

MARKET RELEASE

28 August 2020

Manager issues incentive units

NorthWest Healthcare Management Properties Limited (the **Manager**), the manager of Vital Healthcare Property Trust (**Vital**) confirms that 2,565,076 units in Vital were issued to it today pursuant to the incentive fee arrangements under Vital's Trust Deed.

The Trust Deed provides that the Manager is paid an incentive fee, which it must immediately use to subscribe for Vital units, each financial year based on increases in Vital's net tangible assets. This requirement helps ensure that the Manager's incentives are aligned with unitholders. It also means that the incentive fee is not a cash cost to Vital.

NorthWest Healthcare Properties REIT's (**NorthWest REIT**) aggregate relevant interest in Vital units has now increased to 25.43%.

PIE Status not impacted

Vital is a portfolio investment entity (**PIE**) for New Zealand tax purposes. To ensure that the incentive fee provisions in the Vital Trust Deed are able to operate as intended without jeopardising Vital's PIE status, NorthWest REIT and the Manager have obtained a binding private ruling from the IRD. In broad terms, the effect of this ruling is to confirm that Vital will retain its PIE status notwithstanding NorthWest REIT's aggregate holding increasing above 25%.

- 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 (~82% of rent), Medical Office Buildings (~11% of rent) and aged care (~7% of rent).

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

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