



HealthCo Healthcare and Wellness REIT
ARSN 652 057 639
HCW Funds Management Limited
ACN 104 438 100, AFSL 239882

ASX RELEASE

30 May 2025

HEALTHSCOPE UPDATE

SHORT-TERM PARTIAL RENT DEFERRAL TO SUPPORT CONTINUITY OF SERVICES

HealthCo Healthcare & Wellness REIT (**ASX: HCW**) and the Unlisted Healthcare Fund (**UHF**) have entered into a short-term partial rent deferral agreement with Healthscope and its Receivers¹.

Under this agreement:

- All outstanding rent arrears for March and April 2025 and 85% of rent for May 2025² will be paid immediately
- HCW and UHF (**Landlords**) will receive 85% of the rent due for the period June-August 2025²
- The remaining 15% deferred rent for the May-August 2025 period is due in September 2025

This agreement supports the continuity of essential services at each of 11 the private hospitals owned by the Landlords.

HMC Capital Managing Director, Real Estate, Sid Sharma said: *"We are committed to the continued provision of healthcare services in the areas in which our assets are located. We are pleased that Healthscope and its Receivers have acknowledged the intent to keep all hospitals operating and that they are committed to ensuring that patients and hospital staff are prioritised through what we expect will now be an orderly transition. We look forward to discussing the Healthscope sale process with its receivers and working on an appropriate transition of services to new operators or owners in a timely manner."*

OUTLOOK

- The Landlords have commenced discussions with Healthscope and its Receivers regarding the Healthscope sale process
- The Landlords have also received formal expressions of interest from alternative Australian hospital operators to re-tenant all 11 facilities

¹ As previously disclosed, two entities within the Healthscope group recently entered into receivership and administration. The counterparties that HCW and UHF contract with remain operating and are not in receivership or administration

² The payable rent for May-August 2025 is post the roll-off of the original 50% rent free incentive in May 2025 for 7 of the 11 assets owned by the Landlords

APPENDIX A: HEALTHSCOPE PORTFOLIO BACKGROUND

In 2023, HCW and UHF acquired 11 freehold private hospital facilities leased to Healthscope from Medical Properties Trust (NYSE: MPW), for an aggregate consideration of \$1.2bn. Healthscope is a tenant of 4 properties owned by HCW and 7 properties owned by UHF. HCW holds 49.6% of the units in UHF with the balance held by other major institutional investors.

The Landlords have provided significant support to Healthscope through a challenging operating environment post the COVID-19 pandemic, including:

- Rent reduction: at the time of the acquisition, the Landlords permanently reduced portfolio rents by ~6%. This rebasing was to a level considered to be sustainable by Healthscope at the time;
- Rent support: the Landlords have provided a \$66m incentive to Healthscope in the form of 2 years of 50% discounted rent; and
- Hospital upgrades: the Landlords have invested \$85m in upgrading several of the facilities to ensure they remain fit for purpose for patients, medical officers and nurses.

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 (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 is Australia's leading diversified healthcare REIT with a combined portfolio size of \$1.6 billion and a large-scale development pipeline.

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. 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. No guarantee, representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns, statements or tax treatment in relation to future matters contained in this announcement. The forward-looking statements are based only on information available to HCW as at the date of this announcement. Except as required by applicable laws or regulations, HCW does not undertake any obligation to provide any additional or updated information or revise the forward-looking statements or other statements in this announcement, whether as a result of a change in expectations or assumptions, new information, future events, results or circumstances.