

INTEREST RATE CAP AND HEDGING UPDATE

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Impact Healthcare REIT PLC
18 August 2023

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18 August 2023

Impact Healthcare REIT plc

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

NEW £50 MILLION INTEREST RATE CAP AT 4%. 92% OF DRAWN DEBT IS NOW HEDGED

In the first half year results announcement on 9 August 2023, the Group indicated that it was looking to increase the level of hedging in place. The Board of Directors of Impact Healthcare REIT plc (ticker: IHR), is pleased to announce that it has completed this process, and the Group has purchased a new £50 million interest rate cap, which caps SONIA at 4.0% for two years expiring on 15 August 2025, at a cost of £1.76 million.

The Group has now hedged or fixed the interest rates on 92% (£175 million)¹ of its current drawn debt of £191 million. The weighted average cost of drawn debt is 4.66%² based on SONIA of 5.4%. At current hedging and drawn debt levels, an increase of 50 bps in SONIA will result in a 4 bps increase in the weighted average cost of drawn debt².

The Group's gross loan to value ("LTV") ratio at 30 June 2023 was 28.5%. No further debt has been drawn at the date of this announcement.

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The Company's LEI is 213800AX3FHPMJL4IJ53.

Further information on Impact Healthcare REIT is available at www.impactreit.uk.

NOTES:

Impact Healthcare REIT plc is a specialist and responsible owner of care homes and other healthcare properties across the UK. Elderly care is an essential service and demand for it is high and continues to grow as the UK's

population gets older. We work with our tenants so we can grow together and help them care for more people, while continuing to improve our homes for their residents.

We take a long-term view and look to generate secure and growing income. This has allowed us to provide our shareholders with attractive and rising dividends and the potential for capital growth.

The target total dividend for the year ending 31 December 2023 is 6.77 pence per share³, a 3.5% increase over the 6.54 pence in dividends paid per ordinary share for the year ended 31 December 2022.

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

- ¹ £175 million of debt currently hedged from: £75 million of loan notes fixed at 3% expiring in 2035. £50 million interest rate cap at 3% expiring in January 2025. £50 million interest rate cap at 4% expiring in August 2025.
- ² Weighted average cost of drawn debt is based on £191 million excluding arrangement fees and cost of interest rate caps. This reflects the ongoing cash cost of the drawn debt.
- ³ 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.

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