

Primary Health Properties PLC

Preliminary results for the year ended 31 December 2025

30-year track record of dividend growth in a structurally growing sector

Primary Health Properties PLC (“PHP”, the “Group” or the “Company”), the UK’s leading investor in critical healthcare infrastructure, announces its audited preliminary results for the year ended 31 December 2025.

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

“2025 was a transformational year for PHP, obtaining overwhelming shareholder and wider stakeholder support for the combination with Assura plc (“Assura”) to create a £6 billion healthcare REIT invested in critical social infrastructure assets across the UK and Ireland which will deliver financial and strategic benefits to our stakeholders. Our immediate focus is on delivering the post-transaction objectives of reducing leverage back to our targeted range of 40% to 50%; delivering the £9 million of annualised synergies identified; and integrating the two businesses to achieve the best of both organisations.

“In a short space of time and ahead of schedule, we have delivered over 80% of the annualised transaction synergies and offers have been received from highly credible investors to establish a new strategic joint venture on our private hospital portfolio. Alongside this, we have agreed commercial terms with our existing joint venture partner on primary care assets to inject a portfolio of £103 million which will help to reduce leverage back to our targeted range.

“The NHS’s 10-year Health Plan published in 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, enhanced by the NHS Neighbourhood Rebuild programme announced in the Autumn Budget. 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 are encouraged by the improving rental growth outlook underpinned by the Group’s primary care assets along with the solid trading performance from the recently acquired private hospital portfolio. Rental growth of 3.2% in 2025 was ahead of previous guidance and this trend has continued into 2026, with an annualised growth rate of 3.4% on rent reviews settled in the first two months.

“We have now achieved PHP’s 30-year anniversary of consecutive dividend growth and approach the future with a dedicated determination to continue growing our dividend on a fully covered basis.”

FINANCIAL AND OPERATIONAL HIGHLIGHTS (which include only 4.5 months of the merged Group)

Income statement metrics	Year to 31 December 2025	Year to 31 December 2024	Annual change
Net rental income ¹	£230m	£154m	+49%
Adjusted earnings ^{1,2}	£131m	£93m	+41%
Adjusted earnings per share ^{1,2}	7.3p	7.0p	+4%
IFRS profit after tax for the year	£119m	£41m	+190%
IFRS earnings per share ²	6.6p	3.1p	+113%
Dividends			
Dividend per share ⁴	7.1p	6.9p	+3%
Dividend cover ¹	112%	101%	
Balance sheet and operational metrics	31 December 2025	31 December 2024	Annual change
Property portfolio			
Investment portfolio valuation (including JVs at share)	£6.0bn	£2.8bn	+115%
Contracted rent roll (annualised) ¹	£342m	£154m	+122%

Government-backed income ¹	76%	89%	
Weighted average unexpired lease term ("WAULT") ¹	10.8 years	9.4 years	+1.4 years
Occupancy ¹	99%	99%	
Net initial yield ("NIY") ^{1,6}	5.4%	5.2%	+20bps
Balance sheet			
EPRA NTA per share ^{1,3}	99p	103p	-4%
IFRS NTA per share ^{1,3}	98p	103p	-5%
Debt			
Average cost of debt ¹	3.7%	3.4%	+30 bps
Loan to value ratio ¹	57%	48%	
Weighted average debt maturity – drawn facilities	4.1 years	5.7 years	-1.6 years
Total undrawn loan facilities and cash ⁵	£571m	£271m	

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. Per share figures are presented on a basic basis.

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

⁴ See note 8, dividends, to the financial statements.

⁵ After deducting the remaining cost to complete contracted acquisitions, properties under development and committed asset management projects.

⁶ Increase in the net initial yield ("NIY") reflects the acquisition of Assura and change in the portfolio composition including private hospitals.

TRANSFORMATIONAL ACQUISITION OF ASSURA

- Combination between PHP and Assura successfully delivered, creating a £6 billion healthcare REIT investing in critical healthcare infrastructure
- On track to deliver annualised synergies identified at the time of the merger of £9 million with £7.5 million or 83% of total annualised synergies already delivered since Competition and Markets Authority ("CMA") clearance, as integration moves forward at pace and the benefits of the combination are delivered for shareholders
- Good progress is being made on expanding the existing primary care joint venture and establishing a strategic joint venture for our private hospital portfolio, where we see exciting growth opportunities

EARNINGS AND DIVIDENDS

- Adjusted earnings per share up 4% at 7.3 pence (2024: 7.0 pence)
- IFRS earnings per share increased to 6.6 pence (2024: 3.1 pence) reflecting non-cashflow gains arising on the valuation of the Group's property portfolio and interest rate derivatives
- Annualised contracted rent roll now stands at £342 million (2024: £154 million) with rent reviews and asset management in the year generating an additional £9 million of annualised income, an increase of just under 7% over the previous passing rent or over 3% on an annualised basis, which supports our positive rental growth outlook
- EPRA cost ratio 9.8% (2024: 10.1%), excluding Axis overheads and direct vacancy costs, representing one of the lowest in the UK REIT sector
- Quarterly dividends totalling 7.1 pence (2024: 6.9 pence) per share distributed in the year, a 3% increase, and fully covered
- Second quarterly dividend of 1.825 pence per share declared and payable on 8 May 2026, equivalent to 7.3 pence on an annualised basis and a 3% increase over the 2025 dividend per share, marking the start of the Company's 30th consecutive year of dividend growth

- The Company intends to maintain its strategy of paying a progressive, fully covered dividend

NET ASSET VALUE AND PORTFOLIO MANAGEMENT

- EPRA Net Tangible Assets (“NTA”) per share decreased by 4% to 99 pence (31 December 2024: 103 pence), as a result of shares issued in relation to the combination with Assura and transaction costs. Adjusted NTA, including the MtM benefit of fixed rate debt, currently stands at 104 pence per share
- IFRS NTA per share decreased by 5% to 98 pence (31 December 2024: 103 pence)
- Property portfolio valued at £6.0 billion at 31 December 2025 (31 December 2024: £2.8 billion) reflecting a net initial yield of 5.4% (31 December 2024: 5.2%), increase in yield reflects the addition of the higher returning private hospital portfolio
- Revaluation surplus in the year of £48 million (2024: deficit £38 million), representing an increase of 0.8% (2024: decrease of 1.4%) driven by a £72 million gain from rental growth and asset management, offset by a small NIY movement of 3 bps equivalent to around £24 million
- The portfolio’s metrics continue to reflect the Group’s secure, long-term and predictable income stream characterised by high occupancy at 99% (31 December 2024: 99%); long WAULT of 10.8 years (31 December 2024: 9.4 years); and 76% (31 December 2024: 89%) of income funded by government bodies with strategy to increase this within 80% to 90% target range
- The reversionary potential of the enlarged Group’s primary care portfolio continues to remain strong with a current average rent of c.£200 psm (c.£20 psf) capable of being increased over time
- New asset management and development projects are starting to see rents being rebased to an average of £218 psm and £277 psm respectively, which make these schemes economically viable, providing crucial evidence to support our rent review activities across the wider portfolio in the future
- Private hospitals and Ireland now comprise 13% and 6% respectively of the enlarged Group’s portfolio with both markets offering strong and attractive growth opportunities together with the continued need for significant investment required into healthcare infrastructure to support the governments and NHS’s 10-year plan objectives.

FINANCIAL MANAGEMENT

- Strong support from the debt and credit markets for the combination with the refinancing of Assura debt facilities, subject to change of control clauses, now complete providing the enlarged Group with significant undrawn liquidity headroom, after capital commitments, of £571 million
- Weighted average cost of debt of 3.7% (2024: 3.4%) and debt maturities of just over four years
- Net debt drawn at 31 December 2025 of £3.4 billion out of total debt facilities of £4.0 billion comprising £1.5 billion (37%) of PHP secured facilities and £2.5 billion (63%) of unsecured facilities including the bridging loan provided to finance the combination with Assura
- LTV ratio 57% (31 December 2024: 48%), temporarily above the Group’s targeted range of between 40% to 50% because of the combination, with a clear plan to reduce this during 2026
- Well placed to continue delivering shareholder returns as combination has brought a deeper capability set, larger pipeline and more opportunities

Presentation and webcast:

A virtual presentation for analysts and investors will be held on 17 March 2026 at 9.00am (11.00am SAST) via a live webcast and conference call facility. Following the presentation there will be a managed questions and answers session.

The presentation will be accessible via live video webcast and a live conference call facility:

Webcast: https://brrmedia.news/PHP_FY_25

Telephone: UK-wide: +44 (0) 33 0551 0200

Telephone: South Africa toll free: 0 800 980 512

Password: Quote "PHP Results" when prompted

A recording of the webcast will be made available from c.1.00pm UK time (3.00pm SAST) on 17 March 2026 on the PHP website, <https://www.phpgroup.co.uk/>.

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Notes to editors

PHP is the UK's leading investor in modern healthcare infrastructure with a £6 billion portfolio invested in critical social assets across the UK and Ireland. The portfolio benefits from highly resilient operating metrics in a sector with strong fundamental demographic characteristics, supported by a positive political backdrop and the need for greater investment in healthcare infrastructure to support the delivery of services in local communities.

In 2025, PHP combined with Assura to create the UK's largest healthcare REIT placing the enlarged Group in the top quartile of the London Stock Exchange FTSE 250 index with the additional benefits of significantly increased share liquidity, investor reach and a lower cost of capital. PHP's unique portfolio, strong platform with a robust balance sheet and a disciplined focus rental growth and cost control supports our 30-year track record of paying an increased progressive dividend.

Chair's statement

2025 was a transformational year for PHP, obtaining overwhelming shareholder and wider stakeholder support for the combination with Assura plc ("Assura") to create a £6 billion healthcare REIT invested in critical social infrastructure across the UK and Ireland which will deliver material financial and strategic benefits to stakeholders in the future.

I am delighted to welcome former Assura shareholders to the enlarged Group and the resulting increase in the Company's market capitalisation places PHP in the top quartile of the London Stock Exchange FTSE 250 with the additional benefits of significantly increased share liquidity, investor reach and a lower cost of capital.

We are pleased to have produced such a good set of results despite the time spent by the business on the transaction, and continue to deliver on our track record of continuous dividend growth, which now enters the 30th consecutive year, highlighting the benefit of PHP's long-standing disciplined approach to managing our portfolio, balance sheet and cost base.

The performance in the year is a testament to the quality of PHP's business model, portfolio and management team. I am proud of how colleagues across the newly enlarged business have collaborated together in the short period since the Competition and Markets Authority ("CMA") review concluded at the end of October. We recognise that the future success of the Group depends on our people and I would again like to warmly thank all our employees and the Board for their continued commitment, dedication and professionalism.

Future strategy and financial framework

The combination with Assura has created a UK REIT of significant scale and liquidity with a portfolio of long-leased, sustainable infrastructure assets principally let to government tenants and leading UK healthcare providers, benefiting from high income security, longevity, diversity of assets, geography and broad mix of rent review types.

To support the combined Group's progressive dividend policy, paid on a quarterly basis, we have set out our future 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;
- 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%;
- Net debt : EBITDA target of less than 9.5x;
- Interest cover target of greater than 2.5x net rental income, with more than 90% of debt fixed or hedged; and
- Strong control on costs and overheads, with one of the lowest EPRA cost ratios in the sector at below 10%.

Our immediate focus is now on delivering the post combination objectives of reducing leverage back to our targeted range, delivering the £9 million of annualised cost synergies identified and integrate the two businesses effectively, combining their respective strengths to deliver the best of both organisations.

Joint ventures and disposals

A full portfolio review is currently ongoing and as previously reported we aim to establish new strategic joint ventures and deliver further disposals to achieve our goal to reduce leverage back to our targeted range of 40-50% and optimise shareholder returns.

We continue to make good progress regarding opportunities to expand our existing joint venture, where we have agreed terms to transfer a further £103 million of assets from our primary care portfolio. Additionally, we have received four offers, from highly credible investors, to establish a new strategic joint venture on our private hospital portfolio. We are excited about the prospect of continuing to build a new strategic joint venture of size and scale which will bring financial benefits to all parties while supporting investment in critical healthcare infrastructure and generating positive social impact across the UK.

Following completion of the combination with Assura the enlarged Group has sold four non-core assets for £8.3 million.

Combination with Assura

On 12 August 2025, PHP obtained control of Assura with 63% of shareholders accepting our shares and cash offer, which subsequently increased to 98% before the offer was closed on 10 September 2025. The acquisition of Assura completed in full on 20 October 2025 when the final 2% of Assura shares were legally acquired, and Phase 1 clearance from the CMA was received on 29 October 2025 which enabled integration of the two businesses to commence.

In the short space of time since CMA clearance, we have made strong progress and delivered annualised cost synergies totalling £7.5 million or 83% of the target, which has been achieved primarily through a reduction in people costs and elimination of duplicated professional fees. These synergies do not include any potential reductions in the enlarged Group's cost financing.

The fair value of the total consideration paid for the acquisition of Assura was just under £1.6 billion, funded through the issue of 1.26 billion new ordinary shares of 12.5 pence each, at a fair value, equivalent to £1,171 million, cash consideration of £407 million and transaction costs including stamp duty of £42 million.

Operational performance

Throughout 2025 we have continued to focus on and deliver a strong and resilient operational performance, reflecting the security and longevity of our income, which are important drivers of our predictable, growing income stream and underpin our progressive dividend policy.

We have maintained our strong operational property metrics, with high occupancy at 99% (31 December 2024: 99%) and a long weighted average unexpired lease term ("WAULT") of 10.8 years (31 December 2024: 9.4 years). Following the combination, 76% (31 December 2024: 89%) of the Group's rent is currently funded directly or indirectly by the UK and Irish governments, with a further 13% funded by strong and well established private hospital operators who continue to experience improving operational performance at our assets.

The value of the property portfolio, including our share of joint ventures, now stands at £6.0 billion (31 December 2024: £2.8 billion) across 1,142 assets (31 December 2024: 516 assets), including 28 assets in Ireland, with a total rent roll of £342 million (31 December 2024: £154 million).

It is pleasing to report that the portfolio generated a valuation surplus of £48 million (2024: deficit of £38 million), reflecting gains of approximately £72 million (2024: gain of £63 million) arising from rental growth and asset management activity, partially offset by a deficit of £24 million (2024: deficit of £101 million) as a result of yield expansion of 3 bps (2024: 17 bps), primarily due to small adjustments to align the valuation approach across the enlarged portfolio. Following a stabilisation of primary care valuation yields in the second half of 2024, these have continued to remain broadly flat in 2025 with a small uptick in transaction volumes. The portfolio's average lot size has remained broadly unchanged at £5.3 million (31 December 2024: £5.3 million).

The reversionary potential of the enlarged Group's primary care portfolio continues to remain strong with a current low average rent, subject to open market reviews, of c.£200 psm. New asset management and development projects

are starting to see rents being rebased to an average of £218 psm and £277m psm respectively, to make these schemes economically viable, providing crucial evidence to support our rent review activities across the wider portfolio. In 2025, rent reviews and asset management generated an extra £9.1 million (2024: £4.0 million) of annualised rental income.

We continue to focus on driving rental growth and unlocking the reversionary potential from our enhanced rent review, asset management and development capabilities. The integration of the two teams will achieve the best of both and unlock further opportunities in the UK and Ireland across primary and private healthcare markets.

Overview of results

Adjusted earnings increased by £38 million or +41% (2024: +£2 million or +2.4%) to £131 million (2024: £93 million). The significant increase reflects just under five months of additional income arising from the combination with Assura portfolio, along with the solid performance of the underlying portfolio driven by organic growth from rent reviews and asset management activity in the year. Using the weighted average number of shares in issue in the year, the adjusted earnings per share increased to 7.3 pence (2024: 7.0 pence), an increase of 4.3% (2024: +2.9%).

A revaluation surplus of £48 million (2024: deficit of £38 million) was generated in the year from the portfolio, equivalent to 2 pence (2024: deficit of 3 pence) per share.

Profit after tax as reported under IFRS rose to £119 million (2024: £41 million).

EPRA NTA reduced by 4% to 99 pence per share (31 December 2024: 103 pence). The combination with Assura impacted the EPRA NTA by 6 pence per share, reflecting the effects of the share exchange ratio and transaction costs incurred. On an underlying basis, a 2 pence per share uplift was delivered from the positive portfolio revaluation. Including the MtM benefit of fixed rate debt of 5 pence per share, Adjusted NTA stands at 104 pence.

The Group's balance sheet remains robust, with significant liquidity headroom, with cash and collateralised undrawn loan facilities, after capital commitments, totalling £571 million (31 December 2024: £271 million). The loan to value ratio of 57% (31 December 2024: 48%) is currently higher than our targeted range of between 40% and 50%, as a result of the combination with Assura, but as noted above, we have a clear plan to bring this back within the targeted range during 2026.

Dividends

The Company distributed a total of 7.1 pence per share in 2025 which was fully covered, an increase of 2.9% over the 2024 dividend of 6.9 pence per share. The total value of dividends distributed in the year increased by 27% to £117 million (2024: £92 million), which were fully covered by adjusted earnings. During 2025, the scrip dividend scheme continued to be suspended as a consequence of the ongoing weakness in the share price and a Dividend Reinvestment Plan continued to be offered in its place.

The first interim dividend of 1.825 pence per share, equivalent to 7.3 pence on an annualised basis, an increase of 2.8% over the 2025 rate, was paid on 13 March 2026 and the second is payable on 8 May 2026 to shareholders on the register at 27 March 2026. Both dividends represent a Property Income Distribution of 1.325 pence and an ordinary dividend of 0.5 pence.

The Company intends to maintain its strategy of paying a progressive dividend, paid in equal quarterly instalments, that is covered by adjusted earnings in each financial year. Further dividend payments are planned to be made on a quarterly basis in May, August and November 2026 which are expected to comprise a mixture of both Property Income Distribution and normal dividend. It is proposed that authority will be sought at the AGM for the re-introduction of the scrip dividend for future dividends, at the Directors' discretion.

Board changes

We were delighted to welcome Jonathan Davies to the Board following his appointment as an independent Non-executive Director effective from 1 December 2025. Jonathan brings a deep understanding of the sector and Assura's business, having served as its Senior Independent Director and, latterly, Chair, providing the Company's stakeholders with continuity during the integration period and beyond.

Johannesburg Stock Exchange ("JSE") secondary listing

During the year, the Company continued to build on the growing interest in the Company and its profile in the South African market, where investors have shown strong interest in the combination with Assura and the Group's unique healthcare property investment opportunity. Since joining the JSE in October 2023, the secondary listing has helped contribute to liquidity in the Group's shares and as at 31 December 2025, approximately 49 million shares or 2% (31 December 2024: 14 million or 1%) 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% and 10% of the Group's total issued share capital.

