



Investing in care **Delivering returns**

Results for the year ended
30 June 2026



➤ Presentation Team



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➤ Agenda

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Compelling investment case



Robust, defensive portfolio

Modern, fit-for-purpose care homes, with annual inflation-linked rent increases



Effective, proven asset management

Specialist, experienced team, leveraging successful strategies



Sector tailwinds

Growing needs-based demand



Market leading long-term returns

Since launch in 2013, highest total accounting return (TAR) of 12% in 2026, and 7.8% annualised TAR

Financial highlights: Year to 30 June 2026

Annualised
contractual
rent

+3.7%

Like-for-like
growth

Adjusted EPRA
EPS

6.54p

+7.6%

Dividend per
share

6.03p

+2.5%

EPRA NTA
per share

122.1p

+6.4%

Total
accounting
return

12%

Consistent, long-term outperformance

MSCI UK Annual Healthcare Property Index



**1st out of 33
over 3 years**

**2nd out of 12
over 10 years**

**Annualised
return on
standing assets
of 10.4% vs
7.6% from the
index**

Results highlights



Target Healthcare REIT – as at 30 June 2026

Portfolio of scale with robust rental income stream, differentiated by quality, modernity and sustainability

Care homes

87

5,870¹
Beds

¹ A further 66 beds will be added on completion of the development site

Contracted rent

£61.1m

Portfolio value

£924m

6.21%

EPRA
Topped-
Up NIY

Tenants

31

Diversified
income

En suite wet-rooms

100%

EPC rating (A & B)

100%

Inflation-linked rental uplifts

100%

WAULT

26.0
years

A strong year ...

... both in terms of **corporate activity**...

11
disposals

...realising £97m, at a premium of 11.0%

4
acquisitions

...of modern fit for purpose care homes (£45m)

1
forward commit¹

...to buy a brand-new care home in 2026 (£13m)

1
forward fund²

...to commence building a brand-new care home in 2026 (£15m)

1
development

...reached practical completion (£10m)

... and **asset management**

£1.9m

recovery of rent arrears

6

homes re-tenanted – capital value increase 6.5%

£1.4m

receipt of surrender premium from 1 re-tenanting

100%

tenancy continuity, ensuring uninterrupted care across all re-tenanted homes

100%

rent collection achieved by fiscal year-end

Financial performance



Profit and Loss – strong results

Several disposals took place primarily in the first half of the year, resulting in a fall in rental income for the year.

Recovery of historical rent arrears from 3-home operator re-tenanting.

Reduced debt levels during redeployment phase.
Attractive margins on bank debt following refinancing.

Strong EPS growth, 3% excluding non-recurring arrears recovery.

Returned to historical levels if non-recurring rent arrears recovery is excluded.

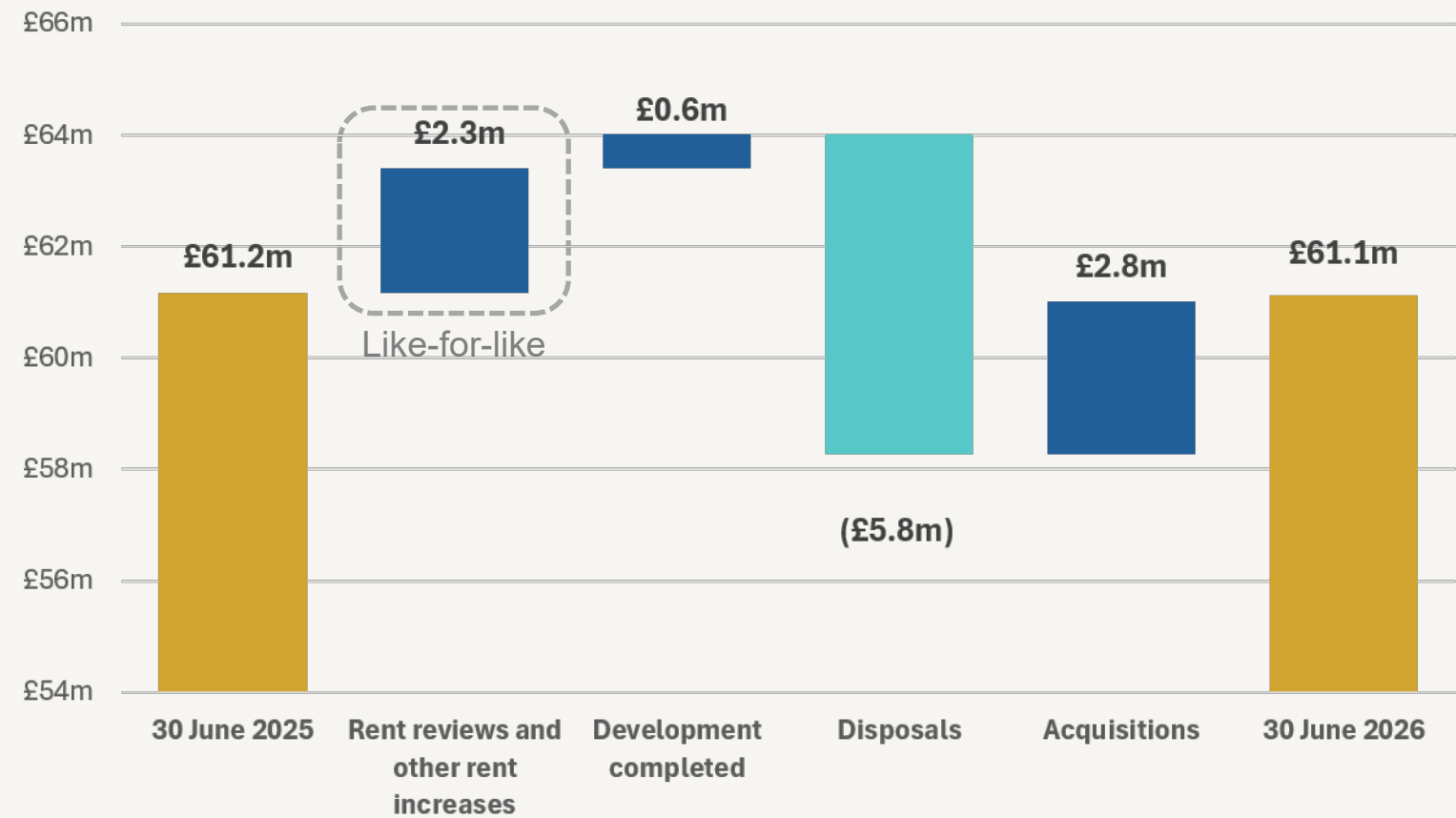
£ million	30-Jun-26	30-Jun-25	Change
Rental income (excluding guaranteed uplifts)	60.2	60.6	-1%
Interest from development funding	0.1	0.6	-83%
- Management Fee	(8.2)	(7.8)	4.5%
- Operating expenses	(3.8)	(3.9)	-2.4%
- Credit loss allowance / Bad debt	0.9	(1.6)	–
Total expenditure	(11.1)	(13.3)	-17%
Net financing costs	(8.6)	(10.2)	-16%
ADJUSTED EPRA EARNINGS (£m)	40.6	37.7	7%
Adjusted EPRA EPS (pence)	6.54	6.08	7%
Adjusted EPRA cost ratio	18.5%	21.8%	–
Dividend declared for period (pence)	6.03	5.88	3%
Dividend cover	109%	103%	–

