Impact
Healthcare
REIT

Investing in UK care homes for everyone

Interim Results Presentation
Half year ended 30 June 2024

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01 Key highlights

Impact Healthcare REIT

Executive Summary

Impact Healthcare REIT

We invest in care homes, which are essential social infrastructure

The Platform

A specialist investor in **UK social infrastructure**	**Deployed >£600m** into UK healthcare real estate	**7,700+ beds** in Main Market listed REIT	Track record of **disciplined capital deployment**

The Market

An **ageing population**	**Acuity** is also increasing	Highly **fragmented market**	Care homes are part of the solution for an **NHS under pressure**

Delivering the Strategy

Growing covered dividend	**Total return** **8.8%** TAR since IPO	**Robust balance sheet**	**Long-term** WAULT 20+ years


Isle Court


Sandbanks


Old Prebendal

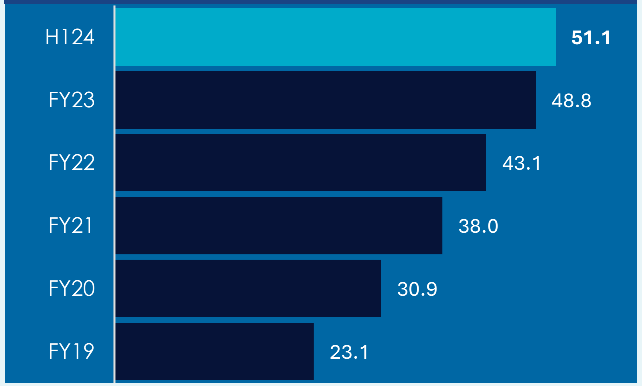
1. Langbuisson / ONS

2024 HY Financial Highlights

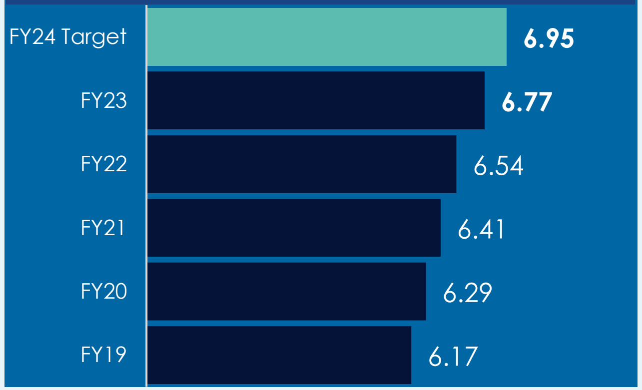
Impact Healthcare REIT

Consistent and robust performance

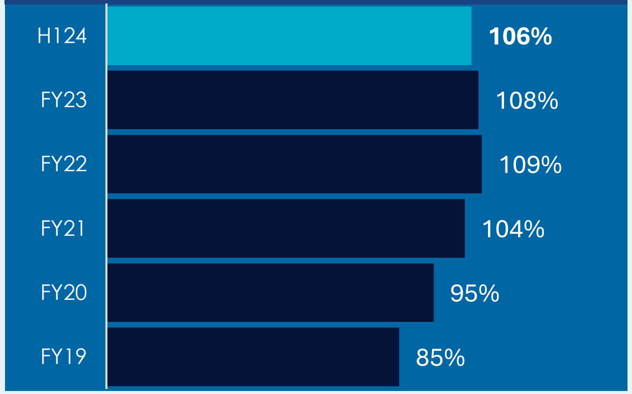
Contracted rent[1] (£m)
£51.1m (+4.7%)



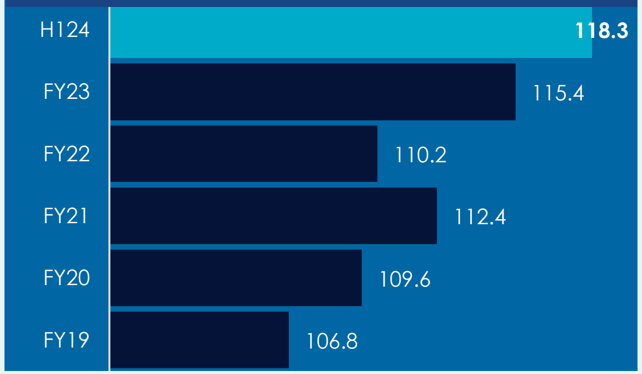
Dividends[2] (pence per share)
3.48p (+2.7%)



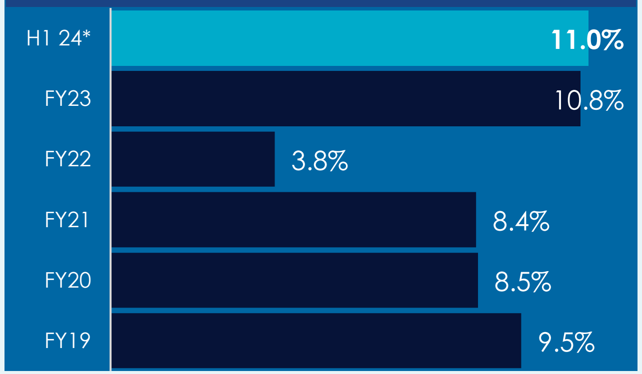
Strong adjusted earnings dividend cover
106%



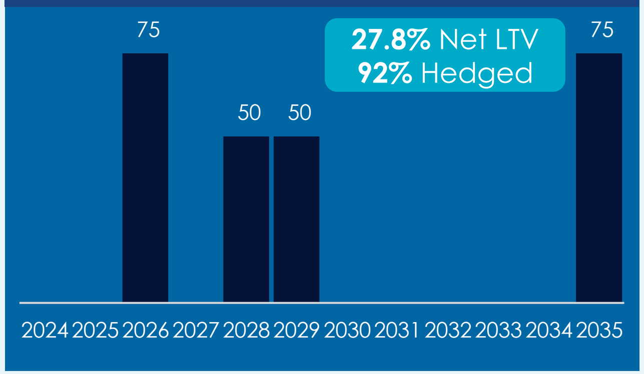
NAV per share (pence)
118.3p (+2.5%)



NAV total return ahead of target
11.0%*



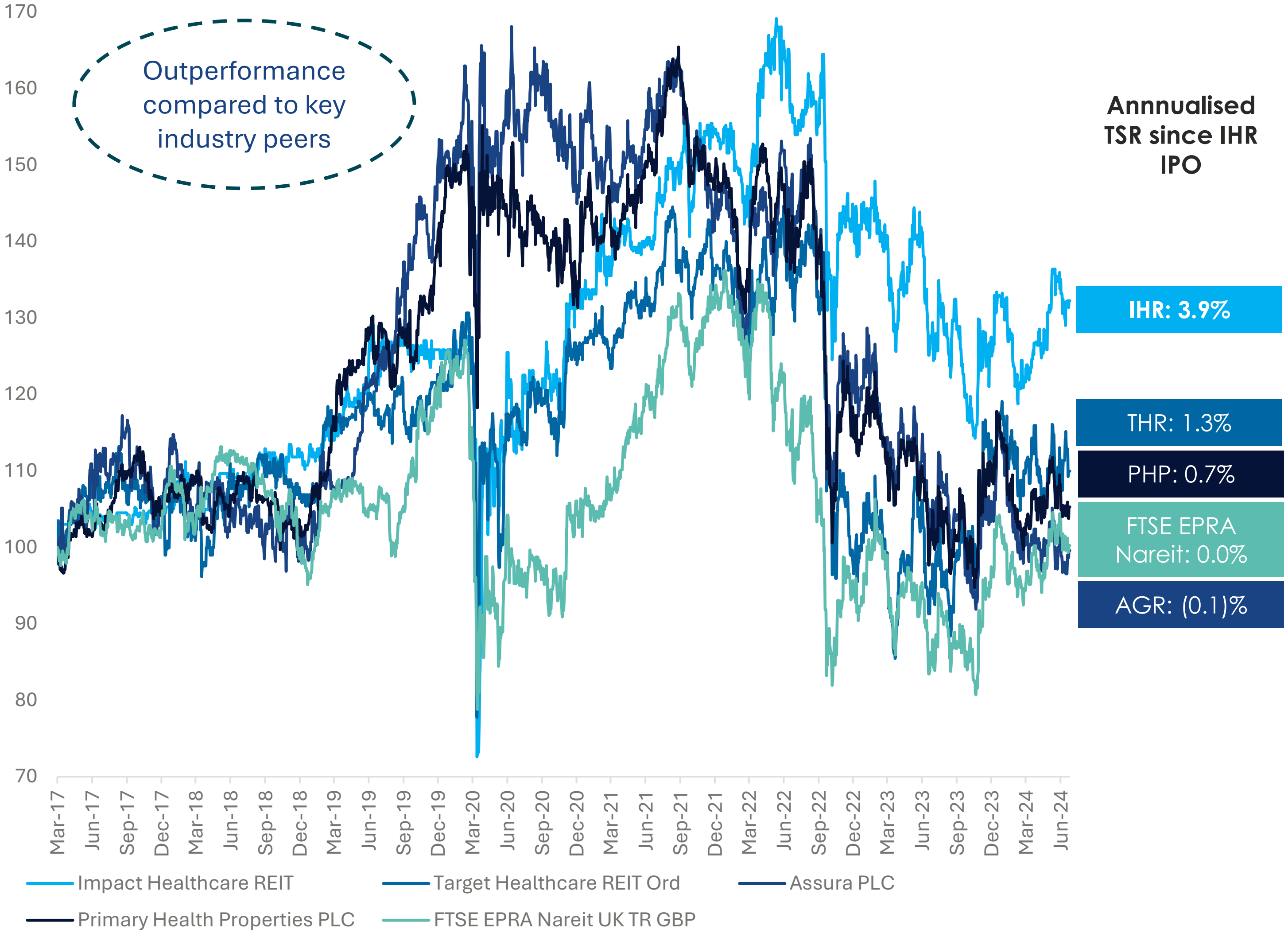
Debt maturity (£m)
Weighted average: **5.8 years**



[1] The annualised rent adjusting for: rent due following rent-free periods; underlying contractual rent on temporarily varied leases (including rent due from Melrose); rent due on capex projects or profit-related deferred payments where the Group recognises a capital commitment; and post-tax income from interest received from property investments made via loans to operators for the acquisition of property portfolios.
[2] 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.
* 6 months to 30 June 2024 annualised to be comparative to prior periods.

Shareholder returns

Total shareholder returns



Active value creation strategies

Selective identification of tenants with solid rent cover underpins revenues

Active asset management strategies tactically deployed to enhance asset value

Index-linked, long-term cap and collared leases generate steady revenue growth with inflation protection

Material value growth opportunities uncorrelated with wider market and economic environment

02 Financial highlights

Adjusted earnings stable, supporting dividends

Impact Healthcare REIT

£'000	**H124**	H123	
Net Cash rent	23,165	19,435	
Interest income from loaned portfolio investments	-	3,646	
Cash income from portfolio	**23,165**	23,081	+0.4%
Admin costs	(3,558)	(3,681)	(3.3)%
Loss on disposal	-	(16)	
Cash profit before bank financing	**19,607**	19,384	+1.2%
Net cash finance expenses	(4,300)	(4,116)	+4.4%
Adjusted earnings	**15,307**	15,268	+0.3%
Adjusted earnings per share	**3.69**	3.69	
Dividend per share	**3.48p**	3.39p	+2.7%
Adjusted earnings dividend cover	**106%**	109%	

Contracted rent

£51.1m

(H123: £48.1m)

+6.3%

EPRA cost ratio

13.3%

(H123: 16.0%)

(2.7)%

Adjusted earnings dividend cover

106%

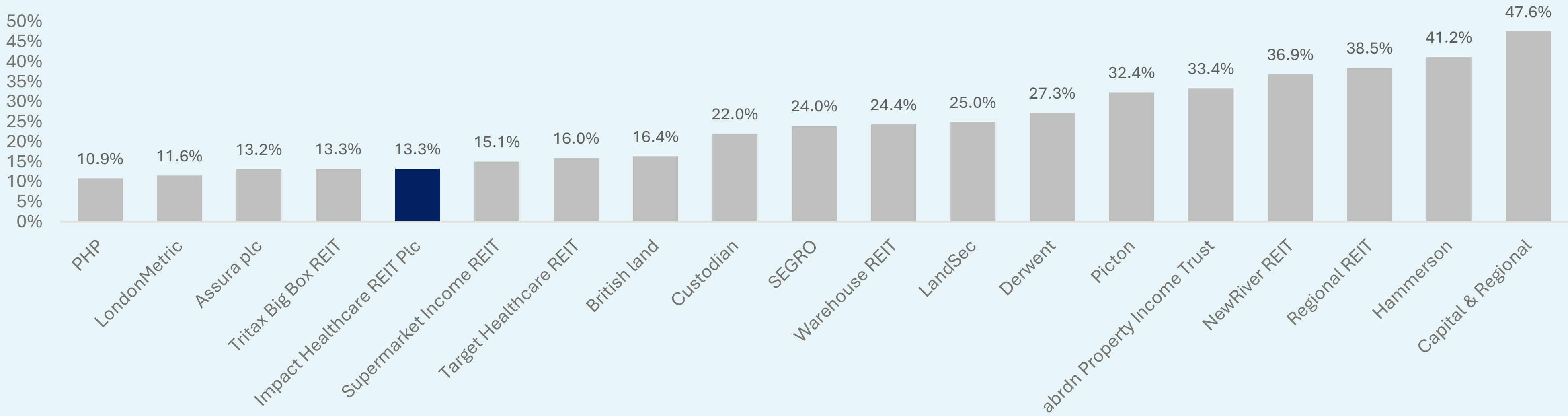
(H123: 109%)

