Primary Health Properties PLC

Interim results for the six months ended 30 June 2025

PHP positioned for secure income and valuation growth supporting its progressive dividend policy

Primary Health Properties PLC (“PHP”, the “Group” or the “Company”), a leading investor in modern primary health facilities, announces its interim results for the six months ended 30 June 2025 (the “period”).

Mark Davies, **Chief Executive Officer (“CEO”) of PHP, commented:**

“At a pivotal time for our sector, PHP has delivered a strong operational and financial performance driven by rental growth across our portfolio, a value-accretive acquisition in Ireland, valuation gains and another period of dividend growth. The improving rental growth outlook and a stabilisation of our property yields at 5.25% signal that we’ve moved through a key inflexion point in the property cycle with a very encouraging outlook ahead.

“The 10-year Health Plan which was published on 3 July 2025 is clearly positive for PHP. We welcome the Government’s commitment to strengthening the NHS, particularly its emphasis on shifting more services to modern primary care facilities embedded in local communities. This plays directly to our strengths and our long-standing partnerships across the NHS give us a strong foundation to support this transition and deliver value to our shareholders.

“We continue to believe in the compelling strategic and financial rationale for the recommended combination with Assura plc. The transaction is expected to be earnings accretive for both sets of shareholders and we were pleased to have secured strong support for the transaction from PHP shareholders at our general meeting on 1 July 2025 with over 99% of voting shareholders approving the proposed combination. This is a clear endorsement of the Company’s ability to deliver a financially beneficial transaction that is strategically valuable, supported by an expected strong investment grade credit rating that will deliver future value to shareholders and underpin the Group's progressive dividend policy.

“Since the announcement of the Assura plc recommendation, we’ve continued discussions with third party investors on forming a joint venture, which is expected to include the private hospital portfolio, as part of our deleveraging strategy. Conversations are ongoing with a range of highly- credible investors and we remain confident in our ability to conclude a transaction in a timely manner post completion.

“From day one the combined group will offer a powerful platform with greater scale, enhanced income and valuation growth potential and a lower cost of capital, all underpinned by a clear and important social purpose. The proposed combination also positions us strongly to invest in the future of healthcare infrastructure and we will have the financial capacity and Government support to help deliver it.”

CAPITAL MARKETS UPDATE AND WEBCAST:

An in-person Capital Markets Update presentation will be held today, 24 July 2025 at 2.30pm BST (3.30pm SAST) at the offices of Deutsche Numis, 45 Gresham Street, London, EC2V 7BF and for those who cannot attend in person, the meeting will be accessible via live video webcast and conference call facility. Following the presentation there will be a managed questions and answers session. If you would like to register your interest in attending the meeting in person or virtually, please contact Burson Buchanan via php@buchanan.uk.com.

The event will provide valuable insight into the future of healthcare real estate, highlighting the radical shift from hospital to community care and how PHP is strategically well placed to benefit from this positive outlook. PHP management will also present an operational and financial update including the recommended combination with Assura although no new information will be provided in respect of the transaction.

A fireside chat will also be held with the former Health Secretary and Chancellor, Sir Jeremy Hunt, a long-term advocate for increased investment in primary care, and Dame Clare Gerada followed by an opportunity for a live Q&A.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

Income statement and financial metrics	**Six months to 30 June 2025**	Six months to 30 June 2024	Change
Net rental income[1]	**£78.6m**	£76.2m	**+3.1%**
Adjusted earnings[1,2]	**£47.3m**	£46.3m	**+2.2%**
Adjusted earnings per share[1,2]	**3.54p**	3.46p	**+2.3%**
IFRS profit for the period	**£59.4m**	£3.6m	
IFRS earnings per share[2]	**4.4p**	0.3p	
Dividends			
Dividend per share[5]	**3.55p**	3.45p	**+2.9%**
Dividends paid[5]	**£47.4m**	£46.1m	**+2.8%**
Dividend cover[1]	**100%**	100%	
Balance sheet and operational metrics	**30 June 2025**	31 December 2024	Change
Adjusted NTA per share[1,3]	**106.2p**	105.0p	**+1.1%**
IFRS NTA per share[1,3]	**104.0p**	103.0p	**+1.0%**
EPRA NDV per share[1,3]	**113.9p**	114.1p	**-0.2%**
Property portfolio			
Investment portfolio valuation[4]	**£2.81bn**	£2.75bn	**+0.7%**
Net initial yield ("NIY")[1]	**5.25%**	5.22%	**+3bps**
Contracted rent roll (annualised)[1,6]	**£157.7m**	£153.9m	**+2.5%**
Weighted average unexpired lease term ("WAULT")[1]	**9.1 years**	9.4 years	
Occupancy	**99.1%**	99.1%	
Rent-roll funded by government bodies[1]	**88%**	89%	
Debt			
Average cost of debt	**3.4%**	3.4%	
Loan to value ratio ("LTV")[1]	**48.6%**	48.1%	

[1] Items marked with this footnote are alternative performance measures. Refer to the Glossary of Terms for a description of these measures and a reconciliation to the nearest statutory metric where appropriate.

[2] See note 7, earnings per share, to the financial statements.

[3] See note 7, net asset value per share, to the financial statements. Adjusted net tangible assets, EPRA net tangible assets ("NTA"), EPRA net disposal value ("NDV") and EPRA net reinstatement value ("NRV") are considered to be alternative performance measures. The Group has

determined that adjusted net tangible assets is the most relevant measure.

[4] Percentage valuation movement during the period based on the difference between opening and closing valuations of properties after allowing for acquisition costs and capital expenditure.

[5] See note 8, dividends, to the financial statements.

[6] Percentage contracted rent roll increase during the period is based on the annualised uplift achieved from all completed rent reviews and asset management projects.

EARNINGS AND DIVIDEND GROWTH

- Adjusted earnings per share up 2.3% at 3.54 pence (H1 2024: 3.46 pence)
- IFRS earnings per share increased to 4.4 pence (H1 2024: 0.3 pence) reflecting non-cashflow gains and losses arising on the valuation of the Group's property portfolio, convertible bond and interest rate derivatives
- Contracted annualised rent roll increased by 2.5% to £157.7 million (31 December 2024: £153.9 million)
- Additional annualised rental income on a like-for-like basis of £2.2 million or 1.4% from rent reviews and asset management projects (H1 2024: £1.8 million or 1.2%; FY 2024: £4.0 million or 2.7%) continuing the trend experienced in recent years.
- EPRA cost ratio 9.8% (FY 2024: 10.1%) excluding Axis overheads and direct vacancy costs, representing one of the lowest in the UK REIT sector,
- First three quarterly dividends totalling 5.325 pence per share distributed or declared in the year-to-date, equivalent to 7.1 pence per share on an annualised basis, a 2.9% increase over 2024 (6.9 pence per share) and marking the Company's 29th consecutive year of dividend growth
- The Company intends to maintain its strategy of paying a progressive, covered dividend

NET ASSET VALUE AND PORTFOLIO MANAGEMENT

- Adjusted Net Tangible Assets ("NTA") per share increased by 1.1% to 106.2 pence (31 December 2024: 105.0 pence)
- IFRS NTA increased by 1.0% to 104.0 pence (31 December 2024: 103.0 pence)
- Property portfolio valued at £2.81 billion (31 December 2024: £2.75 billion) reflecting a net initial yield ("NIY") of 5.25% (31 December 2024: 5.22%)
- Revaluation surplus in the period of £19.8 million (H1 2024: deficit £40.0 million), or an increase of +0.7% (H1 2024: -1.4%), comprising £28.8 million arising from rental growth and asset management projects offset by a £9.0 million decline arising from NIY widening of 3bps
- The portfolio's metrics continue to reflect the Group's secure, long-term and predictable income stream with occupancy at 99.1% (31 December 2024: 99.1%), 88% (31 December 2024: 89%) of income funded by government bodies and a WAULT of 9.1 years (31 December 2024: 9.4 years)
- Pipeline of 43 asset management projects and lease regears planned over next two to three years, highlighting the improving rental growth outlook with the current weighted average rent of £195psm due to increase by around 15% to £223psm post completion providing important evidence for future rent review settlements across the wider portfolio
- Acquisition of Laya Healthcare facility, Cork, Ireland for €22.0 million / £18.2 million delivering an accretive earnings yield of 7.1%
- Portfolio in Ireland now comprises 22 assets, valued at £293 million or €341 million (31 December 2024: £255 million / €309 million). The portfolio in Ireland represents 10% (31 December 2024: 9%) of

the total portfolio and Ireland continues to represent a core part of the Group's strategy and preferred area of future growth

FINANCIAL MANAGEMENT

- Significant liquidity headroom with cash and collateralised undrawn loan facilities totaling £107.3 million (31 December 2024: £270.9 million) after capital commitments and repayment of the £150m convertible bond post period end on 15 July 2025
- 100% (31 December 2024: 100%) of net debt fixed or hedged for a weighted average period of six years
- LTV ratio 48.6% (31 December 2024: 48.1%) within the Group's targeted range of between 40% to 50%
- Weighted average debt maturity 5.1 years (31 December 2024: 5.7 years)

RELATIVE TOTAL RETURNS

	Six months ended 30 June 2025	Six months ended 30 June 2024	Year ended 31 December 2024
Adjusted NTA return	**4.5%**	0.4%	3.6%
Income return	**2.9%**	2.8%	5.5%
Capital return	**0.7%**	(1.4%)	(1.3%)
Total property return[1]	**3.6%**	1.4%	4.2%

[1] The definition for total property return is set out in the Glossary of Terms.

For further information contact:

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EXECUTIVE REVIEW

PHP has continued to deliver on its 29-year track record of continuous dividend growth underpinned by another period of robust operational and financial performance in the first half of 2025. The performance in the period is a testament to the quality of PHP's business model, portfolio, management team and people against the backdrop of an uncertain interest rate and economic environment which continues to weigh heavily on the real estate sector.

The Group's operational resilience throughout the period reflects the security and longevity of our income which are important drivers of our predictable income stream and underpin our progressive dividend policy. We have maintained our strong operational property metrics, with high occupancy at 99.1% (31 December 2024: 99.1%), 88% (31 December 2024: 89%) of our rent being securely funded directly or indirectly by the UK and Irish Governments and a long weighted average unexpired lease term ("WAULT") of 9.1 years (31 December 2024: 9.4 years).

The improving rental growth outlook and stabilisation of yields in the period have underpinned valuation growth across the portfolio now valued at £2.81 billion (31 December 2024: £2.75 billion) across 517 assets (31 December 2024: 516 assets), including 22 assets in Ireland, with a rent roll of £157.7 million (31 December 2024: £153.9 million). The increase in values created a surplus of £19.8 million after acquisition and asset management capital expenditure and resulted in an increase in the portfolio's average lot size to £5.4 million (31 December 2024: £5.3 million).

We continue to drive rental growth from both rent reviews and asset management activities which is a critical factor in the Group's business model and underpins both the earnings and dividend outlook. Importantly, we have continued to see open market value ("OMV") growth improving with reviews completed in the six months ended 30 June 2025 generating an extra £0.8 million (H1 2024: £0.6 million) an uplift of 7.6% (2024: 6.5%) over the previous passing rent equivalent to 2.3% (2024: 2.1%) on an annualised basis. This continues the positive trend in growth seen over the last couple of years.

We welcome the Government's 10-year Health Plan and its commitment to strengthening the NHS which is clearly positive for PHP, with further information on this provided below. Many of our primary care facilities and occupiers will need to deal with future reforms along with addressing the large backlog of procedures that has built up over recent years. We continue to maintain close relationships with our key stakeholders and GP partners to ensure we are best placed to help the NHS and Health Service Executive ("HSE"), Ireland's national health service provider, evolve and deal with the ever-increasing pressures being placed on them.

Recommended combination with Assura

On 16 May 2025, PHP announced a firm intention to make a share and cash offer for the entire issued share capital of Assura pursuant to Rule 2.7 of the Takeover Code and on 13 June 2025 posted an offer document to Assura shareholders along with a combined circular and prospectus to PHP shareholders.

Subsequent to the above, on 23 June 2025, the Boards of both PHP and Assura announced the terms of a recommended combination which will be implemented by way of an increased shares and cash offer. Under the increased terms of PHP's offer, Assura shareholders will receive for each share held 0.3865 new PHP shares and 12.5 pence in cash. Assura shareholders will be entitled to receive a special dividend of 0.84 pence per Assura share in addition to the dividends of 0.84p already declared and paid in April 2025 and July 2025. The offer is not conditional on any antitrust, competition or merger control approvals.

On 1 July 2025, PHP's general meeting was held to approve the transaction with 99.3% of shareholders who voted approving the proposed combination which is a strong endorsement of the transaction.

The transaction will create a UK REIT of significant scale and liquidity with a combined portfolio of approximately £6 billion of long leased, sustainable infrastructure assets principally let to government tenants and leading UK healthcare providers benefiting from increased income security, longevity, diversity of assets, geography and mix of rent review types.

The transaction will be funded through both the issue of new share equity and by way of a new £1.125 billion unsecured loan provided by Citibank, N.A., London Branch, Lloyds Bank plc and The Royal Bank of Scotland Plc. The facility will be used to finance the cash consideration payable by PHP to Assura shareholders, provide headroom to refinance debt facilities maturing in the next 18 to 24 months and provide additional undrawn working capital headroom for the combined Group.

To support the combined Group's progressive dividend policy, paid on a quarterly basis, we have set out an attractive strategy and financial framework which will focus on:

- 80% to 90% government backed income target with new or regeared leases typically in excess of 20 years
- Focus on organic rental growth greater than 3% to deliver sector leading, risk adjusted total property returns
- Risk controlled and capital light asset management and development projects
- Targeting a strong investment grade credit rating of BBB+ or better
- LTV target of 40% to 50%
- Interest cover target of greater than 2.5x net rental income with more than 90% of debt fixed or hedged
- Strong control on costs and overheads with one of the lowest EPRA cost ratios in the sector

Notwithstanding the expected future growth from earnings and valuation accretion a return to PHP and Assura's long term trading valuations could potentially deliver significant upside for shareholders.

PHP encourages all Assura shareholders to accept the offer and to make a mix and match election. Assura shareholders who have not yet accepted the offer should note that the mix and match facility will remain open until the date on which the offer becomes or is declared unconditional after which time it may be closed by PHP without further notice. PHP intends to close the mix and match Facility after the offer becomes unconditional (in order to allow allocations to be calculated). Assura shareholders who have not yet accepted the offer and wish to make elections under the mix and match facility are therefore recommended to accept the offer and make their elections under the mix and match facility as soon as possible.

Further information in respect of the offer are contained at the end of this announcement in the section headed "Important Information in relation to PHP's offer for Assura plc" and on the Group's website: https://www.phpgroup.co.uk/investors/offer-for-assura-plc.

Overview of results

PHP's Adjusted earnings increased by £1.0 million or 2.2% to £47.3 million (H1 2024: £46.3 million) in the six months to 30 June 2025, driven by organic rental growth from rent reviews and asset management projects, plus the acquisition of Laya Healthcare facility in February 2025, partially offset by higher interest costs on the Group's increased debt arising from acquisition and asset management activities. Using the weighted average number of shares in issue in the period the Adjusted earnings per share increased by 2.3% at 3.54 pence (H1 2024: 3.46 pence).

A revaluation surplus of £19.8 million (H1 2024: deficit £40.0 million) was generated in the period from the portfolio, equivalent to +1.5 pence per share. The valuation surplus was driven by rental growth and asset management projects equivalent to £28.8 million partially offset by net initial yield ("NIY") widening of 3 bps in the period, equivalent to a valuation reduction of around £9 million.

