Chairman's Address, Vital Healthcare Property Trust Annual Meeting, 9 November 2017

The following is the address of the Chairman of Vital Healthcare Management Limited for the Vital Healthcare Property Trust Annual Meeting held at the Princes Ballroom, Pullman Hotel, Auckland at 1.00pm on Thursday 9 November.

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[Slide 1 – Cover slide]

[Welcome]

Welcome ladies and gentlemen to the 2017 Annual Meeting of Vital Healthcare Property Trust.

My name is **Graeme Horsley,** I am the Chairman and an Independent Director of your Trust's Manager.

The conduct of this meeting will be governed by the Financial Markets Conduct Act 2013, the Financial Markets Conduct Regulations 2014 and the Trust Deed of the Trust.

Under the terms of the Trust Deed I have been appointed the Chairman of this meeting.

Before we get started I ask you to note that should we need to evacuate the exit is located at the rear of the room. In the unlikely event of an emergency, an alarm will sound and everyone should exit and meet outside directly in front of the Pullman Auckland sign. Could I also please ask that your mobile phones are turned to silent mode.

[Notice of Meeting]

The Notice of Annual Meeting, including all resolutions to be considered, has been circulated to all Unitholders.

[Quorum & Proxies]

Before the business of the meeting can commence it is necessary for there to be a quorum.

Proxies have been received from Unitholders holding 184,579,227 units which equates to 42.5% of units on issue and therefore represent over 10% of the number of units on issue.

On that basis, I am pleased to confirm that there is a quorum present and I declare the 2017 Annual Meeting of Unitholders of Vital Healthcare Property Trust open.

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[Slide 2 – Meeting Agenda]

[Meeting process/agenda]

I'll first run through the order of the meeting before introducing my fellow Directors and members of the Executive Team along with the Trustee, legal and audit representatives who are also here today.

- I will then give my address looking at our performance, strategy and our focus for the year ahead;
- David Carr, the Chief Executive Officer of the Manager will then speak, briefly recapping our 2017 results and then provide you with an update of activities for the year to date and outlook;
- I will then invite you to ask any questions you may have regarding the Trust;
- We will then move to the one Resolution for voting upon – being the re-election of myself as an Independent Director on the Board of the Manager;
- We will then conclude the meeting, following which there will be refreshments, and I invite all Unitholders to remain and enjoy these with us.

The Annual Report and Financial Statements for the year end 30 June 2017 have been circulated to all Unitholders and are now formally tabled at the meeting.

Copies of the minutes of last year's Annual Meeting are available for inspection at the entrance to the room.

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[Slide 3 – Introductions]

[Introductions – Slide 4 Board of Directors]

Before going any further I would like to take the opportunity to introduce my fellow Directors.

To my right is, **Claire Higgins** and to her right is **Andrew Evans** and unfortunately due to other business commitments in Canada, we have **Bernard Crotty** from NorthWest attending via conference call and an apology from **Paul Dalla Lana**. Good afternoon Bernard.

The Board composition remains unchanged from last year, with **Andrew**, **Claire**, and myself as independents and **Paul** and **Bernard** as representatives of the Manager.

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[Slide 5 – In attendance today]

I would also like to introduce members of the Executive Team of Vital Healthcare Management Limited.

First is the Chief Executive Officer, **David Carr** and next to David is the Chief Financial Officer and Company Secretary, **Stuart Harrison**.

Also in the audience today are a number of staff from the management team.

Also present today are:

1. **Loriza Ramzan** from Trustees Executors Limited, the Supervisor of Vital Healthcare Property Trust

2. **Peter Gulliver** from Deloitte, the auditors for the Trust and

3. **Andrew Harmos** from Harmos Horton Lusk Limited, the legal advisers to the Manager

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[Divider slide 6 – Chairman's address]

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Ladies and gentleman, over the last few years prior to discussing the details of the Annual Meeting we've shown you a short video clip of our properties alongside our operators.

[Slide 7 – Sportsmed]

This year I thought we'd provide you with a clip from one of our smaller, but no less important partners, SportsMed, in Adelaide, South Australia.

We acquired the SportsMed Hospital and Medical Centre from the operator in December 2012 and it has been a fantastic investment.

SportsMed is an industry leading private orthopaedic hospital, surgery and multidisciplinary healthcare provider that offers patients access to world-leading healthcare in state-of-the art facilities that is proudly South Australian owned and operated.