Environmental, Social and Governance ("ESG")

PHP has a strong commitment to responsible business and ESG matters are at the forefront of the Board's and our various stakeholders' considerations. PHP published in 2022 a Net Zero Carbon ("NZC") Framework setting out the five key steps we are taking to achieve a target of being NZC by 2030. However, the combination with Assura and significant increase in the scale of the portfolio means now is the right time to review appropriate targets. Consequently, we will revisit both PHP's NZC Framework and Assura's NZC Pathway, including Science Based Targets initiative targets, over the course of 2026.

During 2025, we continued to progress the delivery of our original NZC Framework, achieving net zero operations for the third year in succession and the Group completed three NZC developments at Croft, West Sussex; South Kilburn, London; and an NHS children's therapy centre at Fareham, Hampshire.

We continue to modernise existing buildings and improve the environmental credentials of our portfolio through the asset management programme. As at 31 December 2025, 63% of assets have an EPC rating of A or B (31 December 2024: 47%) and 93% at A to C (31 December 2024: 88%).

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 in the year, objectives for the future and approach to responsible business can be found in our Responsible Business Report.

Healthcare market update and outlook

The UK Government's 10-year plan for the NHS in England was launched in 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, 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 NHCs 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. They should 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, and supporting 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 this was enhanced by the announcement of the NHS Neighbourhood Rebuild Programme in 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.

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. As a result, we have continued to see a pick-up in transaction volumes in the UK, across both primary care and private hospital markets, which are supportive of our property valuations and give us confidence in our ability to complete our deleveraging objectives in the short term.

Yields adopted by the enlarged Group’s valuers have remained stable in 2025, moving out by only 3 bps to 5.4%, primarily as a result of small adjustments to align the valuation approach across the enlarged portfolio. We believe the sector has reached an inflexion point with future rental growth driving positive performance in the future.

PHP outlook

The immediate focus of the business is on delivering the strategic benefits and priorities following the combination with Assura: managing leverage through moving assets into joint ventures or sales, integrating the two businesses and continuing to deliver cost synergy benefits, and refinancing the acquisition facilities.

PHP has delivered another year of strong operational and financial performance with a focus on driving rental growth from our existing assets, and we 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 growth, and we are starting to see the evidence of this through our asset management and development pipelines.

Our portfolio has very resilient operating metrics in a healthcare market with strong fundamental demographic characteristics, supported by a supportive political backdrop and the need for greater investment in healthcare infrastructure to support the delivery of services in local community settings. PHP has a unique portfolio, strong operational platform and skill-set across primary care in the UK and Ireland with attractive future growth opportunities focused around private hospitals and adjacent healthcare assets.

These factors give us confidence in our ability to continue to generate attractive shareholder returns which, combined with our disciplined strategy and financial framework, support our progressive dividend policy and enable us to look forward to 2026 and beyond with confidence.

Harry Hyman

Non-executive Chair

16 March 2026

Business review

2025 has been a very active and transformational year following the combination with Assura; adding £3.0 billion of assets with a rent roll of £182 million per annum. The combination provides a significant increase in the Group's scale with a property portfolio entirely focused on critical social healthcare infrastructure.

The increased scale resulting from the Assura merger provides the Group with a lower cost of capital and more scope to drive and improve the organic income growth that can be derived from the portfolio. We are targeting rental growth in the future in excess of 3% per annum to continue to deliver sector-leading, risk-adjusted total property returns.

The Assura portfolio increased our exposure to private hospitals and post year-end we have progressed negotiations with offers received from four credible counterparties to put this portfolio into a new strategic joint venture to help reduce the Group's leverage back to the target range of 40% to 50% and a government-backed income target of 80% to 90%.

Rental growth

PHP's sector-leading metrics remain robust and we continue to focus on delivering organic rental growth derived from our portfolio of secure income 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 create value. Enhancing our assets ensures that they continue to meet their communities' healthcare needs, often improving their ESG credentials and ensure they also play a crucial role in helping the NHS fulfil its 10-year plan.

Throughout 2025, we continued to see strong organic rental growth from both our existing and the newly acquired Assura portfolio on a like-for-like basis, with rent roll, increasing by £9.1 million or 2.7% (PHP: £4.1 million or 2.6%; Assura: £5.0 million or 2.8%). The improving rental growth outlook seen over the last couple of years has continued and it should be noted that most of the increase comes from rent reviews arising primarily in the periods prior to 2023, a period when rental growth was muted and did not reflect the higher levels of construction cost and general inflation experienced in recent years.

We have also seen the improving rental growth outlook reflected in the valuation of the portfolio, with the independent valuers' assessment of estimated rental values ("ERV") subject to open market reviews increasing by 2.7% in 2025 (2024: 3.2%).

Rent review performance

The enlarged Group completed 665 (2024: 341) rent reviews with a combined rental value of £122 million (2024: £42 million), adding £8 million and delivering an average uplift of 6.8% against the previous passing rent (2024: £3 million/7.7%).

60% of our rents are reviewed on an open market basis, which typically takes place every three years. The balance of the portfolio has either indexed (34%) or fixed uplift (6%) based reviews which also provide an element of certainty to future rental growth within the portfolio. Approximately 50% of index-linked reviews, including private hospitals, in the UK are subject to caps and collars which typically range from 6% to 12% over a three-year review cycle.

Reviews in Ireland and relating to the private hospital portfolio performed very strongly, both adding over £1 million to rent roll respectively. In the private hospital portfolio, an uplift of 3.2% over the previous passing rent was achieved on 20 indexed-based reviews, which are annual reviews subject to collars and caps which typically range from 1.5% to 4% per annum.

In Ireland, this related to 25 index-based reviews (2024: 12) with an uplift of 20.9% (2024: 15.3%) against the previous passing rent. Irish rent reviews generally occur every five years, linked to the Irish Consumer Price Index, and are upwards and downwards typically with a cap of 25% over a five-year cycle.

The growth from reviews completed in the year, noted above, is summarised below:

Review type	Number	Previous rent (per annum) £m	Rent increase (per annum) £m	Percentage increase total	Percentage increase annualised
Primary care – open market ¹	324	42	2.7	6.5%	2.1%
Primary care – indexed	249	33	3.1	9.4%	4.6%
Primary care – fixed	47	8	0.4	4.8%	2.1%
Primary care – total	620	83	6.2	7.5%	3.1%
Private hospitals – indexed / fixed	20	34	1.1	3.2%	3.2%
UK – total	640	117	7.3	6.2%	3.1%
Ireland – indexed	25	5	1.0	20.9%	4.1%
Total – all reviews	665	122	8.3	6.8%	3.2%

¹ Includes 36 reviews (2024: 35) where no uplift was achieved.

At 31 December 2025, 1,159 (31 December 2024: 600) open market rent reviews representing £169 million (31 December 2024: £89 million) of passing rent, were outstanding, out of which 575 (31 December 2024: 326) have been triggered to date. These reviews are expected to add another £5.1 million (31 December 2024: £2.7 million) to the contracted rent roll when concluded, representing an uplift of 5.9% (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 reflect 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 into the sector. Recent asset enhancement projects and new build developments have shown a willingness of the District Valuer to accept higher rent levels, and whilst this is encouraging, further progress is still required.

Asset management projects

The enlarged Group continues to progress an advanced pipeline of 51 projects which highlight the improving rental growth outlook, with the current weighted average rent of £189 psm due to increase by around 15% to £218 psm post completion. These projects provide important evidence for future rent review settlements across the wider portfolio.

In the UK, across both PHP and Assura portfolios, we exchanged on eight (2024: ten) new asset management projects, 21 (2024: eight) lease re-gears and 20 (2024: seven) new lettings during 2025. These initiatives will increase rental income by £0.8 million, investing £5.0 million and extending the leases back to an average of 17 years for the asset management projects.

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 year, we have continued to see values stabilise with yields flat and the impact of rental growth delivering valuation growth. We expect this trend to continue in 2026.

As at 31 December 2025, the Group’s portfolio comprised 1,142 assets (31 December 2024: 516) independently valued at £6.0 billion (31 December 2024: £2.8 billion), including the Group’s share of joint ventures. After allowing for acquisition costs and capital expenditure on developments and asset management projects, the portfolio generated a valuation gain of £48 million or 0.8% (2024: deficit of £38 million or -1.4%).

During the second half of the year, the Group’s portfolio net initial yield (“NIY”) was flat, albeit the overall yield increased to reflect the change in portfolio composition, including the private hospital portfolio, following the acquisition of Assura to stand at 5.4% (31 December 2024: 5.2%), and the true equivalent yield is 5.7% at 31 December 2025 (31 December 2024: 5.3%). The movement of yields created a deficit of approximately £24 million, but this has been outweighed by gains of approximately £72 million arising from an improving rental growth outlook and asset management projects.

The movement in the portfolio’s valuation deficit is summarised in the table below:

£ million	H1 2025	H2 2025	FY 2025
NIY expansion	(£9m)/+3bps	(£15m)/0 bps	(£24m)/+3 bps
Rental growth	£29m	£43m	£72m
Total surplus	£20m	£28m	£48m

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 which is 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 of capital. 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:

	Year ended 31 December 2025	Year ended 31 December 2024
Income return	5.7%	5.5%
Capital return	1.3%	(1.3%)
Total return	7.0%	4.2%

The portfolio's average lot size remained at £5.3 million (31 December 2024: £5.3 million), with 85% of the portfolio (31 December 2024: 88%) valued at over £3.0 million.

	Number of properties	Valuation £ million	%	Average lot size £ million
>£10m	131	2,217	37	17
£5m–£10m	244	1,636	28	7
£3m–£5m	312	1,209	20	4
£1m–£3m	417	844	14	2
<£1m (including land £4m)	38	31	<1	<1
Total¹	1,142	5,937	100	5.3

¹ Excludes the £13 million impact of IFRS 16 *Leases* with ground rents recognised as finance leases.

Robust portfolio metrics

The portfolio's annualised contracted rent roll at 31 December 2025 was £342 million (31 December 2024: £154 million), with the majority of the increase (£182 million) relating to the acquisition of Assura. The remainder of the increase was driven by organic rent reviews and asset management totalling £4 million and additions of £1 million, as well as £1 million of foreign exchange benefit on the portfolio in Ireland. These increases were offset by £1 million relating to disposals and tenant expiries. The rent roll includes £3 million which represents PHP's share of properties held in joint ventures.

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 76% (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 a consistently high occupancy rate of 99% (31 December 2024: 99%).

Longevity: The portfolio's WAULT at 31 December 2025 was 10.8 years (31 December 2024: 9.4 years). £58 million or 17% of our income is currently holding over or expires over the next three years, of which c.75% have agreed terms or are in advanced discussions to renew their lease. £157 million or 46% expires beyond ten years. The table below sets out the current lease expiry profile of our income:

Income subject to expiry	£ million	%
Holding over ¹	16	5
<3 years	42	12
4–5 years	45	13
5–10 years	81	24
10–15 years	57	17
15–20 years	42	12
>20 years	59	17
Total	342	100

¹ Given the unique nature of the portfolio, growing demand and low supply it is extremely unlikely that the occupiers will not renew their lease.

Ireland

At 31 December 2025, the portfolio in Ireland comprised 28 standing and fully let properties which includes three developments currently on site, valued at £341 million or €391 million (31 December 2024: 21 assets/£255 million or €309 million). The portfolio in Ireland has been valued at a NIY of 5.1% (31 December 2024: 5.0%) and a true equivalent yield of 5.3% (31 December 2024: 5.3%) reflecting the acquisition of the Assura Irish assets.

PHP continues to see significant growth opportunities in Ireland, driven by sustained Government investment in healthcare infrastructure and a strategic shift towards community-based healthcare. We completed the acquisition of the Laya Healthcare facility, Cork, in the year for consideration of €22 million/£18 million delivering an earnings yield of 7.1%, let to Ireland's second largest provider of private health insurance and clinical services, providing a bespoke urgent care and diagnostic facility utilising the latest medical technology available. We have also completed the development of a primary care centre in Ballybay and are on site with three further new build projects, at Birr, Castlebar and Youghal.

We continue to monitor several potential opportunities in Ireland and in particular two forward funded developments with an expected cost of approximately €60 million (£52 million) being progressed by our development partner in Ireland.

Private hospitals

The enlarged Group now has a portfolio of 33 private hospitals, including one forward funded development on site, with a total value of approximately £0.7 billion.

In the period since acquisition, PHP has benefitted from the strong income growth from the private hospitals and we have since identified opportunities to capture upside from asset management and development.

During the year, the portfolio has continued to demonstrate strong operating metrics, reflecting the sustained growth of the private healthcare sector. Private hospital rents increased by 3.2% in 2025 with the weighted average rent cover also improving to 2.8x (2024: 2.6x).

With the sustained growth of the private sector market, across the three main payor groups of private medical insurance, NHS referred and self-pay, we see this asset class as an attractive investment opportunity offering robust cash flows, typically with annual indexed-linked rent reviews and strong growth prospects.

We are currently on site with a £21 million forward funded development in Peterborough and a £6 million extension to Tees Valley Hospital, both for Ramsey Healthcare, strengthening our long-standing relationship with one of the UK's largest independent providers of NHS referred services.

As previously announced and reported above, we expect the portfolio will be moved into a new strategic joint venture during 2026, retaining a meaningful economic exposure whilst benefiting from bringing in a strategic long-term partner to reduce leverage and diversify our funding sources.

Joint ventures

The Group has a strategic joint venture with USS which, as at 31 December 2025, held assets valued at £176 million (PHP share: £35 million), including two developments on site at Weston-super-Mare and Tetbury currently under construction.

The joint venture offers the Group a long-term strategic partner with which to jointly fund essential community based NHS infrastructure, including new build primary care schemes generating positive social impact across the UK which offer important rental evidence for the wider portfolio.

PHP has agreed commercial terms, subject to due diligence, to transfer a further £103 million of assets into the joint venture, generating a net cash receipt of £82 million net of PHP's 20% share, which is due to complete in the second quarter of 2026. If completed, this will increase the total size of the joint venture to approximately £290 million, including the two development schemes under construction.

The Group also holds interests in two smaller joint ventures, acquired with Assura, with a value of £27 million (PHP share £14 million).

Risk-controlled development

During the year, the Group completed two net zero carbon developments at Croft, West Sussex and South Kilburn, London. The Group also completed a net zero carbon development of an NHS children's therapy centre at Fareham, Hampshire, a GP medical centre development in Winchester, Hampshire and a primary care centre in Ballybay, Ireland.

The enlarged Group has an improved development capability at a time when the sector needs new healthcare infrastructure and is currently on site with six developments which are summarised in the table below:

	Estimated practical completion	Total cost	Cost to complete	Yield on cost
Birr PCC, Ireland	Q2 2026	£13m (€15m)	£3m (€3m)	5.1%
Castlebar PCC, Ireland	Q4 2026	£14m (€16m)	£6m (€7m)	5.3%
Youghal PCC, Ireland	Q1 2027	£14m (€16m)	£11m (€12m)	4.6%
Private hospital, Peterborough	Q1 2027	£21m	£17m	6.1%
Tetbury PCC	Q4 2026	£1m ¹	£1m ¹	5.5%
Weston-super-Mare PCC	Q3 2027	£2m ¹	£2m ¹	5.1%
		£65m	£40m	5.4%

¹ JV assets included at 20% share.

Investment and pipeline

We continue to monitor several potential development opportunities with a pipeline across primary care in both the UK and Ireland and private hospitals, as detailed in the table below. These will only be progressed if accretive to earnings and they deliver the appropriate risk-adjusted returns.

The immediate pipeline of opportunities in legal due diligence continues to be focused predominantly on PHP's existing portfolio through asset management projects, but we see a growing opportunity for development with the opportunity to fund some of these through our joint ventures to ensure appropriate risk-adjusted returns are achieved.

Pipeline	In legal due diligence		Advanced pipeline	
	Number	Total cost	Number	Total cost
Primary Care – asset management	15	£9m	36	£16m
UK Primary Care – development	-	-	1	£4m
UK Primary Care – joint venture at share	-	-	3	£6m
Ireland – forward funded development	-	-	2	£52m (€60m)
Total pipeline	15	£9m	42	£78m

Conclusion

This has been a transformational year for PHP and the strong platform we have created is well placed to deliver value as the leading investor, manager and developer of critical healthcare infrastructure across the UK and Ireland. The management are very focused on delivering on our priorities and excited about the prospects to create growth in the future.

Mark Davies

CEO

16 March 2026

Financial review

The combination with Assura has transformed the portfolio more than doubling in size to £6.0 billion (31 December 2024: £2.8 billion) and increasing our contracted rent roll to £342 million (31 December 2024: £154 million). The merger also brings significant additional benefits of increased scale, share liquidity, investor reach and a lower cost of capital that will continue to support our progressive dividend policy.

Earnings in the year benefited from the combination with Assura in August 2025 which contributed approximately 4.5 months of income to the enlarged Group. Adjusted earnings increased by 41% to £131 million (2024: £93 million) or by 4.3% to 7.3 pence (2024: 7.0 pence) on a per share basis. Driving this increase was a 49% increase in net rental income supported by organic rental growth achieved from the portfolio and a strong culture of cost control. The full benefits of the merger will be seen in 2026 and beyond.

The Group's balance sheet remains robust, with significant liquidity headroom, with cash and collateralised undrawn loan facilities, after capital commitments, totalling £571 million (31 December 2024: £271 million). The loan to value ratio of just under 57% (31 December 2024: 48.1%) is currently above our targeted range of between 40% and 50%, as a result of the combination with Assura, but we have a clear plan to bring this back within the targeted range during 2026.

Assura acquisition

On 12 August 2025, PHP obtained control of Assura with 63% of shareholders accepting our shares and cash offer which subsequently increased to 98% before the offer was closed on 10 September 2025. The acquisition of Assura was completed in full on 20 October 2025 when the final 2% of Assura shares were legally acquired and Phase 1 clearance from the CMA was received on 29 October 2025 which enabled integration of the two businesses to commence.

The acquisition of Assura has been accounted for as a property acquisition and the fair value of the consideration paid and net assets acquired was just under £1.6 billion, funded through a combination of shares and cash and summarised in the table below:

Fair value of consideration paid	£ million
1,258.6 million shares issued	1,171
Cash	407
Total consideration paid including costs	1,578
Fair value of net assets acquired	£ million
Investment property	3,021
Investment in joint ventures and investments	57
Net debt	(1,382)
Other net assets and liabilities	(118)
Total net assets	1,578

Summarised results

The financial results for the Group are summarised as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
	£ million	£ million

Net rental income	230	154
Share of joint venture profit and Axis PHP contribution	1	1
Administrative expenses	(19)	(12)
Operating profit before revaluation and net financing costs	212	143
Net financing costs	(81)	(50)
Adjusted earnings	131	93
Recurring revaluation gain/(deficit) on property portfolio	48	(38)
Exceptional revaluation loss arising on acquisition of Assura ¹	(37)	-
Total revaluation gain/(deficit) on property portfolio (inc. share of JVs)	11	(38)
Fair value loss on interest rate derivatives and convertible bond	(9)	(8)
Amortisation of debt MtM at acquisition (Assura and MedicX)	(6)	3
Other exceptional items / amortisation of intangible assets	(5)	(3)
IFRS profit before tax	122	47
Taxation (corporation and deferred tax provision)	(3)	(6)
IFRS profit after tax	119	41

¹ The exceptional revaluation loss arising on the acquisition of Assura comprises transaction costs of £42 million less a £5 million discount arising on the difference between the total consideration paid and the fair value of the nets assets acquired.

