

THIS CIRCULAR (THE “CIRCULAR”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser, authorised under the UK Financial Services and Markets Act 2000 or, if you are in a territory outside the United Kingdom, an appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your ordinary shares of £0.01 each in the capital of Impact Healthcare REIT plc (“**Ordinary Shares**”) (the “**Company**”), please send this Circular, but not the accompanying Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into the United States, any member state of the European Economic Area (“**EEA**”) Canada, New Zealand, Australia, the Republic of South Africa or Japan or into any other jurisdiction if to do so would constitute a violation of the relevant laws and regulations in such other jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares please consult the bank, stockbroker or other agent through which the sale or transfer was effected.

The Ordinary Shares are, and following the General Meeting will continue to be, admitted to the premium listing category of the Official List of the Financial Conduct Authority (the “**FCA**”) and to trading on the Main Market of London Stock Exchange plc (the “**London Stock Exchange**”).

The Ordinary Shares to be issued pursuant to the Initial Issue and/or the Placing Programme, as the context may require (“**New Ordinary Shares**”) have not been, and will not be, registered under the US Securities Act of 1933, as amended (the “**Securities Act**”), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the New Ordinary Shares may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. The New Ordinary Shares are being offered and sold (i) outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the Securities Act (“**Regulation S**”) and (ii) within the United States only to persons reasonably believed to be qualified institutional buyers (“**QIBs**”), as defined in Rule 144A under the Securities Act, who deliver to the Company and Winterflood and/or Jefferies, as the context may require (“**Joint Bookrunners**”) a signed letter to be provided by any person located in the United States to the Company and Joint Bookrunners prior to such person’s participation in the initial placing of New Ordinary Shares, which is expected to close on 16 February 2022 (the “**Initial Placing**”) and/or the proposed programme of Placings to be carried out by Jefferies and Winterflood on behalf of the Company, commencing immediately following the Initial Placing (the “**Placing Programme**”), certifying such person’s compliance with certain requirements of US securities law, in a form acceptable to the Company and the Joint Bookrunners (the “**Investor Representation Letter**”). The Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended (“**Investment Company Act**”), and investors will not be entitled to the benefit of that act. No offer, purchase, sale or transfer of New Ordinary Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the Investment Company Act.

IMPACT HEALTHCARE REIT PLC

(Incorporated in England and Wales with registered no. 10464966 and registered as an investment company under section 833 of the Companies Act 2006)

NOTICE OF GENERAL MEETING **Proposed allotments of up to 300 million Ordinary Shares** **and** **Proposed disapplication of pre-emption rights**

Approval from holders of shares in the capital of the Company (“**Shareholders**”) for the proposals described in this Circular is being sought at the general meeting of the Company to be held at 11.00 a.m. on 16 February 2022 at the offices of Travers Smith LLP, 10 Snow Hill, London, EC1A 2AL. (the “**General Meeting**”). Notice of the General Meeting is set out at the end of this document (the “**Circular**”).

The FCA does not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

Shareholders are requested to return the form of proxy for use at the General Meeting ("**Form of Proxy**") enclosed with this Circular. Shareholders are asked to complete, sign and return the Form of Proxy in accordance with the instructions printed thereon, by one of the following means: (i) in hard copy form by post, by courier, or by hand to Computershare Investor Services PLC ("**Registrar**") at, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6AH; or (ii) in the case of CREST members, by utilising the CREST system service (details of which are contained in this Circular), in each case as soon as possible and, in any event, not later than 11.00 a.m. on 14 February 2022. The lodging of a Form of Proxy will not prevent a Shareholder from attending the General Meeting and voting in person if they so wish (subject to any restrictions imposed by any relevant national government on the movement and activities of individuals to prevent and delay the spread of COVID-19 infections ("**COVID-19 Restrictions**") that are in place at the time of the General Meeting).

Capitalised terms used throughout this document have the meanings given to them in Part II of this Circular.

This Circular should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 5 to 10 of this Circular and which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting. Your attention is drawn to the section entitled "Action to be Taken by Shareholders" on page 9 of this Circular.