Movement in annualised contracted rent



Annualised contracted rent (£ millions)

+3.7%
on a like-for-like basis



Balance sheet – robust financial position

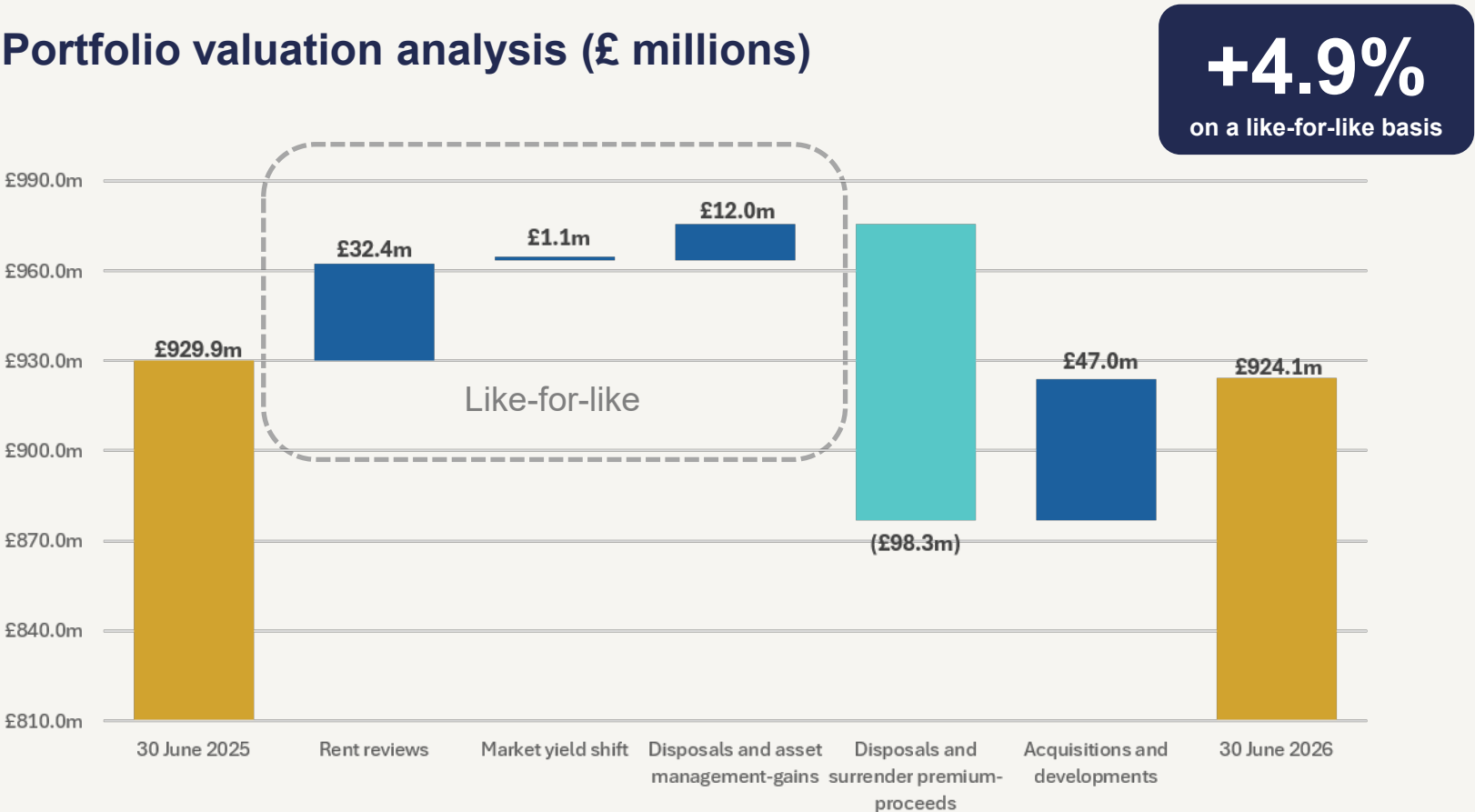


£m	Jun 2026	Jun 2025	Change (%)
Portfolio market value (per independent valuers)	924.1	929.9	-0.6%
<i>Like-for-like movement</i>			4.9%
Cash	50.9	39.7	28.5%
Net current assets/ (liabilities)	(17.4)	(15.7)	10.8%
Debt	(200.0)	(242.0)	-17.4%
EPRA Net Tangible Assets (NTA)	757.6	711.9	6.4%
EPRA NTA per share (pence)	122.1	114.8	6.4%
Net Loan To Value	16.1%	21.8%	-570 bps

Portfolio valuation bridge



Portfolio valuation analysis (£ millions)



Debt summary – 30 June 2026

