

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from your stockbroker, bank, solicitor, accountant or other independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (the "FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This Prospectus comprises a prospectus relating to Impact Healthcare REIT plc (the "**Company**") in connection with the proposed issues of Ordinary Shares, prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority made pursuant to section 73A of FSMA. This Prospectus has been approved by the Financial Conduct Authority for the purposes of the UK version of Regulation (EU) 2017/1129 which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018. The Financial Conduct Authority only approves this Prospectus, as the competent authority under the Prospectus Regulation Rules, as meeting the standards of completeness, comprehensibility and consistency imposed by the UK version of Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the issuer that is the subject of this Prospectus or of the quality of the securities referred to in this Prospectus. Investors should make their own assessment as to the suitability of investing in the New Ordinary Shares.

The New Ordinary Shares are only suitable for investors: (i) who understand and are willing to assume the potential risks of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in New Ordinary Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment. If you are in any doubt about the contents of this Prospectus, you should consult your accountant, legal or professional adviser or financial adviser.

The Company and each of the Directors, whose names appear on page 34 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and this document makes no omission likely to affect its import.

Prospective investors should read the entire Prospectus and, in particular, the section headed "Risk Factors" beginning on page 7 when considering an investment in the Company.

IMPACT HEALTHCARE REIT PLC

(Incorporated in England and Wales with company number 10464966 and registered as an investment company under section 833 of the Companies Act 2006)

Initial Placing, Open Offer, Intermediaries Offer and Offer for Subscription of Ordinary Shares of £0.01 each at an Initial Issue Price of 114p per Ordinary Share to raise a target of approximately £50 million

and

Placing Programme of Ordinary Shares for an aggregate issue (together with the Initial Placing, Open Offer, Intermediaries Offer and Offer for Subscription) not to exceed 300 million Ordinary Shares

and

Admission of Ordinary Shares to the premium segment of the Official List of the Financial Conduct Authority acting in its primary market function and to trading on the London Stock Exchange's Main Market

Investment Manager

IMPACT HEALTH PARTNERS LLP

**Joint Sponsor, Joint Bookrunner and Joint
Global Co-Ordinator**

JEFFERIES INTERNATIONAL LIMITED

**Joint Sponsor, Joint Bookrunner and Joint
Global Co-Ordinator**

WINTERFLOOD SECURITIES LIMITED

Application will be made for the New Ordinary Shares to be admitted to listing on the premium segment of the Official List and to trading on the London Stock Exchange's Main Market. It is expected that First

Admission will become effective and that dealings in the New Ordinary Shares issued pursuant to the Initial Issue will commence at 8.00 a.m. on 21 February 2022. Dealings in New Ordinary Shares on the London Stock Exchange before the relevant Admission will only be settled if the relevant Admission takes place. The New Ordinary Shares will not be dealt in on any other recognised investment exchange and no other such applications have been made or are currently expected.

This document does not constitute a prospectus for the purposes of any offer of shares in any EEA Member State and has not been approved by a competent authority in any EEA Member State for the purposes of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**").

The New Ordinary Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the New Ordinary Shares may not be offered or sold within the United States, except pursuant to an exemption from the registration requirements of the Securities Act. The New Ordinary Shares are being offered and sold (i) outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the Securities Act ("**Regulation S**") and (ii) within the United States only to persons reasonably believed to be qualified institutional buyers ("**QIBs**"), as defined in Rule 144A under the Securities Act, that deliver to the Company and Joint Bookrunners a signed Investor Representation Letter.

The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of New Ordinary Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Winterflood Securities Limited ("**Winterflood**" or the "**Intermediaries Offer Adviser**") and Jefferies International Limited ("**Jefferies**"), each of which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, are acting exclusively for the Company and for no one else in relation to First Admission, the Initial Placing, the Open Offer, the Intermediaries Offer, the Offer for Subscription, each Programme Admission and the Placing Programme and the other arrangements referred to in this Prospectus. Neither Winterflood nor Jefferies will regard any other person (whether or not a recipient of this Prospectus) as its client in relation to First Admission, the Initial Placing, the Open Offer, the Intermediaries Offer, the Offer for Subscription, each Programme Admission and the Placing Programme and the other arrangements referred to in this Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing any advice in relation to First Admission, the Initial Placing, the Open Offer, the Intermediaries Offer, the Offer for Subscription, each Programme Admission, the Placing Programme, the contents of this Prospectus or any transaction or arrangement referred to in this Prospectus. Apart from the responsibilities and liabilities, if any, which may be imposed on Winterflood or Jefferies by the FSMA or the regulatory regime established thereunder, neither Winterflood nor Jefferies makes any representation express or implied in relation to, nor accepts any responsibility whatsoever for, the contents of the Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the New Ordinary Shares, First Admission, the Initial Placing, the Open Offer, the Intermediaries Offer, the Offer for Subscription, each Programme Admission and the Placing Programme. Each of Winterflood and Jefferies (and their respective affiliates) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for any statutory liability) whether arising in tort, contract or otherwise which it might have in respect of the contents of the Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the New Ordinary Shares, First Admission, the Initial Placing, the Open Offer, the Intermediaries Offer, the Offer for Subscription, each Programme Admission and the Placing Programme.

This Prospectus is dated 27 January 2022.

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Summary

Introduction, containing warnings

The securities offered under the proposed initial issue (the "**Initial Issue**") and placing programme (the "**Placing Programme**") are ordinary shares of £0.01 each, with International Securities Identification Number (ISIN) GB00BYXVMJ03 (the "**New Ordinary Shares**"). The ISIN of the Open Offer Entitlements is GB00BNK8V672 and the ISIN of the Excess Open Offer Entitlements is GB00BNK8V789.

Impact Healthcare REIT plc (the "**Company**") can be contacted by writing to its registered office, The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF, or by calling, within business hours, +44 (0)20 7409 0181. The Company can also be contacted through its Company Secretary, JTC (UK) Limited, by writing to the same address, by calling, within business hours, the same telephone number or emailing Impact.CoSec@jtcgroup.com. The Company's Legal Entity Identifier (LEI) number is 213800AX3FHPMJL4IJ53.

The competent authority, which approved this prospectus (the "**Prospectus**") on 27 January 2022, is the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN (the "**FCA**"). Contact information relating to the FCA can be found at <http://www.fca.org.uk/contact>.

This summary should be read as an introduction to this Prospectus. Any decision to invest in the New Ordinary Shares should be based on consideration of this Prospectus as a whole by the investor.

The price of the New Ordinary Shares may fluctuate in response to a number of factors, many of which may be out of the Company's control, and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the New Ordinary Shares is suitable for them in the light of the information in this document and their personal circumstances.

Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.

You are about to purchase a product that is not simple and may be difficult to understand.

Key Information on the Issuer

Who is the issuer of the securities?

The legal and commercial name of the Company is Impact Healthcare REIT plc. Its Legal Entity Identifier (LEI) is 213800AX3FHPMJL4IJ53. The ISIN of the Open Offer Entitlements is GB00BNK8V672 and the ISIN of the Excess Open Offer Entitlements is GB00BNK8V789.

The Company is incorporated in England and Wales under the Companies Act 2006 and domiciled in the United Kingdom and operates under English law. It is subject to the Takeover Code.

The Company's principal activities are to invest in a diversified portfolio of resilient UK healthcare real estate assets, in particular residential and nursing care homes that provide crucial social care infrastructure for vulnerable elderly people, and let them on long-term leases to high-quality operators.

As at the date of this Prospectus, in so far as it is known to the Company, the following persons held directly or indirectly 3 per cent. or more of the Company's voting rights:

Shareholder	Number of Ordinary Shares	Interests in Ordinary Shares (%)
Quilter Investors Limited	56,808,553	16.20
Royal London Asset Management Limited	21,059,932	6.01
Premier Fund Managers Limited	20,826,182	5.94
Gravis Advisory Ltd	19,373,114	5.53
Schroder & Co Limited	16,735,175	4.77
Brooks Macdonald Asset Management Limited	16,297,610	4.65
Integrated Financial Arrangements Ltd	13,738,234	3.92
Newton Investment Management Limited	11,107,524	3.17

All shareholders have the same voting rights in respect of each ordinary share of £0.01 each in the capital of the Company ("**Ordinary Shares**") already held, and each New Share will carry the same voting rights as each existing Ordinary Share.

As at the date of this Prospectus, the Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

The Company has no managing directors. The board of directors (the "**Board**") is comprised of Rupert Barclay (independent non-executive Chairman), Rosemary Boot (senior independent non-executive director), Amanda Aldridge (independent non-executive director), Philip Hall (independent non-executive director), Chris Santer (independent non-executive director) and Paul Craig (non-executive director) (each a "**Director**").

The Company's auditors are BDO LLP of 55 Baker Street, London W1U 7EU.

What is the key financial information regarding the issuer?

Save as otherwise indicated, the tables below set out the summary financial information of the Company and its subsidiaries (the "**Group**") for the three years ended 31 December 2020, 2019 and 2018 and the six months ended 30 June 2021 and 2020.

Table 1

Additional information relevant to closed end funds

The data set out in the table below is as at the date of the Company's latest published net asset value, being 30 November 2021.

Share Class	Total NAV	No. of shares	NAV per share	Historical performance of the fund
Ordinary Shares	£392,069,465	350,644,188	111.814p	The Company's unaudited Net Asset Value as at 30 November 2021 was £392.1 million reflecting 111.814p pence NAV per Ordinary Share. This reflects a NAV total return since launch in March 2017 of 8.6 per cent. annualised.

Table 2

Consolidated statement of comprehensive income

	Year ended 31 December 2020 (audited) (£'000)	Year ended 31 December 2019 (audited) (£'000)	Year ended 31 December 2018 (audited) (£'000)	Six months ended 30 June 2021 (unaudited) (£'000)	Six months ended 30 June 2020 (unaudited) (£'000)
Net Rental Income	30,816	23,978	17,306	17,829	14,844
Operating Profit	31,290	28,459	17,170	16,115	11,985
Performance fee (accrued/paid)	Nil	Nil	Nil	Nil	Nil
Investment management fee (accrued/paid)	3,548	2,756	2,364	1,862	1,760
Other administrative expenses (excluding directors' remuneration)	1,507	1,640	1,741	779	569
Earnings per share – basic and undiluted (pence)	9.02	10.37	8.57	4.41	3.46

Table 3

Balance sheet for closed end funds

	As at 31 December 2020 (audited) (£'000)	As at 31 December 2019 (audited) (£'000)	As at 31 December 2018 (audited) (£'000)	As at 30 June 2021 (unaudited) (£'000)	As at 30 June 2020 (unaudited) (£'000)
Total Net Assets	349,521	340,682	198,337	388,020	341,819

The audit reports on the financial information of the Group for the three years ended 31 December 2020, 2019 and 2018 did not contain any qualifications.

What are the key risks that are specific to the issuer?

Prior to investing in the New Ordinary Shares, prospective investors should consider the associated risks. The key risks specific to the Company which are known to the Directors are detailed below:

- The effects of COVID-19 over the past two years saw occupancy decline at the Group's care homes, with the majority of this decline taking place in the first three months of the COVID-19 outbreak, before testing and full levels of personal protective equipment were available to the Group's care homes.

Similar outbreaks of other infectious diseases in the future or further outbreaks of COVID-19, including new variants of COVID-19 could lead to declining occupancy rates at the Group's care homes and place pressure on the availability of staff. These could in turn have a negative effect on the Group's results of operations and the Company's results of operations and financial performance.

- Government may change policy or introduce legislation that affects the UK care sector. The heightened focus on adult social care, and in particular care homes, as a result of COVID-19, has increased the probability of changes to future government policy and a demand for increased funding. Any changes to the legislation applicable to, or the regulatory status of, the Company, the Group's tenants ("**Tenants**") or the Company's underlying investments, could affect the net incomes received by the Tenants and/or the Company's ability to provide returns to holders of Ordinary Shares in the Company ("**Shareholders**").
- Adverse economic conditions in general are expected to heighten as unemployment levels rise and the government implements measures to reduce the unprecedented level of debt that has been required to manage the immediate economic implications of the COVID-19 pandemic. Adverse market conditions in the healthcare sector in particular, and their impact on the Tenants, may have a material adverse effect on the Tenants' covenant strength and ability to meet their rent payment obligations resulting in an increase in the Portfolio default rate, received yield on investment and, therefore, cash flows.
- A weakening of the UK care market could materially affect Tenants' covenant strength and their ability to pay rent, resulting in a reduction in the value of the care home and a higher risk of default, which in turn may impact on the yields received from the Portfolio and, in turn, on the timing of distributions paid to Shareholders.
- The default of one or more Tenants, or failing to act quickly and decisively when confronted with a failing Tenant, would affect the value of the Group's homes and both the Company's ability to pay dividends and to meet its financing obligations.
- If a Tenant fails to adequately repair and maintain the properties it leases, in accordance with the agreed annual repair and maintenance budget, the effect on the quality and reputation of the affected care home could result in negative business prospects for that care home, leading to reduced bed occupancy and/or increased future maintenance costs. This could materially adversely affect the Company's financial position, results of operations and business prospects.
- Tightening environmental regulations may increase the need for investment or redevelopment of the portfolio of properties held directly or indirectly by the Company from time to time ("**Portfolio**") and restrict Tenants' ability to provide care and earn revenue. Failure to consider the effects of climate change could accelerate the obsolescence of the Group's care homes (both physical and low carbon transition risks) with corresponding implications to value and long-term income generation.
- There is no guarantee that any borrowings of the Company or any subsidiary of it that has incurred or incurs borrowings, if applicable, will be able to be refinanced on their maturity either on terms that are acceptable to the Company or at all. If the Group is unable to operate within its debt covenants, this could lead to a default and the Group's debt funding being recalled.
- The Company relies on key individuals at the Investment Manager to identify and select investment opportunities, however, there can be no assurance as to these individuals' continued service. The death or departure of any of these individuals without adequate replacement may have a material adverse effect on the Company's business prospects and results of operations.
- The Company's investment objective requires it to invest in a portfolio of healthcare real estate assets; new assets may not be available on the terms required to generate the Target Dividend and Target Total Return (as defined below), or at all. Market conditions may restrict availability and have a generally negative impact on the Company's ability to identify and execute future investments in suitable assets that might generate acceptable returns. To the extent that there is a delay in making investments while the Company has capital available to deploy, there is greater likelihood that the Group's growth in underlying earnings will be limited and the Company's ability to make distributions to Shareholders will be adversely affected.
- The Company may be faced with competition in securing assets. To the extent that the Company does not utilise the net proceeds of the Initial Issue or a subsequent placing under the Placing Programme to repay debt, this could result in the Company taking longer than anticipated to invest the proceeds of the Initial Issue or future placing under the Placing Programme. Delay in deployment into investments may also result in the price of certain assets increasing. As such, competition in securing assets may have

an adverse impact on the amounts that are able to be returned to shareholders by way of a dividend as well as the net asset value of the Company.

Key Information on the Securities

What are the main features of the securities?

The securities being admitted to trading are Ordinary Shares of the Company of £0.01 each, whose ISIN is GB00BYXVMJ03 and whose SEDOL is BYXVMJ0, will be published in each case by the Company at the appropriate time. The Ordinary Shares to be issued pursuant to the Initial Issue and the Placing Programme are denominated in pounds sterling. The Company currently has 350,644,188 fully paid Ordinary Shares of £0.01 par value in issue. The Company has no partly paid Ordinary Shares in issue.

Rights attaching to the Ordinary Shares

Dividend rights: All Ordinary Shares are entitled to participate in dividends which the Company declares from time to time in respect of the Ordinary Shares, proportionate to the amounts paid or credited as paid on such Ordinary Shares.

Rights as respect to capital: On a winding-up or a return of capital, in the event that the Directors resolve to make a distribution to Shareholders, all Ordinary Shares are entitled to a distribution of capital in the same proportions as capital is attributable to them.

Voting rights: Every Shareholder shall have one vote for each Ordinary Share held by them.

The consent of the holders of Ordinary Shares is required for the variation of any rights attached to the Ordinary Shares.

There are no restrictions on the free transferability of the Ordinary Shares, subject to compliance with applicable securities laws.

Dividend policy

In order to ensure the Company benefits from the full exemption from tax on rental income afforded by the UK REIT regime, the Company distributes at least 90 per cent. of qualifying profits arising from the Group's qualifying rental business in each year. The Company pays dividends on a quarterly basis, with dividends typically declared in October, January, April and July and paid in November, February, May and August.

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 "**Target Dividend**"). The Company also targets an average NAV total return of 9.0 per cent. per annum (the "**Target Total Return**").

The Target Dividend and Target Total Return are targets only and neither the Target Dividend nor the Target Total Return constitutes a profit forecast. There can be no assurance that the Target Dividend and Target Total Return can or will be achieved from time to time and neither the Target Dividend nor the Target Total Return should be seen as an indication of the Company's expected or actual results or returns. In particular, the Target Dividend and Target Total Return assume that the Company (or a member of its group) will continue to receive all rent due from its portfolio. Accordingly, investors should not place any reliance on the Target Dividend and Target Total Return in deciding whether to invest in the Ordinary Shares or assume that the Company will make any distributions at all.

Where will the securities be traded?

Applications will be made to the FCA and the London Stock Exchange for all of the New Ordinary Shares to be issued pursuant to the Initial Issue and the Placing Programme to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's Main Market. The existing Ordinary Shares are already listed on the premium segment of the Official List of the FCA and to trading on the London Stock Exchange's Main Market.

What are the key risks that are specific to the securities?

The attention of investors is drawn to the risks associated with an investment in the New Ordinary Shares which in particular, including the following:

- The value of the New Ordinary Shares and the income derived from those shares (if any) can fluctuate

and may go down as well as up. The New Ordinary Shares may trade at a discount to their net asset value.

- It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the New Ordinary Shares.
- If the Directors decide to issue further shares (including pursuant to the Placing Programme), the proportions of the voting rights held by Shareholders who do not participate in such share issues pro rata to their prior shareholdings will be diluted.

Key Information on the Offer and Admission

Under which conditions and timetable can I invest in this security?

The New Ordinary Shares may only be offered to persons in any EEA Member State who are "qualified investors" within the meaning of the EU Prospectus Regulation or in other circumstances in which a prospectus is not required by the EU Prospectus Regulation.

The expected timetable is:

All references to times in this Prospectus are to London time

2022 (unless otherwise indicated)

THE INITIAL ISSUE

Ex-entitlement Date of the Open Offer	27 January
Open Offer Entitlements and Excess Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	As soon as possible after 8.00 a.m. on 28 January
Latest recommended time and date for requested withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 9 February
Latest recommended time and date for depositing Open Offer Entitlements and Excess Open Offer Entitlements in CREST	3.00 p.m. on 10 February
Latest time and date for splitting of Open Offer Application Forms	3.00 p.m. on 11 February
Latest time and date for receipt of Open Offer Application Forms and payments in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 15 February
Latest time and date for receipt of completed application forms from the Intermediaries in respect of the Intermediaries Offer	11.00 a.m. on 15 February
Latest time and date for receipt of Offer for Subscription Applications under the Offer for Subscription	11.00 a.m. on 15 February
General Meeting	11.00 a.m. on 16 February
Latest time and date for receipt of commitments under the Initial Placing	2.00 p.m. on 16 February
RNS announcement of the results of the Initial Issue	17 February
Issue of New Ordinary Shares, admission to the premium listing of the Official List and commencement of dealings in the New Ordinary Shares on the London Stock Exchange's Main Market	21 February
CREST accounts credited in respect of New Ordinary Shares in uncertificated form	As soon as practicable after 8.00 a.m. on 21 February
Despatch of definitive share certificates for New Ordinary Shares (where applicable)	Week commencing 28 February

PLACING PROGRAMME

Placing Programme opens	22 February
Admission to the premium listing segment of the Official List and commencement of dealings in New Ordinary Shares issued pursuant to the Placing Programme to the London Stock Exchange's Main Market	8.00 a.m. on each day New Ordinary Shares are issued pursuant to the Placing Programme
CREST accounts credited in respect of issued shares pursuant to the Placing Programme in uncertificated form	As soon as possible after 8.00 a.m. on each day New Ordinary Shares are issued in uncertificated form pursuant to the Placing Programme
Dispatch of definitive share certificates for shares issued pursuant to the Placing Programme in certificated form (where applicable)	Approximately one week following the relevant Programme Admission
Latest date for New Ordinary Shares to be issued pursuant to the Placing Programme	26 January 2023

Times and dates are subject to change.

Assuming that 43,830,523 New Ordinary Shares are issued pursuant to the Initial Issue (raising approximately £50 million of gross proceeds), existing Shareholders who do not take up any of their open offer entitlement or otherwise participate in the Initial Issue will suffer an immediate dilution of 11.1 per

cent. in the share capital and voting control in the Company.

If 300 million New Ordinary Shares are issued pursuant to the Initial Issue and Placing Programme in aggregate, there would be a dilution of approximately 46.11 per cent. in the share capital and voting control in the Company of existing Shareholders who do not participate in the Initial Issue or the Placing Programme.

Expenses

The expenses of the Initial Issue are those that are necessary for the completion of the Initial Issue. Any expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.

The issue price of the Ordinary Shares issued pursuant to the Initial Issue has been, and the placing price of any Ordinary Shares to be issued pursuant to the Placing Programme will be, calculated by reference to the last published cum income net asset value of each existing Ordinary Share together with a premium intended to at least cover the costs and expenses of the placing pursuant to the relevant issue (including, without limitation, any placing commissions). The final issue price in each case is to be determined by the Board at its discretion and will be announced via a regulatory information service prior to each admission. In the case of the Initial Issue, the issue price is 114 pence per New Ordinary Share. It is expected that the costs of the Ordinary Shares issued pursuant to the Initial Issue and the Placing Programme will be recovered through the relevant issue price in each case, although the recovery of all or any part of the costs cannot be guaranteed. The Directors therefore intend to avoid any dilution of the net asset value of the existing Ordinary Shares held by shareholders.

Why is this prospectus being produced?

The Company is implementing the Initial Issue and the Placing Programme for up to 300 million New Ordinary Shares in aggregate.

Following completion of the Initial Issue, the Company may raise additional capital in the period from 22 February 2022 to 26 January 2023 (inclusive) pursuant to the Placing Programme should the Board determine that market conditions are appropriate.

The net proceeds of the Initial Issue and each placing under the Placing Programme are intended to be used to pay down debt drawn under the Group's revolving credit facilities, to acquire additional properties in accordance with the Company's investment policy and to invest in organic growth opportunities in the Group's existing portfolio.

Neither the Initial Issue nor the Placing Programme is being underwritten.

There are no conflicting interests that are material to the Initial Issue or the Placing Programme.

Risk Factors

Investment in the Company should not be regarded as short-term in nature and involves a high degree of risk. Accordingly, investors should consider carefully all of the information set out in this Prospectus and the risks attaching to an investment in the Company, including, in particular, the risks described below.

The Directors believe that the risks described below are the material risks relating to the Ordinary Shares at the date of this Prospectus. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this Prospectus, may also have an adverse effect on the performance of the Company and the value of the Ordinary Shares. Investors should review this Prospectus carefully and in its entirety and consult with their professional advisers before making an application to participate in the Initial Issue or the Placing Programme.

Prospective investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in the section of this Prospectus headed "Summary" are the risks that the Directors believe to be the most important to an assessment by a prospective investor of whether to consider an investment in the New Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Prospectus headed "Summary" but also, among other things, the risks and uncertainties described below.

The past performance of the Group and of investments which are referred to in this Prospectus are for information or illustrative purposes only and should not be interpreted as an indication, or as a guarantee, of future performance.

Risks relating to the Company

There can be no assurance that the Investment Manager will continue to be successful in implementing the Company's investment objective

The Company may not continue to achieve its investment objective. Meeting that objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.

The Company remains dependent upon the Investment Manager's successful implementation of the Company's investment policy and its investment strategies, and ultimately on its ability to continue to maintain and expand an investment portfolio capable of generating attractive returns. This implementation in turn is and will continue to be subject to a number of factors, including market conditions and the timing of investments relative to market cycles, many of which are beyond the control of the Company and difficult to predict. There can be no assurance that the Company will continue to be successful in sourcing suitable Healthcare Real Estate Assets.

The Company's investment objective includes the aim of providing Shareholders with a dividend income. There is no guarantee that any dividends will continue to be paid in respect of any financial year or period. The ability to pay dividends is dependent on a number of factors including the level of income returns from the Portfolio and the cost of servicing the Company's debt. There can be no guarantee that the Portfolio will continue to achieve the Target Dividend and Target Total Return referred to in this Prospectus or that it will not sustain any capital losses through its investments. Without limitation to the generality of the foregoing, the achievement of the investment objective may require the Company to maintain or increase its leverage and there is no guarantee that the Company will be able to do so. Further, even if the Company is able to agree the provision of further leverage in the future, it may not be possible to maintain or refinance such leverage or maintain or refinance the leverage which the Company has already incurred. For example, the Metro Bank Facility is due for repayment in June 2023. Whilst the Company has the option to repay outstanding amounts under the Metro Bank Facility from the second tranche of the Private Placement which is expected to be drawn in June 2022, a failure to refinance or maintain the Metro Bank Facility or any other Credit Facility or the loan notes issued pursuant to the Private Placement in accordance with their terms could reduce the ability of the Company to pay dividends and/or require the Company to dispose of its assets at a discount to their principal value.

Market conditions may delay or prevent the Company from making appropriate investments that generate attractive returns

The Company's investment objective requires it to invest in a portfolio of Healthcare Real Estate Assets,

which may not be available on the terms required to generate the Target Dividend and Target Total Return, or at all. Market conditions may restrict availability and have a generally negative impact on the Company's ability to identify and execute investments in suitable assets that might generate acceptable returns. To the extent that there is a delay in making investments while the Company has capital available to deploy, the Company's returns will be reduced.

The immediate use of the net proceeds of the Initial Issue will be to repay up to £67.5 million of debt drawn under the Group's revolving credit facilities. Although the Company expects to be able to substantially deploy all the remainder of the Net Proceeds of the Initial Issue or a Subsequent Placing shortly following the relevant Admission (including through opportunities that the Investment Manager has already identified), the Company may not be able to deploy such proceeds as quickly as it currently expects. Delays in deployment could arise if such identified opportunities fail to complete and/or if there are insufficient investment opportunities available. In such circumstances, the Company may be required to invest cash held in cash deposits, gilts and money market funds which are likely to yield lower returns than the expected returns from investments in Healthcare Real Estate Assets in line with the Company's Investment Policy. As such, there can be no assurance as to how long it will take for the Company to invest all of the Net Proceeds of the Initial Issue or a Subsequent Placing and the longer the period that the Company holds uninvested cash, the greater the likelihood that the Company's results of operations and returns on investments will be materially adversely affected.

The Company has borrowed in connection with its investment activities which has exposed it to interest rate risk and potentially additional losses if the value of its investments falls

Certain of the Company's indirect wholly-owned subsidiaries have entered into the following arrangements:

- Impact Finance 1 Limited has entered into certain term and revolving credit facility arrangements with Metro Bank PLC;
- Impact Finance 2 Limited has entered into certain revolving credit facility arrangements with Clydesdale Bank plc;
- Impact Finance 3 Limited has entered into certain revolving credit facility arrangements with HSBC UK Bank PLC;
- Impact Finance 4 Limited has entered into certain revolving credit facility arrangements with National Westminster Bank plc;
- Impact Finance 5 Limited has entered into a private placement arrangement with the Noteholders (in connection with which the Company has provided a guarantee),

and additional borrowings may be made at the level of the Company and at the level of any investee entity (including any other investment fund in which the Company invests or any SPV that may be established or utilised by the Company in connection with obtaining leverage against any of its assets).

The Company's investment policy permits the Group to borrow up to a maximum of 35 per cent. of the Gross Asset Value of the Group as a whole, calculated as at the time of drawdown.

Prospective investors should be aware that, whilst the use of borrowings should enhance the Net Asset Value of the Ordinary Shares when the value of the Group's underlying assets is rising, it will, however, have the opposite effect where the underlying asset value is falling. In addition, in the event that the Group's income falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net profits of the Group and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

The Company (and/or any subsidiary of it that incurs borrowings) will continue to pay interest on any borrowing it incurs. As such, the Group is exposed to interest rate risk due to fluctuations in the prevailing market rates. Interest rate movements may affect the level of income receivable on cash deposits and the interest payable on the Group's variable rate cash borrowings (but will not affect the Group's fixed rate cash borrowings). In the event that interest rate movements lower the level of income receivable on cash deposits or raise the interest required to be paid by the Group, returns to investors will be reduced.

There is no guarantee that any borrowings of the Company or any subsidiary of it that has incurred or incurs borrowings, if applicable, will be able to be refinanced on their maturity either on terms that are acceptable to the Company or at all. If the Group is unable to operate within its debt covenants, this could lead to a default and the Group's debt funding being recalled, which could reduce the ability of the Company to pay dividends and/or require the Company to dispose of its assets at a discount to their net asset value.

The Company may also invest in other investment funds that employ leverage with the aim of enhancing returns to investors. Although the Company's leverage restrictions will continue to apply on a "look-through" basis to any underlying investment funds through which the Company invests, where an investment fund employs leverage, shares, limited partnership interests or units in such investment funds will rank after such borrowings and should these investment funds' assets fall in value, their ability to pay their investors may be affected.

The Company has entered into arrangements to hedge a portion of the interest rate risk it is exposed to pursuant to the Metro Bank Facility (which includes a variable interest rate) and currently anticipates maintaining hedges in relation to the interest rate on what the Investment Manager expects will be the average level of drawn down floating rate debt. As such, the Company is subject to counterparty risk. Any failure by a hedging counterparty of the Company to discharge its obligations could have a material adverse effect on the Company's results of operations and financial condition.

The Company has granted and may be required to grant further security over the Portfolio in respect of borrowings

The Group has granted security over 105 properties in the Existing Portfolio in favour of each of Metro Bank, Clydesdale, HSBC and NatWest respectively in respect of the relevant Credit Facilities and Prudential Trustee Company Limited in respect of the Private Placement. In addition, the Company (and/or any subsidiary of it which incurs borrowings) is likely to be required to grant additional security in respect of any further borrowings it incurs. Such security may be over certain properties within the Portfolio, or over the Portfolio as a whole and will rank ahead of the Shareholders' entitlements. Accordingly, on a winding-up of the Company, it is possible that Shareholders may not recover their initial investment.

Failure to adequately protect personal information could have a material adverse effect on the Company

The Company and its service providers' (including the Investment Manager's) use of individually identifiable data of investors, employees and others is subject to a wide variety of local, national and international laws and regulations that apply to the collection, use, retention, protection, disclosure, transfer and other processing of such information and data. These data protection and privacy-related laws and regulations are restrictive and complex and may result in greater regulatory oversight and increased levels of enforcement and sanctions. This restrictive and complex legal framework has resulted in a greater compliance burden with potentially significant associated compliance costs for the Company. While the Company and the Investment Manager have taken steps to ensure that personal data is protected and the Company believes it is in compliance with Data Protection Legislation and other applicable laws and regulations, there can be no guarantee that such measures will be successful in preventing a data breach. Any failure by the Company, the Investment Manager or its other service providers to comply with Data Protection Legislation or other applicable laws and regulations, or to protect such personal information and data, could result in significant litigation or enforcement action against the Company, including fines of up to the greater of 4 per cent. of annual turnover and £17.5 million, imprisonment of company officials and public censure, claims for damages by affected individuals and damage to the Company's reputation, any of which could have a material adverse effect on the Company and the value of the Ordinary Shares.

The Company may also become exposed to potential liabilities as a result of differing views between regulators or courts on the protections that should apply to personal data. These and other privacy and security developments are difficult to anticipate and could have a material adverse effect on the Company and the value of the Ordinary Shares.

The Company is subject to the risk of cybersecurity breaches

The Company and its service providers (including the Investment Manager) may be vulnerable to operational, information security and related risks resulting from failures of or breaches in cybersecurity.

A failure of or breach in cybersecurity ("**cyber incidents**") refers to both intentional and unintentional events that may cause the relevant party to lose proprietary information, suffer data corruption, or lose operational capacity. In general, cyber incidents can result from deliberate attacks ("**cyber-attacks**") or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g. through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users).

Cyber incidents may cause disruption and impact business operations, potentially resulting in financial

losses, interference with the ability to calculate the Net Asset Value, impediments to trading, the inability of Shareholders to subscribe for, exchange or redeem Shares, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

While the Company's service providers have established business continuity plans in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cyber incidents, there are inherent limitations in such plans, strategies, systems, policies and procedures, including the possibility that certain risks have not been identified.

Failure of third party service providers to adequately perform services, and difficulty in replacing them if required, could have a material adverse impact on the Company

The Company uses third parties to provide certain administrative services to the Company. There can be no guarantee that such third parties will perform their services to the required standard and/or retain staff that are suitably qualified to perform the third party services adequately. Where a service provider needs replacing, whether due to expiry of an existing contract, insolvency, poor performance or any other reason, the Company will be required to appoint a replacement service provider. There is no assurance that contracts can be negotiated on similar terms and less favourable terms could result in increased operational and maintenance costs. Any replacement contractor may be more expensive and there is a further risk that finding a suitable service provider may take a long time, which could potentially lead to a break in the provision of such services.

The failure of a service provider to perform services to the required standard and/or retain staff that are suitably qualified to perform the third party services adequately, or any requirement to replace a third party service provider, could have a material adverse effect on the Company's financial position, results of operation and business prospects.

Failure to base decisions on properly prepared budgets and plans could have a material adverse effect on the Company

The Company and the Investment Manager make investment and management decisions based on budgets and plans prepared by the Investment Manager. Budgets and plans which are not accurately prepared, or which are based on unrealistic assumptions, or which are not appropriately implemented by the Investment Manager, could cause the Company and/or the Investment Manager to make poorly informed investment or management decisions. Poorly informed investment or management decisions could lead to a material adverse effect on the Group's results of operations and financial condition. For example, poorly budgeted or planned capital expenditure on a care home could, if it does not achieve the anticipated uplift or maintenance in value of that care home, cause the Group to have to write down a portion of the value of its investment in that care home.

Risks relating to the Company's investment objective and strategy

The Group's business is dependant on yields received from the Portfolio, which would be impacted in the event of Tenant default

There are many factors that may affect a Tenant's ability to meet their rental obligations, such as an increase in the costs of operating the properties (for example, as a result of increases in the National Living Wage), increases in the use of agency staff, and/or a fall in revenues (for example, as a result of lower occupancy rates or the ability and/or willingness of local authorities to pay for care). As such, there is no guarantee that a Tenant will remain able to meet its rental payment obligations throughout the terms of its leases.

The default of one or more Tenants, or failing to act quickly and decisively when confronted with a failing Tenant, would affect the value of the Group's homes and both the Group's ability to pay dividends and to meet its financing obligations.

The effect of COVID-19 has resulted in reduced occupancy and staff availability across the care sector and as a result the recovery of occupancy to pre pandemic levels is expected to take time, placing pressure on Tenants' financial resilience. While there are signs of optimism for a recovery, with the ongoing distribution of vaccines, the risk of further outbreaks remains.

The Group's business is dependent on its ability to identify and manage investments that offer satisfactory returns

The Group's strategy is founded upon the basis that, in addition to the Existing Portfolio, suitable properties will be available for investment and management at prices and upon terms and conditions (including financing) that the Board considers favourable. Other than in relation to the Existing Portfolio, there can be no assurance that the Group will find suitable properties in which to invest. The longer the period before investment, the greater the likelihood that having any excess uninvested cash will limit the Group's growth in underlying earnings and its ability to make distributions to Shareholders will be adversely affected.

Adverse market conditions at the macro and healthcare sector specific levels could have a material adverse effect on the Group's financial position and operating results

Adverse economic conditions in general are expected to heighten as unemployment levels rise and the government implements measures to reduce the unprecedented level of debt that has been required to manage the immediate economic implications of the COVID-19 pandemic. Adverse market conditions in the healthcare sector in particular, and their impact on the Tenants, may have a material adverse effect on the Tenants' covenant strength and ability to meet their rent payment obligations resulting in an increase in the Portfolio default rate, received yield on investment and, therefore, cash flows.

There is continued uncertainty about the scale and duration of the economic downturn caused by the pandemic and the measures that could be imposed by the government to aid recovery. Care for older people remains an important and increasing focus, and the market remains relatively uncorrelated to broader economic conditions. The Board is also mindful of the increasing levels of inflation in recent months. While lease rent increases are protected, typically with a floor of 2 per cent and a cap of 4 per cent., the Company will pay close attention to this in the implementation of its business model.

Weakening financial performance of Tenants could result in a decline in the Group's real estate valuations, lower market rents and suboptimal occupancy, including weaker tenancy terms. It may also give rise to a greater risk of tenant default or covenant breaches. A failure of Tenants to meet their rent payment obligations could have a material adverse effect on the Group's financial position and operating results.

The further acquisition of UK properties may not meet the Group's expectations in utilising the Net Proceeds of the Initial Issue and/or any Subsequent Placing

The Group intends to continue to acquire Healthcare Real Estate Assets across the UK. Acquisitions of these assets involve a number of risks inherent in assessing the values, strengths, weaknesses and profitability of properties and, despite due diligence on assets prior to acquisition, risks associated with unanticipated problems and latent liabilities or contingencies such as the existence of hazardous substances, health and safety issues or environmental problems. Additional risks inherent in acquisitions include risks that the acquired properties will not achieve anticipated rental rates or occupancy levels, and that judgments with respect to improvements to increase the financial returns of acquired properties will prove inaccurate. It is therefore possible that the acquisition of properties with the proceeds of the Initial Issue or a Subsequent Placing (to the extent that the Company does not utilise the Net Proceeds of the Initial Issue and/or a Subsequent Placing to repay debt) would result in a reduction in the NAV per Ordinary Share on the purchase of a particular property.

Due diligence may not identify all risks and liabilities in respect of an acquisition

Prior to entering into an agreement to acquire any property or property holding entity, the Group will perform due diligence on the proposed investment. In doing so, it would typically rely in part on third parties to conduct a significant portion of this due diligence (including legal reports on title and property valuations). The Investment Manager is responsible for conducting due diligence on behalf of the Group. To the extent that the Investment Manager or other third parties underestimate or fail to identify risks and liabilities associated with the investment in question, the investment may be subject (amongst other things) to defects in title, to environmental, structural or operational defects requiring remediation, or the Group may be unable to obtain necessary permits.

If there is a due diligence failure, there may be a risk that properties are acquired that are not consistent with the Group's investment strategy or that properties are acquired that fail to perform in accordance with projections which could have a material adverse effect on the Group's financial position and operating results.

The Group may become too exposed to the financial performance of a single Tenant or corporate group, exposing the Group to an adverse material effect if that Tenant or corporate group experienced financial difficulty

The Company's investment policy states that annual contracted rent from any single Tenant is not expected to exceed 40 per cent. of the total annual contracted rent of the Group, measured at the time of investment. Given the limit on Tenant exposure is an expectation, it is possible that in any financial year, the Group may receive more than 40 per cent. of its annual contracted rent from a single Tenant.

While the above limit, along with a limit of no single customer accounting for more than 15 per cent. of the aggregate revenues of the Tenants, provides for a spread of investment risk, the Group may receive a high proportion of its rent from a single Tenant or multiple Tenants which are part of the same corporate group (such as Minster and Croftwood) and, as such, there is a risk that the financial difficulty of a single Tenant or corporate group could adversely impact the rent received from a significant proportion of the Group's portfolio at the same time.

The Group monitors Tenants' compliance with operational covenants as an early warning system against possible rent defaults. The Group benefits from remedies if these covenants are breached which include: the right to demand higher rent deposits or further guarantees of rent payments; and step-in rights to replace the tenant even if rent is still being paid in full. If the Group anticipates that a Tenant may be unable to pay rent it may seek to terminate the relevant lease or all of a Tenant's leases with the Group and to grant new leases to a new Tenant or Tenants. If the Tenant of a particular property is replaced and the operational performance of the relevant property is poor or there is a lack of competition between potential Tenants for that property, the Group may be unable to obtain equivalent rent or the same lease terms from the new Tenant which could have an adverse impact on the value of the Portfolio, the Group's actual rental income streams (and therefore its ability to service its existing borrowings and meet operational expenses) or both.

If the operational covenants on the Group's leases do not provide an early warning of such an event, the Group may have limited time in which to find replacement Tenants for any affected properties and that could lead to a period of lost rent on certain properties and a reduction in the dividend, which the Company pays.

The Group's financial performance is dependent on the operational performance of the care homes and the Tenants, and will be adversely affected if the operational performance of the care homes and Tenants weakens

Both the rental income and the market value of the Portfolio could be affected by the operational performance of the Tenants to which the Portfolio is leased. This relates both to the business being carried on in a specific property and the general financial performance of the relevant Tenant. The operational performance of a care home will be affected by local conditions, such as age demographics and household incomes, the wider economy and specific events, such as (for example) change in CQC rating (or equivalent), which causes a local authority to restrict the provision of care to new residents until an identified issue has been rectified. In addition, the operational performance of a Tenant may be affected by certain other specific events such as (for example) a cyber security breach or a loss of personal data resulting in a significant fine under Data Protection Legislation. Both rental income and market values may also be affected by other factors specific to the care home property market, such as competition from other care home owners and/or competition from other property funds and/or any increases in the National Living Wage (which is currently £8.91 per hour and is currently expected to increase to £9.50 per hour in April 2022).

In the event of default by a Tenant if it is in financial difficulty or otherwise unable to meet its obligations under the relevant lease, the Company will suffer a rental shortfall and incur additional expenses until the property is re-let. The specialised use of the properties comprising the Portfolio could make re-letting properties difficult. The expenses that the Group would likely incur include legal and surveyor's costs in re-letting, maintenance costs, insurances, rates and marketing costs and could have a material adverse impact on the financial condition and performance of the Company and/or the level of dividends or dividend cover.

Any weakening of the UK care market, including local authority payment terms, could affect Tenants' covenant strength and ability to pay rent

Several factors may affect the market for care for older people, including:

- changing service user requirements in the healthcare sector, including domiciliary care or enhanced infection control in building design;
- local authority funding partners amending their payment terms, affecting Tenants' revenues; and
- increased regulatory responsibility and associated costs for Tenants which is not offset by an increase in fees.

These could all materially affect Tenants' covenant strength and their ability to pay rent, resulting in a reduction in the value of the care home and a higher risk of default, which in turn may impact on the yields received from the Portfolio and, in turn, on the timing of distributions paid to Shareholders.

This has been taken into account in making the clean working capital statement made by the Company in paragraph 11 of Part XIV of this Prospectus.

Large increases in inflation may mean that rental payments due under the Tenants' leases may increase at less than the increase in the Retail Prices Index

The leases granted by the Group over the properties in the Existing Portfolio include provisions for the rent payable in respect of each property to be increased annually by an amount which is equal to the increase in the Retail Prices Index since the last rent review date. The rent review provisions further specify, however, that any increases in rent shall be subject to a cap of either four or five per cent. and a floor of either two or one per cent. Accordingly if inflation rises at an unusually high rate - for example as a result of further decreases in the value of Sterling - this may result in the increase in the Retail Prices Index exceeding the cap imposed on increases in rent agreed. In such circumstances, this would impact on the real yields received from the Portfolio and, in turn, on the real value of distributions paid to shareholders.

The illiquid nature of property investments impacts the Company's ability to adjust its Portfolio quickly in response to changing circumstances

Investments in property are relatively illiquid. Such illiquidity may affect the Company's ability to vary its Portfolio or dispose of or liquidate part of its Portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions. This could have an adverse effect on the Company's financial condition and results of operations as it could reduce the Company's profits and proceeds realised from such investment.

Competition in the market may worsen the effective utilisation of the Net Proceeds of the Initial Issue and/or a Subsequent Placing

The Company may be faced with competition in securing assets as there is an increasing number of entities interested in acquiring investments in UK care homes and other UK Healthcare Real Estate Assets. To the extent that the Company does not utilise the Net Proceeds of the Initial Issue or a Subsequent Placing to repay debt, this could result in the Company taking longer than anticipated to invest the Net Proceeds of the Initial Issue or a Subsequent Placing. It may also result in the price of certain assets increasing. As such, competition in securing assets may have an adverse impact on the amounts that are able to be distributed to Shareholders.

In addition, the Company's Tenants may face competition for customers which could affect their financial performance and ultimately, could affect the yields received from the Portfolio. This includes competition from new purpose built care homes.

The Group may incur costs in connection with transactions that do not proceed to completion and such costs may, in aggregate, have a negative effect on the Group's financial position

The Group expects to incur certain third party costs associated with the sourcing and acquisition of suitable assets. The Group can give no assurance as to the level of such costs, and given that there can be no guarantee that the Group will succeed in its negotiations to acquire any given asset, the greater the number of deals that do not reach completion, the greater the likely impact of such costs on the Group's results of operations, financial condition and business prospects.

Necessary development and refurbishment of properties may not be carried out effectively, or incur greater costs than anticipated, impacting the financial performance of the Company

In the event that the Company undertakes any development (including redevelopment or refurbishment) of property or if the Company invests in property that requires some refurbishment prior to renting the property, including, for example in circumstances where the Company intends (or is required to) make

improvements in order to improve the EPC rating or cladding of buildings in the Portfolio, the risks of development or refurbishment include, but are not limited to, delays in timely completion of the project, cost overruns, poor quality workmanship, and an inability to rentalise these costs at a level sufficient to generate profits. This could, as a result, have a material adverse effect on the amounts available to be distributed to Shareholders by way of dividends.

Certain of the Company's properties may be specifically suited to the particular needs of a certain type of occupant. The Company may need to incur additional capital expenditure on a property in the event that it wanted it to be suitable for other occupants which may have a material effect on the results of operations of the Company and the amount that remains available to distribute to Shareholders. The Company has not and will not undertake any greenfield development (that is, development of any property which is not leased or pre- leased).

Capital commitments made by the Company in connection with the Group's asset management strategy expose the Company to risks associated with such capital expenditure

In connection with the Group's asset management strategy, the Company has and may continue to commit capital to projects in order to enhance care homes within the Portfolio. Such projects include (without limitation) improvements designed to improve the EPC rating of homes, to meet changing regulatory requirements or recommendations or where it is considered necessary in order to improve the attractiveness of a care home to potential residents or the home's environmental performance. If contractors appointed by the Group to carry out such works fail to complete the contracted work in accordance with the anticipated budget or timescale, then the Company may have to appoint another contractor. Any such delays in completion of asset management work could have an adverse effect on the attractiveness of the relevant care home to potential residents, which could in turn lead to lower than expected occupancy at a care home, causing an adverse effect on a Tenant's ability to meet its rental obligations in respect of a care home. This could in turn cause a material adverse effect on the Company's financial position, results of operation and business prospects. Further, if the Company is required to spend in excess of its anticipated budget for asset management work as a result of a contractor's failure to complete the necessary work, such increased expenditure may cause a material adverse effect on the Company's financial position, results of operation and business prospects.

Forward funding arrangements entered into by the Company in connection with the Group's development strategy exposes the Group to development risk, which may have a material adverse effect on the Group's financial position

In connection with the Group's development strategy, the Company may enter into forward funding arrangements in relation to the development of assets. The Company in a forward funding arrangement is exposed to an element of development risk. If the relevant developer is not able to complete the development, the Company would then have to appoint another developer or undertake the development itself. This could result in delays in the timely completion of the project and cost overruns which could have an effect on the Group's financial position and, as a result, have a material adverse effect on the amounts available to be distributed to investors by way of dividends as well as the NAV per Share. Development or construction of property assets carries a higher degree of risk than is associated with operating assets and may be subject to delays, disruptions, vacancies and regulatory changes outside of the Company's control.

Further, there can be no guarantee that development assets will be completed in accordance with expected budgets and timescales. Even where development assets are completed in accordance with expected budgets and timescales, the asset in question may fail to perform in accordance with the applicable business model, or may fail to attract a sufficient number of residents or to do so in accordance with the timescales expected or may fail to generate sufficient rent to meet the Company's and the Investment Manager's expectations. If any of such circumstances were to arise then it could have a material adverse effect on the Company's financial position, results of operation and business prospects.

The Group's financial position may suffer a material adverse effect if the insurance of properties does not cover a loss, or a loss exceeds the cover provided

The Group may suffer losses in excess of insurance proceeds, if any, or from uninsurable events. The Group's properties may suffer physical damage resulting in losses (including loss of rent) which may not be fully compensated for by insurance or at all. Should an uninsured loss or a loss in excess of insured limits occur, the Group may lose capital invested in the affected property as well as anticipated future revenue from that property and the Group might also remain liable for any debt or other financial obligations related

to that property. Any material uninsured losses may have a material adverse effect on the Group's financial position and results of operations.

If Tenants fail to comply with CQC regulations (or equivalent), they may suffer repercussions which affect their ability to meet their rental payment obligations, which would weaken the Group's financial position

Neither the Company nor the Portfolio is subject to regulation as a result of the Company's investment in Healthcare Real Estate Assets. The activities of the Tenants, including any future Tenants will, however, be regulated by the CQC (or its equivalent in Scotland, Wales or Northern Ireland). If any Tenant fails to comply with CQC regulations (or equivalent), the CQC (or equivalent) has the power to negatively rate a home and/or threaten to withdraw its registration, following which a local authority can embargo the Tenant, meaning that such Tenant will be unable to accept any new local authority residents until the issue has been rectified and the embargo has been lifted. Accordingly, the ability of an embargoed Tenant to provide care could be restricted and hence its ability to meet its rental payment obligations may be affected.

In addition, any failure of a Tenant to comply with CQC or equivalent regulations could attract negative publicity which could have an adverse impact on the Group's reputation, financial position and/or results of operations.

There is a risk of accidents causing personal injury, negligence or criminal conduct by a Tenant or third parties at premises owned by the Group, which could result in litigation against the Group and/or harm the Group's reputation

There is a risk of accidents, negligence or criminal conduct by a Tenant or third parties at premises owned by the Group, which could result in personal or financial injury to the Tenants' customers, people visiting the premises, the Tenants' employees, contractors or members of the public. For example, the Tenants will have ongoing obligations to obtain asbestos management surveys and to regularly test for legionnaires' disease which they may not fulfil and which may result in serious harm to the Tenants' customers, visitors and employees. The Group carries out due diligence on prospective Tenants. However, should an accident or event attract publicity or be of a size and/or nature which is not adequately covered by insurance, the resulting publicity and costs could have an adverse impact on the Group's reputation, financial position and/or results of operations.

A failure by a Tenant to adequately repair and maintain leased properties could have a material adverse effect on the Company's financial position, results of operation and business prospects

If a Tenant fails to adequately repair and maintain the properties it leases, in accordance with the agreed annual repair and maintenance budget, the effect on the quality and reputation of the affected care home could result in negative business prospects for that care home, leading to reduced bed occupancy and/or increased future maintenance costs. This could materially adversely affect the Company's financial position, results of operations and business prospects. The Company seeks to maintain oversight of its Tenants through site visits and regular financial and operational reporting by each Tenant (including maintenance expenditure) to the Investment Manager and the Board which assists the Company in taking action in advance of any issues arising.

Changes in legislation, regulation, policy or practice could have a material adverse effect on the operating position of the Group

Government may change policy or introduce legislation that affects the UK care sector. The heightened focus on adult social care, and particular care homes, as a result of COVID-19, has increased the probability of changes to future government policy and a demand for increased funding. Of particular note is the UK care sector's partial reliance on workers from EU countries. There is a risk that the UK's withdrawal from the EU will result in a fall in the availability of appropriately skilled workforce, restricting Tenants' ability to hire sufficient staff (especially nurses and senior carers).

Since November 2021, anyone working or volunteering in a Care Home needs to be fully vaccinated against COVID-19. Tenants are no longer able to hire or retain any person who does not wish to continue to be fully vaccinated, and this could restrict Tenants' ability to hire sufficient staff (especially nurses and senior carers).

The foregoing may result in higher staff costs and reduced service levels, with an adverse effect on Tenants' profitability. This task is compounded by the effect of COVID-19 limiting cross border movement and raising demand for skilled care staff globally.

On 7 September 2021 the UK Government announced structural reforms of the adult social care sector

in England. The announced changes are positive for the sector, but the Company and the Investment Manager will need to understand the detail and how the changes will be implemented more fully to be able to assess their impact on the Group's business, including the cap on personal care costs.

Any changes to the legislation applicable to, or the regulatory status of, the Company, its Tenants or the Company's underlying investments, could affect the net incomes received by the Tenants and/or the Company's ability to provide returns to Shareholders.

Environmental issues with real estate assets could create liabilities for the Group

As the owner of real estate, the Company is subject to environmental regulations that can impose liability for cleaning up contaminated land, watercourses or groundwater on the person causing or knowingly permitting the contamination. If the Company has acquired or acquires contaminated land, it could also be liable to third parties for harm caused to them or their property as a result of the contamination. If the Company is found to be in violation of environmental regulations, it could face reputational damage, regulatory compliance penalties, reduced letting income and reduced asset valuation, which could have a material adverse effect on the Company's business, financial condition, results of operations, future prospects and/or the price of the Ordinary Shares.

Physical effects of climate change itself (such as flooding, drought or increasing temperature volatility), or tightening environmental regulations made in response to climate change, may increase the need for investment or redevelopment of the Portfolio. This could have a short or long term impact on the operational performance of care homes and restrict Tenants' ability to provide care and earn revenue.

Failure to consider the effects of climate change could accelerate the obsolescence of the Group's care homes (both physical and low carbon transition risks) with corresponding implications to value and long-term income generation.

In addition, regulatory changes (whether driven by a reaction to climate change or otherwise) may result in increased maintenance costs (borne by the Tenants) or require capital expenditure (borne by the Company) on properties to improve their energy efficiency. The cost of compliance with such regulatory changes could have a material adverse effect on the Company's business, financial condition, results of operations, future prospects and/or the price of the Ordinary Shares. The effect would be directly on the Company if the cost of compliance rested with the Company, but even if the burden fell on the Group's Tenants, the Company could still be indirectly affected. By way of example Minimum Energy Efficiency Standards ("**MEES**") applies to the Company's properties in England and Wales. This requires a minimum EPC rating of E for new lettings and renewals at present and a minimum of E for existing leases in 2023. The Government is consulting on a proposal to require commercial properties to achieve a minimum EPC rating of B by 2030 in England and Wales. The Scottish Government has consulted on the introduction of MEES but this is currently paused as a result of the COVID-19 pandemic. In the event that more onerous MEES standards require the Company to commit to increased capital expenditure, such increased capital expenditure could have a material adverse effect on the Company's business, financial condition, results of operations, future prospects and/or the price of the Ordinary Shares.

Valuations of the Group's Portfolio are inherently subjective and therefore carry an element of uncertainty, which may result in the Group's Portfolio being worth less than it is currently valued at

The value of property and property related assets is inherently subjective due to the individual nature of each property. As a result, valuations are subject to substantial uncertainty. There is no assurance that the valuations of the properties will reflect the actual realisable sale price even where such sales occur shortly after the relevant valuation date. A fall in such valuations could have a material adverse effect on the financial condition of the Company and its results of operations.

Significant outbreaks of infectious diseases, in particular pandemics such as COVID-19, can have long-lasting and far-reaching effects across all businesses, including the Company and its Tenants. Care for older people is a particular area of heightened concern.

The risks of an outbreak of an infectious disease are reduced occupancy at care homes and the lack of availability of key workers at the Group's care homes as a result of infection or a requirement to self-isolate. Should a pandemic take hold and not be capable of being contained, it could compound and enhance a number of principal risks, including general economic conditions, default of one or more Tenants and the ability of the Company to meet its financing obligations. Restoring occupancy to normal levels could take time to achieve with increased availability of beds across the sector and increased price competition, adding to the long-term challenge of financial stability for Tenants.

The effects of COVID-19 over the past two years saw occupancy decline at the Group's care homes, with the majority of this decline taking place in the first three months of the COVID-19 outbreak, before testing and full levels of PPE were available to the Group's care homes.

Similar outbreaks of other infectious diseases in the future or further outbreaks of COVID-19, including new variants of COVID-19 could lead to declining occupancy rates at the Group's care homes and place pressure on the availability of staff, which could in turn have a negative effect on the Group's results of operations and the Company's results of operations and financial performance.

Risks related to the Investment Manager

The Company is reliant on the performance and retention of key personnel by the Investment Manager and the underperformance or departure of such key personnel could negatively affect the Company's ability to achieve its investment objectives

The Company relies on key individuals at the Investment Manager to identify and select investment opportunities and to monitor the Portfolio. There can be no assurance as to the continued service of these key individuals at the Investment Manager. The death or departure of any of these individuals without adequate replacement, or the underperformance of such individuals, may have a material adverse effect on the Company's business prospects and results of operations. Accordingly, the ability of the Company to achieve its investment objective depends heavily on the experience of the Investment Manager's team, and more generally on the ability of them to attract and retain suitable staff. The Board has a broad discretion to monitor the performance of the Investment Manager or, in certain circumstances, to appoint a replacement or additional Manager but the performance of the Investment Manager, or that of any replacement, cannot be guaranteed.

Other activities in the healthcare sector which may be engaged in by the Investment Manager, the Investment Manager Associates and their respective officers and employees may give rise to conflicts of interest with the Group

The services of the Investment Manager, the Investment Manager Associates and their respective officers and employees, are not exclusive to the Company. Although the Investment Manager has in place a conflicts of interest and asset allocation policy, in fulfilling its responsibilities to the Company, it may be subject to certain conflicts of interest arising from its relations with third parties to whom it also owes duties or in whom it has an interest. Full details of the interests of the principals of the Investment Manager are set out in Part VI of this Prospectus and, in particular, the Investment Manager may provide property investment advice or other services in relation to a number of privately held healthcare companies that may have similar investment policies to that of the Company.

In addition, both Mahesh Patel and Andrew Cowley are principals of the Investment Manager and hold a majority stake in Minster Topco, the holding company of certain Tenants ("**Affected Tenants**"). Although the Investment Manager acts in accordance with conflicts management policies designed to mitigate risks associated with such roles being held by the principals of the Investment Manager, and the Board oversees potential conflicts, there is a risk that the Investment Manager will be influenced in proposing or implementing investment or other decisions between the Company and an Affected Tenant. There is a further risk that the principals of the Investment Manager may not take action in relation to the defaults or other covenant breaches by an Affected Tenant sufficiently quickly to adequately protect the Group's position with respect to such default or other covenant breaches. If any of the foregoing were to occur as a result of a failure by the Investment Manager to comply with its conflicts management policies with respect to Affected Tenants (such as a redevelopment of a care home on unfavourable commercial terms or a failure to notify the Company promptly of a breach of covenant by an Affected Tenant), such circumstances could have a material adverse effect on the financial condition of the Group and its results of operations.

Risks related to the Ordinary Shares

The market price of the Ordinary Shares may fluctuate widely in response to different factors and there can be no assurance that the Ordinary Shares will be repurchased by the Company even if they trade at a price materially below their Net Asset Value

The market price of the Ordinary Shares may not reflect the value of the underlying investments of the Company and may be subject to wide fluctuations in response to many factors, including, amongst other things, additional issuances or future sales of the Company's shares or other securities exchangeable for, or convertible into, its Ordinary Shares in the future, the addition or departure of Board members or key individuals at the Investment Manager, the operational or financial performance and/or creditworthiness of

underlying Tenants, sanctions imposed on Tenants by the CQC (or its equivalents in Wales, Scotland and Northern Ireland) or any local authority, the availability of local authority funding, divergence in financial results from stock market expectations, changes in stock market analyst recommendations regarding the Company or any of its assets or the healthcare real estate sector, a perception that other market sectors may have higher growth prospects, general economic conditions, prevailing interest rates, legislative changes affecting real estate investment trusts or investments in Healthcare Real Estate Assets and other events and factors within or outside the Company's control. Stock markets experience extreme price and volume volatility from time to time, and this, in addition to general economic, political and other conditions, may materially adversely affect the market price for the Ordinary Shares. The market value of the Ordinary Shares may vary considerably from the Company's underlying Net Asset Value. There can be no assurance, express or implied, that Shareholders will receive back the amount of their investment in the Ordinary Shares.

The Company has authority to make market purchases of up to 14.99 per cent. of the Ordinary Shares in issue as at 13 April 2021, being 47,843,079 Ordinary Shares (and the Directors intend to seek annual (or, if required, more frequent) renewal of this authority from Shareholders) and subject to the requirements of the Listing Rules, Companies Act, the Articles and other applicable legislation, the Company may thus purchase Ordinary Shares in the market at a price below Net Asset Value per Ordinary Share with the intention of, amongst other things, enhancing the Net Asset Value per Ordinary Share. The Company may decide to make any such purchases (and the timing of such purchases), however, at the absolute discretion of the Directors. There can be no assurance that any purchases will take place or that any purchases will have the effect of narrowing any discount to Net Asset Value at which the Ordinary Shares may trade.

The Company may in the future issue new Shares, and any such issues will dilute Shareholders' equity

Further issues of Shares may, subject to compliance with the relevant provisions of the Companies Act and the Articles, be made on a non-pre-emptive basis. New Ordinary Shares issued pursuant to a Subsequent Placing or the Company's existing authority to allot shares non-pre-emptively will be issued on a non-pre-emptive basis. Existing holders will, if they are not able to participate in the relevant share issue at least pro rata in accordance with their existing holdings or at all, have the percentage of voting and economic rights they hold in the Company diluted.

Sales of Ordinary Shares by members of the Board, the Investment Manager or the Investment Manager's principals, or the possibility of such sales, may affect the market price of the Ordinary Shares

Sales of Ordinary Shares or interests in Ordinary Shares by the Board, the Investment Manager or the Investment Manager's principals could cause the market price of the Ordinary Shares to decline. The Directors may, and the Investment Manager and its principals may, sell their Ordinary Shares in the market. The sale of a substantial number of Ordinary Shares by these parties, or the perception that sales of this type could occur, could cause the market price of the Ordinary Shares to decline. This may make it more difficult for Shareholders to sell Ordinary Shares at a time and price that they deem appropriate.

The Company's ability to pay dividends depends upon its ability to generate sufficient earnings and certain legal and regulatory restrictions

Subject to the requirement to make distributions in order to maintain real estate investment trust status, any dividends and other distributions paid by the Company will continue to be made at the discretion of the Board. The payment of any such dividends or other distributions in general depends on the Company's ability to generate realised profits, which, in turn, depends on the Company's ability to acquire investments which generate sufficient cashflows, its financial condition, its current and anticipated cash needs, its costs and net proceeds on sale of its investments, legal and regulatory restrictions and such other factors as the Board may deem relevant from time to time. As such, investors should have no expectation as to the amount of dividends or distributions that will be paid by the Company or that dividends or distributions will be paid at all.

The Ordinary Shares are subject to certain provisions that may cause the Board to refuse to register, or require the transfer of, Ordinary Shares

Although the Ordinary Shares are freely transferable, there are certain circumstances in which the Board may, under the Articles and subject to certain conditions, compulsorily require the transfer of the Ordinary Shares.

These circumstances include where a transfer of Ordinary Shares would cause, or is likely to cause: (i) the

assets of the Company to be considered "plan assets" under the Plan Asset Regulations; (ii) the Company to be required to register under the Investment Company Act, or the Investment Manager to be required to register as an "investment adviser" under the Investment Advisers Act; (iii) the Company to be required to register under the Exchange Act or any similar legislation; or (iv) the Company to be unable to comply with its obligations under the Foreign Account Tax Compliance Provisions (commonly known as FATCA or CRS).

The market for Ordinary Shares may be illiquid

No assurance can be given that, at any time, a liquid market for the Ordinary Shares will be sustained. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial Manager authorised under FSMA who specialises in advising on the acquisition of shares and other securities. The value of Ordinary Shares may go down as well as up. Investors may therefore realise less than the original amount of their investment and could lose their entire investment. The market value of the Ordinary Shares may not necessarily reflect the underlying Net Asset Value.

If an active trading market is not maintained, the liquidity and trading price of the Ordinary Shares may be adversely affected. Even if there is an active trading market, the market price of the Ordinary Shares may not reflect the value of the underlying investments of the Company.

Risks relating to regulation and taxation

The REIT status of the Company requires compliance with various requirements, and both the maintaining of compliance, and the consequences of becoming uncompliant, may give rise to a material adverse effect for the Company

The Group operates its business as a Real Estate Investment Trust for the purposes of Chapter 12 of the CTA 2010. As a result, the Company is required to comply with certain ongoing regulations and conditions. The basis of taxation of any Shareholder's shareholding in the Company may change fundamentally if the Company fails to maintain, its REIT status.

The Company cannot guarantee that it will maintain continued compliance with all of the REIT conditions. There is a risk that the REIT regime may cease to apply in some circumstances. HMRC may require the Company to exit the REIT regime if:

- it regards a breach of the conditions or failure to satisfy the conditions relating to the REIT regime, or an attempt to avoid tax, as sufficiently serious;
- the Company has committed a certain number of minor or inadvertent breaches in a specified period; or
- HMRC has given the Company at least two notices in relation to the avoidance of tax within a ten year period.

In addition, if the conditions for REIT status relating to the share capital of the Company or the prohibition on entering into loans with abnormal returns are breached or the Company ceases to be UK tax resident, becomes dual tax resident or an open-ended investment company, the Company will automatically lose REIT status. The Company could therefore lose its status as a REIT as a result of actions by third parties, for example, in the event of a successful takeover by a company that is not a REIT or due to a breach of the condition that the Company is not a close company if it is unable to remedy the breach within a specified timeframe. If the Company were to be required to leave the REIT regime within ten years of joining, HMRC has wide powers to direct how it would be taxed, including in relation to the date on which the Company would be treated as exiting the REIT regime which could have a material impact on the financial condition of the Company and, as a result, Shareholder returns.

To maintain REIT status and as a result obtain full exemption from UK corporation tax on the profits (and where relevant, gains) of its property rental business, the Company is required to distribute annually to Shareholders an amount sufficient to meet the 90 per cent. distribution test by way of Property Income Distributions ("**PIDs**"). The Company would be required to pay tax at regular UK corporation tax rates on any shortfall to the extent that the Company distributes as PIDs less than the amount required to meet the 90 per cent. distribution test for each accounting period. A failure to meet the 90 per cent. distribution test could also change the tax status of distributions received by investors.

A REIT may become subject to an additional tax charge if it pays a dividend to, or in respect of, a Substantial Shareholder. This additional tax charge will not be incurred, however, if the REIT has

taken reasonable steps to avoid paying dividends to a Substantial Shareholder. As a result, the Articles contain provisions designed to avoid the situation where dividends may become payable to a Substantial Shareholder (which are summarised in paragraph 4.5 of Part XIV of this Prospectus). These provisions grant the Directors powers to identify Substantial Shareholders and to prohibit the payment of dividends on Shares that form part of a Substantial Shareholding, unless certain conditions are met. The Articles also authorise the Board to require the disposal of Shares forming part of a Substantial Shareholding in certain circumstances where the Substantial Shareholder has failed to comply with the above provisions.

In the event of any purchase by the Company of its own Ordinary Shares (whether for discount control purposes or otherwise), there is a risk that certain Shareholders may become Substantial Shareholders in the event that they do not participate in the relevant share buy-back programme. In such circumstances, the provisions of the Articles relating to Substantial Shareholdings would apply.

The accounting standards and practices that are applicable to the Group may deem that the Group is in receipt of higher rental income than it is currently contractually entitled to as a result of the fixed minimum uplifts under the tenant leases. This accounting treatment of future rental income in current year accounts could result in the Company being required to distribute more income to Shareholders than it actually receives from Tenants in order to satisfy the REIT conditions. In such event the increased dividend, unless it is a scrip dividend, would not be fully covered by cash received through the Group's net income and the Group would be required to use its other cash resources to fund the additional dividend.

UK SDLT relief that the Group takes advantage of is at risk of being withdrawn retrospectively in the future

From time to time the Group may transfer properties between members of the Group. Such transfers benefit from relief from SDLT. An anti-avoidance provision exists which may cause this relief to be withdrawn retrospectively if there is a change of control in the Company in the period of three years after the date of the completion of the relevant transfer, giving rise to a liability to SDLT equal to approximately five per cent. of the aggregate value of the relevant properties.

If the Company were to be taken over within the three-year period following the date of any relevant transfer the SDLT charge could arise. Additionally, if a single shareholder acquired a substantial stake in the Company (but falling short of a full takeover), careful consideration of the possible application of paragraph 4ZA(4) of Schedule 7 of the Finance Act 2003 would be necessary.

Taxation attributable to the properties may influence decisions of the Investment Manager beyond the investment case alone for properties held in the Portfolio

The Investment Manager may or may not take tax considerations into account in determining when the Group's properties within the Portfolio should be sold or otherwise disposed of and may or may not assume certain market risk and incur certain expenses in this regard to achieve favourable tax treatment of a transaction.

The assets of the Company could be deemed to be "plan assets" that are subject to the requirements of ERISA or Section 4975 of the US Tax Code, which could restrain the Company from making certain investments, and result in excise taxes and liabilities

Under the current Plan Asset Regulations, if interests held by Benefit Plan Investors are deemed to be "significant" within the meaning of the Plan Asset Regulations (broadly, if Benefit Plan Investors hold 25 per cent. or greater of any class of equity interest in the Company) then the assets of the Company may be deemed to be "plan assets" within the meaning of the Plan Asset Regulations. After the issue of New Ordinary Shares pursuant to the Initial Issue or a Subsequent Placing, the Company may be unable to monitor whether Benefit Plan Investors acquire Shares and therefore, there can be no assurance that Benefit Plan Investors will never acquire Shares or that, if they do, the ownership of all Benefit Plan Investors will be below the 25 per cent. threshold discussed above or that the Company's assets will not otherwise constitute "plan assets" under Plan Asset Regulations. If the Company's assets were deemed to constitute "plan assets" within the meaning of the Plan Asset Regulations, certain transactions that the Company might enter into in the ordinary course of business and operation might constitute non-exempt prohibited transactions under ERISA or the US Tax Code, resulting in excise taxes or other liabilities under ERISA or the US Tax Code. In addition, any fiduciary of a Benefit Plan Investor or an employee benefit plan subject to Similar Law that is responsible for the Plan's investment in the Ordinary Shares could be liable for any ERISA violations or violations of such Similar Law relating to the Company.

The Company may become subject to overseas taxation

The Company may be subject to tax under the tax rules of the jurisdictions in which it invests. Although the Company endeavours to minimise any such taxes, this may affect the level of returns to Shareholders.

Changes in tax legislation or practice may affect the financial position of the Group

Statements in this Prospectus concerning the taxation of Shareholders or the Company are based on tax law and HM Revenue & Customs ("**HMRC**") published practice as at the date of this Prospectus. Any changes to the tax status of the Company or any of its underlying investments, or to tax legislation or practice, could affect the value of investments held by the Company, affect the Company's ability to provide returns to Shareholders and affect the tax treatment for Shareholders of their investments in the Company (including the applicable rates of tax and availability of reliefs).

Prospective investors should consult their tax managers with respect to their own tax position before deciding whether to invest in the Company. The Prospectus does not constitute tax advice and must not therefore be treated as a substitute for independent tax advice.

FATCA non-compliance could result in a material adverse effect in the Group's financial position

TO ENSURE COMPLIANCE WITH UNITED STATES TREASURY DEPARTMENT CIRCULAR 230, EACH PROSPECTIVE INVESTOR IS HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF US TAX ISSUES HEREIN IS NOT INTENDED TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY A PROSPECTIVE INVESTOR FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH PROSPECTIVE INVESTOR UNDER APPLICABLE TAX LAW; (B) SUCH DISCUSSION IS INCLUDED HEREIN IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF TREASURY DEPARTMENT CIRCULAR 230) OF THE OFFER TO SELL SHARES BY THE COMPANY; AND (C) A PROSPECTIVE INVESTOR IN SHARES SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT ADVISOR.

The US Foreign Account Tax Compliance Act of 2010 (commonly known as "**FATCA**") is a set of provisions contained in the US Hiring Incentives to Restore Employment Act 2010. FATCA is aimed at reducing tax evasion by US citizens.

FATCA imposes a withholding tax of 30 per cent. on (i) certain US source interest, dividends and certain other types of income; and (ii) the gross proceeds from the sale or disposition of assets which produce US source interest or dividends, which are received by a foreign financial institution ("**FFI**"), unless the FFI complies with certain reporting and other related obligations under FATCA. The UK has concluded an intergovernmental agreement ("**IGA**") with the US, pursuant to which parts of FATCA have been effectively enacted into UK law.

Under the IGA, an FFI that is resident in the UK (a "**Reporting FI**") is not subject to withholding under FATCA provided that it complies with the terms of the IGA, including requirements to register with the IRS and requirements to identify, and report certain information on, accounts held by US persons owning, directly or indirectly, an equity or debt interest in the Company (other than equity and debt interests that are regularly traded on an established securities market, for which see below), and report on accounts held by certain other persons or entities to HMRC.

