

RAM ESSENTIAL SERVICES PROPERTY FUND

Investor Materials

June 2023



HIGHLIGHTS OF RECENT ACTIVITY

The portfolio continues to perform strongly and compares favourably to other listed real estate exposure



Portfolio



Continued Strong Leasing Outcomes
+7% leasing spreads across 13 reviews



Resilient Tenancy Mix
Occupancy stable at 98%² due to resilience of sectors



Active Value-Add
Accretive healthcare projects agreed alongside progression of retail schemes



Financial



Stable Valuations
Valuations holding up
Possible sale will prove up valuations



Continued Income Growth
Strong CPI reviews, accretive value-add and leasing spreads offsetting higher interest



FY23 Guidance
DPS 5.7-5.8 cents
Forecast annualised distribution yield of approx. 8.5%¹



Capital Management



Increased Debt Headroom and Duration
Extended loan facility and supplementing syndicate



Buy Back Reconsidered
Given sector discounts, accretive buy back actively considered



Solid Balance Sheet
Low end of gearing range and comfortably within covenants

1. Based on mid-point of guidance and a closing price of \$0.665 on 25 May 2023
2. Includes rental guarantees over vacant area and excludes areas withheld for development

OUR APPROACH TO CAPITAL MANAGEMENT

We have been positioning behind the scenes



WE BOUGHT WELL

- ◆ Acquired 22 assets, largely off-market, in 14 months at WACR well above other market participants
- ◆ Reached 50/50 income split between medical and retail ahead of schedule
- ◆ Valuations in our defensive sectors remain stable largely due to continued investor demand for these asset classes
- ◆ Quality tenants are positioned and performing well in sectors largely immune to inflationary headwinds



CULTURE OF ACTIVE ASSET MANAGEMENT

- ◆ Strong asset management
- ◆ Appointments of key specialist personnel driving improved leasing outcomes (ahead of peers)
- ◆ Operator engagement continues to scale, creating new off-market opportunities
- ◆ Delivering value-add
- ◆ Completed 6 developments since IPO within budget
- ◆ Continued growth in value-add alternatives with no land drag
- ◆ Unique mix of medical and retail value-add projects driving growth across both sectors



ATTRACTIVE CAPITAL MARKETS ENVIRONMENT






- ◆ Conservative valuation approach resulted in book values closely aligning with current market values providing divestment opportunities for a selection of assets.
- ◆ Immediate allocation of divestment proceeds into secured pipeline of accretive acquisition opportunities.
- ◆ Depth of buyers for our average parcel sizes driving liquidity
- ◆ Continued interest from offshore investors for assets in our sectors

