

FY24 Annual Results Presentation

Continuing to enhance our resilience

8 AUGUST 2024

Vital HEALTHCARE
PROPERTY TRUST
Managed by Northwest

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Presenters



Aaron Hockly

SENIOR VICE PRESIDENT
& FUND MANAGER



Michael Groth

CHIEF FINANCIAL OFFICER



Richard Roos

CO-HEAD, ANZ REGION



Chris Adams

CO-HEAD, ANZ REGION

Investing in healthcare property across Australia and New Zealand

VITAL IS THE ONLY SPECIALIST HEALTHCARE LANDLORD LISTED ON THE NZX

Australia

~NZ\$2.2b

22* PROPERTIES;
5.2% WACR

New Zealand

~NZ\$1.0b

14* PROPERTIES;
5.6% WACR

18.3 years

WALE²

~NZ\$3.2b

36* PROPERTIES;
5.3% WACR

3.7%

LIKE-FOR-LIKE, NET
PROPERTY INCOME
GROWTH³

NZ 9.75cpu

DISTRIBUTION ACHIEVED IN FY24 AND
GUIDANCE MAINTAINED FOR FY25

*Excludes strategic land held for development ¹ Average building age = the later of the date of construction or last significant capital works

² Inclusive of landlord options ³ On a same property, constant currency basis



STRATEGY BEING DEPLOYED

- ▶ Successful divestment of non-core assets at a 7.5% discount to prior book value
- ▶ Remaining committed developments are fully funded following recent asset sales
- ▶ Capital partnering progressing, although expected to be delayed until 2025



HIGH QUALITY PORTFOLIO

- ▶ Landlord to leading healthcare operators
- ▶ 98% occupancy
- ▶ Average building age¹: 9.5 years



DEVELOPMENT UPSIDE

- ▶ NZ\$138.2m remaining spend on existing developments
- ▶ Embedded value in land held for potential developments
- ▶ Unmatched development team in healthcare property



MEDIUM TERM GROWTH

- ▶ Strong underlying NPI growth over FY24
- ▶ Targeting 2–3% AFFO and DPU growth over the medium term
- ▶ Strong tenant demand and fundamentals remain

Why healthcare real estate?

Vital focuses on the cure parts of the healthcare real estate spectrum; a defensive asset class that provides attractive risk adjusted returns, driven by an aging and growing population.



Growing demand for healthcare

Aging population and growth (including chronic disease and latent demand arising from COVID-19) supported by recent and proposed government policy / funding



Growing need for health and life sciences space

Life and health science growing rapidly, driven by increased funding and emerging technologies



Sustained population migration

Shift of population creating outsized need for medical facilities in local markets



Transition towards healthcare precincts

Demand for precincts that combine educational and clinical facilities with other amenities



Increased M&A activity

Consolidation and PE ownership increasing number of sophisticated players at scale



Shift to ambulatory care

Increasing number of procedures being performed outside of hospitals

Why invest in Vital?



1

Sector tailwinds underpinned by robust consumer demand



2

Unmatched portfolio quality



3

Strong balance sheet

<40% gearing; 77% hedging; no significant debt expiring until Q4 FY27; fully funded committed development pipeline



4

Embedded value in strategic land for shovel ready developments



Macarthur Health Precinct (Stage 1), NSW

5

Majority independent board & experienced management team



6

7.3% gross yield¹



7

Unit Price trading at a 29% discount to NTA of NZ\$2.69 per unit



¹ Based on 7 August closing price of \$1.915 per unit assuming NZ domiciled investor with a 30% tax rate. Cash yield before tax benefit is ~5.1%.

FY24 Highlights

Buranda Health Hub, QLD
(Artist's impression)



FY24 Highlights

NON-CORE ASSET SALES AND DEVELOPMENTS HAVE HELPED IMPROVE THE RESILIENCE OF THE PORTFOLIO



18.3

year WALE versus 18.1 years in FY20 despite 5 years passing



NZ\$251m

asset sales over FY24 at a 7.5% discount to book value



3.7%

increase in like-for-like net property income²



1st

place for listed healthcare globally in ESG



NZ\$225m

of development and capital expenditure works undertaken in FY24¹



5

developments completed for a total cost of ~NZ\$197m



NZ\$138m

remaining to be spent on 6 committed developments (fully funded from existing debt capacity)

¹ Includes ~\$220.5m of developments and ~\$3.7m of value add capex

² On a same property, constant currency basis



Avive Clinic, VIC

Strategic initiatives

Portfolio enhanced through recycling capital from asset sales into developments

NZ\$310m

OF ASSET SALES SINCE
MARCH 2023 INCLUDING
NZ\$251.3M IN FY24

7.5%

WEIGHTED AVERAGE
DISCOUNT TO BOOK VALUE

~NZ\$180m

OF NON-CORE ASSETS IN
DUE DILIGENCE FOR SALE

Non-core asset sales

- ▶ Asset sale process largely complete (including ~NZ\$180m in due diligence)
- ▶ Proceeds initially repay debt but ultimately will fund value adding development pipeline
- ▶ Remaining committed developments are fully funded from existing debt headroom
- ▶ Recycling capital from asset sales into developments enhance the resilience and medium term returns of the portfolio including through metrics listed below

Improved metrics from asset sales include:

- ▶ WALE increased by 0.5 years
- ▶ Average building age reduced to 9.5 years
- ▶ Average property value increased by ~NZ\$9m
- ▶ Exposure to green assets increased by 4.2%

Capital partnering remains a medium term strategic objective.

Timing to be delayed (likely until 2025) to allow for Australian market conditions and interest rate outlook to improve.



Sustainability

Two developments targeting 6 Star Green Star completed in FY24



Macarthur Health Precinct (Stage 1), Sydney

- ▶ Targeting 6 Star Green Star (expected to be received in CY24)
- ▶ 1st Health precinct registered with Green Star Communities tool
- ▶ 100% electric building

17%

BETTER ENERGY
PERFORMANCE

45%

LOWER EMBODIED
EMISSIONS

13%

BETTER WATER
PERFORMANCE

100%

ENERGY FROM
RENEWABLE SOURCES



Playford Health Hub (Stage 2), Adelaide

- ▶ Targeting 6 Star Green Star (expected to be received in CY24)
- ▶ 100% electric building
- ▶ We undertook and submitted to Green Council a Embodied Carbon and Life Cycle Assessment

34%

BETTER ENERGY
PERFORMANCE

32%

LOWER EMBODIED
EMISSIONS

25%

BETTER WATER
PERFORMANCE

100%

ENERGY FROM
RENEWABLE SOURCES



GRESB
REAL ESTATE

GRESB SECTOR
LEADER 2023



ARA SILVER
AWARD

MSCI



A RATING
UP FROM BBB IN 2022

Vital achieved sector leader status (first place) for listed healthcare globally in both standing assets and developments by GRESB. In addition, Vital was ranked third place overall for listed entities in the Oceania region.

GRESB is an international and independent standards organisation which reviews over 2,000 entities in 75 countries representing over US\$7 trillion in investments.

Financial Results & Capital Management

Financial performance

INCREASE IN CASH EARNINGS FROM NPI OFFSET BY NON-CASH / UNREALISED PROPERTY REVALUATIONS

	ACTUAL FY24	ACTUAL FY23	(%) CHANGE
Net property income	144,533	145,224	↓ (0.5%)
Corporate expenses	(5,798)	(4,659)	↑ 24.4%
Management fees	(24,684)	(33,532)	↓ (26.4%)
Realised transaction gains / (losses)	479	231	↑ 107.4%
Net finance expenses	(40,606)	(37,770)	↑ 7.5%
Operating profit before tax and other income	73,924	69,494	↑ 6.4%
Property revaluations and other losses	(182,127)	(205,117)	↓ (11.2%)
Profit (loss) before income tax	(108,203)	(135,623)	↓ (20.2%)
Adjusted funds from operations (AFFO)	72,899	73,335	↓ (0.6%)
Adjusted funds from operations (cpu)	10.90	11.18	↓ (2.5%)
Distributions per unit (cpu)	9.75	9.75	-
All values shown as NZ\$000			
Average NZD/AUD exchange rate in the period	0.9249	0.9152	

- ▶ Like-for-like growth of 3.7%
- ▶ Reduction due to asset sales

- ▶ Increased primarily due to Australian foreign ownership surcharges

- ▶ Unrealised loss primarily due to higher interest rates affecting Australian property values