The Company expects that it will be treated as a Reporting FI pursuant to the IGA and that it will comply with the requirements under the IGA. The Company also expects that its Ordinary Shares may, in accordance with current HMRC practice, comply with the conditions set out in the IGA to be "regularly traded on an established securities market" meaning that the Company should not have to report specific information on its Shareholders and their investments to HMRC. However, there can be no assurance that the Company will be treated as a Reporting FI, that its Shares will be considered to be "regularly traded on an established securities market" or that it would not in the future be subject to withholding tax under FATCA or the IGA. If the Company becomes subject to a withholding tax as a result of FATCA or the IGA, the return on investment of some or all Shareholders may be materially adversely affected.

In addition, the Organisation for Economic Co-operation and Development (the "**OECD**") has proposed a global Common Reporting Standard (the "**Common Reporting Standard**") for multilateral exchange of information which requires financial institutions to carry out due diligence and report on account holders in over 90 signatory countries. The UK has implemented the Common Reporting Standard and so the Company will have to provide information about its Shareholders to HMRC under these rules. In December 2014, the EU formally adopted Council Directive 2014/107/EU to assist member states in combating tax evasion and fraud by extending the scope of the automatic exchange of information ("**DAC 6**"). Broadly

speaking, DAC 6 implements the CRS within the EU. DAC 6 largely ceased to apply to the UK at the end of the transition period for the withdrawal of the UK from the EU at 11pm on 31 December 2020, however reporting which meets hallmarks under category D will still be required for a limited time. In the coming year, the UK will be consulting on implementing the OECD's model Mandatory Disclosure Rules.

Other jurisdictions are also considering introducing FATCA-style legislation in order to obtain information about their respective tax residents. Again, these may require the Company to report more widely on its Shareholders but the exact scope of such rules will need to be determined on a jurisdiction by jurisdiction basis.

FATCA, the IGA, the Common Reporting Standard and DAC 6 are complex. The above description is based in part on regulations, official guidance, the IGA, the Common Reporting Standard and DAC, all of which are subject to change. All prospective investors and Shareholders should consult with their own tax advisors regarding the possible implications of FATCA or FATCA-style legislation on their investment in the Company.

Regulations for packaged retail and insurance-based investment products ("PRIIPs") require the production of a KID having highly prescriptive content, both in terms of the calculations underlying the numbers and the narrative, with limited ability to add further context and explanation

Investors should be aware that the PRIIPs Regulation requires the Company, as a PRIIP manufacturer, to prepare a Key Information Document in respect of the Ordinary Shares. Any such KID must be made available by the Company to retail investors prior to them making any investment decision and the KID relating to the Ordinary Shares is available on the Company's website at www.impactreit.uk. The content of any KID is highly prescriptive, both in terms of the calculations underlying the numbers and the narrative, with limited ability to add further context and explanations, and therefore the KID relating to the Ordinary Shares should be read in conjunction with other material produced by the Company, including this Prospectus and the annual reports which are and will be available on the Company's website.

UK AIFMD and AIFMD impose regulations on the Investment Manager and the Company, which could impose operational difficulties and costs if the Investment Manager was no longer able to act as AIFM to ensure compliance

The UK AIFMD and the AIFMD seek to regulate alternative investment fund managers ("AIFMs") and imposes obligations on AIFMs who market shares in such funds to UK and EEA investors respectively. In order to obtain authorisation under the UK AIFMD, an AIFM needs to comply with various organisational, operational and transparency obligations, which may create significant additional compliance costs, some of which may be passed to investors in the alternative investment funds they manage ("AIFs") and may affect dividend returns.

The Investment Manager is the authorised AIFM of the Company under the UK AIFMD, and is subject to the full requirements of the UK AIFMD. In the event that the AIFM is no longer able to be the AIFM of the Company and a suitable replacement cannot be found, the Company may be required to become authorised itself, rendering the Company a self-managed AIF under the UK AIFMD. This would place a significant cost and administrative burden on the Company, and may therefore reduce returns for investors.

Whilst the Investment Manager is the Company's AIFM, the marketing of Ordinary Shares to EEA investors will be restricted and will need to be undertaken in accordance with the relevant national private placement regimes of any EEA Member States in which marketing takes place. The Investment Manager has filed a notification with the AFM, and an application has been approved by the Central Bank of Ireland, pursuant to Article 42 of the AIFMD such that the Ordinary Shares can be marketed in the Netherlands and Ireland under their respective national private placement regimes. Any regulatory changes arising from the AIFMD (or otherwise) that limits the Company's ability to market future issues of its Ordinary Shares may materially adversely affect the Company's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company's business, financial condition, results of operations, Net Asset Value and/or the market price of the Ordinary Shares.

The changing nature of the regulatory environment for investment funds exposes the Company and the Investment Manager to general regulatory risks

The regulatory environment for investment funds and the managers of investment funds is evolving. Any change in the laws and regulations affecting the Company, or in the laws and regulations affecting companies or investment companies incorporated in England and Wales generally or any change in the regulations affecting investment funds or investment fund managers generally may have a material

adverse effect on the ability of the Company and the Investment Manager to carry on their respective businesses which in turn could have a material adverse effect on the Company's performance and returns to holders of Shares.

Without prejudice to the generality of the preceding paragraph, for example, the introduction of any more onerous regulatory requirements applicable to the Company and/or the Investment Manager in relation to ESG standards, whether in relation to the Portfolio directly or the management of the Company and its assets by the Investment Manager, may have a material adverse effect on the ability of the Company and the Investment Manager to carry on their respective businesses which in turn could have a material adverse effect on the Company's performance and returns to Shareholders.

Important Information

Shareholders and prospective Shareholders should rely only on the information contained in this Prospectus. No person has been authorised to give any information or make any representations other than as contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Investment Manager, Administrator or the Joint Bookrunners or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules neither the delivery of this Prospectus nor any subscription made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to its date.

The tax legislation of an investor's home jurisdiction and of the United Kingdom, as the country of incorporation of the Company, may have an impact on the income received by the investor from the New Ordinary Shares.

Prospective Shareholders must not treat the contents of this Prospectus or any subsequent communications from the Company, the Investment Manager, the Administrator or the Joint Bookrunners or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

In connection with the Initial Placing or any Subsequent Placing, either of the Joint Bookrunners or any of their respective affiliates acting as an investor for its or their own account(s) may subscribe for New Ordinary Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or related investments in connection with the Initial Placing, any Subsequent Placing or otherwise. Accordingly, references in this Prospectus to the New Ordinary Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, either of the Joint Bookrunners or any of their respective affiliates acting as an investor for its or their own account(s). Neither of the Joint Bookrunners intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

If you are in doubt about the contents of this Prospectus you should consult your stockbroker, bank manager, solicitor, accountant, legal or professional adviser or other financial adviser.

Intermediaries

The Company consents to the use of this Prospectus by financial intermediaries in connection with any subsequent resale or final placement of securities by financial intermediaries in the UK on the following terms: (i) in respect of the Intermediaries who have been appointed by the Company prior to the date of this Prospectus, as listed in paragraph 16 of Part XIV of this Prospectus, from the date of this Prospectus; and (ii) in respect of Intermediaries who are appointed by the Company after the date of this Prospectus, a list of which appears on the Company's website, from the date on which they are appointed to participate in connection with any subsequent resale or final placement of securities and, in each case, until the closing of the period for the subsequent resale or final placement of securities by financial intermediaries at 11.00 a.m. on 15 February 2022, unless closed prior to that date. The Company and each of the Directors accept responsibility for the content of this Prospectus with respect to the resale or final placement of Ordinary Shares in connection with the Intermediaries Offer by Intermediaries given consent by the Company to use this Prospectus.

The offer period within which any subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use this Prospectus is given commences on 27 January 2022 and closes at 11.00 a.m. on 15 February 2022, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service).

Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary. Any financial intermediary using this Prospectus is required to state on its website that it uses this Prospectus in accordance with the consent and conditions as set out above

The Company consents to the use of this Prospectus and accepts responsibility for the content of this Prospectus also with respect to subsequent resale or final placement of securities by any financial intermediary given consent to use this Prospectus.

Any new information with respect to financial intermediaries unknown at the time of approval of this Prospectus will be available on the Company's website.

Information to Distributors – Product Governance

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and/or any equivalent requirements elsewhere to the extent determined to be applicable, and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any manufacturer (for the purposes of the UK Product Governance Requirements and/or any equivalent requirements elsewhere to the extent determined to be applicable) may otherwise have with respect thereto, the Ordinary Shares the subject of the Initial Issue and the Placing Programme have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Initial Issue and the Placing Programme. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure Placees who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

Data protection - Personal Data Collection Notice

When an application is made to subscribe to shares in the Company, the Company and/or the Administrator will collect data about the prospective Shareholder, such as the name of the Shareholder, their address, the number of shares they subscribe or wish to subscribe to, account details, and proof of identity, together with such other personal data as is required in connection with the administration of the prospective Shareholder's interest in the Company ("**Personal Data**"). This data will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) and/or the Administrator in accordance with applicable data protection legislation and regulatory requirements of the United Kingdom. It will be stored on the Company and/or the Administrator or other third party processor's computer systems and manually, and will be retained for as long as is necessary in order to administer the interests in the Company and for any period thereafter which is required in order for the Company to comply with its reporting obligations.

The Company is required by Data Protection Legislation to specify the purposes for which it will hold Personal Data. The Company and/or the Administrator (together with any third party, functionary, or agent appointed by the Company) will use and process such data for the following purposes:

- for or in connection with the holding of an interest in the Company, including processing Personal Data in connection with credit and money laundering checks on the prospective Shareholder;
- to communicate with the prospective Shareholder as necessary in connection with the proper running of the Company's business affairs and generally in connection with the holding of an interest in the Company;
- to provide Personal Data to such third parties as are or shall be necessary in connection with the proper running of the Company's business affairs and generally in connection with the holding of an interest in the Company or as Data Protection Legislation may require, including to third parties outside the United Kingdom or the European Economic Area (subject to the use of a transfer mechanism which is

approved at the relevant time by the European Commission or any other regulatory body which has or acquires the right to approve methods of transfer of personal data outside the UK); and

- for the Company and/or the Administrator's internal record keeping and reporting obligations.

The legal basis for processing Personal Data for the purposes set out above, is the legitimate interests of the Company and/or the Administrator in carrying out the business of the Company and administering the interests in the Company and/or (in some cases) that the processing is necessary for compliance with a legal obligation to which the Company and/or the Administrator is subject.

The Company is a data controller in respect of Personal Data and for the purpose of Data Protection Legislation. All prospective Shareholders whose Personal Data has been submitted in connection with an application for an interest in the Company have a right to:

- be told about the data that the Company and/or the Administrator hold about them and to receive a copy of the information that constitutes Personal Data about them, on request;
- request access to and rectification or erasure of Personal Data, restriction of processing concerning the prospective Shareholder, and the right to data portability (as set up in, and subject to limits imposed by Data Protection Legislation);
- withdraw consent to processing, to the extent that processing is based on consent; and
- lodge a complaint about processing with the UK data protection supervisory authority (the Information Commissioners Office).

If you wish to exercise any of these rights, or wish to contact the Company and/or the Administrator about your Personal Data, you should submit a written application to the Company at The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF.

Where a third party provides Personal Data about a prospective Shareholder to the Company and/or the Administrator, the third party represents and warrants to the Company and/or the Administrator, that it has collected and transferred such data to the Company and/or the Administrator in accordance with Data Protection Legislation.

Regulatory information

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, New Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. The issue or circulation of this Prospectus may be prohibited in some countries.

Investment considerations

The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment decisions or any other matter. Prospective investors must inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply to them as a result of the purchase, holding, transfer, redemption or other disposal of Ordinary Shares.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's investment objectives will be achieved.

It should be remembered that the price of the Ordinary Shares, and the income from such Ordinary Shares (if any), can go down as well as up.

This Prospectus should be read in its entirety before making any investment in the New Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles which investors should review. A summary of the Articles is contained in Part XIV of this Prospectus under the section headed "Memorandum and Articles of Association".

Forward-looking statements

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company and the Directors concerning, amongst other things, the investment strategy, financing strategies, investment performance, results of operations, financial condition, prospects and the dividend policies of the Company and the assets in which it has invested or will invest. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, changes in general market conditions, legislative or regulatory changes, changes in taxation regimes or development planning regimes, the Company's ability to invest its cash and the Net Proceeds of the Initial Issue or a Subsequent Placing (to the extent that the Company does not utilise the Net Proceeds of the Initial Issue or a Subsequent Placing to repay debt) in suitable investments on a timely basis and the availability and cost of capital for future investments.

Potential investors are advised to read this Prospectus in its entirety, and, in particular, the section of this Prospectus entitled "Risk Factors" for a further discussion of the factors that could affect the Company's future performance. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Prospectus may not occur or may not occur as foreseen.

These forward-looking statements speak only as at the date of this Prospectus. Subject to its legal and regulatory obligations (including under the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules and the Takeover Code), the Company expressly disclaims any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

Nothing in the preceding three paragraphs should be taken as limiting the working capital statement in paragraph 11 of Part XIV of this Prospectus.

Presentation of financial information

Unless otherwise stated, financial information for the Company and the Group has been extracted from the audited financial statements of the Group for the years ended 31 December 2020, 2019 and 2018 incorporated by reference into this Prospectus as set out in more detail in Part X of this Prospectus and from the unaudited interim financial statements for the six months ended 30 June 2021 incorporated by reference into this Prospectus as set out in more detail in Part XI of this Prospectus.

Financial information for the Group has been prepared in accordance with International Financial Reporting Standards as follows:

- In respect of the years ended 31 December 2018 and 2019, in accordance with International Financial Reporting Standards as adopted by the European Union.
- In respect of the year ended 31 December 2020, in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.
- In respect of the six months ended 30 June 2021, in accordance with International Accounting Standards as adopted by the United Kingdom.

In making an investment decision, prospective investors must rely on their own examination of the Company from time to time and the terms of the Initial Issue and the Placing Programme.

The financial information incorporated by reference in this document includes some measures which are not accounting measures within the scope of IFRS and which the Group uses to assess the financial performance of its business.

The financial information incorporated by reference in this document contains a number of non-IFRS measures and ratios (together, the "Non-IFRS Measures"). These measures and ratios are not required by,

or presented in accordance with, IFRS. The Non-IFRS Measures do not have any standardised meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures reported by other companies. The Directors believe that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. This is provided as additional information and should not be considered in isolation, or as a substitute, for measures of performance prepared in accordance with IFRS.

Prospective investors should exercise caution in comparing the Non-IFRS Measures to other companies as these measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. None of the Non-IFRS Measures is recognised as a measure of financial performance or liquidity under IFRS and none of the Non-IFRS Measures is indicative of the Company's historical operating results, nor are they meant to be predictive of future results. The Non-IFRS Measures are used by the Company's management to monitor the underlying performance of the business and the operations. In some cases, the Non-IFRS Measures presented throughout this document have not consistently been disclosed by the Company previously and have been calculated and presented for comparability purposes in this document only. As a result of the foregoing, prospective investors should not place undue reliance on this data. The Non-IFRS Measures have limitations as analytical tools and prospective investors should not consider them in isolation or as a substitute for an analysis of the Company's results as reported under IFRS.

As a result of such limitations, none of the Non-IFRS Measures should be considered in isolation or as a substitute for performance measures calculated in accordance with IFRS. The Company relies primarily on its IFRS results and uses the Non-IFRS Measures only as a supplement to its results prepared in accordance with IFRS.

Definitions of the Non-IFRS Measures are set out in the annual report and financial statements of the Group for the years ended 31 December 2018, 2019 and 2020 and the interim report and financial statements of the Group for the six months ended 30 June 2021. Definitions of the EPRA performance measures are also set out in the European Public Real Estate Association Best Practices Recommendations Guidelines.

EPRA performance measures are quantified in the annual report and financial statements of the Group for the years ended 31 December 2018, 2019 and 2020.

Other Non-IFRS Measures are quantified as follows:

Net asset total return

	Year ended 31 December			Six months ended 30 June	
	2018	2019	2020	2020	2021
Opening NAV/share (p) (A)	100.65	103.18	106.81	106.81	109.58
Closing NAV/share (p)	103.18	106.81	109.58	107.17	110.66
Movement in NAV/share (p) (B)	2.53	3.63	2.77	0.36	1.08
Dividends					
Q4 dividend (p)	1.5	1.5	1.5425	1.5425	1.5725
Q1 dividend (p)	1.5	1.5425	1.5725	1.5725	1.6025
Q2 dividend (p)	1.5	1.5425	1.5725	-	-
Q3 dividend (p)	1.5	1.5425	1.5725	-	-
Total dividends (p) (C)	6.0	6.1275	6.26	3.115	3.175
Total return (p) (B+C) (D)	8.53	9.7575	9.03	3.475	4.255
Net asset total return (D/A)	8.47%	9.46%	8.46%	3.25%	3.88%

Gross loan to value

	Year ended 31 December			Six months ended 30 June	
	2018	2019	2020	2020	2021
Gross asset value (£'m) (A)	228.2	369.0	429.6	419.9	454.8
Borrowings (£'m) (B)	26.0	25.1	76.4	76.1	62.4
Gross loan to value (B/A)	11.39%	6.81%	17.77%	18.10%	13.72%

Total expense ratio

	Year ended 31 December			Six months ended 30 June	
	2018	2019	2020	2020	2021
Recurring administrative costs (£'m) (A)	3.5	4.4	5.3	2.4	2.8
Average NAV (£'m) (B)	196.0	278.9	345.1	341.6	370.2
Total expense ratio (A/B)	1.80%	1.60%	1.53%	1.42%	1.50%

Presentation of industry, market and other data

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Company's business and the track record of the Group contained in this Prospectus consists of estimates based on data and reports compiled by professional organisations and analysts, information prepared by the Investment Manager or data from other external sources and on the Investment Manager's knowledge of the healthcare real estate sector. Information regarding the macroeconomic environment has been compiled from publicly available sources. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Company to rely on internally developed estimates. The Company takes responsibility for compiling, extracting and reproducing market or other industry data from external sources, including third parties or industry or general publications, but none of the Company, the Investment Manager, Winterflood or Jefferies has independently verified that data. The Company gives no assurance as to the accuracy and completeness of, and takes no further responsibility for, such data. Similarly, while the Company believes its and the Investment Manager's internal estimates to be reasonable, they have not been verified by any independent sources and the Company cannot give any assurance as to their accuracy.

Currency presentation

Unless otherwise indicated, all references in this Prospectus to "GBP", "pounds sterling", "£", "pence" or "p" are to the lawful currency of the UK.

Governing law

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales and are subject to changes therein.

Devolution of social care

Within the United Kingdom, responsibility for social care in Scotland, Northern Ireland and Wales has been devolved by the UK Government to the relevant devolved governments and administrations. There is therefore no single social care system which applies across the United Kingdom. Legislation relating to social care referred to in this Prospectus and passed by the UK Government directly affects England only. Where material, this Prospectus includes disclosure on systems applicable in each of the four social care systems in the United Kingdom.

No incorporation of website

The contents of the Company's website, www.impactreit.uk, or the contents of any website accessible from hyperlinks on the Company's website or any other website referred to in this Prospectus, do not form part of this Prospectus unless such information has been incorporated by reference into this Prospectus, with the exception of any information regarding the Intermediaries published on the Company's website as described in paragraph 16 of Part XIV of this Prospectus and any documents made available for inspection on the Company's website as described in paragraph 17 of Part XIV of this Prospectus. Investors should base their decision whether or not to invest in the New Ordinary Shares on the contents of this Prospectus and any supplementary prospectus published by the Company prior to the Placing Programme End Date alone and should consult their professional advisers prior to making an application to acquire Shares.

UK PRIIPs Regulation

In accordance with the UK PRIIPs Regulation, a Key Information Document in respect of an investment in Ordinary Shares has been prepared by the Company and is available to investors at www.impactreit.uk.

Notice to prospective investors in the European Economic Area

In relation to each EEA Member State (each, a "**Relevant State**"), no New Ordinary Shares have been offered or will be offered pursuant to the Initial Issue or the Placing Programme to the public in that Relevant State prior to the publication of a prospectus in relation to the New Ordinary Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the EU Prospectus Regulation, except that offers of the New Ordinary Shares may be made to the public in that Relevant State at any time under the following exemptions under the EU Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under Article 2 of the EU Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the EU Prospectus Regulation) subject to obtaining the prior consent of the Joint Bookrunners for any such offer; or
- in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of the New Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the EU Prospectus Regulation or a supplement to a prospectus pursuant to Article 23 of the EU Prospectus Regulation and each person who initially acquires any Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with each of the Joint Bookrunners for and the Company that it is a qualified investor.

For the purpose of this provision, the expression an "offer to the public" in relation to any New Ordinary Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Ordinary Shares to be offered so as to enable an investor to decide to subscribe for or purchase the New Ordinary Shares and the expression "EU Prospectus Regulation" means Regulation (EU) 2017/2019.

In the case of any New Ordinary Shares being offered to a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation, such financial intermediary will also be deemed to have represented, that the Ordinary Shares acquired by it in the Initial Issue or the Placing Programme have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Shares to the public other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the Joint Bookrunners has been obtained to each such proposed offer or resale. The Company, the Investment Manager, the Joint Bookrunners and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Joint Bookrunners of such fact in writing may, with the prior consent of the Joint Bookrunners, be permitted to acquire New Ordinary Shares in the Initial Issue or Placing Programme.

The Investment Manager has made the notifications or applications and received, where relevant, approvals for the marketing of the Ordinary Shares to "professional investors" (as defined in the AIFM Directive) in the Netherlands and the Republic of Ireland. Notwithstanding any other statement in this Prospectus, this Prospectus should not be made available to any investor domiciled in any EEA Member State other than the Netherlands and the Republic of Ireland. Prospective investors domiciled in the EEA that have received the Prospectus in any EEA Member States other than the Netherlands and the Republic of Ireland should not subscribe for Shares (and the Company reserves the right to reject any application so made, without explanation) unless: (i) the Company has confirmed that the Investment Manager has made the relevant notification or applications in that EEA Member State and are lawfully able to market New Ordinary Shares into that EEA Member State; or (ii) such investors have received the Prospectus on the basis of an enquiry made at the investor's own initiative.

The New Ordinary Shares may not be marketed to retail investors (as this term is defined in the AIFM Directive as transposed in the relevant EEA Member State) in any EEA Member State unless the New Ordinary Shares have been qualified for marketing to retail investors in that EEA Member State in accordance with applicable local laws. At the date of this Prospectus, the New Ordinary Shares are not eligible to be marketed to retail investors in any EEA Member State. Accordingly, the New Ordinary Shares may not be offered, sold or delivered and neither this document nor any other offering materials relating to such New Ordinary Shares may be distributed or made available to retail investors in any EEA Member State.

Notice to prospective investors in the United States

The New Ordinary Shares have not been and will not be registered under the Securities Act. The New Ordinary Shares are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under the Securities Act pursuant to registration or an exemption therefrom.

Available information

For so long as any of the Company's securities are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Company will, during any period in which it is not subject to Section 13 or 15(d) under the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**"), nor exempt from reporting under the US Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of such restricted securities, or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon request the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Enforceability of civil liabilities

The Company is organised as a public limited company incorporated under the laws of England and Wales. None of the Directors are citizens or residents of the United States. In addition, all of the Company's assets and the majority of the assets of its Directors are located outside the United States. As a result, it may not be possible for US investors to effect service of process within the United States upon the Company or its Directors located outside the United States or to enforce in the US courts or outside the United States judgments obtained against them in US courts or in courts outside the United States, including judgments predicated upon the civil liability provisions of the US federal securities laws or the securities laws of any state or territory within the United States. There is doubt as to the enforceability in England and Wales, whether by original actions or by seeking to enforce judgments of US courts, of claims based on the federal securities laws of the United States. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in England and Wales.

Notice to prospective investors in the Bailiwick of Guernsey

The offers referred to in this Prospectus is available, and are and may be made, in or from within the Bailiwick of Guernsey, and this Prospectus is being provided in or from within the Bailiwick of Guernsey only:

- by persons licensed to do so by the Guernsey Financial Services Commission (the "**GFSC**") under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 (as amended);
- by non-Guernsey bodies who (i) carry on such promotion in a manner in which they are permitted to carry on promotion in or from within and under the law of certain designated countries or territories which, in the opinion of GFSC, afford adequate protection to investors and (ii) meet the criteria specified in section 44(1)(c) of the Protection of Investors (Bailiwick of Guernsey) Law, 2020 (the "**POI Law**");
- to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 2020, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020 by non-Guernsey bodies who (i) carry on such promotion in a manner in which they are permitted to carry on promotion in or from within and under the law of certain designated countries or territories which, in the opinion of GFSC, afford adequate protection to investors and (ii) meet the criteria specified in section 44(1)(d) of the POI Law; or
- as otherwise permitted by the GFSC.

The offers referred to in this Prospectus and this Prospectus are not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs and must not be relied upon by any person unless made or received in accordance with such paragraphs.

Notice to prospective investors in Jersey

The Jersey Financial Services Commission has granted consent to the circulation in Jersey of an offer of the New Ordinary Shares pursuant to Article 8(2) of the Control of Borrowing (Jersey) Order 1958 as amended. The Jersey Financial Services Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that Law.

Expected Timetable of Principal Events

All references to times in this Prospectus are to London time 2022 (unless otherwise indicated)
 Open Offer Record Date 6.00 p.m. on 25 January
 Publication of this Prospectus, Circular and Open Offer Application Forms 27 January

THE INITIAL ISSUE

Ex-entitlement Date of the Open Offer	27 January
Open Offer Entitlements and Excess Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	As soon as possible after 8.00 a.m. on 28 January
Latest recommended time and date for requested withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 9 February
Latest recommended time and date for depositing Open Offer Entitlements and Excess Open Offer Entitlements in CREST	3.00 p.m. on 10 February
Latest time and date for splitting of Open Offer Application Forms	3.00 p.m. on 11 February
Latest time and date for receipt of Open Offer Application Forms and payments in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 15 February
Latest time and date for receipt of completed application forms from the Intermediaries in respect of the Intermediaries Offer	11.00 a.m. on 15 February
Latest time and date for receipt of Offer for Subscription Applications under the Offer for Subscription	11.00 a.m. on 15 February
General Meeting	11.00 a.m. on 16 February
Latest time and date for receipt of commitments under the Initial Placing	2.00 p.m. on 16 February
RNS announcement of the results of the Initial Issue	17 February
Issue of New Ordinary Shares, admission to the premium listing of the Official List and commencement of dealings in the New Ordinary Shares on the London Stock Exchange's Main Market	21 February
CREST accounts credited in respect of New Ordinary Shares in uncertificated form	As soon as practicable after 8.00 a.m. on 21 February
Despatch of definitive share certificates for New Ordinary Shares (where applicable)	Week commencing 28 February

PLACING PROGRAMME

Placing Programme opens	22 February
Admission to the premium listing segment of the Official List and commencement of dealings in New Ordinary Shares issued pursuant to the Placing Programme to the London Stock Exchange's Main Market	8.00 a.m. on each day New Ordinary Shares are issued pursuant to the Placing Programme
CREST accounts credited in respect of New Ordinary Shares issued pursuant to the Placing Programme in uncertificated form	As soon as possible after 8.00 a.m. on each day New Ordinary Shares are issued in uncertificated form pursuant to the Placing Programme
Dispatch of definitive share certificates for shares issued pursuant to the Placing Programme in certificated form (where applicable)	Approximately one week following the relevant Programme Admission
Latest date for New Ordinary Shares to be issued pursuant to the Placing Programme	26 January 2023

Times and dates are subject to change.

- (1) The Directors may, with the prior approval of the Joint Bookrunners, extend such date and thereby extend any of the Initial Placing, the Open Offer, the Intermediaries Offer and/or the Offer for Subscription (together the "Initial Issue") periods, to a time and date no later than 8.00 a.m. on 31 May 2022. If any such periods are extended, the Company will notify investors of such change by publishing an RNS announcement.
- (2) In respect of the Initial Issue, there will be no dealings on a conditional basis prior to the commencement of unconditional dealings.
- (3) Underlying Applicants who apply under the Intermediaries Offer for New Ordinary Shares will not receive share certificates.

Statistics and Dealing Codes

Statistics*

Number of New Ordinary Shares that may be issued, in aggregate, under the Initial Issue and the Placing Programme	300 million
Issue price per New Ordinary Share for the Initial Issue	114p
Target Gross Issue Proceeds	£50 million
Target estimated net proceeds receivable by the Company pursuant to the Initial Issue**	£49 million
Maximum number of New Ordinary Shares to be issued and allotted in aggregate pursuant to the Placing Programme	300 million (less any New Ordinary Shares issued pursuant to the Initial Issue)
Placing Programme Price per New Share to be issued under the Placing Programme	To be determined in respect of each Subsequent Placing by the Directors at the time of the relevant Subsequent Placing

* The maximum size of the Initial Issue is 300 million New Ordinary Shares with the actual size of the Initial Issue being subject to investor demand. The number of New Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the amount of the Gross Issue Proceeds, is not known at the date of this Prospectus but will be notified by the Company via an RNS announcement prior to First Admission. To the extent that demand for New Ordinary Shares in the Initial Issue exceeds the targeted number of New Ordinary Shares set out above, the Company and the Joint Bookrunners may increase the size of the Initial Issue by allocating New Ordinary Shares which would otherwise have been made available in the Placing Programme and reducing the size of the Placing Programme by such number of New Ordinary Shares.

** It is also assumed for this purpose that 43,830,523 New Ordinary Shares are issued pursuant to the Initial Issue (raising approximately £50 million of Gross Initial Proceeds) and that the costs and expenses of the Initial Issue payable by the Company are equal to two per cent. of the Gross Issue Proceeds.

Dealing Codes

The dealing codes for the New Ordinary Shares are as follows:

ISIN:	GB00BYXVMJ03
SEDOL:	BYXVMJ0
Ticker:	IHR
Legal Entity Identifier of the Company:	213800AX3FHPMJL4IJ53

Directors, Investment Manager and Advisers

Directors	Rupert Barclay (<i>Chairman</i>) Rosemary Boot Amanda Aldridge Paul Craig Philip Hall Chris Santer
Registered Office	The Scalpel 18th Floor 52 Lime Street London EC3M 7AF Tel: +44 (0)20 7409 0181
Investment Manager and AIFM	Impact Health Partners LLP Heddon House 149-151 Regent Street London W1B 4JD Tel: +44 (0)20 3146 7100
Joint Sponsor, Joint Bookrunner and Financial Adviser	Jefferies International Limited 100 Bishopsgate London EC2N 4JL
Joint Sponsor, Joint Bookrunner and Financial Adviser	Winterflood Securities Limited Cannon Bridge House 25 Dowgate Hill London EC4R 2GA
Administrator and Company Secretary	JTC (UK) Limited The Scalpel 18th Floor 52 Lime Street London EC3M 7AF Tel: +44 (0)20 7409 0181
Registrar and Receiving Agent	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6AH
English Legal Adviser to the Company	Travers Smith LLP 10 Snow Hill London EC1A 2AL

English Legal Adviser to the Joint Bookrunners	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
US Legal Adviser to the Joint Bookrunners	Proskauer Rose LLP 110 Bishopsgate London EC2N 4AY
Auditor and Reporting Accountant	BDO LLP 55 Baker Street London W1U 7EU
Valuer	Cushman & Wakefield Debenham Tie Leung Limited (C&W) 43 - 45 Portman Square London WH1 6LY
Depository	Indos Financial Limited The Scalpel 18th Floor 52 Lime Street London EC3M 7AF

Part I. Introduction to the Company and the Healthcare Real Estate Opportunity

Introduction to the Company

The Company is an externally managed closed-ended investment company. The Company is admitted to the Premium Segment of the Official List and its Ordinary Shares are admitted to trading on the premium segment of the Main Market of the London Stock Exchange. The Company operates as a Real Estate Investment Trust.

The Net Proceeds of the Initial Issue and each Subsequent Placing are intended to be used to pay down debt drawn under the Group's revolving credit facilities, to acquire additional properties in accordance with the Company's investment policy (including the acquisition of the pipeline assets described in Part IV of this Prospectus) and to invest in organic growth opportunities in the Existing Portfolio (as described in Part III of this Prospectus).

The Company has appointed Impact Health Partners LLP as its investment manager and AIFM for the purposes of the AIFM Directive. Further information on the Investment Manager is set out in Part VI of this Prospectus.

The Company is not regulated by the FCA or any other regulatory authority but is subject to the Listing Rules, the Admission and Disclosure Standards and the Disclosure Guidance and Transparency Rules. The Listing Rules include a Listing Principle that a listed company must ensure that it treats all holders of the same class of shares that are in the same position equally in respect of such shares.

Further information on the Company is set out below and in Part XIV of this Prospectus.

Company update

The Company was admitted to the Specialist Fund Segment of the London Stock Exchange's Main Market on 7 March 2017 and was admitted to the Premium Segment of the London Stock Exchange's Main Market on 8 February 2019. Following its successful initial public offering raising its target gross proceeds of £160 million, the company has raised a further £203 million through subsequent equity raises, the most recent being £35 million in a "tap issue" which completed on 6 May 2021.

The net proceeds from these fundraisings have been used, alongside the Credit Facilities and the Private Placement, to acquire a portfolio of 110 standing assets and two forward funded developments with a market value of £458.8 million and an annual contracted rent of £34.4 million, reflecting a contracted rental yield of 7.13 per cent. The Existing Portfolio is let to 13 Tenants¹, 12 of which are experienced care home operators and the thirteenth is the NHS.

The Company has also invested in its portfolio since launch, having approved investment of £38.7 million of capital improvements to enhance the quality of the homes and forward funded developments that, combined, will add 349 new beds. This capital funding will increase the contracted rent by £3.1 million. To date £12.8 million of the approved capital improvements have been completed and 145 new beds have been added.

Following 30 November 2021, the Group has entered into agreements which will allow it to acquire an additional two care homes in Northern Ireland and twelve care homes in Scotland (the "**Post-November 2021 Commitments**"). Further detail on these arrangements are set out in the section headed "Post-November 2021" updates in Part III of this Prospectus. Upon completion of the two forward funded developments referred to in the section headed "Existing Portfolio Summary" below, and completion of all committed investments and acquisitions comprising the Post-November 2021 Commitments, the Portfolio will comprise 126 properties having, in aggregate, 6,853 beds, let to thirteen Tenants with an aggregate value of £507.3 million² and a contracted rent of £38.0 million.

The Company's unaudited Net Asset Value as at 30 November 2021 was £392.1 million reflecting 111.81 pence NAV per Ordinary Share. This reflects a NAV total return since launch in March 2017 of 8.6 per cent. annualised. The Company has also delivered on its progressive dividend policy, introduced in 2019 which seeks to grow the dividend in line with the inflation-linked rental uplifts received in the prior period. The Company has met its dividend targets since launch via its quarterly dividends with the first paid in August 2017.

¹ Includes Minster and Croftwood, which are both part of the MC Group.

² Portfolio valuation comprises the valuation of the Existing Portfolio as set out in Part IX of this Prospectus and, in respect of the committed investments and acquisitions comprising the Post-November 2021 Commitments, the agreed investment or purchase prices.

Investment objective

The Company's investment objective is to seek to provide Shareholders with attractive and sustainable returns, primarily in the form of quarterly dividends, while also generating growth in net asset values over the medium term through a diversified portfolio of Healthcare Real Estate Assets.

The Company's target is to deliver a progressive dividend and an average NAV total return of 9.0 per cent. each as described further in the section below headed Target Dividend and Target Total Return.

Investment policy

The Company's investment policy is to acquire, own, lease, renovate, extend and redevelop high quality, Healthcare Real Estate Assets in the UK, in particular residential care homes and to lease those assets to care home operators and other healthcare service providers under full repairing and insuring leases.

The Company will continue to pursue its investment policy as follows:

- In order to manage risk in the Portfolio, at the time of investment, no single asset shall exceed in value 15 per cent. of the Group's total gross asset value.
- No single customer paying for care provided in assets owned by the Group will account for more than 15 per cent. of the aggregate revenues of the Tenants to whom the Group's assets are leased from time to time, measured at the time of acquisition.
- The annual contracted rent from any single Tenant is not expected to exceed 40 per cent. of the total annual contracted rent of the Group, measured at the time of investment.
- The Portfolio will be diversified by location across the UK with focus on areas where there is a good balance of supply and demand for the provision of care and assets are available at attractive valuations.
- Within these locations, the Group will acquire existing modern buildings or those that are currently considered fit for purpose by occupiers, but in respect of which the Investment Manager has developed a plan to add value to, and improve the environmental sustainability of, the asset through targeted capital expenditure.
- Leases granted by the Group will be linked to inflation, have a long duration (with an unexpired lease term of at least 20 years) and will not be subject to break clauses. The Group will seek to amend any future leases acquired by the Group to obtain similar terms.
- The Group will not undertake speculative development (that is, development of property which has not been leased or pre-leased), subject to the limitation in the final bullet below, so as to reposition a home in its local market and thus to increase the rent due.
- The Group may invest in forward funding agreements or forward lending commitments to pre-let developments or as part of a structured acquisition of an asset, subject to the limitation in the final bullet below, where the Group will own the asset on the completion of the work, or has the ability to acquire the asset upon agreed conditions being satisfied.
- The gross budgeted development costs of any refurbishment, extension or replacement of existing holdings and/or forward funding and forward commitments is limited to 25 per cent. of the Company's gross assets at the time of commitment.

The Group will be permitted to generate up to 15 per cent. of its gross income in any financial year from non-rental revenue or profit related payments from Tenants, in addition to the rental income due under the leases.

In addition, the Group is also permitted to invest up to:

- 10 per cent. of its Gross Assets, at the time of investment, in non-residential Healthcare Real Estate Assets, such as properties which accommodate GP or dental practices and other healthcare related services including occupational health and physiotherapy practices, pharmacies and hospitals or in non-healthcare related residential assets attached to residential Healthcare Real Estate Assets;
- 25 per cent. of its Gross Assets, at the time of investment, in indirect property investment funds (including joint ventures) with a similar investment policy to that of the Company; and
- 15 per cent. of its Gross Assets, at the time of investment, in closed-ended investment funds which are listed on the Official List, however, the Directors have no current intention to acquire non-residential Healthcare Real Estate Assets or indirect property investment funds.

The Group may also acquire or establish companies, funds or other SPVs which themselves own assets

falling within the Company's investment policy.

The Group will not acquire any asset or enter into any lease or related agreement if that would result in a breach of the conditions applying to the Company to hold REIT status. In addition, the Group will not acquire any asset, or enter into any lease or related agreement in assets, located outside of the UK.

The Company may invest cash held for working capital purposes and awaiting investment in cash deposits, gilts and money market funds. It will not invest in derivatives but it may use derivatives for hedging purposes.

Borrowing policy

Gearing, calculated as borrowings as a percentage of the Group's Gross Assets (including any borrowings incurred by any joint ventures or indirect property investment funds through which the Company may invest), may not exceed 35 per cent. at the time of drawdown.

Material changes to the investment policy will require the prior approval of Shareholders

The Directors do not currently intend to propose any material changes to the Company's investment policy, save in the case of exceptional or unforeseen circumstances. Any material change to the investment policy of the Company will be made only with the approval of Shareholders by ordinary resolution. Any change to the investment policy or investment restrictions which does not amount to a material change to the investment policy may be made by the Company without the approval of Shareholders.

The Group's values

The Group's core values are to:

- focus on the long-term sustainability of the Group's business;
- always act openly and transparently with all of the Group's stakeholders;
- be practical, combining entrepreneurial nimbleness with the strength of a listed company; and
- be efficient.

The Group's business model and purpose

The Group's business model is designed to achieve its purpose, which is to form long-term partnerships with Tenants, through which the Group owns and invests in the buildings Tenants require in return for a predictable and sustainable rent, enabling Tenants to concentrate on providing excellent care to their residents.

There is a six-stage process to implement the Group's business model:

- *Building strong relationships* - The Group builds strong relationships with high quality care providers, who the Group can work with long term.
- *Identify assets* - The Group identifies attractive assets to acquire, in partnership with those operators.
- *Appraise purchases* - The Group performs rigorous due diligence before it selectively purchases care assets.
- *Agree leases* - The Group's lease terms ensure strong rent cover on day one and require Tenants to maintain the Group's assets to the right standard, with minimum spend requirements.
- *Engage Tenants* - The Group works closely with Tenants to create sustainable value through mutually beneficial asset management and development projects.
- *Optimise Portfolio* - The Group optimises its Portfolio through selective asset sales, where the Group can reinvest in higher value opportunities as well as selective asset management and development.

The Board and the Investment Manager believe that successfully implementing each element of the Group's business model should ensure the Group maintains a high-quality business, with a rigorous focus on:

- the quality of the buildings the Group owns;
- the quality of care Tenants deliver;
- the quality of the cash flows the Group generates; and
- maintaining a healthy balance sheet.

Target Dividend and Target Total Return

As noted above, the Company's investment objective is to seek to provide Shareholders with an attractive return, principally in the form of quarterly income distributions, but also with the potential for capital and income growth. Accordingly, the Company has set itself the Target Dividend and Target Total Return which are described in further detail below.

Target Dividend

In 2019 the Company introduced a progressive dividend policy subject to market conditions, applicable law and the Company's performance, financial position and financial outlook (including the Retail Prices Index) (and whilst not forming part of its investment policy), the Company also seeks to grow the Target 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. 100 per cent. of the Group's leases are inflation linked.

The Board set a target total dividend for the year ending 31 December 2021 of 6.41 pence per Ordinary Share, a 1.91 per cent. increase over the 6.29 pence per Ordinary Share paid for the year ending 31 December 2020 (the "**Target Dividend**").

For 2021, the Company has declared and paid three dividends in relation to the first three quarters of the year of 1.6025 pence each, delivering on the Target Dividend. The dividends declared and paid between 1 January 2021 and 30 November 2021 were 128 per cent. covered by the Company's EPRA earnings per share.³

Dividends paid to Shareholders for the period from 1 January 2018 to 30 November 2021 were as follows on a per share basis:

Dividends paid in the financial year ended 31 December 2018	6p per share
Dividends paid in the financial year ended 31 December 2019	6.1275p per share
Dividends paid in the financial year ended 31 December 2020	6.29p per share
Dividends paid from 1 January 2021 to 30 November 2021	6.38p per share

The Target Dividend for the year to 31 December 2022 will increase by 2.0 per cent. to 6.54 pence per Ordinary Share which reflects a 5.7 per cent. dividend yield on the Initial Issue Price.

Target Total Return

Between its IPO in March 2017 and 20 January 2022, the Company has delivered total shareholder returns of 52.6 per cent., equating to an annualised return of 10.8 per cent., representing the highest such annualised return of the four healthcare-focused REITs listed on the London Stock Exchange's Main Market over that period. Over the period between March 2017 and November 2021 it has delivered a net asset value total return of 8.6 per cent. per annum, close to its target net asset value total return of 9.0 per cent. per annum over the medium-term (the "**Target Total Return**").

The Target Dividend and Target Total Return are targets only and neither the Target Dividend nor the Target Total Return constitutes a profit forecast. There can be no assurance that the Target Dividend and Target Total Return can or will be achieved from time to time and neither the Target Dividend nor the Target Total Return should be seen as an indication of the Company's expected or actual results or returns. In particular, the Target Dividend and Target Total Return assume that the Company (or a member of its group) will continue to receive all rent due from its portfolio. Accordingly, investors should not place any reliance on the Target Dividend and Target Total Return in deciding whether to invest in the Ordinary Shares or assume that the Company will make any distributions at all.

Debt Arrangements

The Group has entered into the financing arrangements listed below in connection with the provision of term and revolving credit facilities of up to, in aggregate, £168 million, of which £115 million is currently drawn including £67.5 million drawn down under its revolving credit facilities.

- Metro Bank in connection with the provision of term and revolving credit facilities of up to, in aggregate, to £30 million;

³ Dividend cover based on unaudited earnings per share for the 11 months to 30 November 2021 and the *pro rata* 2021 Target Dividend for 11 months. The dividend cover for the same period based on an adjusted EPRA earnings per share figure was 105.6 per cent. The Company calculates adjusted EPRA earnings per share based on its EPRA earnings per share after deduction of non-cash items and one-off costs.

- Clydesdale in connection with the provision of revolving credit facilities of up, in aggregate, to £25 million;
- HSBC in connection with the provision of revolving credit facilities of up, in aggregate, to £50 million;
- NatWest in connection with the provision of revolving credit facilities of up, in aggregate, to £26 million of committed facilities and £24 million of uncommitted facilities.
- The Group has also entered into a private placement arrangement with two large UK insurance companies of £37 million, increasing (subject to satisfaction of relevant conditions precedent) to £75 million in June 2021, being in respect of the issuance and sale of £37 million in aggregate principal amount of its Series A Senior Secured Guaranteed Notes due December 2035 and £38 million in aggregate principal amount of its Series B Senior Secured Guaranteed Notes due June 2035.

These financing arrangements are secured against certain assets within the Existing Portfolio and the Private Placement is guaranteed by the Company.

As at the date of this Prospectus the Group has £114.5 million of indebtedness and gross assets of £513.4 million, reflecting a loan-to-value ratio ("LTV") of 22.3 per cent.. The Group has outstanding commitments of (i) c.£16.0 million to asset management and forward funded developments; (ii) £2.5 million to a performance based deferred consideration; and (iii) £19.1 million for funding of exchanged acquisitions. Assuming that all of these commitments are funded using only the Group's debt facilities, the Group has a current committed *pro forma* LTV of 26.5 per cent. The weighted average term to maturity of the Group's financing arrangements is 6.3 years.⁴

Further details of the Credit Facilities and Private Placement are set out in paragraph 10(a) of Part XIV of the Prospectus.

Dividend Policy

In order to ensure the Company benefits from the full exemption from tax on rental income afforded by the UK REIT regime, the Company distributes at least 90 per cent. of qualifying profits arising from the Group's qualifying rental business in each year. The Company pays dividends on a quarterly basis, with dividends typically declared in October, January, April and July and paid in November, February, May and August.

In accordance with the REIT regime, the Company does not and will not (except to the extent permitted by those regulations) retain more than 10 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.

Hedging Policy

The Company does not currently hold (nor does it anticipate holding) investments in currencies other than Sterling and therefore it does not intend to seek to hedge currency exposure between Sterling and any other currency.

The Company has entered into arrangements to hedge a portion of the interest rate risk it is exposed to pursuant to the Credit Facilities and currently anticipates maintaining hedges in relation to the interest rate on what the Investment Manager expects will be the average level of drawn down floating rate debt. Although it intends to hedge such interest rate risks, the Company may elect not to do so, where the Board and/or the Investment Manager are of the view that it is not appropriate to hedge such exposure, taking into consideration amongst other things the cost of hedging and the general interest rate environment. To mitigate the interest rate risk that arose as a result of entering into variable rate loans pursuant to the Metro Bank Credit Facility, the Group entered into an interest rate cap with a notional value of £25 million and a strike rate of 1 per cent. effective from 21 June 2018 with a termination date of 15 June 2023. The fair value of the interest rate cap is now based on an effective strike rate of 1.0326 per cent. against 1-month SONIA .

Discount and Premium Management

Further issues

In addition to the authority to issue New Ordinary Shares pursuant to the Initial Issue and the Placing Programme (to be sought at the General Meeting), the Board has an existing authority from Shareholders to allot Ordinary Shares on a non pre-emptive basis up to an aggregate nominal amount of £350,644.18, such authority to expire on 11 August 2022 or, if earlier, the date of the next annual general meeting of the

⁴ Assuming (i) drawdown of second tranche of the Private Placement in June 2022; and (ii) the exercise of the extensions on the HSBC Facility and the NatWest Facility.

Company (the "**Existing Authority**"). To date, the Board has not issued any Ordinary Shares pursuant to the Existing Authority.

Purchase of own Ordinary Shares

The Company may seek to address any significant discount to NAV at which its Ordinary Shares may be trading by purchasing its own Ordinary Shares in the market on an ad hoc basis.

The Directors have authority from Shareholders to purchase in the market up to 14.99 per cent., of the issued ordinary share capital of the Company as at 13 April 2021, being 47,843,079 Ordinary Shares. This authority will expire on 11 August 2022 or at the conclusion of the Company's next annual general meeting if earlier. The Directors intend to seek annual renewal of this authority from Shareholders at each annual general meeting. Whether the Company purchases any such Ordinary Shares, and the timing and the price paid on any such purchase, will be at the discretion of the Directors. Ordinary Shares that are bought back may be cancelled or held in treasury.

It is the current intention of the Directors to hold any Ordinary Shares that have been bought back in treasury. This would give the Company the ability to re-issue Ordinary Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base. Ordinary Shares held in treasury may be sold by the Company at prices equal to or above the prevailing Net Asset Value per Ordinary Share.

The Board typically expects to return to Shareholders the proceeds from any disposal of properties within the Portfolio which have not been re-invested (or where the prospect of re-investment is not imminent) after twelve months.

Continuation vote

The Company has no fixed life but pursuant to the Articles an ordinary resolution for the continuation of the Company will be proposed at the annual general meeting of the Company to be held in 2024 and, if passed, every five years thereafter. In the event that such resolution is not passed, the Directors will put forward proposals within three months for the reconstruction, reorganisation or winding-up of the Company.

Real Estate Investment Trust Status

The Company intends at all times to conduct its affairs so as to enable it to qualify as a real estate investment trust for the purposes of Part 12 of the CTA 2010, as amended.

In summary, in order for a company to be eligible as a real estate investment trust:

- the Company must be solely resident in the UK for tax purposes;
- it must not be a close company (or only be close because there is an institutional investor participator meeting certain conditions);
- it must not be an open-ended investment company;
- its Ordinary Shares must be listed on a recognised stock exchange;
- it must only have one class of ordinary share in issue; and
- the Company must not be party to any loan in respect of which the lender is entitled to interest which exceeds a reasonable commercial return on the consideration lent, or where the interest depends to any extent on the results of the Company's business or on the value of any of its assets.

In order for a company to subsequently maintain its status as a real estate investment trust:

- the Tax Exempt Business must, throughout each accounting period involve at least three properties and have no one property representing more than 40 per cent. of the total value of all the properties involved in the business;
- the Tax Exempt Business must distribute (subject to availability of distributable reserves) at least 90 per cent. of the income profits in each accounting period;
- the income profits arising to the Tax Exempt Business must represent at least 75 per cent. of the total profits of the Company for each accounting period calculated in accordance with International Accounting Standards, before deduction of tax and excluding, broadly, gains and losses on the disposal of property and revaluation of properties movements; and
- at the beginning of each accounting period, the gross fair value of the assets in the Tax Exempt Business (including cash held on deposit) must represent at least 75 per cent. of the total fair value of

the Company's assets.

The UK AIFM Directive and EU AIFM Directive

UK AIFM Directive

Under the UK AIFM Directive, certain conditions must be met to permit the marketing of shares in AIFs to prospective and existing investors in the UK, including that prescribed disclosures are made to such investors. The Company operates as an externally managed UK domiciled AIF with an UK AIFM for the purposes of the UK AIFM Directive. An AIFM may only market an AIF to UK investors if it is authorised by the FCA to do so, or if it complies with the UK's national private placement regime. The Investment Manager is authorised to act as a full-scope AIFM under the UK AIFM Directive.

The Investment Manager has filed with the FCA a notification pursuant to Article 31(2) of the UK AIFMD to market the Company to investors in the UK under the UK AIFM Directive.

EU AIFM Directive

Under the EU AIFM Directive, certain conditions must be met to permit the marketing of shares in AIFs to prospective and existing investors in the EEA, including that prescribed disclosures are made to such investors. The Company operates as an externally managed non-EEA domiciled AIF with a non-EEA AIFM for the purposes of the EU AIFM Directive. An AIFM may only market an AIF to EEA investors if it is authorised by a regulator in an EEA Member State to do so, or if it complies with the applicable national private placement regimes.

The Investment Manager has notified the AFM, and an application has been approved by the Central Bank of Ireland for the Investment Manager to market the Company in the Netherlands and the Republic of Ireland respectively, in each case in accordance with Article 42 of the EU AIFM Directive and the applicable Dutch and Irish national private placement regimes.

NMPI Status

The Company is not deemed to be a non-mainstream pooled investment because, as a REIT, the Ordinary Shares are "excluded securities" under the FCA's rules on NMPIs.

Taxation

Potential investors are referred to Part XIII of this Prospectus for details of the taxation of the Company and Shareholders in the UK. Potential investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their professional advisers prior to making a subscription for New Ordinary Shares.

Risk Factors

The Company's performance is dependent on many factors and potential investors should read the whole of this Prospectus and, in particular, the section entitled "Risk Factors" on pages 7 to 23 of this Prospectus.

Corporate Governance

The Listing Rules require that the Company must "comply or explain" against the UK Corporate Governance Code (the "**Governance Code**"). In addition, the Disclosure Guidance and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements.

The AIC Code, which is endorsed by the Financial Reporting Council, addresses all the principles set out in the Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company. By reporting against the AIC Code, the Company satisfies its obligations under the Listing Rules and the Governance Code. Accordingly, the Directors have undertaken to comply with the provisions of the AIC Code.

Meetings and Reports

The Company's annual general meetings are held in the second quarter of each calendar year. The Company's audited annual report and accounts are prepared to 31 December each year, and it is expected that they will continue to be published and made available to Shareholders in April each year, or earlier if possible. The Company also prepares an unaudited interim report each year in respect of the period

to 30 June, expected to continue to be published in September in each year, or earlier if possible. The Company's audited annual reports and accounts and interim reports are made available on the Company's website.

The Company's accounts and the annual report are drawn up in Sterling.

Please refer to the paragraphs headed "Presentation of financial information" within the section of this Prospectus headed "Important Information" for details on the presentation of the Company's financial information.

Net Asset Value Publication and Calculation

The properties acquired by the Group are valued by the Valuer quarterly in accordance with the RICS Valuation - Global Standards, which incorporate the International Valuation Standards and the RICS UK Valuation Standards (Red Book) or its successor.

The Net Asset Value and the Net Asset Value per Ordinary Share are published on a quarterly basis based on the most recent valuation of the Portfolio and in accordance with IFRS. The Net Asset Value is calculated by the Administrator based on information provided by the Investment Manager and the Valuer and published through an RNS announcement as soon as practicable after the end of the relevant quarter.

The Directors may temporarily suspend the calculation, and publication, of the Net Asset Value during a period when, in the opinion of the Directors:

- there are political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Board, and disposal or valuation of investments of the Company or other transactions in the ordinary course of the Company's business is not reasonably practicable without this being materially detrimental to the interests of Shareholders or if, in the opinion of the Board, the Net Asset Value cannot be fairly calculated;
- there is a breakdown of the means of communication normally employed in determining the calculation of the Net Asset Value; or
- it is not reasonably practicable to determine the Net Asset Value on an accurate and timely basis.

Details of any suspension in making such calculations will be communicated through an RNS announcement.

Part II. The Investment Opportunity

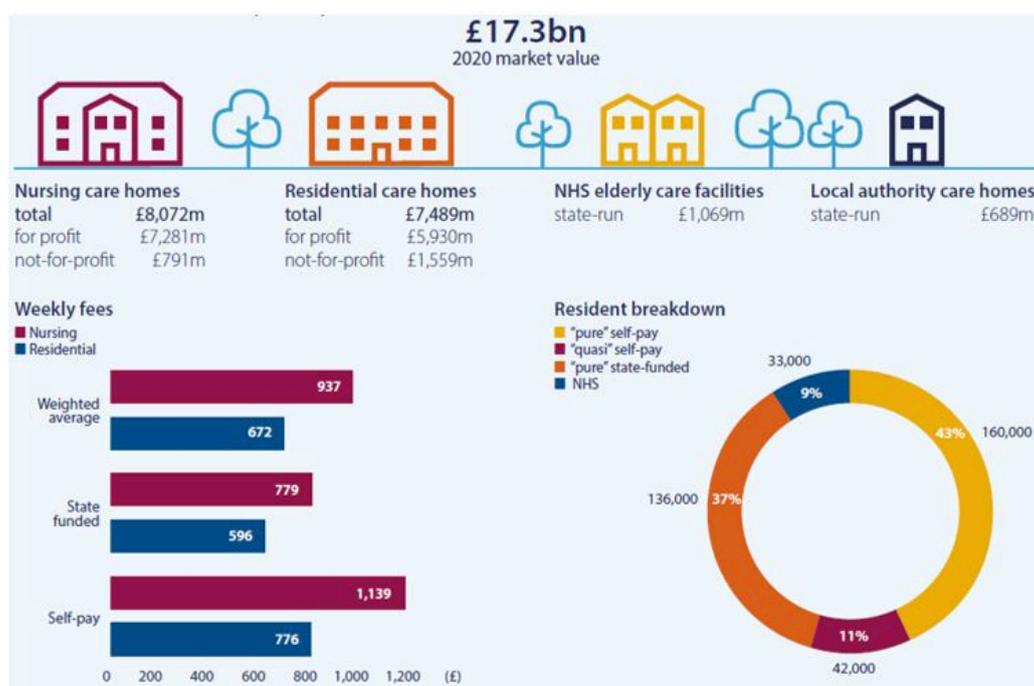
Market drivers

The Company and its Investment Manager believe that a significant investment opportunity exists in the UK healthcare real estate market owing to:

- increasing demand for various forms of care from a growing and ageing population;
- a reduction in supply of suitable assets for providing care over the past two decades;
- the need to reduce pressure on high-cost, medical care providers in the NHS;
- significant reforms of the sector announced by the government in September 2021 which, if followed through on, have the potential to be transformational; and
- the possibility to position the Company as a consolidator in a highly fragmented market as the capital partner of successful middle-market operators.

These factors create an attractive, long-term investment opportunity for a well-capitalised landlord like the Company, with a very experienced Investment Manager with deep operational knowledge of the requirements of the healthcare real estate sector. The Company has the opportunity to achieve scale by acquiring high quality, resilient homes. In addition to working in partnership with well-managed operators who are committed to providing high standards of care, the Company seeks to use active asset management to enhance homes wherever possible.

Key drivers



Source: LaingBuisson - Care Homes for Older People - UK Market Report - 31st Edition, January 2021

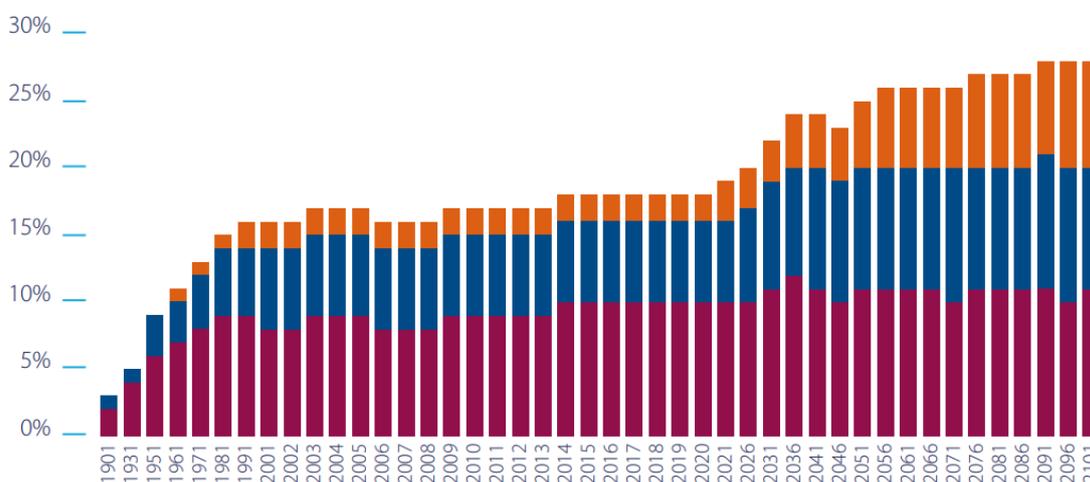
1. An ageing population

People aged over 85 are the fastest growing part of the UK population and make up the core client group for care homes. According to the Office for National Statistics, over the next quarter of a century the proportion of the population over 85 years old in the UK is forecast to grow from 1.7 million people (2.5 per cent. of the UK population) in 2021, to 3.27 million people (4.5 per cent.) by 2046.

The COVID-19 pandemic has reduced occupancy in care homes in the short-term. However, over the medium and longer term, demand for elderly care is forecast to grow. Research by LaingBuisson, a leading consultancy in social care, forecasts that up to an additional 93,000 beds will be required to satisfy this increased demand over the next 10 years, an increase of over 20 per cent. on demand today.

An ageing population

- % of total population aged 85+
- % of total population aged 75-84
- % of total population aged 65-74



Source: Office for National Statistics - Census Data (1901-2001) and ONS Successive Principal National Projections

2. Capacity has not been rising in line with an ageing population

The number of available care beds for the elderly in the whole of the United Kingdom rose rapidly in the 1970s and 1980s, reaching a peak of 563,100 residential and nursing home places in 1996. It then declined 17 per cent. from that level, to 465,100 in 2018. Over that time period there has been a shift, from a market dominated by government-provided beds to beds provided by independent care home owners and operators.

Since 2013 the number of new beds built has broadly equalled beds being withdrawn from the market. Underlying this stability there have been a number of changes in the structure of the market.

Independent operators, both for profit and not for profit, have continued to take market share from homes owned and operated by the public sector. At the same time, the number of care homes has shrunk by 9 per cent. between 2010 and 2020 as older, obsolete buildings are withdrawn from the market to be replaced by more modern, larger homes. The average size of care homes has grown from 37 beds to 42 beds in that period. The average size of homes in the Company's portfolio is 57 beds.

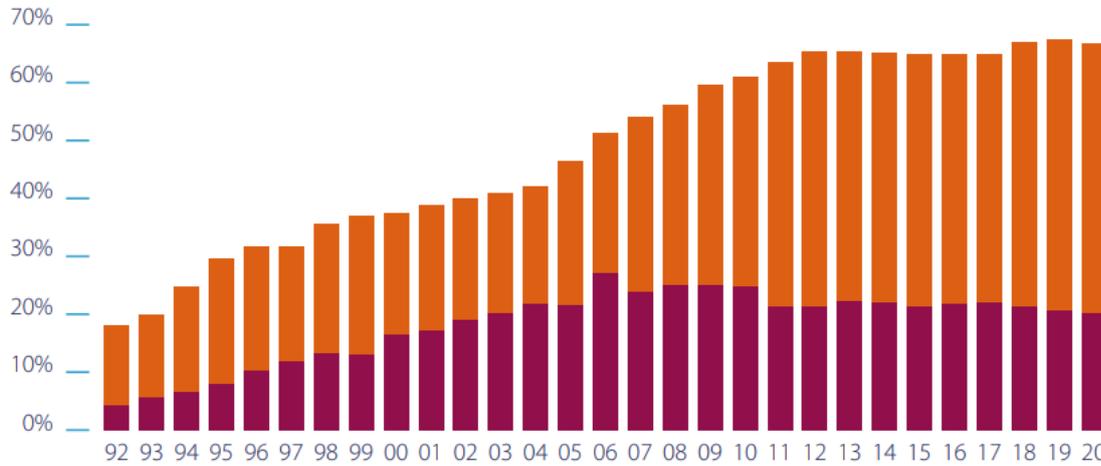
3. A fragmented market

Over recent years the market has seen deconsolidation at its top end. The market share of the 10 largest independent operators has declined from a peak of 27 per cent. in 2006 to 20 per cent. in 2020. This reflects diseconomies of scale in the care business. For the larger operators, the potential benefits of access to capital at lower cost and purchasing power for consumables such as utilities and food tend to be more than cancelled out by higher group overheads and the lack of economies of scale in pay rates for care staff, which are operators' largest expenditure.

Over the same time period from 2006 to 2020, the market share of sole traders with between one and two homes also shrank. Mid-sized groups, which operate between 100 and 4,000 beds as local or regional clusters, have been more vibrant, growing their market share from 24 per cent. to 47 per cent. Most of the Company's Tenants are active in this part of the middle market.

Share of bed capacity owned or leased by a) the ten largest independent sector care home groups and b) all other groups with three or more care homes:

■ 10 largest groups
 ■ All other groups



1 Groups defined as any entity under common management with three or more care homes for older people with dementia (65+), £m UK annualised at March, UK 2007-2019

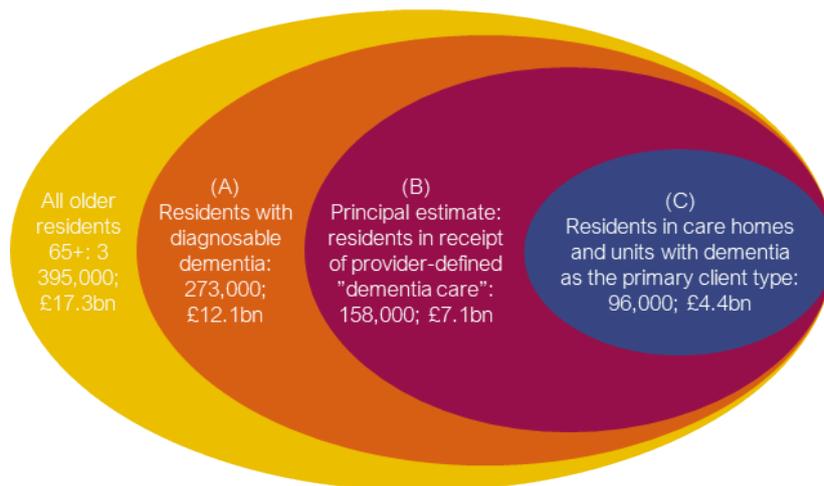
Source: LaingBuisson - Care Homes for Older People - UK Market Report - 31st Edition, January 2021

4. Increasing number of people with dementia

The Alzheimer's Society estimates that in 2020 there were 850,000 people in the UK with some form of dementia, "with number set to rise to over 1 million by 2025 and 2 million by 2051".

An estimated 69 per cent. of the residents in care homes in 2020 had some form of dementia and 96,000 residents had acute dementia, which required a specialised level of care. The Company has given more emphasis to building dedicated units to provide this care to ensure that the homes provide a suitable environment for the provision of care for people with dementia. This has been a particular focus of the Company's asset management and development activities.

Numbers and annual costs of older people (65+) with dementia in care homes and NHS long-stay residential settings, UK all sectors combined 2019



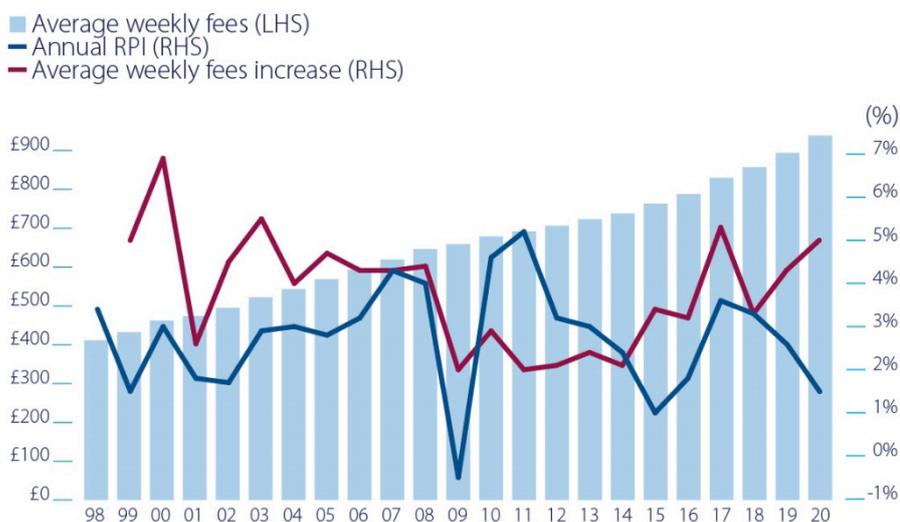
Source: LaingBuisson - Care Homes for Older People - UK Market Report - 31st Edition, January 2021

5. Fees rising faster than inflation

As a result of increasing demand, limited new capacity and a shift from government provision to independent providers, the independent sector has seen sustained and above-inflation growth of the fees it charges for care. Between 1998 and 2020 average weekly fees charged by operators have grown on

average by 3.8 per cent. per annum for nursing care and 3.7 per cent. for residential care. Over the same time period, RPI has averaged 2.8 per cent. per annum.

Average weekly fees (£) versus RPI (%)



Source: LaingBuisson database

Source: LaingBuisson - Care Homes for Older People - UK Market Report - 31st Edition, January 2021

Although inflation is currently at its highest rate for the last 20 years, this long-term trend remains an appropriate consideration.

COVID-19 and its impact on care homes

The World Health Organisation declared COVID-19 to be a global pandemic on 11 March 2020. The first recorded deaths from COVID-19 in an English care home had already occurred five days earlier on 6 March 2020.

The statistics from the pandemic numerically highlight a number of individual personal tragedies. In the peak of the first wave of the pandemic between weeks 13 and 22 of 2020, there were 47,383 deaths in English and Welsh care homes from all causes (i.e. including COVID-19), over twice the five-year average for those weeks of 21,118 deaths. A second wave of the pandemic hit the United Kingdom at the end of 2020. The overall statistics show care homes, however, were less severely affected during the second wave compared to the first. In the first seven weeks of 2021 during the peak of the second wave, there were 4,201 excess deaths above the five-year average in care homes. Between week 8 of 2021 and week 43, deaths in care homes were 5,572 below the five-year average.

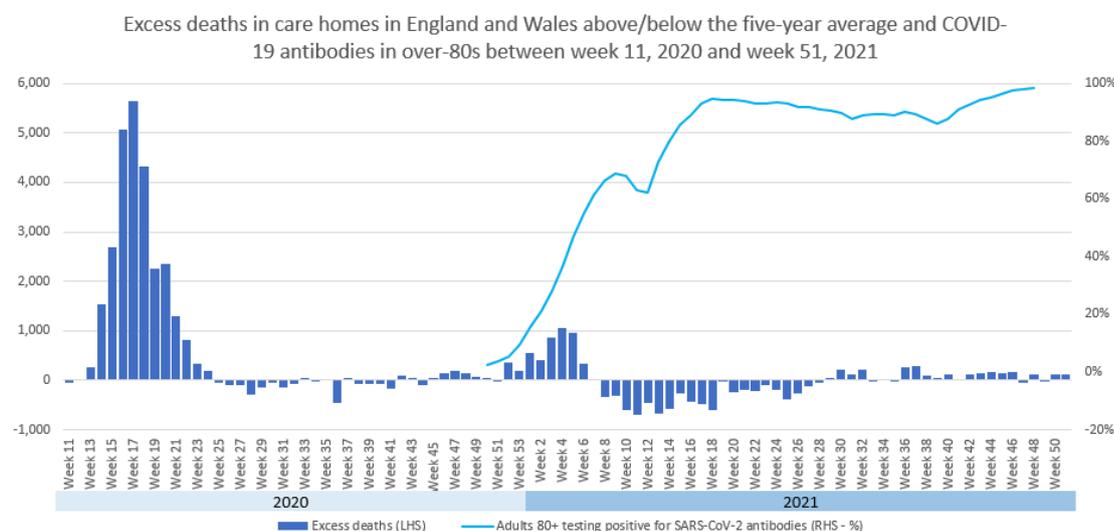
This reduced impact of the second and third waves of COVID-19 on care homes reflects a number of factors. Tragically, the first is the number of the most vulnerable elderly people who had already died in the first wave. More positively, it also reflects the success of the vaccination programme in shielding the most vulnerable and care homes' great efforts to improve infection control.

The Omicron variant of COVID-19 was first identified in the United Kingdom on 27 November 2021. Confirmed daily cases of COVID-19 peaked in the United Kingdom at 246,415 on 29 December 2021. The seven-day rolling average of confirmed cases across the country, which had been running at 641 per million people when the Omicron variant was first identified at the end of November, peaked at 2,664 per million people on 6 January 2022. By 19 January 2022, the seven-day rolling average of confirmed cases had fallen to 1,355.

There is a lag between cases being recorded and people developing severe illness, which might require hospitalisation and which could lead to their death making it premature to assess the full impact of the Omicron variant. However, based on preliminary data its impact on care home residents has been limited, suggesting that the successful roll-out of the vaccination programme across care homes has offered a high level of protection against severe illness from COVID-19. Between 1 and 14 January 2022, average weekly deaths in care homes in England and Wales were 2,196, of which 164 a week were recorded as being COVID-19 related. For comparison in November 2021, the month before Omicron was identified, average weekly deaths in English and Welsh care homes were 2,107, of which 58 were recorded as being

COVID-19 related. For the whole of 2021 these weekly averages were 2,018 and 220.

The impact of the pandemic on the performance of the Group's Tenants is discussed in more detail in Part III of this Prospectus.