Net Loan to Valuation
at June 2026
16.1%

Weighted average cost
of drawn debt at
June 2026
3.89%

Weighted average term
to maturity of drawn
debt in June 2026
5.1 years

Debt provider	Facility type	Facility Size	Drawn at 30 June 2026	Interest Rate	Hedging	Maturity
 Phoenix	Term Loan	£150m	£150m	3.2%	Fixed to maturity	Jan 2032 - £87m Jan 2037 - £63m
 Royal Bank of Scotland	Term Loan	£20m	£20m	5.3%	Fixed for 5 years	Sept 2029*
	RCF	£30m	£0	SONIA +1.5%	Floating	
 HSBC	Term Loan	£30m	£30m	5.3%	Fixed for 5 years	Sept 2029*
	RCF	£50m	£0	SONIA +1.5%	Floating	
Total		£280m	£200m			

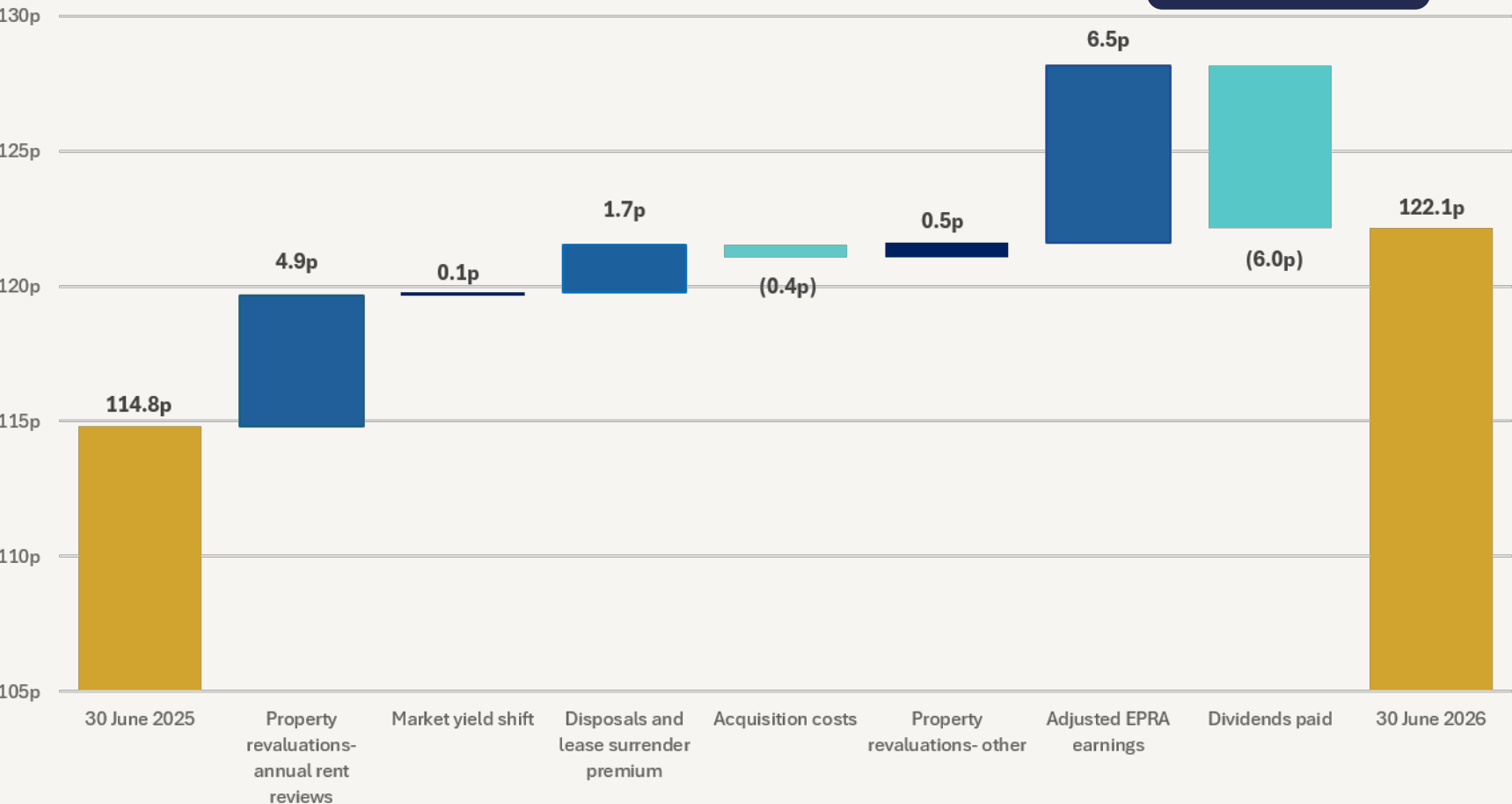
* Both with option to extend for a further year, subject to lender consent

