



Argentum Lodge, Bristol


109
Properties[†]
[†] Includes assets under construction.

£427.0m
Property value

19.8yrs
WAULT

£31.7m
Contracted rent roll[†]

100%
Inflation linked leases[†]

Overview

Impact Healthcare REIT plc (ticker: IHR) is a real estate investment trust. We invest in a diversified portfolio of UK healthcare real estate assets, in particular residential

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 6.41p per share in respect of 2021¹; 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 2021

- Completed the acquisition of Mavern House, an attractive period property in Wiltshire, adding a further 51 beds to our portfolio operated by Welford.
- Committed to a further £0.6 million of investment into the Mavern House property which will add a net additional six beds.
- Released our 2020 annual report

Dividend history (per share)

	2021	2020	2019	2018	2017
Q1	1.6025p [#]	1.5725p	1.5425p	1.50p	n/a
Q2		1.5725p	1.5425p	1.50p	1.50p
Q3		1.5725p	1.5425p	1.50p	1.50p
Q4		1.5725p	1.5425p	1.50p	1.50p
	1.6025p	6.29p	6.17p	6.00p	4.50p

[#] Declared in May, paid in June

Impact at a glance

	31 March 2021 [*]	31 December 2020	% change
Shares in issue	318,953,861	318,953,861	
Share price (p)	113.50	109.00	
NAV per share (p)	110.48	109.58	
Market Cap (£m)	362.01	347.66	
NAV (£m)	352.37	349.52	
Bank borrowings (£m)	96.5	76.4	
Number of completed properties ¹	108	107	0.9%
Number of beds ¹	5,881	5,830	0.9%
Market value (£m) ¹	425.5	417.3	2.0%
– per property (£m)	3.9	3.9	1.0%
– per bed (£'000)	72.4	71.6	1.1%
Contracted rent roll (£m)	31.7	30.9	2.6%
EPRA “topped-up” yield (%)	6.75	6.72	

^{*} Unaudited

¹ This excludes assets under development

Below, Willow Bank, Bradford; Cedarhurst Lodge, Belfast; a thermal scanner at Argentum Lodge, Bristol; and forward-funded development of a care home in Hartlepool, County Durham.



Company overview

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

Registered address

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Board of Directors

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

Key dates

AGM 12 May 2021
Half year end 30 June
Full year end 31 December
Publication date: July 2021

Portfolio update

Financial position

The unaudited NAV per share at 31 March 2021 was 110.48 pence per share, up from 31 December 2020 NAV of 109.58 pence.

The net asset value increased to £352.4 million from £349.5 million, an uplift of 0.8% including the increase in property value.

The Group's property portfolio ("Portfolio") was independently valued at £427.0 million as at 31 March 2021 (valuation as at 31 December 2020, £418.8 million), an increase of £8.2 million, or 2.0% in the quarter.

£5.2 million relates to investments in acquisitions, with a net purchase price of £5.1 million and associated costs of £0.3 million resulting in a small initial value reduction of £0.2 million. Like for like valuation uplifts on standing assets was £3.0 million in the quarter, including, £1.7 million from assets with RPI uplifts in the quarter and £1.3 million across the remainder of the portfolio.

Acquisition pipeline

The Company has successfully progressed acquisitions in the quarter on homes with strong trading credentials despite the pandemic. The Investment manager ("IM") continues to progress a number of acquisition opportunities that remain attractive to the businesses investment strategy and has announced a further investment since the quarter end.

In addition, the IM has built a strong pipeline of potential future acquisitions and this pipeline is increasing as further opportunities are coming to the market as confidence increases.

Operational update

The Company continues to receive 100% of rent receipts with no variation to lease terms.

All of our tenants' residents and health care workers have now been offered first and second dose vaccination.

Tenants' occupancy levels were stable across the portfolio during Q1 2021, but are below their usual levels. Managers at the Group's homes report good levels of enquiries, however, new admissions are not expected to rise substantially until lockdown restrictions have ended.

Our portfolio

(as at 31 March 2021)

- Tenants**
- Minster*
 - Croftwood*
 - Prestige
 - Welford
 - Careport
 - Renaissance
- MMCG**
- NHS
 - Optima
 - Silverline
 - Holmes
 - Electus

* Part of the Minster Care Group

Scotland

Number of properties: 16
Beds: 1,095
% of portfolio income: 17.8%

Northern Ireland

Number of properties: 3
Beds: 193
% of portfolio income: 2.3%

North West

Number of properties: 33
Beds: 1,348
% of portfolio income: 21.6%

West Midlands

Number of properties: 8
Beds: 419
% of portfolio income: 7.1%

Wales

Number of properties: 2
Beds: 105
% of portfolio income: 1.3%

South West

Number of properties: 6
Beds: 265
% of portfolio income: 5.9%

North East

Number of properties: 12
Beds: 767
% of portfolio income: 10.0%

Yorkshire & The Humber

Number of properties: 14
Beds: 877
% of portfolio income: 12.0%

East Midlands

Number of properties: 6
Beds: 295
% of portfolio income: 7.0%

East of England

Number of properties: 7
Beds: 461
% of portfolio income: 11.2%

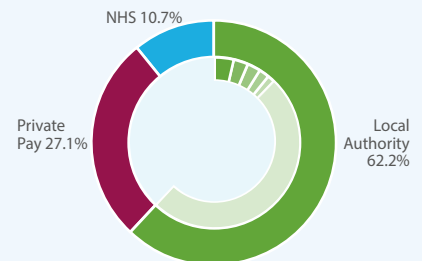
South East

Number of properties: 2
Beds: 150
% of portfolio income: 3.8%

Portfolio analysis

Security of income (%)

based on % revenue to care home tenants

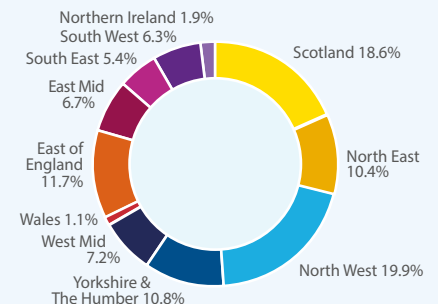


Local Authority top five (% of total revenue)



Regionally diverse (%)

based on % portfolio market value



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