Source: ONS - Coronavirus (COVID-19) Coronavirus (COVID-19) Infection Survey, antibody and vaccination data, UK. 13 January 2022 and Deaths Registered Weekly in England and Wales, Provisional, 18 January 2022

Government policy

In his first speech as Prime Minister on 24 July 2019, Boris Johnson stated that the UK Government would "fix the crisis in social care once and for all with a clear plan we have prepared to give every older person the dignity and security they deserve". The COVID-19 pandemic delayed the announcement of these plans, while also highlighting how necessary they were.

On 7 September 2021, the Prime Minister announced plans to reform adult social care in England, which will be funded through a new Health and Social Care Levy, set out in a policy paper ("Build Back Better: Our plan for health and social care"). The proposed reforms will be supported by an additional investment of £5.4 billion into adult social care over the next three years.

The Health and Social Levy Act was then passed by parliament in October 2021 and it is anticipated to make available an additional investment of £5.4 billion into adult social care over the next three fiscal years. A White Paper ("People at the Heart Of Care") was published in December 2021, which sets out the UK Government's thinking about how this additional spending will be used to improve access to care and the quality of care provided.

In parallel to these longer term initiatives, the UK Government has been active in providing support to care providers throughout the pandemic, primarily through the Infection Control and Testing Fund.

These reforms are discussed in more detail below.

Background to the reforms

Adult social care funding has been under pressure for several years and it is argued that this has contributed to a wide range of issues, including the following.

- Increasing numbers of people not having their care needs met. Based on a survey carried out in August 2021, the Association of Directors of Adult Social Services (ADASS) estimated that around 300,000 people were currently awaiting social care assessments, care and support or reviews.
- People not eligible for local authority support facing potentially catastrophic care costs of over £100,000, which they may have to sell their home to pay.
- Impact on health services, including delayed hospital discharges and unnecessary attendances at A&E.
- Workforce issues, with over 100,000 vacancies, and poor pay and employment conditions.

Reforming adult social care, including how people pay for care, has been an issue for successive

governments and a number of proposals for reform have been made. This includes the 2011 Dilnot Commission, which, among other things, recommended a lifetime cap on personal care costs of £35,000 for people aged over 65, and a more generous social care means test. The Government initially set an implementation date of April 2016 for the reforms and the Care Act 2014 provided the legislative framework for a cap on care charges. However, implementation was delayed until April 2020 and then effectively indefinitely postponed. In its manifesto for the 2019 general election, the Conservative Party said it would seek a cross-party consensus for proposals to reform how people pay for adult social care. It added that a prerequisite of the proposals would be that "no one needing care has to sell their home to pay for it".

The proposed reforms

From October 2023, the Government plans to introduce a new £86,000 cap on the amount anyone in England will have to spend on their personal care over their lifetime. The cap will apply irrespective of a person's age or income. It is expected that the cap will be based on the framework provided for by the Care Act 2014. Under this framework, only money spent on meeting a person's personal care needs count towards the cap. Spending on daily living costs (or what are commonly referred to as "hotel costs" in a care home) do not count towards the cap.

In addition, from October 2023, the Government proposes to make the means test for accessing local authority funding support more generous. This includes increasing the upper capital limit (the threshold above which somebody is not eligible for local authority support towards their social care costs) from £23,250 to £100,000.

Funding for adult social care

There is no national government budget for adult social care in England. Instead, publicly-funded social care is mostly financed through local government revenue. This is made up of central government funding from the local government finance settlement combined with locally raised revenue from business rates, council tax and income from fees and charges. Individual local authorities then determine how much is allocated to social care. In recent years, the Government has also provided additional ring-fenced funding for adult social care.

Before the announced reforms, whether a person is eligible for local authority funding depends on how much capital they have:

- Care home residents with more than £23,250 (the upper capital limit) are not eligible for local authority funding support.
- Care home residents with capital between £14,250 (the lower capital limit) and £23,250 are eligible for funding support but must contribute a "tariff income" of £1 per week for every £250 they have above the lower limit towards the cost of their care.
- Care home residents with capital below £14,250 are eligible for funding support and are not charged any "tariff income".

The value of a person's main or only home is disregarded as capital when they are receiving care outside of a care home. For care home residents, their home can be counted as capital, but in certain circumstances it must be disregarded either for a time-limited period or permanently (e.g., if the home has been continuously occupied by the person's partner since before they went into a care home).

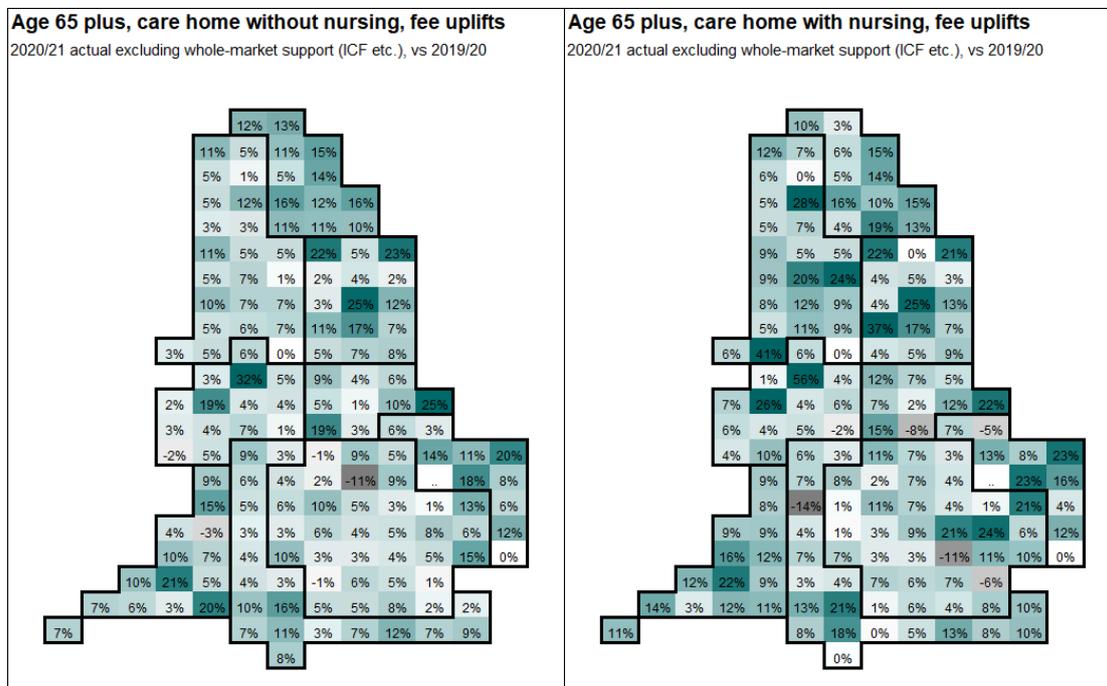
The Office of National Statistics has estimated that between 2019 and 2020, 36.7 per cent. of care home residents were self-funded and 63.3 per cent. were state-funded. Around two-thirds of adults receiving social care support through their local authority are aged 65 and over. However, the total cost to the public purse of social care support provided to adults aged under 65 is around the same as for those aged 65 and over.

In February 2021, the Health Foundation estimated that £1.9 billion in additional funding would be required by 2023/24 to meet future demand for adult social care, above its projected adult social care spending power calculated before the Government announced its package of reforms. The additional £5.4 billion of funding for adult social care included in the Government's reforms over the next three years would provide £1.8 billion a year.

The Health Foundation also looked at a variety of different scenarios about the level of additional resources which would be required not just to meet future demand, but also to improve access to care to pay more for care.

In recognition of the need to fund care better, Local Authorities in England substantially increased the fees

they pay for care in 2020/21, compared to 2019/20. Based on reporting from 150 local health boards to the Improved Better Care Fund (iBCF) under the Department of Health and Social Security, local authorities increased fee rates for age 65 and over care homes without nursing by 8.6% and fee rates for age 65 and over care homes with nursing by 9.2% when compared to 2019/20. These increases included grants from the Infection Control Fund (see below). After removing the grants, the iBCF calculates underlying fees paid by local authorities for residential and nursing care in homes for those over 65 rose by a weighted average of 4.3% during the 2020/21 fiscal year, with wide variations around the country.



Source: Department of Health and Social Security, Improved Better Care Fund (iBCF) - Provider Fee Reporting, 2020 to 2021, published on 16 December 2021

The Health and Social Care Levy (the "Levy")

In order to finance these reforms, the Government introduced the Health and Social Care Levy Bill 2021-22 to Parliament on 8 September 2021. All of the Bill's stages in the Commons were taken on 14 September 2021 and all its substantive Lords stages were taken on 11 October 2021. The Bill received Royal Assent on 20 October 2021.

The Levy will be introduced in two stages:

- In 2022/23 the rate of primary Class 1 NICs for employees charged on their earnings, the rate of secondary Class 1 NICs for employers charged on their employees' earnings, and the rate of Class 4 NICs for the self-employed charged on their trading profits, will be increased by 1.25 percentage points.
- In 2023/24 a separate Levy set at 1.25 per cent. will be introduced, replacing this temporary increase in NICs rates. Liability to the Levy will be extended to individuals in employment who are over State Pension age.

It is forecast that this Levy will raise around £11.4 billion a year for the three year period 2022/23 to 2024/25. An additional 1.25 per cent. increase in the rates of income tax on dividends introduced at the same time to fund health and social care will raise around £600 million a year. The funds from the Levy will be ringfenced for investment in health and social care as set out in the policy paper.

£5.4 billion of revenue from the Levy will be used to support adult social care in England over the next three fiscal years (2022/23 to 2024/25 inclusive), with the balance to be used to help the NHS clear backlogs caused by the pandemic. It is planned that the amounts allocated to adult social care will rise over time as these backlogs are cleared, however concerns have been raised over whether this will happen in practice.

Of the money allocated initially to adult social care, £3.6 billion will be used to introduce a cap on care costs and reform the social care means test. The balance will be used for "wider system reform" aimed primarily at improving staff recruitment and retention. The devolved governments of Scotland, Wales and

Northern Ireland will receive £2 billion a year from the Levy to support their health and social policies.

Adult Social Care Reform White Paper

On 1 December 2021, the UK Government published a White Paper which set out further detail on how the proposed reforms will be implemented.

The White Paper begins by acknowledging that many people who may need professional care currently do not have access to it. In 2020–21 local authorities received over 1.9 million requests for support from 1.3 million potential new clients, of whom 841,000 ended up receiving some form of government-funded care. It further acknowledges that "the full spirit of the Care Act is not currently being met".

The White Paper has a subtle change of emphasis on how the £5.4 billion of additional funding for adult social care, which will be raised during the Levy's first three years, will be spent. As discussed above, while the Health and Social Care Levy Bill indicated that £3.6 billion of this money will be used to introduce a cap on care costs and reform the social care means test, the White Paper emphasises "**we will provide £3.6 billion to reform the social care charging system and enable all local authorities to move towards paying providers a fair rate for care.**"

What the UK Government refers to as "local authority market shaping and commissioning" is a critical underpinning to these reforms. The aim of "market shaping" is to ensure that local authorities and care providers work together to ensure care markets remain sustainable and continuity of care is in place in local areas, enabling the relevant local authority to deliver on its statutory responsibility to provide care.

In order to be able to assess better how well local authorities are meeting their adult social care duties under Part 1 of the Care Act, the White Paper proposes to introduce a number of new measures:

- the introduction of independent assessments by the Care Quality Commission of how well local authorities are fulfilling their key adult social care functions;
- a grant of £70 million over three years to local authorities to provide training, expert advice and other support to help them to improve their services;
- a mechanism to intervene, as a last resort, where it is deemed a local authority is failing; and
- measures to improve the quality of data in order to be able to know whether people are consistently getting the care they need.

The remaining £1.7 billion of the additional funding from the Levy over its first three years will continue to be allocated to wider system reform. These commitments include:

- at least £150 million of additional funding from the Levy over its first three years will continue to be allocated to wider system reform;
- at least £500 million so the social care workforce has the right training and qualifications, and feel recognised and valued for their skills and commitment; and
- at least £300 million to integrate housing into local health and care strategies, with a focus on increasing the range of new supported housing options available.

The White Paper confirms that after the initial three-year period, the proportion of the money raised by the Levy allocated to adult social care will increase.

Adult Social Care Infection Control Fund

In parallel to developing these long-term reforms, the government has been active in supporting care homes with short-term measures during the pandemic, primarily through the Adult Social Care Infection Control Fund.

The Adult Social Care Infection Control Fund was first introduced in May 2020, to support adult social care providers in England to reduce the rate of COVID-19 transmission. In April 2021, it was consolidated with the existing Rapid Testing Fund, to support additional testing of staff in care homes, and enable indoors, close-contact visiting where possible.

By September 2021, these funding streams had provided over £1.49 billion of ring-fenced funding for infection prevention and control, and £396 million for testing in care settings. This fund has been extended until 31 March 2022, with an extra £388 million of funding to support the care sector to put in place crucial measures over the winter period. This brings the total ring-fenced funding for infection prevention and control to almost £1.75 billion, and support for testing to almost £523 million in care settings.

Care homes need to demonstrate they have spent the money on measures which will improve infection

control (at least 70 per cent. of the money granted), and enhance access to testing and vaccines.

Part III. The Existing Portfolio

Existing Portfolio summary

The Company invested the net proceeds of its initial public offering ("IPO") in the 57-property IPO Portfolio, which was acquired for an aggregate consideration of approximately £152.2 million (including the acquisition of Saffron Court). Since then, the Group has grown by a further net 53 homes (two homes have been sold). These acquisitions have increased:

- the number of completed beds in the portfolio by 136 per cent. from 2,569 beds to 6,052 beds;
- the number of Tenants from two to 13⁵; and
- and the total annualised rent payable by 196 per cent. from £11.6 million on the Company's IPO to £34.4 million.

Accordingly, the Existing Portfolio comprises two forward funded developments and 110 standing assets with a WAULT of 19.3 years and is 100 per cent. let under "triple net, full repairing and insuring leases", meaning that each Tenant is required to pay all taxes, buildings insurance and repair and maintenance costs on the property, in addition to rent.

All of the leases granted on the Existing Portfolio are for a minimum fixed term of at least 20 years, have no break clauses and are subject to an annual, upwards-only rent review at RPI, with a floor and a cap of 2 and 4 per cent. or 1 and 5 per cent. respectively.

The Group has also been executing on its active asset management and development strategies designed to add value to the Portfolio. In the period between the Company's IPO in 2017 and 30 November 2021, it committed £38.7 million in capital expenditure on its assets, which will add 349 beds to the Existing Portfolio and will increase the rent due by £3.1 million. A total of 145 of those beds have now been completed.

Post-November 2021 updates

The above information on the Existing Portfolio and the valuation (detailed in Part IX of this Prospectus) are as at 30 November 2021. Subsequent to November 2021, the Group has:

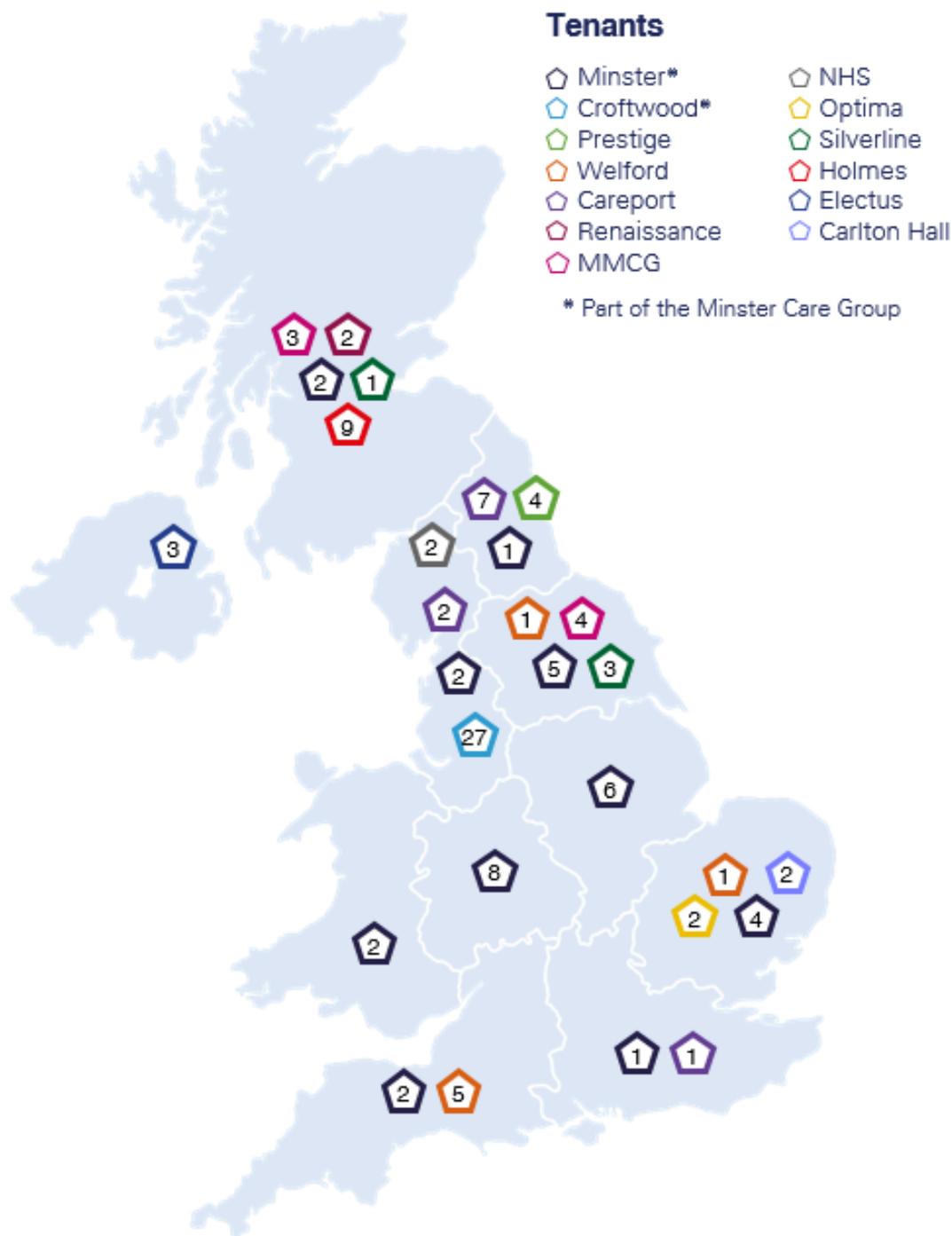
- exchanged contracts to purchase two care homes in Northern Ireland subject to re-registration with the Regulation and Quality Improvement Authority, which is expected to be completed in early February 2022. On completion of the acquisition, the Group will be required to pay a net purchase price of £11.02 million and an initial rent of £854.5k p.a. has been agreed with an existing Tenant, Electus, reflecting an initial yield of 7.8 per cent.; and
- has invested in a portfolio of 12 care homes in Scotland, with 480 beds and planning consent for two substantial extensions, for initial consideration of £37.5 million and a potential deferred payment of £2.5 million subject to the future performance of the homes. The investment has been made by way of a loan to Holmes to allow them to immediately complete the acquisition and upon receipt of the regulatory approvals; the Group has the option to acquire the property assets from Holmes (who also have the option to sell these assets to the Group). The structure creates a number of benefits for all stakeholders, including enabling Holmes to take immediate operational control of the homes, thereby avoiding a potentially lengthy transition period while regulatory approvals are sought to register the operation of the homes in new legal entities, as well as other financial and operational efficiencies. The Group will receive interest payments equivalent to 8.6 per cent. p.a. for the duration of the loan. Upon exercising the option, an initial rent of £2.7 million has been agreed, reflecting an initial yield of 7.2 per cent.

Upon completion of the forward funded developments and the two transactions detailed above which are not yet completed, this would increase the Group's total beds to 6,853 and total standing assets to 126, achieving a combined contracted rent of £38.0 million.

⁵ The two Initial Tenants, Minster and Croftwood are both owned by Minster Topco.

Existing Portfolio overview

Location of Existing Portfolio properties



Details of Existing Portfolio properties

The Existing Portfolio is comprised of the following properties. In addition, further details on the Existing Portfolio and the approach taken to valuation are set out in Part IX of this Prospectus.

	Name of Home	Address	Tenant	Total number of beds	Freehold or 999 year lease
1.	Abbeywell	Dragon Square, Chesterton, Newcastle under Lyme, ST5 7HL	Minster	45	Freehold

	Name of Home	Address	Tenant	Total number of beds	Freehold or 999 year lease
2.	Almond Court	15 Drumchapel Place, Drumchapel, Glasgow, G15 6BN	Holmes	42	Freehold
3.	Almond View	5 Drumchapel Place, Drumchapel, Glasgow, G15 6BN	Holmes	78	Freehold
4.	Amberley	The Crescent, Truro, Cornwall TR1 3ES	Minster	27	Freehold
5.	Ancliffe	Warrington Road, Wigan, WN3 6QA	Croftwood	40	Freehold
6.	Argentum Lodge	81 Silver Street, Nailsea, Bristol, BS48 2DS	Welford	56	Freehold
7.	Ashgrove	North Sea Lane, Cleethorpes DN35 0PS	Minster	56	Freehold
8.	Astbury Lodge	Randle Meadow, Hope Farm Estate, Great Sutton, Cheshire CH66 2LB	Croftwood	41	Freehold
9.	Attlee Court	Attlee Street, Normanton, Wakefield, WF6 1DL	Minster	68	Freehold
10.	Bankview Care Home and Day Care Centre	Kilsyth Road, Banknock, Stirlingshire, FK4 1TD	Holmes	65	Freehold
11.	Barham	Church Lane, Barham, Ipswich, IP6 0PS	Optima Care	44	Freehold
12.	Baylham	Upper Street, Baylham, Ipswich, IP6 8JR	Optima Care	55	Freehold
13.	Beechwood	20 Bridge Street, Wilshaw, Lanarkshire, ML2 7QX	Holmes	90	Freehold
14.	Belmont House	High Street, Starbeck, Harrogate, HG2 7LW	Maria Mallaband	100	Freehold
15.	Birchlands	Moor Ln, Haxby, York, YO32 2PH	Welford	51	Freehold
16.	Blackwell Vale	Durdar Road, Blackwell, Carlisle, CA2 4SE	Careport	51	Freehold
17.	Briardene	Newbiggin Lane, Newcastle Upon Tyne, NE5 1NA	Careport	59	Freehold
18.	Broadgate	108-114 Broadgate, Beeston, Notts NG9 2GG	Minster	40	Freehold
19.	Carlton Hall	Chapel Rd, Carlton Colville, Lowestoft, Suffolk NR33 8BL	Carlton Hall	86	Freehold
20.	Carnbroe	40 Paddock Street, Sikeside, Coatbridge ML5 4PG	Minster	74	Freehold
21.	Cedarhurst Lodge	Cedarhurst Road, Belfast, BT8 7RH	Electus	67	Long Lease
22.	Craigend	72 Croftcroighn Road, Ruchazie, Glasgow G33 3SE	Minster	48	Freehold
23.	Craigielea	French Street, Renfrew, Renfrewshire, PA4 8DG	Holmes	85	Freehold
24.	Croftbank	Old Mill Road, Uddingston, Glasgow G71 7JB	Renaissance Care	68	Freehold
25.	Croftwood	Whitchurch Way, Halton Lodge, Runcorn, Cheshire WA7 5YP	Croftwood	44	Freehold

	Name of Home	Address	Tenant	Total number of beds	Freehold or 999 year lease
26.	Croft House	Gawthorpe, Wakefield, WF5 9RL	Maria Mallaband	66	Freehold
27.	Crossways	Station Rd, Lostock Gralam, Northwich, Cheshire CW9 7PN	Croftwood	39	Freehold
28.	Derwent	Newcastle Road, Low Westwood, Newcastle Upon Tyne, NE17 7PL	Careport	45	Freehold
29.	Diamond	Bewcastle Grove, Leicester LE4 2JW	Minster	44	Freehold
30.	Duncote Hall	Towcester, Northants, NN12 8AQ	Minster	38	Freehold
31.	Duncote The Lakes	Towcester, Northants, NN12 8AQ	Minster	45	Long Lease
32.	Edgewater Lodge	Sunnydale Avenue, Millisle Road, Donaghadee, BT21 0LE	Electus	75	Freehold
33.	Elm House	76 Pillory Street, Nantwich, Cheshire CW5 5SS	Croftwood	39	Freehold
34.	Emmanuel	17 Southfield, Hessle, HU13 0EL	Minster	37	Freehold
35.	Eryl Fryn	Bodafon Road, Craigside, Llandudno, North Wales, LL30 3BA	Minster	29	Freehold
36.	Fairview Court	42 Hill Street, Kingswood, Bristol, BS15 4ES	Welford	49	Freehold
37.	Fairview House	42a Hill Street, Kingswood, Bristol, BS15 4ES	Welford	24	Freehold
38.	Falcon	Middle Street, Beeston, Nottingham, NG9 1FX	Minster	46	Freehold
39.	Florence Grogan	Shelley Road, Blacon, Chester CH1 5XA	Croftwood	40	Freehold
40.	Freeland	Wroslyn Road, Freeland, Nr Witney, OXON OX29 8AH	Minster	62	Long Lease
41.	Garswood	Wentworth Road, Ashton in Makerfield, Wigan, WN4 9TZ	Croftwood	40	Freehold
42.	Gleavewood	Farm Road, Weaverham, Northwich, Cheshire CW8 3NT	Croftwood	30	Freehold
43.	Golborne House	Derby Road, Golborne, Warrington, WA3 3JL	Croftwood	40	Freehold
44.	Grandholm	Grandholm Drive, Bridge of Don, Aberdeen, AB22 8AE	Croftwood	79	Freehold
45.	Gray's Court	Church Street, Grays, Essex RM17 6EG	Minster	87	Freehold
46.	Greenacres	Green Lane, Standish, Wigan, WN6 0TS	Croftwood	40	Freehold
47.	Grenville	Horsbeck Way, Horsford, Norwich, NR10 3BB	Minster	64	Freehold
48.	Hamshaw Court	Wellsted St, Hull, HU3 3AG	Minster	45	Freehold
49.	Heatherfield	49 Bathgate Road, Armadale, West Lothian, EH48 2PD	Holmes	60	Freehold

	Name of Home	Address	Tenant	Total number of beds	Freehold or 999 year lease
50.	Hillcrest	Hillcrest House, Barbican Road, East Looe, Cornwall, PL13 1NN	Minster	88	Freehold
51.	Holly Lodge	1-2 Maddison Street, Shildon, DL4 1NX	Careport	41	Freehold
52.	Holmesley	Fortescue Drive, Sidmouth, Devon, EX10 8QG	Welford	52	Freehold
53.	Hourigan	Myrtle Avenue, Leigh, WN7 5QU	Croftwood	40	Freehold
54.	Howgate House	Howgate, Bradford, BD10 9RD	Maria Mallaband	55	Freehold
55.	Ideal	Knowsley Drive, Bicton Heath, Shrewsbury SY3 5DH	Minster	44	Freehold
56.	Ingersley Court*	Lowther Court, Off Church Street, Bollington near Macclesfield, Cheshire, SK10 5QA	Croftwood	45	Freehold
57.	Karam Court	Mallin Street, Off Highbury Road, Smethwick, West Mids B66 1QX	Minster	47	Freehold
58.	Kingston Court	Newton Road, Carlisle, CA2 7JH	Careport	75	125 year lease from 4 February 2002
59.	Lakelands	Grizedale Drive, Higher Ince, WN2 2LX	Croftwood	40	Freehold
60.	Larkfield View	207 Burns Road, Greenock, Inverclyde, PA16 0PR	Holmes	90	Freehold
61.	Laurel Bank	Main Street, Bradford, BD15 0JR	Silverline	63	Freehold
62.	Leycester House	Edenfield Road, Mobberley, Knutsford, Cheshire WA16 7HE	Croftwood	40	Freehold
63.	Littleport Grange	Grange Lane, Ely Road, Littleport, Ely CB6 1HW	Minster	54	Freehold
64.	Loxley Hall	Lower Robin Hood Lane, Helsby, Cheshire WA6 0BW	Croftwood	36	Freehold
65.	Lyndhurst Home	College Street, Leigh, WN7 2RF	Croftwood	40	Freehold
66.	Manor Park	Leed Road, Cutsyke, Castleford, WF10 5HA	Maria Mallaband Care Group	73	Freehold
67.	Mavern House	75 Corsham Road, Shaw, Wiltshire, SN12 8EH	Welford	47	Freehold
68.	Meadows & Haywain	Brybank Road, Hanchett Village, Haverhill Suffolk, CB9 7WD	Minster	65	Long Lease
69.	Mowbray	9 Victoria Road, Malvern, Worcestershire WR14 2TF	Minster	37	Freehold
70.	Mulberry Manor	Wortley Avenue, Swinton, Mexborough, S64 8PT	Minster	60	Freehold
71.	New Milton House	Station Road, Alsager, Staffordshire ST7 2PB	Croftwood	39	Freehold
72.	Old Prebendal House	Station Rd, Shipton-under-Wychwood, Chipping Norton, OX7 6BQ	Careport	37	Freehold

	Name of Home	Address	Tenant	Total number of beds	Freehold or 999 year lease
73.	Parklands	Poynton Civic Center, Park Lane, Poynton SK12 1RB	Croftwood	40	Freehold
74.	Parksprings	Frood Street, Motherwell, ML1 3TA	Maria Mallband Care Group	70	Freehold
75.	Parkville	Walpole Street, Middlesbrough, TS1 4HA	Prestige	94	Freehold
76.	Red Hill	229 London Rd, Worcester WR5 2JG	Minster	90	Freehold
77.	Reiver House	Newtown Rd, Carlisle, CA2 7JH	NHS	0	Long Lease
78.	Rosepark	261 New Edinburgh Rd, Uddingston, Glasgow G71 6LL	Renaissance Care	58	Freehold
79.	Roseville	Blair Avenue, Ingleby Barwick, Stockton-on-Tees, TS17 5BL	Prestige	103	Freehold
80.	Rydal	Rydal Road, Darlington, DL1 4BH	Minster	57	Freehold
81.	Saffron Court**	2A High Street, Barwell, Leicester, Leicestershire, LE9 8DQ	Minster	48	Freehold
82.	Saintfield Lodge	4 Old Saintfield Road, Belfast, BT8 8EY	Electus	51	Freehold
83.	Sand Banks	33-37 Kirkleatham Street, Coatham, Redcar, TS10 1QH	Prestige	77	Freehold
84.	Sovereign	Chelmarsh, Daimler Green, Coventry CV6 3LB	Minster	60	Long Lease
85.	Sovereign Court	Newbiggin Lane, Newcastle Upon Tyne, NE5 1NA	Careport	12	Freehold
86.	Sovereign Lodge	Newbiggin Lane, Newcastle Upon Tyne, NE5 1NA	Careport	48	Freehold
87.	Springhill	Springhill Home, 80 Portland Road, Kilmarnock, KA1 2BS	Silverline	61	Freehold
88.	St Peter's House	29 Out Risbygate, Bury Saint Edmunds, IP33 3RJ	Welford	62	Freehold
89.	Stansty House	34 Stansty Road, Wrexham LL11 2BU	Minster	74	Freehold
90.	Surgical Unit	Newtown Rd, Carlisle, CA2 7JH	NHS	0	Long Lease
91.	The Beeches	Beacon Road, Wibsey, Bradford BD6 3DP	Silverline	60	Freehold
92.	The Cedars	Brookfield Drive, Holmes Chapel, Cheshire CW4 7DT	Croftwood	27	Freehold
93.	The Elms	Elm Drive, Crewe, Cheshire CW1 4EH	Croftwood	41	Freehold
94.	The Grove and The Courtyard	341 Marton Road, Middlesbrough, TS4 2PH	Careport	55	Freehold
95.	The Hawthorns	Hawthorne Street, Wilmslow, Cheshire SK9 5EJ	Croftwood	39	Freehold
96.	The Laurels	Walnut Drive, Winsford, Cheshire CW7 3HH	Croftwood	40	Freehold

	Name of Home	Address	Tenant	Total number of beds	Freehold or 999 year lease
97.	Thorley House	Hazelmere Gardens, Hindley, Wigan, WN2 3QD	Croftwood	40	Freehold
98.	Thorn tree Mews	17 Arnothill Mews, Falkirk, FK1 5RZ	Maria Mallaband Care Group	40	Freehold
99.	Three Elms	Station Road, Penketh, Warrington, Lancashire WA5 2UG	Minster	56	Freehold
100.	Three Towns	20 Afton Road, Stevenston, Ayrshire, KA20 2HA	Holmes	60	Freehold
101.	Turnpike Court	Middlewich Road, Elworth, Sandbach, Cheshire CW11 3EJ	Croftwood	53	Freehold
102.	Wallace View	77 Westhaugh Road, Stirling, FK9 5GF	Maria Mallaband Care Group	60	Freehold
103.	Waterside	Leigh Sinton, Malvern, Worcs. WR13 5EQ	Minster	47	Long Lease
104.	Wealstone	Wealstone Lane, Upton, Cheshire CH2 1HB	Croftwood	42	Freehold
105.	Westhaven	11-15 Queen's Road, Wirral, Merseyside CH47 2AG	Croftwood	52	Long Lease
106.	Whetstone Hey	Old Chester Road, Great Sutton, Ellesmere Port Cheshire CH66 3JX	Croftwood	41	Freehold
107.	Willow Bank	Willow Bank Care Village, Bell Dean Road, Allerton, Bradford, BD15 7WB	Silverline	59	Freehold
108.	Woodlands	Ash Lane, Aspull, Wigan, WN2 1EZ	Minster	40	Freehold
109.	Wordsley Hall	Mill St, Brierley Hill, Wordsley, Stourbridge DY8 5SX	Minster	41	Freehold
110.	Yew Tree	Presbytery, Yew Tree Avenue, Redcar, TS10 4QN	Prestige	76	Freehold

* There are also eight assisted living flats connected to the care home at Ingersley Court, all of which are sub-leased by Croftwood to individual tenants on assured short tenancies (all of which have been granted a term not exceeding one year).

** There are also 25 assisted living flats connected to the care home at Saffron Court, all of which are sub-leased by Minster to individual tenants on assured short tenancies (all of which have been granted a term not exceeding one year).

Overview of the Existing Tenants

The Existing Portfolio of 108 care homes and 2 NHS assets is currently operated by 13⁶ Tenants (including the NHS) and is spread across England, Wales, Scotland and Northern Ireland. Further detail on each of the Existing Tenants is set out under the heading "The Existing Tenants" below.

Tenant	Number of completed properties	Number of completed beds	% of rent roll
Careport Group	10	531	7.0%
Carlton Hall	1	86	2.0%
Croftwood ⁷	27	1,113	16.4%
Electus Care	3	193	2.2%
Holmes	9	649	11.3%
Minster ⁸	33	1,888	31.7%
MMCG	7	508	7.2%

⁶ The two Initial Tenants, Minster and Croftwood are both owned by Minster Topco.

⁷ The two Initial Tenants, Minster and Croftwood are both owned by Minster Topco.

⁸ The two Initial Tenants, Minster and Croftwood are both owned by Minster Topco.

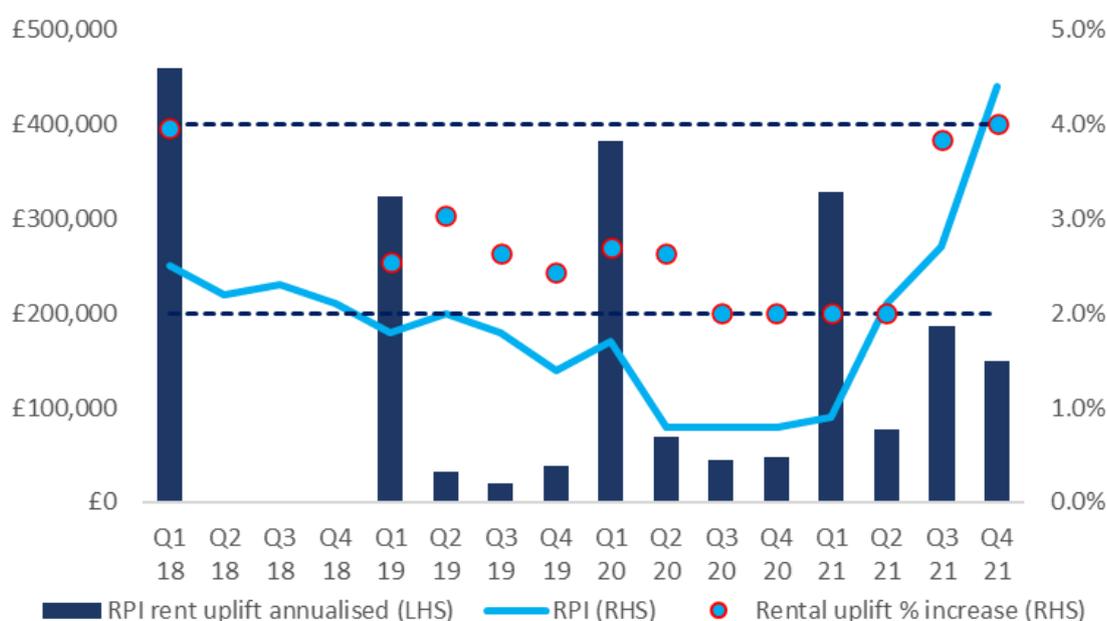
Tenant	Number of completed properties	Number of completed beds	% of rent roll
NHS	2	-	1.0%
Optima Care	2	99	3.1%
Prestige Group	3	256	4.5%
Renaissance Group	2	128	2.9%
Silverline	4	243	2.7%
Welford Group	7	355	8.0%

The Existing Tenants

The Group now has a stable of 13 Tenants operating its properties. They range from larger national operators with over 80 homes, alongside smaller regional concerns with fewer than 10 homes. Common across each of the Group's Tenants is a depth of experience with many being seasoned operators with over three decades of operating knowledge whilst others are newer entrants to the sector but still with considerable experience. Each Tenant has a desire to provide high quality care to their residents, a valued career for each of their employees and an ability to deliver strong trading performance to support the Group's investments.

Monitoring the performance of Existing Tenants

The rents the Group receives from its Tenants are fixed, rising each year in line with inflation and it has no voids. As demonstrated by the chart below, the Group's annual inflation-linked rent reviews have, on average, outperformed RPI since inception.



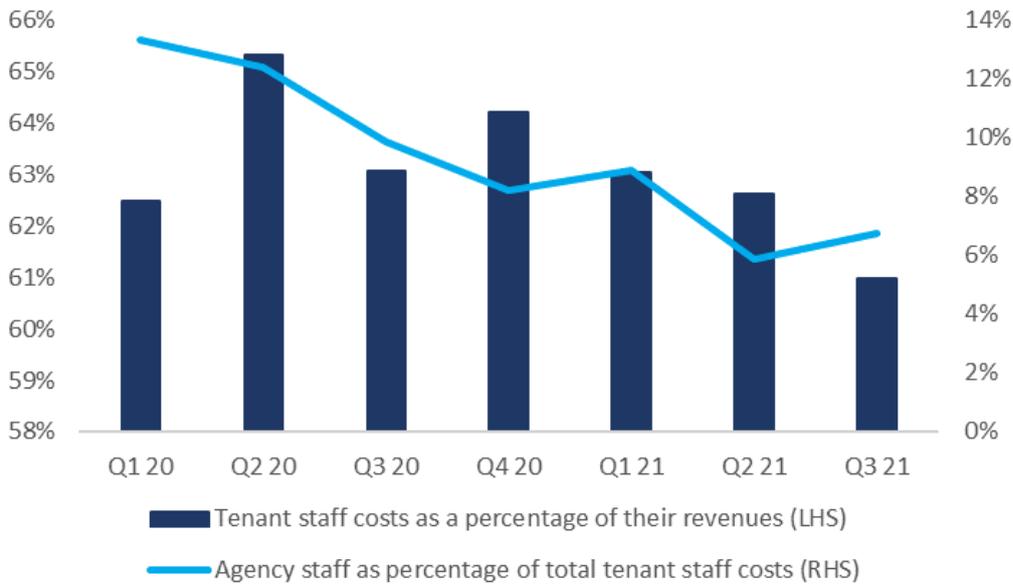
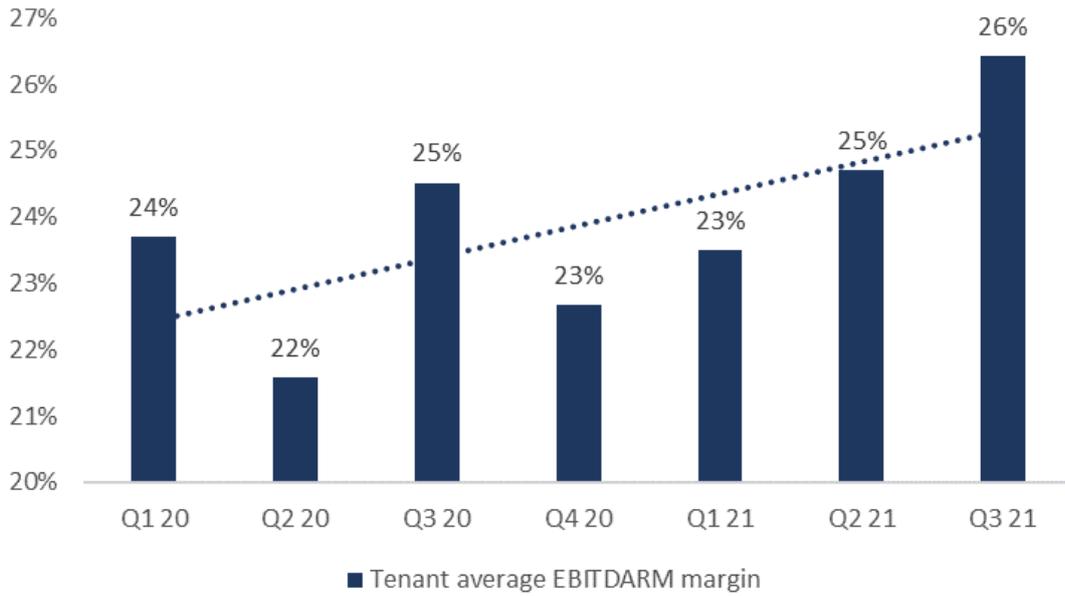
The Group has no direct exposure to the performance of its Tenants through profit, or loss-sharing mechanisms. However, the Group has a high-level of indirect exposure to its Tenants' performance, which the Investment Manager monitors intensively.

When leases are agreed with a new Tenant, the format for the Tenant's reporting of its financial data and operating key performance indicators on a monthly or quarterly basis is agreed at the same time. At the beginning of the COVID-19 pandemic in 2020 the Investment Manager also asked Tenants to provide a weekly occupancy report.

Set out below are examples of Tenant key performance indicators monitored by the Group relating to (i) tenant staff costs as a percentage of Tenant revenues and agency staff as a percentage of total Tenant staff costs; and (ii) Tenant average earnings before interest, taxes, depreciation, amortisation, rent and central management costs of the tenants ("EBITDARM") margin, each for the period between Q1 2020 and Q3 2021.

Tenant

KPIs



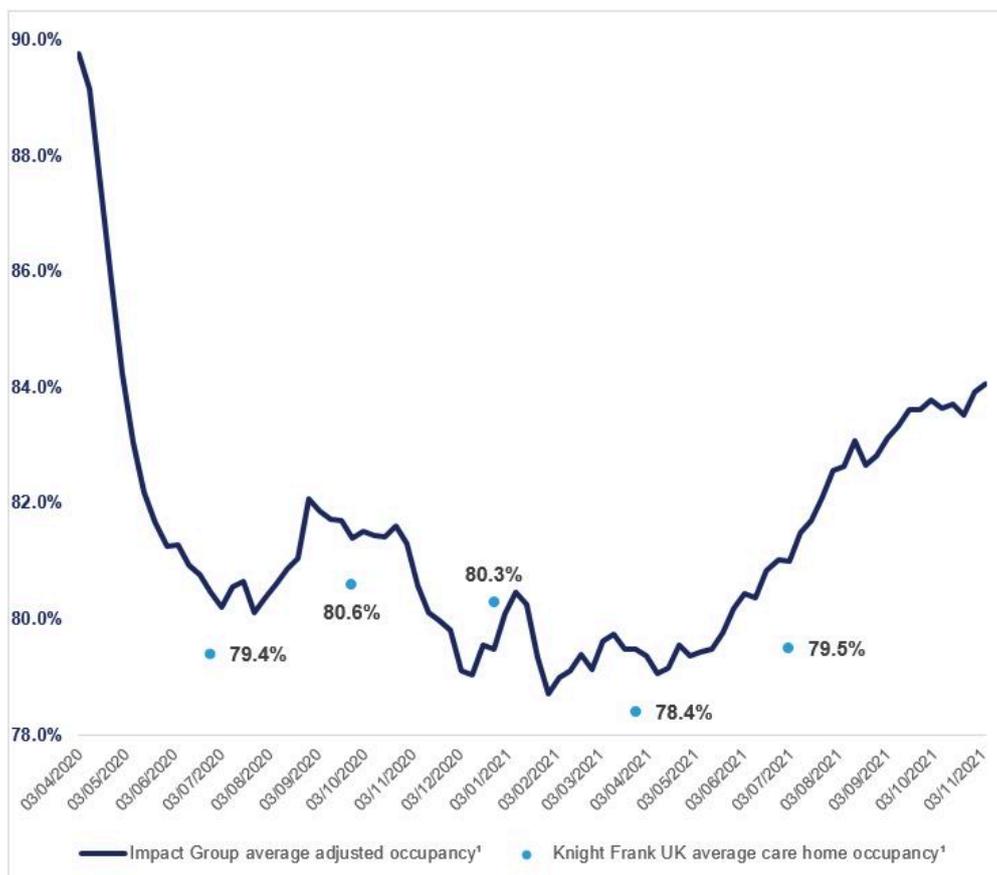
Occupancy

On 21 February 2020, immediately before the COVID-19 pandemic struck the UK, average occupancy across the Group's homes was 90.1 per cent. As described in Part II of this Prospectus, the first wave of the pandemic inflicted a heavy death toll on care homes. Tenants' average occupancy fell to 80.2 per cent. by late July 2020, when it stabilised.

The second wave of the pandemic hit care homes just after Christmas and reduced occupancy to 78.7 per cent. at the end of January 2021. It then stabilised before starting a slow, but steady recovery in the spring following the successful roll-out of the vaccination campaign. Between the end of April and early November 2021 average occupancy across the Group's Tenants grew from 79.5 per cent. to 84.1 per cent.

Knight Frank does an annual survey of the performance of UK care homes, which collects data from just over one-fifth of the market. Based on the 2021 survey data, the performance of the Group's Tenants measured by occupancy has been in line with wider market trends during the pandemic, with a slightly stronger recovery than the wider market in the second quarter (Knight Frank data only extends to 30 June 2021).

Between late December 2021 and mid-January 2022, occupancy fell across the Group's homes by one per cent. This reflects a number of factors. Admissions are normally lower over the Christmas and New Year period as the assessments of care needs by doctors, social workers and care home managers required before a resident can be admitted to a care home do not usually happen over the holiday period. This seasonal fall in admissions was accentuated this year by the Omicron variant, as current advice from Public Health England is that a home should close to new admissions for 28 days if two or more residents test positive with COVID-19. Since the beginning of 2022, the Group's Tenants have reported to the Investment Manager limited impact from Omicron on their residents' health and a high level of enquiries from potential new admissions.

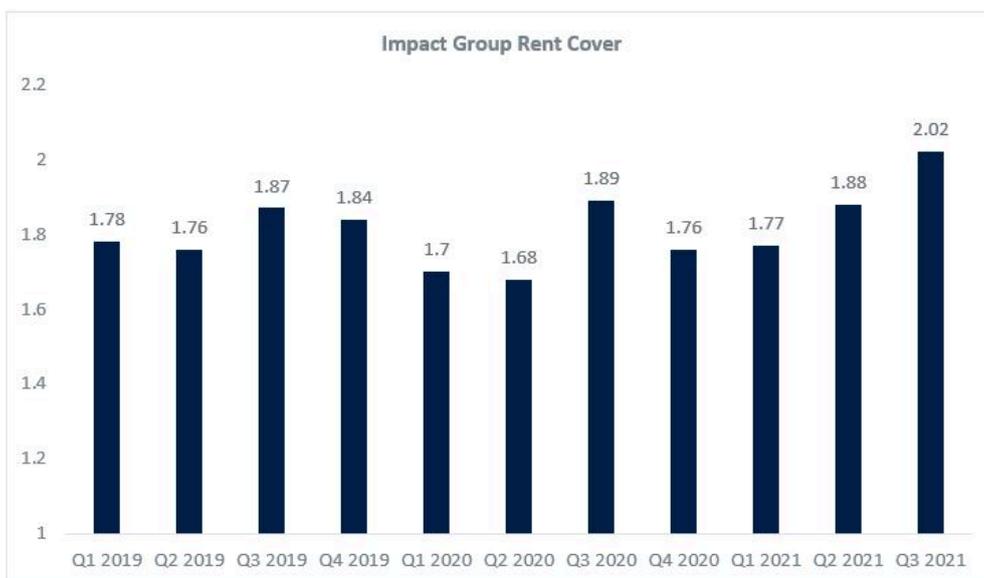


Source: 2021 UK Care Homes Trading Performance Review, Knight Frank

Rent cover and rent collection

Rent cover is one of the most important key performance indicators for tracking the trading performance of the Portfolio at home level and hence the security of rent due from it.

Based on the EBITDARM generated from the operation of all properties within the Portfolio, rent cover in the third quarter of 2021 was 2.02 times across the Portfolio, higher than it was immediately before the pandemic, despite the reduction in occupancy. This is largely explained by strong underlying growth of the average weekly fees, which the Group's Tenants charge for the care they provide, along with a range of support measures introduced by the government to mitigate the pandemic including grant funding. Their average weekly fees rose from £725 at the end of 2019, to £856 in the third quarter of 2021, an 18 per cent. increase over the period.



This solid level of rent cover compares favourably with rent covers reported in Knight Frank's annual survey (which are also based on EBITDARM).

	NURSING	PERSONAL	ALL CARE
2019	1.5	1.6	1.5
2020	1.6	1.7	1.6
2021	1.5	1.4	1.5

Source: Knight Frank

High levels of rent cover underpin the sustainability of rental payments. The Group has demonstrated the resilience of its business model, collecting 100 per cent. of rent due since inception (including during the pandemic), with no changes to any lease terms or payment schedules. To date, the Group has at all times remained in compliance with the covenants of the Credit Facilities.

Regulatory performance of the Existing Tenants

The majority of activities of the Existing Tenants are regulated by the CQC in England, which publishes on its website its current rating for each facility it regulates and the latest inspection report. Activities in Wales, Scotland and Northern Ireland are regulated by the Care Inspectorate Wales ("**CIW**"), the Care Inspectorate ("**CI**") in Scotland or the Regulation and Quality Improvement Authority (RQIA) in Northern Ireland (each of which also publish their inspection reports online).

Under the CQC's current rating system, homes are put in one of four categories: "Outstanding"; "Good"; "Requires Improvement"; and "Inadequate".

Current rating (% of homes)	Outstanding	Good	Requires Improvement	Inadequate
Existing Portfolio ⁽¹⁾	5.8%	71.2%	21.2%	1.9%
National average ⁽²⁾	4.8%	72.5%	20.5%	2.2%

Source: CQC and CI ratings as at 5 January 2022

- (1) Based on ratings for 103 homes in England, Wales and Scotland as at 5 January 2022, with CI ratings converted to their English equivalents. It is not possible to convert the inspection reports for homes regulated by the Regulation and Quality Improvement Authority ("**RQIA**") in Northern Ireland or the CIW to their CQC equivalents.
- (2) National average for nursing and residential homes with more than 30 beds.

The Existing Leases

Broadly, the leases granted by the Group in respect of the Existing Portfolio are on equivalent terms:

- long fixed term: Minster and Croftwood 20 years; all other tenants 25 years to 35 years;
- excluded from security of tenure;
- Tenant option to extend (other than in leases with a term of 35 years);
- no break clauses;
- upwards only annual rent reviews at RPI, with either (i) a floor of 2 per cent. and cap of 4 per cent.; or (ii) a floor of 1 per cent. and a cap of 5 per cent. The two NHS leases have annual rent reviews set at CPI with no cap or floor;
- triple net, full repairing and insuring leases;
- Tenants responsible for maintaining homes and have committed to a minimum level of expenditure per bed on maintenance annually, rising with RPI; and
- individual leases at home level to ensure all lease terms are enforceable, reinforced by a Framework Agreement with each Tenant.

Each lease grants the Group the right to monitor closely the Rent Cover (and the Group has appointed the Investment Manager to monitor this on its behalf). In the event that Rent Cover falls below the specified levels, the relevant Existing Tenant(s) are obliged to notify the Company and provide a clear plan to restore Rent Cover. If the relevant Existing Tenant's Rent Cover is not increased then the leases provide that:

- if Rent Cover falls below a second specified level for two consecutive rental periods, the Group may demand that an advance of one quarter's rental payments are deposited in an escrow account; and
- if Rent Cover falls below a third specified level, the Group could obtain vacant possession of the homes by exercising its forfeiture rights.⁹

All lease agreements with Tenants are also subject to an overarching framework agreement, which cross guarantees the rent across the Existing Guarantor's portfolio. This will always include the entire portfolio of homes leased to the Existing Tenant and in some situations includes security over a wider portfolio operated by the Existing Tenant. In addition, the relevant Existing Guarantor is prohibited from making distributions which could result in the Existing Guarantor not having cash in excess of a quarter's rent.

The leases impose strict repair and maintenance obligations on the Existing Tenants. Under the terms of each lease, the relevant Existing Tenant will be required to deliver an annual repair and maintenance budget in respect of the relevant care home to the Company and each lease imposes a minimum annual repair and maintenance spend. In addition, each of the Existing Guarantors have entered into Framework Agreements, the terms of which are described in paragraph 10(a) of Part XIV of this Prospectus, which put the lease repair and maintenance obligations on the Existing Guarantor instead of the relevant underlying Tenant and also impose additional repair and maintenance obligations. If the repair and maintenance obligations are not met, the Existing Guarantors are prohibited from declaring or paying any dividend or other distribution unless they are holding cash in a separately designated account equivalent to at least the deficit in between the agreed average yearly spend per bed and the actual average yearly spend per bed for the relevant periods.¹⁰

All leases entered into with New or Existing Tenants since Autumn 2020 have included green lease provisions. These build on the existing full repairing and insuring lease ("FRI") position of the Company's standard lease to:

- ensure that the Tenant complies with minimum MEES requirements, by assuming contractual liability to the Company (noting that the statutory obligations remain with the applicable landlord);
- provide that the Company can recover a proportion of any future costs assessed on its undertaking as a result of owning property; and
- provide that the Tenant maintains a rolling programme of environmental improvements (which it must agree with the Investment Manager and which is adjusted yearly).

⁹ These obligations do not apply to the Renaissance Framework Agreement.

¹⁰ Except for Prestige which has a framework agreement relating to Rent Cover tests only. The framework agreement for Electus and Silverline contain initial grace periods before the Rent Cover tests and minimum repair and maintenance spends apply.

The programme of environmental improvements requires the Tenant to anticipate changes in environmental legislation and bring forward such works as are reasonable (agreed with the Investment Manager) to be prepared for such changes. The Tenant is required to use at least reasonable endeavours to spend at least 25 per cent. of the minimum repair and maintenance budget under the lease on environmental improvements. In some cases the amount of the minimum repair and maintenance budget is subject to annual RPI linked upwards only review.

Growth with Tenants

A key element of the Group's strategy is to welcome in new Tenants and improve diversity of the rent roll but also to grow with Existing Tenants, strengthening the depth of their business and adding further security to the Group's operator covenants. The expansion of the tenant base has allowed the individual operators to present investment opportunities to the Group as well as those being sourced in house; this aids efficient expansion particularly in acquisitions where the Tenants have identified properties which align well with their and the Group's business model and wider strategy.

Asset Management

The Investment Manager aims to identify assets with growth opportunities through asset management activities including refurbishment, extension and development of new units to existing properties. The Investment Manager has undertaken an assessment of the Existing Portfolio to determine where existing buildings can be converted, reconfigured or enhanced, extensions can be made and energy efficiency improvements can be undertaken to existing properties, in each case, to add additional beds to the Existing Portfolio and/or improve the property and its energy efficiency.

As at 30 June 2021, the Investment Manager had identified asset management opportunities at 39.8 per cent. of the homes in the portfolio (31.1 per cent. by value), while 55.5 per cent. of the portfolio was identified as core with limited or no asset management potential (67.1 per cent. by value), and 4.6 per cent. of the portfolio was categorised as non-core (1.8 per cent. by value).

Since inception, asset management work has been completed at nine properties, in which £12.8 million has been invested and 145 new beds delivered.

Home	Capex (£m)	Beds added	Status	Description
1.	1.1	25	Completed	Conversion of a closed supported living wing to new en suite bedrooms
2.	2.4	21	Completed	Development of a new dementia unit
3.	0.2	12	Completed	Conversion of a closed supported living wing to new en suite bedrooms
4.	0.5	0	Completed	Enhancement of existing day space and en suite facilities
5.	2.2	38	Completed	Conversion of a closed building to a new dementia unit
6.	1.1	11	Completed	Reconfiguration and extension of the property
7.	5.0	46	Completed	Development of a new dementia unit
8.	2.5	30	Completed	Development of a new dementia unit
TOTAL	12.8	145		

The Investment Manager is working closely with the Existing Tenants to progress further asset management opportunities that will enhance the environment for residents and improve returns for both the Company and the relevant Tenant. It has presented to the Board projects at 9 homes, to which £9.4 million of capital has been committed.

In addition, the Investment Manager is considering asset management opportunities at a further 9 homes. If completed, they would enable the deployment of a further £10.5 million (further detail on these opportunities is set out in Part IV of this Prospectus).

Asset management funding is provided either under formal forward funding arrangements or through deferred payment agreements:

- Most of the existing leases within the Group are subject to a framework agreement with each Tenant which contains the terms on which the Group has agreed to forward fund items of capital expenditure

in return for an increased rent.

- Under the forward funding arrangements, any amounts advanced to the relevant Tenant in connection with the capital expenditure programme will (subject to any rent-free period granted by the Group) be reflected in the increased rent payable on the property from an agreed effective date following completion of the works. The increased rent is calculated at c.8 per cent. of the total capital improvement funding (adjusted upwards to compensate for the period between advance of funds and the effective date) as at the date of completion of the works.
- Under the deferred payment arrangements, the relevant Tenant may serve notice on the Group for a suspension of rent payments for a specified period while it carries out the works. The suspended rent forms part of the total capital funding. The cost of such capital funding is used to calculate an increase in the rent payable by the Tenant on completion of the works based on a return on the total capital funding costs. The return varies between Tenants, but is currently circa 8 per cent. per annum.

These funding arrangements enable the Company to achieve an attractive yield on capital committed to asset management and forward funded developments with potential for capital uplifts, as the valuation yield for completed projects which have been brought successfully into operation by an Existing Tenant is likely to be substantially below 8%.

Additionally, in October 2020 the Group's standard form lease was updated, by which the Group enhanced Tenants' obligations with regards to meeting ESG objectives. These enhancements have been accepted by all Existing Tenants entering into new leases since the update, and ensure that the Group can monitor environmental performance and support the improvement of such environmental performance across the Portfolio. The new leases also target at least 25 per cent. of the obligated maintenance spend to be used for environmental improvements.

In 2020 the Investment Manager conducted a review of EPCs across the Portfolio. No properties within the Portfolio held an EPC rating below E in England and Wales at that time and this remains the case as at the date of this Prospectus. As a result, the Portfolio is compliant with current Minimum Energy Efficiency Standards (MEES) regulations and as a result will also be compliant for 2023. In conjunction with leading energy efficiency experts, the Investment Manager has conducted an asset-by-asset plan to identify and quantify interventions required by Tenants to achieve anticipated regulatory requirements for an EPC band B by 2030. It is anticipated that these upgrades, estimated by the Investment Manager to cost c.£5 million will generally be achieved as part of planned asset management projects ahead of the anticipated deadline.

Forward Funded Developments

The Investment Manager aims to identify opportunities for forward funding pre-let development of new assets. The Investment Manager has increased its internal capability to source and appraise development opportunities and working with new and existing Tenants, exploring new build development opportunities.

The Investment Manager has presented to the Board two forward funding developments in Hartlepool and Norwich, to which £16.6 million of capital has been committed.

In addition, the Investment Manager is considering forward funded development opportunities at a further two sites. If completed, they would enable the deployment of a further £15.8 million (further detail on these opportunities is set out in Part IV of this Prospectus).

Development funding is provided under formal forward funding arrangements with rent calculated at c.7 to 8 per cent. of the total capital improvement funding (adjusted upwards to compensate for the period between advance of funds and the effective date) as at the date of completion of the works.

These funding arrangements enable the Company to achieve an attractive yield with potential for capital uplifts, as the valuation yield for completed projects which have been brought successfully into operation by a Tenant is likely to be substantially below the capitalised yield of c.7-8 per cent.

All forward-funded new developments will be required to deliver an EPC B rating as a minimum.

Sustainability

Working with Tenants, the Group is implementing asset management activities that will improve the environmental performance of the Portfolio (see also the information on green lease provisions in the paragraph titled "The Existing Leases" in this Part III of this Prospectus).

The Group achieved EPRA sBPR Gold status with its 2019 and 2020 submissions.

Importantly the Group's overall portfolio EPC ratings have improved year on year reflecting some of the enhancements made and the higher energy efficiency of the Portfolio. The Company expects this to continue to improve as it implements the Group's asset management work plan and develops its sustainability strategy.

Similarly, the Group's like for like greenhouse gas emissions have reduced from 2.6 to 2.5 tonnes per bed per year, from 2018 to 2020 (inclusive).

The Group's asset management activities include:

- Working with Tenants to ensure repair and maintenance spend not only maintains the homes in the Portfolio but improves the energy performance where possible. In addition the Group's new leases have been improved so that at least 25 per cent. of the obligated annual repair and maintenance spend to be used for environmental improvements.
- Upfront acquisition due diligence that identifies opportunities for environmental improvements at homes in the Portfolio. Part of the £2.8 million of capital improvements on the five homes which the Group acquired at the end of 2020 was focused on energy improvements.
- Enhanced redevelopment works. A major focus in any large-scale development or extension is to ensure improved energy performance. This was highlighted in the extension at Fairview where the Group is targeting an improvement from an EPC rating of C to A across the relevant care home. Work on the Fairview extension started in the first half of 2021.

Part IV. The Investment Pipeline

Introduction

The Investment Manager, acting on behalf of the Company, is pursuing further potential investment opportunities that meet the Company's investment objective and policy as set out in Part I of this Prospectus. The Investment Manager has £69 million of acquisitions in advanced legal discussions and a medium-term investment pipeline of over £250 million.

The immediate use of the net proceeds of the Initial Issue will be to repay up to £67.5 million of debt drawn under the Group's revolving credit facilities. The Company then will have the opportunity to redraw debt to deploy capital into three strategies:

- growth with Existing Tenants, through acquiring more homes from third parties for them to manage;
- strategically selecting new tenants of the Group through acquisition; and
- financing capital investment into expanding the Group's existing assets, and forward funding the development of new homes which have been pre-let to tenants with whom the Group already has a business relationship.

For the avoidance of doubt, there can be no guarantee the Company will pursue any or all of the potential investments described below. Further, there can be no assurance that these investments will remain available for purchase at the time the Company has Net Proceeds to deploy. There may also be instances where alternative investments become available, which the Investment Manager considers offer a better combination of risk and return to the Group. The acquisition of any of these potential investments is subject, among other things, to the approval of the Directors; completion of satisfactory due diligence in relation to potential investments; and agreement having been reached with the relevant counterparty as to the terms of such acquisitions.

Potential pipeline acquisitions

The Investment Manager is currently in negotiations, or conducting due diligence on behalf of the Company, in respect of a significant pipeline of assets which meet the Company's investment objective and investment policy, including off-market assets identified through the Investment Manager's extensive network of industry relationships.

Near-term potential acquisitions

In the near-term, terms have been agreed on five potential acquisitions, which in some cases are at an advanced stage. If completed, these transactions would enable the Company to deploy £69 million of capital and to acquire 12 new homes. These homes, once acquired, would benefit from long-term leases with an average WAULT of 25-30 years, inflation linkage through upward-only RPI linked rents, and are available at an average gross initial yield of approximately 7 per cent.

Near-term transactions	Value	Number of homes	Tenant
A	£14 million	2	New
B	£8 million	3	Existing
C	£10 million	2	Existing
D	£12 million	2	Existing
E	£25 million	3	Existing

Medium-term potential acquisitions

The Investment Manager is at an earlier stage of negotiating 12 further transactions, which would enable the deployment of £290 million of capital and add a further 58 homes to the Group's Portfolio.

Medium-term transactions	Value	Number of homes	Tenant
A	£18 million	4	New
B	£9 million	1	New
C	£6 million	1	New
D	£7 million	1	New
E	£21 million	6	New
F	£21 million	6	New
G	£45 million	12	New

Medium-term transactions	Value	Number of homes	Tenant
H	£14 million	3	Existing
I	£10 million	2	Existing
J	£20 million	2	New
K	£20 million	4	Existing
L	£111 million	16	New

These transactions, if completed, represent £260 million of opportunities with new Tenants and £99 million of growth with Existing Tenants.

Capital expenditure

The Group has outstanding commitments to invest £9.4 million at nine standing assets, which it expects to rentalise at 8 per cent. per annum, and to commit £16.6 million to forward funding the development of two new homes which are pre-let to Existing Tenants. These projects are all expected to complete before the end of 2023. In addition, the Investment Manager is investigating a further eleven capital investment opportunities. If completed they would enable a further £26.3 million of capital deployment between 2022 and 2024 (inclusive).

Committed capital expenditure

Asset	Description	Capital Investment	Expected Completion
Asset management expenditure			
1	Added 5 additional bedrooms, a new lounge, garden room and laundry. Work completed on site. Existing Tenant yet to draw down funds	£0.5m	Practical completion
2	Refurbishment of existing home	£0.2m	Practical completion
3	Reconfiguration and improvements to an existing home	£0.8m	Practical completion
4	Update and refurbishment of three existing care homes	£1.2m	H1 2022
5	Undertake refurbishment of existing care home	£1.8m	H1 2022
6	New 8-bed extension and resident lounge	£0.6m	H1 2023
7	New link extension, net 11 additional beds, further en suite provision within existing care home, new laundry and kitchen services	£3.5m	H2 2022
8	Refurbish top floor accommodation and entrance hall of an existing home	£0.5m	H1 2022
9	Refurbishing day space in two existing care homes	£0.3m	H1 2022
Forward funded development expenditure			
10	Forward fund new 80-bed facility	£10.5m	H2 2023
11	Forward fund new 94-bed facility	£6.1m	H1 2022
		Total: £25.9m	

Potential further capital expenditure

Asset	Description	Capital Investment	Expected Completion
Asset management expenditure			
1	Adding 5 further bedrooms through internal reconfiguration. Existing Tenant currently tendering project	£0.1m	2022
2	A new 27-bed specialist facility. Close to completing on planning, currently finalising Section 106 Agreement	£2.8m	2023
3	Adding a new link building to existing care home, comprising of 14 new bedrooms and adding 5 bedrooms through internal reconfiguration of the existing care home	£2.3m	2022
4	Reconfiguring care home to add 9 additional en suite bedrooms. Existing Tenant currently tendering project	£0.2m	2022
5	Proposal the same as "4" above	£0.2m	2022
6	Reconfiguring care home to add net 4 en suite bedrooms, adding 15 en suites to existing rooms and extending day space	£0.5m	2023
7	Net increase 4 beds and improved entrance and offices	£0.4m	2022
8	A new 20-bed extension and reconfiguration of existing care home	£3.0m	2023
9	A new 10-bed specialist facility	£1.0m	2023
Forward funded development expenditure			
10	Forward fund new 70 bed care home	£8.8m	2023

Asset	Description	Capital Investment	Expected Completion
11	Redevelopment of existing care home to provide new 50-bed care home	£7.0m	2024
		Total: £26.3m	

Part V. Directors and Administration

The Directors

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles and the investment policy and have overall responsibility for the Company's activities including its investment activities and reviewing the performance of the Portfolio. The Directors may delegate certain functions to other parties such as the Investment Manager, the Administrator, the Company Secretary and the Registrar. In particular, the Directors have delegated responsibility for day to day management of the investments comprised in the Company's portfolio to the Investment Manager. The Directors have responsibility for exercising supervision of the Investment Manager.

Rupert Barclay (Chairman) (independent)

Rupert has significant boardroom experience in listed and quoted companies, including Sanditon Investment Trust plc, (where he served as chairman), Lowland Investment Company plc (where he was a director and chairman of the audit committee), Dimension Data plc (where he was the senior independent director) and Instinet, Inc, where he was a director and member of the remuneration and audit committees. His career is in strategic consultancy, with roles as corporate strategy director at Allied Domecq and Reuters, following his time as a partner at LEK Consulting. He is currently the managing partner of Cairneagle Associates LLP.

He has an MA in Classics from Cambridge, an MBA with Distinction from INSEAD and is a Fellow of the Institute of Chartered Accountants in England & Wales.

Rosemary Boot (Senior Independent Director)

Rosemary was chief financial officer of Future Cities Catapult, one of a network of technology and innovation centres established by the UK government. She has also previously served as an executive director and strategy adviser at a large housing association and as group finance director of the Carbon Trust, an independent company set up in 2001 to work with business and the public sector to accelerate the move to a sustainable, low carbon economy.

Previously, Rosemary worked for 16 years as an investment banker at UBS Warburg, primarily advising large listed UK companies on corporate finance matters.

Rosemary is an independent non-executive director of Southern Water Services Limited, Urban&Civic plc and Triple Point Energy Efficiency Infrastructure Company plc. She is a trustee of Green Alliance, the environmental think tank and a co-founder and director of Chapter Zero Limited, an organisation she helped set up in 2019 to raise awareness and understanding of climate change as a business issue with the non-executive director community.

Amanda Aldridge (independent)

Amanda was an audit and advisory partner in KPMG LLP from 1996 until 2017, when she retired from the partnership. She has significant experience as an external auditor, working predominantly with quoted clients and has also advised quoted companies on corporate transactions and the assessment and remediation of internal controls. Her audit and advisory work included clients with significant property portfolios.

Amanda qualified as a Chartered Accountant in 1987 and is a Fellow of the Institute of Chartered Accountants in England and Wales ("**FCA**").

Amanda also holds non-executive director positions with Headlam Group plc, The Brunner Investment Trust plc, The Low Carbon Contracts Company Limited and The Electricity Settlements Company Limited.

Paul Craig

Paul is a portfolio manager at Quilter Investors. He has over 20 years of investment experience, including 10 years at Exeter Investment Group, six years at New Star Asset Management as a director of the asset management subsidiary, and six years as a director within the multimanager investment team at Henderson Global Investors. Over the past 18 years, Paul's focus has been on multi-manager products, with an emphasis on closed ended funds. Paul is currently a non-executive director of The Diverse Income Trust plc, and is an associate of the UK Society for Investment Professionals. Quilter Investors has an interest in the Company through funds managed by Paul.

Paul is an associate of the UK Society for Investment Professionals.

Paul is an independent non-executive director of The Diverse Income Trust plc, Ground Rents Income Fund plc and Hadrian's Wall Secured Investments Limited.

Philip Hall (independent)

Philip is a chartered surveyor with over 25 years' experience in the healthcare sector in the UK and internationally. He was, until 2017, Chairman for healthcare at Jones Lang LaSalle ("JLL") where he was involved principally in sales, acquisitions, portfolio strategy and valuations. He then ran his own healthcare property consultancy until February 2021. During his career, he advised on the restructuring of Southern Cross and its legacy and was a member of its landlord committee which steered the winding up of Southern Cross and the transfer of its residents and staff to new operators. He has also advised on lease and loan restructuring transactions, asset management and turnaround strategies. Before joining JLL, Philip was a founding shareholder and managing director of Taylors Business Surveyors and Valuers Ltd, a chartered surveying company, which he sold in 2005. In addition, he is the author of "The Valuation of Care Homes, Valuation: Principles into Practice", which was published in 2008. Philip is a member of the Royal Institution of Chartered Surveyors.

Chris Santer (independent)

Chris Santer has c.25 years of real estate investment and development experience in the UK and Continental Europe in both listed and private equity funds. He has been responsible for a number of funds making or managing direct and indirect real estate investments totalling over £5 billion, ranging from core, value add and opportunistic and across sectors including office, retail, warehouse, residential and alternative asset classes, especially healthcare.

