

FY25 Third Quarter Update

1 JANUARY 2025 - 31 MARCH 2025

- ✓ Market leading WALE of ~19 years
- ✓ >99% rent collected YTD
- ✓ Diversified tenant base with no single tenant representing more than 19% of rent
- ✓ No exposure to Heathslope
- ✓ No debt expiring until March 2027¹

Q3 DISTRIBUTION

Payment date 20 June 2024
Ex date 5 June 2024



2.4375cpu
Q3 CASH
DISTRIBUTION



9.75 cpu
ANNUAL
DISTRIBUTION



**DRP active with
a 2% discount
reintroduced**



0.6316 cpu
IMPUTATION
CREDITS

The Distribution Reinvestment Plan (DRP) is active providing Unit Holders with a low cost way of increasing their holding in Vital. Vital uses DRP proceeds to fund developments and other capital works thereby improving the portfolio.

Note a 2% discount has been reinstated

¹ Incorporating refinancing completed in April 2025



In February 2025, Stage 2 of the complete redevelopment of Wakefield Hospital was officially opened by Health Minister Simeon Brown. This redevelopment has taken over five years of construction in addition to several years of planning and preparatory works. Valued at over \$183m and with a remaining lease term in excess of 30 years, this is one of Vital's marquee assets and its redevelopment will provide material benefit for patients, staff and the community.

Dear Unit Holders

This quarterly update provides an overview of Vital's performance for the three months ended 31 March 2025 as well as year-to-date (YTD) performance. A summary of the financial and other results are presented on the subsequent pages of this report.

Market update

Unit Holders will likely be aware of global share market turmoil particularly over recent weeks as well as on-going issues with the Australian private healthcare sector centred around Heathslope. Despite this volatility, Vital's relative income security derived from its long weighted average lease expiry to high quality tenants remains.

Our strategy of reducing single tenant exposure, focusing Vital's investment into core healthcare precincts and continually upgrading the portfolio has put Vital in the best possible position to weather these external events.

Importantly, Vital has collected over 99% of rent YTD and has no exposure to Heathslope.

Wakefield expansion

Today, Vital approved a NZ\$11.5m expansion project at Wakefield Hospital. This project expands the capacity of Wakefield Hospital by developing an additional 34-bed ward in the level 5 shell space. This project will deliver investors a compelling value add outcome at one of Vital's top performing properties and continues Vital's long standing partnership with Evolution Healthcare in the transformation of this property since its acquisition in 2017.

Leadership change

As Unit Holders may be aware, after 5.5 years leading Vital, I am stepping down as Fund Manager on 9 May 2025. As a result, this will be my last formal communication with you. I have appreciated meeting and engaging with so many of you across the length and breadth of New Zealand and beyond.

During this period, I am most proud of:

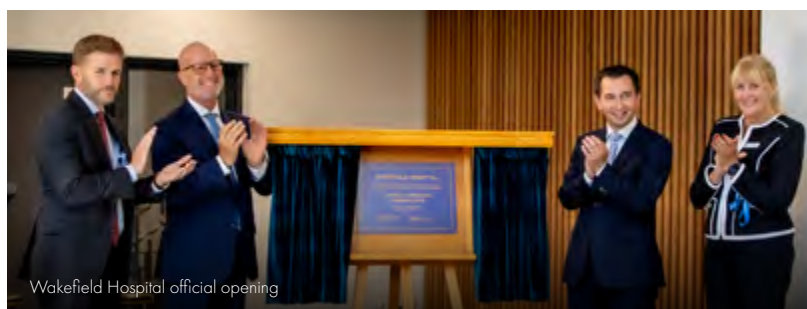
- Our significantly improved relationships with Unit Holders;
- The growth in Vital's property portfolio particularly in New Zealand;
- Vital's asset recycling programme, divesting out of older, smaller and less strategically aligned assets and reinvesting into the next generation of healthcare assets; and
- Our achievements in sustainability.

Importantly, I remain a Unit Holder in Vital and therefore remain invested in the ongoing success of the Trust.

I'm also pleased to be handing over to Chris Adams (details over page). Chris has a long standing relationship with Vital and has been part of the Vital leadership team since 2017. This leaves Vital in good hands.



