



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

ASX RELEASE

18 February 2022

HY22 FINANCIAL RESULTS PRESENTATION

HealthCo Healthcare and Wellness REIT (ASX: HCW) provides the attached HY22 Financial Results Presentation.

-ENDS-

For further information please contact:

INVESTORS

Misha Mohl
Group Head of Strategy & Investor Relations
+61 422 371 575
misha.mohl@home-co.com.au

Christian Soberg
HealthCo Chief Financial Officer
+61 450 417 712
christian.soberg@home-co.com.au

MEDIA ENQUIRIES

John Frey
Corporate Communications Counsel
+61 411 361 361
john@brightoncomms.com.au

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.



Morayfield Health Hub, QLD



Proxima Southport, QLD



Genesis Care Shepparton, VIC



Camden Health Precinct, NSW



1H FY22 RESULTS PRESENTATION

18 February 2022

AUSTRALIA'S LEADING DIVERSIFIED HEALTHCARE REIT

ACKNOWLEDGEMENT OF COUNTRY

HealthCo REIT acknowledges the Traditional Custodians of country throughout Australia and celebrates their diverse culture and connections to land, sea and community.

We pay our respect to their Elders past, present and emerging and extend that respect to all Aboriginal and Torres Strait Islander peoples today.



Agenda

1. Highlights & Strategy

2. Portfolio Overview

3. Investments

4. Financial Performance

5. Sustainability

6. Guidance

Presenters



Sam Morris
*HealthCo Senior
Portfolio Manager*



Christian Soberg
HealthCo CFO



Sid Sharma
*Home Consortium
COO*





Morayfield Health Hub, QLD



1. Highlights and Strategy

AUSTRALIA'S LEADING DIVERSIFIED HEALTHCARE REIT



1H FY22 highlights

Solid financial (FY22 FFO/unit upgrade reaffirmed and NTA increase) and operating (100% cash collection) performance since IPO

FINANCIAL 	OPERATIONS 	GROWTH 
<p>7.4 cents FY22 PDS DPU GUIDANCE REAFFIRMED Upgraded FY22 FFO guidance of 5.0 cpu reaffirmed (+16% versus IPO)</p>	<p>100% CASH RENT COLLECTION Since IPO (unadjusted contracted rent)</p>	<p>~\$200m ACQUISITIONS SINCE IPO⁵ Attractive acquisition WACR of 5.02% and WALE of 17.1 years⁶</p>
<p>Net cash¹ CAPITAL POSITION Well capitalised to fund accretive development pipeline and acquisitions</p>	<p>98% OCCUPANCY (+200bp) Versus 96% at IPO^{2,3}</p>	<p>~\$140m ACTIVE DEVELOPMENTS Camden, Springfield St Marys and Proxima developments on track with the George Private Hospital set to open in H2 FY23</p>
<p>\$1.94 DEC-21 NTA/UNIT +4% versus \$1.86/unit at IPO, underpinned by strong valuation uplift across the portfolio</p>	<p>10.0yr WALE HIGH QUALITY & SECURE INCOME 3% WARR across 70% of income contracted under fixed escalation leases with remaining 30% of income indexed to CPI^{3,4}</p>	<p>~\$500m NEW DEVELOPMENT PIPELINE Includes Active Developments and Camden Stages 2 & 3 – EOIs received for Stage 2 from leading national private hospital operators</p>

Notes: 1. Net cash position as at 31 December 2021. Does not include impact of contracted acquisitions announced October 2021. 2. By GLA. Includes signed leases, MoUs and rental guarantees across operating assets. Excludes development assets. 3. Includes contracted acquisitions announced October 2021. 4. Weighted Average Rent Review. 5. Includes \$113m of initial acquisitions, estimated incremental cost to complete Proxima Southport and approximate acquisition cost of additional interest in Camden Stage 1 - approximate acquisition cost based on minimum capex funding agreed to by HomeCo of at least \$35m (in line with HCW) plus land value. Ownership on completion may increase subject to final capex contribution with total funding requirement (between Acurio Health Care, HCW and HomeCo) of \$80m under fixed price D&C contract. 6. WALE calculated as at 31 December 2021. By gross income. Includes signed leases and MoUs across all operating and development assets.



HealthCo strategy

HealthCo offers exposure to a high quality and diversified healthcare portfolio which offers stable and growing distributions and long-term capital growth

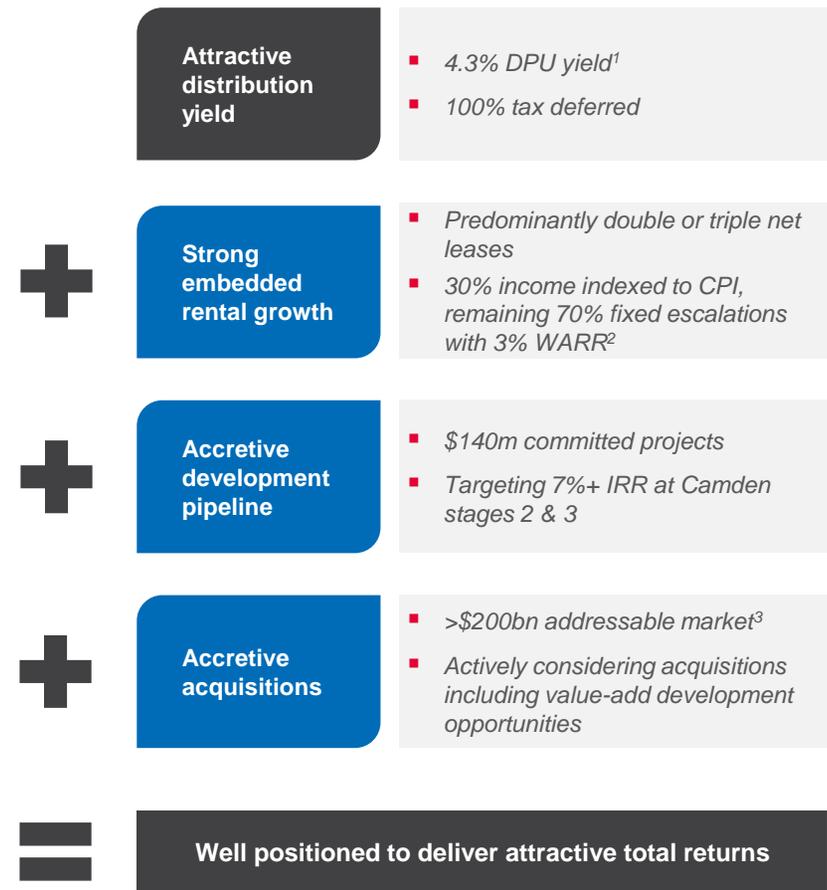
HealthCo Portfolio construction

Over time HealthCo will seek to achieve a balanced exposure across its 5 target subsectors to manage portfolio and regulatory risk



Portfolio targets consistent and growing distributions

HealthCo total return drivers



Source: IRESS. 1. Based on \$2.09 closing unit price as at 17 February 2022 and annualised FY22 PDS DPU guidance of 9.00 cents. 2. Weighted Average Rent Review. 3. L.E.K. Consulting. Comprises hospitals, residential aged care, primary & specialty care, childcare, life sciences and innovation.