Chris is the Chief Investment Officer for Primary Health Properties PLC ("PHP"), one of the UK's leading investors in modern primary healthcare facilities in the UK and Ireland and a constituent of the FTSE 250. Prior to joining PHP, Chris was a Director of Portfolio Management at PGIM Real Estate and previously MGPA. Chris' healthcare experience also included joint ventures with Sunrise Senior Living Inc. to develop and operate premium, private pay UK care homes.

Chris has an MBA from Warwick Business School and is a Member of the Royal Institute of Chartered Surveyors.

Audit Committee (*Chairman: Amanda Aldridge*)

The Company's Audit Committee, comprising of a minimum of 3 independent non-executive Directors of the Company, meets formally at least three times a year and its primary responsibilities are to:

- monitor the integrity of the financial statements of the Company and any other formal announcements relating to its financial performance, and to communicate to the Board on significant financial reporting issues and judgements;
- review and challenge the company's accounting policies;
- review and approve the year-end net asset valuation;
- review the content of the annual report and accounts and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- review the adequacy and effectiveness of the Company's internal audit function, internal financial controls and internal control and risk management systems;
- oversee the relationship with the external auditor, reviewing their independence and objectivity, and the effectiveness of the audit process; and
- review and approve the external auditor's annual audit plan, including approval of their remuneration and terms of engagement, and reviewing the findings of the audit.

Remuneration Committee (*Chairman: Rosemary Boot*)

The Company's Remuneration Committee, comprising a minimum of 2 independent non-executive Directors of the Company, meets formally at least once a year. The committee's primary responsibilities are to:

- determine and agree with the Board the framework and policy for remuneration of the Company's Chair and Directors, and to review the ongoing appropriateness and relevance of the remuneration policy;
- in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the UK Corporate Governance Code and the AIC Code of Corporate Governance and associated guidance; and
- agree a policy for authorising claims for expenses for the Directors.

No Director is involved in setting their own pay.

Nomination Committee (*Chairman: Rupert Barclay*)

The Company's Nomination Committee, comprising a chairman and a minimum of 2 Board members of the Company, a majority of whom shall be independent non-executive directors, meets formally at least once a year. The committee's primary functions are to:

- ensure that there is a formal, rigorous, and transparent procedure for the appointment of new Directors to the Board;
- lead the process for board appointments, and make recommendations to the Board;
- annually review the structure, size, composition (including the Directors' skills, experience, independence, knowledge and diversity) of the Board and make recommendations to the board with regard to any changes;
- consider succession planning for Directors, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- consider proposals for the re-appointment, dismissal, retirement, non re-appointment or any substantial change in the duties, responsibilities, or term of appointment of any Director;
- assist the Chairman of the Board with the implementation of an annual evaluation process to assess the overall and individual performance and effectiveness of the Board and its committees; and
- review annually the time required from non-executive Directors, including the Chairman and Senior Independent Director, using performance evaluation to assess whether the non-executive directors are spending enough time to fulfil their duties.

Management Engagement Committee (*Chairman: Rupert Barclay*)

The Company's Management Engagement Committee, comprising a minimum of 2 independent non-executive Directors of the Company, meets formally at least once a year. The committee's main functions are to:

- review annually the compliance by the Investment Manager with the Company's investment policy as established by the Board, and with the Investment Management Agreement;
- review annually the compliance by the Investment Manager with the Company's investment policy as established by the Board when sourcing potential investment opportunities, and with the Investment Management Agreement;
- review annually the performance of any other key service providers to the Company.

Directors' Share Dealings

The Directors have adopted a code of directors' dealings in Ordinary Shares, which is in accordance with the UK Market Abuse Regulation. The Board is responsible for taking all proper and reasonable steps to ensure any dealings by Directors, or persons closely associated with them, are in compliance with the UK Market Abuse Regulation.

Administrator and Company Secretary

JTC (UK) Limited is Administrator and Company Secretary to the Company pursuant to the Administration

and Company Secretarial Services Agreement (further details of which are set out in paragraph 10(a) of Part XIV of this Prospectus).

As Administrator, JTC (UK) Limited is responsible for the maintenance of the books and financial accounts of the company and the calculation, in conjunction with the Investment Manager, of the Net Asset Value of the Company and the Ordinary Shares.

As Company Secretary, JTC (UK) Limited is also responsible for production of the Company's accounts, regulatory compliance and providing support to the Board's corporate governance process and its continuing obligations under the Listing Rules, the UK Market Abuse Regulation and the Disclosure Guidance and Transparency Rules. In addition, the Company Secretary is responsible for liaising with the Company, the Investment Manager and the Registrar in relation to the payment of any dividends, as well as general secretarial functions required by the Companies Act (including but not limited to the maintenance of the Company's statutory books).

Registrar

Computershare Investor Services PLC is the Company's Registrar pursuant to the Registrar Agreement (further details of which are set out in paragraph 10(a) of Part XIV of this Prospectus).

Depositary

INDOS Financial Limited has been appointed as depositary to provide depositary services to the Company pursuant to the Depositary Agreement (further details of which are set out in paragraph 10(a) of Part XIV of this Prospectus). Such services include safekeeping of the assets of the Company. Where the Company holds custodial assets the Depositary will appoint a custodian to provide custody services in accordance with the Depositary Agreement. In such circumstances, the Depositary would enter into an arrangement with a custodian to contractually discharge itself of liability in accordance with Regulation 30 of the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and Article 21(13) and Article 21(14) of the AIFM Directive.

Auditor

The auditor to the Company is BDO LLP. BDO LLP is independent of the Company and is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. The auditor's responsibility is to audit and express an opinion on the financial statements of the Company in accordance with applicable law and auditing standards. The Group's financial statements are prepared as described in the paragraphs headed "Presentation of financial information" in the "Important Information" section of this Prospectus. For the financial year ended 31 December 2020, the auditor was paid fees, in aggregate, in the sum of £219,360 (of which £173,760 were audit fees in respect of the year ended 31 December 2020, £31,800 were additional fees in respect of the prior year audit and £13,800 were non-audit fees).

Investors' rights relating to service providers

Without prejudice to any potential right of action in common law that a Shareholder may have to bring a claim against a service provider to the Company, each Shareholder's contractual relationship in respect of its investment in Ordinary Shares in the Company is with the Company only. Therefore, no Shareholder will have any contractual claim against any service provider with respect of such service provider's default pursuant to the terms of the agreement that it has entered into with the Company.

The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 13D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 13D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company should consult their legal adviser.

Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against FCA authorised service providers to the Financial Ombudsman Service ("FOS") (further details of which are available at www.fos.org.uk). Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("FSCS") if they have claims against an FCA authorised service provider which is in default. There are limits on the amount of compensation. Further information about the FSCS can be found at www.fscs.org.uk. To determine

eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal advisers.

Fees and Expenses

Initial Issue and Placing Programme expenses

The costs and expenses of the Initial Issue are expected to be approximately 2 per cent. of the Gross Issue Proceeds.

The costs and expenses of each Subsequent Placing will depend on subscriptions received but are expected to be approximately 2 per cent. of the Gross Proceeds of each such Subsequent Placing. It is expected that the costs of the Ordinary Shares issued pursuant to the Initial Issue and the Placing Programme will be recovered through the relevant Issue Price in each case, although the recovery of all or any part of the costs cannot be guaranteed. The Directors therefore intend to avoid any dilution of the net asset value of the existing Ordinary Shareholders.

Assuming 300 million New Ordinary Shares are issued pursuant to the Initial Issue and the Placing Programme (being the maximum number of New Ordinary Shares available thereunder), and assuming such shares are issued at the Initial Issue Price, this would result in gross issue proceeds of £342 million, with the costs and expenses payable by the Company expected to be approximately £6.8 million.

The costs and expenses of the Initial Issue will be paid out of Gross Issue Proceeds and will therefore be borne indirectly by the investors.

The costs and expenses of the Initial Issue will be paid on or around First Admission and will include, without limitation: placing fees and commissions; registration, listing and admission fees; printing, advertising and distribution costs; legal fees; reporting accountants' fees, and any other applicable expenses. All such expenses will be immediately written off.

The costs and expenses of each Placing will be paid out of Gross Proceeds of that Subsequent Placing and will therefore be borne indirectly by the investors.

The costs and expenses of each Subsequent Placing will be paid on or around the relevant Programme Admission and will include, without limitation, placing fees and commissions; registration, listing and admission fees; printing; distribution costs; legal fees; reporting accountants' fees, and any other applicable expenses. All such expenses will be immediately written off.

Ongoing expenses

Investment Manager's fees

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to an advisory fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties.

The Management Fee is payable quarterly in advance and is an amount equal to one quarter of one per cent., per quarter of the aggregate Net Asset Value of the Company to the extent that the aggregate Net Asset Value of the Company is less than or equal to £500 million. If the aggregate Net Asset Value of the Company exceeds £500 million, the Management Fee payable in respect of the Net Asset Value of the Company over £500 million shall be calculated as an amount equal to one quarter of 0.7 per cent. of the excess aggregate Net Asset Value.

The Investment Manager is also paid a fixed amount of £95,000 per annum to cover the incremental costs of providing services as the Company's alternative investment fund manager pursuant to the UK AIFM Directive.

Other fees and expenses

The Company also incurs other on-going annual fees and expenses, including the following:

- Administrator and Company Secretary

Under the terms of the Administration and Company Secretarial Services Agreement, the Administrator is entitled to an annual fee of £80,000 in respect of the accounting and administration services it provides and an annual fee of £60,000 in respect of the company secretarial services which it provides (each in addition to reimbursement of reasonable third party expenses and disbursements).

In addition, JTC (UK) is entitled to receive additional amounts in respect of the administration and company secretarial services performed in respect of additional companies which are added to the

Group. These additional amounts are equal to: (i) £10,000 per annum for each additional property holding company; (ii) £8,500 per annum for each additional finance company; (iii) £4,500 per annum for each additional property company; and (iv) £2,000 for each additional dormant company. The Group has incorporated eight property companies, five finance companies and five holding companies. The Group also consists of subsidiaries taken on via corporate acquisitions and management aims to wind these up following acquisition.

- Registrar

The Registrar is entitled to a fee from the Company of £10,800 per annum. Other registrar activity will be charged for in accordance with the Registrar's normal tariff as agreed from time to time.

- Directors

The Directors are remunerated for their services at a fee of £35,000 per annum (£48,500 for the Chairman and £41,000 for the chair of the Audit Committee). Further information in relation to the remuneration of the Directors is set out in Part XIV of this Prospectus.

- Valuer

The Valuer is entitled to receive a quarterly fee based on the number of properties within the Portfolio at the time of each valuation. Based on the current Portfolio, the Valuer is entitled to receive a fee of approximately £100,000 per annum. An additional amount is also payable in respect of any additional property valuations which are required on an ad hoc basis, for example in connection with an acquisition. The Valuer is also entitled to recover reasonable third party expenses and disbursements.

- Depositary

The Depositary is entitled to a base fee of £30,000 per annum and a periodic fee calculated as follows: (a) where the NAV is less than or equal to £300 million, 0.01 per cent. of the NAV per annum; and (b) where the NAV is greater than £300 million, an additional 0.005 per cent. per annum in respect of that part of the NAV which is in excess of £300 million. The Depositary is entitled to reimbursement of all reasonable out-of-pocket expenses properly incurred in connection with its duties.

- PR Adviser

The PR Adviser is entitled to a fee of £4,000 per month in respect of the public relations advice it provides to the Company. The PR Adviser is also entitled to be reimbursed for any reasonable third party expenses or disbursements incurred in connection with its engagement.

- VAT

The above figures are all expressed to be exclusive of VAT (if any) payable thereon.

- Other operational expenses

All other ongoing, operational expenses (excluding fees and expenses paid to service providers as detailed above) of the Company are borne by the Company including, without limitation, the incidental costs of making its investments and the implementation of its investment objective and policy (including any fees or commissions payable to intermediaries in respect of the sourcing of investments to the extent that the Investment Manager is unable to source such investments directly and any fees or commissions payable to any due diligence agents or other specialists engaged by the Investment Manager in connection with the implementation of the investment policy); travel, accommodation and printing costs; the cost of directors' and officers' liability insurance and website maintenance; audit, legal and broking fees; and annual listing fees. All out of pocket expenses that are reasonably and properly incurred, of the Investment Manager, the Administrator, the Company Secretary and the Registrar and the Directors relating to the Company are borne by the Company. No fees or expenses, including those listed above, are or will be borne by Shareholders.

Part VI. The Investment Manager, Investment Process and Strategy

Investment Manager

The Investment Manager serves as the investment manager of the Company and is registered as a limited liability partnership. The Investment Manager was incorporated on 19 September 2016 in England and Wales with registered number OC413768 pursuant to the Limited Liability Partnerships Act 2000. The LEI of the Investment Manager is 254900C3G5UGRMGWX981.

The Investment Manager manages the assets of the Group subject to the overall control and supervision of the Board, and otherwise provides investment advice to the Company in relation to, *inter alia*, the acquisition, development, holding and disposal of Properties within the Portfolio. The Investment Manager was established by Mahesh Patel and Andrew Cowley, whose biographies are set out below.

Subject to the overall supervision of the Board, the Investment Manager manages the Portfolio on a discretionary basis in accordance with parameters agreed with the Board from time to time, including (without limitation) an annually approved summary of strategic objectives and capital expenditure plan, as well as the Company's investment policy.

In its capacity as the Company's alternative investment fund manager pursuant to the UK AIFM Directive, the Investment Manager has delegated risk management services to Carne Global AIFM Solutions (C.I.) Limited to undertake risk management functions with respect to the Company on behalf of the Investment Manager in accordance with the Risk Management Delegation Agreement.

The Investment Manager has consented to the delegation of risk management functions to Carne in accordance with FUND 3.10. Pursuant to the Investment Management Agreement, the Investment Manager has agreed to review the risk management services provided by Carne on an ongoing basis and remains liable for the acts and omissions of any delegate as if they were its own acts or omissions.

Further details on the Investment Management Agreement are set in paragraph 10(a) of Part XIV of this Prospectus.

Andrew Cowley (aged 58)

Andrew Cowley is the joint founder and managing partner of Impact Health Partners LLP. He is an experienced fund manager, who has been investing in infrastructure and private equity since 2000. Andrew leads on the Investment Manager's strategic management and growth of Impact Healthcare REIT plc and oversees the delivery of the investment strategy, fundraising and investor relations. During his career he has served as a senior managing director at Macquarie and deputy chief executive of the AUS\$6 billion Macquarie Airports, which was listed on the Australian Stock Exchange. Prior to joining Macquarie, Andrew was a Managing Director at Allianz Alternative Assets and was responsible for €6.5 billion of Allianz Group's investments in alternative assets and initiated Allianz's investment into infrastructure. His experience includes the successful acquisition of, and exit from, a UK care home business.

Mahesh Patel (aged 68)

Mahesh Patel is the joint founder and managing partner of Impact Health Partners LLP. He is a qualified accountant with over 30 years of experience in healthcare related investment and operations. Mahesh oversees the delivery of the Investment Manager's investment strategy and operational performance of the Tenants.

Mahesh helped found and grow the elderly residential healthcare businesses of the Minster Group. He previously built up four healthcare related businesses which were successfully sold, Highclear and Kingsclear (which focused on residential care for the elderly), a supported living business, Independent Living Group and Pathways Care Group, which provides specialist support to those with learning disabilities, mental health disorders and physical disabilities. In addition he is also a co-founder and director of Precision Dental, which invests in and operates dental laboratories.

David Yaldron (FCA) (aged 47)

David is a qualified Chartered Accountant with extensive experience in the real estate sector. David leads the finance function and is responsible for financial and sustainability planning and reporting, relationship with debt providers, risk and corporate governance. He trained at KPMG where he worked for almost ten years, with the majority of this time in the transaction services team. Prior to joining the Investment Manager, David was a director at Grosvenor, Britain & Ireland, as the senior director responsible for all of Grosvenor's investments, developments and strategic land activities outside London and previously was

the Director of Finance for projects and new investments. David also worked for Europa Capital, a real estate fund manager where he was responsible for their corporate investments and divestments across Europe and prior to this was Head of Investment Monitoring at Collier Capital.

Investment process

The Investment Manager has an established track record of identifying and delivering investment opportunities for the Company both on and off the market.

The Group's business model

As described in Part I of this Prospectus, the Group's business model is designed to achieve its purpose, which is to form long-term partnerships with Tenants, through which the Group owns and invests in the buildings Tenants require in return for a predictable rent, enabling Tenants to concentrate on providing excellent care to their residents.

There is a six-stage process to implement the Group's business model:

- *Building strong relationships* - The Group builds strong relationships with high quality care providers, who it can work with long term.
- *Identify assets* - The Group identifies attractive assets to acquire, in partnership with those operators.
- *Appraise purchases* - The Group performs rigorous due diligence before it selectively purchases care assets.
- *Agree leases* - The Group's lease terms ensure strong rent cover on day one and require Tenants to maintain the Group's assets to the right standard, with minimum spend requirements.
- *Engage tenants* - The Group works closely with Tenants to create sustainable value through mutually beneficial asset management and development projects.
- *Optimise portfolio* - The Group optimises the Portfolio through selective asset sales, where the Group can reinvest in higher value opportunities, as well as selective asset management and development.

The Board and the Investment Manager believe that successfully implementing each element of the Group's business model should enable the Group to maintain a high-quality business, with a rigorous focus on:

- the quality of the buildings the Group owns;
- the quality of care Tenants deliver;
- the quality of the cash flows generated by the Group; and
- maintaining a healthy balance sheet.

Competitive advantages

The Group's business has several important strengths that help it to create value.

The Investment Manager is the Group's key source of competitive advantage. In particular:

- its deep knowledge of care homes and how to run them is a critical advantage in assessing assets to acquire, selecting operators for those assets and identifying opportunities to add value through asset and portfolio management;
- its vendor relationships and strong partnership mentality with existing and future Tenants mean the Group can buy some homes off-market, meaning it faces less competition to acquire them;
- the Investment Manager's knowledge means the Group can carefully and swiftly assess an opportunity, giving vendors the speed and certainty of execution they are looking for; and
- the Investment Manager's understanding of Tenants' operations enables it to form strong and supportive partnerships with them, which the Investment Manager believes are crucial for long-term sustainable value creation. Its sector knowledge also allows it to engage effectively with Tenants about their quality of care.

In addition, the Group benefits from having a well-diversified base of high-quality Tenants. This reduces risk for the Group, increases its resilience and gives it multiple opportunities to responsibly grow the Group's business alongside Tenants' businesses.

The output from the Group's business model

The quality of the Group's business is underpinned by three pillars that it uses to monitor performance.

Quality of buildings

The Group owns a diversified portfolio of care homes, which provide a welcoming physical environment for their residents. The Group categorises each of its assets as core, value-add or non-core, which in turn informs the Group's asset management and development strategy. The Group's asset management programme looks to enhance the quality of its homes and their sustainability over time, including ensuring their environmental performance and EPC ratings meet evolving regulatory requirements.

Quality of care

The security of the Group's rental streams depends on Tenants providing good-quality care to their residents, so the homes consistently remain in demand and sustain their profits. The Investment Manager reviews CQC or relevant regulator ratings and the outcomes of inspections, visits homes and receives quarterly reports from Tenants, to ensure they are maintaining their quality of care and complying with their covenants. If appropriate, where a home is rated poorly, the Investment Manager may seek an independent assessment of the home to help the Group and the Tenant understand any performance issues, or its resolution of these issues, in preparation for re-inspection.

Quality of cash flows

The Group carefully monitors Tenants' financial performance, particularly their ability to grow revenues at least in line with inflation, to maintain a stable EBITDA margin and hence maintain or grow the Group's rent cover.

Disciplined capital allocation has led to attractive net initial yields on acquisitions and the Group's conservative approach to debt maximises cash the Company can distribute to Shareholders. The Group tightly controls its costs and exploits economies of scale as it grows, as many of the Group's costs are fixed and some variable costs step down as the Group's asset value rises.

The Directors and the Investment Manager believe that the quality of the Group's business assists in delivering sustainable value to Shareholders and other stakeholders.

Tenants

Tenants can grow their business alongside the Group, in a mutually beneficial relationship.

Tenants' customers

The residents in the Group's care homes benefit from security and stability, with an operator providing high-quality care and a landlord willing to invest in the quality of the environment they live in.

Lenders

The Group's lenders can provide finance to the Group on attractive terms, in the knowledge that the Group has a secure and resilient business, with strong cash flows.

Shareholders

Shareholders benefit from growing dividends, underpinned by the highly predictable and rising revenue streams from index-linked leases. Alongside the potential for capital growth, this supports an attractive total return.

Investment objectives

To achieve the Group's value-creation objectives, the Group aims to:

- buy the right assets on the right terms, by implementing the Group's investment strategy;
- effectively manage the Portfolio as a whole as well as individual assets, by implementing its portfolio management, asset management and development strategies; and
- optimise the Group's balance sheet, by implementing its financing strategy.

Investment strategy

The Company's investment policy allows it to invest in a broad range of healthcare real estate assets. The market dynamics described in Part II of this Prospectus underline that the care home sector currently offers the most attractive opportunities for the Company. The Company's investment strategy is, therefore, to primarily acquire care homes, while continuing to broaden the range of Tenants which the Company works with, thus reducing its exposure to any one Tenant.

The Group looks to acquire portfolios, which helps to maximise value. These portfolios may also include healthcare real estate assets in addition to care homes. The Group will acquire these where they have a future strategic opportunity to deliver care home services or where the Investment Manager is confident that the Company can deliver value in the short term for Shareholders, as part of the Group's portfolio management.

Portfolio management strategy

The Group categorises each of its assets into one of three categories – core, value-add and non-core. This enables the Group to manage the balance between these categories, to assist delivery of the Target Dividend and Target Total Return, and to identify the assets which can benefit from asset management or redevelopment (see below).

The Group's aim is to continue carefully building a portfolio of attractive UK healthcare assets, principally care homes for the elderly. The Group looks for an appropriate balance of high-quality core assets that generate attractive, secure and long-term income, and value-add assets with potential to create further value for shareholders and the Group's wider stakeholders. The Group regularly assesses the balance of the Portfolio to identify asset management and capital recycling opportunities.

The Group categorises each asset as follows:

Core

These assets are the primary contributors to the Group's long-term, stable income. Such assets typically contain the following characteristics:

- good quality buildings with a useful life greater than the duration of the lease;
- invested to an appropriate standard; and
- stable trading, underpinning a sustainable level of rent cover.

Value-add

Value-add assets are candidates for asset management and development initiatives. Such assets typically contain the following characteristics:

- present opportunities to deploy capital to enhance the asset and its performance;
- may be a smaller home, have a low level of en suite bathrooms, other elements of functional obsolescence or environmental performance improvements; and
- value uplift through enabling the Tenant to offer a new service, such as dementia and/or targeting private residents.

Non-core

Non-core assets may be candidates for sale and are likely to have been acquired as part of larger portfolios. Such assets typically contain the following characteristics:

- limited lifespan homes with a high degree of functional obsolescence;
- higher alternative use value; and
- could be geographically isolated.

The Company's assessment of the Portfolio in line with these categories represents:

A strong core portfolio underpinning value:

	% of portfolio by market value
Core	67.9%
Value-add	30.3%
Non-core	1.8%

Homes of scale, delivering an efficient service to residents:

	Average number of beds per property
Core	60.3
Value-add	47.8
Non-core	41.4
Average	54.5

A core portfolio delivering an en suite facility service:

	% of rooms with en suite facilities
Core	91.6%
Value-add	44.6%
Non-core	48.3%

A proportional rent per bed with strong rent cover across the Portfolio:

	Average rent per bed
Core	£5,251
Value-add	£4,695
Non-core	£3,509

Significant opportunity to enhance value from the value-add portfolio:

	% of portfolio by number of homes
Core	56.1%
Value-add	39.2%
Non-core	4.7%

Above data on portfolio stratification is as reported in the 31 December 2020 annual report.

Asset management and development strategies

The Group aims to optimise its Portfolio by selectively pursuing an asset management strategy and a development strategy.

Asset Management Strategy

A hands-on asset management and development strategy should help to enhance shareholder returns over the longer term while mitigating risk. To assist in delivering the Target Dividend and Target Total Return, the Group's asset management and development strategy prioritises investment in its value-add portfolio and in projects that enhance the sustainability of the Group's assets, including those that improve the quality of the environment for residents and the sustainability of the home, while extending the useful economic life of the property. Further information on the Group's asset management pipeline is set out in Part IV of this Prospectus.

Development Strategy

The Investment Manager has increased its capability to deliver forward funded new developments. This will increase the Group's focus on sourcing, appraising and funding these new build development opportunities. This will further assist in delivering the Target Dividend and Target Total Return, by investing in projects that enhance quality of the Group's assets, while benefiting from the upside in developers' profits through a combination of value uplifts and more sustainable rents for Tenants. Further information on the Company's development pipeline is set out in Part IV of this Prospectus.

Due Diligence procedures

The Investment Manager is responsible for conducting due diligence on potential acquisition assets on behalf of the Group. Such due diligence processes include (without limitation), demographic analysis relating to competition, market demand and staffing availability, building and sustainability surveys, interrogation of historic and prospective trading metrics, and also the experience and suitability of the proposed tenant.

As an illustrative example, a mid-sized acquisition target of the type the Investment Manager would seek to engage with would have approximately 376 beds, annual revenue of £15.4 million and an EBITDARM margin of 25.7 per cent.¹¹

Approach to sustainability

As the day-to-day running of the Group's assets is the responsibility of Tenants, the Group does not have direct control over important ESG issues such as energy use or relationships with local communities. However, the Group's value creation model gives the Group a number of touchpoints that help to maximise the opportunities and minimise the risks associated with ESG issues in the Group's homes. These touchpoints range from the Group's asset selection criteria and due diligence procedures, to choosing operators who demonstrate a good quality of care to residents, to working with Tenants to identify asset management opportunities that enhance environmental performance. This means that ESG considerations are integral to the Group's investment and asset management strategies.

The Group's core principles of sustainability are as follows:

- conduct the Group's business with integrity and in an open and ethical manner and require the same standards from the Group's stakeholder relationships;
- operate in an environmentally sustainable manner and minimise the environmental impact of the Group's operations including on climate change;
- climate resilience – protecting the business from the future effects of climate change and anticipated low carbon transition policies;
- extend the economically useful lives of the Group's buildings through monitoring Tenants' obligations and investing in refurbishment and reconfiguration;
- disseminate the Company's policies to advisers, suppliers, occupiers and key stakeholders;
- comply with all legal and regulatory requirements and, where feasible, exceed minimum compliance; and
- promote diversity and inclusion throughout the Group's activities.

Social value

The Group operates in a sector which is crucial to the health and wellbeing of older people in the United Kingdom. The need for quality care, and buildings, is underpinned by the long term demographic trends and increasing care needs of the population, for example the increasing prevalence of dementia. Care homes are, and will remain, important pieces of community infrastructure for which many people rely on both for meeting care needs and sources of local employment.

There are approximately 12,500 care homes in the UK, with other 400,000 residents and approximately 700,000 staff, 82 per cent. of whom are female.

The Group's social value is created in the following ways:

- The provision of fit for purpose care homes for those elderly, vulnerable people in need of more care than can be provided at home.
- Investment in homes to enhance the quality of the environment for residents and staff, e.g. creation of ensuite rooms, refurbishment of rooms and communal areas.
- Supporting Tenants through the COVID-19 pandemic to mitigate negative impacts, for example provision of PPE and visitor temperature sensors.
- Assisting Tenants to expand their operations on a sustainable basis and as a result generate much needed additional capacity in the social care system and generate local employment opportunities.

Financing strategy

- The Group funds its business through equity and debt. In doing so the Group looks to minimise the effects of "cash drag" on earnings per share, which is the effect of issuing equity or drawing down debt funding and holding the cash raised on the balance sheet, ahead of investing it in income-producing assets.
- The Group's gearing policy is to have a maximum Group loan-to-value ratio of 35 per cent. at the time of drawdown, although the Group looks to maintain debt at a prudent level, with average gearing not expected to be higher than 25 per cent. The Group's approach to hedging and debt is designed

¹¹ Illustrative financials for a mid-size Tenant for the 12 months to 31 December 2020.

to prudently optimise the return to Shareholders while mitigating the long-term risk from interest-rate fluctuations.

Company Track Record

As noted above, the Company has been successful in the period since its initial public offering in March 2017 ("IPO") in delivering on the targets set out in the prospectus published in connection with the IPO. In the period between IPO on 7 March 2017 and 30 November 2021, the Company paid or declared 18 dividends totalling 27.77 pence. In addition, during that period the Group's NAV grew from 98 pence per share to 111.81 pence per share. This growth in underlying value was primarily driven by increases in rent received as a result of uplifts in the Retail Prices Index and from asset management and development activities. This has delivered an NAV Total Return of 42.43 per cent. since IPO to 30 November 2021 which equates to an average annual NAV Total Return of 8.6 per cent.

As part of this investment strategy, the Group has deployed or committed £395.5 million in investments as summarised in the table below:

Tenant	Deal size (£'m)	Rent (£'m)	Yield
Minster (May 17)	97.7	6.9	7.1%
Croftwood (May 17)	54.5	4.7	8.6%
Prestige (Mar 18)	17.0	1.2	7.0%
Welford (Mar 18)	4.9	0.4	7.3%
Minster (May 18)	8.3	0.6	7.3%
Careport (Sep 18)	12.2	0.9	7.2%
Renaissance (Nov 18)	11.6	0.9	7.6%
Careport (Nov 18)	1.4	0.1	8.7%
Prestige (Jan 19)	2.8	0.2	6.5%
MMCG (May 19)	21.0	1.6	7.4%
Welford (Jun 19)	5.9	0.5	7.7%
Careport (Jun 19)	4.8	0.3	6.9%
Careport and NHS (Jun 19)	9.5	0.7	7.3%
Welford (Jun 19)	3.9	0.3	7.7%
Optima (Aug 19)	12.9	1.0	7.4%
Welford (Sep 19)	7.0	0.5	6.7%
Minster (Jan 20)	3.0	0.2	7.5%
Silverline (Mar 20)	7.8	0.6	8.1%
MMCG (Mar 20)	10.5	0.8	7.5%
Holmes Care (Aug 20)	47.5	3.5	7.4%
Welford (Dec 20)	7.4	0.6	7.5%
Careport (Dec 20)	1.1	0.1	8.1%
Electus (Dec 20)	7.7	0.7	9.0%
Welford (Jan 21)	5.1	0.4	7.5%
Carlton Hall (Sep 21)	10.3	0.7	6.3%
Minster (Nov 21)	5.8	0.4	7.2%
Silverline (Nov 21)	3.3	0.2	7.5%
Electus (Nov 21)*	11.0	0.9	7.8%
Holmes Care (Dec 21)†	37.5	2.7	7.2%
Total	433	32.3	7.5%

* Exchanged contracts to acquire in November 2021, completion scheduled for Q1 2022.

† The investment has been made by way of a loan to Holmes to allow them to immediately complete the acquisition and upon receipt of the regulatory approvals; the Group has the option to acquire the property assets from Holmes (who also have the option to sell these assets to the Group).

The unlevered IRR on the first two transactions completed by the Group, for which the Group has the longest track record, has been calculated as 11.3 per cent. as at September 2021¹². In addition

¹² Calculated based on the cash flow on initial purchase of the homes and the rent received since then, taking account of the acquisitions and disposal with Minster/Croftwood and the capex that has been spent on the homes. The valuation as at September then gives an exit value and with that the IRR is calculated based off the quarterly cash flows since initial acquisition with the final cash flow being the sale of the whole portfolio at consideration equal to the September valuation.

the Investment Manager has committed or deployed a further £38.7 million in asset management and development activity as set out in Part III of this Prospectus in the section headed "Asset management and forward-funded developments".

The past performance of the Company should not be treated as an indication of the future performance of the Company.

Current interests of key individuals at the Investment Manager

As noted above, Mahesh Patel is a founder and beneficial owner of the Minster Group and the Croftwood Group (which currently operate 60 of the properties within the Portfolio). In addition, he holds a majority stake in Minster Topco, which is the holding company of each of the Initial Tenants and an Existing Guarantor. As a principal of the Investment Manager, he is also entitled to a share of any distributions generated by the Investment Manager through the payment of the fees by the Company under the Investment Management Agreement.

In order to ensure the alignment of Mr. Patel's interests with those of the Company, Mr. Patel agreed under the IPO Portfolio Transaction Agreement to subscribe (through a wholly-owned SPV, Maal Limited) for ten million Ordinary Shares through the Vendor Issue, which he continues to hold.

Mr. Cowley, who is a principal of the Investment Manager, holds directly 873,406 of Ordinary Shares¹³ and also holds a minority interest in Minster Topco.

Any leases entered into between the Group and any member of the MC Group are treated as related party transactions for the purposes of the Listing Rules and therefore may require the prior approval of the Company's Shareholders.

Conflicts of Interest

The Investment Manager and their respective officers and employees may be involved in other financial, investment or professional activities, which may on occasion give rise to conflicts of interest with the Company.

In particular:

- the principals of the Investment Manager hold a majority stake in Minster Topco, the holding company of the MC Group; and
- there is no restriction under the Investment Management Agreement on the Investment Manager providing healthcare property advisory and other services to other persons, including funds that may have investment policies similar to that of the Company, however, the Investment Manager will continue to have regard to its obligations under the Investment Management Agreement or otherwise to act in the best interests of the Company, so far as is practicable having regard to their obligations to other persons, should potential conflicts of interests arise.

The Investment Manager has also agreed to the below as part of its conflict management:

- grant the Company a right of first refusal in respect of any identified assets which fall within the Company's investment policy;
- rigidly enforce the covenants in each lease entered into between the Group and any member of the MC Group;
- the Investment Manager shall have no authority to take any decision or make any recommendation to the Board in respect of certain breaches of covenant by any Tenant which is part of the MC Group; and
- grant the Company a right to terminate the Investment Management Agreement in the event that: (i) any Tenant which is part of the MC Group fails to meet its rent or other payment obligations in excess of £50,000; or (ii) the Financial Report shows that the Rent Cover of Minster Topco is less than 1.1 times in two consecutive Financial Reports or in any two Financial Reports in any 12 month period.

¹³ 600,000 Ordinary Shares directly and 92,127 Ordinary Shares through his pension fund and has a 70 per cent. indirect interest in 314,290 Ordinary Shares held by Impact Health Partners LLP.

Part VII. The Initial Issue

The Initial Issue

The Company is targeting raising approximately £50 million through the Initial Issue of New Ordinary Shares at the Issue Price. The Initial Issue comprises the Initial Placing, the Open Offer, the Intermediaries Offer and the Offer for Subscription.

To the extent that demand for New Ordinary Shares in the Initial Issue exceeds the targeted number of New Ordinary Shares set out above, the Company and the Joint Bookrunners may increase the size of the Initial Issue by allocating New Ordinary Shares which would otherwise have been made available in the Placing Programme and reducing the size of the Placing Programme by such number of New Ordinary Shares.

The total number of New Ordinary Shares issued under the Initial Issue will be determined by the Company, the Joint Bookrunners and the Investment Manager after taking into account demand for the New Ordinary Shares, subject to a maximum of 300 million New Ordinary Shares being issued under the Initial Issue in aggregate.

The actual number of Ordinary Shares to be issued pursuant to the Initial Issue is not known as at the date of this Prospectus but will be notified by the Company via an RIS announcement and published on the Company's website, prior to First Admission.

Holder of the New Ordinary Shares being issued pursuant to the Initial Issue will be eligible to receive the interim quarterly dividend, in respect of the quarter ended 31 December 2021, which is expected to be declared later in February 2022.

The Company will hold the General Meeting on 16 February 2022 at which it will table the Resolutions to propose that: (i) the Directors be authorised to allot New Ordinary Shares up to an aggregate nominal amount of £3 million, which will enable the Company to issue all the New Ordinary Shares comprised in the Initial Issue and the Placing Programme ("**Resolution 1**"); and (ii) pre-emption rights be disapplied in respect of any allotment pursuant to the authority conferred by Resolution 1 ("**Resolution 2**"). The Company intends to use the authorities granted at the General Meeting to allot and issue New Ordinary Shares under the Initial Issue and any Subsequent Placing. If Resolution 1 and Resolution 2 are not passed at the General Meeting, any issuances of New Ordinary Shares pursuant to the Initial Issue will be made pursuant to the Existing Authority and any Subsequent Placing, in excess of the remaining Existing Authority after the completion of the Initial Issue, will be conditional upon Shareholders resolving to disapply pre-emption rights in respect of such issuance at a subsequent general meeting of the Company.

The Directors have determined that the New Ordinary Shares under the Initial Issue will be issued at a price equal to 114p per Ordinary Share.

The Initial Issue is not being underwritten.

The Initial Issue is designed to be suitable for institutional investors and professionally-advised private investors seeking exposure to a diversified portfolio of healthcare related real estate assets. The New Ordinary Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in New Ordinary Shares.

The Initial Placing

Each of Winterflood and Jefferies has agreed to use its reasonable endeavours to procure Places to subscribe for New Ordinary Shares in the Initial Placing on the terms and subject to the conditions set out in the Placing Agreement. Details of the Placing Agreement are set out in paragraph 10(a) of Part XIV of this Prospectus.

The terms and conditions which shall apply to any subscription for New Ordinary Shares procured by Winterflood and Jefferies pursuant to the Initial Placing are contained in Part XV of this Prospectus.

The Open Offer

Open Offer Entitlement

Under the Open Offer, New Ordinary Shares will be made available to Qualifying Shareholders at the Initial

Issue Price *pro rata* to their holdings of Existing Ordinary Shares on the Open Offer Record Date, on the terms and subject to the conditions of the Open Offer, on the basis of an Open Offer Entitlement of:

1 New Ordinary Share for every 8 Existing Ordinary Shares

held by each Qualifying Shareholder on the Open Offer Record Date. In addition, Qualifying Shareholders may make applications under the Excess Application Facility for Excess Shares, being New Ordinary Shares in excess of their Open Offer Entitlements.

Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying Non-CREST Shareholders should note that their Open Offer Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and Open Offer Excess Entitlements will be admitted to CREST and enabled for settlement, the Open Offer Entitlements and Open Offer Excess Entitlements will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim. New Ordinary Shares for which application has not been made under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Qualifying Shareholders who do not apply to take up their Open Offer Entitlements will have no rights, and will not receive any benefit, under the Open Offer.

Applications under the Open Offer are not subject to any minimum subscription requirement.

Entitlements under the Open Offer will be rounded down to the nearest whole number of New Ordinary Shares, with fractional entitlements being aggregated and made available to prospective investors under the Initial Placing, the Intermediaries Offer, the Offer for Subscription and/or the Excess Application Facility.

The latest time and date for acceptance and payment in full in respect of the Open Offer will be 11.00 a.m. on 15 February 2022. If the Initial Issue proceeds, valid applications under the Open Offer will be satisfied in full up to an applicant's Open Offer Entitlement. Existing Ordinary Shareholders are also being offered the opportunity to subscribe for New Ordinary Shares in excess of their Open Offer Entitlements under the Excess Application Facility, as described below.

The terms and conditions of application under the Open Offer are set out in Part XVI of this Prospectus. These terms and conditions should be read carefully before an application is made. Current Shareholders who are in any doubt as to the action they should take or the contents of this Prospectus and any accompanying documents, are recommended to seek their own independent financial advice immediately from their stockbroker, bank, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under FSMA, if they are in the United Kingdom, or from another appropriately authorised independent financial adviser if they are in a territory outside the United Kingdom.

In particular, current Shareholders should note that only Qualifying Shareholders will be entitled to participate in the Open Offer. Current Shareholders who are located or resident in Restricted Territories will not qualify to participate in the Open Offer. It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction, including, without limitation, any relevant requirements in relation to the ability of such holders to participate in the Open Offer.

Applications in excess of Open Offer Entitlements

Qualifying Shareholders may also apply for Excess Shares under the Excess Application Facility, provided that they have taken up their Open Offer Entitlement in full. In all circumstances, allocation of Excess Shares shall be subject to the discretion of the Directors. To the extent that there remain unallocated Excess Shares following the application by Qualifying Shareholders under the Excess Application Facility, such Excess Shares will be made available under the Initial Placing, the Intermediaries Offer and/or the Offer for Subscription.

Action to be taken under the Open Offer

Qualifying Non-CREST Shareholders

Qualifying Non-CREST Shareholders have been sent an Open Offer Application Form giving details of their Open Offer Entitlement.

Persons that have sold or otherwise transferred all of their Ordinary Shares before such shares were marked ex-entitlement should forward the Prospectus, together with any Open Offer Application Form,

if and when received, at once to the purchaser or transferee, or the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee, except that such documents should not be sent to the United States or any other Restricted Territory.

Any current Shareholder that has sold or otherwise transferred only some of their Existing Ordinary Shares held in certificated form on or before 8.00 a.m. on 27 January 2022 should refer to the instruction regarding split applications in Part XVI of this Prospectus and the Open Offer Application Form.

Qualifying CREST Shareholders

Qualifying CREST Shareholders have not been sent an Open Offer Application Form. Instead, Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlement and Excess Open Offer Entitlement as soon as practicable after 8.00 a.m. on 27 January 2022. In the case of any current Shareholder that has sold or otherwise transferred only part of their holding of Existing Ordinary Shares held in uncertificated form on or before 8.00 a.m. on 27 January 2022, a claim transaction will automatically be generated by CREST which, on settlement, will transfer the appropriate Open Offer Entitlement to the purchaser or transferee. Full details of the Open Offer are contained in Part XVI of this Prospectus. If you have any doubt as to what action you should take, you should seek your own advice from your stockbroker, solicitor or other independent financial adviser duly authorised under FSMA immediately. The ISIN number of the Open Offer Entitlements is GB00BNK8V672 and the SEDOL Code is BNK8V67. The ISIN number of the Excess Open Offer Entitlements is GB00BNK8V789 and the SEDOL Code is BNK8V78.

The Intermediaries Offer

Investors may also subscribe for New Ordinary Shares at the Initial Issue Price pursuant to the Intermediaries Offer. Only the Intermediaries' retail investor clients in the United Kingdom are eligible to participate in the Intermediaries Offer. Investors may apply to any one of the Intermediaries to be accepted as their client. No New Ordinary Shares allocated under the Intermediaries Offer will be registered in the name of any person whose registered address is outside the United Kingdom. A minimum application of £1,000 per Underlying Applicant will apply. Allocations to Intermediaries will be determined by the Company, the Joint Bookrunners and the Investment Manager. An application for New Ordinary Shares in the Intermediaries Offer means that the Underlying Applicant agrees to acquire the New Ordinary Shares applied for at the Issue Price. Each Underlying Applicant must comply with the appropriate money laundering checks required by the relevant Intermediary and all other laws and regulations applicable to their agreement to subscribe for New Ordinary Shares. Where an application is not accepted or there are insufficient New Ordinary Shares available to satisfy an application in full, the relevant Intermediary will be obliged to refund the Underlying Applicant as required and all such refunds shall be made without interest. None of the Company, the Investment Manager or the Joint Bookrunners accept any responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances. Each Intermediary has agreed, or will on appointment agree, to the intermediaries terms and conditions, which regulate, inter alia, the conduct of the Intermediaries Offer on market standard terms and provide for the payment of a commission and/or fee (to the extent permissible by the rules of the FCA) to Intermediaries from the Company if such Intermediary elects to receive a commission and/or fee. Pursuant to the Intermediaries' terms and conditions, in making an application, each Intermediary will also be required to represent and warrant that they are not located in the United States and are not acting on behalf of anyone located in the United States. In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom, subject to the terms of the Intermediaries' terms and conditions. Any such materials, information or advice are solely the responsibility of the relevant Intermediary and will not be reviewed or approved by any of the Company, the Investment Manager or the Joint Bookrunners. Any liability relating to such documents shall be for the relevant Intermediaries only. The Intermediaries' terms and conditions provide for the Intermediaries to have an option (where the payment of such commission and/or fee is not prohibited) to be paid a commission and/or fee by the Company where it has elected to receive such commission and/or fee in respect of the New Ordinary Shares allocated to and paid for by them pursuant to the Intermediaries Offer.

The Company consents to the use of this document by financial intermediaries in connection with the subsequent resale or final placement of securities by financial intermediaries.

The offer period within which any subsequent resale or final placement of securities by Intermediaries can be made and for which consent to use this document is given commences on 27 January 2022 and closes at 11.00 a.m on 15 February 2022, unless closed prior to that date.

Any financial intermediary that uses this document must state on its website that it uses this document

in accordance with the Company's consent. Intermediaries are required to provide this document to any prospective investor who has expressed an interest in participating in the Intermediaries Offer to such Intermediary. Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the Intermediary.

The Offer for Subscription

New Ordinary Shares are available to certain categories of investor under the Offer for Subscription. The Offer for Subscription is only being made in the UK and Jersey but, subject to applicable law, the Company may allot New Ordinary Shares on a private placement basis to Offer for Subscription Applicants in other jurisdictions.

The terms and conditions of application under the Offer for Subscription are set out in Part XVII of this document and an Offer for Subscription Application Form is set out at the end of this Prospectus. These terms and conditions should be read carefully before an Offer for Subscription Application is made. Investors should consult their respective stockbroker, bank manager, solicitor, accountant or other financial adviser if they are in any doubt about the contents of this document.

Offer for Subscription Applications must be for a minimum subscription amount of 1,000 New Ordinary Shares.

Completed Offer for Subscription Applications Forms, accompanied by a cheque or banker's draft in Sterling made payable to "CIS PLC RE:IMPACT HEALTHCARE OFS A/C" and crossed "A/C payee" for the appropriate sum and must be posted to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6AH so as to be received by no later than 11.00 a.m. on 15 February 2022. The Offer for Subscription will, unless extended, be closed at that time.

For Offer for Subscription Applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 15 February 2022 and Offer for Subscription Applicants should ensure that the Receiving Agent receives full value of the subscription amount after the deduction of any bank charges that may be incurred by the sending or receiving banks. Please contact the Receiving Agent by email at "impacthealthcare@computershare.co.uk" stating "Impact Healthcare REIT plc" and the Receiving Agent will provide applicants with a unique reference number which must be used when sending payment.

It is recommended that cheques are sent so as to be received by the Receiving Agent no later than 3 Business Days prior to the close of the Offer for Subscription to ensure that cleared funds are received by no later than 11.00 a.m. on 15 February 2022.

The Receiving Agent cannot take responsibility for identifying payments without a unique reference nor where a payment has been received but without an accompanying Offer for Subscription Application Form.

Offer for Subscription Applicants choosing to settle via CREST, that is "delivery versus payment" (DVP), will need to match their instructions to the Receiving Agent's CREST's participant ID 3RA25 by no later than 1.00 p.m. on 18 February 2022, allowing for the delivery and acceptance of New Ordinary Shares to be made against payment of the Initial Issue Price per New Share, following the CREST matching criteria set out in the Offer for Subscription Application Form.

Dilution

Assuming that 43,830,523 New Ordinary Shares are issued pursuant to the Initial Issue (raising approximately £50 million of Gross Issue Proceeds), existing Shareholders who do not take up any of their open offer entitlement or otherwise participate in the Initial Issue will suffer an immediate dilution of 11.1 per cent. in the share capital and voting control in the Company.

The Net Proceeds of the Initial Issue are dependent, among other things, on the level of subscriptions received.

Conditions

The Initial Issue is conditional, *inter alia*, on:

- (i) the Placing Agreement becoming wholly unconditional (save as to First Admission) and not having been terminated in accordance with its terms prior to First Admission;
- (ii) First Admission occurring by 8.00 a.m. on 21 February 2022 (or such later date, not being later than 8.00 a.m. on 31 May 2022, as the Company and the Joint Bookrunners may agree in respect

- of the Initial Issue); and
- (iii) to the extent required under the Prospectus Regulation Rules and FSMA, a valid supplementary prospectus being published by the Company.

Pricing

All New Ordinary Shares issued pursuant to the Initial Issue will be issued at the Initial Issue Price.

Subscriber warranties

Each subscriber of New Ordinary Shares in the Initial Issue and each subsequent investor in the New Ordinary Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in Parts XV, XVI and/or XVII of this Prospectus (as applicable).

The Company, the Investment Manager, the Joint Bookrunners and their respective directors, officers, members, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company.

Scaling back and allocation

Subject to the passing of the Resolutions at the General Meeting, the Directors will be authorised to issue up to 300 million Ordinary Shares pursuant to the Initial Issue and the Placing Programme. To the extent that applications under the Initial Issue exceed 300 million New Ordinary Shares in aggregate, the Joint Bookrunners in consultation with the Company reserve the right to scale back applications in such amounts as they consider appropriate. The Company reserves the right to decline in whole or in part any application for New Ordinary Shares pursuant to the Initial Issue. Accordingly, applicants for New Ordinary Shares may, in certain circumstances, not be allotted the number of New Ordinary Shares for which they have applied.

There will be no priority given to applications under the Initial Placing, applications under the Intermediaries Offer or Offer for Subscription Applications pursuant to the Initial Issue. The Open Offer will not be scaled back in favour of the Initial Placing, the Offer for Subscription or the Intermediaries Offer.

The Company will notify investors of the number of New Ordinary Shares in respect of which their application has been successful and the results of the Initial Issue will be announced by the Company via an RNS announcement.

Subscription monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned by post at the risk of the applicant without interest at the risk of the applicant to the bank account from which the money was received if the applicant applied online. Alternatively a cheque will be sent to the address provided on the relevant application form, as applicable.

Initial Issue arrangements

If the Initial Issue is terminated prior to First Admission, and any monies received in respect of the Initial Issue will be returned to applicants without interest.

The Placing Agreement provides for the Joint Bookrunners to be paid commissions in respect of the New Ordinary Shares to be allotted pursuant to the Initial Issue. Any commissions received by the Joint Bookrunners may be retained, and any Ordinary Shares subscribed for by the Joint Bookrunners may be retained, or dealt in, by them for their own benefit.

Further details of the terms of the Placing Agreement are set out in paragraph 10(a) of Part XIV of this Prospectus.

General

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents) may require evidence in connection with any application for New Ordinary Shares, including further identification of the applicant(s) before any New Ordinary Shares are issued.

In the event that there are any significant new factors, material mistakes or material inaccuracies affecting

any of the matters described in this Prospectus or where any significant new factors, material mistakes or material inaccuracies have arisen after the publication of the Prospectus and prior to First Admission, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the new factors, material mistakes or material inaccuracies. In the event that a supplementary prospectus is published prior to First Admission, potential investors in the Initial Issue may have a statutory right of withdrawal.

Clearing and settlement

Payment for the New Ordinary Shares, in the case of the Initial Placing, should be made in accordance with settlement instructions to be provided to Placees by the Joint Bookrunners. Payment for New Ordinary Shares applied for under the Open Offer should be made in accordance with the instructions set out in Part XVI of this Prospectus and the Open Offer Application Form. Payment for New Ordinary Shares applied for under the Offer for Subscription should be made in accordance with the instructions contained in the Offer for Subscription Application Form set out in Appendix 1. To the extent that any application for New Ordinary Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

New Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST following First Admission. In the case of New Ordinary Shares to be issued in uncertificated form pursuant to the Initial Issue, these will be transferred to successful applicants through the CREST system. Accordingly, settlement of transactions in the New Ordinary Shares following First Admission may take place within the CREST system if any Shareholder so wishes.

CREST

CREST is a paperless settlement procedure operated by Euroclear enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company will apply for the New Ordinary Shares to be admitted to CREST with effect from First Admission in respect of the New Ordinary Shares issued under the Initial Issue and it is expected that the New Ordinary Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the New Ordinary Shares following First Admission may take place within the CREST system if any Shareholder so wishes.

It is expected that the Company will arrange for Euroclear to be instructed on 21 February 2022 to credit the appropriate CREST accounts of the subscribers concerned or their nominees with their respective entitlements to New Ordinary Shares. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.

The transfer of New Ordinary Shares out of the CREST system following the Initial Issue should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. An investor applying for New Ordinary Shares in the issue may elect to receive New Ordinary Shares in uncertificated form if such investor is a system-member (as defined in the Regulations) in relation to CREST. If a Shareholder or transferee requests New Ordinary Shares to be issued in certificated form and is holding such New Ordinary Shares outside CREST, a share certificate will be despatched either to the Shareholder or his nominated agent (at the Shareholder's risk) within 21 days of completion of the registration process or transfer, as the case may be, of the New Ordinary Shares. Shareholders holding definitive certificates may elect at a later date to hold such New Ordinary Shares through CREST or in uncertificated form provided they surrender their definitive certificates.

First Admission and dealings

First Admission is expected to take place and unconditional dealings in the New Ordinary Shares are expected to commence on the London Stock Exchange's Main Market at 8.00 a.m. on 21 February 2022 in respect of the Initial Issue. There will be no conditional dealings in the New Ordinary Shares.

The ISIN number of the Ordinary Shares is GB00BYXVMJ03 and the SEDOL code is BYXVMJ0.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary

Shares. Accordingly, the dealing price of the New Ordinary Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share.

Where applicable, definitive share certificates in respect of the New Ordinary Shares are expected to be despatched, by post at the risk of the recipients, to the relevant holders, not later than the week commencing 28 February 2022 in respect of the Initial Issue. The New Ordinary Shares will be in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any New Ordinary Shares which are held in certificated form, transfers of those New Ordinary Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

Purchase and transfer restrictions

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, New Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the Investment Manager or the Joint Bookrunners.

The Company has elected to impose the restrictions described below on the Initial Issue and on the future trading of the New Ordinary Shares so that the Company will not be required to register the offer and sale of the New Ordinary Shares under the Securities Act and related rules and also to address certain ERISA, Internal Revenue Code and other considerations.

The New Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and the New Ordinary Shares may not be offered or sold, directly or indirectly, within the United States except pursuant to an exemption from the registration requirements of the Securities Act. There will be no public offer of the New Ordinary Shares in the United States. The New Ordinary Shares are being offered and sold: (i) outside the United States in "offshore transactions" as defined in and in reliance on Regulation S; and (ii) within the United States only to persons reasonably believed to be QIBs, as defined in Rule 144A under the Securities Act, and that deliver to the Company and the Joint Bookrunners a signed Investor Representation Letter.

The attention of potential investors is also drawn to the notices to potential investors set out under the heading "Important Information" above which shall apply in respect of the Initial Issue.

Part VIII. The Placing Programme

The Placing Programme

The Directors are seeking to issue and allot up to 300 million New Ordinary Shares through the Placing Programme, without having to offer those New Ordinary Shares to existing Shareholders first (to the extent that New Ordinary Shares are issued at a Placing Programme Price equal to or greater than the applicable Net Asset Value per Ordinary Share). The total number of New Ordinary Shares issued under the Placing Programme will be determined by the Company and the Joint Bookrunners after taking into account demand for the New Ordinary Shares.

The Placing Programme is being implemented to satisfy market demand and to enable the Company to raise additional capital in the period from 22 February 2022 to 26 January 2023 should the Board determine that market conditions are appropriate. The Placing Programme is intended to be flexible and may have a number of closing dates in order to provide the Company with the ability to issue and allot New Ordinary Shares over a period of time.

The number of New Ordinary Shares available under the Placing Programme is intended to provide flexibility and should not be taken as an indication of the number of New Ordinary Shares to be issued. Any issues of New Ordinary Shares under the Placing Programme will be notified by the Company through an RNS announcement and the Company's website prior to each Programme Admission. To the extent that demand for New Ordinary Shares in the Initial Issue exceeds the targeted number of New Ordinary Shares set out in Part VII of this Prospectus, the Company and the Joint Bookrunners may increase the size of the Initial Issue by allocating New Ordinary Shares which would otherwise have been made available in the Placing Programme and reducing the size of the Placing Programme by such number of New Ordinary Shares.

The Placing Programme is not being underwritten. The terms and conditions which shall apply to any subscription for Shares pursuant to the Placing Programme are contained in Part XV of this Prospectus.

The Placing Programme is designed to be suitable for institutional investors and professionally-advised private investors seeking exposure to a diversified portfolio of Healthcare Real Estate Assets. The New Ordinary Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such an investment. Such investors may wish to consult an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in New Ordinary Shares in the Placing Programme.

Conditions

The Placing Programme is conditional, *inter alia*, on:

- (i) the applicable Placing Programme Price being determined by the Directors and the Joint Bookrunners as described below;
- (ii) Programme Admission occurring in respect of the relevant issue of New Ordinary Shares under the Placing Programme; and
- (iii) to the extent required under the Prospectus Regulation Rules and FSMA, a valid supplementary prospectus being published by the Company.

In circumstances where these conditions are not met, the relevant issue of New Ordinary Shares pursuant to the Placing Programme will not take place.

Pricing

The Placing Programme Price will be determined by the Directors and the Joint Bookrunners by reference to, *inter alia*, the prevailing market conditions at the time of each Subsequent Placing and at a premium to the prevailing NAV per Ordinary Share at that time.

The Placing Programme Price will be notified via an RNS announcement as soon as practicable in conjunction with each Placing.

Dilution

If 300 million New Ordinary Shares are issued pursuant to the Initial Issue and Placing Programme in aggregate, there would be a dilution of approximately 46.11 per cent. in the share capital and voting

control in the Company of existing Shareholders who do not participate in the Initial Issue or the Placing Programme.

The Net Proceeds of the Placing Programme are dependent, among other things, on:

- (i) the Directors determining to proceed with a Placing of New Ordinary Shares under the Placing Programme;
- (ii) the level of subscriptions received; and
- (iii) the Placing Programme Price determined in respect of each Placing.

Subscriber warranties

Each subscriber of New Ordinary Shares in the Placing Programme and each subsequent investor in the Ordinary Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in paragraphs 4 and 5 in Part XV of this Prospectus.

The Company, the Investment Manager, the Joint Bookrunners and their respective directors, officers, members, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company.

Scaling back and allocation

The Directors are seeking authority from Shareholders to issue up to 300 million New Ordinary Shares pursuant to the Initial Issue and the Placing Programme. To the extent that applications under the Placing Programme (taken together with the Initial Issue) exceed this amount, the Joint Bookrunners, in consultation with the Company reserve the right to scale back applications in such amounts as they consider appropriate. The Company reserves the right to decline in whole or in part any application for New Ordinary Shares pursuant to the Placing Programme. Accordingly, applicants for New Ordinary Shares may, in certain circumstances, not be allotted the number of New Ordinary Shares for which they have applied.

The Company will notify investors of the number of New Ordinary Shares in respect of which their application has been successful and the results of each Subsequent Placing will be announced by the Company via an RNS announcement.

Subscription monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned by post at the risk of the applicant without interest to the bank account from which the money was received if the applicant applied by bank transfer. Alternatively a cheque will be sent to the address provided on the relevant application form within 14 days, as applicable.

Placing Programme arrangements

Arrangements in respect of any issue of New Ordinary Shares under the Placing Programme will be entered into prior to the relevant Programme Admission.

General

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents) may require evidence in connection with any application for New Ordinary Shares, including further identification of the applicant(s), before any New Ordinary Shares are issued.

In the event that there are any significant new factors, material mistakes or material inaccuracies affecting any of the matters described in this Prospectus or where any significant new factors, material mistakes or material inaccuracies have arisen after the publication of the Prospectus and prior to 26 January 2023, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the new factors, material mistakes or material inaccuracies. In the event that a supplementary prospectus is published after applications have been made in respect of a Subsequent Placing but prior to the relevant Programme Admission, applicants may have a statutory right of withdrawal.

Clearing and settlement

Payment for the New Ordinary Shares should be made in accordance with settlement instructions to be provided to Placees by the Joint Bookrunners. To the extent that any application for New Ordinary Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

New Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST following the relevant Programme Admission. In the case of New Ordinary Shares to be issued in uncertificated form, these will be transferred to successful applicants through the CREST system. Accordingly, settlement of transactions in the New Ordinary Shares following the relevant Programme Admission may take place within the CREST system if any Shareholder so wishes.

CREST

CREST is a paperless settlement procedure operated by Euroclear enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company will apply for the New Ordinary Shares to be issued pursuant to each Subsequent Placing to be admitted to CREST with effect from the relevant Programme Admission and it is expected that the relevant New Ordinary Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the relevant New Ordinary Shares following each Programme Admission may take place within the CREST system if any Shareholder so wishes.

The transfer of New Ordinary Shares out of the CREST system following a Subsequent Placing should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. An investor applying for New Ordinary Shares in the Placing Programme may elect to receive New Ordinary Shares in uncertificated form if such investor is a system-member (as defined in the Regulations) in relation to CREST. If a Shareholder or transferee requests New Ordinary Shares to be issued in certificated form and is holding such New Ordinary Shares outside CREST, a share certificate will be despatched either to him or his nominated agent (at his risk) within 21 days of completion of the registration process or transfer, as the case may be, of the New Ordinary Shares. Shareholders holding definitive certificates may elect at a later date to hold such New Ordinary Shares through CREST or in uncertificated form provided they surrender their definitive certificates and deliver the same, along with a duly completed CREST transfer form, to their CREST provider.

Programme Admission and dealings

Application will be made for the New Ordinary Shares to be admitted to listing on the premium segment of the Official List and to trading on the Main Market of the London Stock Exchange. The New Ordinary Shares are not listed or traded on, and no application has been made, or is being made, for the admission of the New Ordinary Shares to listing or trading on, any other stock exchange or securities market. There will be no conditional dealings in the New Ordinary Shares prior to each Programme Admission.

The ISIN number of the Ordinary Shares is GB00BYXVMJ03 and the SEDOL code is BYXVMJO.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share.

Where applicable, definitive share certificates in respect of the New Ordinary Shares are expected to be despatched, by post at the risk of the recipients, to the relevant holders, approximately one week after the date of the relevant Programme Admission. The New Ordinary Shares are in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any New Ordinary Shares which are held in certificated form, transfers of those New Ordinary Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

Purchase and transfer restrictions

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for,

New Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the Investment Manager or the Joint Bookrunners.

The Company has elected to impose the restrictions described below on the Placing Programme and on the future trading of the New Ordinary Shares so that the Company will not be required to register the offer and sale of the New Ordinary Shares under the Securities Act and related rules and also to address certain ERISA, Internal Revenue Code and other considerations.

The New Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States, and the New Ordinary Shares may not be offered or sold, directly or indirectly, within the United States, except pursuant to an exemption from the registration requirements of the Securities Act. There will be no public offer of the New Ordinary Shares in the United States. The New Ordinary Shares are being offered and sold: (i) outside the United States in "offshore transactions" as defined in and in reliance on Regulation S; and (ii) within the United States only to persons reasonably believed to be QIBs, as defined in Rule 144A under the Securities Act, and that deliver to the Company and the Joint Bookrunners a signed Investor Representation Letter.

The attention of potential investors is also drawn to the notices to potential investors set out under the heading "Important Information" above which shall apply in respect of the Placing Programme.

Part IX. Valuation



Cushman & Wakefield
43-45 Portman Square
London W1H 6LY
Tel +44 (0) 20 3296 3000

www.cushmanwakefield.com

Strictly Confidential – For Addressee Only

VALUATION RECORD

To: Impact Healthcare REIT PLC
The Scalpel
18th Floor
52 Lime Street
London
EC3M 7AF
(the "**Company**");

Winterflood Securities Ltd
The Atrium Building
Cannon Bridge House
25 Dowgate Hill
London
EC4R 2GA

Jefferies International Limited
100 Bishopsgate
London
EC2N 4JL

(collectively referred to as the "**Addressees**" or "**you**")

Property: A portfolio of investment properties, the address, tenure and property type of which is included in Appendix A (the "**Properties**" and each a "**Property**").

Report date: 27 January 2021

Valuation date: 30 November 2021 ("**Valuation Date**")

1. Instructions

1.1 Appointment

We are pleased to submit our report and valuation (the "**Valuation Report**"), which has been prepared in accordance with the engagement letter entered into between us dated 27 January 2021 (the "**Engagement Letter**"). This Engagement Letter and the terms set out therein, together with our Terms of Business, which were sent to you with our Engagement Letter, constitute the "**Engagement**", which forms an integral part of this Valuation Report.

Included in the Engagement Letter is the Valuation Services Schedule, which is included as Appendix A ("**VSS**"). It is essential to understand that the contents of this Valuation Report are subject to the various matters we have assumed, which are referred to and confirmed as Assumptions in the Valuation Services Schedule (which forms part of the Engagement). Where Assumptions detailed in the Valuation Services Schedule are also referred to within this Valuation Report they are referred to as an "assumption" or "assumptions". Unless otherwise defined, all capitalised terms herein shall be as defined in the

Engagement.

You have informed us that the Properties are categorised as investments.

We have valued the property interests in the above Properties as at the Valuation Date. A list of the addresses of each of the properties in the portfolio, is included in Appendix 1 in the VSS.

1.2 Compliance with RICS Valuation – Global Standards

We confirm that the valuation and Valuation Report have been prepared in accordance with the RICS Valuation – Global Standards, which incorporate the International Valuation Standards ("**IVS**") and the RICS UK national supplement (the "**RICS Red Book**"), edition current at the Valuation Date. It follows that the valuations are compliant with IVS.

1.3 Compliance with the Listing Rules and the Prospectus Regulation Rules

The valuation and the Valuation Report comply with Rules 13.4.4R and 13.4.5R of the Listing Rules, Rule 5.4.5G of the Prospectus Regulation Rules and paragraphs 128 - 130 of the ESMA update of the CESR recommendations for the consistent implementation of the European Commission Regulation (EC) No. 809/2004 implementing the Prospectus Directive (as now applicable to the Prospectus Regulation (EU) 2017/1129) ("**ESMA Update**"). Although the ESMA Update does not form part of the UK's EU Retained Law, the Financial Conduct Authority (the "**FCA**") expects issuers to apply the provisions to the extent relevant. Accordingly, the valuation and Valuation Report is also compliant with paragraphs 128-130 of the ESMA Update

1.4 Status of Valuer and Conflicts of Interest

We confirm that all valuers who have contributed to the valuation have complied with the requirements of PS1 of the RICS Red Book. We confirm that we have sufficient current knowledge of the relevant markets, and the skills and understanding to undertake the valuation competently. The Valuation is the responsibility of Sophia Sham MRICS and Tom Robinson MRICS, who are members of the RICS Valuer Registration Scheme and are in a position to provide an objective and unbiased Valuation, and who will act as "**External Valuer**" (as defined in the RICS Red Book) qualified for the Purpose of Valuation.

C&W have current involvement with the Properties in that they are the incumbent valuers to the Company and provide biannual valuations for inclusion in the Company's accounts. C&W undertake various instructions in providing property advice to the Company. We therefore confirm that C&W have current, anticipated and previous recent involvement with the Properties. The advice includes regular valuations of the Properties for accounts purposes as well as ongoing agency, development and other advice in respect of the Properties. We refer to paragraph 1.6 regarding the level of fees received from the Company.

1.5 Purposes of Valuation

The purpose of the Valuation Report ("**Purpose of Valuation**") is:

- for inclusion in a prospectus to be published by the Company in connection with the issue of new ordinary shares in the capital of the Company pursuant to an initial placing, open offer, intermediaries offer, offer for subscription and placing programme (the "**Proposed Transaction**" and the prospectus prepared in connection with the Proposed Transaction being referred to in this letter as the "**Prospectus**") as a result of which new shares in the Company will be admitted to the premium listing segment of the Official List of the FCA and to trading on the main market for listed securities of London Stock Exchange plc (the "**London Stock Exchange**").
- For the purposes of this Valuation Report, the Prospectus and/or any supplementary prospectus and/or circular together with any scheme document, offer document, response circular, or any other document or supplementary circular shall together be referred to as the "**Transaction Documentation**" and "**Transaction Document**" shall mean any such document).
- To establish whether a material change has occurred in the Valuation of the Properties since the Valuation Date and the date of the relevant Transaction Document.

Therefore, in accordance with PS 2.5 and UKVS 3 we have made certain disclosures in connection with this valuation instruction and our relationship with you. These are included in item 1.6 below.

1.6 Disclosures required under the provisions of PS 2.5 and UK VPS 3

Signatories

Sophia Sham MRICS and Tom Robinson MRICS have been the signatories of Valuation Reports provided to the Company in respect of the Properties for the purpose of inclusion in the Company's report and accounts for a continuous period since December 2020 and September 2021 respectively.

C&W endorses the RICS view that it is good practice to rotate the valuer responsible for Regulated Purpose Valuations at intervals not exceeding seven years. C&W's policy in this regard is explained in the Engagement.

Fee income from the Company

Cushman & Wakefield's financial year end is 31 December. We confirm that the proportion of fees payable by the Client to C&W in the financial year to 31 December 2021 was less than 5%. We anticipate that the proportion of fees for the financial year to 31 December 2022 will remain at less than 5%.

C&W's relationship with the Company and involvement in the Properties

C&W has been undertaking various instructions for the Company for a number of years and we confirm that we have current, anticipated and previous recent involvement with certain of the Properties. We confirm that this factor has been discussed with the Company who has agreed for C&W to act in such capacities.

C&W have not received an introductory fee or negotiated a purchase of any of the Properties within the last 12 months.

1.7 Inspection

The Properties have been subject to internal or external inspection prior to the acquisition of the initial portfolio. Subsequent acquisitions have been subject to inspections prior to the relevant acquisition being completed. All inspection have been undertaken by qualified Chartered Surveyors. We undertake a rolling inspection programme whereby each Property is subject to internal inspection at least once every three years, those inspections being evenly spread each quarter.

The Properties have been revalued for the purpose of this Valuation Report without reinspection of the majority of the Properties.

We confirm that, as at the date of this Valuation Report, there has been no material change since 30 November 2021 in any matter relating to the Properties which, in our opinion, would have a material effect on the Market Value of the Properties.

In accordance with the ESMA Update (ESMA/2013/319) para.130(ii) the date each Property was last inspected is included in the Property Schedule in Appendix C to this Report.

1.8 Departures

We have made no Departures from the RICS Red Book.

1.9 Limitations

The valuation is subject to the following limitation:

The majority of the Properties have not been re-inspected for the purpose of this valuation. A valuation without re-inspection could have an impact on the accuracy of the valuation reported if, at a later date, matters are discovered that would have been revealed by an inspection.

1.10 Floor Areas

Unless specified otherwise, floor areas and analysis in this report are based on the following bases of measurement, as defined in RICS Property Measurement and RICS Code of Measuring Practice (the edition current at the Valuation Date):

Retail	NIA
Restaurant	GIA
Office	NIA
Residential	GIA

1.11 Measurement and Accommodation

As a trading entity, care homes are typically valued by reference to their earnings potential adopting an income approach of valuation. We have, therefore, not undertaken a measured survey of the Properties. We have, however, taken spot measurements of some parts of the Properties for comparative purposes and these measurements are expressed in terms of Gross Internal Area.

1.12 Sources of Information

In addition to information established by us, we have relied on the information obtained from you and others listed in this Valuation Report, and in particular in Appendix B, Sources of Information.

Having taken reasonable care to ensure that, in our professional opinion, the information provided is likely to be reliable, we have made the Assumption that the information provided by the Company and its professional advisers in respect of the Properties we have valued is both full and correct. We have made the further Assumption that details of all matters relevant to value within the Company and its professional advisers' collective knowledge, such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to us, and that such information is up to date.

We confirm that the valuation has been undertaken bringing the required levels of independence and objectivity to bear on the instruction, applying professional scepticism to information and data where it is provided and relied on as evidence.

1.13 General Comment

All valuations are professional opinions on a stated basis, coupled with any appropriate assumptions or Special Assumptions. A valuation is not a fact, it is an estimate. The degree of subjectivity involved will inevitably vary from case to case, as will the degree of certainty, or probability, that the valuer's opinion of value would exactly coincide with the price achieved were there an actual sale at the Valuation Date.

Property values can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the date of valuation were to change. If you wish to rely on our valuation as being valid on any other date you should consult us first.

Should you contemplate a sale, we strongly recommend that the Properties are given proper exposure to the market.

A copy of this Valuation Report should be provided to your solicitors and they should be asked to inform us if they are aware of any aspect which is different, or in addition, to that we have set out; in which case we will be pleased to reconsider our opinion of value in the light of their advice and / or opinions.

1.14 Market Conditions – COVID 19

Market conditions explanatory note: Novel Coronavirus (COVID-19)

The COVID-19 pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date property markets are functioning again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

For the avoidance of doubt this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

2. Taxation and costs

The opinion of value which C&W will attribute to the Properties will be the figure C&W considers would appear in a contract for sale, subject to the appropriate assumptions for the Basis of Value reported. Costs associated with the transaction, including any taxes, legal fees and other expenses, would be payable by the purchaser in addition to the figure reported.

No adjustment will be made by C&W to reflect any liability to taxation that may arise on disposal, or development of the Properties nor for any costs associated with disposal incurred by the owner. Furthermore, no allowance will be made by C&W to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposal.