The increase in adjusted earnings in the year can be summarised as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
	£ million	£ million
Year ended 31 December	93	91
Net rental income	74	-
Administrative expenses	(5)	-
Net interest payable	(30)	-
Total contribution from Assura	39	-
PHP like-for-like net rental income growth	3	4
Administrative expenses	(2)	(1)
Net financing costs	(2)	(1)
Year ended 31 December	131	93

The largest impact on adjusted earnings came from the acquisition of Assura, which contributed £39 million reflecting approximately 4.5 months of additional income from 12 August 2025 when PHP obtained control.

Excluding this contribution, net rental income received in 2025 increased by £3 million, reflecting the rental growth arising from rent reviews and asset management projects across the PHP portfolio, and from the addition of Laya Healthcare facility, Cork and completed developments at South Kilburn, London and Croft, West Sussex, offset by an increase in non-recoverable property costs.

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% (2024: 10.1%) excluding Axis PHP and direct vacancy costs. The increase in the year reflects the temporary increase in overheads whilst the targeted £9 million of synergies are delivered. By December 2025, over

£5 million or 60% of synergies had been agreed (which has increased to £7.5 million or 83% at the date of reporting on 16 March 2026) but the full year impact of these savings will be seen in 2026.

	Year ended 31 December 2025	Year ended 31 December 2024
EPRA cost ratio	11.3%	10.8%
EPRA cost ratio excluding Axis and direct vacancy costs	9.8%	10.1%
Total expense ratio ¹ (administrative expenses as a percentage of gross asset value)	0.5%	0.4%

¹ Total expense ratio adjusted to reflect a pro-forma full year of administration costs for Assura

Excluding the impact of acquisition facilities, net finance costs in the period increased by £2 million, reflecting the increase in net debt since December 2024, as a result of the acquisition of the Laya Healthcare facility, expenditure on developments and asset management projects, as well as the effect of new swap arrangements entered into January 2025.

IFRS profit after tax increased by £78 million to £119 million (2024: £41 million) predominantly driven by the contribution from the combination with Assura of £39 million and a £86 million movement in the valuation of property portfolio with a gain of £48 million in 2025 compared to a deficit of £38 million in 2024.

Balance sheet

A summary of the enlarged Group's balance sheet along with a reconciliation between Adjusted, EPRA and IFRS net tangible assets ("NTA") is detailed in the table below:

Year ended 31 December	2025	2025	2025	2024
	Wholly owned	Share of JVs & investments	EPRA proportionally consolidated	Wholly owned
Net tangible assets	£ million	£ million	£ million	£ million
Investment properties	5,891	49	5,940	2,750
Properties held for sale	11	-	11	3
Group investment property	5,902	49	5,951	2,753
Net debt	(3,392)	-	(3,392)	(1,323)
Other net liabilities	(116)	9	(107)	(29)
Fair value of bank debt	102	-	102	(25)
IFRS NTA¹	2,496	58	2,554	1,376
Deferred tax and intangible assets	8	-	8	2
EPRA NTA¹	2,504	58	2,562	1,378
Fair value of bank debt not recognised under IFRS	129	-	129	150
Adjusted NTA¹	2,633	58	2,691	1,528
IFRS NTA per share (pence)			98p	103p
EPRA NTA per share (pence)			99p	103p
Adjusted NTA per share (pence)			104p	114p

¹ See note 7, net asset value per share, to the financial statements. Adjusted net tangible assets (“NTA”), EPRA NTA, EPRA net disposal value (“NDV”) and EPRA net reinstatement value (“NRV”) are considered to be alternative performance measures.

Shareholder value

EPRA NTA reduced by 4% to 99 pence per share (31 December 2024: 103 pence). The combination with Assura impacted the EPRA NTA by 6 pence per share, reflecting the effects of the share exchange ratio and transaction costs incurred. On an underlying basis, a 2 pence per share uplift was delivered from the positive portfolio revaluation. Including the MtM benefit of fixed rate debt of 5 pence per share, Adjusted NTA stands at 104 pence.

The table below sets out the movements in the EPRA NTA and Adjusted NTA over the year:

	£ million	pence per share
Opening EPRA NTA	1,378	103
Adjusted earnings for the year	131	7.3
Dividends paid	(117)	(7.1)
Revaluation of property portfolio	48	2
Impact of Assura combination	1,122	(6)
Closing EPRA NTA per share	2,562	99
Fair value of bank debt not recognised under IFRS	129	5
Closing Adjusted NTA	2,691	104

The mark-to-market (“MtM”) of the Group’s fixed rate debt as at 31 December 2025 was an asset of £231 million (31 December 2024: asset £126 million), equivalent to 9 pence per share (31 December 2024: asset of 9 pence), illustrating the attractive, long term fixed nature of the Group’s debt book. Of this, 4 pence per share relates to the Assura debt acquired, with the 5 pence balance relating to existing PHP facilities and is not reflected in EPRA NTA. The MtM valuation is sensitive to movements in interest rates assumed in forward yield curves.

Financing

During 2025, we received strong support for the combination with Assura from the debt and credit markets highlighted by the record amount of financing activity in the year including:

- The cash component of the transaction was funded by way of a new £1.2 billion unsecured bridging loan provided by Citibank, N.A., London Branch, Lloyds Bank plc and The Royal Bank of Scotland Plc. We have subsequently cancelled £225 million of this facility due to the refinancing work noted below with £1.0 billion of the facility now remaining.
- Change of control waivers obtained plus term extensions to the unsecured Assura £266 million term-loan and £200 million revolving credit facility
- £357 million of Assura private placement debt has been refinanced since completion of the acquisition, through a combination of a new unsecured Euro denominated private placement debt and re-couponsing of an existing unsecured loan note, as follows:
 - A new €120 million (£105 million) private placement loan, maturing in November 2032, has been issued at an all-in fixed rate of 3.89% providing a natural currency hedge for the Assura Irish property portfolio and the Laya Healthcare Facility, Cork acquired for €22 million in February 2025;
 - £60 million tranche maturing October 2034 has been refinanced and re-couponsed at an all-in rate of 5.60% and

- The balance of the private placement debt, including £70 million that matured in October 2025, has been repaid from the bridging facility put in place to finance the acquisition of Assura.

In August 2025, Fitch confirmed Assura's credit rating as BBB+ (negative outlook) from A- following completion of the merger, reflecting the execution risk of the planned asset disposals. It is our intention to seek a credit rating for the enlarged Group in the coming months which we believe will be beneficial to the cost of finance and will widen the range of funding sources available.

The Group's balance sheet and financing position remain strong, with cash and committed undrawn facilities totalling £571 million (31 December 2024: £271 million) after contracted capital commitments of £56 million (31 December 2024: £36 million) across the development and asset management projects currently on site.

At 31 December 2025, total available loan facilities were £4,019 million (31 December 2024: £1,630 million), of which £3,411 million (31 December 2024: £1,327 million) had been drawn. Cash balances of £20 million (31 December 2024: £4 million) resulted in Group net debt of £3,392 million (31 December 2024: £1,323 million).

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

Debt metrics	31 December 2025	31 December 2024
Average cost of debt – drawn	3.7%	3.4%
Average cost of debt – fully drawn	4.0%	4.0%
Loan to value	57%	48%
Total net debt fixed or hedged	73%	100%
Net rental income to net interest cover	2.8 times	3.1 times
Net debt/EBITDA ²	10.4 times	9.3 times
Weighted average debt maturity – drawn facilities	4.1 years	5.7 years
Weighted average debt maturity – all facilities	3.7 years	4.9 years
Total drawn secured debt	£1,082m	£1,177m
Total drawn unsecured debt	£2,330m	£150m
Total undrawn facilities and available to the Group ¹	£571m	£271m
Unfettered assets	£3,197m	£47m

¹ Including the impact of capital commitments at the year end.

² Net debt/EBITDA adjusted to reflect a pro-forma full year of earnings from Assura

Average cost of debt

The Group's average cost of debt increased at the year end to 3.7% (31 December 2024: 3.4%) as a result of the facilities taken on to acquire Assura. As explained above, the Group intends to reduce leverage back to the targeted range of 40-50% in 2026 through the establishment of new strategic joint ventures and delivery of further disposals. Following this, the Group expects to repay and refinance these acquisition facilities and enter into new hedging arrangements to increase the proportion of the Group's debt that is fixed or hedged to protect earnings from future interest rate volatility.

Interest rate exposure

The analysis of the Group's exposure to interest rate risk in its debt portfolio as at 31 December 2025 is as follows:

Facilities	Net debt drawn
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	£ million	%	£ million	%
Fixed rate debt	2,028	51	2,028	60
Hedged by fixed rate interest rate swaps	466	12	466	14
Floating rate debt – unhedged	1,525	37	898	26
Total	4,019	100	3,392	100

Interest rate swap 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 Group also inherited from Assura a fixed rate interest rate swap in respect of the £266 million term loan, fixed at a rate of 4.148% until August 2026. The fixed rate swaps provide further protection to the Group’s interest rate exposure, especially whilst rates continue to remain elevated and volatile. The fixed rate swaps in place effectively hedge out the current net debt drawn, with the exception of acquisition facilities which we expect to refinance during 2026, to bring the level of fixed and hedged proportion of the net debt drawn back to the target rate of greater than 90%.

Accounting standards require PHP to mark its interest rate swaps to market at each balance sheet date. During the year there was a loss of £4 million (2024: loss of £5 million) on the fair value movement of the Group’s interest rate derivatives due to the impact of the passage of time and decreases in interest rates assumed in the forward yield curves used to value the interest rate swaps. The net MtM of the swap portfolio is an asset value of £0.1 million (31 December 2024: net MtM asset £0.2 million).

Currency exposure

The Group owns €391 million or £341 million (31 December 2024: €309 million/£255 million) of Euro denominated assets in Ireland, as at 31 December 2025, and the value of these assets and rental income represented 6% (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 31 December 2025, the Group had €367 million (31 December 2024: €274 million) of drawn Euro denominated debt.

Euro rental receipts are used firstly to finance Euro interest and administrative costs and any 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.

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, which management believes provide additional information to help understand the financial performance in the year. The APMs are in addition to the statutory measures from the financial statements. The measures are defined and reconciled to amounts presented in the financial statements within this Annual Report at Note 7 and in the Glossary.

Richard Howell

Chief Financial Officer

16 March 2026

Risk management and principal risks

Flexible and responsive to risks

Our risk management processes enable us to be flexible and responsive to the impact of risks on the business.

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 which are as follows:

- investment predominantly focuses on the primary healthcare 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;
- the Group has a small (€0.4 million) exposure as a direct developer of real estate, which means that the Group is not exposed to risks that are inherent in property development;
- the Board funds its operations so as to maintain an appropriate mix of debt and equity; and
- debt funding is procured from a range of providers, maintaining a spread of maturities and a mix of terms so as to fix or hedge the majority of interest costs.

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 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 and internal risks that arise from how the Group is managed and chooses to structure its operations.

Approach to risk management

Risk is considered at every level of the Group's operations and is reflected in the controls and processes that have been put in place across the Group. The Group's risk management process is underpinned by strong working relationships between the Board and the management team which enables the prompt assessment and response to risk issues that may be identified at any level of the Group's business.

The Board is responsible for effective risk management across the Group and retains ownership of the significant risks that are faced by the Group. This includes ultimate responsibility for determining and reviewing the nature and extent of the principal risks faced by the Group and assessing the Group's risk management processes and controls. These systems and controls are designed to identify, manage and mitigate risks that the Group faces but will not eliminate such risks and can provide reasonable but not absolute assurance.

The management team assists the Board in its assessment and monitoring of operational and financial risks and PHP has in place robust systems and procedures to ensure risk management is embedded in its approach to managing the Group's portfolio and operations. PHP has established a Risk Committee that comprises the Chair of the Audit Committee and members of its senior management team and is chaired by the Chief Financial Officer, who is experienced in the operation and oversight of risk management processes, along with independent standing invitees attending throughout the year.

The Board has delegated to the Audit Committee the process of reviewing the Group's systems of risk management and their effectiveness. These systems and processes have been in place for the year under review and remained in place up to the date of approval of the Annual Report and Accounts.

PHP has implemented a wide-ranging system of internal controls and operational procedures that are designed to manage risk as effectively as possible, but it is recognised that risk cannot be totally eliminated. Staff employed by PHP are intrinsically involved in the identification and management of risk. Strategic risks are recorded in a risk register and are assessed and rated within a defined scoring system.

The Risk Committee reports its processes of risk management and rating of identified and emerging risks to the Audit Committee. The risk register is reviewed and updated every six months by the Director of Finance assisted by members of the Risk Committee, and assesses inherent and emerging risks the business faces, as well as the residual risk after specific safeguards, mitigation and/or management actions have been overlaid.

The risk register forms an appendix to the report which details risks that have: (i) an initial high inherent risk rating; and (ii) higher residual risk ratings. The Board retains ultimate responsibility for determining and reviewing the effectiveness of risk management but has delegated the process to the Audit Committee which is assisted by the Risk Committee. The Audit Committee agrees which risks are to be prioritised by management in fulfilling its duties, which is monitored by the Risk Committee.

The Board recognises that it has limited ability to control a number of the external risks that the Group faces, such as the macroeconomic environment and government policy, but keeps the possible impact of such risks under review and considers them as part of its decision-making process.

Our risk management structure

Structure	Responsibility
Board	<ul style="list-style-type: none"> • Sets strategic objectives and considers risk as part of this process. • Determines appropriate risk appetite levels.
Audit Committee	<p>Reports to the Board on the effectiveness of risk management processes and controls:</p> <ul style="list-style-type: none"> • External audit • Risk surveys • Health and safety • Insurance • Need for an internal audit function
Risk Committee	<p>Reports to and assists the Audit Committee, monitoring and reviewing:</p> <ul style="list-style-type: none"> • Attitude to and appetite for risk and future risk strategy • Company's systems of internal controls and risk management • How risk is reported internally and externally • Processes for compliance with law, regulators and ethical codes of practice • Prevention of fraud
Senior management	<p>Implements and monitors risk mitigation processes:</p> <ul style="list-style-type: none"> • Policies and procedures • Risk management and compliance • Key performance indicators • Specialist third-party reviews

Monitoring of identified and emerging risks

The Board continues to monitor recently identified and emerging risks and their potential impact on the Group. The manner in which we have addressed the challenges of the last few years has demonstrated the resilience of our business model, and our robust risk management approach, to protect our business through periods of uncertainty and adapt to a changing environment.

2025 saw four rate cuts to 3.75% as inflation pressures eased during the year but economic growth remained largely subdued. Despite inflation falling in the period it remained persistently above the Bank's 2% target rate which has limited the pace of rate reductions. Financial markets experienced intermittent volatility, driven by shifting expectations around inflation, growth, and the timing of further rate cuts as well as wider macroeconomic and political changes, while overall economic growth remained modest and business and consumer confidence cautious. Despite this, quiet optimism remains in the market that there will be several further interest rate cuts during 2026. We welcome the Labour governments commitment to the NHS and their support to shift medical care from hospitals to the community.

The potential adverse impact of these factors on our business includes reduced demand for our assets impacting property values in the investment market, increased financing costs and our ability to continue to execute our acquisition, disposal and development strategy which could impact our rental income and earnings. The Board and key Committees have overseen the Group's response to the impact of these challenges on our business and the wider economic influences throughout the year.

The Board has considered the principal risks and uncertainties as set out in this Annual Report, in light of the Assura merger and the challenging macroeconomic environment, and does not consider that the fundamental principal risks and uncertainties facing the Group have changed. We have set out in our principal risk tables on the following pages an update on the changes to our principal risks and expected impact on our business, along with the mitigating actions and controls we have in place. The Group's continued ability to be flexible to adjust and respond to these external risks as they evolve will be fundamental to the future performance of our business. The Group's immediate focus remains reducing the leverage to within policy.

The Board also considered, at its annual Strategy Day, emerging risks affecting the current primary care delivery model, in particular the impact of artificial intelligence increasing cyber and security threats on our digital technologies, and accordingly this is sharply in focus as we progress our best of both approach to integration.

Mapping our key risks and residual risk movement

We use a risk-scoring matrix to ensure we take a consistent approach when assessing the overall impact of risks. The acquisition of Assura, which is a very similar business, has not altered the type of risks faced by the Group, although certain risks are more elevated in the short term as a result of the merger, notably debt financing and people. The residual risk exposures of the Company's principal risks are shown in the heat map below, being the risk after mitigating actions have been taken to reduce the initial inherent risks.