We've also recently completed a A$6.1m development of a stand-alone medical consulting building as you can see in this photo, which is so recent it doesn't appear on the video, so I thought it would be good to show you that.

We acquired SportsMed on a 9.1% yield five years ago, and as at 30 June this year it was independently valued at 6.0%, providing a positive valuation gain of approximately A$20m over the last five years, or circa 11% per annum, so it's been a great investment. Let's now take a look at the video clip please.

[Slide 8 - PLAY VIDEO] I trust you all enjoyed seeing a real time perspective of the sort of assets Vital invests in.

[Slide 9 – Vital's unit price performance]

Moving onto the core part of the presentation, starting with Vital's ongoing total return outperformance compared to the wider market and our real estate peers over the last 10 years.

At last year's Annual Meeting the unit price was $2.01 compared to Tuesday's closing price of $2.22, which on its own (excluding any distributions over the period) represents a 10.4% return to unitholders.

As you can see as at 31 October 2017, the last 10 years has produced a compounded total annual return of 13.4%.

I am of the firm view that this outperformance continues to be driven by Vital sticking to its clearly stated strategy set by the Board and delivered on again over the last year by David and his management team.

Vital is the only listed healthcare real estate vehicle in Australasia and with a long dated track record of delivery and performance, has a hard earned reputation with both investors and tenants as a market leader.

With a commitment to continue with our scale and diversification strategy, we remain focused on 'more of the same' and all things being equal expect 2018 to be another productive year.

[Slide 10 - Chairman's 2017 report card]

You should all be familiar with this slide as I've often used it over recent years (and I make no apologies for the repetition).

In essence the slide details the core elements and focus for Vital.

To quickly recap on each (and David will expand on some specific elements in his part of the presentation) we have:

- Maintained a high quality pure-play Australasian healthcare real estate portfolio with exceptional metrics, embedded growth potential, backed by market leading operators and tenants. And remember all of this continues to be underpinned by undeniable growth and an increase in demand for healthcare services - driven by a growing and ageing population;

- We continue with the attractive brownfield development programme and we absolutely expect brownfields to continue into the foreseeable future on the back of increasing demand. This pipeline over the next 5 years or so (whilst not currently committed) could quite easily run into the hundreds of millions of dollars;

- Acquisitions remain a core feature of our scale and diversification strategy and after a relatively quiet period a couple of years ago, we’ve now executed on a number of these through the course of 2017. Again David will run through some of these in his presentation;

- We successfully completed the $160m capital raising in August last year, with a very high 87% take up from existing unitholders, and in August this year we added A$175m to the debt facility to further support our growth strategy;

  As always we have a number of tools in the toolkit to manage our capital requirements and one of these is the potential sale of non-core assets, with management continually reviewing the portfolio, assessing where the opportunities are for future asset sales;

- And from a management team perspective, the core team remains in place, in addition to the Manager having recruited a number of new very experienced people over the year;

  Managing healthcare real estate requires a unique skill set, and I personally consider the team as absolute market leaders in this regard which ensures that our tenants / operators and their patients and staff are working in high quality (and typically highly acute) healthcare environments and facilities;

- The last and by no means least part of this equation is the circle on the right hand side of this slide. As we have represented for a number of years, our focus has been, and remains ultimately on these core outcomes, being sustainability of the distribution and long term value creation.

- I'd like to expand on each using a couple of charts.

[Slide 11 – Distribution Sustainability]

This chart portrays a number of important points.

In essence, what it shows is the historically conservative nature of the Board's approach towards distributions to investors.

This is reflected in what the market calls a payout ratio. A payout ratio is essentially the percentage of total cash earnings (or AFFO (which is 'Available Funds From Operations')) in a year that is paid to investors.

As you can see Vital's payout ratio for the last 3 years has been very conservative, averaging 73% over the period.

For the 2017 Financial Year independent research shows the average New Zealand Listed Property Sector AFFO payout ratio was over 100%, this compares to Vital's 2017 AFFO payout ratio of 72%, which adjusts for a one-off lease termination receipt of $13.8m in 2017.

Just for clarity, typically, if you are paying out over 100% of your free cash flow it is likely you are using debt to pay for distributions. This is <u>not a sustainable strategy</u>.

In saying that, to be fair, there may be good strategic business reasons for this, however, the Vital Board has taken a much more moderate and conservative approach and as I have noted has focused more on the absolute sustainability of the distribution.