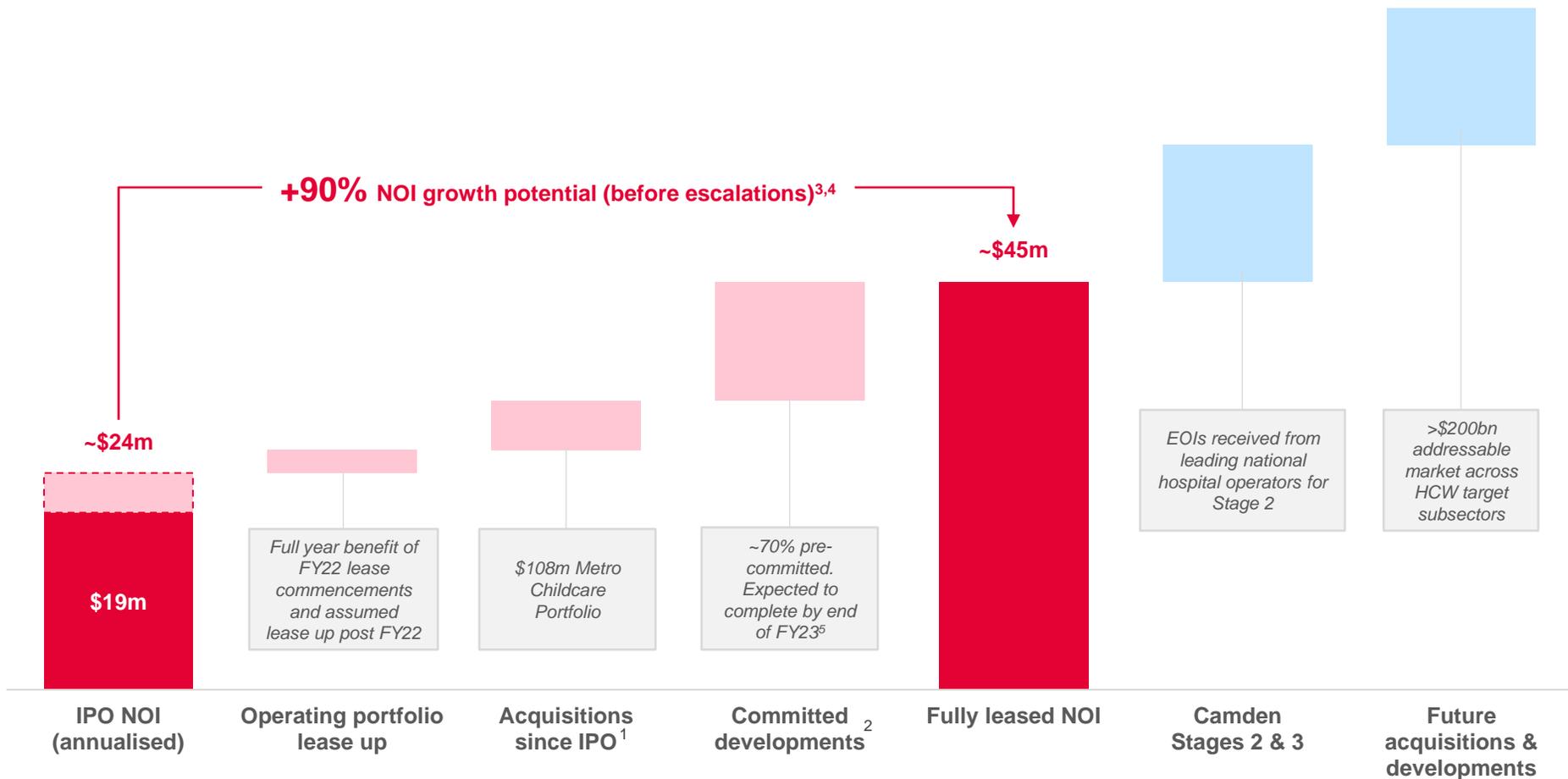


Strong embedded growth opportunity

Significant growth opportunity embedded in existing portfolio with capacity to pursue further accretive acquisitions and developments

Potential NOI growth from committed acquisitions, development projects and portfolio lease-up

Uncommitted developments & acquisitions



Notes: 1. Excludes Proxima (50% HMC share) and option to acquire Camden Stage 1 (HMC share) at completion. NOI from these acquisitions included in 'Committed developments'. 2. Committed developments include Camden Stage 1 (assuming option to acquire HMC share is exercised), Proxima, Springfield and St Marys on a fully leased basis. 3. Indicative only and does not represent a forecast. 4. Assumes 100% occupancy. Includes rental guarantees. 5. Refer to slide 13 for additional detail.