Grow property portfolio

1. Property pricing and competition
2. Financing

Manage effectively and efficiently

3. Lease expiry management
4. People
5. Responsible business

Diversified, long term funding

6. Debt financing
7. Interest rates

Deliver progressive returns

8. Potential over-reliance on the NHS and HSE
9. Foreign exchange risk

→ Indicates risk movement from last year

Principal risks and uncertainties

The Board has undertaken a robust assessment of the emerging and principal risks faced by the Group that may threaten its business model, future performance, solvency or liquidity and its ability to meet the overall objective of the Group of delivering progressive returns to shareholders through a combination of earnings growth and capital appreciation. As a result of this assessment there have been no changes to the number of principal risks faced by the business in the year, which are all still deemed appropriate. These are set out below, presented within the strategic objective that they impact:

Residual risk movement in the year

↗ Increased ↘ Unchanged ↙ Decreased Low 0–5 Medium 6–14 High 15–20

Grow property portfolio		
<p>1. Property pricing and competition</p> <p>↘↗ A C D KPIs impacted</p> <p>The primary care property market continues to be attractive to investors attracted by the secure, government backed income, low void rates and long lease.</p> <p>The emergence of new purchasers in the sector and the recent slowing in the level of approvals of new centres in the UK may restrict the ability of the Group to secure new investments.</p>	<p>Commentary on risk in the year</p> <p>In terms of values, the Group has previously benefited from a flight to income as a consequence of the wider economic uncertainty seen in previous years, with demand increasing from investors seeking its long term, secure, government backed cash flows against a backdrop of limited supply. We have seen an inflexion point in the market with deficits in recent years now returning some positive revaluation gains during 2025, driven by rental growth and yields remaining consistent. The primary focus by the enlarged Group on core government backed income positions us well for future valuations.</p>	<p>Mitigation</p> <p>The reputation and track record of the Group in the sector mean it is able to source forward funded developments and existing standing investments from developers, investors and owner-occupiers. Our increased scale following the merger to create the largest UK’s healthcare REIT has further aided our position.</p> <p>As a result, the Group has several formal pipeline agreements and long-standing development relationships that provide an increased opportunity to secure developments that come to market in the UK and Ireland.</p>
<p>Inherent risk rating</p> <p>2 4 6 8 10 12 14 16 18 20</p> <p style="text-align: center;">↘</p> <p>High</p> <p>Likelihood is high and impact of occurrence could be major.</p>	<p>Elevated interest rates, including volatility, in particular, for gilts and bonds, continues to hold back property yields in the sector.</p>	<p>Despite the subdued economic and investment market conditions faced, the Group continues to have a strong, identified pipeline of investment opportunities in the UK and Ireland.</p>
<p>Residual risk rating</p> <p>2 4 6 8 10 12 14 16 18 20</p> <p style="text-align: center;">↘</p> <p>Medium</p> <p>The Group’s position within the sector and commitment to and understanding of the asset class mean PHP is aware of a high proportion of transactions in the market and potential opportunities coming to market.</p> <p>Active management of the property portfolio generates regular opportunities to increase income and lease terms and enhance value.</p>		

<p>2. Financing ↳à G H KPIs impacted</p> <p>The Group uses a mix of shareholder equity and external debt to fund its operations. A restriction on the availability of funds would limit the Group's ability to fund investment and development opportunities and implement strategy.</p> <p>Furthermore, a more general lack of equity or debt available to the sector could reduce demand for healthcare assets and therefore impact values.</p>	<p>Commentary on risk in the year</p> <p>This has been a transformation year for PHP following the merger which included putting in place a two-year £1.2 billion acquisition debt facility with £0.2bn of this facility cancelled post completion. We were supported by all our existing relationship banks during the merger including several new banks, highlighting the support and appetite for lenders in our sector. We were also supported unanimously from our equity investors for the merger.</p>	<p>Mitigation</p> <p>Existing and new debt providers are keen to provide funds to the sector and specifically to the Group, attracted by the strength of its cash flows.</p> <p>We have several offers from highly credible investors to establish a new joint venture of the private hospitals with funds to be used to pay down acquisition financing.</p> <p>The Board monitors its capital structure and maintains regular contact with existing and potential equity investors and debt funders. Management also closely monitors debt markets to formulate its most appropriate funding structure.</p>
<p>Inherent risk rating 2 4 6 8 10 12 14 16 18 20 á</p> <p>High</p> <p>Likelihood is high and impact of occurrence could be major.</p>	<p>Following the merger we refinanced several Assura debt instruments, with the £266 million Barclays facility and £200 million RCF both extended by one year with expiries to 2027, with further extensions available. We also refinanced the £60 million US PP and issued a new €120 million US PP. 2026 will be another significant year in terms of our debt strategy as we continue our transition of the enlarged business to an unsecured structure.</p>	
<p>Residual risk rating 2 4 6 8 10 12 14 16 18 20 á</p> <p>Medium</p> <p>The Group takes positive action to ensure continued availability of resource, maintains a prudent ratio of debt and equity funding and refinances debt facilities in advance of their maturity.</p>	<p>The Group's undrawn facilities mean it currently has headroom of £571 million, after capital commitments.</p> <p>All covenants have been met with regard to the Group's debt facilities and these all remain available for their contracted term.</p>	
<p>Manage effectively and efficiently</p>		
<p>3. Lease expiry management ↳à E F KPIs impacted</p> <p>The bespoke nature of the Group's assets can lead to limited alternative use. Their continued use as fit-for-purpose medical centres is key to delivering the Group's strategic objectives.</p>	<p>Commentary on risk in the year</p> <p>Lease terms for all property assets will erode and the importance of active management to extend the use of a building remains unchanged.</p> <p>The amount of income that is currently holding over or is expiring in the next three years has increased slightly to 17% in the year. Shorter leases and holding over assets mute rental growth whilst being a negative drag on valuations.</p>	<p>Mitigation</p> <p>The asset and property management teams meet with occupiers on a regular basis to discuss the specific property and the tenants' aspirations and needs for its future occupation.</p> <p>We exchanged on eight new asset management projects, 21 lease re-gears and 20 new lettings in 2025, enhancing income and extending occupational lease terms.</p> <p>In addition, there is a strong pipeline of 51 projects that will be progressed in 2026 and the coming years.</p> <p>Despite the income holding over or expiring in the next three years increasing, all these leases are expected to renew; 75% of these have agreed terms or are in advanced discussions to renew the lease.</p> <p>The increase is driven by a delay in NHS approval as ICBs finalise their future estate strategies together with the requirement for new rents to be approved by the District Valuer. We continue to maintain a close relationship with all parties concerned and receive NHS rent reimbursement in a timely manner.</p>
<p>Inherent risk rating 2 4 6 8 10 12 14 16 18 20 á</p> <p>Medium</p> <p>Likelihood of limited alternative use value is moderate but the impact of such values could be serious.</p>		
<p>Residual risk rating 2 4 6 8 10 12 14 16 18 20 á</p> <p>Medium</p> <p>Management employs an active asset and property management programme and has a successful track record of securing enhancement projects and securing new long term leases.</p>		
<p>4. People ↳à F KPI impacted</p>	<p>Commentary on risk in the year</p>	<p>Mitigation</p>

<p>The inability to attract, retain and develop our people to ensure we have the appropriate skill base in place in order for us to implement our strategy.</p>	<p>Following the merger and coming together of two complementary management teams, finding the right mix and balance of the teams is critical. We have adopted a best of both approach within the enlarged Group, with key personnel being retained. The merger will create many opportunities for the combined teams and this is a key focus of the Board to ensure PHP continues to meet its strategic objectives.</p>	<p>Succession planning is in place for all key positions and will be reviewed regularly by the Nomination Committee.</p>
<p>Inherent risk rating 2 4 6 8 10 12 14 16 18 20 á Medium Likelihood and potential impact could be medium.</p>	<p>There is a risk associated with any merger that key staff will leave and it is of paramount importance that this is navigated with appropriate benchmarking of the enlarged business against similar sized REITs.</p>	<p>We welcomed the Chief People Officer from Assura into the enlarged Group who has huge experience dealing with the many obstacles that comes with integrating two teams.</p>
<p>Residual risk rating 2 4 6 8 10 12 14 16 18 20 á Medium The Remuneration Committee has benchmarked remuneration with the help of remuneration consultants, and reviewed and updated policies to ensure retention and motivation of the management team.</p>	<p>PHP established an Integration Working Group has been established across teams to ensure business as usual activities continue and we work towards full integration of systems and processes.</p>	<p>Remuneration incentives are in place, such as bonuses and an LTIP for Executive Directors and senior management to incentivise and motivate the team, which are renewed annually and benchmarked to the market.</p>
<p>5. Responsible business Rà D E H KPIs impacted Risk of non-compliance with responsible business practices, including climate mitigation and ethical business consideration, not meeting stakeholders' expectations, leading to possible reduced access to debt and capital markets, weakened stakeholder relationships and reputational damage.</p>	<p>Commentary on risk in the year Risk that properties no longer meet occupiers' expected environmental requirements. Stakeholders including investors and debt providers see ESG as a key issue and want to see a sufficiently developed plan to decarbonise the property portfolio and to operate to the highest standards of business ethics and due diligence.</p>	<p>Mitigation PHP's ESG credentials remain at the forefront of its strategic planning and continue to drive the Group's ESG agenda forward. During the year PHP has:</p>
<p>Inherent risk rating 2 4 6 8 10 12 14 16 18 20 á High Likelihood is high and impact of occurrence could be major.</p>	<p>There is a risk that we may not meet the hurdles sought by stakeholders including equity and debt investors should PHP not focus enough on ESG matters, potentially impacting the funding of the business significantly.</p>	<ul style="list-style-type: none"> worked with Achilles to provide limited third-party assurance of our disclosures and achieved certification to Toitu Carbon Reduce and ISO 14064;
<p>Residual risk rating 2 4 6 8 10 12 14 16 18 20 á Medium The Group is committed to meeting its obligations in line with its Responsible Business Framework and feels it has introduced sufficient mitigants to continue to deliver its objectives.</p>	<p>Additionally, political and regulatory changes to corporate governance and disclosure, energy efficiency and net zero carbon requirements are expected to be mandated in the short to medium term. The recent introduction of the Corporate Sustainability Reporting Directive ("CSRD") and International Sustainability Standards Board ("ISSB"), amongst other policies, is a key example of increasing requirements, although not all are applicable to PHP at present.</p> <p>Following the Assura merger the Board reevaluated the Board's inclusion in the ESG Committee and determined that authority should be delegated to the Executive Committee who then report directly to the Board.</p>	<ul style="list-style-type: none"> provided staff training covering individual personal development and ESG; commissioned third-party audits for development and refurbishment projects to guard against the risks of modern slavery and unethical supply chain standards; engaged with external experts to assess and inform our net zero carbon approach for developments and refurbishments including engaging consultants to advise on the appropriate alignment of ESG policies and targets for the Enlarged Group; set, monitored and reported sustainability targets and hurdles to ensure acquired assets or asset management schemes meet specific ESG criteria, with these same criteria aligned to investors and debt providers; achieved EPC rating benchmarks to ensure compliance with the Minimum Energy Efficiency Standards ("MEES") that could otherwise impact the quality and desirability of our assets, leading to higher voids, lost income and reduced liquidity; worked with its occupiers to improve the resilience of its assets to climate change as well as with contractors which are required to conform to PHP's sustainable

		<p>development and refurbishment requirements; and</p> <ul style="list-style-type: none"> reported sustainability performance under EPRA sBPR guidelines, reported to external rating benchmarks including GRESB and CDP, and been rated by MSCI and ISS ESG Corporate Rating.
Diversified, long term funding		
<p>6. Debt financing ↳à G H KPIs impacted Without appropriate confirmed debt facilities, PHP may be unable to meet current and future commitments or repay or refinance debt facilities as they become due.</p>	<p>Commentary on risk in the year As already outlined 2025 has been a pivotal year with staunch support from our lenders whilst adding important new lenders. This confirms that the Group enjoys the confidence of the lending markets both in terms of the traditional high street lenders and the private placement markets.</p> <p>The Company secured a two-year £1.2 billion acquisition debt facility during the year, whilst also refinancing several inherited Assura debt instruments. This included the £266 million Barclays facility and £200 million RCF both extended by one year to 2027, with further extensions available. We also refinanced a £60 million private placement to 2034 and issued a new €120 million private placement to 2032.</p> <p>Following the merger, Fitch confirmed that the Assura investment grade rate (BBB+, negative outlook) remains in place.</p>	<p>Mitigation Existing lenders remain keen to support PHP and new entrants to debt capital markets have indicated willingness to join as new lenders.</p> <p>Credit margins agreed on the acquisition financing were more favourable than what had been achieved in previous years, reiterating the confidence in PHP's business model shown by the lending banks.</p> <p>Management regularly monitors the composition of the Group's debt portfolio to ensure compliance with covenants and continued funding.</p> <p>Management regularly reports to the Board on current debt positions and provides projections of future covenant compliance to ensure early warning of any possible issues.</p> <p>PHP has commenced an EMTN programme with our key relationship banks and it is our intention to commence this programme issuance once our short term deleveraging plan has been actioned in order to obtain a credit rating for the enlarged Group.</p>
<p>Inherent risk rating 2 4 6 8 10 12 14 16 18 20 á</p> <p>Medium The likelihood of insufficient facilities is moderate but the impact of such an event would be serious.</p>		
<p>Residual risk rating 2 4 6 8 10 12 14 16 18 20 á</p> <p>Medium The Board regularly monitors the facilities available to the Group and looks to refinance in advance of any maturity. The Group is subject to the changing conditions of debt capital markets.</p>		
<p>7. Interest rates ↳à A B F G H KPIs impacted Adverse movement in underlying interest rates could adversely affect the Group's earnings and cash flows and could impact property valuations.</p>	<p>Commentary on risk in the year With fewer interest rate cuts during 2025 than anticipated at the start of the year, it is clear elevated interest rates will remain for the foreseeable future and the market is adapting to this.</p> <p>The macroeconomic/political environment in the UK remains subdued following the substantial tax rises and will likely continue to be a drag to the UK economy into 2026.</p> <p>Despite these risks we continue to believe further significant reductions in primary care values are likely to be limited with a stronger rental growth outlook offsetting the impact of any further yield expansion. This was evidenced through our valuation surplus generated in the year.</p> <p>2026 will be another significant year for PHP from a debt strategy perspective, with refinancing the £1.2 billion acquisition financing, consolidating the mix of revolving credit facilities, completing the EMTN documentation programme and making a debut issue a target as we move to an unsecured basis. With this in mind only the</p>	<p>Mitigation The Group has historically held the majority of its debt in long term, fixed rate loans and mitigates its exposure to interest rate movements on floating rate facilities through the use of interest rate swaps. As a result of the merger this decreased to 74% at year end reflecting the significant amount of variable debt taken on in order to allow the merger to succeed.</p> <p>Whilst a financial statement risk, the MtM valuations on debt and derivative movements do not impact the Group's cash flows and are not included in any covenant test in the Group's debt facilities.</p> <p>The Group continues to monitor and consider further hedging opportunities in order to manage exposure to rising interest rates.</p>
<p>Inherent risk rating 2 4 6 8 10 12 14 16 18 20 á</p> <p>High The likelihood of volatility in interest rate markets is high and the potential impact if not managed adequately could be major.</p>		
<p>Residual risk rating 2 4 6 8 10 12 14 16 18 20 á</p> <p>Medium The Group is currently well protected against the risk of interest rate rises but, due to its continued investment in new properties and the need to maintain available facilities, is increasingly exposed to rising interest rate levels.</p>		

<p>Property values are still subject to market conditions which will continue to be impacted by the interest rate environment.</p>	<p>£100 million revolving credit facility with RBS expires during 2026.</p>	
<p>Deliver progressive returns</p>		
<p>8. Potential over-reliance on the NHS and HSE ↳ D C KPIs impacted PHP invests in a niche asset sector where changes in healthcare policy, the funding of primary care, economic conditions and the availability of finance may adversely affect the Group's portfolio valuation and performance.</p>	<p>Commentary on risk in the year The UK and Irish governments continue to be committed to the move of healthcare services out of hospitals and initiatives to develop new models of care increasingly focusing on greater utilisation of primary care. Despite the UK's subdued economic outlook and the continued backlog of treatments within the NHS we expect the demand for health services to continue to grow, driven by demographics. With the backdrop of the government's 10 Year Health Plan we eagerly await more action by the Labour government in its ongoing commitment to the NHS to reform primary care.</p>	<p>Mitigation The commitment to primary care is a stated objective of both the UK and Irish governments. Management engages directly with government and healthcare providers in both the UK and Ireland to promote the need for continued investment in modern premises.</p>
<p>Inherent risk rating 2 4 6 8 10 12 14 16 18 20 á Medium Likelihood is low but impact of occurrence may be major.</p>	<p>The NHS, HSE and District Valuer do need to acknowledge that higher build costs and inflation need to be reflected in future rent settlements for schemes to be financially viable.</p>	<p>This continued investment provides attractive long term, secure income streams that characterise the sector, leading to stability of values. PHP continues to appraise and invest in other adjacent government funded healthcare related real estate assets, whilst retaining its focus on the core government backed income covenant as outlined in our financial framework.</p>
<p>Residual risk rating 2 4 6 8 10 12 14 16 18 20 á Medium Policy risk and general economic conditions are out of the control of the Board, but proactive measures are taken to monitor developments and to consider their possible implications for the Group.</p>	<p>The Group now has 13% of rent from private hospitals which are all operated by leading independent healthcare providers with strong tenant covenants.</p>	
<p>9. Foreign exchange risk ↳ A B C D KPIs impacted Income and expenditure that will be derived from PHP's investments in Ireland will be denominated in Euros and may be affected unfavourably by fluctuations in currency rates, impacting the Group's earnings and portfolio valuation.</p>	<p>Commentary on risk in the year The Group now has 28 investments in Ireland with three developments on site. Asset values, funding and net income are denominated in Euros. Following the merger we successfully issued a new €120 million private placement, and now have €367 million of Euro-denominated debt to provide a natural hedge on our balance sheet to our €391 million of Euro assets.</p>	<p>Mitigation The Board has funded and will continue to fund its investments in Ireland with Euros to create a natural hedge between asset values and liabilities in Ireland. PHP has a Euro foreign exchange forward (fixed at €1.1459:£1) to cover net annual income of €10 million per annum, which expires in January 2027.</p>
<p>Inherent risk rating 2 4 6 8 10 12 14 16 18 20 á Medium Likelihood of volatility is high but the potential impact at present is low due to the quantum of investment in Ireland, albeit this is increasing.</p>	<p>The wider macroeconomic and political environment across the world continues to cause exchange rate volatility.</p>	<p>Management closely monitors the Euro to GBP currency rates with its banks to formulate a formal hedging strategy against Irish net cash flow. Following the merger c.6% of rent roll is generated from Irish properties.</p>
<p>Residual risk rating 2 4 6 8 10 12 14 16 18 20 á Low PHP has implemented a natural hedging strategy to cover balance sheet exposure and has hedged out the income exposure for the period until January 2027.</p>		

Viability statement

In accordance with the 2024 UK Corporate Governance Code, the Board has assessed the prospects of the Group over the longer term, taking account of the Group’s current position, business strategy, principal risks and outlook.

The Board believes the Company has strong long term prospects, being well positioned to address the need for better primary care health centres in the UK and Ireland.

The Directors confirm that, as part of their strategic planning and risk management processes, they have undertaken an assessment of the viability of the Group, considering the current position and the potential impact of the principal risks and prospects over a three-year time horizon. Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2028. Although individually the Group’s assets may have relatively long unexpired lease terms and will all have a defined asset management strategy, the Board has undertaken its detailed financial review over a three-year period because:

- the Group’s financial review and budgetary processes cover a three-year look forward period; and
- occupational leases within the Group’s property portfolio typically have a three-yearly rent review pattern and so modelling over this period allows the Group’s financial projections to include a full cycle of reversion, arising from open market, fixed and index-linked rent reviews.

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 and 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.

The sensitivities applied are generally the same as used for the 31 December 2024 year-end financial statements which included a 10% decline in valuations and 15% tenant default rate. We believe these remain realistic, reasonable worst-case scenarios, having seen an absolute valuation increase in 2025.

Across our various loan facilities, valuations will need to fall by a further around £1.2 billion/41% and £0.9 billion/31% across the PHP and Assura portfolios respectively before the loan to value covenants are impacted. During the year, Bank of England base rates have continued to fall from 4.75% to 3.75%, with the trend expecting to continue as inflation is forecast to decline to the Bank of England’s target range, but also to stimulate economic growth that has continued to be subdued in the UK. We therefore feel the increase in variable interest rates should remain a sensitivity at 1%.

The sensitivities applied are as follows:

- declining attractiveness of the Group’s assets or extenuating economic circumstances impact investment values – valuation parameter stress tested to provide for a one-off 10%/£587 million fall in June 2026;
- 15% tenant default rate;
- rental growth assumptions amended to see nil uplifts on open market reviews;
- variable rate interest rates rise by an immediate 1% effective from 1 January 2026; and
- tightly controlled NHS scheme approval restricts investment opportunity – investment quantum flexed to remove non-committed transactions.