Aaron Hockly
Fund Manager
8 May 2025



Wakefield Hospital official opening



Vital leadership

From 9 May 2025, Chris Adams, Co-Head of Northwest Healthcare for the Australian and New Zealand region, will assume Aaron Hockly's previous Fund Manager responsibilities. Chris brings over 25 years of experience in the healthcare property sector, including as a founding executive of Generation Healthcare REIT, which was acquired by Northwest in 2017. Chris had previously played a key role in establishing Vital's presence in Australia in 1999 after holding various roles within the group in New Zealand.

Full biographies of Chris and other directors and executives available at:
<https://www.vitalhealthcareproperty.co.nz/board-management/>



2.6%
INCREASE IN NET PROPERTY
INCOME OVER Q3



\$2.51
NTA
PER UNIT



Development achievements



The Ormiston Hospital Expansion project

Finalist in the Warren & Mahoney Civic, Health and Arts Property Award at the 2025 Property Industry Awards



Macarthur Health Precinct, NSW



Macarthur Health Precinct Stage 1
awarded a 6 Star Green Star As Built certification



Sustainability focus

During the quarter, Vital continued to support one of its key charitable partners, Keystone Trust. Keystone provides young people held back by inequality with access to education in the property or construction sector.

Key activities during Q3 included providing:

1. a financial scholarship with additional mentoring and other support to a property and commerce student at the University of Auckland (photo below);
2. 22 Keystone Trust students with the opportunity to visit an operating hospital and tour a new hospital development to aid in their learning of property and development; and
3. an intern opportunity for a Keystone scholar to work in Vital's Auckland office for ~2 months.

Portfolio overview*



~19 years
WEIGHTED AVERAGE
LEASE EXPIRY (WALE)



~NZ\$3.2bn
PORTFOLIO VALUE

GEOGRAPHIC DIVERSITY



68%
AUSTRALIA



32%
NEW ZEALAND

PRIVATE HOSPITALS



77.5%
SUB-SECTOR EXPOSURE

AMBULATORY CARE



18.5%
SUB-SECTOR EXPOSURE

LIFE SCIENCE



4%
SUB-SECTOR EXPOSURE

Finance update

~NZ\$110m of additional hedging entered into in Q3 increasing total debt hedged to ~77%.

Post quarter end Vital refinanced ~NZ\$165m in debt facilities.

Highlights of these debt facility changes include:



Vital has no debt maturing
until March 2027



Facilities converted to multi-
currency (A\$ and NZ\$)
providing enhanced flexibility



Average debt duration
extended to 2.9 (+0.2) years
(31 March 2025 proforma)

Vital has reintroduced a 2% discount to its DRP. Proceeds from the DRP are used to fund capital works for operating partners such as the NZ\$11.5m of fit-out works at Wakefield Hospital recently agreed to.



Ormiston Hospital, Auckland

*All figures calculated by value as at 31 March 2025.

Unless otherwise noted, photos on pages 2 and 3 are from the official openings of Wakefield Hospital in Wellington and the Macarthur Health Precinct in Sydney



Hannah (Chau) Nguyen

Bachelor of Property & Bachelor of
Commerce conjoint at the
University of Auckland

Like-for-like
Financial Performance
(unaudited)¹



Official opening of Playford Health Hub (stage 2) in Adelaide

For the period	3 months to 31 Mar 25 \$000s	3 months to 31 Mar 24 \$000s	Variance \$000s	Change %
Gross property income	42,971	39,341		
Property expenses	(8,326)	(5,889)		
Like-for-like net property income	34,645	33,453	1,193	3.6%
Net property income from acquisitions/disposals	16	2,238		
Net property income from developments	2,322	383		
Straight-line rent / amortisation of incentives	(664)	(663)		
Non-recurring items	-	684		
Foreign exchange	699	-		
Net property income	37,019	36,096	923	2.6%

Financial Position (unaudited)

As at	31 Mar 25 \$000s	31 Dec 24 \$000s	Variance \$000s	Change %
Assets				
Investment properties	3,167,269	3,230,546	(19,148)	(0.6%)
Investment properties - held for sale	44,129	-		
Other assets	37,233	35,072		
Liabilities				
Borrowings	1,360,710	1,323,523	37,187	2.8%
Other liabilities	189,281	198,726		
Debt to gross assets	41.9%	40.5%		1.4%
Total Unit Holders’ funds	1,698,640	1,743,366	(44,726)	(2.6%)
Units on issue (000s)	677,083	676,561		
Net tangible assets (\$/unit)	2.51	2.58	(0.06)	(2.7%)
Period end NZD/AUD exchange rate	0.9087	0.9049		

¹ On a ‘constant currency’ basis. Figures may not sum due to rounding.