Proxima Southport, QLD



2. Portfolio Overview

AUSTRALIA'S LEADING DIVERSIFIED HEALTHCARE REIT



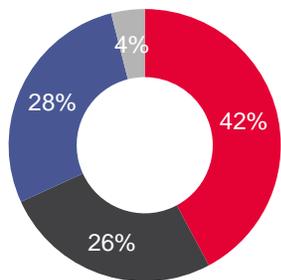
Portfolio overview and update

HealthCo has continued to grow its high quality and diversified healthcare portfolio and enhanced key portfolio metrics

Portfolio statistics¹

	IPO	Dec-21	Movement
Number of properties	27	40	+13
Fair value	\$555m	\$700m	+\$145m
WACR ²	5.34%	5.10%	24 bps compression
Occupancy ³	96%	98%	+2%
WALE ⁴	9.4 years	10.0 years	+0.6 years
Rent collection ⁵	99%	100%	+1%

Geographic split (by value)¹



Long term target geographic exposure based on state GDP contribution

■ QLD ■ NSW ■ VIC ■ WA

Portfolio subsectors – income split and key tenants^{1,4,6}



The portfolio has grown to ~\$880m on an as-complete basis

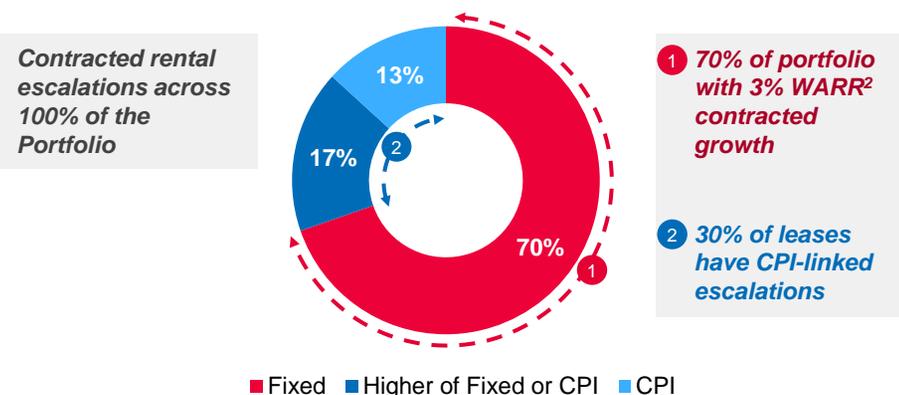
Notes: 1. Includes contracted pending acquisitions. 2. WACR excludes Camden Stages 1-3. 3. By GLA. Includes signed leases, Signed MoUs and rental guarantees across operating assets. Excludes development assets. 4. By gross income. Includes signed leases and MoUs across all operating and development assets. 5. IPO rent collection for the 6 months to 30 June 2021 across existing leases on operating assets. Dec-21 rent collection for period since IPO to 31 December 2021. 6. Income from 'Other' subsectors of 8%



Key portfolio statistics

Long term leases to high quality operators with contracted rental growth are key mitigants against rising inflation and interest rates

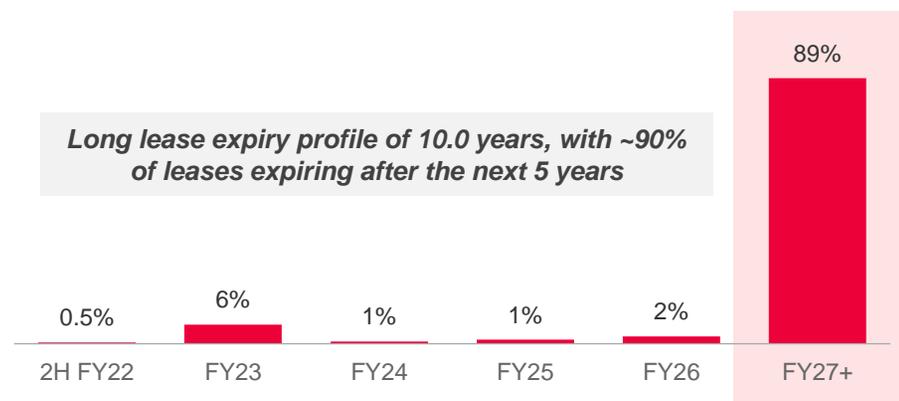
Rent composition¹



Top 20 tenants^{1, 3}

Rank	Tenant	Subsector	% of income
1	GenesisCare	Private Hospitals	13%
2	Commonwealth Government	Government, Life Sciences & Research	11%
3	Explorers Early Learning	Childcare	9%
4	Queensland Government	Government, Life Sciences & Research	7%
5	Nido Early Learning	Childcare	6%
6	Aurrum Aged Care	Aged Care	6%
7	Acurio Health Group	Private Hospitals	5%
8	Morayfield Health Hub Doctors	Primary Care & Wellness	4%
9	Amart ⁵	Other	3%
10	Guardian Childcare	Childcare	2%
11	The Uniting Church	Aged Care	2%
12	Story House Early Learning	Childcare	2%
13	Busy Bees Childcare	Childcare	2%
14	Endeavour Early Education	Childcare	2%
15	QML Pathology	Primary Care & Wellness	2%
16	EMF (Fitness Centre)	Primary Care & Wellness	2%
17	Go Health Medical Centre	Primary Care & Wellness	2%
18	Sanctuary Childcare	Childcare	2%
19	G8 Education	Childcare	1%
20	Hilltop Childcare	Childcare	1%
Total			82%

Lease expiry profile^{1, 3}



Notes: 1. By gross income. Includes signed leases and MoUs across all operating and development assets. Includes pending and committed acquisitions. 2. Weighted Average Rent Review. 3. Values may not add due to rounding. 4. Annualised gross income post completion of stage 1 in 2023. 5. Excludes Amart tenancy at Cairns (1% of gross income) which is considered a non-core holding over the long term.



Portfolio valuation summary

Portfolio valuation¹ increased 26% to \$700m in Dec-21 with an as-complete valuation of ~\$880m

Valuation overview (31 December 2021)

