Approach Overview & Conclusion

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Notes

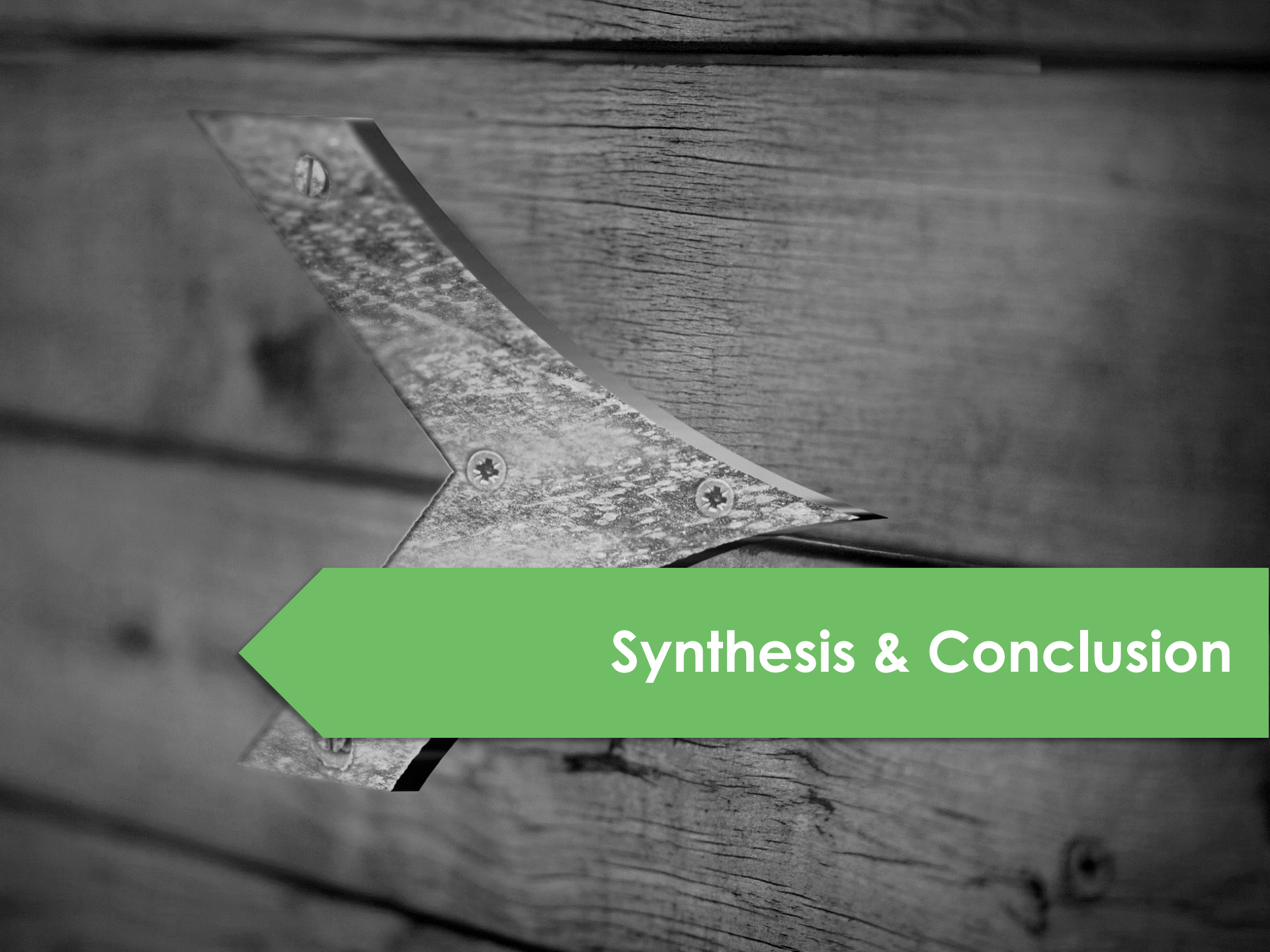
1) Based on Weaver's separate real estate valuation report as of December 31, 2025. It should be noted that the adjacent medical office building, which is currently utilized for operating administrative purposes, has been included in the values above. Also, the building value includes all construction in progress of approximately $1.0 million as of the Valuation Date.

2) Based on Weaver's separate personal property valuation report as of December 31, 2025. According to the 1995 First Restated and Amended Lease Agreement, the District has the right to "acquire the Lessee's personal property at its then book value" (Section 16.5). It should be noted Fair Market Value of $12.8 million was higher than book value of $8.1 million. See Exhibit 33 for additional details.

3) Non-cash working capital is defined as certain current assets (accounts receivables, inventories, deposits, etc.) less certain current liabilities (accrued payroll expenses, accounts payable, etc.) which create ongoing cash flow imbalances that are necessary to operate the business on a day-to-day basis. Estimated to be 6.5% of base year total net revenue. See Exhibit 28 for more detail.

4) A tradename is the name under which a business operates and identifies itself to customers. For purposes of our valuation, the Operator Tradename value represents more than brand recognition; it reflects access to established clinical protocols, quality standards, an extensive healthcare network, and substantial managerial expertise. See Exhibits 30-32 for additional information.

5) Residual value of the $66.0 million BEV as determined from the Market Approach less the value of the other assets identified above. This asset category includes, but is not limited to, licenses, certifications, accreditations, permits, and other in-place operating assets such as personnel.



Synthesis & Conclusion

Selection of Methodology Weighting

We considered all three approaches to value. Ultimately, we relied upon the **Market Approach** for the following reasons:

- The Income Approach generated a value that is most specific to the underlying entity, considering growth, profitability and appraiser judgement regarding risk. We considered the Income Approach supportive of other, more reliable methods given Management's lack of participation in developing the forecast assumptions.
- The Market Approach incorporates the current transaction landscape for similar entities. We viewed the Hospital's revenue as the best objective metric to utilize for valuation purposes, especially given the number of BEV to revenue datapoints available.
- The Cost Approach was established to ensure that the aggregate value of the individual asset components comprising the Hospital aligns with the overall value derived from the Market Approach. Along with other relevant considerations, we regarded the Cost Approach as both informative and supportive of the conclusions drawn from the Market Approach.
- Based on the procedures outlined herein and the corresponding analysis, we have estimated the FMV of the Hospital at approximately **$66 million** (midpoint). The chart below outlines the valuation results after weighting each approach:

Methodology	Note	Value Indication	Percentage Reliance	Concluded Amount (Midpoint)
Income Approach	1	66,700,000	-	-
Market Approach	2	66,000,000	100.0%	66,000,000
Cost Approach	3	66,000,000	-	-
Business Enterprise Value ("BEV") Conclusion (Rounded)				**$ 66,000,000**

Key Terms

Term/Abbreviation	Definition
Client	Highlands County Hospital District
Hospital	HCA Florida Highlands Hospital
FYE	Fiscal Year Ending December 31
YTD	Year to Date
TTM	Trailing twelve months ending
BEV	Business Enterprise Value, the aggregate value of all assets that comprise the underlying entity including tangible and intangible components.
NWC	Net Working Capital, a necessary amount of cash perpetually tied in the day-to-day operations of the business, reflecting the cash flow timing difference between current assets (accounts receivable, inventories, deposits, etc.) and certain current liabilities (accrued payroll, accounts payable, etc.). Net working capital is a component of BEV.

Exhibit A
Economic & Industry Overview

A well-prepared business valuation contains a thorough and relevant economic and industry analysis. Revenue Ruling 59-60 requires consideration of "the economic outlook in general and the condition and outlook of the specific industry in particular." An understanding of the economic and industry outlook is fundamental to developing reasonable expectations about an entity's future prospects. As such, we considered economic and industry influences related to the Hospital.

In this analysis, we examine the general economic climate the existed during the fourth quarter of 2025. This summary provides an overview of some selected economic factors that prevailed at that time as well as a discussion of the factors that are crucial over an extended time period.

General Economic Indicators

The U.S. economy, as indicated by gross domestic product ("GDP"), increased at an annual rate of 1.4% in the fourth quarter of 2025, indicating that the U.S. economy decelerated after growing at an annual rate of 4.4% in the third quarter of 2025. The fourth quarter GDP slowdown reflected declines in government spending and exports and a downturn in consumer spending that were partly offset by an acceleration in investment. Furthermore, imports which are a subtraction in the calculation of GDP, decreased, though at a slower rate than in the third quarter. Real GDP increased 2.2% in 2025 compared to an increase of 2.8% in 2024. Current-dollar GDP increased at an annual rate of 5.1% in the fourth quarter, or $392.1 billion, to $31.5 trillion. This followed the third-quarter increase of 8.3%. In 2025, the current-dollar GDP increased 5.1%, compared to 5.3% in 2024.

The U.S. Leading Economic Index (LEI) declined by 0.2% in December, to 97.6, after decreasing 0.3% in the previous month. December marked the fifth consecutive month of declines. The index was down 1.2% over the six months ending in December 2025, a smaller contraction than the 2.8% decline in the previous six-month period. The Conference Board projected the GDP will grow by 2.1% in 2026, slightly lower than the forecasted 2.2% in 2025.

The LEI is a leading American economic indicator intended to forecast future activity. The Conference Board, a nongovernmental organization, calculates the index from the values of 10 key variables:

- Average weekly hours in manufacturing;
- Average weekly initial claims for unemployment insurance;
- Manufacturers' new orders, consumer goods and materials;
- Institute for Supply Management's Index of New Orders;
- Manufacturers' new orders, nondefense capital goods excluding aircraft orders;
- Building permits, new private housing units;
- Stock prices, 500 common stocks;
- Leading Credit Index;
- Interest rate spread, 10-year Treasury bonds less federal funds; and
- Average consumer expectations for business conditions.

Interest Rates

At its December meeting, the Federal Open Market Committee ("FOMC") decided to lower the target range for the federal funds rate by 0.25 percentage points, to 3.50% to 3.75%. The committee seeks to achieve maximum employment and inflation at the rate of 2.0% over the long run. The committee judges that the uncertainty about the economic outlook remains elevated. The committee is attentive to the risks to both sides of its dual mandate and judges that downside risks to employment rose in recent months. The FOMC also unanimously approved the decrease of the primary credit rate by 0.25 percentage points, to 3.75%. The primary credit rate is the basic interest rate charged to most banks. The FOMC will continue to monitor the implications of incoming information for the economic outlook and assess information related to labor-market conditions, inflation pressures, inflation expectations, and financial and international developments and will use its tools and act as appropriate to support the economy and return inflation to its 2.0% objective.

Unemployment and Personal Income

In December, job gains were reported in the healthcare, food services and drinking places, and social assistance sectors. The retail trade sector continued to lose jobs, and employment showed little or no change over the month in other major industries, including mining, quarrying, and oil and gas extraction; construction; manufacturing; wholesale trade; transportation and warehousing; information; financial activities; professional and business services; and other services.

In December, employment in healthcare added 21,000 jobs in December. Over the month, job growth was led by hospitals, with the addition of 16,000 jobs, followed by ambulatory healthcare services, which added 5,000 jobs. December employment growth in healthcare was below the average monthly gain of 34,000 over the last 12 months. In 2024, healthcare employment rose by an average monthly gain of 56,000.

Services

The Institute for Supply Management's Services PMI index increased by 1.8 percentage points in December, to 54.4%. The reading indicated that the index was in expansion territory for the 10th time in 2025 and was the highest reading of the year. The index that measures business activity rose 1.5 percentage points in December, to 56.0%, compared to the 54.5% recorded in November. The reading was the highest since the index registered 58.0% in December 2024. Nine out of 18 industries reported an increase in business activity for December—finance and insurance; retail trade; transportation and warehousing; healthcare and social assistance; accommodation and food services; information; construction; wholesale trade; and public administration—while seven industries reported a decrease and two reported no change.

The Prices Index was 64.3% in December, a decrease of 1.1 percentage points from November's reading of 65.4%. The reading indicated that prices service organizations paid for materials and services increased in November for the 103rd consecutive month. Fifteen of the 18 industries reported an increase in prices paid in December: other services; professional, scientific, and technical services; finance and insurance; educational services; construction; information; wholesale trade; accommodation and food services; agriculture, forestry, fishing, and hunting; healthcare and social assistance; public administration; transportation and warehousing; management of companies and support services; utilities; and retail trade. Only one industry reported a decrease (mining), and two industries reported a decrease in prices paid.

Economic Forecast

Consensus Economics Inc., the publisher of Consensus Forecasts—USA, reports that the consensus of U.S. forecasters is that real GDP will rise at an annual rate of 2.2% in the first quarter of 2026 and increase at an annual rate of 2.0% in the second quarter of 2026. Every month, Consensus Economics surveys a panel of prominent U.S. economic and financial forecasters for their predictions on a range of variables, including future growth, inflation, current account and budget balances, and interest rates. The forecasters expect GDP to increase by 2.0% in 2025 and 2.1% in 2026, along with the following predictions:

- They forecast that consumer spending will increase at an annual rate of 1.7% in the first quarter of 2026 and increase further, to a rate of 1.9%, in the second quarter of 2026. They expect consumer spending to increase by 2.5% in 2025 and1.9% in 2026.
- The forecasters believe unemployment will average 4.5% in the first quarter of 2026 and average 4.5% in the second quarter of 2026. They predict that unemployment will average 4.3% in 2025 and 4.5% in 2026.
- The forecasters also believe consumer prices will rise at an annual rate of 3.0% in the first quarter of 2026 and increase at an annual rate of 2.6% in the second quarter of 2026. They expect consumer prices to increase by 2.8% in 2025 and in 2026. They forecast producer prices will rise at an annual rate of 3.5% in the first quarter of 2025 and increase at an annual rate of 1.2% in the second quarter of 2026. The forecasters anticipate producer prices will rise 2.2% in 2025 and 2.2% in 2026.
- The forecasters expect real disposable personal income will rise at an annual rate of 3.3% in the first quarter of 2026 and rise at an annual rate of 2.5% in the second quarter of 2026. They believe real disposable personal income will increase by 2.0% in 2025 and 2.2% in 2026.
- The forecasters expect industrial production to increase at an annual rate of 0.6% in the first quarter of 2026 before increasing at an annual rate of 1.1% in the second quarter of 2026. They forecast that industrial production will increase by 1.1% in 2025 and rise by 0.9% in 2026.
- The most recent release of The Livingston Survey (the Survey), published in December 2025, predicted GDP annualized growth to increase in the second half of 2025. The Survey, conducted by the Federal Reserve Bank of Philadelphia, is the oldest continuous survey of economists' expectations. The Survey summarizes the forecasts of economists from industry, government, banking, and academia. The Survey forecasted higher output growth in 2025 as the participants projected a 2.0% growth rate of real GDP for the second half of 2025, which is an upward revision from the 0.9% in the previous survey. They predicted that real GDP would increase by an annual rate of 2.0% by the first half of 2026 and grow at an annual rate of 1.9% in the second half of 2026. The Survey's forecast on the employment rate was slightly lower than the previous prediction, at an expected unemployment rate of 4.5% in December 2025. The Survey then expected the rate to remain at 4.5% in June 2026 and maintain the same rate in December 2026. However, the forecasters projected that the outlook for year-over-year CPI inflation is lower. They believed CPI inflation would decrease 2.8% in 2025 and stay at 2.8% in 2026 from the 3.0% predicted for both 2025 and 2026 in June's survey. PPI inflation was expected to decrease 1.8% in 2025, a downward revision from the 2.5% in the previous survey. PPI inflation was predicted to increase to 2.2% in 2026, which was higher than the 1.8% prediction in June 2025. PPI inflation is projected to remain at 2.2% in 2027.

Weaver also considered the economic factors impacting the U.S. Hospital industry in this analysis.

Industry Overview

The industry includes establishments licensed as general medical and surgical hospitals that provide surgical and nonsurgical diagnostic and medial treatments to inpatients. Hospitals typically maintain inpatient beds and offer a range of services, including outpatient, operating room, and pharmacy services. Inpatient care accounts for 50.4% of industry revenue. Outpatient care represents 41.5% of industry revenue and other services represent 8.1% of industry revenue.

Rising incomes have driven recent growth, expanded insurance access and strategic consolidation that strengthens market position. Consolidation has reduced the number of independent hospitals, allowing larger systems to leverage economies of scale, while smaller, independent hospitals continue to face wage inflation, staffing shortages and increased drug supply costs because of tariff impacts throughout the supply chain. Despite the cost challenges and competitive effects, federal stimulus, insurance expansion and hospital mergers, revenue is expected to climb at a CAGR of 1.7%, reaching $1.5 trillion by 2025, with a 1.6% gain in 2025 alone.

Demographic Shifts

Hospitals become increasingly central to addressing the complex medical needs of older adults as the population ages. However, this can bring both opportunities and challenges. On the one hand, there is a rising demand for specialized healthcare services such as chronic disease management, geriatric care and advanced surgical procedures, which allows hospitals to expand their service offerings. In 2023, federal Medicare expenditures were the most significant contributor to federal government health spending growth, accounting for 31.0% of hospital care expenditures. Growth in 2023 in Medicare hospital expenditures was due to the use and intensity of services and increased outpatient hospital utilization.

Payor Mix Trends

The One Big Beautiful Bill Act (July 2025) reduces Medicaid spending over the next decade by lowering provider tax safe harbor thresholds and capping state-directed payments at Medicare rates, which decreases reimbursement for safety-net hospitals. It also initiates $24 billion in DSH cuts beginning October 2025, further reducing support for uncompensated care. Because hospitals rely on provider taxes to draw federal matching funds, these reductions constrain hospital finances, particularly for urban safety-net and rural facilities. The Congressional Budget Office estimates the legislation could leave more than ten million people without coverage, increasing uncompensated care and intensifying financial and operational pressures on hospitals.

Public and private payer reimbursement models are shifting toward value-based care. Value-based care is a healthcare delivery model prioritizing patient outcomes and quality of care over the quantity of services provided. This model contrasts with traditional fee-for-service systems by focusing on improving patient health and rewarding providers for efficiency and effectiveness. As public and private payer reimbursement models shift toward value-based care, hospitals may initially see revenue declines if they fail to adapt.

Tariffs & Supply Chain Volatility

Sweeping tariff policies implemented throughout 2025 impose unprecedented cost pressures on US hospitals, which are already navigating tight operating profit. According to the American Hospital Association (2025), Medical supplies comprise 10.5% of the average hospital budget, totaling $146.9 billion in collective spending across the sector in 2023, representing a $6.6 billion increase over the prior year. Tariffs on imports from Canada and Mexico, combined with duties on Chinese products depending on product category, directly impact the import dependent supply chain. China supplies active pharmaceutical ingredients for generic drugs, making pharmaceutical costs particularly vulnerable to the tariff regime. Supply chain disruptions exacerbate financial strain, with reports indicating that healthcare administrators are planning to delay equipment upgrades to manage the pressure. Facilities operating on razor-thin profit face difficult choices between absorbing higher costs, reducing services, or passing expenses to patients through increased charges

Industry Outlook

Hospitals will drive growth through technology adoption and strategic outpatient expansion to offset competitive threats and capitalize on aging demographics. Artificial intelligence, telemedicine and wearable devices enable hospitals to enhance service delivery, reduce operational costs and expand beyond traditional inpatient services, thereby competing with ambulatory surgery centers and capturing shifting care preferences. As technology-enabled consolidation advances and larger systems achieve deeper economies of scale, industry revenue is projected to strengthen at a compound annual growth rate of 2.3%, reaching $1.7 trillion by 2030 with stable profit sustained across the forecast period.

Exhibit B
Cost & Quality Benchmarks

HCA Florida Highlands Hospital

Performance Comparison

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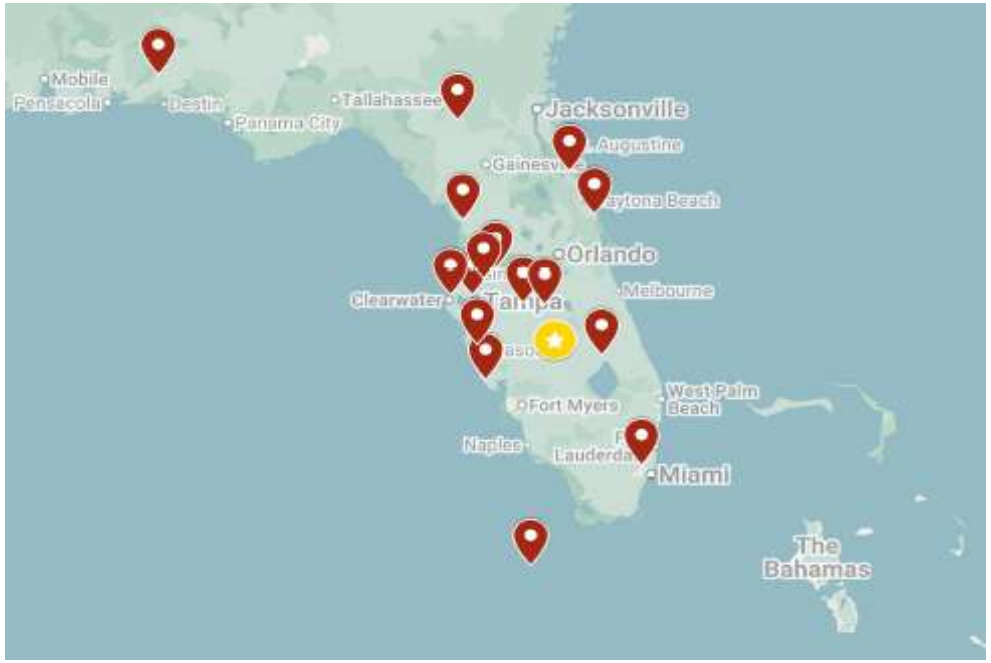
Engagement Overview

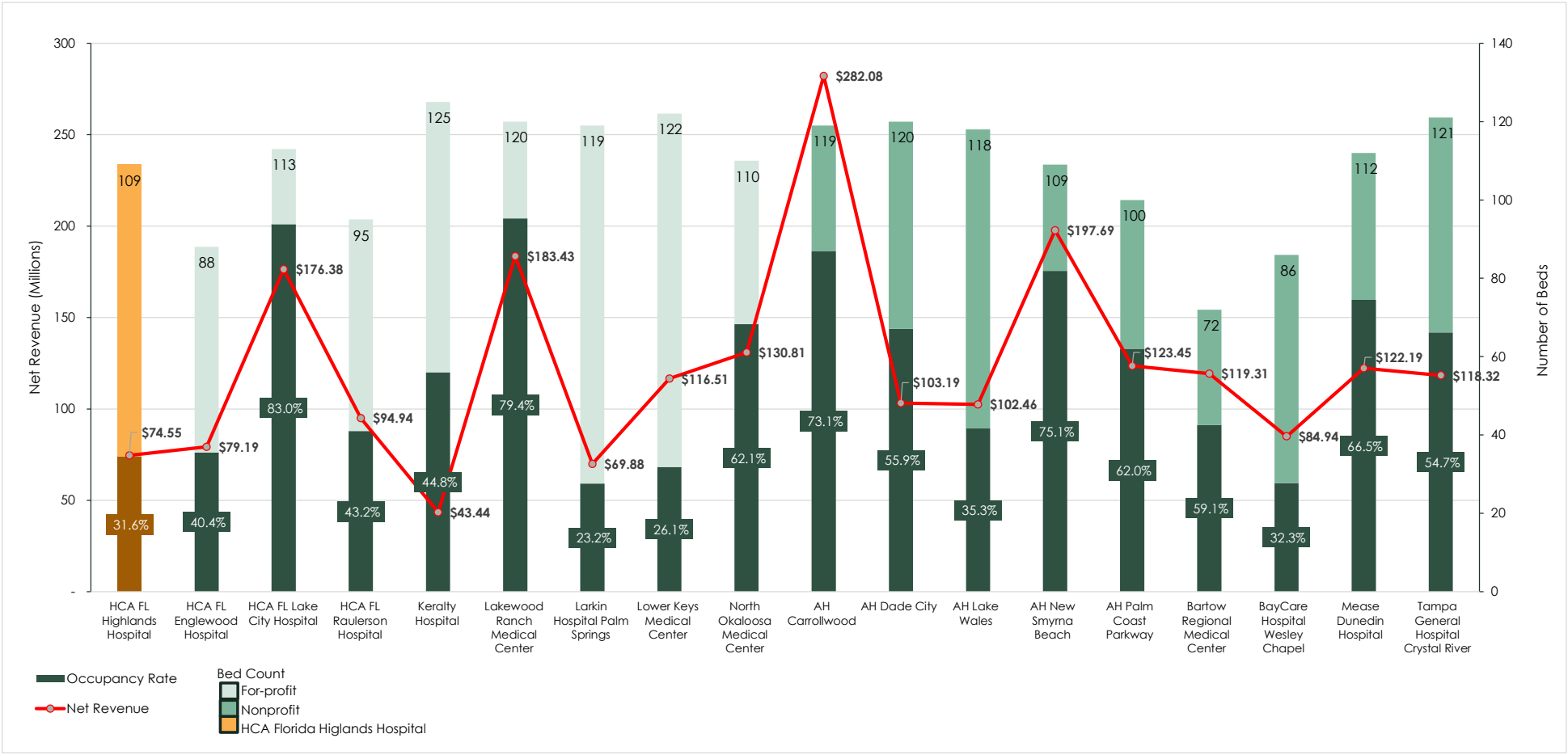
Weaver was requested to provide an objective operating comparison of other similarly situated hospitals, both nonprofit and for-profit, which have a similar service mix in order to determine where there is a difference in the cost of operation using, including, but not limited to, publicly available data provided by the Agency for Health Care Administration ("AHCA"), data provided by current operator of the Hospital as requested by the board, and the quality metrics identified by the Centers for Medicare and Medicaid Services ("CMS ") Core Measures.

To complete this assignment, we analyzed the most recent data available (mainly 2024) from the following sources:
(1) American Hospital Directory
(2) HCA Annual Audit Reports
(3) Florida Agency for Health Care Administration
(4) Core Measure Reports from CMS

While no two hospitals are exactly comparable, Weaver selected eight (8) for-profit and nine (9) nonprofit peers that have a reasonable degree of comparability. Weaver selected peers based on size, payor mix, length of stay, service mix, and quality of publicly available data. Please see the following pages for detail.



Hospital Net Revenue vs Occupancy Rate

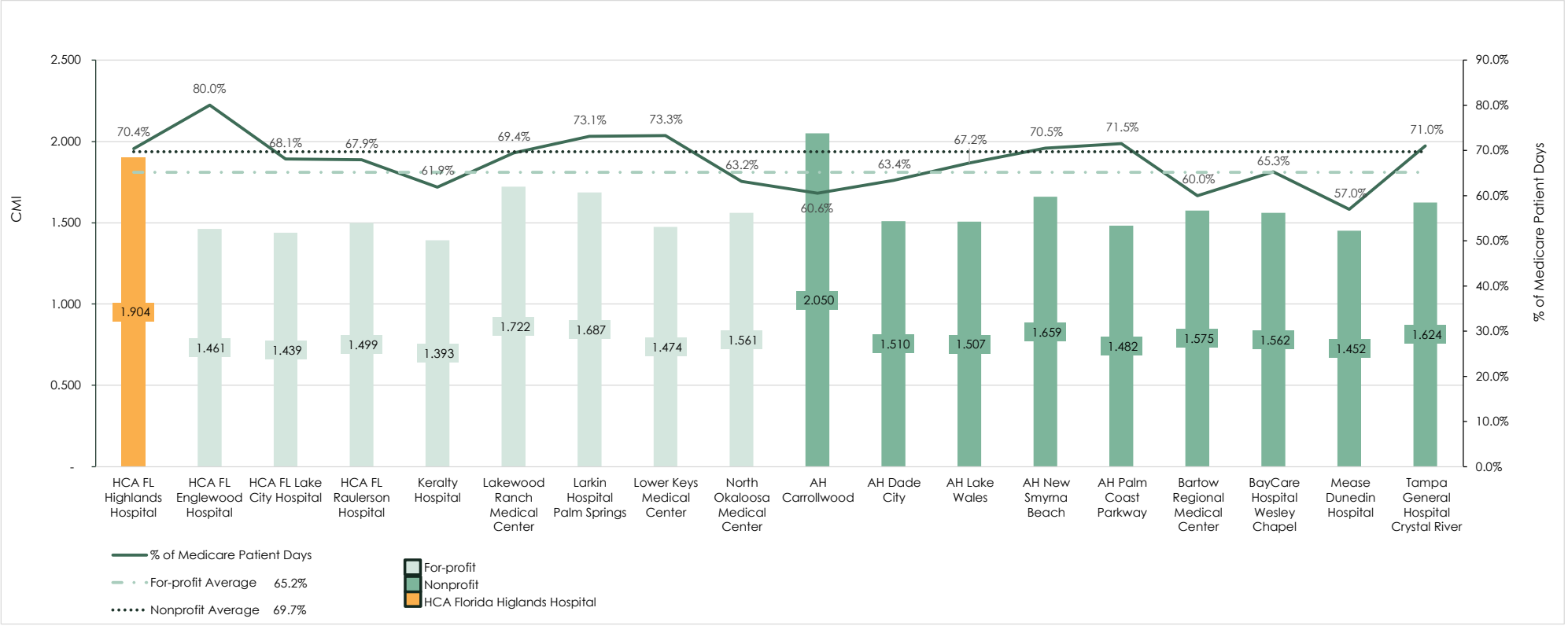


Source: Florida AHCA Financial Data Dashboard (2024)

Notes

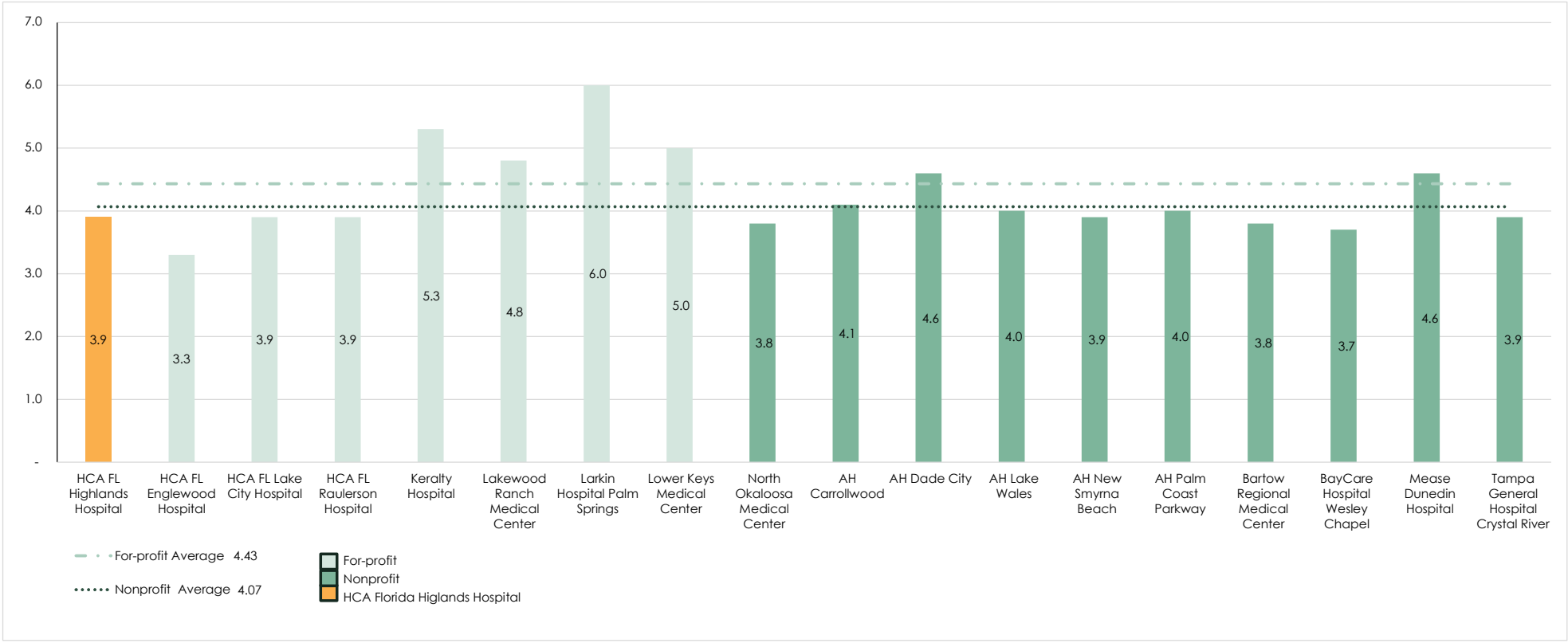
Medicare-certified beds may be different than reported available beds in the data sources. For example, HCA Highlands Hospital has 126 Medicare-certified beds but the data sources indicate 109 (AHD) or 110 (AHCA) available beds. For consistency, available beds is displayed in the above chart.

