Delivering critical social infrastructure

Primary Health Properties PLC Annual Report 2025

PHP Primary Health Properties

2025 was a transformational year. The combination with Assura creates a £6 billion healthcare REIT investing in critical social infrastructure in the UK and Ireland

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→ Discover more at **phpgroup.co.uk**

→ Read more in our Responsible Business Report at **phpgroup.co.uk**

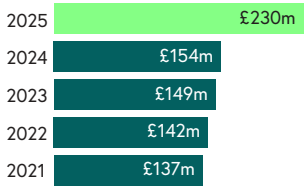
Our 2025 highlights

Transformational merger to deliver value from becoming the leading UK investor in critical healthcare infrastructure

Net rental income△

£230m

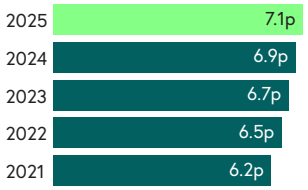
+49%



Dividend per share

7.1p

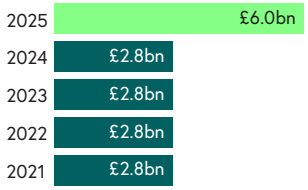
+3%



Total property portfolio**

£6.0bn

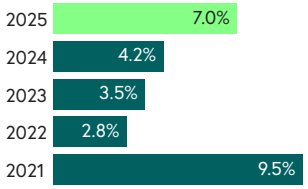
+115%



Total property return△

7.0%

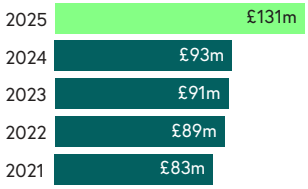
+280bps



Adjusted earnings△

£131m

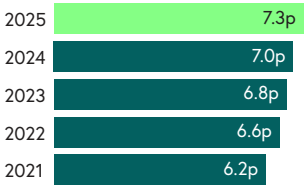
+41%



Adjusted earnings per share△

7.3p

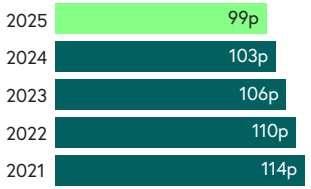
+4%



EPRA NTA per share△

99p

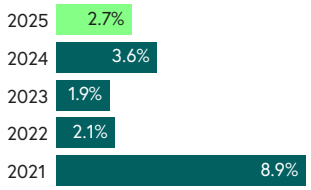
-4%



Total EPRA NTA return△

2.7%

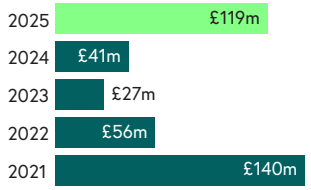
-90bps



IFRS profit after tax

£119m

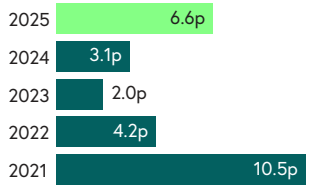
+190%



IFRS profit after tax per share*

6.6p

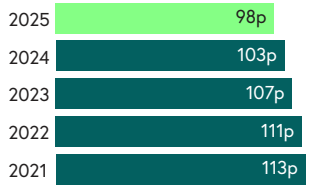
+113%



IFRS NTA per share

98p

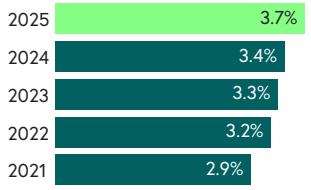
-5%



Average cost of debt△

3.7%

+30bps



* The IFRS profit after tax per share as set out in the summarised results table on page 26.

** Including joint ventures at share of ownership.

△ Alternative performance measures ("APMs"): Measures with this symbol △ are APMs defined in the Glossary section on pages 172 to 174, and presented throughout this Annual Report. All measures reported on a continuing operations and 52-week comparable basis.

Acquisition of Assura plc

Transformational merger

With overwhelming shareholder support, the acquisition of Assura was completed in August 2025, creating a £6bn Healthcare REIT investing in critical healthcare infrastructure.

Newly enlarged portfolio

Total property value

£6.0bn

Rent roll

£342m

Properties

1,142

WAULT

10.8yrs

Keeping essential healthcare infrastructure on the listed market

Following a competitive bid process over several months through the first half of 2025, we were delighted to receive overwhelming support from both PHP and Assura shareholders to successfully complete the merger.

PHP is now the largest UK healthcare REIT, with a portfolio of over 1,100 assets which act as essential social infrastructure enabling the provision of healthcare services across the UK and Ireland.

Our portfolio provides long dated and secure income, supporting our progressive dividend policy and enabling shareholders to invest in community-based assets that respond to the changing needs of the healthcare system in the UK and Ireland.

A disciplined strategy and financial framework

- 80% to 90% government backed income target range 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 between 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 net debt fixed or hedged
- Strong control on costs and overheads with one of the lowest EPRA cost ratios in the sector at below 10%

Well placed for future growth in attractive healthcare markets

As well as enhancing the operating metrics of the combined portfolio, a "best-of-both" approach has been applied to the integration to ensure the expertise and capabilities of the enlarged Group allow shareholders to benefit from the growing healthcare market.

PHP now has a unique portfolio and skill set across primary care in the UK and Ireland to access asset enhancement and development opportunities.

In addition, we have the ability to access attractive future growth opportunities around private hospitals and adjacent healthcare assets.

Acquisition of Assura plc continued

Delivering shareholder value

Compelling strategic and financial rationale

Management remain focused to generate shareholder value and continue our 30-year track record of dividend growth

- **Creating a market leading platform for secure income in a growth sector**
- **Reducing the cost of capital through access to new debt and equity markets**
- **Realising significant value from cost synergies**
- **Enhancing liquidity in our listed shares**
- **Strengthening the combined Group's balance sheet**
- **Leveraging the strong experience and expertise of the combined management team**

Focus is on delivering transaction objectives

Delivering cost synergies
£9 million of expected cost savings, targeting an EPRA Cost Ratio of <10%

Integration
Integrating two businesses with a "best of both" approach to enhance the capabilities of the enlarged Group

Refinancing
Acquisition facilities to be refinanced in line with our financial framework

Strong investment grade credit rating

Managing leverage
Targeting LTV within 40-50% policy through disposal of assets utilising strategic joint ventures

Strong early progress against objectives

Following CMA clearance at the end of October, 60% of expected cost synergies have been delivered by year end (increasing to 83% at the date of this report), all debt subject to change of control clauses have been refinanced and strong progress has been made on our deleveraging plans.

Cost synergies delivered to date

83%

Future growth opportunities

PHP's unique portfolio and skill set means we can access a growing pipeline of development and asset enhancement opportunities across primary care in the UK and Ireland, as well as in the private hospital market.

Current development pipeline

£62m

Continuing shareholder value

Our resolute focus remains delivering shareholder value. In January 2026, we announced a 2.8% increase in the quarterly dividend, our 30th consecutive year of dividend growth.

Dividend growth

+2.8%

At a glance

Capturing significant opportunity

We invest in flexible, modern properties for local healthcare services, let on long term leases to secure tenants with a property portfolio of over 1,100 assets in the UK and Ireland.

Our purpose

To support the NHS in the UK, the HSE in Ireland and other healthcare providers in tackling the underinvestment in primary care facilities in both countries by being a leading investor in modern healthcare premises.

Our ambition

To create long term sustainable value for shareholders through investment, development and asset management of healthcare real estate.

Our strategy

→ Read more in our Strategy section on pages 22 and 23

Manage | **Grow** | **Deliver** | **Fund**

Approach to sustainability

A strategy and approach to meet the evolving sustainability needs of the healthcare sector. PHP is committed to transitioning to net zero carbon ("NZC") by 2030 for all of the Group's operational, development and asset management activities.

→ Read more in our Responsible business section on pages 32 to 47

At a glance continued

Building on a strong and resilient portfolio

Our portfolio delivers resilient and growing cash flows which, through careful management and cost control, flows into growing adjusted earnings to support our progressive[1] dividend policy.

Our portfolio of growth

Contracted rent roll

£342m ↑

(2024: £154m)

Adjusted earnings

£131m ↑

(2024: £93m)

Number of properties

1,142 ↑

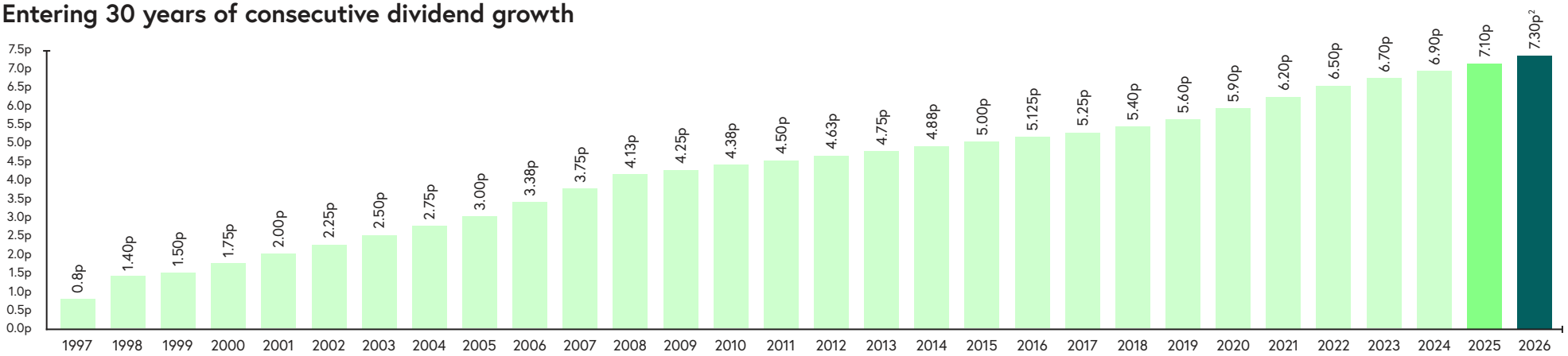
(2024: 516)

Number of tenants

2,608 ↑

(2024: 1,207)

Entering 30 years of consecutive dividend growth



1 Progressive is where it is expected to continue to rise each year, as defined in the Glossary section on pages 172 to 174.

2 7.30 pence is an annualised amount, based on the first quarterly dividend of 1.825 pence.

Our portfolio

Our properties and geography

The majority of our healthcare facilities are GP surgeries, with a growing proportion of our portfolio let to the HSE in Ireland and independent health providers in the UK.

→ Read more about our markets on **pages 18 and 19**

Primary care (UK)

Number of assets	Rent roll
1,059	£275m
Value	**WAULT**
£4.9bn	8.4yrs

Primary care (Ireland)

Number of assets	Rent roll
28	£20m
Value	**WAULT**
£0.3bn	16.1yrs

Private hospitals

Number of assets	Rent roll
33	£44m
Value	**WAULT**
£0.7bn	22.0yrs

JVs & other

Number of assets	Rent roll
22	£3m[1]
Value	**WAULT**
£0.1bn[1]	18.5yrs

Rental growth outlook

2025 continued to see strong like-for-like organic rental growth of £9.1 million, with rent review completions generating £8.3 million of additional annualised income.

We continue to see an improving outlook for open market rent reviews, supported by the 40% of our portfolio which is now subject to indexed or fixed uplifts.

Completed asset management projects in the year delivering a further £0.8 million of annualised rental growth.

