

Vital HEALTHCARE
PROPERTY TRUST
Managed by Northwest

Annual Meeting

9 NOVEMBER 2023



Questions

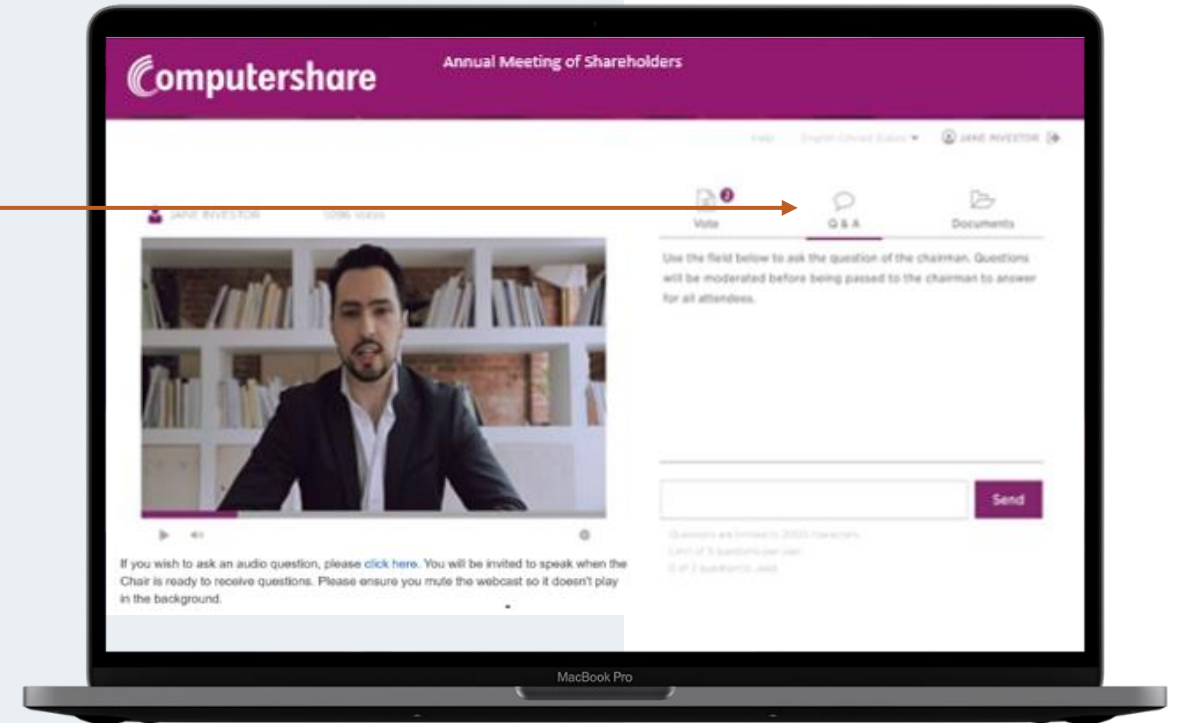
ASKING QUESTIONS

WRITTEN QUESTIONS

Questions may be submitted ahead of the meeting. If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen at anytime. Type your question into the field and press submit. Your question will be immediately submitted.

HELP

The Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.



