



Q1 FACT SHEET 31 March 2023



141
Properties†

† Includes funded and under construction assets.



£635.4m
Property value†



19.5yrs
WAULT



£47.9m
Contracted rent roll



100%
Inflation linked leases

Isle Court, Shrewsbury, Shropshire, West Midlands.

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.

Objectives – Our targets are to deliver:

- a progressive dividend, with a target for 2023 of 6.77 pence per share¹; and
- an average total accounting return of 9.0% per annum¹, with the capital growth element mainly coming from rising rents and our asset management projects, rather than relying on increases in market values.

Strategy – To achieve our objectives, we:

- buy the right assets that enhance our portfolio through improved geographic and tenant diversity and are accretive to shareholder

returns, by implementing our investment strategy;

- effectively manage the portfolio and individual assets, by implementing our portfolio management and asset management strategies; and
- ensure we're appropriately financed, by implementing our financing strategy.

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

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

Key achievements in Q1 2023

- During the quarter, the Group invested in a portfolio of six care homes across Cheshire and Shropshire for consideration of £56 million, with 80% paid in cash and the remainder in shares priced at 116.62 pence per share. These homes will be operated by one of the Group's existing tenants, Welford, with initial rent set at £3.9 million reflecting a gross initial yield of 7%.
- Exchanged on the sale a non-core care home for £1.25 million, in-line with the latest valuation. This home was acquired as part of the seed portfolio in May 2017 and was not a long-term strategic asset for Impact or the tenant, Minster, and as part of the Group's active portfolio management strategy, was jointly marketed. This transaction completed shortly after the quarter end.
- Paid the final dividend for 2022, delivering on the dividend target of 6.54 pence per share with distributions fully covered by EPRA and adjusted earnings.

Impact at a glance

	31 Mar 2023*	31 Dec 2022*	% change
Shares in issue	414,368,169	404,764,329	2.4
Share price (p)	92.20	105.00	(12.2)
NAV per share (p)	112.60	110.17	2.2
Market Cap (£m)	382.05	435.09	(12.2)
NAV (£m)	466.6	445.9	4.6
Bank borrowings (£m)	187.3	142.3	31.6
EPRA LTV (%)	27.6	22.6	22.1
Number of completed properties ¹	140	134	4.5
Number of beds ¹	7,774	7,336	6.0
Market value (£m) ¹	632.6	566.0	11.8
– per property (£m)	4.5	4.2	7.1
– per bed (£'000)	81.4	77.2	5.4
Contracted rent roll (£m)	47.9	43.1	11.1
EPRA "topped-up" yield (%)	6.99	6.98	0.1

* Unaudited

¹ This excludes exchanged and under construction assets, but includes assets invested in via a loan to operator where the group has an option to acquire.

Dividend history (per share)

	2023	2022	2021	2020	2019
Q1	*1.6925p	1.6350p	1.6025p	1.5725p	1.5425p
Q2		1.6350p	1.6025p	1.5725p	1.5425p
Q3		1.6350p	1.6025p	1.5725p	1.5425p
Q4		*1.6350p	1.6025p	1.5725p	1.5425p
	1.6925p	6.54p	6.41p	6.29p	6.17p

* Declared in April 2023 and payable in May 2023.

Isle Court, Shrewsbury, Shropshire.



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

Board of Directors
Simon Laffin (Chairman)
Rosemary Boot (Senior Independent Director)
Amanda Aldridge
Philip Hall
Chris Santer

Key dates	
Half year end	30 June
Full year end	31 December
AGM	17 May 2023
Publication date:	May 2023

Portfolio update

NAV and valuation

Unaudited net asset value (“NAV”) as at 31 March 2023 was £466.6 million, 112.60 pence per share. This represents an increase of £20.7 million (2.43 pence per share), against the 31 December 2022 NAV of £445.9 million, 110.17 pence per share.

The Investment portfolio has been independently valued by the Group’s external valuer Cushman & Wakefield. The Group’s investment property value increased by 1.8% in the quarter (£9.6 million) owing to 72 rent reviews at an average uplift of 4.0% per annum, in line with the rental increase cap on their leases, and an investment of £0.5 million on asset management primarily in relation to the refurbishment at the Fairview home, operated by our tenant Welford. The Group’s EPRA “topped up” Net Initial Yield at 31 March 2023 is 6.99% broadly in line with the year-end (31 December 2022: 6.98%), reflecting more stable investment markets during the last quarter.

Financing update

The Group’s drawn debt increased to £187.3 million, following the investment in six care homes this quarter, giving a gross LTV of 28.3% (31 December 2022: 23.9%) and an EPRA LTV of 27.6% (31 December 2022: 22.6%). The Group secured a further £50 million interest rate cap at a cost of £1.5 million, which caps SONIA at 3.0% for two years. The Group has now hedged the interest rates on 80% (£150 million) of drawn debt.