A combined loss of £5.2 million (H1 2024: loss of £1.8 million) from the fair value movements of interest rate derivatives and convertible bonds, the amortisation of the fair value adjustment on the MedicX fixed rate debt at acquisition and the amortisation of the intangible asset arising on the acquisition of Axis PHP in 2023 resulted in a profit before tax as reported under IFRS of £61.9 million (H1 2024: £4.5 million).

The Group's balance sheet remains robust with significant liquidity headroom with cash and collateralised undrawn loan facilities, after capital commitments and post period end repayment of the £150 million convertible bond, totalling £107.3 million (31 December 2024: £270.9 million). The loan to value ratio of 48.6% (31 December 2024: 48.1%) is in line with the targeted range of between 40% and 50% with significant valuation headroom across the various loan facilities with values needing to fall by around £1.0 billion or 35% before the loan to value covenants are impacted.

Dividends

The Company distributed a total of 3.55 pence per share in the six months ended 30 June 2025, equivalent to 7.1 pence on an annualised basis, which represents an increase of 2.9% over the dividend per share distributed in 2024 of 6.9 pence. 2025 will mark the 29th year of consecutive dividend growth for PHP.

A third quarterly interim dividend of 1.775 pence per share was declared on 16 June 2025. The dividend will be paid on 15 August 2025 to shareholders who were on the register at the close of business on 3 July 2025. The Company intends to maintain its strategy of paying a progressive dividend, which is paid in equal quarterly instalments, and covered by underlying earnings in each financial year. A further interim dividend payment is planned to be made in November 2025, which is expected to comprise a mixture of both Property Income Distribution and normal dividend.

The total value of dividends distributed in the period increased by 2.8% to £47.4 million (30 June 2024: £46.1 million), which were covered by Adjusted earnings. As previously reported, we suspended the scrip dividend scheme in light of the ongoing weakness in the share price and a dividend re-investment plan is being offered in its place.

Johannesburg Stock Exchange ("JSE") secondary listing

In the period, the Company has continued build on the growing interest in the Company and its profile in the South African market where investors have shown strong interest in the unique healthcare property investment opportunity. Since listing in October 2023, the secondary listing has helped contribute to liquidity in the Group's shares and as at 30 June 2025 approximately 45 million shares or 3.4% (31 December 2024: 14 million or 1.0%) of the register is now listed on the JSE. We continue to help potential South African investors acquire PHP shares and provide further liquidity on the JSE with the objective of increasing the number of shares listed there to between 5% to 10% of the Group's total issued share capital.

Environmental, Social and Governance (“ESG”)

PHP has a strong commitment to responsible business. ESG matters are at the forefront of the Board’s and our various stakeholders’ considerations and the Group has committed to transitioning to net zero carbon (“NZC”). PHP published, at the start of 2022, a NZC Framework setting out the five key steps we are taking to achieve an ambitious target of being NZC by 2030 for all of PHP’s operational, development and asset management activities.

We continue to make good progress on the delivery of our NZC framework commitments and achieved our first milestone of net zero operations for the last three years, one year ahead of target. Additionally, the Group’s completed the NZC fit-out development at South Kilburn, London in Q2 2025 and is due to complete imminently the NZC development at Croft, West Sussex.

We continue to modernise existing buildings and improve the environmental credentials of our portfolio through the asset management programme and have completed a further two projects in the period, all of which saw an improvement in the EPC ratings to a B. As at 30 June 2025, 52% of assets have an EPC rating of A or B (31 December 2024: 47%) and 90% at A to C (31 December 2024: 88%).

As part of establishing the wider carbon impact of the buildings and improving our access to energy performance data we have partnered with arbnco, the award-winning Protech company addressing climate change, to increase and move towards 100% energy data coverage across the portfolio, allowing us to proactively engage with and support tenants on improving their energy performance.

As a leading provider of modern primary care premises, we aim to create a lasting positive social impact, particularly on the health outcomes and wellbeing in the communities where we are invested. We believe that our activities benefit not only our shareholders but also our wider stakeholders, including occupiers, patients, the NHS and HSE, suppliers, lenders, and the wider communities in both the UK and Ireland.

Further details on our progress, objectives for the future and approach to responsible business can be found in the 2024 Annual Report and on our website.

The NHS ‘fit for the future’ 10-year health plan for England

The UK Government’s 10-year plan for the NHS in England was launched on 3 July 2025, to create a new model of care fit for the future, setting out three radical shifts - from hospital to community, analogue to digital, and sickness to prevention.

- The move from hospital to community will be delivered through a ‘neighbourhood health service’ that will join up multiple services through local teams to make them patient focused, accessible and, in time, to offer predictive and preventative care, anticipating need rather than reacting to it.
- The move to digital will be through the NHS app to improve patient access to services and control their data in a single patient record.
- The move from sickness to prevention will include an ambition to end obesity, incentivisation of healthier choices, better support for people to find and stay in work, an expansion of mental health support and increased use of genomics to enable intervention for people at high risk of developing disease.

There is a clear theme of reducing the reliance on hospitals and an accompanying commitment to shift expenditure away from expensive hospital care. Consequently, the plan should be a catalyst for unlocking significant future opportunities in primary care and community diagnostics.

In support of the shift from hospital to community, the plan outlines the development of neighbourhood health centres ("NHC") in every community acting as a 'one stop shop' for patient care and the place from which multidisciplinary teams operate. The objective of NHC's is to create an offer that meets population needs holistically by co-locating NHS, local authority and voluntary sector services, bringing historically hospital based activities such as diagnostics, post-operative care and rehabilitation into the community but also offer a variety of services such as smoking cessation, weight management, employment support and debt advice providing convenient access to services, particularly for those with complex needs, but will also support more integrated working by healthcare and allied professionals. Importantly, much of the existing UK primary care infrastructure is incapable of facilitating these broad, multi-disciplinary services in the community.

The creation of NHCs will therefore mandate the improved utilisation of existing assets and the delivery of new premises. The plan recognises that private capital, including third party development, will be essential to the delivery of the new estate and proposals for a new plan to support the establishment of an NHC in every community is expected with the Autumn 2025 Budget.

PHP is strategically well placed to assist and support the Government and NHS with the NHC programme by enhancing its existing estate through both the Group's pro-active asset management and development activities.

Primary health and investment market update

Primary care asset values have continued to perform well relative to mainstream commercial property due to recognition of the security of their government backed income, crucial role in providing sustainable healthcare infrastructure and more importantly a stronger rental growth outlook enabling attractive reversion over the course of long leases. In particular, the recent KKR / Stonepeak approach for Assura has demonstrated the continued desirability of the primary care sector.

Yields adopted by the Group's valuers have shown moderation moving out by only 3bps to 5.25% as at 30 June 2025 (31 December 2024: 5.22%) to reflect perceived market sentiment for the sector. We believe the sector has reached an inflexion point with future rental growth offsetting the impact of any further yield expansion.

PHP Outlook

PHP continues to believe the compelling strategic and financial rationale for the recommended combination with Assura plc ("Assura"). We are also pleased to have secured strong support for the transaction from PHP shareholders at our general meeting with over 99% of voting shareholders approving the proposed combination which is a strong endorsement of the Company's ability to deliver an earnings accretive transaction.

At an important time for our sector, a combined group creates a strong platform that offers scale, income and valuation growth with both resilience and an important social purpose. UK PLC ownership of primary care facilities also provides appropriate stewardship of these social infrastructure assets.

PHP welcomes the Governments 'fit for the future' 10-year Health Plan for the NHS in England with its emphasis on shifting services to modern primary care facilities in a community setting. Our track record in primary care and relationships with NHS stakeholders place PHP at the centre of the solution to deliver on the Government's plan. This backdrop, together with the improving rental growth outlook, and the potential for valuations to be at an inflexion point in the current economic cycle represents a very encouraging outlook for the combined group over the long term.

PHP has delivered another period of strong operational and financial performance with a focus on driving rental growth from our existing assets and are encouraged by the firmer tone of rental growth experienced over the last couple of years. We believe the dynamics of inflation in recent years, including significantly increased build costs combined with demand for new primary care facilities and the need to modernise the estate will continue to drive future rental settlements.

These factors, along with the encouraging Government commitments to a neighbourhood health service and the resulting increased investment in primary and community care, enable us to look forward to the rest of 2025 and beyond with confidence.

Harry Hyman
Chair
23 July 2025

Mark Davies
Chief Executive Officer

BUSINESS REVIEW

Rental growth

PHP's sector-leading metrics remain robust and we continue to focus on delivering the organic rental growth that can be derived from our existing assets. This growth arises mainly from rent reviews and asset management projects (extensions, refurbishments and lease re-gears) which provide an important opportunity to increase income, extend lease terms and avoid obsolescence whilst ensuring that our properties continue to meet their communities' healthcare needs, improve their ESG credentials and ensure they also play a crucial role in helping the Government fulfil its 10-year Health Plan.

In the first half of 2025 we have continued to see strong organic rental growth from our existing portfolio with income increasing by £2.2 million or 1.4% (six months ended 30 June 2024: £1.8 million or 1.2%; years ended 31 December 2024 and 2023: £4.0 million or 2.7% and £4.3 million or 3.0% respectively) on a like-for-like basis. The progress continues the improving rental growth outlook seen over the last couple of years.

Rent review performance

In the six months to 30 June 2025, the Company generated an additional £2.1 million (H1 2024: £1.6 million; H2 2024: £1.6 million) of extra rental income from its rent review activities, both in the UK and in Ireland.

Importantly, the Company continues to see an improving open market rent review performance with an additional £0.8 million (H1 2024: £0.6 million; H2 2024: £0.8 million) an increase of 7.6% over the previous passing rent completed across 86 reviews. This includes 37 open market value rent reviews arising in 2022, 2023 and 2024 which delivered an increase of 12.3% over the previous passing rent or 3.6% on an annualised basis.

The growth from rent reviews completed in the period is summarised below:

Review type	Number	Previous rent (per annum) £ million	Rent increase (per annum) £ million	% increase total %	% increase annualised %
UK – open market[1]	86	10.8	0.8	7.6%	2.3%
UK – indexed	63	7.6	0.7	8.5%	4.0%
UK – fixed	13	3.6	0.2	6.1%	2.6%
UK – total	162	22.0	1.7	7.7%	3.0%
Ireland – indexed	14	2.7	0.4	16.0%	3.4%
Total – all reviews	**176**	**24.7**	**2.1**	**8.6%**	**3.0%**

[1] – includes 20 (H1 2024: 24) reviews where no uplift was achieved.

At 30 June 2025 589 (31 December 2024: 600) open market rent reviews representing £88.1 million (31 December 2024: £88.8 million) of passing rent were outstanding out of which 290 (31 December 2024: 326) have been triggered to date and are expected to add another £2.7 million (31 December 2024: £2.7 million) to the contracted rent roll when concluded and represent an uplift of 6.1% (31 December 2024: 5.5%) against the previous passing rent. The balance of the outstanding reviews will be actioned when there is further comparative evidence to support the estimated rental values.

The large number of outstanding reviews reflects the requirement for all awards to be agreed with the District Valuer. A great deal of evidence to support open market reviews comes from the completion of historical rent reviews and the rents set on delivery of new properties and asset management projects into the sector. NHS initiatives to modernise the primary care estate will result in previously agreed rental values having to be renegotiated to make a number of these projects viable in the current economic environment.

Asset Management

The Group continues to progress an advanced pipeline of 43 projects (31 December 2024: 37 projects) which highlight the improving rental growth outlook with the current weighted average rent of £195psm due to increase by around 15% to £223psm post completion. These projects provide important evidence for future rent review settlements across the wider portfolio.

In the UK, we exchanged on two (H1 2024: three) new asset management projects, three (H1 2024: seven) lease re-gears and two (H1 2024: three) new lettings during the period. These initiatives will increase rental income by £0.12 million, investing £2.2 million and extending the leases back to 18 years.

The Company will continue to invest capital in a range of physical extensions or refurbishments through asset management projects which help avoid obsolescence, including improving energy efficiency, and which are key to maintaining the longevity and security of our income through long term occupier retention, increased rental income and extended occupational lease terms, adding to both earnings and capital values.

Valuation and returns

In the period, we have continued to see values stabilise (see table below) with yield expansion continuing to moderate and the impact of rental growth outweighing yield shift. This continues the trend experienced in the second half of 2024 and we expect this to continue in the future.

As at 30 June 2025, the Group's portfolio comprised 517 assets (31 December 2024: 516) independently valued at £2.81 billion (31 December 2024: £2.75 billion). After allowing for acquisition costs and capital expenditure on developments and asset management projects, the portfolio generated a valuation surplus of £19.8 million or +0.7%, equivalent to 1.5 pence per share.

During the period, the Group's portfolio NIY has expanded by 3 bps to 5.25% (31 December 2024: 5.22%) and the reversionary yield remains unchanged at 5.6% (31 December 2024: 5.6%).

The movement in the portfolio's valuation over the last three six monthly periods is summarised below and follows on from several years of valuation declines as a result of the higher interest rate environment.

£ million	**H1 2025**	H2 2024	H1 2024
NIY expansion	**(£9.0) / +3bps**	(£28.6) / +4 bps	(£73.0) / +13 bps
Rental growth	**£28.8**	£30.2	£33.0
Total surplus / (deficit)	**£19.8**	£1.6	(£40.0)

We continue to see evidence of an improving market for healthcare real estate both in the UK and Ireland which are increasingly viewed as attractive social infrastructure assets with a growing rental income stream considered secure, long and predictable. There are new pools of capital looking at the asset class including global infrastructure funds, pension funds and life assurance companies most of whom manage large pools of capital at a lower cost. This improved liquidity is likely to enhance asset valuations in the future.

The total property returns generated by the portfolio in the period are set out below:

	H1 2025	H1 2024	FY 2024
Income return	**2.9%**	2.8%	5.5%
Capital return	**0.7%**	(1.4%)	(1.3%)
Total return	**3.6%**	1.4%	4.2%

The portfolio's average lot size increased slightly in the period at £5.4 million (31 December 2024: £5.3 million), reflecting the increase in values in the period, however 88% (31 December 2024: 88%) of the portfolio continues to be valued at over £3.0 million. The Group only has five assets valued at less than £1.0 million.

	Number of properties	Valuation £ million	%	Average lot size £ million
> £10m	58	911	32	15.7
£5m – £10m	130	884	32	6.8
£3m – £5m	169	669	24	4.0
£1m – £3m	155	340	12	2.2
< £1m (including land £1.3m)	5	4	-	0.8
Total[1]	**517**	**2,808**	**100**	**5.4**

[1] Excludes the £3.4 million impact of IFRS 16 *Leases* with ground rents recognised as finance leases.

Robust portfolio metrics

The portfolio's annualised contracted rent roll at 30 June 2025 was £157.7 million (31 December 2024: £153.9 million), an increase of £3.8 million or +2.5% in the period driven by organic growth from rent reviews and asset management projects of £2.2 million (six months ended 30 June 2024 £1.8 million). The acquisition of the Laya Healthcare facility, Cork, Ireland added a further £1.3 million with a further small gain of £0.3m arising from foreign exchange movements on our portfolio in Ireland.

The security and longevity of our income are important drivers of our secure, long term predictable income stream and enable our progressive dividend policy.

Security: PHP continues to benefit from secure, long term cash flows with 88% (31 December 2024: 89%) of its rent roll funded directly or indirectly by the NHS in the UK or HSE in Ireland. The portfolio also benefits from an occupancy rate of 99.1% (31 December 2024: 99.1%).

