

## ASSET DISPOSAL & SMALLER RELATED PARTY TRANSACTION

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Impact Healthcare REIT PLC  
12 August 2020

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12 August 2020

### Impact Healthcare REIT plc

("Impact" or the "Company" or, together with its subsidiaries, the "Group")

#### ASSET DISPOSAL AND SMALLER RELATED PARTY TRANSACTION

The Board of Directors of Impact Healthcare REIT plc (ticker: IHR), the real estate investment trust which gives investors exposure to a diversified portfolio of UK healthcare real estate assets, in particular care homes, is pleased to announce that the Group has sold The Shrubbery care home in Worcester to a developer for alternative use.

The sales price represents a 24% premium to the latest book value as at 30 June 2020 and a 29% uplift on the purchase price.

The Shrubbery, a 36-bed care home which was let to Minster Care Management Limited ("**Minster**"), was identified as a non-core asset by Impact in 2019 with potentially higher value through change of use. As part of the Group's active asset management strategy, the Group worked with Minster to identify Red Hill, a 96-bed purpose-built care home in Worcester, whose acquisition was announced by the Company on 9 January 2020. Upon the acquisition of Red Hill, Minster worked with the staff, residents and residents' families at The Shrubbery to transfer the residents of The Shrubbery to nearby Red Hill. The subsequent sale of The Shrubbery has completed and, as part of the sale process, the lease with Minster, which was subject to annual rent of £61,000 (increasing in line with RPI subject to a cap and floor) with a term remaining of 17 years, has been cancelled.

The cancellation of the lease with Minster is deemed to be a smaller related party transaction for the purposes of Listing Rule 11.1.10R and this announcement is therefore made in accordance with Listing Rule 11.1.10R(2)(c).

#### FOR FURTHER INFORMATION, PLEASE CONTACT:

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The Company's LEI is: 213800AX3FHPMJL4IJ53. Its home member state is the United Kingdom.

Further information on Impact Healthcare REIT is available at [www.impactreit.uk](http://www.impactreit.uk)

#### NOTES

Impact Healthcare REIT plc 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 UK healthcare real estate opportunities, in particular care homes for the elderly. The Group'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 has a progressive dividend policy with a target to grow its annual aggregate dividend in line with the inflation-linked rental uplifts received by the Group under the terms of the rent review provisions contained in the Group's leases in the prior financial year.

The Group's Ordinary Shares were admitted to trading on the main market of the London Stock Exchange, premium segment, on 8 February 2019. The Company is a constituent of the FTSE EPRA/NAREIT index.

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