



Lomond View, Falkland, Fife


**128**
**Properties<sup>†</sup>**
<sup>†</sup> Includes exchanged, funded and under construction assets

**£532.6m**
**Property value<sup>†</sup>**

**19.2yrs**
**WAULT**

**£39.4m**
**Contracted rent roll**

**100%**
**Inflation linked leases**

## Overview

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

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

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

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

- a progressive dividend policy, with a total target dividend of 6.54p per share in respect of 2022<sup>1</sup>; and
- an average Total accounting return of 9.0% per annum<sup>1</sup>.

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

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

## Key achievements in Q1 2022

- Invested in a portfolio of care homes in Mansfield with an existing tenant, Welford. This portfolio contains 107 high-quality predominantly en suite beds, for consideration of £11.1 million at a gross initial yield of 6.4%.
- Completed the acquisition of two care homes in Northern Ireland to be leased to an existing tenant, Electus. This portfolio adds 147 beds for consideration of £11.0 million at a gross initial yield of 7.8%.
- Successfully raised £40 million through an equity raise in February 2022 at a subscription price of 114p per share.
- Following the quarter end the Group exchanged contracts to purchase three homes in Scotland with an existing tenant, Silverline. These homes comprise 155 en suite beds for consideration of £8.1 million at a gross initial yield of 7.75%.

## Impact at a glance

	31 March 2022*	31 December 2021*	% change
Shares in issue	385,731,909	350,644,188	
Share price (p)	122.20	119.60	
NAV per share (p)	114.93	112.43	
Market Cap (£m)	471.36	419.37	
NAV (£m)	443.31	394.24	12.9%
Bank borrowings (£m)	107.6	114.5	
Number of completed properties <sup>1</sup>	126	122	3.3%
Number of beds <sup>1</sup>	6,803	6,546	3.9%
Market value (£m) <sup>1</sup>	526.8	492.1	7.0%
– per property (£m)	4.2	4.0	3.6%
– per bed (£'000)	77.4	75.2	3.0%
Contracted rent roll (£m)	39.4	38.0	3.8%
EPRA "topped-up" yield (%)	6.71	6.71	

\* Unaudited

<sup>1</sup> This excludes exchanged and under construction assets, funded assets are included in market value at their acquisition consideration

## Dividend history (per share)

	2021	2021	2020	2019	2018
Q1	*1.6350p	1.6025p	1.5725p	1.5425p	1.50p
Q2		1.6025p	1.5725p	1.5425p	1.50p
Q3		1.6025p	1.5725p	1.5425p	1.50p
Q4		1.6025p	1.5725p	1.5425p	1.50p
	1.6350p	6.41p	6.29p	6.17p	6.00p

\* Declared in April payable in May 2022

Below: Methven House, 14 Bennoch Road, Kirkcaldy, Fife.



## Company overview

IPO	7 March 2017	<b>Registered address</b>	The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF
Market	LSE Main Market Premium Segment		
Index Inclusion	EPRA/NAREIT		
Ticker	IHR		
ISIN	GB00BYXVMJ03		
SEDOL	BYXVMJ0		
Dividend payments	Quarterly		

## Board of Directors

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

## Key dates

Half year end 30 June  
Full year end 31 December  
AGM 11 May 2022

Publication date: May 2022

## Portfolio update

### NAV and valuation

The unaudited NAV at 31 March 2022 was 114.93p per share, up 2.2% from 31 December 2021 NAV of 112.43p.

The net asset value increased to £443.3 million from £394.2 million, an uplift of 12.5% including the increase in property value.

The Group's property portfolio ("Portfolio") was independently valued at £484.0 million as at 31 March 2022 (valuation as at 31 December 2021, £459.4 million), an increase of £24.6 million, or 5.3% in the quarter.

£11.5 million relates to investments in acquisitions, like-for-like valuation uplifts on standing assets were £13.1 million in the quarter, including £9.2 million from assets with RPI uplifts, £0.9 million due to yield movements and a further £3.0 million increase as a result of capital improvements.

In addition to the portfolio value above, the Group made an investment of £11.1 million in two homes with 107 beds by way of a loan to Welford Healthcare, along with an incremental £37.5 million investment in a portfolio of 12 homes with 494 beds via a loan made to Holmes Care Group last quarter.