We have assessed the impact of these assumptions on the Group’s key financial metrics over the assessment period including covenant compliance, profitability, net debt, loan to value ratios and available financial headroom which are as follows:

Key metrics at 31 December 2028	31 December 2025	Viability scenario
Loan to value ratio	57%	60%
Net debt	£3,392m	£3,411m
Interest cover ratio	2.8x	2.4x
Adjusted net assets	£2,691m	£2,153m
Available financial headroom	£571m	£471m

All covenants have been monitored throughout the viability period that has been assessed and were the sensitivities to come to fruition, any breaches would be minor and could be remedied with cash or property collateral.

In making its assessment, the Board has made a number of specific assumptions that overlay the financial parameters used in the Group’s models. The Board has assumed, in addition to the specific impact of new debt facilities, 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. See Note 14 to the financial statements for a profile of the Group's debt maturity.

Mark Davies

Chief Executive Officer

16 March 2026

Directors' responsibility statement

Statement of Directors' responsibilities in respect of the Group and Company financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with United Kingdom-adopted International Accounting Standards.

The financial statements also comply with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB"). The Directors have chosen to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 Reduced disclosure framework. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that the Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 16 March 2026 and is signed on its behalf by:

Harry Hyman

Non-executive Chair

16 March 2026

Group statement of comprehensive income for the year ended 31 December 2025

	Notes	2025 £m	2024 £m
Rental and related income		259	182
Direct property expenses		(27)	(26)
Net rental and related income	3	232	156
Administrative expenses		(20)	(13)
Exceptional integration costs		(2)	—
Amortisation of intangible assets		(1)	(1)
Total administrative expenses	4	(23)	(14)
Revaluation gain/(deficit) on property portfolio	10	48	(38)
Exceptional revaluation on Assura acquisition	10	(37)	—
Total revaluation gain/(deficit)		11	(38)
Share of profits from joint ventures, associates and other investments	9	1	—
Operating profit	4	221	104
Finance costs	5a	(88)	(47)
Fair value loss on derivative interest rate swaps and amortisation of hedging reserve	5b	(7)	(7)
Exceptional loan arrangements fees		(2)	—
Early termination on bonds		—	(2)
Fair value loss on convertible bond	5c	(2)	(1)
Profit before taxation		122	47
Taxation charge	6	(3)	(6)
Profit after taxation¹		119	41
Other comprehensive income:			
Items that may be reclassified subsequently to profit and loss			
Amortisation of hedging reserve	21	3	2
Exchange difference on translation of foreign balances		3	—
Other comprehensive income net of tax¹		6	2
Total comprehensive income net of tax¹		125	43
IFRS earnings per share			
Basic	7	6.6p	3.1p
Diluted	7	6.6p	3.1p
Adjusted earnings per share²			
Basic	7	7.3p	7.0p
Diluted	7	7.3p	6.7p

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

2 See Glossary of Terms on pages 172 to 174.

The above relates wholly to continuing operations.

Group balance sheet

at 31 December 2025

	Notes	2025 £m	2024 £m
Non-current assets			
Investment properties	10	5,891	2,750
Investment in joint ventures, associates and other investments	9	58	—
Intangible assets		4	5
Property, plant and equipment		3	1
Derivative interest rate swaps	16	1	—
		5,957	2,756
Current assets			
Trade and other receivables	11	52	27
Development work in progress		—	1
Properties held for sale	10	11	3
Cash and cash equivalents	12	20	4
		83	35
Total assets		6,040	2,791
Current liabilities			
Deferred rental income		(63)	(32)
Trade and other payables	13	(93)	(31)
Borrowings: term loans and overdraft	14a	(9)	(3)
Borrowings: bonds	14b	—	(148)
Head lease liabilities	15	(1)	—
		(166)	(214)
Non-current liabilities			
Borrowings: term loans and overdraft	14a	(1,907)	(757)
Borrowings: bonds	14b	(1,379)	(429)
Head lease liabilities	15	(12)	(3)
Trade and other payables	13	(8)	(3)
Derivative interest rate swaps	16	(1)	—
Deferred tax liability		(13)	(9)
		(3,320)	(1,201)
Total liabilities		(3,486)	(1,415)
Net assets		2,554	1,376
Equity			
Share capital	18	324	167
Share premium account	19	479	479
Merger and other reserves	20	1,431	416
Hedging reserve	21	(2)	(5)
Retained earnings	22	322	319
Total equity¹		2,554	1,376
Net asset value per share			
IFRS net assets – basic and diluted	7	98p	103p
Adjusted net tangible assets ² – basic	7	104p	114p
Adjusted net tangible assets ² – diluted	7	104p	115p

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

2 See Glossary of Terms on pages 172 to 174.

These financial statements were approved by the Board of Directors on 16 March 2026 and signed on its behalf by:

Richard Howell

Chief Financial Officer

Registered in England Number: 3033634

Group cash flow statement

for the year ended 31 December 2025

	Notes	2025 £m	2024 £m
Operating activities			
Profit after taxation		119	41
Adjustments to reconcile to operating profit before financing costs:			
Taxation charge	6	3	6
Finance costs including early termination fees	5a	88	49
Fair value loss on derivative interest rate swaps and amortisation of hedging reserve	5b	7	7
Fair value loss on convertible bond	5c	2	1
Exceptional loan arrangement fees		2	—
Operating profit before financing costs		221	104
Adjustments to reconcile Group operating profit before financing costs to net cash flows from operating activities:			
Revaluation (gain)/deficit on property portfolio	10	(11)	38
Amortisation of intangible assets		1	1
Fixed rent uplifts		(7)	—
Increase in trade and other receivables		(3)	(3)
Decrease in trade and other payables		(22)	(4)
Net cash flow from operating activities		179	136
Investing activities			
Payments to acquire and improve investment properties and non-current assets		(53)	(21)
Disposal of investment properties		8	—
Investment in joint ventures, associates and other investments		1	—
Cash paid for Assura, including transaction costs	25	(443)	—
Cash acquired on acquisition of Assura		23	—
Net cash flow used in investing activities		(464)	(21)
Financing activities			
Term bank loan drawdowns	14	1,531	307
Term bank loan/ bond repayments	14	(1,101)	(279)
Proceeds from bond issues	14	105	—
Loan/bond arrangement and early termination fees		(10)	(4)
Purchase of derivatives financial instruments		(5)	—
Net interest paid and similar charges		(75)	(46)
Special dividend paid to Assura's shareholders		(27)	—
Equity dividends paid	8	(117)	(92)
Net cash flow from financing activities		301	(114)
Increase in cash and cash equivalents for the year		16	1
Cash and cash equivalents at start of year		4	3
Cash and cash equivalents at end of year	12	20	4

Group statement of changes in equity

for the year ended 31 December 2025

	Share capital £m	Share premium £m	Merger and other reserves £m	Hedging reserve £m	Retained earnings £m	Total £m
1 January 2025	167	479	416	(5)	319	1,376
Profit for the year	—	—	—	—	119	119
Other comprehensive income						
Amortisation of hedging reserve	—	—	—	3	—	3
Exchange gain on translation of foreign balances	—	—	3	—	—	3
Total comprehensive income	—	—	3	3	119	125
Shares issued in relation to Assura acquisition	157	—	1,012	—	—	1,169
Share-based awards (LTIP)	—	—	—	—	1	1
Dividends paid	—	—	—	—	(117)	(117)
31 December 2025	324	479	1,431	(2)	322	2,554

	Share capital £m	Share premium £m	Merger and other reserves £m	Hedging reserve £m	Retained earnings £m	Total £m
1 January 2024	167	479	416	(7)	369	1,424
Profit for the year	—	—	—	—	41	41
Other comprehensive income						
Amortisation of hedging reserve	—	—	—	2	—	2
Total comprehensive income	—	—	—	2	41	43
Dividends paid	—	—	—	—	(91)	(91)
31 December 2024	167	479	416	(5)	319	1,376

Notes to the Group financial statements

1. Corporate information

The Group's financial statements for the year ended 31 December 2025 were approved by the Board of Directors on 16 March 2026 and the Group Balance Sheet was signed on the Board's behalf by the Chief Financial Officer, Richard Howell. Primary Health Properties PLC is a public limited company incorporated in England and Wales and domiciled in the United Kingdom, limited by shares. The Company's Ordinary Shares are admitted to the Official List of the UK Listing Authority, a division of the Financial Conduct Authority, and traded on the London Stock Exchange.

2. Accounting policies

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with United Kingdom-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 and with International Financial Reporting Standards ("IFRS") as issued by the IASB. The Group's financial statements have been prepared on the historical cost basis, except for investment properties, including investment properties under construction and land, the convertible bond, derivative financial instruments and other investments that have been measured at fair value. The Group's financial statements are prepared on the going concern basis (see page 108 for further details) and presented in Sterling rounded to the nearest million.

Statement of compliance

The consolidated financial statements for the Group have been prepared in accordance with United Kingdom-adopted International Accounting Standards and applied in accordance with the Companies Act 2006.

2.2 Standards adopted during the year

The accounting policies adopted are consistent with those of the previous financial year except for the following new and amended IFRSs effective for the Group as of 1 January 2025.

Amendments to IAS 21 – Lack of exchangeability

On 15 August 2023, the IASB issued amendments to IAS 21 to clarify the accounting when there is a lack of exchangeability. The guidance specifies when a currency is exchangeable and how to determine the exchange rate when it is not.

Amendments to the SASB standards

On 19 December 2023, the IASB issued amendments to the Sustainability Accounting Standards Board ("SASB") standards to enhance their international applicability. The amendments remove and replace jurisdiction-specific references and definitions in the SASB standards, without substantially altering topics or metrics.

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

2.3 Summary of significant accounting policies

Basis of consolidation

The Group's financial statements consolidate the financial statements of Primary Health Properties PLC and its wholly owned subsidiary undertakings. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtained control, and continue to be consolidated until the date that such control ceases. Control is exercised if and only if an investor has all the following: power over an investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. The financial statements of the subsidiary undertakings are prepared for the accounting reference period ending 31 December each year using consistent accounting policies. All intercompany balances and transactions, including unrealised profits arising from them, are eliminated on consolidation.

The individual financial statements of Primary Health Properties PLC and each of its subsidiary undertakings will be prepared under FRS 101 with the exception of Assura's subsidiaries acquired during the year which will be prepared under FRS102. The use of IFRSs at Group level does not affect the distributable reserves available to the Group.

Segmental reporting

The Directors are of the opinion that the Group is engaged in a single segment of business, being investment property in the United Kingdom and Ireland leased principally to GPs, government healthcare organisations and other associated healthcare users. The acquisition of Assura plc during the year has not changed this conclusion. Assura has been reporting its performance as a single segment of business.

Foreign currency transactions

Each Group company presents its individual financial statements in its functional currency. The functional currency of all UK subsidiaries (with the exception of PHP Euro Private Placement Limited and MXF Properties Ireland Limited which operate in Euros) is Sterling and the functional currency of Primary Health Properties ICAV, Axis Real Estate Group and PCC Investments (IE) Ltd, our Irish domiciled subsidiaries, is the Euro.

Transactions in currencies other than an individual entity's functional currency ("foreign currencies") are recognised at the applicable exchange rate ruling on the transaction date. Exchange differences resulting from settling these transactions, or from retranslating monetary assets and liabilities denominated in foreign currencies, are included in the Group Statement of Comprehensive Income.

Foreign operations

In preparing the Group's consolidated financial statements, the assets and liabilities of foreign entities are translated into Sterling at exchange rates prevailing on the balance sheet date. The income, expenses and cash flows of a foreign entity are translated at the average exchange rate for the period, unless exchange rates fluctuate significantly during the period, in which case the exchange rates at the date of transactions are used.

The exchange rates used to translate foreign currency amounts in 2025 are as follows:

- Group Balance Sheet: £1 = €1.1471 (2024: €1.209).
- Group Statement of Comprehensive Income: £1 = €1.1679 (2024: €1.18153).

Exchange rate differences arising on translating a foreign operation's financial position are accounted for using the equity method and are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment in the foreign operation.

Investment properties and investment properties under construction

The Group's investment properties are held for long term investment. Investment properties and those under construction are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties and investment properties under construction are stated at fair value based on market data and a professional valuation made as of each reporting date. The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect future benefits from this future expenditure.

Gains or losses arising from changes in the fair value of investment properties and investment properties under construction are included in the Group Statement of Comprehensive Income in the year in which they arise.

Investment properties are recognised on acquisition upon completion of contract, which is when control of the asset passes to the Group. Investment properties cease to be recognised when control of the property passes to the purchaser, which is upon completion of the sales contract. Any gains and losses arising are recognised in the Group Statement of Comprehensive Income in the year of disposal.

All costs associated with the purchase and construction of investment properties under construction are capitalised including attributable interest and staff costs. Interest is calculated on the expenditure by reference to the average rate of interest on the Group's borrowings. When properties under construction are completed, the capitalisation of costs ceases and they are reclassified as investment properties.

The Group may enter into a forward funding agreement with third-party developers in respect of certain properties under development. In accordance with these agreements, the Group will make monthly stage payments to the developer based on certified works on site at that time. Interest is charged to the developer on all stage payments made during the construction period and on the cost of the land acquired by the Group at the outset of the development and taken to the Group Statement of Comprehensive Income in the year in which it accrues.

Property acquisitions and business combinations

Where a property is acquired through the acquisition of corporate interests, the Board considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

Where properties are acquired through the purchase of a corporate entity but the transaction does not meet the definition of a business combination under IFRS 3, the purchase is treated as an asset acquisition. Where the acquisition is considered a business combination, the excess of the consideration transferred over the fair value of assets and liabilities acquired is held as goodwill, initially recognised at cost with subsequent impairment assessments completed at least annually. Where the initial calculation of goodwill arising is negative, this is recognised immediately in the Group Statement of Comprehensive Income. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based on their relative fair values on the acquisition date. Accordingly, no goodwill or additional deferred taxation arises. Where any excess of the purchase price of business combinations over the fair value of the assets, liabilities and contingent liabilities is acquired, goodwill is recognised. This is recognised as an asset and is reviewed for impairment at least annually. Any impairment is recognised immediately in the Group Statement of Comprehensive Income.

Assura acquisition

During the year the Group acquired the entire issued share capital of Assura. The Group considered whether the acquisition constituted a business combination or an asset acquisition under IFRS 3 and has chosen to apply the optional concentration test that, if met, eliminates the need for further assessment on whether the acquisition would constitute a business and therefore the acquisition can be accounted for as an asset acquisition. The optional concentration test considers whether substantially all the fair value of the gross assets acquired (excluding cash and cash equivalents, deferred tax assets and goodwill arising from the effects of deferred tax liabilities) is concentrated in a single asset group. In making this judgement, consideration has been given as to whether the Assura private hospital portfolio acquired has significantly different risk characteristics compared to the wider primary health property assets (i.e. GP health assets). The Group considers that the assets do not have significantly different risk characteristics because of the similar lease profile, strength of covenant offered by the tenants and significant growing role these assets play in the UK health system. The Board has determined at least 90% of Assura's gross assets are concentrated in one asset class, primary health properties and other health focused real estate. In addition, PHP did not acquire any of Assura's critical processes which enable it to create outputs. Consequently, it was concluded that the transaction should be treated as an asset acquisition. For more information on the acquisition refer to pages 26 to 27 of the Financial Review and Note 25.

Investment in joint ventures and other investments

Investments in joint ventures and associates are accounted for using the equity method, initially recognised at cost and adjusted for post acquisition changes in the Group's share of the net assets, adjusted for dividends less any impairment. Losses of joint ventures and associates in excess of the Group's interest are not recognised.

The Group's joint ventures are entities over which the Group has joint control with a partner and associates are entities over which the Group has significant influence with a partner. In assessing whether the Group has joint control or significant influence, the Group considers all of the contractual terms of the arrangements in place, including any legal disputes or challenges, and whether it has the power to govern or influence the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments which are not deemed to be subsidiaries, joint ventures or associates due to insufficient control are initially held at cost and subsequently remeasured to fair value through profit or loss.

Gains on sale of properties

Gains on sale of properties are recognised on the completion of the contract, and are calculated by reference to the carrying value at the end of the previous reporting period, adjusted for subsequent capital expenditure and sale costs.

Net rental income

Rental income arising from operating leases on investment properties is accounted for on a straight line basis over the lease term. An adjustment to rental income is recognised from the rent review date of each lease in relation to unsettled rent reviews. Such adjustments are accrued at 100% (2024: 100%) of the additional rental income that is expected to result from the review. For leases which contain fixed or minimum deemed uplifts, the rental income is recognised on a straight line basis over the lease term. Incentives for lessees to enter into lease agreements are spread evenly over the lease terms, even if the payments are not made on such a basis. Net rental income is the rental income receivable in the period after payment of direct property costs.

Interest income

Interest income is recognised as interest accrues, using the effective interest method (that is, the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Financial instruments under IFRS 9

Trade receivables

Trade receivables are recognised at their transaction price and carried at amortised cost as the Group's business model is to collect the contractual cash flows due from tenants which are solely the payment of principal and interest. A loss allowance is made based on the expected credit loss model which reflects the Group's historical credit loss experience over the past three years but also reflects the lifetime expected credit loss.

Cash and cash equivalents

Cash and cash equivalents are defined as cash and short term deposits, with an original maturity of three months or less, measured at amortised cost.

Trade and other payables

Trade payables are initially recognised at fair value and subsequently measured at amortised cost inclusive of any VAT that may be applicable.

Bank loans and borrowings

All loans and borrowings are initially measured at fair value less directly attributable transaction costs. After initial recognition, all interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest method.

The interest due and unpaid is accrued at the end of the year and presented as a current liability within trade and other payables.

Borrowing costs

Borrowing costs that are separately identifiable and directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs the Group incurs in connection with the borrowing of funds.

Convertible bond

The convertible bond is designated as "at fair value through profit or loss" and so is presented on the Group Balance Sheet at fair value with all gains and losses, including the write-off of issuance costs, recognised in the Group Statement of Comprehensive Income. The fair value of the convertible bond is assessed in accordance with level 1 valuation techniques as set out within "fair value measurements" within these accounting policies. The interest charge in respect of the coupon rate on the bond has been recognised within the underlying component of net financing costs on an accruals basis. Refer to Note 14b for further details. The amount of the change in fair value of the financial liability designated at fair value through profit or loss that is attributable to changes in credit risk will be recognised in other comprehensive income.

De-recognition of financial assets and liabilities

Financial assets

A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is de-recognised where:

- the rights to receive cash flows from the asset have expired; or

- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
- the Group has transferred its right to receive cash flows from the asset and either: (a) has transferred substantially all the risks and rewards of the asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset; or
- the cash flows are significantly modified.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

When the exchange or modification of an existing financial liability is not accounted for as an extinguishment, any costs or fees incurred adjust the liability’s carrying amount and are amortised over the modified liability’s remaining term and any difference in the carrying amount after modification is recognised as a modification gain or loss.

Hedge accounting

At the inception of a transaction the Group documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at inception and on an ongoing basis.