Case Mix Index ("CMI") vs % of Medicare Patient Days



Source: Florida AHCA Financial Data Dashboard (2024) & American Hospital Directory (2024)

Average Length of Stay ("ALOS")



Source: Florida AHCA Financial Data Dashboard (2024)

Hospital Operating Cost Comparison

To compare if there is a difference in operating cost, Weaver evaluated the Hospital across several cross-sectional metrics relative to various the peers identified. To further increase the comparability of the results, operating expenses were adjusted to exclude rent, bad debt and depreciation.

- The operating expenses were adjusted to exclude rent, bad debt and depreciation ("EBITDAR").
- The operating expenses were adjusted for differences in case mix index ("CMI"). CMI is a measure of resource utilization, a higher case mix equated to a greater amount of resources
- Weaver relied upon *adjusted* patient days and *adjusted* admissions. *The Adjustment Factor is utilized to account for the outpatient component of each hospitals patient mix.*

The following charts were developed:

- Salaries & Wages as a % of Revenue
- Total Operating Costs as a % of Revenue
- EBITDAR as a % of Revenue
- Operating Cost per Adjusted Admission (1)
- Operating Cost per Adjusted Patient Day (1)
- Operating Cost per CMI Adjusted Admission (2)
- Operating Cost per CMI Adjusted Patient Day (2)

Observations:
For-profit hospital operators generally have lower per patient costs than nonprofit hospitals when measured by cost per CMI adjusted admission or CMI adjusted patient day, and the Hospital's per patient cost metrics align with those of for-profit peers.

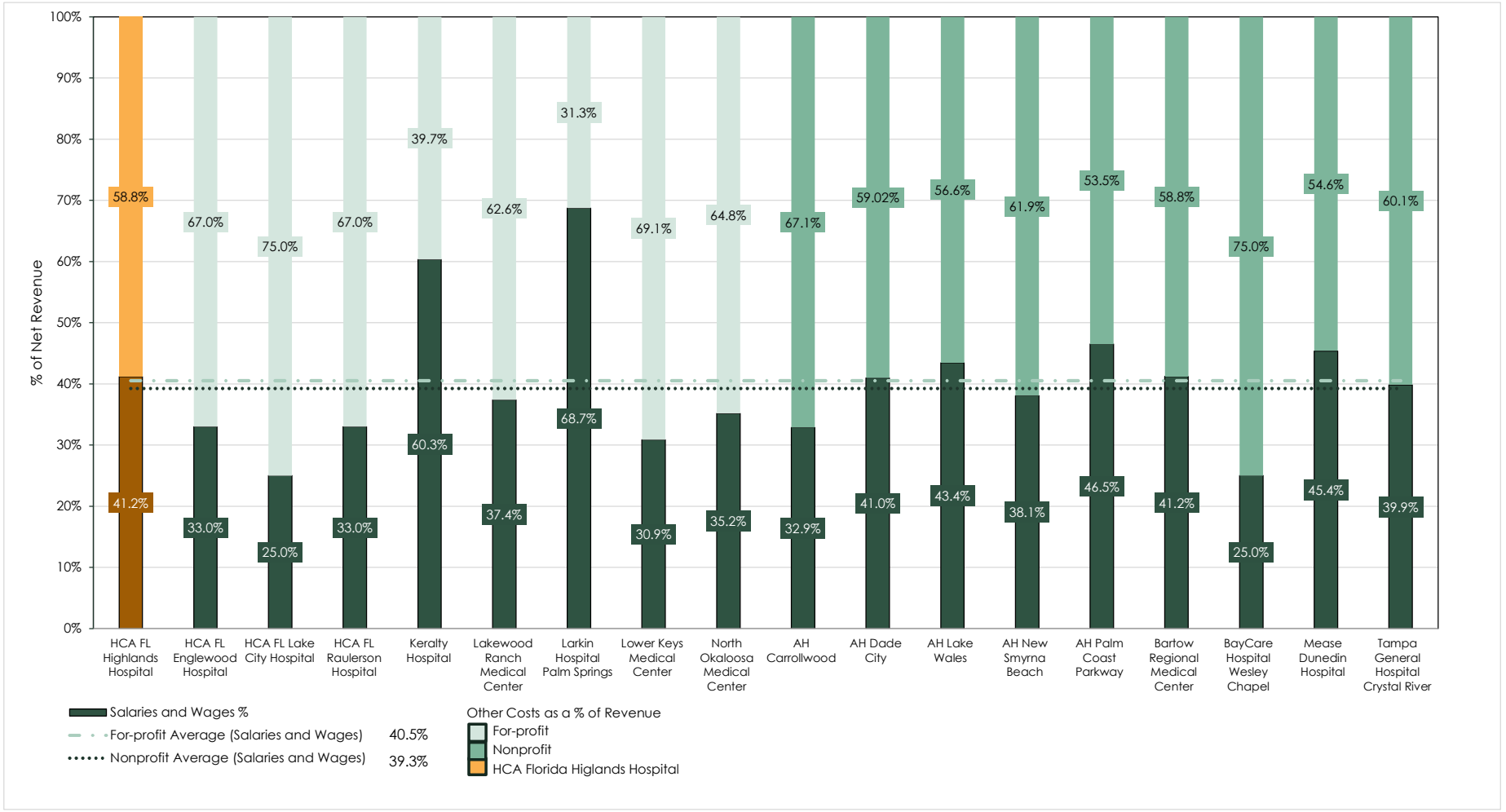
However, the Hospital's costs account for a larger share of revenue than those of both for-profit and non-profit peers, likely reflecting its relatively smaller revenue base. Although its per patient costs appear low, the Hospital's limited revenue scale means it operates closer to its fixed cost threshold. If revenue were to grow, the Hospital's costs as a percentage of revenue would likely decline toward levels more consistent with its for-profit peers.

Notes:

1 *An "adjusted admission" represents an inpatient admission plus an equivalent portion of outpatient services, and an "adjusted patient day" represents an actual patient day plus additional days to reflect outpatient care. This single combined measure of total patient workload allows better comparability across metrics.*

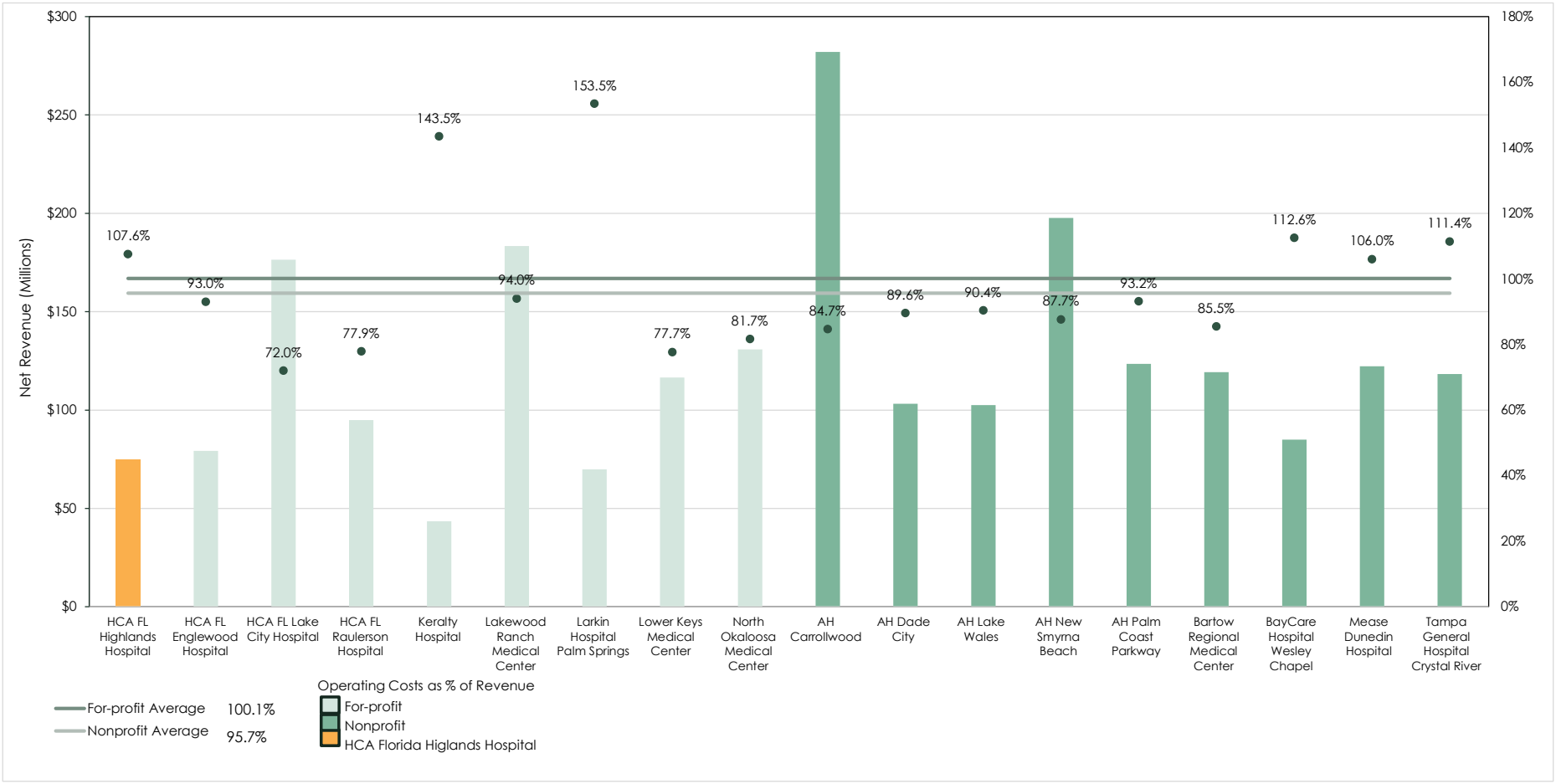
2 *Case Mix Index ("CMI") indicates the average clinical complexity and resource intensity of the Medicare patients a hospital treats, usually determined by the combined weights of each patient's Diagnosis-Related Group (DRG) (a standardized severity measure). A higher CMI means a hospital's patients are sicker and require more resources.*

Salaries & Wages vs. Other Costs as % of Net Revenue



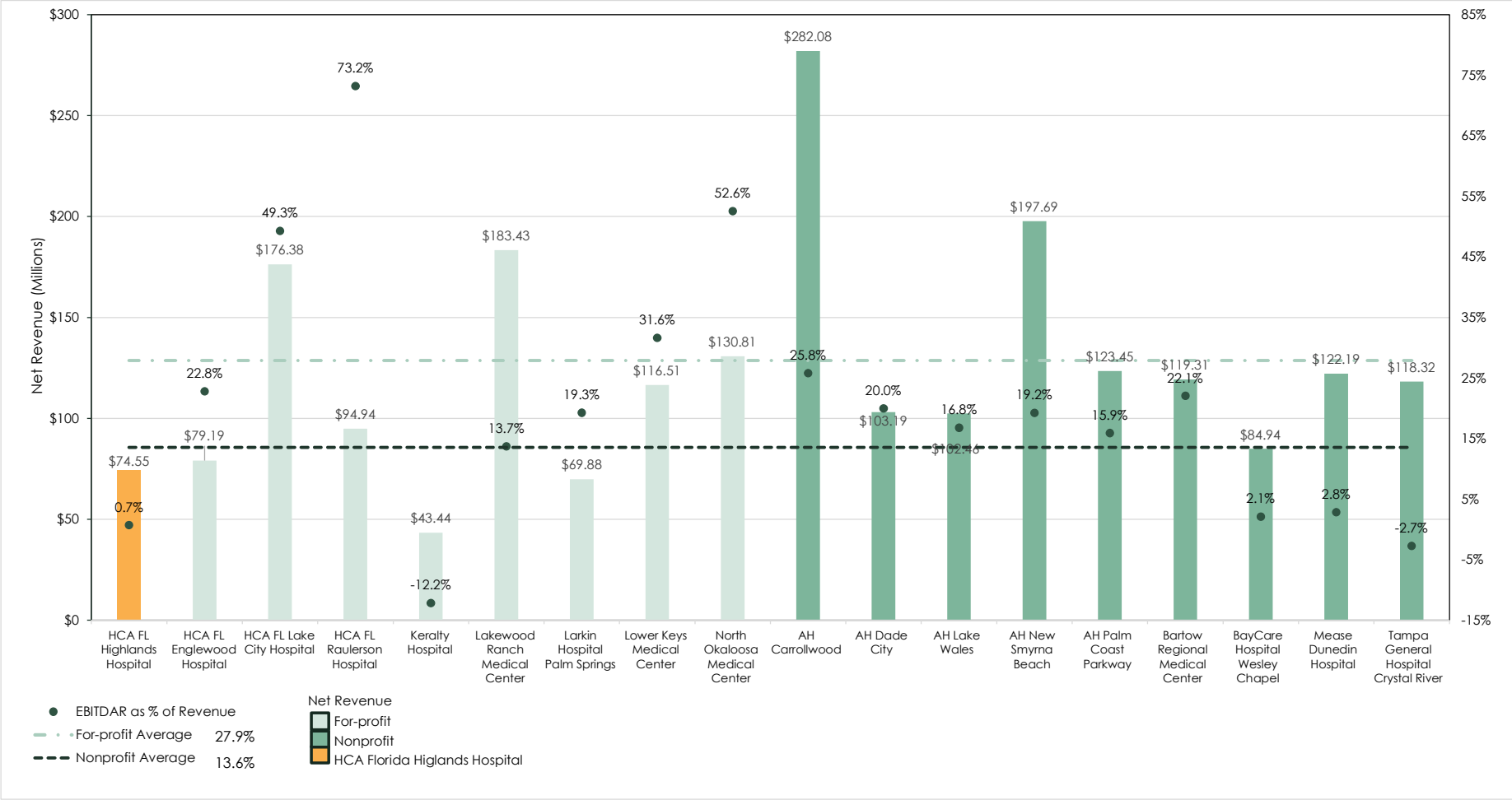
Source: Florida AHCA Financial Data Dashboard (2024) & American Hospital Directory (2024)

Total Operating Cost as % of Net Revenue



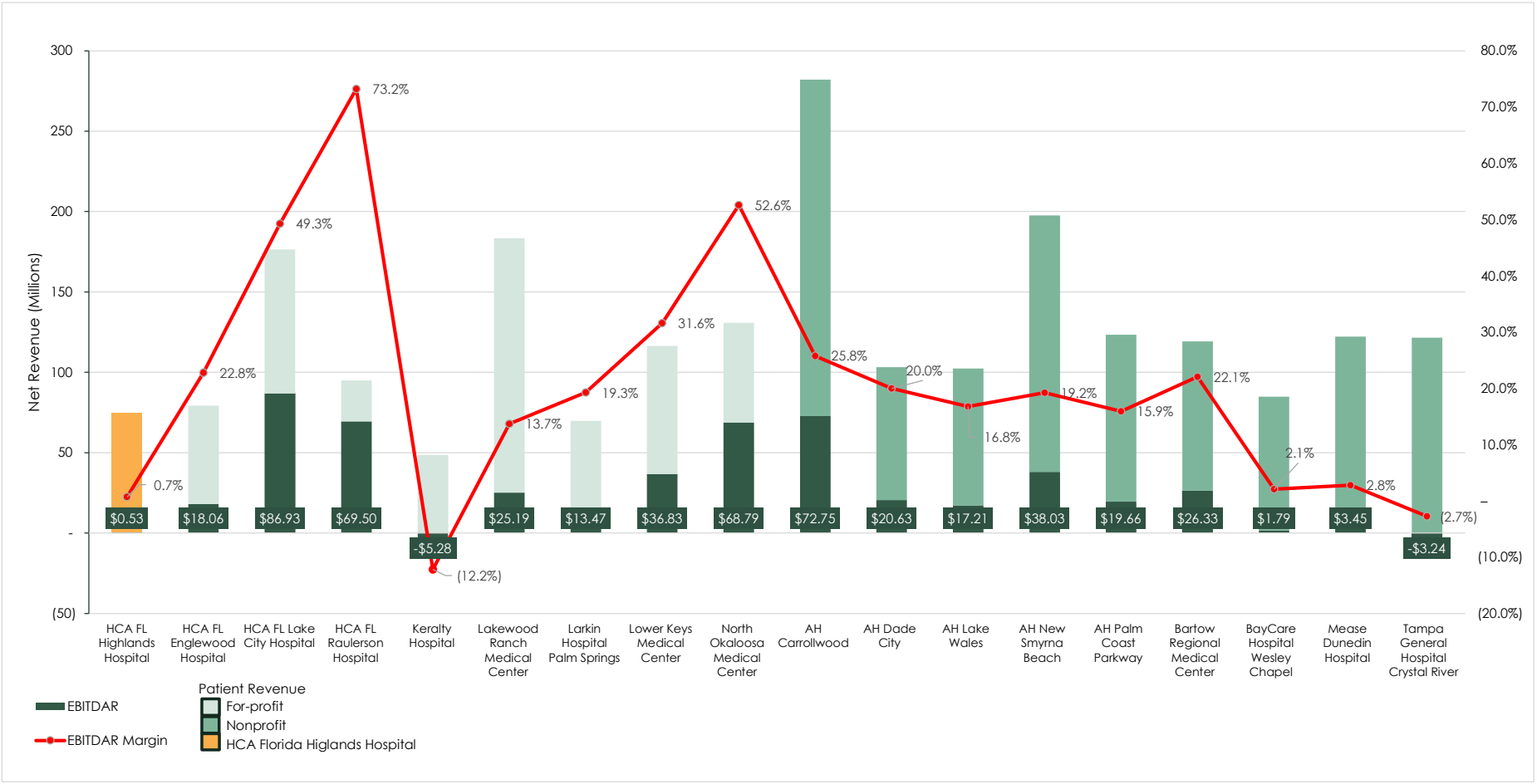
Source: Florida AHCA Financial Data Dashboard (2024) & American Hospital Directory (2024)

EBITDAR as % of Net Revenue



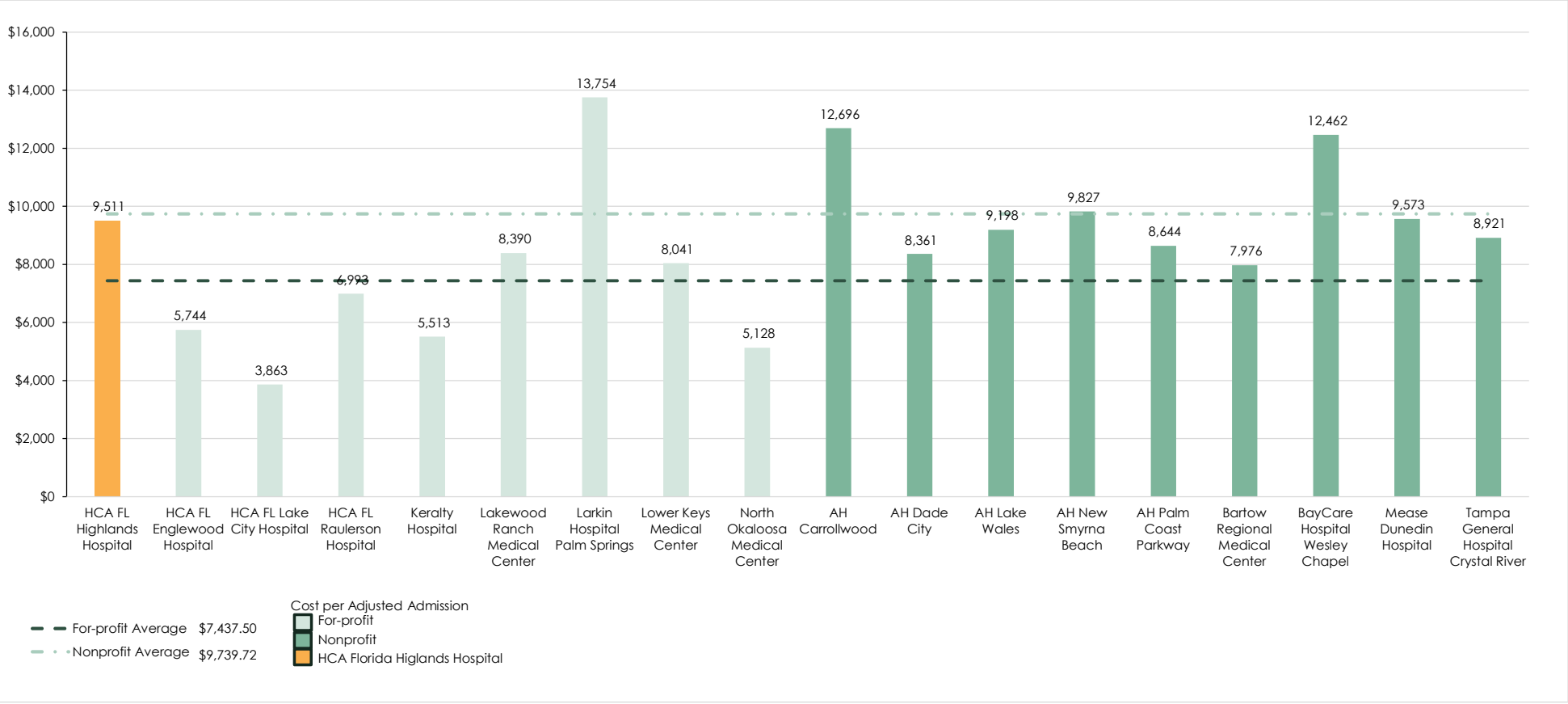
Source: Florida AHCA Financial Data Dashboard (2024) & American Hospital Directory (2024)

Net Patient Revenue & EBITDAR vs EBITDAR Margin



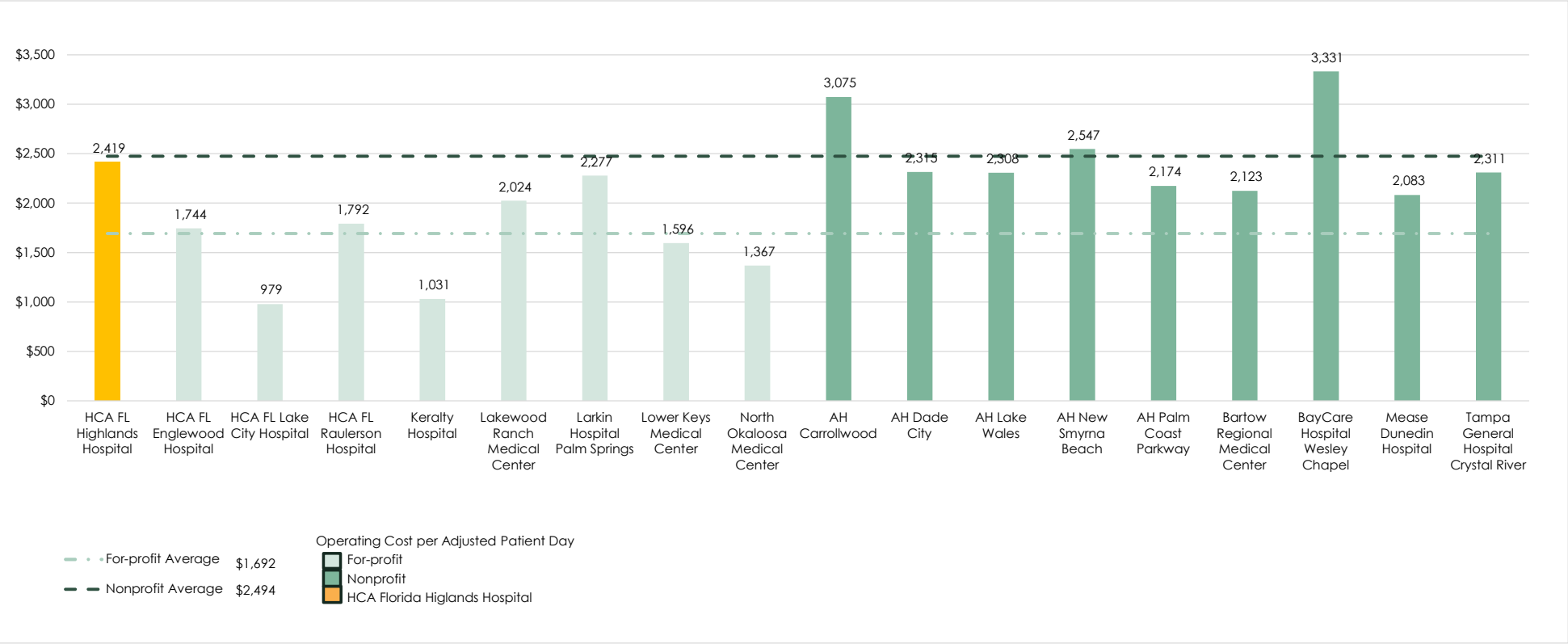
Source: Florida AHCA Financial Data Dashboard (2024) & American Hospital Directory (2024)

Operating Cost per Adjusted Admission (Excluding Bad Debt and Depreciation)



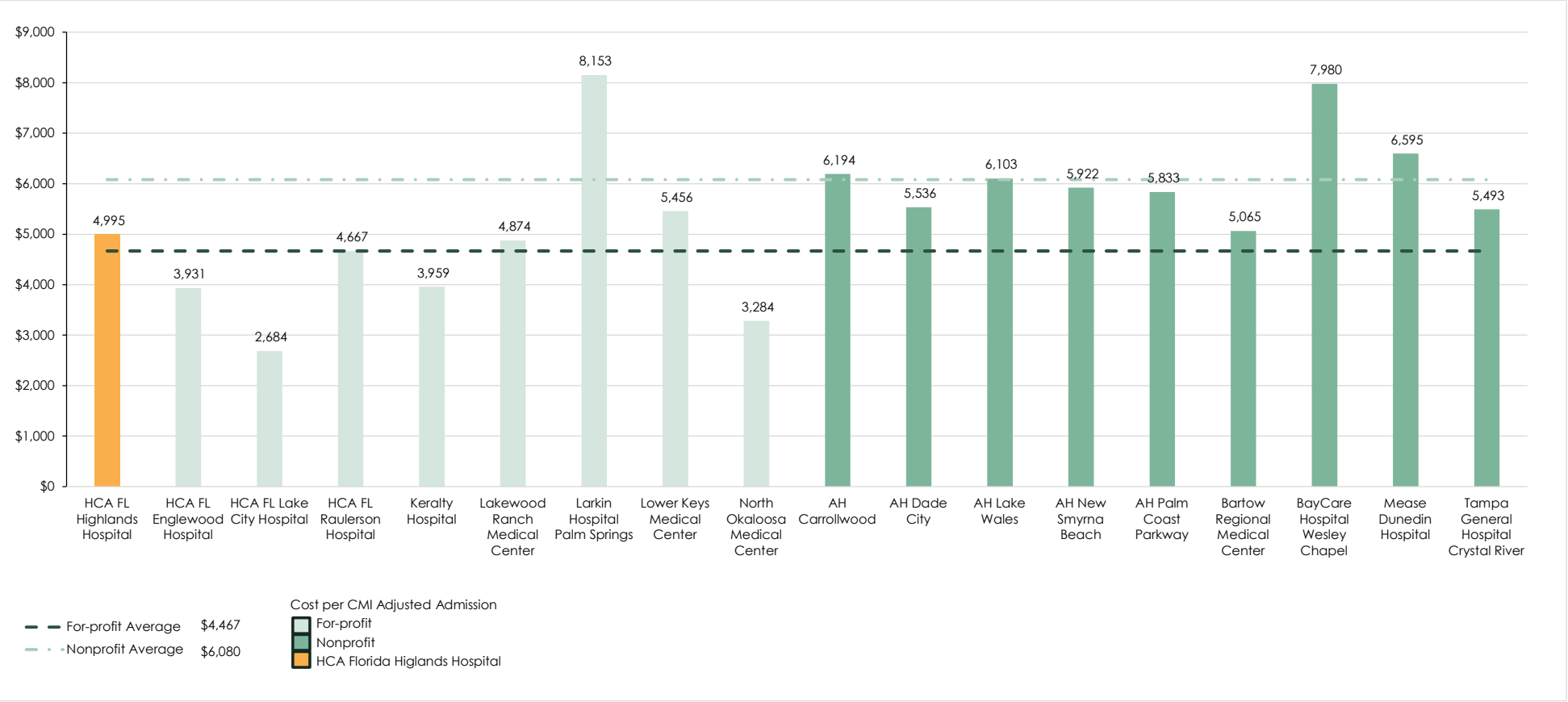
Source: Florida AHCA Financial Data Dashboard (2024) & American Hospital Directory (2024)

Operating Cost per Adjusted Patient Day (Excluding Bad Debt and Depreciation)



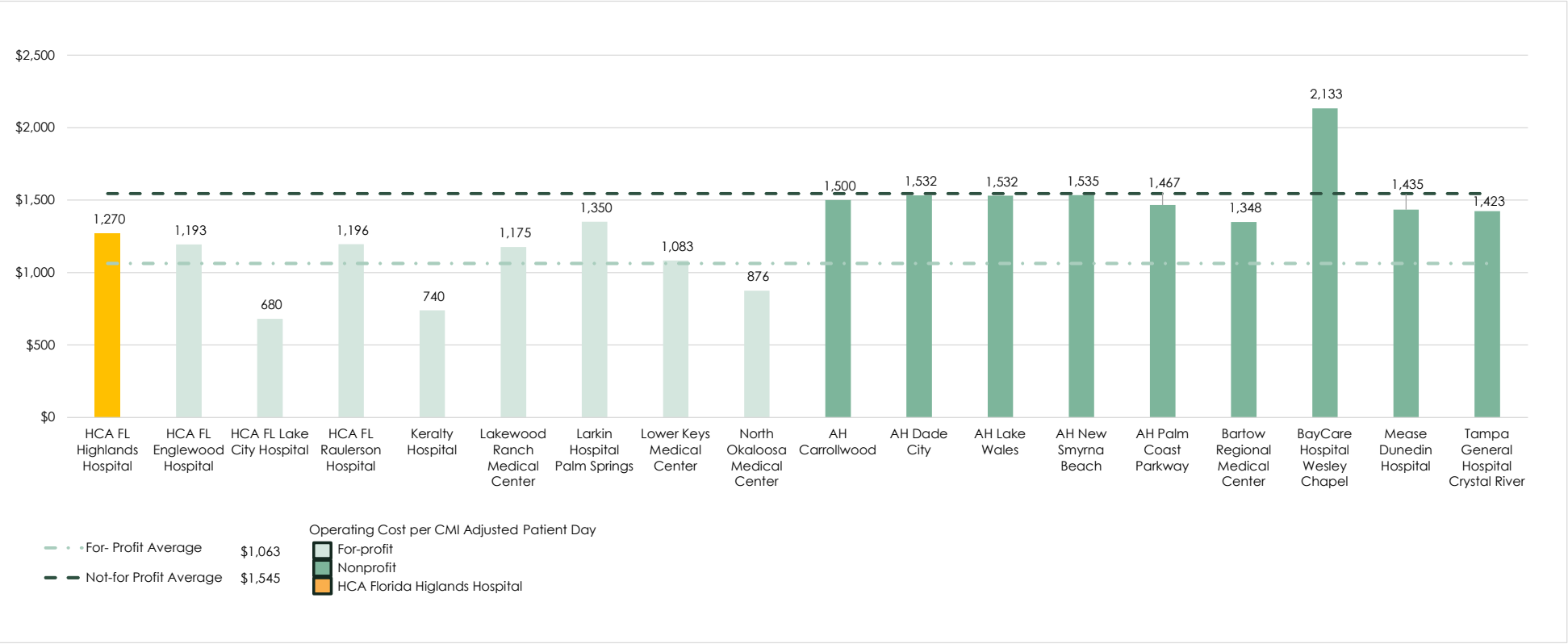
Source: Florida AHCA Financial Data Dashboard (2024) & American Hospital Directory (2024)

Operating Cost per CMI Adjusted Admission (Excluding Bad Debt and Depreciation)



Source: Florida AHCA Financial Data Dashboard (2024) & American Hospital Directory (2024)

Operating Cost per CMI Adjusted Patient Day (Excluding Bad Debt and Depreciation)



Source: Florida AHCA Financial Data Dashboard (2024) & American Hospital Directory (2024)

Hospital Quality Comparison Overview

"Core Quality Measures," as determined by the Centers for Medicare and Medicaid Services ("CMS") quality and outcomes metrics, were used to compare the Hospital with its selected peer group (1). Specific categories within the following Core Measures were selected:

- Process of Care Aggregate Scores
  - Severe Sepsis and Septic Shock
  - Venous Thromboembolism ("VTE") Prophylaxis
  - Stroke Care
  - Timeliness of Care (Emergency Department ("ED")/Outpatient)
  - Opioid Safety
- 30-day Patient Mortality Rates:
  - Hybrid Hospital-Wide All-Cause Risk-Standardized Mortality Rate
  - Stroke
  - Heart Attack
  - Heart Failure
  - Pneumonia
- 30-day Patient Readmission Rates:
  - Heart Attack
  - Heart Failure
  - Pneumonia
- Hospital Consumer Assessment of Healthcare Providers & Systems ("HCAHPS") for key communication and overall satisfaction measures.