Longevity: The portfolio's WAULT at 30 June 2025 was 9.1 years (31 December 2023: 9.4 years). £26.6 million or 16.9% of our income is currently holding over expires over the next three years of which c. 70% have agreed terms or are in advanced discussions to renew their lease. £59.7 million or 37.9% expires in over 10 years. The table below sets out the current lease expiry profile of our income:

Income subject to expiry	£m	%
Holding over	8.7	5.5%
< 3 years	17.9	11.4%

4 – 5 years	21.1	13.4%
5 – 10 years	50.3	31.9%
10 – 15 years	27.7	17.6%
15 – 20 years	21.4	13.5%
> 20 years	10.6	6.7%
Total	**157.7**	**100.0%**

Ireland

As previously reported, in February 2025 the Group acquired the Laya Healthcare facility, Cork, Ireland for €22.0 million / £18.2 million delivering an earnings yield of 7.1%. The private medical facility is let to Laya Healthcare, Ireland's second largest provider of private health insurance and clinical services providing a bespoke urgent care and diagnostic facility providing some of the best medical technology available in Ireland, and has been subject to a comprehensive tenant led, €6 million, fit-out to provide a number of services including X-ray, MRI, CT, Ultrasound and Dexa scanning and is open 365 days of the year with patients guaranteed to be seen within one hour. The property also provides space for several health and wellbeing clinics providing access to a number of expert teams and services and also acts as the headquarters for Laya Healthcare in Ireland.

At 30 June 2025, the portfolio in Ireland comprised 22 standing and fully let properties with no developments currently on site, valued at £292.6 million or €340.9 million (31 December 2024: 21 assets/£255.3 million or €308.6 million). The portfolio in Ireland has been valued at a NIY of 5.1% (31 December 2024: 5.0%).

PHP continues to see significant growth opportunities in Ireland driven by sustained Government investment in primary care infrastructure and a strategic shift towards community-based healthcare. We continue to monitor a number of potential opportunities in Ireland and in particular three forward funded developments with an expected cost of approximately €75 million being progressed by our development partner in Ireland.

Development

In July 2025, the Group completed work on a development scheme at South Kilburn, London, where we worked with both the local council and ICB, each contributing £0.5 million, to make the scheme economically viable. The scheme comprises the fit-out of a shell unit, being constructed to NZC standards, for a total cost of £3.3 million net of the £1.0 million capital contribution which equates to a 26% uplift in the rent originally set by the District Valuer.

The net zero carbon development, Croft Primary Care Centre, West Sussex, is also due to complete imminently. All further development activity has currently been placed on hold whilst negotiations with the NHS, ICBs and DVs continue to increase rental levels to make schemes economically viable with rental values needing to increase by around 20%-30%.

Investment and pipeline

We continue to monitor a number of potential standing investments, direct and forward funded developments and asset management projects with an advanced pipeline across a number of opportunities in both the UK and Ireland but will only be progressed if accretive to earnings.

The immediate pipeline of opportunities in legal due diligence continues to be focused predominantly on PHP's existing portfolio through asset management projects.

Pipeline	In legal due diligence		Advanced pipeline	
	Number	Cost	Number	Cost
Asset management	20	£7.9m	23	£17.9m
UK – direct development	1	£4.1m	-	-
Ireland – forward funded development	-	-	3	£64.4m (€75m)
Total pipeline	**21**	**£12.0m**	**26**	**£82.3m**

FINANCIAL REVIEW

PHP's Adjusted earnings increased by £1.0 million or 2.2% to £47.3 million in the six months to 30 June 2025 (30 June 2024: £46.3 million). The increase in the period reflects the improving organic rental growth from rent reviews and asset management projects in both 2024 and the first half of 2025, the acquisition of the Laya Healthcare facility in February 2025, offset by increased interest costs on the Group's debt following an increase in the amount of drawn debt used to finance acquisition, development and asset management capital expenditure.

Using the weighted average number of shares in issue in the period the Adjusted earnings per share increased by 2.3% to 3.54 pence (30 June 2024: 3.46 pence).

The financial results for the Group are summarised as follows:

	Six months ended 30 June 2025 £m	Six months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Net rental income	**78.6**	76.2	153.6
Axis PHP contribution net of overheads	**0.1**	0.7	1.2
Administrative expenses[1]	**(5.7)**	(5.9)	(12.1)
Operating profit before revaluation and net financing costs	**73.0**	71.0	142.7
Net financing costs	**(25.7)**	(24.7)	(49.8)
Adjusted earnings	**47.3**	46.3	92.9
Revaluation gain / (deficit) on property portfolio	**19.8**	(40.0)	(38.4)
Fair value loss on interest rate derivatives and convertible bond	**(6.3)**	(2.8)	(7.6)
Amortisation of MedicX debt MtM at acquisition	**1.5**	1.5	3.0
Axis PHP amortisation of intangible asset	**(0.4)**	(0.5)	(0.9)
Exceptional item – termination cost on variable rate bond	**-**	-	(2.0)
IFRS profit before tax	**61.9**	4.5	47.0
Corporation tax	**-**	(0.1)	-
Deferred tax provision	**(2.5)**	(0.8)	(5.6)
IFRS profit after tax	**59.4**	3.6	41.4

[1] Excludes amortisation of intangible asset and costs arising on the acquisition of Axis PHP.

The £1.0 million increase in adjusted earnings in the period can be summarised as follows:

	£m
Six months ended 30 June 2024	46.3
Net rental income	2.4
Net financing costs	(1.0)
Administrative expenses	0.2
Axis PHP contribution	(0.6)
Six months ended 30 June 2025	**47.3**

Net rental income received in the six months to 30 June 2025 increased by 3.1% or £2.4 million to £78.6

million (30 June 2024: £76.2 million) reflecting £1.9 million of additional income from completed rent reviews and asset management projects and £0.8 million of rent arising from the acquisition of Laya Healthcare facility at Cork, Ireland in February 2025 and a Primary Care Centre in Basingstoke in 2024 offset by a £0.3 million increase in non-recoverable property costs.

The contribution from Axis PHP in the six months to 30 June 2025 was £0.1 million (H1 2024: £0.7 million) and the reduction is because of several fit-out projects for customers being completed at the end of 2024. We expect the level of activity to increase in the second half of 2025.

Administration expenses continue to be tightly controlled and the Group's EPRA cost ratio remains one of the lowest in the sector at 9.8% (30 June 2024: 10.0%) excluding Axis PHP and direct vacancy costs. The £0.2 million reduction in administration costs in the period is due primarily to the benefit of redundancy programme completed in 2024.

EPRA cost ratio	**Six months ended 30 June 2025 £m**	Six months ended 30 June 2024 £m	Year ended 31 December 2024 £m
Gross rent less ground rent and service charge income	**82.4**	80.0	160.7
Direct property expense	**9.8**	8.7	26.2
Less: service charge and recoverable costs	**(6.7)**	(5.9)	(21.0)
Non-recoverable property costs	**3.1**	2.8	5.2
Administrative expenses	**5.7**	5.9	12.1
Axis PHP overheads and costs	**0.6**	0.4	0.9
Less: ground rent	**(0.1)**	(0.1)	(0.2)
Less: other operating income	**(0.3)**	(0.3)	(0.7)
EPRA costs (including direct vacancy costs)	**9.0**	8.7	17.3
EPRA cost ratio	**10.9%**	10.9%	10.8%
EPRA cost ratio excluding Axis PHP overheads and direct vacancy costs	**9.8%**	10.0%	10.1%
Total expense ratio - administrative expenses as a percentage of gross asset value (annualised)	**0.4%**	0.4%	0.4%

Net finance costs in the period increased by £1.0 million to £25.7 million (30 June 2024: £24.7 million) because of a £43.6 million increase in the Group's net debt since December 2025 mainly as a result of the acquisition of Laya Health facility in Ireland, development and asset management expenditure together with the impact of the expiry of a legacy swap at the end of 2024 net of new swap arrangements entered into in January 2025.

Shareholder value

The Adjusted Net Tangible Assets (NTA) per share increased by 1.2 pence or 1.1% to 106.2 pence (31 December 2024: 105.0 pence per share) during the period with the revaluation surplus of £19.8 million being the main reason for the increase.

The adjusted NTA return per share, including dividends distributed, in the six months ended 30 June 2025 was 4.8 pence or +4.5% (30 June 2024: 0.5 pence or +0.4%).

The table below sets out the movements in the Adjusted NTA and EPRA Net Disposal Value (NDV) per share over the period under review.

Adjusted net tangible asset (NTA) per share	**30 June 2025 pence per share**	30 June 2024 pence per share	31 December 2024 pence per share
Opening adjusted NTA per share	**105.0**	108.0	108.0
Adjusted earnings for the period	**3.5**	3.5	7.0
Dividends paid	**(3.5)**	(3.5)	(6.9)
Revaluation of property portfolio	**1.5**	(3.0)	(2.9)
Derivatives and foreign exchange movements	**(0.3)**	-	(0.2)
Closing adjusted NTA per share	**106.2**	105.0	105.0
Fixed rate debt and swap mark-to-market value	**8.2**	9.4	9.3
Convertible bond fair value adjustment	**-**	0.2	0.1
Deferred tax	**(0.9)**	(0.3)	(0.7)
Intangible assets	**0.4**	0.4	0.4
Closing EPRA NDV per share	**113.9**	114.7	114.1

Financing

The Group's balance sheet and financing position remain strong with cash and committed undrawn facilities totalling £107.3 million (31 December 2024: £270.9 million) after contracted capital commitments of £12.7 million (31 December 2024: £36.3 million) and the post period end repayment of the £150 million convertible bond on 15 July 2025.

At 30 June 2025, total available loan facilities were £1,636.8 million (31 December 2023: £1,630.4 million) of which £1,378.3 million (31 December 2024: £1,326.7 million) had been drawn. Cash balances of £11.5 million (31 December 2024: £3.5 million) resulted in Group net debt of £1,366.8 million (31 December 2024: £1,323.2 million). Contracted capital commitments at the balance sheet date totalled £12.7 million (31 December 2024: £36.3 million) and comprise asset management projects of £12.3 million and development expenditure on the one scheme on site of £0.4 million.

The Group's key debt metrics are summarised in the table below:

Debt metrics	**30 June 2025**	31 December 2024
Average cost of debt – drawn	**3.4%**	3.4%
Average cost of debt – fully drawn	**3.9%**	4.0%
Loan to value	**48.6%**	48.1%
Total net debt fixed or hedged	**99.7%**	100.0%
Net rental income to net interest cover	**3.1 times**	3.1 times
Net debt / EBITDA	**9.4 times**	9.3 times
Weighted average debt maturity – drawn facilities	**5.1 years**	5.7 years
Weighted average debt maturity – all facilities	**4.5 years**	4.9 years
Total undrawn facilities and available to the Group[1]	**£107.3m**	£270.9m
Unfettered assets	**£69.1m**	£47.3m

[1] Pro-forma after deducting capital commitments.

Average cost of debt

The Group's average cost of debt has remained unchanged at 3.4% (31 December 2024: 3.4%) reflecting the protection from the proportion of the Group's net debt that is either fixed or hedged at 99.7% (31 December 2024: 100.0%).

Interest rate exposure

The analysis of the Group's exposure to interest rate risk in its debt portfolio as at 30 June 2025 is as follows:

	Facilities		Net debt drawn	
	£ million	%	£ million	%
Fixed rate debt	1,111.8	67.9	1,111.8	81.3
Hedged by fixed rate interest rate swaps	200.0	12.2	200.0	14.6
Hedged by interest rate caps	51.5	3.2	51.5	3.8
Floating rate debt – unhedged	273.5	16.7	3.5	0.3
Total	**1,636.8**	**100.0**	**1,366.8**	**100.0**

Interest rate and foreign currency derivative contracts

In January 2025, the Group fixed, for two years, £200 million of nominal debt at a rate of 3.0% and a new FX forward trade hedge, detailed below, for an all-in premium of £4.9 million. The fixed rate swap will provide further protection to the Group's interest rate exposure especially whilst rates continue to remain elevated and volatile. The fixed rate swap effectively hedges out the current net debt drawn.

Accounting standards require PHP to mark its interest rate swaps to market at each balance sheet date. During the six months to 30 June 2025 there was a decrease of £3.2 million (30 June 2024: decrease of £2.0 million) on the fair value movement of the Group's interest rate derivatives due primarily to decreases in interest rates assumed in the forward yield curves used to value the interest rate swaps and the impact of the passage of time. The net mark-to-market ("MtM") of the swap portfolio is an asset value of £1.9 million (31 December 2024: net MtM asset £0.2 million).

Currency exposure

The Group owns €340.9 million or £292.6 million (31 December 2024: €308.6 million / £255.3 million) of Euro denominated assets in Ireland as at 30 June 2025 and the value of these assets and rental income represented 10% (31 December 2024: 9%) of the Group's total portfolio. In order to hedge the risk associated with exchange rates, the Group has chosen to fund its investment in Irish assets through the use of Euro denominated debt, providing a natural asset to liability hedge, within the overall Group loan to value limits set by the Board. At 30 June 2025, the Group had €294.3 million (31 December 2024: €274.1 million) of drawn euro denominated debt.

Euro rental receipts are used to first finance euro interest and administrative costs and surpluses are used to fund further portfolio expansion. Given the large euro to sterling fluctuations seen in recent years and continued uncertainty in the interest rate market, the Group entered, in January 2025, a new FX forward trade hedge (fixed at €1.1459: £1) for a two-year period to cover the approximate euro denominated net annual income of €10 million per annum, minimising the downside risk of the euro remaining above €1.1459: £1.

Fixed rate debt mark-to-market ("MtM")

The MtM of the Group's fixed rate debt as at 30 June 2025 was an asset of £108.9 million (31 December 2024:

asset £125.5 million) equivalent to 8.2 pence per share (31 December 2024: asset of 9.4 pence per share). The movement in the period is due primarily to movements in interest rates assumed in the forward yield curves used to value the debt along with the effluxion of time. The MtM valuation is sensitive to movements in interest rates assumed in forward yield curves.

Convertible bonds

The unsecured convertible bond with a nominal value of £150 million was repaid, post period end, at maturity on 15 July 2025 from the Group's undrawn committed revolving credit facilities.

Alternative Performance Measures ("APMs")

PHP uses Adjusted earnings and adjusted net tangible assets amongst other APMs to highlight the recurring performance of the property portfolio and business. The APMs are in addition to the statutory measures from the condensed financial statements. The measures are defined and reconciled to amounts presented in the financial statements within this interim statement at note 7. The Company has used EPRA earnings and EPRA net tangible assets to measure performance and will continue to do so. However, these APMs have also been adjusted to remove the impact of the adjustments arising from the MtM on fixed debt acquired on completion of the merger with MedicX in 2019. The reasons for the Company's use of these APMs are set out in the Glossary and 2024 Annual Report.

Related party transactions

Related party transactions are disclosed in note 16 to the condensed financial statements.

Mark Davies	**Richard Howell**
Chief Executive Officer	**Chief Financial Officer**

23 July 2025

Principal risks and uncertainties

Risk management overview

Effective risk management is a key element of the Board's operational processes. Risk is inherent in any business, and the Board has determined the Group's risk appetite, which is reviewed on an annual basis. Group operations have been structured in order to accept risks within the Group's overall risk appetite, and to oversee the management of these risks to minimise exposure and optimise the returns generated for the accepted risk. The Group aims to operate in a low-risk environment, appropriate for its strategic objective of generating progressive returns for shareholders. Key elements of maintaining this low-risk approach are:

- investment focuses on the primary health real estate sector which is traditionally much less cyclical than other real estate sectors;
- the majority of the Group's rental income is received directly or indirectly from government bodies in the UK and Ireland;
- the Group benefits from long initial lease terms, largely with upwards-only review terms, providing clear visibility of income;
- debt funding is procured from a range of providers, maintaining a spread of maturities and a mix of terms, with interest costs either fixed or hedged across the majority of debt drawn;
- the Board funds its operations to maintain an appropriate mix of debt and equity; and
- the Group has a very small (£0.9 million) exposure as a direct developer of real estate, which means that the Group is not materially exposed to risks that are inherent in property development.