Like-for-like rental growth

2.7%

(2024: 2.7%)

Occupancy rate

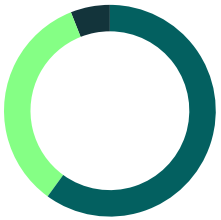
99%

(2024: 99%)

Tenant covenant analysis

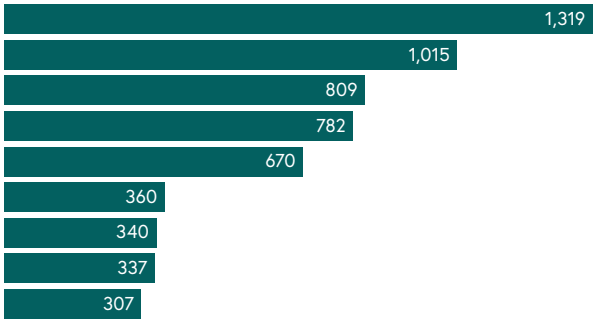
GP/Government bodies	76%
Independent operators	13%
Pharmacy	7%
Other	4%

Rent review basis



Open market	60%
Indexed	34%
Fixed	6%

Portfolio size by location (£m)



1 JVs included at share of ownership.

Investment case

A proven, long term success story

PHP is a strong business creating progressive[1] returns for shareholders by investing in healthcare real estate let on long-term leases, backed by a secure underlying covenant where the majority of rental income is funded directly or indirectly by a government body.

PHP's portfolio – modern healthcare properties

- The UK's largest healthcare REIT, with over 1,100 properties across the UK and Ireland, at a combined valuation of £6 billion, 11 year WAULT and 99% occupancy.
- Low risk, long term, non-cyclical, secure government backed income.
- Progressive income generation with 30-year track record of consistent dividend growth.
- Confidence in rental growth outlook, targeting 3% annual growth.

Annualised growth from rent reviews

3.2%

(2024: 2.9%)

Operating in a growth sector

- Demographic tailwind created by growing and ageing population, generating demand for health services.
- Continued shift of services into primary care setting, supported by the NHS 10-year plan and Neighbourhood Health Centre model.
- Significant investment required with 50% of the existing UK primary care estate deemed "not fit for purpose"
- Relationships with key health stakeholders place PHP at the centre of the solution to deliver on the Government's plans.

Neighbourhood health centres announced in the 2025 Autumn Budget

250

Sector leading financial performance and cost control

- Active management of portfolio central to the strategic priorities of stable income, growth through investment and a disciplined approach to leverage.
- Strong control on overhead with EPRA Cost Ratio <10%.
- 100% of termed out debt fixed or hedged, with a low average cost of 3.7%.
- Enhanced total property returns and delivering shareholder value, with 8% CAGR on 30-year dividend track record.

Growth in quarterly dividend announced[2]

2.8%

(2024: 2.9%)

1 Progressive is where it is expected to continue to rise each year, as defined in the Glossary section on pages 172 to 174.
2 Increase in dividend of 2.8% announced on 13 January 2026 with effect from March 2026 quarterly payment.

Government's 10-year plan for the NHS

Core vision

The plan aims to address structural failings and make the NHS sustainable by focusing on three major shifts:

Shift in the focus of healthcare and Primary Care

1 From hospital to community

Move care closer to home, reducing reliance on hospitals.

2 Analogue to digital

Embrace technology for faster, more efficient care.

3 Sickness to prevention

Prioritise proactive health management over reactive treatment.

Why this matters to investors

Focus on the estate
The Government has recognised that much of the current primary care estate is ageing and has committed to rolling out neighbourhood health centres across the country.

250
Neighbourhood health centres planned by 2035

More power to patients
The Government plans for the NHS app to become the front door to the NHS, with people able to access care and choose their providers directly, including the private sector.

39m
Registered NHS app users

Priority for long term conditions
With a focus on improving well being and increasing life expectancy, the 10-year plan aims to keep people well for longer, especially in under-served communities.

46%
Of adults over 16 have a long term condition

Government's 10-year plan for the NHS continued

Increasing momentum

The momentum is clearly towards a shift in the system, with greater emphasis on community-based care and increasing investment in Primary Care services and infrastructure. Plan to achieve this shift requires external investment.

What will the 10-year plan mean for PHP?

Mergers and consolidations of GP practices will continue
Operating at scale supports practices' sustainability and enhances their ability to work with the NHS to invest in their premises.

Higher technology specification
The shift to digital along with greater use of AI requires investment in the estate to unlock productivity gains.

Primary Care Networks ("PCNs") and further models will be backed
New contracting mechanisms will support the delivery of neighbourhood health services at scale in all communities.

Providing and hosting a wider range of services
Co-location and consolidation of services will bring more care and more professionals to neighbourhoods.

Care will increasingly move into community settings
Training of the workforce will also need to shift to enable professionals to develop the skills to deliver neighbourhood health services.

Health and wellbeing focus
Getting people back to work and, with an ageing population, keeping people well for longer will be an integral part of keeping the NHS sustainable.

Government favours a hub-and-spoke model
To ensure that care truly is closer to people's home, a mixed model of provision is required to meet communities' needs.

Delivering a sustainable NHS
The NHS remains committed on its journey towards a net zero carbon service by 2045.

Why this matters to investors

Secure government-backed income
Rent reimbursement for GP practices and leases held directly by NHS organisations with long term covenants will be at the core of neighbourhood health services.

Portfolio resilience
Properties with the space to scale and adapt will play a major role in delivering additional capacity in primary care alongside new builds.

Structural growth opportunities
The Government is committed to shifting more care into communities and working with the private sector to deliver more efficient care to improve patient outcomes.

ESG alignment
Managing costs and increasing the sustainability of services is key to maintaining the viability of GP partnerships and neighbourhood health services.

20%
of the current primary care estate is older than the NHS

>30m
appointments at GP surgeries a month

>50%
of patients are seen by practice nurses or an allied health professional

Chair's statement

Building momentum

Harry Hyman
Non-executive Chair

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. 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 and balance sheet and our 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%;

"The dividend increase highlights the benefit of PHP's long standing disciplined approach to managing our portfolio, balance sheet and cost base."

Chair's statement continued

Future strategy and financial framework continued

- 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.

Adjusted earnings per share growth

+4.3%

Dividend per share growth

+2.9%

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 reductions in the enlarged Group's cost of funds.

The fair value of the total consideration paid for the acquisition of Assura was just over £1.6 billion, funded through the issue of 1.26 billion new ordinary shares of 12.5 pence each, at a weighted average price of 93 pence per share, 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 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 £277 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.

Chair's statement continued

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.

Chair's statement continued

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 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

Read more in our Responsible Business Report at **phpgroup.co.uk**

→ Read more about our culture on **page 45**

→ Read more about our stakeholders on **pages 45 and 49**

Business review

The leading healthcare REIT investing in critical social infrastructure across the UK & Ireland

Mark Davies
Chief Executive Officer

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 to 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, 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 index-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.

Business review continued

Rent review performance continued

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	% increase total	% 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: £2.75 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.

Business review continued

Valuation and returns continued

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 £m	%	Average lot size £m
>£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
Total[1]	**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 £2.7 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 2023: 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.

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 benefited 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 fund development in Peterborough and a £6 million extension to Tees Valley Hospitals, both for Ramsay Healthcare, strengthening our long-standing relationship with one of the UK's largest independent providers of NHS referred services.

Business review continued

Private hospitals continued

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, a 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 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).

"We are very pleased with performance of the private hospital assets and see significant upside potential from our portfolio. Our preference remains to hold the private hospital assets in a strategic joint venture and very good progress is being made."

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 time when the sector needs new healthcare infrastructure and is currently on site with six developments which are summarised in the table below:

Development	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%
Total		**£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.

	In legal due diligence		Advanced pipeline	
Pipeline	Number	Cost	Number	Cost
UK 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 fund 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

Market review

"Each of the markets that we operate in faces growing demand to support the shifting demographics and trend for more services to be delivered out of hospitals and in the community."

Market review continued

Capitalising on our growth drivers

Each of the markets that we operate in faces growing demand to support the shifting demographics and trend for more services to be delivered out of hospitals.

Primary care (UK)

The largest component of our portfolio, GP surgeries and medical centres are the first point of access for patients, acting as a central hub for the communities they serve and housing a growing range of health professionals and services to ease the pressure on hospitals.

Approximately 50% of primary care buildings in the UK are not fit for purpose, meaning significant investment is required to support the aims of the NHS 10-year plan and create a system of neighbourhood health centres.

Primary care (UK)

250

Planned neighbourhood health centres announced in Autumn Budget 2025

Our response

We are working with customers in our buildings to identify opportunities to enhance our assets with extensions, reconfigurations or new build development projects that facilitate a greater range of services being provided – which benefits both patients and the entire health system.

Primary care (Ireland)

Like in the UK, Irish primary care facilities play a vital role in the local population's access to healthcare services.

With a more rural population, typically a greater range of services is provided, to avoid patients needing to travel long distances to hospital. This means primary care and enhanced community care centres ("ECC") include technology for services such as X-rays, MRI scans and blood tests.

The HSE's Slaintecare programme has identified the locations of the next wave of ECCs to be developed over the coming years.

Primary care (Ireland)

SC2025+

Slaintecare 2025+ Vision to provide high quality health and social care for all the people of Ireland

Our response

PHP's leading portfolio in Ireland and the specialist expert capabilities of our Axis Technical Services team mean we are well placed to capture new building development opportunities. We have recently moved on site with the €16 million primary care centre in Youghal.

Private hospitals

Independent hospitals play a vital and growing role in the provision of health services in the UK. Whether specialising in diagnostic testing, investing in technological advancements such as robotic surgery, or focusing on procedures such as cataracts, orthopaedic surgery or oncology, each hospital meets the needs of the local population and health economy.

With growing demand across the three patient routes (private medical insurance, NHS referral and self-pay), most of the top operators are looking to add new hospitals, or enhance existing buildings by adding new theatres or equipment such as MRI scanners.

Private hospitals

+46%

Growth in revenues by independent operators in the private health sector 2019-2024

Our response

Our portfolio of 33 private hospitals has seen growing demand for services – creating opportunities to enhance these buildings through the addition of additional theatres or space for equipment such as MRI scanners. We are also on site with a £21 million new build hospital in Peterborough.

Business model

Creating long term sustainable value

We invest in flexible, modern properties for local primary healthcare. The overall objective of the Group is to create progressive returns to shareholders through a combination of earnings growth and capital appreciation. To achieve this, PHP has invested in healthcare real estate let on long term leases, backed by a secure underlying covenant where the majority of rental income is funded directly or indirectly by a government body.

Our key strengths

Prudent risk management:
PHP aims to operate in a relatively low risk environment to generate progressive returns to shareholders through investment in the primary healthcare real estate sector, which is less cyclical than other real estate sectors.

Long term focus:
By providing additional space facilitating the provision of additional services or extending the term of underlying leases, PHP can increase and lengthen its income streams and create the opportunity to add capital value.

Experienced and innovative management:
PHP's portfolio is managed by an experienced team within an efficient management structure, where operating costs are tightly controlled.

Appropriate capital structure:
PHP funds its portfolio with a diversified mix of equity and debt, as well as partnering with selected joint venture partners, in order to optimise risk-adjusted returns to shareholders.

Key characteristics of the portfolio

Business model continued

Our strategy

Grow

The Group looks to selectively grow its property portfolio by funding and acquiring high quality developments and newly developed facilities and investing in already completed, let properties.

Manage

PHP manages its portfolio effectively and efficiently, managing the risks faced by its business in order to achieve its strategic objectives.

Fund

The Group funds its portfolio with a diversified mix of equity and debt on a secured and unsecured basis, in order to optimise risk-adjusted returns to shareholders.

Deliver

PHP aims to deliver growing adjusted earnings to support our progressive dividend policy.

Wider outcomes

Social impact

PHP aims to provide modern premises located within communities around the UK and Ireland to enable better access to an increasing range of services being delivered locally with greater accessibility than from hospitals.

We own, manage and develop critical social infrastructure and have a big and positive social impact on the communities we invest in.