(3)%

EPRA cost ratio, continued strong control of costs

£'000	**H1 24**	H1 23	FY23
Administrative and other expenses	**3,558**	3,681	7,137
Gross rental income	**26,803**	23,063	49,659
EPRA cost ratio (Including and excluding direct vacancy costs)	**13.3%**	16.0%	14.4%

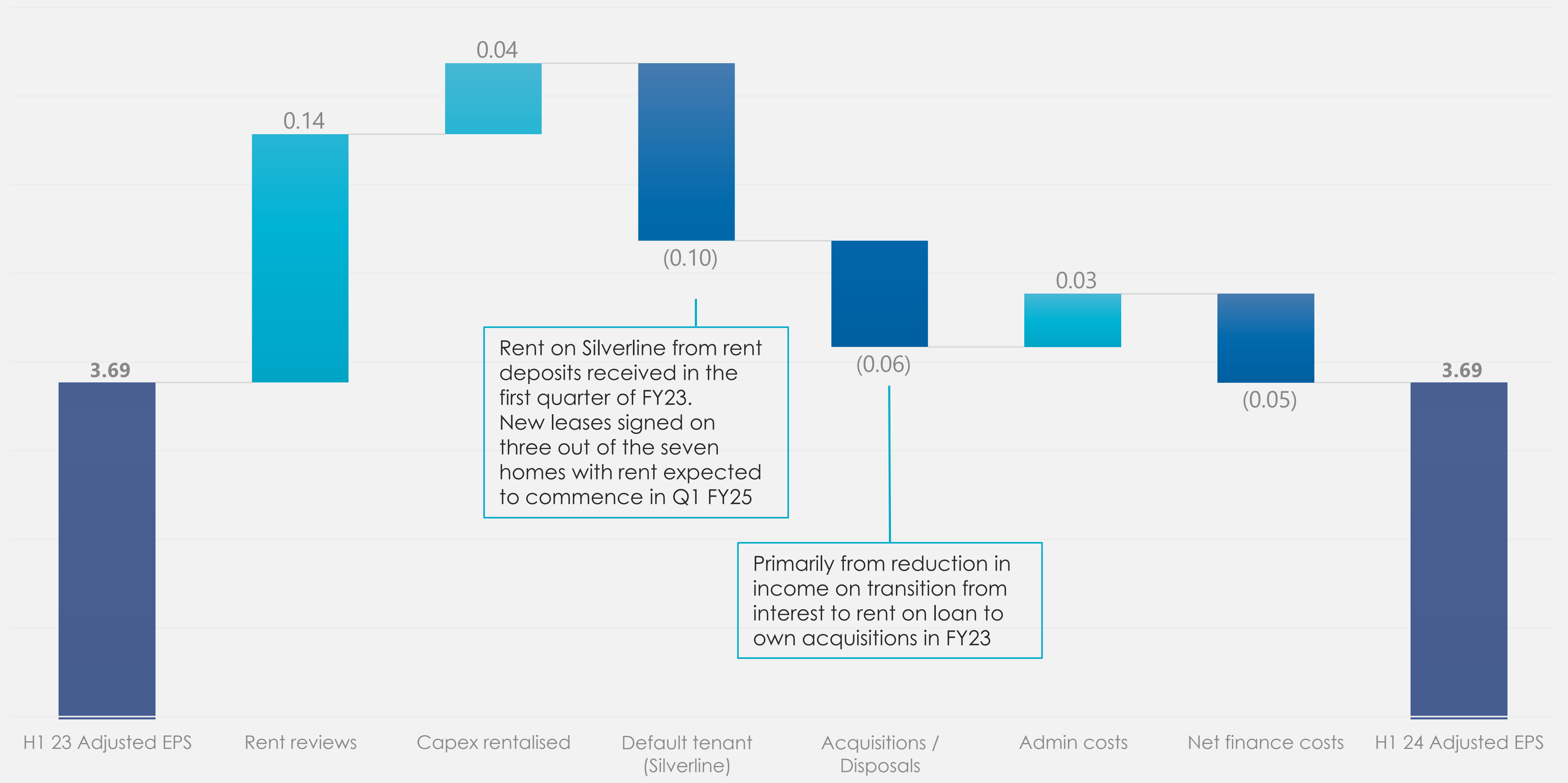
EPRA cost ratio (%) from latest reporting incl. direct vacancy costs



Adjusted earnings

Adjusted earnings stable, despite increase in finance costs and Silverline default, but with growth potential

Adjusted earnings (pence)



Continued growth in NAV

Impact Healthcare REIT

£'000	**H124**	FY23	
Portfolio value	**670,108**	651,313	+2.9%
Net debt	**186,068**	181,380	+2.6%
EPRA (Net) LTV	**27.8%**	27.8%	-
Net Asset Value (NAV)	**490,227**	478,107	+2.5%
NAV per share	**118.31p**	115.38p	+2.5%
EPRA Net Tangible Assets (EPRA NTA)	**117.98p**	114.96p	+2.6%

EPRA "Topped up" Net Initial Yield (NIY)

6.98%

(FY23: 6.92%)

(0.6)pts

Weighted average cost of debt

4.6%

(FY23: 4.6%)

-

Total Accounting Return

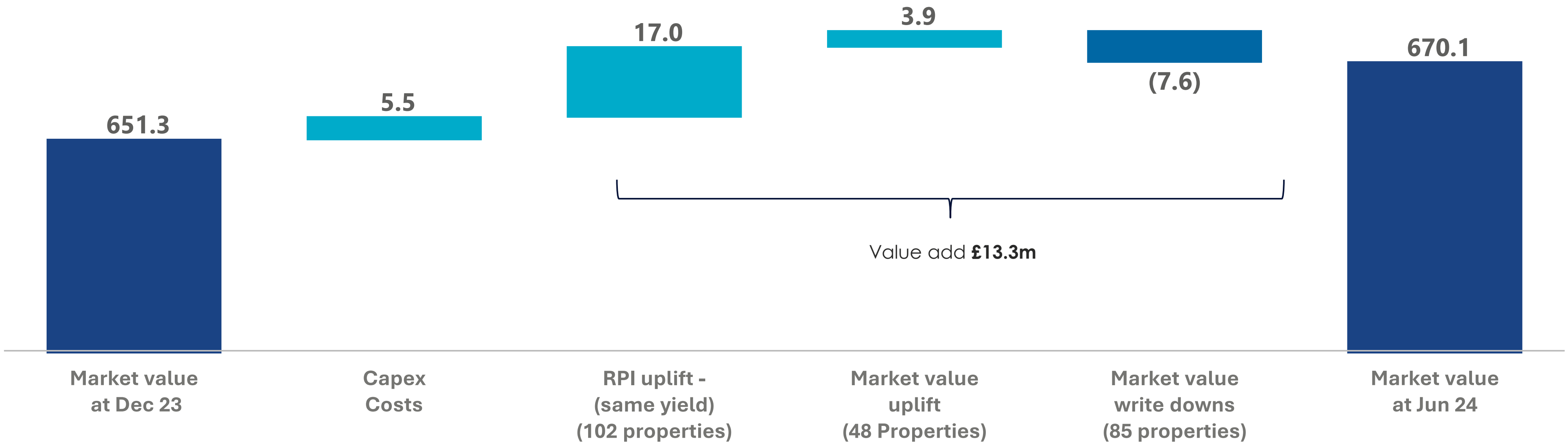
5.51%

(H123: 6.17%)

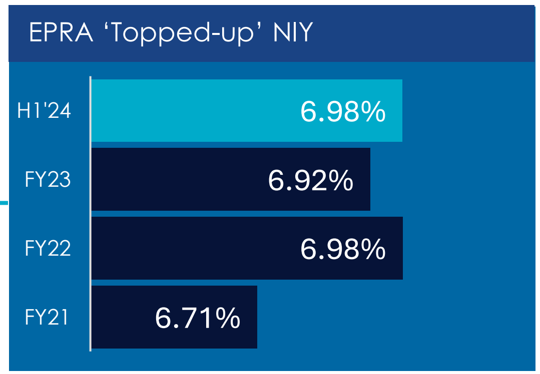
(66)pts

Portfolio value growth

Portfolio value movement (£'m)



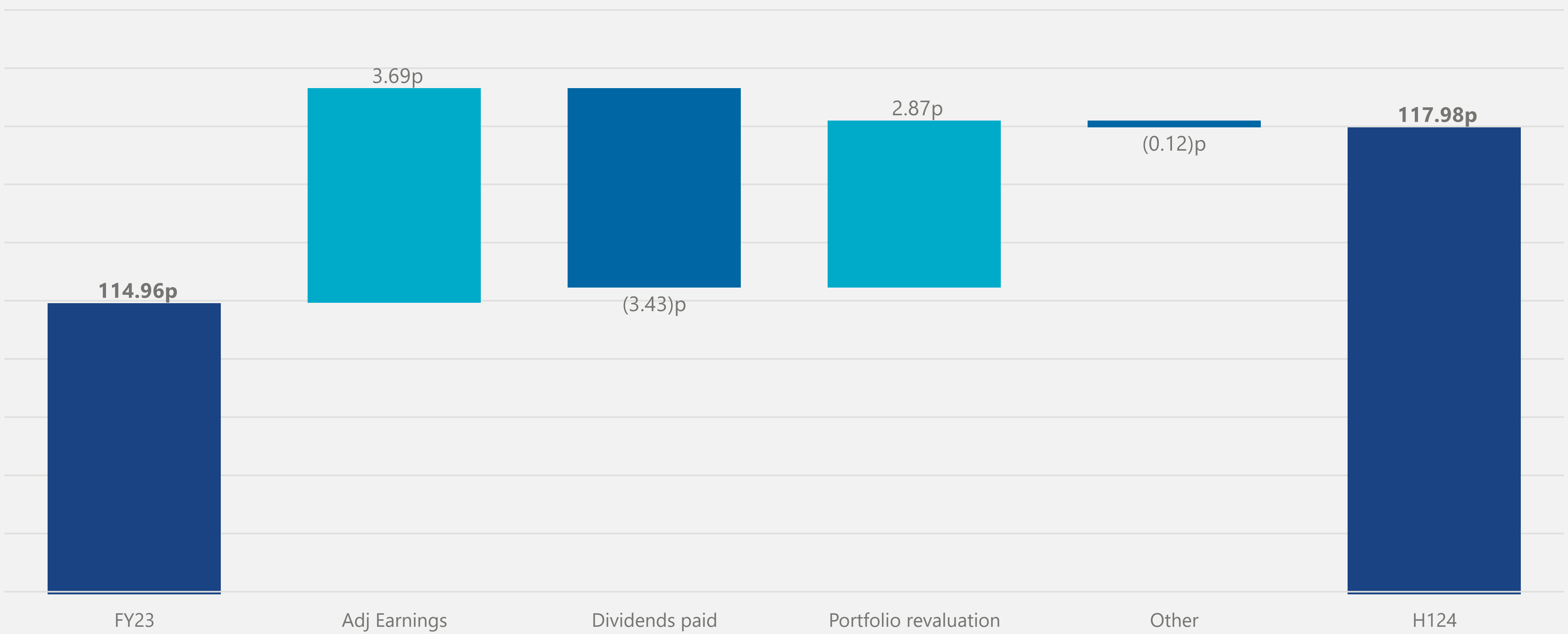
Net initial yields remain broadly stable at just under 7%.



EPRA NTA grew 2.6% per share in the period

Impact Healthcare REIT

NTA per share (pence)



Adjusted earnings, net of dividends, contributed 0.26p to NTA growth in the year.