Observations:
In aggregate, the Hospital's quality performance is generally consistent with that of for-profit and non-profit peers.

The Hospital outperformed national and state averages, as well as its selected peer group, with respect to sepsis care and emergency department wait times, and performed above national and state averages while remaining generally comparable to peers in opioid safety measures. Performance related to stroke care and venous thromboembolism (VTE) prophylaxis was largely in line with peer benchmarks. Mortality rates were generally below the national average and consistent with peers, with the exception of stroke and heart attack cases; however, the Hospital's relatively smaller sample size should be considered when interpreting these results. Readmission rates were below the national average and comparable to peers, and patient experience, as measured by the reviewed HCAHPS metrics, was generally in line with national and state averages as well as peer performance.

Notes:
(1) See the next page for a more detailed discussion of each Core Measure.

Overview of Quality Metrics

Process of Care

The measures of timely and effective care (also known as "process of care" measures) show how often and how quickly hopsitals provide care that reserach shows get the best results for patients with certain conditions, as well as how hopsitals use outpatient imaging.These measures assess both (1) the percentage of patients who receive recommended, evidence-based treatments for specific conditions or procedures, and (2) the timeliness with which hospitals deliver care, particularly in urgent or emergency situations. The measures only apply to patients for whom the recommended treatment would be appropriate. By law, any measures reported on the Hospital Compare website must reflect accepted standards of care, based on current scientific evidence. These measures reflect evidence-based standards of care and are periodically updated by CMS, with new measures and clinical areas added over time to remain aligned with current medical practice and quality reporting programs.

30-day Mortality Rates

The 30-day death (mortality) measures capture the rate of deaths from any cause within 30 days of a hospital admission, regardless of whether the patient dies during the hospitalization or after discharge, and are reported for patients treated for several key conditions (e.g., heart attack, heart failure, pneumonia, stroke, and COPD) as well as hospital-wide mortality. CMS uses a 30-day timeframe to enable consistent comparisons across hospitals, as length of stay varies by patient and facility, while deaths occurring over longer periods are less likely to be directly attributable to hospital care and more influenced by underlying conditions, patient behavior, or post-acute services. Mortality rates are risk-adjusted to account for patient characteristics such as age, comorbidities, and prior medical history, ensuring fair comparison across hospitals and providing insight into the effectiveness of care, patient safety practices, and the management of complications.

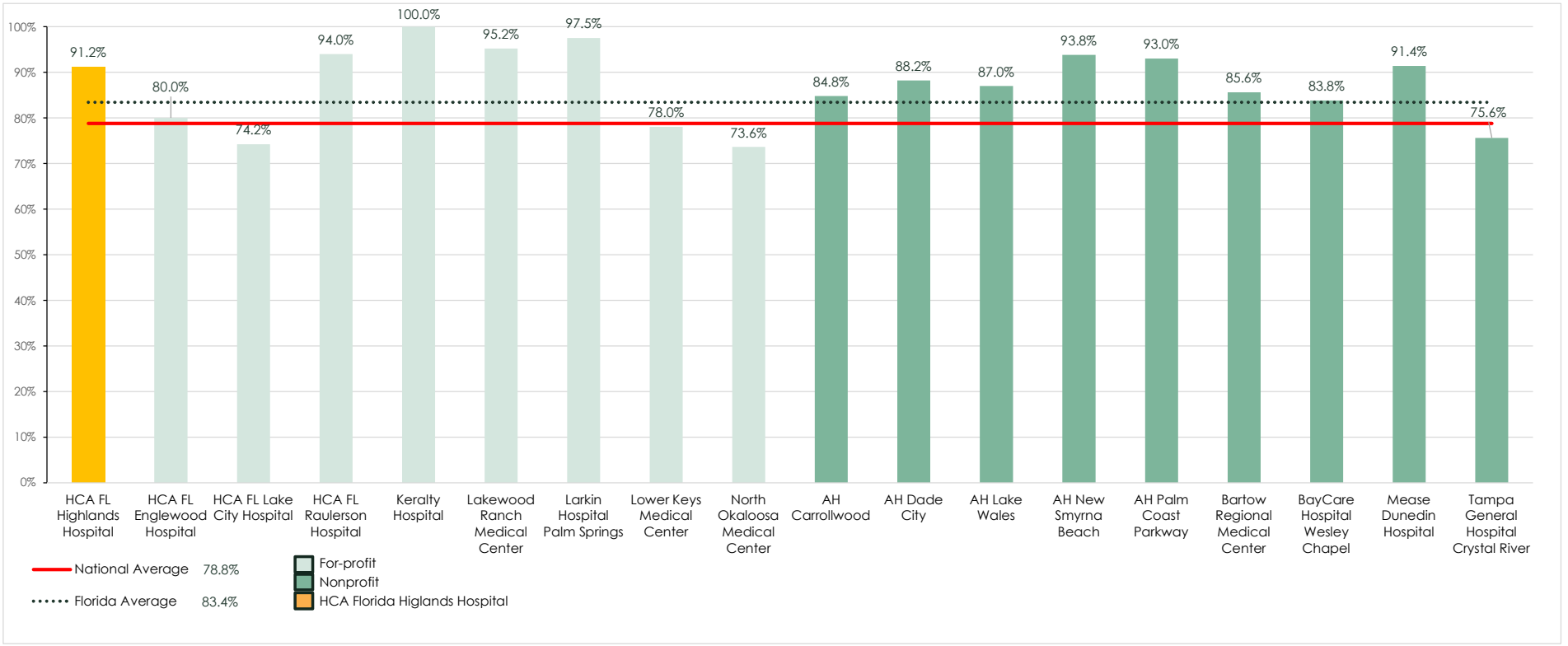
30-day Mortality Rates

The 30-day readmission measures capture the rate of unplanned readmissions for any cause to any acute care hospital within 30 days of discharge, regardless of whether the patient returns to the same hospital or a different facility, and are reported for patients treated for several key conditions (e.g., heart attack, heart failure, pneumonia, COPD) as well as hospital-wide readmissions. These measures include Medicare beneficiaries aged 65 and older, including those discharged to post-acute settings, but exclude patients who transferred to another hospital or left against medical advice. CMS uses a 30-day timeframe to allow consistent comparisons across hospitals, as readmissions over longer periods are more likely influenced by factors outside the hospital's control, such as underlying conditions, patient behavior, or care received after discharge. Readmission rates are risk-adjusted for patient characteristics including age, comorbidities, and prior medical history, providing insight into care coordination, discharge planning, and the effectiveness of transitions of care.

Hospital Consumer Assessment of Healthcare Providers and Systems

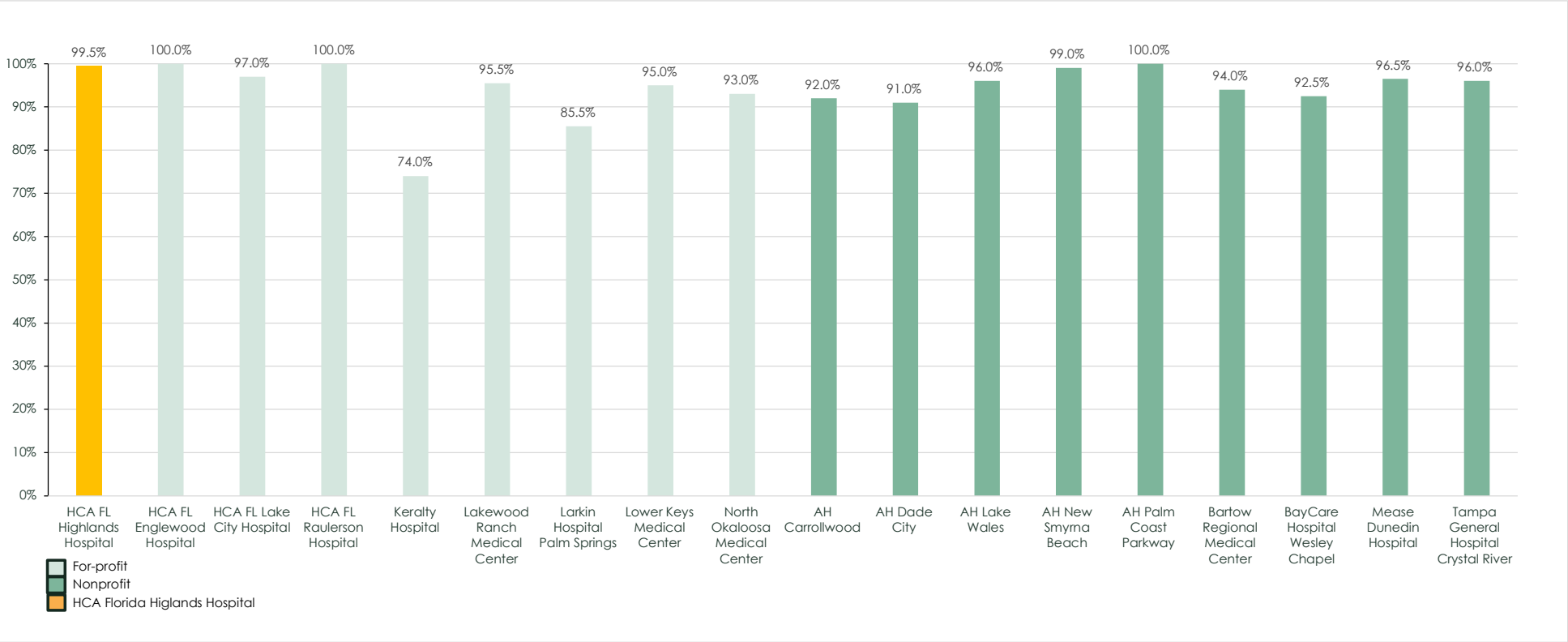
The Hospital Consumer Assessment of Healthcare Providers and Systems("HCAHPS") Survey is a national, standardized, publicly reported survey instrument and data collection methodology used to measure patients' perspectives on hospital care and enable valid comparisons across hospitals. The survey is administered to a random sample of adult patients between 48 hours and six weeks after discharge on a continuous basis throughout the year, and CMS is responsible for cleaning, adjusting, analyzing, and publicly reporting the results. The survey includes approximately 32 questions covering key aspects of the patient experience—such as communication with providers, responsiveness of staff, care coordination, discharge information, and overall hospital rating—as well as screening and demographic items used for patient-mix adjustment and analytical purposes. CMS reports results across multiple domains, including composite, individual, and global measures, which are used for public reporting and value-based purchasing programs.

Process of Care Measures: Severe Sepsis and Septic Shock Aggregate Score



Source: CMS Hospital Timely & Effective Care; data.cms.gov, accessed May 2026

Process of Care Measures: Venous Thromboembolism ("VTE") Prophylaxis Aggregate Score[1]

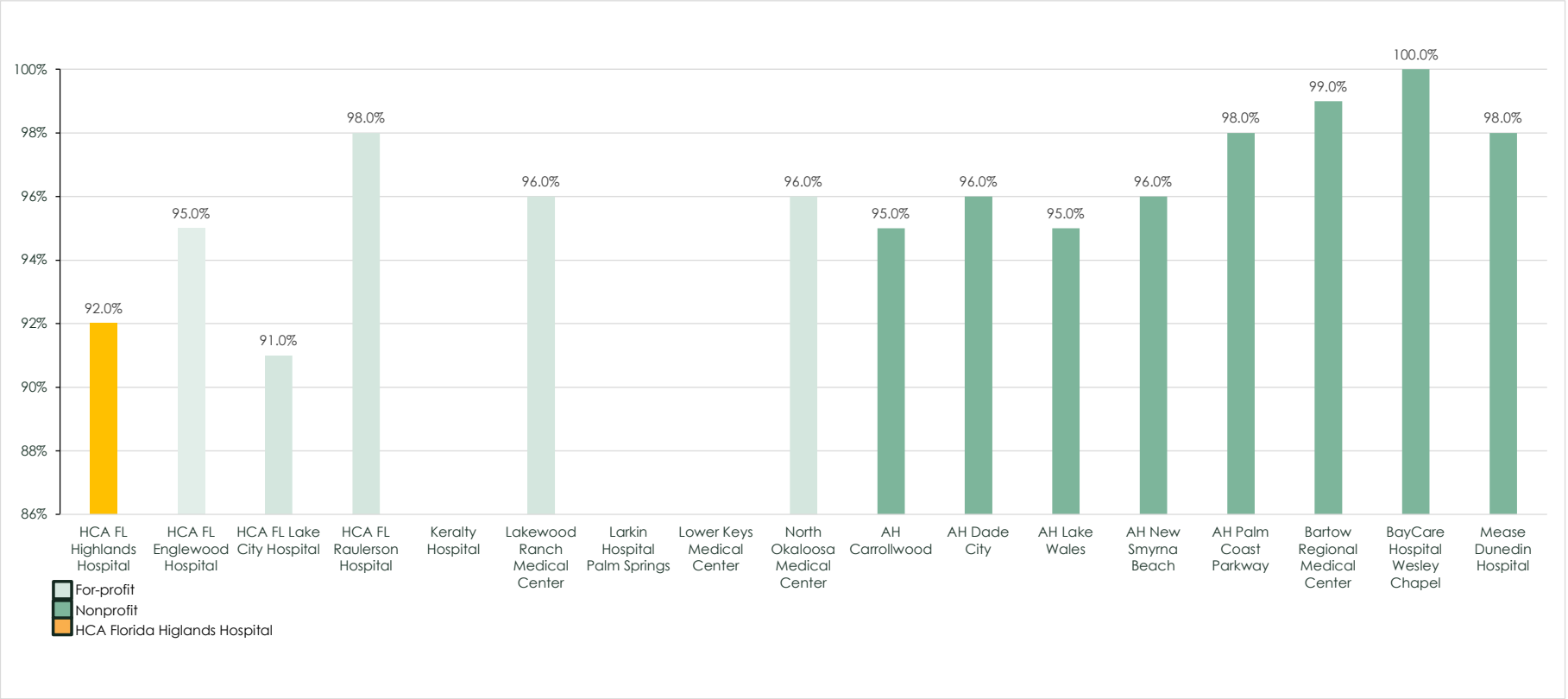


Notes

(1) Aggregate score of percentage of patients who got VTE prophylaxis or have doucmentation why VTE prophylaxis wasn't given the day of or the day after hospital admission or ICU admission or surgery end date for surgeries that start the day of or after the hospital or ICU admission (or transfer)

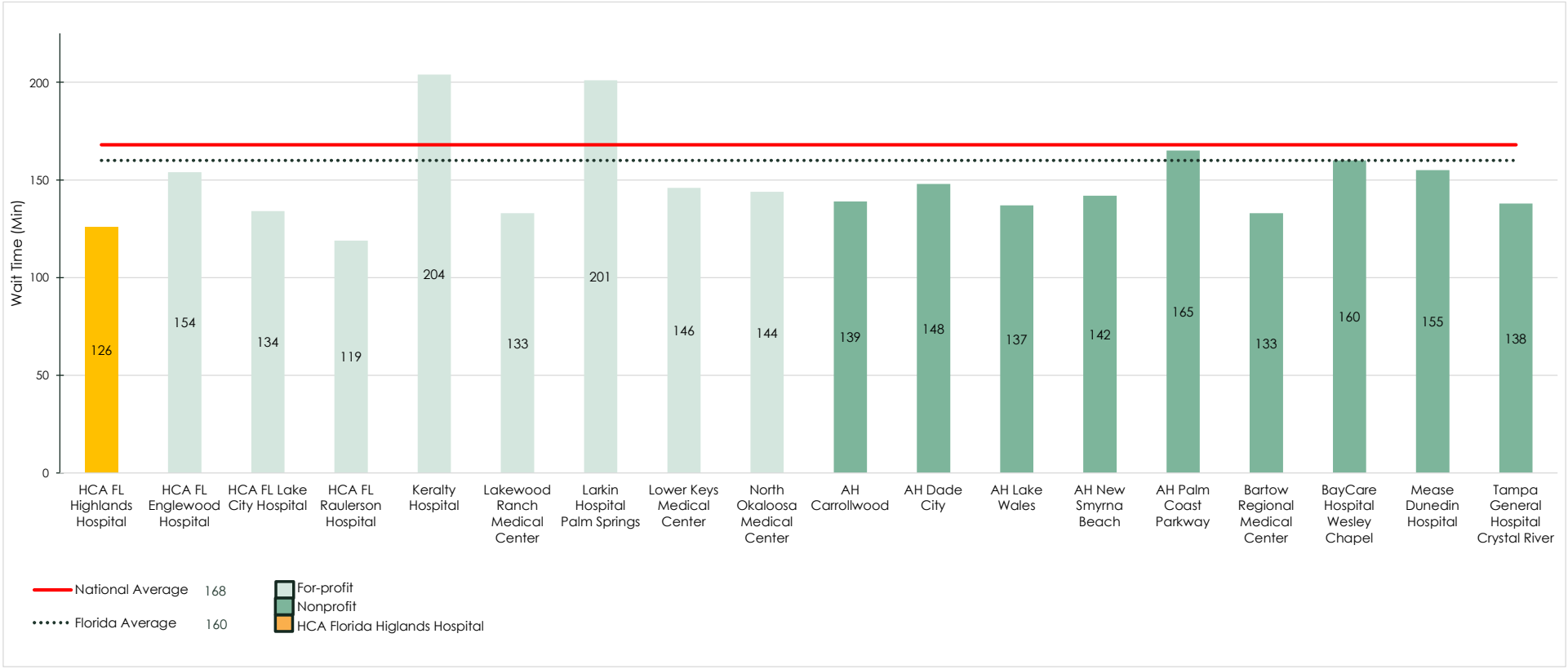
Source: CMS Hospital Timely & Effective Care; data.cms.gov, accessed May 2026

Process of Care Measures: Stroke Care Aggregate Score



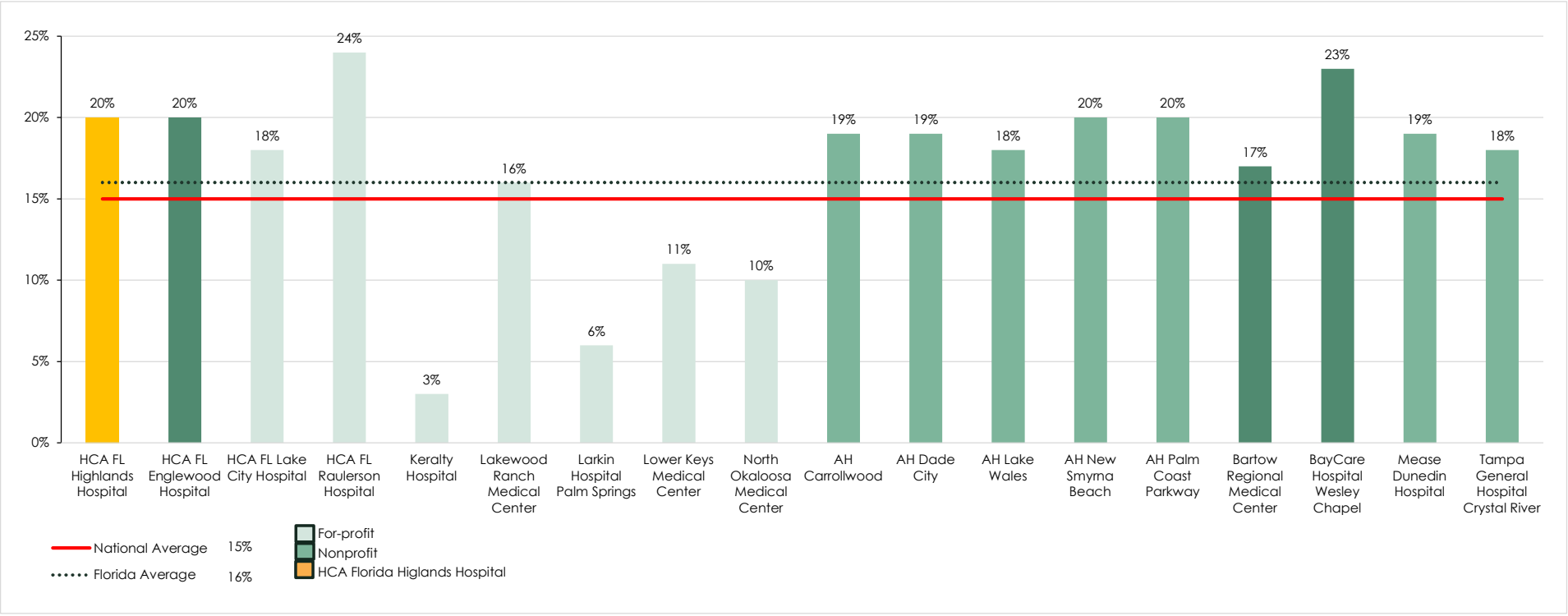
Source: CMS Hospital Timely & Effective Care; data.cms.gov, accessed May 2026

Process of Care Measures: Median ED Wait Time Before Leaving from Visit (All Patients)



Source: CMS Hospital Timely & Effective Care; data.cms.gov, accessed May 2026

Process of Care Measure: Opioid Safety[1]

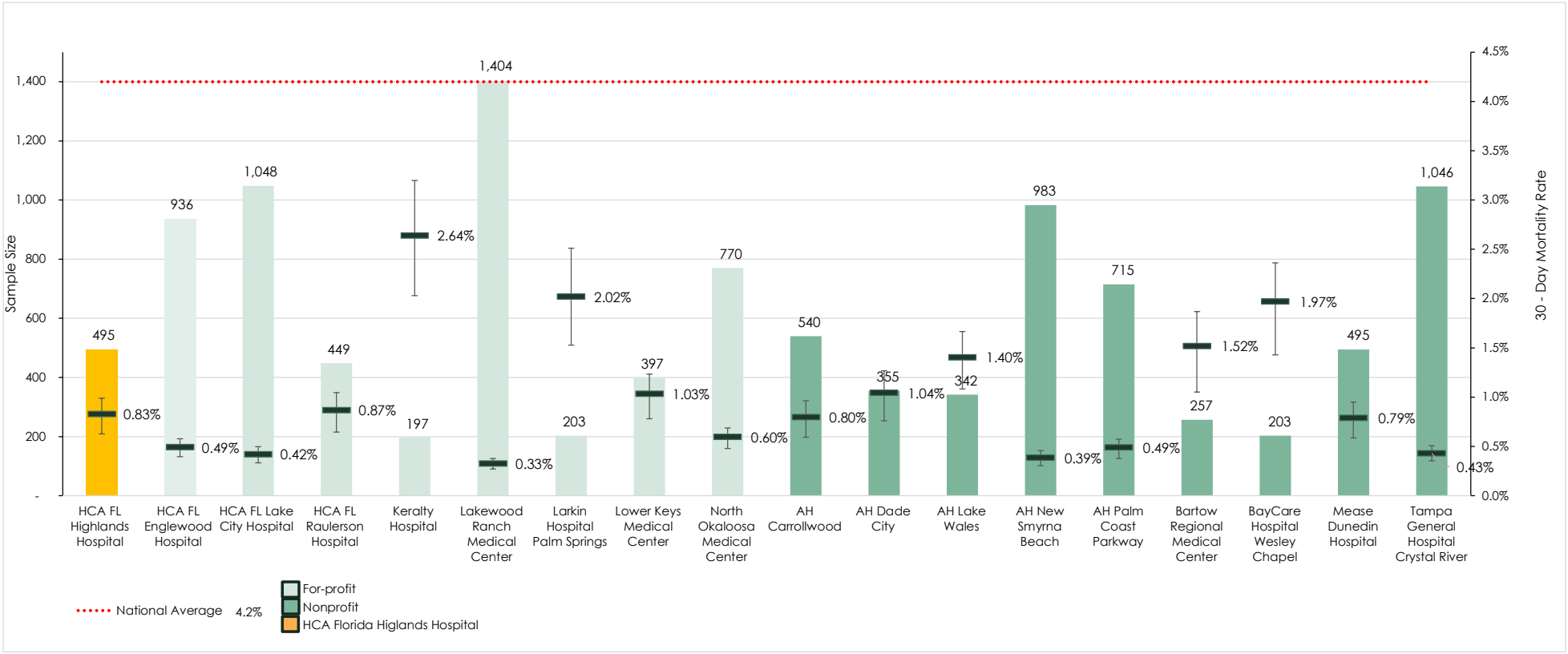


Notes

(1) Percentage of inpatient hospitalizations for patients 18 years of age or older prescribed or continued, 2 or more opioids or an opioid and benzodiazepine concurrently at discharge.

