



Fairview Court and House, Bristol


134
Properties†

£581.7m
Property value†

19.7yrs
WAULT

£43.2m
Contracted rent roll

100%
Inflation linked leases

† Includes forward-funded assets and portfolios invested in via a loan to operator where the Group has an option to acquire.

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 2022¹; and
- an average Total accounting return of 9.0% over the medium term¹.

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

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

Key achievements in Q3 2022

- Raised gross proceeds of £22.3 million through an equity raise in July 2022 at a price of 117 pence per share.
- Completed the acquisition of 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%.
- Exchanged contracts to acquire two care homes in Kent for £14.0 million with a new tenant, Belmont Healthcare. This portfolio contains 168 beds, with significant potential for future value-enhancing asset management and development opportunities. This acquisition completed in November 2022.
- Following the quarter end the Group sold a non-core home for £2.7 million, a 4% premium to its latest book value as at 30 June 2022.

Impact at a glance

| | 30 September 2022* | 30 June 2022* | % change |
|---|--------------------|---------------|----------|
| Shares in issue | 404,764,329 | 385,731,909 | |
| Share price (p) | 102.60 | 116.80 | |
| NAV per share (p) | 116.62 | 116.18 | |
| Market Cap (£m) | 415.29 | 450.53 | |
| NAV (£m) | 472.03 | 448.13 | 5.3% |
| Bank borrowings (£m) | 130.6 | 137.6 | |
| Number of completed properties ¹ | 133 | 130 | 2.3% |
| Number of beds ¹ | 7,236 | 7,081 | 2.2% |
| Market value (£m) ¹ | 579.3 | 566.5 | 2.3% |
| – per property (£m) | 4.4 | 4.4 | 0.0% |
| – per bed (£'000) | 80.1 | 80.0 | 0.1% |
| Contracted rent roll (£m) | 43.2 | 42.0 | 2.9% |
| EPRA "topped-up" yield (%) | 6.68 | 6.69 | |

* Unaudited

¹ This excludes exchanged and forward-funded assets, but includes assets invested in via a loan to operator where the Group has an option to acquire.

Dividend history (per share)

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|----|----------|---------|---------|---------|-------|
| Q1 | 1.6350p | 1.6025p | 1.5725p | 1.5425p | 1.50p |
| Q2 | 1.6350p | 1.6025p | 1.5725p | 1.5425p | 1.50p |
| Q3 | *1.6350p | 1.6025p | 1.5725p | 1.5425p | 1.50p |
| Q4 | | 1.6025p | 1.5725p | 1.5425p | 1.50p |
| | 4.905p | 6.41p | 6.29p | 6.17p | 6.00p |

* Declared in October 2022 and payable in November 2022.

Merlin Manor, Hartlepool



Company overview

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

Registered address

The Scalpel, 18th Floor, 52 Lime Street, London EC3M 7AF

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 May 2023
Publication date: December 2022

Portfolio update

NAV and valuation

The unaudited NAV at 30 September 2022 was 116.62p per share, up from 30 June 2022 NAV of 116.18p.

The net asset value increased to £472.0 million from £448.1 million, an uplift of 5.3% primarily as a result of the equity raise in July 2022.

The Group's property portfolio ("Portfolio") was independently valued at £543.0 million as at 30 September 2022 (valuation as at 30 June 2022, £530.2 million), an increase of £12.8 million, or 2.4% in the quarter.

£8.6 million relates to investments in acquisitions, like-for-like valuation uplifts on standing assets were £2.3 million in the quarter, including £3.7 million from assets with RPI uplifts, £1.4 million due to yield movements and a further £1.9 million increase as a result of capital improvements.

In addition to the portfolio value above, the Group had an outstanding portfolio investment loan of £37.5 million in relation to 12 homes with 494 beds loaned to Holmes Care Group in December 2021. The current valuation of this portfolio is £38.7 million with the uplift being recognised in the Group's call option to acquire this portfolio.

Operational update

The Group received 100% of rent receipts for the period.