SHORT TERM

Active portfolio management



POSSIBLE SHORT-TERM ACTIVITY

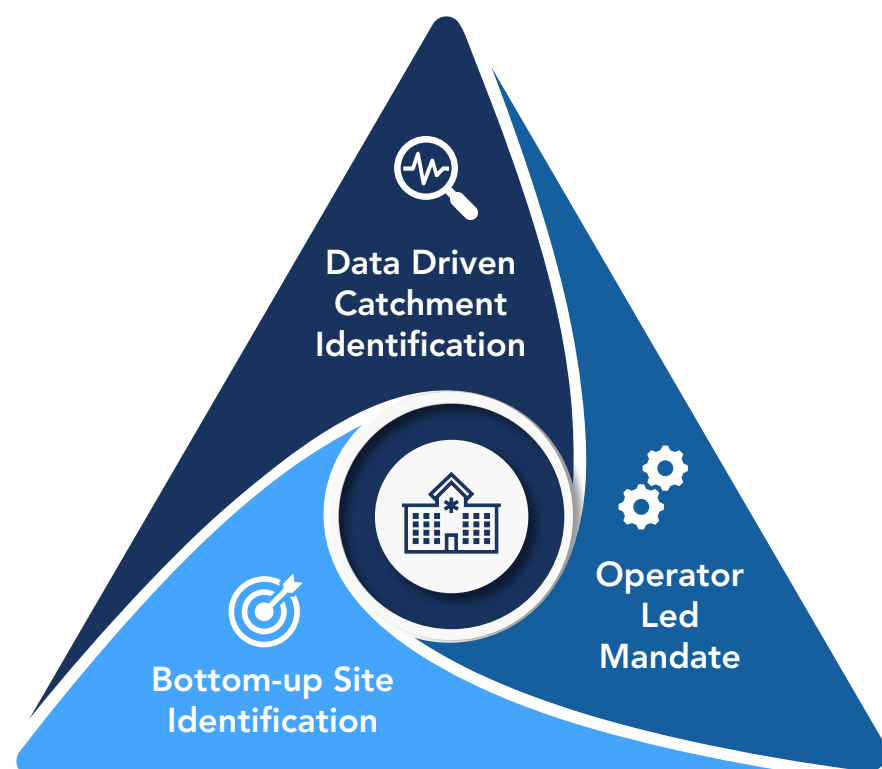
POTENTIAL ACTION	IMPACT
 <p>Execution of value-add schemes with largest healthcare partner</p>	<ul style="list-style-type: none"> ◆ Portfolio funded from headroom which will produce immediate accretion to yield and significant enhancement to fund WALE ◆ Opportunity to utilise sustainable finance to fund the project providing a discount on current debt
 <p>Sale of asset at book or above</p>	<ul style="list-style-type: none"> ◆ Confirm valuations are appropriate and allow flexibility for capital management or repositioning for new acquisition opportunities ◆ Cultivated pipeline of medical and retail deals provide immediate opportunity to invest proceeds of divestment
 <p>Share buyback</p>	<ul style="list-style-type: none"> ◆ Attractive dynamics for an allocation of capital for buy-back will provide good earnings accretion
 <p>Continued opportunities from our ecosystem</p>	<ul style="list-style-type: none"> ◆ Three new deals have emerged in our platform that are being de-risked and considered highly suitable for acquisition by REP in the near term. Deals providing continued exposure to accretive healthcare opportunities enhancing exposure to this sector ◆ Further immediate opportunities across healthcare and essential retail are being reviewed
 <p>Capital markets are attractive</p>	<ul style="list-style-type: none"> ◆ Opportunities to direct capital towards earnings accretive assets ◆ Tactical repositioning of the portfolio to include greater value-add opportunities and stronger growth trade areas ◆ Takes advantage of positions in smaller assets in scope of private investors and syndicates

MEDIUM TERM

Securing deal flow to enhance
future earnings



LEVERAGE RAM'S ECOSYSTEM TO UNLOCK VALUE



Central to our approach is to partner with our operators in every aspect of their roll out



OPERATOR-LED OPPORTUNITIES

We engage with operating partners to help deliver identifiable expansion and growth opportunities.



DE-RISKED OPPORTUNITIES

We leverage our network and relationships to pre-let development and value-add opportunities prior to contracting any opportunity.