Net property income

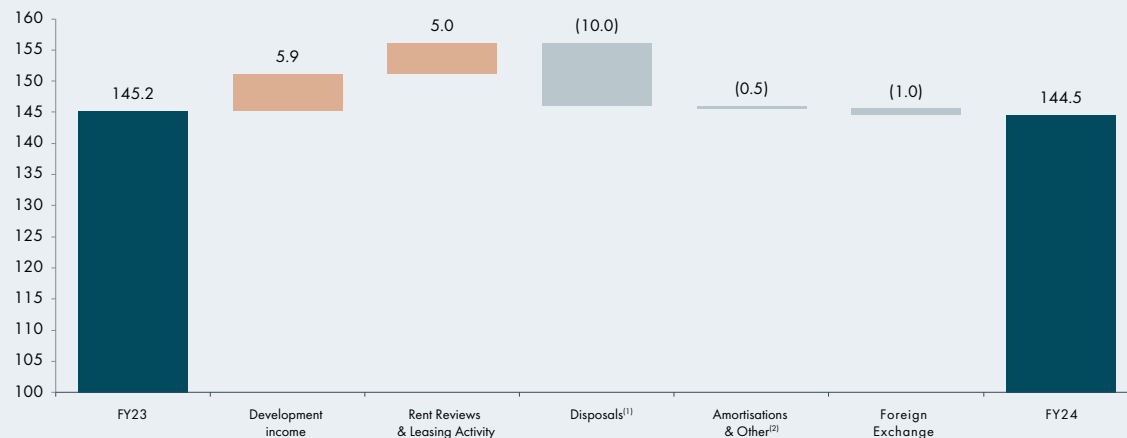
NO MATERIAL CHANGE IN NET PROPERTY INCOME DUE TO NON-CORE ASSET SALES

Over the last 5+ years:

- ▶ 99.99% rent collection
- ▶ Negligible rent relief, bad or doubtful debts

FY24 property income growth of 3.7% (like-for-like, constant currency basis)

NET PROPERTY INCOME BRIDGE
(NZ\$M)



~82% of Vital's leases (by income) are indexed to CPI in some way

¹ Disposals of non-core assets; Mons Road NSW, Southport Private QLD, Eden Rehab QLD, Hall & Prior Portfolio AU, and Apollo Health & Wellness Centre NZ

² Amortisation, Non-recurring R&M & abatements

Balance sheet

REMAINS WELL POSITIONED

	30 JUNE 2024	30 JUNE 2023	(%) CHANGE
Investment properties ¹	3,239,973	3,380,720	↓ (4.2%)
Other assets	64,786	48,992	↑ 32.2%
Bank debt	1,292,653	1,245,293	↑ 3.8%
Other liabilities	206,979	227,036	↓ (8.8%)
Debt to gross assets²	39.1%	36.3%	↑ 7.7%
Unitholder funds	1,805,126	1,957,383	↓ (7.8%)
Units on issue (000s)	671,923	661,014	↑ 1.7%
Net tangible assets (\$/unit)	2.69	2.96	↓ (9.1%)
All values shown as NZ\$000s			
Period end NZD/AUD exchange rate	0.9131	0.9193	

► Decrease due to asset sales and property revaluations

► Target maintaining at 40% or lower through the cycle

► Decline primarily attributable to (non-cash, unrealised) property revaluations

¹ Including property held for sale

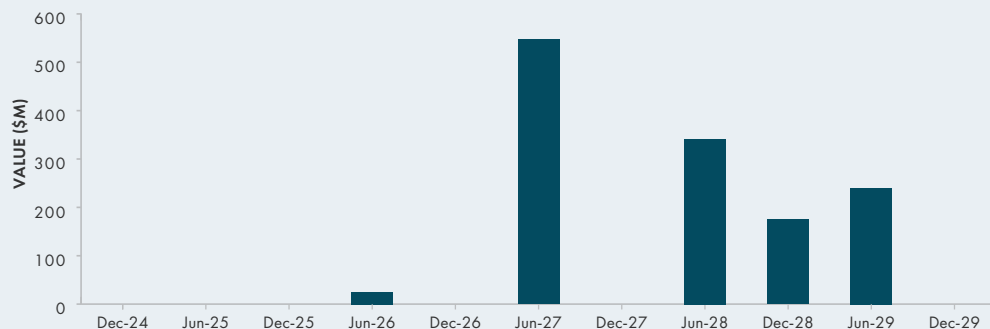
² Calculated in accordance with Vitals' Trust Deed

Prudent gearing maintained

SEEKING TO MAINTAIN BALANCE SHEET GEARING BELOW 40%

BANK FACILITIES	30 JUNE 2024	30 JUNE 2023
Debt to gross assets (Trust Deed) ¹	39.1%	36.3%
Bank loan to value ratio – actual ²	40.4%	36.5%
Bank loan to value ratio – covenant	55.0%	55.0%
Weighted average duration to expiry	3.5 yrs	3.8 yrs
Undrawn facility limit (A\$)	\$144m	\$180m

DEBT EXPIRY PROFILE – 30 JUNE 2024 (A\$)



¹ Trust Deed debt ratio is based on total borrowings to gross asset value of the Trust

² Bank LVR is based on total indebtedness to secured property value as determined by external valuers



No significant debt
expiring until Q4 FY27

Measures to maintain balance
sheet gearing below 40% include:

- ▶ NZ\$180m of additional asset sales in due diligence
- ▶ potential capital partnering
- ▶ limiting new committed developments

Interest rate hedging profile

INTEREST RATE COSTS SUBSTANTIALLY HEDGED FOR ~2 YEARS TO HELP MANAGE RISK

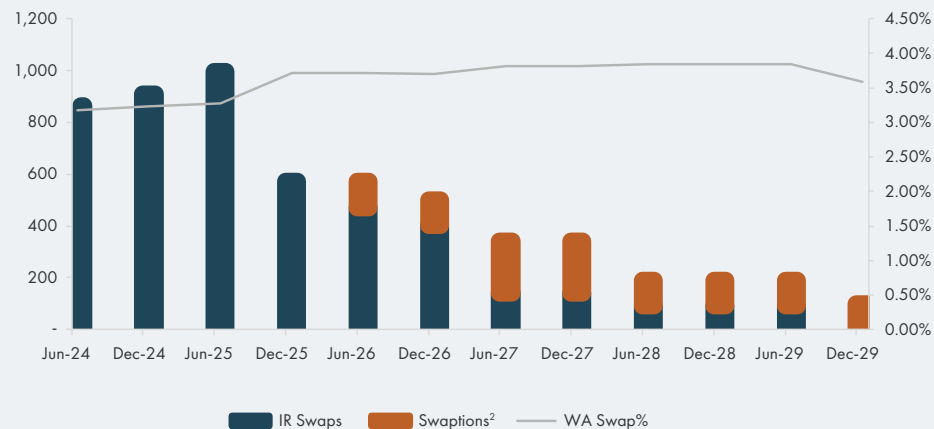
RATES	30 JUN 2024	30 JUN 2023
Weighted average cost of debt ¹	5.15%	4.93%
Weighted average fixed rate ¹	3.22%	3.02%
Weighted average fixed rate duration	2.2 yrs	2.4 yrs
% of drawn debt fixed	77%	70%

Interest rate hedging remains a priority with focus on extending duration.

¹ Drawn debt only (excludes line fees on undrawn facility)

² Exercisable at the election of bank counterparty (A\$200m at weighted average fixed rate of 3.75%)

HEDGING PROFILE (A\$M)



NOTE: Fixed rates exclude line fees and margin

Property & Sector Update

Epworth Eastern Hospital, VIC

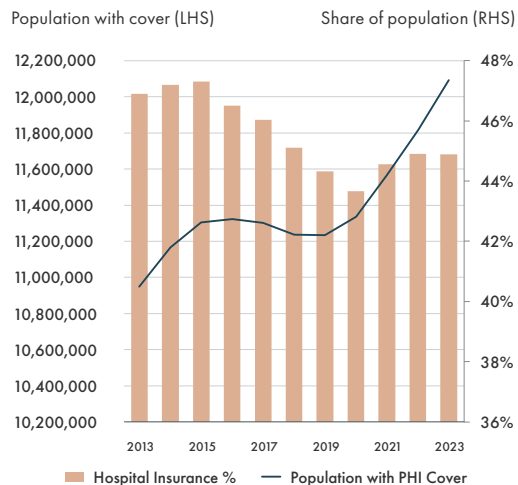
Australian private healthcare landscape

WHILE THERE ARE SOME SHORT TERM HEAD WINDS, PRIVATE HEALTHCARE PLAYS AN ESSENTIAL ROLE IN THE DELIVERY OF HEALTHCARE IN AUSTRALIA



45% of Australia's population have private health insurance coverage with hospital cover

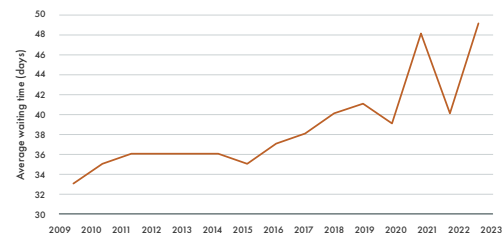
Hospital Insurance coverage



Source: APRA

The pressure on the system is mounting, with future demand outpacing supply

Public hospital waitlists have surged to unprecedented levels, indicating a system under strain. This overflow tends to naturally shift towards the more efficient private sector.