Voting

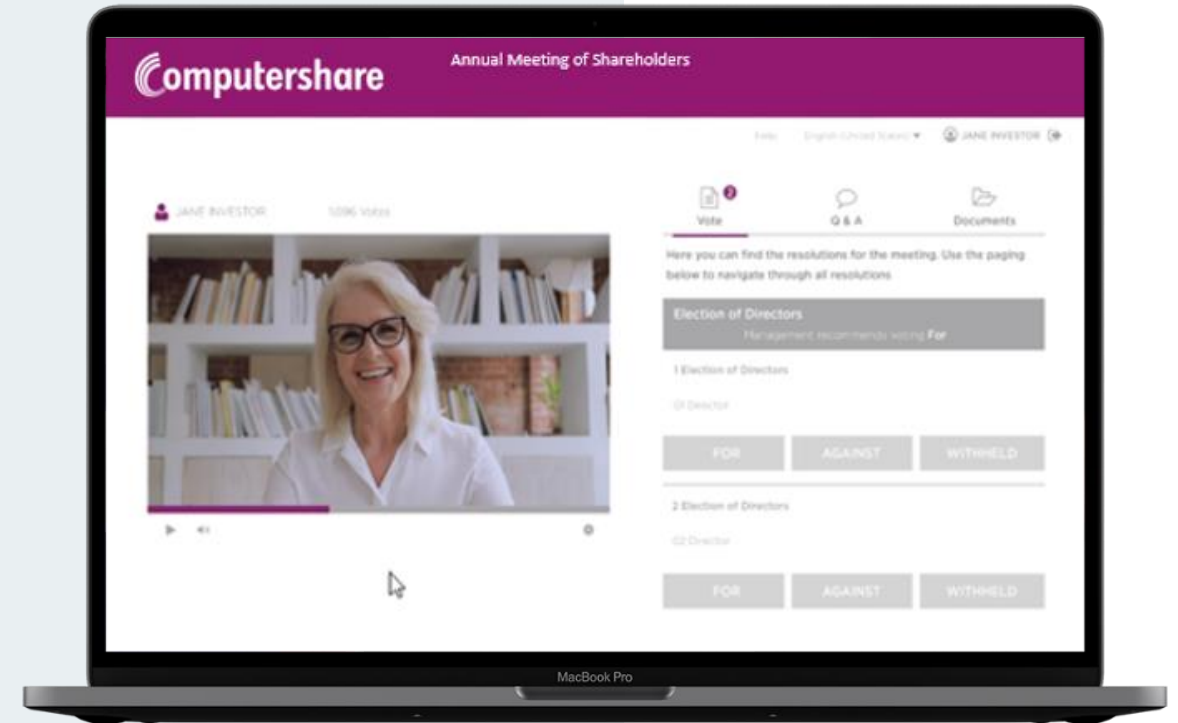
SHAREHOLDER AND PROXYHOLDER VOTING

Once the voting has been opened, the resolutions and voting options will allow voting.

To vote, simply click on the Vote tab, select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the tick appears.

To change your vote, select 'Change Your Vote'.



Meeting Agenda

- ▶ Introduction from the Independent Chair of the Meeting
- ▶ Address by the Independent Chair of the Manager
- ▶ Address by the Fund Manager
- ▶ Address from Vital's Supervisor, Trustees Executors Limited
- ▶ Adoption of Annual Financial Statements
- ▶ Questions
- ▶ Re-election of Dr. Michael Stanford
- ▶ General Business
- ▶ Closing Remarks
- ▶ Refreshments

Presented by:

Graham Stuart
Independent Chair

Aaron Hockly
Fund Manager and
Senior Vice-President

Board of the Manager

VITAL'S MANAGER HAS AN INDEPENDENT CHAIR AND A MAJORITY OF INDEPENDENT DIRECTORS



Graham Stuart

Independent Chair



Mike Brady¹

Director



Angela Bull¹

Independent Director



Craig Mitchell¹

Director



Dr. Michael Stanford¹

Independent Director

¹ attending virtually

In Attendance

IN PERSON OR VIRTUALLY

MANAGEMENT TEAM

Aaron Hockly

Fund Manager – Vital

Chris Adams

Joint-Head A/NZ Region¹

Vanessa Flax

Regional General Counsel and Company Secretary

Michael Groth

Chief Financial Officer

Richard Roos

Joint-Head A/NZ Region¹

SUPERVISOR, AUDIT AND LEGAL

Stuart Howard

Trustees Executors Limited (Vital's Supervisor)

Raveen Kaur

Trustees Executors Limited (Vital's Supervisor)

Andrew Boivin

Deloitte (Vital's auditor)

Rebecca Clark

Deloitte (Vital's auditor)

Toby Sharpe

Bell Gully (The Manager's legal advisor)

¹ attending virtually

Address by the Independent Chair of the Manager

Graham Stuart
Independent Chair



Key events over FY23 and FY24 to date

GOVERNANCE AND OTHER INITIATIVES THAT BENEFIT UNITHOLDERS



JULY 2022

- ▶ A\$47.1m¹ Playford Health Hub (Stage 2) commenced construction.

