

10 November 2025

Vital announces internalisation and NZ\$220m capital raising

The Independent Directors of Northwest Healthcare Properties Management Limited (**Northwest** or **Manager**), as manager of Vital Healthcare Property Trust (**Vital**), are pleased to announce that they have reached a conditional agreement with Northwest to internalise the management of Vital (**Internalisation**). The Internalisation represents the next key step in Vital's evolution, enhancing governance and providing a scalable platform positioned to capture the full benefit of future growth on behalf of Unit Holders.

A NZ\$220m capital raising (**Offer**) will fund the Internalisation and enable Vital to be well-positioned to unlock attractive near-term developments including Coomera Stage 1A and Macarthur Stage 2. The Offer will be conducted by way of a NZ\$190m underwritten placement (**Placement**) and a NZ\$30m unit purchase plan (**UPP**).

Graham Stuart, Chair of Vital, notes, "Internalisation marks an important milestone for Vital, positioning the business to deliver stronger and more sustainable returns for Unit Holders. By bringing management in-house under a strengthened governance framework, Vital will be well-positioned to unlock future growth, enhance transparency and accountability, and fully align management and investor interests. This transaction creates a scalable platform as Vital continues to grow its leadership in healthcare real estate."

Internalisation

The terms of the Internalisation, including the payment to be made to the Manager, were negotiated by the Independent Directors on an arm's length commercial basis. The Independent Directors considered the proposal to internalise the management of Vital received from Northwest on behalf of Vital and its Unit Holders based on specialist advice received from Craigs Investment Partners Limited (as to financial advice), Chapman Tripp (as to legal advice) and KPMG (as to tax and people aspects of the Internalisation). Northington Partners was also appointed by the Independent Directors to provide an independent expert view on the valuation of the management rights in Vital and the impact internalising management is expected to have. Northwest received its own separate financial advice from Barrenjoey Advisory Pty Limited and Forsyth Barr Limited, legal advice from Ashurst and Bell Gully and tax advice from Ashurst, Bell Gully and PwC for the Internalisation.

Key terms of the Internalisation include:

- Northwest will be paid NZ\$214m (plus GST) (**Management Termination Payment**) to relinquish the management rights in Vital by retiring as the manager of Vital.

- The net after-tax cost to Vital is expected to be NZ\$177m (subject to a binding ruling from the IRD).
- Trustee Executors Limited (the supervisor of Vital) will appoint a new entity (the **New Vital Manager**) as the manager of Vital on a temporary basis in accordance with the Vital Trust Deed. Vital's Unit Holders will be asked to ratify the appointment at Vital's 2026 annual meeting. The New Vital Manager has applied to be licensed by the Financial Markets Authority on the same basis as Northwest.
- Chris Adams and Michael Groth will be retained as CEO and CFO respectively under new employment agreements. Vital will retain key management personnel and the majority of Northwest's industry leading healthcare property team, embedding a fully established management platform to advance Vital's strategy. Northwest will continue to provide support services to the New Vital Manager under a transitional services agreement with an initial 24-month term (with the parties being able to agree to renew the transitional services agreement for up to two further periods of up to six months each, if required).
- The Board will remain unchanged through the transition, which includes Mike Brady and Zachary Vaughan, who will retain their board seats as representatives of Vital's largest Unit Holder Northwest Healthcare Properties REIT.

Northwest also currently manages a A\$2.6bn¹ portfolio of Australian healthcare properties (**Galaxy Portfolio**). Under the Internalisation, Vital has agreed to provide certain development consulting services to Northwest in connection with the Galaxy Portfolio.

Implementation of the Internalisation is conditional on a number of matters, including:

- consents from Vital's lenders and amendments to its financing documents necessary to implement the Internalisation;
- the FMA granting the New Vital Manager a market services licence as a "Managed Investment Scheme Manager" under the Financial Markets Conduct Act 2013;
- no less than NZ\$175 million of net offer proceeds being raised via the Offer; and
- the receipt of regulatory approvals from the Foreign Investment Review Board and Overseas Investment Office.

The Internalisation is expected to settle on 31 December 2025, or, if more time is required to satisfy the conditions, in the first quarter of calendar year 2026.

On a pro forma basis, the Internalisation is expected to be AFFO and value accretive and provide normalised cost savings of ~NZ\$20.9²m per annum, implying a net savings multiple of 8.5x.