Source: AIHW

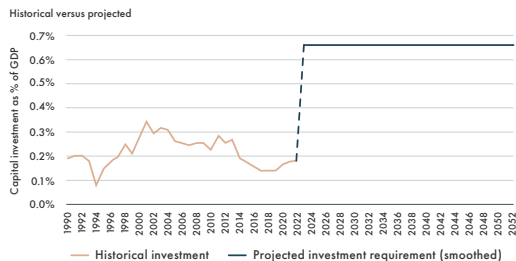
Governments are adding capacity to the system, but investment lags population growth & demand.

New Zealand hospital landscape

PRIVATE HOSPITALS ARE BECOMING AN INCREASINGLY IMPORTANT ASSET FOR HEALTHCARE DELIVERY IN NEW ZEALAND FOR BOTH PUBLIC AND PRIVATELY FUNDED PATIENTS

The NZ Public Hospital System requires significant capital expenditure to correct for decades of under-investment

Figure 3 Public Hospital Infrastructure Expenditure as a Percentage of GDP



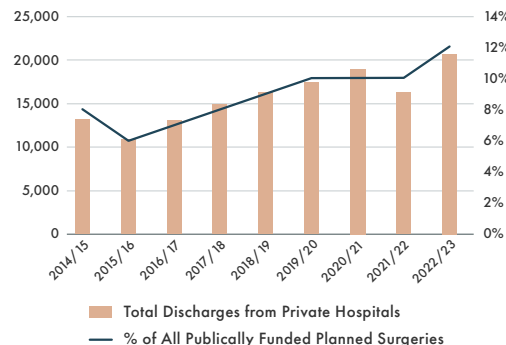
Source: NZIER, The Treasury (2021)

The projected investment to replace and renew assets and meet population demand continues to grow. The estimated average annual requirement for new hospital buildings is almost equivalent to a new c.NZ\$1.4b, 400-bed hospital every year from 2033 to 2052.

As a result of aged infrastructure, there is an increasing reliance on the private sector to serve public patients

The share of public-funded inpatient surgeries performed in the private sector has doubled since 2015 (from 6% to 12%).

Publicly Funded Planned Surgeries in Private Hospitals



Source: Te Whatu Ora

- ▶ Private Health Insurance is becoming increasingly popular with 37% of Kiwis reported having health insurance in 2023, up 5% from 32% in 2022.



Hutt Valley Health Hub, NZ

Portfolio continues to be strengthened

CONTINUING TO BUILD A RESILIENT PORTFOLIO THROUGH THE SALE OF NON-CORE ASSETS

Non-core asset sales

NZ\$59m FY23 + **NZ\$251m** FY24 + **NZ\$180m** In due diligence = **NZ\$490m** Since March 2023

- ▶ Enhanced focus on core metro and precinct locations
- ▶ Concentration of relationships with operators at their core hospitals
- ▶ Maximise investment in the highest performing assets with significant opportunities for growth

BUILDING AGE

1.9 years



WALE

0.9 years



RENT COLLECTION

99.99%



Avive Clinic, VIC

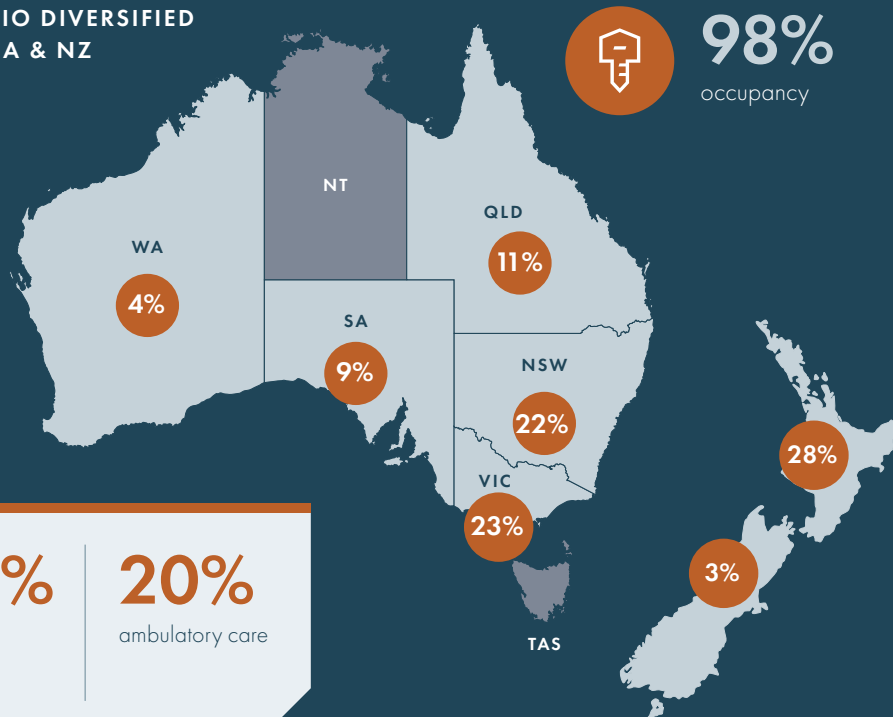
Portfolio overview

AUSTRALASIA'S HIGHEST QUALITY INVESTABLE HEALTHCARE PORTFOLIO

DIVERSIFIED TENANT AND INCOME BASE % OF RENT

Aurora Healthcare	20%
Healthe Care Surgical	16%
Epworth Healthcare	16%
Evolution Healthcare	14%
Southern Cross	3%
Burnside	3%
Mercy Ascot	3%
GenesisCare	2%
I-Med Radiology Network	1%
Health NZ / Te Whatu Ora	1%
Other	21%

NZ\$3.2B PORTFOLIO DIVERSIFIED ACROSS AUSTRALIA & NZ (BY VALUE)



3.7%

NPI growth (like-for-like,
same property, constant
currency basis)

5.3%

WACR
(5.2% Aus; 5.6% NZ)

82%

of rental increases
linked to CPI

80%

hospitals

20%

ambulatory care

CPI aligned leases support income growth

Lease expiry profile

LOW RISK EXPIRY PROFILE SUPPORTS SUSTAINABLE, PREDICTABLE AND DEFENSIVE CASH FLOWS

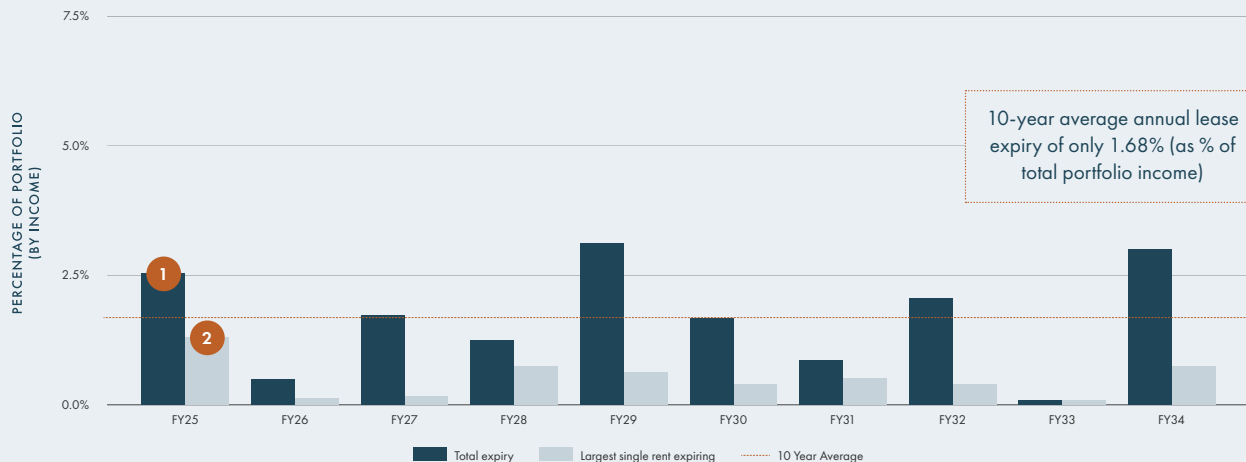
Vital's market leading WALE retained at 18.3 years up from 18.1 years in FY20 despite 5 years passing reflecting asset management initiatives, the strength of Vital's portfolio and tenant demand