SEPTEMBER 2022

- ▶ 2.4375 cpu distribution paid
- ▶ joined Green Building Councils NZ & Australia



FEBRUARY 2023

- ▶ A\$140m¹ RDX commenced construction

MARCH 2023

- ▶ 2.4375 cpu distribution paid
- ▶ Completion of refinancing increases facility limit by A\$100m and weighted average expiry of facilities resulting in no expiries until early 2025



FY24 (TO DATE)

- ▶ \$220m of asset sales completed to repay debt
- ▶ Vital recognised as GRESB 2023 Sector Leader (1st place) for listed healthcare funds globally
- ▶ Northwest appointed Mike Brady as its representative director on Vital's board (replacing Paul Dalla Lana)
- ▶ 2.4375 cpu distribution paid in September 2023
- ▶ Sponsorship of Gut Foundation event



OCTOBER 2022

- ▶ NZ\$42.91m Ormiston Hospital expansion commenced main works construction
- ▶ GRESB Development Benchmark 5-Star rating

NOVEMBER 2022

- ▶ A\$2.4m South Eastern Private Hospital refurbishment commenced construction
- ▶ B- result for CDP (up from C in 2021)

DECEMBER 2022

- ▶ 2.4375 cpu distribution paid
- ▶ Development approval received for A\$140.7m¹ targeting 6 Star Green Star RDX Bldg
- ▶ A\$96.5m Epworth Eastern East Wing reached final Practical Completion (Consulting Suites)
- ▶ A\$22.6m Belmont Private Hospital expansion received Certificate of Occupancy



MAY 2023

- ▶ Finalist for INFINZ Equity Market Transaction of the year

JUNE 2023

- ▶ 2.4375 cpu distribution paid
- ▶ Silver medal and finalist for the Communication special award in the Australasian Reporting Awards
- ▶ Royston Day Surgery a finalist in the Property Council of New Zealand Awards
- ▶ Toy cars donated to each of Starship Hospital (Auckland) and Christchurch Hospital



¹ Includes land.

Address by the Fund Manager

Aaron Hockly
Fund Manager - Vital

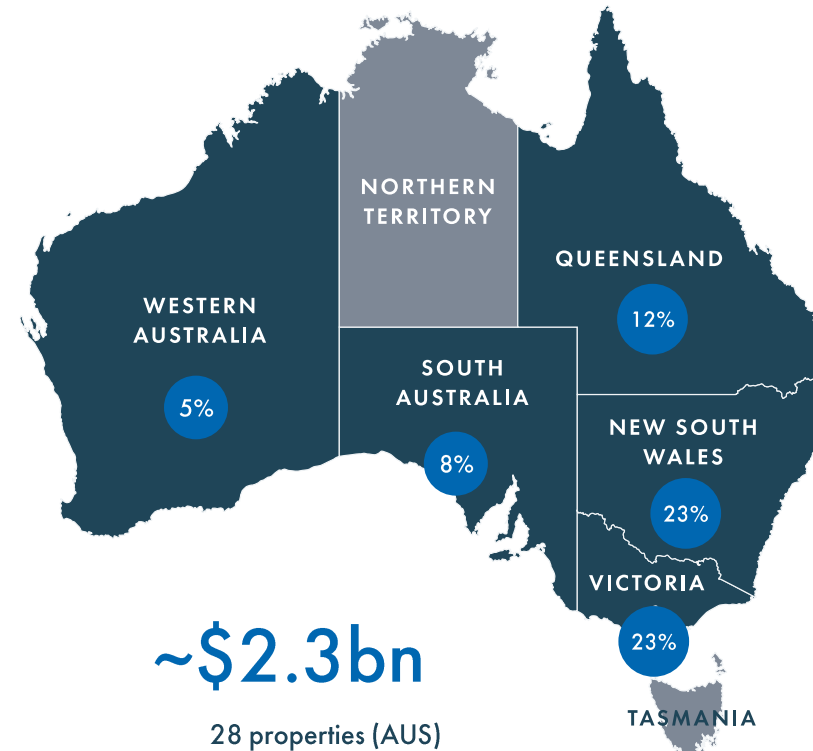


Overview of Vital¹

VITAL IS THE ONLY SPECIALIST HEALTHCARE LANDLORD LISTED ON THE NZX

Vital Healthcare Property Trust (Vital) is:

- ▶ Third largest NZX listed property group;
- ▶ Externally managed by a subsidiary of Toronto-listed, global healthcare real estate owner and manager, Northwest Healthcare Properties REIT (TSX ticker: NWH);
- ▶ Underpinned by rental income that tracks inflation with ~84% of lease income indexed to CPI in some way; and
- ▶ Targeting 2–3% AFFO and DPU growth per annum over the medium term, whilst retaining a conservative pay-out ratio.