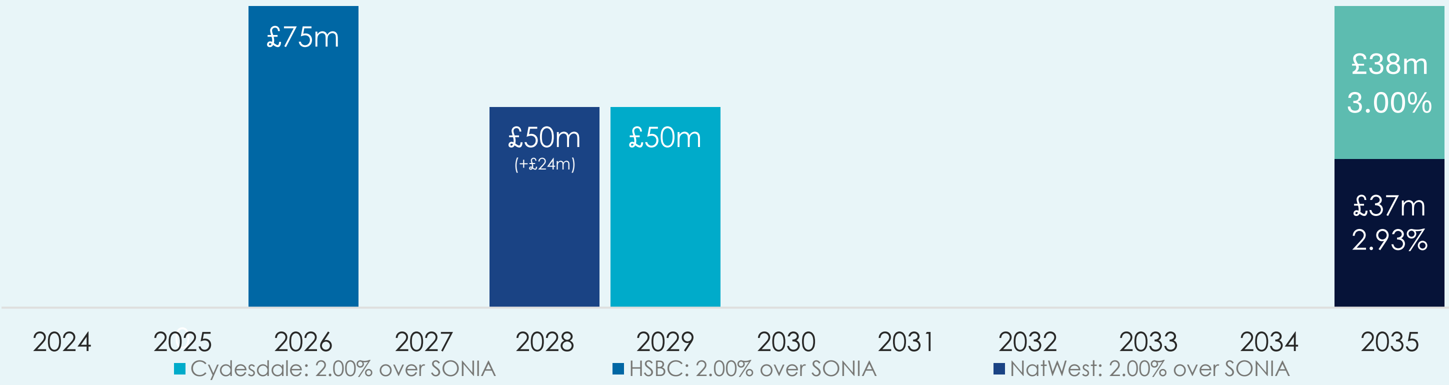
Growth, primarily from rent reviews with NIY only marginally higher at 6.98%

Secure debt facilities in place

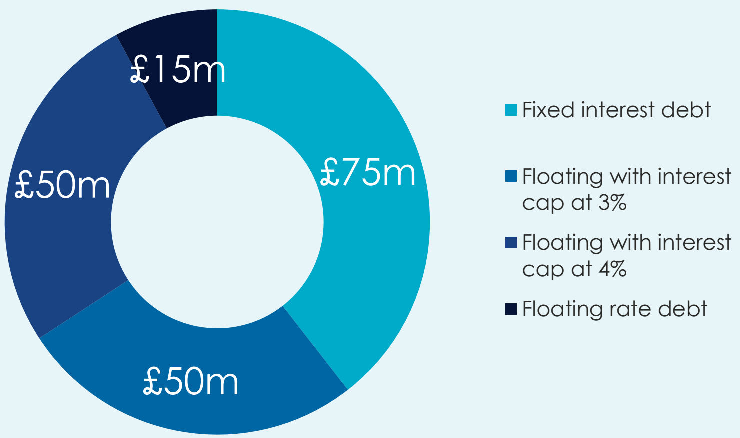
Impact Healthcare REIT

No debt expiries until 2026. The Group is reviewing hedging options with a £50m interest rate cap expiring in Jan 2025

Debt maturities



Current hedging (June 24)[2]



- £175m of debt is fixed or hedged.
- 92% of drawn debt is fixed or hedged at year end

EPRA (net) LTV
27.8%
(FY23: 27.8%)

Debt maturity (excluding extensions)[1]
5.8 years
(FY23: 6.3years)

Available liquidity
£69.8m

Weighted average cost of drawn debt[1]
4.6%
(FY23: 4.6%)

Effect of 25bps increase or decrease in SONIA on cost of debt
2bps
movement in weighted average cost of drawn debt

[1] As at June 2024, this excludes the exercise of the extensions on the NatWest facility. If included this would be 6.2 years
[2] Both interest rate caps expire in 2025.

Continuing to deliver a strong track record

	FY17[3]	FY18	FY19	FY20	FY21	FY22	FY23	**H124[4]**
Contracted rental income[1]	£11.9m	£17.8m	£23.1m	£30.9m	£38.0m	£43.1m	£48.8m	**£51.1m**
EPRA Cost ratio	24.7%	24.7%	19.2%	17.1%	15.8%	16.6%	14.4%	**13.3%**
EPS	5.82p	8.57p	10.37p	9.02p	9.41p	4.33p	11.79p	**6.35p**
Adjusted EPS	4.39p	5.07p	5.26p	5.93p	6.68p	7.11p	7.28p	**3.69p**
EPRA EPS	4.35p	6.47p	6.95p	7.25p	8.05p	8.37p	8.33p	**4.25p**
Dividend per share	4.50p	6.00p	6.17p	6.29p	6.41p	6.54p	6.77p	**3.48p**
Adjusted earnings dividend cover	98%	84%	85%	95%	104%	109%	108%	**106%**
EPRA earnings dividend cover	97%	108%	113%	115%	126%	128%	123%	**122%**
Property investments[2]	£156.2m	£223.8m	£318.8m	£418.8m	£497.6m	£568.8m	£651.3m	**£670.1m**
EPRA Topped-up NIY	7.02%	6.97%	6.66%	6.71%	6.71%	6.98%	6.92%	**6.98%**
Gross LTV	0%	11.62%	6.81%	17.77%	22.26%	23.85%	27.69%	**27.73%**
NAV	£193.5m	£198.3m	£340.7m	£349.5m	£394.2m	£445.9m	£478.1m	**£490.2m**
NAV per share	100.65p	103.18p	106.81p	109.58p	112.43p	110.17p	115.38p	**118.31p**
Total accounting return	7.19%	8.47%	9.46%	8.46%	8.42%	3.78%	10.82%	**5.51%**

[1] The annualised rent adjusting for: rent due following rent-free periods; underlying contractual rent on temporarily varied leases (including rent due from Melrose); rent due on capex projects or profit-related deferred payments where the Group recognises a capital commitment; and post-tax income from interest received from property investments made via loans to operators for the acquisition of property portfolios. Property investments includes portfolio valuation along with loans to operators for acquisition of property portfolio, with an option to acquire.
[2] Note 2017 figures are for the period form IPO on 7 March 2017 to 31 December 2017, except for Total accounting return where this figure has been annualised.
[3] Results are for the period 6 months to 30 June 2024.

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A diversified portfolio

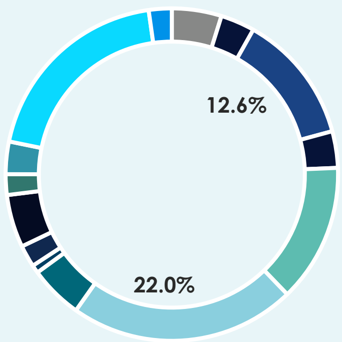
Impact Healthcare REIT

Property evolution

Properties (Dec 23)	Movement in the period	Properties (Jun 24)	Post Period End[1]
140	-	140	(5)

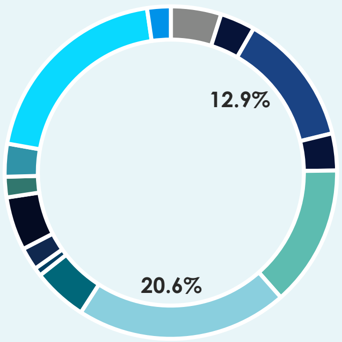
Tenant base – June 24

Based on % of contracted income at 30 June 2024

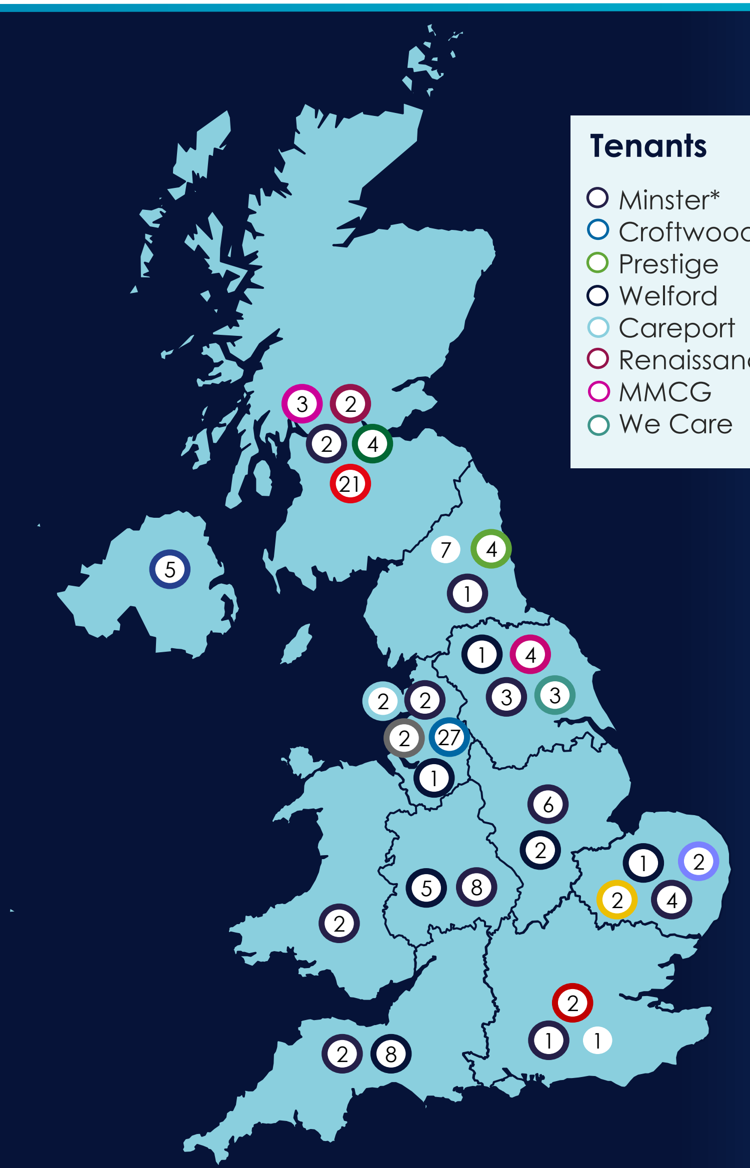


Tenant base – post period end

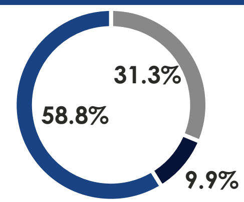
Based on % of contracted income[1] at 30 June 2024 adjusted for disposals



- Careport
- Carlton Hall
- Croftwood*
- Electus
- Holmes
- Minster*
- MMCG
- NHS
- Optima
- Prestige
- Renaissance
- Melrose*
- Welford
- Belmont
- We Care



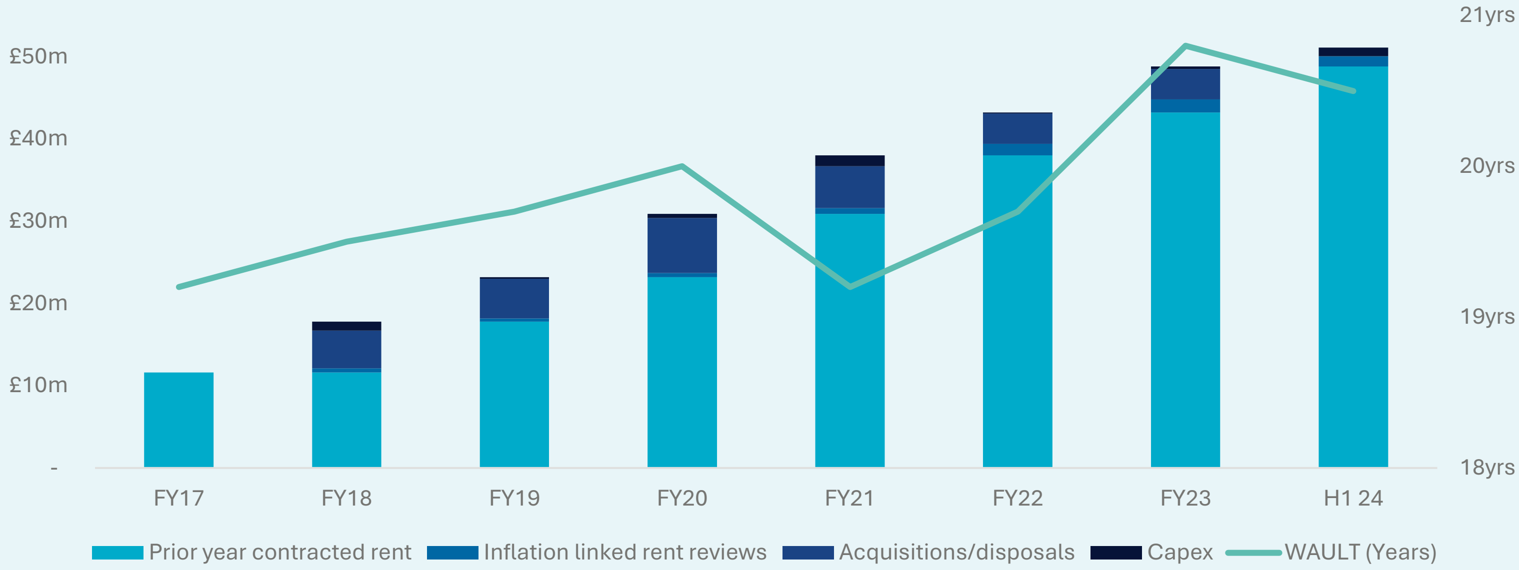
Sources of tenant income (FY23)

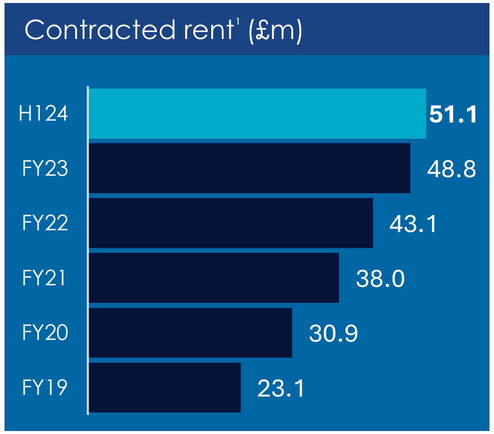


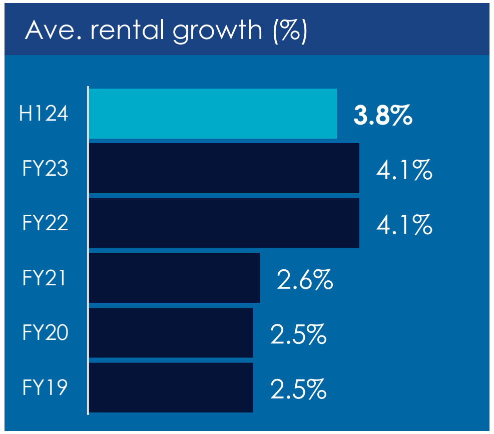
[1] In July 2024, Impact exchanged on the sale of 5 properties. Three of which were in East Yorkshire and two in Wales.