The structure of the Group's operations includes rigorous, regular review of risks and how these are mitigated and managed across all areas of the Group's activities. The Group faces a variety of risks that have the potential to impact on its performance, position and its longer-term viability. These include external factors that may arise from the markets in which the Group operates, government and fiscal policy, general economic conditions including interest rates and inflation together with internal risks that arise from how the Group is managed and chooses to structure its operations.

Principal risks and changes in risk factors

The Board has concluded that there should be no further principal risks to be presented in the 2025 Interim Results Announcement, and that the principal risks presented in the 2024 Annual Report remain relevant for this period.

Monitoring of identified and emerging risks

The Board has continued to undertake a robust assessment of identified, emerging and increasing risks and their potential impact on the Group. The way we have addressed the challenges of the last few years has demonstrated the resilience of the Group's business model and our robust risk management approach to protect our business through periods of uncertainty and adapt to a rapidly changing environment.

If the recommended combination with Assura plc progresses in the second half of 2025 the integration of the two businesses will be a new risk for the enlarged Group.

Going concern analysis

The Group's financial review and budgetary processes are based on an integrated model that projects performance, cash flows, position and other key performance indicators including earnings per share, leverage rates, net asset values per share and REIT compliance over the review period. In addition, the forecast model looks at the funding of the Group's activities and its compliance with the financial covenant requirements of its debt facilities. The model uses a number of key parameters in generating its forecasts that reflect the Group's strategy, operating processes and the Board's expectation of market developments in the review period. In undertaking its financial review, these parameters have been flexed to reflect severe, but realistic, scenarios both individually and collectively. Sensitivities applied are derived from the principal risks faced by the Group that could affect solvency or liquidity and are as follows:

- Declining attractiveness / possible obsolescence of the Group's assets as a result of ESG initiatives or otherwise or deteriorating economic circumstances impact investment values – valuation parameter stress tested to provide for a one-off 10%/£281 million fall in the December 2025 valuation.
- We have applied a 10% tenant default rate.
- Rental growth rate assumptions have been amended to see no further uplifts on open market reviews.
- Variable rate interest rates rise by an immediate 2% effective from 1 July 2025, impacting the variable interest debt in the portfolio.
- Tightly controlled NHS scheme approval restricts investment opportunity – investment quantum flexed to remove non-committed transactions.
- Impact on shareholder returns of all of the above occurrences – projected dividend payments held at expected 2025 level, 7.1 pence per share.

Several specific assumptions have been made that overlay the financial parameters used in the Group's models.

Further details on going concern are set out in note 1 to the Financial Statements.

INDEPENDENT REVIEW REPORT TO PRIMARY HEALTH PROPERTIES PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the condensed group statement of comprehensive income, the condensed group balance sheet, the condensed group statement of changes in equity, the condensed group cash flow statement and related notes 1 to 18.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP

Statutory Auditor

London, United Kingdom

23 July 2025

Condensed Group Statement of Comprehensive Income
For the six months ended 30 June 2025

	Notes	**Six months ended 30 June 2025 £m (unaudited)**	Six months ended 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
Rental and related income	2	**89.7**	91.9	181.7
Direct property expenses		**(10.4)**	(14.6)	(26.0)
Net rental and related income		**79.3**	77.3	155.7
Administrative expenses		**(6.3)**	(6.3)	(13.0)
Amortisation of intangible assets		**(0.4)**	(0.5)	(0.9)
Total administrative expenses	3	**(6.7)**	(6.8)	(13.9)
Revaluation gain/(deficit) on property portfolio	8	**19.8**	(40.0)	(38.4)
Profit on sale of land and properties		**-**	-	-
Total revaluation gain/(deficit)		**19.8**	(40.0)	(38.4)
Operating profit	3	**92.4**	30.5	103.4
Finance costs	4	**(24.2)**	(23.2)	(46.8)
Early termination on bonds		**-**	-	(2.0)
Fair value loss on derivative interest rate swaps and amortisation of cash flow hedging reserve	4	**(4.4)**	(3.3)	(7.0)
Fair value (loss)/gain on convertible bond	4	**(1.9)**	0.5	(0.6)
Profit before taxation		**61.9**	4.5	47.0
Taxation (charge)/credit	5	**(2.5)**	(0.9)	(5.6)
Profit after taxation for the period/year[1]		**59.4**	3.6	41.4
Other comprehensive income:				
Items that may be reclassified subsequently to profit and loss:				
Fair value gain on interest rate swaps treated as cash flow hedges and amortisation of hedging reserve		**1.3**	1.3	2.5
Exchange gain /(loss) on translation of foreign balances		**0.8**	0.1	(0.1)
Other comprehensive income for the period net of tax[1]		**2.1**	1.4	2.4
Total comprehensive income for the period net of tax[1]		**61.5**	5.0	43.8
IFRS earnings per share				
Basic	6	4.4p	0.3p	3.1p
Diluted	6	4.4p	0.3p	3.1p
Adjusted earnings per share[2]				
Basic	6	3.5p	3.5p	7.0p
Diluted	6	3.4p	3.3p	6.7p

[1] Wholly attributable to equity shareholders of Primary Health Properties PLC
[2] See Glossary of Terms on pages 53 to 55.

The above relates wholly to continuing operations.

Condensed Group Balance Sheet
As at 30 June 2025

	Notes	**30 June 2025 £m (unaudited)**	30 June 2024 £m (unaudited)	31 December 2024 £m (audited)
Non-current assets				
Investment properties	8	**2,807.2**	2,749.5	2,750.1
Derivative interest rate swaps	13	**1.8**	0.9	-
Intangible assets		**4.9**	5.8	5.3
Property, plant & equipment		**0.5**	0.5	0.6
		2,814.4	2,756.7	2,756.0
Current assets				
Properties held for sale		**4.3**	-	3.0
Trade and other receivables		**34.3**	27.4	27.7
Cash and cash equivalents	9	**11.5**	4.1	3.5
Derivative interest rate swaps	13	**0.1**	5.2	0.2
Development work in progress		**0.9**	0.8	0.9
		51.1	37.5	35.3
Total assets		**2,865.5**	2,794.2	2,791.3
Current liabilities				
Deferred rental income		**(31.9)**	(31.2)	(31.4)
Trade and other payables		**(33.7)**	(30.4)	(30.6)
Borrowings: term loans and overdraft	10	**(3.7)**	(2.5)	(3.4)
Borrowings: bonds	11	**(150.2)**	-	(148.3)
Derivative interest rate swaps	13	**-**	(3.4)	-
		(219.5)	(67.5)	(213.7)
Non-current liabilities				
Borrowings: term loans and overdraft	10	**(801.1)**	(681.2)	(757.2)
Borrowings: bonds	11	**(436.7)**	(651.2)	(429.3)
Derivative interest rate swaps	13	**-**	-	-
Head lease liabilities	12	**(3.4)**	(3.0)	(3.0)
Trade and other payables		**(3.1)**	(4.1)	(3.1)
Deferred tax liability		**(11.6)**	(4.1)	(9.0)
		(1,255.9)	(1,343.6)	(1,201.6)
Total liabilities		**(1,475.4)**	(1,411.1)	(1,415.3)
Net assets		**1,390.1**	1,383.1	1,376.0
Equity				
Share capital	16	**167.1**	167.1	167.1
Share premium account		**479.4**	479.4	479.4
Merger and other reserves	17	**416.0**	415.4	415.2
Hedging reserve		**(3.2)**	(5.7)	(4.5)
Retained earnings		**330.8**	326.9	318.8
Total equity[1]		**1,390.1**	1,383.1	1,376.0
Basic net asset value per share				
IFRS net assets – basic	6	**104.0**	**103.5**	103.0p
IFRS net assets – diluted	6	**105.7**	**105.6**	103.0p
Adjusted net tangible assets[2] – basic	6	**106.2**	**105.0**	105.0p
Adjusted net tangible assets[2] – diluted	6	**107.6**	**107.0**	106.7p

[1] Wholly attributable to equity shareholders of Primary Health Properties PLC.

[2] See Glossary of Terms on pages 53 to 55.

Condensed Group Cash Flow Statement
For the six months ended 30 June 2025

	Note	**Six months ended 30 June 2025 £m (unaudited)**	Six months ended 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
Operating activities				
Profit on ordinary activities after tax		**59.4**	3.6	41.4
Taxation charge/(credit)	5	**2.5**	0.9	5.6
Finance costs including early termination fees	4	**24.2**	23.2	48.8
Fair value loss on derivatives and amortisation of hedging reserve		**4.4**	3.3	7.0
Fair value gain/(loss) on convertible bond		**1.9**	(0.5)	0.6
Operating profit before financing costs		**92.4**	30.5	103.4
Adjustments to reconcile Group operating profit to net cash flows from operating activities:				
Revaluation (gain)/deficit on property portfolio	8	**(19.8)**	40.0	38.4
Amortisation of intangible assets		**0.4**	0.5	0.9
Effect of exchange rate fluctuations on operations		**-**	-	-
Fixed rent uplift		**(0.2)**	(0.3)	(0.4)
Tax (paid)/received		**-**	(0.2)	(0.1)
(Increase)/decrease in trade and other receivables		**(1.3)**	(2.7)	(3.4)
Increase/(decrease) in trade and other payables		**3.6**	(0.4)	(3.6)
Cash generated from operations		**75.1**	67.4	135.2
Net cash flow from operating activities		**75.1**	67.4	135.2
Investing activities				
Payments to acquire and improve properties and fixed assets		**(28.1)**	(14.8)	(20.6)
Payments relating to pre-acquisition transactions		**(3.4)**	-	-
Net cash flow used in investing activities		**(31.5)**	(14.8)	(20.6)
Financing activities				
Term bank loan drawdowns		**93.9**	64.5	306.6
Term bank loan repayments		**(51.5)**	(46.4)	(278.9)
Loan/bond arrangement and early termination fees		**(1.2)**	(0.8)	(3.8)
Premium paid on derivatives financial instruments		**(4.9)**	-	-
Non-utilisation fees		**(1.0)**	(1.1)	-
Interest paid		**(24.7)**	(24.6)	(46.1)
Swap interest received		**1.0**	2.8	-
Equity dividends paid net of scrip dividend	7	**(47.4)**	(46.1)	(92.1)
Net cash flow used in financing activities		**(35.8)**	(51.7)	(114.3)
Increase/(decrease) in cash and cash equivalents		**7.8**	0.9	0.3
Effect of exchange rate fluctuations on Euro denominated loans and cash equivalents		**0.2**	-	-
Cash and cash equivalents at start of period / year		**3.5**	3.2	3.2
Cash and cash equivalents at end of period / year	9	**11.5**	4.1	3.5

Condensed Group Statement of Changes in Equity
For the six months ended 30 June 2025 (unaudited)

Six months ended 30 June 2025 (unaudited)

	Share capital £m	Share premium £m	Merger & other reserves £m	Hedging reserve £m	Retained earnings £m	Total £m
1 January 2025	167.1	479.4	415.2	(4.5)	318.8	1,376.0
Profit for the period	-	-	-	-	59.4	59.4
Other comprehensive income						
Exchange gain/(loss) on translation of foreign balances	-	-	0.8	-	-	0.8
Amortisation of hedging reserve	-	-	-	1.3	-	1.3
Total comprehensive income	-	-	0.8	1.3	59.4	61.5
Shares based awards (LTIP)	-	-	-	-	-	-
Dividends paid	-	-	-	-	(47.4)	(47.4)
30 June 2025	**167.1**	**479.4**	**416.0**	**(3.2)**	**330.8**	**1,390.1**

Six months ended 30 June 2024 (unaudited)

	Share capital £m	Share premium £m	Merger & other reserves £m	Hedging reserve £m	Retained earnings £m	Total £m
1 January 2024	167.1	479.4	415.3	(7.0)	369.1	1,423.9
Profit for the period	-	-	-	-	3.6	3.6
Other comprehensive income						
Exchange gain/(loss) on translation of foreign balances	-	-	0.1	-	-	0.1
Amortisation of hedging reserve	-	-	-	1.3	-	1.3
Total comprehensive income	-	-	0.1	1.3	3.6	5.0
Shares based awards (LTIP)	-	-	-	-	0.3	0.3
Dividends paid	-	-	-	-	(46.1)	(46.1)
30 June 2024	**167.1**	**479.4**	**415.4**	**(5.7)**	**326.9**	**1,383.1**

Condensed Group Statement of Changes in Equity (continued)

Year ended 31 December 2024 (audited)

	Share capital £m	Share premium £m	Merger & other reserves £m	Hedging reserve £m	Retained earnings £m	Total £m
1 January 2024	167.1	479.4	415.3	(7.0)	369.1	1,423.9
Profit for the year	-	-	-	-	41.4	41.4
Other comprehensive income						
Amortisation of hedging reserve	-	-	-	2.5	-	2.5
Exchange gain/(loss) on translation of foreign balances	-	-	(0.1)	-	-	(0.1)
Total comprehensive income	-	-	(0.1)	2.5	41.4	43.8
Share issue expenses	-	-	-	-	-	-
Share-based awards (“LTIP”)	-	-	-	-	0.4	0.4
Dividends paid	-	-	-	-	(92.1)	(92.1)
31 December 2024	**167.1**	**479.4**	**415.2**	**(4.5)**	**318.8**	**1,376.0**

Notes to the condensed financial statements

1. Accounting policies

General information

The financial information set out in this report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2024 have been filed with the Registrar of Companies. The Auditor's Report on these condensed consolidated interim financial statements was unqualified and did not contain a statement under Sections 498(2) or 498(3) of the Companies Act 2006.

The condensed consolidated interim financial statements of the Group are unaudited but have been formally reviewed by the auditor and its report to the Company is included on pages 23 to 24. These condensed consolidated interim financial statements of the Group for the six months ended 30 June 2025 were approved and authorised for issue by the Board on 22 July 2025.

Basis of preparation/statement of compliance

The condensed consolidated interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The annual financial statements of the Group will be prepared in accordance with United Kingdom adopted international accounting standards.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the statutory financial statements and should be read in conjunction with the Group's financial statements as at 31 December 2024.

Convention

The condensed interim financial statements are presented in Sterling, rounded to the nearest million.

Segmental reporting

The Directors are of the opinion that the Group currently has one operating and reportable segment, being the acquisition and development of property in the United Kingdom and Ireland leased principally to GPs, Government and Healthcare organisations and other associated healthcare users.

Going concern

The directors are required to assess the Group's ability to continue as a going concern for a period of at least the next 12 months. In assessing the appropriateness of the going concern basis used in preparing the interim report, the directors have performed a review of the Group's financial performance and position, continued access to borrowing facilities and the ability to continue to operate the Group's facilities within its financial covenants, as well the Group's budgetary model.

Notes to the condensed financial statements (continued)

Going concern (continued)

The Group's financial review and budgetary processes are based on an integrated model that projects performance, cash flows, position and other key performance indicators including earnings per share, leverage rates, net asset values per share and REIT compliance over the review period. In addition, the forecast model looks at the funding of the Group's activities and its compliance with the financial covenant requirements of its debt facilities. The model uses a number of key parameters in generating its forecasts that reflect the Group's strategy, operating processes and the Board's expectation of market developments in the review period. In undertaking its financial review, these parameters have been flexed to reflect severe, but realistic, scenarios both individually and collectively. Sensitivities applied are derived from the principal risks faced by the Group that could affect solvency or liquidity and are as follows:

- Declining attractiveness / possible obsolescence of the Group's assets as a result of ESG initiatives or otherwise, or deteriorating economic circumstances impacts investment values – valuation parameter stress tested to provide for a one-off 10%/£275m fall in June 2025 valuations.
- We have applied a 10% tenant default rate.
- Rental growth rate assumptions have been amended to see no further uplifts on open market reviews.
- Variable rate interest rates rise by an immediate 2% effective from 1 July 2025, impacting the variable interest debt in the portfolio.
- Tightly controlled NHS scheme approval restricts investment opportunity – investment quantum flexed to remove non-committed transactions.
- Impact on shareholder returns of all of the above occurrences – projected dividend payments held at expected 2025 level, 7.1p per share.