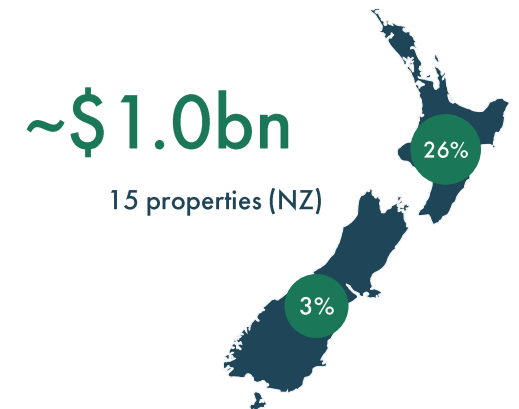


19.4years

WALE²

~\$3.3bn

43 properties (AUS & NZ)



¹ Numbers may not include strategic assets.

² Includes landlord options which are considered a fairer representation of Vital's income security but which were not included in previous releases.

Portfolio Highlights

VITAL HAS A HIGH-QUALITY, HIGH ACUITY PORTFOLIO WHICH IS BEING ENHANCED BY NON-CORE ASSET SALES AND CAPITAL WORKS



NZ\$220m

non-core asset sales completed or contracted



Removal / mitigation of previous key risks notably Sportsmed restructure including extending lease term to 25 years



>99%

rent collection



~98%

occupancy



GRESB first place for standing investment benchmark in listed healthcare (globally)



GRESB third place in all listed entrants (Oceania)

~NZ\$150m of assets sold over last 12 months with a further NZ\$70m under contract at a weighted average discount to book value of 8.2%



Development Highlights

DEVELOPMENT SUPPORTS EARNINGS AND VALUATION GROWTH



GRESB GLOBAL SECTOR LEADER (1ST PLACE) FOR DEVELOPMENT BENCHMARK (LISTED AND NON LISTED HEALTHCARE GLOBALLY)



SECOND PLACE FOR DEVELOPMENTS IN LISTED FOR ALL ENTRANTS (OCEANIA)



Completion of A\$22.6m expansion of Belmont Private Hospital in Brisbane



Commencement of early works at Coomera Stage 1. Planning underway at Brisbane, Logan & Park Road (Auckland).



A\$47.1m Playford Health Hub (Stage 2) in Adelaide and A\$57.4m Macarthur Health Precinct (Stage 1) in Sydney on track to achieve 6 star green star ratings at completion

Commencement of construction of:



A\$140m RDX building on the Gold Coast



A\$28.5m aged care conversion to mental health in Mt Eliza, Victoria



A\$16m expansion of Maitland Private Hospital in Newcastle, NSW



NZ\$25m expansion of Boulcott Hospital, Wellington

Financial Highlights

BALANCE SHEET REMAINS STRONG

- ▶ Refinancing activities have resulted in Vital having no debt expiring until March 2025, the weighted expiry term of 3.6 years being extended and available borrowings increased by A\$100m
- ▶ Interest rate hedging increased to ~78% of drawn down debt (proforma as at 30 September 2023) with a process underway to extend this further prior to calendar year end.