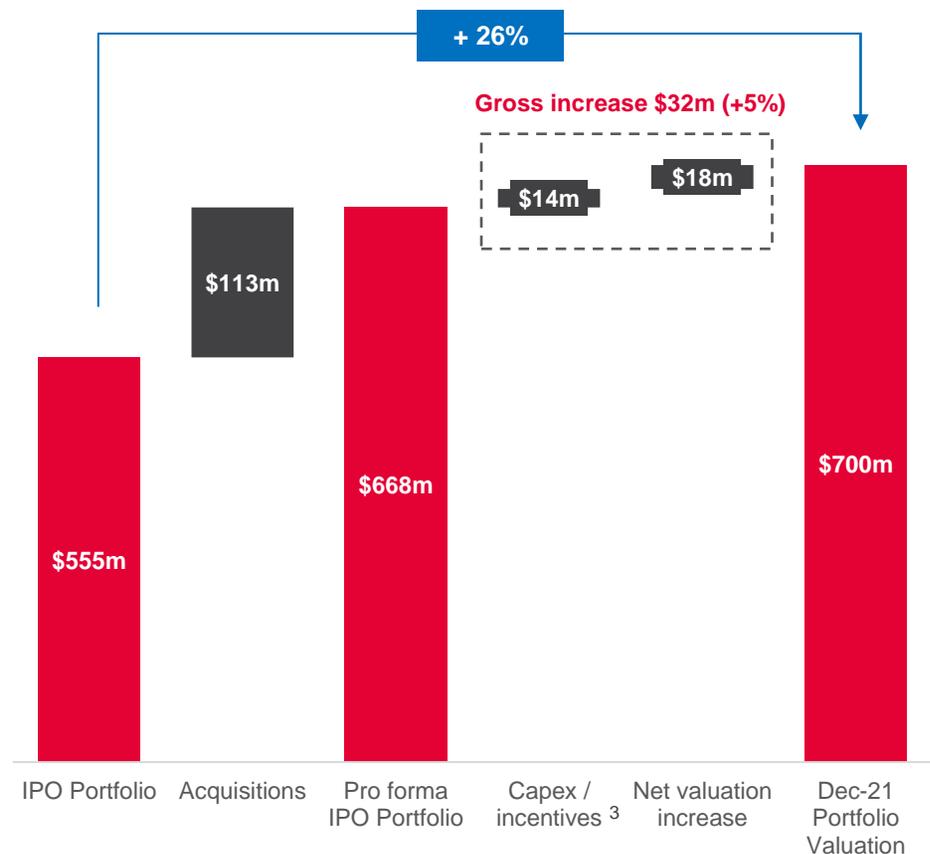
Valuation approach

- In accordance with HealthCo's valuation policy all 24 owned properties were valued²:
 - 7 properties were valued independently, representing 21% of the 31 December 2021 portfolio valuation
 - 17 properties were subject to internal valuations

Valuation summary

- Property valuations, including \$113m acquisitions announced in the Oct-21 trading update, increased from \$555m at IPO (Sep-21) to \$700m in Dec-21
- Valuation increase represents a 26% increase in portfolio valuation since the IPO

HealthCo portfolio valuation bridge (A\$m)



Gross valuation increase of \$32m driven by cap rate compression and NOI growth

Notes: 1. Including contracted acquisitions. 2. All properties were valued independently prior to the IPO. 3. Excludes straight lining and amortisation.



The George Private Hospital - Camden Precinct, NSW



3. Investments

AUSTRALIA'S LEADING DIVERSIFIED HEALTHCARE REIT



Acquisitions since IPO

~\$200m of accretive healthcare acquisitions since IPO have further enhanced HCW's portfolio characteristics

	Metro Childcare Portfolio, NSW/VIC/WA	Proxima Southport, QLD 50% HMC share	Camden Stage 1, NSW 25% HMC share ¹
Description	<ul style="list-style-type: none"> High quality portfolio of 13 newly constructed metropolitan childcare centres Predominantly national tenants on long term double net leases with predominantly fixed escalations 	<ul style="list-style-type: none"> Fund-through health hub development in the emerging Gold Coast Health and Knowledge precinct 	<ul style="list-style-type: none"> 78 bed² private hospital, specialising in paediatrics and maternity
Settlement date	<ul style="list-style-type: none"> Greystanes: Sep-21 Beaconsfield: Nov-21 Yallambie: Feb-22 Remaining properties: 2H FY22 as properties complete 	<ul style="list-style-type: none"> Oct-21 	<ul style="list-style-type: none"> Settlement to occur upon completion (2H FY23)
Purchase price	<ul style="list-style-type: none"> \$108.0 million 	<ul style="list-style-type: none"> \$5.0 million (land) 	<ul style="list-style-type: none"> 5% discount to independent valuation at time of settlement
Valuation (Dec-21)	<ul style="list-style-type: none"> \$109.1 million (4.96% cap rate) 	<ul style="list-style-type: none"> \$12.6 million (5.5% cap. rate) 	<ul style="list-style-type: none"> \$3.8 million land value
WALE	<ul style="list-style-type: none"> 17.6 years 	<ul style="list-style-type: none"> 9.9 years 	<ul style="list-style-type: none"> 15.0 years (100% pre-leased to Acurio Health Care on triple net lease)



Notes: 1. 25% initial interest owned by HMC. Ownership on completion may increase subject to final capex contribution with total funding requirement (between Acurio Health Care, HCW and HomeCo) of \$80m under fixed price D&C contract. 2. 57 overnight beds + 21 day beds = 78 beds.



Development pipeline

HealthCo is well progressed with its current \$140m development pipeline, building upon significant in-house development expertise

Brownfield development projects	Planning approval	Pre-commitments ¹	Practical completion	Est. investment	Target returns
Under development (committed)					
Camden – Stage 1 <ul style="list-style-type: none"> 78 bed private hospital, specialising in paediatrics and maternity 	✓	100%	H2 FY23	~\$35m HCW REIT share (\$29m remaining) ²	~6% unlevered IRR
Proxima Southport <ul style="list-style-type: none"> Fund-through health hub development in the emerging Gold Coast Health and Knowledge precinct 	✓	65% ³	H2 FY23	~\$70m (\$67m remaining) ⁴	5.65% yield on cost
Springfield <ul style="list-style-type: none"> Diversified health hub including childcare, medical centre, chemist and gym 	✓	61%	Stage 1: Opened Dec-21 Stage 2: CY22	~\$15m (\$12m remaining)	>6% yield on cost
St Marys <ul style="list-style-type: none"> Health hub precinct with childcare, primary medical and wellness tenants 	✓	Short term lease with Federal Government. 52% pre-committed	On track to begin development in FY23	~\$20m	>6% yield on cost
New developments					
Camden – Stage 2 <ul style="list-style-type: none"> Significant private hospital 	✓ SSDA	EOIs received from leading national private hospital operators	FY25	Estimate >\$250m ⁵	~7% unlevered IRR
Camden – Stage 3 <ul style="list-style-type: none"> Health research facility 	✓ SSDA	Planning in progress	FY25	Planning in progress	~7% unlevered IRR
Total				>\$500m	

Notes: 1. Pre-commitments includes signed leases, signed MOU's and issued MOU's. 2. Total cost to complete \$80m on 100% basis under fixed price D&C contract. 3. 1 year rental guarantee. 4. Proxima cost to complete now reflect 100% ownership. 5. Subject to agreement with preferred operating partner and finalisation of design.