3. **C&W's valuation figure for the Properties will be that receivable by a willing seller excluding VAT, if applicable.**

The valuations and rents included in this Valuation Report are net of value added tax at the prevailing rate.

4. **Property Information**

4.1 **Enquiries**

We have undertaken and completed the various matters referred to in the "Scope of Services" section of the VSS in Appendix A. Save as referred to below, the results of our enquiries and inspections do not contradict the Assumptions which we have made and are referred to in the Engagement.

5. **Basis of Valuation**

The basis of value for this Valuation Report as required by the FCA's Prospectus Regulation Rules and Listing Rules and by the Code is Market Value and therefore these valuations have been prepared on a Market Value basis.

Market Value

The value of the Properties has been assessed in accordance with the relevant parts of the current RICS Red Book. In particular, we have assessed Market Value as referred to in VPS4, Item 4 of the current edition of the RICS Valuation - Global Standards which incorporate the International Valuation Standards ("IVS") and the RICS UK national supplement (the "RICS Red Book"), and applying the conceptual framework which is set out in IVS104:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The Code requires that the basis of valuation should be Market Value. Our valuation as at 30 November 2021 addressed to the Company for financial reporting purposes was on the basis of Fair Value – IFRS (the definition of which is reproduced in Appendix 2 to the Valuation Services Schedule attached at Appendix A). However, the references in the IFRS 13 definition to market participants and a sale make it clear that for most practical purposes the concept of Fair Value is consistent with that of Market Value and so there would be no difference between them in terms of the valuation figure reported.

Our Valuation has been undertaken in accordance with the relevant provisions of the Code and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards (being independent experts for the purposes of paragraph 130 of the ESMA Guidelines). The Properties are held as investments and we have therefore used the appropriate property investment valuation methodology to calculate the Market Values.

6. **Assumptions and Special Assumptions**

The Glossary in the RICS Red Book refers to an Assumption as a "supposition taken to be true". In this context, Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. A Special Assumption is referred to in the Glossary in the RICS Red Book as an Assumption that "either assumes facts that differ from the actual facts existing at the valuation date, or that would not be made by a typical market participant in a transaction on the valuation date".

The Assumptions we have made for the purposes of our valuation are referred to below:-

Title

Save as disclosed either in any Certificate of Title or unless specifically advised to the contrary by the Company or its legal advisers and as referred to in the Valuation Report, C&W have made the Assumption that there is good and marketable title in all cases and that the property is free from rights of way or easements, restrictive covenants, disputes or onerous or unusual outgoing. C&W have made an Assumption that the Property is free from mortgages, charges or other encumbrances.

If verification of the accuracy of any site plans contained in the Valuation Report is required, the matter must be referred to the Company's legal advisers.

Save as disclosed to us as above, C&W have made the Assumption that roads and sewers serving the Property have been adopted and that the Property has all necessary rights of access over common estate

roads, paths, corridors and stairways, and rights to use common parking areas, loading areas and other facilities.

For the avoidance of doubt, C&W have been provided with Certificates of Title by Messrs Travers Smith, together with an overview report and a further summary of material issues on or around the date of this report.

Condition of Structure and Services, Deleterious Materials and Ground Conditions

Due regard has been paid by C&W to the apparent general state of repair and condition of the Property, but a condition or structural survey has not been undertaken, nor have woodwork or other parts of the structure which are covered, unexposed or inaccessible, been inspected. Therefore, C&W are unable to report that the Property is structurally sound or is free from any defects. C&W have made an Assumption that the Property is free from any rot, infestation, adverse toxic chemical treatments, and structural, design or any other defects other than such as may be mentioned in the Valuation Report.

C&W have not arranged for investigations to be made to determine whether any deleterious, hazardous or harmful materials (including but not limited to high alumina cement concrete or calcium chloride additive) have been used in the construction or any alterations, and therefore C&W is unable to confirm that the Property is free from risk in this regard. For the purposes of the Valuation, C&W have made an Assumption that any such investigation would not reveal the presence of such materials in any adverse condition.

C&W have not carried out an asbestos inspection and did not act as an asbestos inspector in completing the valuation inspection of Property that may fall within the Control of the Asbestos at Work Regulations 2012. C&W have not made an enquiry of the duty holder (as defined in the Control of Asbestos at Work Regulations 2012), of an existence of an Asbestos Register or of any plan for the management of asbestos to be made. Where relevant, C&W have made an Assumption that there is a duty holder, as defined in the Control of Asbestos at Work Regulations 2012 and that a Register of Asbestos and Effective Management Plan is in place, which does not require any immediate expenditure, or pose a significant risk to health, or breach the HSE regulations. C&W recommends that such enquiries be undertaken by the Client's legal advisers during normal pre-contract or pre-loan enquiries.

No mining, geological or other investigations have been undertaken by C&W to certify that the sites are free from any defect as to foundations. C&W have made an Assumption that all buildings have been constructed having appropriate regard to existing ground conditions or that these would have no unusual or adverse effect on building costs, property values or viability of any development or existing buildings.

C&W have made the Assumptions that there are no services on, or crossing the site in a position which would inhibit development or make it unduly expensive, and that the site has no archaeological significance, which might adversely affect the present or future occupation, development or value of the Property.

No tests have been carried out by C&W as to electrical, electronic, heating, plant and machinery equipment or any other services nor have the drains been tested. However, C&W have made an Assumption that all building services (including, but not limited to lifts, electrical, electronic, gas, plumbing, heating, drainage, sprinklers, ventilation, air conditioning and security systems) and property services (such as incoming mains, waste, drains, utility supplies etc.) are in good working order and without any defect whatsoever.

Environmental Matters

We have made enquiries of the Environment Agency website in order, so far as reasonably possible, to establish the potential existence of contamination arising out of previous or present uses of the sites and any adjoining sites. We have not undertaken a formal environment assessment.

Our enquiries and inspection have provided no evidence that there is a significant risk of contamination in respect of any of the Properties. Accordingly, you have instructed us to make an Assumption that no contamination or other adverse environmental matters exist in relation to the Properties sufficient to affect value. Other than as referred to above, we have not made any investigations into past or present uses, either of the Properties or any neighbouring land to establish whether there is any contamination or potential for contamination to the subject Properties. Commensurate with our Assumptions set out above we have made no allowance in these valuations for any effect in respect of actual or potential contamination of land or buildings. A purchaser in the market would, in practice, undertake further investigations than those undertaken by us. If it is subsequently established that contamination exists at any of the Properties or on any neighbouring land or that any of the premises have been, or are being, put to any contaminative use then this might reduce the values now reported.

Flooding

Where our inspections and enquiries of the Environment Agency have provided no evidence that the Properties are exposed to significant risk of flooding, unless you have instructed otherwise, we have made an Assumption that each property is located outside the extent of high chance of flood. This is categorised as being a chance of flooding equivalent to 3.3% (1 in 30).

Areas

Where C&W have measured and calculated the floor areas, measurement is in accordance with the RICS Property Measurement and RICS Code of Measuring Practice (the edition current at the Valuation Date).

Where C&W have been provided with floor areas, C&W have made an Assumption that the areas have been measured and calculated in accordance the RICS Property Measurement and RICS Code of Measuring Practice (the edition current at the Valuation Date).

Statutory Requirements and Planning

Save as disclosed in a Certificate of Title, or unless otherwise advised, C&W have made the Assumption that all of the buildings have been constructed in full compliance with valid town planning and building regulations approvals and that where necessary, they have the benefit of current Fire Risk Assessments compliant with the requirements of the Regulatory Reform (Fire Safety) Order 2005. Similarly, C&W have also made the Assumption that the Property is not subject to any outstanding statutory notices as to construction, use or occupation and that all existing uses of the Property are duly authorised or established and that no adverse planning conditions or restrictions apply.

C&W have made the Assumption that the Property complies with all relevant statutory requirements.

Energy Performance Certificates ("EPC") must be made available for all properties, when bought or sold, subject to certain exemptions. If the Property is not exempt from the requirements of this Directive C&W have made an Assumption that an EPC is made available, free of charge, to a purchaser of all the interests which are the subject of the Valuation.

In addition, in England and Wales the Minimum Energy Efficiency Standards Regulations come into force in April 2018 and their effect will be to make it unlawful to rent out a premises with an EPC rating which, according to Government proposals issued in February 2015, falls below an E rating. C&W have asked the Company or its advisors for information relating to the EPC ratings of the Property if the Property is not exempt from these requirements. In any instance where C&W have not been provided with an up to date EPC rating C&W have made the Assumption that the subject property meets the minimum requirements to enable it to be let after April 2018.

In Scotland, the Energy Performance of Non-Domestic Buildings (Scotland) Regulation 2016 (the "Regulation") requires that qualifying properties have an energy assessment completed and an action plan prepared prior to sale or leasing. If the Property is not exempt from the requirements of the Regulation C&W have made an Assumption that an energy assessment and action plan is made available, free of charge, to a purchaser of the interests which are the subject of the Valuation and that there is no capital expenditure required in order to comply with the requirements of the Regulation.

In any instance where C&W is to value Property with the benefit of a recently granted planning consent, or on the Special Assumption that planning consent is granted, C&W have made an Assumption that it will not be challenged under Judicial Review. Such a challenge can be brought by anyone (even those with only a tenuous connection with the Property, or the area in which it is located) within a period of three months of the granting of a planning consent. When a planning consent is granted subject to a Section 106 Agreement, the three-month period commences when the Section 106 Agreement is signed by all parties.

Tenancies and Leasing

C&W's opinion of the Market Value is subject to existing leases of which the Client or its advisors have made C&W aware but otherwise reflects an Assumption of vacant possession. Where C&W has undertaken to read the leases and related documents provided to it, C&W have made an Assumption that copies of all relevant documents have been sent to C&W and that they are complete and up to date.

Where C&W relies on tenancy and lease information provided to it, unless such information reveals otherwise, C&W have made the Assumption that all occupational leases are on full repairing and insuring terms, with no unusual or onerous provisions or covenants that would affect value.

C&W have made an Assumption that vacant possession can be given of all accommodation which is unlet or occupied by the entity/borrower or its employees on service tenancies. C&W have not taken account of any leases between subsidiaries unless C&W states otherwise in the Valuation Report.

C&W have not undertaken investigations into the financial strength of any tenants unless otherwise

referred to in the Valuation Report. Unless C&W have become aware by general knowledge, or have been specifically advised to the contrary, C&W have made an Assumption that:

- (a) where a Property is occupied under leases then the tenants are financially in a position to meet their obligations, and
- (b) there are no material arrears of rent or service charges, breaches of covenant, current or anticipated tenant disputes.

However, the Valuation reflects a potential purchaser's likely opinion of the credit worthiness of the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation.

C&W have taken into account any information the Client or its advisors provided concerning tenants' improvements. Otherwise, if the extent of tenants' alterations or improvements cannot be confirmed, C&W have made an Assumption that the Property was let with all alterations and improvements evident during C&W's inspection (or, in the case of a Valuation without internal inspection, as described within the information provided by the Client).

C&W have made an Assumption that wherever rent reviews or lease renewals are pending or impending, with anticipated reversionary changes, all notices have been served validly within the appropriate time limits.

Information

C&W have made an Assumption that the information provided by the Company and/or its professional advisers in respect of the Property that has been valued is both full and correct. C&W have made an Assumption that details of all matters relevant to value within their collective knowledge, including but not limited to matters such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to it, and that such information is up to date.

Information provided includes, but is not limited to:

- Prior year management accounts per property;
- Current year to date management accounts per property;
- Current rent passing plus details of any relevant ongoing negotiations regarding lease changes, rent re-structuring or potential of assignment from one tenant to a new tenant;
- Average weekly fees per property plus current and recent occupancy levels; and
- Details of any recent, current or proposed significant expenditure or refurbishment costs on a per property basis.

Landlord and Tenant Act 1987

The Landlord and Tenant Act 1987 (the "**Act**") gives certain rights to defined residential tenants to acquire the freehold/head leasehold interest in a building where more than 50% of the floor space is in residential use. Where this is applicable, C&W have made an Assumption that necessary notices have been given to the residential tenants under the provisions of the Act, and that such tenants have elected not to acquire the freehold or head leasehold interest, and therefore disposal into the open market is unrestricted.

Trade Related Property

We assume that each tenant company will be responsible for the day to day operation of the business and that the properties are fully equipped operational entities. This necessarily requires an Assumption that on the sale or letting of the property, where necessary, the trade inventory, licenses etc required to continue trading are available. C&W's valuation is provided on this basis. In addition we reflect the contents of RICS VPGA 4, where relevant, which refers to the valuation of trade related property in assessing both Market Value and Market Rental Value.

VPGA 9 – Identification of Portfolios

We specifically refer to VPGA 9, paragraph 3.8 in the context of this valuation. In our opinion the value achieved could differ significantly depending on whether the properties were disposed of individually, in groups or in a single lot. For the avoidance of doubt, our approach in this valuation is that the Properties comprising the portfolio are sold individually in the open market at the date of valuation. The Market Value reported herein is therefore an aggregate individual Market Value.

No account is taken of flooding the market as at the date of valuation in accordance with the RICS Red

Book.

7. Valuation Approach and Reasoning

Our opinion of the Market Value of the Property has been primarily derived using comparable recent rental and investment market transactions on arm's length terms. We have adopted an investment method of valuation based on an income approach and adopted a suitable market capitalisation rate.

For a property in the course of refurbishment/reconfiguration, the Market Value will reflect the investment value of the completed property, assuming that it had been completed at the valuation date, less the anticipated costs to complete.

Other than as stated below, each Property has been valued individually and we have excluded any addition or deduction that might arise if a sale as a portfolio were contemplated. We have assumed that each of the Properties had been marketed in an orderly way and not placed on the market at the same time.

In accordance with VPS1 Item 3 d) and VPGA 9 of the current edition of the RICS Valuation – Global Standards, in undertaking our valuations we have lotted together certain individual properties to form a separate property (each referred to as a "Property", collectively as the "Properties") in the manner we consider to be most likely to be adopted in the case of an actual sale. We consider that lotting the properties together on the basis reflected in our valuations would allow a purchaser to capitalise on the estate management advantages and opportunities available from such comprehensive ownership.

8. Valuation

Having regard to the foregoing, we are of the opinion that the aggregate of the Market Values ("**Aggregate Value**"), as at the Valuation Date, of the freehold and leasehold interests in the Properties owned by the Company, subject to the Assumptions and comments in our Reports and the Appendices, was:

			Number of Properties
Freehold	£398,201,000	(Three Hundred and Ninety Eight Million Two Hundred and One Thousand Pounds	101
Long Leasehold	£60,740,000	(Sixty Million Seven Hundred and Forty Thousand Pounds)	10
Total	£458,941,000	(Four Hundred and Fifty Eight Million Nine Hundred and Forty One Thousand Pounds)	111

The Company have confirmed, as at the date of this Valuation Report, there has been no material change since 30 September 2021 in any matter relating to the Properties which, in our opinion, would have a material effect on the Market Value of such Properties.

For details of the tenure of each property, please refer to the schedule of individual properties in Appendix 1 of the VSS contained in Appendix A. We have undertaken a notional apportionment of the Market Value between the freehold and long leasehold elements of each Lotted Property below.

(3) Long leasehold is defined as an interest with an unexpired term of more than 50 years.

In arriving at our opinion of Market Value of the aggregate of the interests of the above Properties, we have valued each property individually. We have assumed that the Properties would be marketed in an orderly way and not all placed on the market at the same time.

Properties with an individual value of more than 5% of the Company's total aggregate valuation

There are no Properties included in the Aggregate Value with a value of more than 5% of the Company's total aggregate valuation.

Property Acquisitions and Disposals

Since the Valuation Date the Company has made the following acquisitions and disposals:

Kingdom Homes completed on 23 December 2021 for a consideration of £37.5m with a deferred payment of £2.5m subject to performance targets being met. It should be noted that the incoming tenant, Holmes Care, have acquired these in the first instance to facilitate re-registration with CI, once this is complete, they will follow with a sale and leaseback with Impact who will acquire at the same level as the purchase price.

8.1 ESMA 130(vi)

Pursuant to paragraph 130 of the ESMA Update, we are required to comment on any differences between the valuation figures in this Valuation Report and the valuation figures as at 31 December 2020 included in the Company's latest published annual accounts (£418,787,000). The differences between the valuation as at 31 December 2020 and the Valuation Date are attributable to a number of factors, including the acquisition and disposal of several properties by the Company in the period between 31 December 2020 and the Valuation Date, rent reviews which were subject to RPI increases at those Properties with a rent review event post 31 December 2020, changes to trading positions and rentalised capital expenditure.

9. Disclosure

Except in connection with the Purpose of the Valuation set out above or as expressly contemplated in the Engagement Letter you must not disclose the contents of this Valuation Report to a third party in any way, including where we are not referred to by name or if the Valuation Report is to be combined with other reports, documents or information, without first obtaining our written approval to the form and context of the proposed disclosure in accordance with the terms of the Engagement. We will not approve any disclosure that does not refer adequately to the terms of the Engagement and any Special Assumptions or Departures that we have made.

Save as set out in the Engagement or for the Purpose of the Valuation, this Valuation Report or any part of it may not be modified, altered (including altering the context in which the Valuation Report is displayed) or reproduced without our prior written consent. Any person who breaches this provision shall indemnify us against all claims, costs, losses and expenses that we may suffer as a result of such breach.

To the extent permitted by law, we hereby exclude all liability arising from use of and/or reliance on this Valuation Report by any person or persons except as otherwise set out in the terms of the Engagement.

10. Reliance

No reliance may be placed upon the contents of this Valuation Report by any party for any purpose other than in connection with the Purpose of Valuation.

Save for any responsibility to any person arising under Prospectus Regulation Rule 5.3.2R(2)(f) as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any person other than the Addressees (save as otherwise provided for in the terms of the Engagement) for any loss suffered by any such other person as a result of, arising out of, or in connection with this Valuation Report or our statement, required by and given solely for the purposes of complying with Annex 1 item 1.3 of the Prospectus Regulation forming part of the UK's Retained Law.

11. Consent and Responsibility

In connection with the Purposes of Valuation, we hereby give our consent for this Valuation Report to be included in the Prospectus.

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this Valuation Report as part of the Prospectus and accept responsibility for the information contained in this Valuation Report and we declare that, to the best of our knowledge, the information contained in this Valuation Report is in accordance with the facts and contains no omission likely to affect its import. This Valuation Report complies with Rule 5.4.5G of the Prospectus Regulation Rules and Paragraph 128 to 130 of the ESMA Update.

Signed for and on behalf of Cushman & Wakefield Debenham Tie Leung Limited

Sophia Sham MRICS
Partner
RICS Registered Valuer
+44 (0)117 910 6675
sophia.sham@cushwake.com

Tom Robinson MRICS
Partner
RICS Registered Valuer
+44 (0)20 7152 5866
tom.robinson@cushwake.com

APPENDIX A: ENGAGEMENT

Services Schedule – Valuation & Advisory

1. Property Details

Appendix 1 includes the address, tenure and property type of each of the properties ("**Properties**") to be valued ("**Property Schedule**").

The Properties are held by Impact Healthcare REIT plc or other members of its group.

2. Client

Impact Healthcare REIT plc (the "**Client**").

3. Addressees

The Valuation Report will be addressed to the Client.

The Valuation Report will also be addressed to (i) Jefferies International Limited; and (ii) Winterflood Securities Limited, (together, (i) and (ii), being the "**Addressees**").

The Addressees shall be entitled to rely on the Valuation Report subject always to the terms of the Engagement.

By relying on the Valuation Report, the Addressees shall be deemed to acknowledge and agree that C&W's duties and obligations to the Addressees under and in connection with the Valuation Report shall be no different or greater and of no longer duration than the duties and obligations which C&W owes to the Client under the Engagement.

C&W shall have no greater liability to the Addressees by virtue of such reliance, either in nature, extent, or in time, than C&W has to the Client under the Engagement and C&W shall be entitled to rely on any limitation in the Engagement and to raise the equivalent rights in defence of liability or indemnity to the Addressees (both jointly and severally) as are available to C&W against the Client under the Engagement.

Subject to any responsibility assumed by C&W and arising to any person under Prospectus Regulation Rule 5.3.2R(2)(f) as and to the extent provided under the Prospectus Regulation Rules of the Financial Conduct Authority (the "**Prospectus Regulation Rules**"), C&W's limit of liability under this Engagement represents the maximum total liability to the Addressees and all other parties permitted to rely on the Valuation Report in the aggregate. Clause 8 of the Terms of Business shall be subject to any responsibility assumed by C&W and arising to any person under Prospectus Regulation Rule 5.3.2R(2)(f) as and to the extent provided under the Prospectus Regulation Rules.

4. Client Instructions

The Client has instructed C&W to:

- (a) Undertake a valuation of the legal interest(s) in the Properties described in the Property Schedule ("**Valuation**") as at the date of the report (the "**Valuation Date**").
- (b) Provide a valuation report in the format referred to in the 'Scope of Services' section below ("**Valuation Report**") for the following purpose of valuation ("**Purpose of Valuation**"):
- (c) · in connection with the issue of new ordinary shares for cash on the main market of the London Stock Exchange in respect of which the Valuation Report will be included in a prospectus (the "**Prospectus**", which shall include any supplementary prospectus which is to be published by the Company relating to the Prospectus) and, at the Client's option, for publication and reproduction within a circular for notice of general meeting of the Company (the "**Circular**").

5. Bases of Valuation

In accordance with the Client's instructions, C&W will undertake the Valuation on the following bases:

5.1 Market Value

Market Value as referred to in VPS4, Item 4 of the current edition of the RICS Valuation - Global Standards which incorporate the International Valuation Standards ("**IVS**") and the RICS UK national supplement (the "**RICS Red Book**"), and applying the conceptual framework which is set out in IVS104:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"

5.2 Special Assumptions

The Glossary of the RICS Red Book states that an Assumption "that either assumes facts that differ from the actual facts existing at the valuation date, or that would not be made by a typical market participant in a transaction on the valuation date" is a "**Special Assumption**".

As instructed, we will not make any Special Assumptions.

6. Scope of Services

Included in the Services are:

6.1 Valuation Report

Providing a Valuation Report that will be prepared in English. C&W will provide one electronic copy of the Valuation Report and, if requested, one signed hard copy for the Client and each Addressee (three hard copies in total). Where the Valuation Report is required to contain site plans these will be based on extracts of the Ordnance Survey or other maps showing, for identification purposes only, C&W's understanding of the extent of title based on site inspections or copy title plans supplied to C&W. The Client should not rely on C&W's plans to define boundaries.

We will prepare our Valuation Report in an appropriate format in accordance with the Prospectus Regulation Rules and paragraphs 128 to 120 of the ESMA update of the CESR Recommendations on the consistent implementation of the Prospectus Directive (No. 809/2004/EC (the "**ESMA Requirements**").

We will, where requested (i) circulate drafts of our Valuation Report and liaise with you and your advisers; (ii) provide comments and mark-ups to the Prospectus relating to the descriptions of property valuations within the Prospectus; and (iii) discuss, with you and your advisers, property valuation matters and issues as they arise.

We will keep you informed on the progress of our work and give you warning of any matter which comes to our attention which may affect our ability to provide the Valuation Report or any of the letters set out in Appendix 3 at the relevant time. We will notify you of any material matters which arise that may affect the delivery or timing of the Valuation Report or any of the letters set out in Appendix 3 or affect the feasibility or timing of the publication of the Prospectus.

6.2 Currency

Providing a Valuation in UK Pounds Sterling (£).

6.3 Inspections

In accordance with your instructions we will inspect 10% of the properties in the portfolio. For the properties that will be inspected, we will undertake internal inspections and external inspections from ground level.

Properties not subject to an inspection will be valued on the basis of valuation without inspection (VPS 2.2 RICS Red Book).

Unless the Client advises C&W in writing in advance, valuations undertaken without re-inspection will be based on an Assumption that there have been no such material changes since the Properties were last inspected by C&W. It should be noted that if this Assumption proves to be incorrect there may be a material impact on the accuracy of the valuation reported.

You are aware that a valuation without re-inspection may impact the robustness of the valuation. This could have an impact on the accuracy of the valuation reported if, at a later date, matters are discovered that would have been revealed by an inspection.

6.4 Floor Areas

As the Properties are trading entities where the value is assessed by reference to trading potential, we will not undertake a measured survey.

6.5 Tenancies & Leasing

Relying on tenancy information provided, subject to the provisions of section 11.3 of the Assumptions. For the avoidance of doubt, C&W will not read copy leases.

6.6 Environmental Matters (including Flooding)

Reviewing the relevant Local Authority websites regarding environmental matters, including contamination and flooding and reviewing the Scottish Environment Protection Agency (SEPA) website for flood risk (subject to the provisions of section 11.4 of the Assumptions). For the avoidance of doubt, C&W will not undertake an environmental assessment or prepare a land quality statement, which would be the responsibility of an environmental consultant or chartered environmental surveyor. In this respect, C&W will have regard to any environmental reports provided to C&W (subject to the provisions of section 11.4 of the Assumptions).

6.7 Title

Reading a Certificate of Title where this is provided to C&W and reflecting its contents in the Valuation (subject to the provisions of section 11.6 of the Assumptions).

C&W will not inspect the title deeds of the Properties.

Unless agreed in writing in advance with the Client, C&W will not obtain information from the Land Registry.

6.8 Condition of Structure & Services, Deleterious Materials and Ground Conditions

Taking into account the general condition of the Properties as observed from the inspection (subject to section 11.7 of the Assumptions). Where a separate condition or structural survey has been undertaken and made available to C&W, C&W will reflect the contents of the survey or condition report in the Valuation Report, but may need to discuss the survey or condition report with the originating surveyor.

6.9 Statutory Requirements and Planning

Making verbal or electronic enquiries of the relevant planning authorities as to the possibility of highway proposals, comprehensive development schemes and other ancillary planning matters that could affect property values. C&W will also seek to ascertain whether any outstanding planning applications exist which may affect the Properties, and whether the Properties are listed or included in a Conservation Area. C&W will also attempt to verify the existing permitted use of the Properties, and endeavour to have sight of any copies of planning permissions. For the avoidance of doubt, C&W will not undertake formal searches.

6.10 Exclusion

Where C&W is engaged to prepare a Valuation Report in connection with a proposed transaction in respect of the Properties, expressly excluded from the Services is the provision of any recommendation or otherwise by C&W as to whether to proceed with such a proposed transaction. Accordingly, the Client must not in any circumstances construe the Valuation Report as a recommendation whether or not to proceed with such a proposed transaction.

7. Basis of Appointment

C&W confirms that:

The Valuation and Valuation Report will be undertaken in accordance with the appropriate sections of the current edition of the RICS Valuation – Global Standards which incorporate the International Valuation Standards ("**IVS**") and the RICS UK national supplement (the "**RICS Red Book**"). In this context "current edition" means the version in force at the Valuation Date.

The Valuation will be the responsibility of Sophia Sham MRICS, who is a member of the RICS Valuer Registration Scheme and is in a position to provide an objective and unbiased Valuation. The Valuation will be undertaken by a suitably qualified valuer, or valuers, who has or have the knowledge, skills and understanding to undertake the Valuation competently and who will act as "**External Valuer(s)**" (as defined in the RICS Red Book) qualified for the Purpose of Valuation.

C&W does not (and any affiliates of C&W do not) act as external valuers as defined under the Alternative Investment Fund Managers Directive legislation, as it forms part of UK law and regulation by virtue of the European Union (Withdrawal) Act 2018 or otherwise, or its equivalent under any other jurisdiction's law ("**AIFMD**"). C&W expressly disclaims any responsibility or obligations under AIFMD and/or its equivalent

unless expressly agreed in writing in advance by C&W.

C&W has had no previous, recent or current involvement with the Properties and C&W does not anticipate any future fee earning relationship with the Properties or a party connected to the transaction. Therefore, C&W does not consider that any conflict arises in preparing the Valuation requested.

8. Inclusion in a Prospectus

8.1 We understand that the Valuation Report is required for inclusion in a prospectus (the "**Prospectus**") in connection with a proposed issue of new ordinary shares of £0.01 in the capital of the Company ("**New Ordinary Shares**"), as a result of which the New Ordinary Shares will be admitted to the Official List of the Financial Conduct Authority and admitted to trading on the London Stock Exchange's Main Market (the "**Listing**").

8.2 C&W understands that the final Prospectus, containing the final Valuation Report, will be approved by the FCA. C&W will therefore provide a final copy of the Valuation Report to be incorporated into the Prospectus, together with a consent and responsibility letter (in the form set out in Part A of Appendix 3) by which, *inter alia*, C&W will consent to the inclusion of, and accept responsibility (for the purpose of the Prospectus Regulation Rules) for, the Valuation Report within the Prospectus and any supplementary prospectus provided that (i) C&W has first approved the form in which the Valuation Report is to appear within the Prospectus and (ii) the consent and responsibility letter is factually correct.

8.3 In addition, C&W will provide a bringdown letter in the form set out in Part B of Appendix 3 (the "**Bringdown Letter**"), on:

- (i) the date of publication of each of the Prospectus and any supplementary prospectus;
- (ii) the date of admission to trading of the New Ordinary Shares,

such date to be notified to C&W by the Client, and address it to the Client, the Addressees and any person who we have allowed to rely on the Valuation Report for the Purpose of Valuation (excluding members of the general public). If necessary, and subject to agreement as to any additional fees, C&W will update and re-issue the Valuation Report to the Client and the Addressees.

8.4 C&W will include the following confirmation in the Valuation Report:

· "For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this Valuation Report as part of the Prospectus and accept responsibility for the information contained in this Valuation Report and we declare that, to the best of our knowledge, the information contained in this Valuation Report is in accordance with the facts and contains no omission likely to affect its import. This Valuation Report complies with Rule 5.4.5G of the Prospectus Regulation Rules and Paragraph 128 to 130 of the ESMA Update."

8.5 In addition to reproduction of the full text, other sections of the Prospectus may contain certain information extracted from the Valuation Report. If so, C&W will confirm in a letter whether such information has been properly and accurately extracted or computed from the Valuation Report (in the form set out in Part C of Appendix 3, the "**Correct Extraction Letter**").

Except for any responsibility arising to any person under Prospectus Regulation Rule 5.3.2R(2)(f) as and to the extent provided under the Prospectus Regulation Rules, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person (save as otherwise set out in this Engagement Letter) for any loss suffered by any such other person as a result of, arising out of, or in accordance with the Valuation Report or our statement set out above required by and given solely for the purposes of complying with Annex 1, item 1.3 of the Commission Delegated Regulation (EU) no. 2019/980 (as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018), consenting to its inclusion in the Prospectus.

9. Fees and Expenses

C&W's Fee for undertaking the Services is £85,000.

The Fee excludes VAT which will also be payable pursuant to Clause 3 of the Terms of Business.

The Fee includes the provision of the copies of the Valuation Report referred to under 'Scope of Services'. Where additional hard copies are required, a charge may be made reflecting the time spent and costs

incurred.

C&W's invoice will be addressed to the Client. If C&W is requested to re-address an invoice after it has been issued, C&W reserves the right to make an administrative charge.

Invoices for Fees and, where appropriate, expenses shall be issued upon completion of the Valuation Report.

Where C&W undertakes to read reports prepared by third parties as part of the Engagement (such as Reports on Title or Structural Surveys), if these reports are provided some time after C&W has submitted the Valuation Report, and C&W is required to review and/or change the Valuation and/or advice in the light of the contents of any such reports, C&W reserves the right to charge an additional fee appropriate in relation to the time involved.

In the event that C&W agrees to re-address the Valuation Report to another party or other parties or permit reliance upon it by another party or other parties, C&W reserves the right to charge additional fees appropriate to the additional work involved and any extension of C&W's liability.

C&W's Fees and expenses shall be payable whether or not the transaction proceeds or the loan is drawn down, and in the event that instructions are withdrawn, the Fee or a proportion of it will be payable in accordance with Clause 12.4 of the Terms of Business.

10. Special and Additional Terms

10.1 Use of Valuation Report

The Valuation Report may be used only for the Purpose of Valuation referred to in item (b) of 'Client Instructions' in this Services Schedule.

10.2 Areas

Where C&W measures and calculates the floor areas, measurement will be in accordance with the current edition of the RICS Professional Statement RICS Property Measurement.

The areas C&W report will be appropriate for the Purpose of the Valuation but should not be relied upon for any other purpose.

10.3 Group of Properties / Lotting

Unless C&W has confirmed otherwise in this Services Schedule, each property will be valued individually; in the case of a portfolio, C&W will assume that each of the properties would be marketed in an orderly way and not placed on the market at the same time.

10.4 Limitations

There are no limitations.

10.5 Limitation of Liability

The cap on C&W's liability in Clause 11.3 of the Terms of Business shall not apply to the Valuation.

The following provisions of this paragraph 10.5 are subject to any responsibility arising to any person under Prospectus Regulation Rule 5.3.2R(2)(f) as and to the extent provided under the Prospectus Regulation Rules.

C&W's total aggregate liability arising under or in connection with this Engagement or any breach or non-performance no matter how fundamental (including by reason of negligence or breach of statutory duty) in contract, tort or otherwise, to the Client and any other party entitled to rely on the Valuation Report shall be limited in all circumstances to a sum not exceeding £100 million.

Where more than one value basis is adopted, the Market Value of the Properties shall be the Market Value without Special Assumptions; or, if this basis is not included in the Valuation Report, the Value basis most similar to the Market Value without Special Assumptions.

Where the Services relate to more than one property, C&W's maximum liability in respect of an individual property shall be in the same proportion to the total aggregate liability as such individual property's reported value is to the aggregate reported value, provided that the liability cap and apportionment described in this paragraph shall not apply in the event that a subscriber for New Ordinary Shares brings a claim against the Client as a result of our negligence in preparing the Valuation.

In the event C&W provides an update to the Valuation Report ("Update Report"), the Update Report, unless otherwise set out in the terms governing the Update Report, is subject to the same original instructions, assumptions and limitations that apply to this Valuation Report and C&W's aggregate limit of liability set out in this Engagement shall apply in aggregate to this Valuation Report and to the Update Report.

10.6 Disclosure

Save as detailed in section 8 of this Services Schedule (above) C&W will not consent to publication or disclosure of the Valuation Report unless, where relevant, it incorporates adequate reference to the Special Assumptions and/or Departures from the RICS Red Book referred to in this Services Schedule.

Clause 8 of the Terms of Business states that the provision of the services is for the Client's benefit only and is for the intended use as set out in section 8 of this Services Schedule (above) only. If C&W is subsequently asked to extend responsibility to other parties by way of a reliance letter, then there will be an additional fee payable, to be agreed, to cover C&W's additional time costs, indemnity and insurance liabilities subject to a minimum of £500, plus VAT.

In addition (other than in the Prospectus), if the Valuation Report, its contents, or C&W's name appears in any documents or materials made available for physical inspection, referenced in any stock exchange or other such announcements, or included in any form of press release or other presentations (including but not limited to investor presentations), or any other communication with third parties, and such information is attributed to C&W in such communication, the following disclaimer wording shall be included alongside any such disclosure:

"The valuation report dated [date] in respect of [property details] [a copy of which is enclosed] (the "Valuation") was prepared by Cushman & Wakefield Debenham Tie Leung Limited for the purpose of [transaction details] and exclusively for the benefit of the party which originally commissioned it (the "Client"). This Valuation and all information contained therein is being made available for information purposes only and on a non-reliance basis to those parties who view it and have not entered into a separate agreement with Cushman & Wakefield Debenham Tie Leung Limited in relation to it.

*Any information used from the Valuation, whether in part or otherwise, should be read in conjunction with the various assumptions and limitations from the Valuation but which may not themselves be fully set out here or within the Valuation itself. If you view the Valuation or any information contained therein regardless of its form or format, you agree to the below exclusion of liability: **"TO THE FULLEST EXTENT PERMITTED BY LAW CUSHMAN & WAKEFIELD DEBENHAM TIE LEUNG LIMITED EXCLUDES ALL LIABILITY ARISING FROM THE USE OF OR RELIANCE ON THE VALUATION OR ANY OF ITS CONTENTS BY ANY PERSON OTHER THAN THE CLIENT FOR ANY PURPOSES WHATSOEVER."***

The contents of the Valuation contain proprietary intellectual property and are intended to be confidential to the Client only and for the purpose originally agreed. Consequently, any party who views the Valuation may not share it with any third party, nor disclose it in any prospectus, circular, offering memorandum or other document or statement, without obtaining the consent of Cushman & Wakefield Debenham Tie Leung Limited (such consent is required whether or not we are referred to by name and whether or not our Valuation or the information contained therein is combined with others) and to the fullest extent permitted by law, no responsibility is accepted by Cushman & Wakefield Debenham Tie Leung Limited to any other party in respect of the whole or any part of its contents."

10.7 Age of Building

If C&W states the age of a building in the Valuation Report, this will be an estimate and for guidance only.

10.8 Condition of Structure, Foundations, Soil & Services

It is a condition of C&W or any related entity, or any qualified employee, providing advice and opinions as to value, that the Client and/or third parties (whether notified to C&W or not) accept that the Valuation Report in no way relates to, or gives warranties as to, the condition of the structure, foundations, soil and services.

10.9 Plant & Machinery

No allowance will be made by C&W for any items of plant or machinery not forming part of the service installations of the building(s). C&W will specifically exclude all items of plant, machinery and equipment installed wholly or primarily in connection with any of the occupants' businesses. C&W will also exclude furniture and furnishings, fixtures, fittings, vehicles, stock and loose tools, except where such items would

ordinarily transfer to a prospective purchaser in the sale of a trading business as a going concern.

10.10 Goodwill

No account will be taken by C&W in the Valuation of any business goodwill that may arise from the present occupation of the Properties, except where such business goodwill (excluding any personal goodwill) would ordinarily transfer to a prospective purchaser in the sale of a trading business as a going concern.

10.11 Statutory Requirements & Planning

Please note the fact that employees of town planning departments now always give information on the basis that it should not be relied upon and that formal searches should be made if more certain information is required. Where a Client needs to rely upon the information given about town planning matters, the Client's legal advisers must be instructed to institute such formal searches. C&W recommends that the Client requests C&W to review its comments and Valuation in light of any resultant findings.

10.12 Defective Premises Act 1972

No allowance will be made by C&W for rights, obligations or liabilities arising under the Defective Premises Act 1972.

10.13 Legal Issues

Legal issues, and in particular the interpretation of matters relating to title and leases, may have a significant bearing on the value of an interest in property. No responsibility or liability will be accepted by C&W for the true interpretation of the legal position of the Client or any other parties in respect of the Valuation. Where C&W expresses an opinion on legal issues affecting the Valuation, then such opinion is subject to verification by the Client with a suitable qualified legal adviser.

10.14 Deduction of Notional Purchaser's Costs

The opinion of value which C&W will attribute to the Properties will be the figure C&W considers would appear in a contract for sale, subject to the appropriate assumptions for the Basis of Value reported. Costs associated with the transaction, including any taxes, legal fees and other expenses, would be payable by the purchaser in addition to the figure reported.

Furthermore, the Client's attention is drawn to the fact that when assessing Market Value, for balance sheet purposes, C&W will not include directly attributable acquisition or disposal costs in the Valuation. Where C&W is requested to reflect these costs, they will be stated separately.

10.15 Taxation & Disposal Costs

No adjustment will be made by C&W to reflect any liability to taxation that may arise on disposal, or development of the Properties nor for any costs associated with disposal incurred by the owner. Furthermore, no allowance will be made by C&W to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposal.

C&W's valuation figure for the Properties will be that receivable by a willing seller excluding VAT, if applicable.

10.16 Monitoring

The compliance of the valuations undertaken in accordance with the RICS Red Book may be subject to monitoring by the RICS under its conduct and disciplinary regulations.

10.17 Valuation Components

The components of C&W's valuation calculations (such as future rental values, cost allowances, or void periods) may only be appropriate as part of the valuation calculations and should not be taken as a forecast or prediction of a future outcome. The Client should not rely on any component of the valuation calculations for any other purpose.

10.18 Trade Related Property

Valuation Practice Guidance Application 4 (VPGA 4) of the RICS Red Book sets out examples of properties that are normally bought and sold on the basis of their trading potential. The essential characteristics of such a property is that it has been designed or adapted for a specific use and the value of that property

reflects its trading potential. VPGA 4 relates only to the valuation of an individual property that is valued on the basis of trading potential. Where C&W is instructed to value a trade related property or business, C&W will apply the principles of VPGA 4 unless explicitly instructed to do otherwise and confirmed as appropriate in the Valuation Report.

The valuation approach for a trade related property as a fully equipped operational entity necessarily requires an Assumption that on the sale or letting of the property the trade inventory, licences etc required to continue trading are available. C&W's valuation is provided on this basis unless agreed to the contrary and referred to as appropriate within our Valuation Report.

11. Assumptions

The RICS Red Book contains a glossary that defines various terms used in the RICS Red Book that have a special or restricted meaning. One such term is an assumption which is defined as "A supposition taken to be true" ("Assumption"). Accordingly in this context, C&W will make certain Assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, the Valuation that C&W will not verify as part of the valuation process but rather, in accordance with the definition in the RICS Red Book, will treat as true because it is agreed that specific investigation by C&W is not required. In the event that any of these Assumptions prove to be incorrect then the Valuation will need to be reviewed.

11.1 Confirmation of Assumptions

The Client's counter-signature of the Engagement Letter represents confirmation that all of the Assumptions, referenced within the Assumptions section, are correct.

The Client must promptly notify C&W in writing if any of the Assumptions are incorrect. Should any amendment to the Assumptions set out in the Services Schedule result in an increase in the scope of the Engagement this may result in an appropriate increase in C&W's Fees and expenses due under the Engagement.

11.2 Areas

Where C&W is provided with floor areas, C&W will make an Assumption that the areas have been measured and calculated in accordance with the current edition of RICS Professional Statement RICS Property Measurement.

11.3 Tenancies and Leasing

C&W's opinion of the Market Value or Fair Value will be subject to existing leases of which the Client or its advisors have made C&W aware but otherwise will reflect an Assumption of vacant possession. Where C&W has undertaken to read the leases and related documents provided to it, C&W will make an Assumption that copies of all relevant documents will be sent to C&W and that they are complete and up to date.

Where C&W relies on tenancy and lease information provided to it, unless such information reveals otherwise, C&W will make the Assumption that all occupational leases are on full repairing and insuring terms, with no unusual or onerous provisions or covenants that would affect value.

C&W will make an Assumption that vacant possession can be given of all accommodation which is unlet or occupied by the entity or its employees on service tenancies. C&W will not take account of any leases between subsidiaries unless C&W states otherwise in the Services Schedule.

C&W will not undertake investigations into the financial strength of any tenants unless otherwise referred to in the Valuation Report. Unless C&W has become aware by general knowledge, or has been specifically advised to the contrary, C&W will make an Assumption that:

- (a) where Properties are occupied under leases then the tenants are financially in a position to meet their obligations, and
- (b) there are no material arrears of rent or service charges, breaches of covenant, current or anticipated tenant disputes.

However, the Valuation will reflect a potential purchaser's likely opinion of the credit worthiness of the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation.

C&W will take into account any information the Client or its advisors provide concerning tenants' improvements. Otherwise, if the extent of tenants' alterations or improvements cannot be confirmed,

C&W will make an Assumption that the Properties were let with all alterations and improvements evident during C&W's inspection (or, in the case of a Valuation without internal inspection, as described within the information provided by the Client).

C&W will also make an Assumption that wherever rent reviews or lease renewals are pending or impending, with anticipated reversionary changes, all notices have been served validly within the appropriate time limits.

11.4 Environmental Matters

If C&W's enquiries or any reports supplied to C&W indicate the existence of environmental problems without providing method statements and costings for remedial works, then C&W may not be able to issue a Valuation Report except on the Special Assumption that the Properties are assumed NOT to be affected by such environmental matters. In certain circumstances, the making of such a Special Assumption may be unrealistic and may be a Departure from the requirements of the RICS Red Book. In these circumstances, the Valuation Report may include a recommendation that an investigation should be undertaken to quantify the costs and that subsequently the Valuation should be reviewed.

Where C&W's enquiries lead C&W to believe that the Properties are unaffected by contamination or other adverse environmental problems, including but not limited to the risk of flooding, mining or quarrying, radon gas, and the proximity of high voltage electrical equipment then, unless the Client instructs C&W otherwise, the Valuation will be based on an Assumption that no contamination or other adverse environmental matters exist in relation to the Properties sufficient to affect value.

If the Properties lie within or close to a flood plain, or have a history of flooding, C&W will make the Assumption that building insurance is in place and available to be renewed to the current or any subsequent owner of the Properties, without payment of an excessive premium or excess.

In the absence of any information to the contrary, C&W will make the assumption that invasive species such as Japanese Knotweed are not present at the Properties.

High voltage overhead power cables and pylons may be located within or in close proximity of the Properties. The possible effects of electromagnetic fields have been the subject of media coverage. The National Radiological Protection Board (NRPB), has advised that there may be a risk in specified circumstances to the health of certain categories of people. Public perception may, therefore, affect marketability and future value of the Properties. Unless we determine otherwise, C&W will make an Assumption that there is no material impact resulting from the presence of high voltage overhead power cables and pylons at the Properties.

Depending on the nature of the investigations made and the information revealed, the Valuation Report may include a statement that, in practice, a purchaser might undertake further investigations and that if these revealed contamination or other adverse environmental problems, then this might reduce the value reported.

11.5 Mineral Rights

C&W will make an Assumption that any mineral rights are excluded from the Properties.

11.6 Title

Save as disclosed either in any Certificate of Title or unless specifically advised to the contrary by the Client or its legal advisers and as referred to in the Valuation Report, C&W will make the Assumption that there is good and marketable title in all cases and that the Properties are free from rights of way or easements, restrictive covenants, disputes or onerous or unusual outgoing. C&W will also make an assumption that the Properties are free from mortgages, charges or other encumbrances.

If verification of the accuracy of any site plans contained in the Valuation Report is required, the matter must be referred to the Client's legal advisers.

C&W will make the Assumption that roads and sewers serving the Properties have been adopted and that the Properties have all necessary rights of access over common estate roads, paths, corridors and stairways, and rights to use common parking areas, loading areas and other facilities.

11.7 Condition of Structure and Services, Deleterious Materials and Ground Conditions

Due regard will be paid by C&W to the apparent general state of repair and condition of the Properties, but a condition or structural survey will not be undertaken, nor will woodwork or other parts of the structure

which are covered, unexposed or inaccessible, be inspected. Therefore, C&W will be unable to report that the Properties are structurally sound or are free from any defects. C&W will make an Assumption that the Properties are free from any rot, infestation, adverse toxic chemical treatments, and structural, design or any other defects other than such as may be mentioned in the Valuation Report.

The current versions of the BRE publication "*List of excluded materials – a change in practice*" and British Council for Offices publication "*Good Practice in the Selection of Construction Materials*" make recommendations for good building practice and whether construction materials are considered to be deleterious, hazardous or harmful ("**Prohibited Materials**"). C&W will not arrange for investigations to be made to determine whether any Prohibited Materials have been used in the construction or any alterations of the Properties. C&W will not be able to confirm that the Properties are free from risk to health and safety or the fitness for purpose (suitability and durability) of any construction works, nor will C&W be able to confirm that the nature or application of any materials do not contravene any relevant British Standard or EU equivalent. For the purposes of the Valuation, C&W will make an Assumption that the Properties have been constructed in accordance with good building practice and any investigation of the Properties by a Chartered Building Surveyor would not reveal the presence of Prohibited Materials in any adverse condition.

C&W will not carry out an asbestos inspection and will not act as an asbestos inspector in completing the valuation inspection of Properties that may fall within the Control of the Asbestos at Work Regulations 2012. C&W will not make an enquiry of the duty holder (as defined in the Control of Asbestos of Work Regulations 2012), of an existence of an Asbestos Register or of any plan for the management of asbestos to be made. Where relevant, C&W will make an Assumption that there is a duty holder, as defined in the Control of Asbestos of Work Regulations 2012 and that a Register of Asbestos and Effective Management Plan is in place, which does not require any immediate expenditure, or pose a significant risk to health, or breach the HSE regulations. C&W recommends that such enquiries be undertaken by the Client's legal advisers during normal pre-contract or pre-loan enquiries.

C&W will consider any existing reports or documents relating to the presence of Prohibited Materials besides asbestos providing that these are made available. C&W will offer an opinion as to the adequacy and scope of such documents or reports but will not be able to verify their findings or give specific advice as this falls outside our scope of expertise. Such tasks will fall within the remit of the Client appointed relevant specialists.

No mining, geological or other investigations will be undertaken by C&W to certify that the sites are free from any defect as to foundations. C&W will make an Assumption that all buildings have been constructed having appropriate regard to existing ground conditions or that these would have no unusual or adverse effect on building costs, property values or viability of any development or existing buildings.

C&W will make the Assumptions that there are no services on, or crossing the site in a position which would inhibit development or make it unduly expensive, and that the site has no archaeological significance, which might adversely affect the present or future occupation, development or value of the Properties.

No tests will be carried out by C&W as to electrical, electronic, heating, plant and machinery equipment or any other services nor will the drains be tested. However, C&W will make an Assumption that all building services (including, but not limited to lifts, electrical, electronic, gas, plumbing, heating, drainage, sprinklers, ventilation, air conditioning and security systems) and property services (such as incoming mains, waste, drains, utility supplies etc.) are in good working order and without any defect whatsoever.

11.8 Statutory Requirements and Planning

Save as disclosed in a Certificate of Title, or unless otherwise advised, C&W shall make the Assumption that all of the buildings have been constructed in full compliance with valid town planning and building regulations approvals and that where necessary, they have the benefit of current Fire Risk Assessments compliant with the requirements of the Regulatory Reform (Fire Safety) Order 2005. Similarly, C&W shall also make the Assumption that the Properties are not subject to any outstanding statutory notices as to construction, use or occupation and that all existing uses of the Properties are duly authorised or established and that no adverse planning conditions or restrictions apply.

C&W shall make the Assumption that the Properties comply with all relevant statutory requirements.

Where the Properties are trading entities C&W shall make the Assumption that all of the necessary licences, registrations and permits required for its ongoing operation are in place and valid unless expressly stated otherwise.

Energy Performance Certificates ("**EPC**") must be made available for all properties, when bought or sold, subject to certain exemptions. If the Properties are not exempt from the requirements of this Directive C&W shall make an Assumption that an EPC is made available, free of charge, to a purchaser of all the interests which are the subject of the Valuation.

In addition, in England and Wales the Minimum Energy Efficiency Standards Regulations are effective from 1 April 2018. The regulations prohibit the granting of a new tenancy or lease renewal of privately rented residential or business premises which do not have an EPC rating of 'E' or above. C&W will ask the Client or its advisors for information relating to the EPC ratings of the Properties if the Properties are not exempt from these requirements. In any instance where C&W is not provided with an up to date EPC rating C&W will make the Assumption that the Properties meet the minimum requirements to enable them to be let.

In Scotland, the Energy Performance of Non-Domestic Buildings (Scotland) Regulation 2016 (the "**Regulation**") requires that qualifying properties have an energy assessment completed and an action plan prepared prior to sale or leasing. If the Properties are not exempt from the requirements of the Regulation C&W shall make an Assumption that an energy assessment and action plan is made available, free of charge, to a purchaser of the interests which are the subject of the Valuation and that there is no capital expenditure required in order to comply with the requirements of the Regulation.

In any instance where C&W is to value Properties with the benefit of a recently granted planning consent, or on the Special Assumption that planning consent is granted, C&W will make an Assumption that it will not be challenged under Judicial Review. Such a challenge can be brought by anyone (even those with only a tenuous connection with the Properties, or the area in which they are located) within a period of three months of the granting of a planning consent. When a planning consent is granted subject to a Section 106 Agreement, the three-month period commences when the Section 106 Agreement is signed by all parties.

If a planning consent is subject to Judicial Review, the Client must inform C&W and request C&W to reconsider its opinion of value. Advice would be required from the Client's legal advisers and a town planner, to obtain their opinion of the potential outcomes of such a Judicial Review, which C&W will reflect in its reconsideration of value.

11.9 Information

Notwithstanding the Terms of Business, C&W will make an Assumption that the information provided by the Client and/or its professional advisers in respect of the Properties to be valued is both full and correct. C&W will make an Assumption that details of all matters relevant to value within their collective knowledge, including but not limited to matters such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to it, and that such information is up to date.

If the Valuation is required for the purpose of purchase, loan security or other financial transaction, the Client accepts that full investigation of the legal title and any leases is the responsibility of its legal advisers.

Where comparable evidence is included in the Valuation Report, this information is often based on C&W's verbal enquiries and its accuracy cannot always be assured or may be subject to undertakings as to confidentiality. However, such information would only be referred to where C&W had reason to believe its general accuracy or where it was in accordance with expectation. It is unlikely that C&W will have inspected comparable properties.

11.10 Trade Related Property

The valuation approach for a trade related property as a fully equipped operational entity necessarily requires an Assumption that on the sale or letting of the Properties, the trade inventory, licences etc required to continue trading are available. C&W's valuation will be provided on this basis unless agreed to the contrary and referred to as appropriate within our Valuation Report.

12. Information requested from Client

We have requested any additional information via separate correspondence.

Appendix 1 - Property Schedule

PROPERTY	INTEREST	PROPERTY TYPE
Abbeywell	Freehold	Care home
Amberley	Freehold	Care home
Ancliffe	Freehold	Care home
Ashgrove	Freehold	Care home
Astbury Lodge	Freehold	Care home
Attlee	Freehold	Care home
Broadgate	Freehold	Care home
Croftwood	Freehold	Care home
Crossways	Freehold	Care home
Diamond	Freehold	Care home
Duncote Hall	Freehold	Care home
Duncote The Lakes	Long Leasehold	Care home
Elm House	Freehold	Care home
Emmanuel	Freehold	Care home
Eryl Fryn	Freehold	Care home
Falcon	Freehold	Care home
Florence Grogan	Freehold	Care home
Freeland	Long Leasehold	Care home
Garswood	Freehold	Care home
Gleavewood	Freehold	Care home
Golborne	Freehold	Care home
Grays Court	Freehold	Care home
Greenacres	Freehold	Care home
Hamshaw	Freehold	Care home
Hourigan	Freehold	Care home
Ideal	Freehold	Care home
Ingersley Court	Freehold	Care home
Karam	Freehold	Care home
Lakelands	Freehold	Care home
Leycester House	Freehold	Care home
Littleport	Freehold	Care home
Loxley	Freehold	Care home
Lyndhurst	Freehold	Care home
Meadows & Haywain	Long Leasehold	Care home
Mowbray	Freehold	Care home
Mulberry	Freehold	Care home
New Milton House	Freehold	Care home
Parklands	Freehold	Care home
Saffron	Freehold	Care home
Sovereign	Long Leasehold	Care home
Stansty	Freehold	Care home
The Cedars	Freehold	Care home
The Elms	Freehold	Care home
The Hawthorns	Freehold	Care home
The Laurels	Freehold	Care home
Thorley	Freehold	Care home

Three Elms	Freehold	Care home
Turnpike Court	Freehold	Care home
Waterside	Long Leasehold	Care home
Wealstone	Freehold	Care home
Westhaven	Long Leasehold	Care home
Whetstone Hey	Freehold	Care home
Woodlands	Freehold	Care home
Wordsley	Freehold	Care home
Craigend	Freehold	Care home
Rydal	Freehold	Care home
Parkville	Freehold	Care home
Fairview	Freehold	Care home
Roseville	Freehold	Care home
Carnbroe	Freehold	Care home
Grenville Court	Freehold	Care home
Sovereign Lodge	Freehold	Care home
Sovereign Court	Freehold	Care home
The Grove & Courtyard	Freehold	Care home
Derwent	Freehold	Care home
Sandbanks	Freehold	Care home
Croftbank	Freehold	Care home
Rosepark	Freehold	Care home
Briardene	Freehold	Care home
Holly Lodge	Freehold	Care home
Yew Tree	Freehold	Care home
Belmont	Freehold	Care home
Park springs	Freehold	Care home
Thorntree Mews Nursing Home	Freehold	Care home
Wallace View	Freehold	Care home
Kingston Court	Long Leasehold	Care home
Riever House KC	Long Leasehold	NHS facility
Surgical Unit KC	Long Leasehold	NHS facility
Birchlands	Freehold	Care home
Old Prebendal	Freehold	Care home
Barham	Freehold	Care home
Baylham	Freehold	Care home
Holmesley	Freehold	Care home
Argentum Lodge	Freehold	Care home
Redhill	Freehold	Care home
Croft House	Freehold	Care home
Howgate House	Freehold	Care home
Manor Park	Freehold	Care home
The Beeches	Freehold	Care home
Laurel Bank	Freehold	Care home
Willow Bank	Freehold	Care home
Hartlepool	Freehold	Care home
Almond Court	Freehold	Care home

Almond View	Freehold	Care home
Bankview & Day Care	Freehold	Care home
Beechwood	Freehold	Care home
Craigielea	Freehold	Care home
Granholtm	Freehold	Care home
Heatherfield	Freehold	Care home
Larkfield	Freehold	Care home
Three Towns	Freehold	Care home
St Peters House	Freehold	Care home
Blackwell Vale	Freehold	Care home
Mavern House	Freehold	Care home
Cedarhurst Lodge	Long Leasehold	Care home
Edgewater Lodge	Freehold	Care home
Saintfield Lodge	Freehold	Care home
Oasis Development Site	Freehold	Care home
Carlton Hall	Freehold	Care home
Springhill	Freehold	Care home
Hillcrest House	Freehold	Care home

APPENDIX B: SOURCES OF INFORMATION

In addition to information established by us, we have relied on the information as listed below:

Information	Source / Author	Date
Financial information to September 2021	Impact Health Partners LLP	01 November 2021

APPENDIX C: PROPERTY LIST - DATE OF LAST INSPECTION

Property	Date of last inspection
Abbeywell	September 2019
Amberley	March 2019
Ancliffe	June 2019
Ashgrove	December 2017
Astbury Lodge	September 2021
Atlee Court	September 2021
Broadgate	September 2021
Croftwood	September 2021
Crossways	September 2021
Diamond	September 2021
Duncote Hall	September 2021
Duncote The Lakes	September 2021
Elm House	September 2021
Emmanuel	September 2021
Eryl Fryn	September 2021
Falcon	September 2021
Florence Grogan	September 2021
Freeland	September 2021
Garswood	September 2021
Gleavewood	September 2021
Golborne House	December 2021
Gray's Court	September 2021
Greenacres	September 2021
Hamshaw Court	September 2021
Hourigan	December 2021
Ideal	September 2021
Ingersley Court	September 2021
Karam Court	September 2021
Lakelands	September 2021
Leycester House	September 2021
Littleport Grange	September 2021
Loxley Hall	September 2021
Lyndhurst Home	September 2021
Meadows & Haywain	December 2021
Mowbray	December 2019
Mulberry Manor	September 2021
New Milton House	September 2021
Parklands	September 2021
Saffron	September 2019
Sovereign	September 2021
Stansty House	September 2021
The Cedars	March 2018
The Elms	March 2019
The Hawthorns	September 2021
The Laurels	December 2019

Property	Date of last inspection
Thorley	June 2019
Three Elms	September 2021
Turnpike Court	December 2019
Waterside	September 2021
Wealstone	September 2019
West Haven	September 2021
Whetstone Hey	September 2021
Woodlands	September 2021
Wordsley	December 2018
Craigend Gardens	September 2021
Rydal Court	December 2019
Parkville	March 2019
Fairview	March 2019
Carnbroe Care Home	September 2021
Grenville Court	September 2021
Sovereign Lodge	September 2021
Sovereign Court	September 2021
The Grove & Courtyard	September 2021
Derwent Care Home	December 2019
Sandbanks	December 2021
Croftbank	September 2021
Rosebank	September 2021
Briardene	December 2021
Holly Lodge	December 2021
Yew Tree	March 2019
Belmont	June 2019
Park springs	June 2019
Thorntree Mews Nursing Home	June 2019
Wallace View	June 2019
Kingston Court	September 2021
KC Reiver House	September 2021
KC Surgical Unit	September 2021
Birchlands	June 2019
Old Prebendal	December 2021
Barham	May 2019
Baylham	May 2019
Holmesley	September 2018
Argentum Lodge	July 2019
Redhill	September 2019
Croft House	December 2019
Howgate House	September 2021
Manor Park	December 2019
The Beeches	January 2020
Laurel Bank	January 2020
Willow Bank	January 2020
Almond Court	March 2020

Property	Date of last inspection
Almond View	November 2019
Bankview & Day Care	November 2019
Beechwood	November 2019
Craigielea	December 2021
Granholm	November 2019
Heatherfield	December 2021
Larkfield	December 2021
Three Towns	November 2019
Hartlepool	December 2019
St Peter's House	November 2019
Blackwell Vale	August 2020
Mavern House	September 2020
Cedarhurst Lodge	October 2020
Edgewater Lodge	October 2020
Saintfield Lodge	October 2020
Oasis Development Site	March 2021
Carlton Hall	March 2021
Springhill	June 2021
Hillcrest	July 2021

Part X. Historical Financial Information

The audited financial statements of the Group contained in the annual report and financial statements of the Group for the years ended 31 December 2020, 2019 and 2018, which were sent to Shareholders at the relevant times and/or is available as described below, contain information which is relevant to the Initial Issue and the Placing Programme and are incorporated by reference into this Prospectus.

The table below sets out the various sections of such documents which are incorporated by reference into this Prospectus so as to provide the information required under the Prospectus Regulation Rules.

Only that information which is set out in the first column is incorporated by reference into this Prospectus. Those parts not incorporated by reference are either not relevant or are covered elsewhere in this Prospectus.

Information incorporated by reference into this Prospectus	Page numbers		
	Annual report and financial statements of the Group for the year ended 31 December 2020	Annual report and financial statements of the Group for the year ended 31 December 2019	Annual report and financial statements of the Group for the year ended 31 December 2018
Chairman's statement	6-7	4-5	4-7
Investment Manager's report	18-22	30-35	16-19*
Key performance indicators	32-33	16	28-29
Principal risks and uncertainties	34-39	24-29	22-27
Independent auditor's report	79-85	73-79	61-67
Consolidated statement of comprehensive income	86	80	68
Consolidated statement of financial position	87	81	69
Consolidated statement of cash flows	88	82	70
Consolidated statement of changes in equity	89	83	71
Notes to the consolidated financial statements	90-113	84-107	72-95
Company statement of financial position	114	108	96
Company statement of changes in equity	115	109	97
Notes to the Company financial statements	116-121	110-115	98-103
EPRA performance measures (unaudited)	122-124	116-118	104
Notes to the EPRA performance measures (unaudited)	125-126	119-121	105-106

*titled "Investment Manager's Report"

Operating and financial review

A description of the development and performance (both financial and non-financial) of the Group's business for the years ended 31 December 2020, 2019 and 2018 are set out in the sections headed "Chairman's statement", "Investment Manager's report", "Principal risks", "Key performance indicators" and "EPRA performance measures" in the published annual report and financial statements of the Group for the years ended 31 December 2020, 2019 and 2018, as set out above and incorporated by reference into this document.

The Group's annual reports for the years ended 31 December 2020, 2019 and 2018 are also available on the Company's website, www.impactreit.uk.

Part XI. Unaudited Interim Financial Information

The unaudited interim financial statements of the Group contained in the interim report of the Group for the six months ended 30 June 2021, which was sent to Shareholders at the relevant time and/or is available as described below, contains information which is relevant to the Initial Issue and the Placing Programme and is incorporated by reference into this Prospectus.

The table below sets out the various sections of the interim report of the Group for the six months ended 30 June 2021 which are incorporated by reference into this Prospectus so as to provide the information required under the Prospectus Rules. The sections set out in the table below also include the comparative financial information for the period from 1 January 2020 to 30 June 2020.

Only that information which is set out in the first column is incorporated by reference into this Prospectus. Those parts not incorporated by reference are either not relevant or are covered elsewhere in this Prospectus.

Information incorporated by reference into this Prospectus	Page numbers in the interim report and financial statements of the Group for the six months ended 30 June 2021
Chairman's statement	4-5
Investment Manager's report	8-10
Key performance indicators	14-15
Principal risks and uncertainties	22
Consolidated statement of comprehensive income	24
Consolidated statement of financial position	25
Consolidated statement of cash flows	26
Consolidated statement of changes in equity	27
Notes to the consolidated financial statements	28-39

Operating and financial review

A description of the development and performance (both financial and non-financial) of the Group's business for the six months ended 30 June 2021 are set out in the sections headed "Chairman's statement", "Investment Manager's report", "Key performance indicators", and "Principal risks and uncertainties" in the published interim report of the Company for the six months ended 30 June 2021, as set out above and incorporated by reference into this document.

The Company's interim report for the six months ended 30 June 2021 is also available on the Company's website, www.impactreit.uk.

Part XII. Capitalisation and Indebtedness Statement

The following table sets out the indebtedness of the Group (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) as at 30 November 2021:

	As at 30 November 2021 (£'000)
Total current debt	
- Guaranteed	-
- Secured	-
- Unguaranteed/unsecured	-
Total non-current debt	
- Guaranteed	-
- Secured	65,079
- Unguaranteed/unsecured	-
Total indebtedness	65,079

The following table sets out the capitalisation of the Group as at 30 June 2021:

	As at 30 June 2021 (£'000)
Share capital	3,506
Share premium	305,672
Capital reduction reserve	24,077
Total capitalisation	333,255

There has been no material change in the Group's capitalisation since 30 June 2021.

The following table sets out the Group's net indebtedness as at 30 November 2021.

	As at 30 November 2021 (£'000)
A Cash	3,918
B Cash equivalent	-
C Trading securities	-
D Liquidity (A+B+C)	3,918
E Current financial receivable	-
F Current bank debt	-
G Current portion of non-current debt	-
H Other current financial debt	-
I Current financial indebtedness (F+G+H)	-
J Net current financial indebtedness (I-E-D)	(3,918)
K Non-current bank loans	65,079
L Bonds issued	-
M Other non-current loans	-
N Non-current financial indebtedness (K+L+M)	65,079
O Net financial indebtedness (J+N)	61,161

The information in the tables above is unaudited financial information of the Group and has not been reported on by an accountant.

Contingent and indirect indebtedness

Full relief for Stamp Duty Land Tax (SDLT) has been granted in relation to the transfer of properties between companies which are members of the Group. Should there be a change in control of the Company within three years of completion, or if a single shareholder acquires a substantial stake in the Company, a liability in the subsidiary companies could arise. This is equal to approximately 5 per cent. of the aggregate value of the properties.

As at 30 November 2021, the Group had no material indirect indebtedness.

Notes to the capitalisation and net indebtedness statement:

- (a) The capitalisation figures are extracted without adjustment from the Group's unaudited interim financial information for the six months to 30 June 2021. Capitalisation does not include the profit and loss reserve in accordance with the ESMA update of the CESR recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses No. 809/2004.
- (b) Subsequent to 30 November 2021, the Company's indirect subsidiary, Impact Finance 5 Limited, entered into the Note Purchase Agreement, in respect of the issuance and sale of £37,000,000 in aggregate principal amount of its Series A Senior Secured Guaranteed Notes due December 2035 and £38,000,000 in aggregate principal amount of its Series B Senior Secured Guaranteed Notes due June 2035. The Company guarantees the payment by and performance of all obligations of Impact Finance 5 Limited under the Note Purchase Agreement and the notes issued thereunder, and has granted an indemnity in support of this guarantee. The £75 million of senior secured notes, are comprised of two tranches with a weighted average coupon of 2.967 per cent. and a weighted average maturity of 14 years: i) £37 million of Notes at a fixed coupon of 2.932 per cent., which were issued on 21 December 2021 and mature in December 2035; and ii) £38 million of notes at a fixed coupon of 3.002 per cent., which will be issued on 20 June 2022 and mature in June 2035. Following drawdown of the first tranche of the aforementioned senior secured notes, on 21 December 2021, £10 million of the revolving credit facility with Metro Bank has been cancelled, further reducing loan facilities with Metro Bank from £40 million to £30 million. On 24 December 2021, the Group drew down £10 million of its revolving credit facility with NatWest. Further information on the Note Purchase Agreement, is contained in paragraph 10(a) of Part XIV of this Prospectus. Please refer to the no significant change statement in Paragraph 13 of Part XIV of this Prospectus.

Part XIII. Taxation

Introduction

This part summarises certain UK tax consequences of investing in the Company. The summary is based upon UK tax law and HMRC published practice in force as at the date of this Prospectus. Potential investors should note that such law and practice may change as a result of legislative, judicial and administrative actions, which may have retrospective effect. It relates (except where stated otherwise) only to such Shareholders who are resident, ordinarily resident and domiciled in the UK for UK tax purposes, who are neither Scottish taxpayers nor Welsh taxpayers, and who are the absolute beneficial owners of Ordinary Shares and dividends in respect of those Ordinary Shares and hold their Ordinary Shares directly as an investment (otherwise than through a UK ISA, UK SIPP or a UK SSAS).

This part is not addressed to: (i) Shareholders who own (or are deemed to own) ten per cent. or more of the Ordinary Shares or voting power or entitlement to distributions of the Company; (ii) special classes of Shareholders such as dealers in securities, broker-dealers, insurance companies, trustees of certain trusts and persons entitled to certain tax exemptions; (iii) Shareholders who hold Ordinary Shares as part of hedging or commercial transactions; (iv) Shareholders who hold Ordinary Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or otherwise); and (v) Shareholders who hold Ordinary Shares acquired by reason of any office or employment.

It does not address all technical aspects of the taxation of the Company and its Shareholders and potential investors should familiarise themselves with - and where appropriate consult their own professional advisers on - the overall tax consequences of investing in the Company. They should not rely on the summary provided in this Prospectus to determine their own particular tax position as the tax treatment applicable to each potential investor will depend on their particular circumstances and may differ from the summary below. Any person who is in any doubt as to his or her tax position, or who is subject to taxation in any jurisdiction other than that of the UK, should consult his or her professional advisers without delay, particularly concerning their tax liabilities on PIDs, whether they are entitled to claim any repayment of tax and, if so, the procedure for doing so. Non-UK resident shareholders should note that, as discussed further below, they may be subject to UK tax on any chargeable gains arising on a disposal of Ordinary Shares.

Nothing in this Prospectus should be taken as providing personal tax advice.

The following summary does not refer to UK inheritance tax. Potential investors should consult their own professional advisers in relation to any potential UK inheritance tax implications of holding shares in the Company.

The Company is operating its business as a Real Estate Investment Trust for the purposes of Part 12 of the CTA 2010 and needs to satisfy the conditions therein, as outlined in Part I of this Prospectus. The implications of the REIT regime ceasing to apply are summarised in the Risk Factors section of this Prospectus. This UK tax summary presumes that the Company will continue to qualify as a REIT on an ongoing basis.

Effect of the Company being a REIT

Tax exemption for profits and gains of its property rental business

Income from the Tax-Exempt Business of the Company (its qualifying property rental business in the UK and elsewhere) is not charged to corporation tax in the UK. Gains on the disposal of an asset used (wholly and exclusively) for the purposes of the Tax-Exempt Business of the Company are not chargeable gains, so are not charged to corporation tax in the UK either. The Company will still be subject to corporation tax on any income and gains of the Company's residual business (business that is not property rental business).

If the Company does not take reasonable steps to avoid making distributions to a corporate Shareholder holding more than 10 per cent. of share capital or voting rights or who is entitled to more than 10 per cent. of distributions, an additional tax charge for the Company can apply. Under draft legislation, it is proposed that from 1 April 2022 this additional tax charge will no longer apply where the REIT has a reasonable belief that the person beneficially entitled to the payment is subject to a UK corporation tax or is a specified exempt body, such as a pension fund, a SIPP or an ISA.

Interest and borrowing

Under the REIT rules, there will be a tax charge on the Company if the profit to financing-cost ratio of the Company's Tax-Exempt Business is less than 1.25 for an accounting period, i.e. profits must be at least

1.25 times greater than related financing costs.

The rules set out in Finance (No. 2) Act 2017, which restrict the availability of corporation tax deductions for interest payments in certain circumstances, also apply to REITs, albeit with certain modifications, in respect of both property rental business and residual profits. REITs are entitled to apply any interest restriction to either their exempt or residual business. The corporate interest restriction rules do not apply to the extent that the REIT's interest expense in a tax year is less than £2 million.