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EXPECTED TIMETABLE OF EVENTS

Initial Issue	2022 (unless otherwise indicated)
Record Date and time for entitlements under the Open Offer	6.00 p.m. on 25 January
Ex-entitlement Date of the Open Offer	27 January
Prospectus Published	27 January
Open Offer Entitlements and Excess Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	28 January
Latest recommended time and date for requested withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 9 February
Latest recommended time and date for depositing Open Offer Entitlements and Excess Open Offer Entitlements in CREST	3.00 p.m. on 10 February
Latest time and date for splitting of Open Offer Application Forms	3.00 p.m. on 11 February
Latest time and date for receipt of Open Offer Application Forms and payments in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 15 February
Latest time and date for receipt of completed application forms from the Intermediaries in respect of the Intermediaries Offer	11.00 a.m. on 15 February
Latest time and date for receipt of Offer for Subscription Applications under the Offer for Subscription	11.00 a.m. on 15 February
General Meeting	11.00 a.m. on 16 February
Latest time and date for receipt of commitments under the Initial Placing	2.00 p.m. on 16 February
RNS announcement of the results of the Initial Issue	17 February
Issue of New Ordinary Shares, admission to the premium listing of the Official List and commencement of dealings in the New Ordinary Shares on the London Stock Exchange's Main Market	21 February
CREST accounts credited in respect of New Ordinary Shares in uncertificated form	21 February
Dispatch of definitive share certificates for New Ordinary Shares (where applicable)	w/c 28 February
Placing Programme	
Placing Programme opens	22 February
Admission to the premium listing segment of the Official List and commencement of dealings in New Ordinary Shares issued pursuant to the Placing Programme to the London Stock Exchange's Main Market	8.00 a.m. on each day New Ordinary Shares are issued pursuant to the Placing Programme
CREST accounts credited in respect of issued shares pursuant to the Placing Programme in uncertificated form	As soon as possible after 8.00 a.m. on each day New Ordinary Shares are issued in uncertificated form pursuant to the Placing Programme
Dispatch of definitive share certificates for shares issued pursuant to the Placing Programme in certificated form (where applicable)	Approximately one week following the relevant Programme Admission
Latest date for New Ordinary Shares to be issued pursuant to the Placing Programme	26 January 2023

Times and dates are subject to change.

- (1) The Directors may, with the prior approval of the Joint Bookrunners, extend such date and thereby extend any of the Initial Placing, the Open Offer, the Intermediaries Offer and/or the Offer for Subscription (together the "Initial Issue") periods, to a time and date no later than 31 May 2022. If any such periods are extended, the Company will notify investors of such change by publishing an RNS announcement.
- (2) In respect of the Initial Issue, there will be no dealings on a conditional basis prior to the commencement of unconditional dealings.
- (3) Underlying Applicants who apply under the Intermediaries Offer for New Ordinary Shares will not receive share certificates.
- (4) All references to times in this Circular are to London time.

PART I
LETTER FROM THE CHAIRMAN
IMPACT HEALTHCARE REIT PLC

(Incorporated in England and Wales with registered no. 10464966 and registered as an investment company under section 833 of the Companies Act 2006)

Directors:

Rupert Barclay (*Chair*)*
Rosemary Boot*
Paul Craig
Philip Hall*
Amanda Aldridge*
Chris Santer*

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

**independent non-executive*

27 January 2022

Dear Shareholders

Notice of General Meeting
Proposed allotments of up to 300 million Ordinary Shares
and
proposed disapplication of pre-emption rights

1. Introduction

On 27 January 2022, the Company published a prospectus (the “**Prospectus**”) relating to an initial issue to raise a target of approximately £50 million through the issue of New Ordinary Shares at the Initial Issue Price (the “**Initial Issue**”) and a placing programme (the “**Placing Programme**”) for further issues of up to a maximum of 300 million New Ordinary Shares (inclusive of any New Ordinary Shares to be issued pursuant to the Initial Issue) (the “**Proposals**”).

The Prospectus is available for inspection on the Company’s website at www.impactreit.uk/investors/reporting-centre/prospectus and from the National Storage Mechanism at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

In order to provide existing Shareholders with the opportunity to participate in the equity raise in priority to any external investors, the Initial Issue includes an Open Offer, whereby existing Qualifying Shareholders as at 25 January 2022 (the “**Open Offer Record Date**”) will be entitled to subscribe for 1 New Ordinary Share for every 8 Existing Ordinary Shares held by them on the Open Offer Record Date. The maximum number of New Ordinary Shares to be issued pursuant to the Open Offer shall be 43,830,523 New Ordinary Shares, and the Open Offer will not be scaled back in favour of the other elements of the Initial Issue, being the Initial Placing, the Offer for Subscription or the Intermediaries Offer (each as described further below).

The Board has an existing authority from Shareholders to allot Ordinary Shares on a non pre-emptive basis up to an aggregate nominal amount of £350,644.18, such authority to expire on 11 August 2022 or, if earlier, the date of the next annual general meeting of the Company (the “**Existing Authority**”). To date, the Board has not issued any Ordinary Shares pursuant to the Existing Authority.