The Group's property portfolio is let on long leases to tenants with strong covenants and the business is substantially cash generative. The Group's loan to-value ratio at 30 June 2025 was 48.6% (30 June 2024: 48.0%) and the Group's interest cover for the period under review was 3.05 times (30 June 2024: 3.1), well above the minimum Group banking covenant of 1.3 times (30 June 2024: 1.3).

Several specific assumptions have been made that overlay the financial parameters used in the Group's models. It has been assumed that the Group will be able to refinance or replace other debt facilities that mature within the review period in advance of their maturity and on terms similar to those at present. An exception to this is the £150m convertible that expired on 15th July 2025 and was repaid from existing headroom within the Group's revolving credit facilities.

The Board has continued to undertake a robust assessment of emerging and increasing risks faced by the Group.

Since the release of our 2024 full-year results, global economic uncertainty has continued to persist and remains volatile and uncertain, compounded with an ever changing global political landscape and more recently in the UK with the revised policies of the Labour government. Despite this, the 10 year Health Plan which was published in early July is clearly positive for PHP. We welcome the Government's commitment to strengthening the NHS, particularly its emphasis on shifting more services to modern primary care facilities embedded in local communities. This plays directly to our strengths and our long standing partnerships across the NHS give us a strong foundation to support this transition and deliver value to our shareholders. Within the UK, the main challenge facing the economy remains elevated interest rates. The ongoing adverse impact of higher interest rates on our business includes reduced demand for our assets

Going concern (continued)

impacting property values in the investment market, the ability for us to continue to execute our acquisition and development strategy and increased financing costs, which could impact our rental income and earnings. The Board and key Committees have continued to oversee the Group's response to the impact of these challenges on our business and the wider economic influences to deliver robust operational and financial performance throughout the period and look forward to the rest of 2025 with confidence. Taking these and others factors into account, the Directors are satisfied that the Group has sufficient resources to continue in operation for a period of not less than twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed consolidated interim financial statements.

Accounting policies

The accounting policies adopted are consistent with those of the previous financial year as set out in the Annual Report except for the following new and amended IFRS/s effective as of 1 January 2025:

- amendments to IAS 21 Lack of exchangeability;
- amendments to SASB standards.

None of the above have had a significant effect on the financial statements of the Group.

2. Rental and related income

Revenue comprises rental income receivable on property investments in the UK and Ireland, which is exclusive of VAT, plus facilities and properties management income. Revenue is derived from one reportable operating segment.

3. Operating profit

Operating profit is stated after charging administrative expense of £6.3m and amortisation of intangible assets of £0.4m. Administrative expenses as a proportion of rental and related income were 7.0% (30 June 2024: 6.9%). The Group's EPRA cost ratio has remained at 10.9%, compared to 10.9% for the same period in 2024.

Administrative expenses include staff costs of £3.9m (30 June 2024: £3.8m).

In 2023 PHP acquired Axis, an Irish property management business. In the period Axis contributed £1.2m (30 June 2024: £7.0m) of related income and incurred direct property expenses of £0.5m (30 June 2024: £5.9m), contributing £0.7m (30 June 2024: £1.1m) of net related income. After the deduction of £0.6m (30 June 2024: £0.4m) administrative expenses Axis generated an operating profit of £0.1m (30 June 2024: £0.7m).

4. Finance costs

	Six months ended 30 June 2025 £m (unaudited)	Six months ended 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
Interest expense and similar charges on financial liabilities			
(i) Interest			
Bank loan interest	16.8	14.0	29.5
Swap interest	(1.4)	(2.8)	(5.0)
Bond interest	8.3	11.1	20.5
Bank facility non utilisation fees	0.9	1.1	2.2
Bank charges and loan arrangement fees	1.6	1.6	3.2
	26.2	25.0	50.4
Interest capitalised	**(0.5)**	(0.3)	(0.6)
Amortisation of MedicX debt MtM at acquisition	**(1.5)**	(1.5)	(3.0)
	24.2	23.2	46.8

	Six months ended 30 June 2025 £m (unaudited)	Six months ended 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
(ii) Derivatives			
Net fair value loss/(gain) on interest rate swaps	3.1	2.0	4.5
Amortisation of cash flow hedging reserve	1.3	1.3	2.5
	4.4	3.3	7.0

The fair value loss on derivatives recognised in the Condensed Group Statement of Comprehensive Income has arisen from the interest rate swaps for which hedge accounting does not apply.

Notes to the condensed financial statements (continued)

4. Finance costs (continued)

	Six months ended 30 June 2025 £m (unaudited)	Six months ended 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
(iii) Convertible bond			
Fair value loss/(gain) on convertible bond	**1.9**	(0.5)	0.6
	1.9	(0.5)	0.6

The fair value movement in the convertible bonds is recognised in the Group Statement of Comprehensive Income within profit before taxation and is excluded from the calculation of EPRA earnings and EPRA NTA (replacing EPRA NAV). Refer to note 11 for further details about the convertible bonds.

	Six months ended 30 June 2025 £m (unaudited)	Six months ended 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
Finance costs (Note 4 (i))	**(26.2)**	(25.0)	(50.4)
	(26.2)	(25.0)	(50.4)
Interest capitalised	**0.5**	0.3	0.6
Amortisation of MedicX debt MtM on acquisition	**1.5**	1.5	3.0
Net finance costs	**(24.2)**	(23.2)	(46.8)

Notes to the condensed financial statements (continued)

5. Taxation

The Group elected to be treated as a UK-REIT with effect from 1 January 2007. The UK-REIT rules exempt the profits of the Group's property rental business from corporation tax. Gains on properties are also exempt from tax, provided they are not held for trading or sold in the three years post completion of development. The Group will otherwise be subject to corporation tax at 25% (2024: 25%).

Acquired companies are effectively converted to UK-REIT status from the date on which they become a member of the Group.

As a UK-REIT, the Company is required to pay Property Income Distributions ("PIDs") equal to at least 90% of the Group's rental profit calculated by reference to tax rules rather than accounting standards.

To remain as a UK-REIT there are a number of conditions to be met in respect of the principal company of the Group, the Group's qualifying activities and the balance of its business. The Group remains compliant as at 30 June 2025.

The Group's activities in Ireland are conducted via Irish companies or an Irish Collective Asset Vehicle ("ICAV"). The Irish companies pay Irish Corporation Tax on trading activities and deferred tax is calculated on the increase in capital values. The ICAV does not pay any Irish Corporation Tax on its trading or capital profits but a 20% withholding tax is paid on distributions to owners.

	Six months ended 30 June 2025 £m (unaudited)	Six months ended 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
Taxation in the Condensed Group Statement of Comprehensive Income:			
Corporation tax			
UK corporation tax charge on non-property income	-	-	-
Irish corporation tax charge/(credit)	-	-	-
Total corporation tax	-	-	-
Deferred tax			
Deferred tax on Irish activities	2.5	0.9	5.6
Total deferred tax	2.5	0.9	5.6
Taxation charge/(credit) in the Condensed Group Statement of Comprehensive Income	**2.5**	**0.9**	**5.6**

Notes to the condensed financial statements (continued)

6. Earnings per share

Performance measures

In the tables below, we present earnings per share and net assets per share calculated in accordance with IFRS, together with our own adjusted measure and certain measures defined by the European Public Real Estate Association ("EPRA"), which have been included to assist comparison between European property companies. Two of the Group's key financial performance measures are Adjusted earnings per share and adjusted net tangible assets per share.

Adjusted earnings, which is a tax adjusted measure of revenue profit, is the basis for the calculation of Adjusted earnings per share. We believe Adjusted earnings and Adjusted earnings per share provide further insight into the results of the Group's operational performance to stakeholders as they focus on the net rental income performance of the business and exclude capital and other items which can vary significantly from year to year.

Earnings per share

	30 June 2025 (unaudited)			30 June 2024 (unaudited)		
	IFRS earnings £m	Adjusted earnings £m	EPRA earnings £m	IFRS earnings £m	Adjusted earnings £m	EPRA earnings £m
Profit after taxation	59.4	59.4	59.4	3.6	3.6	3.6
Adjustments to remove:						
Revaluation (gain)/ deficit on property portfolio	-	(19.8)	(19.8)	-	40.0	40.0
Fair value movement on derivatives	-	4.4	4.4	-	3.3	3.3
Fair value movement and issue costs on convertible bond		1.9	1.9		(0.5)	(0.5)
Taxation charge/ (credit)	-	2.5	2.5	-	0.9	0.9
Amortisation of intangible assets		0.4	0.4		0.5	0.5
Amortisation of MtM loss on debt acquired	-	(1.5)	-	-	(1.5)	-
Basic earnings	59.4	47.3	48.8	3.6	46.3	47.8
Dilutive effect of convertible bond	4.0	2.1	-	-	2.2	2.2
Diluted earnings	63.4	49.4	48.8	3.6	48.5	50.0

Number of shares

	million	million	million	million	million	million
Ordinary Shares	1,336.5	1,336.5	1,336.5	1,336.5	1,336.5	1,336.5
Dilutive effect of convertible bond	121.0	121.0	-	-	115.2	115.2
Diluted Ordinary Shares	1,457.5	1,457.5	1,336.5	1,336.5	1,451.7	1,451.7

Profit per share attributable to shareholders:

	IFRS pence	Adjusted pence	EPRA pence	IFRS pence	Adjusted pence	EPRA pence
Basic	4.4	3.5	3.7	0.3	3.5	3.6
Diluted	4.4	3.4	3.7	0.3	3.3	3.4

Notes to the condensed financial statements (continued)

6. Earnings per share (continued)

Earnings per share

	31 December 2024 (audited)		
	IFRS earnings £m	Adjusted earnings £m	EPRA earnings £m
Profit after taxation	41.4	41.4	41.4
Adjustments to remove:			
Revaluation deficit/ (gain) on property portfolio	-	38.4	38.4
Profit on the sale of land	-	-	-
Fair value movement on derivatives	-	7.0	7.0
Fair value movement and issue costs on convertible bond	-	0.6	0.6
Taxation (credit)/ charge	-	5.6	5.6
JSE listing fees	-	-	-
Amortisation of intangible assets	-	0.9	0.9
Early termination fees on bonds	-	2.0	2.0
Amortisation of MtM loss on debt acquired	-	(3.0)	-
Basic earnings	41.4	92.9	95.9
Dilutive effect of convertible bond	-	4.3	4.3
Diluted earnings	41.4	97.2	100.2

Number of shares

	million	million	million
Ordinary Shares	1,336.5	1,336.5	1,336.5
Dilutive effect of convertible bond	-	119.4	119.4
Diluted Ordinary Shares	1,336.5	1,455.9	1,455.9

Profit per share attributable to shareholders:

	IFRS pence	Adjusted pence	EPRA pence
Basic	3.1	7.0	7.2
Diluted	3.1	6.7	6.9

In the year ended 31 December 2024 and period ended 30 June 2024 the effect of the convertible bond had been excluded from the diluted profit and weighted average diluted number of shares when calculating IFRS diluted profit per share because they are anti-dilutive.

6. Earnings per share (continued)

Net assets per share

	30 June 2025 (unaudited)			30 June 2024 (unaudited)		
	IFRS £m	Adjusted £m	EPRA £m	IFRS £m	Adjusted £m	EPRA £m
Net assets attributable to shareholders	1,390.1	1,390.1	1,390.1	1,383.1	1,383.1	1,383.1
Derivative interest rate swaps	-	(1.9)	(1.9)	-	(2.7)	(2.7)
Deferred tax	-	11.6	11.6	-	4.1	4.1
Intangible assets	-	(4.9)	(4.9)	-	(5.8)	(5.8)
Cumulative convertible bond fair value movement	-	0.2	0.2	-	(2.8)	(2.8)
MtM on MedicX loans net of amortisation	-	23.9	-	-	27.0	-
Net tangible assets ("NTA")	1,390.1	1,419.0	1,395.1	1,383.1	1,402.9	1,375.9
Intangible assets	-	-	4.9	-	-	5.8
Real estate transfer taxes	-	-	186.1	-	-	177.9
Net reinstatement value ("NRV")	1,390.1	1,419.0	1,586.1	1,383.1	1,402.9	1,559.6
Fixed rate debt and swap mark-to-market value	-	-	134.7	-	-	152.0
Deferred tax	-	-	(11.6)	-	-	(4.1)
Cumulative convertible bond fair value movement	-	-	(0.2)	-	-	2.8
Real estate transfer taxes	-	-	(186.1)	-	-	(177.9)
Net disposal value ("NDV")	1,390.1	1,419.0	1,522.9	1,383.1	1,402.9	1,532.4

Number of shares

	million	million	million	million	million	million
Ordinary Shares	1,336.5	1,336.5	1,336.5	1,336.5	1,336.5	1,336.5
Dilutive effect of convertible bond	121.0	121.0	121.0	115.2	115.2	115.2
Diluted Ordinary Shares	1,457.5	1,457.5	1,457.5	1,451.7	1,451.7	1,451.7

Basic net asset value per share[1]

	IFRS pence	Adjusted pence	EPRA pence	IFRS pence	Adjusted pence	EPRA pence
Net tangible assets ("NTA")	104.0	106.2	104.4	103.5	105.0	103.0
Net reinstatement value ("NRV")	-	-	118.7	-	-	116.7
Net disposal value ("NDV")	-	-	113.9	-	-	114.7

1 The above are calculated on a "basic" basis without the adjustment for the impact of the convertible bond which is shown in the diluted basis table below.

Diluted net asset value per share[2]

	IFRS pence	Adjusted pence	EPRA pence	IFRS pence	Adjusted pence	EPRA pence
Net tangible assets ("NTA")	105.7	107.6	104.4	105.6	107.0	103.0
Net reinstatement value ("NRV")	-	-	118.7	-	-	116.7
Net disposal value ("NDV")	-	-	113.9	-	-	114.7

2 The Company assesses the dilutive impact of the unsecured convertible bond, issued by the Group on 15 July 2019, on its net asset value per share with a current exchange price of 123.99 pence (30 June 2024: 130.25 pence) (31 December 2024: 125.64 pence).

6. Earnings per share (continued)

Net assets per share

	31 December 2024 (audited)		
	IFRS £m	Adjusted £m	EPRA £m
Net assets attributable to shareholders	1,376.0	1,376.0	1,376.0
Derivative interest rate swaps	-	(0.2)	(0.2)
Deferred tax	-	9.0	9.0
Intangible assets	-	(5.3)	(5.3)
Cumulative convertible bond fair value movement	-	(1.7)	(1.7)
MtM on MedicX loans net of amortisation	-	25.4	-
Net tangible assets ("NTA")	1,376.0	1,403.2	1,377.8
Intangible assets	-	-	5.3
Real estate transfer taxes	-	-	181.4
Net reinstatement value ("NRV")	1,376.0	1,403.2	1,564.5
Fixed rate debt and swap mark-to-market value	-	-	149.3
Deferred tax	-	-	(9.0)
Cumulative convertible bond fair value movement	-	-	1.7
Real estate transfer taxes	-	-	(181.4)
Net disposal value ("NDV")	1,376.0	1,403.2	1,525.1

Ordinary shares

	million	million	million
Issued share capital	1,336.5	1,336.5	1,336.5

Basic net asset value per share[1]

	IFRS pence	Adjusted pence	EPRA pence
Net tangible assets ("NTA")	103.0	105.0	103.1
Net reinstatement value ("NRV")	-	-	117.1
Net disposal value ("NDV")	-	-	114.1

a. The above are calculated on a "basic" basis without the adjustment for the impact of the convertible bond which is shown in the diluted basis table below.