Additional bank accordion facilities of £70m, subject to lender consent, provides flexibility

Growing NTA per share



EPRA NTA per share (pence)



Portfolio performance



Portfolio insights

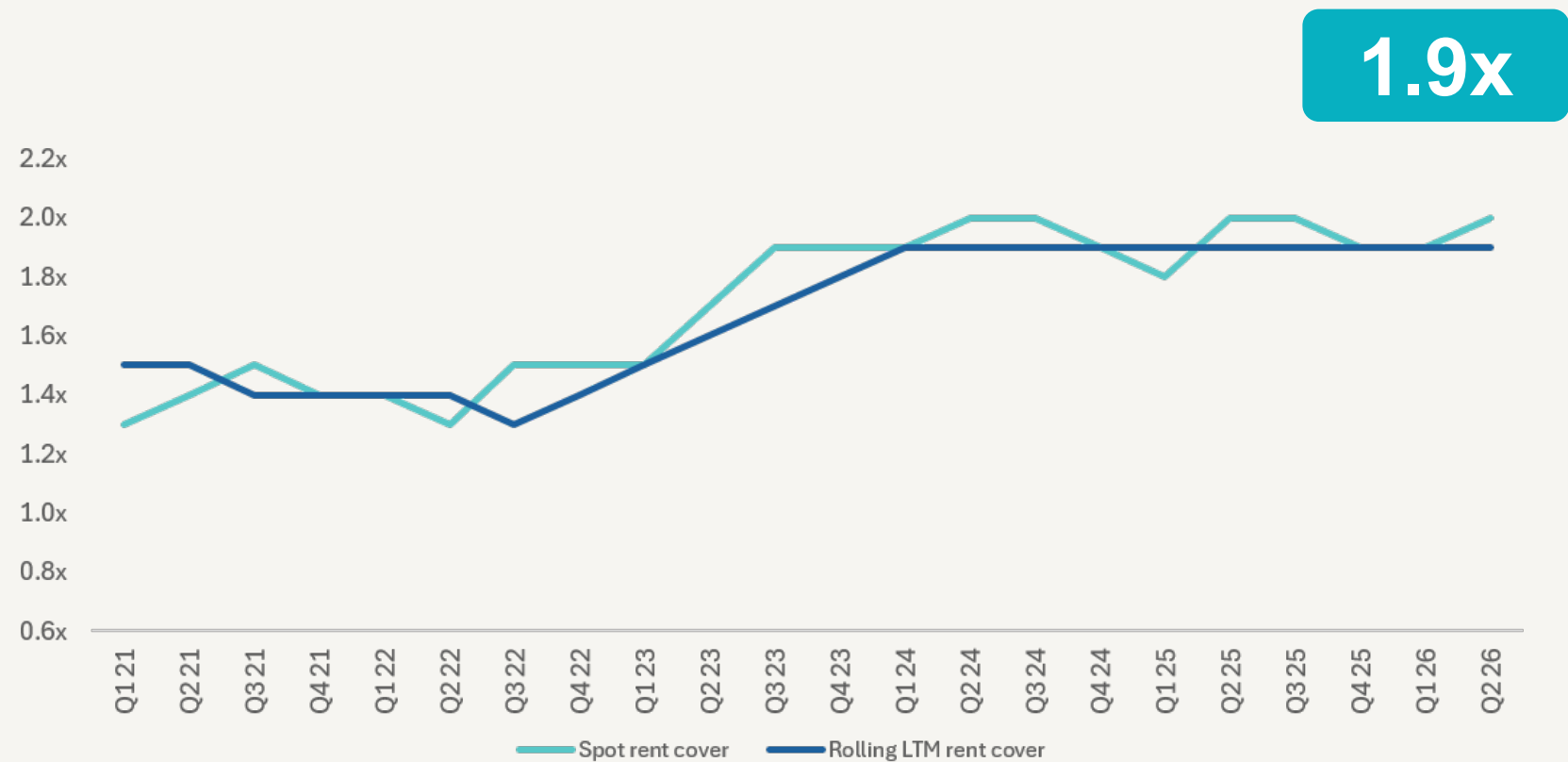
	2026	2025	2024	2023	2022	2021	2020
Rent cover (LTM)	1.9x	1.9x	1.9x	1.6x	1.4x	1.5x	1.6x
Average weekly fee increase (LTM)	+8%	+9%	+10%	+11%	+7%	+4%	+8%
Inflation Rate (RPI)	3%	4%	3%	11%	12%	4%	1%
Private pay proportion	78%	79%	74%	73%	67%	62%	66%
Staff costs as a % of total fees	56%	55%	53%	56%	58%	59%	57%
Agency costs as a % of staff costs	5%	6%	8%	15%	14%	6%	9%
Mature homes %	94%	93%	90%	90%	84%	79%	73%
En suite wet-rooms %	100%	100%	99%	98%	96%	96%	95%