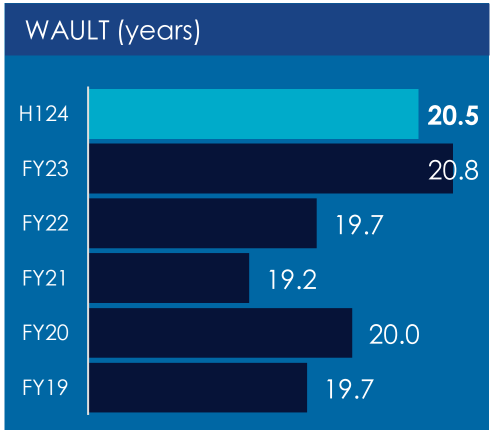
Continued growth in contracted rent

- Strong rental growth from 102 annual rent reviews in the period and 9 new capital projects committed for just under £12 m and £1m of incremental rent, taking contracted rent to £51.1m







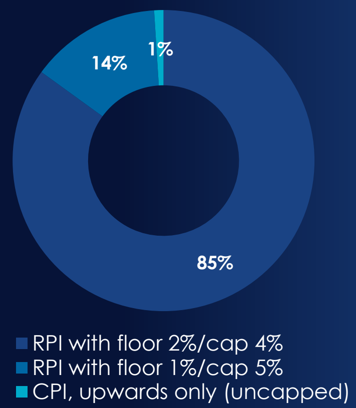


£51.1m
(H123: £48.1m)
Contracted rent[1]

100%
(H123: 98%)
Rent collection in H1'24

£11.6m
(H123 £-m)
Committed to capital projects contributing £1m to contracted rent

100% leases inflation-linked

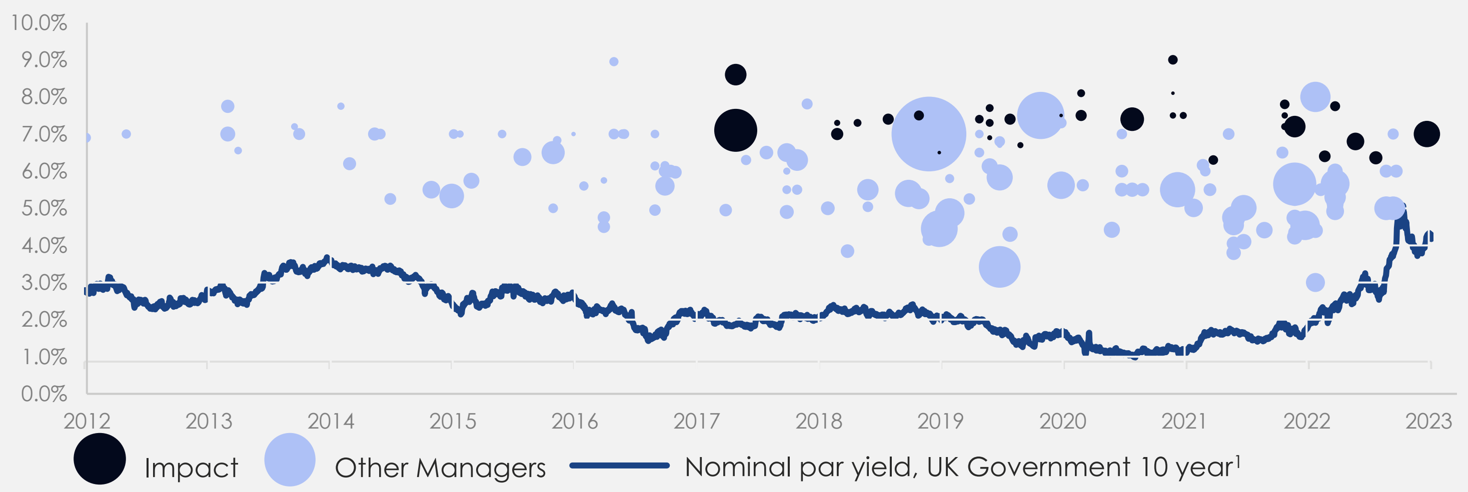


[1] The annualised rent adjusting for: rent due following rent-free periods; underlying contractual rent on temporarily varied leases (including rent due from Melrose); rent due on capex projects or profit-related deferred payments where the Group recognises a capital commitment; and post-tax income from interest received from property investments made via loans to operators for the acquisition of property portfolios.

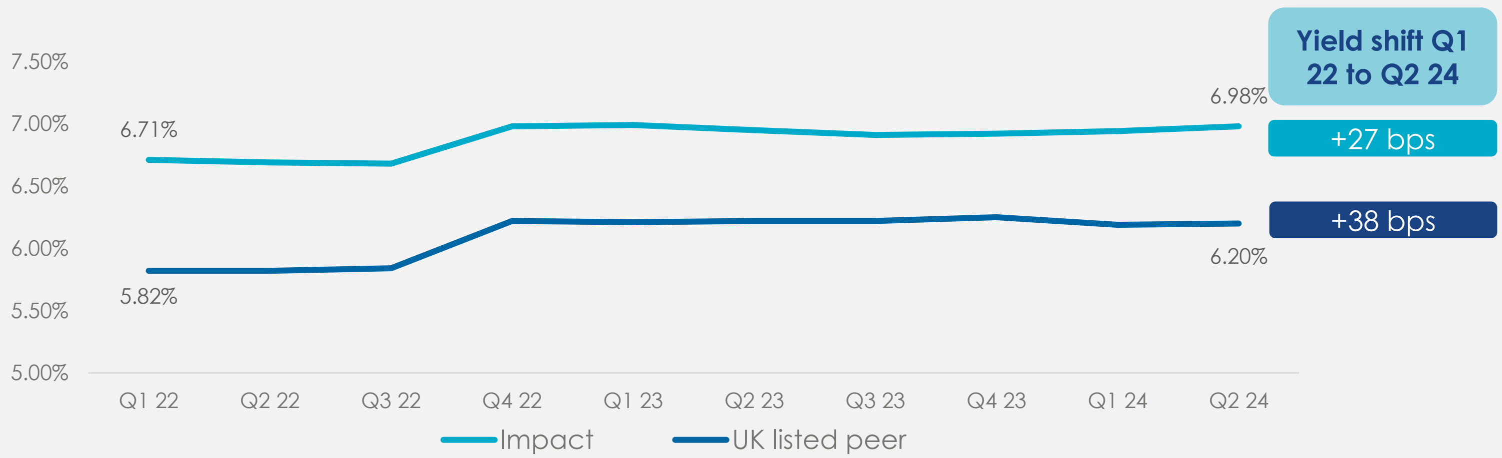
Disciplined track record of capital deployment

Delivering consistent and defensive yields

Prime elderly care transactions (bubble size: transaction size)



Portfolio EPRA topped-up net initial yield



Active in a less competitive space

Investor in proven operational assets with trading history

Ability to source the right assets

Defensive assets have less yield expansion

Source: MSCI, CBRE Analysis

1. Bank of England Database 2023: Nominal par yield, UK Government 10 year

Engaged asset management and development

Asset management is a key driver for growth and enhancing the environment for residents and their carers

- We continue to actively work with tenants on enhancing the environment of our homes.
- With rent cover continuing at 2.2x across the portfolio, the ability for us to fund and rentalise improvements is compelling
- Capital typically deployed at a yield on cost in excess of 8%.
- Projects include measures to enhance the environmental performance and social impact of the portfolio.


Yew Tree, Redcar


Mavern, Wiltshire

Type of Project £ million / (no. of projects)	**Capital approved in H1 2024**	**Pipeline**
Extensions	£7.6m (5)	£22.3m (13)
Refurbishments	£4.0m (4)	£4.5m (3)
Total	**£11.6m (9)**	**£26.8m (16)**

At 31 December 2023 , seven active projects on site. Capital committed to them:

£10.3m

During H1 2024 the group committed to a further nine projects (of which five now active). Further capital committed:

£11.6m

Further pipeline of 16 projects with estimated capex of

£26.8m

1. Includes capital committed to identified projects with planning permission that are either in progress or planned.

An affordable new care home in Hartlepool

- Merlin Manor, a new 94-bedroom care home in Hartlepool, opened in late 2022
- Developed in partnership with an existing Impact tenant, Prestige, which built and now operates the home
- Home delivered at cost to Impact. Prestige pays a more affordable rent based on cost rather than investment value, and thus will make more money over the long life of the lease than it would have done from an upfront developer's profit
- Low capital cost per bed enables investment in an area undersupplied by new stock. Home opened successfully and filled quickly
- Strong rent cover means Impact will receive a secure stream of rental payments and has so far made more than 50% capital uplift on its investment

Impact Healthcare REIT

Total capex £6.2m	**Day 1 rent: £479,598**	**Jun 24 valuation £9.6m**	**Opening date Sep 22**	**Occupancy Jun 24 89%**	**EPC B**	**Rent Cover Q2 24 3.22x**

Exterior view of Merlin Manor Care Centre

Interior view of Merlin Manor Care Centre

Creating better environmental and social outcomes

Through investing in existing care homes and creation of additional capacity

Care homes are the cornerstone of social infrastructure for an ageing population

Improving environments for residents and staff through asset management projects

Enabling tenants to provide value for money care to public and privately funded residents

Investing in existing assets

Comprehensive environmental due diligence undertaken on all new acquisitions and capex projects

Reduce operational carbon

Net zero carbon strategy to improve energy efficiency and use of renewable energy supplies

Increasing all EPC ratings to at least a B by 2030

57% of homes rated EPC B or better[1] ahead of 2025 interim target

£1.2m committed

to sustainability as part of the £11.6m capital committed to projects in the period

GRESB submission

Our first GRESB submission has been submitted to help benchmark our performance and measure improvements.

80.6%

of homes rated Good or Outstanding

69%

of our tenants' revenues from local authority or NHS commissioners.

1. Assumes English equivalent EPC rating

04 Tenant performance

The main drivers of tenant performance

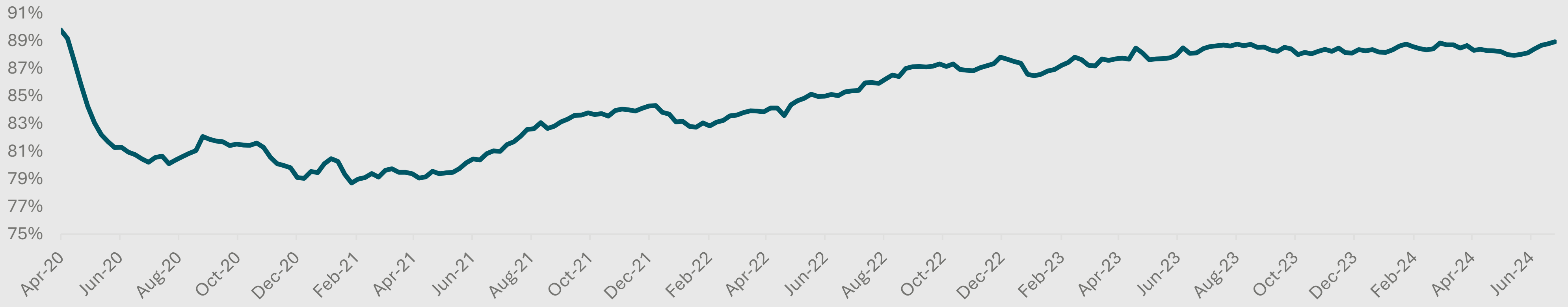
Impact Healthcare REIT

Occupancy	Fee growth	Staff costs	Rent cover
89% at 30 June 2024	**8%** p.a. Fee growth	**Staff costs stabilised as % of tenant revenues**	**2.2x** Rent cover
Tenant occupancy recovered to pre-COVID levels.	Underlying average weekly fee (AWF) growth over the year to 30 June 2024 (versus average CPI of 4.1% during the period).	Staffing levels stable, but staff costs come down as use of agency staff is reduced.	Average cover for twelve months to 30 June 2024.