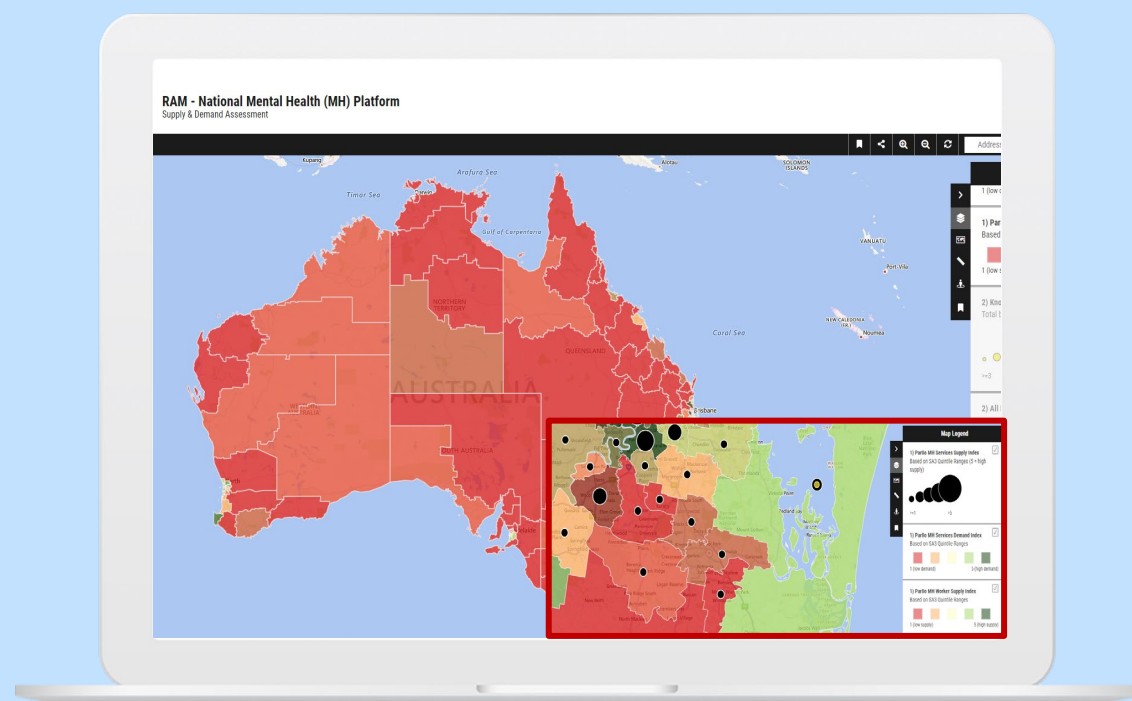
STRATEGIC AND QUANTITATIVE APPROACH

We work with operators to quantitatively identify properties that will facilitate their expansion plans in areas with attractive supply and demand characteristics.






ONGOING MANAGEMENT DEVELOPMENT TO COMPLETION

The long-term landlord/operator relationship forms the cornerstone of RAM's opportunity sourcing approach.