Development pipeline update

Strong progress has been made on the development pipeline

The George Private Hospital – Camden Stage 1 (NSW)



Property overview

- 78 bed pediatric hospital in the Camden Precinct
- 100% pre-committed to Acurio on a 15-year lease

Construction status

- Fixed price construction contract
- On track to open in H2 FY23 with construction currently over 4 weeks ahead of schedule

Development on track – targeted opening H2 FY23

Proxima – Gold Coast Health & Innovation Precinct (QLD)



Property overview

- Fund-through health hub development in the emerging Gold Coast Health and Knowledge precinct with a 5.65% coupon payable during construction
- 65% lease commitments, including from the Queensland Government and Griffith University with further leasing discussions well progressed

Construction status

- Fixed price design and construction contract
- On track to be delivered end of FY23

Development on track – targeted opening Q1 FY24

Camden Precinct overview

HealthCo is creating a \$500m+ Health & Innovation Precinct in Camden, the fastest growing LGA in Australia¹ with a catchment population of >1 million by 2031²

1

Ideal location

The Precinct is ideally positioned within Sydney's South-West growth corridor

- The South-West Sydney Local Health District population is projected to grow to 1.0m by 2031 (and more than 1.3m by 2041), of which >450,000 will live within a 15-minute drive from the Precinct
- Camden is the fastest growing LGA in Australia (4.5% CAGR over 2021 – 2041)
- The Australian and NSW government has committed >\$10bn of infrastructure investment to South-West Sydney, supporting the development of Badgerys Creek Airport and the Western Sydney Aerotropolis

2

Immediate and growing demand

Immediate and growing demand for additional private health services in an affluent catchment area

- A comprehensive demand analysis has identified a significant undersupply of key clinical services and a current private hospital bed deficit in the broader catchment area of 777 beds as at 2020 - this deficit is expected to grow to 1,240 private beds by 2030³
- The local public hospital is stretched: 258 day waiting time for non-urgent elective surgery at Campbelltown Public Hospital³
- Camden is an affluent area with higher private health insurance coverage (62%) than the NSW average (51%) and surrounding LGAs (~30%)⁴



Notes: 1. 2019 NSW Government population projections. 2. Total Catchment defined as Primary + Tertiary. Primary catchments include Camden, Campbelltown, Wollondilly, Bringelly – Green Valley. Tertiary catchments include Fairfield and Liverpool. >450,000 will live within a 15-minute drive from the Precinct. 3. Supply and demand gap analysis, HPI Camden Market Assessment and Service Planning (2021). 4. South-West Sydney: Our Health in 2019 report. IRSAD data ABS – Community Profiles, SEIFA

Camden Precinct – development status

The George Private Hospital is on track to open in H2 FY23 and EOIs have been received from leading private hospital operators regarding Camden Private Hospital

Façade renders	Stage / facility	Estimated timing
	<p>Stage 1 - The George Private Hospital</p> <ul style="list-style-type: none"> ▪ New 78 bed private hospital, operated by Acurio Healthcare Group, specialising in paediatrics and maternity to address the unique needs of young families in the Camden catchment ▪ Fixed price development contract with BuildCorp provides protection against supply chain inflationary pressures. 	<ul style="list-style-type: none"> ▪ On-track to open H2 FY23 with construction currently on budget and over 4 weeks ahead of schedule
	<p>Stage 2 - Camden Private Hospital</p> <ul style="list-style-type: none"> ▪ Concept SSDA for a 5-level private hospital with a GFA of up to ~50,000 sqm ▪ Estimated value > \$250m¹ with target investment return > 7% ▪ EOIs have been received from leading national private hospital operators 	<ul style="list-style-type: none"> ▪ Preferred hospital operating partner expected to be appointed in June/July 2022 ▪ Final SSDA approval targeted for mid 2023 and construction completion in 2025
	<p>Stage 3 - Health Research facility</p> <ul style="list-style-type: none"> ▪ Concept SSDA granted for a ~10,000 sqm facility built to house translational research facilities and specialist healthcare services, complementing both hospital sites. ▪ Integration of the facility with education, teaching and research facilities within both hospitals will provide a 'Knowledge Hub' attracting doctors, clinicians and research professionals in health-related industries 	<ul style="list-style-type: none"> ▪ Final SSDA approval targeted for mid 2023 and construction completion in 2025

The Camden Precinct will have a number of “Centres of Excellence” that will operate synergistically and provide much needed integrated health care infrastructure to Sydney’s south west growth corridor



Aurrum Aged Care - Erina, NSW



4. Sustainability

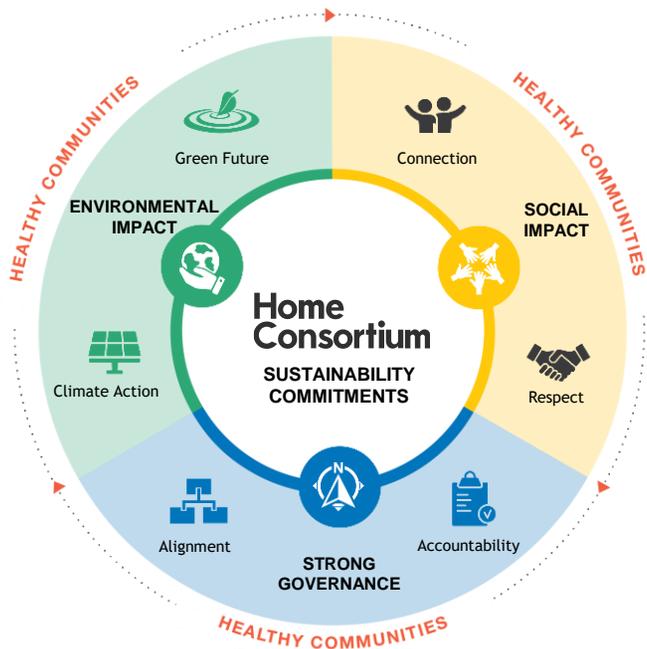
AUSTRALIA'S LEADING DIVERSIFIED HEALTHCARE REIT

HomeCo's commitment to sustainability

The external manager of HealthCo is committed to sustainable practices that drive long term value creation and achieve a positive impact on the communities in which we operate