[Slide 12 – Investment Activity]

I'd also like to point out that we've been re-deploying any retained earnings (or "working capital") into acquisition opportunities and highly accretive brownfield development - further preserving (through diversification) the sustainability of the distribution.

This is shown in this chart (which we also showed you last year) where scale and diversification through acquisition and development has underpinned DPU growth, but more importantly, without sounding like a broken record, distribution sustainability.

[Slide 13 – Distribution Growth]

Also - just in case you don't recall we have periodically increased the distribution and the chart shown here compares Vital's compound annual growth rate of its distribution over the last 5 years against the NZ Listed Property Sector.

As you can see we have in fact been delivering above market average distribution growth over the period shown. In my view this reflects a very fair and reasonable outcome for investors, balanced with a prudent and responsible approach to managing desired equity returns and the capital requirements and demands of the business in delivering on its stated strategy.

In essence we are not just sitting here on 'autopilot' waiting for a reason to say 'no'. The Board's preference has been (and continues) to be very thoughtful about balancing the needs of both the business and investors – and again based on feedback and performance to date we see the market as giving us a clear 'vote of support' in that regard.

[Slide 14 – Total Return Performance]

Remember also, everything I have just mentioned excludes the capital gain (which makes up the total return) in unit price to investors.

If we look at this chart on Slide 14 over a 5 year period, Vital's compound annual total return has been 17.9%, as compared to the New Zealand listed property sector at 9.8%.

So wrapping up my thoughts on this important concept, it simply reinforces and hopefully clarifies for investors our distribution sustainability and long term value creation message. This will continue to be balanced with and underpinned by our scale and diversification strategy.

[Slide 15 – Valuation update]

I just thought a few slides on our property valuations would be helpful in understanding the underlying performance of the portfolio. These revaluation gains have underpinned Vital's NTA and supported unit price performance for many years now, so it's a hugely important metric.

[Slide 16 – Independent portfolio revaluations]

On Slide 16 we provide a 4 year track of capitalisation rates (or cap rates) for Australia, New Zealand and the total Vital portfolio.

The chart's self-explanatory, but as you can see for the last 12 months to 30 June 2017 Vital's Independent Valuers' analysis has resulted in the portfolio weighted average capitalisation rate firming 113 basis points to just over 6%, and a $168.5m revaluation gain.

In my opinion, this partly structural shift reflects the market's new found appreciation of the unique characteristics and underlying drivers of healthcare real estate – with these trends being amplified by Vital's leading portfolio metrics.

Where do I see capitalisation rates going in the near future? Well, everyone will have a view on this and remember it's an art not a science. In my own opinion I think it would not be unreasonable to expect that they will likely moderate over the next 12 months or so.

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[Slide 17 – Healthcare Sector Capitalisation Rates]

Slide 17 considers both asset and market drivers of cap rate firming to help provide some context to the strong revaluation gains over recent years I spoke to on the previous slide.

Asset drivers are the elements we largely have control over and include:

1. High occupancy levels and long dated lease expiry's;
2. Provision for structured rent growth, with periodic reviews to market; and
3. Tenant performance, covenant and asset quality.

The market drivers listed on this slide include external influences on value.

Without a doubt, transaction evidence, supply and demand and a low interest rate environment has certainly supported the firming thematic - and that's right across the real estate sector, not just for healthcare real estate.

We have also seen a number of well capitalised new entrants enter market which has also certainly changed the dynamic over recent years.

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[Slide 18 – Portfolio Lease Expiry]

At a portfolio level, these two charts are just an example of how elements of our strategy have delivered significant benefits.

The left hand chart shows our average annual 10 year income due to expire has reduced from 4.4% per annum in 2012 to just 2.0% now.

This mitigates significant income risk from the portfolio whilst providing greater earnings certainty over the long term.

The risk reduction is driven by proactive management and our relationship focused approach.

On the right hand side we have reduced our largest single tenant expiry exposure over the next 10 years from 13.1% of total income in 2012, to just 1.8% now.

[Slide 19 – Acurity Healthcare partnership]

I thought I'd take the opportunity to steal a bit of David's thunder and update you on the conditional acquisition we announced on 11 May 2017 of Wakefield and Bowen Hospital's in Wellington from the Acurity Healthcare Group.

