



Extension to Diamond House / Leicester / Leicestershire


86
Care homes

£310.6m
Property value

19.9 yrs
WAULT long leases

£23.1m
Contracted rent roll

100%
Inflation linked leases¹

¹ Linked to the Retail Price Index, with a floor of 2% per annum and cap of 4% per annum

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 Q3 2019

- Declared and paid the Q2 dividend of 1.5425p per share delivering on the annual dividend target of 6.17 pence per share for 2019.
- Announced our interim report for the half year to 30 June 2019.
- Completed on five homes and welcomed our ninth tenant to the group, Optima.

Dividend history (per share)

	2019	2018	2017
Q1	1.5425p	1.50p	n/a
Q2	1.5425p	1.50p	1.50p
Q3	1.5425p	1.50p	1.50p
Q4		1.50p	1.50p
	4.6275p	6.00p	4.50p

Impact at a glance

	30 September 2019*	30 June 2019*	% change
Shares in issue	286,546,454	286,546,454	
Share price (p)	111.00	110.00	
NAV per share (p)	106.00	104.67	
Market Cap (£m)	318.07	315.2	
NAV (£m)	303.69	299.9	
Bank borrowings (£m)	23.2	23.2	
Number of properties	86	81	6.2%
Number of beds	4,174	3,924	6.4%
Market value (£m)	310.6	271.6	14.4%
– per property (£m)	3.61	3.35	7.8%
– per bed (£'000)	74.4	69.2	7.5%
Contracted rent roll (£m)	23.1	21.6	6.9%
Contracted Yield (%)	7.26	7.54	

* Unaudited

Below, four properties acquired in Q3. From left: Baylham Care Centre and Barnham Care Centre, Ipswich; Argentum Lodge, Bristol; and Old Prebendal House, Chipping Norton.



Company overview

IPO 7 March 2017
Market LSE Main Market
Premium Segment
Index Inclusion –
Ticker IHR
ISIN GB00BYXVMJ03
SEDOL BYXVMJ0
Dividend payments Quarterly

Registered address
7th Floor, 9 Berkeley Street
London W1J 8DW

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

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

Publication date: December 2019

Portfolio update

NAV and valuation

The unaudited NAV per share at 30 Sept 2019 was 106.00p per share, up from 30 June 2019 NAV of 104.67p.

The portfolio value increased to £310.6 million from £271.6 million, an uplift of 14.3% including £31.9 million of completed acquisitions, £2.5 million invested in capital improvements in homes and a net value uplift of £4.6 million (an increase of 1.7% on a like-for-like basis). Half of this value uplift has been delivered from homes where investment by the Company in capital improvements has been made, demonstrating the benefits of the Company's approach to active asset management.

Acquisition pipeline

The Investment Manager continues to pursue a strong pipeline of investment opportunities including three near term opportunities in excess of £60 million.

The Company and its Investment Manager will continue to exercise robust capital discipline to deliver value at the point of acquisition or investment.

Asset management

Construction work at Diamond House and Freeland is progressing well, with both new buildings expected to be completed in 2019. Following a tender process, contracts have been agreed to construct a new extension at Loxley, adding a

further four bedrooms with additional day space and ancillary facilities. Building work is to commence in Q4 2019. We are working on a number of new capital improvement programmes with our existing tenants, who are looking to enhance their care home offering.



An aerial photograph of the new care home development at Freeland, Oxfordshire.