Home Consortium, the external manager of HealthCo, recently released its inaugural Sustainability Report, detailing six sustainability commitments towards “Creating Healthy Communities”

HomeCo's Sustainability Commitments



ENVIRONMENTAL

1. CLIMATE ACTION
Actively minimise carbon emissions:



- Targeting scope 1 and 2 net zero by 2028
- Responsibly **adopting renewable energy** sources and technology

2. GREEN FUTURE
Champion the preservation and restoration of the natural environment:

- **Reduction** of Waste
- **Efficient** use and reuse of water
- **Deployment** of environmentally friendly building materials where appropriate

SOCIAL

3. CONNECTION
Responding to local and regional essential community needs relating to health, wellness and daily services:

- Conducting a community needs assessment as part of our investment process

4. RESPECT
Respecting the inherent dignity, safety, diversity and human rights of people:

- Promoting **responsible business practices**
- **Targeting 50% gender representation** in our workforce and our Boards
- **Providing safe working spaces**, for our staff, tenants, and operators

GOVERNANCE

5. ALIGNMENT
Having the skills, **environment and culture** that support and propel our ambition and sustainability commitments:

- Building **independent Boards** that have diverse skills and are gender balanced
- **Incentivise and reward** the leadership team who deliver on sustainability outcomes

6. ACCOUNTABILITY
Earn and keep trust of our key stakeholders:

- **Ensuring independence in decision-making** where there are potential or perceived conflicts of interest
- Providing clear, honest and robust **sustainability performance** updates rated against global benchmarks such as GRESB and PRI



Sustainability progress at HealthCo

HealthCo is progressively implementing HomeCo's Sustainability Commitments across its operations to support long-term value creation and the creation of Healthy Communities

Morayfield Health Hub (QLD)



- The development of the hub was in response to a shortage of health facilities in the Morayfield catchment area, which is a low socio-economic area with high demand for health services
- The project also included the installation of ~1,500 solar panels, generating 680 MWh a year

The George Private Hospital (NSW)



- The development of the hospital was in response to a comprehensive demand analysis has identified a significant undersupply of key clinical services in the local catchment area (refer slide 15)
- HealthCo undertook a comprehensive community needs assessment as part of the investment process

"HealthCo exists to serve Australian communities by increasing access to health and wellbeing services. Our investments are matched to community needs and incorporate sustainable development principles, helping to deliver positive social impact."

– Joseph Carrozzi AM, Chair, HealthCo



Guardian Childcare - Five Dock, NSW



5. Financial Results



Earnings summary

FFO of \$5.8m for the period to 31 December 2021

\$m	H1 FY22
Total revenue	10.8
Property expenses	(1.8)
Responsible entity fees	(1.4)
Other corporate expenses	(0.7)
Operating EBITDA	7.0
Fair Value movement	6.8
Transaction costs	(1.7)
EBITDA	12.1
Net interest expense	(1.3)
Profit	10.8
Reconciliation to FFO:	
Fair Value movement	(6.8)
Straight lining and amort. of lease incentives	(0.9)
Transaction costs	1.7
Amortisation of borrowing costs	0.3
Rent guarantee income	0.4
Proxima coupon	0.2
FFO	5.8
Units on issue (m)	325.2
FFO per unit (cents)	1.8
Distribution per unit (cents)	3.0

FFO

- HCW reported FFO of \$5.8m for the period to 31 December 2021
- The result was supported by strong operating performance – 100% cash collection and 98% occupancy at the end of the period

Profit

- HCW recorded statutory profit of \$10.8m for the period to 31 December 2021
- The result was impacted by positive Fair Value movement of \$6.8m (comprising positive revaluations of \$23.4m offset by transaction costs incurred with respect to property acquisitions of \$16.7m)

Distribution

- Distribution of 3.00 cents per unit declared, payable on 25 February 2022
- Consistent with an annualised Distribution Yield of 4.5% (based on the Offer Price) as set out in the PDS



Balance sheet

NTA of \$1.94 per unit (versus PDS of \$1.86 per unit)

\$m	31-Dec 21
Cash and cash equivalents	56.1
Trade and other receivables	2.6
Other asset	2.8
Assets held for sale	-
Total current assets	61.6
Investment Properties	547.3
Investment in JV	20.5
Other assets	16.6
Borrowings ¹	3.1
Total non-current assets	587.4
Total assets	649.0
Trade and other payables	9.8
Distribution payable	9.8
Total current liabilities	19.5
Total liabilities	19.5
Net assets	629.5
Contributed equity	628.5
Retained profits	1.0
Total equity	629.5
Units on issue (m)	325.2
NTA per unit (\$)	1.94

NTA

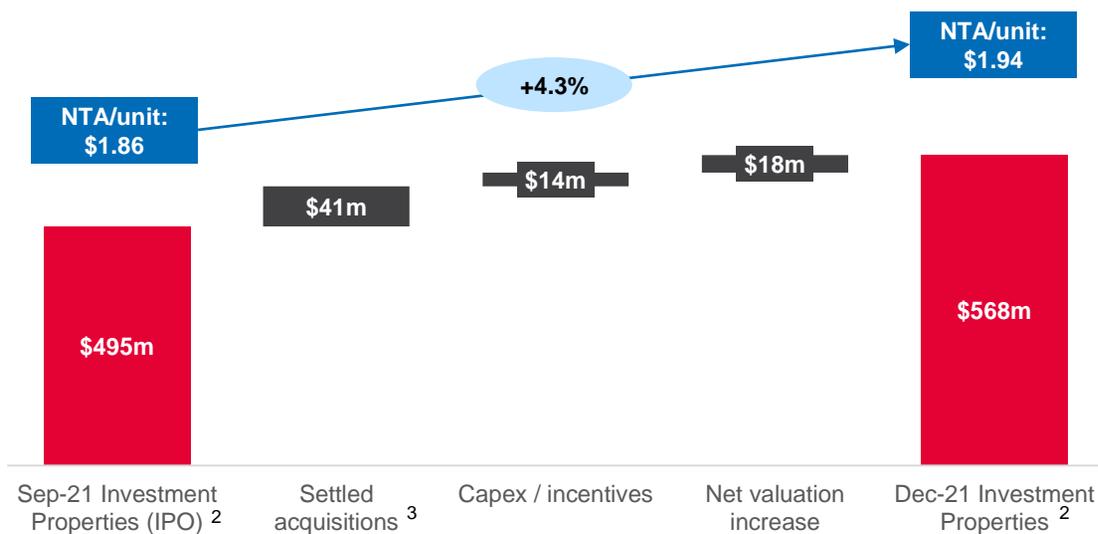
- NTA of \$1.94 per unit as at 31 December 2021
- \$0.08 increase (+4.3%) versus PDS of \$1.86 per unit