1

- ▶ ~1/3rd of this potential expiry is in the process of being sold and the balance have advanced renewal discussions underway

2

- ▶ Epworth Foundation - Brighton - asset in the process of being divested



Development Update

Playford Health Hub, SA

Development Update

- ▶ Completion of \$197m of developments in FY24 (materially on time and on budget)
- ▶ Developments comprise high quality facilities and are part of ongoing portfolio renewal, supporting operator partners and future earnings growth
- ▶ ~NZ\$500m of projects completed in the last 5 years enhancing the quality of Vital's portfolio
- ▶ NZ\$264m of developments in progress with NZ\$138m left to be spent
- ▶ Embedded value in the development opportunities held for future activation



COMPLETED DEVELOPMENTS

Macarthur Health Precinct (Stage 1), Sydney

- ▶ A \$57.4m integrated cancer centre completed in February 2024
- ▶ Targeting 6 Star Green Star
- ▶ 100% leased to GenesisCare for 15 years plus (4x 10 year options)
- ▶ Located in Campbelltown in south west Sydney, one of Australia's fastest growing cities
- ▶ Stage 1 of a multi-staged development expected to include hospital, ambulatory care, research and additional ancillary health facilities



COMPLETED DEVELOPMENTS

Avive Clinic, Mornington Peninsula

- ▶ Vital partnered with Avive to convert this former aged care facility into a modern 60-bed private mental health hospital
- ▶ Completed in December 2023 for a total project cost of \$A28.5m
- ▶ 100% leased to Avive with initial lease term 25 years plus (3 x 15 year options)
- ▶ Re-purposing an existing facility saved ~1,400 tonnes of CO₂



COMPLETED DEVELOPMENTS

Playford Health Hub (Stage 2), Adelaide

- ▶ ~A\$43.4m excl land development completed in May 2024, now 67% leased
- ▶ ~6,400sqm net lettable area specialist medical centre providing day oncology, radiotherapy, radiology, pathology and other related healthcare services through key tenants including Calvary and GenesisCare
- ▶ The building is targeting and is on track to be awarded 6 Star Green Star rating (as built).
- ▶ ESG features include 100% renewable energy, water efficiency 25% above standard practice and 32% lower embedded carbon than a standard building
- ▶ Stage 1 comprised a multi-storey car park 50% leased to SA Health and retail facilities completed in 2021
- ▶ Planning underway for Stage 3 being a private hospital in conjunction with South Australia's largest hospital operator Calvary Health Care



COMPLETED DEVELOPMENTS

Ormiston Hospital (Stage 1), Auckland

- ▶ ~NZ\$38.1m excl land expansion completed in June 2024, now 86% leased
- ▶ A ~3,600sqm net lettable area development, doubling the size of the existing facility
- ▶ Expansion of the existing Hospital to provide 3 endoscopy procedure rooms, 15 beds, and consulting suites with shell space for 2 theatres and a further 9 beds
- ▶ Hospital lease extended by 20 years to entity majority owned by Southern Cross Healthcare
- ▶ Planning for further expansion on adjacent land is underway



VITAL'S INVESTMENT COMPLETE
(STAGE 2 APPROACHING PRACTICAL COMPLETION)

Wakefield Hospital, Wellington

- ▶ Staged redevelopment of Wellington's largest private hospital
- ▶ Stage 1 completed in 2021
- ▶ Stage 2 main works nearing completion
- ▶ Base isolators and building services movement joints designed to exceed the latest seismic standards
- ▶ State-of-the-art theatres and catheterisation laboratories ("cath labs")
- ▶ Vital's contribution, capped at NZ\$141m total all in cost, was reached in June 2024 (includes funding for previous stage)
- ▶ Hospital operations including surgery continued throughout this major transformation



Embedded value in potential developments



Cautious on committing to new developments



Potential developments to be "shovel ready" pending supportive conditions



~NZ\$200m

Current holding value
(mainly land)



NZ\$1.9b

potential development pipeline



Pipeline is attractive to capital partners
- enables efficient funding



Strategically focused on precincts and growing ambulatory care exposure



Opportunity to provide attractive future returns



Buranda Health Hub, QLD
(Artist's Impression)

Future Focus

*Tūngia te uruuru kia tupu whakaritorito
te tupu o te harakeke.*

*Clear the undergrowth so that the new
shoots of the flax will grow.*

Whakatauki
Māori proverb

Wakefield Hospital, Wellington

Outlook & guidance

CONTINUED DELIVERY AND FOCUS ON ADDING VALUE AND A RETURN TO EARNINGS GROWTH

Vital is a 'best in class'
investment platform.



FY25 focus

- ▶ 9.75 cpu distribution guidance
- ▶ Continued enhancement of portfolio
- ▶ Ongoing capital management enhancements



Medium term

- ▶ Sector tailwinds
- ▶ Development upside from shovel ready projects
- ▶ AFFO and distribution growth



Sustainability

- ▶ Core of everything we do
- ▶ Seeking to maintain sector leadership

As well as focusing on AFFO per unit growth, we are seeking to continually improve Vital's portfolio and add value for Unit Holders.

Appendices

Appendices

Board & Management

Experienced Management Team



Aaron Hockly

SENIOR VICE PRESIDENT - NEW ZEALAND & VITAL FUND MANAGER

Aaron Hockly has over 20 years experience in financial services, property and law. Originally from New Zealand, Aaron spent 17 years in the UK and Australia until returning in 2018. Aaron was Chief Operating Officer for a large ASX listed real estate investment trust for nearly 10 years where he was responsible for strategy, transaction structuring and execution (property, debt and equity), reporting and investor relations.

Among other qualifications, Aaron has a Masters in Applied Finance and a Bachelor of Arts and Bachelor of Laws from the University of Auckland. He is a Fellow of both Governance New Zealand and the Financial Services Institute of Australasia (FINSIA), as well as being a Chartered Member of the Institute of Directors (NZ).

Aaron has served on the boards of several charities in both New Zealand and Australia including Mercy Healthcare Auckland where he is currently a director. He is also a member of the Auckland Urban Design Panel and the Health Sector Climate Scenarios Leadership Group.



Chris Adams

CO-HEAD, A/NZ REGION

Chris Adams jointly leads the Northwest business in Australia and New Zealand.

He has extensive experience in the property industry in Australia, New Zealand and the United Kingdom, including over 25 years' direct experience in health property.

Chris was one of the founding Executives at ASX-listed Generation Healthcare REIT which was acquired by Northwest in 2017. Prior to that he established Vital Healthcare Property Trust's presence in Australia in 1999 following various roles with the group in New Zealand.

Chris holds a Bachelor of Property from the University of Auckland.



Alex Belcastro

SENIOR VICE PRESIDENT - DEVELOPMENTS AND PRECINCTS

Alex Belcastro, formerly the Chief Business Development Officer at Ramsay Health Care managing a multi-billion-dollar hospital asset portfolio, joined our team in 2021.

Alex leads precinct transactions, leasing and developments. She also provides strategic leadership to the development and leasing divisions and heads our Strategy and Research function.

With over 18 years of specialised experience in social infrastructure, she has facilitated large-scale transactions and developments across public and private sectors.

Her diverse background spans advisory, operational, and ownership roles, adding valuable real estate expertise to our platform.

Holding a Master of Construction Management and a Bachelor of Planning and Design from the University of Melbourne, Alex has also honed her skills through executive education at Harvard Business School.



Macarthur Health Precinct (Stage 1), NSW

Experienced Management Team



Vanessa Flax

VICE PRESIDENT, REGIONAL GENERAL COUNSEL AND COMPANY SECRETARY

Vanessa Flax joined the team in 2019, prior to which she was a special counsel at Ashurst Australia.

Vanessa has 25 years of deep and broad ranging property law experience in Australia and New Zealand, including acting as primary legal adviser (for approximately 15 years) for Vital and Northwest.

Vanessa's legal experience covers all aspects of real estate property transactions, including acquisitions, divestments and sales, leasing and Crown leasing, development transactions and due diligence.

Vanessa has a Bachelor of Arts and Bachelor of Laws from the University of Witwatersrand, South Africa.



Michael Groth

CHIEF FINANCIAL OFFICER

Michael Groth has over 18 years' experience as a senior finance executive in the listed and unlisted property funds and funds management industry. Prior to joining the team in 2019, Michael's most recent position was as Group Chief Financial Officer of the Melbourne based and ASX-listed real estate fund manager, APN Property Group Limited.