Rent Cover – remains at an all-time high



Mature portfolio quarterly rent cover – spot and last 12 months rolling

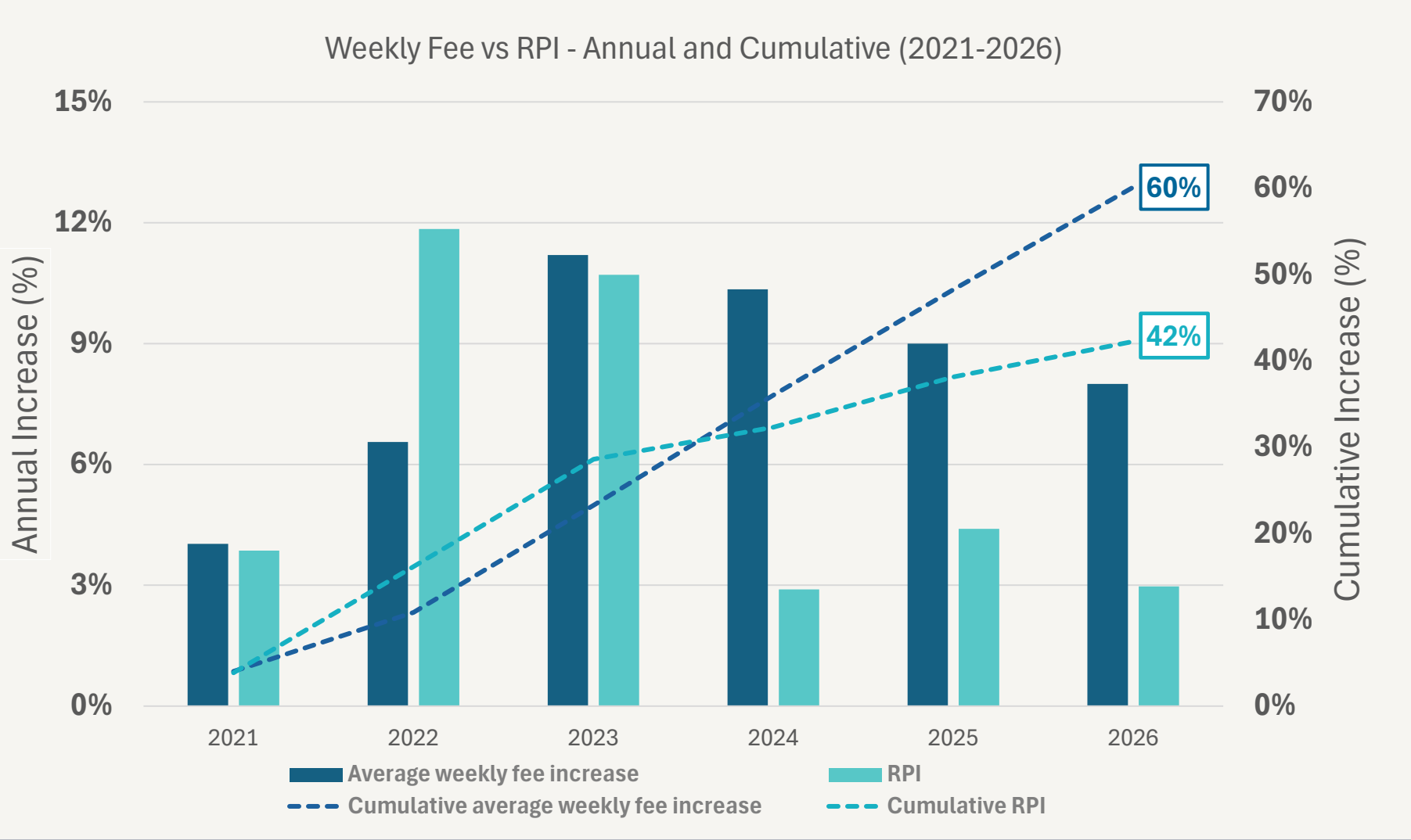


Portfolio insights

	2026	2025	2024	2023	2022	2021	2020
Rent cover (LTM)	1.9x	1.9x	1.9x	1.6x	1.4x	1.5x	1.6x
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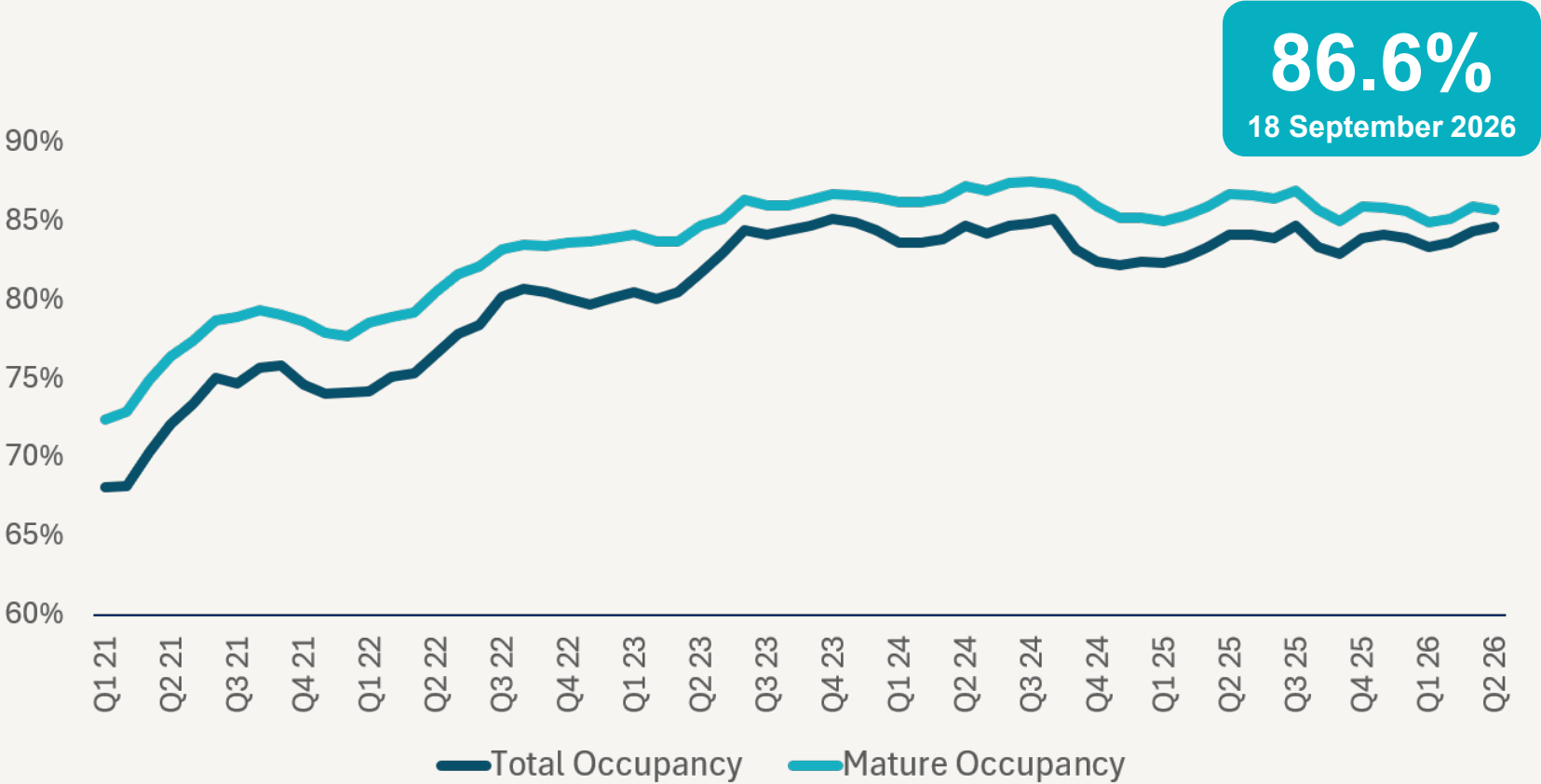
Average weekly fee increases and RPI