Investment properties

- Investment properties of \$568m as at 31 December 2021, inclusive of HCW's investment in Camden

Cash

- Cash of \$56m as at 31 December 2021



Notes: 1. Borrowings represents capitalised debt establishment costs. 2. Investment Properties includes "Investment in JV" (Camden). Excludes pending and committed acquisitions of \$132m. 3. Includes Greystanes, Beaconsfield and GenesisCare Portfolio



Capital management

Strong net cash capital position with \$456m cash and undrawn debt facilities

\$m	31-Dec-21
Liquidity	
Senior facility undrawn	400.0
Cash at bank	56.1
Total liquidity	456.1
Senior secured facility summary	
Maturity	Sep-24
Limit	400.0
Drawn	-
Key debt metrics	
Gearing¹	Net cash
Weighted avg. debt cost (% p.a.) ¹	1.85%
% of debt hedged	0%

Cash

- HCW had \$56m net cash as at 31 December 2021

Debt facilities

- HCW entered into a \$400 million senior secured syndicated debt facility at the time of the IPO
- The facility was undrawn as at 31 December 2021

Note: 1. Based on LVR < 37.5%



Health Hub - Cairns, QLD



6. Guidance



Guidance

HealthCo is pleased to reaffirm FY22 FFO and DPU guidance

5.0 cents¹

FY22 FFO/unit

*Upgraded Oct-21
guidance reaffirmed (+16%)*

7.4 cents

FY22 DPU

PDS guidance reaffirmed

- HealthCo expects to target a normalised distribution payout ratio of 90% to 100% of FFO once its portfolio is fully stabilised and gearing is within the 30% to 40% target range
 - HCW intends to establish a distribution reinvestment plan (DRP) for the upcoming March 2022 quarterly distribution
- FY22 guidance assumes all developments in progress are completed in line with current expectations and that any potential COVID-19 related relief is limited to SME tenants only and current COVID-19 related government mandated restrictions do not escalate beyond the present circumstances

Note 1. Consistent with upgraded guidance issued on 14 Oct-21. FY22 FFO guidance does not assume the impact of any further acquisitions.



Genesis Care - Nambour, QLD



Appendix - Supplementary Information

AUSTRALIA'S LEADING DIVERSIFIED HEALTHCARE REIT



HealthCo Portfolio construction

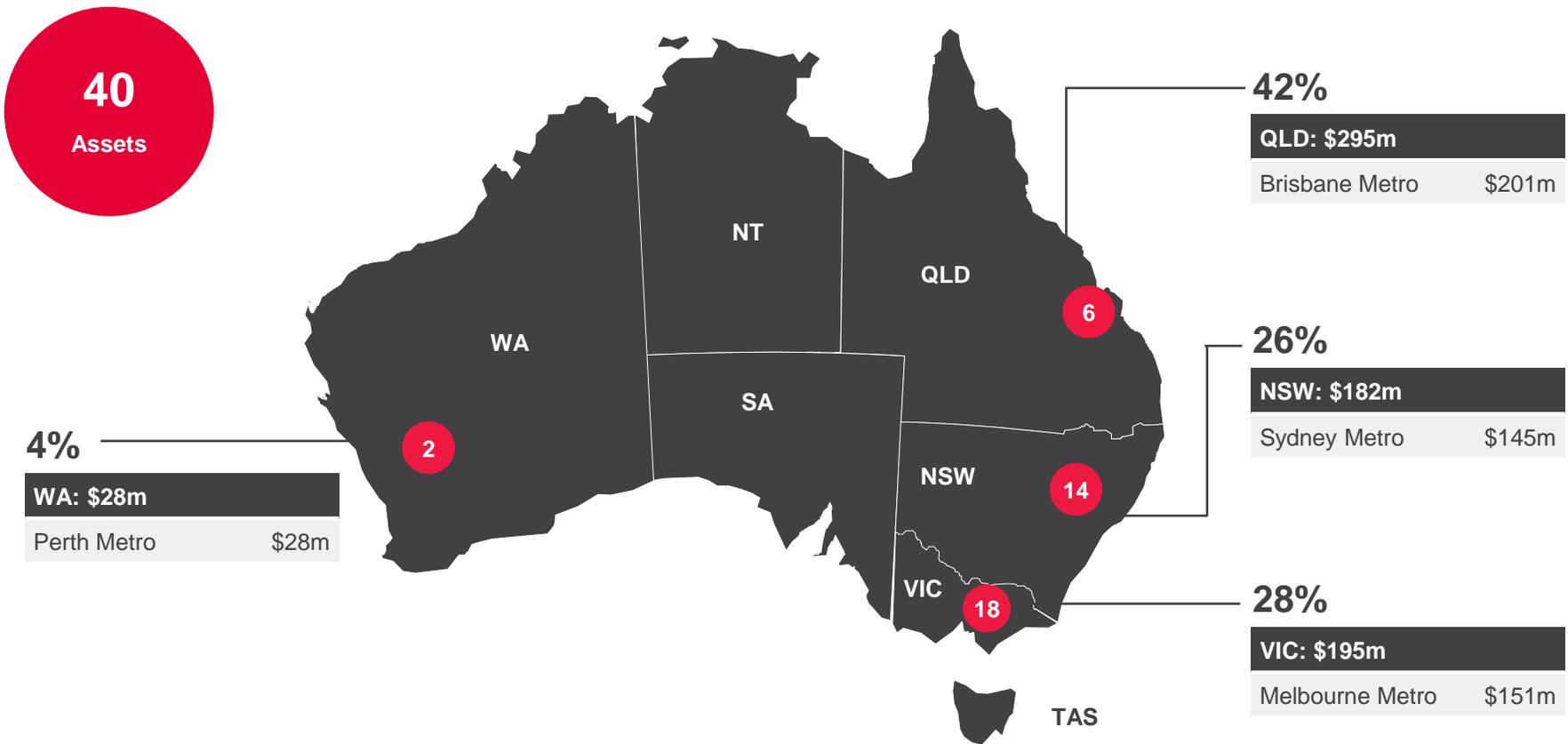
Significant addressable market opportunity of >\$200bn and a further ~\$87bn of investment required over the next 20 years¹