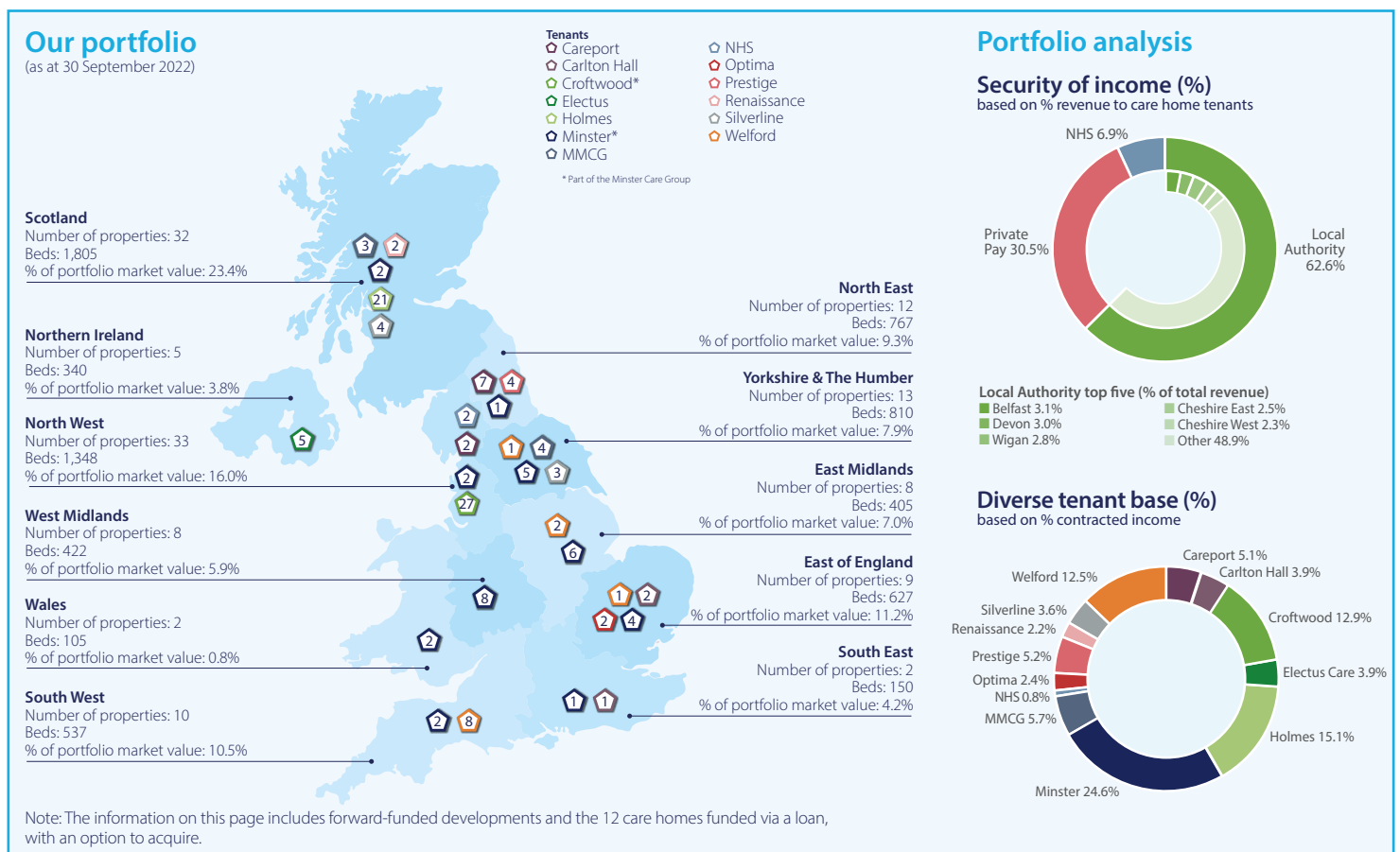
Tenants' occupancy levels increased across the quarter to 87.3%, up 1.9% on 30 June 2022 (85.4%). Managers at the Group's homes are reporting good levels of enquiries.

Staff costs have been rising but have remained stable as a percentage of our tenant revenues at 64% as occupancy gains and fee increases have grown those revenues.

Utility and food costs are increasing but at manageable levels. Food costs were 3.7% of revenues in the eight-month period to 31 August 2022¹ up from 3.6% of revenues in the year to December 2021. Utility costs were 2.5% of revenues in the 8-month period to 31 August 2022¹ up from 2.0% of revenues in the year to December 2021.

The Group completed 12 inflation-linked rent reviews with an average uplift of 4.69%.

¹ Based on tenant trading data for 88% of our portfolio to 31 August 2022



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

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

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

Registrar
 Computershare Investor Services PLC
 The Pavilions Bridgwater Road
 Bristol BS99 6ZZ

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

Joint Financial Adviser
 Jefferies International Limited
 100 Bishopsgate, London EC2N 4JL

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

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