RAM ESSENTIAL SERVICES PROPERTY FUND (ASX CODE: REP)
ASX Release

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REP STRENGTHENS DEFENSIVE, HEALTHCARE-LED PORTFOLIO THROUGH STRONG CAPITAL RECYCLING AND REDEPLOYMENT INTO HIGH-GROWTH MEDICAL ASSETS

The RAM Essential Services Property Fund (ASX: REP) (the Fund) today releases its financial results for the half-year ended 31 December 2025. During the period, REP continued to advance its capital recycling strategy which will allow the fund to pivot towards becoming a concentrated healthcare portfolio.

For the first half of FY26, the Fund has continued to deliver strong operational outcomes through leasing spreads of 6.1% and a weighted average rent review profile or WARR of 3.6%. Strong results through recent anchor tenant discussions provides positive results in both retail and healthcare. The Fund declared the Q2 distribution of 1.25 cents per security and continues to confirm guidance of 5.0 cents per security to June 2026, which represents a yield on current share price of over 9%[1].

Results highlights:

- FY25 DPS guidance reaffirmed at 5.0–5.2 cps[2].
- Term sheet agreed with institutional investor to acquire 5 retail assets including Coomera Square, Springfield Fair, Coles Rutherford, Keppel Bay Plaza and Mowbray Marketplace.
- Fund will retain a minority interest in the assets with transaction allowing Fund to continue with its strategy to pivot towards healthcare, manage debt and to implement a renewed share buy-back.
- Strong leasing outcomes, with 20 deals completed at a positive spread increasing to 6.1%
- Agreements with major national retailers including Coles Supermarkets and Big W, as well as leading healthcare operators including Virtus Health and Miami Private Hospital.
- Portfolio occupancy at 97%[3] and sustained through a WALE of 7.0 years demonstrating portfolio resilience.
- Enhanced tenant mix and strong healthcare tenant performances with nil arrears across major private hospitals.
- Portfolio valuations are firm, with WACR remaining at 6.09%, and 75% of assets externally revalued over the past 12 months.
- Balance sheet capacity, supporting the ability to pursue further accretive opportunities.

In 1H FY26, REP continued to execute against its declared strategy, advancing its retail divestment program. On successful conclusion of the large retail transaction, the Fund will move close to the announced target weighting of 80% healthcare.

Scott Kelly, Group CEO of RAM, said REP will continue to be diligent with capital.

"Proceeds from these sales will be directed towards a combination of items including a paydown of debt, a re-commencement of the security buy-back program, as well as capital deployment into higher-growth, higher-yielding medical assets and value-add opportunities." Mr Kelly said.

As the portfolio reshapes, healthcare continues to provide defensive characteristics, with a materially higher portion of net leases and recoverable outgoings, providing a natural hedge against inflationary operating costs.

Matthew Strotton, RAM Executive Director and Head of Real Estate, said REP will benefit from increased exposure to healthcare.

"Medical assets typically require lower capital expenditure through triple-net lease structures and longer average WALEs reduces tenant churn and reduces income volatility. In an environment where interest rates may remain elevated for longer, this reduces capital requirements and lower expense volatility is a positive move for the Fund. Sector data also continues to show significantly lower delinquencies in healthcare compared to other industries.

"The healthcare real estate sector continues to show resilience, and the time is right to reposition. The shift toward a higher-quality, healthcare-focused portfolio supported by capital recycling and selective acquisitions will produce income stability and a solid foundation for long-term value creation." Mr Strotton shares.

REP continues to assess a deep pipeline of healthcare opportunities, with several currently under discussion and targeted to provide meaningful earnings accretion in the first full year following settlement.

REP also strengthened its healthcare capability during the half year with the appointment of George Websdale, Executive Director and Head of Funds Management – Real Estate, who brings over 30 years of specialised healthcare real estate experience. His appointment further reinforces RAM's institutional expertise as the Fund accelerates its transition toward a healthcare led portfolio.

[1] Based on a closing price of $0.535 on 24 February 2026.
[2] Guidance adopts average 3-month BBSY consensus and implementation of divestments and accretive acquisitions as forecast.
[3] By income and includes signed HoA's excluding areas withheld for development

This announcement is authorised to be given to ASX by the board of directors of RAM Property Funds Management Limited

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About RAM Essential Services Property Fund (ASX: REP)

RAM Essential Services Property Fund (REP) is a stapled real estate investment trust listed on the ASX. REP consists of a geographically diversified and defensive portfolio of medical and essential retail-based properties, underpinned by a high-quality tenant profile including leading national supermarkets and private hospital operators, and offers growth opportunities through significant value-add development potential. REP's objective is to provide Securityholders with stable and secure income with the potential for both income and capital growth through exposure to a high quality, defensive portfolio of assets with favourable sector trends.

RAM Property Funds Management Limited (ABN 28 629 968 163, AFSL 514484) is the responsible entity of RAM Australia Retail Property Fund (ARSN 634 136 682) and RAM Australia Medical Property Fund (ARSN 645 964 601), of Suite 15.01, Level 15, Chifley Tower, 2 Chifley Square, Sydney, NSW, 2000.