Source: CMS Hospital Timely & Effective Care; data.cms.gov, accessed May 2026

30-Day Mortality Rates: Hybrid Hospital-Wide All-Cause Risk-Standardized Mortality Rate[1]

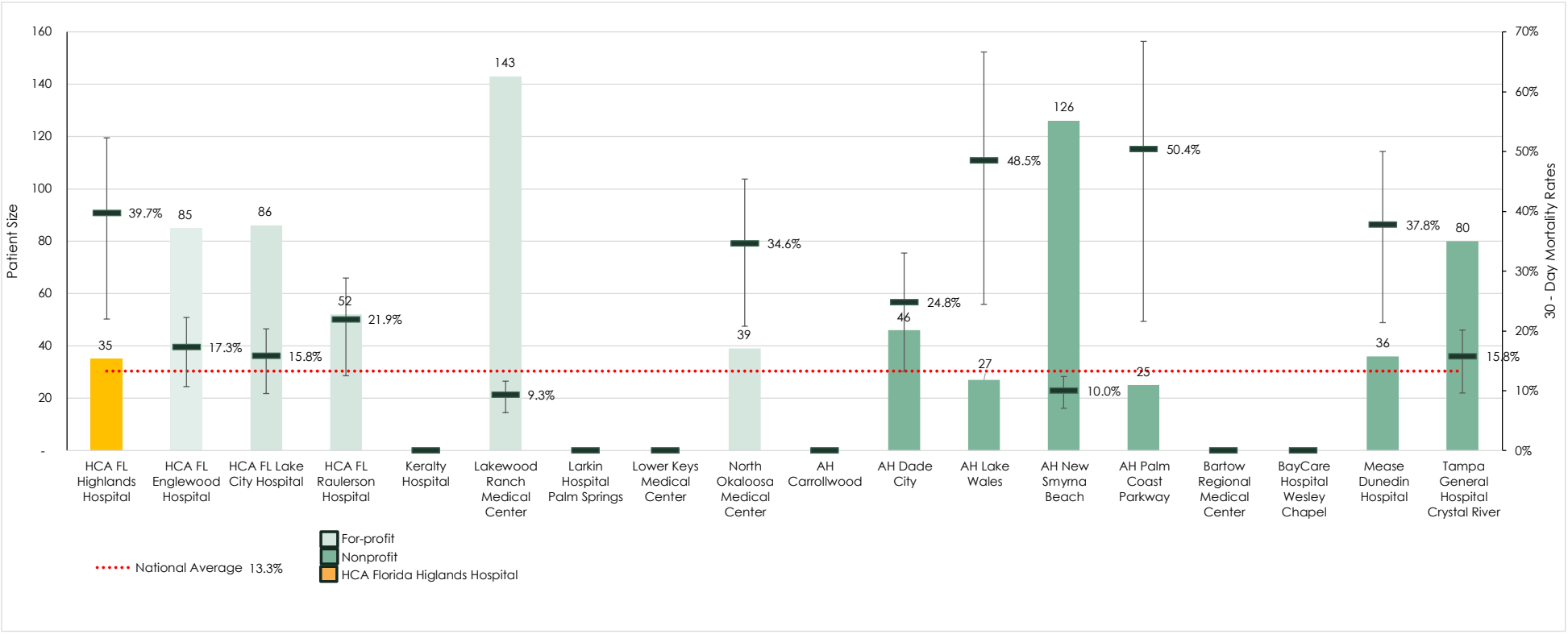


Notes

(1) HWM calculates the risk-adjusted rate of deaths from any cause within 30 days of admission for Medicare patients aged 65–94

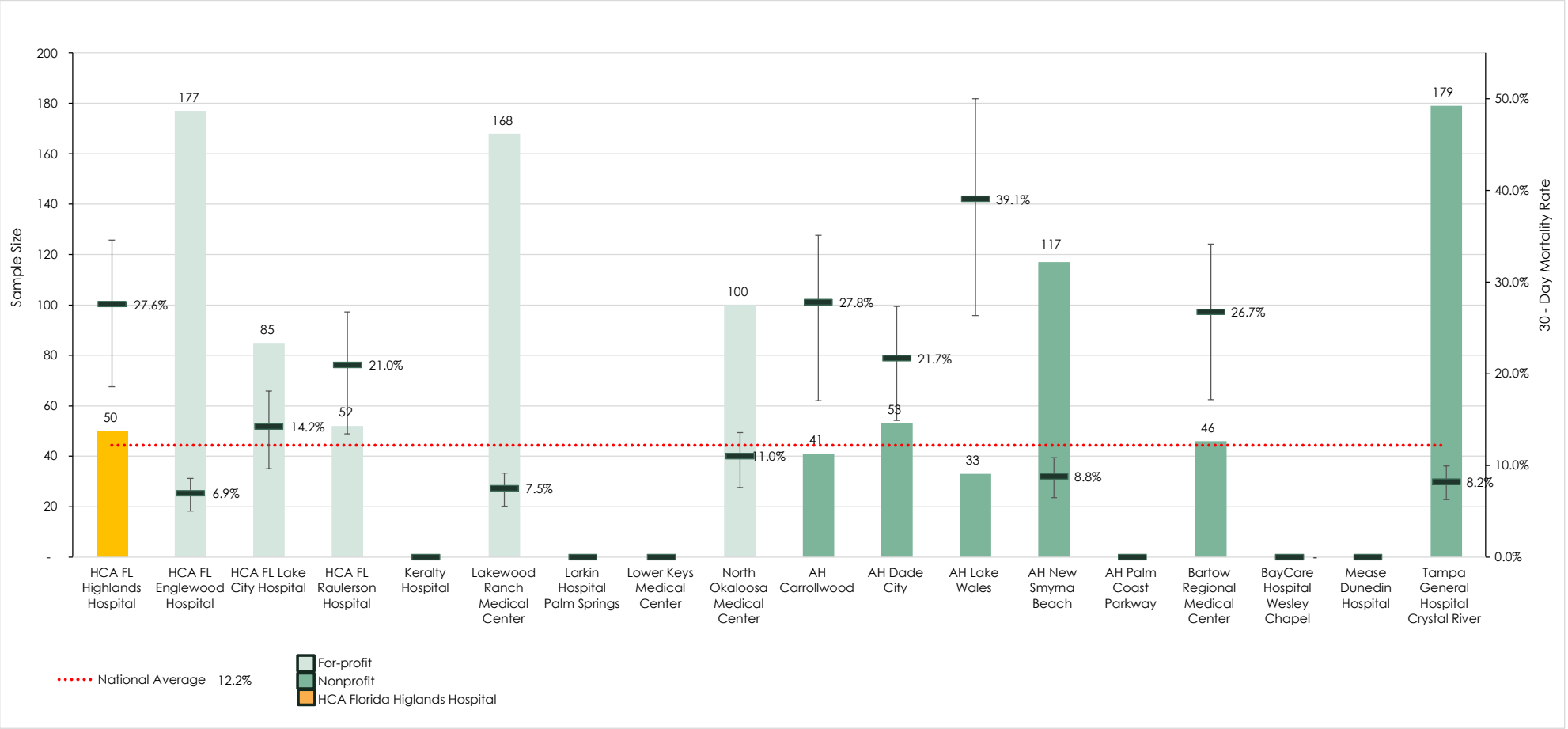
Source: CMS Hospital Complications & deaths; data.cms.gov, accessed May 2026

30-Day Mortality Rates: Mortality Rate for Stroke Patients



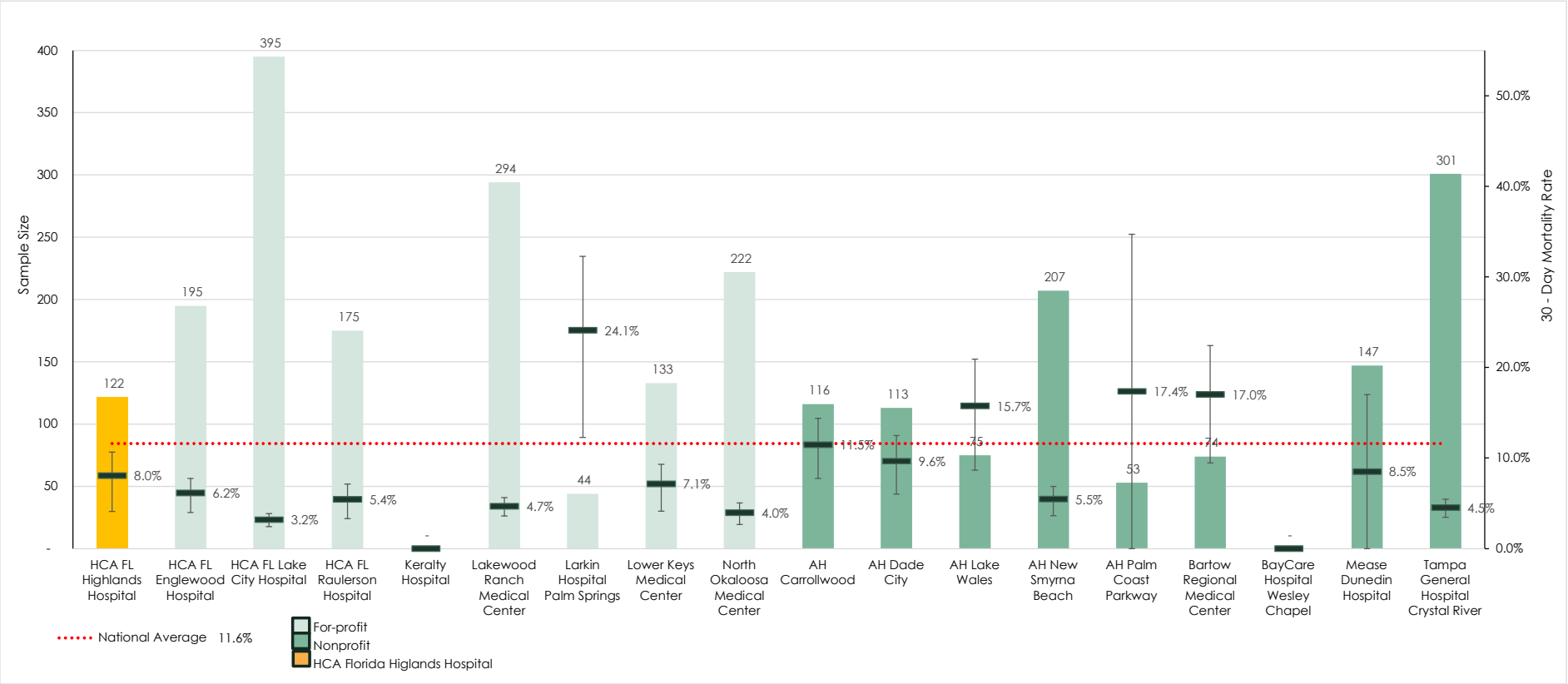
Source: CMS Hospital Complications & deaths; data.cms.gov, accessed May 2026

30-Day Mortality Rates: Mortality Rate for Heart Attack Patients



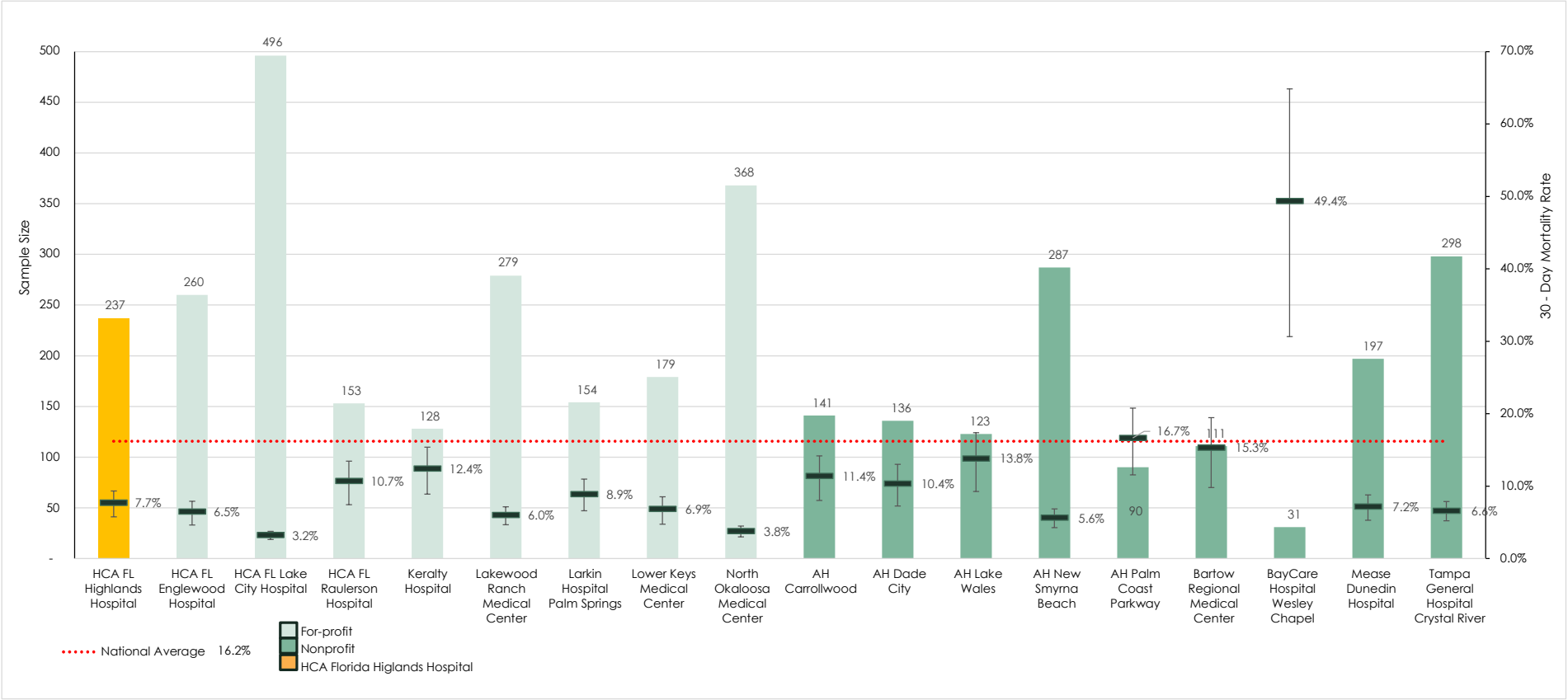
Source: CMS Hospital Complications & deaths; data.cms.gov, accessed May 2026

30-Day Mortality Rates: Mortality Rate for Heart Failure Patients



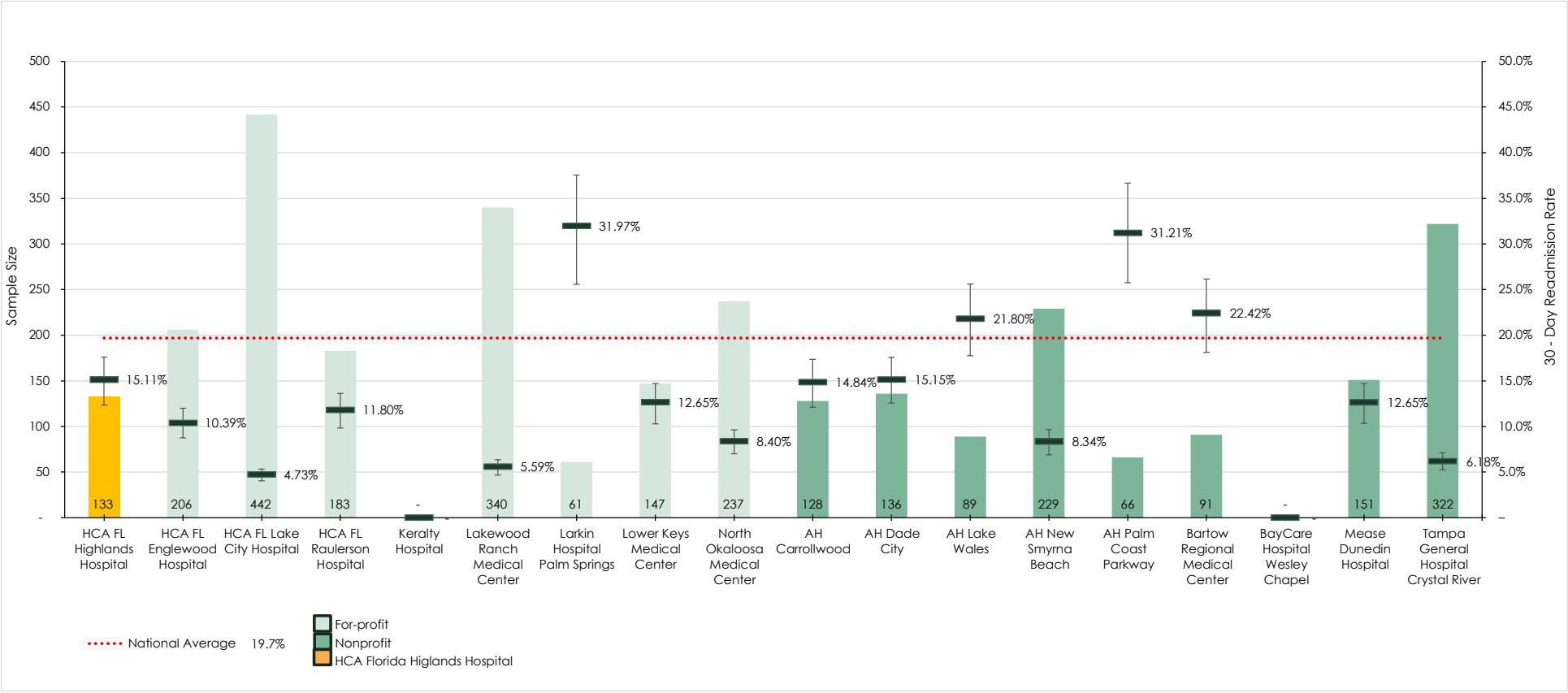
Source: CMS Hospital Complications & deaths; data.cms.gov, accessed May 2026

30-Day Mortality Rates: Mortality Rate for Pneumonia Patients



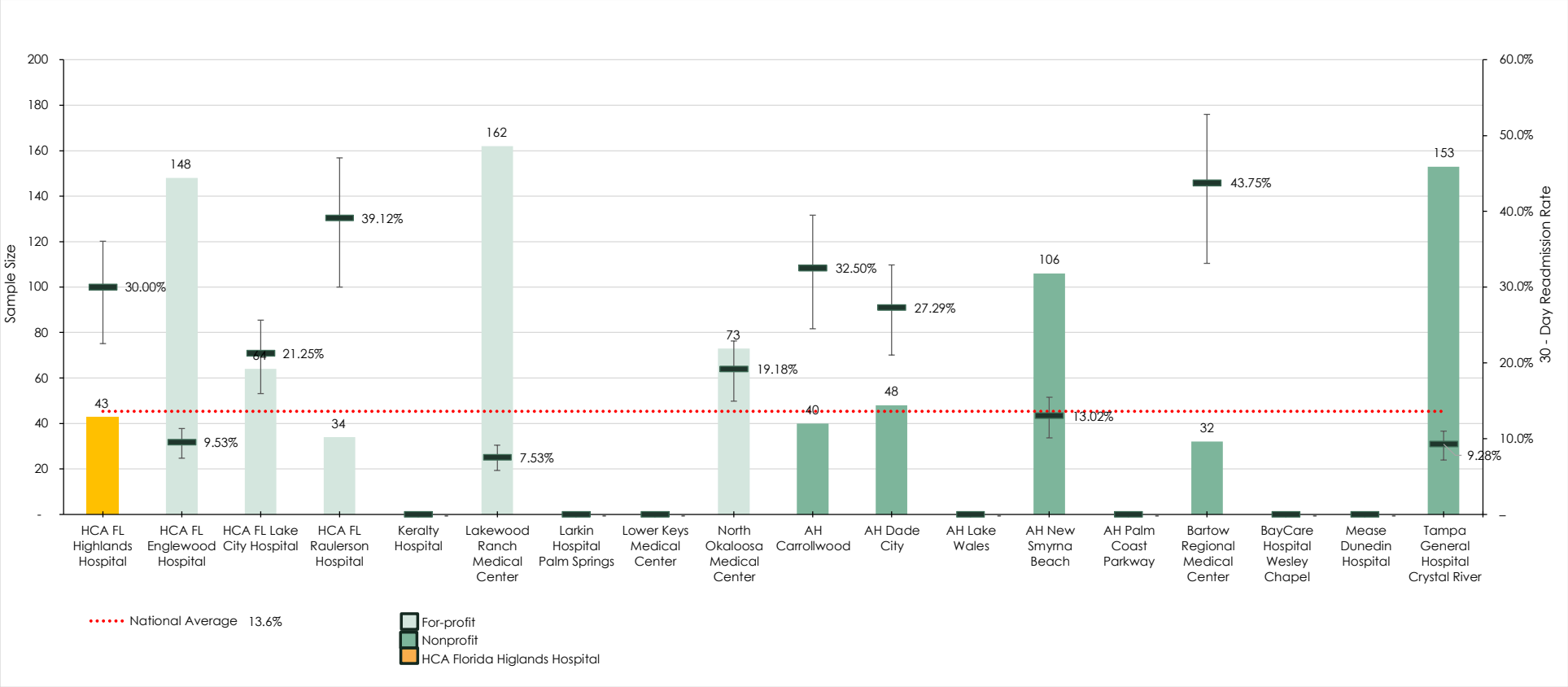
Source: CMS Hospital Complications & deaths; data.cms.gov, accessed May 2026

30-Day Readmission Rates: Readmission Rate for Heart Failure Patients



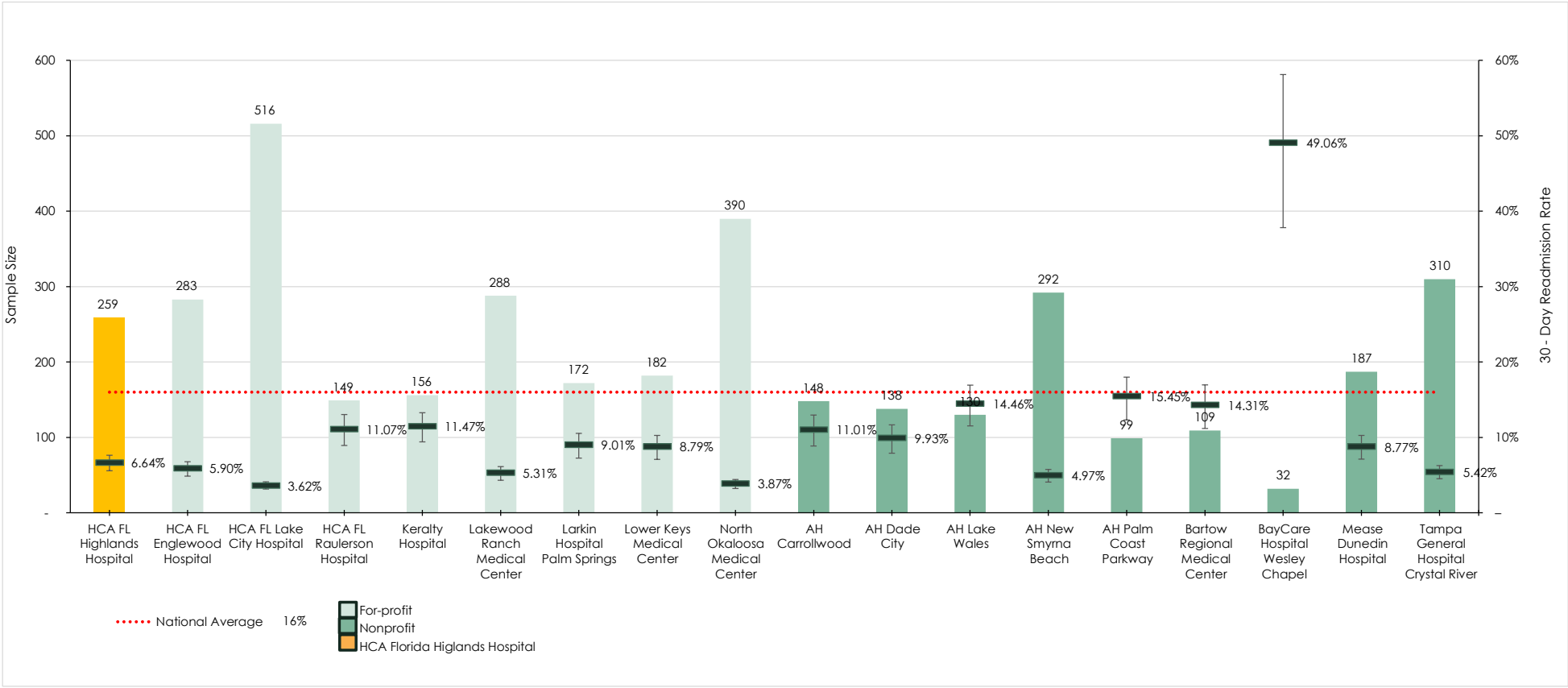
Source: CMS Unplanned Hospital Visits; data.cms.gov, accessed May 2026

30-Day Readmission Rates: Readmission Rate for Heart Failure Patients



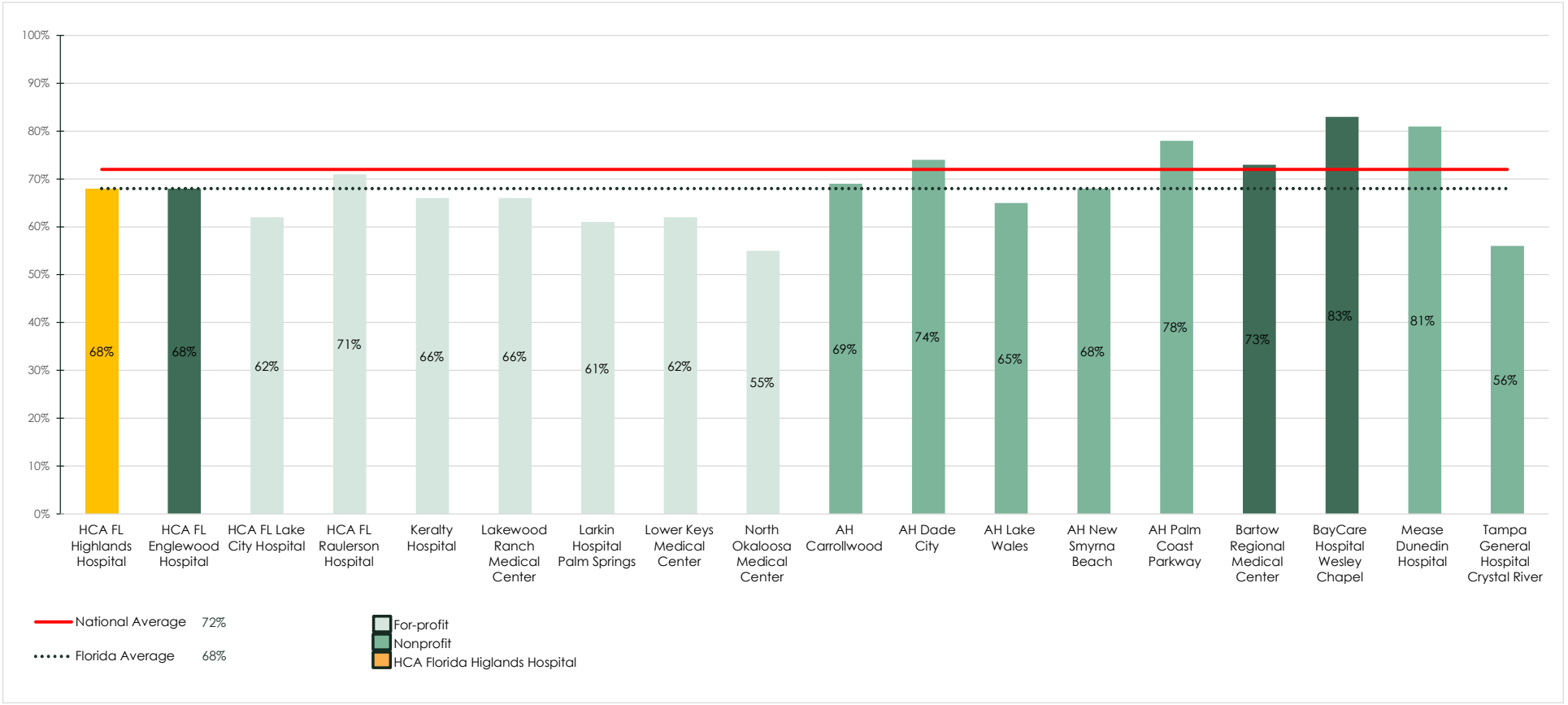
Source: CMS Unplanned Hospital Visits; data.cms.gov, accessed May 2026

30-Day Readmission Rates: Readmission Rate for Pneumonia Patients



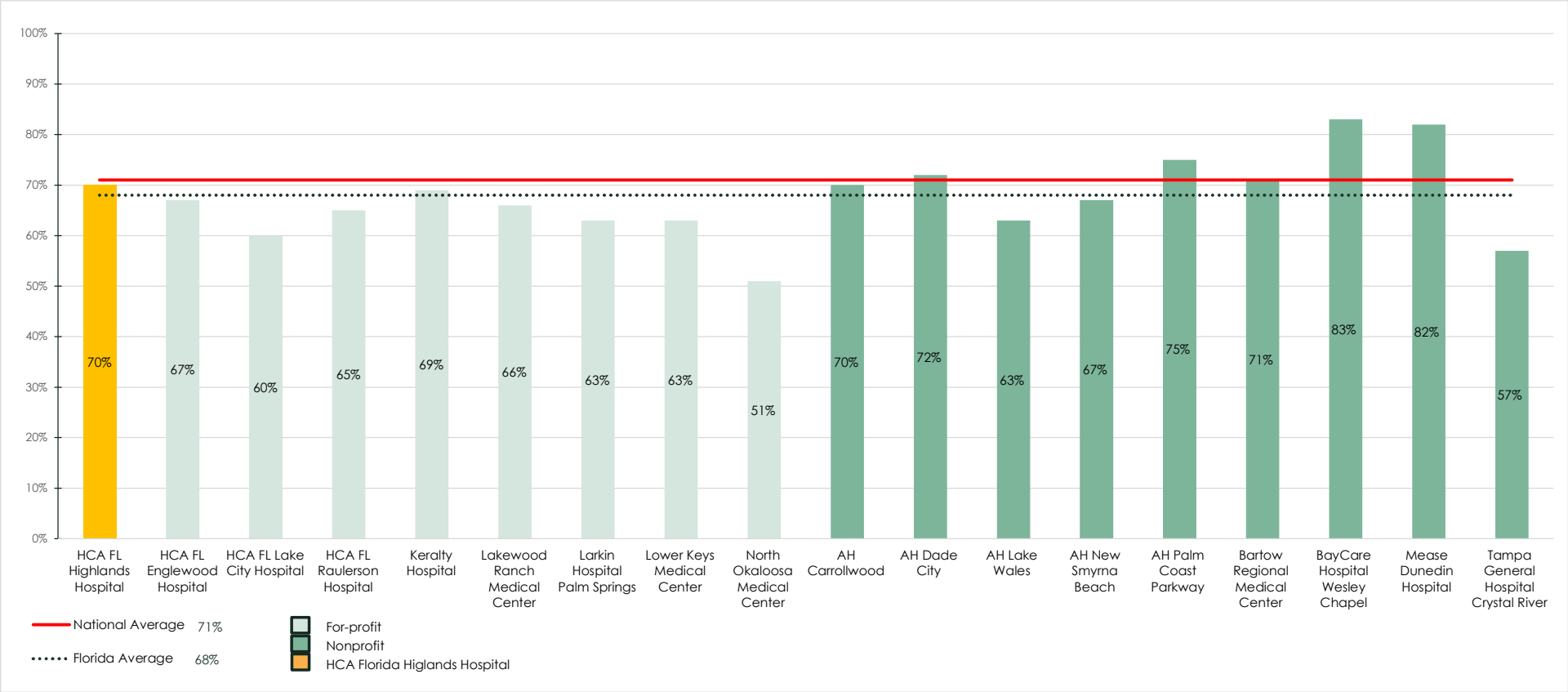
Source: CMS Unplanned Hospital Visits; data.cms.gov, accessed May 2026

HCAHPS: Patients That Gave Hospital a Rating of 9 or 10 (High)



