

Trading Update

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Assura PLC
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Assura plc

Trading update for the first half ended 30 September 2024

Assura plc ("Assura"), the diversified healthcare REIT, today announces its Trading Update for the six months to 30 September 2024.

Jonathan Murphy, CEO, said:

"We have made strong strategic progress in the first half of the year. The £500 million acquisition in August of a private hospital portfolio accelerates the delivery of our broader healthcare strategy while our £250 million joint venture with USS diversifies our funding. We are also very pleased to have been certified as the first FTSE 250 B Corp recognising our high standards of social and environmental performance.

"The purchase of 14 UK private hospitals materially increases our exposure to the structurally supported private healthcare market as we continue to diversify our offering to meet changing UK healthcare demands. The joint venture with USS, the UK's leading private pension scheme, provides a new source of funding and opportunities to recycle capital into our growth pipeline.

"The need for investment in healthcare infrastructure was starkly outlined by the recent Lord Darzi report - which found the primary care estate to be plainly not fit for purpose and more than 1 million people to be waiting for community services. We are at an inflexion point in the UK, with structural changes to the delivery of healthcare services, the Government targeting preventative services in a community setting, and rising demand for private providers. Assura has firmly positioned itself to facilitate this change, being well-placed to work with all healthcare providers to deliver high-quality, sustainable facilities for the long-term.."

Delivery against our strategic objectives

- Portfolio of 14 private hospitals acquired for £500 million: day 1 rental income of £29.4 million, WAULT of 26 years, 100% subject to annual index-linked rent reviews, let to tier 1 private healthcare providers with strong rent cover of 2.3 times
- Portfolio now stands at 625 properties with an annualised rent roll of £179.1 million (March 2024: £150.6 million)
- Three developments completed with a total combined spend of £46 million; GP surgery in Shirley, ambulance hub at Bury St Edmunds and our largest in-house development project to date of the Northumbria Health & Care Academy at Cramlington
- Positive progress on rent reviews, 129 settled in the first half, covering £20.4 million of existing rent and generating an uplift of £1.7 million (8.2% uplift on previous passing rent, 3.0% on an annualised basis)
- Initial tranche of seven assets agreed for transfer to joint venture with USS
- Completed seven asset enhancement capital projects (total spend £3.0 million) and seven lease regears (existing rent £0.6 million); on site with a further four capital projects (total spend £5.6 million)
- Quarterly dividend increased by 2.4% to 0.84 pence per share, as announced at the full year results, with effect from the July 2024 payment

Pipeline of opportunities for strategic expansion and further growth

- Advanced discussions taking place for the disposal of 12 assets
- Currently on site with five developments; total cost of £44 million with £27 million remaining to be spent. On site schemes include two net zero carbon buildings in the UK (one GP medical centre, one NHS children's therapy centre) and three developments for the HSE in Ireland.
- Pipeline of 14 capital asset enhancement projects (projected spend £8.8 million) over the next two years
- 32 lease re-gears covering £3.9 million of existing rent roll in the current pipeline

Strong and sustainable financial position

- Weighted average interest rate 3.0% (March 2024: 2.3%); all drawn debt on fixed rate basis
- Weighted average debt maturity of 5.1 years, limited refinancing on drawn debt over the next 3 years. Over 40%

- of drawn debt matures beyond 2030, with our longest maturity debt at our lowest rates
- A- rating reaffirmed by Fitch in August following private hospital portfolio acquisition
- Net debt of £1,575 million (March 2024: £1,217 million) on a fully unsecured basis with cash and undrawn facilities of £143 million

Full results for the six months ended 30 September 2024 will be announced on 14 November 2024.

- Ends -

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Notes to Editors

Assura plc is the UK's leading diversified healthcare REIT. Assura enables better health outcomes through its portfolio of more than 600 healthcare buildings, from which over six million patients are served.

A UK REIT based in Altrincham, Assura is a constituent of the FTSE 250 and the EPRA* indices. As at 31 March 2024, Assura's portfolio was valued at £2.7 billion and has a strong track record of growing financial returns and dividends for shareholders.

At Assura, we BUILD for health, having developed over 100 new healthcare buildings in our history, and at the heart of our strategy sits The Bigger Picture; Healthy Environment (E), Healthy Communities (S), Healthy Business (G).

Further information is available at www.assurapl.com

*EPRA is a registered trademark of the European Public Real Estate Association

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