UK tax treatment of Shareholders

Distributions by the Company of amounts relating to its Tax-Exempt Business (known as PIDs) are treated by recipients as profits of a UK property business (and not as dividends) for UK corporation tax and income tax purposes. PIDs will be treated as profits of a business separate from any other property business carried on by a Shareholder so profits and losses of another property business cannot be set off against PIDs. The Company will be obliged to submit quarterly returns to HMRC setting out details of PIDs made, together with any tax withheld. Subject to certain exceptions summarised below, the Company is required to withhold income tax at source at the basic rate of income tax (currently 20 per cent.) from its PIDs (whether paid in cash or share capital in lieu of cash). The Company will provide Shareholders with a certificate setting out the gross amount of the PID, the amount of tax withheld, and the net amount of the PID.

PIDs - Individuals

Generally, individual Shareholders will be taxed on PIDs at their marginal income tax rate. For the tax year 2021-2022, the basic rate is 20 per cent. the higher rate is 40 per cent. and the additional rate is 45 per cent.

Since 6 April 2017 a tax-free "property income allowance" of £1,000 has been available to individuals such that those with property income below £1,000 no longer need to declare or pay tax on that income. Those with income over the allowance can calculate their taxable profit by deducting the relevant allowance from their gross income. However, this allowance does not apply to PIDs.

PIDs - Corporate Shareholders

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are subject to UK corporation tax as profits of a UK property business (as defined in Part 4 of the CTA 2009). This means that, subject to the availability of any exemptions or reliefs, UK resident corporate Shareholders should be subject to corporation tax on PIDs. A PID is, together with any PID from any other company to which Part 12 of the CTA 2010 applies, treated as profits of a UK property business which is separate from any other UK property business carried on by the relevant Shareholder. This means that any surplus expenses from a Shareholder's different UK property business cannot be offset against a PID as part of a single calculation of the Shareholder's UK property profits. If income tax is withheld at source the tax withheld can generally be set against the Shareholder's liability to UK corporation tax in the accounting period in which the PID is received. For the financial year 2021 the corporation tax rate is 19 per cent. The corporation tax rate is due to increase to 25 per cent. from 1 April 2023. A small profits rate will also be introduced from 1 April 2023 for some companies with profits of £50,000 or less so that they continue to pay corporation tax at 19 per cent. on those profits. Companies with profits between £50,000 and £250,000 will pay corporation tax at the main rate of 25 per cent. reduced by a marginal relief. The £50,000 and £250,000 limits will be shared between associated companies.

Where a Shareholder who is resident outside the UK receives a PID, the PID will generally be chargeable to UK corporation tax as profit of a UK property business and this tax will generally be collected by way of a withholding by the Company.

Non-PIDs - Individuals

A dividend paid by the Company relating to profits or gains of its residual business will be treated for UK tax purposes like any other dividend, which will generally be subject to tax as dividend income. Individual Shareholders benefit from an annual tax-free allowance such that tax is only paid on dividends received above that threshold (taking account of any other dividend income received by the Shareholder in the same tax year). The dividend tax allowance for UK resident individuals is £2,000 for the 2021-2022 tax year and dividend income in excess of that will be taxed at the following rates for the 2021-2022 tax year:

- basic rate taxpayers will be liable to income tax at the dividend income tax rate of 7.5 per cent.;
- higher rate taxpayers will be liable to income tax at the dividend tax rate of 32.5 per cent.; and

- additional rate taxpayers will be liable to income tax at the dividend tax rate of 38.1 per cent.

The income tax rates applicable to dividend income falling within these bands are set to increase to 8.75 per cent. 33.75 per cent. and 39.35 per cent. respectively, from 6 April 2022.

The dividend allowance is in addition to the £12,570 personal allowance for income tax. Dividends are treated as the top slice of an individual's income.

Non-PIDs - corporates

UK resident corporate Shareholders should not be liable to tax on dividends received from the Company in relation to its residual business provided that they satisfy certain conditions set out in Part 9A of the CTA 2009 and do not fall within certain anti-avoidance rules. It is likely that most non-PIDs paid on the Ordinary Shares to UK resident corporate Shareholders within the charge to UK corporation tax would fall within one or more of the classes of dividend qualifying for exemption from corporation tax. However, it should be noted that the exemptions are not comprehensive and are also subject to anti-avoidance rules.

If the conditions for exemption are not met, or cease to be satisfied, or such a corporate Shareholder elects for an otherwise exempt dividend to be taxable, the Shareholder will be subject to UK corporation tax on dividends received from the Company at the current UK corporation tax rate of 19 per cent. for the tax year 2021-2022. See above for the changes to the corporation tax rates that are due to apply from 1 April 2023.

Withholding tax

The Company will generally be required to withhold income tax at source at the basic rate (currently 20 per cent.) from PIDs (whether paid in cash or share capital in lieu of cash). There is an exemption from this obligation where the REIT has a reasonable belief that the person beneficially entitled to the payment is subject to UK corporation tax or is a specified exempt body, such as a pension fund, a SIPP or an ISA. The Company will provide Shareholders with a certificate setting out the gross amount of the PID, the amount of tax withheld, and the net amount of the PID.

In order to pay a PID without withholding tax, the Company will need to be satisfied that the Shareholder concerned is entitled to that treatment. For that purpose the Company will require such Shareholders to submit a valid claim form (copies of which may be obtained on request from the Registrar). Shareholders should note that the Company may seek recovery from Shareholders if the statements made in their claim form are incorrect and the Company suffers tax as a result. The Company will, in some circumstances, suffer tax if its reasonable belief as to the status of the Shareholder turns out to have been mistaken.

The income tax (or corporation tax) liability for a Shareholder is reduced by any tax withheld. Shareholders who are individuals may, depending on their particular circumstances, either be liable to further UK income tax on their PID at their applicable marginal income tax rate, incur no further UK tax liability on their PID, or be entitled to claim repayment of some or all of the UK income tax withheld on their PID. It is not possible for a Shareholder who is resident outside the UK to make a claim under the relevant double tax treaty with the UK for a PID to be paid by the Company gross or at a reduced rate. However, the Shareholder may be able to claim repayment of any part of the tax withheld from a PID, depending on the existence and terms of any double taxation treaty between the UK and the country in which the Shareholder is resident for tax purposes.

Chargeable gains

On the disposal of Ordinary Shares in the Company, any chargeable gains arising will be subject to capital gains tax in the case of an individual Shareholder or corporation tax on chargeable gains in the case of a corporate Shareholder (subject to the availability of any exemptions or reliefs). The gain will be calculated as the difference between (a) the sale proceeds; and (b) any allowable costs and expenses, such as the original acquisition cost of the Ordinary Shares.

Chargeable gains - Corporate Shareholders

Corporate Shareholders will be subject to corporation tax on chargeable gains at 19 per cent. for the tax year 2021-2022, subject to any available reliefs or exemptions. See above for the changes to the corporation tax rates that are due to apply from 1 April 2023.

No indexation allowance will be available to reduce any chargeable gain arising on disposal of the Ordinary Shares.

Chargeable gains - Non-UK resident shareholder

The 2019 NRCGT Rules mean that, since 6 April 2019, a non-resident person disposing of shares in a company that is "UK property rich" is chargeable to UK capital gains tax (in the case of an individual) or

UK corporation tax on chargeable gains (in the case of companies or entities treated as companies) in respect of that disposal. Where the shares disposed of are shares in a "collective investment vehicle", or otherwise have a relevant connection with a collective investment vehicle, there is no minimum level of shareholding required in order for the non-resident to fall within the new rules. The Company is considered to be "UK property rich" for these purposes and is also a "collective investment vehicle". As such, non-resident Shareholders disposing of Ordinary Shares may, depending on their circumstances, be required to pay UK tax on any chargeable gain arising on that disposal (or, if relevant, may realise an allowable loss) under the 2019 NRCGT Rules. A non-resident that makes (or is treated as making) a disposal of Ordinary Shares will generally be required to provide a tax return to HMRC and account for any tax due in respect of any chargeable gain. Depending on the Shareholder's particular circumstances, exceptions from the requirement to file a tax return in relation to a disposal of Ordinary Shares may apply in certain cases where no tax would be required to be accounted for or where the disposal has already been accounted for on a tax return.

Non-resident Shareholders should seek independent professional advice as to the consequences of the 2019 NRCGT Rules for them, in particular with regard to their obligations to file UK tax returns and pay UK tax in relation to disposals of Ordinary Shares. It should be noted that non-resident Shareholders may, depending on their circumstances, also be subject to non-UK tax, in their jurisdiction of tax residence, on disposals of Ordinary Shares. Non-resident Shareholders should seek independent professional advice as to whether any relief is available under applicable double tax treaties or whether any other exemptions or reliefs are available.

UK Stamp duty and SDRT

No UK stamp duty will be payable on the issue of Ordinary Shares. Sales of shares in a REIT will generally be subject to stamp duty or SDRT at the rate of 0.5 per cent. of the amount of the value of the consideration for the transfer where that value is over £1,000. The purchaser normally pays the stamp duty (rounded up to the nearest £5). An unconditional agreement to transfer Ordinary Shares will normally give rise to an SDRT charge. If an instrument of transfer is executed pursuant to the agreement and duly stamped within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT paid is generally repayable, generally with interest, and the SDRT charge is cancelled.

A market value charge to UK stamp duty applies to transfers of listed securities by a person (or its nominee) to a connected company (or its nominee), subject to the availability of relief. A market value charge to SDRT applies to unconditional agreements to transfer listed securities in the same circumstances unless the SDRT charge is cancelled, as outlined above. The Ordinary Shares are listed securities for these purposes as they are admitted to trading on the main market of the London Stock Exchange.

SIPPs and SSASs

Shares in a UK company should be eligible for inclusion in a UK SIPP or a UK SSAS, subject to the terms of, and the discretion of the trustees (or, where applicable, the providers) of, the SIPP or the SASS as the case may be.

ISAs

The Ordinary Shares should qualify as investments which are eligible for inclusion in an ISA.

Part XIV. Additional Information

1. The Company

- (a) The Company was incorporated and registered in England and Wales under the Companies Act on 7 November 2016 with registered number 10464966 as a public company limited by shares with the name Impact Healthcare REIT plc. The Company's Legal Entity Identifier (LEI) number is 213800AX3FHPMJL4IJ53.
- (b) The Company is not authorised or regulated as a collective investment scheme by the FCA. However, it is subject to the Listing Rules, the Admission and Disclosure Standards and the Disclosure Guidance and Transparency Rules. The principal legislation under which the Company operates and under which the Ordinary Shares are issued is the Companies Act. The Company operates in accordance with Articles as summarised in paragraph 4 of this Part XIV.
- (c) On 7 November 2016, the Company was granted a certificate under section 761 of the Companies Act entitling it to commence business and exercise its borrowing powers.
- (d) The Company carries on business as an investment company under the Companies Act 2006.
- (e) The registered office of the Company is at The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF and the telephone number of the Company is +44 (0) 207 409 0181.
- (f) The Registrar of the Company is Computershare Investor Services PLC. It is responsible for maintaining the register of members of the Company.

2. Subsidiaries

The Company is the ultimate holding company of the Group. The Group is currently comprised of the following entities, which are all direct or indirect wholly owned subsidiaries of the Company:

Name	Country of incorporation and registered office	Principal activity
Impact Holdco 1 Limited	England and Wales	Intermediate holding company
Impact Finance 1 Limited	England and Wales	Intermediate holding company
Impact Property 1 Limited	England and Wales	Property holding company
Impact Holdco 2 Limited	England and Wales	Intermediate holding company
Impact Finance 2 Limited	England and Wales	Intermediate holding company
Impact Property 2 Limited	England and Wales	Property holding company
Impact Holdco 3 Limited	England and Wales	Intermediate holding company
Impact Finance 3 Limited	England and Wales	Intermediate holding company
Impact Property 3 Limited	England and Wales	Property holding company
Cholwell Care (Nailsea) Limited	England and Wales	Property holding company
Cardinal Healthcare (UK) Limited	England and Wales	Property holding company
Barham Care Centre Limited	England and Wales	Property holding company
Baylham Care Centre Limited	England and Wales	Property holding company
Roseville Property Limited	England and Wales	Property holding company
Sandbanks Property Redcar Limited	England and Wales	Property holding company
Impact Property 4 Limited	England and Wales	Property holding company
Impact Property 5 Limited	England and Wales	Property holding company
Butterfly Cumbria Properties Limited	England and Wales	Property holding company
Carlton Hall (Lowestoft) Limited	England and Wales	Property holding company
Impact Property 6 Limited	England and Wales	Property holding company
Impact Holdco 4 Limited	England and Wales	Intermediate holding company
Impact Finance 4 Limited	England and Wales	Intermediate holding company
Impact Property 7 Limited	England and Wales	Property holding company
Tower Bridge Homes Care Limited	England and Wales	Property holding company
The Holmes Care Holdings Limited	England and Wales	Intermediate holding company
The Holmes Care Group GB Limited	England and Wales	Property holding company
Hollyblue Healthcare (Countrywide) Limited	England and Wales	Property holding company
Hollyblue Healthcare (Ulster) Limited	England and Wales	Property holding company
Beeley (Holdings) Limited	England and Wales	Property holding company

Name	Country of incorporation and registered office	Principal activity
Hillcrest House Limited	England and Wales	Property holding company
Springhill Properties (No.1) Limited	England and Wales	Property holding company
Impact Holdco 5 Limited	England and Wales	Intermediate holding company
Impact Finance 5 Limited	England and Wales	Intermediate holding company
Impact Property 8 Limited	England and Wales	Property holding company

3. Share and loan capital of the Company

- (a) On incorporation, the issued share capital of the Company was two Ordinary Shares of a nominal value of £0.01, which was subscribed by the Investment Manager and 50,000 Management Shares with a nominal value of £1.00 each which were subscribed by the Investment Manager. On 7 March 2017, the Company issued a further 146,172,360 Ordinary Shares. The Management Shares were redeemed out of the proceeds of the Ordinary Shares issued at IPO.
- (b) On 12 April 2017, the Company's share premium account (as approved by the Shareholders at a general meeting of the Company held on 16 January 2017) was reduced by £46,851,708 in order to create distributable reserves.
- (c) On 4 May 2017, the Company issued 14,000,000 Ordinary Shares pursuant to the Vendor Issue.
- (d) On 8 November 2017, the Company issued a further 32,034,471 Ordinary Shares in a placing.
- (e) During the financial years ended 31 December 2018, 2019 and 2020 respectively and the six months ended 30 June 2021, the following changes occurred relating to the Company's share capital. In aggregate, 158,437,357 Ordinary Shares were issued by the Company during such period.
- On 1 January 2018, the Company's issued share capital comprised 192,206,831 Ordinary Shares.
 - During 2018, zero Ordinary Shares were issued, and the Company's issued share capital remained unchanged.
 - On 31 December 2018 and 1 January 2019, the Company's issued share capital comprised 192,206,831 Ordinary Shares.
 - During 2019, a further 94,339,623 Ordinary Shares were issued on 15 May 2019, and a further 32,407,407 Ordinary Shares were issued on 9 December 2019, in aggregate 126,747,030 Ordinary Shares.
 - On 31 December 2019 and 1 January 2020, the Company's issued share capital comprised 318,953,861 Ordinary Shares.
 - During 2020, zero Ordinary Shares were issued, and the Company's issued share capital remained unchanged.
 - On 31 December 2020 and 1 January 2021, the Company's issued share capital comprised 318,953,861 Ordinary Shares.
 - Between 1 January 2021 and 30 June 2021 31,690,327 Ordinary Shares were issued on 6 May 2021.
 - As at 30 June 2021, the Company's issued share capital comprised 350,644,188 Ordinary Shares.
- (f) Set out below is the issued share capital of the Company as at the date of this Prospectus:

	Nominal value per share (£)	Aggregate nominal value (£)	Number
Ordinary Shares	0.01	3,506,441.88	350,644,188

The issued Ordinary Shares are fully paid up.

- (g) By ordinary and special resolutions passed at the annual general meeting of the Company on 12 May 2021 it was resolved:
- (i) that the Directors were generally and unconditionally authorised in accordance with section 551 of the Companies Act to exercise all the powers of the Company to allot Ordinary

Shares up to a maximum nominal amount of £350,644.18, with such authority to: a) expire on 11 August 2022 or, if earlier the date of the next annual general meeting of the Company save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted or sold from treasury after the expiry of such power and the Directors may allot or sell ordinary shares from treasury in pursuance of such an offer or agreement as if such power had not expired;

- (ii) that the Directors were generally and unconditionally authorised in accordance with section 551 of the Companies Act to exercise all the powers of the Company to allot Ordinary Shares up to a maximum nominal amount of £350,644.18, with such authority to: a) expire on 11 August 2022 or, if earlier the date of the next annual general meeting of the Company save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted or sold from treasury after the expiry of such power and the Directors may allot or sell ordinary shares from treasury in pursuance of such an offer or agreement as if such power had not expired;
- (iii) that the Directors were generally and unconditionally authorised to allot Ordinary Shares for cash under the authority referred to in paragraph (g)(i) above and/or to sell Ordinary Shares held by the Company as treasury shares as if section 561 of the Companies Act did not apply to any such allotment or sale, up to an aggregate nominal amount equal to £350,644.18, such power to expire on 11 August 2022 or, if earlier, at the conclusion of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in a general meeting) save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted or sold from treasury after the expiry of such power and the Directors may allot or sell ordinary shares from treasury in pursuance of such an offer or agreement as if such power had not expired;
- (iv) that the Directors were generally and unconditionally authorised to allot Ordinary Shares for cash under the authority referred to in paragraph (g)(ii) above and/or to sell Ordinary Shares held by the Company as treasury shares as if section 561 of the Companies Act did not apply to any such allotment or sale, up to an aggregate nominal amount equal to £350,644.18, such power to expire on 11 August 2022 or, if earlier, at the conclusion of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in general meeting) save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted or sold from treasury after the expiry of such power and the Directors may allot or sell ordinary shares from treasury in pursuance of such an offer or agreement as if such power had not expired;
- (v) that the Company were generally and unconditionally authorised for the purposes of section 701 of the Companies Act to make market purchases (within the meaning of section 693(4) of the Companies Act) of Ordinary Shares, provided that:
 1. the maximum aggregate number of ordinary shares that may be purchased is 47,811,184;
 2. the minimum price (excluding expenses) which may be paid for each Ordinary Share is £0.01;
 3. the maximum price (excluding expenses) which may be paid for each Ordinary Share is an amount equal to the higher of: i) 105 per cent. of the average of the closing mid-market value of an Ordinary Share for the five business days prior to the day the purchase is made; and ii) the higher of: a) the price of the last independent trade of an Ordinary Share; and b) the highest current independent bid for an Ordinary Share; and
 4. the authority shall expire on 11 August 2022 or, if earlier, at the conclusion of the Company's next annual general meeting save that the Company may, before the expiry of the authority granted by the resolution, enter into a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority.

- (h) The General Meeting has been convened to be held at the offices of Travers Smith LLP, 10 Snow Hill, London, EC1A 2AL at 11.00 a.m. on 16 February 2022. At the General Meeting resolutions will be proposed to:
- (i) in addition to any existing authority, authorise the Directors in accordance with section 551 of the Companies Act to allot Ordinary Shares up to an aggregate nominal amount of £3,000,000 in connection with the Initial Issue and the Placing Programme, such authority to expire on 26 January 2023 or, if earlier, the date on which the Placing Programme is terminated, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of Ordinary Shares in pursuance of such an offer or agreement as if such authority had not expired; and
 - (ii) empower the Directors (pursuant to section 570 of the Companies Act) to allot Ordinary Shares for cash pursuant to the authority referred to in paragraph (h)(i) above as if section 561 of the Companies Act did not apply to any such allotment, such power to expire on 26 January 2023 or, if earlier, the date on which the Placing Programme is terminated, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the New Ordinary Shares to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired.
- (i) The provisions of section 561(1) of the Companies Act (to the extent not disapplied pursuant to sections 570-571 of the Companies Act) confer on Shareholders certain rights of pre-emption in respect of the allotment of equity securities (as defined in section 560 of the Companies Act) which are, or are to be, paid up in cash and will apply to any shares to be allotted by the Directors, except to the extent disapplied by the resolutions referred to in this paragraph 3.
- (j) No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.
- (k) The Company will apply for the New Ordinary Shares to be admitted to listing on the premium segment of the Official List and to trading on the Main Market of the London Stock Exchange and admission is expected to occur at 8.00 a.m. on the date of First Admission or the relevant Programme Admission. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on, any other stock exchange or securities market.
- (l) The New Ordinary Shares are in registered form and are capable of being held in uncertificated form and title to such New Ordinary Shares may be transferred by means of a relevant system (as defined in the Regulations). Where the New Ordinary Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 10 Business Days of the completion of the registration process or transfer, as the case may be, of the New Ordinary Shares. Where New Ordinary Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. The Registrar, whose registered address is set out on page 34 of this Prospectus, maintains a register of Shareholders (including shareholdings in both certificated and uncertificated form).
- (m) The relevant Placing Programme Price of any New Ordinary Shares issued pursuant to a Subsequent Placing under the Placing Programme will be determined by the Directors and the Joint Bookrunners having regard to, inter alia, prevailing market conditions and at a premium to the prevailing NAV per Ordinary Share at the time of the relevant Subsequent Placing. No expenses are being charged to any subscriber.
- (n) Both the Listing Rules and the Companies Act allow for the disapplication of pre-emption rights which may be waived by a special resolution of the Shareholders, either generally or specifically, for a maximum period not exceeding five years. As set out in (g) above, the Company is seeking to disapply these pre-emption rights in respect of a defined number of Ordinary Shares until the date on which the Placing Programme is terminated.
- (o) Except where authorised by Shareholders, no Ordinary Shares will be issued at a price which is less than the Net Asset Value per existing Ordinary Share at the time of their issue unless they are first offered pro rata to Shareholders on a pre-emptive basis.
- (p) Each New Share will rank in full for all dividends and distributions declared made or paid after their

issue and otherwise *pari passu* in all respects with each existing Ordinary Share and will have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as each existing Ordinary Share of the same class, as set out in the Articles. The Ordinary Shares are denominated in Sterling.

4. Memorandum and Articles of Association

The Company's memorandum of association does not restrict the objects or purposes of the Company.

The Articles contain provisions, inter alia, to the following effect:

4.1 Voting rights

Subject to any special terms as to voting upon which any shares may be issued, or may for the time being be held and any restriction on voting referred to below, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative and every proxy (regardless of the number of members for whom he is proxy) shall have one vote on a show of hands. On a poll, every Shareholder present in person or by proxy shall have one vote for every Ordinary Share of which he is the holder.

The duly authorised representative of a corporate Shareholder may exercise the same powers on behalf of that corporation as it could exercise if it were an individual Shareholder.

A Shareholder is not entitled to vote unless all calls due from him have been paid.

A Shareholder is also not entitled to attend or vote at meetings of the Company in respect of any shares held by him in relation to which he or any other person appearing to be interested in such shares has been duly served with a notice under section 793 of the Companies Act and, having failed to comply with such notice within the period specified in such notice (being not less than 28 days from the date of service of such notice), is served with a disenfranchisement notice. Such disenfranchisement will apply only for so long as the notice from the Company has not been complied with or until the Company has withdrawn the disenfranchisement notice, whichever is the earlier.

4.2 General meetings

The Company must hold an annual general meeting each year in addition to any other general meetings held in the year. The Directors can call a general meeting at any time.

At least 21 clear days' written notice must be given for every annual general meeting. For all other general meetings, not less than 14 days' written notice must be given, subject to compliance with the relevant provisions of the Companies Act, including a special resolution of shareholders being passed in relation to such a notice period in accordance with s307A of the Companies Act. The notice for any general meeting must state: (i) whether the meeting is an annual general meeting; (ii) the date, time and place of the meeting; (iii) the general nature of the business of the meeting; and (iv) any intention to propose a resolution as a special resolution. All members who are entitled to receive notice under the Articles must be given notice.

Before a general meeting starts, there must be a quorum, being two members present in person or by proxy, unless, at the time of the meeting there is only one member of the Company, in which case the quorum will be one member present in person or by proxy.

Each Director can attend and speak at any general meeting.

4.3 Dividends

Subject to the Companies Act, the Company may, by ordinary resolution, declare dividends to be paid to members of the Company according to their rights and interests in the profits of the Company available for distribution, but no dividend shall be declared in excess of the amount recommended by the Board. Subject to the Companies Act, the Board may from time to time pay to the Shareholders of the Company such interim dividends as appear to the Board to be justified by the profits available for distribution and the position of the Company, on such dates and in respect of such periods as it thinks fit.

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide (no such shares presently being in issue), all dividends shall be apportioned and paid pro rata according to the amounts paid or credited as paid up (other than in advance of calls) on the shares during any portion or portions of the period in respect of which the dividend is paid. Any dividend unclaimed after a period of 12 years from the date of declaration shall be forfeited and shall revert to the Company.

The Board may, if authorised by an ordinary resolution, offer the holders of shares the right to elect to receive additional shares, credited as fully paid, instead of cash in respect of any dividend or any part of any dividend.

The Board may withhold dividends payable on shares representing not less than 0.25 per cent. by number of the issued shares of any class (calculated exclusive of treasury shares) after there has been a failure to comply with any notice under section 793 of the Companies Act requiring the disclosure of information relating to interests in the shares concerned as referred to in paragraph 3.1 above.

4.4 *Return of capital*

On a voluntary winding-up of the Company the liquidator may, with the sanction of a special resolution of the Company and subject to the Companies Act and the Insolvency Act 1986 (as amended), divide amongst the Shareholders of the Company in specie the whole or any part of the assets of the Company, or vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like sanction, shall determine.

4.5 *Substantial Shareholders*

The Articles contain provisions relating to Substantial Shareholders. The Company will apply to be treated as a REIT for the purposes of Chapter 12 of the CTA 2010. Under the REIT regime a tax charge may be levied on the Company if it makes a distribution to a company beneficially entitled (directly or indirectly) to 10 per cent. or more of the Ordinary Shares or dividends of the Company or which controls (directly or indirectly) 10 per cent. or more of the voting rights of the Company. If, however, the Company has taken "reasonable steps" to prevent the possibility of such a distribution being made, then this tax charge may not arise. Under draft legislation, it is proposed that from 1 April 2022 this additional tax charge will no longer apply where the REIT has a reasonable belief that the person beneficially entitled to the payment is subject to UK corporation tax or is a specified exempt body, such as a pension fund, a SIPP, or an ISA. The Articles:

- (a) provide the Directors with powers to identify Substantial Shareholders (including giving notice to a Shareholder requiring him to provide such information as the directors may require to establish whether or not he is a Substantial Shareholder);
- (b) provide the Directors with powers to prohibit the payment of dividends on Ordinary Shares that form part of a Substantial Shareholding, unless certain conditions are met;
- (c) allow dividends to be paid on Ordinary Shares that form part of a Substantial Shareholding where the Shareholder has disposed of its rights to dividends on its Ordinary Shares;
- (d) seek to ensure that if a dividend is paid on Ordinary Shares that form part of a Substantial Shareholding and arrangements of the kind referred to in 4.5(c) are not met, the Substantial Shareholder concerned does not become beneficially entitled to that dividend; and
- (e) provide the Directors with powers if certain conditions are met, to require (i) a Substantial Shareholder; (ii) a Shareholder who has not complied with a notice served in accordance with the power referred to in 4.5(a); or (iii) a Shareholder who has provided materially inaccurate or misleading information in relation to the Substantial Shareholder provisions of the Articles, to dispose of such number of their shares as the Directors may specify, or to take such other steps as will cause the Directors to believe the Shareholder is no longer a Substantial Shareholder.

Ordinary Shares held as nominee are disregarded for this purpose.

4.6 *Transfer of shares*

The Ordinary Shares are in registered form and, subject to the restrictions summarised below, are freely transferable.

The Articles provide for shares to be held in CREST accounts, or through another system for holding shares in uncertificated form, such shares being referred to as "Participating Securities". Subject to such of the restrictions in the Articles as shall be applicable, any member may transfer all or any of his shares. In the case of shares represented by a certificate ("**Certificated Shares**") the transfer shall be made by an instrument of transfer in the usual form or in any other form which the Board may approve. A transfer of a Participating Security need not be in writing, but shall comply with such rules as the Board may make in relation to the transfer of such shares, a CREST transfer being acceptable under the current rules.

The instrument of transfer of a Certificated Share shall be executed by or on behalf of the transferor and

(in the case of a partly paid share) by or on behalf of the transferee and the transferor is deemed to remain the holder of the share until the name of the transferee is entered in the register of members.

The Board may, in its absolute discretion and without assigning any reason therefor, refuse to register any instrument of transfer of shares, all or any of which are not fully paid.

The Board may also refuse to register a transfer unless:

- (a) the duly stamped instrument of transfer (if required) is lodged at the registered office of the Company or at some other place as the Board may appoint accompanied by the relevant share certificate and such other evidence of the right to transfer as the Board may reasonably require;
- (b) the instrument of transfer is in respect of only one class of share; and
- (c) in the case of a transfer to joint holders of a Share, the transfer is in favour of not more than four such transferees.

In the case of Participating Securities, the Board may refuse to register a transfer if the Uncertificated Securities Regulations 2001 (as amended) allow it to do so, and must do so where such regulations so require.

The Board shall also decline to register a transfer of shares if they represent not less than 0.25 per cent. by number of their class and there has been a failure to comply with a notice requiring disclosure of interests in the shares (as referred to in paragraph 3.9 below) unless the shareholder has not, and proves to the satisfaction of the Board that no other person has, failed to supply the required information. Such refusal may continue until the failure has been remedied, but the Board shall not decline to register:

- (a) transfer in connection with a bona fide sale of the beneficial interest in any shares to any person who is unconnected with the Shareholder and with any other person appearing to be interested in the share;
- (b) a transfer pursuant to the acceptance of an offer made to all the Company's Shareholders or all the shareholders of a particular class to acquire all or a proportion of the shares or the shares of a particular class; or
- (c) a transfer in consequence of a sale made through a recognised investment exchange or any stock exchange outside the United Kingdom on which the Company's shares are normally traded.

If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as "plan assets" of any benefit plan investor under Section 3(42) of ERISA or the US Tax Code; (ii) would or might result in the Company and/or its shares and/or any of its appointed investment managers or investment advisers being required to be registered or qualified under the US Investment Company Act and/or the US Investment Advisers Act of 1940 and/or the Securities Act and/or the Exchange Act and/or any similar legislation (in any jurisdiction) that regulates the offering and sale of securities; (iii) may cause the Company not to be considered a "Foreign Private Issuer" under the Exchange Act; (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the US Tax Code; or (v) may cause the Company to become subject to any withholding tax or reporting obligation under FATCA or any similar legislation in any territory or jurisdiction, or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation (including by reason of the failure of the shareholder concerned to provide promptly to the Company such information and documentation as the Company may have requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligation), then the Board may declare the Shareholder in question a "**Non-Qualified Holder**" and the Board may require that any shares held by such Shareholder ("**Prohibited Shares**") shall (unless the Shareholder concerned satisfies the Board that he is not a Non-Qualified Holder) be transferred to another person who is not a Non-Qualified Holder, failing which the Company may itself dispose of such Prohibited Shares at the best price reasonably obtainable and pay the net proceeds to the former holder.

4.7 *Variation of rights*

Subject to the Companies Act, all or any of the rights attached to any class of share may (unless otherwise provided by the terms of issue of shares of that class) be varied (whether or not the Company is being wound up) either with the written consent of the holders of not less than three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of such holders. The quorum at any such general meeting is two persons holding or representing by proxy at least one-third in nominal value of the issued shares of that class and at an adjourned meeting

the quorum is one holder present in person or by proxy, whatever the amount of his shareholding. Any holder of shares of the class in question present in person or by proxy may demand a poll. Every holder of shares of the class shall be entitled, on a poll, to one vote for every share of the class held by him. Except as mentioned above, such rights shall not be varied.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of new shares ranking *pari passu* therewith or subsequent thereto.

4.8 *Share capital and changes in capital*

Subject to and in accordance with the provisions of the Companies Act, the Company may issue redeemable shares. Without prejudice to any special rights previously conferred on the holders of any existing shares, any share may be issued on terms that they are, at the option of the Company or a member liable, to be redeemed on such terms and in such manner as may be determined by the Board (such terms to be determined before the shares are allotted).

Subject to the provisions of the Articles and the Companies Act, the power of the Company to offer, allot and issue any new shares in the Company and any shares lawfully held by the Company or on its behalf (such as shares held in treasury) shall be exercised by the Board at such time and for such consideration and upon such terms and conditions as the Board shall determine.

The Company may by ordinary resolution alter its share capital in accordance with the Companies Act. A resolution may determine that, as between the holders of shares resulting from any sub-division of shares, any of the shares may have any preference or advantage or be subject to any restriction as compared with the others.

4.9 *Disclosure of interests in shares*

Section 793 of the Companies Act provides a public company with the statutory means to ascertain the persons who are, or have within the last three years been, interested in its relevant share capital and the nature of such interests. When a Shareholder receives a statutory notice of this nature, he or she has 28 days (or 14 days where the shares represent at least 0.25 per cent. of their class) to comply with it, failing which the Company may decide to restrict the rights relating to the relevant shares and send out a further notice to the holder (known as a "**disenfranchisement notice**"). The disenfranchisement notice will state that the identified shares no longer give the Shareholder any right to attend or vote at a Shareholders' meeting or to exercise any other right in relation to Shareholders' meetings.

Once the disenfranchisement notice has been given, if the Directors are satisfied that all the information required by any statutory notice has been supplied, the Company shall, within not more than seven days, withdraw the disenfranchisement notice.

The Articles do not restrict in any way the provisions of section 793 of the Companies Act.

4.10 *Non-UK Shareholders*

Shareholders with addresses outside the United Kingdom are not entitled to receive notices from the Company unless they have given the Company an address within the United Kingdom at which such notices shall be served.

4.11 *Untraced Shareholders*

Subject to various notice requirements, the Company may sell any of a Shareholder's shares in the Company if, during a period of 12 years, at least three dividends on such shares have become payable and no dividend has been claimed during that period in respect of such shares and the Company has received no communication from such Shareholder.

4.12 *Borrowing powers*

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any of its undertaking, property and assets (present and future) and uncalled capital and subject to any relevant statutes, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligations of the Company or any third party provided that the Board shall restrict the borrowings of the Company, and exercise all powers of control exercisable by the Company in relation to its subsidiaries, so as to secure (in relation to its subsidiaries so far as the Board is able) that the aggregate amount for the time being of all borrowings by the Company shall not at any time without the previous

sanction of an ordinary resolution of the Company exceed an amount equal to 1,000 times the adjusted capital and reserves of the Company.

These borrowing powers may be varied by an alteration to the Articles which would require a special resolution of the Shareholders.

4.13 *Directors*

Subject to the Companies Act, and provided he or she has made the necessary disclosures, a Director may be a party to or otherwise directly or indirectly interested in any transaction or arrangement with the Company or in which the Company is otherwise interested or a proposed transaction or arrangement with the Company.

The Board has the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under section 175 of the Companies Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with, the interests of the Company. Any such authorisation will only be effective if the matter is proposed in writing for consideration in accordance with the Board's normal procedures, any requirement about the quorum of the meeting is met without including the Director in question and any other interested director and the matter was agreed to without such directors voting (or would have been agreed to if the votes of such directors had not been counted). The Board may impose terms or conditions in respect of its authorisation.

Save as mentioned below, a Director shall not vote in respect of any matter in which he or she has, directly or indirectly, any material interest (otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through, the Company) or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

A Director shall (in the absence of material interests other than those indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters:

- (a) the giving of any guarantee, security or indemnity to him or any other person in respect of money lent to, or an obligation incurred by him or any other person at the request of or for the benefit of, the Company or any of its subsidiaries;
- (b) the giving of any guarantee, security or indemnity to a third party in respect of an obligation of the Company or any of its subsidiaries for which he himself has assumed any responsibility in whole or in part alone or jointly under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning his being a participant in the underwriting or sub-underwriting of an offer of shares, debentures or other securities by the Company or any of its subsidiaries;
- (d) any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise, provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any corporate third party through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed to be a material interest in all circumstances);
- (e) any arrangement for the benefit of employees of the Company or any of its subsidiaries which does not accord to any Director any privilege or advantage not generally accorded to the employees to which such arrangement relates; and
- (f) any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for the benefit of any of the Directors or for persons who include Directors, provided that for that purpose "insurance" means only insurance against liability incurred by a Director in respect of any act or omission by him in the execution of the duties of his office or otherwise in relation thereto or any other insurance which the Company is empowered to purchase and/or maintain for, or for the benefit of any groups of persons consisting of or including, Directors.

The Directors shall be paid such remuneration by way of fees for their services as may be determined by the Board, save that, unless otherwise approved by ordinary resolution of the Company in general meeting, the aggregate amount of such fees of all Directors shall not exceed £500,000 per annum. The Directors shall also be entitled to be repaid by the Company all hotel expenses and other expenses of travelling to and from board meetings, committee meetings, general meetings or otherwise incurred while engaged in the business of the Company. Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary,

percentage of profits or otherwise as the Board may determine.

The Company may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, to or for the benefit of past directors who held executive office or employment with the Company or any of its subsidiaries or a predecessor in business of any of them or to or for the benefit of persons who are or were related to or dependants of any such Directors.

The Directors and officers of the Company are entitled to be indemnified against all losses and liabilities which they may sustain in the execution of the duties of their office, except to the extent that such an indemnity is not permitted by sections 232 or 234 of the Companies Act. Subject to sections 205(2) to (4) of the Companies Act, the Company may provide a Director with funds to meet his expenditure in defending any civil or criminal proceedings brought or threatened against him in relation to the Company. The Company may also provide a Director with funds to meet expenditure incurred in connection with proceedings brought by a regulatory authority and indemnify a Director in connection with the Company's activities as a trustee of a pension scheme.

The Directors are obliged to retire by rotation and are eligible for re-election at the third annual general meeting after the annual general meeting at which they were elected. Any non-executive Director who has held office for nine years or more or who is not independent from the Investment Manager is subject to re-election annually. Any Director appointed by the Board holds office only until the next annual general meeting, when he is eligible for re-election.

There is no age limit for Directors.

Unless and until otherwise determined by ordinary resolution of the Company, the Directors (other than alternate Directors) shall not be less than two nor more than ten in number.

4.14 *Redemption*

The Ordinary Shares are not redeemable.

4.15 *Electronic communication*

The Company may communicate electronically with its members in accordance with the provisions of the Electronic Communications Act 2000.

The above is a summary only of certain provisions of the Articles, the full provisions of which are available for inspection as described in paragraph 17 below.

5. **Mandatory bids and compulsory acquisition rules relating to the Ordinary Shares**

5.1 *Mandatory bid*

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, if:

- (a) a person acquires an interest in shares in the Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- (b) a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested, the acquiror and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquiror or its concert parties during the previous 12 months.

5.2 *Compulsory acquisition*

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover

offer.

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer.

The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises his/her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

6. Information on the Directors

- (a) Details of the names of companies and partnerships (excluding directorships of the Group) of which the Directors are or have been members of the administrative, management or supervisory bodies or partners at any time in the five years preceding the date of this Prospectus:

Name	Current directorships/ partnerships	Past directorships/ partnerships
Rupert Barclay	Cairneagle Associates LLP Cairneagle Nominees Limited Rupert Barclay and Associates Limited	Innoveme Limited (dissolved) Sanditon Investment Trust plc TSL Research Group Limited Foundations Inns plc (dissolved)
Rosemary Boot	Southern Water Services Limited The Green Alliance The Green Alliance Trust Chapter Zero Limited Triple Point Energy Efficiency Infrastructure Company plc Urban&Civic plc	The Conservatoire for Dance and Drama
Amanda Aldridge	Headlam Group plc The Brunner Investment Trust plc The Low Carbon Contracts Company Limited The Electricity Settlements Company Limited St Francis' College Trust Limited	Places for People Homes Limited Please for People Living + Limited
Paul Craig	The Diverse Income Trust plc DIT Income Services Limited Hunter Craig Investments Limited	Aberdeen Emerging Markets Smaller Companies Limited The Healthcare REIT Limited Golden Prospect Precious Metals Ltd Ground Rents Income Fund plc Hadrian's Wall Secured Investments Limited
Philip Hall	Deben Healthcare Consultancy Limited	
Chris Santer	PHP (Spilsby) Limited PHP Health Solutions Limited PHP Developments (Cardiff) Limited PHP Cardiff Limited PHP Property Management Services Limited PHP Tradeco Holdings Limited PHP Primary Care Developments Limited PHP Tradeco Limited PHP Investments No.2 Limited	PHP Ashington Limited

Name	Current directorships/ partnerships	Past directorships/ partnerships
	PHP (Ipswich) Limited	
	PHP SB Limited	
	PHP (Project Finance) Limited	
	PHP Primary Properties Limited	
	PHP Glen Spean Limited	
	PHP Healthcare Investments Limited	
	PHP Euro Private Placement ML Limited	
	Primary Health Investment Properties Limited	
	PHP Medical Properties Limited	
	PHP Epsom Limited	
	PHP Clinics Limited	
	Primary Health Investment Properties (No.8) Limited	
	Primary Health Investment Properties (No.3) Limited	
	PHP Primary Properties (Haymarket) Limited	
	PHP Investments (2011) Limited	
	PHP Empire Holdings Limited	
	PHP Healthcare (Holdings) Limited	
	PHP Assetco (2011) Limited	
	PHP AV Lending Limited	
	PHP Bond Finance PLC	
	PHP (Bingham) Limited	
	PHP St. Johns Limited	
	PHP Medical Investments Limited	
	Primary Health Investment Properties (No.9) Limited	
	PHP STL Limited	
	Primary Health Investment Properties (No.4) Limited	
	PHP Investments No.1 Limited	
	Primary Health Investment Properties (No.2) Limited	

(b) None of the Directors:

- (i) has any convictions in relation to fraudulent offences for at least the previous five years; or
- (ii) has been declared bankrupt or been a director or member of the administrative, management or supervisory body of a company or a senior manager of a company at the time of any receivership or liquidation for at least the previous five years, other than, firstly, Mr. Barclay, who (i) is a director of Foundation Inns plc, which was placed into liquidation on 10 January 2018 pursuant to a members' voluntary liquidation procedure, it is expected that creditors will recover in full; and (ii) was a director of SBL Network Limited, which was placed into liquidation on 12 October 2018 pursuant to a creditors' voluntary liquidation procedure. It is expected that creditors will not be paid out in full and that the total shortfall will be approximately £260,000. Secondly, Mr Hall, who is a director of Deben Healthcare Consultancy Ltd, which, following a declaration of solvency on 18 February 2021, commenced winding up, through a members voluntary liquidation, on 24 February 2021; or
- (iii) has been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company for at least the previous five years.

7. Directors' and others' interests

- (a) The Directors' interests (all of which are beneficial unless otherwise stated) in the ordinary share capital of the Company are as follows:

As at the date of this Prospectus		
Name of Director	Number of Ordinary Shares	Percentage of issued share capital (%)
Rupert Barclay*	183,287	0.06
Rosemary Boot*	30,000	0.01
Amanda Aldridge	nil	nil
Paul Craig**	54,073,648	16.95
Philip Hall	30,000	0.01
Chris Santer	12,567	0.004

* Shares held through a self-invested personal pension (SIPP)

** These shares are held by funds managed by Quilter Investors, of which Paul Craig is the Investment Manager

- (b) Mahesh Patel, who is a Principal of the Investment Manager is interested in 10,000,000 Ordinary Shares (or approximately 2.85 per cent. of the Company's existing Ordinary Shares) through his ownership of a special purpose vehicle, Maal Limited.
- (c) Save as disclosed in paragraph 7(a) above, no Director has any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.
- (d) The Company is aware of the following persons only who, at the date of this Document represent an interest directly or indirectly, jointly or severally in 3 per cent. or more of the Company's share capital or could exercise control over the Company:

Shareholder	Number of Ordinary Shares	Interests in Ordinary Shares (%)
Quilter Investors Limited	56,808,553	16.20

Shareholder	Number of Ordinary Shares	Interests in Ordinary Shares (%)
Royal London Asset Management Limited	21,059,932	6.01
Premier Fund Managers Limited	20,826,182	5.94
Gravis Advisory Ltd	19,373,114	5.53
Schroder & Co Limited	16,735,175	4.77
Brooks Macdonald Asset Management Limited	16,297,610	4.65
Integrated Financial Arrangements Ltd	13,738,234	3.92
Newton Investment Management Limited	11,107,524	3.17

- (e) The voting rights of the Company's Shareholders are the same in respect of each Ordinary Share held.
- (f) Save as disclosed in paragraph 7(a) and 7(d) above, as at the date of this Prospectus, the Company is not aware of any person who holds three per cent. or more of the voting rights in the Company as a Shareholder or through a direct or indirect holding of financial instruments (in each case for the purposes of Chapter 5 of the Disclosure Guidance and Transparency Rules). The Company is not aware of any person who, directly or indirectly, owns or controls the Company. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.
- (g) The Directors are in addition to the Company, directors/partners of the companies listed in paragraph 6 of this Part XIV. The Articles contain provisions whereby a Director shall not vote inter alia in respect of any matter in which he has, directly or indirectly, any material interest. Save, in relation to the directorships listed in paragraph 6 of this Part XIV, there are no potential conflicts of interest between any duties owed by the Directors to the Company and their private interests and/or other duties.

8. Directors' Appointments

With effect from 1 January 2022, the Directors are remunerated for their services at a fee of £35,000 per annum (£48,500 for the Chairman and £41,000 for the chair of the Audit Committee). Further information in relation to the remuneration of the Directors is set out in the table below.

The Directors hold their office in accordance with the Articles and their appointment letters. No Director has a service contract with the Company. The retirement, disqualification and removal provisions relating to the Directors (in their capacity as directors) are summarised in paragraph 4.13 of this Part XIV.

A summary of the amount of remuneration paid to the Directors in their capacity as directors of the Company (including any contingent or deferred compensation) and benefits in kind for the financial year ended 31 December 2020 is set out in the table below.

Director	Date of appointment	Fees
Rupert Barclay	16 January 2017	£46,000
Rosemary Boot	16 January 2017	£33,000
Amada Aldridge	1 March 2019	£38,000
Paul Craig	30 June 2017	£33,000
Philip Hall	16 January 2017	£33,000
Chris Santer	13 May 2021	£33,000

The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits in respect of their appointment as Directors. There is no amount set aside or accrued by the Company to provide pensions, retirement or other similar benefit, in respect of contingent or deferred compensation payments or any benefits in kind payable to the Directors.

9. Employees

The Company does not have any employees.

10. Material Contracts and Related Party Transactions

(a) Save as referred to below, all material contracts entered into by the Group are expressed to be governed by and construed in accordance with the law of England and Wales. The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company in the past two years and/or which are or may be material to the Company or have been entered into by the Company at any time and contain a provision under which the Company has any obligation or entitlement which is material to the Company at the date of this Prospectus:

- (i) A placing agreement dated 27 January 2022 entered into by the Company, the Investment Manager, Winterflood and Jefferies pursuant to which, subject to certain conditions, Winterflood and Jefferies have agreed to act as Joint Bookrunners in respect of the Initial Placing and the Placing Programme and to use their respective reasonable endeavours to procure subscribers for the New Ordinary Shares to be issued pursuant to the Initial Placing and the Placing Programme.

The obligations of Winterflood and Jefferies under the Placing Agreement are conditional on, among other things:

- (1) the applicable Placing Programme price being determined by the Directors, Winterflood and Jefferies;
- (2) Admission occurring in respect of the Initial Placing or the relevant Subsequent Placing of New Ordinary Shares as applicable; and
- (3) to the extent required by the Prospectus Regulation Rules and FSMA, a valid supplementary prospectus being published by the Company.

In the event that any of the conditions in the Placing Agreement are not met in respect of any Placing under the Placing Programme, Winterflood and Jefferies shall, amongst other things, not be under any obligation to complete the Initial Placing or the relevant Subsequent Placing, the Company shall withdraw its application for the relevant Admission (making such announcement as reasonably required by Winterflood and Jefferies) and appropriate arrangements for the return

of monies received shall be made.

In consideration for the services provided in relation to the Initial Placing and the Placing Programme, Winterflood and Jefferies will (in respect of each Subsequent Placing) receive from the Company a placing commission which shall be calculated by reference to the Gross Proceeds of the Initial Issue or the relevant Subsequent Placing, together with reimbursement for all out of pocket expenses incurred by it in connection with the Initial Placing and the Placing Programme.

The Company and the Investment Manager have in the Placing Agreement given certain customary warranties and indemnities to Winterflood and Jefferies.

- (ii) An amended and restated investment management agreement dated 27 October 2020 entered into by the Company and the Investment Manager pursuant to which the Investment Manager is appointed as the Company's AIFM.

The Investment Manager is responsible for significant management functions including discretionary portfolio management and advises the Company on a day to day basis, in each case in accordance with the Company's investment policy. The Investment Manager is permitted, with the prior consent of the Company (such consent not to be unreasonably withheld or delayed) to delegate any of its functions under the Investment Management Agreement.

The Company has consented to the delegation of risk management functions to Carne in accordance with FUND 3.10. Pursuant to the Investment Management Agreement, the Investment Manager has agreed to review the risk management services provided by Carne on an ongoing basis and will remain liable for the acts and omissions of any delegate as if they were its own acts or omissions.

Notwithstanding the foregoing, all activities engaged in under the provisions of the Investment Management Agreement by the Investment Manager or any of its delegates on behalf of the Company will at all times continue to be subject to the overall policies, supervision and review of the Board.

The Investment Manager may not undertake any stock lending, stock borrowing, repurchase or reverse repurchase arrangements in relation to the assets of the Company, unless instructed to do so by the Company.

In exchange for the services provided, the Investment Manager receives a management fee of £95,000 per annum, and one quarter of 1 per cent. of the NAV per quarter if the NAV is less than or equal to £500 million, or £1,250,000 plus one quarter of 0.7 per cent. of the amount by which the NAV exceeds £500 million.

- (iii) The Company's indirect subsidiary, Impact Finance 1 Limited entered into the Interest rate cap agreement with Australia and New Zealand Banking Group Limited on 21 June 2018 in respect of a £25 million interest rate cap of 1 per cent. against 1 month LIBOR for a period of five years to 15 June 2023. The interest rate cap provides the Company with a hedge against 1 month LIBOR rates rising above 1 per cent. for the period of the £25 million floating-rate term facility with Metro Bank. The Company believes that 1 month LIBOR rates are the closest comparable to Bank of England Base rates and therefore provide a commercially available hedge to the £25 million floating-rate term facility.

- (iv) The Company's indirect subsidiary, Impact Finance 1 Limited, entered into the Metro Bank Facility Agreement on 15 June 2018, as amended on 19 October 2018, in respect of a £50 million, five year loan facility which is comprised of: (i) a term loan of £25 million; and (ii) a revolving credit facility of £25 million. £10 million of the outstanding term loan was prepaid on 23 June 2021 and £10 million of the available revolving credit facility was cancelled on 20 December 2021.

Both the term and revolving credit segments of the facility have a margin of 265 basis points over Metro Bank Plc's published base lending rate. The five year term loan is repayable without penalty after two years, and with a 1 per cent. penalty if prepaid within the first two years and amounts drawn under the revolving credit facility can be repaid at any time without penalty. The Group has granted charges over 38 properties held by Propco 1 and Propco 2 as security for the loan.

- (v) The Company's indirect subsidiary, Impact Finance 2 Limited, entered into the Clydesdale Facility Agreement on 6 March 2019, as amended on 30 September 2021, in respect of a £25 million, five year revolving credit loan facility.

The revolving credit facility has a margin of 250 basis points unless the loan to value of the loan is less than or equal to 45 per cent. in which case the margin shall be 225 basis points. The interest rate was originally calculated by reference to LIBOR however, this has now been amended to be calculated by reference to SONIA. There is a 0.5 per cent. penalty for the prepayment of the loan within the first two years. The Group has granted charges over 15 properties held by Propco 3 as security for the loan.

- (vi) The Company's indirect subsidiary, Impact Finance 3 Limited, entered into the HSBC Facility Agreement on 3 April 2020, as amended and restated on 6 October 2021, in respect of a £50 million, four year revolving credit loan facility.

The revolving credit facility has a margin of 200 basis points unless the loan to value of the loan is greater than 50 per cent. in which case the margin shall be 205 basis points. The interest rate was originally calculated by reference to LIBOR however, this has now been amended to be calculated by reference to SONIA. There is a 1 per cent. penalty for the prepayment of the loan within the first year of the loan and a 0.85 per cent. or 0.4 per cent. penalty (depending on whether the lenders have rejected a request from the borrower to extend the loan) if prepaid in the second year of the loan. The Group has granted charges over 22 properties held by Propco 4 as security for the loan.

- (vii) The Company's indirect subsidiary, Impact Finance 4 Limited, entered into the NatWest Facility Agreement on 25 June 2021, in respect of a committed £26 million and uncommitted £24 million, three year revolving credit loan facility.

The revolving credit facility has a margin of 190 basis points. There is a penalty for the prepayment of the loan in the amount and at the times agreed in a separate fee letter. The Group has granted charges over 16 properties held by Propco 7 as security for the loan.

- (viii) The Company's indirect subsidiary, Impact Finance 5 Limited, entered into the Note Purchase Agreement on 21 December 2021, in respect of the issuance and sale of £37,000,000 in aggregate principal amount of its Series A Senior Secured Guaranteed Notes due December 2035 (the "**Series A Notes**") and £38,000,000 in aggregate principal amount of its Series B Senior Secured Guaranteed Notes due June 2035 (the "**Series B Notes**").

The Series A Notes issued under the Note Purchase Agreement have a fixed interest rate of 2.932 per cent. and the Series B Notes issued under the Note Purchase Agreement have a fixed interest rate of 3.002 per cent. There is a make whole provision pursuant to which following certain prepayment events, the borrower is required to pay a make-whole amount calculated by reference to a discounted present-day value of the remaining scheduled payments in respect of the prepaid amount.

The notes are secured on the assets of Propco 5 and the Company guarantee the payment by and performance of all obligations of Impact Finance 5 Limited under the Note Purchase Agreement and the notes issued thereunder and grants an indemnity in support of this guarantee.

- (ix) The Company entered into the Minster Framework Agreement with Minster Topco and Mahesh Patel on completion of the IPO Portfolio acquisition on 3 May 2017 pursuant to which the parties agreed certain arrangements as regards the IPO Portfolio, including in relation to:

- (1) the operational covenants of the Initial Tenants;
- (2) the basis on which the Group will forward fund any capital expenditure projects in respect of the IPO Portfolio and future Portfolio assets where the Tenant is a member of the MC Group; and
- (3) the treatment of any capital allowances which may be available in respect of any forward funded capital expenditure (such that, if possible, the Group will transfer the benefit of these allowances to the MC Group).

The operational covenants specified in the Framework Agreement are:

- (1) Minster Topco submits quarterly Financial Reports which include certain prescribed financial information, including the Rent Cover of Minster Topco, within 30 days of each quarter end;
- (2) if any Financial Report shows that the Rent Cover is less than 1.5 times, Minster Topco will notify the Company of that fact and will not be permitted to declare or pay any dividend or other distribution if, following the payment of such dividend or distribution, Minster Topco would not have cash equivalent to three months' rent payable to the Group in respect of properties within the Portfolio which are leased to members of the MC Group. If the Rent Cover then remains below 1.5 times in two consecutive Financial Reports, or any two Financial Reports in any twelve month period, Minster Topco shall be required to submit a proposal to the Board detailing how it can improve its performance and forecast;
- (3) if the Rent Cover is shown to be less than 1.25 times in two consecutive Financial Reports, Minster Topco shall be required to pay a rent deposit which is equal to three months' rent for each of the properties within the Portfolio which are leased to a member of the MC Group, to be held as security for all sums payable under the leases; and
- (4) if the Rent Cover is shown to be less than 1.1 times (or if Minster Topco fails to provide the Financial Report or any required rent deposit), then the Company shall be entitled to terminate any of the leases between the Group and any member of the MC Group where a corresponding breach of the relevant lease has occurred.

There are restrictions on the MC Group giving cross guarantees outside of the MC Group and on change of control.

The agreement provides additionally that the Group will not take steps to enforce Rent Cover test breaches and breaches of the minimum repair and maintenance spend requirements at lease level unless there is also a breach at MC Group level under the Minster Framework Agreement.

The agreement further provides that the Group will fund capital expenditure in respect of Portfolio properties which are leased to Tenants which form part of the MC Group provided certain circumstances are met including, for example, circumstances in which the proposed expenditure (when capitalised into rent) is in respect of material structural alterations and such expenditure will not reduce the Rent Cover below 1.5 times.

Although funding any such capital expenditure is subject to the Company's prior consent, such consent must not be unreasonably withheld or delayed. In addition, consent may only be granted if the Company has available finance to fund 120 per cent. of the projected costs of the relevant capital expenditure.

If a capital expenditure project is approved by the Company in principle, Minster Topco may request that the relevant Initial Tenant is granted a rent-free period from the date on which project works commence until the date which is up to twelve months after the date of completion of the relevant project. In such circumstances, the amount of rent which would otherwise have been payable during the rent-free period will be treated as a cost of the relevant project.

Following the completion of any capital expenditure project funded by the Group, the lease in respect of the relevant property will be amended to provide for an increased rent which is equivalent to the cost of the capital expenditure (plus interest compounded quarterly at a rate of eight per cent. per annum) multiplied by eight per cent.

The Framework Agreement also imposes strict repair and maintenance obligations on Tenants which form part of the MC Group. In addition to requiring Minster Topco to deliver an annual repair and maintenance budget to the Company, the Framework Agreement imposes a minimum annual repair and maintenance spend of £1,500 which is assessed on a per bed basis over a rolling three year period.

- (x) The Company has entered into Framework Agreements with each of the other Existing

Tenants on terms substantially the same as those set out in the Minster Framework Agreement save as follows:

- (1) the Prestige Framework Agreement dated 16 March 2018 and made with Prestige Care Group Holdings Limited is limited to Rent Cover tests alone. If Prestige fall below the 1.25 times Rent Cover test, Prestige must supply a rent deposit equal to 6 months' group rent;
 - (2) the Careport Framework Agreement dated 3 August 2018 and made with Mariposa Care Group Limited contains a minimum repair and maintenance spend of £1,250 per bed assessed on a rolling three year basis. There are no capital expenditure provisions;
 - (3) the Renaissance Framework Agreement made with Renaissance Care (Scotland) Limited requires Renaissance to provide a rent deposit equal to 6 months' group rent if the 1.25 times Rent Cover test is breached and contains a minimum repair and maintenance spend of £1,250 per bed assessed on a rolling three year basis. There are no capital expenditure provisions;
 - (4) the Silverline Framework Agreement dated 24 April 2020 but amended and restated on 4 November 2021 and made with Bolt Asset Management Limited contains a minimum repair and maintenance spend of £1,125 per bed assessed on a rolling three year basis. There are no restrictions on the Group enforcing Rent Cover or minimum repair and minimum spend covenants at lease level where there is no breach at group level. Breaches of the 1.1 times rent cover test at group level entitle the Group to step in and terminate the underlying leases;
 - (5) the Welford Framework Agreement dated 12 June 2019 and made with Welford Healthcare Ltd contains a minimum repair and maintenance spend of £1,250 per bed assessed on a rolling three year basis. There are no restrictions on the Group enforcing Rent Cover or minimum repair and minimum spend covenants at lease level where there is no breach at group level. If Welford fall below the 1.25 times Rent Cover test, they must supply a rent deposit equal to 6 months' group rent;
 - (6) the Optima Framework Agreement dated 6 September 2019 and made with Optima HCI Limited contains a minimum repair and maintenance spend of £1,400 per bed assessed on a rolling three year basis. There are no restrictions on the Group enforcing Rent Cover or minimum repair and minimum spend covenants at lease level where there is no breach at group level;
 - (7) the Holmes Framework Agreement dated 28 August 2020 and made with Holmes Care Group Scotland Ltd and The Holmes Care (Group) Limited, contains a minimum repair and maintenance spend of £1,250 per bed assessed on a rolling three year basis. The capital expenditure provisions assume that such expenditure will not reduce the Rent Cover below 1.6 times. The first Rent Cover test is 1.6 times group rent rather than 1.5 times. The Holmes Group may give certain cross guarantees in connection with normal arm's length lending;
 - (8) the Electus Framework Agreement contains a minimum repair and maintenance spend of £1,300 per bed assessed on a rolling three year basis; and
 - (9) the MMCG Framework Agreement dated 1 May 2019 and varied on 10 March 2020 and made with Countrywide Belmont Limited, Countrywide Care Homes (3) Limited and Countrywide Care Homes Limited, contains a minimum repair and maintenance spend of £1,250 per bed assessed on a rolling three year basis. If the consolidated EBTIDARM of MMCG is less than 1.4 times the group rent, then there are restrictions on declaring or paying dividends if this would mean that the relevant covenantors would not have at least 5 months' rent in cash. There are no capital expenditure provisions. The MMCG Framework Agreement is with several covenantors and there are arrangements between those covenantors as to the funding to comply with framework agreement covenants (e.g. rent deposit requirements).
- (xi) An agreement dated 16 January 2017, as amended on 31 January 2018 and 12 November 2019, between the Company and JTC (UK) Limited whereby the Administrator was

appointed to act as administrator and company secretary of the Company. Under the terms of the Administration and Company Secretarial Services Agreement, the Administrator also provides certain valuation services.

Under the terms of the Administration and Company Secretarial Services Agreement, the Administrator is entitled to an annual fee in respect of the valuation and accounting services it provides of £80,000.

As Company Secretary, JTC (UK) Limited is entitled to receive an annual fee of £60,000 (plus VAT). In addition, the Administrator is entitled to receive additional amounts in respect of the administration and company secretarial services performed in respect of additional companies which are added to the Group. These additional amounts are equal to: (i) £10,000 per annum for each additional property holding company; (ii) £8,500 per annum for each additional finance company; (iii) £4,500 per annum for each additional parent company; and (iv) £2,000 for each additional dormant company. Since the Company's IPO, the Company has added 8 additional property companies, 5 additional finance companies and 5 additional holding companies.

The Administration and Company Secretarial Services Agreement had an initial period of one year, now expired (the "**Initial Period**"). Following the expiry of the Initial Period, the agreement automatically continues, unless or until terminated by either party in accordance with the agreement (e.g. in the case of a material breach of agreement or of the insolvency of a party, whereby the agreement may be terminated immediately upon notice).

The Administration and Company Secretarial Services Agreement contains customary indemnities from the Company in favour of JTC (UK) Limited.

- (xii) An agreement dated 12 February 2021, between the Company and the Registrar whereby the Registrar was appointed to maintain the Company's shareholder register and provide other connected services. The Registrar shall be paid a fee of £10,800 per annum, in addition to other ad-hoc services required in accordance with the agreed rates.
- (xiii) An agreement dated 15 March 2019, between the Company, the Investment Manager and the Depositary whereby the Depositary is appointed to provide services to the Company. The Depositary has responsibility for monitoring the cash flows of the Company, the safe keeping of the Company's assets, and providing oversight and supervision to both the Company and the Investment Manager. The Depositary shall also maintain an asset register of the assets owned by the Company.

The Depositary, and the Company and Investment Manager together, provide each other with customary representations and warranties pursuant to the agreement.

The Depositary shall be paid a fee of £30,000 per annum, as well as 0.01 per cent. of the next £300 million of capital raised by the Company, and 0.005 per cent. of all further capital raised thereafter.

- (xiv) The Intermediaries Agreement entered into by the Company and each of the Intermediaries who have been appointed by the Company prior to the date of this Prospectus pursuant to which each Intermediary agrees that, in connection with the Intermediaries Offer, they will be acting as agent for their Underlying Applicants. None of the Company, the Investment Manager, Winterflood, Jefferies, or any of their respective representatives will have any liability to the Intermediaries for liabilities, costs or expenses incurred by the Intermediaries in connection with the Intermediaries Offer. Winterflood has agreed to coordinate applications from the Intermediaries under the Intermediaries Offer.

The Intermediaries agree to procure the investment of the maximum number of New Ordinary Shares which can be acquired at the Initial Issue Price for the sum applied for by such Intermediaries on behalf of their respective Underlying Applicants. A minimum application of £1,000 per Underlying Applicant will apply. Intermediaries may not make more than one application per Underlying Applicant.

Subject to First Admission taking place and subject to the terms and conditions of the Intermediaries Offer, each Intermediary may elect to be paid a fee from the Company of up to 0.5 per cent. of the aggregate value of the New Ordinary Shares allocated to that Intermediary.

This commission shall be deducted by Winterflood from the gross proceeds of the Intermediaries Offer. No Intermediary shall be entitled to deduct any of this commission from any amount they are required to pay under the Intermediaries Offer. The Intermediaries give certain undertakings regarding their use of information in connection with the Intermediaries Offer.

The Intermediaries also give undertakings regarding the form and content of written and oral communications with clients and other third parties and the Intermediaries also give representations and warranties which are relevant for the Intermediaries Offer, and indemnify the Company, the Investment Manager, Winterflood, Jefferies or any of their respective affiliates, directors, officers, and employees and each other person, if any, controlling the Company, the Investment Manager, Winterflood, Jefferies against any loss or claim arising out of any breach or alleged breach by them of the agreement or of any duties or obligations under the FSMA or under any rules of the FCA or any applicable laws.

(b) Except with respect to:

- (i) the appointment letters entered into between the Company and each director;
- (ii) the Investment Management Agreement;
- (iii) the IPO Portfolio Transaction Agreement;
- (iv) the share sale agreement entered into between Minster Care Management Limited, Propco 1 and Minster Topco in respect of Downing Barwell Limited (the owner of the Saffron Court Care Home prior to its acquisition by the Group);
- (v) the leases entered into between Propco 1 and Minster and Minster Topco in respect of Abbeywell Court Nursing Home, Amberley House Nursing Home, Ashgrove Nursing Home, Norman House, Broadgate Nursing Home, 72 Croftcroighn Road, Diamond House, Duncote Hall and The Lakes, Emmanuel Nursing and Residential Home, Eryl Fryn Nursing Home, Falcon House Care Home, Freeland House, Grays Court Care Home, Hamshaw Court, Hillcrest House, Ideal Homes Residential Care Home, Karam Court Nursing Home, Littleport Grange Nursing Home, Meadows & Haywain, Mowbray Nursing Home, Mulberry Manor Care Home, Rydal Care Home, Saffron Court, Sovereign, Stansty House Care Home, Three Elms Care Home, Waterside, Woodlands Care Home and Wordsley Hall;
- (vi) the lease entered into between Propco 6 and Minster and Minster Topco in respect of Red Hill Nursing Home;
- (vii) the leases entered into between Propco 3 and Minster in respect of Carnbroe Care Centre and Grenville Court Care Home;
- (viii) the licences to alter and deeds of variation to the leases of certain care homes between:
 - (1) Propco 1, Croftwood and Minster Topco dated 18 December 2017 relating to Littleport Grange Nursing Home;
 - (2) Propco 2, Croftwood and Minster Topco dated 17 November 2017 relating to Turnpike Court;
 - (3) Propco 1, Minster and Minster Topco dated 29 June 2018 relating to Amberley House Nursing Home;
 - (4) Propco 1, Minster and Minster Topco dated 29 June 2018 relating to Diamond House;
 - (5) Propco 2, Minster and Minster Topco dated 29 June 2018 relating to Duncote Hall;
 - (6) Propco 2, Minster and Minster Topco dated 29 June 2018 relating to Falcon House Care Home;
 - (7) Propco 2, Minster and Minster Topco dated 29 June 2018 relating to Craigend;
 - (8) Propco 1, Croftwood and Minster Topco dated 29 June 2018 relating to Garswood House;
 - (9) Propco 1, Croftwood and Minster Topco dated 29 June 2018 relating to Ingersely Court Flats;
 - (10) Propco 1, Croftwood and Minster Topco dated 29 June 2018 relating to Loxley;

- (11) Propco 1, Croftwood and Minster Topco dated 26 October 2018 relating to Freeland; and
- (12) Propco 6 and Minster Topco dated 30 September 2020 relating to Red Hill Nursing Home
- (ix) the side letters to the leases of certain care homes between:
 - (1) Propco 6 and Minster and Minster Topco dated 6 January 2020 relating to Red Hill Nursing Home; and
 - (2) Propco 1 and Minster dated 28 June 2017 relating to Saffron Court;
- (x) a surrender dated 29 July 2020 of the lease of Shrubbery Nursing Home between Propco 1 and Minster; and
- (xi) a deed of assignment dated 9 November 2021 of a lease of Unit 2a Barbican Rise Industrial Estate, Looe, Cornwall between (1) Hillcrest House Limited and (2) Minster, the Company is not a party to any related party transaction.

11. **Working Capital**

The Company is of the opinion that the Company has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this Prospectus.

12. **Capitalisation and Indebtedness**

The capitalisation and indebtedness of the Company is set out in Part XII of this Prospectus.

13. **No Significant Change**

Save as set out below, there has been no significant change in the financial performance of the Group since 30 June 2021, being the date to which the Company's unaudited interim financial information has been published:

Dividends

- On 29 July 2021, the Company declared an interim dividend of 1.6025 pence per share for the period from 1 April 2021 to 30 June 2021 and was paid in August 2021.
- On 15 October 2021, the Company declared an interim dividend of 1.6025 pence per share for the period from 1 July 2021 to 30 September 2021 and was paid in November 2021.

Valuation

- The 30 November 2021 valuation (detailed in Part IX of this Prospectus) shows a total market value of £458.8 million (30 June 2021: £430.9 million).

Acquisitions

- For further information on the acquisitions and disposals made by the Group since 30 June 2021, please refer to the paragraph headed "Recent updates to the Portfolio" in Part III of this Prospectus.

Debt

- On 21 December 2021, the Group entered into an agreement with two large UK insurance companies to issue £75 million of senior secured notes, comprising two tranches with a weighted average coupon of 2.967 per cent. and a weighted average maturity of 14 years. The two tranches comprise:
 - £37 million of Notes at a fixed coupon of 2.932 per cent., which were issued on 21 December 2021 and mature in December 2035; and
 - £38 million of notes at a fixed coupon of 3.002 per cent., which will be issued on 20 June 2022 and mature in June 2035.
- Following drawdown of the first tranche of the aforementioned senior secured notes, on 21 December 2021, £10 million of the revolving credit facility with Metro Bank has been cancelled, further reducing loan facilities with Metro Bank from £40 million to £30 million.
- On 24 December 2021, the Group drew down £10 million of its revolving credit facility with NatWest.

14. **Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) in the previous twelve months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company.

15. **General**

- (a) The Placing Programme is being carried out on behalf of the Company by Winterflood and Jefferies, each of which is authorised and regulated in the United Kingdom by the Financial Conduct Authority.
- (b) The Investment Manager may be a promoter of the Company. Save as disclosed in paragraph 10 above no amount or benefit has been paid, or given, to the promoter or any of its subsidiaries since the incorporation of the Company and none is intended to be paid, or given.
- (c) Each of the Investment Manager, Winterflood and Jefferies has given and not withdrawn its written consent to the issue of this Prospectus with references to its name in the form and context in which such references appear. The telephone number of the Investment Manager is +44 20 3146 7100.
- (d) The Valuer has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear and has authorised the contents of the Valuation Report for the purposes of Prospectus Regulation Rule 5.5.3R(2)(c). The Valuer accepts responsibility for the Valuation Report. To the best of the knowledge of the Valuer, the information contained in the Valuation Report is in accordance with the facts and does not omit anything likely to affect its import. The Valuer was incorporated in, and is domiciled in, England and Wales on 24 May 2007 under the Limited Liability Partnership Act 2000 with registered number OC328588 and LEI 549300ODEIK5C1M8NY87). The Valuer's registered office is at 125 Old Broad Street, London, England, EC2N 1AR. The Valuer holds no shares in the Company and has no right to subscribe (or to nominate any person to subscribe) for shares. The telephone number of the Valuer is +44 (0) 20 7935 5000.
- (e) The Company confirms that there has been no material change in the valuation of the Existing Portfolio since the effective date of its valuation by the Valuer on 30 November 2021.
- (f) Subject to the following paragraph, no custodian, trustee or other fiduciary has been appointed in respect of the Company's Portfolio.
- (g) INDOS Financial Limited has been appointed as Depositary for the Company under the Depositary Agreement, a summary of which is set out in paragraph 10(a) of this Part XIV of this Prospectus. The Depositary is a company incorporated in England and Wales on 16 October 2012 with registered number 08255973 and LEI 213800BJ013VT25C5333, whose registered office is The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF. The Depositary is authorised and regulated by the FCA with reference number 602528. The telephone number of the Depositary is +44 (0) 20 7935 5000.
- (h) Where information contained in this Prospectus has been sourced from a third party, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- (i) Other than as set out in the audited financial statements for the years ended 31 December 2020, 2019 and 2018 and the unaudited interim financial statements of the Group for the six months ended 30 June 2021 (each of which has been incorporated by reference into this Prospectus), or this Prospectus, the Company has no existing interests in real property and has no tangible fixed assets which are material to its business.
- (j) In the event of any material breach of the Company's investment policy, Shareholders will be informed of the remedial actions to be taken by the Company through an RNS announcement.