Environmental impact

Environmental impact is an integral consideration in the development, design and construction of new PHP properties. When developing new premises, PHP and its development partners seek to achieve the highest BREEAM standards in the UK or a nearly zero energy building ("nZEB") rating in Ireland, as well as improving our premises' energy performance.

We have seen continued improvement in portfolio EPC ratings with 63% and 93% (2024: 47% and 88%) rated A–B and A–C respectively, driven by the asset management programme and Assura merger.

Healthcare targets

The modern, flexible premises that PHP provides facilitate the provision of more wide ranging and integrated care services helping to realise the NHS's target of 24/7 access to GP services and the HSE's expansion of primary care infrastructure.

Investors

The Company's share price started the year at 93.3 pence per share and closed on 31 December 2025 at 97.9 pence, an increase of 4.9%. Including dividends, those shareholders who held the Company's shares throughout the year achieved a Total Shareholder Returns of 12.5% (2024: -3.5%).

Values

We employ sustainable design to develop, refurbish and upgrade our buildings to modern medical and environmental standards.

NHS/primary healthcare

Our flexible, modern properties benefit not only our shareholders but also our occupiers, patients, the NHS and HSE, suppliers and the wider communities in both the UK and Ireland.

Patients

PHP's portfolio serves over 11 million patients, which is expected to further increase as primary healthcare demands increase to assist with overstretched Accident & Emergency ("A&E") departments, and with the ageing and growing population.

Communities

We support initiatives that further the health, wellbeing and education of our local communities. Our buildings enable a growing array of health services to be delivered by a range of health professionals, supporting the NHS 10-year plan as well as the Government's Neighbourhood Health Centre model.

People

We conduct our business with integrity and invest in human capital, with 156 employees in the UK and Ireland. We have a long standing track record of supporting employees in their professional development studies.

People are our biggest asset and following the transformational merger with Assura, the business has benefited from the best of both.

Strategy

Our core strategic objectives

Grow

The Group looks to selectively grow its property portfolio by funding and acquiring high quality developments and newly developed facilities and investing in already completed, let healthcare real estate.

Link to KPIs

A B C D E F G H

Link to risks

1 2

Activity in 2025

- Transformational acquisition of Assura plc, doubling the size of our portfolio and enhancing our capabilities for developments and in the private hospital market
- Portfolio now stands at 1,142 healthcare assets, including 28 in Ireland, 33 private hospitals and 22 held in joint ventures
- Total property return in the year of 7.0%, with the income return remaining strong at 5.7% supported by 1.3% of capital return as property valuations have now stabilised

Looking forward

- Sector fundamentals of long leases and government backed income continue to drive demand in the sector
- Continue to monitor a number of potential standing investments, direct and forward funded developments and asset management projects with an advanced pipeline across a number of opportunities in both the UK and Ireland but these will only be progressed if accretive to earnings

Manage

PHP manages its portfolio effectively and efficiently, managing the risks faced by its business in order to achieve its strategic objectives.

Link to KPIs

A D E F

Link to risks

3 4 5

Activity in 2025

- £9.1 million, or 2.7% additional income from rent reviews and asset management projects
- Across both the PHP and Assura portfolios we exchanged on eight new asset management projects, 21 lease re-gears and 20 new lettings during the year. 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
- EPRA cost ratio of 9.8% continues to be one of the lowest in the sector, targeting a reduction to 9% when cost synergies have been delivered

Looking forward

- Strong pipeline of over 51 advanced asset management projects and lease regears across the enlarged Group, aiming to increase the weighted average rent due on these schemes by around 15%, providing important rent review evidence
- Continued discussions with occupiers and the NHS to discuss requirements and opportunities as well as continue to negotiate rents in order to deliver an acceptable return

Strategy continued

KPIs

- A Adjusted earnings per share
- B Dividend cover
- C Total property portfolio
- D Total property return
- E Capital invested in asset management projects
- F EPRA cost ratio
- G Loan to value
- H Average cost of debt

→ Read more about our Key Performance Indicators on **pages 24 and 25**

Risks

1. Property pricing and competition
2. Financing
3. Lease expiry management
4. People
5. Responsible business
6. Debt financing
7. Interest rates
8. Potential over-reliance on the NHS and HSE
9. Foreign exchange risk

→ Read more about our Risks on **pages 56 to 62**

Fund

The Group funds its portfolio with a diversified mix of equity and debt on a secured and unsecured basis, in order to optimise risk-adjusted returns to shareholders.

Link to KPIs

A B C F G H

Link to risks

6 7

Activity in 2025

- Significant activity in the year with support from a range of lenders to provide acquisition facilities for the combination with Assura
- Subsequently, all debt subject to change of control clauses successfully waived or facilities refinanced
- Significant liquidity headroom with cash and collateralised undrawn loan facilities totalling £571 million (2024: £271 million) after taking into account capital commitments of £56 million

Looking forward

- Good progress is being made on expanding the existing joint ventures and establishing a strategic joint venture for our private hospital portfolio where we see exciting growth opportunities
- Following deleveraging target being achieved, acquisition facilities to be refinanced. Demand from debt investors remains strong, reflecting the secure income generated by our asset class and the enhanced scale of our portfolio

Deliver

PHP aims to deliver growing adjusted earnings, whilst maintaining a strong balance sheet, to support our progressive dividend policy.

Link to KPIs

A B C D E F G H

Link to risks

8 9

Activity in 2025

- Adjusted earnings per share of 7.3 pence increased by 4.3% (2024: 7.0 pence)
- Dividend per share increased by 2.9% to 7.1 pence
- Total EPRA NTA return of 2.7% (2024: 3.6%)
- Strong organic rental growth from rent reviews and asset management projects
- Acquisition of Assura has grown presence and expertise in growth markets of private hospitals and Ireland

Looking forward

- Increased scale and liquidity increases range of funding options for future growth, including utilisation of selected joint ventures to optimise capital structure
- Group maintains close cost control with clear target for expected cost synergies and just under 80% of the Group's termed out net debt being fixed or hedged, protecting underlying earnings from potential future economic changes. This will increase as we refinance the acquisition facility as part of the deleveraging strategy.

Key performance indicators

How our performance is measured

Strategy

1 Grow 2 Manage 3 Fund 4 Deliver

→ Read more about our strategy on **pages 22 and 23**

A

Adjusted earnings per share△

7.3p

+4.3%

Rationale

Adjusted earnings per share is a key measure of the Group's operational performance as it excludes all elements not relevant to the underlying net income performance of the properties.

Performance

Adjusted earnings per share increased in the year, reflecting the strong organic rental growth in the period and a partial year impact of the Assura acquisition which completed in August 2025.

Link to strategy 1 2 3 4

B

Dividend cover△

112%

+900bps

Rationale

The Group looks to maintain a progressive dividend policy which it aims to cover from its operational performance. Dividend cover looks at the proportion of dividends paid in the year that are funded by adjusted earnings, presented on a per share basis.

Performance

Dividends paid in 2025 were fully covered by adjusted earnings and we intend to maintain a strategy of paying a progressive dividend that is covered by adjusted earnings in each financial year.

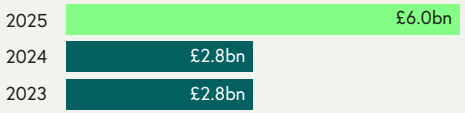
Link to strategy 1 3 4

C

Total property portfolio

£6.0bn

+115%



Rationale

The Group looks to selectively grow its portfolio in order to secure the yield gap between income returns and the cost of funds.

Performance

The acquisition of Assura in August 2025 saw our portfolio significantly increase in scale to £6.0 billion. In addition, two acquisitions were completed (Laya Healthcare, Ireland and Coatham, Redcar) and three development projects in South Kilburn (London), Croft (West Sussex) and Ballybay (Ireland).

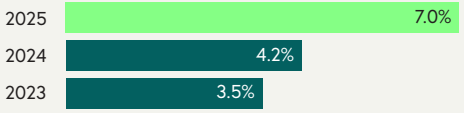
Link to strategy 1 4

D

Total property return△

7.0%

+280bps



Rationale

The Group invests in properties that provide the opportunity for increased returns through a combination of rental and capital growth.

Performance

Income return of 5.7% in the year (2024: 5.5%) was boosted by a capital return of 1.3% (2024: deficit of 1.3%) delivering a total property return of 7.0%.

Link to strategy 1 2 4

△ Alternative performance measures ("APMs"): Measures with this symbol △ are APMs defined in the Glossary section on pages 172 to 174, and presented throughout this Annual Report. All measures reported on a continuing operations and 52-week comparable basis.

Key performance indicators continued

Strategy

1 Grow 2 Manage 3 Fund 4 Deliver

→ Read more about our strategy on **pages 22 and 23**

E

Capital invested in asset management projects

£16m

+21%

Rationale

The Board is committed to keeping its assets fit for purpose and developing them to meet the needs of the Group's occupiers.

Performance

Across both the PHP and Assura portfolios, we exchanged on eight new asset management projects, 21 lease re-gears and 20 new lettings during the year. These projects maintain the longevity of the use of its properties as well as generating enhanced income and capital growth. A strong pipeline of 51 projects will continue to achieve this objective.

Link to strategy 1 2 4

F

EPRA cost ratio△

11.3%

+50bps

Rationale

The EPRA cost ratio is used to provide an indicator of the efficiency of the management of the Group looking at total administrative costs as a proportion of net rental income.

Performance

The slightly higher EPRA cost ratio reflects a temporary increase during the integration of the Assura business, with the full benefit of synergies expected in the 2027 financial year. Excluding vacancy and Axis costs, the EPRA cost ratio is 9.8%.

Link to strategy 1 2 3 4

G

Loan to value△

56.9%

+880bps

Rationale

The Board seeks to maintain an appropriate balance between the use of external debt facilities and shareholder equity in order to enhance shareholder returns whilst managing the risks associated with debt funding.

Performance

The Assura acquisition has resulted in a temporary increase to the LTV. A clear plan is in place to bring this within the Group's targeted range of between 40% and 50% during 2026.

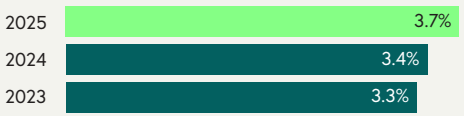
Link to strategy 1 3 4

H

Average cost of debt△

3.7%

+30bps



Rationale

The combination of a range of maturities and tenors of debt is key to the Group achieving the lowest blended cost of debt.

Performance

The Company continues to operate with just under 80% of termed out facilities being fixed or hedged with interest rate swaps. All facilities inherited from Assura have had change of control clauses waived or have been successfully refinanced. Acquisition facilities are expected to be refinanced during 2026.

Link to strategy 1 3 4

△ Alternative performance measures ("APMs"): Measures with this symbol △ are APMs defined in the Glossary section on pages 172 to 174, and presented throughout this Annual Report. All measures reported on a continuing operations and 52-week comparable basis.

Financial review

Organic rental growth and effective cost management

Richard Howell
Chief Financial Officer

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:

	£m
Fair value of consideration paid	
1,258.6 million shares issued	1,171
Cash	407
Total consideration paid including costs	**1,578**
Fair value of net assets acquired	
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:

	£m	£m
Net rental income	**230**	154
Share of joint venture profit and Axis PHP contribution	**1**	1
Administrative expenses	**(19)**	(12)
Operating profit before revaluation, net financing costs and exceptional items	**212**	143
Net financing costs	**(81)**	(50)
Adjusted earnings	**131**	93
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 net assets acquired.

Financial review continued

Summarised results continued

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

	Year ended 31 December 2025 £m	Year ended 31 December 2024 £m
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 completed rent reviews and asset management projects across the PHP portfolio, and 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, £5.4 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.