For cash flow hedging, the Group monitors the hedging instrument to check it continues to meet the criteria of IAS 39, having applied the practical expedient on transition, for being described as “highly effective” in offsetting changes in the fair values or cash flows of hedged items.

For net investment hedge relationships, the Group monitors the hedging instrument to check it continues to meet the criteria of IAS 39 for being described as “highly effective”.

Derivative financial instruments (the “derivatives”)

The Group uses interest rate swaps to help manage its interest rate risk.

All interest rate derivatives are initially recognised at fair value at the date the derivative is entered into and are subsequently remeasured at fair value. The fair values of the Group’s interest rate swaps are calculated by Chatham, an independent specialist which provides treasury management services to the Group.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as an effective hedging instrument:

- Where a derivative is designated as a hedge of the variability of a highly probable forecast transaction, such as an interest payment, the element of the gain or loss on the derivative that is an “effective” hedge is recognised directly in equity. When the forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised directly in the cash flow hedging reserve are reclassified into the Group Statement of Comprehensive Income in the same period or periods during which the asset acquired or liability assumed affects the Group Statement of Comprehensive Income, i.e. when interest income or expense is recognised.
- The gain or loss on derivatives that do not meet the strict criteria for being “effective” and so do not qualify for hedge accounting and the non-qualifying element of derivatives that do qualify for hedge accounting are recognised in the Group Statement of Comprehensive Income immediately. The treatment does not alter the fact that the derivatives are economic hedges of the underlying transaction.

For swaps that have been cancelled which previously qualified for hedge accounting, the remaining value within the cash flow hedging reserve at the date of cancellation is recycled to the Group Statement of Comprehensive Income on a date on which the hedged transaction occurs. If the swaps have been cancelled and the hedged transaction is no longer expected to occur, the amount accumulated in the hedging reserve is reclassified to profit and loss immediately.

Tax

Taxation on the profit or loss for the period not exempt under UK REIT regulations comprises current and deferred tax. Taxation is recognised in the Group Statement of Comprehensive Income except to the extent that it relates to items recognised as direct movements in equity, in which case it is also recognised as a direct movement in equity.

Current tax is the expected tax payable on any non-REIT taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. The amount of deferred tax provided is based on the expected

manner or realisation or settlement of the carrying amount of assets and liabilities, using tax rates that are expected to apply in the period when the liability is settled or the asset is realised. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Fair value measurements

The Group measures certain financial instruments, such as derivatives, the Group's convertible bond, other financial assets and non-financial assets such as investment property, at fair value at the end of each reporting period. Also, fair values of financial instruments measured at amortised cost are disclosed in the financial statements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The Group must be able to access the principal or the most advantageous market at the measurement date.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques at three levels that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period.

Leases – Group as a lessor

The vast majority of the Group's properties are leased out under operating leases and are included within investment properties. Rental income, including the effect of lease incentives, is recognised on a straight line basis over the lease term.

Where the Group transfers substantially all the risks and benefits of ownership of the asset, the arrangement is classified as a finance lease and a receivable is recognised for the initial direct costs of the lease and the present value of the minimum lease payments. Finance income is recognised in the Group Statement of Comprehensive Income so as to achieve a constant rate of return on the remaining net investment in the lease. Interest income on finance leases is restricted to the amount of interest actually received.

Employee costs

Defined contribution pension plans

Obligations for contributions to defined contribution pension plans are charged to the Group Statement of Comprehensive Income as incurred.

Share-based employee remuneration

The fair value of equity-settled share-based payments to employees is determined with reference to the fair value of the equity instruments at the date of grant and is expensed on a straight line basis over the vesting period, based on the Group's estimate of shares or options that will eventually vest. The fair value of awards is equal to the market value at grant date.

Capitalised salaries

Certain internal staff and associated costs directly attributable to the management of major projects are capitalised. Internal staff costs are capitalised from the start of the project until the date of practical completion.

Properties held for sale

Investment property (and disposal groups) classified as held for sale are measured at fair value consistent with other investment properties.

Investment property and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Capitalised costs

A capitalised cost is an expense added to the cost basis of a fixed asset on the balance sheet. Capitalised costs are incurred when purchasing fixed assets following the matching principle of accounting to record expenses in the same period as related revenues or useful life of an asset. The historical costs are recorded on the balance sheet and depreciated over the useful life of an asset.

Intangible assets

Contract-based intangible assets comprise the value of customer contracts arising on business combinations. Intangible assets arising on business combinations are initially recognised at fair value. Intangible assets arising on business combinations are amortised on a straight line basis to the Group Statement of Comprehensive Income over their expected useful lives, and are carried at amortised historical cost.

2.4 Significant accounting estimates and judgements

The preparation of the Group financial statements requires management to make a number of estimates and judgements that affect the reported amounts of assets and liabilities and may differ from future actual results. The estimates and judgements that are considered most critical and that have a significant inherent risk of causing a material adjustment to the carrying amounts of assets and liabilities are:

a) Estimates

Fair value of investment properties

Investment properties include: (i) completed investment properties; and (ii) investment properties under construction. Completed investment properties comprise real estate held by the Group or leased by the Group under a finance lease in order to earn rental income or for capital appreciation, or both. Investment properties under construction are not material and therefore there is no estimation uncertainty.

The fair market value of a property is deemed by the independent property valuer appointed by the Group to be the estimated amount for which a property should exchange, on the date of valuation, in an arm's length transaction. Properties have been valued on an individual basis, assuming that they will be sold individually over time. Allowances are made to reflect the purchaser's costs of professional fees and stamp duty and tax.

In accordance with RICS Appraisal and Valuation Standards, factors taken into account are current market conditions, annual rentals, state of repair, ground stability, contamination issues and fire and health and safety legislation. Refer to Note 10 of the financial statements which includes further information on the fair value assumptions and sensitivities.

Directors have assessed that there is currently no material impact arising from climate change on the judgements and estimates determining the valuations within the financial statements.

Fair value of derivatives

In accordance with IFRS 9, the Group values its derivative financial instruments at fair value. Fair value is estimated by Chatham on behalf of the Group, using a number of assumptions based upon market rates and discounted future cash flows. The derivative financial instruments have been valued by reference to the mid price of the yield curve prevailing on 31 December 2025. Fair value represents the net present value of the difference between the cash flows produced by the contracted rate and the valuation rate. Refer to Note 16 of the financial statements.

b) Judgements

In the process of applying the Group's accounting policies, which are described above, the Directors do not consider there to be significant judgements applied with regard to the policies adopted.

2.5 Standards issued but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRSs that have been issued but are not yet effective and in some cases have not yet been adopted by the UK:

- annual improvements to IFRS accounting standards – volume 11;
- amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7); and
- amendments to IFRS 18 Presentation and disclosures in financial statements.

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2026, but are not yet applicable to the Group and have not been applied in preparing these consolidated financial statements. Other than IFRS 18 none of the above changes are expected to have a material impact on the Group. The Group is currently assessing the impact that IFRS 18 will have for the 2026 annual report.

3. 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, with £320 million and £21 million of contracted rent roll derived from the UK and Ireland respectively. Details of the lease income are given below.

Group as a lessor

a) The future minimum lease payments under non-cancellable operating leases receivable by the Group are as follows:

Less than one year £m	One to two years £m	Two to three years £m	Three to four years £m	Four to five years £m	More than five years £m	Total £m

2025	322	303	287	265	243	2,264	3,684
2024	146	139	131	124	114	773	1,427

b) The rental income earned on operating leases is recognised on a straight line basis over the lease term.

The Group leases medical centres to GPs, NHS organisations, the HSE in Ireland and other healthcare users, typically on long term occupational leases which provide for regular reviews of rent on an effectively upwards-only basis.

4. Group operating profit

Operating profit is stated after charging administrative expense of £20 million (31 December 2024: £13 million), amortisation of intangible assets of £1 million (31 December 2024: £1 million) and £2 million of exceptional integration costs. Administrative expenses as a proportion of rental and related income were 8.0% (31 December 2024: 7.2%). The Group's EPRA cost ratio has increased to 11.3%, compared to 10.8% for the same period in 2024.

Administrative expenses include staff costs of £13 million (31 December 2024: £8 million).

During 2025, PHP acquired the entire issued share capital of Assura plc. For more information on the acquisition refer to pages 26 to 27 of the Financial Review and Note 25. In the period Assura contributed £80 million of rental income and incurred direct property expenses of £6 million, contributing £74 million of net rental income. After adding £1 million of share of JV profits, £15 million of revaluation gain and adding the deduction of £5 million of administrative expenses Assura generated an operating profit of £85 million.

Group operating profit is stated after charging:

	2025 £m	2024 £m
Administrative expenses including:		
Staff costs (Note 4a)	13	8
Directors' fees	1	1
Audit fees		
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	0.8	0.5
Fees payable to the Company's auditor and its associates for the audit of the Company's subsidiaries	0.2	0.1
Total audit fees	1.0	0.6
Total audit and assurance services	1.0	0.6
Non-audit fees		
Fees payable to the Company's auditor and its associates for the interim review	0.1	0.1
Total non-audit fees	0.1	0.1
Total fees	1.1	0.7

Please refer to page 83 of the Audit Committee Report for analysis of non-audit fees.

a) Staff costs

	2025 £m	2024 £m
Wages and salaries	13	8
Less staff costs capitalised in respect of development and asset management projects	(2)	(2)
Social security costs and pension costs	1	1
Equity-settled share-based payments	1	1
	13	8

In addition to the above, there were £1 million (31 December 2024: £1 million) of direct salaries recognised within property costs for Axis employees. The Group operates a defined contribution pension scheme for all employees. The Group contribution to the scheme during the year was £0.5 million (2024: £0.3 million), which represents the total expense recognised through the Group Statement of Comprehensive Income. As at 31 December 2025, there were no contributions (2024: £nil) due in respect of the reporting period that had not been paid over to the plan.

Following the Assura acquisition, the average monthly number of Group employees during the year was 162, which included 140 full-time and 22 part-time employees (2024: 60 which included 55 full time and five part time), and as at 31 December 2025 was 156 (2024: 60). For the detailed breakdown, please refer to the Responsible Business section on pages 43 to 46.

The Executive Directors and Non-executive Directors are the key management personnel. Full disclosure of Directors' emoluments, as required by the Companies Act 2006, can be found in the Remuneration Report on pages 89 to 105.

Key management personnel	2025	2024
--------------------------	------	------

	£m	£m
Wages and salaries	3	2
Less staff costs capitalised in respect of development and asset management projects	—	—
Social security and pension costs	1	1
Equity-settled share-based payments	—	—
	4	3

The Group's equity-settled share-based payments comprise the following:

Scheme	Fair value measure
Long Term Incentive Plan ("LTIP")	Face value at grant date
Save As You Earn ("SAYE")	Face value at grant date

The Group expenses an estimate of how many shares are likely to vest based on the market price at the date of grant, taking account of expected performance against the relevant performance targets and service periods, which are discussed in further detail in the Remuneration Report.

5. Finance costs

	2025 £m	2024 £m
Interest expense and similar charges on financial liabilities		
a) Interest		
Bank loan interest	54	30
Swap interest	(3)	(5)
Bond interest	26	21
Bank facility non-utilisation fees	3	2
Bank charges and loan arrangement fees	3	3
Net finance costs	83	51
Interest capitalised	(1)	(1)
	82	50
Amortisation of MedicX debt MtM on acquisition	(3)	(3)
Amortisation of Assura debt MtM on acquisition	9	—
	88	47

	2025 £m	2024 £m
b) Derivatives		
Net fair value loss on interest rate swaps	4	5
Amortisation of cash flow hedging reserve	3	2
	7	7

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

	2025 £m	2024 £m
c) Convertible bond		
Fair value loss on existing convertible bond	2	1
	2	1

The fair value movement in the convertible bond 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. Refer to Note 14 for further details about the convertible bond which was repaid on 15 July 2025 through existing cash reserves.

6. Taxation

a) Taxation charge in the Group Statement of Comprehensive Income

The taxation charge is made up as follows:

	2025 £m	2024 £m
Corporation tax		
UK corporation tax on non-property income	—	—

Irish corporation tax	—	—
Total corporation tax	—	—
Deferred tax		
Deferred tax on Irish activities	3	6
Total deferred tax	3	6
Total tax charge	3	6

The UK corporation tax rate of 25% (2024: 25%) and the Irish corporation tax rate of 19% (2024: 19%) have been applied in the measurement of the Group's UK and Ireland related activities tax liability at 31 December 2025.

b) Factors affecting the tax charge for the year

The tax assessed for the year is lower than (2024: lower than) the standard rate of corporation tax in the UK. The differences are explained below:

	2025 £m	2024 £m
Profit on ordinary activities before taxation	122	47
Standard tax at UK corporation tax rate of 25% (2024: 25%)	31	12
REIT exempt income	(54)	(17)
Transfer pricing adjustment	9	9
Non-taxable items	13	—
Unrelieved losses arising	4	1
Difference in Irish tax rates	—	1
Taxation charge (Note 6a)	3	6

Following the acquisition of Assura, the UK REIT rules continue to exempt the profits of the combined Group's property rental business from corporation tax.

c) Basis of 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 corporation tax rate for the Group as at 31 December 2025 was 25% (2024: 25%). The effective rate during the year was 25% (2024: 25%) as the rate for the whole year remained 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 31 December 2025.

The Group's activities in Ireland are conducted via Irish companies, a Guernsey company and 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 Guernsey company pays tax on its net rental income. The ICAV does not pay any Irish corporation tax on its profits but a 20% withholding tax is paid on distributions to owners.

7. Earnings per share

Performance measures

In the tables below, we present earnings per share and net assets per share calculated in accordance with IFRSs, 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

	2025			2024		
	IFRS earnings £m	Adjusted earnings £m	EPRA earnings £m	IFRS earnings £m	Adjusted earnings £m	EPRA earnings £m
Profit after taxation	119	119	119	41	41	41

Adjustments to remove:

Revaluation (gain)/deficit on property portfolio	—	(48)	(48)	—	38	38
Exceptional revaluation loss arising on the acquisition of Assura	—	37	37	—	—	—
Fair value movement on derivatives	—	7	7	—	7	7
Fair value movement and issue costs on convertible bond	—	2	2	—	1	1
Taxation charge	—	3	3	—	6	6
Exceptional integration costs	—	2	2	—	—	—
Exceptional loan amortisation costs	—	2	2	—	—	—
Amortisation of intangible assets	—	1	1	—	1	1
Early termination fees on bonds	—	—	—	—	2	2
Amortisation of MtM loss/(gain) on debt acquired	—	6	—	—	(3)	—
Basic earnings	119	131	125	41	93	96
Dilutive effect of convertible bond	—	—	—	—	4	4
Diluted earnings	119	131	125	41	97	100

Number of shares

	2025 weighted average		2024 weighted average			
	million	million	million	million	million	million
Ordinary Shares	1,793	1,793	1,793	1,336	1,336	1,336
Dilutive effect of convertible bond	—	—	—	—	120	120
Diluted Ordinary Shares	1,793	1,793	1,793	1,336	1,456	1,456

Profit/(loss) per share attributable to shareholders:

	2025			2024		
	IFRS pence	Adjusted pence	EPRA pence	IFRS pence	Adjusted pence	EPRA pence
Basic	6.6	7.3	6.9	3.1	7.0	7.2
Diluted	6.6	7.3	6.9	3.1	6.7	6.9

In the year ended 31 December 2024 the effect of the convertible bond was excluded from the diluted profit and weighted average diluted number of shares when calculating IFRS diluted profit per share because it was anti-dilutive. The convertible bond was fully redeemed on 15 July 2025.

Net assets per share

	31 December 2025			31 December 2024		
	IFRS £m	Adjusted £m	EPRA £m	IFRS £m	Adjusted £m	EPRA £m
Net assets attributable to shareholders	2,554	2,554	2,554	1,376	1,376	1,376
Deferred tax	—	13	13	—	9	9
Intangible assets	—	(4)	(4)	—	(5)	(5)
Cumulative convertible bond fair value movement	—	—	—	—	(2)	(2)
MtM on MedicX debt net of amortisation	—	22	—	—	25	—
MtM on Assura debt net of amortisation	—	(124)	—	—	—	—
MtM on fixed rate debt	—	231	—	—	125	—
Net tangible assets ("NTA")	2,554	2,692	2,563	1,376	1,582	1,378
Intangible assets	—	—	4	—	—	5
Real estate transfer taxes	—	—	397	—	—	181
Net reinstatement value ("NRV")	2,554	2,692	2,964	1,376	1,582	1,564

Fixed rate debt and swap MtM value	—	—	129	—	—	149
Deferred tax	—	—	(13)	—	—	(9)
Cumulative convertible bond fair value movement	—	—	—	—	—	2
Real estate transfer taxes	—	—	(397)	—	—	(181)
Net disposal value (“NDV”)	2,554	2,692	2,683	1,376	1,582	1,525

Ordinary Shares

	31 December 2025			31 December 2024		
	million	million	million	million	million	million
Issued share capital	2,595	2,595	2,595	1,336	1,336	1,336

Basic net asset value per share¹

	31 December 2025			31 December 2024		
	IFRS pence	Adjusted pence	EPRA pence	IFRS pence	Adjusted pence	EPRA pence
Net tangible assets (“NTA”)	98	104	99	103	114	103
Net reinstatement value (“NRV”)	—	—	114	—	—	117
Net disposal value (“NDV”)	—	—	103	—	—	114

1 At 31 December 2024 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 share²

	31 December 2025			31 December 2024		
	IFRS pence	Adjusted pence	EPRA pence	IFRS pence	Adjusted pence	EPRA pence
Net tangible assets (“NTA”)	98	104	99	105	115	103
Net reinstatement value (“NRV”)	—	—	114	—	—	117
Net disposal value (“NDV”)	—	—	103	—	—	114

2 The Company assessed the dilutive impact of the unsecured convertible bond, issued by the Group on 15 July 2019, on its net asset value per share with an exchange price of 125.64 pence at 31 December 2024. This effect was anti-dilutive, with both basic and diluted IFRS NTA presented as equal on the balance sheet. The convertible bond was fully redeemed on 15 July 2025.

At 31 December 2024, conversion of the convertible bond would have resulted in the issue of 119.4 million new Ordinary Shares. The IFRS net asset value and EPRA NDV would have increased by £148.3 million and the EPRA NTA, adjusted NTA and EPRA NRV would increase by £150.0 million. The resulting diluted net asset values per share for that year were anti-dilutive to all measures and are set out in the table above. The convertible bond was redeemed at par on maturity in July 2025.

In accordance with IAS 33 Earnings per share the Company is required to assess and disclose the dilutive impact of the contingently issuable shares within the convertible bond. The impact is not recognised where it is anti-dilutive.

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.

