

ASX Release 29 July 2025

## **Epsilon Healthcare announces strategic \$6.7m Sale and Leaseback of Southport Manufacturing Property - strengthens balance sheet and secures long-term tenure**

Epsilon Healthcare Ltd ('EPN', the 'Company' or the 'Group') (ASX: EPN), an Australian-based, globally active healthcare organisation with a diversified and vertically integrated portfolio spanning pharmaceutical contract development and manufacturing, healthcare delivery and pharmacy services, is pleased to announce that it has successfully completed a strategic sale and leaseback transaction of its manufacturing property located at Southport, Queensland, representing a key milestone in the Company's ongoing financial and operational optimisation strategy.

Under the terms of the transaction, the Company has sold the freehold interest in the property to a **well-established, independent Brisbane-based private real estate investor** for total consideration of **\$6.7 million**. The purchaser is experienced in owning and managing commercial and industrial property assets in Australia, and the Company is satisfied as to its standing and creditworthiness. As part of the agreement, the Company has entered a **long-term lease arrangement** (initial term of twelve years, with two 5-year options) for continued use and occupancy of the site, ensuring operational continuity and security of tenure for its manufacturing facility activities.

The Company confirms:

1. It does not consider the identity of the counterparty to be information that a reasonable person would expect to have a material effect on the price or value of EPN securities.
2. This announcement contains all material information relevant to assessing the impact of the transaction on the price or value of EPN securities and is not misleading by omission.
3. The description provided above is sufficient to convey all market-sensitive aspects of the counterparty relevant to this transaction.

The net proceeds from the sale have been used to retire a substantial portion of the Company's debt resulting in a material reduction in interest expenses and improved cash flow. This transaction significantly strengthens the Company's balance sheet, enhances liquidity, and positions the Company for sustainable growth and improved financial resilience. A substantial part of the debt was caused by the Company being placed into Voluntary Administration by the two former directors.

Epsilon CEO & Managing Director, Peter Giannopoulos commented:

*"This sale and leaseback arrangement represents a strategic step forward for Epsilon Healthcare, enabling us to unlock the value of our property asset while maintaining uninterrupted access to our critical manufacturing infrastructure. By reducing our debt burden and improving financial flexibility, we*

*are better positioned to pursue our commercial and strategic expansion priorities, deliver value to shareholders, and support our long-term growth strategy.”*

The transaction was completed over the past several weeks, when all aspects of the sale, tenancy considerations and insurance responsibilities were finalised with the purchaser.

The sale completion is not subject to any further regulatory or shareholder approvals.

The Announcement has been approved by the full Board of the Company.

Alan Beasley  
Chairman

ENDS

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Epsilon Healthcare Limited (ASX: EPN) – [epsilonhealthcare.com.au](http://epsilonhealthcare.com.au)

Epsilon Healthcare Limited (**ASX: EPN**) is an Australian based, globally active healthcare organisation. EPN operates a diversified and vertically integrated portfolio of assets, including healthcare and clinics operation, pharmaceutical contract development and manufacture & pharmacy dispensing and information services. Visit [epsilonhealthcare.com.au](http://epsilonhealthcare.com.au) for more information.

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