As the Company’s authority to allot new Shares on a non pre-emptive basis pursuant to the Existing Authority is limited to 35,064,418 Ordinary Shares, the Company’s ability to issue the maximum amount of up to 300 million Ordinary Shares under the Initial Issue and Placing Programme is conditional on the approval of further share issuance authorities by Shareholders.

The purpose of this Circular is to convene a General Meeting at which resolutions will be proposed, relating to (i) the authority to allot New Ordinary Shares in connection with the Initial Issue and the Placing Programme; and (ii) the disapplication of pre-emption rights in relation to any such allotment (the “**Resolutions**”), to provide shareholders with details of the Proposals, to explain why the Board

considers the Proposals to be in the best interests of the Company as a whole and to recommend that Shareholders vote in favour of the Resolutions.

Shareholders are strongly encouraged to read the Prospectus for a further description of the Proposals prior to voting at the General Meeting.

2. Summary of the Proposals

The Initial Issue

The Company is targeting raising £50 million through the Initial Issue of New Ordinary Shares at the Initial Issue Price. The Initial Issue comprises the Initial Placing, the Open Offer, the Intermediaries Offer and the Offer for Subscription.

To the extent that demand for New Ordinary Shares in the Initial Issue exceeds the targeted number of New Ordinary Shares set out above, the Company and the Joint Bookrunners may increase the size of the Initial Issue by allocating New Ordinary Shares which would otherwise have been made available in the Placing Programme and reducing the size of the Placing Programme by such number of New Ordinary Shares.

The total number of New Ordinary Shares issued under the Initial Issue will be determined by the Company, the Joint Bookrunners and the Investment Manager after taking into account demand for the New Ordinary Shares, subject to a maximum of 300 million New Ordinary Shares being issued under the Initial Issue in aggregate.

The Initial Placing

The Company, the Investment Manager, Winterflood and Jefferies have entered into a placing agreement (the “**Placing Agreement**”), pursuant to which Winterflood and Jefferies have agreed, subject to certain conditions, to use their respective reasonable endeavours to procure places for the New Ordinary Shares made available in the Initial Placing.

The Open Offer

Under the Open Offer, up to 43,830,523 New Ordinary Shares will be made available to Qualifying Shareholders at the Initial Issue Price *pro rata* to their holding of Existing Ordinary Shares, on the terms and subject to the terms and conditions of the Open Offer, on the basis of 1 New Ordinary Share for every 8 Existing Ordinary Shares held on the Open Offer Record Date.

The Offer for Subscription

New Ordinary Shares are available to the public under the Offer for Subscription. The Offer for Subscription is only being made in the UK and Jersey.

The Intermediaries Offer

The Company has appointed certain Intermediaries to facilitate the participation of their retail investor clients (and any member of the public who wishes to become a client of that Intermediary) located in the United Kingdom. Each Intermediary has agreed, or will on appointment agree, certain terms and conditions, which regulate, *inter alia*, the conduct of the Intermediaries in relation to the offering of New Ordinary Shares on market standard terms and provide for the payment of commission to any Intermediary that elects to receive commission.

The Placing Programme

The Directors are seeking to issue and allot up to 300 million New Ordinary Shares through the Placing Programme, without having to offer those New Ordinary Shares to existing Shareholders first (to the extent that New Ordinary Shares are issued at a Placing Programme Price equal to or greater than the applicable Net Asset Value per Ordinary Share). The total number of New Ordinary Shares issued under the Placing Programme will be determined by the Company and the Joint Bookrunners after taking into account demand for the New Ordinary Shares.

The Placing Programme is being implemented to satisfy market demand and to enable the Company to raise additional capital in the period from 22 February 2022 to 26 January 2023 should the Board determine that market conditions are appropriate. The Placing Programme is intended to be flexible and may have a number of closing dates in order to provide the Company with the ability to issue and allot New Ordinary Shares over a period of time.

The number of New Ordinary Shares available under the Placing Programme is intended to provide flexibility and should not be taken as an indication of the number of New Ordinary Shares to be issued. Any issues of New Ordinary Shares under the Placing Programme will be notified by the Company through an RIS announcement and the Company's website prior to each Programme Admission.

Under the Placing Agreement, Winterflood and Jefferies have agreed, subject to certain conditions, to use their respective reasonable endeavours to procure places for the New Ordinary Shares made available in the Placing Programme.

None of the Initial Placing, the Open Offer, the Intermediaries Offer, the Offer for Subscription or any Subsequent Placing are being underwritten.

Use of Proceeds

The immediate use of the Net Proceeds of the Initial Issue will be to repay up to £67.5 million of debt drawn under the Group's revolving credit facilities. The Company will then have the opportunity to redraw debt to deploy capital as described in the Prospectus (including the acquisition of the pipeline assets described in Part IV of the Prospectus) and to invest in growth opportunities in the Existing Portfolio and with existing tenants (as described in Part III of the Prospectus).

