



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

ASX RELEASE

17 February 2026

DELIVERING RESILIENT PORTFOLIO PERFORMANCE WHILE WORKING TO RESOLVE THE HEALTHSCOPE SITUATION TO MAXIMISE LONG TERM VALUE FOR UNITHOLDERS

HealthCo Healthcare & Wellness REIT (**ASX: HCW**) today released its result for the half year ended 31 December 2025. HCW's performance over the period reflected continued strong underlying operational performance and prudent capital management, with a primary focus on proactively progressing a resolution of the Healthscope situation. Key highlights include:

Financial highlights

- 1H FY26 FFO: 2.2cpu (\$12.3m)
- Dec-25 NTA/unit of \$1.39
- Asset recycling: \$77m of asset sales settled in 1H FY26
- Dec-25 cash and undrawn debt of \$155m
- Dec-25 gearing of 28.5%, below 30–40% target range

Portfolio and operational highlights

- Rent collection: 100%
- Occupancy¹: 99%
- LFL NOI growth²: +4.2%

Healthscope update

- All 11 hospitals owned by HCW and the Unlisted Healthcare Fund (**Landlords**) have paid 100% of all rent due, up to and including, Feb-26
- The Landlords have executable agreements with alternative operators on a state-by-state basis for all 11 hospitals. These agreements include the following commercial terms:
 - New long-term lease tenure
 - Face rent to remain unchanged
 - Rental incentives, to ensure sustainable commercial arrangements between the Landlords and the alternative operators, that would indicatively result in a 10-15% near-term reduction to asset valuations³
- The Landlords have not received any formal proposal, proposed commercial terms or requests for assignment of the existing Leases in respect of the "PurposeCo" model that has been promoted by the Receiver and Healthscope
- The Landlords are open to continued constructive dialogue with the Receiver to resolve the situation in a manner that is aligned with achieving HCW's objectives and consistent with the Landlords' rights and obligations under the existing lease arrangements
- The Landlords' objectives are to provide for continuity of service across all the 11 hospitals; ensure that the portfolio is tenanted by well capitalised operators with strong operational track records; maintain jobs for nurses and hospital staff; and maximise long term value for HCW unitholders and UHF investors
- All legal rights of the Landlords remain in place and fully reserved, including cross default and termination rights in the event of non-compliance with lease obligations; and rights in relation to any proposed assignment of or requested amendment to existing lease arrangements, which the Landlords will continue to consider in accordance with their rights and obligations under those leases

¹ By GLA. Includes signed leases, MoUs across operating assets. Excludes development assets

² NOI growth calculated on a LFL basis, excluding assets divested in 1H FY26, inclusive of market reviews. Excludes ECL provision

³ Pro-forma for new lease agreements, impact based on Dec-25 capitalisation rates

FY26 outlook

- HCW's key priority is to resolve the Healthscope situation
- It is expected that HCW and UHF will recommence distributions once the Healthscope situation has been resolved
- HCW does not intend to issue guidance until the Healthscope situation has been resolved

HMC Capital Managing Director, Real Estate, Sid Sharma said, *“During the half, our priority has been to progress a long-term solution for the Healthscope hospital portfolio that ensures the continuity of essential healthcare services and maximises value for our investors. We are encouraged by the agreements reached with alternative operators and the strong operational performance of the broader portfolio. HCW’s fundamentals remain resilient, and we are focused on delivering a clear resolution that positions the platform for renewed growth and disciplined capital deployment.”*

HCW Fund Manager, Christian Soberg said, *“We have maintained a strong balance sheet to ensure we are well-placed to support transition arrangements and capture future opportunities. We are making progress toward resolving the Healthscope situation with a path to restoring normalised distribution settings for our unitholders.”*

For additional information please refer to the 1H FY26 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 **Tuesday 17 February 2026 at 9:00am (AEDT)**. Investors and analysts wishing to participate can pre-register for the call at: <https://s1.c-conf.com/diamondpass/10052260-juh7y6.html>

The following webcast link will be available: <https://webcast.openbriefing.com/hcw-hyr-2026/>. Participants will need to input their name, email address and company details to register for the webcast.

A playback of the 1H FY26 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.

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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 \$1.4 billion.

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.