EPRA cost ratio	**Year ended 31 December 2025**	Year ended 31 December 2024
EPRA cost ratio	**11.3%**	10.8%
EPRA cost ratio excluding Axis overheads 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 and expenditure on development and asset enhancement activity, 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 Wholly owned £m**	**2025 Share of JVs and investments £m**	**2025 EPRA proportionally consolidated £m**	2024 Wholly owned £m
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) / assets	**(116)**	**9**	**(107)**	(29)
Unamortised fair value of acquired debt	**102**	**—**	**102**	(25)
IFRS NTA[1]	**2,496**	**58**	**2,554**	1,376
Deferred tax and intangible assets	**8**	**—**	**8**	2
EPRA NTA[1]	**2,504**	**58**	**2,562**	1,378
Fair value of bank debt not recognised under IFRS	**129**	**—**	**129**	150
Adjusted NTA[1]	**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.

Financial review continued

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:

EPRA & Adjusted NTA per share	£m	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 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

The cash component of the transaction was funded by way of a new £1.225 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.

Subsequent to acquisition, several refinancing steps have been taken:

- 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-couponing 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-couponed 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%**	48.1%
Total net debt fixed or hedged	**73%**	100.0%
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 the pro-forma full year of earnings from Assura.

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

Financial review continued

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 acquisition facilities taken on. 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 partially repay and refinance these acquisition facilities to fixed rates to protect the Group from 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	
	£m	%	£m	%
Fixed rate debt	2,028	51	2,028	60
Hedged by fixed rate interest rate swaps[1]	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 to above 95%.

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 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 EPRA 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 period. 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

EPRA performance measures

Providing transparent information

The Company is a member of the European Public Real Estate Association ("EPRA"). EPRA has developed a series of measures that aim to establish best practices in accounting, reporting and corporate governance and to provide transparent and comparable information to investors.

We use EPRA and adjusted measures to illustrate PHP's underlying recurring performance and to enable stakeholders to benchmark the Group against other property investment companies. Set out opposite is a description of each measure and how PHP performed.

Adjusted earnings per share△

7.3 pence, up 4% (2024: 7.0 pence).

Definition

Adjusted earnings is EPRA earnings excluding the MtM adjustments for fixed rate debt acquired with the mergers with Assura (2025) and MedicX (2019), divided by the weighted average number of shares in issue during the year.

Purpose

A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.

Calculation

See Note 7 to the Group financial statements.

Adjusted net tangible assets ("NTA") per share△

104 pence, down 9% (2024: 114 pence).

Definition

Adjusted net tangible assets are the EPRA net tangible assets including the MtM adjustment of the fixed rate debt not included on the balance sheet under IFRS, divided by the number of shares in issue at the balance sheet date.

Purpose

Makes adjustments to IFRS net assets to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long term investment strategy.

Calculation

See Note 7 to the Group financial statements.

EPRA earnings per share△

6.9 pence, down 4% (2024: 7.2 pence).

Definition

EPRA earnings is the profit after taxation excluding investment and development property revaluations, gains or losses on disposals, changes in the fair value of financial instruments and associated close-out costs and their related taxation and one-off exceptional payments divided by the weighted average number of shares in issue during the year.

Purpose

A measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.

Calculation

See Note 7 to the Group financial statements.

EPRA NTA per share△

99 pence, down 4% (2024: 103 pence).

Definition

EPRA net tangible assets are the balance sheet net assets, excluding the MtM value of derivative financial instruments and the convertible bond fair value movement, and deferred taxes divided by the number of shares in issue at the balance sheet date.

Purpose

Makes adjustments to IFRS net assets to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long term investment strategy.

Calculation

See Note 7 to the Group financial statements.

△ Alternative performance measures ("APMs"): Measures with this symbol △ are APMs defined in the Glossary section on pages 172 to 174, and presented throughout this Annual Report. All measures are reported on a continuing operations and 52-week comparable basis.

EPRA performance measures continued

EPRA cost ratio△

11.3%, up 50bps (2024: 10.8%) (including direct vacancy cost).

9.8%, down 30bps (2024: 10.1%) (excluding direct vacancy cost).

Definition

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. The Group has direct vacancy costs of £2.5 million that have been deducted.

Purpose

A key measure to enable meaningful measurement of the changes in a company's operating costs.

Calculation

See page 27, Financial Review.

EPRA vacancy rate△

1.4%, increase of 60bps (2024: 0.9%).

Definition

EPRA vacancy rate is, as a percentage, the estimated rental value ("ERV") of vacant space in the Group's property portfolio divided by the ERV of the whole portfolio.

Purpose

A measure of investment property space that is vacant, based on ERV.

Calculation

	2025 £m	2024 £m
ERV of vacant space	**5**	1
ERV of completed property portfolio	**342**	154
EPRA vacancy rate	**1.4%**	0.9%

EPRA net initial yield△

5.3%, increase of 1bps (2024: 5.2%).

Definition

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.

Purpose

A comparable measure for portfolio valuations. This measure should make it easier for investors to judge for themselves how the valuation of the Group's portfolio compares with others.

Calculation

	2025 £m	2024 £m
Investment property (including those held for sale but excluding those under construction)	**5,870**	2,745
Estimated purchaser's costs and capital commitments	**393**	195
Grossed-up completed property portfolio valuation (B)	**6,263**	2,940
Annualised passing rental income	**337**	153
Property outgoings net of deemed rent increases	**2**	—
Annualised net rents (A)	**339**	153
EPRA net initial yield (A/B)*	**5.3%**	5.2%

EPRA LTV△

57%, increase of 900bps (2024: 48%).

Definition

Net debt at nominal value, divided by the fair value of properties.

Purpose

A comparable measure to assess gearing.

Calculation

	2025 £m	2024 £m
Net debt (see page 28)	**3,392**	1,323
Total property value	**5,960**	2,750
EPRA LTV	**57%**	48%

△ Alternative performance measures ("APMs"): Measures with this symbol △ are APMs defined in the Glossary section on pages 172 to 174, and presented throughout this Annual Report. All measures are reported on a continuing operations and 52-week comparable basis.

* The Group does not have any material rent free periods and therefore the EPRA "Topped-up" NIY is the same as the EPRA net initial yield.

Responsible business

Towards net zero

PHP is committed to transitioning to net zero carbon ("NZC") across its operations and property portfolio. Our framework focuses on five key steps to achieve this across our operational, development and asset management activities by 2030 and to help our occupiers achieve NZC by 2040.

Highlights 2025

Development
Net zero projects at Croft, West Sussex, South Kilburn, London and Fareham, Hampshire achieved practical completion in the year and are now operational and open to the public

Asset management
First NZC pilot project completed

Tenants and operations
Achieved Toitu Carbon Reduce certification and purchased 100% renewable energy

Projects
Committed to applying science-based targets and continued EPC reassessments generate significant improvements

PHP Net Zero Carbon Framework

Our net zero targets relate to the emissions from our direct operations, embodied carbon from new build and refurbishment projects and our tenants' emissions from their use of our buildings. Purchased goods and services are not yet included in our targets as these are new sources of emissions being measured for PHP. However, we will consider a suitable target over time.

By 2023 – operations net zero

- Reduce emissions from offices, transport and assets where we procure energy for tenants
- We are now procuring 100% renewable energy where PHP controls supplies
- We are offsetting residual emissions using high quality nature-based carbon offset projects

By 2025 – all new developments net zero

- Continually reduce energy use intensity of new buildings and ensure they can operate with net zero emissions
- Measure, minimise, benchmark and improve embodied carbon performance for all new developments, setting incrementally more challenging targets for reduction
- Offset residual embodied carbon emissions via high quality projects

By 2030 – net zero asset management and EPC B

- Across the portfolio all properties to have an EPC rating of B or better, where economically feasible
- Achieve reductions in energy use intensity (kWh/m^2) through asset management projects and electrify buildings where feasible, as part of net zero operational assets
- Measure, target reductions and offset residual embodied carbon from our asset management activities
- Collect and communicate energy performance data for all our occupiers and support them to transition to lower energy and carbon operations

By 2035 – 80% carbon reduction of the portfolio

- Continued energy demand reduction through upgrade and refurbishment
- Remove fossil fuel heating systems from all properties
- Increase proportion of renewable energy generation on our sites
- Reduce the carbon intensity of buildings compared to 2021 portfolio baseline

By 2040 – enabling a net zero portfolio

- Help occupiers to lease and operate our buildings with net zero carbon emissions
- Offset any remaining occupier residual carbon from 2040 for all properties where the lease was signed or renewed after 2035
- NZC achieved five years ahead of the NHS's target of 2045 and ten years ahead of the UK and Irish governments' targets of 2050

Responsible business continued

Responsible business and ESG review

Premises, Health and People: investing in the health and wellbeing of our communities.

Laure Duhot
Chair of the ESG Committee

"The combination with Assura in 2025 and significant increase in the scale of the portfolio requires us to reassess our previous NZC targets."

Dear shareholder,

PHP has a strong commitment to responsible business, and ESG matters are at the forefront of the Board's and our various stakeholders' considerations.

In 2021, we established PHP's Net Zero Carbon ("NZC") Framework, and in 2025 we had intended to establish our corporate targets for energy use intensity and embodied carbon for approval by the Science Based Targets initiative ("SBTi").

However, the combination with Assura and significant increase in the scale of the portfolio requires us to reassess our previous NZC targets. Consequently, we will need to revisit both PHP's NZC Framework and Assura's NZC Pathway, including SBTi targets, over the course of 2026.

Historically, both businesses have made strong progress on achieving NZC across their operational and development (Scope 1 and 2) activities, and consequently our occupiers' (Scope 3) activities will be the main source of future carbon emissions. The combination with Assura has significantly increased the reliance on our occupiers' environmental ambitions, particularly the NHS, and instigating asset management improvements to the portfolio in the medium to long term will now be critical in meeting future emissions targets.

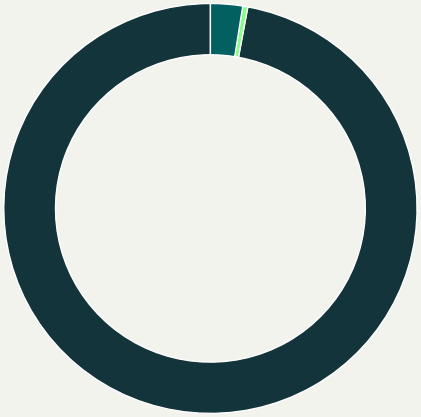
Members of the ESG Committee (the "Committee")

Member	Number of meetings and attendance
Laure Duhot (Chair)	2 (2)
David Austin	2 (2)
Ivonne Cantú	2 (2)
Jonathan Davies (appointed 1 December 2025)	1 (1)
Mark Davies	1 (2)
Richard Howell	2 (2)
Harry Hyman	1 (2)
Ian Krieger	2 (2)
Bina Rawal	2 (2)

Bracketed numbers indicate the number of meetings the member was eligible to attend in 2025. The Company Secretary acts as the secretary to the Committee and attends all the meetings. The Committee became an Executive Committee in 2026.

Responsible business continued
Responsible business and ESG review continued

Size of Scope 1, 2 and 3 emissions



Scope 1 emissions	2.5%
Scope 2 emissions	0.4%
Scope 3 emissions	97.1%

In 2025, we continued to deliver and make good progress on our NZC Framework and our wider ESG commitments, building on the strong progress made in previous years.

Through our development and asset management activities, we have continued to invest in the portfolio, improving energy and carbon performance, driving rental growth and creating more sustainable healthcare infrastructure for the future, and notable achievements included:

- completion of our first pilot NZC asset management project at Swan Lane Medical Centre, Norfolk;
- completion of our first NZC development at Croft, West Sussex, in August 2025; and
- completion of our second NZC fit-out project at South Kilburn, London, in July 2025.
- Assura completed a further NZC development at an NHS therapy centre at Fareham, Hampshire.