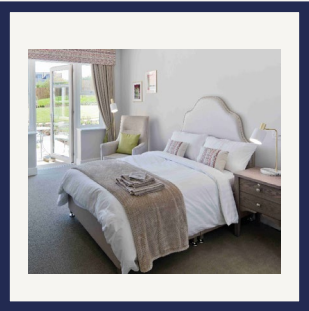
Resident occupancy



Mature* portfolio and total portfolio spot occupancy



Quality of the Group's portfolio: as at 30 June 2026



Space per resident



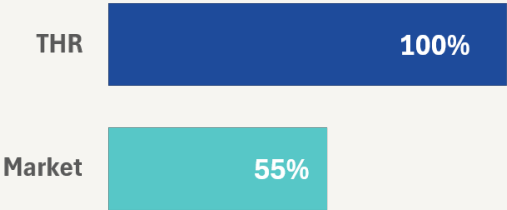
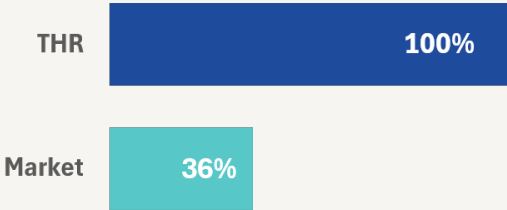
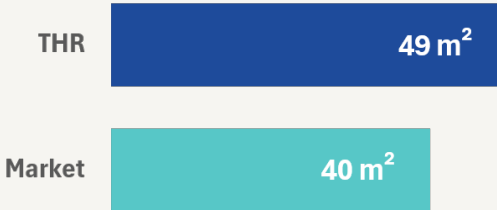
En suite wet-rooms