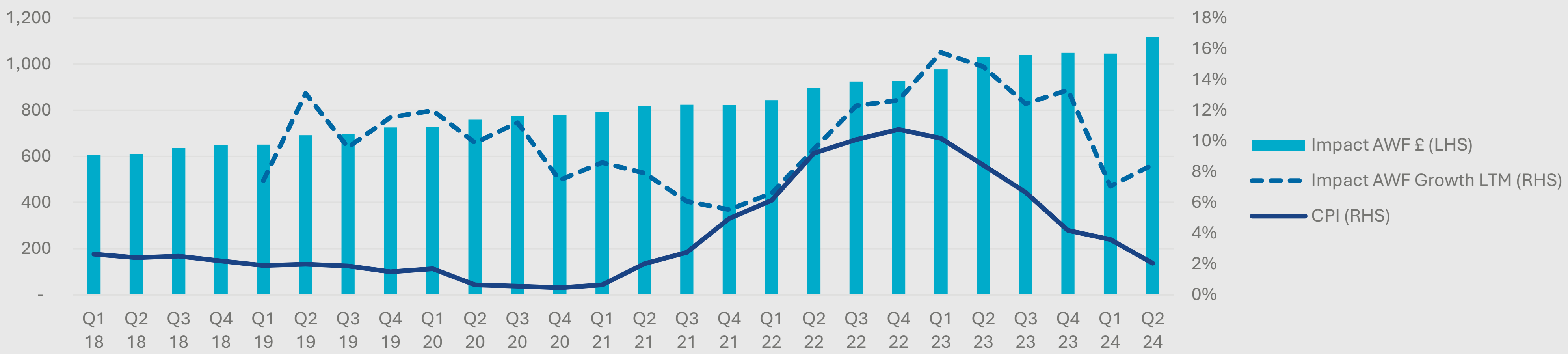
Tenant occupancy recovery and fee growth

Occupancy back to pre-COVID levels. Fee growth continues to be higher than inflation

Impact tenants' average bed occupancy



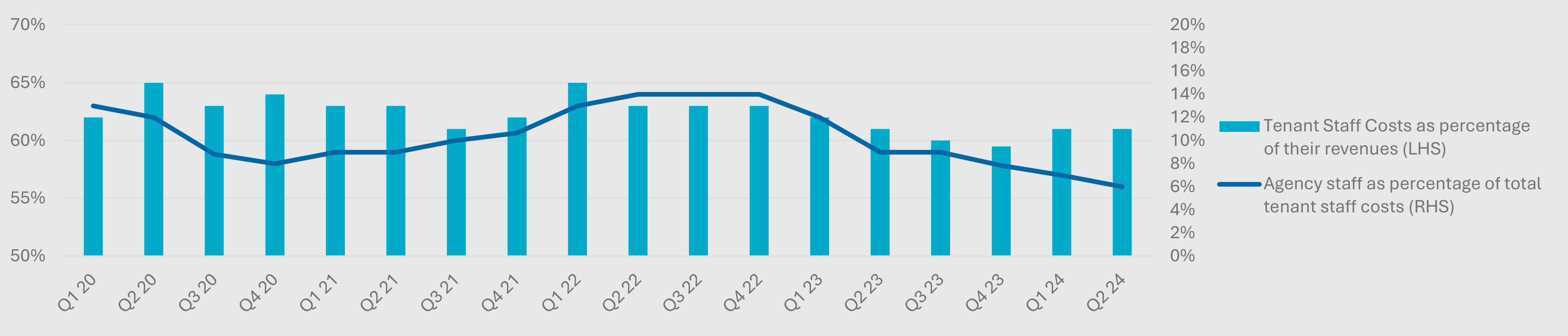
Impact portfolio of tenants demonstrate deliver inflation+ average weekly fee growth



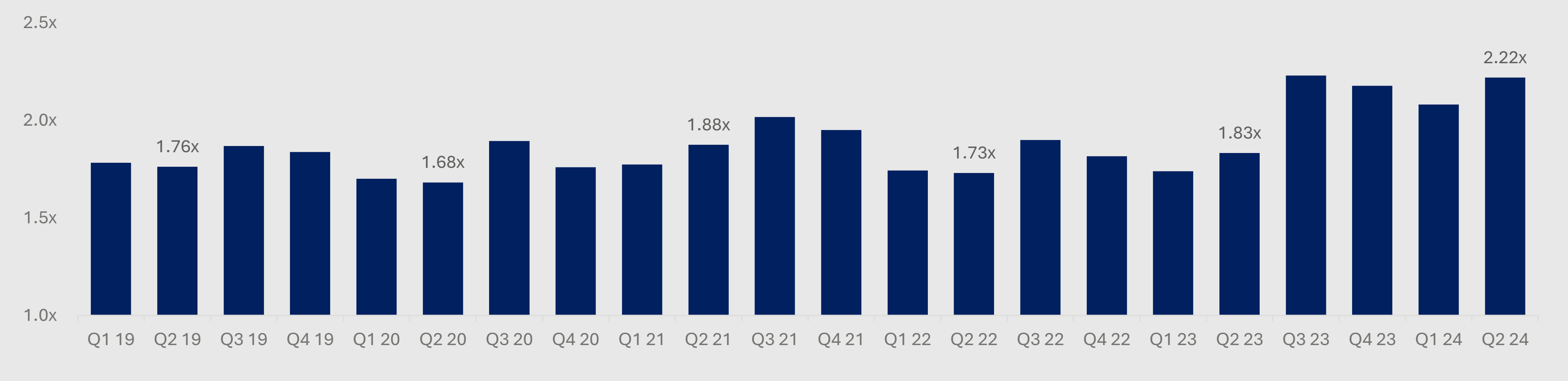
Best rent cover since inception

Tenants typically increase wages during Q1 and fees during Q2, meaning Q3 has the highest rent cover. Average rent cover[1] across Impact's portfolio in Q2 2024 was 2.2x

Impact portfolio staff costs trending down



Impact group rent cover[1]



[1] Adjusted rent cover excludes seven turnaround homes, four with Melrose transferred in June 2023 and three that were transferred to a new long-term tenant, We Care, in May 2024.

Silverline update

Delivering a turnaround at the ex-Silverline Portfolio

- Silverline defaulted on its rent to Impact on seven homes in January 2023.
- We drew down the Silverline rent deposits and replaced them as operator of the homes in June 2023 with Melrose, an affiliate of Minster Care.
- Melrose stabilised the performance of the homes and initiated a remedial capex programme.
- In May 2024 the three homes in Bradford were retenanted on extended 35-year leases to We Care, a regional operator which manages 30 homes in the North of England. After a rent-free period, We Care will begin paying rent to Impact in Q1 2025.
- The four homes in Scotland have been better performers than the homes in Yorkshire. Based on their performance in the first five months of 2024, they should generate over £900,000 of EBITDARM in 2024.
- The Manager is actively exploring long-term solutions for the Scottish homes.
- The Company's budget for 2024 assumes zero contribution from Silverline.

Occupancy

81.4%[1]

Up from 75% at the beginning of 2024

Ensuite wet-room provision

184/394

100% en-suite

Laurel Bank, interior

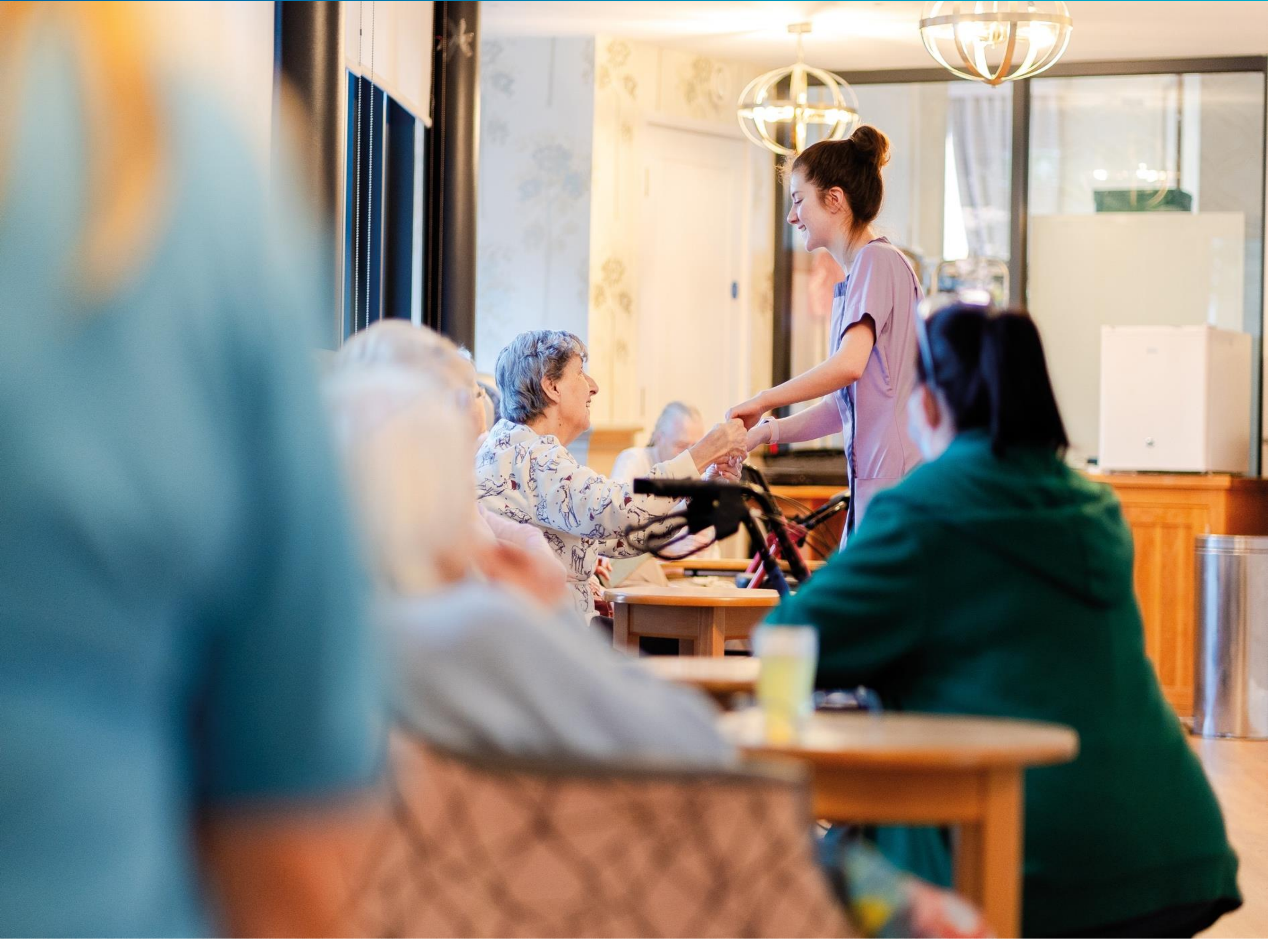
The Beeches, aerial

Springhill, interior

[1] Excludes one home with WeCare which has been closed for refurbishment.

05

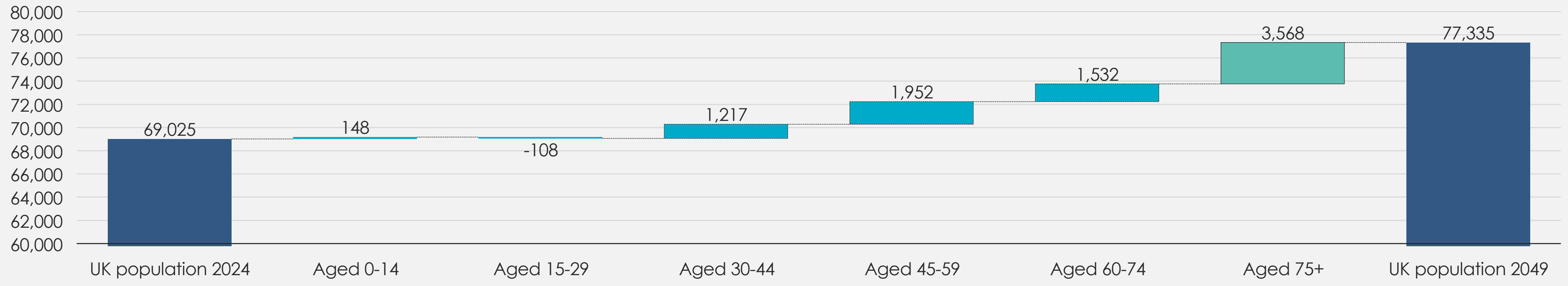
Outlook: our market



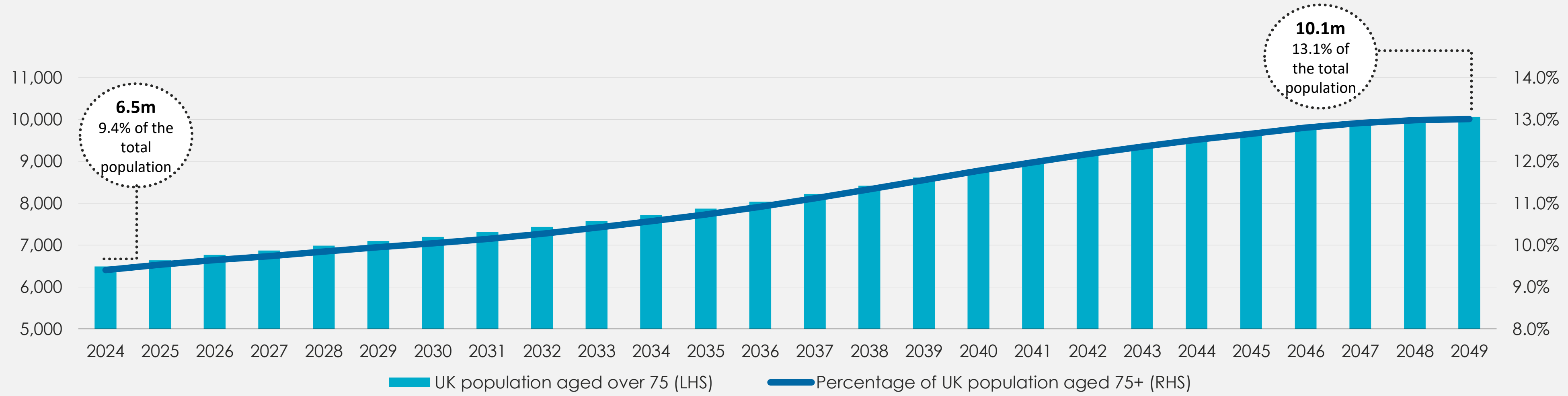
More demand from an ageing population

Over the next 25 years people over 75 will be fastest growing part of the UK population