8.1%
increase in
AFFO over FY23



FINALIST FOR INFANZ EQUITY MARKET
TRANSACTION OF THE YEAR



No debt expiring until
March 2025



3.6 years weighted
average debt expiry



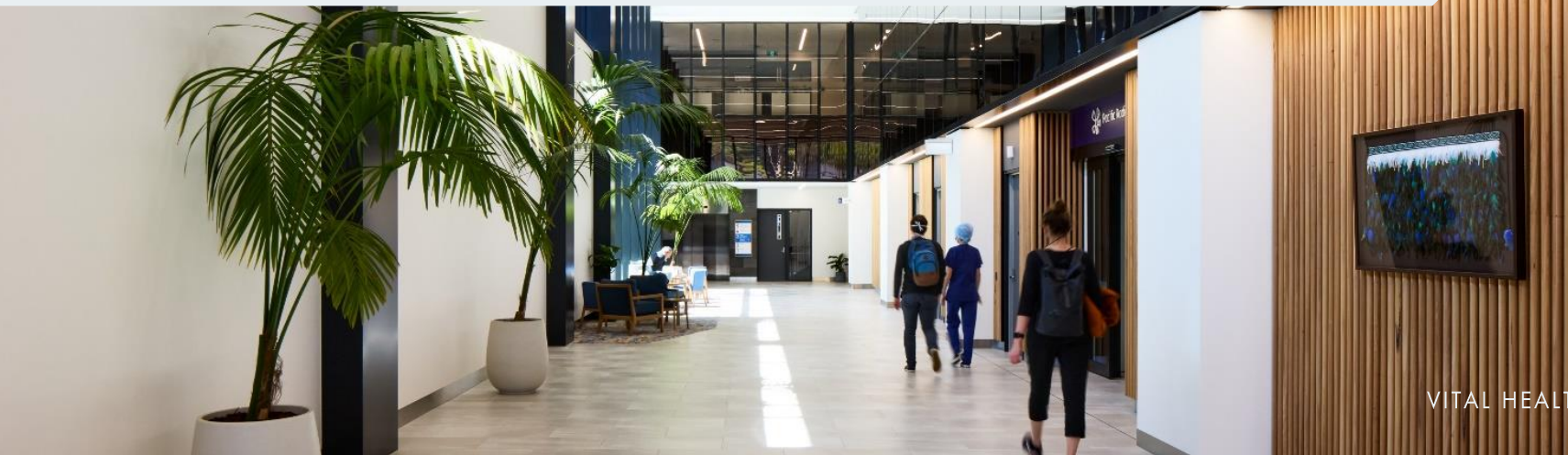
NZ\$193m debt
headroom



36.6% balance
sheet gearing



78% debt hedged for a
weighted average of 2.3
years (proforma as at 30
September 2023)



Governance Highlights

BEST PRACTICE CORPORATE GOVERNANCE



2023 SILVER AND FINALIST
COMMUNICATIONS AWARD

- ▶ 2023 Annual Report includes voluntary disclosure against NZX Corporate Governance Code – all relevant principles met
- ▶ Released our third annual Modern Slavery Statement*
- ▶ Updated Code of Business Conduct and Ethics, Whistleblower Protection Policy and Privacy Policy*
- ▶ In response to Unit Holder feedback, Vital's website updated to include the constitution of the Manager and arranged for Vital's supervisor to present at this annual meeting
- ▶ Extensive programme of investor roadshows, engagement and presentations maintained

* Available on Vital's website



Sustainability Highlights

VITAL ACKNOWLEDGED AS SECTOR LEADER FOR
ESG IN HEALTHCARE FOR LISTED ENTITIES GLOBALLY

GRESB Sector Leader across
performance, management and
developments for listed
healthcare globally



SECTOR LEADER
2023



5 STAR RATING -
DEVELOPMENT
BENCHMARK



Commitment to Net Zero
emissions by 2050 with targets
currently being developed
across scope 1, 2 and 3
emissions

★ 30

Assets with Green Star
Performance rating



All assets completed
Energy Audits to identify
efficiency measures

💡 100%

Electricity, fuel, water and
waste data collection from
landlord-controlled assets

⚡ 97%

Electricity data
collection from NZ
tenant-controlled assets

☀️ 1,485.1 kwh

Solar produced onsite*

🕒 100%

Automated utility capture
for base building meters

📊 100%

Assets assessed for
climate related risks

*for period 1 July 2022 - 30 Sept 2023

Comparative Returns

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

TOTAL RETURN TO 30 SEPTEMBER 2023 P.A.	1YR	5YR	10YR	SINCE INCEPTION ²
VHP	-13.3%	3.6%	8.9%	10.4%
S&P/NZX All Real Estate Index	-4.5%	2.1%	6.9%	7.0%
S&P/NZX 50	2.1%	3.9%	9.1%	7.2%
Vital's performance vs NZX REIT	-8.8%	1.5%	2.0%	3.4%
Vital's performance vs NZX 50	-15.4%	-0.3%	-0.2%	3.2%

Long-term outperformance versus both the NZX50 and the NZX Real estate Index highlights the resilience of healthcare property



Source: Forsyth Barr

¹ Total returns measured by change in unit price plus post-tax distributions to 30 September 2023