Year-to-date
Financial Performance
(unaudited)



Chris Adams officially opened Specialist Medical Centre at the Playford Health Hub, SA in February 2025

For the period	9 months to 31 Mar 25 \$000s	9 months to 31 Mar 24 \$000s	Variance \$000s	Change %
Gross property income	133,546	125,873		
Property expenses	(22,220)	(17,379)		
Net property income	111,326	108,494	2,832	2.6%
Corporate expenses	(3,854)	(3,717)		
Management fees (base & incentive)	(13,292)	(18,567)		
Strategic transaction expenses	(2,862)	-		
Net finance expenses	(34,062)	(30,111)		
Operating profit	57,256	56,099	1,157	2.1%
Non-operating gains/(losses)				
Fair value gain/(loss) on investment property	(107,419)	(140,818)		
Net gain/(loss) on disposal of investment property	(1,928)	(2,897)		
Fair value gain/(loss) on derivatives	(16,668)	(17,224)		
Realised & unrealised gain/(loss) on foreign exchange	(248)	(239)		
Profit/(Loss) before income tax	(69,007)	(105,079)	36,072	34.3%
Current and deferred taxation	4,746	5,726		
Profit/(Loss) for the period attributable to Unit Holders of the Trust	(64,261)	(99,353)	35,092	(35.3%)
Funds from Operations (FFO)	53,228	55,364	(2,137)	(3.9%)
Adjusted Funds from Operations (AFFO)	52,529	55,035	(2,507)	(4.6%)
AFFO per unit	7.78	8.24	(0.45)	(5.6%)
Weighted average units on issue (000s)	675,433	667,879	7,554	1.1%
Average NZD/AUD exchange rate	0.9077	0.9272		

Important note: The information in this investor update is general information only and does not contain all information necessary to make an investment decision. The financial information in this investor update has not been audited. No representation or warranty, express or implied, is made to the accuracy, adequacy or reliability of information in this update, including the financial information. This investor update contains forward looking statements which are inherently susceptible to uncertainty. Vital’s actual results may vary materially from those expressed or implied in this investor update. The Manager is under no obligation to provide any update to information included in this update, including as a result of the audit process.



Wakefield Hospital, Wellington

~NZ\$64.5m remaining to be spent on Committed Developments

Development	Description of Works	Development Cost ¹	Cost to Complete	Forecast Net Return	Forecast Completion date
Australia					
GCHKP - RDX (QLD)	9 level research and development centre of excellence and 3 level 181 bay basement car parking.	133.6	24.1	5.6% ²	Mid-25
Total Australian Developments A\$m		133.6	24.1	5.6%	
Total Australian Developments NZ\$m		147.0	26.5	5.6%	
New Zealand					
Grace Stage 1 (NZ TRG)	Fitout of 2 theatres, Endoscopy & 10 beds.	36.7	14.8	5.5%	Mid-26
Endoscopy Auckland (NZ AKL)	New Endoscopy clinic.	32.2	8.0	5.4%	Mid-25
Boulcott (NZ LH)	2 theatres, PACU expansion & conversion.	24.8	3.7	5.9%	Mid-25
Wakefield Level 5 Expansion Works (NZ WGN)	34 bed ward expansion of Level 5 shell space.	11.5	11.5	7.0%	Late-25
Total New Zealand Developments NZ\$m		105.2	38.0	5.7%	
Total Developments in NZ\$m ³		252.2	64.5	5.6%	

¹ Excluding Land

² Fully leased initial yield

³ A\$ converted at 31 March 2025 spot rate 0.9087