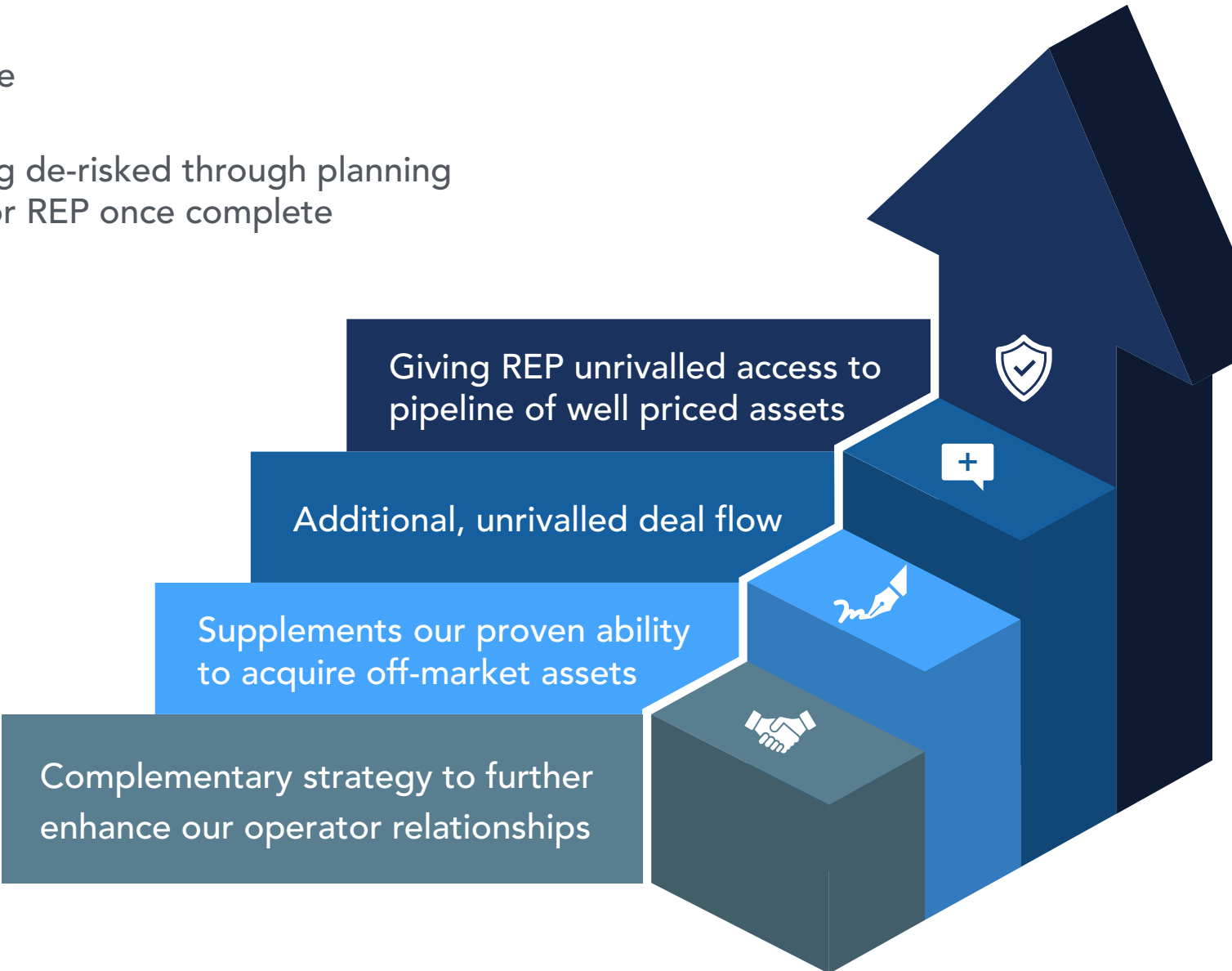


COMPLEMENTARY FUND MANAGEMENT STRATEGY

Healthcare Opportunity Fund and RAM’s investor base generating strong deal flow and de-risked opportunities for REP

-  Healthcare Opportunity fund has been created to target premium Australian healthcare assets
-  Wholesale investment partners poised to invest a significant capital commitment
-  Targeted deal pipeline with opportunities sourced off-market
-  Defined liquidity through 7-year closed-end vehicle
-  RAM clients own 5 healthcare assets that are being de-risked through planning and tenant negotiation which would be suitable for REP once complete

