

## Successful Fund Raising Of £32.6 Million

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Impact Healthcare REIT PLC  
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**8 November 2017**

**Impact Healthcare REIT plc**  
(the "**Company**")

### **SUCCESSFUL FUNDRAISING OF £32.6 MILLION**

Further to the announcement on 16 October 2017, the Board of Directors (the "**Board**") of Impact Healthcare REIT plc (ticker: IHR) is pleased to announce that it has successfully raised gross proceeds of £32.6 million pursuant to the Placing, which closed on 7 November 2017. A total of 32,034,471 Ordinary Shares will be issued pursuant to the Placing. The Placing Price is 101.75 pence per Ordinary Share.

The Placing was significantly oversubscribed and therefore applications have been scaled back in accordance with the terms set out in the Placing launch announcement dated 16 October 2017.

The net proceeds of the Placing are expected to be used to acquire the Target Portfolios (as defined below), other potential acquisition opportunities and/or invest in value enhancing opportunities within the Company's existing portfolio. The Company has agreed exclusivity on three transactions (together, the "**Target Portfolios**") with an aggregate value of approximately £45 million, which, if acquired, would add in excess of 680 beds to the existing portfolio, add three new tenants with extensive experience in operating care homes and would further diversify the Company's portfolio geographically across the UK, whilst also presenting a number of value enhancing opportunities which can be delivered over time. It is expected that the net initial yield and average lease term of the Target Portfolios would be in line with the Company's Seed Portfolio. The Company's Investment Adviser is pursuing other potential acquisition opportunities, although all possible acquisitions remain subject to due diligence.

Application has been made for the admission of 32,034,471 Ordinary Shares to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange ("**Admission**"). Admission is expected to occur at 8.00 a.m. on 13 November 2017 and the Ordinary Shares will trade under the ticker IHR (ISIN: GB00BYXVMJ03).

Following the Placing, the Company's issued share capital will comprise 192,206,831 Ordinary Shares and this is the total number of Ordinary Shares with voting rights in the Company. This figure (192,206,831) should be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

#### **Commenting on the result of the Placing, Rupert Barclay, non-executive Chairman of Impact Healthcare REIT plc, said:**

"This additional capital raise enables the Company to move to its next stage of growth, further diversify the Company's tenant base and geographic exposure and to invest in value enhancing opportunities within the Company's existing portfolio. The Company is focusing on deploying the proceeds of this fund raise into this pipeline of potential investment opportunities in the near term. We are delighted by the support from both new and existing investors to this successful capital raise following our IPO earlier this year."

Winterflood Investment Trusts is acting as sole bookrunner and financial adviser to the Company in relation to the Placing and Admission.

Terms used in this announcement shall, unless the context otherwise requires, bear the meanings given to them in the circular published by the Company dated 16 October 2017.

This announcement contains inside information.

#### FOR FURTHER INFORMATION, PLEASE CONTACT:

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#### NOTES:

The Company is a real estate investment trust ("REIT") which aims to provide shareholders with an attractive return, principally in the form of quarterly income distributions and with the potential for capital and income growth, through exposure to a diversified portfolio of healthcare real estate opportunities, in particular residential care homes. The Company's investment policy is to acquire, renovate, extend and redevelop high quality healthcare real estate assets in the UK and lease those assets primarily to healthcare operators providing residential healthcare services under full repairing and insuring leases.

The Company is targeting an aggregate dividend of 6.0p per share for the first 12 months from Admission which equates to a yield of 6 per cent. per annum on the IPO Issue Price, payable in quarterly instalments<sup>(1)</sup>. A fully covered dividend of 1.50p per share for the period from 7 March 2017 to 30 June 2017 was paid on 31 August 2017. The Board declared a dividend of 1.50 pence per ordinary share for the period from 1 July 2017 to 30 September 2017 would be payable on 30 November 2017 to shareholders on the register on 17 November 2017.

The Company's property portfolio comprises 57 residential care homes (2,527 beds), with leases of 20 years (with no tenant break right), subject to annual upward only, Retail Price Index-linked rent reviews (with a floor and cap at 2% p.a. and 4% p.a., respectively). The portfolio has an annualised rent roll of £11.6 million.

The Company and its Investment Adviser believe that residential healthcare is a significant investment opportunity in the UK, owing to both increasing demand for various forms of care from a growing and ageing population and the current reduction in the supply of suitable assets for providing that care. A well-capitalised landlord like the Company, with an experienced investment adviser, should be well positioned to deliver attractive returns to investors, while also providing stability and a commitment to enhance homes wherever possible to their residents.

The Company's IPO in March 2017 raised gross proceeds of £160 million. The Company's Ordinary Shares were admitted to trading on the main market of the London Stock Exchange, in the Specialist Fund Segment on 7 March 2017.

(1) This is a target only and not a profit forecast and there can be no assurance that it will be met and it should not be taken as an indication of the Company's actual or expected future results.

#### IMPORTANT INFORMATION

Neither this announcement nor any part of it constitutes an offer or invitation to underwrite, an offer to sell or issue, or the solicitation of an offer to buy, subscribe or acquire any Placing Shares in any jurisdiction in which any such offer or solicitation would be unlawful. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933 (as amended), under the securities legislation of any state of the United States or under the securities laws of Canada, Australia, New Zealand, Japan, the Republic of South Africa or any member state of the EEA (other than the United Kingdom).

Winterflood is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA"). Winterflood is acting exclusively for the Company and for no one else in connection with the Placing and Admission and will not regard any person (whether or not a recipient of this announcement) as a client in relation to the Placing and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to Winterflood's clients or for providing advice in relation to the Placing or Admission, the contents of this announcement and the accompanying documents or any matters or arrangements referred to herein or therein.

#### FORWARD LOOKING STATEMENTS

This announcement includes statements that are, or may be deemed to be "forward-looking statements". The words "believe", "anticipate", "expect", "intend", "estimate", "forecast", "project", "aim", "hope", "plan", "seek", "predict", "continue", "assume", "positioned", "may", "will", "should", "shall", "risk", "assurance" and other similar expressions that are predictions of or indicate future events and future trends identify forward-looking statements. Others can be identified from the context in which they are made. These forward-looking statements include all matters that are not historical facts. An investor should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the Company's control. By their nature, forward-looking statements involve risks and uncertainties because they relate to future events and circumstances which are beyond the

control of the Company, including amongst other things, domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its respective affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. The Company cautions investors that forward-looking statements are not guarantees of future performance and that its actual results of operations and financial condition, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this announcement. The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that the Company, or persons acting on its behalf, may issue.

Forward-looking statements contained in this announcement that are based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No statement in this announcement is intended to be a profit forecast or to imply that the earnings of the Company for the current year or future years necessarily will match or exceed the historical or published earnings of the Company.

The information contained in this announcement is subject to change without notice and the Company does not undertake any responsibility or obligation nor does it intend to revise or update publicly or review any of the forward-looking statements in this announcement to reflect events or circumstances after the date of this announcement (except to the extent required by the FCA, the London Stock Exchange or by applicable law, the Listing Rules (to the extent complied with on a voluntary basis by the Company from time to time) or the Disclosure Guidance and Transparency Rules). Prospective investors should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement, as a prediction of actual results or otherwise.

In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this announcement may not occur.

Rupert Barclay  
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