December 2021 Dividend

For the avoidance of doubt, investors who acquire New Ordinary Shares in the Initial Issue will be entitled to receive the dividend payable in relation to the quarter ended 31 December 2021 (which is expected to be announced later in February 2022) in respect of those shares.

Issue Prices

The issue price of the New Ordinary Shares issued pursuant to the Initial Issue (the "**Initial Issue Price**") has been, and the Placing Programme Price of any New Ordinary Shares to be issued pursuant to the Placing Programme will be, calculated by reference to the last published cum income net asset value of each Existing Ordinary Share together with a premium intended to at least cover the costs and expenses of the relevant issue (including, without limitation, any placing commissions).

The Initial Issue Price is 114 pence per New Ordinary Share.

The final Placing Programme Price for each Subsequent Placing in each case is to be determined by the Board at its discretion and will be announced via an RIS announcement prior to each Programme Admission.

It is expected that the costs of the New Ordinary Shares issued pursuant to the Initial Issue and the Placing Programme will be recovered through the relevant issue price in each case, although the recovery of all or any part of the costs cannot be guaranteed. The Directors therefore intend to avoid any dilution of the net asset value of the Existing Ordinary Shares held by Shareholders.

Fees and Expenses

The costs and expenses of the Initial Issue are expected to be approximately 2 per cent. of the Gross Issue Proceeds.

The costs and expenses of each Subsequent Placing will depend on subscriptions received but are expected to be approximately two per cent. of the gross proceeds of each such Subsequent Placing. It is expected that the costs of the Ordinary Shares issued pursuant to the Initial Issue and the Placing Programme will be recovered through the relevant Initial Issue Price or Placing Programme Price, as applicable in each case, although the recovery of all or any part of the costs cannot be guaranteed. The Directors therefore intend to avoid any dilution of the net asset value of the existing Shareholders.

Assuming 300 million New Ordinary Shares are issued pursuant to the Initial Issue and the Placing Programme (being the maximum number of New Ordinary Shares available thereunder), and assuming such shares are issued at the Initial Issue Price, this would result in gross proceeds of £342 million, with the costs and expenses payable by the Company expected to be approximately £6.8 million.

Conditions

The Initial Issue

The Initial Issue is conditional, *inter alia*, on:

- (i) the Placing Agreement becoming wholly unconditional (save as to First Admission) and not having been terminated in accordance with its terms prior to First Admission;
- (ii) First Admission occurring by 8.00 a.m. on 21 February 2022 (or such later date, not being later than 8.00 a.m. on 31 May 2022, as the Company and the Joint Bookrunners may agree in respect of the Initial Issue); and
- (iii) to the extent required under the Prospectus Regulation Rules and FSMA, a valid supplementary prospectus being published by the Company.

The Placing Programme

The Placing Programme is conditional, *inter alia*, on:

- (i) the applicable Placing Programme Price being determined by the Directors and the Joint Bookrunners as described below;
- (ii) Programme Admission occurring in respect of the relevant issue of New Ordinary Shares under the Placing Programme; and
- (iii) to the extent required under the Prospectus Regulation Rules and FSMA, a valid supplementary prospectus being published by the Company.

Resolutions

In order for all of the New Ordinary Shares that are capable of being issued under the Initial Issue and the Placing Programme to be capable of being issued in a timely and cost efficient manner, the Board is proposing to table, at the General Meeting, an Ordinary Resolution to authorise the Directors to allot Ordinary Shares up to an aggregate nominal amount of £3 million pursuant to the Initial Issue or the Placing Programme ("**Resolution 1**"), together with a Special Resolution to disapply pre-emption rights in respect of any such allotment ("**Resolution 2**", and together with Resolution 1 the "**Resolutions**").

As indicated above, the Directors have an Existing Authority to allot up to Ordinary Shares on a non pre-emptive basis up to an aggregate nominal value of £350,644.18. The Board is now seeking authority to allot a further 300 million Ordinary Shares on a non pre-emptive basis pursuant to the Initial Issue and the Placing Programme. This authority is being sought in addition to, and not in substitution for, the Existing Authority. If approved by Shareholders, the Company will use the authority granted at the General Meeting to issue all New Ordinary Shares under the Initial Issue and the Placing Programme in priority to using the Existing Authority.

The allotment authority and disapplication of pre-emption rights provided for in the Resolutions is restricted to use only in connection with the Initial Issue and the Placing Programme. As such, the Resolutions have been expressed so as to ensure that the authority to issue and allot such New Ordinary Shares on a non-pre-emptive basis shall expire on the Placing Programme End Date, being the latest date on which New Ordinary Shares can be issued pursuant to the Placing Programme.