Northington Partners concluded that the Management Termination Payment was within their valuation range and that the present value of the benefits for Unit Holders from the Internalisation materially exceeds the after-tax cost of the Management Termination Payment for Unit Holders.³

¹ As at 30 June 2025

² Includes NZ\$0.9m of fee income related to development consulting services provided to Northwest

³ A summary of Northington Partners' independent expert assessment of the merits of the Internalisation for unitholders not associated with Northwest accompanies this announcement

The Independent Directors unanimously support the Internalisation and believe it is in the best interests of Vital's Unit Holders.⁴

The Internalisation does not require a Unit Holder vote, which was important as the Independent Directors needed to act quickly and with certainty.

Capital raising

The Offer will be conducted by way of a NZ\$190m Placement and a NZ\$30m UPP.

Net proceeds from the Placement and UPP will be used to fund the Management Termination Payment as well as providing additional balance sheet flexibility to execute on attractive near-term developments, including Coomera Stage 1A and Macarthur Stage 2.

The Placement will be conducted during the course of today, with new Units issued at a fixed price of NZ\$1.95 per Unit, representing a 9.5% discount to the dividend adjusted closing price of NZ\$2.156⁵ on 7 November 2025. Northwest has indicated it does not intend to participate in the Placement, providing an opportunity for new Unit Holders to come on to Vital's register. Northwest has also agreed to an escrow arrangement through to release of Vital's 1H26 result in February and to not sell down below a 10% stake until after the release of Vital's FY26 result in August 2026.

Vital will endeavour to treat Eligible Unit Holders fairly through the Placement via an allocation policy that seeks, to the extent possible, to provide pro rata allocations to existing Unit Holders that bid for at least their pro rata share of new Units under the Placement and are not able to be kept pro rata through the UPP.

A trading halt has been granted by NZX to facilitate the Placement and is expected to be lifted on 11 November 2025. The settlement date of the Placement and commencement of trading of the new Units on the NZX Main Board will be 14 November 2025.

The UPP will allow all eligible Unit Holders with a registered address in New Zealand on the record date to apply for up to NZ\$50,000 of new Units in Vital. The issue price of the new Units under the UPP will be the lower of the Placement price and a 2.5% discount to the volume weighted average price of Vital Units traded on the NZX during the five trading days up to, and including, the end of the UPP offer period. The UPP provides participants the benefit of a downside pricing mechanism which is not available in pro-rata structures.

The UPP offer application website will open on 14 November 2025, with the Offer Document also being available from that date. The UPP offer will close 5.00pm NZDT, 28 November 2025, with settlement on 5 December 2025.

The Offer has been structured to be as fair as possible to all existing Unit Holders, and enables almost all Unit Holders to participate through either the Placement or the UPP (except where restricted due to legal constraints). Vital may accept additional

⁴ Unit Holders not associated with Northwest

⁵ Adjusted to reflect that new Units issued will not be eligible for FY26 first quarter dividend of 2.4375 cents per unit

applications at its discretion. Should scaling be required, it will be by reference to existing Unit Holdings on the record date of 5.00pm NZDT, 7 November 2025.

The Placement is underwritten by Craigs Investment Partners Limited, Forsyth Barr Group Limited and Barrenjoey Markets Pty Limited. The UPP is not underwritten.

Dividends and suspension of the dividend reinvestment plan

New Units issued under the Offer will not be eligible for the FY26 first quarter dividend announced on 6 November.

To ensure orderly execution of the Offer, the dividend reinvestment plan (**DRP**) for the first quarter dividend has been suspended. In accordance with the DRP plan rules, this means that any applications made to participate in the DRP will not apply to the first quarter dividend and such application will resume (unless that application is withdrawn) from the next dividend.

Management presentation

An online presentation will be held today at 10.30am NZDT, at which management will discuss the key terms of the Internalisation and implications for Vital's future growth strategy. The link to the webcast is: <https://ccmediaframe.com/?id=B8nNjMMa>.

– ENDS –

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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 (~80%* of portfolio value), ambulatory care facilities (~16%* of portfolio value) and life science facilities (4%* 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 (TSX: NWH-UN.TO), a global owner and manager of healthcare infrastructure.

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

For more information about Northwest, please visit: www.nwhreit.com

* All figures are as at 30 September 2025, NZD/AUD exchange rate of 0.8770.

Disclaimer

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

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