The PHP ESG Committee has also overseen the further development of our work on energy and carbon reduction and I am pleased to report that in 2024 we committed to the application of science-based targets and for the second year in succession achieved certification from Toitu Carbon Reduce and ISO 14064, which demonstrates our robust approach to carbon measurement and reduction. As part of this we continued to improve our understanding of the energy performance of the wider portfolio and continued to build on our partnership with ARBNCO Ltd to move towards 100% data coverage and to enable engagement with tenants to help them improve their performance.

Following our extensive work on climate risks and scenario analysis in previous years, we have produced our fifth TCFD disclosure, which is set out on pages 48 to 54.

We have also amended our social impact programme to focus on and link with our asset management projects, working directly with tenants to provide support for their chosen social prescribing initiatives in favour of their patient list and wider local community.

Additionally, we continue to engage with and support our employees to allow them to volunteer for the charities of their choice. We also allow them to focus on professional and personal development.

I trust you find this report helpful and informative and would be delighted to receive any feedback or comments you may have on our approach.

Laure Duhot
Chair of the ESG Committee
16 March 2026

Responsible business continued

Our approach

PHP's approach is based around its core activities of investment, development, and asset and property management, together with its corporate activities.

PHP supports and links its strategy to the UN Sustainable Development Goals ("SDGs"), focusing on the most relevant SDGs where it can have a positive impact. Our strategy is based around three core pillars that run through our activities focused on Premises, Health and People and is supported by our ESG policies (available on our website). These are:

Our approach				Performance against our commitments		
Approach	Purpose	Aims	Focus	Commitments and targets	Progress 2025	Focus areas 2026
1. Premises – Built environment						
Investing in and developing sustainable buildings.	To employ sustainable design to develop, refurbish and upgrade our buildings to modern medical and environmental standards.	Building a more resilient portfolio for the long term.	Reducing risk by building purpose-built new developments and making quality acquisitions. Working with occupiers to improve the energy efficiency of our properties and integrate more sustainable features. Having a preference for reusing existing buildings, upgrading them in an energy and resource efficient way, reducing reliance on new resources. Sourcing responsibly and designing for future reuse of assets and materials. All new developments are to be NZC by 2025 and asset management projects by 2030.	Delivering BREEAM and nZEB certified buildings. Improving portfolio EPC ratings. Increasing visibility of energy performance across the portfolio. Delivering on our net zero carbon commitments.	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. Future development and asset management projects (in excess of £1.5 million project cost) are targeted to achieve BREEAM Excellent or Very Good in the UK or nZEB and BER A3 in Ireland. The overall portfolio now has 63% A–B ratings and 93% A–C, by value. We have energy data points for 79% and continue to partner with ARBNCO with ambition to get to 100% and improve data quality. We also committed to the application of science-based targets and include our supply chain within our carbon measurement and gained Toitu Carbon Reduce certification for our Scope 1, 2 and 3 emissions for the third year in succession. 100% of PHP procured electricity is now from renewable sources.	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 will require us to reassess our previous 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. Measure embodied carbon from our asset management projects to understand our performance and set targets as part of our NZC commitments. Continue partnership with ARBNCO with ambition to collect 100% of energy data, enabling tenant engagement and performance improvement. Keep under review targets for energy use intensity and embodied carbon and submit our corporate targets for approval by the Science Based Targets initiative.
		Reducing our carbon footprint.	Working with our stakeholders to improve the energy efficiency of our properties and integrate more sustainable features with a long term ambition of the whole portfolio, including occupiers' operations, being NZC by 2040.			
		Policies	*Net Zero Carbon Framework; Sustainability; Sustainable Development and Refurbishment.*			

Responsible business continued
Our approach continued

Our approach				Performance against our commitments		
Approach	Purpose	Aims	Focus	Commitments and targets	Progress 2025	Focus areas 2026
2. Health – Community impact						
Engaging with and enhancing the right stakeholders to drive effective decision making.	To support initiatives that further the health, wellbeing and education of our local communities.	Meeting the healthcare needs of communities.	Engaging in effective communications and collaborative practices with our occupiers.	Investing, via our Community Impact Fund, into causes which enhance health and deliver social value. Demonstrating the positive impact investment in primary healthcare can generate.	We continued grant giving as part of asset management projects, awarding three grants totalling £33k to charitable organisations directly linked to our assets, and will continue in 2026.	Continue to expand our social prescribing programme, linked to our asset management projects, focusing on local initiatives linked directly to PHP's tenants. Capture the positive social outcomes of our initiatives and business activities.
		Creating social value.	Working with partners to enhance wellbeing and inclusivity through initiatives that contribute to the creation of healthy, supportive and thriving communities.			
		Policies	*Sustainability.*			
3. People – Responsible business						
Conducting our business with integrity and investing in human capital.	To create opportunities and maximise the potential of the stakeholders we work with.	Providing a good place to work.	Ensuring effective investment in the professional development of the Group's employees. Maintaining a culture of empowerment, inclusion, development, openness and teamwork for our people.	Continuing to promote PHP's culture and commitment to high levels of ethics and a workplace culture of inclusion, diversity and equal opportunity. Conducting an independent annual staff survey to inform and monitor continued improvement.	We increased our efforts to guard against modern slavery in our supply chain, engaging with our supply partners and conducting third-party audits on two sites. We provided enhanced maternity and paternity benefits to staff and continued to promote volunteering opportunities, with members of staff.	Continue to engage our supply chain on ethical labour and sourcing and make use of targeted audits as part of our due diligence process. Continue to support staff with individual training and development plans. Continue to monitor levels of employee satisfaction and implement targeted action plan for identified areas for improvement. This is particularly important following the merger with Assura and integration of the two teams.
		Governing an ethical business.	Being transparent and compliant in all our operations.			
		Policies	*Business Ethics; Equality, Diversity and Inclusion; Anti-bribery and Corruption.*			

Responsible business continued
Our approach continued

Introduction

PHP invests in flexible, modern properties for the delivery of primary healthcare to the communities they are located in. The buildings are let on long term leases where the NHS, the HSE, GPs and other healthcare operators are our principal occupiers. As at 31 December 2025, the Group owned over 1,100 properties valued at £6.0 billion which are located across the UK and Ireland.

Responsible business reflects PHP's strong commitment to ESG matters and addresses the key areas of ESG that are embedded into our investment, development, asset and property management, and corporate activities. We are committed to acting responsibly, having a positive impact on our communities, improving our responsible business disclosures, mitigating sustainability risks and capturing environmental opportunities for the benefit of all our stakeholders.

We realise the importance of our assets for the local healthcare community, making it easier for our GP, NHS and HSE occupiers to deliver effective services. We are committed to creating great primary care centres by focusing on the future needs of our occupiers and thereby ensuring we are creating long term sustainable buildings.

PHP is committed to helping the NHS achieve its target to become the world's first net zero carbon national health system by 2045 and to delivering against the aims of the NHS Net Zero Carbon Buildings Standard. PHP's Net Zero Carbon Framework sets out its own plan to transition the Company's activities to net zero by 2030 and help its occupiers achieve this for their activities by 2040, ahead of the NHS and UK and Irish governments' net zero target dates. PHP will continue to proactively engage and work with its various healthcare occupiers to help them achieve this.

This Responsible Business Report sets out our commitment and approach to environmental and social sustainability. It is reviewed annually and approved by the Board and sets the framework for establishing objectives and targets against which we monitor and report publicly on our performance.

Croft, West Sussex

- **PHP's first net zero carbon development**
- **Achieved BREEAM Excellent**

The development of Eastergate Medical Centre in Croft, West Sussex, completed in 2025, represents the future of sustainable primary care in the UK. PHP was appointed to develop the modern health premises to consolidate and expand services locally and cater for an expected significant growth in patient numbers over the next few years.

The premises support the national and local NHS strategies to move services away from over-stretched hospitals, providing a greater range of primary and community care services, including general practice, mental health assessments, occupational and physiotherapy, social prescribing and training for GPs, nurses and pharmacists.

The building has an EPC A rating and is PHP's first net zero carbon development, with an all-electric energy solution, enhanced insulation and use of air source heat pumps. The building was being delivered in a highly sustainable way, with materials from certified responsible sources, low carbon products, low waste and water and enhanced ecology on site. During construction, PHP has also carried out ethical labour audits and engaged with the main contractor to raise awareness of modern slavery risks.

→ Read more about how we are investing in and developing sustainable buildings in section **1. Premises – Built environment** on **pages 38 to 44**

→ Read more about how we are engaging and enhancing the right stakeholders to drive effective decision making in section **2. Health – Community impact** on **page 42**

→ Read more about how we are conducting our business with integrity and investing in human capital in section **3. People – Responsible business** on **pages 43 to 47**

Responsible business continued

1. Premises – Built environment

Responsible investment

Key commitments: Minimum EPC rating of C and capable of being improved to B or better.

Environmental and sustainability performance are integral elements of PHP's approach to the acquisition of existing and funding of new primary healthcare buildings. We use detailed assessments of each location, looking at building efficiency and performance, enhanced service provision for the community and support for wider healthcare infrastructure.

We undertake detailed environmental and building surveys to assess physical environmental risks for each investment, including flooding, to ensure the risk is avoided or appropriate prevention measures are developed (see our TCFD disclosures on pages 48 to 54).

During 2025 we continued applying our net zero and ESG commitments to investment activities, engaging with developers and asset owners to challenge standards and leverage our influence.

The acquisition of Laya Healthcare facility, Cork in 2025 demonstrates this with good environmental performance including an EPC rating of B.

Responsible development

Key commitments: All new developments to be NZC by 2025, BREEAM Excellent and Very Good for fit-outs in the UK, and nearly nZEB and BER A3 in Ireland.

PHP, together with its development partners, is committed to promoting the highest possible standards of environmental and social sustainability when designing and constructing new assets.

Our Sustainable Development and Refurbishment policy outlines our minimum requirements for BREEAM Excellent and a range of environmental issues, including energy and carbon, waste and resources, biodiversity, climate adaptation and health and wellbeing. Our development partners are also required to work to the same standards.

We aim to develop new buildings to be net zero carbon in construction (minimising embodied carbon and offsetting residual emissions) and ready to operate with net zero emissions. All developments aim to be fossil fuel free and we are working towards setting specific energy intensity benchmarks and targets.

During the year, PHP completed two net zero carbon developments at Croft, West Sussex and South Kilburn, London. Assura completed three schemes in 2025 including 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 the sector needs new buildings and is currently on site with six developments.

Responsible asset and property management

Key commitments: Improve EPC ratings to B, procure 100% renewable energy, achieve BREEAM Very Good for refurbishments and extensions over £1 million and engage tenants on, and improve, the visibility of energy and carbon performance.

We are committed to creating best-in-class primary care centres, focusing on the future needs of our occupiers and thereby ensuring we are creating sustainable buildings for the long term. We invest in the portfolio of properties to generate enduring occupier and patient appeal, which provides opportunities to improve rental values, the security and longevity of income, and the quality of assets. This is a key route for PHP to deliver energy efficiency improvements and to introduce low or zero carbon measures for our occupiers and their patients.

Asset and property management will play a key role in achieving our NZC target of having an NZC portfolio by 2040, with interim commitments for all properties to have an EPC rating of at least B and NZC asset management by 2030 and an 80% reduction in portfolio emissions by 2035 via targeted improvements to buildings and occupier engagement.

Relationship-based approach in the South West

PHP's long track record as a primary care landlord and long term approach to relationships means we work collaboratively with health authorities to identify ways to improve the estate.

A good example of this is in the South West, across Devon and Somerset, where have delivered building upgrades to our properties at Poole (see page 39), Peacemarsh and South Petherton, are on site with works at Yeovil and have several schemes in the pipeline. All schemes were developed in collaboration and full support from the local Integrated Care Board ("ICB").