The issue of 300 million New Ordinary Shares in connection with the Initial Issue and the Placing Programme would represent:

- (i) 85.56 per cent. of the Existing Ordinary Shares; and
- (ii) 46.11 per cent. of the Ordinary Shares following completion of the Initial Issue and the Placing Programme assuming that 300 million Ordinary Shares are issued pursuant to the Initial Issue and the Placing Programme (and that no other Ordinary Shares are issued).

If the Resolutions are passed all such New Ordinary Shares will be capable of being issued on a non-pre-emptive basis, provided that the up to 43,830,523 New Ordinary Shares being made available to Qualifying Shareholders in the Open Offer will not be subject to scaling back in favour of the Initial Placing, the Offer for Subscription or the Intermediaries Offer. No shares in the Company are held in treasury.

If Resolution 1 and Resolution 2 are not passed at the General Meeting, any issuances of New Ordinary Shares pursuant to the Initial Issue will be made pursuant to the Existing Authority and any Subsequent Placing, in excess of the remaining Existing Authority after the completion of the Initial Issue, will be conditional upon Shareholders resolving to disapply pre-emption rights in respect of such issuance at a subsequent general meeting of the Company.

This Circular contains a notice of the General Meeting at which the Resolutions to approve the Proposals will be considered.

3. Risks associated with the Proposals

The Risks associated with investment in the Company under the Initial Issue and/or the Placing Programme are set out in the section of the Prospectus headed "Risk Factors".

4. General Meeting

A General Meeting of the Company will be held at 11.00 a.m. on 16 February 2022 at the offices of Travers Smith LLP, 10 Snow Hill, London, EC1A 2AL for the purpose of approving the Resolutions. The business to be considered at the General Meeting is contained in the Notice of General Meeting set out at the end of this Circular.

At the General Meeting:

- (i) Resolution 1 will be proposed as an Ordinary Resolution and, as such, will require the approval of a majority of members present by a show of hands or, if a poll is demanded, the total voting rights held by Shareholders cast at the General Meeting (in each case, whether voted by Shareholders in person or by proxy); and
- (ii) Resolution 2 will be proposed as a Special Resolution and, as such, will require the approval of a majority of not less than 75 per cent. of the members present by a show of hands or, if a poll is demanded, the total voting rights held by Shareholders cast at the General Meeting (in each case, whether voted by Shareholders in person or by proxy).

5. General information

Each New Ordinary Share will rank in full for all dividends and distributions declared made or paid after their issue and otherwise *pari passu* in all respects with each Existing Ordinary Share and will have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as each Existing Ordinary Share of the same class, as set out in the Articles. The Ordinary Shares are denominated in Sterling.

New Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST following the relevant Admission. In the case of New Ordinary Shares to be issued in uncertificated form, these will be transferred to successful applicants through the CREST system. Accordingly, settlement of transactions in the New Ordinary Shares following the relevant Programme Admission may take place within the CREST system if any Shareholder so wishes.

Fractions of New Ordinary Shares will not be issued.

Application will be made for the New Ordinary Shares to be admitted to listing on the premium segment of the Official List and to trading on the London Stock Exchange's Main Market. It is expected that First Admission will become effective and that dealings in the New Ordinary Shares issued pursuant to the Initial Issue will commence at 8.00 a.m. on 21 February 2022. Dealings in New Ordinary Shares on the London Stock Exchange before the relevant Admission will only be settled if the relevant Admission takes place. The New Ordinary Shares will not be dealt in on any other recognised investment exchange and no other such applications have been made or are currently expected.

6. Action to be taken by Shareholders

If you are a Shareholder, you will find enclosed with this Circular the Form of Proxy for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are asked to complete the Form of Proxy in accordance with the instructions printed thereon and return the

Form of Proxy to the Company's Registrar, Computershare Investor Services PLC, by one of the following means:

- (i) in hard copy form by post, by courier or by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6AH; or
- (ii) in the case of CREST members, by utilising the CREST system service in accordance with the procedures set out in the notes to the Notice of General Meeting.

In each case, the Form of Proxy must arrive by the time and date specified within. To be valid, the relevant Form of Proxy should be completed in accordance with the instructions accompanying it and lodged with the Company's Registrars by the relevant time.

The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person if you wish to do so (subject to any COVID-19 Restrictions that are in place at the time of the General Meeting).

7. Recommendation

The Directors consider that Proposals are in the best interests of the Company and its members as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the resolutions to be proposed at the General Meeting as each of the Directors intend to do in relation to the Ordinary Shares in respect of which they have voting control.

