HealthCo Healthcare and Wellness REIT
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HCW Funds Management Limited
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ASX RELEASE

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HEALTHCO FY26 RESULTS - STRONG PORTFOLIO PERFORMANCE WITH 100% RENT COLLECTION, STRONG BALANCE SHEET AND SUBSTANTIAL PROGRESS ON HEALTHSCOPE SITUATION

HealthCo Healthcare & Wellness REIT (**ASX: HCW**) today released its result for the full year ended 30 June 2026. HCW's focus during the period was advancing the resolution of the Healthscope situation, while continuing to deliver strong operational performance and disciplined balance sheet management across the portfolio. Key highlights include:

Financial highlights

- FY26 FFO of 4.0cpu ($21.9m)
- FY26 Underlying FFO of 7.7cpu[1]
- Jun-26 NTA/unit of $1.35
- Jun-26 cash and undrawn debt of $158m
- Jun-26 gearing of 29%, below HCW's target range

Portfolio highlights

- 100% rent collection
- 99% occupancy[2]
- +4.1% LFL NOI growth[3]

Healthscope update

HCW has made progress towards resolving the Healthscope situation. Key developments include:

- 100% of rent has been received up to and including August 2026.
- Continuity of healthcare services has been maintained across all hospitals.
- The transition of the Mount Private Hospital[4] is on track, with the new lease commencing in October 2026.
- Terms have been agreed with experienced Australian private hospital operators for the remaining 10 hospitals owned by HCW and the Unlisted Healthcare & Life Sciences Fund (UHF)[5], subject to Receiver and Healthscope lender approvals.
- Independent valuations reflecting the new lease arrangements indicate no material change to Jun-26 NTA per unit of $1.35.
- HCW continues to work with all relevant stakeholders to resolve the situation in 1H FY27.

1. Underlying FFO includes HCW's 49.6% share of UHF FFO.
2. By GLA. Includes signed leases, MoUs across operating assets.
3. NOI growth calculated on a like-for-like basis, excluding assets divested in FY26, inclusive of market reviews. Excludes expected credit loss provision.
4. 100% owned by UHF.
5. HCW has a 49.6% interest in UHF.

FY27 outlook & guidance[6]

- FY27 FFO of at least 4.0 cents per unit, reflecting initially lower cash distributions from the Unlisted Healthcare Fund (UHF).
- FY27 Underlying FFO of 6.1 cents per unit on a look-through basis, including HCW's share of UHF earnings[7].
- FY27 DPU guidance of 6.0 cents, subject to the Healthscope situation being resolved. The distribution is to be funded by operating earnings and existing cash reserves.

HCW is well positioned for sustainable earnings and distribution growth, with UHF distributions expected to increase over time. HCW is also evaluating additional strategic initiatives, including selective asset sales, with a focus on reducing the discount to NTA.

HMC Capital Managing Director, Real Estate, Sid Sharma said, *"We have agreed sustainable lease arrangements with alternative operators across the Healthscope hospital portfolio, supporting continuity of healthcare services and maintaining asset values. The Mount Private Hospital transition remains on track, and we intend to reinstate distributions once the broader situation has been resolved. We appreciate our unitholders' patience and remain focused on positioning HCW for long-term growth".*

HCW Fund Manager, Christian Soberg said, *"HCW has continued to demonstrate the resilience of its asset portfolio, delivering 100% rent collection, 99% occupancy and strong like-for-like NOI growth. HCW has a strong balance sheet and is well positioned to execute a transition to alternative operators, reinstate distributions and drive long-term earnings growth".*

This announcement is authorised for release by the Board of the Responsible Entity.

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About HealthCo Healthcare & Wellness REIT

HealthCo Healthcare & Wellness REIT (HCW) is a Real Estate Investment Trust listed on the ASX focused on owning healthcare and wellness property assets. The REIT's objective is to provide exposure to a diversified portfolio underpinned by healthcare sector megatrends, targeting stable and growing distributions, long-term capital growth and positive environmental and social impact. HCW also has a 49.6% interest in the HMC's Unlisted Healthcare & Life Sciences Fund.

6. FY27 guidance assumes continuity of service and an orderly transition of services across all the Healthscope hospitals, no material change in market conditions and average borrowing costs broadly consistent with current expectations.
7. HCW expect UHF cash distributions to grow over time after the transition to alternative operators has been completed.