Replicable for Retail Assets



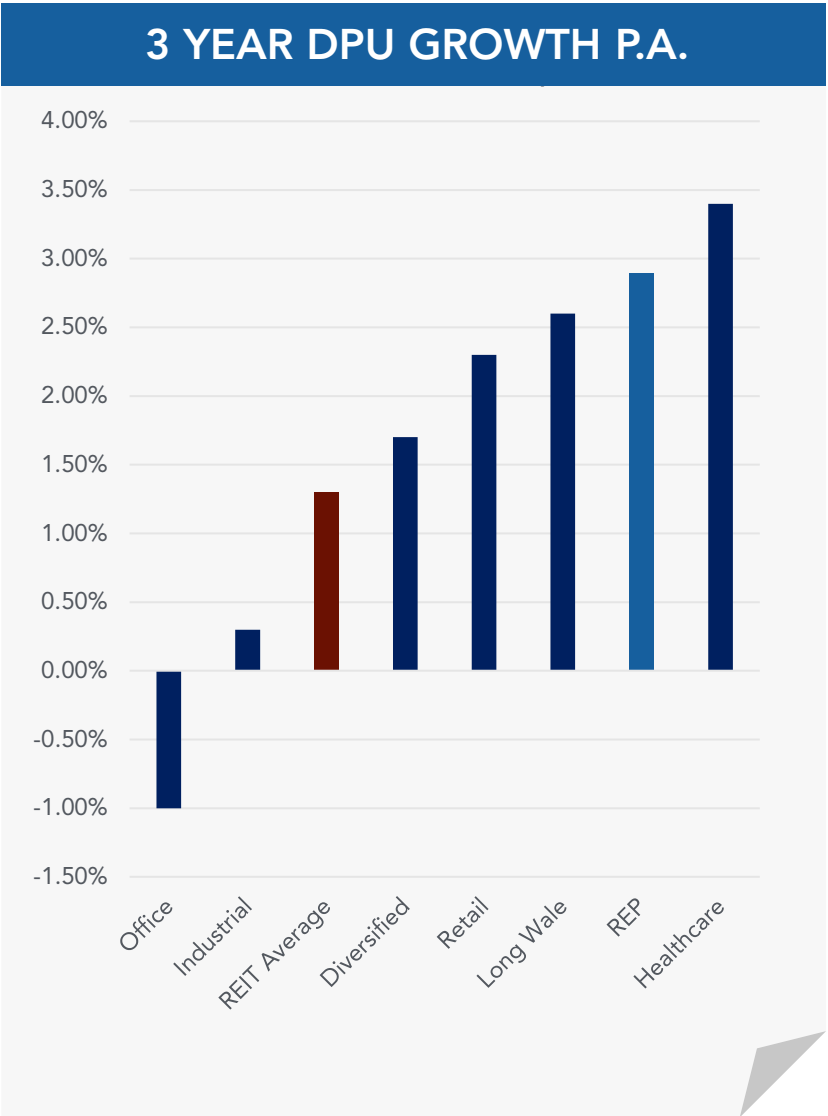
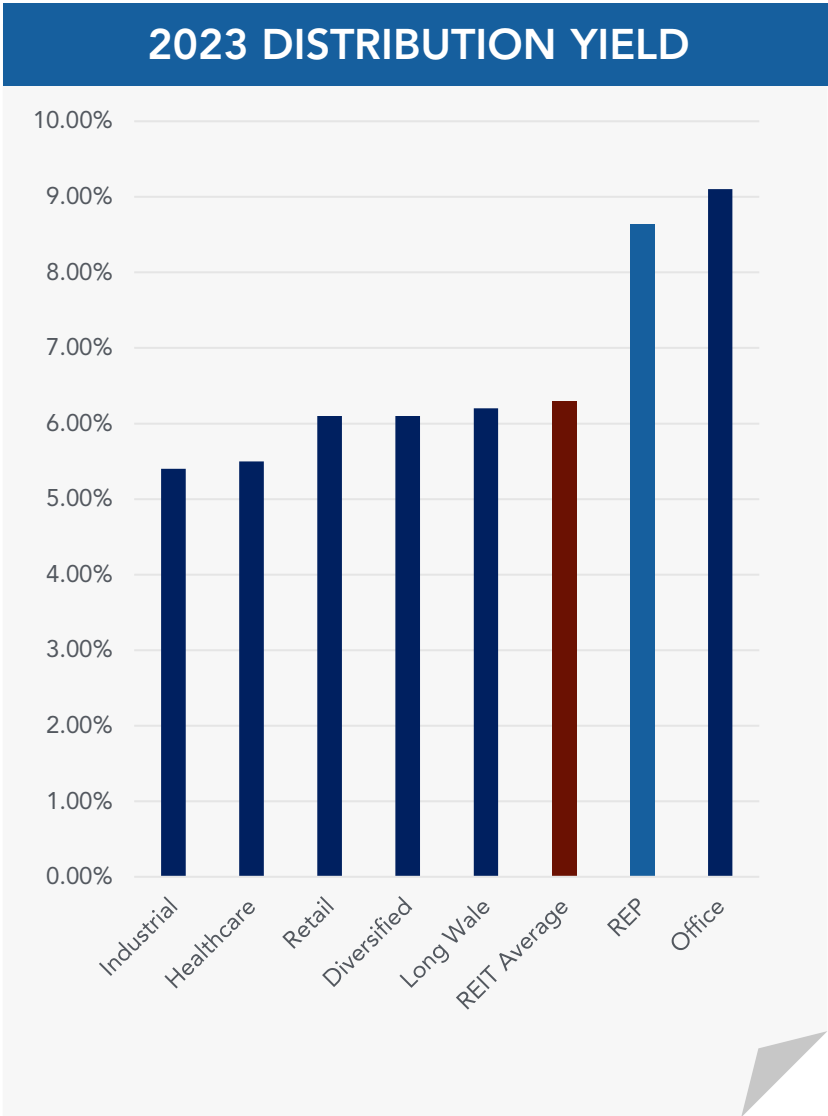
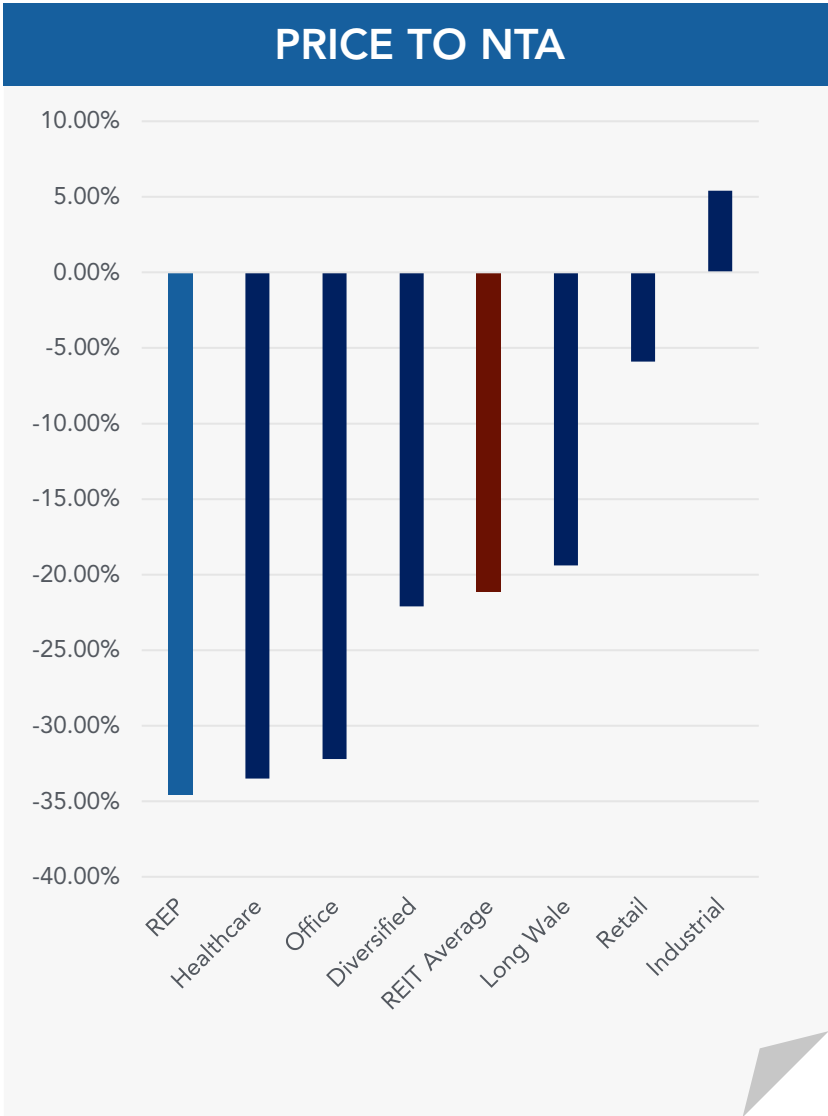
ATTRACTIVE VALUATION