Whilst those conditions have not yet been satisfied I am advised that we certainly hope to be able to confirm such in the next few months.

[Slide 20 & 21– Photo of 'now' and 'proposed' of Wakefield Hospital, Newtown, Wellington]

For Wakefield hospital, as part of the acquisition, Vital has conditionally committed to a large scale redevelopment over the next 3 years, resulting in an effective total re-build of Wakefield Hospital.

[CLICK FOR SLIDE 21 – New Wakefield]

As you see in this slide the proposed transformation at Wakefield Hospital will be significant. The development will be completed in stages to minimise disruption to existing operations, and on completion will result in a world class, seismically rated, modern, functional facility providing exceptional quality healthcare services.

The new Wakefield is expected to include 8 theatres, 40 beds, and 265 carparks, with additional expansion capacity built into the design as required. Vital's forecast capital spend is approximately $80 million and is expected to commence in 2018 and be completed in 2021.

[Slide 22 – Bowen Hospital, Crofton Downs, Wellington]

In addition Vital will also acquire Bowen Hospital in Crofton Downs along with the potential for a commitment to development of necessary infrastructure for radiation oncology services at Bowen. These works will include oncology bunkers that will house a single Linear Accelerator with capacity to grow to two.

The service will be operated by a joint venture between Acurity Health Group and Icon Cancer Care, Australia's largest private provider of cancer care. Radiation Oncology services are a logical expansion following the recent commencement of private medical oncology services at Bowen by the joint venture.

The project is forecast to commence in the first half of 2018 and is expected to take approximately twelve months to complete.

Both Wakefield and Bowen will be leased to Acurity for initial lease terms of 30 years, reflecting the long term intent of both parties, including Vital partnering with Acurity as its exclusive real estate capital partner on future opportunities.

[Slide 23 – Divider Slide 'Focus']

Pause

[Slide 24 – Focus for 2018]

In closing, we continue to have some of the strongest and most attractive portfolio metrics of any real estate vehicle in Australasia, with a conservatively managed balance sheet and overall financial position.

This enables us to be selective and prudent in considering opportunities as they arise – remaining focused on our core foundations in building a healthy future I spoke to earlier.

The Board remains supportive and confident in David and his management team's ability to continue delivering on all of the key focus areas for 2018.

A core part of this is remaining focused on our scale and diversification strategy working alongside both existing and potential new partners.

Recognising the ongoing market support for our core philosophies – being distribution sustainability and long term value creation, as announced at the August results, the Board has determined to maintain current cash distribution guidance at 8.5 cents per unit for the 2018 Financial Year.

I am therefore pleased to announce the Board has today approved a first quarter cash distribution of 2.125 cents per unit, which is payable on 18 December to unitholders, with a record date of 4 December.

I would like to thank all unitholders for their continued support and look forward to updating you on various initiatives as we move through 2018.

I will now pass you over to David who will run through his presentation.

[Graeme to pass the meeting to David].

Chief Executive Officer's address

Slide 25 Chief Executive Officer's address

Thank you Graeme, welcome and good afternoon everyone.

My name is David Carr and it's a pleasure to be here today to update you on the activities of the Trust.

Slide 26 – FY17 Results Summary

In terms of the agenda I'll start by reviewing the 2017 results highlights and then provide an update on a range of activities and healthcare real estate themes, building on the areas of focus for 2018 that Graeme discussed.

Slide 27 – FY17 results summary

As we announced in August, the Trust had a solid 2017 financial year, underpinned by consistent performance across all facets of the business.

In terms of operating results, we had gross rental income of $91.8m, a 31% increase for the period. It should be noted however that this included the benefit of a one-off lease termination receipt of $13.8m from two of our properties on the Gold Coast.

If you excluded this one-off receipt, rent growth was still up around 11%, driven by contributions from acquisitions, completed brownfield developments and rent reviews.

Reported NPAT was $217.6m, but once you strip out unrealised components, like revaluation gains and foreign exchange influences, a more appropriate or relevant measure for unitholders is Net Distributable Income which was $61.8m, up 54%, equating to 14.7 cents per unit.

Again if we normalised this to account for the lease termination receipt I mentioned earlier, net distributable income would have been approximately 11.7 cents per unit for the full year, in line with 2016.

And remember, this follows completion of the $160m rights issue in August 2016 which added more units and gave us balance sheet capacity to execute on 7 major acquisitions through the year, and having delivered on the Board's 2017 guidance of 8.5 cents per unit.