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

Address from Trustee Executors Limited

(Vital's Supervisor)



RDX, Queensland



THE ROLE OF THE SUPERVISOR

About Trustees Executors

Trustees Executors' Group of Companies



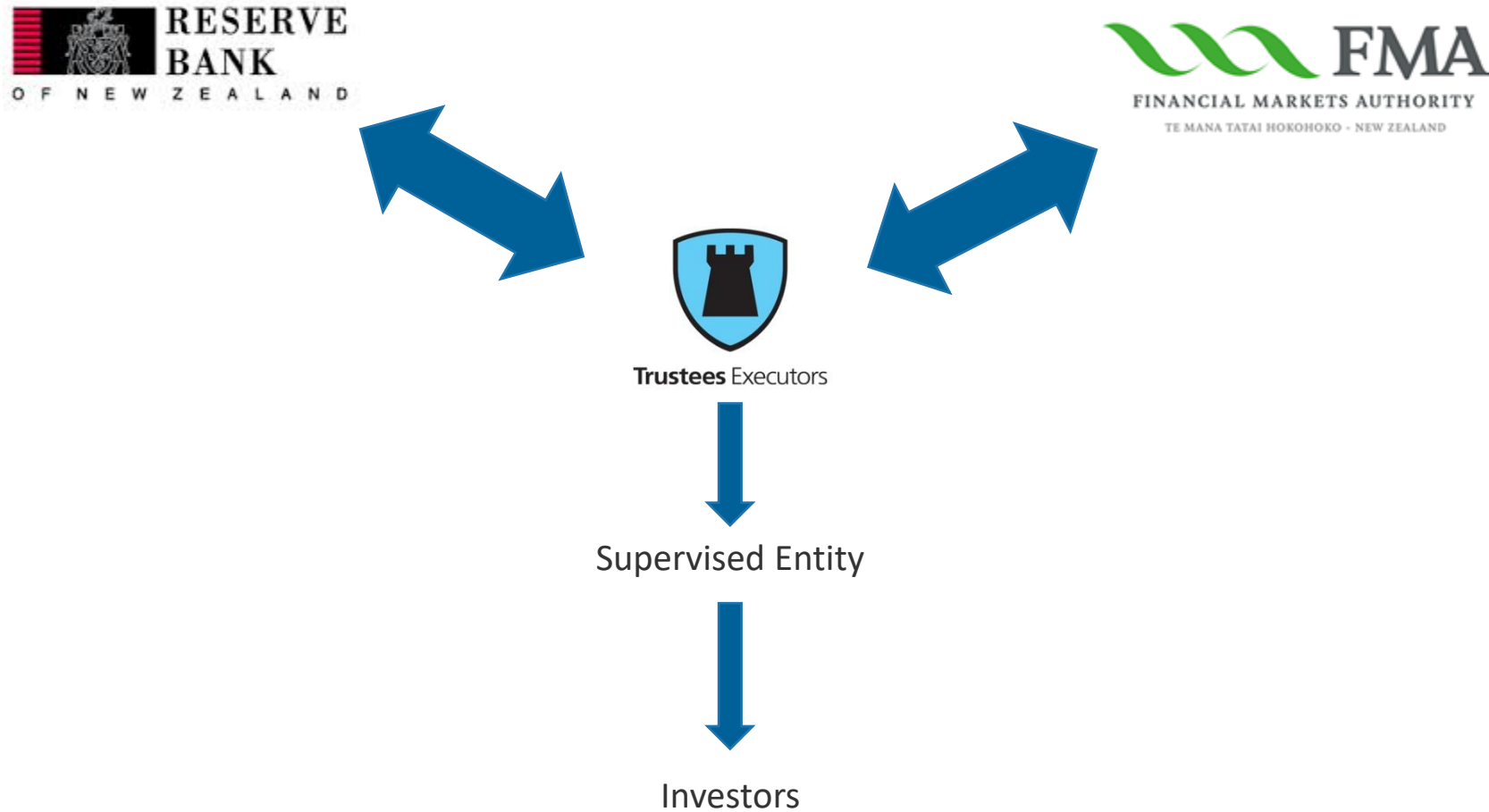
