



HealthCo Healthcare and Wellness REIT
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ACN 104 438 100, AFSL 239882

ASX RELEASE

12 August 2022

HEALTHCO HEALTHCARE & WELLNESS REIT BEATS UPGRADED FY22 FFO GUIDANCE AND DEMONSTRATES STRONG CAPITAL MANAGEMENT

HealthCo Healthcare & Wellness REIT (ASX: HCW) today released its results for the full-year ended 30 June 2022. Today's result underscores HCW's successful delivery against its IPO PDS forecasts, highlights the significant growth opportunity embedded in the portfolio and underlines management's disciplined capital management response to the current economic environment. Key highlights for the period are:

Financial highlights

- FY22 statutory net profit of \$49.6 million
- FY22 FFO of \$16.4m (5.1 cpu)¹ ahead of upgraded guidance²
- FY22 DPU of 7.5 cpu in-line with PDS forecast
- Pro forma FY22 net cash position of \$13m³ following the sale of St Mary's at a 71% premium to book value
- Jun-22 NTA/unit of \$2.01 versus \$1.86 at IPO (+8%) driven by \$36m of net revaluation gains

Operational highlights³

- 99% occupancy⁴
- 100% cash rent collection since IPO
- 10.2 year WALE secured by high quality and growing income streams⁵

Investment highlights

- ~\$200m high quality healthcare assets acquired at 5.0% WACR
- ~\$125m committed development projects remain on budget and schedule
- Strong progress made on \$500m+ development pipeline including stages 2 & 3 of the Camden Precinct where we are in advanced discussions with leading national healthcare operators

FY23 guidance

- FY23 FFO guidance of 6.8 cpu which represents 9.5% growth on FY22 (annualised)
- FY23 DPU guidance of 7.5 cents
- Announcing intention to conduct an on-market unit buy-back⁶

¹ Period from listing (6 September 2021) to 30 June 2022.

² Revised guidance provided on 14 October 2021.

³ Proforma for the sale of St Mary's.

⁴ By GLA. Includes signed leases and signed MOU's. Includes rental guarantees, contracted acquisitions and excludes divestments and development assets.

⁵ By gross income. Includes signed leases and signed MOU's. Includes contracted acquisitions and excludes divestments.

⁶ For up to 10% of the smallest number, at any time during the last 12 months of HCW Units, to be funded from available liquidity. Please refer to separately lodged Appendix 3C regarding the buy-back for further details.

HCW Senior Portfolio Manager, Sam Morris said, “We are pleased to deliver a strong inaugural full-year result which exceeded our IPO PDS financial forecasts notwithstanding the volatile economic and market landscape over recent months.

Since listing last September, HCW has collected 100% of cash rent. This is a testament to our model portfolio strategy which provides strong downside protection via subsector, tenant and geographic diversification.

Despite the more challenging economic backdrop, we have continued to make good progress unlocking the significant growth opportunity embedded in our development pipeline. This will transform the scale and quality of the portfolio on completion.

The George paediatric hospital in Camden, South West Sydney is on-track to open in 1Q 2023. We are also in advanced discussions with two leading hospital operators to develop a significant private hospital at stage 2 of our Camden Precinct,” Mr Morris said.

HCW CFO, Christian Soberg said, “HCW remains well capitalised with net cash and strong liquidity. The recent sale of St Mary’s at a 71% premium to book value has further enhanced our balance sheet strength and flexibility.

“Our focus is on protecting our capital so that HCW remains well positioned to capitalise on our development pipeline and other investment opportunities which meet our risk adjusted returns including the on-market share buy-back we have announced today” Mr Soberg said.

For additional information please refer to the FY22 financial results presentation which was also released on the ASX today.

Investor and analyst briefing teleconference call

An investor and analyst briefing teleconference call, followed by a Q&A session, will be held on **Friday 12 August 2022 at 10:30am (AEST)**. Investors and analysts wishing to participate can pre-register for the call at: <https://s1.c-conf.com/diamondpass/10023265-sud7jdf.html>

The following webcast link will be available: <https://webcast.openbriefing.com/8892/>

Participants will need to input their name, email address and company details to register for the webcast.

A playback of the FY22 results webcast will be made available on HMC Capital’s website at www.hmccapital.com.au.

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

For further information please contact:

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About HealthCo Healthcare & Wellness REIT

HealthCo Healthcare & Wellness REIT 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.

Important Notice - Forward-Looking Statements

This announcement contains certain forward-looking statements, which may include indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties, assumptions, contingencies and other factors, many of which are beyond the control of HCW. Actual results, performance or achievements may differ materially from those expressed or implied in those statements and any projections and assumptions on which these statements are based.

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