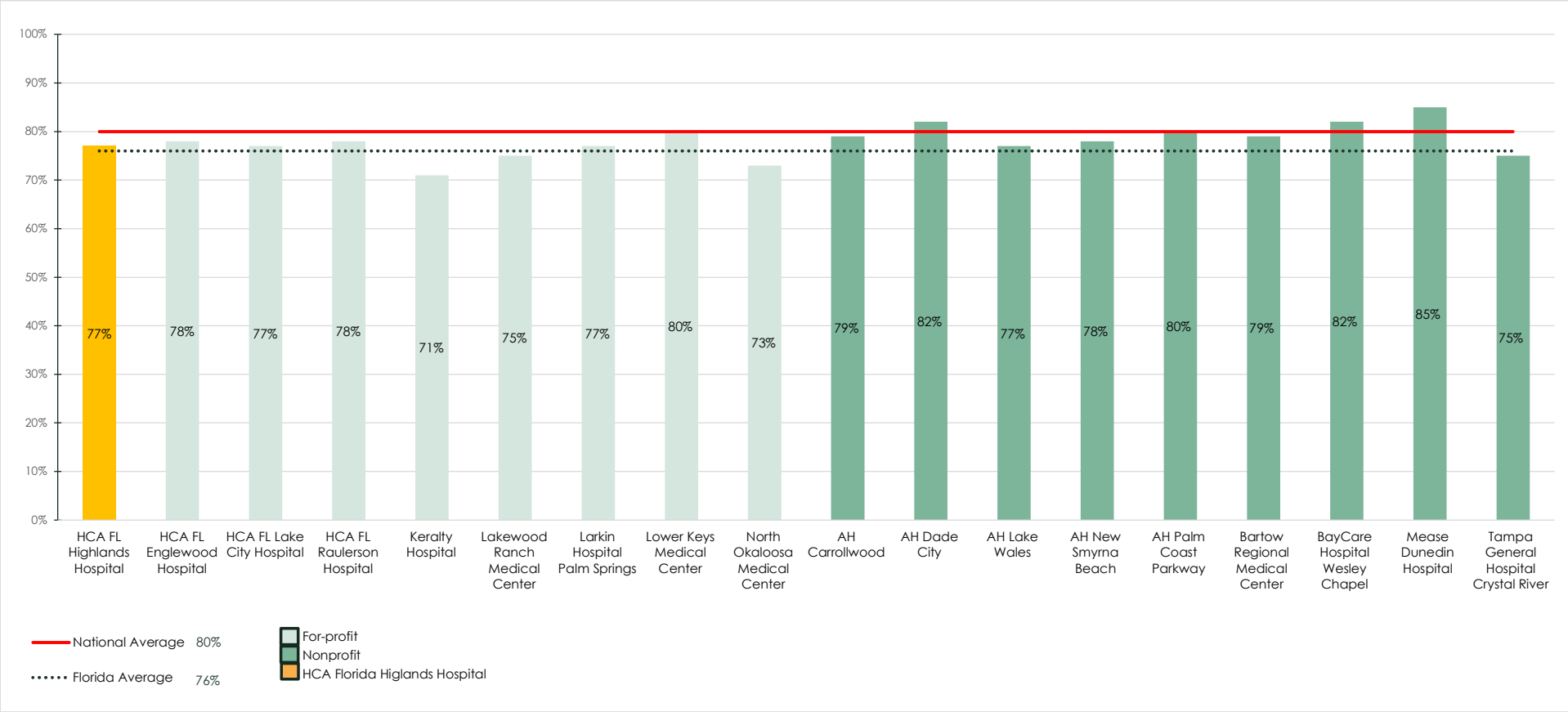
Source: CMS Survey of patient experience - HCAHPS; data.cms.gov, accessed May 2026

HCAHPS: Patients That Would Definitely Recommend Hospital



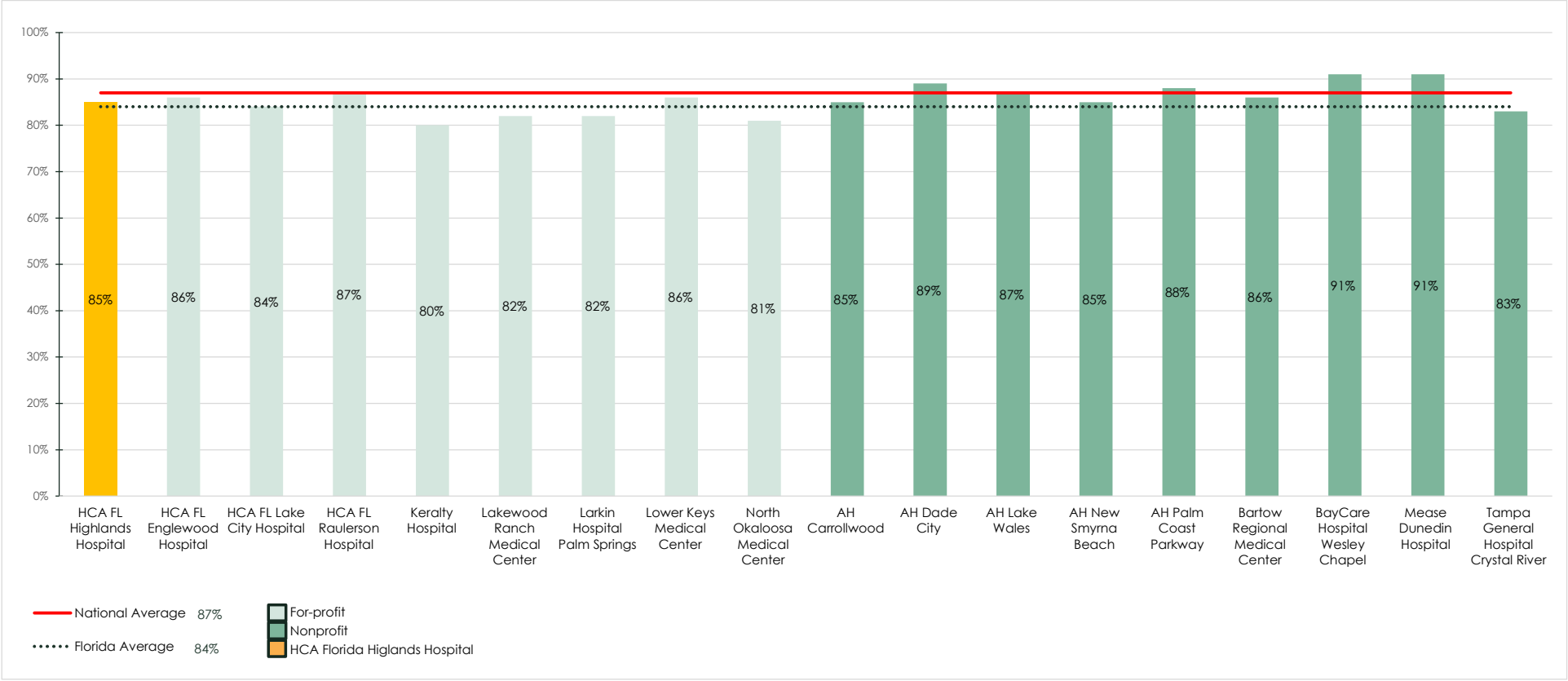
Source: CMS Survey of patient experience - HCAHPS; data.cms.gov, accessed May 2026

HCAHPS: Nurses Always Communicated Well



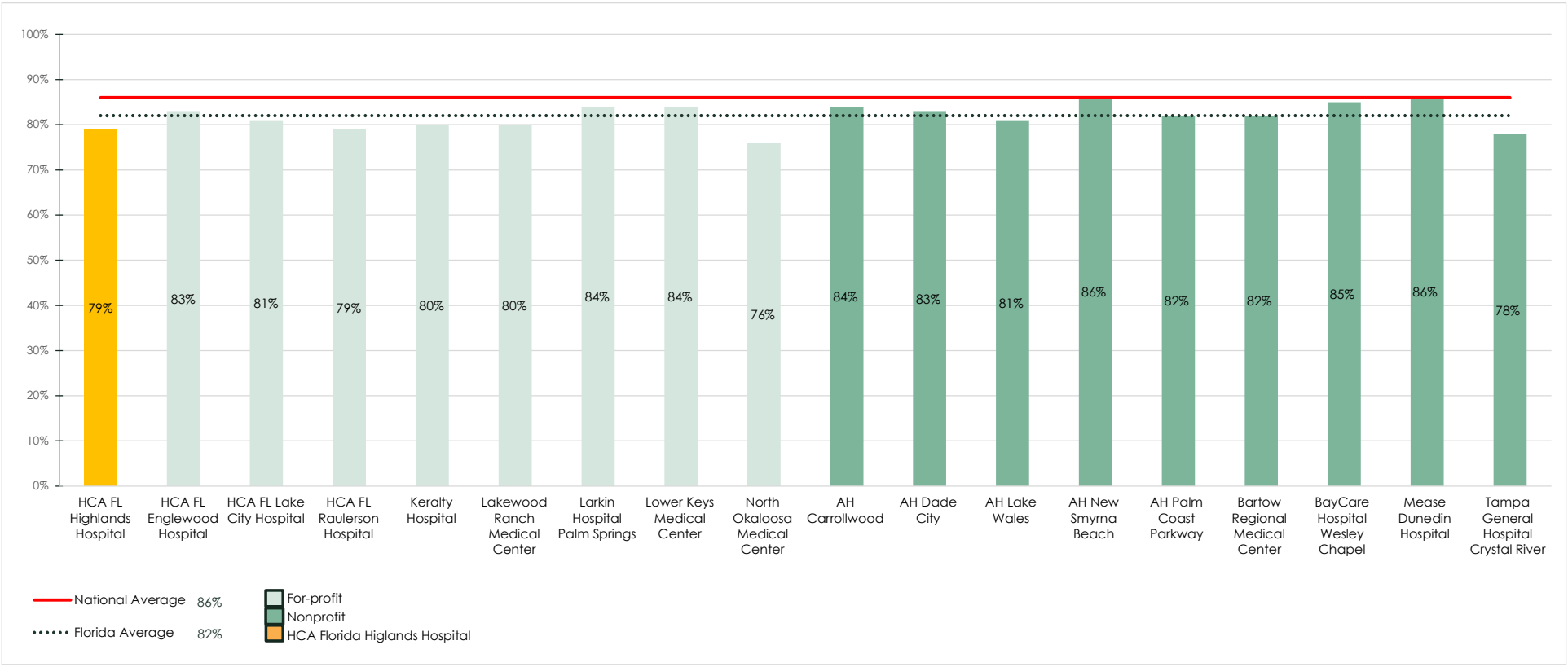
Source: CMS Survey of patient experience - HCAHPS; data.cms.gov, accessed May 2026

HCAHPS: Nurses Always Treated Patients with Courtesy and Respect



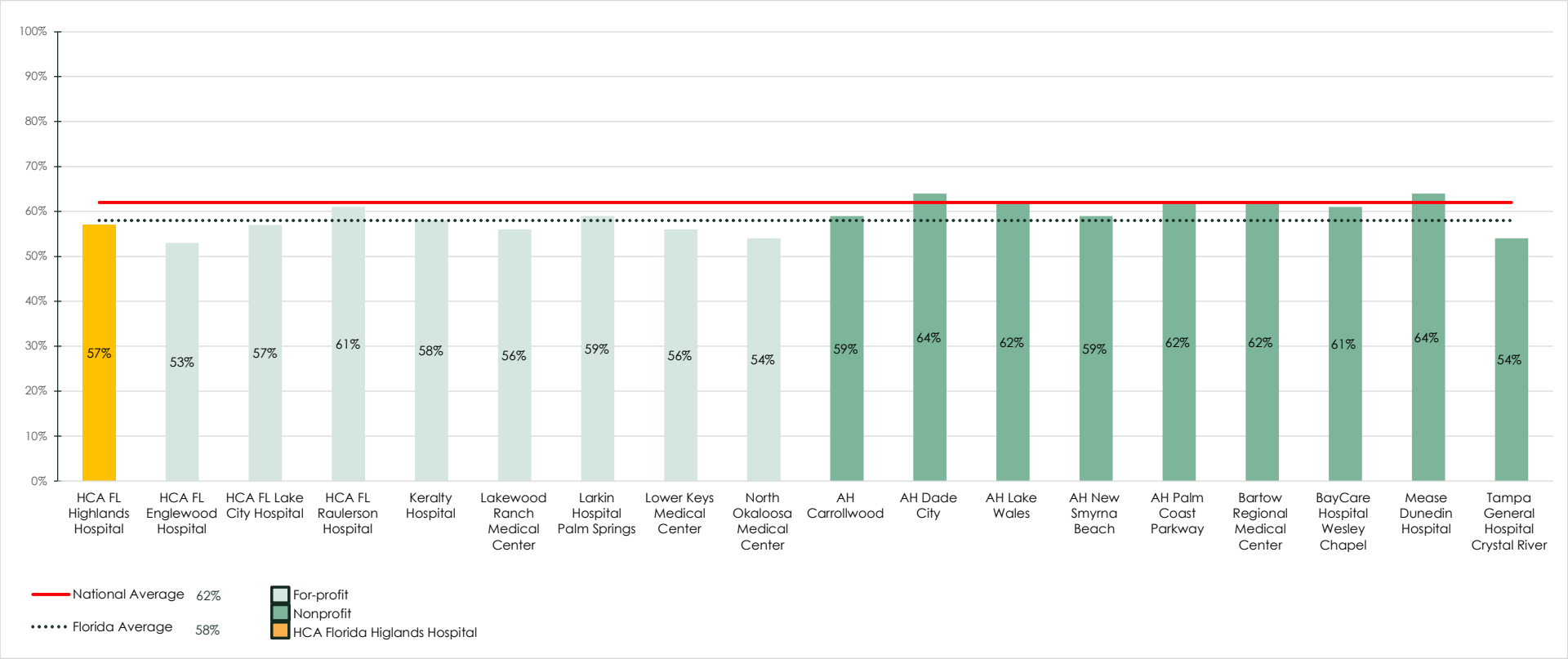
Source: CMS Survey of patient experience - HCAHPS; data.cms.gov, accessed May 2026

HCAHPS: Doctors Always Treated Patients with Courtesy and Respect



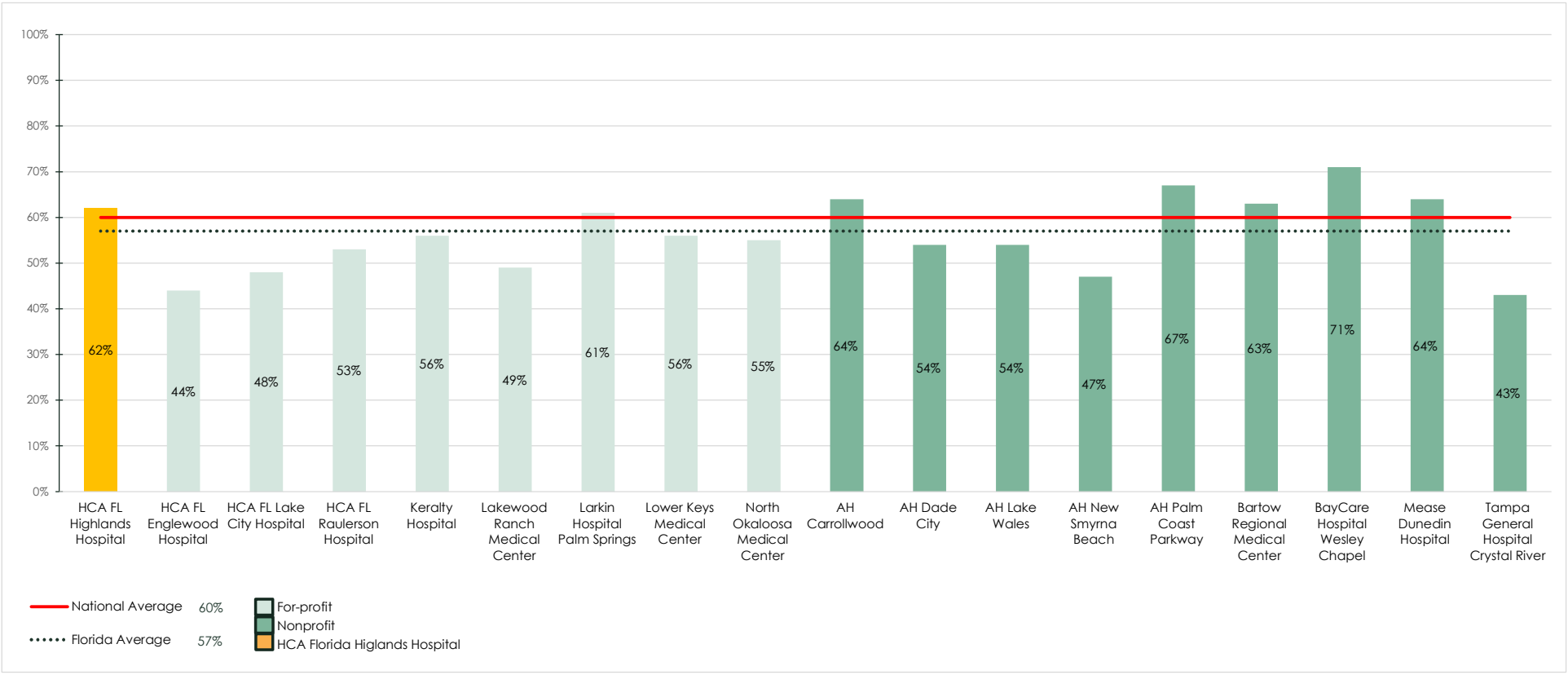
Source: CMS Survey of patient experience - HCAHPS; data.cms.gov, accessed May 2026

HCAHPS: Staff Always Explained Medicines Before Receiving Them



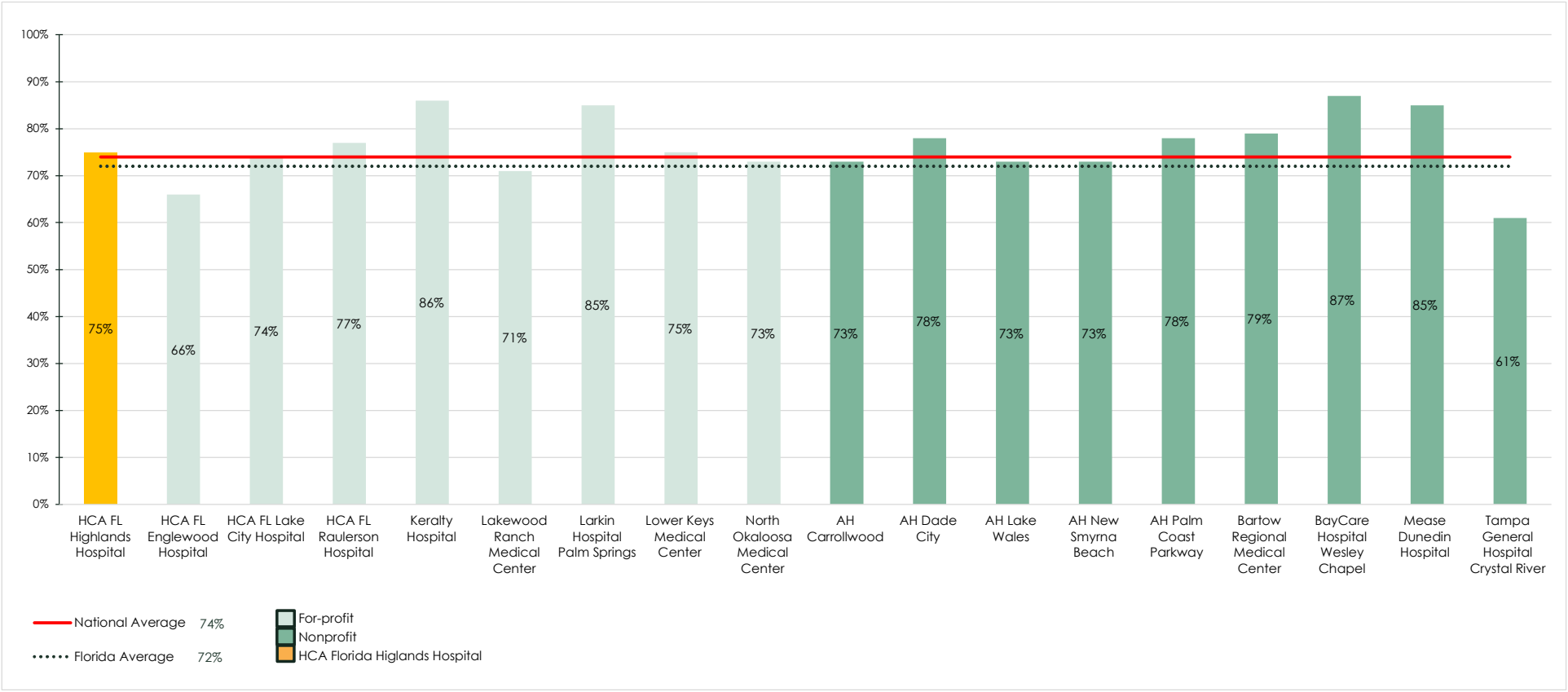
Source: CMS Survey of patient experience - HCAHPS; data.cms.gov, accessed May 2026

HCAHPS: Patient Room Area was Always Kept Quiet at Night



Source: CMS Survey of patient experience - HCAHPS; data.cms.gov, accessed May 2026

HCAHPS: Patient Room and Bathroom Always Kept Clean



Source: CMS Survey of patient experience - HCAHPS; data.cms.gov, accessed May 2026

CMS Overall Hospital Rating Comparison

The CMS Overall Hospital Rating is a 1–5 star measure that summarizes a hospital's overall quality and helps patients compare hospitals. Ratings are based on performance across mortality, safety of care, readmissions, patient experience, and timely and effective care, using standardized quality measures reported to the Centers for Medicare & Medicaid Services (CMS). Source: Centers for Medicare & Medicaid Services (CMS), Hospital General Information / Overall Hospital Quality Star Rating (Care Compare & Provider Data Catalog).

Observations:

In aggregate, the Hospital's overall rating is generally consistent with that of for-profit and non-profit peers.

Comparsion of Overall Hospital Ratings

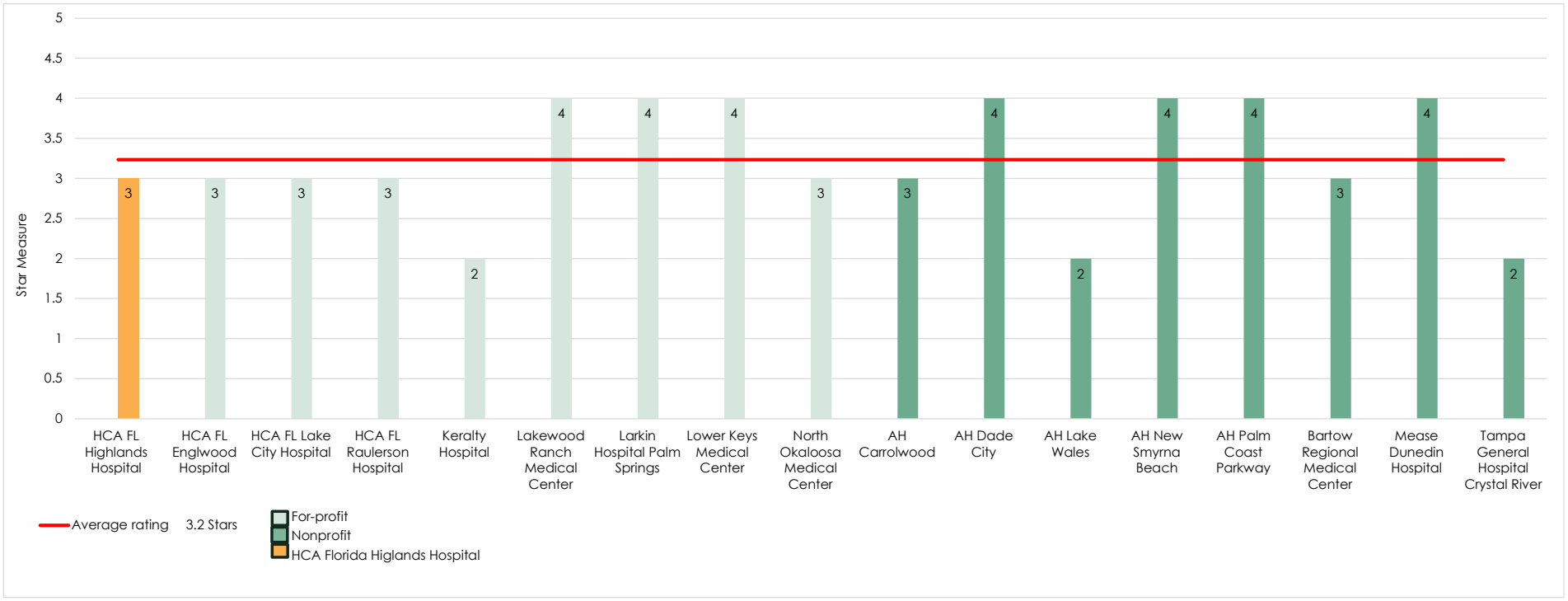


Exhibit C
Valuation Analysis

The primary team members responsible for the preparation of this deliverable are:

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Manager
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Senior Associate
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Engagement Overview

Weaver and Tidwell, L.L.P. ("Weaver", "our", or "we") performed valuation related services ("Services") for Highlands County Hospital District ("Client"). Our services are intended to aid the Board in: (i) negotiations with the current or future tenant regarding a contemplated lease; (ii) planning for a possible future sale, and (iii) fulfilling the Hospital District's fiduciary and regulatory compliance duties. The Services, which are advisory in nature, related to determining the fair market value ("FMV") of the business enterprise ("Subject Interest") of HCA Florida Highlands Hospital ("Hospital") as of December 31, 2025 (the "Valuation Date"). We understand our valuation will be used to evaluate the benefits to the public of selling or leasing the entirety of the assets of the Hospital District to a non-for profit or for-profit entity in order to continue to provide health care services to the community. As supplemental to this analysis, we were also requested to provide an objective operating comparison of the Hospital to other similarly situated hospitals, both non-for-profit and for-profit, which have a similar service mix in order to determine whether there is a difference in the costs. The Services were performed in accordance with Statement on Standards for Valuation Services No. 1 and Statement on Standards for Consulting Services No. 1 as established by the American Institute of Certified Public Accountants. The procedures performed included valuation tests considered necessary and appropriate under the circumstances.

Standard of Value

The standard of value for our analysis was fair market value, as defined in Revenue Ruling 59-60,1959-1 C.B. 237 as "the price at which the property would change hands between a willing buyer and willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both parties having knowledge of the relevant facts."

Additionally, we considered the updates, definitions, guidance and implementing regulations included in (i) the Physician Self-Referral law (or "Stark Law") issued by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid ("CMS") and (ii) the Anti-Kickback Statute issued by the U.S. Department of Health and Human Services, Office of Inspector General ("OIG"). Effective January 19, 2021, relevant CMS and OIG definitions are as follows:

Fair market value means:
(1) General. The value in an arm's-length transaction, consistent with the general market value of the subject transaction.

General market value means:
(1) Assets. With respect to the purchase of an asset, the price that an asset would bring on the date of acquisition of the asset as the result of bona fide bargaining between a well-informed buyer and seller that are not otherwise in a position to generate business for each other.

Valuation Date

December 31, 2025

Date of Last Financials Utilized

December 31, 2025

Premise of Value

The premise of value for the Hospital was on a going concern, which assumes that the Hospital will continue to operate into perpetuity.

Level of Value

We valued the Subject Interest on a Controlling, Marketable basis.

Transaction Structure

Asset Purchase Agreement

Our analysis should be understood within the context of the following:

General

- Our valuation reflects the FMV of a controlling, marketable interest under the premise of a going concern as of the Valuation Date and is intended solely for Client planning purposes. Valuations prepared for other purposes, under different standards or premises of value, or as of a different valuation date may yield materially different results.
- In performing our valuation analysis, we have assumed we were provided accurate and reliable data and information. We have NOT performed any assurance services (e.g. audits, compilations, reviews, quality of earnings assessment) regarding the financial statements, forecasts, or other data provided, and do not express any such opinion. As such, our engagement cannot be relied on to disclose errors, fraud, or other illegal acts that may exist. We have further relied upon management to disclose any material information which would be relevant to our valuation analysis.
- Our analysis should NOT be construed in any way as providing our opinion of the fairness of an actual or proposed transaction, a solvency opinion, or an investment recommendation. No opinion will be rendered as to legal fee or property title, and no opinion will be expressed for matters that require legal, engineering or other specialized expertise beyond that customarily employed by consultants/appraisers valuing businesses and/or assets. Additionally, we provide no assurance that a particular price will be offered or accepted.
- Our analysis reflects known or knowable circumstances as of the Valuation Date stated. Subsequent events to the Valuation Date may have a material impact to our analysis, and the parties should ascertain the continued relevancy of our work at the time of any transaction. Weaver is under no obligation to update our analysis for subsequent events.
- In performing our services, Weaver did NOT specifically consider the volume or value of downstream referrals or any buyer specific synergies which may (or may not) result from a transaction. We have performed our valuation of the Hospital through the lens of a hypothetical market participant.
- Business enterprise value ("BEV") represents the aggregate value of all assets that comprise the underlying entity including real property, personal property, working capital and intangible assets.

Company Specific

- **We received limited information while performing our analysis. To the extent additional information becomes available, we reserve the right to amend our analysis.**

  - According to the 1995 First Restated and Amended Lease Agreement, HCA Healthcare, Inc. ("HCA") is obligated to provide the District "as soon as practicable after the close of the fiscal year, an annual balance sheet and related statement showing the results of the operations of the Hospital during the fiscal year, certified by a public accounting firm." In compliance with the agreement, HCA provided audited annual financials for 2022 – 2025 as prepared by Ernst & Young LLP.

  - Weaver accessed additional financial and operational data from Florida's Agency for Health Care Administration (AHCA), obtaining detailed metrics on the Hospital's finances and operations from 2022 to 2025.

  - Weaver conducted a site visit and held a management interview on February 4, 2026. HCA management provided a general overview of the facility, market landscape, and services; however, detailed information was limited. Accordingly, Weaver supplemented available information with independent research and professional judgement.

- **As part of our analysis, we allocated the total value of the Hospital among tangible and intangible assets.**

  - The FMV of the real property was based on Weaver's separate appraisal as of December 31, 2025

  - The FMV of the personal property was based on Weaver's separate appraisal as of December 31, 2025. According to the 1995 First Restated and Amended Lease Agreement, it should be noted the District has the right to "acquire the Lessee's personal property at its then book value" (Section 16.5). For District planning purposes, it should noted book value for the personal property was lower than FMV as of the Valuation Date.