Growth in UK population by age groups (000's)



Projected UK population aged over 75 (000's)



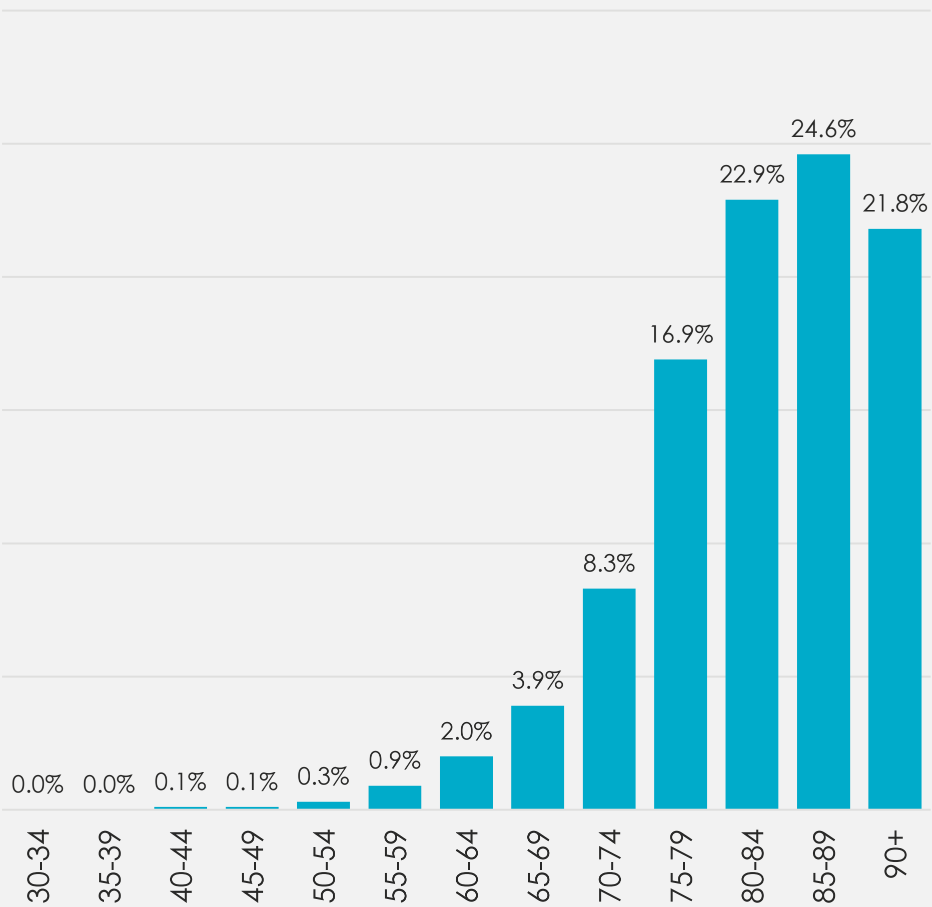
Source: https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/tablea11principalprojectionuksummary

Rising acuity

70% of people living in care homes have some form of dementia

Prevalence rate of dementia by age cohort

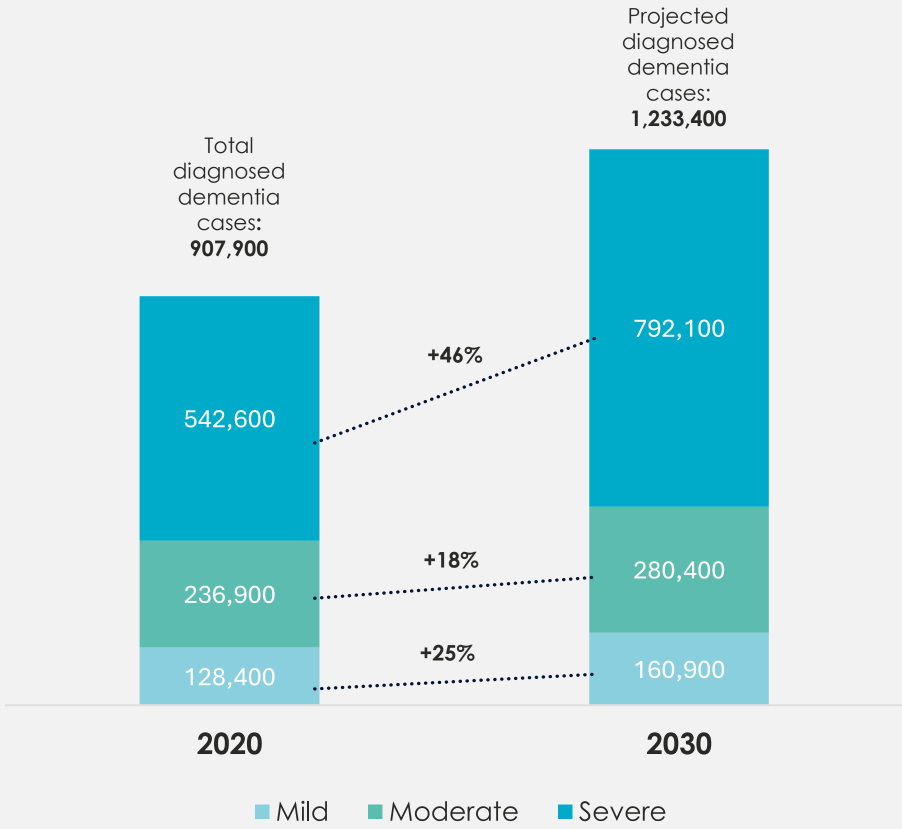
UK 2022 (percent)



Source: NHS Digital, ONS, LEK

Increase in people living with dementia in the UK

Projections by the Alzheimer's Society



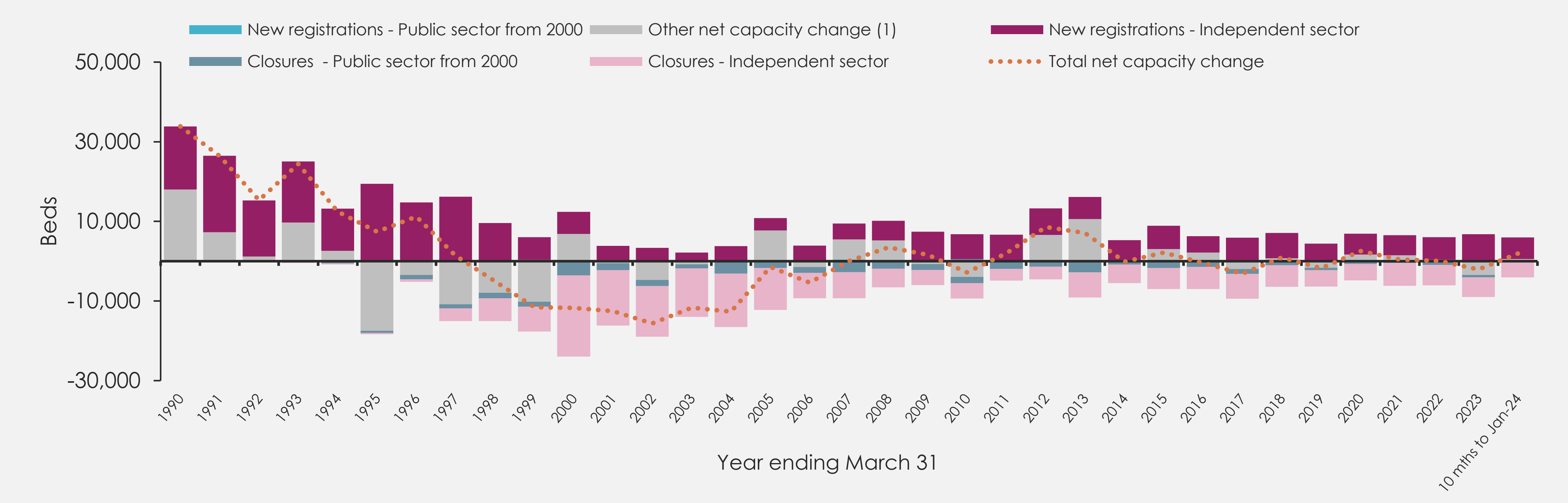
Source: https://www.alzheimers.org.uk/sites/default/files/2019-11/cpec_report_november_2019.pdf

Lack of new supply

Supply failing to keep pace with potential rising demand

Static supply:

Net bed capacity change



Older Stock

Over 50% of registered care homes in the UK were first registered more than 20 years ago.

Home Closures

Closures are driven by both the regulatory regime and operational inefficiencies causing smaller operators to exit the market.

Land

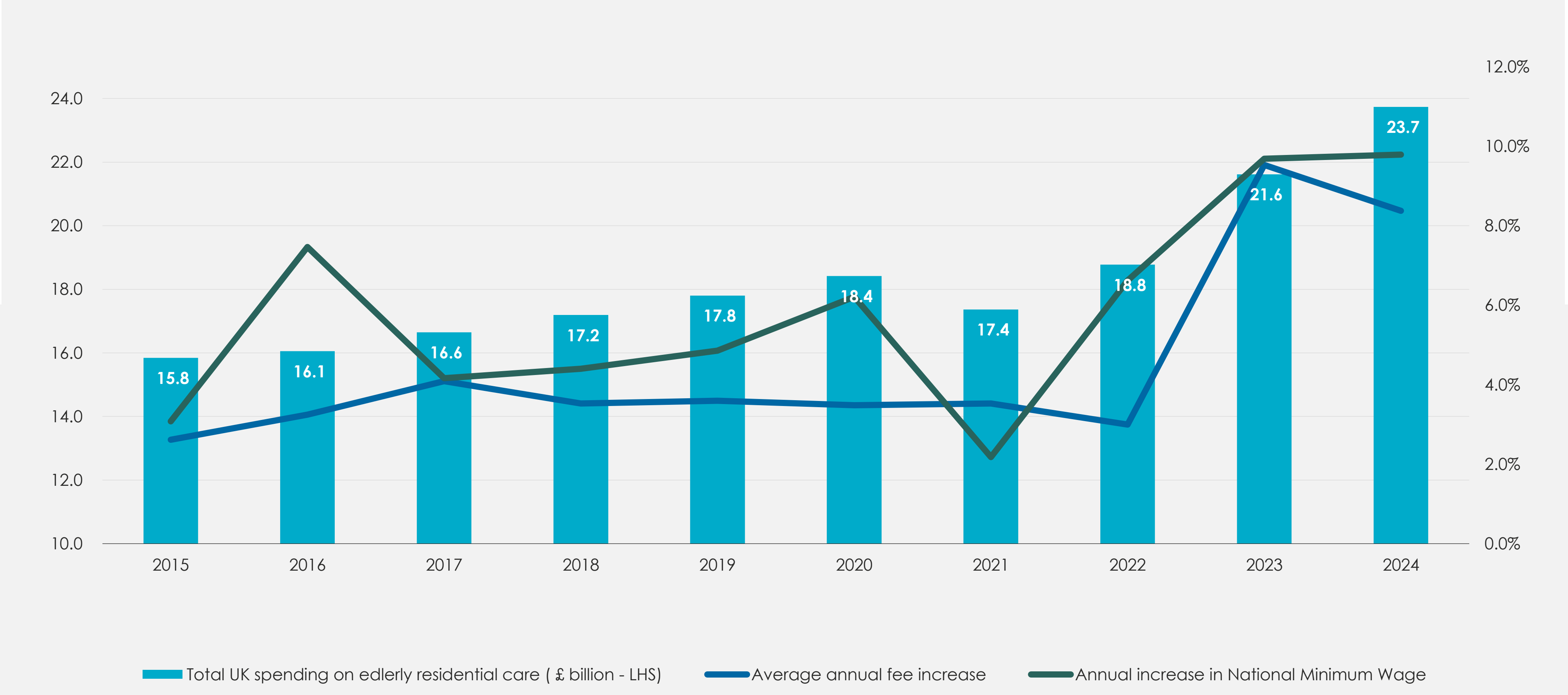
The supply of development land in the UK is constrained, with multiple high value competing alternative land uses.