Diluted net asset value per share[2]

	IFRS pence	Adjusted pence	EPRA pence
Net tangible assets ("NTA")	104.8	106.7	103.1
Net reinstatement value ("NRV")	-	-	117.1
Net disposal value ("NDV")	-	-	114.1

b. The Company assesses the dilutive impact of the unsecured convertible bond, issued by the Group on 15 July 2019, on its net asset value per share with a current exchange price of 123.99 pence (30 June 2024: 130.25 pence) (31 December 2024: 125.64 pence).

6. Earnings per share (continued)

Conversion of the convertible bond would result in the issue of 121.0 million (31 December 2024: 115.2 million) new Ordinary Shares. The IFRS net asset value and EPRA NDV would increase by £150.2 million (31 December 2024: £147.2 million) and the EPRA NTA, Adjusted NTA and EPRA NRV would increase by £150.0 million (31 December 2024: £150.0 million). The resulting diluted net asset values per share are anti-dilutive to all measures and therefore basic IFRS net assets value per share are presented above.

Headline earnings per share

The JSE listing conditions require the calculation of headline earnings (calculated in accordance with Circular 1/2021 – Headline Earnings as issued by the South African Institute of Chartered Accountants) and disclosure of a detailed reconciliation of headline earnings to the earnings numbers used in the calculation of basic earnings per share in accordance with the requirements of IAS 33 Earnings per share. Disclosure of headline earnings is not a requirement of IFRS.

	Six months ended 30 June 2025 £m (unaudited)	Six months ended 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
Reconciliation of profit in the period to headline earnings			
Basic earnings	59.4	3.6	41.4
Adjustments to calculate headline earnings:			
Amortisation of intangible assets	0.4	0.5	0.9
Revaluation (surplus)/deficit	(19.8)	40.0	38.4
Deferred tax on Irish activities	2.5	0.8	5.6
Headline earnings	**42.5**	44.9	86.3
Corporation tax	-	0.1	-
Fair value loss/(gain) on derivative financial instruments and convertible bond	6.3	2.8	7.6
Non-recurring items	(1.5)	(1.5)	(1.0)
Adjusted earnings (after tax)	**47.3**	46.3	92.9
Diluted basic earnings	**59.4**	5.3	41.4
Diluted headline earnings	**46.5**	46.6	91.2
Basic earnings per share	**4.4**	0.3	3.1
Headline earnings per share	**3.2**	3.4	6.5
Adjusted earnings per share	**3.5**	3.5	7.0
Diluted basic earnings per share	**4.1**	0.3	3.1
Diluted headline earnings per share	**3.2**	3.2	6.3
Number of shares	**1,336.5**	1,336.5	1,336.5
Weighted average number of Ordinary Shares for the purpose of headline, basic and adjusted earnings per share	**1,336.5**	1,336.5	1,336.5
Weighted average number of Ordinary Shares for the purpose of diluted basic and headline earnings per share	**1,457.5**	1,451.7	1,455.9

Notes to the condensed financial statements (continued)

7. Dividends

	Six months ended 30 June 2025 £m (unaudited)	Six months ended 30 June 2024 £m (unaudited)	Year ended 31 December 2024 £m (audited)
UK Quarterly interim dividend paid 9 May 2025	**23.5**	-	-
JSE Quarterly interim dividend paid 9 May 2025	**0.2**		
Quarterly interim dividend paid 21 February 2025	**23.5**	-	-
JSE Quarterly interim dividend paid 21 February 2025	**0.2**		
Quarterly interim dividend paid 22 November 2024	**-**	-	23.0
Quarterly interim dividend paid 16 August 2024	**-**	-	23.0
Quarterly interim dividend paid 17 May 2024	**-**	23.0	23.0
Quarterly interim dividend paid 23 February 2024	**-**	23.1	23.1
Total dividends distributed	**47.4**	46.1	**92.1**
Per share	**3.54p**	3.45p	**6.9p**

The Company will pay a third interim dividend of 1.775 pence per Ordinary Share for the year ending 31 December 2025, payable on 15 August 2025. The dividend will comprise a Property Income Distribution ("PID") of 1.375 pence per share and an ordinary dividend of 0.4 pence per share. The scrip dividend scheme was suspended in light of the falls in the share price in 2023 and first half of 2024 and the Company continues to offer a dividend reinvestment plan in its place.

Notes to the condensed financial statements (continued)

8. Investment properties and investment properties under construction

	Investment properties freehold[1,2] £m	Investment long leasehold £m	Investment properties under construction £m	Total £m
As at 1 January 2025 (audited)	2,165.3	577.1	7.7	2,750.1
Property additions	5.6	20.0	2.0	27.6
Impact of lease incentive adjustment	0.1	0.1	-	0.2
Lease ground rent adjustment	-	0.4	-	0.4
Foreign exchange movements	7.9	2.5	-	10.4
	2,178.9	600.1	9.7	2,788.7
Revaluations for the period	14.7	5.2	(0.1)	19.8
Properties held for sale	(1.3)	-	-	(1.3)
As at 30 June 2025 (unaudited)	**2,192.3**	**605.3**	**9.6**	**2,807.2**

[1] Includes development land held at £0.7m (31 December 2024: £0.9m)
[2] Opening balance as at 1 January 2025 includes £3.0m of properties held for sale

	Total £m
Fair value per AY UK valuation	1,182.7
Fair value of KF UK valuation	1,332.8
Fair value of CBRE Ireland valuation	292.6
	2,808.1
Properties held for sale	(4.3)
Ground rents recognised as finance leases	3.4
Fair value 30 June 2025 (unaudited) [1]	**2,807.2**

[1] Includes properties held for sale at £4.3m (31 December 2024: £3.0m)

The investment properties have been independently valued at fair value by Avison Young (“AY”), Knight Frank (“KF”) and CBRE Chartered Surveyors and Valuers (“CBRE”), as at the balance sheet date in accordance with accounting standards. The valuers have confirmed that they have valued the properties in accordance with the Practice Statements in the RICS Valuation Global Standards 2022 (“Red Book”). There were no changes to the valuation techniques during the period. The valuers are appropriately qualified and have sufficient market knowledge and relevant experience of the location and category of investment property and have had full regard to market evidence when determining the values.

The properties are 99.1% let (31 December 2024: 99.1%). The valuations reflected a 5.25% net initial yield (31 December 2024: 5.22%). Where properties have outstanding rent reviews, an estimate is made of the likely rent on review in line with market expectations and the knowledge of the valuer.

Notes to the condensed financial statements (continued)

8. Investment properties and investment properties under construction (continued)

In accordance with IAS 40, investment properties under construction have also been valued at fair value by the independent valuers. In determining the fair value, the valuer is required to value development property as if complete, deduct the costs remaining to be paid to complete the development and consider the significant risks which are relevant to the development process including, but not limited to, construction and letting risks and the impact they may have on fair value. In the case of the Group's portfolio under construction, where the sites are pre-let and construction risk remains with the builder/developer, the valuer has deemed that the residual risk to the Group is minimal. As required by the Red Book, the valuers have deducted the outstanding cost to the Group through to the completion of construction of £0.4m (31 December 2024: £2.5m) in arriving at the fair value to be included in the financial statements.

In addition to the above, capital commitments have been entered into amounting to £12.3m (30 June 2024: £7.0m; 31 December 2024: £33.9m) which have not been provided for in the financial statements.

Right-of-use-assets

In accordance with IFRS 16 *Leases*, the Group has recognised a £3.4m head lease liability and an equal and opposite finance lease asset which is included in non-current assets.

Fair value hierarchy

All of the Group's properties are level 3, as defined by IFRS 13, in the fair value hierarchy as at 30 June 2025 and 31 December 2024. There were no transfers between levels during the period or during 2024. Level 3 inputs used in valuing the properties are those which are unobservable, as opposed to level 1 (inputs from quoted prices) and level 2 (observable inputs either directly, i.e. as prices, or indirectly, i.e. derived from prices).

Sensitivity of measurement of significant unobservable inputs

During six months to 30 June 2025 the Group experienced an 3bps increase in the portfolio net initial yield, increasing investment property by £19.8 million (0.7% increase), before reflecting gains as a result of rental growth and asset management projects. We have therefore applied the following sensitivities:

- A decrease in the estimated annual rent will decrease the fair value. A 2% decrease/increase in annual rent would result in an approximately £56.2 million decrease/increase in the investment property valuation.

- A decrease in the equivalent yield will increase the fair value. A 25bps shift of equivalent yield would have an approximately £126.2 million impact on the investment property valuation, either an increase or decrease.

- A deterioration in the physical condition of the property will decrease the fair value.

- An increase in the net initial yield will decrease fair value. A further 25bps shift in the net initial yield would have an approximately £127.6 million impact on the investment property valuation, either an increase or decrease.

Notes to the condensed financial statements (continued)

9. Cash and cash equivalents

	30 June 2025 £m (unaudited)	31 December 2024 £m (audited)
Cash held at bank	**11.5**	3.5

10. Borrowings: term loans and overdrafts

The table indicates amounts drawn and undrawn from each individual facility:

	Expiry date	**Facility**		**Amounts drawn**		**Undrawn**	
		30 June 2025 £m	31 December 2024 £m	**30 June 2025 £m**	31 December 2024 £m	**30 June 2025 £m**	31 December 2024 £m
Current							
RBS Overdraft	**Jun 2026**	**5.0**	5.0	**1.1**	0.9	**3.9**	4.1
Aviva loan[1]	**Sep 2033**	**2.6**	2.5	**2.6**	2.5	**-**	-
		7.6	7.5	**3.7**	3.4	**3.9**	4.1
Non-current							
Aviva AV Lending	**Oct 2036**	**200.0**	200.0	**200.0**	200.0	-	-
Aviva loan	**Nov 2028**	**75.0**	75.0	**75.0**	75.0	-	-
Barclays loan	**Sep 2027**	**170.0**	170.0	**105.0**	105.0	**65.0**	65.0
HSBC loan	**Dec 2027**	**100.0**	100.0	**70.7**	39.0	**29.3**	61.0
Lloyds loan	**Oct 2027**	**100.0**	100.0	**23.5**	18.5	**76.5**	81.5
NatWest loan	**Oct 2026**	**100.0**	100.0	**43.3**	33.5	**56.7**	66.5
Santander loan	**Jan 2027**	**50.0**	50.0	**22.9**	24.4	**27.1**	25.6
Aviva loan[1]	**Sep 2033**	**216.6**	218.0	**216.6**	218.0	**-**	-
Aviva loan[1]	**Sep 2028**	**30.8**	30.8	**30.8**	30.8	**-**	-
		1042.4	1,043.8	**787.8**	744.2	**254.6**	299.6
Total		**1050.0**	**1,051.3**	**791.5**	**747.6**	**258.5**	303.7

[1] Acquired as part of the merger with MedicX.

At 30 June 2025, total facilities of £1,636.8m (31 December 2024: £1,630.4m) were available to the Group. This included term loan facilities and the bonds in note 11. Of these facilities, as at 30 June 2025, £1,378.3m was drawn (31 December 2024: £1,326.7m).

Costs associated with the arrangement of the facilities, including legal advice and loan arrangement fees, are amortised using the effective interest rate.

10. Borrowings: term loans and overdrafts (continued)

Any amounts unamortised as at the period end are offset against amounts drawn on the facilities as shown in the table below:

	30 June 2025 £m (unaudited)	31 December 2024 £m (audited)
Term loans drawn: due within one year	**3.7**	3.4
Term loans drawn: due in greater than one year	**787.9**	744.2
Total term loans drawn	**791.6**	747.6
Plus: MtM on loans net of amortisation	**21.4**	22.5
Less: unamortised borrowing costs	**(8.2)**	(9.5)
Total term loans per the Condensed Group Balance Sheet	**804.8**	760.6

The Group has been in compliance with all the applicable financial covenants of the above facilities through the period.

11. Borrowings: Bonds

	30 June 2025 £m (unaudited)	31 December 2024 £m (audited)
Unsecured		
Convertible bond July 2025 at fair value	**150.2**	148.3
Less: unamortised costs	**-**	-
Total unsecured bonds	**150.2**	148.3
Secured		
Secured Bond March 2027	**100.0**	100.0
€51m Secured Bond (Euro private placement) December 2028/30	**43.8**	42.3
€70 million secured bond (Euro private placement) September 2031	**60.1**	57.9
€75 million secured bond (Euro private placement) February 2034	**64.4**	62.0
€47.8 million secured bond (Euro private placement) December 2033	**41.0**	39.5
Ignis loan note December 2028	**50.0**	50.0
Standard Life loan note September 2028	**77.5**	77.5
Less: unamortised issue costs	**(2.6)**	(2.7)
Plus: MtM on loans net of amortisation	**2.5**	2.8
Total secured bonds	**436.7**	429.3
Total bonds	**586.9**	577.6

Secured Bonds

On 18 December 2013, PHP successfully listed the floating rate guaranteed secured bonds issued on 4 November 2013 (the “Secured Bonds”) on the London Stock Exchange. The Secured Bonds had a nominal value of £70m and incurred interest at an annualised rate of 220bps plus a credit spread adjustment of 28bps above six-month SONIA, payable semi-annually in arrears. The bonds were fully redeemed on 25 September 2024.

Notes to the condensed financial statements (continued)

11. Borrowings: Bonds (continued)

Secured Bonds

On 21 March 2017, a £100m Secured Bond was issued for a 10-year term at a fixed coupon of 2.83% that matures on 21 March 2027. Interest is paid semi-annually in arrears.

On 20 December 2018, senior secured notes for a total of €51 million (£43.8 million) were issued at a blended fixed rate of 2.4793% and a weighted average maturity of 10.4 years. Interest is paid semi-annually in arrears. The notes represent PHP's first Euro-denominated transaction in the private placement market. The secured notes were placed with UK and Irish institutional investors in two tranches:

- €40 million 2.46% senior notes due December 2028.
- €11 million 2.633% senior notes due December 2030.

On 16 September 2019, new senior secured notes for a total of €70 million (£60.1 million) were issued at a fixed rate of 1.509% and a maturity of twelve years. Interest is paid semi-annually in arrears. The secured notes are guaranteed by the Company and were placed with UK and Irish institutional investors.

On 11 February 2022, the Group issued a new €75.0 million (£64.4 million) secured private placement loan note to MetLife for a 12-year term at a fixed rate of 1.64%. The loan notes have the option to be increased by a further €75 million to €150 million over the next three years at the Metlife's discretion.
On 19 December 2023, new senior secured notes for a total of €47.8 million (£41.0 million) were issued at a fixed rate of 4.195% and a maturity of ten-years. Interest is paid semi-annually in arrears. The secured notes are guaranteed by the Company and were placed with UK and Canadian institutional investors.

Ignis and Standard Life loan notes

On 14 March 2019, the loan notes were added to the portfolio as a part of the MedicX acquisition. The Ignis loan note incurs a fixed coupon of 3.99% payable semi-annually in arrears and matures on 1 December 2028.

The Standard Life loan note matures on 30 September 2028 and is split into two tranches, £50m and £27.5m at fixed coupon rates of 3.84% and 3.00% respectively. Interest is payable semi-annually in arrears.