HCA Florida Highlands Hospital

Value Opinion

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Fair Market Value Opinion

Component	Note	Low	Midpoint	High
Business Enterprise Value ("BEV")	1, 2	62,000,000	66,000,000	70,000,000

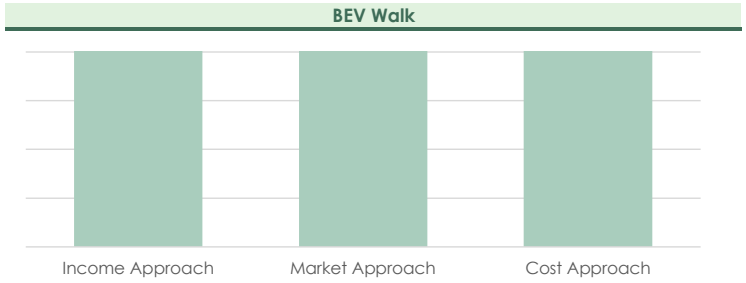
Implied Valuation Multiple	Metric	Low	Multiple	High
BEV / FY 25 Revenue	77,640,000	0.80x	0.85x	0.90x

Notes

1) High/Low FMV range is +/- 6.0% of the midpoint.
2) Value comprises all assets of the Hospital including real property, personal property, working capital and intangible assets.

Summary of Methodologies

Methodology	Note	Value Indication	Percentage Reliance	Concluded Amount (Midpoint)
Income Approach	1	66,700,000	-	-
Market Approach	2	66,000,000	100.0%	66,000,000
Cost Approach	3	66,000,000	-	-
Business Enterprise Value ("BEV") Conclusion (Rounded)				**$ 66,000,000**



Notes

Weaver considered three commonly-accepted methodologies to value the Subject Interest:

1) Income Approach

The value of a business is the sum of its free cash flow generated over time, discounted to a present value. The discount rate reflects (i) the time value of money, (ii) investor required rates of return and (ii) the degree of risk in achieving the forecast. The income approach best captures the specific attributes of an underlying business.

Because management was unwilling to provide specific guidance, Weaver based forecast assumptions on the Hospital's past financial trends, local demographics, location, service and payor mix, and similar hospital profiles. The annual free cash flows estimate what a typical buyer could expect from operating the Hospital.

We considered the Income Approach supportive of other, more reliable methods given management's lack of participation in developing the forecast assumptions.

2) Market Approach

Based on the principle of substitution, similar assets should be exchanged for similar prices. This approach applies historical hospital transactions, publicly traded valuation metrics, market commentary and appraiser experience to the subject entity. The market approach best captures the general pricing environment for similar assets; however, comparability issues may exist.

We viewed the Hospital's revenue as the best objective financial metric to utilize for valuation purposes, especially givien the number of publicly available BEV to revenue datapoints.

3) Cost Approach

The value of a business is the discrete cost of replacing or reproducing specific tangible assets (e.g. real estate, equipment, working capital, etc.) and intangible assets (e.g. tradename, trained workforce, licenses, etc.).

The Cost Approach was established to ensure that the aggregate value of the individual asset components comprising the Hospital aligns with the overall value BEV derived from the Market Approach. Along with other relevant considerations, we regarded the Cost Approach as both informative and supportive of the conclusions drawn from the Market Approach.

HCA Florida Highlands Hospital

Historical Financial Statements

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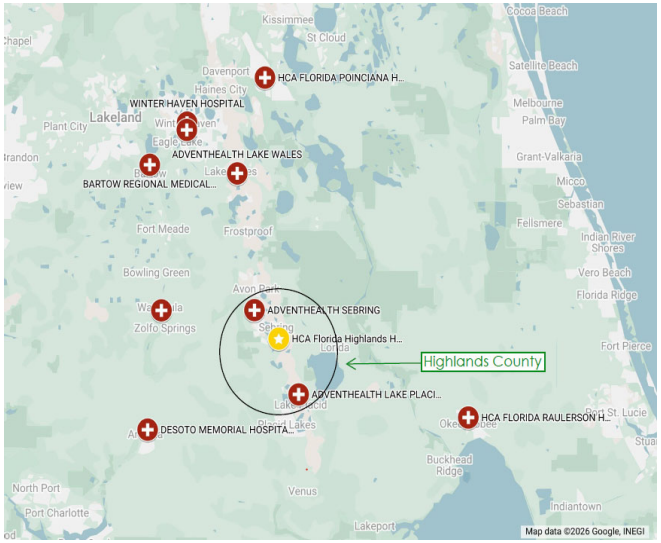
Hospitals within a 50 mile radius:



Highlands County Florida Overview

Population estimate as of 7/1/2024	≈109,778 population
	1,017.7 square miles
	≈ 107.9 people per square mile
Income and Poverty Statistics 2019-2023	Median Household Income (in 2023 dollars): $55,581
	Per capita income in CY 2023 (in 2023 dollars): $32,982
	Persons in poverty, percent: 18.6%
Age Demographics	Growing retiree population with a median age of 54.4
	≈25% higher than the rest of Florida at 42.8
HRSA Statistics	Health Professional Shortage Area: Low Income Migrant Farmworker Population HPSA
	Number of FTE practitioners needed to achieve population to practitioner target ratio: 5.08 FTE

Source: U.S. Census Bureau (2023). American Community Survey 1-year estimates. Retrieved from Census Reporter Profile page for Highlands County, FL; U.S. Census Bureau (2024); Health Resources and Services Adminstration

Key Takeaways:

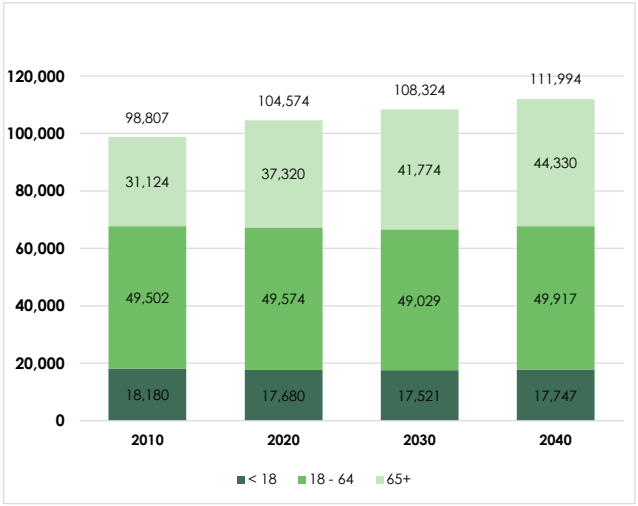
- Central and Strategic Location
- Age demographic is high, supporting high utilization of hospital services
- Middle class income statistics, supporting attractive cost dynamics for middle class retirees

HCA Florida Highlands Hospital

Overview

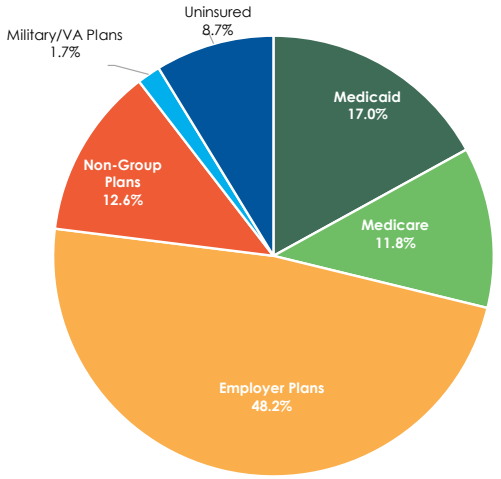
Exhibit 5

Population Growth by Age Category - Highlands County



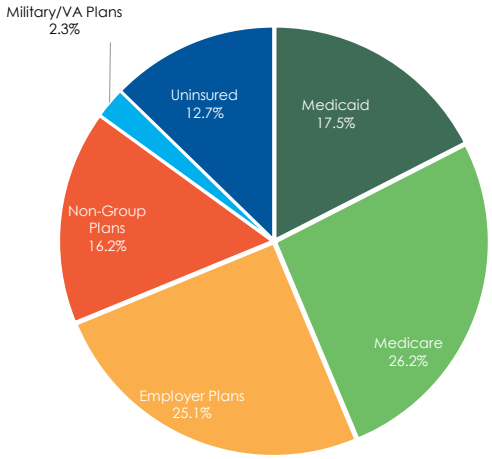
Source: U.S. Census Bureau; University of Florida Bureau of Economic and Business Research

Payer Mix - National

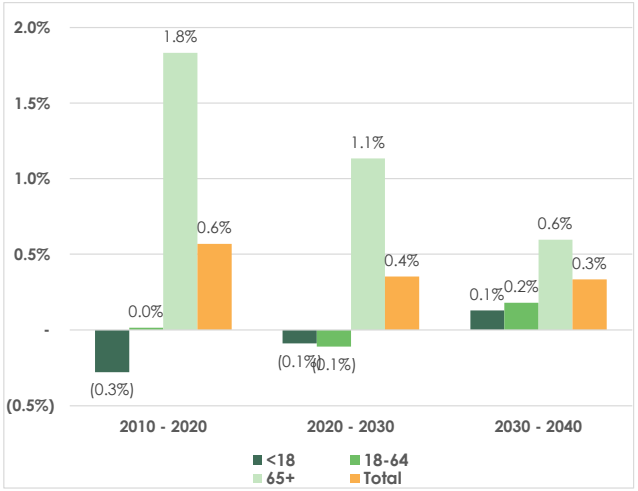


Source: Data USA (2025)

Payer Mix - Highlands County

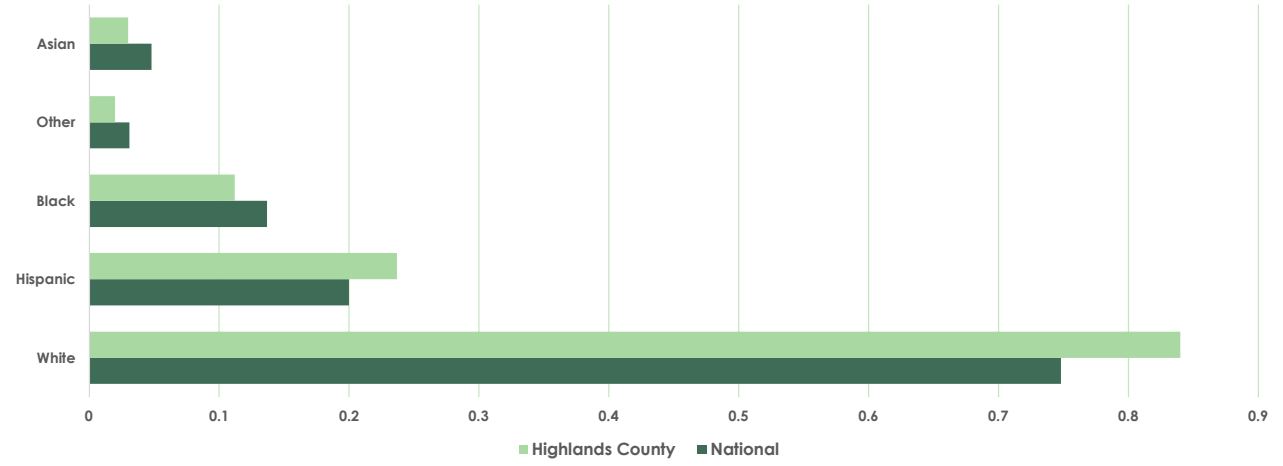


Population Growth CAGR by Age Category - Highlands



Source: U.S. Census Bureau

Ethnic Demographics - Highlands County



Source: U.S. Census Bureau

Key Takeaways:

- Medicare population increasing faster than other age categories
- High and increasing Medicare payor mix

History & Background

Founded in 1965 as Highlands Regional Medical Center	Acquired from Community Health Systems in 2017	126-bed acute care facility accredited by the Joint Commission

Key Service Lines:

Cardiovascular Services and Interventional Catheterization Lab	Orthopedic Services-features Orthopedic Total Joint Replacement and specialized spine surgery	Hemodialysis
24/7 Emergency services	Radiology: CTA; CT; MRI; Nuclear Medicine	Rehabilitation Services (Outpatient Location)
ICU	Surgery types: Vascular; General, Robotic	Wound Care (Outpatient Location)

Source: https://www.hcafloridahealthcare.com/locations/highlands-hospital

Optimization of Market Position:

Focus on high-acuity, technology-driven services—such as advanced cardiovascular interventions, orthopedic and spine surgery, robotic procedures, and comprehensive women's health—rather than competing with AdventHealth Sebring's full continuum of care.

Trans Carotid Artery Revascularization (TCAR) – Advanced procedure for reducing stroke risk

Dedicated Senior ER – Tailored emergency services for older adults.

Endobronchial Ultrasound (EBUS) – Technique for lung evaluation and diagnostics.

Source: https://www.hcafloridahealthcare.com/locations/highlands-hospital

HCA Florida Highlands Hospital

Operating Statistics

Exhibit 6

Inpatient

Metric	Note	FY 22	FY 23	FY 24	FY 25	Period-over-Period Change FY 22	FY 23	FY 24	FY 25
Admissions	1	3,745	3,991	3,701	3,420	n/a	6.6%	(7.3%)	(7.6%)
Avg. Length of Stay (Days)		4.6	4.1	3.9	3.6	n/a	(9.6%)	(5.0%)	(8.1%)
Patient Days	1	17,138	16,514	14,554	12,360	n/a	(3.6%)	(11.9%)	(15.1%)
Licensed Beds		126	126	126	126	n/a	-	-	-
Beds in Service		126	126	126	126	n/a	-	-	-
Avg. Daily Census		47.0	45.2	39.8	33.9	n/a	(3.6%)	(12.1%)	(14.8%)
Occupancy Rate		37.3%	35.9%	31.6%	26.9%	n/a	(3.6%)	(12.1%)	(14.8%)
Case Mix Index	2	2.0	2.0	1.9	1.7	n/a	(2.6%)	(2.6%)	(10.2%)
Net Revenue per Patient Day		$ 2,594	$ 2,768	$ 3,047	$ 3,007	n/a	6.7%	10.1%	(1.3%)
Net Revenue per Admission		$ 11,871	$ 11,453	$ 11,981	$ 10,866	n/a	(3.5%)	4.6%	(9.3%)
Net Inpatient Revenue	1	**$ 44,456,095**	**$ 45,709,964**	**$ 44,341,989**	**$ 37,160,948**	**n/a**	**2.8%**	**(3.0%)**	**(16.2%)**

Outpatient

Metric		FY 22	FY 23	FY 24	FY 25	Period-over-Period Change FY 22	FY 23	FY 24	FY 25
Surgeries	1	2,755	2,512	1,734	1,620	n/a	(8.8%)	(31.0%)	(6.6%)
ED Visits	1	21,655	23,122	24,127	23,665	n/a	6.8%	4.3%	(1.9%)
Imaging Procedures	1	42,629	45,403	46,696	46,696	n/a	6.5%	2.8%	-
Clinic Visits	1,3	108,193	112,620	98,310	145,929	n/a	4.1%	(12.7%)	48.4%
ED Visits / Day		59.3	63.3	65.9	64.8	n/a	6.8%	4.1%	(1.6%)
Total Visits		175,232	183,657	170,867	222,600	n/a	4.8%	(7.0%)	30.3%
Net Revenue per Visit		$ 205	$ 189	$ 177	$ 170	n/a	(8.1%)	(6.3%)	(4.0%)
Net Outpatient Revenue		**$ 35,952,111**	**$ 34,638,891**	**$ 30,211,841**	**$ 37,776,279**	**n/a**	**(3.7%)**	**(12.8%)**	**25.0%**

Adjusted Statistics

Metric		FY 22	FY 23	FY 24	FY 25	Period-over-Period Change FY 22	FY 23	FY 24	FY 25
Gross Inpatient Revenue	1	393,805,000	420,653,000	401,662,000	374,861,000	n/a	6.8%	(4.5%)	(6.7%)
Gross Outpatient Revenue	1	414,366,000	431,911,000	415,316,000	464,172,000	n/a	4.2%	(3.8%)	11.8%
Adjustment Factor		2.05x	2.03x	2.03x	2.24x	n/a	(1.2%)	0.4%	10.0%
Adjusted Admissions		7,686	8,089	7,528	7,655	n/a	5.2%	(6.9%)	1.7%
Adjusted Patient Days		35,171	33,470	29,603	27,665	n/a	(4.8%)	(11.6%)	(6.5%)
Net Revenue per Adj. Admission		$ 10,839	$ 10,374	$ 10,289	$ 10,142	n/a	(4.3%)	(0.8%)	(1.4%)
Net Revenue per Adj. Patient Day		$ 2,369	$ 2,507	$ 2,616	$ 2,806	n/a	5.8%	4.4%	7.3%
Total Net Patient Revenue		**$ 83,307,219**	**$ 83,913,759**	**$ 77,453,507**	**$ 77,638,790**	**n/a**	**0.7%**	**(7.7%)**	**0.2%**

Notes

1) Source: FY 2022 - FY 2025 based on AHCA Reports

2) Source: FY 2022-2025 based on the American Hospital Directory

3) Increase between FY 2024 and FY 2025 attributable to large increase in respiratory visits

HCA Florida Highlands Hospital
Gross Payor Mix
Exhibit 7

Payor	Gross Payments - Total FY 22	FY 23	FY 24	FY 25	Gross Payments, Common-Sized FY 22	FY 23	FY 24	FY 25
Self-Pay	$ 36,640,727	$ 39,881,496	$ 43,087,735	$ 44,302,625	4.5%	4.7%	5.3%	5.3%
Medicare	541,390,255	568,414,244	521,649,799	512,904,323	67.0%	66.7%	63.9%	61.1%
Medicaid	87,124,223	82,204,061	77,777,792	80,158,397	10.8%	9.6%	9.5%	9.6%
Other Government	35,852,557	43,742,360	53,379,208	126,719,723	4.4%	5.1%	6.5%	15.1%
Commercial	107,073,509	118,222,632	121,039,589	74,854,231	13.3%	13.9%	14.8%	8.9%
Total	**$ 808,081,271**	**$ 852,464,793**	**$ 816,934,123**	**$ 838,939,299**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Sources

1) FY 2022 - FY 2025 based on AHCA Reports

Notes

1) Gross Payments reflects prices utilized in HCA's chargemaster (i.e., the common price applied to services prior to discounts or adjustments). Gross payments best reflect the patient insured mix.

HCA Florida Highlands Hospital
Net Payor Mix
Exhibit 8

I. Inpatient Revenue

		Payments				Common-Sized			
Payor	**1**	**FY 22**	**FY 23**	**FY 24**	**FY 25**	**FY 22**	**FY 23**	**FY 24**	**FY 25**
Self-Pay		$ 17,546,701	$ 16,551,895	$ 16,212,323	$ 12,880,503	39.5%	36.2%	36.6%	34.7%
Medicare		31,359,334	34,924,030	30,617,693	27,159,744	70.5%	76.4%	69.0%	73.1%
Medicaid		1,817,449	(1,284,632)	1,091,968	1,289,819	4.1%	(2.8%)	2.5%	3.5%
Other Government		2,584,018	2,426,215	3,468,304	7,906,976	5.8%	5.3%	7.8%	21.3%
Commercial		12,424,965	14,714,063	10,869,821	7,054,091	27.9%	32.2%	24.5%	19.0%
Other	2	(21,276,372)	(21,621,607)	(17,918,120)	(19,130,185)	(47.9%)	(47.3%)	(40.4%)	(51.5%)
Total		**$ 44,456,095**	**$ 45,709,964**	**$ 44,341,989**	**$ 37,160,948**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

II. Outpatient Revenue

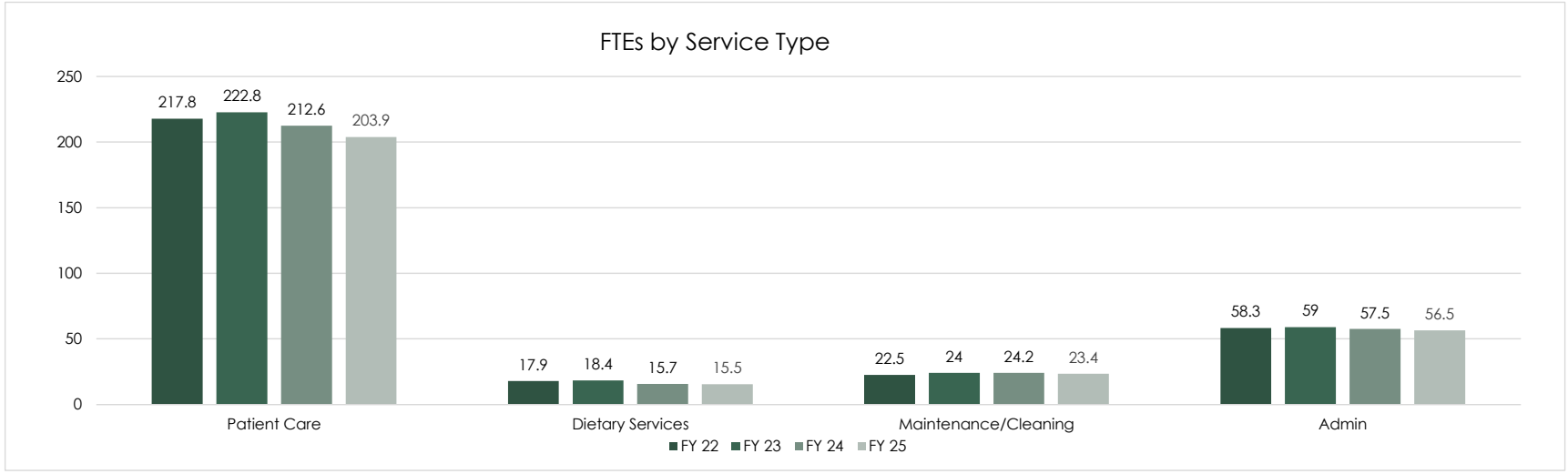
		Payments				Common-Sized			
Payor	**1**	**FY 22**	**FY 23**	**FY 24**	**FY 25**	**FY 22**	**FY 23**	**FY 24**	**FY 25**
Self-Pay		$ 19,085,629	$ 23,329,601	$ 26,875,412	$ 31,422,122	53.1%	67.4%	89.0%	83.2%
Medicare		16,871,710	15,522,591	13,442,352	15,135,299	46.9%	44.8%	44.5%	40.1%
Medicaid		1,415,515	1,461,393	1,215,222	679,989	3.9%	4.2%	4.0%	1.8%
Other Government		1,651,339	1,810,533	1,652,401	8,973,373	4.6%	5.2%	5.5%	23.8%
Commercial		23,627,107	23,913,407	27,657,418	25,035,634	65.7%	69.0%	91.5%	66.3%
Other	2	(26,699,189)	(31,398,634)	(40,630,964)	(43,470,138)	(74.3%)	(90.6%)	(134.5%)	(115.1%)
Total		**$ 35,952,111**	**$ 34,638,891**	**$ 30,211,841**	**$ 37,776,279**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

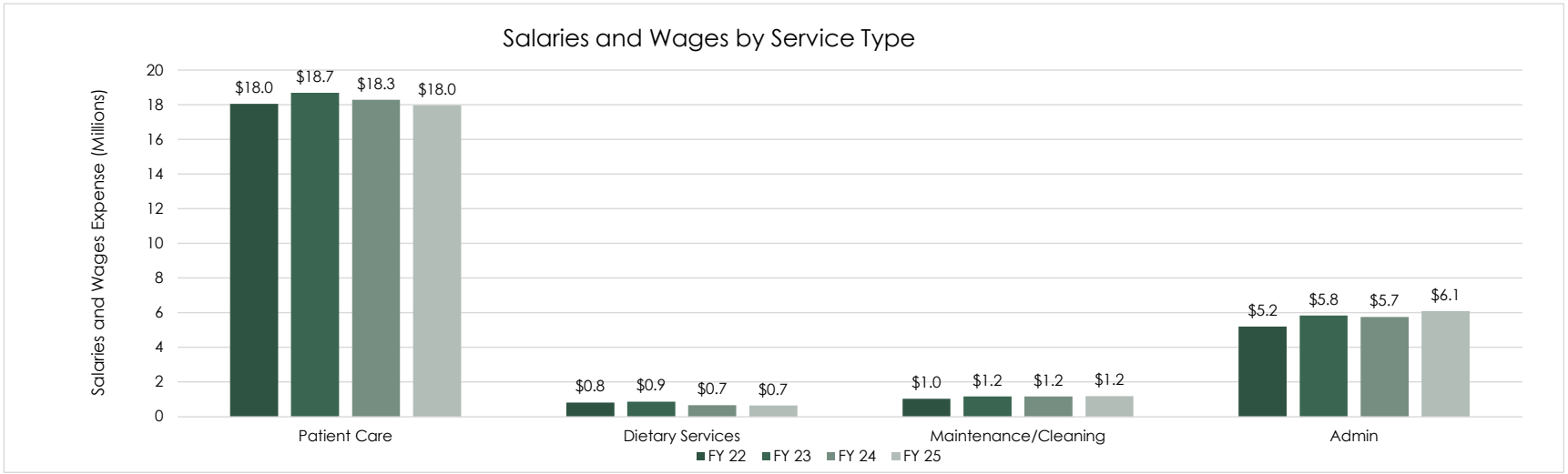
III. Total Patient Revenue

		Payments				Common-Sized			
Payor	**1**	**FY 22**	**FY 23**	**FY 24**	**FY 25**	**FY 22**	**FY 23**	**FY 24**	**FY 25**
Self-Pay		$ 36,632,330	$ 39,881,496	$ 43,087,735	$ 44,302,625	45.6%	49.6%	57.8%	59.1%
Medicare		48,231,044	50,446,621	44,060,045	42,295,043	60.0%	62.8%	59.1%	56.4%
Medicaid		3,232,964	176,761	2,307,190	1,969,808	4.0%	0.2%	3.1%	2.6%
Other Government		4,235,357	4,236,748	5,120,705	16,880,349	5.3%	5.3%	6.9%	22.5%
Commercial		36,052,072	38,627,470	38,527,239	32,089,725	44.8%	48.1%	51.7%	42.8%
Other	2	(47,975,561)	(53,020,241)	(58,549,084)	(62,600,323)	(59.7%)	(66.0%)	(78.5%)	(83.5%)
Total		**$ 80,408,206**	**$ 80,348,855**	**$ 74,553,830**	**$ 74,937,227**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Notes

1) Source: FY 2022 - FY 2025 based on AHCA Reports
2) Inclusive of charity care, discounts, and other deductions





Notes

1) Source: FY 2022 - FY 2025 based on AHCA Reports

HCA Florida Highlands Hospital

Historical Balance Sheet - As Reported

Exhibit 10

	$ Audited				Common-Sized Audited			
	Dec-22	Dec-23	Dec-24	Dec-25	Dec-22	Dec-23	Dec-24	Dec-25
Assets								
Current Assets								
Cash & Cash Equivalents	$ 1,130	$ 2,600	$ 15,404	$ 1,581	(0.1%)	(0.1%)	(0.2%)	(0.0%)
Accounts Receivable	9,757,577	12,566,957	10,564,664	10,802,334	(793.2%)	(361.4%)	(133.5%)	(156.1%)
Inventory	2,459,994	2,699,794	2,203,887	1,976,585	(200.0%)	(77.6%)	(27.9%)	(28.6%)
Other Current Assets	2,890,262	339,879	120,007	86,944	(234.9%)	(9.8%)	(1.5%)	(1.3%)
	15,108,963	15,609,230	12,903,962	12,867,444	(1,228.2%)	(448.9%)	(163.1%)	(185.9%)
Fixed Assets								
Land	400,000	400,000	400,000	400,000	(32.5%)	(11.5%)	(5.1%)	(5.8%)
Equipment	26,072,838	30,953,871	33,294,351	45,776,418	(2,119.4%)	(890.2%)	(420.8%)	(661.4%)
Construction-in-Progress	942,040	1,893,436	8,280,772	1,024,263	(76.6%)	(54.5%)	(104.7%)	(14.8%)
Buildings	8,378,632	8,975,222	9,205,664	9,529,771	(681.1%)	(258.1%)	(116.3%)	(137.7%)
Accumulated Depreciation	(18,471,117)	(22,639,313)	(24,814,765)	(29,120,384)	1,501.5%	651.1%	313.6%	420.8%
	17,322,393	19,583,216	26,366,022	27,610,068	(1,408.1%)	(563.2%)	(333.2%)	(399.0%)
Other Assets								
Right-Of-Use Operating Lease Assets	1,087,225	733,225	387,089	220,395	(88.4%)	(21.1%)	(4.9%)	(3.2%)
Goodwill	652,138	652,138	652,138	652,138	(53.0%)	(18.8%)	(8.2%)	(9.4%)
Other Non-Current Assets	111,610	111,610	111,610	112,110	(9.1%)	(3.2%)	(1.4%)	(1.6%)
Due to HCA Healthcare, Inc.	(35,512,523)	(40,166,556)	(48,333,132)	(48,382,787)	2,886.7%	1,155.2%	610.9%	699.1%
	(33,661,550)	(38,669,583)	(47,182,295)	(47,398,144)	2,736.3%	1,112.1%	596.3%	684.9%
Total Assets	$ (1,230,194)	$ (3,477,137)	$ (7,912,311)	$ (6,920,632)	100.0%	100.0%	100.0%	100.0%

	$ Audited				Common-Sized Audited			
	Dec-22	Dec-23	Dec-24	Dec-25	Dec-22	Dec-23	Dec-24	Dec-25
Liabilities & Equity								
Current Liabilities								
Accounts Payable	4,472,958	3,730,167	2,826,669	2,459,452	(363.6%)	(107.3%)	(35.7%)	(35.5%)
Other Accrued Expenses	4,229,286	4,541,897	4,500,363	4,246,996	(343.8%)	(130.6%)	(56.9%)	(61.4%)
Third Party Reimb. Accounts Payable	-	99,477	613,022	1,100,467	-	(2.9%)	(7.7%)	(15.9%)
Current Portion of Right-Of-Use Operating Lease Liabilities	421,330	359,779	297,950	157,612	(34.2%)	(10.3%)	(3.8%)	(2.3%)
Current Portion of Finance Lease Liabilities	795,511	794,942	660,111	506,206	(64.7%)	(22.9%)	(8.3%)	(7.3%)
	9,919,085	9,526,262	8,898,115	8,470,733	(806.3%)	(274.0%)	(112.5%)	(122.4%)
Long-Term Liabilities								
Other long-term debt	586,573	598,889	530,241	526,912	(47.7%)	(17.2%)	(6.7%)	(7.6%)
Right-Of-Use Operating Lease Liabilities	710,104	412,779	114,829	72,262	(57.7%)	(11.9%)	(1.5%)	(1.0%)
Financial Lease Liabilities	1,400,720	1,181,535	542,419	36,212	(113.9%)	(34.0%)	(6.9%)	(0.5%)
	2,697,397	2,193,203	1,187,489	635,386	(219.3%)	(63.1%)	(15.0%)	(9.2%)
Total Liabilities	12,616,482	11,719,465	10,085,604	9,106,119	(1,025.6%)	(337.0%)	(127.5%)	(131.6%)
Equity								
Equity	(13,846,676)	(15,196,603)	(17,997,915)	(16,026,751)	1,125.6%	437.0%	227.5%	231.6%
	(13,846,676)	(15,196,603)	(17,997,915)	(16,026,751)	1,125.6%	437.0%	227.5%	231.6%
Total Liabilities & Equity	$ (1,230,194)	$ (3,477,138)	$ (7,912,311)	$ (6,920,632)	100.0%	100.0%	100.0%	100.0%