Source: CBRE, LaingBuisson

A growing market

Growth driven by fee increases rather than new capacity. Fees have risen in line with rising acuity and increases in Minimum Wage

UK residential elderly care market has grown at 4.1% CAGR over the past decade



Source: LaingBuisson, ONS

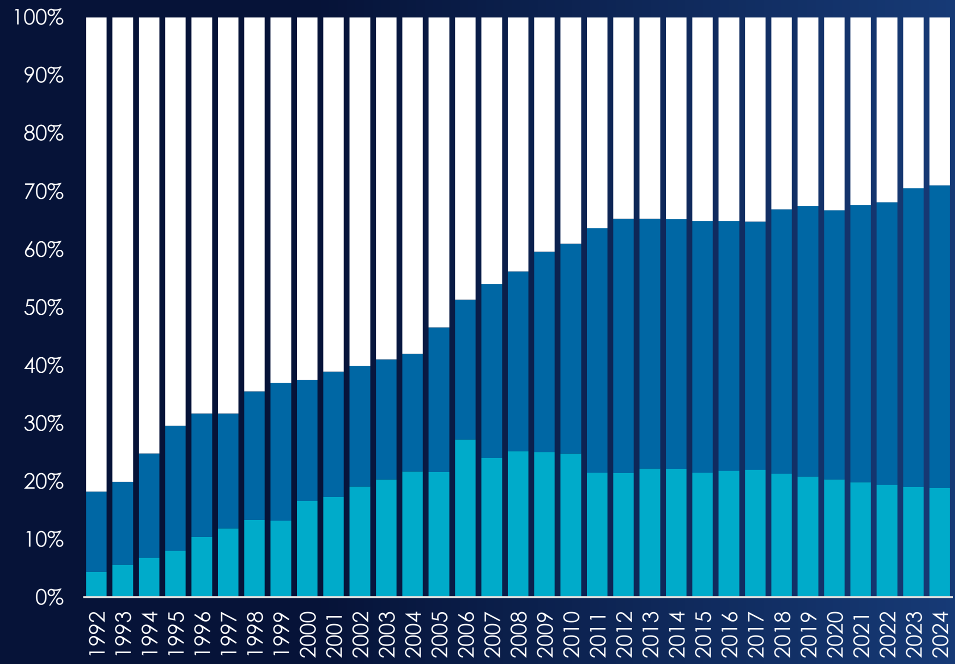
Fragmentation

Market dynamics support a knowledgeable and discipline investment strategy

Market size	Total value of UK elderly care market real estate circa £40 billion[1].
Fragmented market	**480,000 beds** **12,046 registered care homes[2]**
Market share of top-ten providers	Peaked in 2006 at 27%, and has since fallen to 19%.
Sole traders withdrawing	Care providers with one or two homes had > 80% of the market in the early 1990s. Now < 30%.
Growth in the mid-market	Midsized providers, with between thee and 80 homes, are growing. They are Impact's target tenant base.
High yields	This high level of fragmentation is one reason why it is possible to acquire care homes on high yields relative to other specialised forms of real estate.

Highly fragmented market

Market becoming increasingly fragmented[2]:
- Market share of small care providers with 1-2 homes
- Market share of mid-market care providers with 3-80 homes
- Market share of 10 largest UK elderly care providers



Growth is driven by our target tenant base in the mid-market by size

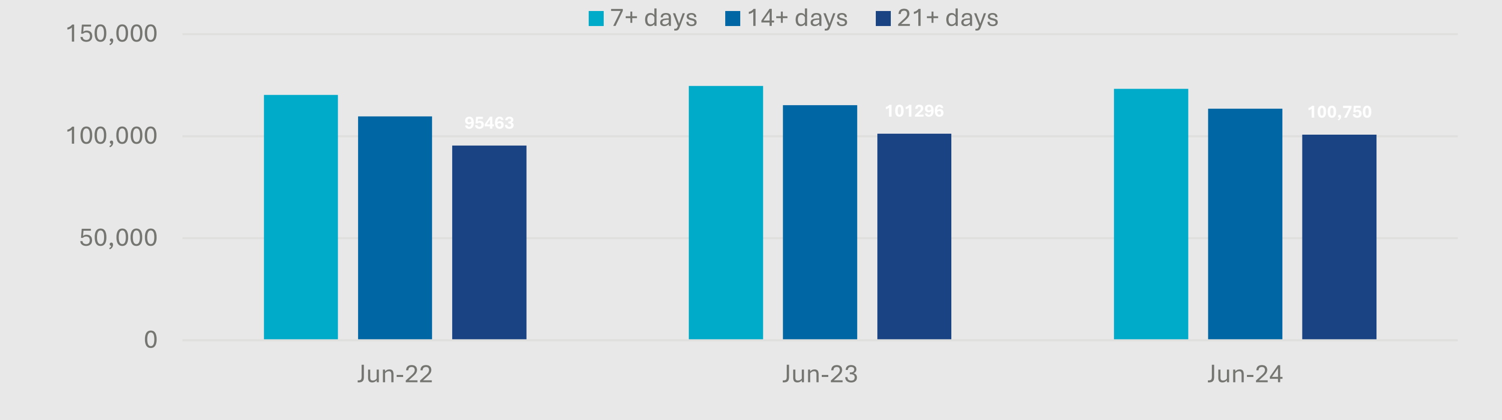
Source: [1] CBRE Research [2] LaingBuisson

New government has made reducing waiting lists in the NHS one of its main political objectives

Care homes can offer a better environment for frail, elderly people than acute hospitals. They will play an important role in reducing waiting lists

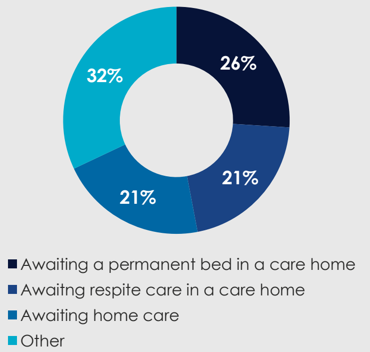
- So far the new government has made two significant announcements regarding elderly care: the cancellation of a cap on care costs of £86,000, planned to be introduced in October 2025; and the potential formation of a Royal Commission to find long-term solutions for elderly care.
- The government has made reducing NHS waiting lists one its main political aims.
- The flow of people through the NHS system is not working. A substantial part of the problem is the number of people stuck in hospital who have no clinical need to be there. In June this year NHS England lost over 100,00 additional bed days to people who were in hospital more than three weeks after they could have been discharged. NHS England has a total of 136,000 available hospital beds.
- They are mostly frail and elderly and just under half of them are waiting for a place to be commissioned in a care home.
- To reduce waiting lists the flow of people and money through the system must be improved, with more people being moved out of hospital into a care home. This will require adequate capacity in properly funded care homes, if the government is to deliver on its objectives.
- Elsewhere plans to give Local Authorities three-year funding settlements and to devolve more power to Regional Authorities could enable them to offer mutli-year arrangements to care providers, reducing the level of uncertainty created by the current annual settlements.

Number of additional bed days patients have remained in hospital in England after being discharged medically (daily snapshot, end of month)



Causes of transfers delayed for 21+ days

People waiting for transfer to a care home account for 47% of the longer delayed transfers



Source: NHS Digital, Nuffield Trust

06 Summary

Summary

A resilient portfolio well positioned for continued income growth

Growing the business to provide much-needed care home beds

Working with our tenants

Our focus on quality

Our focus on affordability

Increasing our sustainability

- ✓ Form long-term partnerships with high-quality tenants to deliver vital social care infrastructure for vulnerable elderly people.
- ✓ Well placed to continue to deliver attractive sustainable returns from resilient, fully covered dividends and capital growth – significant positive social impact.
- ✓ 100% inflation-linked income (with caps and collars).
- ✓ Target dividend for 2024 up 3% on 2023[1].

[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.

A1 Appendices

Summary of company structure

Entity	Impact Healthcare REIT plc
Market	Listed on the specialist fund segment of the Main Market of London Stock Exchange on 7 March 2017, transferred to the premium segment of the Official List on 8 February 2019
Current share capital	414,368,169 ordinary shares outstanding
Target dividend	Target dividend of 6.95 pence per share for 2024[1]
Gearing	The Company utilises prudent financing with a maximum LTV of 35% of gross assets
Valuation	Quarterly valuation by Cushman & Wakefield
Independent Board	Board comprised of five experienced Non-Executive Directors and is independent of the AIFM.
Discount control	Share buy-back authority for up to 14.99% of issued share capital.
AIFM	Impact Health Partners LLP – Principals: Andrew Cowley and Mahesh Patel
Management commitment	Mahesh Patel 11m share holding[2] in the Company. Other members of management and board hold 2m shares
Fees	Management fees: 1% of NAV payable to Impact Health Partners LLP reducing to 0.70% on NAV above £500m
Corporate brokers and other advisors	Jefferies, Winterflood Securities, Travers Smith and BDO

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.
2. Refers to share holdings Mahesh Patel owns or controls.

Impact board

The five experienced Non-Executive directors comprising the board provide strong corporate governance and close alignment to shareholders via a significant shareholding

Chair: Simon Laffin

Simon has 30 years of board experience including real estate, previously serving as Chairman of Assura plc, Flybe Group plc and Hozelock Group. He has also held various other non-executive director positions and was previously an adviser to CVC Capital Partners for ten years. Prior to this, he was Group Finance & Property Director of Safeway plc.

He is a qualified accountant and graduate of Cambridge University.

SID: Rosemary Boot (independent non-executive)

Former Executive Director of Circle Housing Group and Finance Director of the Carbon Trust. 16 years corporate finance experience at UBS Warburg. Currently non-executive director of Urban&Civic plc and Triple Point Energy Transition plc. She is a co-founder and director of Chapter Zero.

Cambridge MA.

Director: Chris Santer (independent non-executive)

Chris is the Portfolio Manager for Schroders Capital Real Estate Impact Fund. Prior to this, Chris was Chief Investment Officer for Primary Health Properties PLC.

MBA from Warwick Business School and member of the Royal Institute of Chartered Surveyors.

Director: Amanda Aldridge (independent non-executive)

Former audit and advisory partner at KPMG LLP. Currently non-executive director of The Brunner Investment Trust Plc, Staffline Group plc, Low Carbon Contracts Company, The Electricity Settlements Company and Helical PLC (from 1 April 2024)

Extensive audit and advisory experience.

Director: Cedi Frederick (independent non-executive)

Over his 40-year career, Cedi has held a number of senior management, chief executive and board member positions in the healthcare and housing sectors across the public, private and not-for-profit arenas.

Cedi joined the board on 1 April 2024.

Experienced and tenured team

Impact Healthcare REIT

A specialist, multi-disciplinary team

Mahesh Patel (ACA)
Managing Partner

Mahesh is a qualified accountant who has over 30 years' experience in healthcare-related industries and assets, including positions in finance. Prior to 2006, he built up and then sold three healthcare-related businesses.

Andrew Cowley (MA(Oxon))
Managing Partner

Andrew is an experienced fund manager, working in infrastructure and private equity investment since 2000. He was previously a senior managing director at Macquarie and deputy chief executive of the listed Macquarie Airports.

David Yaldron (FCA)
Finance Director

David is a chartered accountant with more than 25 years' experience, having held senior financial roles in real estate and investment companies. He was previously a senior director at Grosvenor, Britain & Ireland.