EPC ratings: B or better

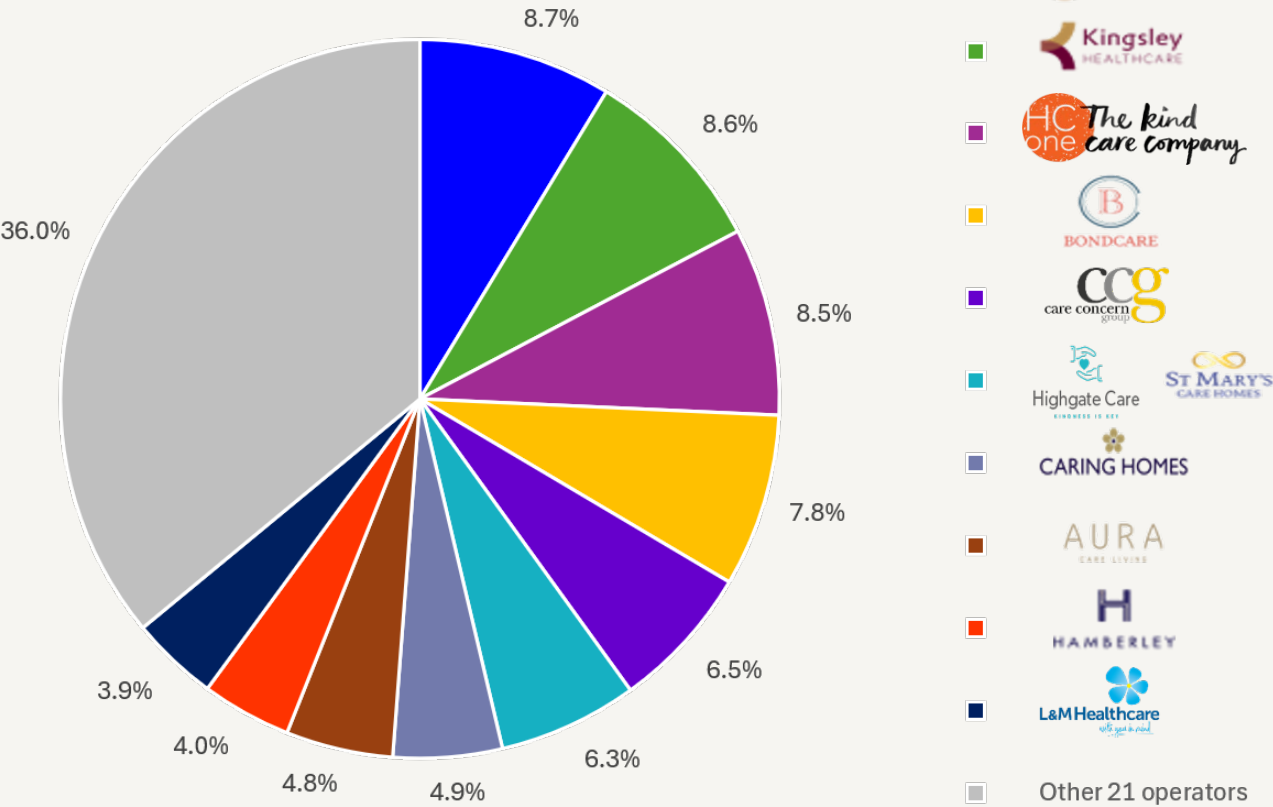


Carehome.co.uk average rating



Portfolio diversification

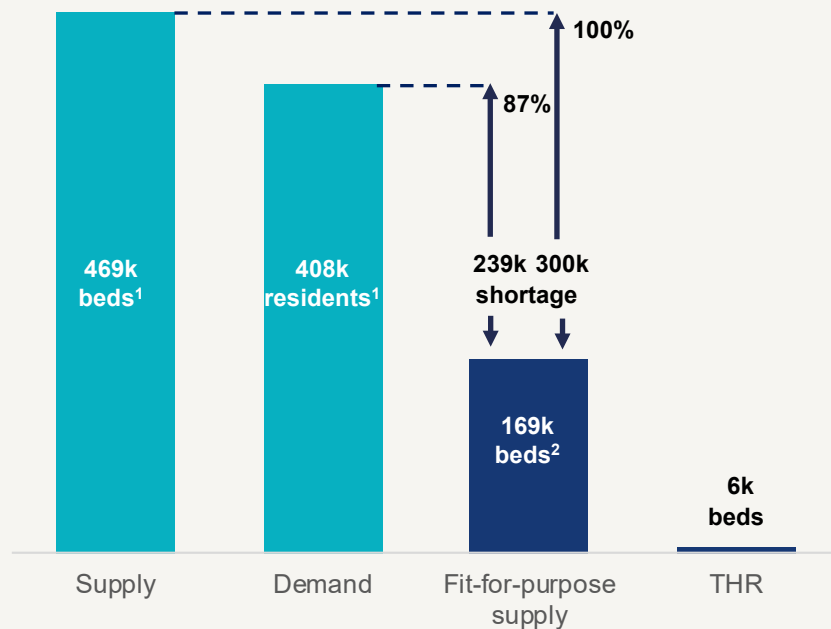
Portfolio diversification by rent at 30 June 2026
(Top 10 tenants)



Opportunity, ambition, pipeline and platform



The opportunity – supply shortage of fit-for-purpose beds



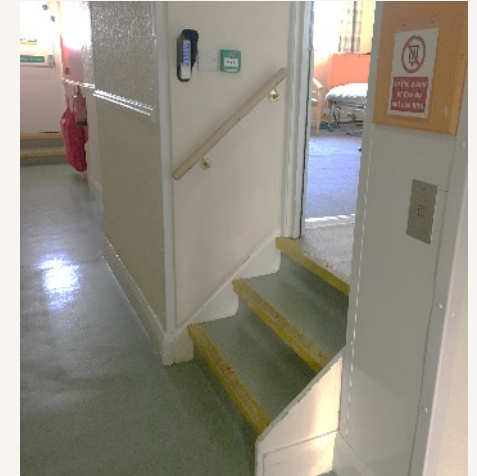
Fit-for-purpose means with an en suite wet-room