Michael has extensive experience in financial management and reporting, taxation, treasury and capital management, corporate structuring, acquisitions, disposals and equity raisings in the listed and unlisted property and funds management industry.

Michael holds a Bachelor of Commerce and Bachelor of Science and has been a member of the Chartered Accountants Australia and New Zealand since 2000.



Richard Roos

CO-HEAD, A/NZ REGION

Richard Roos jointly leads the Northwest business in Australia and New Zealand. He has over 25 years' experience in commercial real estate financing, acquisitions and property management, of which the last 17 years have been in healthcare real estate in senior roles for Northwest in Canada and Australia.

Richard is responsible for asset management, transactions, people and culture, and ESG. He is also focused on building and expanding strong relationships with Northwest's operator partners.



Wakefield Hospital, Wellington

Majority Independent Board



Graham Stuart

INDEPENDENT CHAIR AND MEMBER OF THE AUDIT COMMITTEE

Graham Stuart is an experienced corporate director with an established track record of performance in governance and in prior executive roles. He is currently an Independent Director and Chair of the Audit Committee at Tower Limited, Director of Ravensdown Limited and Director of Dairy Goat Co-operative (N.Z.) Limited.

He was previously the CEO of Sealord Group from 2007 to 2014 and Director, Strategy and Growth and CFO of Fonterra Co-operative Group from 2001 to 2007 and Independent Chair of EROAD Limited.

Graham is a Fellow of Chartered Accountants Australia & New Zealand (CAANZ) and has a Master of Science degree from Massachusetts Institute of Technology and a Bachelor of Commerce with first class honours from the University of Otago.



Mike Brady

DIRECTOR

Mike was appointed global President of Northwest Healthcare Properties REIT (TSX: NWH.UN) in 2023 after serving as global Executive Vice President, General Counsel and Board Secretary since joining the REIT in 2006. He has extensive experience in real estate investments and finance, transaction management, global leadership, governance and legal matters.

Mike has played a significant commercial and legal role in the strategic direction and growth of the REIT, most recently leading the team to complete a €2 billion pan-European joint venture fund, a \$435 million UK hospital portfolio, and a \$2 billion joint venture fund and acquisition of a \$1.25 billion hospital portfolio in Australia.

Prior to joining the corporate real estate world, Mike was a corporate law partner at two Toronto-based law firms, where he developed his real estate practice. He has a Bachelor of Arts (Economics) and a joint LL.B./Masters of Business Administration from Dalhousie University, Halifax.



Angela Bull

INDEPENDENT DIRECTOR AND MEMBER OF THE AUDIT COMMITTEE

Angela Bull is an independent director of realestate.co.nz, Property For Industry Limited (NZX:PFIL), Foodstuffs South Island Ltd and Foodstuffs NZ Ltd. She is also on the Trust Board of St Cuthbert's College and an independent director of Bayleys Corporation Board (NZ) and recently joined the Board of Fulton Hogan as an independent director.

Angela is a former Chief Executive of Tramco Group, a large New Zealand owned property investment company which specialises in large scale land holdings, notably the Viaduct Harbour precinct in Auckland and Wairakei Estate in the Waikato; a former Board member of the Property Council of New Zealand; and a former independent director of the Real Estate Institute of New Zealand.

She holds a Bachelor of Laws and a Bachelor of Arts (Political Science) and practised property and environmental law prior to her executive career. Previously, Angela held a number of senior positions over a 10-year period with Foodstuffs Auckland and Foodstuffs North Island Ltd, most recently being General Manager Property Development for Foodstuffs North Island.

Majority Independent Board



Macarthur Health Precinct (Stage 1), NSW



Craig Mitchell

**DIRECTOR AND MEMBER OF THE
AUDIT COMMITTEE**

Craig joined Northwest in 2018 as CEO for Australia and New Zealand, was a member of the global management team and assumed a global leadership role with funds and operations when he was named President in 2020. The Northwest Board appointed him CEO in 2023.

A professional manager with an inclusive leadership style, Craig has more than 20 years of experience specialising in the property industry. His previous roles include Executive Director and Chief Operating Officer of Dexis, an ASX top 50 listed REIT.

Craig has a Master of Business Administration (Executive) from the Australian Graduate School of Management, a Bachelor of Commerce and a Fellow of CPA Australia. He has also completed the Advanced Management Program at Harvard University, Boston.



Dr Michael Stanford AM

**INDEPENDENT DIRECTOR AND CHAIR
OF THE AUDIT COMMITTEE**

Dr Michael Stanford has more than 30 years' experience in the health sector in either Group CEO or Board roles. Michael's current Board roles include Chair of Nexus Hospitals, a leading provider of specialist day and short stay private hospital based care; and Board member of the Royal Australian College of General Practitioners as well as Board member of Healius (ASX:HLS). Other Board roles in the last three years have included Australian Clinical Labs (ASX: ACL), Australia's third largest private pathology provider; Nucleus Networks, one of the world's largest Phase one clinical research organisations; Virtus Health (ASX: VRT), one of the world's top five providers of Assisted Reproductive Services; as Chair of disability, aged, employment and training services provider GenU; and as President and Board Chair of Diabetes Australia, a significant Not-for-Profit organisation.

Michael was the Group CEO of St John of God Healthcare, Australasia's third largest private hospital provider, for 16 years during which time the company increased revenue fivefold through organic and M&A growth plus more than A\$1 billion greenfield and brownfield developments. Michael's other Managing Director roles included the ASX listed Australian Hospital Care and two public hospital networks in Victoria. Michael holds an MBA from Macquarie University and Bachelor of Medicine and Bachelor of Surgery from UNSW. He is a Fellow of the Australian Institute of Company Directors.

In 2018 Michael was awarded a Member of the Order of Australia for significant service to the health sector through executive roles, to tertiary education and the WA community, in 2010 he received the WA Citizen of the Year Award – Industry and Commerce category.

Appendices

Additional financial information

Adjusted funds from operations (AFFO)

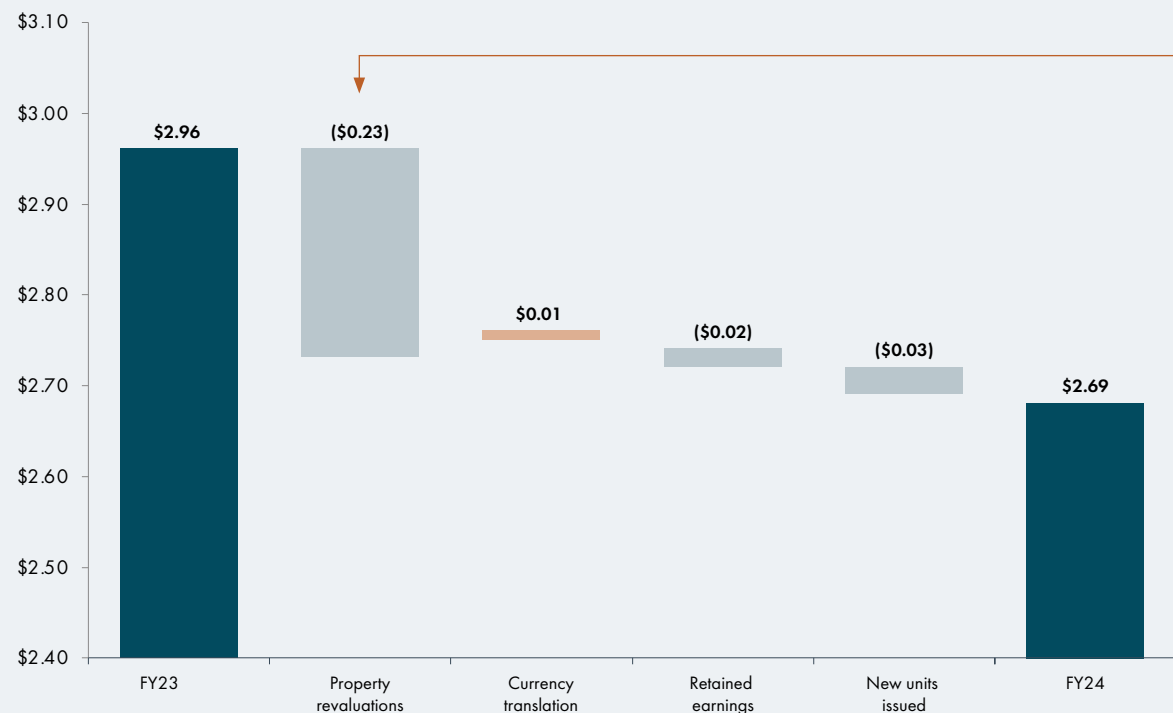
CONSERVATIVE PAYOUT RATIO RETAINED

	FY2024	FY2023	(%) CHANGE
Operating profit before tax and other income	73,924	69,494	↑ 6.4%
Add/(deduct):			
Current tax expense	(19,046)	(14,787)	↑ 28.8%
Incentive fee	6,600	14,986	↓ (56.0%)
Realised and unrealised fx on borrowings (net of tax)	(48)	(107)	↓ (55.3%)
Amortisation of borrowing costs	2,009	1,716	↑ 17.1%
Amortisation of leasing costs & tenant inducements	3,423	2,850	↑ 20.1%
Current tax expense on interest rate swap restructure and asset disposals	6,536	-	↑ -
IFRS 16 operating lease accounting	(157)	(170)	↓ (7.6%)
Funds from operations (FFO)	73,241	73,981	↓ (1.0%)
Add/(deduct):			
Actual repairs and maintenance from continuing operations	(342)	(647)	↓ (47.1%)
Adjusted funds from operations (AFFO)	72,899	73,335	↓ (0.6%)
AFFO (cpu)	10.90c	11.18c	↓ (2.5%)
Distribution per unit (cpu)	9.75c	9.75c	-
AFFO payout ratio	89%	87%	
All values shown in NZ\$000's			
Units on issue (weighted average, 000s)	668,753	656,236	