Yours sincerely

Rupert Barclay
Chairman

PART II

DEFINITIONS

Act	The Companies Act 2006, as amended from time to time.
Admission	First Admission or the relevant Programme Admission, as the context may require.
Articles	The articles of association of the Company in force at the date of this Circular.
Board or Directors	The board of directors of the Company whose names are set out in Part I of this Circular.
Circular	This document.
Company	Impact Healthcare REIT plc.
COVID-19 Restrictions	Restrictions imposed by any relevant national government on the movement and activities of individuals to prevent and delay the spread of COVID-19 infections.
CREST	The facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations, in accordance with which Ordinary Shares may be held in uncertificated form.
CREST Regulations	The Uncertificated Securities Regulations 2001 (SI No. 2001/3755), as amended from time to time.
Euroclear	Euroclear UK & International Limited, the operator of CREST.
Excess Application Facility	The arrangement pursuant to which Qualifying Shareholders may apply for New Ordinary Shares in excess of their Open Offer Entitlement provided that they have agreed to take up their Open Offer Entitlement in full and which may be subject to scaling back in accordance with the terms and conditions of the Open Offer, as set out in the Prospectus.
Excess CREST Open Offer Entitlements	In respect of each Qualifying CREST Shareholder, an entitlement to apply for New Ordinary Shares pursuant to the Excess Application Facility.
Excess Open Offer Entitlements	An entitlement for each Qualifying Shareholder to apply to subscribe for New Ordinary Shares in addition to their Open Offer Entitlement pursuant to the Excess Application Facility.
Existing Authority	The Company's authority, as at the date of this Circular, to allot and issue up Ordinary Shares on a non pre-emptive basis up to an aggregate nominal amount of £350,644.18.
Existing Ordinary Shares	The 350,644,188 Ordinary Shares in the capital of the Company in issue on the Latest Practicable Date.
Existing Portfolio	The portfolio of 108 care homes plus two NHS assets currently owned by the Group, either by way of freehold or 999 year lease.
FCA	The Financial Conduct Authority.
First Admission	The admission of the New Ordinary Shares to be issued pursuant to the Initial Issue to the premium segment of the Official List becoming effective in accordance with the Listing Rules and to trading on the Main Market of the London Stock Exchange becoming effective in accordance with the Admission and Disclosure Standards.
Form of Proxy	The form of proxy for use at the General Meeting.

FSMA	The Financial Services and Markets Act 2000, as amended from time to time.
General Meeting	The general meeting of the Company convened for 16 February 2022 at 11.00 a.m.
Gross Issue Proceeds	The aggregate value of the New Ordinary Shares issued under the Initial Issue at the Initial Issue Price.
Group	The Company and each of its subsidiary undertakings from time to time.
Initial Issue	The Initial Placing, the Open Offer, the Intermediaries Offer and the Offer for Subscription.
Initial Issue Price	The price at which the Ordinary Shares are being issued pursuant to the Initial Issue, being 114 pence per Ordinary Share.
Initial Placing	The initial placing of New Ordinary Shares, comprising part of the Initial Issue.
Intermediaries	The entities listed in paragraph 16 of Part XIV of the Prospectus, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of the Prospectus.
Intermediaries Offer	The offer for subscription of Ordinary Shares at the Initial Issue Price made through Intermediaries, comprising part of the Initial Issue.
Investment Company Act	The US Investment Company Act of 1940, as amended.
Investment Manager	Impact Health Partners LLP.
Investor Representation Letter	A letter to be provided by any person located in the United States to the Company and Joint Bookrunners prior to such person's participation in the Initial Placing and/or the Placing Programme, certifying such person's compliance with certain requirements of US securities law, in a form acceptable to the Company and the Joint Bookrunners.
Jefferies	Jefferies International Limited.
Joint Bookrunners	Winterflood and/or Jefferies, as the context may require.
Latest Practicable Date	26 January 2022.
Net Asset Value	The net asset value of the Company or, if the context requires, the net asset value of the Company attributable to a specific class of shares, in each case calculated in accordance with the valuation policies of the Company from time to time as appropriate.
Net Proceeds	The net proceeds of the Initial Issue or a Subsequent Placing, as the context may require.
New Ordinary Shares	The Ordinary Shares to be issued pursuant to the Initial Issue and/or the Placing Programme, as the context may require.
Notice of General Meeting	The notice convening the General Meeting, as set out at the end of this Circular.
Offer for Subscription	The offer for subscription for New Ordinary Shares as described in the Prospectus, comprising part of the Initial Issue.
Offer for Subscription Application Form	The application form in connection with the Offer for Subscription which is set out at in Appendix 1 to the Prospectus.