Each of these schemes deliver positive social impact to the local community in the form of enhanced healthcare space – either through full refurbishment, fit out of vacant units or reconfiguration of space to increase clinical capacity for new services.

PHP's approach to sustainability improvements ensures the environmental impact of the buildings is reduced – with each scheme designed specifically to the building characteristics and resulting in an improved EPC rating.

For example at South Petherton in Somerset, the fit out of space saw an upgrade of the lighting to LED with PIR sensor controls, and the enhanced car park was upgraded with a sustainable drainage system to manage surface water run off.

Responsible business continued
1. Premises – Built environment continued

Poole, Dorset

The GP practice at our medical centre in Poole had strong demand for additional space to accommodate their growing patient list size.

With a lack of suitable land for a new development locally, this was hampering the range of services that could be provided to the local community.

We developed a solution to add a new build extension onto the property, as well as converting part of the underutilised retail unit into additional clinical space.

As well as delivering vital additional medical space for the local community to help the GP practice serve their patients, this offered the opportunity to enhance the environmental performance of the property.

We upgraded the building heating system to an air source heat pump, installed solar panels, replaced lighting throughout the building with LEDs and installed 5 electric vehicle charging points. The scheme is on track to achieve a BREEAM rating of Very Good.

The works completed in September 2025 at which point a new 25 year lease term was put in place, securing the community building for the long term.

Responsible asset and property management continued

During 2025 we completed nine (2024: six) asset management refurbishment projects, with all achieving an EPC B rating. We have a further eight (2024: ten) refurbishment projects on site or committed, which include energy efficiency upgrades, installation of roof-mounted solar panels and air source heat pumps and thermal efficiency upgrades. We have continued to use BREEAM for refurbishments but several projects during the year could not be certified due to their scope and size. We agreed 41 (2024: 21) new leases and regears during the year, with all including Green Lease clauses.

In addition, we carried out targeted reassessment of building EPC ratings to better reflect their current performance. Combined with annual renewals, we now have 63% of properties by value at an EPC rating of B or better (2024: 47%) and 93% at A–C (2024: 88%).

The successful completion of PHP's first net zero ready refurbishment in 2024 enabled us to provide benchmarks for target setting on future projects and we are assessing embodied carbon for a number of these which, along with net zero audits of buildings in operation, will pave the way for future NZC asset management projects as we aim to accelerate progress ahead of our current 2030 commitment.

Working with our occupiers is essential to improving the performance of buildings and during 2025 our property management and facilities management teams engaged with all of our tenants, carrying out over 2,800 (2024: over 830) site visits at which issues, including energy and utilities, were discussed. During 2025 we have continued to review ways to improve the performance of the portfolio outside of our asset management programme. This includes 93 (2024: 283) facilities management plant and equipment replacements and upgrades, including LED lighting, more efficient heating systems and building management systems. We also supported tenants to make their own building improvements, including energy efficiency upgrades and solar PV installations.

To build on this, we are planning to roll out larger solar PV installations to sites where PHP will facilitate this for tenants where they procure their own energy. This approach offers the potential to reduce costs for tenants in the long term as well as reducing carbon emissions.

Progress on energy and carbon performance

As outlined above, during 2025 our investment, development and asset and property management activities continued to deliver against targets and to support our net zero carbon commitments.

During 2025 all building electricity supplies procured by PHP were from renewable energy. We also continued to offset residual emissions using high quality nature-based carbon offset projects.

Our operational Scope 1, 2 and 3 emissions are provided on pages 40 and 41 in our SECR disclosure.

We have continued to improve our methodology for estimating whole portfolio emissions and now have data points for 79% of the portfolio by area (2024: 77%). To move towards 100% coverage and better data quality and to enable future engagement with tenants to help improve their performance, we continue to partner with ARBNCO. This is a cost effective and scalable software solution providing a direct route to access tenant energy data for our UK property portfolio and a reporting platform.

As part of our ongoing efforts to improve our approach, during 2025 we were successfully certified, for the third year in succession, by Toitu Carbon Reduce and ISO 14064 for carbon measurement and management. We also enhanced our Scope 3 measurement, carrying out a screening of all 15 Greenhouse Gas Protocol ("GHGP") Scope 3 categories. Further details are provided on page 41. We will undergo recertification and assurance of 2025 disclosures in March 2026.

Our most significant and consistent source of Scope 3 emissions is downstream leased assets (tenants' use of our buildings), as previously reported, where we aim to achieve net zero by 2040.

Responsible business continued
1. Premises – Built environment continued

Progress on energy and carbon performance continued

SECR disclosures

PHP measures its emissions in line with the GHGP and takes an operational control approach. Emissions are based on verified data currently reviewed by a third party, Sustainable Energy First (previously called Inenco), and assured by Achilles via the Toitu Carbon Reduce certification programme (2024 limited assurance and 2025 pending limited assurance following audit in March 2026).

Our emissions are calculated using activity data, i.e. metered energy use, with minimal estimates used, e.g. for miles driven by employees. Scope 1 and 2 emissions are normalised by revenue and full-time employees as these relate to our direct operations and by kWh/m^2 for energy supplied to or procured by tenants. In August 2025, PHP acquired Assura, and we have included emissions that relate to Assura's operations arising from the date of acquisition.

PHP's direct operations result in very limited greenhouse gas emissions. The table overleaf shows our operational Scope 1, 2 and 3 emissions. Scope 1 relates to gas used in our London office, business travel by car and diesel used in vans by Axis. The Stratford-upon-Avon, Altrincham and Cork offices are all electric. Scope 2 relates to grid electricity used at PHP, Assura and Axis offices. Scope 3 relates to partial emissions from downstream leased assets, for properties where PHP supplies energy to occupiers, which they hold operational control over. We view these as "operational Scope 3 emissions".

We have reported Scope 3 emissions from tenant procured energy separately along with purchased goods and services.

A detailed breakdown of portfolio emissions is provided in our EPRA sustainability disclosure, which is available on our website. 100% of reported Scope 1, 2 and 3 emissions in the year were based in the UK and Ireland.

Operational Scope 1, 2 and 3 emissions

	2025		2024	
Source	**tCO_2e**	**MWh**	tCO_2e	MWh
Scope 1				
Business travel (car)	**54.8**	**240**	35.9	149
Diesel (vans)	**16.0**	**67**	20.7	86
Gas (offices)	**10.6**	**58**	12.1	66
Scope 2				
Electricity (offices)	**14.5**	**79**	14.8	68
Market based[1]	**—**	**—**	—	—
Total Scope 1 and 2	**95.9**	**444**	83.5	369
Market based[1]	**81.4**	**—**	68.7	—
Operational Scope 3				
Landlord supplied electricity	**1,750**	**9,388**	1,190	5,440
Market based[1]	**—**	**—**	—	—
Landlord supplied gas	**1,465**	**8,014**	997	5,450
Total operational Scope 3	**3,215**	**17,402**	2,187	10,890
Market based[1]	**1,465**	**—**	997	—
Total operational Scope 1, 2 and 3	**3,311**	**17,846**	2,272	11,259
Market based[1]	**1,546**	**—**	1,066	—
Upfront embodied carbon from completed development project	1,830	—	184	—
Nature-based carbon credits purchased	**(3,426)**	**—**	(1,250)	—
Net tCO_2e	**—**	**—**	—	—
Intensity metrics				
Scope 1 and 2 tCO_2e per full-time employee	**0.9**	**—**	1.0	—
Scope 1 and 2 tCO_2e per £m revenue	**0.4**	**—**	0.5	—
Scope 3 $kgCO_2/m^2$ and kWh/m^2	**15.9**	**86.8**	13.8	68.8
Market based[1]	**7.3**	**—**	6.3	—

1 Market-based reporting reflects the emissions from the electricity being purchased, whereas location-based uses national grid average emissions for the reporting year.

Responsible business continued
1. Premises – Built environment continued

Solar panel solution

As part of PHP's commitment to enhancing our buildings for tenants, 2025 saw the trial launch of our solar panel offering for customers.

The initial scheme of nine sites, at locations throughout the UK, saw a total investment of £0.9 million. These installations are expected to generate approximately 650,000 kWh per year, more than 70% of which will be consumed on site. Customers are charged for their usage at a rate that is at a discount to grid rates.

The scheme offers benefits for tenants in the form of reduced electricity costs, reduction of energy consumed from the grid (being renewably generated on site), improvements in the EPC ratings for the buildings, as well as offering a good return on investment for shareholders.

Progress on energy and carbon performance continued

Operational Scope 1, 2 and 3 emissions continued

During 2025 absolute Scope 1 and 2 emissions have increased by 15% (2024: -23%) and intensity reduced by 12% (2024: -23%). This is primarily due to the merger with Assura as well as greater accuracy of readings. The emissions intensity of grid sourced electricity also decreased by 15% in 2025 (2024: +5%).

Like-for-like business mileage has increased in the year as a result of a higher number of business travel. Employees are encouraged to use public transport where possible and during the year employees continued to use the Train Hugger platform, which supports UK reforestation through every journey. Staff continue to take up our electric and hybrid vehicle benefit, with 20 (2024: seven) members of staff across the enlarged Group taking up the option to date.

Our office energy use has remained broadly static during 2025 and 2024, with additional space as a result of the Assura merger offset by lower consumption in the PHP offices.

We will continue to reduce energy demand from our offices where possible and emissions from transport; however, our wider portfolio is where we aim to focus our attention. As shown in the table below, Scope 3 emissions from landlord supplied energy (downstream leased assets) have increased on an absolute and normalised basis. This is primarily due to the merger with Assura offset by the continued transition to all electric buildings.

Electricity and gas consumption have increased by 47% and 47% (2024: -5% and -20%) respectively. We have continued to support tenants to reduce their use of energy and resulting emissions, including through our asset management programme. We expect to see results of these and new initiatives over time.

We have now switched all electricity supply to 100% renewable energy (2024: 100%). Therefore, on a market-based reporting basis, there has been a 45% reduction (2024: 22% reduction) in absolute and 16% reduction (2024: 10% reduction) in normalised emissions.

We have offset all residual 2025, 2024 and 2023 emissions, including the energy we procure on behalf of our tenants, through purchasing high quality nature-based carbon credits from independently certified projects.

Wider Scope 3 emissions

During 2025 we have continued to expand our measurement of wider Scope 3 emissions against the 15 categories of the GHGP Scope 3 Standard.

As part of our certification to Toitu Carbon Reduce, we have determined the most material categories. Categories 3, 8, 9, 10, 11, 12, 14 and 15 are not relevant for PHP's business. Categories 5, 6 and 7 have been assessed and are de minimis at under 10 tCO_2e. We will continue to track emissions from business travel. Category 4, upstream transportation, is included within the calculation for Category 1, purchased goods and services. Embodied carbon is relevant under Category 2, capital goods. This is being measured for developments and some refurbishments and will be reported when projects are completed (including associated transport emissions).

	2025			2024		
Scope 3 source	**tCO_2e**	**MWh**	**£m**	tCO_2e	MWh	£m
Purchased goods and services	**8,527**	**—**	**102**	6,659	—	36
Downstream leased assets						
Electricity	**13,743**	**76,392**	**—**	11,230	53,029	—
Gas	**16,095**	**87,758**	**—**	11,763	64,419	—
Total wider Scope 3	**38,365**	**164,150**	**102**	29,652	117,448	36
Intensity metrics	**33kgCO_2e/m^2**	**143kWh/m^2**	**84tCO_2e/£m**	36kgCO_2e/m^2	143kWh/m^2	185tCO_2e/£m

Responsible business continued

2. Health – Community impact

Social – health and wellbeing

PHP seeks to have a positive impact on the health and wellbeing of the communities where its assets are located and has set policies and targets to improve this through the Group's asset and property management activities.