	2025 £m	2024 £m
Reconciliation of profit for the period to headline earnings		
Basic earnings	119	41
Adjustments to calculate headline earnings:		
Amortisation of intangible assets	1	1
Revaluation (gain)/deficit	(48)	38
Exceptional revaluation arising on the acquisition of Assura	37	—
Deferred tax on Irish activities	3	6
Headline earnings	112	86
Fair value loss on derivative financial instruments and convertible bond	8	8
Non-recurring items	10	(1)
Adjusted earnings	130	93
Diluted basic earnings	119	41

	2025	2024
	£m	£m
Reconciliation of profit for the period to headline earnings		
Diluted headline earnings	112	91
Basic earnings per share	6.6	3.1
Headline earnings per share	6.2	6.5
Adjusted earnings per share	7.3	7.0
Diluted basic earnings per share	6.6	3.1
Diluted headline earnings per share	6.2	6.3

	2025	2024
Reconciliation of profit for the period to headline earnings		
Number of shares	2,595	1,336
Weighted average number of Ordinary Shares for headline, basic and adjusted earnings per share	1,793	1,336
Weighted average number of Ordinary Shares for diluted basic and headline earnings per share	1,793	1,456

8. Dividends

Amounts recognised as distributions to equity holders in the year:

	2025	2024
	£m	£m
Quarterly interim dividend paid 21 February 2025	23	—
Quarterly interim dividend paid 9 May 2025	24	—
Quarterly interim dividend paid 15 August 2025	24	—
Quarterly interim dividend paid 21 November 2025	46	—
Quarterly interim dividend paid 23 February 2024	—	23
Quarterly interim dividend paid 17 May 2024	—	23
Quarterly interim dividend paid 16 August 2024	—	23
Quarterly interim dividend paid 22 November 2024	—	22
Total dividends distributed in the year	117	91
Per share	7.1p	6.9p

On 13 January 2026, the Board declared an interim dividend of 1.825 pence per Ordinary Share with regard to the year ended 31 December 2025, payable on 13 March 2026. This dividend will consist wholly of an ordinary dividend of 0.5 pence and Property Income Distribution (“PID”) of 1.325 pence.

9. Investment in joint ventures and associates and other investments

On 12 August 2025, investment in joint ventures and associates and other investments were added as part of the Assura acquisition.

The Group holds the following equity accounted and other investments:

	2025
	£m
Investments in joint ventures	55
Other investments	3
	58

Joint ventures

The Group holds investments in three joint ventures:

Name	Equity interest	JV partner
		Calderdale and Huddersfield NHS Foundation Trust
Pennine Property Partnership LLP	50%	
Theia Investments LLP	50%	Modality Partnership
Health Properties LP	20%	Universities Superannuation Scheme

The income statement and balance sheet of the joint ventures are presented below and show the Group’s share of the results, unless otherwise stated.

The movement in the Group’s equity accounted investments in joint ventures during the year is shown below:

	2025
	£m
Costs	
At 12 August	54

Additions	1
Share of profit for the period from 12 August to 31 December	1
Dividends received	(1)
At 31 December	55

Joint ventures' summary financial statements for the period from 12 August 2025 to 31 December 2025:

Summarised income statement

	Health Properties LP (20%) £m	Other joint ventures (50%) £m	Total 2025 £m	Group share 2025 £m
Net rental income	4	—	4	1
Administrative expenses	(1)	—	(1)	—
Net finance costs	—	—	—	—
EPRA earnings	3	—	3	1
Revaluation (deficit)/gain	1	—	1	—
Profit	4	—	4	1
Share of profit	1	—	1	1

Summarised balance sheet

	Health Properties LP (20%) £m	Other joint ventures (50%) £m	Total 2025 £m	Group share 2025 £m
Non-current assets	176	27	203	49
Current assets	13	2	15	4
Current liabilities	(11)	(1)	(12)	(3)
Non-current liabilities	—	(15)	(15)	(7)
Net assets	178	13	191	43
Share of net assets	36	7	43	—
Loan advancements	—	12	12	12
Net investments	36	19	55	55

Other investments

During the year ended 31 March 2020, a 100% subsidiary of the Group committed to invest up to £5 million in PI Labs III LP, a limited partnership registered in England (LP020025, registered address 151 Wardour Street, London W1F 8WE). £3 million had been invested as at 31 December 2025. This investment has initially been recorded at cost and will subsequently be recorded at fair value through profit or loss. At 31 December 2025, the Group owns less than 10% of this investment.

The movement in the Group's other investments during the year is shown below:

	2025 £m
Costs	
At 12 August	3
At 31 December	3

10. Investment properties and investment properties under construction

Properties have been independently valued at fair value by Avison Young (UK) Limited, Knight Frank LLP, CBRE, Jones Lang LaSalle Inc and Cushman & Wakefield, chartered surveyors and valuers, 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 Appraisal and Valuation Standards 2025 (the "Red Book"). We applied fair value methodology across the enlarged group in accordance with RICS. 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 98.6% let (2024: 99.1%). The valuations reflected a 5.39% (2024: 5.22%) net initial yield and a 5.66% (2024: 5.27%) true equivalent yield. 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 valuers.

In accordance with IAS 40, investment properties under construction have also been valued at fair value by the valuers. In determining the fair value, the valuers are 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 valuers have 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 £50 million (2024: £3 million) 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 £6 million (2024: £34 million) which have not been provided for in the financial statements.

A fair value increase of £6 million (2024: decrease of £1 million) in respect of investment property under construction has been recognised in the Group Statement of Comprehensive Income, as part of the overall total net valuation gain on the property portfolio in the year, excluding exceptional items and profit on sale of properties, of £47 million (2024: £38 million loss).

Of the £5,889 million (2024: £2,750 million) valuation, £5,528 million (93.9%) (2024: £2,494.8 million) relates to investment properties in the UK and £361 million (6.1%) (2024: £255.3 million) relates to investment properties in Ireland.

In line with the accounting policies, the Group assessed whether the acquisitions during the year were asset purchases or business combinations (see Notes 1 and 25).

	Investment properties – freehold ² £m	Investment properties – long leasehold £m	Investment properties – under construction £m	Total £m
As at 1 January 2025	2,165	577	8	2,750
Property additions ¹	2,479	607	29	3,115
Disposals	(4)	—	—	(4)
Completed development transfers	10	4	(14)	—
Impact of lease incentive adjustment	5	1	—	6
Foreign exchange movements	12	4	—	16
Lease ground rent adjustment	—	5	—	5
	4,667	1,198	23	5,888
Revaluations for the year	32	9	6	47
Exceptional revaluation loss on Assura acquisition ³	(30)	(7)	—	(37)
Properties held for sale (reclassified to current assets)	(7)	—	—	(7)
As at 31 December 2025	4,662	1,200	29	5,891

1 Property additions include the acquisition of Assura property assets at a valuation of £3,021 million less consideration fair value adjustment of £5 million, Assura acquisition costs of £42 million (see Note 25) and other acquisitions and capital expenditure of £57 million.

2 Includes development land held at £1 million (31 December 2024: £1 million).

3 The £37 million exceptional revaluation loss arising on the Assura acquisition represents transaction costs of £42 million less £5 million discount between the total consideration paid and the fair value of the net assets acquired.

	Investment properties – freehold ² £m	Investment properties – long leasehold £m	Investment properties – under construction £m	Total £m
As at 1 January 2024	2,195	583	1	2,779
Property additions	14	—	8	22
Impact of lease incentive adjustment	—	2	—	2
Foreign exchange movements	(10)	(2)	—	(12)
	2,199	583	9	2,791
Revaluations for the year	(31)	(6)	(1)	(38)
Properties held for sale (reclassified to current assets)	(3)	—	—	(3)
As at 31 December 2024	2,165	577	8	2,750

Bank borrowings, bonds and interest rate swaps are secured on investment properties with a value of £2,759 million (2024: £2,703 million).

Right of use assets

In accordance with IFRS 16 Leases, the Group has recognised a £13.0 million 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 31 December 2025 and 31 December 2024. There were no transfers between levels during the year or during 2025. 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 (non-quoted observable inputs either directly (i.e. as prices) or indirectly (i.e. derived from prices)).

Valuation techniques used to derive level 3 fair values

The valuations have been prepared on the basis of fair market value (“FMV”) which is defined in the RICS Valuation Standards as:

“The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Valuation techniques

Under the market comparable approach, a property’s fair value is estimated based on comparable transactions on an arm’s length basis, using certain unobservable inputs. These inputs are detailed below.

Unobservable input: estimated rental value (“ERV”)

The rent at which space could be let in the market conditions prevailing at the date of valuation. ERV is also used in determining expected rental uplift on outstanding rent reviews.

	2025	2024
ERV – range of the portfolio	£9,500–£7,820,000 per annum	£29,000–£1,515,482 per annum

Unobservable input: equivalent yield

The equivalent yield is defined as the internal rate of return of the cash flow from the property, assuming a rise to ERV at the next review date, but with no further rental growth.

	2025	2024
True equivalent yield – range of the portfolio	0.55%–18.95%	2.80%–13.43%

Unobservable input: physical condition of the property

The properties are physically inspected by the valuers on a three-year rotating basis.

Unobservable input: net initial yield (“NIY”)

The NIY is the annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchaser’s costs.

Unobservable input: rental growth

The estimated average increase in rent based on both market estimations and contractual situations.

Sensitivity of measurement of significant unobservable inputs

During 2025 the Group experienced a 17bps increase in the portfolio net initial yield, with 14bps of this movement reflecting the change in the portfolio composition following the Assura merger. The true movement in the period of 3bps reduced investment property by £24 million (0.4% reduction), 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 £118 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 £270 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 £261 million impact on the investment property valuation, either an increase or decrease.

11. Trade and other receivables

	2025	2024
	£m	£m
Trade receivables (net of loss allowance)	38	16
Prepayments and accrued income	12	10
Other debtors	2	1
	52	27

The expected credit losses are estimated using a provision matrix by reference to past experience and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtor on the recoverability, general economic conditions of the industry and an assessment of both the current and the forecast direction of conditions at the reporting date. Payment default is where PHP assesses there could be a probable failure of a tenant making a contractual payment of rent. The Group has therefore not recognised a significant loss allowance because historical experience has indicated that the risk profile of trade receivables is deemed low, and any loss allowance would therefore be insignificant.

The Group's principal customers are invoiced and pay quarterly in advance, usually on English, Scottish and Gale quarter days. There is no significant concentration of credit risk with respect to trade receivables, as the Group has a large number of tenants.

12. Cash and cash equivalents

	2025 £m	2024 £m
Cash held at bank	20	4
	20	4

Bank interest is earned at floating rates depending upon the bank deposit rate. Short term deposits may be made for varying periods of between one day and three months, dependent on available cash and forthcoming cash requirements of the Group. These deposits earn interest at various short term deposit rates.

13. Trade and other payables

	2025 £m	2024 £m
Non-current liabilities		
Other payables	8	3
	8	3
Current liabilities		
Trade payables	9	2
Bank and bond loan interest accrual	23	8
Other payables	27	8
VAT	11	7
Accruals	23	6
	93	31

14. Borrowings

a) Term loans and overdrafts

The table indicates amounts drawn and undrawn from each individual facility as at 31 December:

	Expiry date	Facility		Amounts drawn		Undrawn	
		2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Current							
RBS overdraft	Jun 2026	5	5	—	1	5	4
Aviva MXF loan	Sep 2033	3	3	3	2	—	—
NatWest loan	Oct 2026	100	—	6	—	94	—
		108	8	9	3	99	4
Non-current							
Backstop facility	Aug 2027	1,000	—	999	—	1	—
Aviva loan	Oct 2036	200	200	200	200	—	—
Aviva loan	Nov 2028	75	75	75	75	—	—
Barclays facility	Oct 2027	170	170	105	105	65	65
HSBC facility	Dec 2027	100	100	7	39	93	61
Lloyds facility	Oct 2027	100	100	—	19	100	81
NatWest facility	Oct 2026	—	100	—	33	—	67
Santander facility	Jan 2027	50	50	—	24	50	26
Aviva MXF loan	Sep 2033	215	218	215	218	—	—
Aviva MXF loan	Sep 2028	31	31	31	31	—	—
Barclays Assura loan ¹	Oct 2027	266	—	266	—	—	—
Assura club facility ¹	Aug 2027	200	—	—	—	200	—
		2,407	1,044	1,898	744	509	300
Total		2,515	1,052	1,907	747	608	304

¹ Acquired as part of the Assura acquisition.

At 31 December 2025, total facilities of £4,019 million (2024: £1,630 million) were available to the Group. This included bonds for the total value of £1,505 million listed in Note 15b. Of these facilities, as at 31 December 2025, £3,412 million was drawn (2024: £1,326.7 million).

On 16 May 2025, the Company entered into a short term unsecured loan facility agreement (the "Backstop facility") with Citibank, N.A. London branch, Lloyds Bank plc and the Royal Bank of Scotland plc to fund the planned acquisition of Assura plc and subsequent financial restructuring of the resulting group. Following completion of the acquisition on 12 August 2025, the Company started to utilise the facility. The total facility is £1,000 million with a term of twelve months and the option to extend for two successive periods of six months each at

sole discretion of the Company. The interest rate is SONIA + a fixed margin with stepped increases from 0.9% to 2.9% throughout the extended term. The Company also has the option to convert £480 million of the term loan into a revolving facility with equivalent extension periods over the remaining term. Interest rates on the revolving facility are calculated at margins from 1.15% to 1.85% according to leverage.

On 12 August 2025, a £200 million unsecured revolving credit facility with Barclays, HSBC, NatWest and Santander was added to the portfolio as part of the Assura acquisition (the "Assura club facility"). The facility expires in October 2027 and incurs interest at a margin which starts at 1.35% above SONIA subject to LTV. The margin has a ratchet linked to LTV, increasing up to 1.75% where the LTV is in excess of 45%, and a potential adjustment of 5bps linked to performance against sustainability targets. The facility is subject to a historical interest cover requirement of at least 175% and maximum LTV of 60%. As at 31 December 2025, the facility was undrawn.

In addition to the club facility, a £266 million term loan with Barclays was added to the portfolio as part of the Assura acquisition. The facility incurs interest at a margin of 1.1% above SONIA, and a potential adjustment of 5bps linked to performance against sustainability targets. The loan matures in August 2027 with an option to extend by two additional one-year periods.

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

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

	2025 £m	2024 £m
Term loans drawn: due within one year	9	3
Term loans drawn: due in greater than one year	1,898	744
Total term loans drawn	1,907	747
Plus: MtM on loans net of amortisation	20	23
Less: unamortised borrowing costs	(11)	(10)
Total term loans per the Group Balance Sheet	1,916	760

The Group has been in compliance with all of the financial covenants of the above facilities as applicable through the year. Further details are shown in Note 17e.

The Group has entered into interest rate swaps to manage its exposure to interest rate fluctuations. These are set out in Note 16.

b) Bonds and private placements

	2025 £m	2024 £m
Unsecured:		
Convertible bond July 2025 at fair value	—	148
Assura public bond 2028 ¹	300	—
Assura public bond 2030 ¹	300	—
Assura public bond 2033 ¹	300	—
Assura US private placement 2034 ¹	60	—
€120 million Euro private placement 2032	105	—
Less: unamortised costs	(1)	—
Plus: MtM on Assura loans net of amortisation	(124)	—
Total unsecured bonds and private placements	940	148
Secured:		
Secured bond March 2027	100	100
€51 million Euro private placement December 2028–30	44	42
€70 million Euro private placement September 2031	61	58
€75 million Euro private placement February 2034	65	62
€47 million Euro private placement December 2033	42	40
Ignis loan note December 2028	50	50
Standard Life loan note September 2028	78	78
Less: unamortised bond issue costs	(3)	(3)
Plus: MtM on MXF loans net of amortisation	2	3
Total secured bonds and private placements	439	430
Total bonds and private placements	1,379	578

1 Acquired as part of the Assura acquisition.

Unsecured bonds

Assura public and unsecured bonds

On 12 August 2025, three bonds of £300 million value each were added to the portfolio as part of the Assura acquisition: a ten-year senior unsecured bond of £300 million at a fixed rate of 3% maturing July 2028; a ten-year senior unsecured Social Bond of £300 million at a fixed interest rate of 1.5% maturing September 2030; and a twelve-year senior unsecured Sustainability Bond of £300 million at a fixed rate of

1.625% maturing June 2033. The Social and Sustainability Bonds were launched in accordance with Assura's Social & Sustainable Finance Frameworks respectively to be used for eligible investment in the acquisition, development and refurbishment of publicly accessible primary care and community healthcare centres. The bonds are subject to an interest cover requirement of at least 150%, maximum LTV of 65% and priority debt not exceeding 0.25:1.

Assura US private placement

On 12 August 2025, three US private placements totalling £207 million were added to the portfolio as part of the Assura acquisition. £147 million of these notes were repaid on 18 November 2025 and £60 million, which expires in October 2034, was recouped to a fixed interest rate of 5.6%.

Assura private placement

On 12 August 2025, £150 million of unsecured privately placed notes were added to the portfolio as part of the Assura acquisition. Notes were issued in two tranches. The £70 million tranche was repaid on 20 October 2025 and a £80 million tranche was repaid on 18 November 2025.

€120 million private placement

On 18 November 2025, the Group issued a new €120 million (£105 million) unsecured private placement loan note to Prudential Global Investment Management for a seven-year term at a fixed rate of 3.89%.

Convertible bonds

The £150 million of 2.875% convertible bond was redeemed at par on maturity in July 2025.

	2025 £m	2024 £m
Opening balance – fair value	148	147
Fair value movement in convertible bond	2	1
Redeemed at par on maturity	(150)	—
Closing balance – fair value	—	148

The fair value movement of the convertible bond was recognised in the Group Statement of Comprehensive Income within profit before taxation and is excluded from the calculation of adjusted and EPRA earnings and NTA.

c) Total borrowings

	2025 £m	2024 £m
Current liabilities:		
Term loans and overdrafts	9	3
Bonds	—	150
MtM on convertible bond	—	(2)
Total current liabilities	9	151
Non-current liabilities:		
Term loans	1,898	744
MtM on loans net of amortisation	20	23
Less: unamortised loan issue costs	(11)	(10)
Total non-current liabilities	1,907	757
Bonds	1,505	429
MtM on bonds net of amortisation	(122)	3
MtM on convertible bond	—	—
Less: unamortised bond issue costs	(4)	(3)
Total non-current bonds	1,379	429
Total borrowings	3,295	1,337

	2025 £m	2024 £m
Balance at 1 January	1,346	1,325
Changes from financing activities		
Proceeds from bond issues	105	—
Term bank loan drawdowns	1,531	307
New facilities drawn	1,636	307
Repayments of mortgage principal	(2)	(2)
Repayments of term bank loans	(1,099)	(277)
Repayments of term loan borrowings	(1,101)	(279)
Loan and bond interest paid	(74)	(50)
Swap interest received	2	6
Non-utilisation fees paid	(3)	(2)

	2025 £m	2024 £m
Purchase of derivative financial instrument	(5)	—
Loan arrangement fees and early termination fees	(10)	(4)
	(90)	(50)
Total changes from financing cash flows	445	(22)
Other non-cash changes		
Debt acquired on Assura acquisition	1,405	—
Loan and bond interest expense	79	50
Swap interest income	(2)	(5)
Fair value movement on derivatives interest rate swaps	4	5
Fair value movement on convertible bond	2	1
Amortisation of MtM of MXF acquired debt	(3)	(3)
Amortisation of MtM of Assura acquired debt	9	—
Amortisation of debt issue costs, non-utilisation and early termination fees	(3)	6
Exchange gain on translation of foreign balances	13	(11)
Total other changes	1,504	43
Balance at 31 December	3,295	1,346

15. 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.