Net tangible assets (NTA)

NTA DECLINE PER UNIT PRIMARILY DUE TO UNREALISED PROPERTY REVALUATION LOSSES

NTA PER UNIT BRIDGE (FY24)

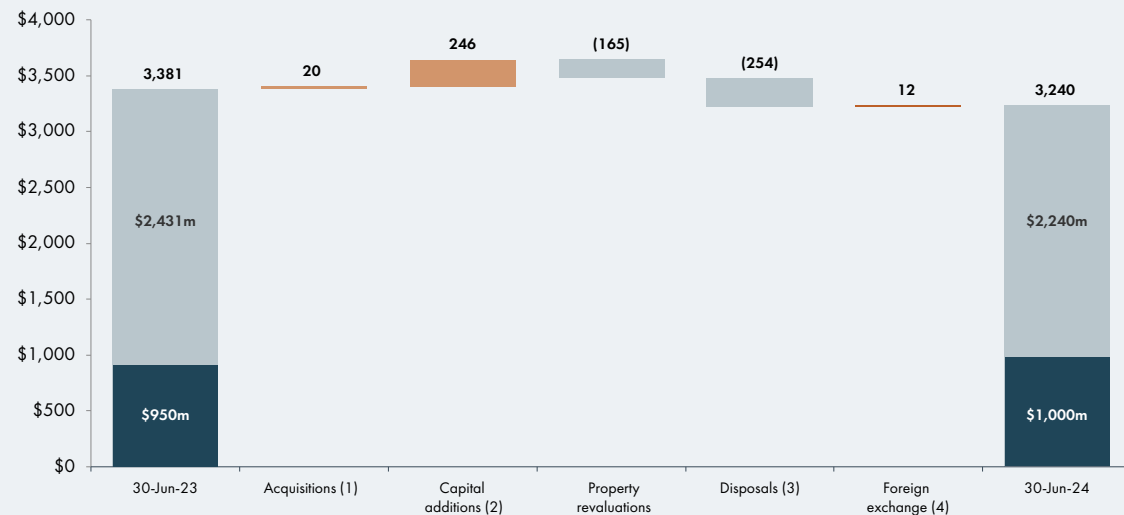


► NZ\$165m or 7.8% reduction from June 2023

Movement in investment property

STRONG CPI LINKED HEALTHCARE PORTFOLIO OFFSETS CAP RATE SOFTENING

TOTAL PORTFOLIO VALUE BRIDGE (FY24) (NZ\$M)



¹ \$20m of acquisitions for strategic / development sites and tenant incentives. All values shown in NZ\$, pre costs

² Includes development expenditure and capitalised interest costs

³ Book value

⁴ Period end NZD/AUD exchange rate moved from 0.9131 at 30 June 2024 to 0.9193 at 30 June 2023

⁵ Disposals during FY24 including assets held for sale at 30 June 2023

KEY FY24 RESULTS

- ▶ Vital has been selling non-core assets to recycle capital into new developments to improve the portfolio and medium term returns for Unit Holders

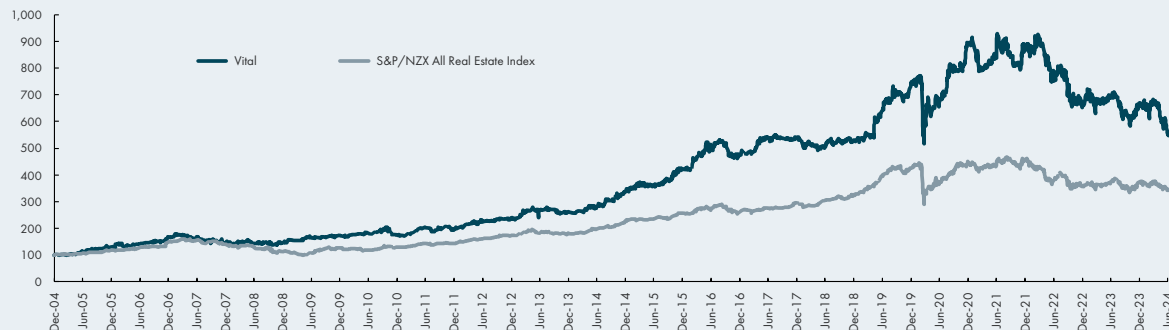
Comparative returns

VITAL MAINTAINS LONG-TERM OUTPERFORMANCE VS BENCHMARK ON A TOTAL RETURN¹ BASIS

TOTAL RETURN ¹ TO 30 JUNE 2024	1YR	5YR (P.A.)	10YR (P.A.)	SINCE 2004 (P.A.) ²
Vital	(19.4%)	(2.6%)	7.1%	9.2%
S&P/NZX All Real Estate Index	(8.3%)	(2.8%)	5.7%	6.5%
S&P/NZX 50 Index	(1.7%)	2.2%	8.6%	7.1%
Vital's performance vs NZX REIT	(11.1%)	0.2%	1.4%	2.7%
Vital's performance vs NZX50	(17.7%)	(4.8%)	(1.5%)	2.1%

- ▶ Long-term out-performance highlights the defensive nature of healthcare real estate compared to other real estate classes

VHP VS S&P NZX REAL ESTATE INDEX



Source: Forsyth Barr

¹ Total returns measured by change in unit price plus post-tax distributions to 31 December 2024

² S&P/NZX All Real Estate Index and S&P/NZX 50 Index data from 31 December 2004, being the inception date of the NZX All Real Estate Index