PHP is committed to supporting both the NHS and HSE in tackling the major underinvestment in primary care facilities in the UK and Ireland. PHP's aim is to provide modern, purpose-built properties let to the NHS, the HSE, GPs and other healthcare operators which enable them to provide the highest standards of modern healthcare.

The facilities are predominantly located within residential communities and enable the UK and Irish population to access better health services locally. This is central to the Group's purpose, strategic objectives and business planning processes.

PHP's portfolio serves around 11 million patients or 15% (2024: 6.3 million or 9.3%) of the UK population and our portfolio is their first point of contact with the NHS when they start their patient journey.

Our interventions, when we acquire, refurbish or develop new healthcare facilities, have a significant positive social impact, whether through enhancement of experience for people using our facilities, expansion of healthcare provision locally or making healthcare more accessible to those that need it most.

Modern, high quality primary healthcare facilities also help to reduce pressure and costs for the secondary care system. Our active management of the property portfolio seeks to maintain the centres as fit for purpose and enables PHP to identify and manage opportunities and risks associated with the provision of its properties.

Occupier engagement and support

PHP is committed to ensuring that the properties it develops and owns continue to meet its GP, NHS and HSE occupiers' requirements and provide flexibility for future change, update and expansion. Our dedicated teams of asset and property managers look after our occupiers' requirements, with a policy of regular communication and a supportive approach. Our in-house facilities management ("FM") team engages with and supports occupiers, carrying out reactive and planned maintenance to optimise building performance.

Social trends of a growing and ageing population continue to highlight the need for purpose-built primary care premises to provide modern healthcare to the UK and Irish populations. This further reinforces our objectives to continue to invest in existing and new premises for the benefit of all our stakeholders.

It is crucial that we continually update our understanding of what issues matter to our occupiers. To support this, we regularly engage with them and carry out a tenant feedback survey. Throughout 2025 and 2024, we have continued to gather tenant feedback, conducting surveys directly as part of site visits. In 2025 coverage of our survey was 39% (2024: 28%) of the PHP portfolio (by number of buildings). We continue to generate a positive Net Promoter Score for both 2025 and 2024. While positive feedback is helpful, where tenants feel more negatively about an issue, it allows us to work with them on solutions, such as engagement by our asset management team to discuss building refurbishment options. A summary of our engagement with and support for tenants is provided in the tables opposite.

Community Impact Fund

PHP continues to support social and charitable activities and services linked to the patients and communities of our occupiers, which cannot be readily accessed elsewhere. In total, the enlarged group provided £6,000 during 2025 (2024: £12,000). This, and the numbers in the following paragraphs in this section, represents information from Assura post merger.

During 2025 we continued with our social impact programme which is focused around and directly linked with the Group's asset management projects, working directly with tenants to provide support for their chosen local initiatives. Grants have been committed totalling £33,000 (2024: £13,000) and we are engaging with practices at a number of projects whose buildings are at varying stages of refurbishment. Through this work we are delivering much needed support through social prescribing, and we plan to continue to offer grants in this way. We continue to monitor the positive impact of these awards.

Our experience, and that of our award recipients, continues to demonstrate the important role social prescribing has to play in addressing direct and indirect health impacts.

PHP has also continued to support a number of charities from the Community Impact Fund during the year, including The Academy of Real Assets, Children with Cancer UK, Welsh Air Ambulance, Children in Need and Insulate Ukraine and charity matched funding for employees' chosen charities.

Volunteering

PHP staff benefit from five paid days per annum for volunteering activities that are personal and meaningful to them, delivering support to local communities and benefiting from the personal development that these activities provide. 7 members of staff have taken up the opportunity to volunteer during 2025.

Engaging and supporting tenants...

2,896
property visits by PM, FM and AM teams

52,236
help desk jobs processed

90%
of the portfolio inspected by PM and/or FM

93
FM plant upgrades and replacements

Responsible business continued

3. People – Responsible business

People

PHP recognises the importance of the welfare of the employees who work on behalf of the Group and are critical to its success. Their experience and contribution to the business are essential to the delivery of our business strategy and ESG commitments.

Following the combination with Assura, the enlarged Group now comprises a highly focused team with 129 (2024: 60) UK employees at the year end, with a further 27 (2024: 27) employees in the Axis team in Ireland and six Non-executive Directors, which allows for a flexible and individual approach. PHP's Board has a strong commitment to maintaining, improving and promoting the highest levels of ethics and conduct and promoting a workplace culture of:

Feedback from our tenants...

88%
are happy with PHP's level of communication

– 32% +
Net Promoter Score

89%
feel net zero is important or very important

92%
would recommend PHP as a landlord

73%
feel their building meets their needs

Inclusion and communication	We have a flat management structure with clear responsibilities. We strongly encourage input on decision making from all staff and wide participation in Committee and team meetings. There is strong collaboration across teams which enables good sharing of information and ideas. Regular strategy and performance updates are provided to employees from the Executive Directors and senior management team.
Modern, flexible working practices	We have flexible working arrangements allowing employees to work from home one day per week, ongoing flexibility around start and finish times and a flexible dress code.
Fair remuneration	Employee remuneration is aligned to personal, Company and ESG performance with Long Term Incentive Plans in place for senior employees that replicate arrangements for Executive Directors. All employees receive a variety of benefits which are noted later in this section.
Diversity and equal opportunity	We promote diversity across knowledge, experience, gender, age and ethnicity with a published Equality, Diversity and Inclusion policy in place. Whilst overall female employee representation is good, we recognised that we needed to specifically promote greater gender diversity in the senior team. Our female Board representation is now 38% (2024: 43%) as a result of the Board increasing to eight following the merger and, in the year, we continued to support the training and professional development of several female members of the property and finance teams. Recognising the significant diversity imbalance in the real estate sector, we continue to support the promotion of diversity, both internally and externally.
Employee development and training	An appraisal process is undertaken twice a year where career progression, training needs and performance are discussed. We actively encourage training and we continue to monitor our staff training each year focusing on professional, including ESG and cyber risk awareness, and personal development.
Health and safety	Health and safety remains central to the execution of PHP's business strategy and we take our responsibilities very seriously and are committed to continued improvement but have an excellent record. See pages 45 and 46 for further details on health and safety.
Wellbeing and employee satisfaction	During 2025 we continued to make improvements to the IT infrastructure at our offices in London, Stratford-upon-Avon and Cork, Ireland. Following the combination with Assura we decided to postpone the annual employee survey until 2026 and the integration of the two business has been completed. Laure Duhot, the Company's designated workforce Non-executive Director, continues to be closely involved in monitoring employee satisfaction and met the teams based at London, Stratford-upon-Avon and Cork, Ireland, in 2025 with plan to visit the Assura offices in 2026.

Responsible business continued
3. People – **Responsible business** continued

People continued

Laure Duhot is the designated workforce Non-executive Director. In the year she held meetings in the London, Stratford-upon-Avon and Cork (Axis) offices, which were open to all employees. The sessions aimed to gather feedback and ideas from different areas of the Company, to discuss how people feel and their experiences of working at PHP, with feedback reported back to the Board. This resulted in areas for continuing focus through 2026, including continued development and understanding of PHP's culture; continuing to enhance understanding of personal objectives and remuneration outcomes flowing from them; and cross-team working to further progress the Company's people agenda by acting on employee feedback received.

During 2025 eight (2024: eight) employees left the PHP business in the year reflecting a staff turnover rate of 13% (2024: 14%). Following completion of the combination with Assura in August 2025, a further fifteen employees left the enlarged business.

Employee benefits

In addition to fair remuneration which is aligned to personal and Company performance, including ESG related targets, and as part of our ongoing commitment to supporting employees and attracting and retaining talent, the Company offers the following benefits to all staff:

- Company pension contributions of 6% of salary;
- 25 days of annual leave plus an additional day of annual leave for each year of continuous service up to a maximum of five days;
- private medical insurance, health cash benefit, income protection and critical illness insurance;
- a green car salary sacrifice benefit to help individuals move to low carbon electric and hybrid personal vehicles;
- life assurance given to all employees at four times salary;
- cycle to work and season ticket loan schemes;
- all employees are eligible to participate in the PHP Sharesave plan; and
- enhanced maternity and paternity pay providing 25 weeks of leave on full pay for women and four weeks for men.

The Company also has a good balance of flexible working while retaining the collaboration benefits of in-office working. Overall, we believe there are significant benefits from working collaboratively in person and we are stronger together, but people are empowered to work from home for one day per week.

Employee development

PHP's human capital is essential to the success of the business and delivery of outstanding services to our occupiers in the healthcare sector. Attracting, retaining and developing employees is therefore a key commitment for the business.

The training programme for 2025 has continued to focus on needs identified through the appraisal process.

In 2025 we continued to roll out a compulsory online cyber threat awareness course for all employees who are required to complete a number of modules regarding online security essentials, email and instant messaging security and defence against phishing and spear phishing attacks.

We continued with the sustainability e-learning pathways that covered net zero and embodied carbon, and a range of environmental and social impact issues specific to roles.

The enlarged Group supported funding and facilitation of professional qualifications for seven (2024: six) employees, and two (2024: three) employees achieved their professional qualifications during the year.

The supportive culture of PHP means those training for qualifications are also mentored and assisted by more experienced colleagues.

Training has been promoted to all employees, on subjects including sustainable development, business ethics, modern slavery, climate change and net zero, social value, circular economy and sustainable procurement.

A total of 1,535 personal development training hours have been delivered across the enlarged Group during 2025 (2024: 420 hours) and the Company invested a total of £40,000 (2024: £38,000) or an average of £300 per employee on professional and personal development (2024: £635).

Diversity and equal opportunity

We promote diversity across knowledge, experience, gender, age and ethnicity.

Whilst overall female employee representation is good, we recognised that we needed to specifically promote greater gender diversity, particularly in the senior team.

Recognising the significant diversity imbalance in the real estate sector, we continue to support and promote diversity, both internally and externally.

UK employee gender diversity at 31 December 2025

Number of employees	Male	Female
Board of Directors	5/63%	3/37%
Executive Committee	3/75%	1/25%
Directors/Head of Department	13/72%	5/28%
Associate Directors	4/40%	6/60%
Associates and Senior Surveyors	17/50%	17/50%
Other	23/38%	38/62%
Total	**65/48%**	**70/52%**

The Irish employee gender diversity at 31 December 2025 for the Axis team showed 20 of the 27 employees as male, with 7 female employees. All 7 of the senior management are male.

UK employee ethnicity at 31 December 2025

	2025		
Ethnic origin	No.	%	ONS[1]
White – British, English, Welsh, Irish, Other	**110**	**82%**	82%
Asian – Indian, Pakistani, Other	**6**	**4%**	9%
Black – African, Caribbean, Other	**4**	**3%**	4%
Mixed heritage	**4**	**3%**	3%
Other/prefer not to say	**11**	**8%**	2%
Total	**135**	**100%**	100%

1 Office for National Statistics: Census 2021 data for England and Wales published June 2022.

The Irish employee ethnicity at 31 December 2025 for the Axis team showed 25 of the 27 employees identify as white, with 2 employees from other backgrounds.

Responsible business continued
3. People – Responsible business continued

People continued
Diversity and equal opportunity continued
Board gender identity or sex as at 31 December 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	5	63%	4	5	83%
Women	3	37%	—	1	17%

Board ethnic background as at 31 December 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority White groups)	6	75%	4	6	100%
Mixed/multiple ethnic groups	—	—	—	—	—
Asian/Asian British	1	13%	—	—	—
Black/African Caribbean/Black British	—	—	—	—	—
Other ethnic group, including Arab	1	13%	—	—	—
Not specified/prefer not to say	—	—	—	—	—

1 The Executive Committee, as set out on page 68, is considered to be the Company's executive management as defined in the Listing Rules.

