



Littleport / Cambridgeshire

Overview

Impact Healthcare REIT plc (ticker: IHR) is a real estate investment trust. We are traded on the Premium Segment of the Main Market of the London Stock Exchange.

Strategy – We have an established strategy, supported by a disciplined approach to putting capital to work. Our strategic target is to deliver accretive growth by working in a long-term partnership with carefully selected care home operators, who:

- have a track record of delivering high-quality care;
- are consistently and sustainably profitable; and
- are ambitious to grow their businesses, through Impact acquiring more homes they will manage and through asset management opportunities, to expand and improve the homes they already manage.

Objectives – We aim to provide shareholders with attractive and sustainable returns, primarily in the form of quarterly dividends. Through active asset management, we also aim to generate growth in net asset values over the medium term. Our targets are to deliver:

- a progressive dividend policy, with a total target dividend of 6.17p per share in respect of 2019¹; and
- a NAV total return of 9.0% per annum¹

Investment Policy – To acquire, own, lease, renovate, extend and redevelop high-quality healthcare real estate assets in the UK, in particular care homes, and to lease those assets to care home operators and other healthcare service providers, under full repairing and insuring leases.

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

Key achievements in Q1 2019

- Declared and paid the Q4 dividend of 1.5p per share delivering an annual dividend of 6.0 pence per share for the 2018.
- Completed the acquisition of one home with 76 beds in Redcar in the north east of England, leased to an existing tenant, Prestige.
- Secured a new five-year revolving credit facility with Clydesdale Bank of £25 million.
- Announced a 12-month placing programme for up to 200 million shares.
- Welcomed Amanda Aldridge to the board as a new independent non-executive director.
- Transferred to the premium listing segment of the London Stock Exchange's main market.
- Approved the appointment of Impact Health Partners LLP as Investment Manager (formerly investment adviser)

Impact at a glance

	31 March 2019*	31 December 2018
Shares in Issue	192,206,831	192,206,831
Share price (p)	106.00	103.50
NAV per share (p)	104.18	103.18
Market Cap (£ million)	203.7	198.9
NAV (£ million)	200.3	198.3
Gross Debt (£ million)	37.3	26.0
WAULT (years)	19.4	19.5

* Unaudited

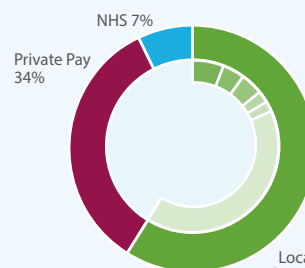
Dividend history (per share)

	2019	2018	2017
Q1	1.54p	1.50p	n/a
Q2		1.50p	1.50p
Q3		1.50p	1.50p
Q4		1.50p	1.50p
	1.54p	6.00p	4.50p

Portfolio analysis – 31 March 2019

Security of income (%)

based on % revenue to tenants

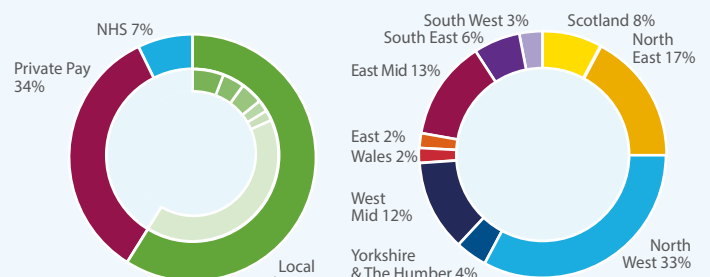


Local Authority top five (% of total revenue)

Wigan Council	5.9%
Cheshire West	4.3%
Cheshire East Council	4.1%
Worcester County Council	2.2%
Northants County Council	1.9%
Other	40.8%

Regionally diverse (%)

based on % portfolio market value



Financial position and performance

	31 March 2019*	31 December 2018	% change
Number of properties	73	72	1.4%
Number of beds	3,529	3,453	2.2%
Market value (£ million)	230.4	223.8	2.8%
– per property (£ million)	3.16	3.11	1.3%
– per bed (£000)	65.3	64.8	0.7%
Contracted rent roll (£ million)	18.10	17.78	1.8%
Contracted Yield (%)	7.47	7.42	0.6%

* Unaudited

Company overview

IPO	7 March 2017	Registered address	
Market	LSE Main Market Premium Segment	7th Floor, 9 Berkeley Street London W1J 8DW	
Index Inclusion	–		
Ticker	IHR		
ISIN	GB00BYXVMJ03		
SEDOL	BYXVMJ0		
Dividend payments	Quarterly		

Board of Directors	
Rupert Barclay (Chairman)	
Rosemary Boot (Senior Independent Director)	
Amanda Aldridge	
Paul Craig	
Philip Hall	

Key dates	
AGM	14 May 2019
Half year end	30 June
Full year end	31 December

Publication date: April 2019

Portfolio update

NAV and valuation

The unaudited NAV per share at 31 March 2019 was 104.18p per share, up from 31 December 2019 NAV of 103.18p.

The portfolio value increased to £230.4 million from £223.8 million, an uplift of 2.9% including £1.1 million of capital improvements and £2.7 million of acquisitions in the quarter. The like-for-like uplift was 1.3%.

Acquisition pipeline

Impact Health Partners LLP, the Company's Investment Manager, is in exclusive or final negotiations and at an advanced stage of due diligence on six transactions, each of which could close in the second quarter of 2019. Together these transactions would enable the Company to deploy in excess of £60 million and add 12 new assets with two new tenants to its current portfolio.



New single storey lounge with improved resident access to landscaped courtyard at Garswood, Wigan.

The Fund Manager is in negotiations on a further five transactions into which the Company could deploy up to £128 million of capital in the third quarter of 2019.

Asset management

Work continued during the quarter on the three developments at Freeland House, Diamond and Garswood which will deliver 86 beds in total. Construction was also being tendered at Loxley Hall for a further five beds. All of these approved capital programmes are expected to be delivered in 2019. In conjunction with the above extension works the homes are also being refurbished and upgraded.

We are continuing to work with all of our tenants on exploring and advancing to planning additional capital improvement programmes across the portfolio.



Ongoing construction of new 30 bed extension at Diamond.

New non-executive director – Amanda Aldridge



We are delighted to welcome Amanda Aldridge to the board of Impact Healthcare REIT plc.

Amanda has joined the Audit, Remuneration, Nomination and Management Engagement Committees and will also assume the position as chairman of the Audit Committee immediately after the Company's Annual General Meeting in May 2019.

Amanda was an audit and advisory partner in KPMG LLP from 1996 until 2017, when she retired from the partnership, having joined the firm in 1984 and qualified as a chartered accountant in 1987. She has significant experience as an external auditor, working predominately with quoted clients, often across multiple sites, with a focus on the retail, consumer and distribution sectors. Amanda has also advised quoted companies on corporate transactions and the assessment and remediation of internal controls and held a number of strategic and line management roles during her 32 years with KPMG LLP. Amanda's audit and advisory work included clients with significant property portfolios.

Amanda is currently a non-executive director of Headlam Group plc and chairman of its Audit Committee. She is a Fellow of the Institute of Chartered Accountants in England and Wales (FCA).

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