Many existing beds and homes affected by obsolescence and cannot be upgraded

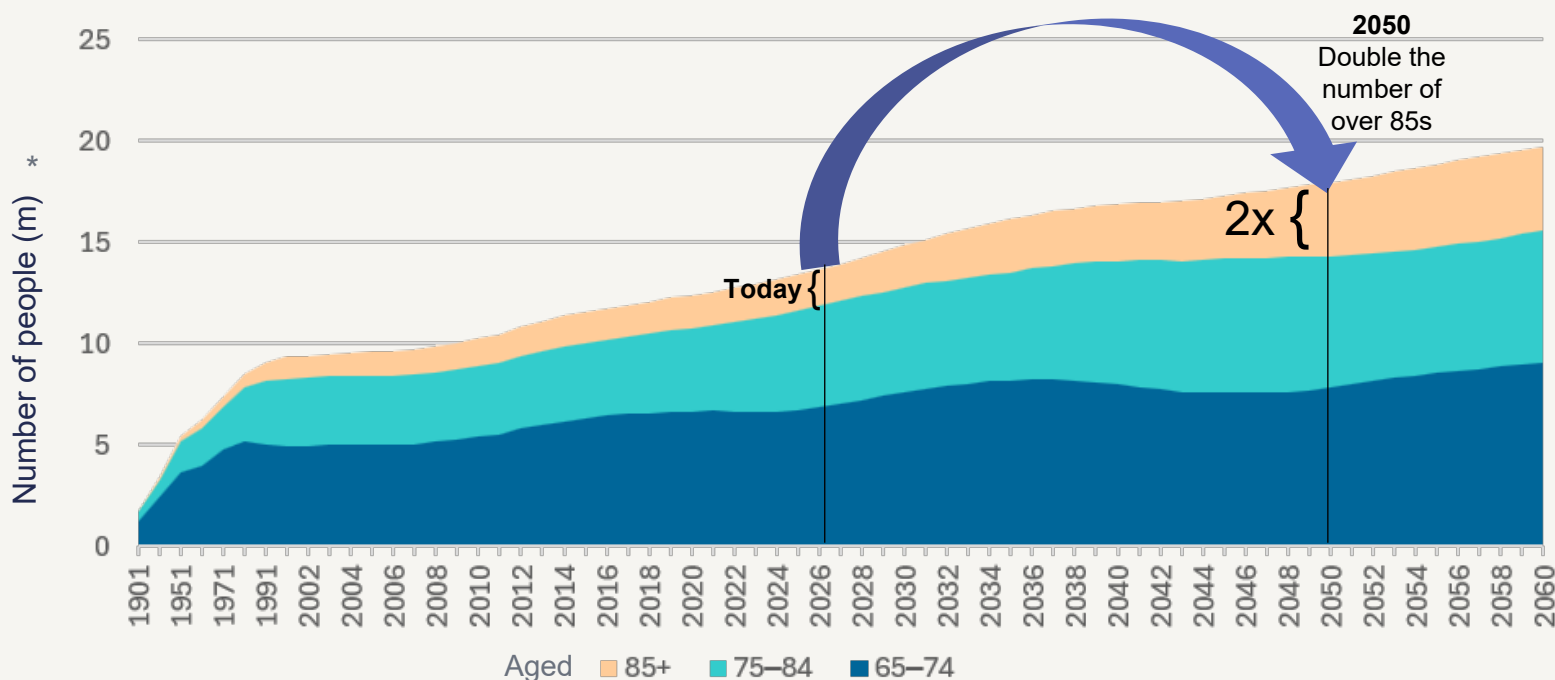
6,000 beds per annum lost for this reason

Only 36%² (169,000) of UK care home beds are fit-for-purpose

THR owns 3.5% of the market of these beds.
Scope for growth



The opportunity - underpinned by demographic tailwinds



Over 85s forecast to increase from 1.8m in 2025 to 3.6m by 2050¹

1 in 8 of over 85s require long-term residential care

Multiple needs necessitate residential rather than domiciliary care

The sector's supply and demand dynamics further reinforce our investment strategy

Our growth ambition

Specialist platform

- Sole UK-listed specialist in care homes
- Supported by a specialist Investment Manager
- Proven track record
- In-depth experience of operating homes, delivering annualised TAR of 7.8% since IPO

Strong and growing pipeline

- Sourced from sector networks and established relationships
- Strong relationships and track record with the best operators
- Standing assets, forward funds/commits, and developments

Capital sources

- £75m of committed capital
- A variety of other capital sources:
 - Debt
 - Equity
 - Capital recycling
- Will continue to consider earnings enhancing alternative financing and investing options

Strong and growing pipeline

... of **high quality** purpose-built care homes

Significantly in excess of available capital

At a blended NIY in excess of 6%

Across diverse UK geographies

Balanced mix of both existing and new operators

All with en suite wet-rooms

Standing assets

Forward funds and forward commits

Developments (enhanced yield of +100bps)



Target platform: depth of experience and specialist expertise

A multi-disciplinary team combining operator, clinical, property and finance experience

16+ years' track record

16 years of care home data collection

Sector specialists

Extensive networks

Directors
of Care
Operators

4

members

Regional / Care
Home
Managers

3

members

Nurses

2

members

Construction /
Surveyor

3

members

Chartered
Accountants

15

members

Corporate
Finance

3

members

Target platform: highly engaged Manager

c250 home visits

Rent collection back to 100%

Tenant satisfaction – 100% of respondents to the annual tenant survey would **recommend the Manager**

Active portfolio management: **4-bedroom extension** at one home, **PV panels** at 4 homes

Strong and growing **pipeline** of assets in excess of available capital



Closing observations



Well-positioned to grow

Strategic outlook

Unwavering commitment to the mission of investing in care and delivering returns

Desire to scale accretively

Ability to deploy capital

Delivering growing earnings and a progressive dividend – 3% increase FY26/27

Robust, defensive portfolio

Modern, fit-for-purpose care homes, with annual inflation-linked rent increases

Effective, proven asset management

Specialist, experienced team, leveraging successful strategies

Sector tailwinds

Growing needs-based demand

Market leading long-term returns

Since launch in 2013, highest total accounting return (TAR) of 12% in 2026, and 7.8% annualised TAR



Appendix - operational issues within the sector

Issue	Challenge	Actions
Sector	Social care reform and Casey Commission – brought forward to 2027 Continuing challenges at CQC	Manager monitors developments Responsible private operators and long-term investors have a key role to play in elderly care
Tenants	Operational issues can result in rent arrears	Active asset management Portfolio rent covers are robust
Staffing	Government policy and overseas staff Minimum wage increases Employment rights legislation	Fee inflation Focus on private pay Demand for quality
Legislative challenges	Upward only rent reviews	Existing leases unaffected Engaging with industry to inform Government

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