Official List	The Official List of the FCA acting in its primary market function and in its capacity as the competent authority for the purposes of Part VI of FSMA and in the exercise of its functions in respect of admission to the Official List.
Open Offer	The conditional invitation by the Company to Qualifying Shareholders to apply to subscribe for New Ordinary Shares at the Initial Issue Price on the terms and subject to the conditions set out in the Prospectus and, in the case of Qualifying Non-CREST Shareholders, in the Open Offer Application Form.
Open Offer Application Form	The application form on which applicants may apply for Ordinary Shares to be issued pursuant to the Open Offer.
Open Offer Entitlements	The individual entitlements to subscribe for New Ordinary Shares allocated to Qualifying Shareholders pursuant to the Open Offer.
Open Offer Record Date	6.00 p.m. on 25 January 2022.
Ordinary Resolution	An ordinary resolution, which requires a majority of the shareholders present in person or by proxy and entitled to vote and voting at the appropriate meeting.
Ordinary Shares	Ordinary shares of £0.01 in the capital of the Company.
Placing	A conditional placing of New Ordinary Shares described in the Prospectus, on the terms and subject to the conditions set out in the Placing Agreement and the Prospectus.
Placing Agreement	The placing agreement dated 27 January 2022, between the Company, the Investment Manager, Jefferies and Winterflood in connection with the Initial Issue and Placing Programme.
Placing Programme	The proposed programme of Placings to be carried out by Jefferies and Winterflood on behalf of the Company, commencing immediately following First Admission and closing on the Placing Programme End Date.
Placing Programme End Date	26 January 2023 or such earlier date as the Placing Programme is terminated.
Placing Programme Price	the price of New Ordinary Shares to be issued pursuant to a Subsequent Placing.
Programme Admission	Any admission of New Ordinary Shares issued pursuant to the Placing Programme to the premium segment of the Official List becoming effective in accordance with the Listing Rules and to trading on the London Stock Exchange's Main Market becoming effective in accordance with the LSE Admission Standards.
Proposals	Has the meaning given at paragraph 1 of Part I of this Circular.
Prospectus	The prospectus dated 27 January 2022 published by the Company in connection with the Initial Issue and Placing Programme.
Prospectus Regulation Rules	The Prospectus Regulation Rules made by the FCA under Part VI of FSMA.
Qualifying CREST Shareholders	Qualifying Shareholders holding Existing Ordinary Shares in uncertificated form in CREST.
Qualifying Shareholders	Holders of Existing Ordinary Shares whose names are entered on to the Register as at the Open Offer Record Date with, at the absolute discretion of the Company, the exclusion of Shareholders in a Restricted Territory.
Register	The register of members of the Company.

Registrar	Computershare Investor Services PLC.
Resolution 1	The resolution being put forward at the General Meeting relating to the authority to allot New Ordinary Shares in connection with the Initial Issue and the Placing Programme.
Resolution 2	The resolution being put forward at the General Meeting relating to the disapplication of pre-emption rights in connection with any issue of New Ordinary Shares pursuant to Resolution 1.
Resolutions	Resolution 1 and Resolution 2.
Restricted Territory	The United States, any member state of the EEA, Australia, Canada, Japan, New Zealand, or the Republic of South Africa and Restricted Territory shall mean any of them.
RIS	A regulatory information service.
Securities Act	The US Securities Act of 1933, as amended.
Shareholder	A holder of shares in the capital of the Company.
Special Resolution	A special resolution, which requires a majority of not less than 75 per cent. of the shareholders present in person or by proxy and entitled to vote and voting at the appropriate meeting.
Subsequent Placing	A Placing of New Ordinary Shares made pursuant to the Placing Programme which, for the avoidance of doubt, shall not include the Placing comprised in the Initial Issue.
Winterflood	Winterflood Securities Limited.
Underlying Applicants	Investors who wish to acquire Ordinary Shares under the Intermediaries Offer.
US Persons	As defined in Regulation S under the Securities Act.

IMPACT HEALTHCARE REIT PLC

(Incorporated in England and Wales with registered no. 10464966 and registered as an investment company under section 833 of the Companies Act 2006)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at 11.00 a.m. on 16 February 2022 at the offices of Travers Smith LLP, 10 Snow Hill, London, EC1A 2AL to consider and, if thought fit, to pass the following resolutions:

IT IS HEREBY RESOLVED, in addition to all existing authorities and powers conferred on the Board by Shareholders:

ORDINARY RESOLUTION

1. **THAT** the Directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the “**Act**”) to exercise all powers of the Company to allot Ordinary Shares in the Company in connection with the Initial Issue and the Placing Programme up to a maximum nominal value of £3 million **PROVIDED THAT** this authority shall expire on 26 January 2023 or, if earlier, the date on which the Placing Programme is terminated, save that the said authority shall allow and enable the Directors to make an offer or agreement before the expiry of that authority which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