Source: Ernst & Young, LLP Audited Financials (2022-2025)

HCA Florida Highlands Hospital

Historical Income Statement - 2022-2025

Exhibit 11

	$				Common-Sized			
	Audited				Audited			
	FY 22	FY 23	FY 24	FY 25	FY 22	FY 23	FY 24	FY 25
Revenue								
Total Net Revenue	$ 83,307,219	$ 83,913,759	$ 77,453,507	$ 77,638,790	100.0%	100.0%	100.0%	100.0%
Operating Expenses								
Salaries, Wages, & Benefits								
Salaries & Benefits	35,263,514	35,494,446	33,508,719	32,913,096	42.3%	42.3%	43.3%	42.4%
	35,263,514	35,494,446	33,508,719	32,913,096	42.3%	42.3%	43.3%	42.4%
Supply Costs								
Supply Expense	18,476,277	15,591,054	13,778,461	10,922,264	22.2%	18.6%	17.8%	14.1%
	18,476,277	15,591,054	13,778,461	10,922,264	22.2%	18.6%	17.8%	14.1%
General & Administrative								
Other Operating Expenses	24,688,358	27,378,690	26,173,296	23,971,510	29.6%	32.6%	33.8%	30.9%
Management Fee	2,871,877	2,886,509	2,671,650	2,641,958	3.4%	3.4%	3.4%	3.4%
	27,560,235	30,265,199	28,844,946	26,613,468	33.1%	36.1%	37.2%	34.3%
Total Operating Expenses	$ 81,300,026	$ 81,350,699	$ 76,132,126	$ 70,448,828	97.6%	96.9%	98.3%	90.7%
EBITDA	$ 2,007,193	$ 2,563,060	$ 1,321,381	$ 7,189,962	2.4%	3.1%	1.7%	9.3%

Source: Ernst & Young, LLP Audited Financials (2022-2025)

HCA Florida Highlands Hospital
Normalizing Adjustments
Exhibit 12

	Notes	$ Audited FY 25	$ Adjustments	$ Normalized Base Year	% of Net Revenue Audited FY 25	% of Net Revenue Normalized Base Year
Revenue						
Total Net Revenue		$ 77,638,790	$ -	$ 77,638,790	100.0%	100.0%
Operating Expenses						
Salaries, Wages, & Benefits						
Salaries & Benefits		32,913,096	-	32,913,096	42.4%	42.4%
		32,913,096	-	32,913,096	42.4%	42.4%
Supply Costs						
Supply Expense		10,922,264	-	10,922,264	14.1%	14.1%
		10,922,264	-	10,922,264	14.1%	14.1%
General & Administrative						
Other Operating Expenses		23,971,510	-	23,971,510	30.9%	30.9%
Management Fee		2,641,958	-	2,641,958	3.4%	3.4%
		26,613,468	-	26,613,468	34.3%	34.3%
Total Operating Expenses		$ 70,448,828	$ -	$ 70,448,828	90.7%	90.7%
EBITDA		$ 7,189,962	$ -	$ 7,189,962	9.3%	9.3%

HCA Florida Highlands Hospital

Income Approach

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HCA Florida Highlands Hospital

Revenue Projections

Exhibit 13

	Note	FY 22	FY 23	FY 24	FY 25	Normalized Base Year	Projection Period Year 1	Year 2	Year 3	Year 4	Year 5
Inpatient											
Admissions		3,745	3,991	3,701	3,420	3,420	3,437	3,454	3,472	3,489	3,506
Growth	1	n/a	6.6%	(7.3%)	(7.6%)	-	0.5%	0.5%	0.5%	0.5%	0.5%
Average Length of Stay (Days)		4.6	4.1	3.9	3.6	3.6	3.6	3.6	3.6	3.6	3.6
Growth		n/a	(9.6%)	(5.0%)	(8.1%)	-	-	-	-	-	-
Patient Days		17,138.0	16,514.0	14,554.0	12,360.0	12,360.0	12,421.8	12,483.9	12,546.3	12,609.1	12,672.1
Growth		n/a	(3.6%)	(11.9%)	(15.1%)	-	0.5%	0.5%	0.5%	0.5%	0.5%
Average Daily Census		47.0	45.2	39.8	33.9	33.9	34.0	34.2	34.4	34.5	34.7
Occupancy %		47.0%	45.2%	39.8%	33.9%	33.9%	34.0%	34.2%	34.4%	34.5%	34.7%
Net Revenue per Patient Day		$ 2,594	$ 2,768	$ 3,047	$ 3,007	$ 3,007	$ 3,082	$ 3,159	$ 3,238	$ 3,319	$ 3,402
Growth	2	n/a	6.7%	10.1%	(1.3%)	-	2.5%	2.5%	2.5%	2.5%	2.5%
Net Inpatient Revenue		$ 44,456,095	$ 45,709,964	$ 44,341,989	$ 37,160,948	$ 37,160,948	$ 38,280,422	$ 39,433,619	$ 40,621,557	$ 41,845,281	$ 43,105,871
Growth		n/a	2.8%	(3.0%)	(16.2%)	-	3.0%	3.0%	3.0%	3.0%	3.0%
Outpatient											
Visits		175,232	183,657	170,867	222,600	222,600	224,826	227,074	229,345	231,638	233,955
Growth	1	n/a	4.8%	(7.0%)	30.3%	-	1.0%	1.0%	1.0%	1.0%	1.0%
Net Revenue per Visit		205	189	177	170	170	174	178	183	187	192
Growth	2	n/a	(8.1%)	(6.3%)	(4.0%)	-	2.5%	2.5%	2.5%	2.5%	2.5%
Net Outpatient Revenue		$ 35,952,111	$ 34,638,891	$ 30,211,841	$ 37,776,279	37,776,279	39,107,893	40,486,446	41,913,593	43,391,047	44,920,582
Growth		n/a	(3.7%)	(12.8%)	25.0%	-	3.5%	3.5%	3.5%	3.5%	3.5%

HCA Florida Highlands Hospital

Revenue Projections

Exhibit 13

	Note	FY 22	FY 23	FY 24	FY 25	Normalized Base Year	Projection Period Year 1	Year 2	Year 3	Year 4	Year 5
Total Net Revenue											
Net Inpatient Revenue		44,456,095	45,709,964	44,341,989	37,160,948	37,160,948	38,280,422	39,433,619	40,621,557	41,845,281	43,105,871
Net Outpatient Revenue		35,952,111	34,638,891	30,211,841	37,776,279	37,776,279	39,107,893	40,486,446	41,913,593	43,391,047	44,920,582
Net Patient Revenue		$ 80,408,206	$ 80,348,855	$ 74,553,830	$ 74,937,227	$ 74,937,227	$ 77,388,314	$ 79,920,065	$ 82,535,150	$ 85,236,329	$ 88,026,452
Growth		n/a	(0.1%)	(7.2%)	0.5%	-	3.3%	3.3%	3.3%	3.3%	3.3%
Other Revenue											
Other Operating Revenue	3	2,880,582	3,564,904	2,899,677	2,701,563	2,701,563	2,782,610	2,866,088	2,952,071	3,040,633	3,131,852
Other Revenue		$ 2,880,582	$ 3,564,904	$ 2,899,677	$ 2,701,563	$ 2,701,563	$ 2,782,610	$ 2,866,088	$ 2,952,071	$ 3,040,633	$ 3,131,852
Total Net Revenue		**$ 83,288,788**	**$ 83,913,759**	**$ 77,453,507**	**$ 77,638,790**	**$ 77,638,790**	**$ 80,170,924**	**$ 82,786,154**	**$ 85,487,221**	**$ 88,276,962**	**$ 91,158,304**

Notes

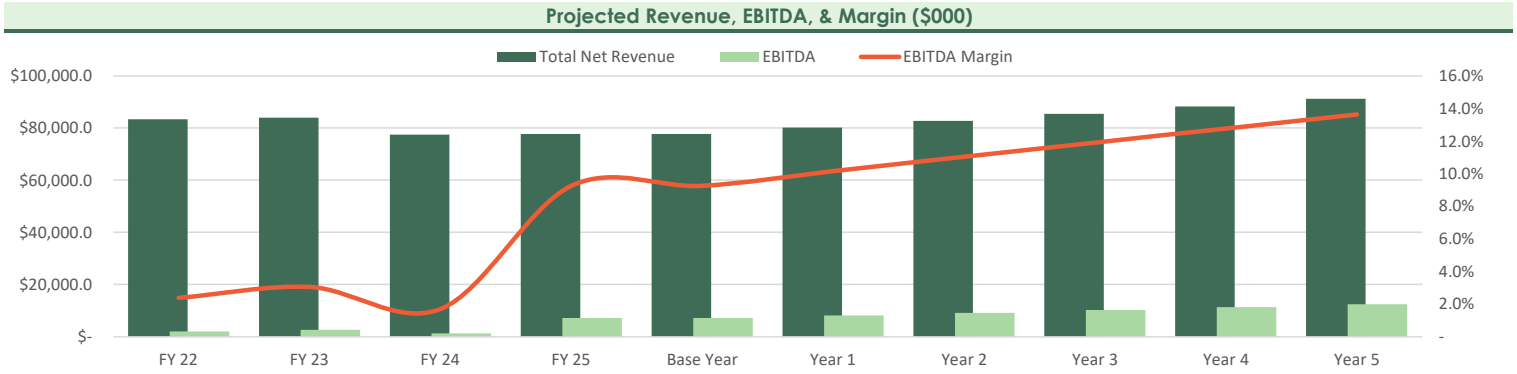
1) Inpatient volume assumed to increase consistent with population growth; outpatient volume assumed to grow slightly above population growth consistent with national trends.
2) Reimbursement highly sensitive to Medicare and Medicare Advantage rates due to payor mix. In addition, service-mix and acuity can impact changes to blended reimbursement.
3) Assumed to grow at 3.0% per annum. Revenue largely includes funding from LIPP, DPPP, and 1115 Wavier.

HCA Florida Highlands Hospital
Expense Projections
Exhibit 14

			Note	FY 25	Normalized Base Year	Projection Period Year 1	Year 2	Year 3	Year 4	Year 5
Operating Expense Projections										
Salaries, Wages, & Benefits										
Salaries & Benefits	Grow at 2.0%			32,913,096	32,913,096	33,571,358	34,242,785	34,927,641	35,626,194	36,338,717
				32,913,096	32,913,096	33,571,358	34,242,785	34,927,641	35,626,194	36,338,717
Supply Costs										
Supply Expense	% of Total Net Revenue	14.1%		10,922,264	10,922,264	11,278,486	11,646,398	12,026,385	12,418,847	12,824,196
				10,922,264	10,922,264	11,278,486	11,646,398	12,026,385	12,418,847	12,824,196
General & Administrative										
Other Operating Expenses	Grow at 2.0%			23,971,510	23,971,510	24,450,940	24,939,959	25,438,758	25,947,533	26,466,484
Management Fee	% of Total Net Revenue	3.4%		2,641,958	2,641,958	2,728,124	2,817,117	2,909,031	3,003,963	3,102,011
				26,613,468	26,613,468	27,179,064	27,757,076	28,347,789	28,951,496	29,568,495
Total Operating Expenses				**$ 70,448,828**	**$ 70,448,828**	**$ 72,028,908**	**$ 73,646,259**	**$ 75,301,815**	**$ 76,996,537**	**$ 78,731,409**
Capital Expenditures										
Routine Capex	3.5% of net revenue based historical spend and appraiser judgement					$ 2,321,649	$ 2,397,602	$ 2,476,055	$ 2,557,090	$ 2,640,794
Special Projects	Based on management indications					$ 8,000,000	$ -	$ -	$ -	$ -
Total Capex						**$ 10,321,649**	**$ 2,397,602**	**$ 2,476,055**	**$ 2,557,090**	**$ 2,640,794**

HCA Florida Highlands Hospital
Summary Projected Income Statement
Exhibit 15

					Normalized	Projection Period				
	FY 22	FY 23	FY 24	FY 25	Base Year	Year 1	Year 2	Year 3	Year 4	Year 5
Net Inpatient Revenue	$ 44,456,095	$ 45,709,964	$ 44,341,989	$ 37,160,948	$ 37,160,948	$ 38,280,422	$ 39,433,619	$ 40,621,557	$ 41,845,281	$ 43,105,871
Net Outpatient Revenue	35,952,111	34,638,891	30,211,841	37,776,279	37,776,279	39,107,893	40,486,446	41,913,593	43,391,047	44,920,582
Other Revenue	2,880,582	3,564,904	2,899,677	2,701,563	2,701,563	2,782,610	2,866,088	2,952,071	3,040,633	3,131,852
Total Net Revenue	$ 83,288,788	$ 83,913,759	$ 77,453,507	$ 77,638,790	$ 77,638,790	$ 80,170,924	$ 82,786,154	$ 85,487,221	$ 88,276,962	$ 91,158,304
Operating Expenses										
Salaries, Wages, & Benefits	35,263,514	35,494,446	33,508,719	32,913,096	32,913,096	33,571,358	34,242,785	34,927,641	35,626,194	36,338,717
Supply Costs	18,476,277	15,591,054	13,778,461	10,922,264	10,922,264	11,278,486	11,646,398	12,026,385	12,418,847	12,824,196
General & Administrative	27,560,235	30,265,199	28,844,946	26,613,468	26,613,468	27,179,064	27,757,076	28,347,789	28,951,496	29,568,495
Total Operating Expenses	$ 81,300,026	$ 81,350,699	$ 76,132,126	$ 70,448,828	$ 70,448,828	$ 72,028,908	$ 73,646,259	$ 75,301,815	$ 76,996,537	$ 78,731,409
EBITDA	**$ 1,988,762**	**$ 2,563,060**	**$ 1,321,381**	**$ 7,189,962**	**$ 7,189,962**	**$ 8,142,017**	**$ 9,139,895**	**$ 10,185,406**	**$ 11,280,425**	**$ 12,426,895**
Common-Sized										
Operating Expenses										
Salaries, Wages, & Benefits	42.3%	42.3%	43.3%	42.4%	42.4%	41.9%	41.4%	40.9%	40.4%	39.9%
Supply Costs	22.2%	18.6%	17.8%	14.1%	14.1%	14.1%	14.1%	14.1%	14.1%	14.1%
General & Administrative	33.1%	36.1%	37.2%	34.3%	34.3%	33.9%	33.5%	33.2%	32.8%	32.4%
Total Operating Expenses	97.6%	96.9%	98.3%	90.7%	90.7%	89.8%	89.0%	88.1%	87.2%	86.4%
EBITDA Margin	**2.4%**	**3.1%**	**1.7%**	**9.3%**	**9.3%**	**10.2%**	**11.0%**	**11.9%**	**12.8%**	**13.6%**



HCA Florida Highlands Hospital
Discounted Cash Flow Analysis
Exhibit 16

	Note	FY 25	Normalized Base Year	Projections Year 1	Year 2	Year 3	Year 4	Year 5
Total Net Operating Revenue		$ 77,638,790	$ 77,638,790	$ 80,170,924	$ 82,786,154	$ 85,487,221	$ 88,276,962	$ 91,158,304
Growth		0.2%	-	3.3%	3.3%	3.3%	3.3%	3.3%
EBITDA		7,189,962	7,189,962	8,142,017	9,139,895	10,185,406	11,280,425	12,426,895
Margin		9.3%	9.3%	10.2%	11.0%	11.9%	12.8%	13.6%
Less: Depreciation & Amortization	1			(7,511,788)	(9,676,241)	(6,621,316)	(4,813,885)	(5,083,986)
EBIT				630,228	(536,347)	3,564,090	6,466,540	7,342,909
NOL Use (Carryforward)				-	(536,347)	536,347	-	-
Less: Interest Expense	2			-	-	-	-	-
Less: Taxes	3	Tax rate:	25.3%	(159,731)	-	(767,382)	(1,638,945)	(1,861,060)
Net Income				470,497	(536,347)	2,796,708	4,827,595	5,481,849
Plus: Depreciation & Amortization				7,511,788	9,676,241	6,621,316	4,813,885	5,083,986
Less: Capital Expenditures	4			(10,321,649)	(2,397,602)	(2,476,055)	(2,557,090)	(2,640,794)
Plus: Change in Net Working Capital	5	% of Revenue	6.5%	(165,046)	(170,462)	(176,057)	(181,836)	(187,807)
Free Cash Flow				**(2,504,410)**	**6,571,831**	**6,765,913**	**6,902,554**	**7,737,234**
Partial Period				0.5	1.5	2.5	3.5	4.5
Present Value Factor	6	Discount rate:	12.5%	0.9428	0.8381	0.7449	0.6622	0.5886
Present Value of Cash Flows				(2,361,180)	5,507,539	5,040,169	4,570,629	4,554,067
Present Value, Years 1-5							26.0%	17,311,224
Present Value, Years 6-Perpetuity		Residual growth rate:	3.0%				74.0%	49,375,672
Business Enterprise Value ("BEV")							100.0%	**$ 66,686,897**

Notes

1) Based on the depreciation waterfall work paper.
2) Historical interest expense removed for valuation purposes.
3) The federal corporate tax rate and Florida state corporate tax rate were utlized as a proxy for the Company's future tax rate
4) See Expense Projections worksheet.
5) Changes to working capital assume targeted level of working capital currently exists.
6) See Weighted Average Cost of Capital worksheet.

Implied Multiples

Period	BEV/Revenue	BEV/EBITDA
Base Year	0.86x	9.3x
Year 1	0.83x	8.2x
Year 2	0.81x	7.3x

BEV Sensitivity Table

	11.5%	12.5%	13.5%
2.5%	71,812,577	63,990,410	57,600,450
3.0%	75,267,452	66,686,897	59,750,697
3.5%	79,154,186	69,682,993	62,115,968

HCA Florida Highlands Hospital
Weighted Average Cost of Capital
Exhibit 17

Data as of 12/31/2025

WACC

Component	Value	Weighting [7]	Conclusion
Cost of Equity (**A**)	18.6%	60.0%	11.2%
Cost of Debt (**B**)	3.6%	40.0%	1.4%
Weighted Average Cost of Capital (Rounded)			**12.5%**

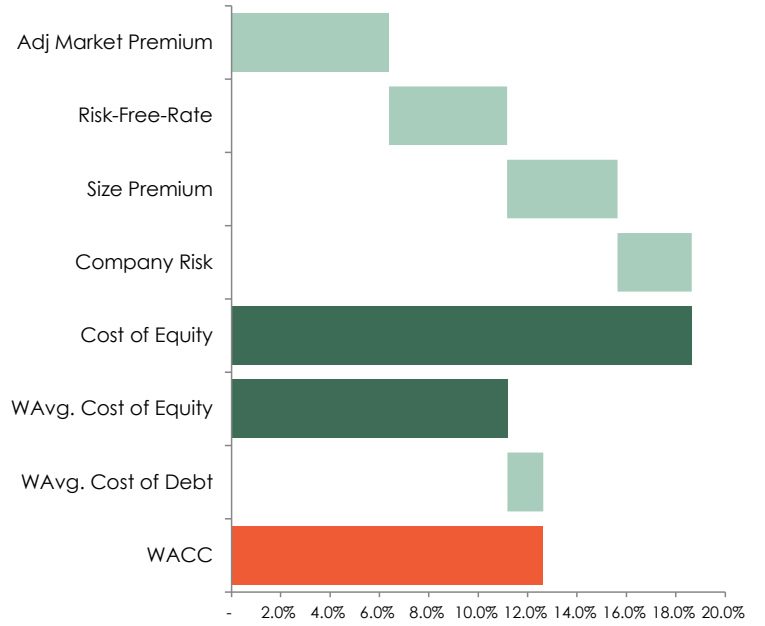
Cost of Equity Components

Component	Note	Conclusion	
Market Risk Premium (Rm - Rf)	1	6.3%	
Multiplied by: Industry Levered Beta		1.01	
Adjusted Market Risk Premium		6.4%	
Add: Risk-Free Rate of Return (Rf)	2	4.8%	
Add: Size Premium	3	4.5%	
Add: Company Specific Risk Premium	4	3.0%	
Cost of Equity		**18.6%**	**A**

Cost of Debt Components

Component	Note	Conclusion	
Cost of Debt	5	4.8%	
Tax Rate	6	25.3%	
After-Tax Cost of Debt		3.6%	**B**

WACC Walk



Ticker	Company Name	Total Debt	Cost of Borrowing	Mkt. Val. Equity	Pref Equity	Debt/Equity	Pref/Equity	Debt/Total Capital	Effective Tax Rate	5-Year Levered Beta	Unlevered Beta
HCA	HCA Healthcare, Inc.	46,349	4.8%	106,535	-	43.5%	-	30.3%	21.4%	0.830	0.619
THC	Tenet Healthcare Corporation	13,187	6.3%	17,465	-	75.5%	-	43.0%	17.3%	1.266	0.779
CYH	Community Health Systems, Inc.	11,242	7.4%	412	-	2,725.8%	-	96.5%	13.9%	1.799	0.074
UHS	Universal Health Services, Inc.	5,111	3.0%	13,622	-	37.5%	-	27.3%	23.4%	0.889	0.690
ARDT	Ardent Health, Inc.	2,284	2.5%	1,264	-	180.6%	-	64.4%	17.8%	n/a	n/a
Median		11,242	4.8%	13,622	-	75.5%	-	43.0%	17.8%	1.077	0.655
Industry D/E											66.7%
Industry Tax Rate											17.8%
Industry Levered Beta											**1.013**

Notes

1) Based on the long-horizon expected equity risk premium (supply-side model) documented in the Kroll Cost of Capital Navigator.
2) Interest rate on 20-year U.S. Treasury bill as of the Valuation Date
3) Based on the 10th decile size premium documented in the Kroll Cost of Capital Navigator.
4) Considers the risk associated with the Company's operations. Refer to the following schedule for company-specific risk factors.
5) Based on the GPCs' approximate median cost of borrowing.
6) The Company's Historical Period tax rates were considered but not relied upon. The median tax rate of the GPCs was utilized as a proxy for the Company's future tax rate
7) Weighting based on review of guideline companies, industry norms, Company's current capital structure, and appraiser experience.

Relative Risk Impact to CSRP		Description of Risk Factor
Increase	+	Low historical profit levels as a stand-alone facility
Increase	+	Age of the facility and equipment
Increase	+	Strong market competitor with majority market share
Increase	+	Reimbursement headwinds from government payors, Medicaid and Managed Medicare
Decrease	-	Local population growth and favorable demographics. High Medicare population - high utilization
Decrease	-	Increasing profitability and potential
Decrease	-	Loyal independent physician group not affiliated with the larger market competitor
Decrease	-	Tangible assets comprise the majority of total assets
Decrease	-	Sophisticated operator

Notes

Incorporating a company specific risk premium ("CSRP") into the discount rate analysis is common practice in the valuation profession. Because base level equity premiums are derived from a diversified portfolio of publically traded corporations with differing capabilities and risk exposures, layering additional risk premiums specific to the underlying entity is necessary. The selection of the CSRP is a somewhat subjective exercise based on appraiser judgement of the unique facts and circumstances of the business or valuation interest. There are four major considerations we balanced when determining the CRSP for the valuation:

Qualitative factors: The above qualitative factors are the major areas we highlighted as specific to the underlying entity (and not fully addressed in the baseline premium data); however, these areas do NOT represent an exhaustive list of all items considered.

Quantitative factors: We considered our perception of the achievability of the forecast (i.e. forecast risk) as influencing our selection of the CSRP. All else equal, forecasts with higher growth rates relative to historical performance would generally command a higher CSRP than forecasts with lower growth rates with a strong history of earnings persistence. Additionally, we have considered and ensured we have not "double-counted" any risk factors or opportunities that were already addressed in the forecast (e.g. apply a higher CRSP to a worse-case scenario forecast).

Investor return requirements: We have considered typical required equity rates of return by investor class as evidenced by various empirical studies (e.g. Pepperdine Private Capital Markets Report) as part of the selected CRSP. We have also considered the mix of assets comprising the business enterprise. Generally, CSRP is lower if the business enterprise is largely comprised of asset-backed items (e.g. equipment, building, etc.) versus intangible assets (e.g. goodwill).

Big Picture: We have considered the impact of our selected CSRP to the overall valuation when utilizing the income approach. To the extent the selection of our CSRP caused a unreasonable outcome, we revisited the interplay between the CRSP and forecast to ensure we were not "double-counting" risks or opportunities.

HCA Florida Highlands Hospital

Market Approach

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Assurance • Tax • Advisory

Market Approach Conclusion

Metric		Selected Multiple Ranges Low	Selected Multiple Ranges High	Value Implied Business Enterprise Value ("BEV") Midpoint
Revenue - Normalized Base Year (2025)	77,640,000	0.80x	0.90x	66,000,000

Discussion

We reviewed the following sources of information to determine what multiple ranges were applicable to the Hospital. Due to limitations in understanding the near-term and prospective profit levels of the Hospital, we viewed a valuation methodology utilizing a revenue multiple (versus an EBITDA multiple) approach as most reliable and objective.

		BEV to Revenue Multiples - Summary			
		25th Percentile	75th Percentile	Median	Average
1	Florida Hospital Transactions	0.5x	1.0x	0.8x	0.8x
2	All Hospital Transactions	0.3x	0.9x	0.5x	0.7x
3	Non-distressed Hospital Transactions	0.5x	1.1x	0.8x	0.9x
4	Distressed Hospital Transactions	0.2x	0.5x	0.3x	0.4x
5	Specific Company Transaction	n/a	n/a	n/a	n/a
6	Select Transactions	0.6x	1.0x	0.9x	0.8x
7	Guideline Public Companies	1.0x	1.6x	1.1x	1.2x

	Notes:	Exhibit #:
1	*Hospital transactions with publicly available information (2014-2025) that have occurred in Florida*	24
2	*Hospital transactions with publicly available information (2010-2025)*	25
3	*Hospital transactions with publicly available information (2010-2025) and EBITDA margins greater than 5.0%*	26
4	*Hospital transactions with publicly available information (2010-2025) and EBITDA margins less than 5.0%*	27
5	*Precedent hospital transaction between Community Health Systems and HCA completed in 2017*	28
6	*Single-facility hospital transactions occurring in Florida with EBITDA margins between 5% and 18%*	29
7	*Publicly traded hospital operators*	30

Appraiser Selection of Applicable Revenue Multiple Range

• The Hospital appears to be in a state of transition. Financial results for FY 2025 showed a improvement in profitability compared to prior years. Payor mix is improving with a higher percentage of commercial payors. Additionally, HCA has recently added a new CEO and CFO who have been making significant positive impact. However, the Hospital has historically been an underperformer, and is operating in a slow growth market against a larger long-standing competitor with a more developed physician network.

• Over the last few years, we understand the Hospital has been undergoing considerable plant (e.g. electrical, HVAC, etc.) and equipment upgrades. We believe such investment is evidence of the Hospital's desirability, as underperforming hospitals with weak outlooks do not receive additional capital investment (especially from for-profit operators such as HCA).

• The Hospital is part of HCA's East Florida Division and patient care is provided by local resources, a large virtual medical staff and transfers to other facilities (if medically appropriate). We understand the Hospital transfers some patients to the parent company's larger, and very profitable, HCA Florida Lawnwood Hospital. While we are unable to directly quantify the network impact of patients originating from the Hospital, we do believe a hypothetical third-party buyer would realize some benefits of either bring additional capabilities/services directly to Sebring or continuing to coordinate care within a larger ecosystem. Several other nearby hospitals are also profitable.

* See Company Specific Risk Premium factors described in Exhibit 21.