16. **Intermediaries**

The Intermediaries authorised as at the date of this Prospectus to use this Prospectus in connection with the Intermediaries Offer are:

- (a) Equiniti Financial Services Limited

- (b) AJ Bell Youinvest
- (c) Interactive Investor Services Limited

Any new information with respect to Intermediaries unknown at the time of approval of this Prospectus, including details of any Intermediary who may be appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus following such Intermediary's agreement to adhere to and be bound by the Intermediaries terms and conditions will be made available (subject to certain restrictions) on the Company's website.

17. Documents Available for Inspection

Copies of the following documents will be available for inspection on the Company's website: <https://www.impactreit.uk/investors/reporting-centre/prospectus>. up to and including 26 January 2023 (or such earlier date as the Placing Programme is terminated):

- (a) the Company's memorandum of association;
- (b) the Articles;
- (c) the Valuation Report;
- (d) the audited financial statements of the Group for the years ended 31 December 2020, 2019 and 2018;
- (e) the unaudited interim financial statements of the Group for the six months ended 30 June 2021; and
- (f) this Prospectus.

This Prospectus is dated 27 January 2022.

Part XV. Terms and Conditions of the Initial Placing and the Placing Programme

1. Introduction

Each investor which confirms its agreement to subscribe for New Ordinary Shares under the Initial Placing and/or any Subsequent Placing (as applicable) to Winterflood or Jefferies (for the purposes of this Part XV, a "Placee") will be bound by these terms and conditions and will be deemed to have accepted them.

Each of the Company and/or Winterflood or Jefferies (as applicable) may require a Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (for the purposes of this Part XV, a "Placing Letter"). The terms of this Part XV will, where applicable, be deemed to be incorporated into that Placing Letter.

2. Agreement to Subscribe for New Ordinary Shares

Conditional on, amongst other things: (i) First Admission occurring and becoming effective by 8.00 a.m. (London time) on or prior to 27 January 2022 (or such later time and/or date, not being later than 8.00 a.m. on 31 May 2022 as the Company, the Investment Manager and the Joint Bookrunners may agree) or the relevant Programme Admission occurring in respect of any Subsequent Placing not later than 8.00 a.m. on such date as may be agreed between the Company, the Investment Manager and the Joint Bookrunners prior to the closing of the relevant Subsequent Placing, not being later than 26 January 2023; (ii) to the extent required by Article 23(1) of the UK Prospectus Regulation, a valid supplementary prospectus being published by the Company; (iii) the Placing Agreement becoming otherwise unconditional in all respects (other than in respect of any condition regarding First Admission) in relation to the relevant issue and not having been terminated in accordance with its terms on or before 8.00 a.m. on the date of the First Admission or the relevant Programme Admission, as applicable; and (iv) Winterflood and/or Jefferies confirming to the Placees their allocation of New Ordinary Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those New Ordinary Shares allocated to it by Winterflood and/or Jefferies at the Initial Issue Price or the applicable Placing Programme Price (as the case may be). To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

Multiple applications or suspected multiple applications on behalf of a single investor are liable to be rejected.

Fractions of New Ordinary Shares will not be issued.

3. Payment for New Ordinary Shares

Each Placee undertakes to pay in full the Initial Issue Price or the Placing Programme Price, as applicable, for the New Ordinary Shares issued to such Placee in the manner and by the time directed by Winterflood or Jefferies (as applicable). In the event of any failure by a Placee to pay as so directed and/or by the time required by Winterflood or Jefferies (as applicable) the relevant Placee shall be deemed hereby to have irrevocably and unconditionally appointed Winterflood or Jefferies (as applicable) or any nominee of Winterflood or Jefferies (as applicable) as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the New Ordinary Shares in respect of which payment shall not have been made as directed, and to indemnify Winterflood or Jefferies (as applicable) and its respective affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales.

A sale of all or any of such New Ordinary Shares shall not release the relevant Placee from the obligation to make such payment for relevant New Ordinary Shares to the extent that Winterflood or Jefferies (as applicable) or its nominee has failed to sell such New Ordinary Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, is equal to or exceeds the Initial Issue Price or Placing Programme Price, as applicable.

4. Representations, Warranties and Undertakings

4.1 By agreeing to subscribe for New Ordinary Shares, each Placee which enters into a commitment to subscribe for New Ordinary Shares (for the purposes of this Part XV, a "Placing Commitment") will (for itself and for any person(s) procured by it to subscribe for New Ordinary Shares and any nominee(s) for any such person(s)) be deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, the Investment Manager, the Registrar, Winterflood and

Jefferies that:

- 4.1.1 it is relying solely on this Prospectus and any supplementary prospectus issued by the Company prior to First Admission or the relevant Programme Admission, as applicable, and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the New Ordinary Shares or the Initial Placing and/or any Subsequent Placing including, without limitation, the Key Information Document relating to the Ordinary Shares as at the date on which this representation is deemed to be given. It agrees that none of the Company, the Investment Manager, the Registrar, Winterflood or Jefferies nor any of their respective officers, agents, employees or affiliates, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have against any such persons in respect of any other information or representation;
- 4.1.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for New Ordinary Shares under the Initial Placing or any Subsequent Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will or might reasonably be expected to result in the Company, the Investment Manager, the Registrar, Winterflood or Jefferies, or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing or any Subsequent Placing.
- 4.1.3 it has carefully read and understands this Prospectus and any supplementary prospectus issued by the Company prior to First Admission or the relevant Programme Admission, as applicable, in its entirety and acknowledges that it is acquiring New Ordinary Shares on the terms and subject to the conditions set out in this Part XV and, as applicable, in the contract note or oral or email placing confirmation, as applicable, referred to in paragraph 4.1.11 of this Part XV (for the purposes of this Part XV, the "**Contract Note**" or the "**Placing Confirmation**") and the Placing Letter (if any) and the Articles as in force at the date of First Admission or the relevant Programme Admission, as applicable;
- 4.1.4 it has not relied on Winterflood or Jefferies, or any person affiliated with either of Winterflood or Jefferies in connection with any investigation of the accuracy of any information contained in this Prospectus;
- 4.1.5 the content of this Prospectus and any supplementary prospectus issued by the Company is exclusively the responsibility of the Company and its Directors and none of Winterflood, Jefferies, the Investment Manager, the Registrar, nor any person acting on their behalf nor any of their affiliates are responsible for or shall have any liability for any information, representation or statement contained in this Prospectus (and any such supplementary prospectus issued by the Company) or any information previously published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Initial Placing and/or any Subsequent Placing based on any information, representation or statement contained in this Prospectus or otherwise;
- 4.1.6 no person is authorised in connection with the Initial Placing and/or any Subsequent Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus issued by the Company prior to the date of First Admission or the relevant Programme Admission and, if given or made, any information or representation must not be relied upon as having been authorised by Winterflood, Jefferies, the Company, the Investment Manager or the Registrar;
- 4.1.7 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- 4.1.8 the price per New Share is fixed at the Initial Issue Price or the Placing Programme

Price as applicable and is payable to Winterflood or Jefferies (as applicable) on behalf of the Company in accordance with the terms of this Part XV and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any);

- 4.1.9 it has the funds available to pay in full for the New Ordinary Shares for which it has agreed to subscribe pursuant to its Placing Commitment and that it will pay the total subscription in accordance with the terms set out in this Part XV and, as applicable, as set out in the Contract Note or Placing Confirmation and the Placing Letter (if any) on the due time and date;
- 4.1.10 its commitment to acquire New Ordinary Shares under the Initial Placing or any Subsequent Placing, as applicable, will be agreed orally or in writing (which shall include by email) with Winterflood or Jefferies (as applicable) as agent for the Company and that a Contract Note or Placing Confirmation will be issued by Winterflood or Jefferies (as applicable) as soon as possible thereafter. That oral or written agreement will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Winterflood or Jefferies (as applicable) to subscribe for the number of New Ordinary Shares (as applicable) allocated to it and comprising its Placing Commitment at the Initial Issue Price or the Placing Programme Price, as applicable on the terms and conditions set out in this Part XV and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) and in accordance with the Articles in force as at the date of First Admission or the relevant Programme Admission, as applicable. Except with the consent of Winterflood or Jefferies (as applicable) such oral or written commitment will not be capable of variation or revocation after the time at which it is made;
- 4.1.11 its allocation of New Ordinary Shares under the Initial Placing and/or the Placing Programme, as applicable, under the Placing will be evidenced by Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of New Ordinary Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such New Ordinary Shares; and (iii) settlement instructions to pay Winterflood or Jefferies (as applicable) as agent for the Company. The terms of this Part XV will be deemed to be incorporated into that Contract Note or Placing Confirmation;
- 4.1.12 settlement of transactions in the New Ordinary Shares following First Admission or the relevant Programme Admission (as applicable), will take place in CREST but each of Winterflood and Jefferies reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note or Placing Confirmation, in the Placing Letter or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction;
- 4.1.13 none of the New Ordinary Shares have been or will be registered under the laws of any EEA Member State (a "**Member State**"), Canada, Japan, Australia, the Republic of South Africa or any other jurisdiction where the extension or availability of the Initial Placing and/or any subsequent Placing would breach any applicable law. Accordingly, the New Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within any of the following: any EEA Member State, Canada, Japan, Australia, the Republic of South Africa or any other jurisdiction where the extension or availability of the Initial Placing and/or any subsequent Placing would breach any applicable law unless an exemption from any registration requirement is available;
- 4.1.14 it: (i) is entitled to subscribe for the New Ordinary Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for New Ordinary Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;
- 4.1.15 if it is within the United Kingdom, it is: (a) (i) a qualified investor within the meaning of section 86(d) of the Financial Services and Markets Act 2000; and (ii) a person who falls within Articles 49(2)(a) to (d), 19(1) or 19(5) of the Financial Services and Markets

- Act 2000 (Financial Promotion) Order 2005 or is a person to whom the New Ordinary Shares may otherwise lawfully be offered whether under such Order or otherwise; or (b) if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the New Ordinary Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- 4.1.16 if it is a resident in an EEA Member State, it is (a) a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation; and (b) otherwise permitted to be marketed to in accordance with the provisions of the AIFM Directive as implemented in the relevant EEA Member State in which it is located;
- 4.1.17 in the case of any New Ordinary Shares acquired by a Placee as a financial intermediary within the EEA as that term is used in the EU Prospectus Regulation or within the United Kingdom as that term is used in the UK Prospectus Regulation: (i) the New Ordinary Shares acquired by it in the Initial Placing and/or any Subsequent Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any EEA Member State or the United Kingdom other than qualified investors, as that term is defined in the EU Prospectus Regulation or the UK Prospectus Regulation, as applicable, or in circumstances in which the prior consent of Winterflood or Jefferies (as applicable) has been given to the offer or resale; or (ii) where New Ordinary Shares have been acquired by it on behalf of persons in any EEA Member State or the United Kingdom other than qualified investors, the offer of those New Ordinary Shares to it is not treated under the EU Prospectus Regulation or the UK Prospectus Regulation, as applicable, the offer of those New Ordinary Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons;
- 4.1.18 if it is outside the United Kingdom, neither this Prospectus (and any supplementary prospectus issued by the Company) nor any other offering, marketing or other material in connection with the Initial Placing and/or any Subsequent Placing or the New Ordinary Shares (for the purposes of this Part XV, each a "**Placing Document**") constitutes an invitation, offer or promotion to, or arrangement with, it or any person for whom it is procuring to subscribe for New Ordinary Shares pursuant to the Initial Placing and/or any Subsequent Placing unless, in the relevant territory, such offer, invitation, promotion or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and New Ordinary Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 4.1.19 if (a) it is located in the United States, it is a QIB and has acknowledged and complied with all of the requirements set forth in section 5 below, including the delivery of a signed Investor Representation Letter to the Company;
- 4.1.20 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for New Ordinary Shares under the Initial Placing and/or any Subsequent Placing, that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will or might reasonably be expected to result in the Company, the Investment Manager, the Registrar, Winterflood, Jefferies or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing and/or any Subsequent Placing;
- 4.1.21 it does not have a registered address in, and is not a citizen, resident or national of Canada, Japan, Australia, the Republic of South Africa or any other jurisdiction in which it is unlawful to make or accept an offer of the New Ordinary Shares and it is not acting on a non-discretionary basis for any such person;
- 4.1.22 if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for

- New Ordinary Shares under the Initial Placing and/or any Subsequent Placing and will not be any such person on the date that such subscription is accepted;
- 4.1.23 (i) it has communicated or caused to be communicated and will communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the New Ordinary Shares only in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person; and (ii) that no Placing Document is being issued by either of Winterflood or Jefferies in its capacity as an authorised person under section 21 of the FSMA;
- 4.1.24 it is aware of and acknowledges that it is required to comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the in, from or otherwise involving, the United Kingdom;
- 4.1.25 it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, the UK Market Abuse Regulation and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with those obligations;
- 4.1.26 no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the New Ordinary Shares or possession of this Prospectus (and any supplementary prospectus issued by the Company), in any country or jurisdiction where action for that purpose is required;
- 4.1.27 it has not offered or sold and will not offer or sell any New Ordinary Shares to the public in any EEA Member State except in circumstances falling within Article 1(4) of the EU Prospectus Regulation which do not result in any requirement for the publication of a prospectus;
- 4.1.28 neither Winterflood or Jefferies, nor any of their respective affiliates nor any person acting on their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing and/or any Subsequent Placing or providing any advice in relation to the Initial Placing and/or Subsequent Placing and participation in the Initial Placing and/or any Subsequent Placing is on the basis that it is not and will not be a client of Winterflood or Jefferies and that Winterflood or Jefferies has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Initial Placing and/or Subsequent Placing nor, if applicable, in respect of any representations, warranties, undertakings or indemnities contained in any Placing Letter;
- 4.1.29 that, save in the event of fraud on the part of Winterflood or Jefferies, none of Winterflood or Jefferies (as applicable), their respective ultimate holding companies, any direct or indirect subsidiary undertakings of such holding company, any of their respective directors, members, partners, officers and employees shall be responsible or liable to a Placee or any of its clients for any matter arising out of any role(s) as sponsor, bookrunner, broker or otherwise performed by Winterflood or Jefferies (as applicable) in connection with the Initial Placing and/or Subsequent Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately and irrevocably waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;
- 4.1.30 that where it is subscribing for New Ordinary Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the New Ordinary Shares for each such account; (ii) to make on each such account's behalf the undertakings, acknowledgements, representations, warranties and agreements set out in this Prospectus; and (iii) to receive on behalf of each such account any documentation relating to the Initial Placing and/or any Subsequent Placing in the form provided by the Company and Winterflood or Jefferies (as applicable). It agrees that the provision of this paragraph shall survive any resale of the New Ordinary Shares by or on behalf of any such account;
- 4.1.31 it irrevocably appoints any Director and any director or duly authorised employee or agent of Winterflood or Jefferies (as applicable) to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all

acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the New Ordinary Shares comprising its Placing Commitment in the event of its own failure to do so;

- 4.1.32 if the Initial Placing and/or any Subsequent Placing does not proceed or the relevant conditions under the Placing Agreement are not satisfied or the New Ordinary Shares for which valid applications are received and accepted are not admitted to listing on the Official List and to trading on the London Stock Exchange's Main Market for any reason whatsoever then none of Winterflood, Jefferies, the Company, the Investment Manager and persons controlling, controlled by or under common control with any of them, and any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- 4.1.33 in connection with its participation in the Initial Placing and/or any Subsequent Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and terrorist financing and that its application for New Ordinary Shares under the Initial Placing and/or any Subsequent Placing is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied for New Ordinary Shares. In addition, it warrants that it is a person: (i) subject to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 in force in the United Kingdom (the "**Money Laundering Regulations**"); or (ii) subject to the Money Laundering Directive (2015/849/EC of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing); or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Regulations;
- 4.1.34 due to anti-money laundering requirements, Winterflood, Jefferies and/or and the Company may require proof of identity and verification of the source of the payment before the application for New Ordinary Shares under the Initial Placing and/or any Subsequent Placing can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Winterflood, Jefferies and/or the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will hold harmless and indemnify Winterflood, Jefferies and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been requested has not been provided by it in a timely manner;
- 4.1.35 it acknowledges and agrees that information provided by it to the Company or the Registrar will be stored both on the Registrar's and the Administrator's computer system and manually. It acknowledges and agrees that for the purposes of the Data Protection Legislation, the Registrar, the Administrator, Winterflood and Jefferies are each required to specify the purposes for which they will hold personal data. For the purposes of this Part XV "Data Protection Legislation" means any law applicable from time to time relating to the collecting and/or processing of personal data and/or privacy, as in force at the date of this Prospectus or as re-enacted, applied, amended, superseded, repealed or consolidated, including without limitation, the UK Data Protection Act 2018, the UK GDPR, the General Data Protection Regulation (EU) 2016/679 (as the case may be) and the Privacy and Electronic Communications (EC Directive) Regulations 2003, in each case including any legally binding regulations, directions and orders issued from time to time under or in connection with any such law. The Registrar, the Administrator, Winterflood and Jefferies will only use such information for the purposes set out below (collectively, the "**Purposes**"). Such personal data will be held and processed for the following Purposes, being to:
- (a) process its personal data (including special categories of personal data (as defined in applicable Data Protection Legislation)) as required for or in connection with the holding of New Ordinary Shares, including processing personal data in connection with credit and money laundering checks on it and

- effecting the payment of dividends and other distributions to shareholders;
 - (b) evaluating and complying with any anti-money laundering, regulatory and tax requirements in the respect of the Company;
 - (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the UK or elsewhere;
 - (d) communicate with it as necessary in connection with the proper running of its business affairs and generally in connection with the holding of New Ordinary Shares;
 - (e) provide personal data to such third parties as are or shall be necessary in connection with the proper running of its business affairs and generally in connection with the holding of New Ordinary Shares or as the Data Protection Legislation may require, including to third parties outside the United Kingdom or the European Economic Area (subject to the use of a transfer mechanism which is approved at the relevant time by the European Commission or any other regulatory body which has or acquires the right to approve methods of transfer of personal data outside the UK); and
 - (f) process its personal data for the purpose of their internal record-keeping and reporting obligations;
- 4.1.36 in providing Winterflood, Jefferies, the Registrar and the Administrator with information, and to the extent that such information relates to a third party procured by a Placee to subscribe for New Ordinary Shares and any nominee for any such persons, it hereby represents and warrants to Winterflood, Jefferies, the Registrar and the Administrator that it has obtained any necessary consents of any data subject whose data it has provided, to Winterflood, Jefferies, the Registrar and the Administrator and their respective associates holding and using their personal data for the Purposes (including, where required, the explicit consent of the data subjects for the processing of any personal data (including special categories of personal data (as defined in applicable Data Protection Legislation)) for the Purposes set out in paragraph 4.1.35 above) and will make the list of "Purposes" for which Winterflood, Jefferies, the Registrar and the Administrator will process the data (as set out in paragraph 4.1.35) above) available to all data subjects whose personal data may be shared by it in the performance of this Agreement. For the purposes of this Part XV, "data subject", "data controller", "data processor", "personal data" and "sensitive personal data" shall have the meanings attributed to them in the Data Protection Legislation;
- 4.1.37 that it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Proceeds of Crime 2002;
- 4.1.38 if it is acting as a "distributor" (for the purposes of UK Product Governance Requirements and the MiFID II Product Governance Requirements):
- (i) it acknowledges that the Target Market Assessment undertaken by the Investment Manager, Winterflood and Jefferies does not constitute: (a) an assessment of suitability or appropriateness for the purposes of UK Product Governance Requirements and MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares and each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels;
 - (ii) notwithstanding any Target Market Assessment undertaken by the Investment Manager, Winterflood and Jefferies, it confirms that, other than where it is providing an execution-only service to investors, it has satisfied itself as to the appropriate knowledge, experience, financing situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the New Ordinary Shares and that it has considered the compatibility of the risk/reward profile of such New Ordinary Shares with the end target market; and
 - (iii) it acknowledges that the price of the New Ordinary Shares may decline and

investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefore;

- 4.1.39 each of Winterflood and Jefferies is entitled to exercise any of its rights under the Placing Agreement (including, without limitation, rights of termination) or any other right in its absolute discretion without any liability whatsoever to it;
- 4.1.40 the representations, undertakings and warranties contained in this Part XV and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any), are irrevocable. It acknowledges that Winterflood, Jefferies and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, warranties and undertakings and it agrees that if any of the representations or warranties or undertakings made or deemed to have been made by its subscription of the New Ordinary Shares under the Initial Placing and/or any Subsequent Placing are no longer accurate, it shall promptly notify Winterflood, Jefferies and the Company;
- 4.1.41 where it or any person acting on behalf of it is dealing with Winterflood or Jefferies any money held in an account with Winterflood or Jefferies (as applicable) on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Winterflood or Jefferies (as applicable) to segregate such money, as that money will be held by Winterflood or Jefferies (as applicable) under a banking relationship and not as trustee;
- 4.1.42 any of its clients, whether or not identified to Winterflood or Jefferies will remain its sole responsibility and will not become clients of Winterflood or Jefferies (as applicable) for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 4.1.43 the allocation of New Ordinary Shares New Ordinary Shares in respect of the Initial Placing and/or any Subsequent Placing shall be determined by Winterflood and Jefferies in their absolute discretion (in consultation with the Company and the Investment Manager) and that Winterflood and Jefferies may scale back any Placing Commitment on such basis as they may determine (which may not be the same for each Placee);
- 4.1.44 time shall be of the essence as regards its obligations to settle payment for the New Ordinary Shares subscribed under the Initial Placing and/or any Subsequent Placing and to comply with its other obligations under the Initial Placing and/or any Subsequent Placing;
- 4.1.45 it authorises Winterflood and Jefferies to deduct from the total amount subscribed under the Initial Placing and/or any Subsequent Placing, as applicable, the aggregate commission (if any) (calculated at the rate agreed with the Placee) payable on the number of New Ordinary Shares allocated under the Initial Placing and/or any Subsequent Placing, as applicable;
- 4.1.46 in the event that a supplementary prospectus is required to be produced pursuant to Article 23(1) of the UK Prospectus Regulation and in the event that it chooses to exercise any right of withdrawal pursuant to Article 23(2) of the UK Prospectus Regulation, such Placee will immediately re-subscribe for the New Ordinary Shares previously comprising its Placing Commitment;
- 4.1.47 the commitment to subscribe for New Ordinary Shares on the terms set out in this Part XV and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) will continue notwithstanding any amendment that may in the future be made to the terms of the Initial Placing and/or any Subsequent Placing and that it will have no right to be consulted or require that its consent be obtained with respect to the

Company's conduct of the Initial Placing or any Subsequent Placing; and

- 4.1.48 it is capable of being categorised as a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook.

The Company, the Investment Manager, the Registrar, Winterflood and Jefferies will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings and acknowledgements. You agree to indemnify and hold each of the Company, the Investment Manager, the Registrar, Winterflood and Jefferies and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of any breach of the representations, warranties, undertakings, agreements and acknowledgements in this Part XV.

5. **United States Purchase and Transfer Restrictions**

- 5.1 By participating in the Initial Placing or any Subsequent Placing, each Placee located within the US, acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for New Ordinary Shares and any nominee(s) for any such person(s)) be further deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, the Investment Manager, the Registrar, Winterflood and Jefferies that:

5.1.1 it is a QIB, as defined in Rule 144A under the Securities Act, and has delivered to the Company, Winterflood and Jefferies a signed Investor Representation Letter;

5.1.2 it confirms that it is acquiring an interest in the New Ordinary Shares for its own account as principal, or for the account of one or more other persons that are able to and who shall be deemed to make all of the representations and agreements in this section 5;

5.1.3 It understands that the New Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration except pursuant to an exemption from the registration requirements of the Securities Act;

5.1.4 it will not be entitled to the benefits of the Investment Company Act;

5.1.5 it is knowledgeable, sophisticated and experienced in business and financial matters and it fully understands the limitations on ownership and transfer and the restrictions on sales of the New Ordinary Shares;

5.1.6 it is able to bear the economic risk of its investment in the New Ordinary Shares and is currently able to afford the complete loss of such investment and is aware that there are substantial risks incidental to the purchase of the New Ordinary Shares, including those summarised under the heading "Risk Factors" in this Prospectus;

5.1.7 unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the New Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974 as amended (for the purposes of this Part XV, "**ERISA**") that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the United States Internal Revenue Code of 1986, as amended (for the purposes of this Part XV, the "**US Internal Revenue Code**"), including an individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the US Internal Revenue Code. In addition, if a Placee is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Internal Revenue Code, its purchase, holding, and disposition of the New Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

5.1.8 any New Ordinary Shares delivered to the Placee in certificated form will contain a

legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

"THE NEW ORDINARY SHARES OF THE COMPANY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, EXERCISED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES. THERE WILL BE NO PUBLIC OFFER OF THE NEW ORDINARY SHARES IN THE UNITED STATES. THE NEW ORDINARY SHARES ARE BEING OFFERED OR SOLD (I) OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS AS DEFINED IN AND PURSUANT TO REGULATION S UNDER THE SECURITIES ACT ("REGULATION S") AND (II) WITHIN THE UNITED STATES, ONLY TO QUALIFIED INSTITUTIONAL BUYERS ("QIBS"), AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE COMPANY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT") AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS OF THE INVESTMENT COMPANY ACT.";

- 5.1.9 it is entitled to acquire the New Ordinary Shares, under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the New Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Investment Manager, the Registrar, Winterflood, Jefferies or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the issue or its acceptance of participation in the Initial Placing and/or any Subsequent Placing; and
- 5.1.10 it understands that this Prospectus (and any supplementary prospectus issued by the Company) has been prepared according to the disclosure requirements of the United Kingdom, which are different from those of the United States.

6. **Supply and Disclosure of Information**

If Winterflood, Jefferies, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for New Ordinary Shares under the Initial Placing and/or any Subsequent Placing, such Placee must promptly disclose it to them and ensure that such information is complete and accurate in all respects.

7. **Miscellaneous**

The rights and remedies of Winterflood, Jefferies, the Registrar, the Investment Manager and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally, his nationality. If a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Initial Placing and/or any subsequent Placing will be sent at the Placee's risk. They may be sent by post to such Placee at an address notified by such Placee to Winterflood or Jefferies (as applicable).

Each Placee agrees to be bound by the Articles (as amended from time to time) once the New Ordinary Shares, as applicable, which the Placee has agreed to subscribe for pursuant to the Initial Placing and/or any Subsequent Placing, have been acquired by the Placee. The contract to subscribe for New Ordinary

Shares under the Initial Placing and/or any Subsequent Placing and the appointments and authorities mentioned in this Prospectus and all disputes and claims arising out of or in connection with its subject matter or formations (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Winterflood, Jefferies, the Company, the Investment Manager and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for New Ordinary Shares under the Initial Placing and/or any Subsequent Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

Winterflood, Jefferies and the Company expressly reserve the right to modify the Initial Placing and/or any Subsequent Placing (including, without limitation, its timetable and settlement) at any time before allocations are determined. The Initial Placing and/or any Subsequent Placing are subject to the satisfaction of the conditions contained in the Placing Agreement and to the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in paragraph 10(a) of Part XIV of this Prospectus.

Part XVI. Terms and Conditions of the Open Offer

The purpose of this Part XVI is to set out the terms and conditions of the Open Offer. Up to 43,830,523 New Ordinary Shares will be issued through the Open Offer. Qualifying Shareholders are being offered the right to subscribe for New Ordinary Shares in accordance with the terms of the Open Offer. The Open Offer has not been underwritten.

Under the Open Offer, New Ordinary Shares will be made available to Qualifying Shareholders at the Initial Issue Price pro rata to their holdings of Existing Ordinary Shares on the Open Offer Record Date, on the terms and subject to the conditions of the Open Offer, on the basis of the Open Offer Entitlement of:

1 New Ordinary Shares for every 8 Existing Ordinary Shares

held by each Qualifying Shareholder on the Open Offer Record Date. In addition, Qualifying Shareholders may make applications under the Excess Application Facility for Excess Shares, being New Ordinary Shares in excess of their Open Offer Entitlements.

The Open Offer Record Date for entitlements under the Open Offer for Qualifying CREST Shareholders and Qualifying Non-CREST Shareholders is 6.00 p.m. 25 January 2022. Qualifying Non-CREST Shareholders will have received Open Offer Application Forms accompanying the Circular and Open Offer Entitlements are expected to be credited to stock accounts of Qualifying CREST Shareholders in CREST by 28 January 2022. Subject to availability, the Excess Application Facility will enable Qualifying Shareholders to apply for Excess Shares.

The latest time and date for receipt of a completed Open Offer Application Form and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is 11.00 a.m. on 15 February 2022 with First Admission and commencement of dealings in New Ordinary Shares expected to take place at 8.00 a.m. on 21 February 2022.

This Part XVI of the Prospectus, and, for Qualifying Non-CREST Shareholders only, the Open Offer Application Form, contains the formal Terms and Conditions of the Open Offer. Your attention is drawn to paragraph 3 of this Part XVI, which gives details of the procedure for application and payment for the New Ordinary Shares and any Excess Shares applied for pursuant to the Excess Application Facility.

The Open Offer is an opportunity for Qualifying Shareholders to apply, in aggregate, for up to 43,830,523 New Ordinary Shares at the Initial Issue Price, *pro rata* (excepting fractional entitlements) to their current holdings of Ordinary Shares, in accordance with the terms of the Open Offer.

Qualifying Shareholders are also being offered the opportunity to apply for additional New Ordinary Shares in excess of their Open Offer Entitlement to the extent that other Qualifying Shareholders do not take up their Open Offer Entitlement in full. The Excess Application facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement as at the Open Offer Record Date.

Any Qualifying Shareholder who has sold or transferred all or part of their registered holding(s) of Ordinary Shares prior to the Ex-entitlement Date is advised to consult their stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for New Ordinary Shares under the Open Offer may be a benefit which may be claimed from them by the purchasers under the rules of the London Stock Exchange.

1. The Open Offer

Subject to the terms and conditions set out below (and, in the case of Qualifying Non-CREST Shareholders, in the Open Offer Application Form) Qualifying Shareholders are hereby invited to apply for New Ordinary Shares at the Initial Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

- (a) 1 New Ordinary Share for every 8 Existing Ordinary Shares held by Qualifying Shareholders at the Open Offer Record Date; and
- (b) further Excess Shares in excess of the Open Offer Entitlement through the Excess Application Facility (although such New Ordinary Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Open Offer Entitlement in full).

Entitlements under the Open Offer will be rounded down to the nearest whole number of New Ordinary Shares, with fractional entitlements being aggregated and made available under the Initial Placing, the Intermediaries Offer, the Offer for Subscription and/or the Excess Application Facility.

Holdings of Existing Ordinary Shares in certified and uncertified form will be treated as separate holdings

for the purpose of calculating entitlements under the Open Offer, as will holdings under different designations and in different accounts. If you are a Qualifying Non-CREST Shareholder, the Open Offer Application Form shows the number of Existing Ordinary Shares registered in your name on the Open Offer Record Date (in Box A) and your Open Offer Entitlement (in Box B).

If you are a Qualifying CREST Shareholder, application will be made for your Open Offer Entitlement and Excess CREST Open Offer Entitlement to be credited to your CREST account. Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts on 28 January 2022. An application for admission to CREST is required for the New Ordinary Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Subject to availability, the Excess Application Facility will enable Qualifying Shareholders, provided they have taken up their Open Offer Entitlement in full, to apply for further New Ordinary Shares in excess of their Open Offer Entitlement. Qualifying CREST Shareholders will have their Open Offer Entitlement and Excess CREST Open Offer Entitlement credited to their stock accounts in CREST and should refer to paragraph 3.2 of this Part XVI for information on the relevant CREST procedures and further details on the Excess Application Facility. Qualifying CREST Shareholders can also refer to the CREST Manual for further information on the CREST procedures.

If applications under the Excess Application Facility are received for more than the total number of New Ordinary Shares which have not been applied for under the Open Offer Entitlements, such applications may be scaled back at the Company's discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Qualifying Shareholders should be aware that the Open Offer is not a rights issue.

Please refer to paragraphs 3.1(f) and 3.2(k) of this Part XVI for further details of the Excess Application Facility.

Qualifying Non-CREST Shareholders should also note that their respective Open Offer Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited through CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit.

The attention of Overseas Shareholders is drawn to paragraph 6 of this Part XVI.

2. Conditions and further terms of the Open Offer

The contracts created by the acceptance of applications (in whole or in part) under the Open Offer will be conditional on, *inter alia*,:

- (a) First Admission becoming effective by not later than 8.00 a.m. (London time) on 21 February 2022 (or such later time and/or date, not being later than 8.00 a.m. on 31 May 2022 as the Company, the Investment Manager and the Joint Bookrunners may agree); and
- (b) the Placing Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before First Admission becomes effective.

Accordingly, if these conditions are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and any applications made by Qualifying Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter.

Any Open Offer Entitlements admitted to CREST will thereafter be disabled. No temporary documents of title will be issued in respect of the New Ordinary Shares held in uncertificated form. Definitive certificates in respect of New Ordinary Shares taken up are expected to be posted to those Qualifying Shareholders who have validly elected to hold their New Ordinary Shares in certificated form within 10 Business Days of First Admission.

In respect of those Qualifying Shareholders who have validly elected to hold their New Ordinary Shares in uncertificated form, the New Ordinary Shares are expected to be credited to their stock accounts maintained in CREST by 21 February 2022. First Admission is expected to occur on 21 February 2022, when dealings in the New Ordinary Shares are expected to begin.

If for any reason it becomes necessary to adjust the expected timetable as set out in this Prospectus, the Company will notify the London Stock Exchange and make an appropriate announcement to a Regulatory Information Service giving details of the revised dates.

3. Procedure for application and payment

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you are sent an Open Offer Application Form in respect of your Open Offer Entitlement under the Open Offer or your Open Offer Entitlement and Excess CREST Open Offer Entitlement is credited to your CREST stock account. Qualifying Shareholders who hold all or part of their Existing Ordinary Shares in certificated form should have received the Open Offer Application Form accompanying the Circular. The Open Offer Application Form shows the number of Existing Ordinary Shares held at the Open Offer Record Date. It will also show Qualifying Shareholders their Open Offer Entitlement that can be allotted in certificated form. Qualifying Shareholders who hold all their Existing Ordinary Shares in CREST will be allotted New Ordinary Shares in CREST. Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form will be allotted New Ordinary Shares in uncertificated form to the extent that their entitlement to New Ordinary Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Qualifying Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 3.2(f) of this Part XVI. CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below. Qualifying Shareholders who do not want to apply for the New Ordinary Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form, or send a USE message through CREST.

3.1 ***If you have received an Open Offer Application Form in respect of your Open Offer Entitlement under the Open Offer:***

(a) *General*

Subject to paragraph 6 of this Part XVI in relation to Overseas Shareholders, Qualifying Non-CREST Shareholders will receive an Open Offer Application Form. The Open Offer Application Form shows the number of Existing Ordinary Shares registered in their name on the Open Offer Record Date in Box A. It also shows the Open Offer Entitlement allocated to them set out in Box B. Entitlements to New Ordinary Shares are rounded down to the nearest whole number and any fractional entitlements to New Ordinary Shares will be aggregated and made available under the Excess Application Facility. Box C shows how much they would need to pay if they wish to take up their Open Offer Entitlement in full. Qualifying Non-CREST Shareholders may apply for less than their entitlement should they wish to do so. Qualifying Non-CREST Shareholders may also hold such an Open Offer Application Form by virtue of a *bona fide* market claim.

Under the Excess Application Facility, provided they have agreed to take up their Open Offer Entitlement in full, Qualifying Non-CREST Shareholders may apply for more than the amount of their Open Offer Entitlement should they wish to do so. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement at the Open Offer Record Date.

The instructions and other terms set out in the Open Offer Application Form part of the terms of the Open Offer in relation to Qualifying Non-CREST Shareholders.

(b) *Bona fide market claims*

Applications to acquire New Ordinary Shares may only be made on the Open Offer Application Form and may only be made by the Qualifying Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer. Open Offer Application Forms may not be sold, assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 11 February 2022. The Open Offer Application Form is not a negotiable document and cannot be separately traded. A Qualifying Non-CREST Shareholder who has sold or otherwise transferred all or part of their holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to participate in the Open Offer, should contact their broker or other professional adviser authorised under FSMA through whom the sale or purchase was effected as soon as possible, as the invitation to acquire New Ordinary Shares may be a benefit which may be claimed by the purchaser(s) or transferee(s). Qualifying Non-CREST Shareholders

who have sold all or part of their registered holding should, if the market claim is to be settled outside CREST, complete Box J on the Open Offer Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Open Offer Application Form should not, however, be forwarded to or transmitted in or into the United States or any Restricted Territory, nor in or into any other jurisdiction where the extension of the Open Offer would breach any applicable law or regulation. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Open Offer Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraph 3.2 of this Part XVI below.

(c) *Application procedures*

Qualifying Non-CREST Shareholders wishing to apply to acquire New Ordinary Shares (whether in respect of all or part of their Open Offer Entitlement or in addition to their Open Offer Entitlement under the Excess Application Facility) should complete the Open Offer Application Form in accordance with the instructions printed on it. Qualifying Non-CREST Shareholders may only apply for Excess Shares if they have agreed to take up their Open Offer Entitlements in full.

If applications under the Excess Application Facility are received for more than the total number of New Ordinary Shares which have not been applied for under the Open Offer Entitlements, such applications may be scaled back at the Company's discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Completed Open Offer Application Forms should be returned by post to the Receiving Agent by no later than 11.00 a.m. on 15 February 2022. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid. The Company further reserves the right (but shall not be obliged) to accept either Open Offer Application Forms or remittances received after 11.00 a.m. on 15 February 2022.

Qualifying Non-CREST Shareholders should note that applications, once made, will be irrevocable and receipt thereof will not be acknowledged. Multiple applications will not be accepted. If an Open Offer Application Form is being sent by first-class post in the UK, Qualifying Shareholders are recommended to allow at least four Business Days for delivery. The Company may in its sole discretion, but shall not be obliged to, treat an Open Offer Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the Terms and Conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Open Offer Application Forms received after 11.00 a.m. on 15 February 2022; or
- (ii) Applications in respect of which remittances are received before 11.00 a.m. on 15 February 2022 from authorised persons (as defined in FSMA) specifying the New Ordinary Shares applied for and undertaking to lodge the Open Offer Application Form in due course but, in any event, within two Business Days.

All documents and remittances sent by post by, to, from or on behalf of an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk.

(d) *Payments*

All payments must be in Sterling and made by cheque made payable to CIS PLC RE: IMPACT HEALTHCARE OPEN OFFER A/C re "IHR plc Open Offer" and crossed "Account Payee only". Cheques must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on page 1 of the Open Offer Application Form. Post-dated cheques will not be accepted.

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant

member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents and/or cheques sent through the post will be sent at the risk of the sender. Payments via CHAPS, BAGS or electronic transfer will not be accepted. If the Open Offer does not become unconditional, no New Ordinary Shares will be issued and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer. If New Ordinary Shares have already been allotted to a Qualifying Non-Crest Shareholder and such Qualifying Non-Crest Shareholder's cheque is not honoured upon first presentation or such Qualifying Non-Crest Shareholder's application is subsequently otherwise deemed to be invalid, the Receiving Agent shall be authorised (in its absolute discretion as to manner, timing and terms) to make arrangements, on behalf of the Company, for the sale of such Qualifying Non-Crest Shareholder's New Ordinary Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of the Receiving Agent, Winterflood, Jefferies or the Company nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Non-CREST Shareholders.

(e) *Incorrect sums*

If an Open Offer Application Form encloses a payment for an incorrect sum, the Company through the Receiving Agent reserves the right:

- (i) to reject the application in full and return the cheque or refund the payment to the Qualifying Non-CREST Shareholder in question (without interest); or
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Initial Issue Price, refunding any unutilised sum to the Qualifying non-CREST Shareholder in question (without interest), save that any sums of less than £1.00 will be retained for the benefit of the Company; or
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all of the New Ordinary Shares referred to in the Open Offer Application Form, refunding any unutilised sums to the Qualifying Non-CREST Shareholder in question (without interest), save that any sums of less than £1.00 will be retained for the benefit of the Company.

(f) *The Excess Application Facility*

- (i) Provided they choose to take up their Open Offer Entitlement in full, the Excess Application Facility enables a Qualifying Non-CREST Shareholder to apply for Excess Shares. Qualifying Non-CREST Shareholders wishing to apply for Excess Shares may do so by completing Box E of the Open Offer Application Form.
- (ii) If applications under the Excess Application Facility are received for more than the total number of New Ordinary Shares which have not been applied for under the Open Offer Entitlements, such applications may be scaled back at the Company's discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all.
- (iii) Qualifying Non-CREST Shareholders who wish to apply for Excess Shares must complete the Open Offer Application Form in accordance with the instructions set out on the Open Offer Application Form.
- (iv) Should the Open Offer become unconditional and applications for New Ordinary Shares by Qualifying Shareholders under the Open Offer exceed 43,830,523 New Ordinary Shares and such excess applications are not accepted to that extent, resulting in a scale back of applications, each Qualifying Non-CREST Shareholder who has made a valid application for Excess Shares and from whom payment in full for the Excess Shares has been received will receive a Sterling amount equal to the number of Excess Shares applied and paid for but not allocated to the relevant Qualifying Non-CREST Shareholder multiplied by the Initial Issue Price. Monies will be returned as soon as reasonably practicable thereafter, without payment of interest and at the applicant's sole risk, to applicants either as a cheque by first class post to the address set out on the Open Offer Application Form or directly to the account of the bank or building society on which the relevant cheque or banker's draft was drawn as soon as practicable but not later than 10 Business Days following the date on which the results of the Open Offer are announced.

(g) *Effect of valid application*

All documents and remittances sent by post by, to, from, or on behalf of or to an applicant (or as the applicant may direct) will be sent entirely at the applicant's own risk. By completing and delivering an Open Offer Application Form, the applicant:

- (i) represents and warrants to the Company, Winterflood and Jefferies that they have the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise their rights, and perform their obligations under any contracts resulting therefrom and that they are not a person otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares or acting on behalf of any such person on a non-discretionary basis;
- (ii) agrees with the Company, Winterflood and Jefferies that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by and construed in accordance with the laws of England and Wales;
- (iii) confirms to the Company, Winterflood and Jefferies that in making the application they are not relying on any information or representation in relation to the Company other than that contained in this Prospectus, and the applicant accordingly agrees that no person responsible solely or jointly for this Prospectus or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this Prospectus, they will be deemed to have had notice of all the information in relation to the Company contained in this Prospectus (including information incorporated by reference);
- (iv) represents and warrants to the Company, Winterflood and Jefferies that they are the Qualifying Shareholder originally entitled to the Open Offer Entitlement;
- (v) represents and warrants to the Company, Winterflood and Jefferies that if they have received some or all of their Open Offer Entitlement from a person other than the Company they are entitled to apply under the Open Offer in relation to such Open Offer Entitlements by virtue of a *bona fide* market claim;
- (vi) requests that the New Ordinary Shares to which they will become entitled be issued to them on the terms set out in this Prospectus and the Open Offer Application Form and subject to the Articles;
- (vii) unless otherwise expressly agreed with the Company, represents and warrants to the Company, Winterflood and Jefferies that they are not, nor are they applying on behalf of any person who is in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Territory or any other jurisdiction in which the application for New Ordinary Shares is prevented by law and they are not applying with a view to re-offering, re-selling, transferring or delivering any of the New Ordinary Shares which are the subject of their application in the United States or to a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Territory or any other jurisdiction in which the application for New Ordinary Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that they are able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a nondiscretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares under the Open Offer;
- (viii) represents and warrants to the Company, Winterflood and Jefferies that they are not, and nor are they applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
- (ix) confirms that in making the application they are not relying and have not relied on the Company Winterflood or Jefferies or any person affiliated with the Company, Winterflood or Jefferies, in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision.

All enquiries in connection with the procedure for application and completion of the Open Offer Application Form should be addressed to the Receiving Agent, at Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours only) to Computershare

Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, or you can contact them on 0370 703 0340 from within the UK or +44 (0)370 703 0340 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

(h) *Proxy*

Qualifying Non-CREST Shareholders who do not want to take up or apply for the New Ordinary Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form. They are, however, encouraged to vote at the General Meeting by completing and returning the form of proxy enclosed with the Circular.

A Qualifying Non-CREST Shareholder who is also a CREST member may elect to receive the New Ordinary Shares to which they are entitled in uncertificated form in CREST. Please see paragraph 3.2(f) below for more information.

3.2 ***If you have an Open Offer Entitlement and an Excess CREST Open Offer Entitlement credited to your stock account in CREST in respect of your entitlement under the Open Offer***

(a) *General*

Subject to paragraph 6 of this Part XVI in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to their stock account in CREST of their Open Offer Entitlement equal to the maximum number of Issue

Shares for which they are entitled to apply under the Open Offer together with a credit of Excess CREST Open Offer Entitlements equal to the maximum number of shares available in the Open Offer.

Entitlements to New Ordinary Shares will be rounded down to the nearest whole number and any Open Offer Entitlements have therefore also been rounded down. Any fractional entitlements to New Ordinary Shares arising will be aggregated and made available under the Excess Application Facility. The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Open Offer Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements and Excess CREST Open Offer Entitlements have been allocated.

If for any reason Open Offer Entitlements and/or the Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by 28 January 2022, or such later time and/or date as the Company may decide, an Open Offer Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to their stock account in CREST. In these circumstances the expected timetable as set out in this Prospectus will be adjusted as appropriate and the provisions of this Prospectus applicable to Qualifying Non-CREST Shareholders with Open Offer Application Forms will apply to Qualifying CREST Shareholders who receive an Open Offer Application Form.

CREST members who wish to apply to acquire some or all of their entitlements to New Ordinary Shares and their Excess CREST Open Offer Entitlements should refer to the CREST Manual for further information on the CREST procedures referred to below. CREST sponsored members should consult their CREST sponsor if they wish to apply for New Ordinary Shares as only their CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) *Market claims*

Each of the Open Offer Entitlements and Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) will thereafter be transferred accordingly.

Excess Open Offer Entitlements will not be subject to Euroclear's market claims process. Qualifying CREST Shareholders claiming Excess Open Offer Entitlements by virtue of a *bona fide* market claim are

advised to contact the Receiving Agent to request a credit of the appropriate number of entitlements to their CREST account.

(c) *Unmatched Stock Event (USE Instructions)*

Qualifying CREST Shareholders who are CREST members and who want to apply for New Ordinary Shares in respect of all or some of their Open Offer Entitlements and their Excess CREST Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE Instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements or Excess CREST Open Offer Entitlements corresponding to the number of New Ordinary Shares applied for; and
- (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of New Ordinary Shares referred to in paragraph (a).

(d) *Content of USE Instruction in respect of Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of New Ordinary Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlement. This is GB00BNK8V672;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 3RA24;
- (vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is IMPACTOO;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 15 February 2022; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 15 February 2022.

In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 15 February 2022 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 21 February 2022 (or such later time and date as the Company and the Joint Bookrunners determine being no later than 8.00 a.m. on 31 May 2022), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

(e) *Content of USE Instruction in respect of Excess CREST Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Excess Shares for which application is being made (and hence being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement. This is GB00BNK8V789;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 3RA24;
- (vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is IMPACTOO;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of Excess Shares referred to in (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 15 February 2022;
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 15 February 2022.

In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 15 February 2022 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 21 February 2022 (or such later date as the Company and the Joint Bookrunners determine being no later than 31 May 2022), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter but not later than four Business Days following the lapse announcement.

(f) *Deposit of Open Offer Entitlements into, and withdrawal from, CREST*

A Qualifying Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in their Open Offer Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Open Offer Application Form or into the name of a person entitled by virtue of a *bona fide* market claim), provided that such Qualifying Non-CREST Shareholder is also a CREST member. Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer and entitlement to apply under the Excess Application Facility is reflected in an Open Offer Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Open Offer Application Form.

A holder of an Open Offer Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 3:00 p.m. on 10 February 2022. After depositing their Open Offer Entitlement into their CREST account, CREST holders will shortly

thereafter receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Receiving Agent, the recommended latest time for depositing an Open Offer Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Open Offer Application Form as Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 10 February 2022 recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 9 February 2022 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility following the deposit or withdrawal (whether as shown in an Open Offer Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and the entitlement to apply under the Excess Application Facility, as the case may be, prior to 11.00 a.m. on 15 February 2022.

Delivery of an Open Offer Application Form with the CREST deposit form duly completed, whether in respect of a deposit into the account of the Qualifying Shareholder named in the Open Offer Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Receiving Agent by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for depositing entitlements under the Open Offer into CREST" on page 2 of the Open Offer Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST member(s) that it/they is/are not in the United States or citizen(s) or resident(s) of any Restricted Territory or any other jurisdiction in which the application for New Ordinary Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/ are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(g) *Validity of application*

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 15 February 2022 will constitute a valid application under the Open Offer.

(h) *CREST procedures and timings*

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that their CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 15 February 2022. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(i) *Proxy*

If a Qualifying CREST Shareholder does not wish to apply for the New Ordinary Shares under the Open Offer, they should take no action. They are, however, encouraged to vote at the General Meeting by completing and returning the form of proxy enclosed with the Circular.

(j) *Incorrect or incomplete applications*

If a USE Instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question (without interest);
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Initial Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and

- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the USE Instruction, refunding any unutilised sum to the CREST member in question (without interest).

(k) *The Excess Application Facility*

The Excess Application Facility enables Qualifying CREST Shareholders, who have taken up their Open Offer Entitlement in full, to apply for Excess Shares in excess of their Open Offer Entitlement as at the Open Offer Record Date. If applications under the Excess Application Facility are received for more than the total number of New Ordinary Shares which have not been applied for under the Open Offer Entitlements, such applications may be scaled back at the Company's discretion and no assurance can be given that excess applications by Qualifying Shareholders will be met in full or in part or at all. Excess CREST Open Offer Entitlements may not be sold or otherwise transferred. Subject as provided in paragraph 6 of this Part XVI in relation to Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with Excess CREST Open Offer Entitlements to enable applications for Excess Shares to be settled through CREST. Qualifying CREST Shareholders should note that, although the Open Offer Entitlement and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities. Neither the Open Offer Entitlement nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions above and must not return a paper form and cheque.

Should a transaction be identified by the CREST Claims Processing Unit as "cum" the Open Offer Entitlement and the relevant Open Offer Entitlement(s) be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement(s) claim. Qualifying CREST Shareholders claiming Excess Open Offer Entitlements by virtue of a *bona fide* market claim are advised to contact the Receiving Agent to request a credit of the appropriate number of entitlements to their CREST account. Please note that an additional USE Instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Should the Open Offer become unconditional and applications for New Ordinary Shares by Qualifying Shareholders under the Open Offer exceed 43,830,523 New Ordinary Shares, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application pursuant to their Excess CREST Open Offer Entitlement, and from whom payment in full for the Excess Shares has been received, will receive a Sterling amount equal to the number of New Ordinary Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Initial Issue Price. Monies will be returned as soon as reasonably practicable following the completion of the scale back, without payment of interest and at the applicant's sole risk by way of CREST payment to the originating CREST account within four Business Days following the announcement of the results of the Open Offer.

Fractions of New Ordinary Shares will be aggregated and made available under the Excess Application Facility.

For all enquiries in connection with the procedure for applications under the Excess Application Facility and Excess CREST Open Offer Entitlements please contact the Receiving Agent on 0370 703 0340 from within the UK or +44 0370 703 0340 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

(l) *Effect of valid application*

A CREST member who makes or is treated as making a valid application for some or all of their pro rata entitlement to New Ordinary Shares in accordance with the above procedures hereby:

- (i) represents and warrants to the Company, Winterflood and Jefferies that they have the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and to execute, deliver and exercise their rights, and perform their obligations, under any contracts resulting therefrom and that they are not a person otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares or acting on behalf of any such person on a

- non-discretionary basis;
- (ii) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
 - (iii) agrees with the Company, Winterflood and Jefferies that all applications under the Open Offer and contracts resulting therefrom, and any non-contractual obligations related thereto, shall be governed by, and construed in accordance with, the laws of England and Wales;
 - (iv) confirms to the Company, Winterflood and Jefferies that in making the application they are not relying on any information or representation in relation to the Company other than that contained in this Prospectus, and the applicant accordingly agrees that no person responsible solely or jointly for this Prospectus or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this Prospectus, they will be deemed to have had notice of all the information in relation to the Company contained in this Prospectus (including information incorporated by reference);
 - (v) represents and warrants to the Company, Winterflood and Jefferies that they are the Qualifying Shareholder originally entitled to the Open Offer Entitlements;
 - (vi) represents and warrants to the Company, Winterflood and Jefferies that if they have received some or all of their Open Offer Entitlements from a person other than the Company, they are entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;
 - (vii) requests that the New Ordinary Shares to which they will become entitled be issued to them on the terms set out in this Prospectus and subject to the Articles;
 - (viii) unless otherwise expressly agreed with the Company, represents and warrants to the Company, Winterflood and Jefferies that they are not, nor are they applying on behalf of any Shareholder who is or in the United States or is a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Territory or any other jurisdiction in which the application for New Ordinary Shares is prevented by law and they are not applying with a view to re-offering, re-selling, transferring or delivering any of the New Ordinary Shares which are the subject of their application in the United States or to a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Territory or any other jurisdiction in which the application for Issue Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that they are able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares under the Open Offer;
 - (ix) represents and warrants to the Company, Winterflood and Jefferies that they are not, and nor are they applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in sections 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986; and
 - (x) confirms that in making the application they are not relying and have not relied on the Company, Winterflood or Jefferies or any person affiliated with the Company, Winterflood or Jefferies, in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision.
- (m) *Company's discretion as to the rejection and validity of applications*

The Company may in its sole discretion, but shall not be obliged to:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part XVI;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or

- (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE Instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "**first instruction**") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
 - (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE Instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for New Ordinary Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.
- (n) *Lapse of Open Offer*

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 21 February 2022 or such later time and date as the Company and the Joint Bookrunners determine (being no later than 8.00 a.m. on 31 May 2022), the Open Offer will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter but not later than four Business Days following the lapse announcement.

4. **UK Money Laundering Regulations**

4.1 ***Holders of Open Offer Application Forms***

To ensure compliance with the UK Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Open Offer Application Form is lodged with payment (which requirements are referred to below as the "**verification of identity requirements**"). If the Open Offer Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the UK Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent's stamp should be inserted on the Open Offer Application Form.

The person lodging the Open Offer Application Form with payment and in accordance with the other terms as described above (the "**acceptor**"), including any person who appears to the Receiving Agent to be acting on behalf of some other person, accepts the Open Offer in respect of such number of New Ordinary Shares as is referred to therein (for the purposes of this paragraph 4 the "**relevant New Ordinary Shares**") and shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as they may require to satisfy the verification of identity requirements.

If the Receiving Agent determines that the verification of identity requirements apply to any acceptor or application, the relevant New Ordinary Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements have been satisfied, and neither the Receiving Agent nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat

the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer will be returned (at the acceptor's risk) without interest to the account of the bank or building society on which the relevant cheque was drawn.

Submission of an Open Offer Application Form with the appropriate remittance will constitute a warranty to each of the Company, the Receiving Agent, Winterflood and Jefferies from the applicant that the UK Money Laundering Regulations will not be breached by application of such remittance. The verification of identity requirements will not usually apply:

- (a) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering or terrorist financing (no. 2015/849/EU);
- (b) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the UK Money Laundering Regulations;
- (c) if the applicant (not being an applicant who delivers their application in person) makes payment by way of a cheque drawn on an account in the applicant's name; or
- (d) if the aggregate subscription price for the New Ordinary Shares is less than €15,000 (approximately £12,500).

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

- (a) if payment is made by cheque in Sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to CIS PLC RE: IMPACT HEALTHCARE OPEN OFFER A/C and crossed "Account Payee Only". Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on page 1 of the Open Offer Application Form; or
- (b) if the Open Offer Application Form is lodged with payment by an agent which is an organisation of the kind referred to in paragraph 4.1(a) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force, the agent should provide with the Open Offer Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent. If the agent is not such an organisation, it should contact the Receiving Agent.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact the Receiving Agent on 0370 703 0340 from within the UK or +44 0370 703 0340 if calling from outside the UK. Lines are open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

4.2 Open Offer Entitlements in CREST

If you hold your Open Offer Entitlement and Excess CREST Open Offer Entitlement in CREST and apply for New Ordinary Shares in respect of some or all of your Open Offer Entitlement and Excess CREST Open Offer Entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE Instruction, which on its settlement constitutes a valid application as described above, constitutes a warranty and undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the UK Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the New Ordinary Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the New Ordinary Shares

represented by the USE Instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

5. Admission, settlement and dealings

The result of the Open Offer is expected to be announced on 17 February 2022. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading. Subject to the Open Offer becoming unconditional in all respects (save only as to First Admission), it is expected that First Admission will become effective and that dealings in the New Ordinary Shares, fully paid, will commence at 8.00 a.m. on 21 February 2022.

The Existing Ordinary Shares are already admitted to CREST. A further application for admission to CREST is, however, required for the New Ordinary Shares. All such Shares, when issued and fully paid, may be held and transferred by means of CREST.

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 am on 15 February 2022 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, New Ordinary Shares will be issued in uncertificated form to those persons who submitted a valid application for New Ordinary Shares by utilising the CREST application procedures and whose applications have been accepted by the Company.

On 21 February 2022, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to New Ordinary Shares with effect from First Admission. The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given. Notwithstanding any other provision of this Prospectus, the Company reserves the right to send Qualifying CREST Shareholders an Open Offer Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any New Ordinary Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

No temporary documents of title will be issued, and transfers will be certified against the register of members of the Company. All documents or remittances sent by, to, from or on behalf of applicants, or as they may direct, will (in the latter case) be sent through the post and will (in both cases) be at the risk of the applicant. For more information as to the procedure for application, Qualifying Non-CREST Shareholders are referred to paragraph 3.1 above and their respective Open Offer Application Form.

6. Overseas Shareholders

6.1 General

The distribution of this Prospectus and the making or acceptance of the Open Offer to or by persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom, may be affected by the laws or regulatory requirements of the relevant jurisdictions. It is the responsibility of those persons to consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for New Ordinary Shares under the Open Offer.

No action has been or will be taken by the Company, Winterflood, Jefferies, or any other person, to permit a public offering or distribution of this Prospectus (or any other offering or publicity materials or application form(s) relating to the New Ordinary Shares) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom. Receipt of this Prospectus and/or an Open Offer Application Form and/or a credit of an Open Offer Entitlement or an Excess CREST Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in whose jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this Prospectus and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

Open Offer Application Forms will not be sent to, and Open Offer Entitlements and Excess CREST Open Offer Entitlements will not be credited to stock accounts in CREST of, persons with registered addresses

in the United States or a Restricted Territory or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this Prospectus and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to them, nor should they in any event use any such Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to them and such Open Offer Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Prospectus and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for New Ordinary Shares under the Open Offer to satisfy themselves as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

None of the Company, Winterflood, Jefferies nor any of their respective representatives is making any representation or warranty to any offeree or purchaser of the New Ordinary Shares regarding the legality of an investment in the New Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this Prospectus and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess CREST Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this Prospectus and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by their custodian, agent, nominee or trustee, they must not seek to apply for New Ordinary Shares in respect of the Open Offer unless the Company, Winterflood and Jefferies determine that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this Prospectus and/or an Open Offer Application Form and/or transfers Open Offer Entitlements or Excess CREST Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part XVI and specifically the contents of this paragraph 6.

The Company reserves the right to treat as invalid any application or purported application for New Ordinary Shares that appears to the Company or its agents to have been executed, effected or dispatched from the United States or a Restricted Territory or in a manner that may involve a breach of the laws or regulations of any other jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of New Ordinary Shares or in the case of a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, to a CREST member whose registered address would be, in the United States or a Restricted Territory or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

Notwithstanding any other provision of this Prospectus or the relevant Open Offer Application Form, the Company, Winterflood and Jefferies reserve the right to permit any person to apply for New Ordinary Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for New Ordinary Shares should note that payment must be made in Sterling denominated cheques or where such Overseas Shareholder is a Qualifying CREST Shareholder, through CREST. Due to restrictions under the securities laws of the United

States and the Restricted Territories, and subject to certain exceptions, Qualifying Shareholders in the United States or who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Territory will not qualify to participate in the Open Offer and will not be sent an Open Offer Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements. No public offer of New Ordinary Shares is being made by virtue of this Prospectus or the Open Offer Application Forms into the United States or any Restricted Territory.

Receipt of this Prospectus and/or an Open Offer Application Form and/or a credit of an Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this Prospectus and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

6.2 United States

In connection with the Open Offer, subject to certain exceptions, the Ordinary Shares will be offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the Securities Act. There has been and will be no public offering of the Ordinary Shares in the United States. Unless otherwise expressly agreed with the Company, if you subscribe for New Ordinary Shares pursuant to the Open Offer, you will be deemed to make the representations, warranties, undertakings, agreements and acknowledgements set out in this Prospectus and the Open Offer Application Form (if any), including (unless otherwise expressly agreed with the Company) those set out in the section entitled "Overseas Persons and Restricted Territories" in Part XVI of this Prospectus.

Accordingly, subject to certain exceptions the Company is not extending the Open Offer into the United States and neither this Prospectus nor the Open Offer Application Form constitutes or will constitute an offer or an invitation to apply for or an offer or an invitation to acquire any New Ordinary Shares in the United States.

Subject to certain exceptions, neither this Prospectus nor an Open Offer Application Form will be sent to, and no New Ordinary Shares will be credited to a stock account in CREST of, any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Open Offer Application Forms sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares issued upon exercise thereof outside the United States. Unless otherwise expressly agreed with the Company, any person who acquires New Ordinary Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this Prospectus or the Open Offer Application Form and delivery of the New Ordinary Shares, that they are not, and that at the time of acquiring the New Ordinary Shares they will not be, in the United States.

The Company reserves the right to treat as invalid any Open Offer Application Form that appears to the Company or its agents to have been executed in, or despatched from, the United States, or that provides an address in the United States for the receipt of New Ordinary Shares, or which does not make the warranty set out in the Open Offer Application Form to the effect that the person completing the Open Offer Application Form does not have a registered address and is not otherwise located in the United States and is not acquiring the New Ordinary Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares in the United States or where the Company believes acceptance of such Open Offer Application Form may infringe applicable legal or regulatory requirements. The Company will not be bound to allot or issue any New Ordinary Shares to any person with an address in, or who is otherwise located in, the United States in whose favour an Open Offer Application Form or any New Ordinary Shares may be transferred. In addition, the Company, Winterflood and Jefferies reserve the right to reject any USE Instruction sent by or on behalf of any CREST member with a registered address in the United States in respect of the New Ordinary Shares.

6.3 Restricted Territories

Due to restrictions under the securities laws of the Restricted Territories and subject to certain exemptions, Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, any Restricted Territory will not qualify to participate in the Open Offer and will not be sent an Open Offer Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess CREST Open Offer Entitlements. The New Ordinary Shares have not been and will not be registered under the relevant laws of any Restricted Territory or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or

ordinarily resident in, or a citizen of, any Restricted Territory except pursuant to an applicable exemption.

No offer or invitation to apply for New Ordinary Shares is being made by virtue of this Prospectus or the Open Offer Application Form into any Restricted Territory.

6.4 Other overseas territories

Open Offer Application Forms will be sent to Qualifying Non-CREST Shareholders and Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to the stock account in CREST of Qualifying CREST Shareholders. Qualifying Shareholders in jurisdictions other than the United States or the Restricted Territories may, subject to the laws of their relevant jurisdiction, take up New Ordinary Shares under the Open Offer in accordance with the instructions set out in this Prospectus and the Open Offer Application Form. Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any New Ordinary Shares in respect of the Open Offer.

6.5 Representations and warranties in relation to Overseas Shareholders

(a) Qualifying Non-CREST Shareholders

Any person completing and returning an Open Application Form or requesting registration of the New Ordinary Shares comprised therein represents and warrants to the Company, Winterflood, Jefferies and the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the Open Offer Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant New Ordinary Shares from within any Restricted Territory; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire New Ordinary Shares in respect of the Open Offer or to use the Open Offer Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Restricted Territory (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring New Ordinary Shares with a view to offer, sale, resale, transfer, deliver or distribute, directly or indirectly, any such New Ordinary Shares into any of the above territories. The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of New Ordinary Shares comprised in an Open Offer Application Form if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from a Restricted Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in or a Restricted Territory for delivery of the share certificates of New Ordinary Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph 6.5 (a).

(b) Qualifying CREST Shareholders

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this Part XVI represents and warrants to the Company, Winterflood, Jefferies and the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not within any Restricted Territory; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire New Ordinary Shares; (iii) such person is not accepting on a non-discretionary basis for a person located within any Restricted Territory (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring any New Ordinary Shares with a view the offer, sale, resale, transfer, delivery or distribute, directly or indirectly, any such New Ordinary Shares into any of the above territories.

6.6 Waiver

The provisions of this paragraph 6 and of any other terms of the Open Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company, Winterflood and Jefferies in their absolute discretion. Subject to this, the provisions of this paragraph 6 supersede any terms of the Open Offer inconsistent herewith. References in this paragraph 6 to Shareholders shall include references to the person or persons executing an Open Offer Application

Form and, in the event of more than one person executing an Open Offer Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

7. Times and dates

The Company shall, in agreement with Winterflood and Jefferies and after consultation with its financial and legal advisers, be entitled to amend the dates that Open Offer Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this Prospectus and in such circumstances shall notify the London Stock Exchange, and make an announcement on a Regulatory Information Service, but Qualifying Shareholders may not receive any further written communication.

If a supplementary prospectus is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this Prospectus, the latest date for acceptance under the Open Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary prospectus (and the dates and times of principal events due to take place following such date shall be extended accordingly).

8. Taxation

Shareholders who are in any doubt as to their tax position in relation to taking up their entitlements under the Open Offer, or who are subject to tax in any jurisdiction other than the United Kingdom, should immediately consult a suitable professional adviser.

9. Further information

Your attention is drawn to the further information set out in this Prospectus and also, in the case of Qualifying Non-CREST Shareholders and other Qualifying Shareholders to whom the Company has sent Open Offer Application Forms, to the terms, conditions and other information printed on the accompanying Open Offer Application Form.

10. Governing law and jurisdiction

The Terms and Conditions of the Open Offer as set out in this Prospectus, the Open Offer Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, the laws of England and Wales.

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this Prospectus or the Open Offer Application Form. By taking up New Ordinary Shares, by way of their Open Offer Entitlement and the Excess Application Facility (as applicable), in accordance with the instructions set out in this Prospectus and, where applicable, the Open Offer Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

Part XVII. Terms and Conditions of Application under the Offer for Subscription

1. Introduction

If you apply for New Ordinary Shares under the Offer for Subscription, you will be agreeing with the Company, the Registrar and the Receiving Agent to the terms and conditions of application set out below.

2. Offer to acquire New Ordinary Shares

Your application must be made on the Offer for Subscription Application Form attached at the end of this document or as may be otherwise published by the Company. By completing and delivering an Offer for Subscription Application Form, you, as the applicant, and, if you sign the Offer for Subscription Application Form on behalf of another person or a corporation, that person or corporation:

- (a) offer to subscribe for such number of New Ordinary Shares at 114p per New Share as may be purchased by the subscription amount specified in Box 1 on your Offer for Subscription Application Form (being a minimum of 1,000 New Ordinary Shares) or any smaller number for which such application is accepted at the Initial Issue Price on the terms, and subject to the conditions, set out in this document, including these terms and conditions of application and the Articles;
- (b) agree that, in consideration of the Company agreeing that it will not, prior to the date of Admission, offer for subscription any New Ordinary Shares to any person other than by means of the procedures referred to in this document, your application may not be revoked otherwise than in accordance with your statutory rights under Article 23(2) of the UK Prospectus Regulation and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to the Receiving Agent of your Offer for Subscription Application Form;
- (c) undertake to pay the amount specified in Box 1 on your Offer for Subscription Application Form in full on application and warrant that the remittance accompanying your Offer for Subscription Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive the share certificates for the New Ordinary Shares applied for in certificated form or be entitled to commence dealing in the New Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such New Ordinary Shares unless and until you make payment in cleared funds for such New Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent and the Company against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) void the agreement to allot the New Ordinary Shares and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund by way of a cheque, in your favour, at your risk, for an amount equal to the proceeds of the remittance which accompanied your Offer for Subscription Application Form, without interest);
- (d) agree that where on your Offer for Subscription Application Form a request is made for New Ordinary Shares to be deposited into a CREST Account: (i) the Receiving Agent may in its absolute discretion amend the Offer for Subscription Application Form so that such New Ordinary Shares may be issued in certificated form registered in the name(s) of the holders specified in your Offer for Subscription Application Form (and you acknowledge that the Receiving Agent will so amend the Offer for Subscription Application Form if there is any delay in satisfying the identity of the applicant or the owner of the CREST Account or in receiving your remittance in cleared funds); and (ii) the Receiving Agent or the Company may authorise your financial adviser or whomever he may direct to send a document of title for or credit your CREST account in respect of the number of New Ordinary Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address set out on your Offer for Subscription Application Form;
- (e) agree, in respect of applications for New Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 2(d) above to issue New Ordinary Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Offer for Subscription Application Form may become entitled or pursuant to paragraph 2(d) above (and any monies returnable to you) may be retained by the Receiving Agent:

- (i) pending clearance of your remittance;
 - (ii) pending investigation of any suspected breach of the warranties contained in paragraph 6 below or any other suspected breach of these terms and conditions of application; or
 - (iii) pending any verification of identity (to the satisfaction of the Company and its agents, including as may concern the manner in which its identification documents are to be certified) which is, or which the Company and its agents consider may be, required for the purposes of compliance with the prevailing anti-money laundering, anti-terrorism and contributing to the financing of criminal activities legislation, regulations and procedures in force from time to time in the United Kingdom (the "**CDD Rules**"); and
 - (iv) any interest accruing on such retained monies shall accrue to and for the benefit of the Company;
- (f) agree, on the request of the Receiving Agent, to disclose promptly in writing to it such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which it may consider appropriate;
- (g) agree that, if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Company) following a request therefore, the Company or the Receiving Agent may terminate the agreement with you to allot New Ordinary Shares and, in such case, the New Ordinary Shares which would otherwise have been allotted to you may be reallocated or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned to the bank account on which the payment accompanying the application was first drawn without interest and at your risk;
- (h) warrant and confirm that:
- (i) you are not a person engaged in money laundering;
 - (ii) none of the monies or assets transferred or to be transferred to (or for the account of) the Company and its agents for the purposes of the subscription are or will be the proceeds of criminal activities or activities that would be criminal if carried out in the United Kingdom; and
 - (iii) you are not a prohibited individual or entity or resident in a prohibited country or territory listed on the United States Department of Treasury's Office of Foreign Assets Control ("**OFAC**") website and that you are not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programmes;
- (i) represent and warrant to the Company that, where you are acting as a nominee on behalf of a retail investor based in the UK or Jersey you have delivered a hard copy of the Key Information Document to each retail investor on whose behalf you are accepting the Offer for Subscription prior to receipt of each such investor's instruction to accept the Offer for Subscription;
- (j) undertake to ensure that, in the case of an Offer for Subscription Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Offer for Subscription Application Form together with full identity documents for the person so signing;
- (k) undertake to pay interest at the rate described in paragraph 3(c) below if the remittance accompanying your Offer for Subscription Application Form is not honoured on first presentation;
- (l) authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of New Ordinary Shares for which your application is accepted or if you have completed Box 7 on your Offer for Subscription Application Form, but subject to paragraph 2(d) above, to deliver the number of New Ordinary Shares for which your application is accepted into CREST, and/or to return any monies returnable by cheque in your favour without interest and at your risk;
- (m) confirm that you have read and complied with paragraph 8 of this Part XVII;
- (n) agree that all subscription cheques and payments will be processed through a bank account (the "**Acceptance Account**") in the name of "CIS PLC RE: IMPACT HEALTHCARE OFS A/C" opened

with the Receiving Agent;

- (o) acknowledge that any personal data supplied by an Offer for Subscription Applicant or on his behalf, shall be processed in accordance with the data collection notice which is set out on pages 25 to 26 of the Prospectus; and
- (p) agree that your Offer for Subscription Application Form is addressed to the Company and the Receiving Agent.

Any application may be rejected in whole or in part at the sole discretion of the Company.