Convertible bond

On 15 July 2019, PHP Finance (Jersey No.2) Limited (the "Issuer"), a wholly owned subsidiary of the Group, issued £150 million of 2.875% convertible bonds (the "Bonds") for a six-year term and if not previously converted, redeemed or purchased and cancelled, the Bonds could be redeemed at par on maturity in July 2025. The net proceeds were partially used to repay the Company's £75 million, 5.375% senior unsecured retail bonds at maturity and otherwise for general corporate purposes.

Subject to certain conditions, the bonds could be convertible into fully paid Ordinary Shares of the Company and the initial exchange price was set at 153.25 pence, a premium of 15% above the volume weighted average price of the Company's shares on 18 June 2019, being 133.26 pence. Under the terms of the Bonds, the Company had the right to elect to settle exercise of any conversion rights entirely in shares or cash, or with a combination of shares and cash. The exchange price was subject to adjustment if dividends paid per share exceed 2.8 pence per annum and other certain circumstances and consequently the exchange price was adjusted to 123.99 pence on 27 March 2025 (31 December 2024: 125.64 pence). On 15th July the bonds were repaid at maturity from existing headroom within the Group's revolving credit facilities.

Notes to the condensed financial statements (continued)

11. Borrowings: Bonds (continued)

Convertible Bond

	30 June 2025 (unaudited) £m	31 December 2024 (audited) £m
Opening balance – fair value	**148.3**	147.7
Cumulative fair value movement in convertible bond	**1.9**	0.6
Closing balance – fair value	**150.2**	148.3

The fair value of the convertible bond at 30 June 2025 was established by obtaining quoted market prices. The fair value movement is recognised in the Group Statement of Comprehensive Income within profit before taxation and is excluded from the calculation of EPRA earnings and EPRA NTA (replacing EPRA NAV).

12. Head lease liabilities

The Group holds certain long leasehold properties which are classified as investment properties. The head leases are accounted for as finance leases. These leases typically have lease terms between 25 years and perpetuity and fixed rentals.

	30 June 2025 (unaudited) £m	31 December 2024 (audited) £m
Due within one year	**0.2**	0.1
Due after one year	**3.2**	2.9
Closing balance – fair value	**3.4**	3.0

Notes to the condensed financial statements (continued)

13. Derivatives and other financial instruments

It is Group policy to maintain the proportion of floating rate interest exposure at between 20% and 40% of total debt. The Group uses interest rate swaps to mitigate its remaining exposure to interest-rate risk in line with this policy. The fair value of these contracts is recorded in the balance sheet and is determined by discounting future cash flows at the prevailing market rates at the balance sheet date.

The table below sets out the movements in the value of the Group's interest rate swaps during the period:

	30 June 2025 (unaudited) £m	31 December 2024 (audited) £m
Fair value of interest rate swaps not qualifying as cash flow hedges under IAS 39:		
Current assets	**0.1**	0.2
Non-current assets	**1.8**	-
Current liabilities	**-**	-
Non-current liabilities	**-**	-
Closing balance – fair value	**1.9**	0.2

Notes to the condensed financial statements (continued)

14. Financial risk management

Set out below is a comparison by class of the carrying amount and fair values of the Group's financial instruments that are carried in the financial statements.

	Book value 30 June 2025 (unaudited) £m	**Fair value 30 June 2025 (unaudited) £m**	Book value 31 December 2024 (audited) £m	Fair value 31 December 2024 (audited) £m
Financial assets				
Trade and other receivables	**17.3**	**17.3**	17.5	17.5
Interest rate swaps	**1.9**	**1.9**	0.2	0.2
Cash and short-term deposits	**11.5**	**11.5**	3.5	3.5
Financial liabilities				
Interest-bearing loans and borrowings	**(1,391.7)**	**(1,269.4)**	(1,338.2)	(1,201.3)
Interest rate swaps	**-**	**-**	-	-
Trade and other payables	**(28.8)**	**(28.8)**	(25.8)	(25.8)
Lease liabilities	**(3.4)**	**(3.4)**	(3.0)	(3.0)

The fair value of the financial assets and liabilities is included as an estimate of the amount at which the instruments could be transferred in a current transaction between willing parties, other than a forced sale. The following methods and assumptions were used to estimate fair values:

a. The fair values of the Group's cash and cash equivalents and trade payables and receivables are not materially different from those at which they are carried in the financial statements due to the short- term nature of these instruments.

b. The fair value of floating rate borrowings is estimated by discounting future cash flows using rates currently available for instruments with similar terms and remaining maturities. The fair value approximates their carrying values, gross of unamortised transaction costs.

c. The fair values of the derivative interest rate swap contracts are estimated by discounting expected future cash flows using market interest rates and yield curves over the remaining term of the instrument.

The Group held financial instruments at fair value at 30 June 2025. The Group has no financial instruments with fair values that are determined by reference to significant unobservable inputs, i.e. those that would be classified as level 3 in the fair value hierarchy, nor have there been any transfers of assets or liabilities between levels of the fair value hierarchy. There are no non-recurring fair value measurements.

Notes to the condensed financial statements (continued)

14. Financial risk management (continued)

Fair value measurements at 30 June 2025 are as follows:

Recurring fair value measurements	**Level 1[1] £m**	**Level 2[2] £m**	**Level 3[3] £m**	**Total £m**
Financial assets				
Derivative interest rate swaps	**-**	**1.9**	**-**	**1.9**
Financial liabilities				
Derivative interest rate swaps	**-**	**-**	**-**	**-**
Convertible bond	**(150.2)**	**-**	**-**	**(150.2)**
Secured bonds	**(406.4)**			**(406.4)**
Fixed rate debt	**-**	**(1,002.8)**	**-**	**(1,002.8)**

Fair value measurements at 31 December 2024 were as follows:

Recurring fair value measurements	Level 1[1] £m	Level 2[2] £m	Level 3[3] £m	Total £m
Financial assets				
Derivative interest rate swaps	**-**	**0.2**	**-**	**0.2**
Financial liabilities				
Derivative interest rate swaps	**-**	**-**	**-**	**-**
Convertible bond	**(148.3)**	**-**	**-**	**(148.3)**
Secured bonds	**(394.6)**			**(394.6)**
Fixed rate debt	-	**(831.7)**	**-**	**(831.7)**

1 Valuation is based on unadjusted quoted prices in active markets for identical financial assets and liabilities
2 Valuation is based on inputs (other than quoted prices included in Level 1) that are observable for the financial asset or liability, either directly (i.e. as unquoted prices) or indirectly (i.e. derived from prices)
3 Valuation is based on inputs that are not based on observable market data

The interest rate swaps whose fair values include the use of level 2 inputs are valued by discounting expected future cash flows using market interest rates and yield curves over the remaining term of the instrument. The following inputs are used in arriving at the valuation:

- Interest rates;
- Yield curves;
- Swaption volatility;
- Observable credit spreads;
- Credit default swap curve; and
- Observable market data.

Notes to the condensed financial statements (continued)

15. Related party transactions

Harry Hyman, Chair, is a Director and the ultimate beneficial owner of a number of Nexus entities and is considered to be a related party. Following the acquisition of certain Nexus entities on the internalisation of management structure on 5 January 2021, the Group has continued to share certain operational services with Nexus.

Amounts paid during the period in relation to shared services totalled £nil (30 June 2024: £11,306; 31 December 2024: £nil).

As at 30 June 2025, outstanding fees payable to Nexus totalled £nil (31 December 2024: £nil; 30 June 2024: £nil).

16. Share capital

	30 June 2025 £m (unaudited)	30 June 2024 £m (unaudited)	31 December 2024 £m (audited)
Issued and fully paid Ordinary Shares at 12.5p each	**167.1**	167.1	167.1
At beginning of year	**167.1**	167.1	167.1
Scrip issues in lieu of cash dividends	**-**	-	-
	167.1	167.1	167.1

17. Merger and other reserves

	30 June 2025 £m (unaudited)	30 June 2024 £m (unaudited)	31 December 2024 £m (audited)
At beginning of year	**415.2**	415.3	415.3
Exchange gain on translation of foreign balances	**0.8**	0.1	(0.1)
	416.0	415.4	415.2

18. Subsequent events

On 15 July the £150m Convertible Bond was repaid at maturity from existing headroom within the Group’s revolving credit facilities.

Notes to the condensed financial statements (continued)

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that to the best of their knowledge this condensed consolidated set of interim financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the United Kingdom and that the operating and financial review herein includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R of the Disclosure and Transparency rules of the United Kingdom's Financial Services Authority namely:

a. an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated interim financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

b. material related party transactions in the first six months and any material changes in the related party transactions described in the last Annual Report.

Shareholder information is as disclosed in the Annual Report and is also available on the PHP website, www.phpgroup.co.uk.

By order of the Board

Harry Hyman
Chair
23 July 2025

Glossary of terms

Adjusted earnings is EPRA earnings excluding the exceptional contract termination payment and amortisation of MtM adjustments for fixed rate debt acquired on the merger with MedicX.

Adjusted earnings per share is Adjusted earnings divided by the weighted average number of shares in issue during the year.

Adjusted net tangible assets ("adjusted NTA") (which has replaced the former adjusted EPRA net asset value alternative performance measure) is EPRA net tangible asset value excluding the MtM adjustment of the fixed rate debt, net of amortisation, acquired on the merger with MedicX. The objective of the adjusted NTA measure is to highlight the value of net assets on a long-term basis and excludes assets and liabilities that are not expected to crystallise in normal circumstances and continues to be used as a measure to determine the PIF payment.

Adjusted NTA per share is adjusted NTA divided by the number of shares in issue at the balance sheet date.

Annualised rental income on a like-for-like basis is the contracted rent on a per annum basis assuming a consistent number of properties between each year**.**

Average cost of debt is the total interest cost of drawn debt and swaps, divided by the amount of drawn debt.

Axis is Axis Technical Services Limited.

Building Research Establishment Environmental Assessment Method ("BREEAM") assesses the sustainability of buildings against a range of criteria.

Clinical Commissioning Groups ("CCGs") are the groups of GPs and other healthcare professionals that are responsible for designing local health services in England with effect from 1 April 2013.

Company and/or **Parent** is Primary Health Properties PLC ("PHP").

Direct property costs comprise ground rents payable under head leases, void costs, other direct irrecoverable property expenses, rent review fees and valuation fees.

District Valuer ("DV") is the District Valuer Service, being the commercial arm of the Valuation Office Agency ("VOA"). It provides professional property advice across the public sector and in respect of primary healthcare represents NHS bodies on matters of valuation, rent reviews and initial rents on new developments.

Dividend cover is the number of times the dividend payable (on an annual basis) is covered by Adjusted earnings.

Earnings per Ordinary Share from continuing operations ("EPS") is the profit attributable to equity holders of the Parent divided by the weighted average number of shares in issue during the year.

EBITDA is operating profit excluding amortisation of intangibles, Axis acquisition costs and investment property revaluations.

EPC is an Energy Performance certificate.

European Public Real Estate Association ("EPRA") is a real estate industry body, which has issued Best Practice Recommendations in order to provide consistency and transparency in real estate reporting across Europe.

EPRA cost ratio is the ratio of net overheads and operating expenses against gross rental income (with both amounts excluding ground rents payable). Net overheads and operating expenses relate to all administrative and operating expenses, net of any service fees, recharges or other income specifically intended to cover overhead and property expenses.

EPRA earnings is the profit after taxation excluding investment and development property revaluations, gains/losses on disposals, changes in the fair value of financial instruments, associated close-out costs and their related taxation, and amortisation of non-monetary items such as intangible assets.

EPRA net assets ("EPRA NAV") are the balance sheet net assets excluding own shares held, the MtM value of derivative financial instruments and the convertible bond fair value movement and intangible assets.

EPRA NAV per share is the balance sheet net assets excluding own shares held, the MtM value of derivative financial instruments, the convertible bond fair value movement and intangible assets, divided by the number of shares in issue at the balance sheet date.

EPRA NNNAV is adjusted EPRA NAV including the MtM value of fixed rate debt and derivatives.

EPRA net reinstatement value ("EPRA NRV") is the balance sheet net assets including real estate transfer taxes but excluding the MtM value of derivative financial instruments, deferred tax and the convertible bond fair value movement. The aim of the metric is to reflect the value that would be required to recreate the Company through the investment markets based on its current capital and financing structure. Refer to Note 6.

EPRA NRV per share is the EPRA net reinstatement value divided by the number of shares in issue at the balance sheet date. Refer to Note 6.

EPRA net disposal value "EPRA NDV" (replacing EPRA NNNAV) is EPRA NRV including deferred tax and the MtM value of fixed rate debt and derivatives. The aim of the metric is to reflect the value that would be realised under a disposal scenario. Refer to Note 6.

EPRA net tangible assets ("NTA") (which has replaced the former EPRA net asset value alternative performance measure) is the balance sheet net assets but excluding the MtM value of derivative financial instruments, deferred tax, intangible assets and the convertible bond fair value movement. The aim of the metric is to reflect the fair value of the assets and liabilities of the Group that it intends to hold and does not intend in the long run to sell. Refer to Note 6.

EPRA NTA per share is the EPRA net tangible assets divided by the number of shares in issue at the balance sheet date. Refer to Note 6.

EPRA vacancy rate is, as a percentage, the ERV of vacant space in the Group's property portfolio divided by ERV of the whole portfolio.

Equivalent yield (true and nominal) is a weighted average of the net initial yield and reversionary yield and represents the return a property will produce based upon the timing of the income received. The true equivalent yield assumes rents are received quarterly in advance. The nominal equivalent assumes rents are received annually in arrears.

Estimated rental value ("ERV") is the external valuer's opinion as to the open market rent which, on the date of valuation, could reasonably be expected to be obtained on a new letting or rent review of a property.

Gross rental income is the gross accounting rent receivable.

Group is Primary Health Properties PLC ("PHP") and its subsidiaries.

Headline earnings is the profit after taxation excluding investment and development property revaluations, gains/ losses on disposals and their related taxation.

HSE or **the Health Service Executive** is the executive agency of the Irish government responsible for health and social services for people living in Ireland.

IASs are International Accounting Standards as adopted by the United Kingdom.

IFRS is International Financial Reporting Standards as adopted by the European Union.

IFRS or **Basic net asset value per share ("IFRS NAV")** are the balance sheet net assets, excluding own shares held, divided by the number of shares in issue at the balance sheet date.

Interest cover is the number of times net interest payable is covered by net rental income.

Interest rate swap is a contract to exchange fixed payments for floating payments linked to an interest rate, and is generally used to manage exposure to fluctuations in interest rates.

JSE is Johannesburg Stock Exchange, the largest stock exchange in Africa.

Like for like compares prior year to current year excluding acquisitions, disposals and developments.

London Interbank Offered Rate ("LIBOR") is the interest rate charged by one bank to another for lending money.

Loan to value ("LTV") is the ratio of net debt to the total value of property and assets.

Mark to market ("MTM") is the difference between the book value of an asset or liability and its market value.

MedicX is MXF Fund Limited and its subsidiaries.

MSCI (IPD) provides performance analysis for most types of real estate and produces an independent benchmark of property returns.

MSCI (IPD) Healthcare is the UK Annual Healthcare Property Index.

MSCI (IPD) Total Return is calculated as the change in capital value, less any capital expenditure incurred, plus net income, expressed as a percentage of capital employed over the period, as calculated by MSCI (IPD).

Net asset value ("NAV") is the value of the Group's assets minus the value of its liabilities.

Net debt is total drawn debt, less cash and cash equivalents

Net initial yield ("NIY") is the annualised rents generated by an asset, after the deduction of an estimate of annual recurring irrecoverable property outgoings, expressed as a percentage of the asset valuation (after notional purchasers' costs).