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Slide 28 - Treasury and Capital Management

Vital's LVR, or Loan to Value ratio of 29.3%, is well below the 36.3% from a year earlier, again recognising the net position resulting from the August 2016 capital raise, revaluation gains and application of funds to acquisitions and brownfield developments.

At just under 30%, our LVR remains well below our bank and Trust Deed covenants of 50%, so we have plenty of balance sheet capacity to invest into future opportunities.

Another positive trend has been the continued reduction in our weighted average cost of debt to 4.34%, which is our 5th consecutive year of lower bank debt funding. It reflects a combination of:

- Low Australian interest rates,
- Lower bank fees achieved at each tranche of the facility renewals and
- Strong ongoing support from our Banking partners.

Post balance date, in August this year we also added a further A$175m of capacity to our debt facilities – which attracted slightly higher bank fees, but extended the weighted average facility term out to approximately 3 years.

With NTA or Net Tangible Assets at $2.05, this was driven up by the equity raise at above NTA, retained profit and the strong revaluation gains achieved at year end.

Even after allowing for this 36% increase it is still great to see Vital's units consistently trading at a healthy premium to NTA which in my view recognises the benefits of a large, well-diversified, high quality healthcare real estate portfolio.

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Divider slide 29 – Portfolio update

Slide 30 – Strong core portfolio

Slide 30 shows our core portfolio metrics remain in great shape.

Our current occupancy of 99.3% maintains our track record of over 99% for the last 8 years. This is a strong indicator of performance and one the team are proud of as it goes to the heart of both the quality of Vital's properties and the enduring depth of our tenant relationships.

Our WALE (or Weighted Average Lease Term to Expiry) of 17.7 years is market leading, and I'll speak to the benefit of a long WALE in a couple of slides.

We have just 1.4% of total income expiring in 2018, and based on historic renewal trends as at today, I'd reasonably expect over 90% of these tenants will agree to stay on.

Supporting these core metrics, we also have approximately 90% of our total income with structured type rent reviews due over 2018, with the majority of these reviews CPI based.

Slide 31 – Portfolio diversification

This slide simply shows Vital's portfolio diversification by geographic mix and asset type.

We are comfortable with the diversification as shown here, and I note that we don't have any set policy or target weightings.

Our preference is to assess any new opportunities as they arise and within the over-arching context of whether it aligns with our core strategy.

Slide 32 – Market leading WALE

As I touched on earlier our WALE is 17.7 years and if you look back over the last 5 years we've had an average WALE of 16.4 years – a great achievement and key point of difference when compared to the wider listed property sector at just 6.8 years.

A long dated WALE recognises Vital's portfolio quality and long term suitability of our properties for our tenants and operators - as we have proven over recent years with a number of tenants signing new 30 year leases. Lease terms of this length are effectively un-heard of in the wider commercial property market.

Ultimately a long dated WALE provides contracted long term rental income stability for investors, and directly supports the Board's distribution sustainability message.

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Slide 33 – Lease expiry profile

This chart shows that our current average annual lease expiry is only 2.0% per annum for the next 10 years.

Due to our proactive approach to managing future lease expiries well in advance, we have now mitigated a lot of this risk as Graeme explained earlier.

In essence this chart shows that over the next 10 years we have just 20% of our total current income expiring, with the balance 80% expiring between 2028 and 2047.

Also, as you can see, we do still have work to do with some near term lease expiries, but be assured that the team remains focused on resolving these early to ensure we maintain this type profile for years to come.

Slide 34 - Sector drivers and trends

We now consider the sector drivers of demand and trends for healthcare services.

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Slide 35 - Sector drivers and trends

While the potential for periodic healthcare reforms can cause short term uncertainty, particularly in Australia at the moment, we maintain a view that the underlying demand for healthcare services largely remains intact and will continue to grow.

This compounding growth is as a result of a growing and ageing population, adding to the complexity of healthcare needs, and people having increasingly high expectations of receiving quality, timely and cost effective care, whether that be in the public or private system.

One barometer we look at is private health insurance levels as a percentage of population.

More recently, Australian policy holder growth has declined slightly, however conversely in New Zealand in June this year the Health Funds Association noted that it has now recorded 9 consecutive quarters of policy-holder growth, and in fact had seen some of the strongest growth in Private Health Insurance levels since 2001.