Sterling Grace (NZ) Limited

Trustees Executors Limited
100% owned by Sterling Grace (NZ) Limited

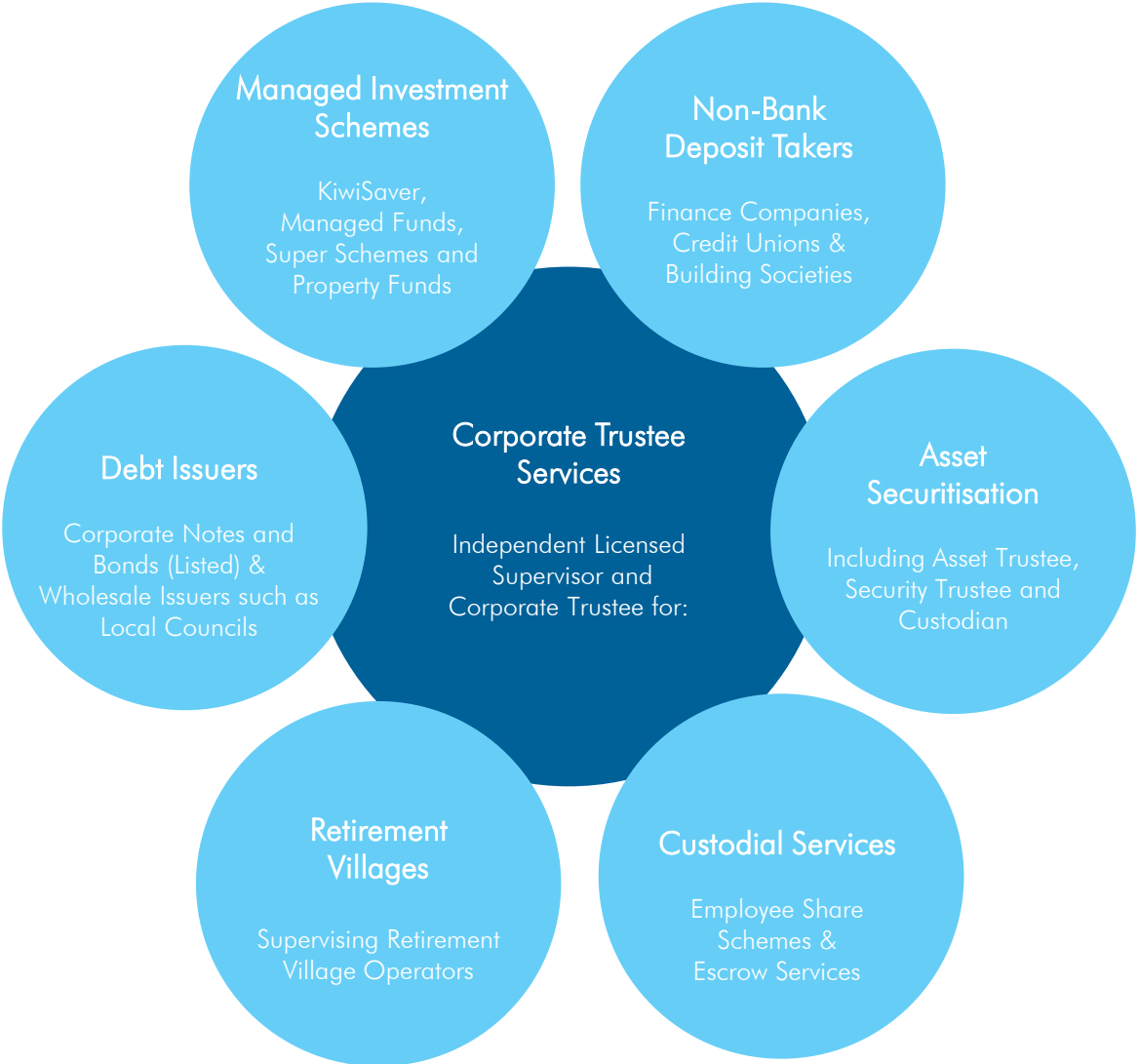
33 other subsidiaries
(including T.E.A. Custodians Limited)
all 100% owned by Trustees Executors Limited



Our Role



Who do we supervise?



