

4 February 2025

DLT consultation, indicative valuation changes and half year results release date

DLT consultation

On 20 November 2024, Northwest Healthcare Properties Management Limited (**the Manager**), the manager of Vital Healthcare Property Trust (**Vital**), announced it was undertaking Unit Holder consultation regarding a Dual Listed Trust (**DLT**) proposal which would involve restructuring Vital into separate New Zealand and Australian trusts with independently traded primary listings on the NZX and the ASX, while continuing to operate as a single economic entity.

Since the announcement, extensive consultation has occurred with Vital's largest institutional Unit Holders, retail investor representatives including the New Zealand Shareholders' Association and several wealth managers as well as with Vital's Supervisor.

Feedback has been positive, particularly in relation to the Manager's objectives to provide earnings accretion, a broader investor base and governance enhancements to make Vital a more attractive investment vehicle and improve its access to, and cost of, capital. Stakeholders also supported retaining Vital's PIE status, NZX listing, strategy, portfolio and development pipeline. They also expressed appreciation of the consultation process itself and the way it was undertaken.

Although Unit Holders generally support the end state of the DLT, concerns were raised around transitional matters, including the ASX units issued as part of this proposal, given current market conditions. Finally, the Manager heard concerns from Unit Holders regarding the impact of the DLT proposal on Vital's NZX-listed entity's scale, liquidity and index weighting.

The Manager's Independent Chair, Graham Stuart, commented:

“As a result of the feedback received and current market conditions, the Manager and the Manager's independent directors have decided not to proceed with the DLT proposal at this time. Feedback from stakeholders indicates that the transitional risk for the DLT cannot be adequately addressed in the current market.

We are grateful for the positive engagement we have had with Unit Holders and will continue to consider ways of improving Vital's structure. Stakeholder feedback has been valuable and will help us continue to improve Vital for our Unit Holders.

Whilst important, the DLT is only a small part of the Board's focus on enhancing returns for Unit Holders.”

The Manager will continue to consider ways to create a more attractive and efficient investment vehicle, including potentially a DLT structure, over the course of 2025. During this time the Manager will continue to

consult with Unit Holders on ways to achieve these objectives. There remains no guarantee that the DLT or any alternative proposal will be put to Unit Holders or be implemented.

Improving Vital's structure, including facilitating international capital investment into Vital to drive improved Unit Holder returns, remains a strategic priority for the Manager and its independent directors. The Manager also continues to consider that additional capital sources are required to help unlock the significant embedded value for Unit Holders from Vital's development pipeline across the in-demand New Zealand and Australian healthcare sectors.

Indicative valuation changes to 31 December 2024

The Manager also advises that it expects Vital to record a property revaluation loss of ~NZ\$66m for the six months ended 31 December 2024, with ~35% of the portfolio (by value) having been independently valued at 31 December 2024. This follows 66% of the portfolio (by value) having been independently valued at 30 June 2024.

This preliminary draft revaluation loss represents a ~2% decrease since 30 June 2024 comprising a ~2% decrease for the Australian portfolio and no material change for the New Zealand portfolio due to rent increases more than offsetting a slight increase in the average cap rate for New Zealand.

The indicative weighted average capitalisation rate is expected to be ~5.46% at 31 December 2024, up from 5.31% at 30 June 2024 reflecting ~5.35% for the Australian portfolio (up from 5.18%) and ~5.67% for the New Zealand portfolio (up from 5.59%).

The indicative revaluation loss referred to above is subject to audit and final Board approval which will be confirmed when Vital's interim results are released (details below).

Half year results to be released on 20 February 2025

The Manager expects to release Vital's results for the 6 months ended 31 December 2024 pre-market opening on Thursday, 20 February 2025.

A conference call and webcast are scheduled for 11:00am (NZDT) on Thursday, 20 February 2025. Participants are encouraged to pre-register for the event to avoid delays.

Participants can register for the conference call by navigating to:

<https://s1.c-conf.com/diamondpass/10043435-lhk2z4.html>

Please note that registered participants will receive a personal pin on registration allowing direct entry to the call.

Presentation slides and audio can be viewed by copying the following URL into your internet browser:

<https://event.choruscall.com/mediaframe/webcast.html?webcastid=fQPIJ8G>

You will be required to input your name, email address and company name to register for the webcast.

A copy of the webcast will be available on Vital's website later in the day at: www.vhpt.co.nz

– ENDS –

ENQUIRIES

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About Vital (NZX code VHP):

Vital Healthcare Property Trust is an NZX-listed fund that invests in high-quality healthcare properties in New Zealand and Australia including private hospitals (~79%* of portfolio value) and ambulatory care facilities (~21%* of portfolio value).

Vital is the leading specialist listed landlord of healthcare property in Australasia.

Vital is managed by Northwest Healthcare Properties Management Limited, a subsidiary of Toronto Stock Exchange listed Northwest Healthcare Properties REIT, a global owner and manager of healthcare property.

For more information, visit our website: www.vhpt.co.nz _____

* All figures are as at 31 December 2024