Secure capital values and low earnings risks being overlooked



ATTRACTIVELY VALUED

REP being priced like Office despite secure capital values and earnings outlook



Priced at close 22 May 2023

IMPORTANT INFORMATION

GENERAL ADVICE WARNING: The information contained herein does not have any regard to the specific investment objectives, financial situation or the particular needs of any person. The information in this presentation is not intended to be personal financial advice. This material has been prepared by RAM Property Funds Management Ltd (ABN 28 629 968 163; AFSL 514484) for informative and illustrative purposes only and should not be construed as legal, tax, investment or other advice. This material does not constitute an offer to sell, or the solicitation of an offer to buy, any securities. All investments involve the potential for a loss of capital. Prospective investors should seek separate, independent financial and professional advice if required prior to making an investment to assess the suitability, lawfulness and risks involved. The statements in this Presentation are not intended to be complete or final and are qualified in their entirety by reference to the final Half Year Reporting Documents for HY23 lodged with the ASX (the "Half Year Results"). Indications of, and guidance on, future earnings and financial position and performance and activities are "forward-looking statements". Due care and attention has been used in the preparation of any forward-looking statements. While RAM Group believe that there is a reasonable basis for the forward-looking statements, such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the RAM Group, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. Except as required by law, the Group does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance is not necessarily indicative of future performance. In the event that the descriptions or terms described herein are inconsistent with or contrary to the descriptions in or terms of the Full Year Results, the Full Year Results will prevail. The information in this presentation does not take your specific needs or circumstances into consideration, so you should look at your own financial position, objectives and requirements and seek financial advice before making any financial decisions.