

## MARKET RELEASE

18 September 2020

NorthWest Healthcare Properties Management Limited (**the Manager**), as manager of Vital Healthcare Property Trust (**Vital**) provides the following general market updates.

### Appointment of Independent Chairman

In accordance with Listing Rule 3.20 and subject to Mr Stuart being re-elected (see below), the following changes are expected to be made to the Board of the Manager with effect from the close of the Annual Meeting:

1. Retirement of Mr Bernard Crotty as Chairman.
2. Appointment of current Independent Director, Mr Graham Stuart, as Independent Chairman.
3. Retirement of Mr Stuart as Chair of the Audit Committee.
4. Appointment of current Independent Director, Dr Michael Stanford, as Chair of the Audit Committee.

The proposed changes are consistent with previous commitments. Following the appointment of Mr Stuart as Chairman, the Board of the Manager will be led by an Independent Chairman, comprise a majority of Independent Directors and its Audit Committee will be chaired by an Independent Director.

Biographical details for Mr Stuart and Dr Stanford are attached to this to this announcement as Appendix 1.

### Annual Meeting

Vital's Annual Meeting is expected to be held on Tuesday, 17 November 2020. The meeting is expected to comprise a physical meeting in Auckland (subject to any government restrictions in place at the time) with the ability for unitholders and other stakeholders to also attend virtually. Further details will be provided separately as part of the notice of meeting.

Under Vital's Trust Deed, unitholders may appoint two Independent Directors. Current Independent Director, Mr Stuart, who was elected to the Board in 2018, is retiring by rotation and standing for re-election as an Independent Director. Another Independent Director, Mr Andrew Evans, was elected by unitholders in 2019 and will remain on the Board following the Annual Meeting. Dr Stanford was also appointed as an additional Independent Director in 2019 to ensure the Board of the Manager comprises a majority of Independent Directors.

As one of the two unitholder appointed Independent Directors will be appointed at this year's Annual Meeting and Mr Stuart has offered himself for re-election, if nominations are received for other candidates, only one of those standing (including Mr Stuart) will be appointed to the Board.

The period for nomination of Independent Directors to the Board of the Manager opens today and closes at 5.00pm on Friday, 2 October 2020. The process for nominating an Independent Director is included in Appendix 2.

## Other market updates

**Acquisition:** Vital has acquired the 50% interest it did not already own of “Elizabeth Vale Shopping Centre” in Adelaide, South Australia. The purchase price was approximately \$7.2m comprising its independent valuation plus the third-party cost of development works. This property comprises 16,736 sqm of land opposite South Australia’s third largest public hospital, Lyell McEwin Hospital and is currently 85% occupied by several retail tenants. Subject to fulfilment of certain conditions, Vital proposes to develop this site into a new health care hub to form part of the wider medical precinct.

**Rent collection:** Despite continuing restrictions in Australia and in New Zealand relating to COVID-19, rent collection for the first quarter of FY21 has been over 99% with no material, additional rent deferrals to date. As foreshadowed as part of the FY20 results, Vital has now collected approximately 94% of the rent which had been deferred at 30 June 2020.

**Leasing:** Significant leasing has been undertaken since 30 June 2020 including a new 25-year lease at Belmont Private Hospital and leases for Dubbo Private Hospital, Palm Beach Currumbin Clinic and Mayo Private Hospital each being extended to 15 years. As a result of these changes, Vital’s WALE moved from 18.1 years to 18.6 years (pro forma at 30 June 2020).

– 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 (~81% of rent), Medical Office Buildings (~11% of rent) and aged care (~8% of rent).

Vital is the only specialist listed landlord of healthcare property in Australasia and currently has a portfolio valued at over \$2 billion.

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](http://www.vhpt.co.nz)

## Appendix 1 - Biographies of Mr Stuart and Dr Stanford

### Mr Graham Stuart

Graham Stuart is an experienced corporate director with an established track record of performance in governance and in prior executive roles. He is currently the Independent Chairman of EROAD Limited and an Independent Director and Chair of the Audit Committees at Tower and at Metro Performance Glass. 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.

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

Mr Stuart is based in Auckland, New Zealand

### Dr Michael Stanford

Dr Stanford was a director of Healthscope, Australia's second largest hospital group, until it was acquired and delisted from the ASX in June 2019. He is currently a director of Virtus Health (ASX: VRT), the market leading provider of assisted reproductive services in Australia, Ireland and Singapore, and Nucleus Networks, Australia's largest Phase I clinical research organisation.

Previously, Dr Stanford was the Group CEO of St John of God Health Care, one of Australia's largest Catholic not-for-profit healthcare organisations with facilities across Australia, New Zealand and East Timor. In that role he grew the organisation through a combination of organic growth and acquisitions, as well as brownfield and greenfield hospital projects. Prior to this, Dr Stanford was the Managing Director of Australian Hospital Care Ltd, a publicly listed private hospital operator and held Managing Director roles in several significant public hospital networks.

Dr Stanford holds an MBA from Macquarie University and Bachelor of Medicine and Bachelor of Surgery from the University of New South Wales. He is a Fellow of the Australian Institute of Company Directors.

Dr Stanford is based in Melbourne, Australia.

## Appendix 2 – Independent Director Nomination Process

Under Vital’s Trust Deed, unitholders may nominate a person for election as Independent Director.

Nominations for Independent Directors may only be made by a unitholder entitled to attend and vote at the Annual Meeting and must be accompanied by the written consent of the person being nominated.

Nominations for Independent Directors must be received by the Manager before 5.00pm on Friday, 2 October 2020.

Nominations should provide sufficient information to enable unitholders to make an informed decision as to whether or not to elect the candidate including biographical details, qualifications, experience, independence and the skills the candidate will bring to the Board as well as details of other material directorships held.

Nominations should be sent:

1. by email to:  
vanessa.flax@nwhreit.com; or
2. by post to:  
Company Secretary,  
NorthWest Healthcare Properties Management Limited,  
PO Box 6945,  
Victoria Street West,  
Auckland 1142.