Our portfolio

Scotland

Number of properties: 7
Beds: 446
% of portfolio income: 8.2%

North West

Number of properties: 32
Beds: 1,286
% of portfolio income: 27.6%

West Midlands

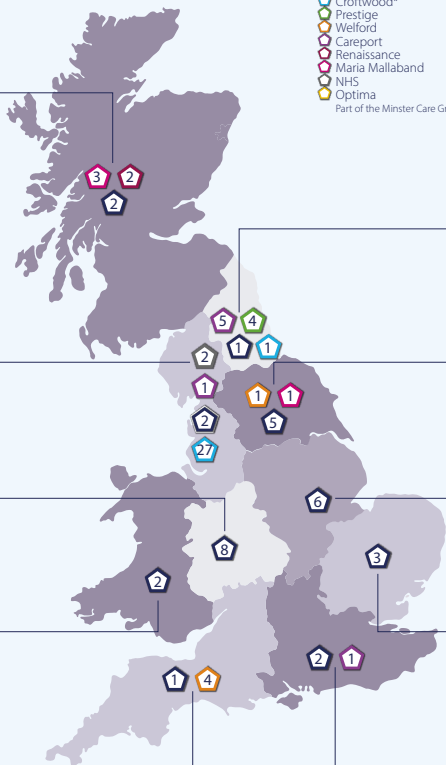
Number of properties: 8
Beds: 365
% of portfolio income: 8.6%

Wales

Number of properties: 2
Beds: 105
% of portfolio income: 1.7%

South West

Number of properties: 5
Beds: 214
% of portfolio income: 6.2%



North East

Number of properties: 11
Beds: 671
% of portfolio income: 12.8%

Yorkshire & The Humber

Number of properties: 7
Beds: 422
% of portfolio income: 9.6%

East Midlands

Number of properties: 6
Beds: 265
% of portfolio income: 8.1%

East of England

Number of properties: 5
Beds: 309
% of portfolio income: 10.4%

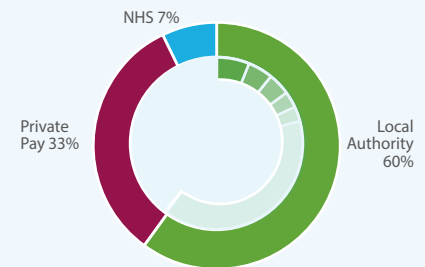
South East

Number of properties: 3
Beds: 191
% of portfolio income: 6.8%

Portfolio analysis

Security of income (%)

based on % revenue to care home tenants

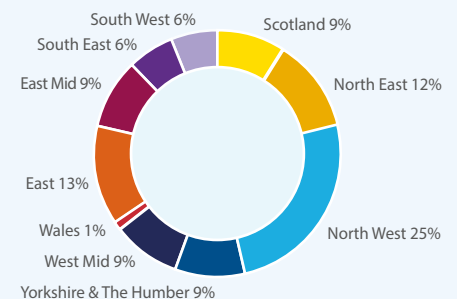


Local Authority top five (% of total revenue)

Wigan Council 6.3%
Cheshire West Council 4.6%
Cheshire East Council 4.4%
Redcar Borough Council 3.0%
Newcastle City Council 2.8%
Other 39.4%

Regionally diverse (%)

based on % portfolio market value



Key contacts

Investment Manager
Impact Health Partners LLP
info@impactreit.uk
+44 (0)20 3146 7100

Media and Public Relations
Maitland/AMO
+44 (0)20 7379 5151
james.benjamin@maitland.co.uk

Administrator and Secretary
JTC (UK) Limited
The Scalpel, 18th Floor,
52 Lime Street, London EC3M 7AF

Registrar
Link Asset Services
The Registry, 34 Beckenham Road,
Beckenham, Kent BR3 4TU

Legal Advisers
Travers Smith LLP
10 Snow Hill, London EC1A 2AL

Financial Adviser and Broker
Winterflood Securities Limited
The Atrium Building,
Cannon Bridge, 25 Dowgate Hill,
London EC4R 2GA

Disclaimer: Approved for issue in accordance with section 21 of the Financial Services and Markets Act 2000 by Impact Health Partners LLP, authorised and regulated by the Financial Conduct Authority (FCA). This document is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe for any investment. The document is intended for information purposes only and does not constitute investment advice. It is important to remember that past performance is not a guide to future performance. Furthermore, the value of any investment or the income deriving from them may go down as well as up and you may not get back the full amount invested. If you are in any doubt about the contents of this document or the investment to which it relates, you should consult a person that specialises and is authorised by the FCA to advise on this type of investment.