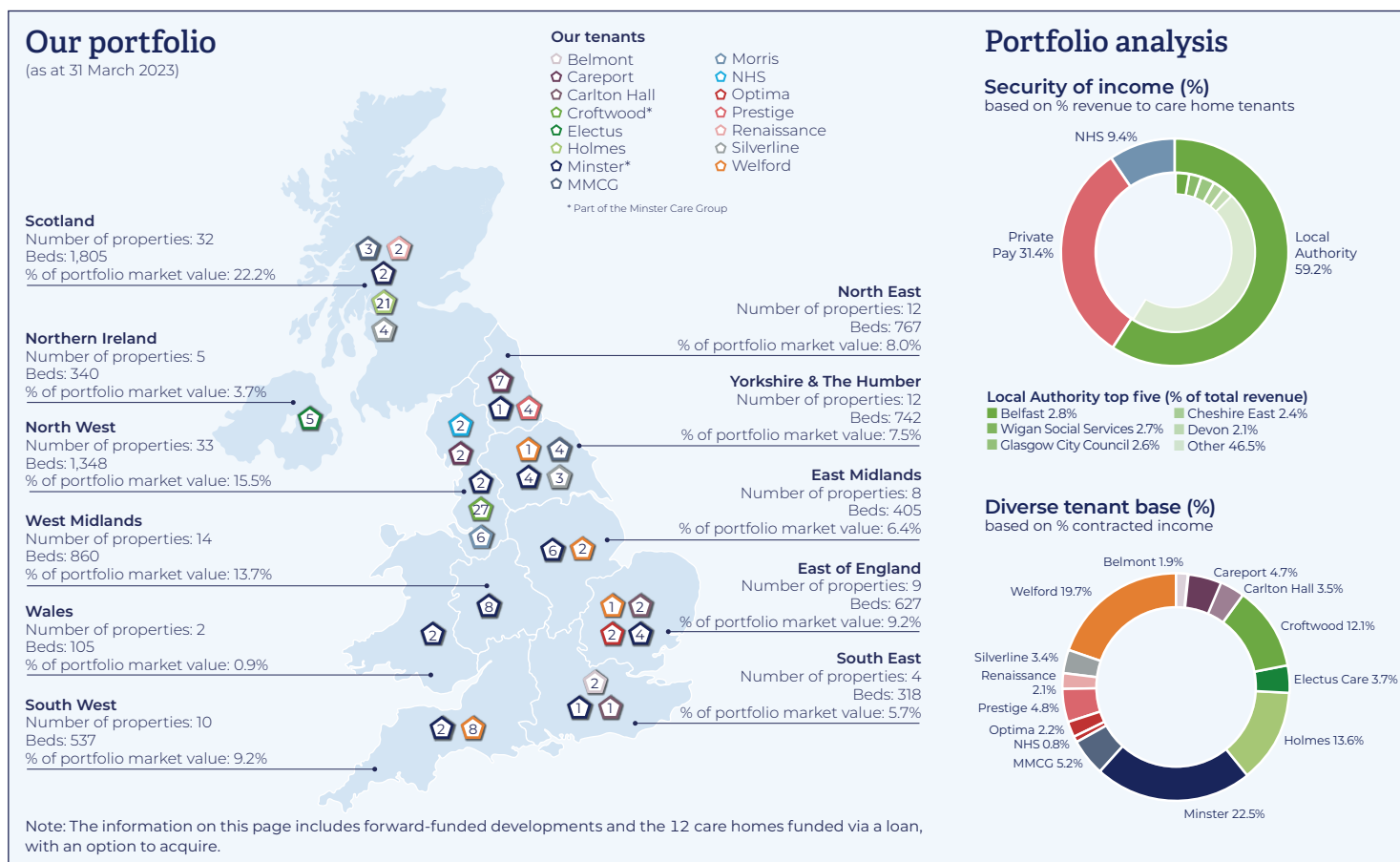
Operational update

Rent cover across our Portfolio remains strong and was 1.74x for the quarter to 31 March 2023, and 98% of rent due in the quarter was received.

Occupancy at 31 March 2023 was 87.6%, up 1.0% on 31 December 2022 (86.6%).

Contracted rent increased by 11% in the quarter, £47.9 million at 31 March 2023 (31 December 2022: £43.1 million) owing to the increase from 72 rent reviews along with the investment in a portfolio of six care homes.

1 Contracted rent includes all post-tax income from investments in properties, whether generated from rental income or post-tax interest income.



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