	2025 £m	2024 £m
Due within one year	1	—
Due after one year	12	3
Closing balance – fair value	13	3

16. 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 facilities. 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.

	2025 £m	2024 £m
Fair value of interest rate swaps not qualifying as cash flow hedges under IAS 39:		
Current assets	—	—
Non-current assets	1	—
Current liabilities	—	—
Non-current liabilities	(1)	—
Total fair value of interest rate swaps	—	—

Changes in the fair value of the contracts that do not meet the strict IAS 39 criteria to be designated as effective hedging instruments are taken to the Group Statement of Comprehensive Income. For contracts that meet the IAS 39 criteria and are designated as “effective” cash flow hedges, the change in fair value of the contract is recognised in the Group Statement of Changes in Equity through the cash flow hedging reserve. The result recognised in the Group Statement of Comprehensive Income relates to the amortisation of the cash flow hedging reserve of £3 million (2024: £2 million).

Interest rate swaps and caps with a contract value of £466 million (2024: £49.6 million) were in effect at 31 December 2025. Details of all floating to fixed rate interest rate swap contracts held are as follows:

Contract value	Product	Start date	Maturity	Fixed interest per annum %
2025				
£50 million	Cap/floor	20 January 2025	20 January 2027	3.000
£50 million	Collar	20 January 2025	20 January 2027	3.000
£50 million	Swap	20 January 2025	20 January 2027	3.000
£50 million	Swap	20 January 2025	20 January 2027	3.000
£266 million	Swap	5 August 2024	5 August 2026	4.418
£466 million				
2024				
€20 million (£16 million)	Euro cap	April 2023	October 2025	2.000

Contract value	Product	Start date	Maturity	Fixed interest per annum %
€20 million (£17 million)	Euro cap	April 2023	October 2025	2.000
€20 million (£17 million)	Euro cap	April 2023	October 2025	2.000
£50 million				

On 18 April 2023, the Group converted €60 million (£52 million) of Sterling equivalent denominated debt into Euros across its various revolving credit facilities. The Group purchased 2.0% caps at €60 million nominal value for a period of 2.5 years until October 2025 for an all-in premium of €2 million (£2 million). Those expired and were not renewed in the reporting period.

In January 2025, the Group fixed, for two years, £200 million of nominal debt at a rate of 3.0% for an all-in premium of £4 million. The hedges are effective until 20 January 2027 with a fixed rate of 3.0% payable across all agreements, receiving variable SONIA. In January 2025, the Group additionally entered into an FX forward hedge (fixed at 1.1459:£1) for a two-year period to cover approximate Euro denominated net annual income of €10 million per annum.

17. Financial risk management

In pursuing its investment objectives, the Group is exposed to a variety of risks that could impact net assets or distributable profits.

The Group's principal financial liabilities, other than interest rate swaps, are loans and borrowings hedged by these swaps. The main purpose of the Group's loans and borrowings is to finance the acquisition and development of the Group's property portfolio. The Group has trade and other receivables, trade and other payables and cash and short term deposits that arise directly from its operations.

A review of the Group's objectives, policies and processes for managing and monitoring risk is set out in the Strategic Report. This note provides further detail on financial risk management and includes quantitative information on specific financial risks.

Financial risk factors

a) Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating rates as the Group, generally, does not hold significant cash balances, with short term borrowings being used when required. To manage its interest rate risk, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon principal amount. Note 16 provides details of interest swap contracts in effect at the year end.

Interest rate exposure

The analysis of the Group's exposure to interest rate risk in its debt portfolio as at 31 December 2025 is as follows:

	Facilities		Net debt drawn	
	£m	%	£m	%
Fixed rate debt	2,028	51	2,028	60
Hedged by fixed rate interest rate swaps ¹	466	12	466	14
Total fixed rate debt	2,494	63	2,494	74
Hedged by interest rate caps	—	—	—	—
Floating rate debt – unhedged	1,525	37	898	26
Total	4,019	100	3,392	100

¹ Including the impact of post year-end hedging completed.

The following sensitivity analysis shows the impact on profit before tax and equity of reasonably possible movements in interest rates with all other variables held constant. It should be noted that the impact of movement in the interest rate variable is not necessarily linear.

The fair value is arrived at with reference to the difference between the contracted rate of a swap and the market rate for the remaining duration at the time the valuation is performed. As market rates increase and this difference reduces, the associated fair value also decreases.

		Impact on income statement £m	Total impact on equity £m
2025			
Sterling Overnight Index Average Rate	Increase of 50bps	(5)	(5)
Sterling Overnight Index Average Rate	Decrease of 50bps	5	5
2024			
Sterling Overnight Index Average Rate	Increase of 50bps	(1)	(1)
Sterling Overnight Index Average Rate	Decrease of 50bps	1	1

b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under financial instruments or customer contracts, leading to a financial loss. The Group is exposed to credit risk from its principal financial assets, cash and cash equivalents, and trade and other receivables (see Notes 11 and 12).

Trade receivables

Trade receivables, primarily tenant rentals, are recognised and carried at amortised cost and presented in the balance sheet net of loss allowances and are monitored on a case-by-case basis. Impairment losses are recognised through the expected credit loss model. Credit risk is primarily managed by requiring tenants to pay rentals in advance.

The Group has policies in place to ensure that rental contracts are entered into only with lessees with an appropriate credit history.

Banks and financial institutions

One of the principal credit risks of the Group arises from financial derivative instruments and deposits with banks and financial institutions. The Board of Directors believes that the credit risk on short term deposits and interest rate swaps is limited because the counterparties are banks, which are committed lenders to the Group, with reputable credit ratings assigned by international credit rating agencies.

c) Liquidity risk

The liquidity risk is that the Group will encounter difficulty in meeting obligations associated with its financial liabilities as the majority of the Group's assets are property investments and are therefore not readily realisable. The Group's objective is to maintain a mixture of available cash and committed bank facilities that is designed to ensure that the Group has sufficient available funds for its operations and to fund its committed capital expenditure. This is achieved by continuous monitoring of forecast and actual cash flows.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments including interest.

	On demand £m	Less than three months £m	Three to twelve months £m	One to five years £m	More than five years £m	Total £m
2025						
Interest-bearing loans and borrowings	—	36	107	2,325	1,412	3,880
Trade and other payables	5	46	23	2	4	80
Lease liabilities	—	—	1	3	24	28
	5	82	131	2,330	1,440	3,988
2024						
Interest-bearing loans and borrowings	—	12	38	870	658	1,578
Trade and other payables	4	16	5	—	2	27
Lease liabilities	—	—	—	1	15	16
	4	28	43	871	675	1,621

The Group's borrowings have financial covenants which, if breached, could result in the borrowings becoming repayable immediately. Details of the covenants are given under (e) Capital risk management and are disclosed to the facility providers on a quarterly basis. There have been no breaches during the year (2024: none).

d) Market risk

Market risk is the risk that fair values of financial instruments will fluctuate because of changes in market prices. The Board of Directors has identified two elements of market risk that principally affect the Group – interest rate risk and price risk.

Interest rate risk

Interest rate risk is outlined above. The Board assesses the exposure to other price risks when making each investment decision and monitors the overall level of market risk on the investment portfolio on an ongoing basis through a discounted cash flow analysis. Details of this analysis can be found in the Strategic Report and the previous pages.

Price risk

The Group is exposed to price risk in respect of property price risk including property rentals risk. Refer to Note 2.3 for more information. The Group has no significant exposure to price risk in respect of financial instruments other than interest rate derivatives (see also Note 16), as it does not hold any equity securities or commodities.

Fair values

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	Fair value	Book value	Fair value
--	------------	------------	------------	------------

	2025 £m	2025 £m	2024 £m	2024 £m
Financial assets				
Trade and other receivables	40	40	18	18
Other investments	3	3	—	—
Interest rate swaps	1	1	—	—
Cash and short term deposits	20	20	4	4
Financial liabilities				
Interest-bearing loans and borrowings	(3,295)	(3,181)	(1,337)	(1,201)
Interest rate swaps	(1)	(1)	—	—
Trade and other payables	(80)	(80)	(26)	(26)
Lease liabilities	(13)	(13)	(3)	(3)

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

- 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;
- 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;
- the fair value of fixed rate debt is estimated using the mid yield to maturity on the reporting date. The valuations are on a clean basis, which excludes accrued interest from the previous settlement date to the reporting date; and
- 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.

Fair value hierarchy

The table below analyses financial instruments either carried or disclosed at fair value, by valuation method. The table excludes working capital balances. The different levels are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Fair value measurements at 31 December 2025 were as follows:

Recurring fair value measurements	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets				
Other investments	—	3	—	3
Derivative interest rate swaps	—	1	—	1
Financial liabilities				
Derivative interest rate swaps	—	(1)	—	(1)
Secured bonds	(409)	—	—	(409)
Unsecured bonds	(940)	—	—	(940)
Fixed rate debt	—	(449)	—	(449)
Floating rate debt	—	(1,383)	—	(1,383)

Fair value measurements at 31 December 2024 were as follows:

Recurring fair value measurements	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets				
Derivative interest rate swaps	—	—	—	—
Financial liabilities				
Convertible bond	(148)	—	—	(148)
Secured bonds	(395)	—	—	(395)
Fixed rate debt	—	(437)	—	(437)
Floating rate debt	—	(221)	—	(221)

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.

e) Capital risk management

The primary objectives of the Group's capital management are to ensure that it remains a going concern, operates within its quantitative banking covenants and meets the criteria so as to continue to qualify for UK REIT status.

The capital structure of the Group consists of shareholders' equity and net borrowings. The type and maturity of the Group's borrowings are analysed further in Notes 14 and 16 and the Group's equity is analysed into its various components in the Group Statement of Changes in Equity. The Board monitors and reviews the Group's capital so as to promote the long term success of the business, to facilitate expansion and to maintain sustainable returns for shareholders.

Under several of its debt facilities, the Group is subject to a covenant whereby consolidated Group rental income must exceed Group borrowing costs by the ratio 1.3:1 (2024: 1.3:1). No debt facility has a Group loan to value covenant with the exception of the Backstop facility whereby the Group borrowings must not exceed 65% of the Group property values.

Facility-level covenants also operate with regard to specific pools of property assets provided to lenders to secure individual loan facilities. These range as follows:

- interest cover¹: 1.15 to 2.25 (2024: 1.15 to 2.25); and
- loan to value¹: 55% to 75% (2024: 55% to 75%).

UK REIT compliance tests include loan to property value and gearing tests. The Group must satisfy these tests in order to continue trading as a UK REIT. This is also an internal requirement imposed by the Articles of Association.

During the year the Group has complied with all of the requirements set out above.

1 See Glossary of Terms.

	2025 £m	2024 £m
Group loan to value ratio		
Fair value of completed investment properties	5,860	2,739
Fair value of development properties	29	8
Equity accounted for and other investments	58	—
Ground rent recognised as finance leases	13	3
	5,960	2,750
Interest-bearing loans and borrowings (with convertible bond at nominal value)	3,412	1,327
Less cash held	(20)	(4)
Nominal amount of interest-bearing loans and borrowings	3,392	1,323
Group loan to value ratio	57%	48%

18. Share capital

Ordinary Shares issued, authorised and fully paid at 12.5 pence each

	2025		2024	
	Number – million	£m	Number – million	£m
Balance at 1 January	1,336	167	1,336	167
Shares issued in relation to the acquisition of Assura	1,259	157	—	—
Balance at 31 December	2,595	324	1,336	167

During the year the Company issued 1,259 million Ordinary Shares in six blocks at a weighted average price of 93.0 pence per share (12.5 pence nominal and a premium of 80.5 pence) as set out below. The shares were issued as part of the consideration for acquiring 100% of the issued share capital of Assura. Shareholders of Assura were entitled to receive 0.3865 shares and 12.5 pence cash for each Assura plc share they held.

The shares issued in the year are as follows:

Date	Number – millions	Price per share pence	Share capital £m
14 August 2025	792	93.3	98
21 August 2025	74	93.9	9
28 August 2025	293	93.0	37
4 September 2025	30	89.5	4
11 September 2025	45	89.9	6
20 October 2025	25	92.6	3
Total/weighted average	1,259	93.0	157

19. Share premium

	2025 £m	2024 £m
Balance at 1 January	479	479
Balance at 31 December	479	479

20. Merger and other reserves

The merger and other reserves are made up of the capital reserve which is held to finance any proposed repurchases of Ordinary Shares, following approval of the High Court in 1998, the foreign exchange translation reserve and the premium on shares issued for the acquisition of Assura in the year, Nexus in 2021 and MXF Fund Limited in 2019.

	2025 £m	2024 £m
Capital reserve		
Balance at 1 January and 31 December	2	2
Foreign exchange translation reserve		
Balance at 1 January	—	—
Exchange differences on translation of foreign balances	3	—
Balance at 31 December	3	—
Merger reserve		
Balance at 1 January	414	414
Premium on shares issued for the acquisition of Assura	1,012	—
Balance at 31 December	1,426	414
Balance of merger and other reserves at 31 December	1,431	416

21. Hedging reserve

Information on the Group's hedging policy and interest rate swaps is provided in Note 16.

The transfer to the Group Statement of Comprehensive Income can be analysed as follows:

	2025 £m	2024 £m
Balance at 1 January	(5)	(7)
Amortisation of cash flow hedging reserve	3	2
Balance at 31 December	(2)	(5)

The balance within the cash flow hedge reserve relating to cancelled swaps will be amortised through the Group Statement of Comprehensive Income over the remainder of the original contract period (see Note 5b).

22. Retained earnings

	2025 £m	2024 £m
Balance at 1 January	319	369
Retained profit for the year	119	41
Dividends paid	(117)	(91)
Share-based awards ("LTIP")	1	—
Balance at 31 December	322	319

23. Capital commitments

As at 31 December 2025, the Group has entered into forward funding development agreements with third parties for the development of primary healthcare properties in the UK and Ireland. The Group has acquired the land and advances funds to the developers as the construction progresses. Total consideration of £50 million (2024: £6 million) remains to be funded with regard to these properties.

Additionally as at 31 December 2025, the Group has capital commitments totalling £6 million (2024: £34 million), being the cost to complete asset management projects on site.

24. Related party transactions

Details of transactions during the year and outstanding balances at 31 December 2025 in respect of investments held are detailed in Note 9. Details of payments to key management personnel are provided in Note 4.

25. Asset acquisition

During the year the Company acquired the entire issued share capital of Assura for a total consideration of £1,578 million which comprised shares in the Company and cash. Substantially all of the fair value of the gross assets acquired is concentrated in a single asset group – primary health properties and other health focused real estate – with Assura’s operations being solely the ownership of investment properties and associated assets along with cash, leverage and working capital balances. The total consideration has been allocated across the net assets acquired by fair valuing the cash, debt and working capital balances with the difference between the total consideration paid and fair value of the net assets acquired representing a price discount of £5 million and this has reduced the cost of the investment property portfolio acquired. For more information on the acquisition refer to pages 26 to 27 of the Financial Review.

Summary of assets and liabilities acquired

	£m
Investment property at fair value	3,022
Assets held for sale	4
Discount to cost on acquisition	(5)
Investment property recognised on acquisition	3,021
Investment in equity accounted and other investments	57
Cash	23
Third-party debt at fair value	(1,405)
Other net assets and liabilities	(118)
Total net assets acquired	1,578
<hr/>	
Consideration paid	£m
Shares – 1,258.6 million at 93p	1,171
Cash	407
Total fair value of the consideration paid	1,578

26. Subsequent events

Post year end, in January 2026, the Group disposed of a property in Swansea for a sale price of £5 million. The property was included in properties held for sale in current assets as at 31 December 2025.

27. Audit exemptions taken for subsidiaries

The following subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of Section 479A of the Act.

Name	Companies House registration number
GP Property One Ltd	10801028
PHP SPV Limited	12256431
PHP Primary Properties (Haymarket) Limited	08304612
PHP Tradeco Holdings Limited	09642987
PHP Health Solutions Limited	06949900
PHP Tradeco Limited	07685933
PHP Property Management Services Limited	02877191
PHP Primary Care Developments Limited	11862233
PHP Croft Limited	13938144
PHP Bond Finance Limited	08684414
PHP Clinics Limited	08188277
PHP Development Holdings Limited	14158160
Health Properties Midco Limited ¹	15593017
Health Properties (No 1) Limited ¹	15712869
Health Properties (No 2) UK Limited ¹	15712878
Shotfield Development Business Partnership Limited ¹	06789016
Assura Development Hub Limited ¹	05824565
The 3P Development Limited ¹	06910360
Assura Solaris Limited ¹	15316551
Surgery Developments Limited ¹	03902791
Assura (Haven Health) Limited ¹	09446256
Assura Capital Projects Development Limited ¹	04246800
Haven Health (Portsmouth) Limited ¹	12363508
Sunfair Properties Limited ¹	10969102
Haven Health (Shirley) Limited ¹	08734059
Jelmac (Primary Care) Properties Limited ¹	06755825
Assura Limited ¹	09349441
Assura Management Services Limited ¹	06452057
Assura Investments Limited ¹	04677200
Assura Property Management Limited ¹	06498391
Assura IH Limited ¹	09468257

¹ Acquired as part of the Assura acquisition.

Glossary of terms

Adjusted earnings is EPRA earnings excluding the contract termination fee 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 including, not recognised by either IFRS or EPRA measures, the MtM adjustment of the fixed rate debt. The objective of the adjusted NTA measure is to highlight the value of net assets on a long term basis.

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.

Assura is Assura plc and its subsidiaries.

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”).

CSRD is Corporate Sustainability Reporting Directive.

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, Assura 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 and associated close-out costs and their related taxation and amortisation of non-monetary items such as intangible assets.

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

EPRA net assets (“EPRA NAV”) is 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 and 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 7.

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 7.

EPRA net disposal value (“EPRA NDV”) (replacing EPRA NNAV) is adjusted 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 7.

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 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 7.

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 7.

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

IFRSs are International Financial Reporting Standards as adopted by the United Kingdom.

IFRS or **basic net asset value per share (“IFRS NAV”)** is 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 properties.

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, which 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 or 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’s “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 returns are expected to continue to rise each year.

Progressive dividends is where dividends are 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 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)	225
Revaluation deficit and profit on sales (B)	54
Total return (C)	279
Opening property assets	2,753
Weighted additions in the period	1,208
Total weighted average closing property assets (D)	3,961
Income return (A/D)	5.7%
Property return (B/D)	1.3%
Total property return (C/D)	7.0%

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.