Alison Hayward
Office Manager

Killian Currey-Lewis (CA)
Investment Director

Shola Oso
Property Manager

Charlotte Finch
Investment Manager

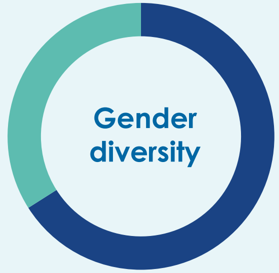
Martin Robb (FRICS)
Managing Director

Simon Gould (MRICS)
Development Director

Chris Nicholson (CGMA)
Accountant

Sam Josland (CFA, ACA)
Director of commercial finance and reporting

Sophie Shrestha (ACCA)
Finance Manager



■ Male ■ Female

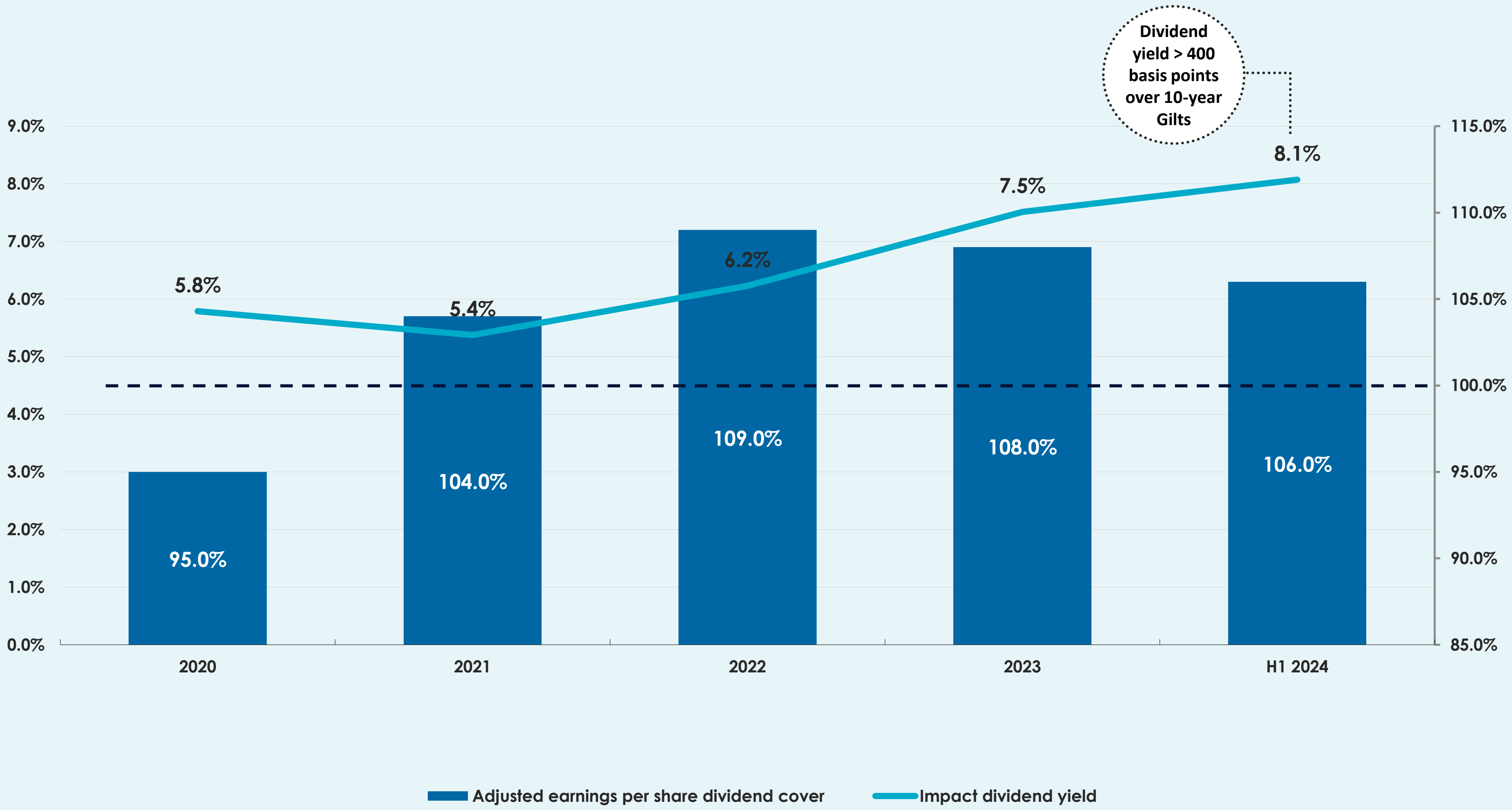
■ 0 - 5 years ■ 5+ years

■ White British or other White
■ Mixed/Multiple ethnic groups
■ Asian/Asian British
■ Black/African/Caribbean/Black British
■ Other ethnic group

Strategy enables delivery of dividend policy

Impact Healthcare REIT

Dividend policy is to seek to deliver a progressive dividend on a covered basis



Consolidated statement of comprehensive income

Impact Healthcare REIT

For the year ended	**30 Jun 2024 £'000**	30 Jun 2023 £'000		31 Dec 2023 £'000
Cash net rental income	**23,165**	19,435	19.2%	42,277
Accounting / rent smoothing net income	**3,638**	3,278		7,146
Net rental income	**26,803**	22,713	**18.0%**	49,423
Administration and other expenses	**(3,558)**	(3,681)	(3.3)%	(7,137)
Profit on disposal of investment properties	**-**	(16)		(16)
Operating profit before changes in fair value	**23,245**	19,016	**22.2%**	42,270
Changes in fair value of investment properties	**8,260**	9,340		14,788
Operating profit	**31,505**	28,356	**11.1%**	57,058
Interest income	**119**	3,656		3,761
Net finance expenses	**(5,291)**	(4,423)	19.6%	(11,988)
Profit before taxation	**26,333**	27,589	**(4.6)%**	48,831

Earnings per share	**6.35p**	6.66p	(4.6)%	11.79p
EPRA earnings per share	**4.25p**	4.15p	2.4%	8.33p
Adjusted earnings per share	**3.69p**	3.69p	-	7.28p
Dividend declared for the year	**3.48p**	3.39p	2.7%	6.77p

Total expense ratio	**1.47%**	1.61%		1.54%
EPRA cost ratio	**13.3%**	16.0%		14.4%

Consolidated statement of financial position

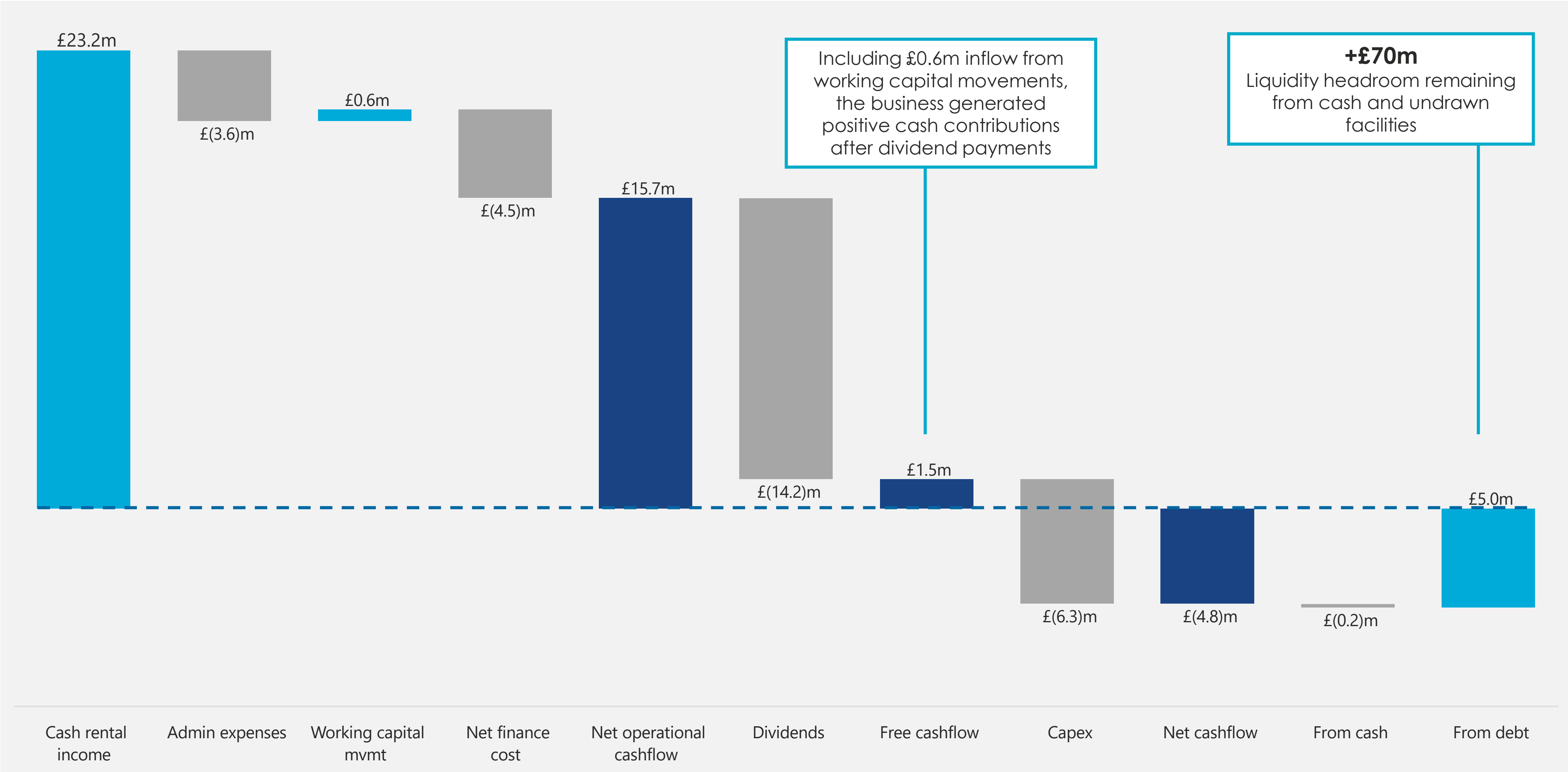
	As at 30 Jun 24 £'000	As at 31 Dec 23 £'000
Investment property	**670,108**	651,313
Interest rate derivative	**1,356**	1,750
Cash and cash equivalents	**9,583**	9,389
Other assets	**5,296**	6,587
Bank borrowings	**(189,760)**	(184,760)
Other liabilities	**(6,356)**	(9,245)
Net assets	**490,227**	478,107
Net asset value per share	**118.31p**	115.38p
EPRA NTA	**117.98p**	114.96p
EPRA Net LTV	**27.8%**	27.8%

Secure financing

	CYBG	HSBC	NatWest	Private Placement Series A	Private Placement Series B
Facility	£50m (RCF)	£75m (RCF)	£50m (RCF)	£37m	£38m
Expiry	December 2029	April 2026	June 2028 (+ two 1-year extensions to June 2030)	Dec 2035	June 2035
Margin	200bps (+SONIA)	200bps (+SONIA)	200bp (+SONIA)	2.93% (Fixed)	3.00% (Fixed)
Security pool	Propco 3	Propco 4	Propco 7	Propco 8	Propco 8
Propco interest cover covenant	200%	200%	175%	250%	250%
Propco LTV covenant	50%	55%	50%	55%	55%

Dividends and net interest costs fully covered by operating cashflows

Cashflow bridge (£m)



Acquiring the right care homes

Track record and experience allows for quick and disciplined identification of mis-priced assets to enhance returns

Staffing Stability

- ✓ Staff loyalty
- ✓ Agency usage lower than larger organisations

Reputation

- ✓ Local home of choice
- ✓ Embedded in the care economy
- ✓ Strong healthcare commissioning relationships

Real Estate

- ✓ Under-utilised/invested assets with EPC B or better (or costed plan to get there)
- ✓ Dominant micro locations that facilitate operational out performance

Care Quality

- ✓ Well managed, safe and with good care focused on local market
- ✓ CQC ratings for five key lines of enquiry – safe, caring, well-led, responsive, effective

Operational Performance

- ✓ Potential for operational enhancement
- ✓ Rent cover: 1.75x – 2.0x+

Partnership approach with tenants

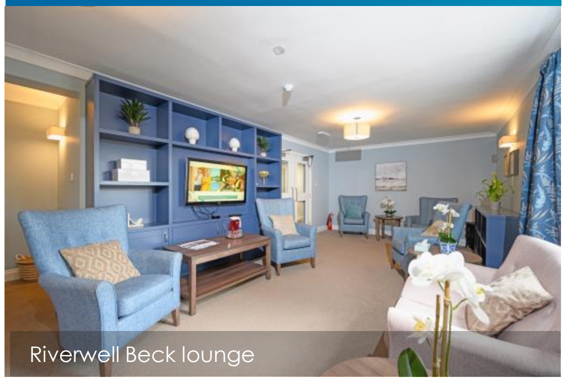
1. Source: Impact Health Partners Q1 2023

Careport: a model tenant

Careport shows that a forward-thinking operator can generate the resources required to invest for the future while primarily serving the local authority market

Strategic Business Pillars

- ✓ Aim to be dementia care provider of choice in all areas they operate
- ✓ Reliable partner for all stakeholders
- ✓ Manage well invested, desirable care homes



Riverwell Beck lounge

Real Estate Focus

- ✓ Undertake transformational investment in homes (eg, Riverwell Beck)
- ✓ Continued energy performance improvements

Strong rent cover enables Investment

- ✓ Investment in technology to improve consistency of care quality
- ✓ Focus on staff recruitment, training and career development

Old Prebendal House Cafe

Rents 9 homes from IHR

96% average occupancy

74% publicly funded residents

26% EBITDARM margin[1]

1. Average since January 2020.

To maintain strong rent cover, it is important that rent is set at an affordable level

Impact Healthcare REIT

Tenant managing new-build home B aimed at private market charges higher fees than established home A servicing the publicly-funded market, but does not employ significantly more staff to provide care, pays almost three times more rent per bed and has less free cash to reinvest in the business

		Care Home A[1]	Care Home B[2]	Comments
KPIs				
	Available beds	76	66	
	Average weekly fee	£1,043	£1,450	Fees of care home B +39%
	Occupancy	97%	94%	
	Public/private mix	82%/18%	25%/75%	
Income		**£4,011,249**	**£4,677,816**	
Costs				
	Total staff	£2,304,588	£2,338,908	But B's spending on staff +1%
	Other Home costs	£640,190	£842,007	
EBITDARM		**£1,066,471**	**£1,496,901**	
	EBITDARM margin	27%	32%	
	EBITDARM/bed	£14,033	£22,680	B's EBITDARM/bed +62%
Rent		**£407,457**	**£935,563**	
	Rent as % of income	**10%**	**20%**	
	Rent/bed	£5,361	£14,175	But B's rent/bed +164%
	Rent cover	2.6x	1.6x	
Tenant EBITDAM		**£659,014**	**£561,338**	Home B generates less free cash for reinvestment into the business

[1] Actual numbers for 12 months to 31 December 2023 for a care home operated by Careport in North-West England
[2] Illustrative numbers of "Typical Care Home Financials" published by a developer selling new care homes