Effective Date	Target	Acquirer	Type	BEV	Revenue	EBITDA	Margin	BEV / Revenue	BEV / EBITDA
11/22/2024	ShorePoint Health System (CHS)	Adventist Health System Sunbelt Healthcare Corporation	Facility - Portfolio	260,000,000	266,000,000	27,000,000	10.2%	1.0x	9.6x
8/14/2024	Steward Health North Florida	Orlando Health	Facility - Portfolio	439,400,000	433,904,893	61,890,625	14.3%	1.0x	7.1x
7/24/2023	Bravera Health - Brooksville / Seven Rivers / Spring Hill (CHS)	Tampa General Hospital	Facility - Portfolio	295,800,000	304,000,000	46,700,000	15.4%	1.0x	6.3x
6/16/2021	Five Florida Hospitals (Tenet)	Steward Health Care	Facility - Portfolio	1,100,000,000	933,000,000	122,000,000	13.1%	1.2x	9.0x
10/1/2020	Bayfront Health St. Petersburg (CHS)	Orlando Health	Facility - Single	194,042,000	275,019,618	20,548,274	7.5%	0.7x	9.4x
7/1/2020	St. Cloud Regional Medical Center	Orlando Health	Facility - Single	181,764,500	77,038,251	16,447,948	21.4%	2.4x	11.1x
1/3/2020	Health First, Inc.	AdventHealth	System	1,400,000,000	1,738,281,000	147,645,000	8.5%	0.8x	9.5x
9/1/2019	Heart of Florida Regional Medical Center/Lake Wales Medical Center	AdventHealth	Facility - Portfolio	180,911,000	196,004,174	12,600,579	6.4%	0.9x	14.4x
1/1/2019	Martin Health System	Cleveland Clinic	System	488,635,842	506,905,000	75,221,000	14.8%	1.0x	6.5x
1/1/2019	Indian River Hospital	Cleveland Clinic	Facility - Single	100,248,874	300,357,000	19,044,000	6.3%	0.3x	5.3x
12/4/2018	South Lake Hospital	Orlando Health	Facility - Single	361,000,000	235,818,050	46,742,109	19.8%	1.5x	7.7x
8/1/2018	Munroe Regional Medical Center	AdventHealth	Facility - Single	140,673,000	292,195,340	537,768	0.2%	0.5x	NMF
6/26/2018	Miami Medical Center	Nicklaus Children's Hospital	Facility - Single	30,000,000	20,200,000	NA	NA	1.5x	NA
7/1/2017	Fishermens Hospital	Baptist Health South Florida	Facility - Single	13,095,000	28,750,068	(3,999,957)	Negative	0.5x	NMF
2/1/2016	Palm Springs General Hospital	Larkin Community Hospital	Facility - Single	40,000,000	85,893,134	1,731,931	2.0%	0.5x	NMF
2/1/2016	Lehigh Regional Medical Center	Prime Healthcare Services	Facility - Single	12,593,000	34,738,330	(804,158)	Negative	0.4x	NMF

HCA Florida Highlands Hospital

Florida Comparable Transactions

Exhibit 20

Effective Date	Target	Acquirer	Type	BEV	Revenue	EBITDA	Margin	BEV / Revenue	BEV / EBITDA
2/1/2016	Bartow Regional Medical Center	BayCare Health Systems, Inc.	Facility - Single	60,000,000	59,768,353	6,497,411	10.9%	1.0x	9.2x
5/1/2015	Putnam Community Medical Center	HCA	Facility - Single	18,000,000	64,184,847	(5,973,883)	Negative	0.3x	NMF
12/23/2014	Bert Fish Medical Center	Florida Hospital Tampa	Facility - Single	49,700,000	96,216,346	4,998,227	5.2%	0.5x	9.9x
10/31/2014	Citrus Memorial Hospital	HCA	Facility - Single	45,000,000	179,644,869	5,684,602	3.2%	0.3x	7.9x
4/1/2014	Munroe Regional Medical Center	Community Health Systems Inc.	Facility - Single	217,300,000	373,372,684	24,622,534	6.6%	0.6x	8.8x

Low	$ 12,593,000	$ 20,200,000	$ (5,973,883)	0.2%	0.3x	5.3x
25th %ile	$ 45,000,000	$ 77,038,251	$ 4,181,653	6.3%	0.5x	7.4x
Average	$ 268,007,772	$ 309,585,331	$ 31,456,701	9.8%	0.8x	8.8x
Median	$ 180,911,000	$ 235,818,050	$ 17,745,974	8.5%	0.8x	9.0x
75th %ile	$ 295,800,000	$ 304,000,000	$ 46,710,527	14.3%	1.0x	9.6x
High	$ 1,400,000,000	$ 1,738,281,000	$ 147,645,000	21.4%	2.4x	14.4x
Count of Transactions/Multiples:				21	21	15

Other transactions:

- Announced 11/22/2024, Advent Health acquired Shore Point Health - Port Charlotte from Community Health System for an estimated $263 million, which include the land for Shore Point Health- Punta Gorda.
- Announced 11/21/2024, HCA acquired Lehigh Regional Medical Center from Prime Healthcare. The $134.5 million investment includes three freestanding ERs (2 existing, 1 new).
- Announced 10/28/2024, American Health Systems acquired 7 Steward Health Hospitals located in Florida and Texas for $1.263 billion.
- Announced 5/24/2024, BayCare paid Trinity Health $5.877 billion dollars to disaffiliate its 50.4% interest in BayCare.

Market Observations:

- Florida's rapid population growth and aging demographics have driven strong demand for acute care services, supporting higher valuation multiples compared to national averages.
- High concentration of large health systems (e.g., HCA, AdventHealth) in Florida creates competitive bidding for select assets, pushing multiples toward the upper end of the range.
- Facilities requiring significant capital investment for modernization or compliance often trade at lower multiples.
- Bankruptcy-driven divestitures (e.g., Steward Health Care) have introduced downward pressure on average multiples despite strong demand for quality assets.

Sources: *Weaver analysis of Scope Research database and online research.*

	BEV	Revenue	EBITDA	Margin	BEV / Revenue	BEV / EBITDA
Low	$ 500,000	$ 5,909,531	$ (86,177,712)	0.1%	0.0x	1.9x
25th %ile	$ 21,755,870	$ 50,607,890	$ (539,896)	4.8%	0.3x	5.6x
Average	$ 235,120,463	$ 306,724,292	$ 22,349,324	9.7%	0.7x	7.8x
Median	$ 60,266,000	$ 114,060,153	$ 4,893,936	8.5%	0.5x	7.6x
75th %ile	$ 187,750,000	$ 295,976,570	$ 19,823,963	13.6%	0.9x	9.2x
High	$ 7,278,728,000	$ 6,345,200,000	$ 800,000,000	37.6%	4.4x	20.5x
		Count of Transactions/Multiples:		424	422	252

***Sources** : Weaver analysis of Scope Research database and online research.*

	BEV	Revenue	EBITDA	Margin	BEV / Revenue	BEV / EBITDA
Low	$ 3,350,000	$ 6,640,656	$ 750,020	5.1%	0.2x	1.9x
25th %ile	$ 42,471,750	$ 58,187,097	$ 6,304,123	7.7%	0.5x	5.6x
Average	$ 382,169,098	$ 415,817,960	$ 45,562,520	12.2%	0.9x	7.6x
Median	$ 114,624,000	$ 144,778,160	$ 16,449,740	11.1%	0.8x	7.4x
75th %ile	$ 324,625,250	$ 393,501,551	$ 45,074,454	14.8%	1.1x	9.1x
High	$ 7,278,728,000	$ 6,345,200,000	$ 800,000,000	37.6%	4.4x	19.0x
Count of Transactions/Multiples:				216	216	215

Sources: *Weaver analysis of Scope Research database and online research.*

	BEV	Revenue	EBITDA	Margin	BEV / Revenue	BEV / EBITDA
Low	$ 500,000	$ 5,909,531	$ (86,177,712)	0.1%	0.0x	3.2x
25th %ile	$ 10,000,000	$ 41,713,111	$ (5,832,133)	1.4%	0.2x	5.6x
Average	$ 65,059,517	$ 171,151,564	$ (3,743,083)	2.7%	0.4x	7.9x
Median	$ 27,529,809	$ 86,005,479	$ (853,533)	3.1%	0.3x	7.7x
75th %ile	$ 76,500,000	$ 190,880,626	$ 1,596,732	3.8%	0.5x	9.6x
High	$ 654,407,667	$ 1,859,449,000	$ 58,269,000	4.9%	1.8x	20.5x
		Count of Transactions/Multiples:		190	190	32

Sources: *Weaver analysis of Scope Research database and online research.*

Transaction Details

Effective November 1, 2017, one or more subsidiaries of Community Health Systems, Inc. ("CHS") sold Highlands Regional Medical Center (126 licensed beds) in Sebring, Florida, and its associated assets to subsidiaries of HCA for approximately $11 million in cash(1). This amount did not include real property or working capital. Per the American Hospital Directory, the Hospital's revenue and EBITDA around the time of the transaction was ~$51.0 million and ~$1.5 million, respectively. Since 2017, the Hospital's revenue has grown ~$25.0 million to ~$76.0 million in 2025 and profits have increased. Cumulative capital expenditures have been over $33 million since HCA became the lessee (see Exhibit 33). Weaver does not view the transaction between CHS and HCA as an applicable comparable transaction to the current valuation.

Sources *: Form 10-Q; Community Health Systems, Inc. for the quarterly period ended September 30, 2017*

Effective Date	Target	Acquirer	Type	BEV	Revenue	EBITDA	Margin	BEV / Revenue	BEV / EBITDA
11/22/2024	ShorePoint Health System (CHS)	Adventist Health System Sunbelt Healthcare Corporation	Facility - Portfolio	260,000,000	266,000,000	27,000,000	10.2%	1.0x	9.6x
7/24/2023	Bravera Health - Brooksville / Seven Rivers / Spring Hill (CHS)	Tampa General Hospital	Facility - Portfolio	295,800,000	304,000,000	46,700,000	15.4%	1.0x	6.3x
10/1/2020	Bayfront Health St. Petersburg (CHS)	Orlando Health	Facility - Single	194,042,000	275,019,618	20,548,274	7.5%	0.7x	9.4x
9/1/2019	Heart of Florida Regional Medical Center/Lake Wales Medical Center	AdventHealth	Facility - Portfolio	180,911,000	196,004,174	12,600,579	6.4%	0.9x	14.4x
2/1/2016	Bartow Regional Medical Center	BayCare Health Systems, Inc.	Facility - Single	60,000,000	59,768,353	6,497,411	10.9%	1.0x	9.2x
12/23/2014	Bert Fish Medical Center	Florida Hospital Tampa	Facility - Single	49,700,000	96,216,346	4,998,227	5.2%	0.5x	9.9x
4/1/2014	Munroe Regional Medical Center	Community Health Systems Inc.	Facility - Single	217,300,000	373,372,684	24,622,534	6.6%	0.6x	8.8x

Low	$ 49,700,000	$ 59,768,353	$ 4,998,227	5.2%	0.5x	6.3x
25th %ile	$ 120,455,500	$ 146,110,260	$ 9,548,995	6.5%	0.6x	9.0x
Average	$ 179,679,000	$ 224,340,168	$ 20,423,861	8.9%	0.8x	9.7x
Median	$ 194,042,000	$ 266,000,000	$ 20,548,274	7.5%	0.9x	9.4x
75th %ile	$ 238,650,000	$ 289,509,809	$ 25,811,267	10.6%	1.0x	9.8x
High	$ 295,800,000	$ 373,372,684	$ 46,700,000	15.4%	1.0x	14.4x

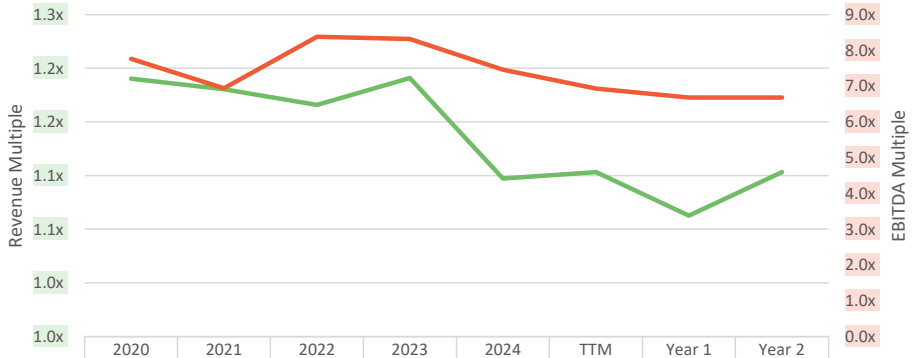
Count of Transactions/Multiples:	7	7	7

Sources: *Weaver analysis of Scope Research database and online research.*

HCA Florida Highlands Hospital
Guideline Public Companies
Exhibit 26

Data as of 12/31/2025		Market Data		Financial Data			Revenue (CAGR)		EBITDA (CAGR)		Revenue Multiple		EBITDA Multiple	
Ticker	Company Name	Share Price	TEV	Revenue	EBITDA	EBITDA %	Past 3 yr	Next 3 yr	Past 3 yr	Next 3 yr	Current	Year 1	Current	Year 1
HCA	HCA Healthcare, Inc.	$ 466.86	154,969	74,372	15,101	20.3%	7.5%	3.8%	8.0%	3.5%	2.1x	2.2x	9.5x	9.9x
THC	Tenet Healthcare Corporation	$ 198.72	32,363	20,846	4,471	21.4%	3.1%	3.7%	11.5%	2.9%	1.6x	1.5x	6.3x	6.2x
CYH	Community Health Systems, Inc.	$ 3.12	12,082	12,644	1,447	11.4%	0.9%	1.0%	4.3%	2.3%	1.0x	1.0x	6.9x	6.9x
UHS	Universal Health Services, Inc.	$ 218.02	18,748	16,993	2,555	15.0%	8.7%	4.1%	15.6%	3.6%	1.1x	1.1x	6.9x	6.7x
ARDT	Ardent Health, Inc.	$ 8.83	3,328	6,326	531	8.4%	n/a	3.5%	n/a	2.4%	0.5x	0.5x	4.2x	4.1x
Maximum		$ 466.86	154,969	74,372	15,101	21.4%	8.7%	4.1%	15.6%	3.6%	2.1x	2.2x	9.5x	9.9x
Upper Quartile		$ 218.02	32,363	20,846	4,471	20.3%	7.8%	3.8%	12.5%	3.5%	1.6x	1.5x	6.9x	6.9x
Median		$ 198.72	18,748	16,993	2,555	15.0%	5.3%	3.7%	9.8%	2.9%	1.1x	1.1x	6.9x	6.7x
Lower Quartile		$ 8.83	12,082	12,644	1,447	11.4%	2.5%	3.5%	7.1%	2.4%	1.0x	1.0x	6.3x	6.2x
Minimum		$ 3.12	3,328	6,326	531	8.4%	0.9%	1.0%	4.3%	2.3%	0.5x	0.5x	4.2x	4.1x

Median GPC Multiples



	2020	2021	2022	2023	2024	TTM	Year 1	Year 2
Revenue	1.2x	1.2x	1.2x	1.2x	1.1x	1.1x	1.1x	1.1x
EBITDA	7.8x	6.9x	8.4x	8.3x	7.5x	6.9x	6.7x	6.7x

HCA Florida Highlands Hospital

Cost Approach

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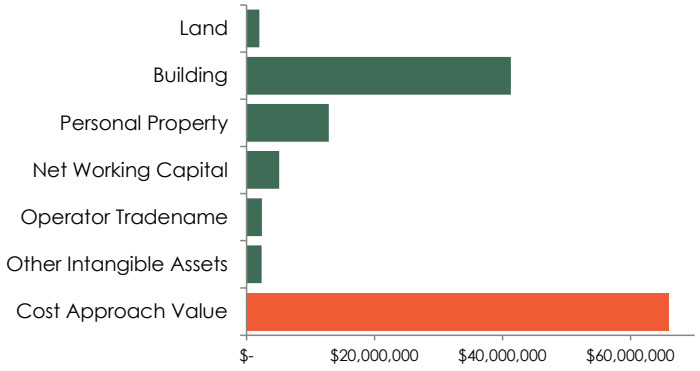
Cost Approach Conclusion

Component	Notes	Value Indication	%
Land	1	2,000,000	3.0%
Building	1	41,300,000	62.6%
Personal Property	2	12,840,000	19.5%
Net Working Capital	3	5,100,000	7.7%
Operator Tradename	4	2,400,000	3.6%
Other Intangible Assets	5	2,360,000	3.6%
Business Enterprise Value, Cost Approach		**66,000,000**	**100.0%**

Cost Approach Conclusion Walk



Notes

1) Based on Weaver's separate real estate valuation report as of December 31, 2025. It should be noted that the adjacent medical office building, which is currently utilized for operating administrative purposes, has been included in the values above. Also, the building value includes all construction in progress of approximately $1.0 million as of the Valuation Date.

2) Based on Weaver's separate personal property valuation report as of December 31, 2025. According to the 1995 First Restated and Amended Lease Agreement, the District has the right to "acquire the Lessee's personal property at its then book value" (Section 16.5). It should be noted Fair Market Value of $12.8 million was higher than book value of $8.1 million. See Exhibit 33 for additional details.

3) Non-cash working capital is defined as certain current assets (accounts receivables, inventories, deposits, etc.) less certain current liabilities (accrued payroll expenses, accounts payable, etc.) which create ongoing cash flow imbalances that are necessary to operate the business on a day-to-day basis. Estimated to be 6.5% of base year total net revenue. See Exhibit 28 for more detail.

4) A tradename is the name under which a business operates and identifies itself to customers. For purposes of our valuation, the Operator Tradename value represents more than brand recognition; it reflects access to established clinical protocols, quality standards, an extensive healthcare network, and substantial managerial expertise. See Exhibits 30-32 for additional information.

5) Residual value of the $66.0 million BEV as determined from the Market Approach less the value of the other assets identified above. This asset category includes, but is not limited to, licenses, certifications, accreditations, permits, and other in-place operating assets such as personnel.

HCA Florida Highlands Hospital
Net Working Capital
Exhibit 28

Historical Net Working Capital

	Note	Audited Dec-22	Dec-23	Dec-24	Dec-25	Adjustments	Base Year
Current Assets							
Cash & Cash Equivalents		1,130	2,600	15,404	1,581	-	1,581
Accounts Receivable		9,757,577	12,566,957	10,564,664	10,802,334	-	10,802,334
Inventory		2,459,994	2,699,794	2,203,887	1,976,585	-	1,976,585
Other Current Assets		2,890,262	339,879	120,007	86,944	-	86,944
Total Current Assets		15,108,963	15,609,230	12,903,962	12,867,444	-	12,867,444
Current Liabilities							
Accounts Payable		4,472,958	3,730,167	2,826,669	2,459,452	-	2,459,452
Other Accrued Expenses		4,229,286	4,541,897	4,500,363	4,246,996	-	4,246,996
Third Party Reimb. Accounts Payable		-	99,477	613,022	1,100,467	-	1,100,467
Total Current Liabilities		8,702,244	8,371,541	7,940,054	7,806,915	-	7,806,915
Reported Non-Cash Net Working Capital		**$ 6,406,719**	**$ 7,237,689**	**$ 4,963,908**	**$ 5,060,529**	-	**$ 5,060,529**
% of Total Net Revenue		7.7%	8.6%	6.4%	6.5%		6.5%

Public Company Comparables

I. Net Working Capital (including cash)

Comapy Name	Ticker	Dec-22	Dec-23	Dec-24	Dec-25
HCA	HCA	8.9%	7.8%	7.4%	6.3%
THC	THC	17.7%	13.3%	9.7%	17.6%
CYH	CYH	8.6%	9.7%	8.7%	9.1%
UHS	UHS	4.6%	7.0%	5.8%	5.8%
ARDT	ARDT	15.8%	12.7%	13.0%	16.4%
Mean		**11.1%**	**10.1%**	**8.9%**	**11.0%**
Median		**8.9%**	**9.7%**	**8.7%**	**9.1%**

II. Net Working Capital (excluding cash)

Comapy Name	Ticker	Dec-22	Dec-23	Dec-24	Dec-25
HCA	HCA	6.0%	6.2%	5.8%	4.7%
THC	THC	3.1%	7.3%	5.2%	3.8%
CYH	CYH	8.3%	9.4%	7.8%	7.1%
UHS	UHS	3.8%	6.1%	5.0%	5.0%
ARDT	ARDT	6.3%	4.3%	3.7%	6.6%
Mean		**5.5%**	**6.7%**	**5.5%**	**5.5%**
Median		**6.0%**	**6.2%**	**5.2%**	**5.0%**

Normalized Cash-Free Net Working Capital

Base Year Revenue	$ 77,638,790	
Selected Cash-Free NWC % of Revenue	6.5%	*< Considers audited levels and public company comparables*
Normalized Cash-Free Net Working Capital	**$ 5,060,529**	

HCA Florida Highlands Hospital

Fixed Asset Summary

Exhibit 29

Asset Classification	Acquisition Cost	Book Value	Fair Market Value
Medical Equipment	18,066,362	6,164,090	9,892,500
Medical Furniture	1,459,693	436,509	698,450
Computer Equipment	948,169	212,173	271,950
Software	646,956	2,713	19,050
Communications Equipment	4,648,860	901,960	1,400,200
Office Furniture	228,531	128,180	168,650
Office Equipment	214,004	50,791	81,850
Other Equipment	424,933	196,185	306,850
Vehicles	2,310	-	500
Total Personal Property	**26,639,817**	**8,092,600**	**12,840,000**

Note

Based on information provided by HCA management as of 12/31/2025. See Weaver's separate personal property valuation report as of December 31, 2025 for further details.

		Projections (5)				
		Year 1	Year 2	Year 3	Year 4	Year 5
Revenues (1)		$ 80,170,924	$ 82,786,154	$ 85,487,221	$ 88,276,962	$ 91,158,304
Tradename Portion (2)		33.0%	33.0%	33.0%	33.0%	33.0%
Revenues Attributable to Tradename		26,456,405	27,319,431	28,210,783	29,131,397	30,082,240
Royalty Rate (3)		2.0%	2.0%	2.0%	2.0%	2.0%
Royalty Avoided		529,128	546,389	564,216	582,628	601,645
Income Tax (4)	25.3%	134,108	138,482	143,000	147,667	152,487
After-Tax Royalty Cash Flows		395,021	407,906	421,215	434,961	449,158
Partial Period		0.5	1.5	2.5	3.5	4.5
Present Value Factor Discount rate:	20.0%	0.9129	0.7607	0.6339	0.5283	0.4402
Present Value of Royalty Stream		360,603	310,305	267,024	229,782	197,735
Fair Market Value of Tradename (Rounded)						**2,400,000**

Notes

(1) Refer to Exhibit 18 for revenue projections.
(2) As the District has no experience managing healthcare facilities, an operator certainly contributes to the overall value of the Hospital. However, certain patients and physicians would likely utilize the Hospital regardless of the operator (e.g. independent physicians, patients originating from the emergency room, etc.). We have assumed operator tradename contributes to 1/3 of the Hospital's revenue and the remaining 2/3 would occur regardless of the specific tenant.
(3) Refer to Exhibit 36.
(4) Refer to Exhibit 20 for applicable tax rate.
(5) Projected Year 6 and beyond are off page.

Royalty Rate Agreements

Licensor	Licensee	Low Rate	High Rate
AMERICAN ANIMAL HOSPITAL ASSOCIATION	PETCARE TELEVISION NETWORK INC	10.0%	10.0%
BLUE CROSS AND BLUE SHIELD ASSOCIATION	TRIPLE-S MANAGEMENT CORP	0.4%	0.4%
BLUE CROSS AND BLUE SHIELD ASSOCIATION	TRIPLE-S MANAGEMENT CORP	0.1%	0.1%
BLUE CROSS AND BLUE SHIELD ASSOCIATION	VARIOUS	0.1%	0.5%
BLUE CROSS AND BLUE SHIELD ASSOCIATION	TRIPLE-S MANAGEMENT CORP	0.4%	0.4%
BLUE CROSS AND BLUE SHIELD ASSOCIATION	VARIOUS	0.1%	0.1%
US Radiosurgery, LLC	medical services; radiosurger	1.3%	1.8%
UANT, MCNT, Impel	medical services; physician services;	1.0%	1.0%
Graymark Healthcare, Inc.	healthcare services; sleep centers;	0.7%	0.8%
MD Office Solutions, Inc.	healthcare services; mobile nuclear	1.9%	2.2%
The Everett Clinic	healthcare services; medical centers;	0.9%	1.1%
Physical Therapy Practice Group	healthcare services; physical therapy	1.3%	2.0%
DMS Health Technologies, Inc.	mobile diagnostic imaging services	1.5%	1.8%
Arizona Vein and Vascular Center, LLC	centers for minimally invasive surgery	0.5%	0.7%
Hamilton Vein Center	surgery services for vascular diseases	1.3%	1.9%
Nueterra MF Holdings, LLC	medical services; ambulatory surgical	0.8%	1.0%
Aurelia Health, LLC (Bayless Integrated Healthcare	outpatient behavioral health and primary	0.3%	0.5%

Range of Royalty Rates (1)		
	Low Rate	High Rate
Minimum	0.1%	0.1%
25th Percentile	0.1%	0.4%
Median	1.7%	1.8%
Average	2.9%	2.9%
75th Percentile	4.0%	4.0%
Maximum	10.0%	10.0%

Selected Royalty Rate (2)	**2.0%**

Notes

1) Royalty rates From RoyaltySource datbase using the following industry classifications as the search criteria: Healthcare Companies. The royalty rates are on a percentage of revenue basis.

2) For purposes of our valuation, the operator tradename royalty rate represents more than brand recognition; it reflects access to established clinical protocols, quality standards, an extensive healthcare network, and substantial managerial expertise.

HCA Florida Highlands Hospital

Tradename Royalty Rates as % of Enterprise Value - Corroborative Data

Exhibit 32

Tradename Value as a Percentage of Total Enterprise Value

Target	Acquirer	Trade Name	Enterprise Value	Trade Name as a % of EV
Cancer Treatment Centers of America	City of Hope	15,600,000	364,372,000	4.3%
Various 2021 IRF Joint Ventures (TX, PA)	Encompass Health Corp	300,000	10,200,000	2.9%
Various 2020 IRF Joint Ventures (CO, OH)	Encompass Health Corp	900,000	10,900,000	8.3%
Various 2019 IRF Joint Ventures (PA, ID)	Encompass Health Corp	100,000	5,100,000	2.0%
Various 2018 IRF Joint Ventures (SC, NC, CO)	Encompass Health Corp	2,300,000	39,300,000	5.9%
Ernest Health Holdings, LLC	Epoch Acquisition, Inc	9,300,000	353,760,369	2.6%
Mountain View Regional Hospital	Wyoming Medical Center, Inc.	6,600,000	32,490,339	20.3%
Various 2017 IRF Joint Ventures (MS, OH)	Encompass Health Corp	500,000	35,000,000	1.4%
National Surgical Healthcare	Surgery Partners, Inc.	NA	1,148,001,000	n/a
Various 2016 IRF Joint Ventures (AK, TX, OK)	Encompass Health Corp	1,000,000	16,100,000	6.2%
Trinity Mother Frances Health System	CHRISTUS Health	46,000,000	694,611,000	6.6%
St. Michael's Medical Center	Prime Healthcare Services	5,160,000	60,532,000	8.5%
Lehigh Regional Medical Center	Prime Healthcare Services	990,000	12,593,000	7.9%
University General Health Systems, Inc.	Foundation Healthcare, Inc.	NA	57,844,000	n/a
Akron General Health System	Cleveland Clinic Health System	31,700,000	700,397,000	4.5%
Reliant Hospital Partners, LLC	HealthSouth Corp.	8,900,000	981,700,000	0.9%
Marsh Lane Surgical Hospital	Nobilis Health Corp.	NA	11,264,000	n/a
Good Samaritan Hospital	WellSPan Health	3,370,000	97,742,000	3.4%
Cardinal Hill Rehabilitation Hospital	HealthSouth Corp.	800,000	60,000,000	1.3%
Hermann Drive Surgical Hospital	Nobilis Health Corp.	NA	15,481,000	n/a
University of Arizona Health Network	Banner Health	NA	677,811,000	n/a
White Plains Hospital	Montefiore Health System, Inc.	9,700,000	204,021,000	4.8%
Fairlawn Rehabilitation Hospital	HealthSouth Corp.	2,500,000	84,100,000	3.0%
Health Management Associates, Inc.	Community Health Systems, Inc.	NA	7,278,728,000	n/a
Vanguard Health Systems	Tenet Healthcare Corp.	81,000,000	4,300,000,000	1.9%
Walton Rehabilitation Hospital	HealthSouth Corp.	900,000	28,900,000	3.1%
Hoag Memorial Hospital Presbyterian	St. Joseph Health System	16,000,000	2,441,164,000	0.7%
HCA-HealthONE LLC	HCA Holdings, Inc.	269,000,000	3,825,000,000	7.0%
Vista Healthcare	Kindred Healthcare Inc.	1,830,000	179,011,000	1.0%
Regency Hospital Company	Select Medical Corp.	16,529,000	198,716,000	8.3%

Tradename as a % of EV (1)

	% of EV
Minimum	0.7%
25th Percentile	1.9%
Median	3.9%
Average	4.9%
75th Percentile	6.7%
Maximum	20.3%

Highlands Operator Implied Tradename as a % of Enterprise Value (2)	**3.6%**

Notes

1) Tradenames as a % of enterprise value are from hospital transactions in the Scope Research database for intangible assets.

2) Operator tradename represents more than brand recognition; it reflects access to established clinical protocols, quality standards, an extensive healthcare network, and substantial managerial expertise.

HCA Florida Highlands Hospital

Appendix

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These schedules by Weaver and Tidwell, L.L.P. (the "Deliverable") are subject to and governed by the following terms and conditions.

Underlying Assumptions for Subject Interest

Unless stated otherwise, our Deliverable and underlying analysis (i) assumes that, as of the Valuation Date, the assets of the Entity will continue to operate as configured as a going concern; (ii) is based on the past, present and future projected financial condition of the Entity, and all related assets, as of the Valuation Date; and (iii) assumes the Entity has no undisclosed, real or contingent, assets or liabilities, other than in the ordinary course of business, that would have a material effect on our Deliverable or underlying analysis.

Management Assumed to be Competent

During the period of expected ownership, our Deliverable and corresponding analyses assumes the Entity's management ("Management") will exhibit competent behavior. We did not undertake any analysis to assess the effectiveness of Management, nor are we responsible for future marketing efforts and other management or ownership actions upon which actual results will depend.

Liens and Encumbrances

We will give no consideration to liens or encumbrances except as specifically stated. We will assume that all required licenses and permits are in full force and effect, and we make no independent on site tests to identify the presence of any potential environmental risks. We assume no responsibility for the acceptability of the valuation approaches used in our Deliverable as legal evidence in any particular court or jurisdiction.

Information Relied Upon

Information, estimates and opinions contained in the Deliverable are obtained from sources considered to be reliable; no responsibility, whether legal or otherwise, is assumed for its accuracy and cannot be guaranteed as being certain. All financial data, operating histories and other data relating to income and expenses attributed to the business have been provided by Management or its representatives and have not been independently verified except as specifically stated in the Deliverable.

Prospective Financial Information

The Deliverable may contain prospective financial information, estimates or opinions that represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as forecasts, prospective financial statements or opinions, predictions or as assurances that a particular level of income or profit will be achieved, that events will occur or that a particular price will be offered or accepted. The success or failure in achieving the prospective financial analyses described in our Deliverable depends on a variety of factors, some of which are beyond the Entity and/or the Subjects Interest as well as Management's control, such as competition and an economic slow-down. Differences between prospective and actual financial results are often material.

Any use of management's projections or forecasts in our analyses will not constitute an examination, review or compilation of prospective financial statements in accordance with standards established by the AICPA. We will not express an opinion or any other form of assurance on the reasonableness of the underlying assumptions or whether any of the prospective financial statements, if used, are presented in conformity with AICPA presentation guidelines.

Valuators' Certification

We certify that, to the best of our knowledge and belief:

1) The statements of fact contained in this analysis are true and correct, subject to the assumptions and conditions stated.

2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, unbiased, and professional analyses, opinions, and conclusions.

3) Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

4) Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

5) Our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the American Institute of Certified Public Accountants' Statement on Standards for Valuation Services No.1 and the National Association of Certified Valuation Analyst Professional Standards.

6) This analysis was prepared under the direction of the listed individual below. None of the professionals who worked on this engagement nor the partners of Weaver and Tidwell, LLP have any present or contemplated future interest in this matter, any personal interest with respect to the parties involved, or any other interest that might prevent us from performing an unbiased valuation. Elliott Jeter, CFA, CPA, Victoria Szathmary, and Jack Williams provided significant professional assistance to the listed individual below.

Corey Palasota - Partner