3. **Acceptance of your Offer**

- (a) The Company may accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) by notifying acceptance to the Receiving Agent, or the Receiving Agent may accept your offer on behalf of the Company.
- (b) The basis of allocation will be determined by the Joint Bookrunners in consultation with the Company. The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application. The right is reserved to treat as valid any application not complying fully with these terms and conditions of application or not in all respects completed or delivered in accordance with the instructions accompanying the Offer for Subscription Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Offer for Subscription Application Form where you have agreed with the Company in some other manner to apply in accordance with these terms and conditions of application. The Company and Receiving Agent reserve the right (but shall not be obliged) to accept Offer for Subscription Application Forms and accompanying remittances which are received otherwise than in accordance with these terms and conditions of application.
- (c) The Receiving Agent will present all cheques and banker's drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful Offer for Subscription applicants' payment. The Receiving Agent may, as agent of the Company, require you to pay interest or its other resulting costs (or both) if the payment accompanying your application is not honoured on first presentation. If you are required to pay interest you will be obliged to pay the amount determined by the Receiving Agent, to be the interest on the amount of the payment from the date on which all payments in cleared funds are due to be received until the date of receipt of cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Receiving Agent plus 2 per cent. per annum. The right is also reserved to reject in whole or in part, or to scale down or limit, any application.
- (d) The Company reserves the right in its absolute discretion (but shall not be obliged) to accept applications for less than the minimum subscription of 1,000 New Ordinary Shares.

4. **Conditions**

- (a) The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional, *inter alia*, upon:
 - (i) First Admission occurring by 8.00 a.m. on 21 February 2022 (or such later date as the Company and the Joint Brokers may agree in writing, being not later than 8.00 a.m. on 31 May 2022); and
 - (ii) the Placing Agreement becoming otherwise unconditional in all respects (save for any condition relating only to the Placing Programme) and not having been terminated on or before First Admission.
- (b) You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

5. **Return of application monies**

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest and after the deduction of any applicable bank charges by returning your cheque, or by

crossed cheque in your favour, by post at the risk of the person(s) entitled thereto. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

6. Warranties

By completing an Offer for Subscription Application Form, you:

- (a) warrant that, if you sign the Offer for Subscription Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions of application and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- (b) warrant that you are a resident of, and are located in the United Kingdom or Jersey and no other jurisdiction;
- (c) warrant, if the laws of any territory or jurisdiction outside the United Kingdom are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company, Winterflood, Jefferies or the Receiving Agent, or any of their respective officers, agents, employees or affiliates, acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Offer for Subscription in respect of your application;
- (d) confirm that in making an Offer for Subscription Application you are not relying on any information or representations in relation to the Company other than those contained in this document and any supplementary prospectus published by the Company prior to First Admission (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for this document, any supplementary prospectus or any part thereof shall have any liability for any such other information or representation;
- (e) agree that, having had the opportunity to read this document, you shall be deemed to have had notice of all information and representations contained therein;
- (f) acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus published by the Company prior to First Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, Winterflood, Jefferies or the Receiving Agent;
- (g) warrant that you are not under the age of 18 on the date of your application;
- (h) agree that all documents and monies sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint holders, the address of the first-named holder) as set out in your Offer for Subscription Application Form;
- (i) confirm that you have reviewed the restrictions contained in paragraph 8 of this Part XVII below and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or have complied with the provisions therein;
- (j) agree that, in respect of those New Ordinary Shares for which your Offer for Subscription Application Form has been received and processed and not rejected, acceptance of your Offer for Subscription Application Form shall be constituted by the Company instructing the Registrar to enter your name on the register of members of the Company;
- (k) agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription (including any non-contractual obligations arising under or in connection therewith) shall be governed by and construed in accordance with English Law and that you submit to the exclusive jurisdiction of the English Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

- (l) irrevocably authorise the Company, or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any New Ordinary Shares subscribed by or issued to you into your name and authorise any representatives of the Company and/or the Receiving Agent to execute any documents required therefor and to enter your name on the register of members of the Company;
- (m) agree, on the request of the Company or any of its agents, to disclose promptly in writing to any of them such information as the Company or its agents may request in connection with your application and you agree that information relating to applications will be retained by the Receiving Agent in connection with the Offer for Subscription and may be disclosed as contemplated by the CDD Rules;
- (n) agree that the Receiving Agent is acting for the Company in connection with the Offer for Subscription and for no-one else and that it will not treat you as its customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the New Ordinary Shares or concerning the suitability of the New Ordinary Shares for you or be responsible to you for providing the protections afforded to its customers;
- (o) unless otherwise agreed in writing with the Company, no portion of the assets used to purchase, and no portion of the assets used to hold, the New Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the Internal Revenue Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Internal Revenue Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the Internal Revenue Code. In addition, if a Placee is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code, its purchase, holding, and disposition of the New Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- (p) warrant that you are not subscribing for the New Ordinary Shares using a loan which would not have been given to you or any associate or not given to you on such favourable terms, if you had not been proposing to subscribe for the New Ordinary Shares;
- (q) warrant that the information contained in your Offer for Subscription Application Form is true and accurate; and
- (r) agree that if you request that New Ordinary Shares are issued to you on a date other than First Admission and such New Ordinary Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such New Ordinary Shares on a different date.

7. Money laundering

- (a) You agree that, in order to ensure compliance with the CDD Rules, the Receiving Agent may at its absolute discretion require, and you will provide, evidence which is satisfactory to it to establish your identity or that of any person on whose behalf you are acting and/or your status. Without prejudice to the generality of the foregoing such evidence may be required if you either:
 - (i) tender payment by way of banker's draft or cheque or money order drawn on an account in the name of another person or persons (in which case verification of your identity may be required); or
 - (ii) appear to the Receiving Agent to be acting on behalf of some other person (in which case verification of identify of any persons on whose behalf you appear to be acting may be required).
- (b) Failure to provide the necessary evidence of identity (in a manner satisfactory to the Company and its agents, including in respect of the manner of its certification) may result in application(s) being rejected or delays in the authorisation of documents.
- (c) Without prejudice to the generality of paragraph 7(a) above, verification of the identity of applicants may be required if the total subscription price of the New Ordinary Shares applied for, whether in one or more applications, exceeds the Pounds Sterling equivalent of €15,000. If in such circumstances, you use a building society cheque, banker's draft or money order, you should

ensure that the bank or building society enters the name, address and account number of the person whose account is being debited on the reverse of the cheque, banker's draft or money order and add its stamp. If in such circumstances, you use a cheque drawn by a third party, you may be requested to provide a copy of your passport or driving licence certified by a solicitor and/or a recent original bank or building society statement or utility bill in your name and showing your current address (which originals will be returned by post at the applicant's risk).

- (d) For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by 11.00 a.m. 15 February 2022. Applicants wishing to make a CHAPs payment should contact Computershare by email at impacthealthcare@computershare.co.uk for full bank details or telephone the shareholder helpline. Applicants will be provided with a unique reference number which must be used when making the payment.
- (e) The Receiving Agent cannot take responsibility for identifying payments without a unique reference nor where a payment has been received but without an accompanying Offer for Subscription Application Form.
- (f) You should endeavour to have the certificate contained in Box 8 of the Offer for Subscription Application Form signed by an appropriate firm as described in that Box.

8. Overseas Investors

The attention of investors who are not resident in, or who are not citizens of the United Kingdom is drawn to paragraphs 8(a) to 8(e) below:

- (a) The offer of New Ordinary Shares under the Offer for Subscription is only being made in the UK or Jersey. Persons who are resident in, or citizens of, countries other than the United Kingdom (Overseas Investors) who wish to subscribe for New Ordinary Shares under the Offer for Subscription may be affected by the law of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to subscribe for New Ordinary Shares under the Offer for Subscription. It is the responsibility of all Overseas Investors receiving this document and/or wishing to subscribe for the New Ordinary Shares under the Offer for Subscription, to satisfy themselves as to full observance of the laws of any relevant territory or jurisdiction in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities requiring to be observed and paying any issue, transfer or other taxes due in such territory.
- (b) No person receiving a copy of this document in any territory other than the United Kingdom may treat the same as constituting an offer or invitation to them, unless in the relevant territory such an offer can lawfully be made to them without compliance with any further registration or other legal requirements.
- (c) None of the New Ordinary Shares have been or will be registered under the laws of Australia, Canada, Japan or the Republic of South Africa or other political subdivision of Australia, Canada, Japan, or the Republic of South Africa. Accordingly, unless an exemption under such Act or laws is applicable, the New Ordinary Shares may not be offered, sold or delivered, directly or indirectly, within Australia, Canada, Japan or the Republic of South Africa (as the case may be). If you subscribe for New Ordinary Shares you will, unless the Company agrees otherwise in writing, be deemed to represent and warrant to the Company that you are not a resident of Australia, Canada, Japan or the Republic of South Africa or a corporation, partnership or other entity organised under the laws of Australia or Canada (or any political subdivision of any of them), Japan or the Republic of South Africa and that you are not subscribing for such New Ordinary Shares for the account of any resident of Australia, Canada, Japan, or the Republic of South Africa and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the New Ordinary Shares in or into Australia, Canada, Japan or the Republic of South Africa or to any resident in Australia, Canada, Japan or the Republic of South Africa. No application will be accepted if it shows the applicant, payor or a prospective holder having an address in Australia, Canada, Japan or the Republic of South Africa.
- (d) Persons (including, without limitation, nominees and trustees) receiving this document should not distribute or send it in or into the United States, Australia, Canada, Japan or the Republic of South Africa or their respective territories of possessions or any other jurisdictions where to do so would or might contravene local securities laws or regulations.

- (e) The Company reserves the right to treat as invalid any agreement to subscribe for New Ordinary Shares pursuant to the Offer for Subscription if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

Definitions

The following definitions apply throughout this Prospectus, unless the context requires otherwise:

"Administration and Company Secretarial Services Agreement"	the administration and company secretarial services agreement between the Company, the Investment Manager and Administrator, a summary of which is set out in paragraph 10(a) of Part XIV of this Prospectus
"Administrator"	JTC (UK) Limited
"Admission"	First Admission or the relevant Programme Admission, as the context may require
"AFM"	the Netherlands Authority for the Financial Markets
"AIC"	the Association of Investment Companies
"AIC Code"	the AIC Code of Corporate Governance, as amended from time to time
"AIF"	an Alternative Investment Fund, as defined in the UK AIFM Regulations
"AIFM"	an Alternative Investment Fund Manager, as defined in the UK AIFM Regulations
"AIFM Directive"	the EU Directive on Alternative Investment Fund Managers
"Articles"	the articles of association of the Company
"Audit Committee"	the audit committee of the Company
"Benefit Plan Investor"	(i) an employee benefit plan that is subject to the fiduciary responsibility or prohibited transaction provisions of Title I of the ERISA (including, as applicable, assets of an insurance company general account) or a plan that is subject to the prohibited transaction provisions of section 4975 of the US Tax Code (including an individual retirement account), (ii) an entity whose underlying assets include "plan assets" by reason of a plan's investment in the entity, or (iii) any "benefit plan investor" as otherwise defined in section 3(42) of ERISA or regulations promulgated by the US Department of Labor
"Board" or "Directors"	the directors of the Company whose names are set out on page 34 of this Prospectus
"Business Day"	a day on which the London Stock Exchange and banks in England and Wales are normally open for business
"Care Act"	the Care Act 2014, as amended from time to time
"Careport"	Careport Advisory Services Limited, the subsidiaries within its group, including Mariposa Care Group Limited, and the associated brands used by the group, being a care home operator group, to which certain Existing Portfolio assets are leased
"Careport Framework Agreement"	the framework agreement between Careport, Mariposa Care Group Limited and the Company dated 3 August 2018, a summary of which is set out in paragraph 10(a) of Part XIV of this Prospectus
"Carne"	Carne Global AIFM Solutions (C.I.) Limited
"Carlton Hall"	Chapel Road Carlton Limited and its subsidiary undertakings, trading as Carlton Hall Residential Home
"Circular"	the shareholder circular published on the date of this Prospectus including notice

	of the General Meeting
"Clydesdale"	Clydesdale Bank plc
"Clydesdale Credit Facility"	the £25 million revolving credit facility provided to the Company's indirect subsidiary, Impact Finance 2 Limited pursuant to the Clydesdale Facility Agreement
"Clydesdale Facility Agreement"	the facility agreement dated 6 March 2019, and amended on 30 September 2021, and made between (among others) Impact Finance 2 Limited and Clydesdale as more particularly described in paragraph 10(a) of Part XIV of this Prospectus
"Companies Act"	the Companies Act 2006, as amended from time to time
"Company"	Impact Healthcare REIT plc
"CQC"	the Care Quality Commission, the independent regulator of health and social care in England
"Credit Facilities"	the Metro Bank Credit Facility, the Clydesdale Credit Facility and the HSBC Credit Facility and the NatWest Credit Facility
"CREST"	the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator (as defined in the Regulations)
"CREST Account"	an account in the name of the relevant holder in CREST
"Croftwood"	Croftwood Care UK Limited, which is part of the Minster Care Group
"CTA 2009"	Corporation Tax Act 2009, as amended from time to time
"CTA 2010"	Corporation Tax Act 2010, as amended from time to time
"Data Protection Legislation"	any law applicable from time to time relating to the collecting and/or processing of personal data and/or privacy, as in force at the date of this Prospectus or as re-enacted, applied, amended, superseded, repealed or consolidated, including without limitation, the UK Data Protection Act 2018, the UK GDPR, The General Data Protection Regulation (Regulation (EU) 2016/679) (as the case may be), and the Privacy and Electronic Communications (EC Directive) Regulations 2003, in each case including any legally binding regulations, directions and orders issued from time to time under or in connection with any such law
"Depositary"	INDOS Financial Limited
"Depositary Agreement"	the Depositary agreement between the Company, the Investment Manager and the Depositary, a summary of which is set out in paragraph 10(a) of Part XIV of this Prospectus
"DTRs" or "Disclosure Guidance and FCA under Part VI of FSMA"	the disclosure guidance and transparency rules made by the Transparency Rules
"EBITDAR"	earnings before interest paid on loans provided by associates, tax, depreciation, amortisation and rent but after: (i) expenditure on regular repair and maintenance; and (ii) interest paid on loans provided by parties which are not associates
"EBITDARM"	earnings before interest, taxes, depreciation, amortisation, rent and central management costs of the relevant Tenant

"EEA"	the states which comprise the European Economic Area
"EEA Member State"	a member state of the EEA
"Electus Care"	Electus Healthcare 1 Limited and its subsidiary undertakings, trading as Electus Healthcare
"Electus Framework Agreement"	the framework agreement between the Company and Electus Healthcare 1 Limited, dated 23 December 2020, as described in paragraph 10(a) of Part XIV of this Prospectus
"EPC"	energy performance certificates to be made available for all properties, when bought or sold, subject to certain exemptions pursuant to the Energy Performance of Buildings Directive (as variously implemented in the constituent parts of the UK)
"ERISA"	the U.S. Employee Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
"ESG"	environmental, social and governance
"Euroclear"	Euroclear UK and International Limited, the operator of CREST
"Exchange Act"	the US Securities Exchange Act of 1934, as amended
"Excess Application Facility"	the arrangement pursuant to which Qualifying Shareholders may apply for New Ordinary Shares in excess of their Open Offer Entitlement provided that they have agreed to take up their Open Offer Entitlement in full and which may be subject to scaling back in accordance with the Terms and Conditions of the Open Offer
"Excess CREST Open Offer Entitlements"	in respect of each Qualifying CREST Shareholder, an entitlement to apply for New Ordinary Shares pursuant to the Excess Application Facility
"Excess Open Offer Entitlements"	an entitlement for each Qualifying Shareholder to apply to subscribe for New Ordinary Shares in addition to their Open Offer Entitlement pursuant to the Excess Application Facility
"Excess Shares"	New Ordinary Shares available under the Excess Application Facility
"Ex-entitlement Date"	the date on which the Existing Ordinary Shares are marked "ex" for entitlement under the Open Offer by the London Stock Exchange, being 27 January 2022
"Existing Authority"	the Company's authority, as at the date of this Prospectus, to allot and issue Ordinary Shares on a non pre-emptive basis up to an aggregate nominal amount of £350,644.18
"Existing Guarantors"	each of the entities that have given a guarantee in respect of the Existing Tenant's obligations under the corresponding leases of the Existing Portfolio and have entered into a framework agreement in respect of such properties which form part of the Existing Portfolio, or have granted a guarantee or indemnity in favour of the Group, being: Minster Topco, Careport, Prestige and Renaissance Care
"Existing Ordinary Shares"	the 350,644,188 Ordinary Shares in the capital of the Company in issue on the Latest Practicable Date (excluding, for the avoidance of doubt, any Ordinary Shares held in treasury)
"Existing Portfolio"	the portfolio of 108 care homes plus two NHS assets currently owned by the Group, either by way of freehold or 999 year lease
"Existing"	the Tenants operating the assets comprising the Portfolio as at the date of this

Tenants"	Prospectus, as described further in the paragraph headed "Overview of the Existing Tenants" in Part III of this Prospectus
"Family Member"	any member of any principal of the Investment Manager's immediate family, including that principal's: (i) spouse; (ii) siblings; or (iii) any trust arrangement in which that principal or any of his immediate family listed in (i) or (ii) above may be a beneficiary
"FATCA"	the US Foreign Account Tax Compliance Act of 2010
"FCA"	the Financial Conduct Authority
"Financial Report"	a report showing the consolidated EBITDAR of the relevant Tenant for the previous quarter (with such adjustments or amendments to the calculation of EBITDAR as the Board may, in its sole discretion, agree with that Tenant) and other information pursuant to a Framework Agreement
"First Admission"	the admission of the Ordinary Shares issued pursuant to the Initial Issue to the premium segment of the Official List becoming effective in accordance with the Listing Rules and to trading on the Main Market of the London Stock Exchange becoming effective in accordance with the Admission and Disclosure Standards
"Framework Agreements"	the Careport Framework Agreement, Minster Framework Agreement, Prestige Framework Agreement, Renaissance Framework Agreement, Silverline Framework Agreement, Welford Framework Agreement, Optima Framework Agreement, Holmes Framework Agreement, Electus Framework Agreement and MMCG Framework Agreement
"FSMA"	the Financial Services and Markets Act 2000, as amended from time to time
"General Meeting"	the General Meeting of the Company to be held on 16 February 2022 (or any adjournment thereof)
"Governance Code"	the code of best practice including the principles of good governance published by the Financial Reporting Council in June 2008, as amended from time to time (as replaced by the UK Corporate Governance Code, from the date of its issue)
"Gross Asset Value" or "Gross Assets"	the aggregate value of the total assets of the Group
"Gross Issue Proceeds"	the aggregate value of the Ordinary Shares issued under the Initial Issue at the Initial Issue Price
"Gross Proceeds"	in relation to the Initial Issue, the Gross Issue Proceeds and, in relation to any Subsequent Placing, the aggregate value of the Ordinary Shares issued under the relevant Subsequent Placing at the applicable Placing Programme Price
"Group"	the Company and each of its subsidiary undertakings from time to time
"Healthcare Real Estate Assets"	care homes, assisted-living accommodation, occupational health and physiotherapy practices, pharmacies, dentists' and doctors' surgeries, medical facilities, hospitals, special care schools and other real estate assets predominantly leased to providers of healthcare services or supplies
"Highclear"	Highclear Group Limited
"HMRC"	HM Revenue and Customs
"Holmes"	Holmes Care Group Scotland Limited and its subsidiary undertakings, trading as Holmes Care Group

"Holmes Framework Agreement"	the framework agreement between the Company, Holmes Care Group Scotland Ltd and The Holmes Care (Group) Limited, dated 28 August 2020, as described in paragraph 10(a) of Part XIV of this Prospectus
"HSBC"	HSBC UK Bank plc
"HSBC Credit Facility"	the £50 million revolving credit facility provided to the Company's indirect subsidiary, Impact Finance 3 Limited pursuant to the HSBC Facility Agreement
"HSBC Facility Agreement"	the facility agreement dated 3 April 2020, and amended and restated on 6 October 2021, and made between (among others) Impact Finance 3 Limited and HSBC as more particularly described in paragraph 10(a) of Part XIV of this Prospectus
"Initial Issue"	the Initial Placing, the Open Offer, the Intermediaries Offer and the Offer for Subscription
"Initial Issue Price"	114p per Ordinary Share
"Initial Placing"	the first conditional placing by the Joint Bookrunners on behalf of the Company of Ordinary Shares at the Initial Issue Price pursuant to the Placing Agreement
"Initial Tenants"	the tenants of the IPO Portfolio being Croftwood and Minster, each of which are wholly owned subsidiaries of Minster Topco
"Intermediaries"	the entities listed in paragraph 16 of Part XIV of this Prospectus, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus
"Intermediaries Agreement"	the intermediaries agreement between the Company, the Intermediaries Offer Adviser and the Intermediaries, a summary of which is set out in paragraph 10(a) of Part XIV of this Prospectus
"Intermediaries Offer"	the offer of Ordinary Shares by the Intermediaries
"Investment Advisers Act"	the US Investment Advisers Act of 1940, as amended
"Investment Company Act" or "ICA"	the US Investment Company Act of 1940, as amended
"Investment Management Agreement"	the investment management agreement between the Company and the Investment Manager, a summary of which is set out in paragraph 10(a) of Part XIV of this Prospectus
"Investment Manager"	Impact Health Partners LLP
"Investment Manager Associate"	any company, partnership, trust arrangement or unincorporated association of any kind in which any principal of the Investment Manager or Family Member, individually or with others, is entitled to participate, directly or indirectly, in five per cent. or more of the total voting or economic rights
"Investor Representation Letter"	a letter to be provided by any person located in the United States to the Company and Joint Bookrunners prior to such person's participation in the Initial Placing and/or the Placing Programme, certifying such person's compliance with certain requirements of US securities law, in a form acceptable to the Company and the Joint Bookrunners

"IPO"	initial public offering
"IPO Portfolio"	the 56 care homes (and 8 assisted living flats) which were acquired by the Group on 4 May 2017
"IPO Portfolio Sellers"	each of: Mahesh Patel; Surendra Patel; Kirit Patel; the executors of Jogendra Patel; Colin Farebrother; Vimbalen Patel; John Alflatt; Royal Bank of Canada (Channel Islands) Limited as trustee of The Elm Trust; Wisteria Investments Limited; Bilandor Investments Limited; Fort Trustees limited as trustee of The Mahesh and Alka Patel 2003 Trust; and Spread Trustee Company Limited as trustee of The Jason Trust
"IPO Portfolio Transaction Agreement"	the transaction agreement entered into between the Company and the IPO Portfolio Sellers which set out the terms on which the Group would agree to acquire the IPO Portfolio following the Company's IPO
"IRS"	the US Internal Revenue Service
"ISA"	individual savings account
"Jefferies"	Jefferies International Limited
"Joint Bookrunners"	Winterflood and/or Jefferies, as the context may require
"Key Information Document" or "KID"	a "Key Information Document", such term having the same meaning as in the UK PRIIPs Regulation, prepared in respect of the any class of Shares issued by the Company from time to time
"Latest Practicable Date"	26 January 2022
"Listing Rules"	the Listing Rules made by the FCA under Part VI of the FSMA, as amended from time to time
"London Stock Exchange"	London Stock Exchange plc
"Long Lease"	a lease held by the Group for a term of 999 years from and including 3 May 2017
"Management Fee"	the fee payable by the Company to the Investment Manager, as described in Part IV of this Prospectus
"Management Shares"	redeemable management shares of £1.00 each in the capital of the Company
"MC Group"	Minster Topco and each of its subsidiary undertakings from time to time, including Minster and Croftwood
"Metro Bank"	Metro Bank plc
"Metro Bank Credit Facility"	the term loan and revolving credit facility (of originally £50 million in aggregate), provided to the Company's indirect subsidiary, Impact Finance 1 Limited pursuant to the Metro Bank Facility Agreement
"Metro Bank Facility Agreement"	the facility agreement dated 15 June 2018, and amended on 19 October 2018, and made between (among others) Impact Finance 1 Limited and Metro Bank as more particularly described in paragraph 10(a) of Part XIV of this Prospectus
"MiFID II"	EU Directive 2014/65/EU on markets in financial instruments, as amended
"MiFID II Product"	Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593

Governance Requirements"	supplementing MiFID II and local implementing measures
"Minster"	Minster Care Management Limited
"Minster Framework Agreement"	the framework agreement between the Company, Minster Topco and Mahesh Patel dated 3 May 2017, as described in paragraph 10(a) of Part XIV of this Prospectus
"Minster Topco"	Minster Care Group Limited
"MMCG"	Countrywide Belmont Limited, Countrywide Care Homes (3) Limited and Countrywide Care Homes Limited and their subsidiary undertakings, trading as Maria Mallaband Care Group
"MMCG Framework Agreement"	the framework agreement between the Company, Countrywide Belmont Limited, Countrywide Care Homes (3) Limited and Countrywide Care Homes Limited, dated 1 May 2019, as described in paragraph 10(a) of Part XIV of this Prospectus
"Money Laundering Regulations"	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulation 2017
"National Living Wage"	the minimum wage required to be paid to workers in the UK aged 23 or over
"NatWest"	being NatWest Westminster Bank plc
"NatWest Credit Facility"	the committed £26 million and uncommitted £24 million revolving credit facility provided to the Company's indirect subsidiary, Impact Finance 4 Limited pursuant to the NatWest Facility Agreement
"NatWest Facility Agreement"	the facility agreement dated 25 June 2021, and made between (among others) Impact Finance 4 Limited and NatWest as more particularly described in paragraph 10(a) of Part XIV of this Prospectus
"Net Asset Value" or "NAV"	the net asset value of the Company or, if the context requires, the net asset value of the Company attributable to a specific class of Shares, in each case calculated in accordance with the valuation policies of the Company from time to time as appropriate
"Net Asset Value per Ordinary Share"	the Net Asset Value specifically attributable to an Ordinary Share
"Net Proceeds"	the net proceeds of the Initial Issue or a Subsequent Placing, as the context may require
"Note Purchase Agreement"	means the note purchase agreement dated 21 December 2021 and entered into between (among others) the Company and Impact Finance 5 Limited, as more particularly described in paragraph 10(a) of Part XIV of this Prospectus
"Noteholders"	means the holders of the notes issued under the Note Purchase Agreement
"New Ordinary Shares"	the Ordinary Shares to be issued pursuant to the Initial Issue and/or the Placing Programme, as the context may require
"NMPI"	a non-mainstream pooled investment as defined in the FCA's Handbook of rules and guidance
"Offer for	the offer for subscription to the public in the UK of Ordinary Shares, to be issued at

Subscription	the Initial Issue Price, each on the terms and conditions set out in Part XVII of this Prospectus
"Offer for Subscription Applicant"	a person or persons (in the case of joint applicants) whose name(s) appear(s) on the registration details of an Offer for Subscription Application Form
"Offer for Subscription Application"	the offer made by an Offer for Subscription Applicant by completing an Offer for Subscription Application Form and posting it to the Receiving Agent
"Offer for Subscription Application Form"	the application form in connection with the Offer for Subscription which is set out at Part VII of this Prospectus
"Official List"	the Official List of the Financial Conduct Authority acting in its primary market function and in its capacity as the competent authority for the purposes of Part VI of the FSMA and in the exercise of its functions in respect of admission to the Official List
"Open Offer"	the conditional invitation by the Company to Qualifying Shareholders to apply to subscribe for New Ordinary Shares at the Initial Issue Price on the terms and subject to the conditions set out in this Prospectus and, in the case of Qualifying Non-CREST Shareholders, in the Open Offer Application Form
"Open Offer Application Form"	the application form on which applicants may apply for New Ordinary Shares to be issued pursuant to the Open Offer
"Open Offer Entitlements"	the individual entitlements to subscribe for New Ordinary Shares allocated to Qualifying Shareholders pursuant to the Open Offer
"Open Offer Record Date"	6.00 p.m. on 25 January 2022
"Optima Care"	Optima HCI Limited and its subsidiary undertakings, trading as Optima Care
"Optima Framework Agreement"	the framework agreement between the Company and Optima HCI Limited, dated 6 September 2019, as described in paragraph 10(a) of Part XIV of this Prospectus
"Overseas Shareholder"	Shareholders with a registered address outside the United Kingdom
"Ordinary Shares"	Ordinary Shares (issued and to be issued) of £0.01 each in the share capital of the Company
"Pathways Care Group"	Pathways Care Group Limited and its subsidiaries
"Placee"	a person subscribing for Ordinary Shares under the Initial Placing and/or any subsequent Placing
"Placing Agreement"	the Placing Agreement between the Company the Investment Manager and the Joint Bookrunners, as described in paragraph 10(a) of Part XIV of this Prospectus
"Placing Programme"	the proposed programme of placings of Ordinary Shares as described in Part VIII of this Prospectus
"Placing"	26 January 2023 or such earlier date as the Placing Programme is terminated

"Programme End Date"	
"Placing Programme Price"	the price of Shares issued pursuant to the Placing Programme, determined in accordance with Part VIII of this Prospectus
"Plan Asset Regulations"	the US Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA
"Portfolio"	the portfolio of properties held directly or indirectly by the Company from time to time
"PR Adviser"	Maitland/AMO, the Company's financial public relations adviser
"Prestige"	Prestige Care Group Holdings Limited, a care home operator to which certain Existing Portfolio assets are leased
"Prestige Framework Agreement"	the framework agreement made between Prestige and the Company dated 16 March 2018, a summary of which is set out in paragraph 10(a) of Part XIV of this Prospectus
"Private Placement"	means the private placement arrangement provided to the Company's indirect subsidiary, Impact Finance 5 Limited pursuant to the Note Purchase Agreement
"Programme Admission"	any admission of Ordinary Shares issued pursuant to the Placing Programme to the premium segment of the Official List becoming effective in accordance with the Listing Rules and to trading on the London Stock Exchange's Main Market becoming effective in accordance with the LSE Admission Standards
"Prospectus"	this Prospectus, including the Appendices
"Prospectus Regulation Rules"	the Prospectus Regulation Rules made by the FCA under Part VI of the FSMA
"QIBs"	qualified institutional buyers (as defined in Rule 144A under the Securities Act)
"Qualifying CREST Shareholders"	Qualifying Shareholders holding Existing Ordinary Shares in uncertificated form in CREST
"Qualifying Non-CREST Shareholders"	Qualifying Shareholders holding Existing Ordinary Shares in certificated form
"Qualifying Shareholders"	holders of Existing Ordinary Shares whose names are entered on to the Register as at the Open Offer Record Date with, at the absolute discretion of the Company, the exclusion of Shareholders in the United States or a Restricted Territory
"Receiving Agent"	Computershare Investor Services PLC
"Receiving Agent Services Agreement"	the receiving agent services agreement between the Company and the Receiving Agent, a summary of which is set out in paragraph 10(a) of Part XIV of this Prospectus
"Register"	the register of members of the Company
"Registrar"	Computershare Investor Services PLC

"Registrar Agreement"	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 10(a) of Part XIV of this Prospectus
"Regulation S"	means Regulation S under the Securities Act
"Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
"Regulatory Information Service"	a regulatory information service that is on the list of regulatory information services maintained by the FCA
"REIT" or "Real Estate Investment Trust"	a Real Estate Investment Trust as defined in Part 12 of the CTA 2010
"Renaissance Care"	Renaissance Care (Scotland) Limited, a care home operator to which certain Existing Portfolio assets are leased
"Renaissance Framework Agreement"	the framework agreement made between the Company and Renaissance Care dated 31 October 2018, a summary of which is set out in paragraph 10(a) of Part XIV of this Prospectus
"Rent Cover"	the number of times by which the EBITDAR or EBITDARM (depending on the Tenant) of a Tenant (or, in respect of the Initial Tenants, the number of times the EBITDAR of Minster Topco) exceeds the rental payment of that Tenant under its lease (or, in the case of the Initial Tenants the total rental payment obligations across all the properties in the Portfolio that are leased to Minster Topco's subsidiaries other than any property which has been newly constructed or renovated within the period of twelve months before the date on which the calculation is performed) and subject to such amendments or adjustments to the calculation of EBITDAR or EBITDARM (as applicable) as the Board, in its sole discretion, may agree with the Tenant
"Resolutions"	the resolutions to be proposed at the General Meeting
"Restricted Territories"	the United States, any EEA Member State, Australia, Canada, Japan, New Zealand, or the Republic of South Africa and Restricted Territory shall mean any of them
"Retail Prices Index" or "RPI"	the retail prices index published by the Office for National Statistics
"Risk Management Delegation Agreement"	the agreement between the Investment Manager, the Company and Carne pursuant to which Carne provides the Company with delegated risk management services on behalf of the Investment Manager
"RNS announcement"	an announcement by a regulatory news service
"Rules"	the rules and statements of principle and the applicable designated rules and codes made by the FCA, as amended from time to time
"SDRT"	stamp duty reserve tax
"Securities Act"	the US Securities Act of 1933, as amended
"Shareholder"	a holder of Ordinary Shares in the Company
"Similar Law"	any US federal, state, local or foreign law that is similar to provision 406 of ERISA

or section 4975 of the US Tax Code

"Silverline"	Bolt Asset Management Limited and its subsidiary undertakings, trading as Silverline Care
"Silverline Framework Agreement"	the framework agreement between the Company and Bolt Asset Management Limited, dated 24 April 2020, and amended and restated on 4 November 2021 as described in paragraph 10(a) of Part XVI of this Prospectus
"SIPP"	self-invested pension plan
"SPV"	special purpose vehicle
"SSAS"	small self-administered scheme
"Subsequent Placing"	a placing of Ordinary Shares at the applicable Placing Programme Price pursuant to the Placing Programme, as described in this Prospectus
"Substantial Shareholder"	a company or body corporate that is beneficially entitled, directly or indirectly, to 10 per cent. or more of the dividends and/or share capital that controls, directly or indirectly, 10 per cent. or more of the voting rights of the Company
"Takeover Code"	the City Code on Takeovers and Mergers
"Target Dividend"	the Target Dividend described in the paragraph entitled "Target Dividend" in Part I of this prospectus
"Target Total Return"	the target net annualised return of the Company described in the paragraph entitled "Target Total Return" in Part I of this Prospectus
"Tenant"	any healthcare real estate tenant or service provider to which any assets which form part of the Portfolio are leased from time to time
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"UK AIFMD"	the requirements of the FCA Rules implementing the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) in the United Kingdom and related UK laws (including Commission Delegated Regulation (EU) No 231/2013, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018)
"UK AIFM Regulations"	the Alternative Investment Fund Managers Regulations (2013/1773), as amended from time to time
"UK GDPR"	the UK version of the EU GDPR, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018
"UK IFRS"	International Financial Reporting Standards, as adopted by the United Kingdom, as amended from time to time
"UK Market Abuse Regulation" or "UK MAR"	the UK version of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (UK market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended
"UK Product Governance Requirements"	has the meaning set out in the "Important Information" section on page 25 of this Prospectus
"UK PRIIPs"	the UK version of Regulation (EU) No. 1286/2014 on key information documents

"Regulation"	for packaged retail and insurance-based investment products, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended
"UK Prospectus Regulation"	the UK version of Regulation (EU) 2017/1129 as amended from time to time and any successor or replacement regulation, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended
"Underlying Applicants"	investors who wish to acquire Ordinary Shares under the Intermediaries Offer
"US" or "United States"	the United States of America, its territories and possessions, any state of the United States, and the District of Columbia
"US Tax Code"	the US Internal Revenue Code of 1986, as amended
"Valuer"	Cushman & Wakefield Debenham Tie Leung Limited (C&W)
"VAT"	UK Value Added Tax
"Vendor Issue"	the private placement of Ordinary Shares at an issue price of £1.00 per Ordinary Share to certain of the IPO Portfolio Sellers in accordance with the terms of the IPO Portfolio Transaction Agreement
"Welford Group"	Welford Healthcare Limited and its subsidiary undertakings, trading as Welford Healthcare
"Welford Framework Agreement"	the framework agreement between the Company and Welford Healthcare Ltd, dated 12 June 2019, as described in paragraph 10(a) of Part XIV of this Prospectus
"Winterflood" or the "Intermediaries Offer Adviser"	Winterflood Securities Limited

Appendix 1 Offer for Subscription Application Form

If you wish to apply for New Ordinary Shares, please complete, sign and return this Application Form, by post to Computershare Investor Services PLC, Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol, BS99 6AH so as to be received by no later than 11.00 a.m. on 15 February 2022.

IMPORTANT: Before completing this Application Form, you should read the notes set out under the section entitled "Notes on how to complete the Application Form" at the back of this Application Form. All applicants must complete Boxes 1 to 3. Joint applicants should also complete Box 4.

If you have a query concerning completion of this Application Form, please call the Receiving Agent on 0370 703 0340 from within the UK or +44 (0)370 703 0340 if calling from outside the UK. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at applicable international rates. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded or randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of an investment in the New Ordinary Shares nor give any financial, legal or tax advice.

To: The Directors,

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

1. **Application**

I/We offer to subscribe for such number of New Ordinary Shares at the Initial Issue Price of 114p per New Share as may be purchased by the subscription amount set out in the box immediately below (the minimum being 1,000 New Ordinary Shares), fully paid subject to the Terms and Conditions of Application under the Offer for Subscription set out in Part XVII of the prospectus published by the Company dated 27 January 2022 and subject to the memorandum and articles of association of the Company.

Subscription Amount	
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2. **Personal Details (please use block capitals)**

Mr, Mrs, Ms or Title: Forenames (in full):
Surname:
Address (in full):
Postcode:

3. **Signature**

Dated:	Signature:
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4. **Joint Applicants (please use block capitals)**

1.	Mr, Mrs, Ms or Title:	
	Forenames (in full):	
	Surname:	
	Signature:	
2.	Mr, Mrs, Ms or Title:	
	Forenames (in full):	
	Surname:	
	Signature:	
3.	Mr, Mrs, Ms or Title:	
	Forenames (in full):	
	Surname:	

	Signature:	
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5. **CREST details (only complete this section if you wish to register your application directly into your CREST Account which should be in the same name(s) as the applicants in Boxes 2 and 4 above)**

CREST Participant ID:	
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CREST Member Account ID:	
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6. **Settlement**

Please mark the one of the boxes in the table below to indicate the settlement option by which you elect to receive New Ordinary Shares.

Settlement Method	Tick below to indicate the chosen settlement method
Cheque/Banker's Draft	
Electronic Bank Transfer	
CREST Settlement	

(a) **Cheque/Banker's Draft**

If you are subscribing for New Ordinary Shares and paying by cheque or banker's draft, pin or staple to this form your cheque or banker's draft for the exact amount shown in Box 1 made payable to CLS PLC RE: IMPACT HEALTHCARE OFS A/C be drawn in Sterling on an account at a bank branch in the UK and must bear a UK bank sort code number in the top right hand corner.

(b) **Electronic Bank Transfer**

For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by 11.00 a.m. 15 February 2022. Applicants wishing to make a CHAPs payment should contact Computershare by email at impacthealthcare@computershare.co.uk for full bank details or telephone the shareholder helpline. Applicants will be provided with a unique reference number which must be used when making the payment.

Electronic payments must come from a UK bank account and from a personal account in the name of the individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted below and payments must relate solely to your Application. You should tick the relevant payment method box in section 1. It is recommended that such transfers are actioned within 24 hours of posting your application.

<u>Sort Code:</u>		<u>Account Name:</u>	
<u>Account Number:</u>		<u>Contact Name at Branch and Telephone Number:</u>	

(c) **CREST Settlement**

If you so choose to settle your application within CREST, that is by DvP, you or your settlement agent/

custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share using the CREST matching criteria set out below:

Trade date:	17 February 2022
Settlement date:	21 February 2022
Company:	IMPACT HEALTHCARE REIT PLC
Security description:	Ordinary Shares of £0.01 each
SEDOL:	BYXVMJ0
ISIN:	GB00BYXVMJ03
CREST message type:	DEL

Should you wish to settle by DvP, you will need to input your CREST DEL instructions to Computershare's Participant Account 3RA25 by no later than 1.00 p.m. 18 February 2022.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form by the 11.00 a.m. on 15 February 2022. You should tick the relevant payment method box in section 1.

PLEASE NOTE – Computershare Investment Services PLC will not take any action until a valid DEL message has been alleged to the Participant Account by the applicant. No acknowledgement of receipt or input will be provided.

In the event of late/non settlement the Company reserves the right to deliver Ordinary Shares outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer for Subscription have been satisfied.

7. Identity Information

In accordance with internationally recognised standards for the prevention of money laundering the under mentioned documents and information must be provided.

7.1 For each holder being an individual enclose:

- 7.1.1 a certified clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport – Government or Armed Forces identity card – driving licence; and
- 7.1.2 certified copies of at least two of the following documents which purport to confirm that the address given in section 2 is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill, a recent bank statement, council rates bill or similar document issued by a recognised authority; and
- 7.1.3 if none of the above documents show their date and place of birth, enclose a note of such information; and
- 7.1.4 details of the name and address of their personal bankers from which Receiving Agent may request a reference, if necessary.

7.2 For each holder being a company (a **holder company**) enclose:

- 7.2.1 a certified copy of the certificate of incorporation of the holder company; and
- 7.2.2 the name and address of the holder company's principal bankers from which the Receiving Agent may request a reference, if necessary; and
- 7.2.3 a statement as to the nature of the holder company's business, signed by a director; and
- 7.2.4 a list of the names and residential addresses of each director of the holder company; and
- 7.2.5 for each director provide documents and information similar to that mentioned in 6.1.1 to 7.1.4 above; and
- 7.2.6 a copy of the authorised signatory list for the holder company; and
- 7.2.7 a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and, where a person is named, also complete 7.3 below and, if another company is named (hereinafter a **beneficiary company**), also complete 7.4 below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or

intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

- 7.3 For each person named in 7.2.7 as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in 7.1.1 to 7.1.4.
- 7.4 For each beneficiary company named in 7.2.7 as a beneficial owner of a holder company enclose:
 - 7.4.1 a certified copy of the certificate of incorporation of that beneficiary company; and
 - 7.4.2 a statement as to the nature of that beneficiary company's business signed by a director; and
 - 7.4.3 the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and
 - 7.4.4 enclose a list of the names and residential/ registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.
- 7.5 If the payor is not a holder and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 on how to complete this form) enclose:
 - 7.5.1 if the payor is a person, for that person the documents mentioned in 7.1.1 to 7.1.4; or
 - 7.5.2 if the payor is a company, for that company the documents mentioned in 7.2.1 to 7.2.7; and
 - 7.5.3 an explanation of the relationship between the payor and the holder(s).

The Company and/or the Receiving Agent reserve the right to ask for additional documents and information.

8. Reliable Introducer Certificate

Completion and signing of this certificate by a suitable person or institution may avoid presentation being requested of the identity documents. The certificate below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the **firm**) which is itself subject in its own country of operation to "know your customer" and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom. Acceptable countries include Austria, Belgium, Canada, Denmark, Finland, France, Germany, Gibraltar, Greece, Guernsey, Hong Kong, Iceland, Ireland, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, the United Kingdom and the United States.

CERTIFICATE: To the Company and the Receiving Agent

By completing and stamping Box 8 below you are deemed to have given the warranties and undertakings set out in paragraph 6 of the accompanying Terms and Conditions of Application under the Offer.

IFA STAMP

Name of Firm	
FCA Number	
Signature	
Print Name	
Position	
Date	
Telephone No	

9. Contact Details

To ensure the efficient and timely processing of this Application Form please enter below the contact details of a person that the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in Box 3 on behalf of the first named holder. If no details are entered here and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:	Telephone no:
	Fax no:
Contact address:	Email address:

Each applicant detailed in this Application Form, acknowledges that all personal data about them which is supplied and detailed in this Application Form, together with any other personal data which is collected by or on behalf of the Company in connection with this application or the issue of New Ordinary Shares, shall be processed in accordance with the Personal Data Collection Notice which is set out in the "Important Information" section of the Prospectus published by the Company dated 27 January 2022.

Signature of Applicant

Signed Date 2022

Authorised Signatory

Notes on how to complete the Application Form

Applications should be returned so as to be received no later than 11.00 a.m. on 15 February 2022.

If you have a query concerning completion of this Application Form, please call the Receiving Agent on 0370 703 0340 from within the UK or +44 (0)370 703 0340 if calling from outside the UK. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at applicable international rates. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded or randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of an investment in the New Ordinary Shares nor give any financial, legal or tax advice.

1. Application

Fill in Box 1 with the amount of money being subscribed for New Ordinary Shares. The amount being subscribed must be for a minimum of 1,000 New Ordinary Shares. Financial intermediaries who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom the application is made in order to be treated most favourably in the scaling back process should this be required.

2. Personal Details

Fill in (in block capitals) the full name(s) and address of the sole first applicant. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference. A maximum of four joint holders is permitted. All holders named must sign the Application Form in Boxes 3 and 4 (where applicable).

3. Signature

All holders named in Boxes 2 and 4 (where applicable) must sign Boxes 3 and 4 (where applicable) and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

4. Settlement

(a) Cheque/Banker's draft

All payments by cheque or banker's draft must accompany your Application Form and be for the exact amount inserted in Box 1 of your Application Form. Applications accompanied by a post-dated cheque will not be accepted. Your payment must relate solely to the application made in the Application Form. No receipt will be issued. Your cheque or banker's draft must be made payable to CIS PLC RE: IMPACT HEALTHCARE OFS A/C" in respect of an application and crossed "A/C Payee Only". The cheque or banker's draft must be drawn in Sterling on an account at a bank branch in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and bankers' drafts to be cleared through the facilities provided by any of those companies or committees, and must bear a United Kingdom bank sort code number in the top right hand corner. If you use a banker's draft or a building society cheque you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the banker's draft or cheque and adds its stamp. Cheques should be drawn on the personal account to which you have sole or joint title to the funds. Third party cheques will not be accepted with the exception of building society cheques or bankers' drafts where the bank or building society has confirmed the name of the account holder by stamping and endorsing the cheque to such effect.

(b) Electronic Bank Transfer

For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by 11.00 a.m. on 15 February 2022. Applicants wishing to make a CHAPs payment should contact Computershare by email at impacthealthcare@computershare.co.uk for full bank details or telephone the shareholder helpline. Applicants will be provided with a unique reference number which must be used when making the payment.

Electronic payments must come from a UK bank account and from a personal account in the name of the

individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted below and payments must relate solely to your Application. You should tick the relevant payment method box in section 1. It is recommended that such transfers are actioned within 24 hours of posting your application.

Please Note – you should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference or where a payment has been received but without an accompanying application form.

(c) CREST Settlement

The Company will apply for the Ordinary Shares issued pursuant to the Offer for Subscription in uncertificated form to be enabled for CREST transfer and settlement with effect from Admission (being the settlement date). Accordingly, settlement of transactions in the Ordinary Shares will normally take place within the CREST system.

The Application Form contains details of the information which the Company's Receiving Agent, Computershare, will require from you to settle your application within CREST, if you so choose. If you do not provide any CREST details or if you provide insufficient CREST details for Computershare to match to your CREST account, Computershare will deliver your Ordinary Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your Ordinary Shares in certificated form should the Company, having consulted with Computershare, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system of Computershare in connection with CREST.

The person named for registration purposes in your Application Form must be: (a) the person procured by you to subscribe for or acquire the Ordinary Shares; or (b) yourself; or (c) a nominee of any such person or yourself, as the case may be. Neither Computershare nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. You will need to input the delivery versus payment ("**DvP**") instructions into the CREST system in accordance with your application. The input returned by Computershare of a matching or acceptance instruction to our CREST input will then allow the delivery of your Ordinary Shares to your CREST account against payment of the Issue Price in Sterling through the CREST system upon the settlement date.

By returning your Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 8.00 a.m. on 21 February 2022 against payment of the Issue Price. Failure by you to do so will result in you being charged interest at the rate of two percentage points above the then published bank base rate of a clearing bank selected by the Company.

If you so choose to settle your application within CREST, that is by DvP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share using the following CREST matching criteria set out below:

Trade date:	17 February 2022
Settlement date:	21 February 2022
Company:	IMPACT HEALTHCARE REIT PLC
Security description:	Ordinary Shares of £0.01 each
SEDOL:	BYXVMJ0
ISIN:	GB00BYXVMJ03
CREST message type:	DEL

Should you wish to settle by DvP, you will need to input your CREST DEL instructions to Computershare's Participant Account 3RA25 by no later than 11.00 a.m. on 15 February 2022.

You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form by 11.00

a.m. on 15 February 2022. You should tick the relevant payment method box in section 1.

Note: Computershare will not take any action until a valid DEL message has been alleged to the Participant Account by the applicant.

No acknowledgement of receipt or input will be provided.

In the event of late/non settlement the Company reserves the right to deliver Ordinary Shares outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer for Subscription have been satisfied.

5. Identity Information

Applicants need only consider Box 6 of the Application Form if the declaration in Box 8 cannot be completed. Notwithstanding that the declaration in Box 8 has been completed and signed, the Receiving Agent reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are requested in section 6, such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

6. Reliable Introducer Certificate

Applications will be subject to UK anti-money laundering requirements. This will involve you providing the verification of identity documents listed in section 6 of the Application Form UNLESS you can have the certificate provided at section 8 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the certificate provided in Box 8 of the Application Form completed and signed by a suitable firm.

7. Contact Details

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in Box 3 on behalf of the first named holder. If no details are entered here and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Instructions for delivery of completed Application Forms

Completed Application Forms should be returned, by post, to the Receiving Agent so as to be received by no later than 11.00 a.m. on 15 February 2022, together in each case with payment by cheque or duly endorsed banker's draft in full in respect of the application made by the Application Form except where payment is being made by electronic bank transfer or by CREST settlement. If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after this date may be returned.

Appendix 2 AIFMD Investor Disclosure Supplement
SUPPLEMENT TO THE PROSPECTUS DATED 27 JANUARY 2022

FOR

IMPACT HEALTHCARE REIT PLC

for Offerings in or to Persons Domiciled or Registered in the United Kingdom or the European Economic Area

27 JANUARY 2022

This supplement (the "**Supplement**") for offerings in or to persons domiciled or registered in the United Kingdom or the European Economic Area (the "**EEA**") hereby supplements the prospectus dated 27 January 2022 as may be amended or supplemented from time to time (the "**Prospectus**") for Impact Healthcare REIT plc (the "**Company**") for the purposes described below. This Supplement is not a complete summary of, should be read in conjunction with and is qualified in its entirety by, the Prospectus, the articles of association of the Company and the investment management agreement between the Company and Impact Health Partners LLP (the "**Investment Manager**") relating thereto and related documentation.

This Supplement is being provided to certain prospective investors as an information-only document for the purpose of providing certain summary information about an investment in the Company as required pursuant to (i) the requirements of the Financial Conduct Authority (the "**FCA**") Rules implementing the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the "**AIFMD**") in the United Kingdom and related UK laws (including Commission Delegated Regulation (EU) No 231/2013, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018) (together, "**UK AIFMD**"), which continue to apply notwithstanding the United Kingdom's withdrawal from the EU; and (ii) the requirements of the AIFMD.

This Supplement does not update any information except as specifically described herein. Capitalised terms, unless otherwise defined herein, are used as defined in the Prospectus.

UK AIFMD AND AIFMD DISCLOSURE

The Investment Manager is subject to UK AIFMD and the AIFMD to the extent applicable when a "full scope" UK Alternative Investment Fund Manager (an "**AIFM**") offers or markets an Alternative Investment Fund (an "**AIF**") in the EEA. For the purposes of UK AIFMD and the AIFMD, the Company is the AIF and the Investment Manager is the AIFM. Since the Investment Manager is a full scope U.K. AIFM with a Part 4A permission for managing AIFs, certain of the disclosure requirements set forth in UK AIFMD and the AIFMD must be read, and have been addressed, in that context.

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
FUND 3.2.2	23(1)(A)	INVESTMENT STRATEGY	
(1) (a)	1	Description of the investment strategy and objectives of the Company	Please refer to the sections titled "Investment Objective" and "Investment Policy" both in Part I of the Prospectus, respectively. The "Investment Process" section in Part VI of the Prospectus describes the investment strategy of the Company.
(1)(d)	2	Description of the types of assets in which the Company may invest	Please refer to the section titled "Investment Policy" in Part I and "Potential Investment Pipeline" in Part IV of the Prospectus.
(1) (e)	3	Investment techniques the Company may employ	Please refer to the sections titled "Investment Process" in Part VI of the Prospectus and "Financing Strategy" in Part VI of the Prospectus.
(1) (e)	4	Risks associated with those types of assets and those	Please refer to the "Risk Factors" section of the Prospectus, in particular the sub-sections titled

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
		techniques	"Risks relating to the Company's investment objective and strategy" and "Risks relating to the Company".
(1)(f)	5	Applicable investment restrictions	Please refer to the section titled "Investment Policy" in Part I of the Prospectus.
	6	Use of leverage	
(1)(g)	a	Circumstances in which the Company may employ leverage	Please refer to the sub-section titled "Borrowing Policy" in the section titled "Investment Policy" in Part I of the Prospectus.
(1)(h)	b	Types and sources of leverage permitted	There are no restrictions on the type or source of leverage that the Company is permitted to incur.
(1)(h)	c	All risks associated with the use of leverage	Please refer to the "Risk Factors" section of the Prospectus for a description of the risks associated with the Company's use of leverage, and in particular, the paragraph titled "Risks relating to the Company".
(1)(i)	d	Any restrictions on the use of leverage and any collateral and asset reuse arrangements	Please refer to the sub-section titled "Borrowing Policy" in the section titled "Investment Policy" in Part I of the Prospectus for the restrictions on the use of leverage. There are no collateral or asset reuse arrangements.
(1)(j)	e	Maximum level of leverage which the Investment Manager is entitled to employ on behalf of the Company	The Company itself may borrow (through bank or other facilities) whether directly or indirectly through an investment fund in which it invests or through a subsidiary special purpose vehicle, up to 35 per cent. of gross asset value of the Group as a whole, in aggregate (calculated at the time of draw down under any facility that the Company has entered into).
(2)	23(1)(B)	CHANGE OF INVESTMENT STRATEGIES OR INVESTMENT POLICY Description of the procedures by which the Company may change its investment strategies or investment policy, or both	Any material change to the investment policy of the Company will be made only with the approval of Shareholders by ordinary resolution. Any change to the investment policy or investment restrictions which does not amount to a material change to the investment policy may be made by the Company without the approval of Shareholders.
(3)	23(1)(C)	CONTRACTUAL RELATIONSHIPS Description of the main legal implications of the contractual relationship entered into for the purpose of investment,	The Company was established under the laws of England and Wales and has its registered office at The Scalpel, 18th Floor, 52 Lime Street, London, EC3M 7AF. An investor in the Company

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
		including information on jurisdiction, on the applicable law and on the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the Company is established	will acquire Ordinary Shares in the Company and accordingly, any disputes between an investor and the Company will be resolved by the courts of England and Wales in accordance with English law and having regard to the Company's Articles of Association which constitute an agreement between the Company and its Shareholders. A Shareholder shall have no direct legal or beneficial interest in the assets of the Company. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the shares held by them.
			<p>Under English law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of association; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the event that a Shareholder considers that it may have a claim against the Company in connection with its investment in the Company, such Shareholder should consult its own legal advisers.</p>
			<p>Regulation (EC) 593/2008 ("Rome I") must be applied in all member states of the European Union (other than Denmark). Accordingly, where a matter comes before the courts of the relevant member state, the choice of governing law in any given agreement is subject to the provisions of Rome I. Under Rome I, the member state's court may apply any rule of that member state's own law which is mandatory irrespective of the governing law and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of that member state. Further, where all other elements relevant to the situation at the time of the choice are located in a country other than the country whose law has been chosen, the choice of the parties shall not prejudice the application of provisions of the law of that country which cannot be derogated from by agreement. The United Kingdom has legislated to the effect that the rules in Rome I are incorporated into domestic law. As a result, English choice of law clauses in contracts are respected both in the UK and EU member states.</p>
			<p>The UK's accession to the Lugano Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters 2007 remains uncertain and consequently, foreign judgments obtained in EU member states relating to proceedings</p>

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
			<p>commenced on or after 1 January 2021 will only be enforceable under the default common law regime or (if applicable) the Hague Convention. The Hague Convention only applies to the enforcement of judgments that arise from proceedings commenced pursuant to an exclusive jurisdiction clause in favour of a contracting state in civil or commercial matters. The UK government has passed domestic legislation which provides that exclusive jurisdiction clauses, which would have been caught by the Hague Convention by virtue of the UK's membership of the EU, will continue to be treated in exactly the same way as exclusive jurisdiction clauses concluded once the UK is a member of the Hague Convention in its own right.</p> <p>Investors should note, however, that there is no instrument in place for the recognition and enforcement of judgements between the United Kingdom and the US and accordingly, if an investor were to seek to have an order of a US court (irrespective of the state in which the order was obtained) recognised or enforced in the courts of England and Wales, the investor would need to rely on the laws of England and Wales and may therefore find it difficult in practice to enforce a judgement obtained in the US in England and Wales.</p>
(4)	23(1)(D)	SERVICE PROVIDERS	
	1	Identity of the Investment Manager, the Company's depositary, auditor and other service providers	<p>Identify of the Investment Manager</p> <p>The Investment Manager is Impact Health Partners LLP, a limited liability partnership registered in England and Wales with company number OC413768 whose registered office is at 149 – 151 Regent Street, London, W1B 4JD.</p> <p>Identity of the Depositary</p> <p>The Depositary is INDOS Financial Limited and is a limited liability company incorporated in England and Wales whose registered office is at 54 Fenchurch Street, London EC3M 3JY.</p> <p>Identity of the Auditor and other service providers</p> <p>The identity of the Auditor and other services providers of the Company are set out in the section of the Prospectus titled "Directors, Investment Manager and Advisers".</p>
	2	Description of the duties of each of those service	The Investment Manager has been appointed by the Company to perform the following functions:

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
		providers	<ul style="list-style-type: none"> • to advise the Company in relation to, <i>inter alia</i>, the acquisition, development, holding and disposal of properties within the Company's portfolio; • to provide discretionary portfolio management; • to provide investment management duties; and • to provide marketing functions. <p>The Investment Manager has delegated risk management functions to Carne Global AIFM Solutions (C.I.) Limited ("Carne"). Carne is entitled to a fixed fee of £57,000 for the provision of risk management services which have been delegated to it under the terms of the investment management agreement.</p>
			<p>Fees</p> <p>Under the terms of the investment management agreement between the Company and the Investment Manager (the "Investment Management Agreement"), the Investment Manager is entitled to a fixed fee of £95,000 per annum plus a further management fee which is payable quarterly in advance and is an amount equal to one quarter of one per cent. per quarter of the aggregate Net Asset Value of the Company to the extent that the aggregate Net Asset Value of the Company is less than or equal to £500 million, thereafter, if the aggregate Net Asset Value of the Company exceeds £500 million, the management fee payable in respect of the gross asset value of the Company over £500 million is calculated as an amount equal to one quarter of 0.7 per cent. per quarter of the excess aggregate Net Asset Value. The Investment Manager is entitled to the reimbursement of reasonable costs and expenses incurred by it in attending meetings of the board and complying with the Company's instructions upon termination of the agreement. The duties of the Administrator, Registrar and Auditor are set out in Part V of the Prospectus and the agreements entered into with each of these service providers are described in more detail in paragraph 10(a), "Material contracts and related party transactions" of Part XIV of the Prospectus.</p>
			<p>The Company is permitted and will continue to own and hold all assets of the type described in the investment policy. However, as the Investment Manager is a full scope UK Investment Manager, it is required to appoint a</p>

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
			<p>depository in accordance with UK AIFMD and the AIFMD. INDOS Financial Limited as Depository is authorised and regulated by the FCA. The Depository has been appointed by the Company to act as the Company's sole depository and will perform its functions and responsibilities in accordance with UK AIFMD and the AIFMD. The principal duties of the Depository are, <i>inter alia</i>;</p> <ul style="list-style-type: none"> • to provide independent oversight of the operation of the Company; • to ensure the safekeeping of the Company's assets; and • to monitor the Company's cashflows. <p>The Depository does not delegate its safekeeping function in relation to the Company's assets, but may appoint sub-custodians to provide custody services.</p> <p>Fees</p> <p>The Depository is entitled to a base fee of £30,000 per annum and a periodic fee calculated as follows: (a) where the NAV is less than or equal to £300 million, 0.01 per cent. of the NAV per annum; and (b) where the NAV is greater than £300 million, an additional 0.005 per cent. per annum in respect of that part of the NAV which is in excess of £300 million. The Depository is entitled to reimbursement of all reasonable out-of-pocket expenses properly incurred in connection with its duties.</p>
	3	Description of the investors' rights in respect of those service providers	<p>Without prejudice to any potential right of action in common law that a Shareholder may have to bring a claim against a service provider to the Company, each Shareholder's contractual relationship in respect of its investment in Ordinary Shares in the Company is with the Company only. Therefore, no Shareholder will have any contractual claim against any service provider with respect of such service provider's default pursuant to the terms of the agreement that it has entered into with the Company.</p> <p>The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 13D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 13D of the Financial Services and Markets Act 2000, or in tort, against any service</p>

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
			<p>provider in connection with their investment in the Company should consult their legal adviser.</p> <p>Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against FCA authorised service providers to the Financial Ombudsman Service ("FOS") (further details of which are available at www.fscs.org.uk). Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("FSCS") if they have claims against an FCA authorised service provider which is in default. There are limits on the amount of compensation. Further information about the FSCS can be found at www.fscs.org.uk. To determine eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal advisers.</p>
(5)	23(1)(E)	PROFESSIONAL INDEMNITY LIABILITY	<p>Description of how the Investment Manager covers professional liability risks</p> <p>The Investment Manager is a full-scope U.K. AIFM for the purposes of UK AIFMD and the AIFMD and therefore complies with PRU-INV 11.3.11G and Article 9(7) of the AIFMD, which relates to the maintenance of professional indemnity insurance or additional capital to cover professional liability risks.</p> <p>The Investment Manager has therefore, agreed, pursuant to the Investment Management Agreement to maintain professional indemnity cover of not less than £5 million until the date that the Investment Management Agreement is terminated.</p>
(6)	23(1)(F) 23(2)	DELEGATIONS	
6(a)-(d)	23(1)(F)	Description of any delegated management functions by the Investment Manager and of any safekeeping function delegated by the Depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations	<p>The Investment Manager is responsible for significant management functions including discretionary portfolio management and advises the Company on a day to day basis, in each case in accordance with the Company's investment policy. The Investment Manager is permitted, with the prior consent of the Company (such consent not to be unreasonably withheld or delayed) to delegate any of its functions under the Investment Management Agreement.</p> <p>The Company has consented to the delegation of risk management functions to Carne in accordance with FUND 3.10. Pursuant to the Investment Management Agreement, the Investment Manager has agreed to review the</p>

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
			<p>risk management services provided by Carne on an ongoing basis and will remain liable for the acts and omissions of any delegate as if they were its own acts or omissions.</p> <p>Notwithstanding the foregoing, all activities engaged in under the provisions of the Investment Management Agreement by the Investment Manager or any of its delegates on behalf of the Company will at all times be subject to the overall policies, supervision and review of the Board.</p> <p>The Depositary does not delegate its safekeeping function in relation to the Company's assets, but may appoint sub-custodians to provide custody services in accordance with the Depositary Agreement. No conflicts of interest arise from such delegation. The Investment Manager's conflicts of interest policy is described in the paragraph titled "Conflicts of Interest" in Part VI of the Prospectus.</p>
3.2.3	23(2)	A description of any arrangement made by the depositary to contractually discharge itself of liability	Where the Company holds custodial assets the Depositary will appoint a custodian to provide custody services in accordance with the Depositary Agreement. In such circumstances, the Depositary would enter into an arrangement with a custodian to contractually discharge itself of liability in accordance with Regulation 30 of the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and Article 21(13) and Article 21(14) of the AIFMD. The Depositary Agreement contains customary indemnities given by the Company in favour of the Depositary.
(7)	23(1)(G)	VALUATIONS Description of the Company's valuation procedure and of the pricing methodology for valuing assets, including methods used to value hard-to-value assets	<p>Please refer to the paragraph titled "Net Asset Value publication and calculation" in Part I of the Prospectus. All assets of the Company will be valued in accordance with the methods set out in the Prospectus.</p> <p>Please refer to the sub-section titled "Presentation of financial information" in the "Important Information" section of the prospectus for a description of the historic presentation of financial information by the Company.</p> <p>The Company's accounts and the annual report will, going forward, drawn up in Sterling and in accordance with IFRS as adopted by the United Kingdom.</p>
(8)	23(1)(H)	LIQUIDITY RISK MANAGEMENT	

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
	1	Description of the Company's liquidity risk management, including redemption rights both in normal and exceptional circumstances and the existing redemption arrangements with investors	<p>There are no redemption rights for Shareholders since the Company is closed-ended.</p> <p>In addition, although the Company has no fixed life, pursuant to the Articles an ordinary resolution for the continuation of the Company will be proposed at the annual general meeting of the Company to be held in 2024 and, if passed, every five years thereafter. Upon any such resolution not being passed, proposals will be put forward by the Directors to the effect that the Company be wound up, liquidated, reconstructed or unitised.</p> <p>Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily, debt) of the Company as they fall due. In managing the Company's assets, the Investment Manager will seek to ensure that the Company holds at all times a portfolio of assets (including cash) to enable the Company to discharge its payment obligations. The Company may also maintain a short-term overdraft facility that it may utilise from time to time for short term liquidity purposes.</p>
(9)	23(1)(I)	FEES AND EXPENSES Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors	<p>The fees payable to the Investment Manager and the Depositary are described in section 23(1)(D)(2) above. Please also refer to the section entitled "Fees and Expenses" in Part V of the Prospectus in respect of the other fees and expenses payable by the Company. Since all such fees and expenses will be borne by the Company, they will be borne indirectly by investors.</p> <p>The costs and expenses of any placing the Company may do will depend on the subscriptions received but are not expected to exceed in aggregate 2 per cent. of gross funds raised.</p> <p>Given that the amount of the fees payable by the Company are irregular in their nature, the maximum amount of fees, charges and expenses that Shareholders will bear in relation to their investment cannot be disclosed in advance.</p> <p>No fees or expenses of the Company will be directly borne by the investors.</p>
(10), (11)	23(1)(J)	FAIR TREATMENT OF INVESTORS Description of how the	Other than as disclosed in the Prospectus, the

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
		Investment Manager ensures a fair treatment of investors and a description of any preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the Investment Manager	Investment Manager: <ul style="list-style-type: none"> • will treat investors fairly; • will not allow any investor to obtain preferential treatment; and • has not entered into any agreement to allow any investor to be treated preferentially.
(14)	23(1)(K)	ANNUAL REPORTS The latest annual report of the Company	The Company publishes its annual report for each period ending 31 December in line with FUND 3.3. When published, annual reports of the Company can be found on the Company's website: www.impactreit.uk .
(12)	23(1)(L)	TERMS AND CONDITIONS The procedure and conditions for the issue and sale of interests in the Company	The Ordinary Shares may be offered from time to time through the Company's brokers in a placing or other offering. The procedure for any issue would be set out in the announcement or prospectus relating to that specific offering. In addition, certain restrictions on the sale and transfer of the Ordinary Shares are described in Parts VII and VIII of the Prospectus under the paragraphs titled "Purchase and Transfer Restrictions".
(13)	23(1)(M)	NET ASSET VALUE The latest net asset value of the Company, or the latest market price of the interests of the Company	The Company's Net Asset Value announcements can be found on the Company's website at www.impactreit.uk/investors/regulatory-news .
(15)	23(1)(N)	HISTORICAL PERFORMANCE Where available, the historical performance of the Company	The Company's annual and interim financial statements can be found on the Company's website at www.impactreit.uk/investors/reporting-centre/reports .
(16)	23(1)(O)	PRIME BROKERS	
	1	The identity of the prime broker and a description of any material arrangements of the Company with its prime brokers	Not applicable, the Company has not appointed any prime broker.
	2	The way conflicts of interest in relation to any prime brokers are managed	Not applicable, the Company has not appointed any prime broker.

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
	3	The provision in the contract with the depositary on the possibility of transfer and reuse of Company assets	Not applicable, the Company has not appointed any prime broker.
	4	Information relating to any transfer of liability to the prime broker that may exist	Not applicable, the Company has not appointed any prime broker.
3.2.5, 3.2.6	23(1)(P)	PERIODIC DISCLOSURES Description of how and when the information required to be disclosed periodically to investors under FUND 3.2.5 and 3.2.6 and articles 23(4) and 23(5) (so far as relevant, leverage and risk profile) of the AIFMD will be disclosed	<p>The Investment Manager is required to disclose periodically to investors:</p> <ol style="list-style-type: none"> (1) the percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature; (2) any new arrangements for managing the liquidity of the Company; and (3) the current risk profile of the Company and the risk management systems employed by the Investment Manager to manage those risks. <p>The information shall be disclosed as part of the Company's periodic reporting to investors, as required as an issuer of listed securities on the Official List, or at the same time as the Prospectus and, at a minimum, at the same time as the Company's annual report is made available.</p> <p>The Investment Manager must disclose on a regular basis:</p> <ol style="list-style-type: none"> (1) any changes to: <ol style="list-style-type: none"> (a) the maximum level of leverage that the Investment Manager may employ on behalf of the Company; (b) any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and (2) the total amount of leverage employed by the Company. <p>Information on changes to the maximum level of leverage and any right of reuse of collateral or any guarantee under the leveraging arrangements will be provided without undue delay.</p> <p>Information on the total amount of leverage employed by the Company will be disclosed as part of the Company's periodic reporting to investors, as required as an issuer of listed</p>

UK AIFMD	AIFMD Article	Disclosure Requirement	Disclosure
			securities on the Official List, or at the same time as the Prospectus and at least at the same time as the annual report is made available to investors.
			Without limitation to the generality of the foregoing, any of the information specified above may be disclosed:
			(1) in the Company's annual report;
			(2) in the Company's unaudited interim report;
			(3) by the issue of an announcement via a regulatory information service (or equivalent); or
			(4) by the publication of the relevant information on the Company website.

Sustainable Risk Finance Disclosure Regulation (2019/2088) (the "Disclosure Regulation")

Impact Health Partners LLP (the "**Investment Manager**") makes the following disclosures in accordance with Articles 6(1) and 7 of the Disclosure Regulation.

Integration of Sustainability Risks

Before any investment decisions are made on behalf of the Company, the Investment Manager will identify the material risks associated with the proposed investment. These risks form part of the overall investment proposal submitted to the Company's board of directors. The Investment Manager assesses the identified risks alongside other relevant factors set out in the proposal. Following its assessment, the Investment Manager makes relevant investment decisions having regard to the Company's investment policy and objectives. During this process, sustainability risks are identified and assessed using the same process as is applied to other relevant risks affecting the Company.

The specific investment decision-making on behalf of the Company as outlined above is part of the Investment Manager's wider policies and procedures on the integration of sustainability risks in its decision-making process generally. Further information on this is set out on the 'Sustainability' section of the Company's website at <https://www.impactreit.uk/about/sustainability/>.

Sustainability risks are integrated into the investment decision making and risk monitoring of the Company to the extent that they represent potential or actual material risks to the Company's investments. As part of that process, the Investment Manager has determined that sustainability risks are potentially relevant to the Company having regard to the types of investments that may be made in accordance with the Company's investment policy and objectives. The Investment Manager's policy is that, in respect of the Fund, the identification and assessments of risks, including sustainability risks, will take place on an investment-by-investment basis in accordance with the above policy. The Company is exposed to certain potential sustainability risks as, amongst others, reflected in the risk factors of the Company's Prospectus (as supplemented from time to time) set out at <https://www.impactreit.uk/investors/reporting-centre/prospectus/> or otherwise as disclosed more generally on the Company's website at <https://www.impactreit.uk/>, including in particular in the Sustainability section of such website as mentioned above.

The Investment Manager will follow its procedures to identify and mitigate sustainability risks, although there can be no guarantee that the Investment Manager will successfully identify and mitigate all material risks.

Transparency of adverse sustainability impacts

In relation to the Company, the Investment Manager does not consider the adverse impacts of investment decisions on sustainability factors in the manner prescribed by article 7 of the Disclosure Regulation.

Although the Investment Manager takes sustainability and ESG very seriously, the Investment Manager

uses its own procedures, policies and metrics to assess the principal adverse impacts of investment decisions on sustainability factors which do not align with those prescribed under article 7 of the Disclosure Regulation, as the Investment Manager considers that its own such procedures, policies and metrics are more appropriate and tailored to the Investment Manager and investments that the Investment Manager makes on behalf of the Company, and therefore assist in the Investment Manager's objective to deliver long-term risk adjusted returns to investors. The Investment Manager will continue to follow such procedures, policies and metrics to identify and mitigate sustainability risks, although there can be no guarantee that the Investment Manager will successfully identify and mitigate all material risks.