Net related income is the Related income after the payment of direct property costs that include service charge payments.

Net rental and related income is the sum of Net rental income and Net related income.

Net rental income is the rental income receivable in the period after payment of direct property costs. Net rental income is quoted on an accounting basis.

Net zero carbon refers to the point at which a process, activity, system etc. produces net zero carbon emissions, through emissions reduction, use of low or zero carbon energy and removal or offsetting of residual emissions. In the context of buildings and activities associated with the construction, refurbishment, maintenance and operation of buildings, PHP refers to the UK Green Building Council "Net zero carbon, a framework definition".

NHSPS is NHS Property Services Limited, the company wholly owned and funded by the Department of Health, which, as of 1 April 2013, has taken on all property obligations formerly borne by Primary Care Trusts.

Occupancy is the level of units occupied, after deducting the ERV vacancy rate.

Parity value is calculated based on dividing the convertible bond value by the exchange price.

Progressive returns is where it is expected to continue to rise each year.

Progressive dividends is where it is expected to continue to rise each year on a per share basis.

Property Income Distribution ("PID") is the required distribution of income as dividends under the REIT regime. It is calculated as 90% of exempted net income.

Real Estate Investment Trust ("REIT") is a listed property company which qualifies for and has elected into a tax regime, which exempts qualifying UK profits, arising from property rental income and gains on investment property disposals, from corporation tax, but which has a number of specific requirements.

Related income is the property and service charge income generated from the Axis business.

Rent reviews take place at intervals agreed in the lease and their purpose is usually to adjust the rent to the current market level at the review date.

Rent roll is the passing rent, being the total of all the contracted rents reserved under the leases.

Reversionary yield is the anticipated yield which the initial yield will rise to once the rent reaches the ERV and when the property is fully let. It is calculated by dividing the ERV by the valuation.

Retail Price Index ("RPI") is the official measure of the

Glossary of terms (continued)

general level of inflation as reflected in the retail price of a basket of goods and services such as energy, food, petrol, housing, household goods, travelling fare, etc. RPI is commonly computed on a monthly and annual basis.

RICS is the Royal Institution of Chartered Surveyors.

RPI linked leases are those leases which have rent reviews which are linked to changes in the RPI.

Special reserve is a distributable reserve.

Sterling Overnight Interbank Average Rate ("SONIA") is the effective overnight interest rate paid by banks for unsecured transactions in the British Sterling market.

Total expense ratio ("TER") is calculated as total administrative costs for the year divided by the average total asset value during the year.

Total property return is the overall return generated by properties on a debt-free basis. It is calculated as the net rental income generated by the portfolio plus the change in market values, divided by opening property assets plus additions

	£m
Net rental and related income (A)	79.4
Revaluation surplus and profit on sales (B)	19.8
Total return (C)	99.2
Opening property assets	2,738.0
Weighted additions in the period	19.9
Impact of foreign exchange movements	5.2
Total weighted average closing property assets (D)	2,763.1
Income return (A/D)	2.9%
Capital return (B/D)	0.7%
Total property return (C/D)	**3.6%**

Total adjusted NTA return is calculated as the movement in adjusted net tangible asset value for the period plus the dividends paid, divided by opening EPRA net tangible asset value.

At 31 December 2024	105.0p
At 30 June 2025	106.2p
Increase / (decrease)	**1.2p**
Add: Dividends paid	
21/02/2025 Q1 interim	1.775p
09/05/2025 Q2 interim	1.775p
Total return	**3.55p**
Total adjusted NTA return	**4.51%**

Total shareholder return is calculated as the movement in the share price for the period plus the dividends paid, divided by the opening share price.

Weighted average facility maturity is calculated by multiplying each tranche of Group debt by the remaining period to its maturity and dividing the result by total Group debt in issue at the year end.

Weighted average unexpired lease term ("WAULT") is the average lease term remaining to first break, or expiry, across the portfolio weighted by contracted rental income.

Yield on cost is the estimated annual rent of a completed development divided by the total cost of development, including site value and finance costs expressed as a percentage return.

Yield shift is a movement (usually expressed in basis points) in the yield of a property asset, or like-for-like portfolio over a given period. Yield compression is a commonly used term for a reduction in yields.

Important Information in relation to PHP's offer for Assura plc

Capitalised terms used in this announcement (the "**Announcement**"), unless otherwise defined, have the same meanings as set out in the original offer document published by PHP on 13 June 2025 (as amended by a revised offer document published by PHP on 27 June 2025).

N.M. Rothschild & Sons Limited ("**Rothschild & Co**"), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively as joint lead financial adviser to PHP and for no one else in connection with the subject matter of this Announcement and will not be responsible to anyone other than PHP for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this Announcement. Neither Rothschild & Co nor any of its affiliates (nor any of their respective directors, officers, employees or agents), owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Rothschild & Co in connection with this Announcement, any statement contained herein or otherwise.

Numis Securities Limited ("**Deutsche Numis**"), which is authorised and regulated in the United Kingdom by the FCA in the United Kingdom, is acting exclusively as joint lead financial adviser to PHP and for no one else in connection with the subject matter of this Announcement and will not be responsible to anyone other than PHP for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this Announcement. Neither Deutsche Numis nor any of its affiliates (nor any of their respective directors, officers, employees or agents), owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Numis in connection with this Announcement, any statement contained herein or otherwise.

Citigroup Global Markets Limited ("**Citi**"), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively as joint financial adviser to PHP and for no one else in connection with the subject matter of this Announcement and will not be responsible to anyone other than PHP for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this Announcement. Neither Citi nor any of its affiliates (nor any of their respective directors officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Citi in connection with this Announcement, any statement contained herein or otherwise.

Peel Hunt LLP ("**Peel Hunt**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as joint financial adviser to PHP and for no one else in connection with the subject matter of this Announcement and will not be responsible to anyone other than PHP for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this Announcement. Neither Peel Hunt nor any of its affiliates (nor any of their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Peel Hunt in connection with the matters referred to in this Announcement, any statement contained herein, or otherwise.

This Announcement is for information purposes only and is not intended to, and does not, constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Combination or otherwise, nor shall there be any sale, issuance or transfer of securities of Assura in any jurisdiction in contravention of applicable law. In particular, this Announcement does not constitute an offer of securities to the public as contemplated in the South African Companies Act, 71 of 2008.

The Combination will be implemented solely pursuant to the terms of the Original Offer Document and

Revised Offer Document which will contain the full terms and conditions of the Combination, including details of how to accept the Revised Offer. Any decision or response in relation to the Combination should be made only on the basis of the information contained in the Original Offer Document, the Revised Offer Document, the Original Combined Circular and Prospectus and the Supplementary Prospectus.

The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and publication of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date.

This Announcement does not constitute or form part of, and should not be construed as, any public offer under any applicable legislation or an offer to sell or solicitation of any offer to buy any securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments.

This Announcement does not constitute a prospectus, prospectus equivalent document or exempted document. PHP has published the Original Combined Circular and Prospectus and Supplementary Prospectus containing information on the New PHP Shares and the Combined Group as well as the Original Offer Document and Revised Offer Document. PHP urges Assura Shareholders to read the Original Offer Document, the Revised Offer Document, the Forms of Acceptance and Election, the Original Combined Circular and Prospectus and Supplementary Prospectus carefully because they contain important information in relation to the Combination, the New PHP Shares and the Combined Group. Any decision by Assura Shareholders in respect of the Combination should be made only on the basis of the information contained in the Original Offer Document, the Revised Offer Document the Original Combined Circular and Prospectus and Supplementary Prospectus. PHP urges Assura Shareholders to read the Original Offer Document, the Revised Offer Document, the Forms of Acceptance and Election, the Original Combined Circular and Prospectus and Supplementary Prospectus.

If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

Overseas Shareholders

The information contained herein is not for release, distribution or publication, directly or indirectly, in or into South Africa, the United States, Australia, Canada, Japan, New Zealand or any other Restricted Jurisdiction where applicable laws prohibit its release, distribution or publication.

The release, publication or distribution of this Announcement in, into or from jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves of, and observe, any applicable legal or regulatory requirements. Any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation, the UK Listing Rules and the Disclosure Guidance and Transparency Rules and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside England.

The availability of the Offer to Assura Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions.

In particular, the ability of persons who are not resident in the United Kingdom to execute Second Forms of Acceptance and Election in connection with the Revised Offer; and persons who are not resident in the United Kingdom to receive New PHP Shares in part consideration pursuant to terms of the Combination, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders are contained in the Original Offer Document and the Revised Offer Document.

Unless otherwise determined by PHP or required by the Takeover Code, and permitted by applicable law and regulation, the Revised Offer will not be made available, in whole or in part, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may accept the Revised Offer by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction.

Copies of this Announcement and any formal documentation relating to the Combination are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported acceptance of the Revised Offer. Unless otherwise determined by PHP and permitted by applicable law and regulation, the Revised Offer may not be made, directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction, and the Revised Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The New PHP Shares to be issued pursuant to the Revised Offer have not been and will not be registered under the relevant securities laws of or with any securities regulatory authority of any Restricted Jurisdiction. Accordingly, the New PHP Shares may not be offered, sold or delivered, directly or indirectly, in or into any Restricted Jurisdiction nor to any U.S. Person or Restricted Overseas Person, except pursuant to exemptions from the registration requirements of any such jurisdiction.

Further details in relation to Overseas Shareholders are included in the Original Offer Document and Revised Offer Document and Assura Shareholders are advised to read carefully the Original Offer Document and Revised Offer Document.

The Combination is subject to English law, the applicable requirements of the Companies Act, the Takeover Code, the Panel, the UK Listing Rules, the Market Abuse Regulation, the FCA, the London Stock Exchange, the Registrar of Companies, the Johannesburg Stock Exchange, the JSE Listing Requirements and applicable securities law.

The information contained in this Announcement constitutes factual advice as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, 37 of 2002, as amended ("**FAIS Act**") and should not be construed as express or implied advice (as that term is used in the FAIS Act and/or the South African Financial Markets Act, 19 of 2012, as amended) that any particular transaction in respect of the Combination, is appropriate to the particular investment objectives, financial situations or needs of a shareholder, and nothing in this Announcement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. PHP is not a financial services provider licensed as such under the FAIS Act.

Nothing in this Announcement should be viewed, or construed, as "advice", as that term is used in the South African Financial Markets Act, 19 of 2012, as amended.

Notice relating to the United States

This document is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Revised Offer or otherwise. The Combination will be made solely through the Original Offer Document and the Revised Offer Document which will contain the full terms and conditions of the Combination, including details of how the Combination may be accepted. Any acceptance or other response to the Combination should be made only on the basis of the information in the Original Offer Document and the Revised Offer Document.

The Combination relates to the shares of an English company and is subject to UK procedural and disclosure requirements that are different from certain of those of the United States. The financial statements and other financial information included in this document have been prepared in accordance with non-U.S. accounting standards that may not be comparable to the financial statements of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. It may be difficult for U.S. holders of shares to enforce their rights and any claims they may have arising under the U.S. federal securities laws in connection with the Combination, since PHP and Assura are located in countries other than the United States, and all or some of their officers and directors may be residents of countries other than the United States. U.S. holders of shares in PHP or Assura may not be able to sue PHP, Assura or their respective officers or directors in a non-U.S. court for violations of U.S. securities laws. Further, it may be difficult to compel PHP, Assura and their respective affiliates to subject themselves to the jurisdiction or judgment of a U.S. court.

The New PHP Shares have not been and will not be registered under the U.S. Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered, taken up, sold, resold, delivered, pledged, renounced, distributed or otherwise transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, any U.S. Person except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

None of the New PHP Shares, the Original Combined Circular and Prospectus, the Supplementary Prospectus, the Original Offer Document, the Revised Offer Document, the Second Form of Acceptance or any other offering document has been approved or disapproved by the SEC, any state securities commission in the United States or any other U.S. regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in any of those documents or passed upon or endorsed the merits of the Combination. Any representation to the contrary is a criminal offence in the United States.

It is intended that the Combination will be implemented by way of a takeover offer within the meaning of the Companies Act. The Revised Offer will not be subject to the disclosure and other procedural requirements of Regulation 14D under the U.S. Exchange Act. If made into the United States, the Revised Offer will be made in accordance with applicable requirements of Regulation 14E under the U.S. Exchange Act. However, the Revised Offer will qualify for "Tier II" exemptions from the tender offer rules included in Regulation 14E under the U.S. Exchange Act. Accordingly, the Revised Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that may be different from those applicable under U.S. domestic tender offer procedures and law.

No document relating to the Revised Offer or the Combination will be posted into the United States, but a "qualified institutional buyer" (as such term is defined in Rule 144A promulgated under the U.S. Securities Act) may be permitted, at PHP's sole discretion, to participate in the Revised Offer upon establishing its eligibility as an Eligible U.S. Holder (as defined in this document). PHP will require the provision of a letter by Eligible U.S. Holders (and may require the provision of a letter by subsequent transferees in the United States) with such acknowledgements, warranties, and representations to and agreements with PHP, as PHP may require, to, among other things, confirm compliance with applicable laws as well as other supporting documentation. PHP will refuse to issue or transfer New PHP Shares to investors that do not meet the foregoing requirements.

The receipt of consideration pursuant to the Revised Offer by an Eligible U.S. Holder may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each Assura Shareholder is urged to consult its independent professional adviser immediately regarding the tax consequences of accepting the Revised Offer.

In accordance with normal United Kingdom market practice and to the extent permissible under applicable law or regulatory requirements, including Rule 14e-5 under the U.S. Exchange Act (to the extent applicable), PHP and its affiliates or its brokers and its broker's affiliates (acting as agents for PHP or its affiliates, as applicable) may from time to time whilst the Revised Offer remains open for acceptance make certain purchases of, or arrangements to purchase, Assura Shares outside the United States otherwise than under the Revised Offer, such as in the open market or through privately negotiated purchases. Such purchases, or arrangements to purchase, shall comply with applicable rules in the United Kingdom and the rules of the London Stock Exchange. Details about any such purchases will be available from a Regulatory Information Service and will be available on the London Stock Exchange website (www.londonstockexchange.com).

Dealing and Opening Position Disclosure Requirements

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Takeover Code applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

A copy of this Announcement and the documents required to be published pursuant to Rule 26 of the Takeover Code will be available at PHP's website at www.phpgroup.co.uk and Assura's website at www.assuraplc.com/investor-relations/shareholder-information/offer-from-php promptly and in any event by no later than 12 noon on the Business Day following this Announcement. The content of these websites is not incorporated into and does not form part of this Announcement

General

Investors should be aware that PHP may purchase Assura Shares otherwise than under the Revised Offer, including pursuant to privately negotiated purchases.

Requesting hard copy documents

In accordance with Rule 30.3 of the Takeover Code, Assura Shareholders, persons with information rights and participants in Assura Share Plans may request a hard copy of this Announcement by contacting PHP's company secretary at cosec@phpgroup.co.uk. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Combination should be in hard copy form.

For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Combination should be in hard copy form.

Electronic communications

Please be aware that addresses, electronic addresses and certain other information provided by Assura Shareholders, persons with information rights and other relevant persons for the receipt of communications from Assura may be provided to PHP during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

Profit Forecasts and Estimates

No statement in this Announcement is intended to constitute a profit forecast or profit estimate, no statement in this Announcement is subject to the requirements of Rule 28 of the Takeover Code and no statement in this Announcement should be interpreted to mean that the earnings or future earnings per share of or dividends or future dividends per share of PHP and/or Assura for current or future financial years will necessarily match or exceed the historical or published earnings or dividends per share of PHP or Assura, as appropriate.