Appendices

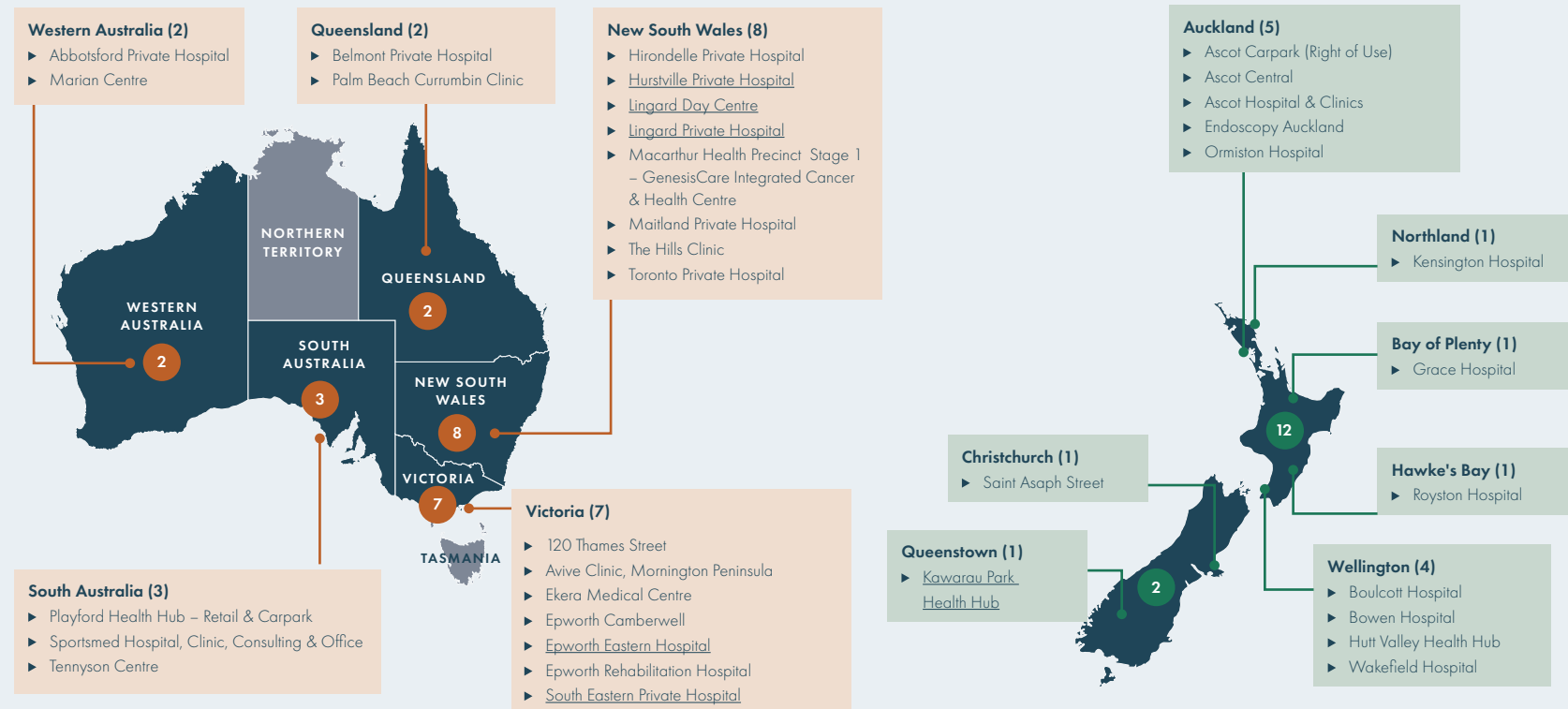
Additional property information

Investment properties

AS AT 30 JUNE 2024

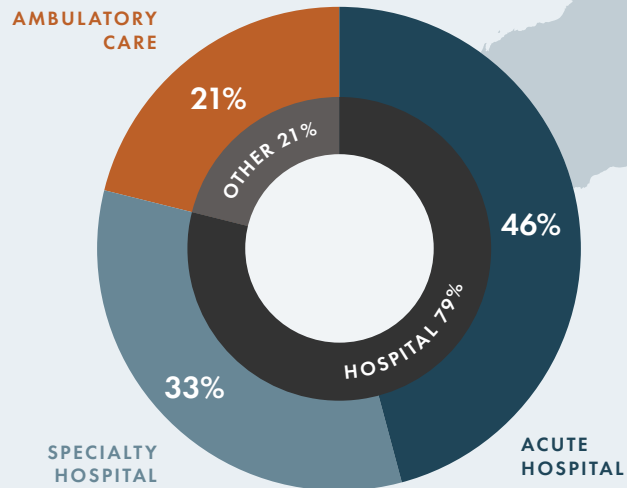
~NZ\$3.2B PORTFOLIO OF HEALTHCARE REAL ESTATE COMPRISING 36 INVESTMENT PROPERTIES AND 2,800+ BEDS

Click on one of the underlined properties to see a fly-through of that property



~NZ\$2.2b Australian portfolio overview

PRECINCT FOCUSED PORTFOLIO WITH A DIVERSE TENANT BASE



18.1 years

WALE¹

SUBSECTOR DIVERSITY (BY VALUE)

¹ Inclusive of landlord options



PRIVATE HOSPITALS

- ▶ 17 hospitals (acute and specialty – mental health, rehabilitation)
- ▶ 5 hospital operators
- ▶ 79% of AUS portfolio value; 89% of AUS rent
- ▶ WALE: 19.3 years

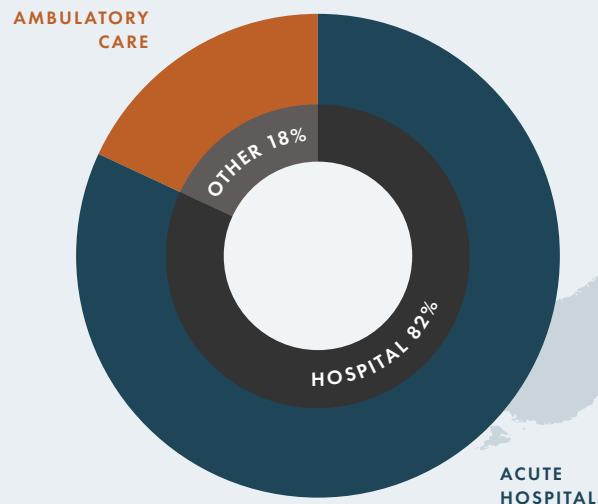


AMBULATORY CARE

- ▶ 5 assets, multiple tenants
- ▶ 21% of AUS portfolio value; 11% of AUS rent
- ▶ WALE: 8.6 years

~NZ\$1.0b New Zealand portfolio overview

STRONG GROWTH IN NZ PORTFOLIO OVER LAST 5 YEARS
REFLECTING POSITIVE CONDITIONS FOR PRIVATE OPERATORS



SUBSECTOR DIVERSITY (BY VALUE)

18.6 years

WALE¹

¹ Inclusive of landlord options



PRIVATE HOSPITALS

- ▶ 9 hospitals (all acute)
- ▶ 6 hospital operators
- ▶ 82% of NZ portfolio value;
85% of NZ rent
- ▶ WALE: 20.0 years



AMBULATORY CARE

- ▶ 5 assets, multiple tenants
- ▶ 18% of NZ portfolio value;
15% of NZ rent
- ▶ WALE: 10.3 years

Rent reviews undertaken in FY24

HIGH PERCENTAGE OF TOTAL RENT IS REVIEWED ANNUALLY WITH STRUCTURED¹ REVIEW MECHANISMS

FY24						
		#	Jun-23 Rent p.a. (NZD)	Jun-24 Rent p.a. (NZD)	Increase (NZD)	Annualised Growth (Stable currency)
Australia	AUS	83	87,229,486	91,344,228	4,114,742	4.7%
New Zealand	NZ	74	46,992,366	49,448,510	2,456,144	5.2%
Total		157	134,221,852	140,792,737	6,570,885	4.9%

		#	Jun-23 Rent p.a. (NZD)	Jun-24 Rent p.a. (NZD)	Increase (NZD)	Annualised Growth (Stable currency)
CPI	CPI	103	119,261,141	125,026,410	5,765,270	4.8%
Fixed	Fixed	40	12,513,450	13,190,398	676,948	5.4%
Market	Market	13	1,254,890	1,335,582	80,692	6.4%
Turnover	Turnover	1	1,192,372	1,240,346	47,975	4.0%
Total		157	134,221,852	140,792,737	6,570,885	4.9%



Rent reviews have been completed for 157 leases in FY24



Structured reviews represent 98%¹ of leases by income



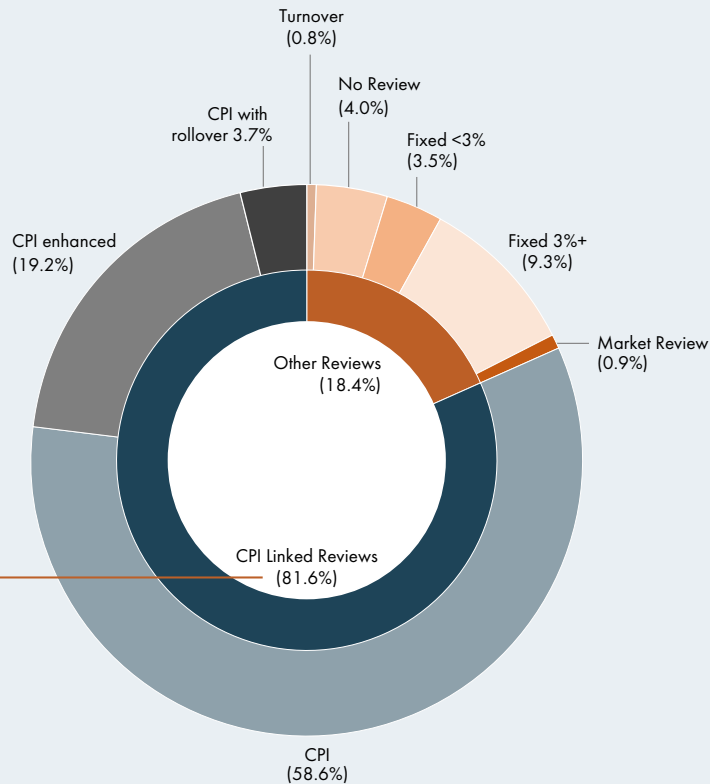
Significant uplift via market and CPI rent reviews