Sector	Recurrent government expenditure	Installed asset base	Forecast investment required	
 Life Sciences & Research (~20%)	~\$40bn p.a.	\$35bn	72 emerging / planned precincts	<ul style="list-style-type: none"> ✓ Research funding has been accelerated as a result of the COVID-19 global pandemic ✓ ~\$12bn in Australian government funding for R&D forecast for FY21 with >50% of Australian University R&D expenditure focused on health and life sciences ✓ More than 165 life sciences companies are listed on the ASX worth ~\$300bn
 Hospitals (~20%)	~\$79bn p.a.	\$86bn	\$66bn	<ul style="list-style-type: none"> ✓ Increased demand for complex acute & chronic care ✓ Significant opportunity in NFP space to partner with operators ✓ Public hospitals funding of ~\$134bn for FY20-25
 Primary Care & Wellness (~20%)	~\$49bn p.a.	\$22bn	n/a	<ul style="list-style-type: none"> ✓ Growing consumer focus on healthcare and wellness ✓ Consumer demand subsidised by Medicare with ~\$30bn p.a. committed over the next 4 years ✓ High barriers to entry due to government regulation (licensing requirements for private health facilities, Medicare/PBS regulations)
 Childcare (~20%)	~\$8bn p.a.	\$37bn	\$5bn	<ul style="list-style-type: none"> ✓ Participation rate of parents in full-time roles is increasing ✓ Significant growth in dual income households in response to rising costs of living ✓ ~\$40bn Childcare Subsidy program committed to across FY20-24
 Aged Care (~20%)	~\$18bn p.a.	\$38bn	\$16bn	<ul style="list-style-type: none"> ✓ The Australian government subsidises ~75% of the annual cost of the aged care system ✓ +80,000 new aged care places by 2030 to meet Australian government's target ✓ Recommendation of Royal Commission in Mar-21 to potentially phase out RAD's (currently providing ~\$30bn of funding to operators) may accelerate transaction activity
Total	~\$194bn p.a.	\$218bn+	\$87bn+	

Notes: 1. L.E.K Consulting.

Geographically diverse and strategically located portfolio

National portfolio with strong weighting to Australia's Eastern seaboard



Note: 1. Includes pending and committed acquisitions.



Portfolio summary metrics

Current portfolio value at \$700m and ~\$880m on an as-complete basis

Property	State	Classification	Fair value	Cap rate	Site area (sqm)	WALE (by income) ²	Occupancy (by GLA) ³
Investment properties							
Ballarat	VIC	Operating	\$33.7m	6.25%	38,897	7.9	85%
Beaconsfield	VIC	Operating	\$8.7m	4.75%	1210	14.8	100%
Cairns	QLD	Operating	\$37.2m	6.25%	27,200	9.8	96%
Concord	NSW	Operating	\$15.5m	4.50%	1,657	12.4	100%
Erina	NSW	Operating	\$36.7m	6.00%	33,280	8.7	100%
Essendon	VIC	Operating	\$10.0m	4.50%	1,911	9.3	100%
Everton Park	QLD	Operating	\$20.5m	4.75%	2,629	13.1	100%
Five Dock	NSW	Operating	\$10.8m	5.25%	1,391	3.8	100%
GenesisCare – Chermside	QLD	Operating	\$13.6m	3.88%	1,080	14.7	100%
GenesisCare – Nambour	QLD	Operating	\$17.8m	4.25%	3,456	4.7	100%
GenesisCare – Ringwood	VIC	Operating	\$9.9m	3.88%	835	9.8	100%
GenesisCare – Shepparton	VIC	Operating	\$10.3m	4.00%	1,370	9.7	100%
GenesisCare – Southport	QLD	Operating	\$15.4m	3.88%	1,236	14.7	100%
GenesisCare – Wembley	WA	Operating	\$19.5m	4.00%	2,459	14.7	100%
Greystanes	NSW	Operating	\$10.8m	4.75%	1,503	9.4	100%
Morayfield Health Hub	QLD	Operating	\$118.1m	5.00%	58,164	5.5	100%
Nunawading	VIC	Operating	\$14.5m	4.75%	2,139	14.6	100%
Proxima	QLD	Development	\$12.4m	5.50%	3,040	9.8	nm
Rouse Hill	NSW	Operating	\$67.4m	5.25%	36,100	6.3	100%
Springfield	QLD	Development	\$23.2m	5.50%	31,030	8.7	nm
St Marys	NSW	Development	\$20.2m	5.75%	31,860	0.6	nm
Tarneit	VIC	Operating	\$8.1m	4.75%	2,907	13.1	100%
Woolloongabba	QLD	Operating	\$13.1m	5.25%	1,237	11.3	100%
Investment in JV							
Camden (3 stages)	NSW	Development	\$20.5m	nm	49,534	16.1	nm
Total owned properties (Dec-21)			\$568m	5.12%	336,125	8.9	97%
Armadale	VIC	Operating	\$18.5m	5.00%	2,004	15.1	100%
Metro Childcare Portfolio ¹	Mixed	Operating	\$89.6m	5.00%	37,508	18.7	100%
GenesisCare – Bundaberg	QLD	Operating	\$14.2m	5.25%	1,310	7.2	100%
GenesisCare – Urraween	QLD	Operating	\$9.7m	5.00%	860	7.2	100%
Pending acquisitions			\$132m	5.03%	41,682	15.9	100%
Total HCW portfolio (including pending acquisitions)			\$700m	5.10%	377,807	10.0	98%

Notes: 1. 11 of 13 properties to settle post 31-December-2021. 2. By gross income. Includes signed leases and MoUs across all operating and development assets. 3. By GLA. Includes signed leases, MoUs and rental guarantees across operating assets. Excludes development assets. 4. Summary includes pending and committed acquisitions.



Contacts

Investors and Analysts

Media



Misha Mohl
Group Head of Strategy & IR

+61 422 371 575
misha.mohl@home-co.com.au



Christian Soberg
HealthCo Chief Financial Officer

+61 450 417 712
christian.soberg@home-co.com.au



John Frey
Corporate communications
Home Consortium

+61 411 361 361
john@brightoncomms.com.au



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