



official statement

PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY

August 31, 2023

The following is a statement by Financial Advisory and Fiscal Agency Authority executive director Omar J. Marrero-Díaz:

AAFAF, CRIM, Island Healthcare, Alter Domus, the Bankruptcy Trustee and HIMA are involved in a mediation process ordered by the Bankruptcy Court. As part of the mediation process, the Bankruptcy Court has requested that all discussions and documents exchanged remain confidential and not be disclosed beyond the mediation process.

The Government is and will continue to actively participate in the mediation process with a view to attempting to reach consensual financing aimed at achieving a reorganization and sale of the hospitals.

AAFAF has detailed its concerns publicly in its limited objection submitted to the Bankruptcy Court, including whether "the proposed financing is feasible and viable to preserve the ongoing business of Grupo HIMA, subject to a sale, or whether it is insufficient, which is likely to result in an eventual default by Grupo HIMA on its obligations," resulting in the foreclosure of the hospitals by Island Healthcare without payments to any creditors.

AAFAF will not comment on the discussions held as part of the mediation process and will abide by the confidentiality provisions set forth by the Bankruptcy Court.

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