¹ Includes fixed percentage and CPI reviews

Rent review profile

BREAKDOWN OF PORTFOLIO CPI REVIEWS

TYPE	%
CPI - Un-Capped	23.1%
CPI - 2% Cap	0.1%
CPI - 2.5% Cap	1.5%
CPI - 3% Cap	4.1%
CPI - 3.5% Cap	1.7%
CPI - 4% Cap	42.9%
CPI x 1.5 - 2.5% Cap	6.0%
CPI x 1.5 - 3% Cap	16.9%
CPI x 1.75 - 4% Cap	3.5%
Greater of CPI and 1%	0.2%



~4% of Vital's leases (by income) have provisions that carry forward any rent increase lost due to a cap

Core portfolio metrics

5 YEAR TRENDS HIGHLIGHT PORTFOLIO STRENGTH AND UNDERPIN LONG-TERM PERFORMANCE



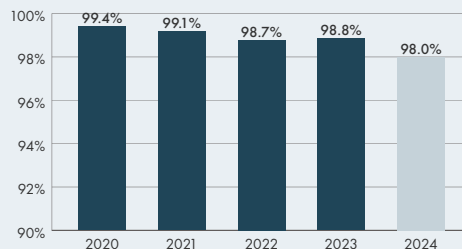
Long-term track record of maintaining

>98% Occupancy

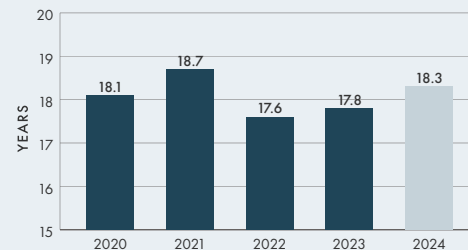


High degree of confidence that future expiries will be renewed or replaced with new tenants in advance of expiry

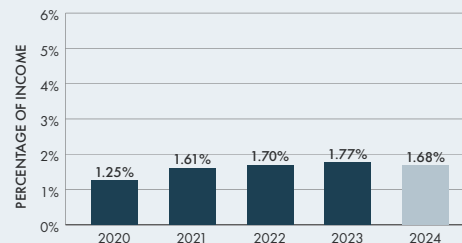
OCCUPANCY



WALE



AVERAGE 10 YR LEASE EXPIRY¹



TOTAL INCOME SUBJECT TO STRUCTURED RENT REVIEWS



¹ Reflects the average % of total portfolio income that expires over the next 10 years

Appendices

Additional development information

Committed developments – Australia & New Zealand

DEVELOPMENTS ENHANCE EARNINGS GROWTH AND IMPROVE ASSET QUALITY

ALL VALUES SHOWN IN \$M	DESCRIPTION OF WORKS	DEVELOPMENT COST ¹	LAND VALUE	SPEND TO DATE	COST TO COMPLETE	FORECAST NET RETURN	FORECAST COMPLETION DATE	STATUS
Australia								
GCHPK - RDX (QLD)	9 level research and development centre of excellence and 3 level 181 bay basement car parking	133.6	7.2	58.3	75.3	5.6%	Mid-25	Construction works progressing well with facade installation to commence from mid-24 and the structure expected to be complete by late-24.
Maitland (NSW)	Expansion including 24 additional mental health beds, 5 additional day oncology chairs, 4 additional surgical beds, 6 new consulting suites & 34 additional car spaces	16.0	-	14.5	1.5	6.0%	Mid-24	Stage 1 mental health and elevated car park works complete and Stage 2 oncology and consulting rooms fit-out underway.
Coomera Stage 1 EW (QLD)	Earthworks, stormwater works & infrastructure lead ins	6.0	-	4.7	1.3	TBC	Mid-24	Stormwater works 90% complete and landscaping works underway, for infrastructure go live in August 2024.
Total Australian Developments A\$		155.6	7.2	77.6	78.0	5.6%		
Total Australian Developments NZ\$		170.4	7.9	84.9	85.4	5.6%		
New Zealand								
Grace Stage 1 (NZ TRG)	Fitout of 2 theatres, endoscopy & 10 beds	36.7	-	14.8	21.9	5.5%	Mid-26	Same day admissions unit, OT8/9 & on grade car park works complete. Oropi Day Unit works forecast completion in August 2024, ahead of program. Western Wing IPU extension works commenced in May 2024 are on program.
Endoscopy Auckland (NZ AKL)	New endoscopy clinic	32.2	-	13.2	19.0	5.4%	Mid-25	Main works commenced early-24 and construction currently ahead of program.
Boulcott (NZ LH)	2 theatres, PACU expansion & conversion	24.8	-	13.0	11.9	5.9%	Mid-25	Development approaching the mid point of construction works and progressing on program.
Total New Zealand Developments NZ\$		93.7	0.0	40.9	52.8	5.6%		
Total Developments in NZ\$²		264.1	7.9	125.8	138.2	5.6%		
New Zealand (Other Developments)								
Wakefield Stage 2 (NZ WGN) ³	Staged demolition and redevelopment of entire hospital	91.5	-	91.5	0.0	5.6%	Late-24 ⁴	Construction continues with finishes trades underway. Vital's contribution cap reached in mid-24. Project costs were rentalised as incurred.
Total New Zealand Developments NZ\$		91.5	0.0	91.5	0.0	5.6%		

¹ Excluding Land

² A\$ converted at 30 June 2024 spot rate 0.9131

³ Wakefield Stage 2 has been excluded from the committed developments table due to the contribution cost cap being reached. Project costs were rentalised as incurred

⁴ Demolition works to be completed by late-25

Current and potential Australian development pipeline in key healthcare precincts with growing populations

QLD

SA

NSW

VIC

Brisbane

Gold Coast

Brisbane

BURANDA HEALTH HUB

LOGAN PRIVATE HOSPITAL

COOMERA HEALTH CAMPUS

Gold Coast

RDX

Newcastle

Sydney

Sydney

LINGARD PRIVATE HOSPITAL

LINGARD DAY CENTRE

MACARTHUR HEALTH PRECINCT STAGE 1

STAGE 2 & 3 DEVELOPMENT

PLAYFORD HEALTH HUB

Adelaide

Melbourne

EPWORTH EASTERN PRIVATE HOSPITAL

EPWORTH EASTERN HEALTH PRECINCT

SOUTH EASTERN PRIVATE HOSPITAL

Melbourne

● Current income producing assets

● Land holding

Current and potential New Zealand development pipeline in key healthcare precincts with growing populations



Glossary

AFFO	Adjusted Funds From Operations is an alternate measure used for assessing distributable income. Essentially adjusts net profit after tax for non-cash/non-recurring items (i.e. NDI) then makes adjustments for items such as maintenance capex and lease incentives paid.
Cap Rate	Capitalisation Rate. Generally calculated as net operating income / current market value of investment property.
CPI	Consumer Price Index. An index that measures the change in the cost of a 'basket' of basic goods and services, showing how the cost-of-living changes over time. The most widely accepted indicator of inflation.
EBITDAR	Earnings Before Interest, Tax, Depreciation, Amortisation, Rent.
FX	An abbreviation for 'foreign exchange' used where there is a transaction in a currency other than the local currency.
NPI	Net Property Income.
NTA	Net Tangible Assets. The total assets of the Trust less total liabilities. NTA is normally divided by the number of units on issue and expressed as an annual amount per unit.
WALE	Weighted Average Lease term to Expiry. The weighted average lease term remaining to expire across a portfolio, sometimes also referred to as WALT.

Disclaimer

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All references to \$ are to New Zealand dollars unless otherwise indicated.

This document may contain forward-looking statements. Forward-looking statements can include words such as “expect”, “intend”, “plan”, “believe”, “continue” or similar words in connection with discussions of future operating or financial performance or conditions. Any indications of, or guidance or outlook on, future earnings or financial position or performance and future distributions are also forward-looking statements. The forward-looking statements are based on management's and directors' current expectations and assumptions regarding the Trust's business, assets and performance and other future conditions, circumstances and results. As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and to any changes in circumstances. The Trust's actual results may vary materially from those expressed or implied in the forward-looking statements. The Manager, the Trust, and its or their directors, employees and/or shareholders have no liability whatsoever to any person for any loss arising from this document or any information supplied in connection with it. The Manager and the Trust are under no obligation to update this document or the information contained in it after it has been released. Past performance is no indication of future performance.

The information in this document is of general background and does not purport to be complete. It should be read in conjunction with Vital's market announcements lodged with NZX, which are available at www.nzx.com/companies/VHP.

8 August 2024

Thank you

www.vhpt.co.nz



Playford Health Hub (Stage 2), SA
(Artist's impression)

Vital HEALTHCARE
PROPERTY TRUST
Managed by Northwest