



HealthCo Healthcare and Wellness REIT
ARSN 652 057 639
HCW Funds Management Limited
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ASX RELEASE

18 February 2022

HEALTHCO HEALTHCARE & WELLNESS REIT (ASX: HCW) REAFFIRMS UPGRADED FY22 FFO AND PDS DPU GUIDANCE

Financial highlights

- 1H FY22 FFO of \$5.8m (1.8 cpu)¹
- Net cash position of \$56m provides funding capacity for value accretive development pipeline
- NTA/unit of \$1.94 versus \$1.86 at IPO (+4.3%) driven by property revaluations

Operational highlights

- 98% occupancy versus 96% at IPO
- 100% cash rent collections since IPO

Growth highlights

- ~\$200m high quality healthcare assets acquired at 5.02% WACR with 17.1 year WALE²
- ~\$140m committed development projects remain on budget and are tracking ahead of schedule
- Future development pipeline includes Stage 2 (private hospital) of the Camden Precinct with EOIs received from leading national private hospital operators (estimated end value >\$250m³)

FY22 guidance

- Reaffirming FY22 FFO guidance of 5.0 cpu which was upgraded in Oct-21
- Reaffirming PDS FY22 DPU guidance of 7.4 cents⁴

HCW Senior Portfolio Manager, Sam Morris said, *“We are excited to deliver a strong result following the listing in Sep-21 with HCW’s high quality and diversified portfolio delivering against our core objective to provide unitholders with consistent and growing distributions.”*

“We are making good progress unlocking the significant growth opportunity embedded in our development pipeline which will transform the scale and quality of the portfolio on completion. Construction of the 78 bed paediatric hospital at Camden is running over 4 weeks ahead of schedule and our EOI process for Stage 2 generated strong interest from leading national private hospital operators.”

¹ Period from listing (6 September 2021) to 31 December 2021.

² By income including signed leases and signed MOUs.

³ Subject to agreement with preferred operating partner and finalisation of hospital design.

⁴ HCW intends to establish a distribution reinvestment plan (DRP) for the upcoming March 2022 quarterly distribution.

HCW Chief Financial Officer, Christian Soberg said, “HCW is well capitalised with an undergeared balance sheet and strong liquidity to fund its exciting growth pipeline. Since listing HCW has collected 100% of cash rent which is a testament to our portfolio strategy which is designed to provide strong downside protection via subsector, tenant and geographic diversification. We are pleased to reaffirm our upgraded FY22 FFO and PDS FY22 DPU guidance”.

For additional information please refer to the 1H 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 18 February 2022 at 10:00am (AEDT)**. Investors and analysts wishing to participate can pre-register for the call at: <https://s1.c-conf.com/diamondpass/10019076-w7rj4u.html>

The following webcast link will be available: <https://webcast.openbriefing.com/8388/>

Participants will need to input their name, email address and company details to register for the 10am webcast.

-ENDS-

For further information please contact:

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Authorised for release by the Board of the Responsible Entity

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.