Financial Markets Supervisors Act 2011

Trustees Executors Limited is licensed by the Financial Markets Authority as a Supervisor under the Financial Markets Supervisors Act 2011 (FMS Act)

FMS Act Section 3: Purpose

- To protect the interests of product holders to enhance investor confidence in investor markets, by;
 - a) Requiring persons who wish to be appointed as Supervisors to be capable of effectively performing the functions of Supervisors; and
 - b) Requiring Supervisors to perform their functions effectively; and
 - c) Enabling Supervisors to be held accountable for any failure to perform their functions effectively.

Empowered Frontline Supervisor

- FMA guidance note: [FMA Guidance Note - Monitoring by Supervisors - June 2013](#)
- We must be sufficiently empowered to do our job.
- We have a duty to provide a professional standard of care and act in the best interest of investors.
- What this means:
 - ✓ Governing documents are fit for purpose;
 - ✓ Apply professional enquiry, curiosity and a healthy dose of scepticism;
 - ✓ Use a number of tools in our monitoring plan - both desk-based and more pro-active tools (not adopting a 'tick-box' approach);
 - ✓ Intelligence-led, risk-based approach to monitoring (undertake sector/entity risk assessments/monitoring plans) referenced to harm to investors;
 - ✓ Monitor and report compliance breaches to Regulators; and
 - ✓ Ensure our actions and decisions are not influenced by our own commercial interests.



The Supervisory Framework for Northwest

- Trustees Executors Limited (TEL) has been the Supervisor (and previously, Trustee) for the Vital Healthcare Property Trust (**Trust**) since 1994.
- Financial Markets Supervisors Act 2011 – applies to TEL as a licensed Supervisor.
- Financial Markets Conduct Act 2013 (and its Regulations) – applies to Northwest Healthcare Properties Management Limited (**Northwest**) as a Manager, licensed by the Financial Markets Authority, of the Trust.
- The activities that TEL undertakes in its role as Supervisor of the Trust have evolved over time and include report and document reviews, in-person meetings and monitoring visits, all viewed through a risk-based lens.
- T.E.A. Custodians, a wholly owned subsidiary of TEL, is the Custodian for the Trust and holds the scheme property on behalf of investors, that includes Trust bank accounts and real property.

What clients expect of the supervisor

- Going beyond compliance.
- Help clients to meet their legislative obligations.
- Be a trusted advisor / partner to their business.
- Be proportionate and risk- based in our expectations and treatments.
- Consult with clients on issues affecting them and the wider industry.
- Add value by providing insights to strengthen their governance, risk and compliance management.
- Liaise with regulators (RBNZ & FMA) and align with their expectations to avoid duplication of effort and confusion about what is expected.

What do we expect of our supervised entities?

- Take a partnership approach, and work together with TEL as Supervisor.
- Practice the principles of good conduct.
- Demonstrably put investors' interests first.
- Be willingly compliant.
- Voluntarily raise standards above the minimum.
- Recognise and accept that we are the frontline regulator.

Annual Financial Statements



Kawarau Park Health Precinct
Queenstown, NZ

Re-election of Dr. Michael Stanford

Dr Michael Stanford AM
Independent Director



Voting

RESOLUTION 1 – THAT MICHAEL STANFORD BE APPOINTED AS AN INDEPENDENT DIRECTOR OF NORTHWEST HEALTHCARE PROPERTIES MANAGEMENT LIMITED, THE MANAGER OF VITAL HEALTHCARE PROPERTY TRUST

Vote Type	Units Voted	% of Units Voted	% of Total Units
For	430,057,525	95.93	64.29%
Against	7,454,652	1.66	1.11%
Discretionary	10,779,482	2.40	1.61%
Abstain	5,270	N/A	0.0%

General Business



Closing Remarks

Thank you for attending
today's Annual Meeting



Ormiston Hospital,
Auckland, New Zealand

Disclaimer

This presentation has been prepared by Northwest Healthcare Properties Management Limited (the "Manager") as manager of the Vital Healthcare Property Trust (the "Trust"). The details in this presentation provide general information only. It is not intended as investment, legal, tax or financial advice or recommendation to any person and must not be relied on as such. You should obtain independent professional advice prior to making any decision relating to your investment or financial needs.

This presentation 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. 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 presentation or any information supplied in connection with it. The Manager and the Trust are under no obligation to update this presentation or the information contained in it after it has been released. Past performance is no indication of future performance.

9 November 2023