For context though, please remember, whilst Australia may be under some pressure, it still has around 46% of its population with health insurance, as compared to New Zealand at approximately 30%, so Australia it is still our strongest market in that sense.

On balance we retain a net positive outlook, particularly over the longer term and we don't expect external influences or changes to the fundamental structure and characteristics of healthcare services to change that view.

Divider slide 36 - Development update

I'll now run through a development update.

Slide 37 – Development update

On this slide you can see a summary of four development projects that continue, where we're spending approximately A$40m building additional capacity in hospital beds, operating theatres and related infrastructure. At the bottom part of the slide you can see we have recently completed developments at Maitland Private and SportsMed in Adelaide.

These types of capital investments continue to reposition and modernise the portfolio and entrench our long term strategic partnerships.

We also continue to look to acquire strategic sites adjacent to existing properties. This is essential so we can continue to create capacity for our operating partners and protect and enhance long term value.

In terms of our outlook for development projects, over the next few years I'd expect that we'll likely commit to at least $25m to $50m per annum on average as a result of continued demand for healthcare infrastructure.

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Divider slide 38– Acquisition activity

In the next two slides I'll update you on some of our more recent acquisition activities, noting Graeme has already discussed the conditional acquisition of Wakefield and Bowen Hospital's in Wellington.

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Slide 39 – Recent acquisitions (Ormiston Hospital, Auckland)

The first acquisition is Ormiston Hospital, here in Auckland which we settled in May.

Ormiston Hospital is situated in Flat Bush, approximately 25km south of the Auckland CBD and was purpose built in 2008.

Ormiston is around 5km east of Auckland's largest public hospital – Middlemore, and serves a significant catchment in one of Auckland's strongest population growth corridors, with a resident population of well over half a million people.

Comprising 5,000 sqm of floor area across three levels, with basement car parking, Ormiston has over 70 leading medical specialists and surgeons using the hospital's 31 beds and 6 surgical theatres.

The main tenant is Ormiston Surgical and Endoscopy Limited – a business whose cornerstone shareholder is Southern Cross Hospitals, New Zealand's largest private hospital operator, and without a doubt we'll look to strengthen this new partnership over coming years.

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Slide 40 – Recent acquisitions (The Hills Clinic, Sydney)

Mid-June we announced the off-market acquisition of The Hills Clinic, a private mental health hospital located in Sydney's north western growth corridor.

Built in 2011, The Hills is a 59-bed private inpatient mental health facility, including a medical clinic with 8 consulting rooms and approximately 30 referring clinicians.

The Hills is differentiated by its dedicated youth mental health program providing modern, innovative care for adolescents with drug, alcohol, depression and anxiety disorders.

Healthe Care, Vital's largest tenant partner and Australia's third largest corporate private hospital operator has leased The Hills from Vital on a 30-year lease.

The Hills Clinic is Vital's fifth mental health hospital in Australia and its first in NSW. The site has expansion capability, with potential for an additional 24 beds, which fits nicely with our philosophy of supporting our operating partners as population growth and wider demand pressure for mental health services increases over time.

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Divider slide 41 – Summary

Finally, Vital's strategy is delivering and we continue to build on recent successes.

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Slide 42 – Summary: Themes, drivers and opportunities

Healthcare real estate remains an attractive long term investment proposition.

Proactive asset and portfolio management is an essential and core part of our role as Manager and the team takes pride in delivering outcomes both the market and investors have come to expect.

This, supported by a strong financial position remains the foundation of what we do and allows us to deliver on the Board’s scale and diversification strategy.

More recently the unique investment characteristics of healthcare assets has been recognised by sophisticated and professional investors, with multiple new entrants and large amounts of capital looking to secure opportunities in the sector.

We’ve successfully maintained our key point of difference which has seen the prudent execution of a number of off-market acquisitions, reflecting the strength of relationships Vital has with both existing and new partners.

We remain excited about the future and are still of the view that there is a potential investible universe of healthcare real estate in our market in excess of $3bn. We will carefully consider each opportunity as it arises, recognising that these will be intergenerational long term investments.

In finishing I’d like to thank my full management team, they are great people doing exceptional work.

Thank you also to Graeme and the Board for their ongoing guidance and support.

And last and certainly by no means least, a big “thank you” to you, our investors, we certainly appreciate your ongoing support.

I will now pass you back to the Chairman, Graeme…..