2. **THAT**, subject to the passing of Resolution 1, the Directors be and they are hereby empowered pursuant to Section 570 and Section 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) wholly for cash pursuant to the authority conferred by Resolution 1 as if sub-section (1) of Section 561 of the Act did not apply to any such allotment **PROVIDED THAT** this power shall be limited to the allotment of equity securities up to a maximum up to a maximum nominal value of £3 million **PROVIDED THAT** this authority shall expire on 26 January 2023 or, if earlier, the date on which the Placing Programme is terminated, save that the said authority shall allow and enable the Directors to make an offer or agreement before the expiry of that authority which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Save where the context requires otherwise, the definitions contained in the Circular of which this notice forms part shall have the same meanings where used in these Resolutions.

By order of the Board

JTC (UK) Limited
Secretary

Registered office:
The Scalpel
18th Floor
52 Lime Street
London EC3M 7AF
United Kingdom

Date: 27 January 2022

Explanatory notes to the Notice of General Meeting:

1. The approval of a simple majority of the total number of votes cast by Shareholders being entitled to vote is required to pass an Ordinary Resolution.
2. The approval of a majority of no less than 75 per cent. of the votes cast by Shareholders being entitled to vote in required to pass a Special Resolution.
3. A member is entitled to appoint another person as his proxy to exercise all or any of their rights to attend and to speak and vote at a meeting of the Company (subject to any COVID-19 Restrictions that are in place at the time of the General Meeting). A proxy need not be a member.
4. The appointment of a proxy shall be deemed also to confer authority to demand or join in demanding a poll.
5. Delivery of an appointment of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it (subject to any COVID-19 Restrictions that are in place at the time of the General Meeting).
6. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by them. To appoint more than one proxy, an additional proxy form(s) may be obtained by contacting the Registrar's helpline on 0370 703 0340 or Shareholders may photocopy the Form of Proxy. Shareholders must indicate in the box next to the proxy holder's name the number of Ordinary Shares in relation to which such proxy is authorised to act as the Shareholder's proxy. Shareholders must also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
7. Please indicate with an 'X' in the appropriate box how you wish your vote to be cast in respect of the Resolution. If you do not insert an 'X' in the appropriate box your proxy will vote or abstain at his discretion.
8. To change your proxy instructions, simply submit a new proxy appointment using the method set out above. Where two or more valid appointments of proxy are received in respect of the same share in relation to the same meeting, the one which is last received shall be treated as replacing and revoking the other or others. If the Company is unable to determine which is last received, none of such appointments shall be treated as valid in respect of that share.
9. Any instrument appointing a proxy shall be in any usual common form, or as approved by the directors (including electronic form), and shall be executed by or on behalf of the appointor or in either case otherwise authenticated in such manner as the directors may determine, including by electronic means.
10. All joint holders should be named but the signature of any one is sufficient. In all cases, names must be entered as they appear on the Company's register.
11. Where there are joint registered holders of any Ordinary Shares, such persons shall not have the right of voting individually in respect of such Share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election, the person whose name appears first on the register of members in respect of the joint holding shall be accepted to the exclusion of the votes of the other joint holders.
12. Any corporate which is a member of the Company may by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at any meeting of the Company and the person so authorised shall be entitled to exercise the same power on behalf of the corporation which he represents as that corporate could exercise if it were an individual member of the Company.
13. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be delivered to the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6AH not less than forty-eight hours (excluding weekends) before the time appointed for holding the meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken more than 48 hours after it is demanded, not less than 24 hours before the time appointed for the taking of the poll and in default, unless the Board directs otherwise, the instrument of proxy shall not be treated as valid.
14. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (3RA50) not later than 48 hours before the time appointed for holding the meeting (excluding weekends). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in the CREST Regulations.
15. Only Shareholders registered in the register of members of the Company at the close of business on 14 February 2022 shall be entitled to attend or vote at the aforesaid meeting in respect of the number of Ordinary Shares registered in their name at the time (subject to any COVID-19 Restrictions that are in place at the time of the General Meeting), or in the event that the meeting is adjourned in accordance with the provisions contained in the Company's Articles, in the register of members at close of business two days before the time of any adjourned meeting. Changes to entries on the register of members after such time or, in the event that the meeting is adjourned, to entries in the register of members after close of business before the time of the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
16. To appoint more than one proxy you may photocopy the Form of Proxy. Please indicate the proxy holder's name and the number of Ordinary Shares in relation to which they are authorised to act as your proxy (which, in the aggregate, should not exceed the number of Ordinary Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