### Acquisition pipeline

The Group has successfully progressed acquisitions in the quarter on homes with strong trading credentials, completing the

acquisition of two care homes in Northern Ireland and investing in a further two care homes allowing for growth with existing tenants. The Investment manager ("IM") continues to progress several acquisition opportunities that remain attractive to the business's investment strategy.

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

### Operational update

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

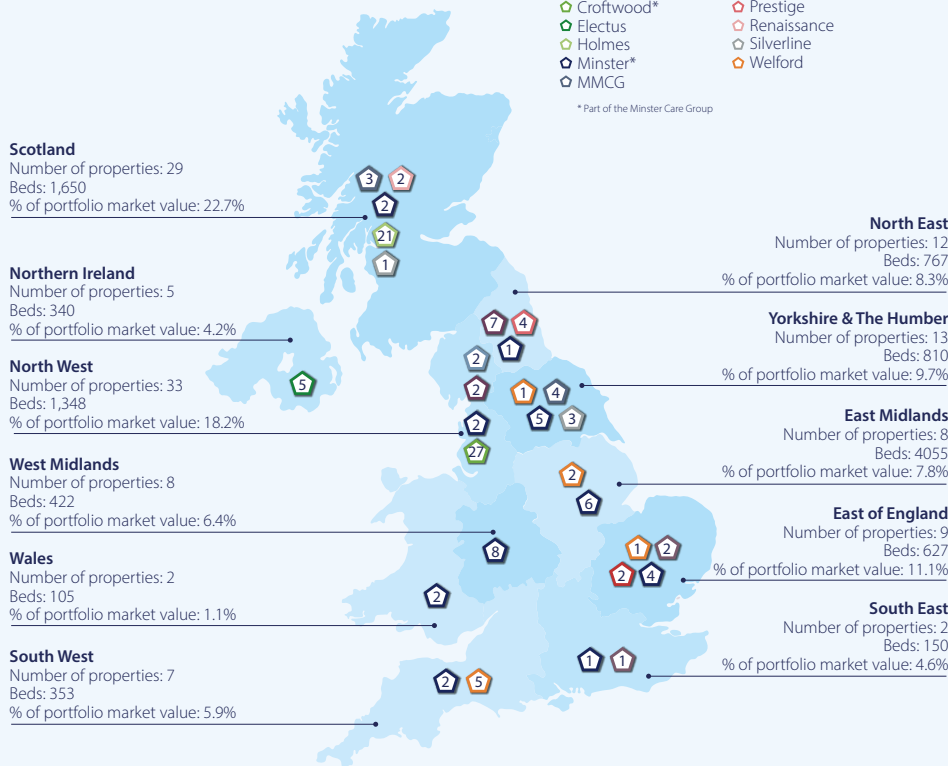
Tenants' occupancy levels remained stable across the quarter with Managers at the Group's homes reporting good levels of enquiries.

This has been a very active quarter for the Group, completing 69 inflation-linked rent reviews with an average uplift of 4%.

Furthermore, the Group secured £40 million through an equity raise in February giving additional headroom to pursue the strong pipeline of attractive acquisition opportunities.

## Our portfolio

(as at 31 March 2022)

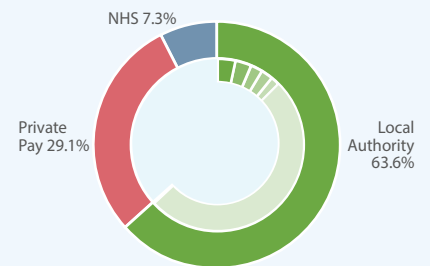


Note: The information on this page includes forward-funded developments and the 14 care homes funded via a loan, with an option to acquire.

## Portfolio analysis

### Security of income (%)

based on % revenue to care home tenants

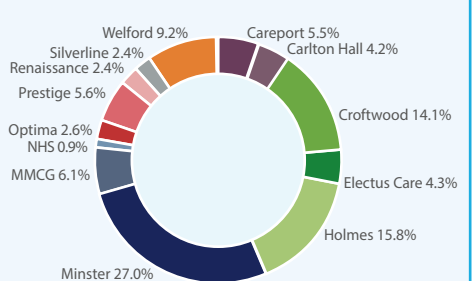


### Local Authority top five (% of total revenue)



### Diverse tenant base (%)

based on % contracted income



### Key contacts

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