The above data is drawn from internal information supplied by our staff. Refer to page 76 for further details on required Board diversity disclosures and the Equality, Diversity and Inclusion policy.

UK gender pay gap at 31 December 2025
PHP pays employees equally for doing equivalent jobs across the business and any pay gaps are the result of our employee profile and do not represent pay discrimination. PHP is not required to publish details of gender pay gaps; however, we view this as an important metric to ensure equal and fair treatment regardless of gender.

	Gender pay gap			Bonus pay gap		
	Male	Female	Pay gap	Male	Female	Pay gap
Board – NEDs	61%	39%	37%	75%	25%	67%
Board – Executive	100%	—	100%	100%	—	100%
Executive Committee	60%	40%	32%	81%	19%	76%
Directors/Head of Department	53%	47%	12%	61%	39%	36%
Associate Directors	50%	50%	2%	60%	40%	32%
Associates and Senior Surveyors	52%	48%	7%	57%	43%	26%
Other	51%	49%	4%	55%	45%	14%
Total	**66%**	**34%**	**48%**	**90%**	**10%**	**89%**

Gender pay is the individual average pay divided by the sum of the averages. The Irish gender pay gap at 31 December 2025 showed 56% weighted to male, 44% to female, and an overall pay gap of 22%.

Health and safety
Health and safety remains central to the execution of PHP's business strategy and we take our responsibilities very seriously and are committed to continued improvement but have an excellent record. The Board is responsible for ensuring appropriate health and safety procedures are in place, and during 2025 we maintained a regime of inspections utilising both third-party agents, including two risk management solutions providers, and in-house resources to support the portfolio.

Responsible business continued
3. People – **Responsible business** continued

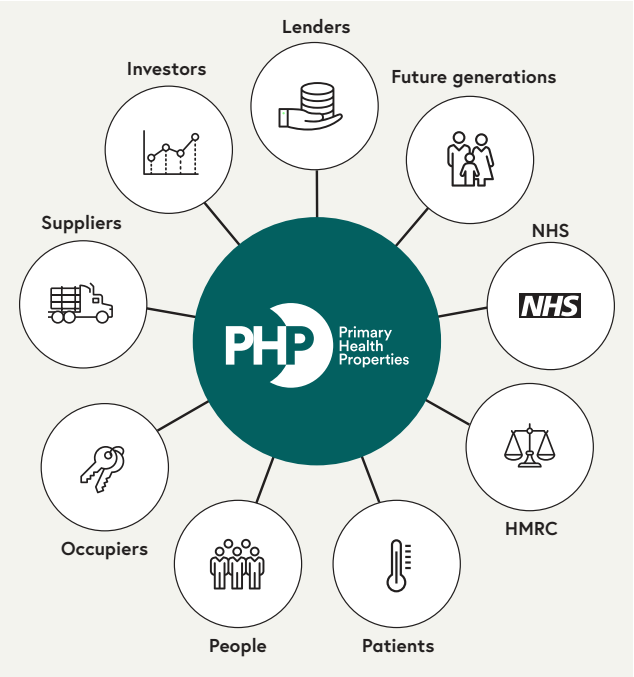
People continued
Health and safety continued
Where risks need to be assessed under a specific duty or regulation, we ensure that an assessment is carried out and that all actions are implemented on a priority basis. The key health and safety risk areas PHP faces are:

1. Managed properties – where there are multiple occupiers in the same property, a combination of third-party advisers and internal resources is used to carry out a health and safety assessment and audits relating to the common parts.
2. Asset management projects, developments and forward funded developments – all our partners are required to uphold our high standards. Procedures and processes have been developed to ensure compliance with current legislation and requirements. A Project Monitor is also appointed to oversee, manage and monitor health and safety.
3. Employees are required to uphold our high standards and separate procedures and processes are in place to ensure compliance with current legislation and requirements.

During 2025 there were no reported major accidents nor any health and safety prosecutions or enforcements (2024: no incidents) across the Group. 18 out of 21 members of the PHP property and facilities management team hold the Institute of Occupational Safety and Health ("IOSH") accreditation, with no training required during the year. Our Board approved Health and Safety policy is available on the Company's website.

Other stakeholders
While our investment, asset management and development activities focus on the sustainability risks and opportunities that are most material to our business, there are a number of additional issues that are of lower material impact but are of interest to specific stakeholder groups:

- we are transparent and our policies are available on our website and we expect our principal advisers, suppliers and occupiers to follow them;
- we expect organisations we employ to meet the standards we set ourselves; and
- we engage with stakeholders to ensure we are aware of, and are able to respond to, their expectations.



Contractors and suppliers
Delivering developments, asset management projects and property services on time, on budget and in adherence with our high standards is a key priority. Our supply chain is checked (accredited by the SafeContractor scheme) to ensure it is high quality, has a proven track record and applies appropriate standards on areas such as labour, human rights, modern slavery, health and safety and environmental management. During 2025 we have continued to engage with all our suppliers to make them aware of our ESG policies (available on our website) and in particular have focused on the issue of modern slavery. Our Modern Slavery Statement is available on our website and no human rights concerns arose within the year.

We have approximately 1,450 (2024: 820) suppliers across the enlarged Group ranging from small local businesses to large multi-national companies. We also acknowledge the importance of our suppliers, which are often small businesses and sole traders, especially those involved with the upkeep and maintenance of our assets. We aim to pay all invoices and amounts due promptly and well within stated payment terms in an effort to preserve the cash flows of these small businesses.

Tax
The Group is committed to complying with tax laws in a responsible manner and has open and constructive relationships with the UK and Irish tax authorities. Whilst the Group enjoys REIT status and therefore is not directly assessable for corporation or capital gains tax on property investments, the dividends the Group pays are assessed for income tax when they reach investors. During 2025 the Group has directly paid £53.0 million (2024: £31.3 million) of taxes in the form of VAT, income tax, stamp duty land tax, stamp duty and National Insurance contributions to the UK and Irish governments. The Company has also published a tax strategy which is available on its website.

Investors and lenders
The support of our shareholders, banking partners and lenders is crucial to sustaining our investment in the health infrastructure of the UK and Ireland and we continue to enjoy strong relationships with these partners.

During 2025 we have successfully continued to value existing and potential relationships with our investors with a significant number of investor meetings during the year totalling approximately 350 (2024: c.200).

The majority of the meetings during 2025 focused on the proposed combination with Assura, with over 99% of PHP shareholders who voted supporting the transaction and just under 63% of Assura shareholders accepting the offer on the 12 August 2025 deadline with a further 35% subsequently accepting the offer before it closed on 10 September. The final 2% dissenting shareholders were squeezed out and legally acquired on 15 October 2025.

Shareholders and analysts are regularly updated about our performance and are given the opportunity to meet management throughout the year, attend presentations, both physical and virtual, including a Capital Markets Day held in July 2025, and attend site visits to gain a better understanding of our business and strategy.

Governance and business ethics
We conduct our business with integrity and require that our Directors, employees and other businesses engaged by us, including developers, contractors, suppliers and agents, do the same.

Responsible business continued
3. People – **Responsible business** continued

Other stakeholders continued
Governance and business ethics continued
We believe that good governance practices are essential to a successful and sustainable business and therefore we ensure that they are integral to us. We are compliant with the provisions of the UK Corporate Governance Code except one instance where we have not met criteria, and we have explained why on page 66 in our Corporate Governance Statement.

We believe in transparency of our business to stakeholders, ensuring we report comprehensively and fairly in our Annual and Interim Reports and engage with our stakeholders throughout the year.

Responsibility for business ethics lies with the PHP Board and Chief Executive Officer and is overseen by the ESG Committee.

We will:

- be honest, open, transparent, helpful and polite;
- obey all relevant laws and regulations;
- be prepared to admit and correct mistakes without delay and facilitate "whistleblowing" by employees and other stakeholders;
- declare any potential conflicts of interest which may compromise our business dealings;
- not give or receive illegal or inappropriate inducements in order to retain or bestow business or financial advantages; and
- at all times promote the ethical conduct of business.

These principles are supported by policies which address anti-bribery and corruption, business ethics, equality, diversity and inclusion, sustainability, sustainable development and refurbishment, whistleblowing, money laundering, prompt payment and management of the supply chain and which are available on our website.

We provide training to staff on these key issues and communicate our policies to key stakeholders and our supply chain and expect them to uphold the same standards in their operations and with their own supply chains.

Anti-corruption and anti-bribery
The Group's policy is to conduct all of its business in an honest and ethical manner. The Group takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever it operates and implements and enforces effective systems to counter bribery. There were no reported incidents of non-compliance during 2025 (2024: no incidents).

Enhanced disclosure and benchmarking
We have published our fifth disclosure against the guidance and requirements of the Task Force on Climate-related Financial Disclosures ("TCFD") which are provided on pages 48 to 54.

GRESB – During 2025, PHP completed its sixth submission to the Global Real Estate Sustainability Benchmark ("GRESB"). We scored 88% (2024: 95%) for development and 59% (2024: 66%) for standing assets and maintained our one-star GRESB rating. The decline in scores is primarily attributed to the updated methodology, which now applies weighting based on the age of certifications, meaning older certifications are weighted less than newer ones. This impacted several of our legacy BREEAM-certified assets completed before 2020. The completion of two NZC developments in 2025, rated BREEAM Excellent, will position us well for future assessments. However, circa 30% of the available score is very difficult to achieve for a portfolio like PHP's, made up of mainly smaller healthcare buildings which are largely tenant controlled.

MSCI – In February 2026, MSCI rated PHP as A for the 2025 Annual Report, retaining our 2024 rating. We will continue to engage with MSCI to ensure our rating best reflects the actions we are taking, although the current methodology restricts us in some areas. For example, a large proportion of our environmental score relies on having a high proportion of BREEAM certified assets, which is not an area that we can influence quickly.

CDP – We responded in full for the fourth time to the CDP climate questionnaire in 2025, retaining our 2024 rating in receiving a B rating and achieving A levels of performance for several aspects. We see CDP as a key tool to disclose our performance and approach and to help us improve over time. Our rating of B demonstrates we have a high quality approach to managing climate related risks and being transparent in our disclosures and we believe we will achieve an A rating as we deliver on our strategy in the coming years.

EPRA – PHP disclosures are in line with EPRA Sustainability Best Practices Recommendations ("sBPR"). In 2025, 2024 and 2023 PHP achieved a Gold award in recognition of our enhanced disclosures and performance.

Our latest disclosures are available in the standalone version of this Responsible Business Report, on our website.

PHP also received an EPRA Best Practices Recommendations Gold award for the 2024, 2023 and 2022 Annual Reports.

During 2025, PHP continued to be rated as "Prime" in the Institutional Shareholder Services Inc. ("ISS") in its Corporate Rating Report. ISS considers "Prime" rated companies are industry leaders which are well equipped to mitigate the most prevalent ESG risks. This is a testament to our efforts fulfilling ISS ESG's requirements regarding sustainability performance.

Non-financial information statement
Following best practice, the Group has included certain non-financial information within the Strategic Report. This can be found as follows:

The Group's business model is on pages 20 and 21.

Information regarding the following matters, including policies, the due diligence process implemented in pursuance of the policies and the outcomes of those policies, can be found on the following pages:

- environmental matters on pages 32 to 41;
- social matters on page 42;
- health and safety matters on pages 45 and 46;
- respect for human rights on page 47; and
- anti-corruption and anti-bribery matters on this page 47.

Responsible business and ESG matters have been identified as a principal risk and further details can be found on page 60.

All key performance indicators of the Group are on pages 24 and 25.

The Business Review section on pages 14 to 17 includes, where appropriate, references to, and additional explanations of, amounts included in the entity's annual accounts.

Laure Duhot
Chair of the ESG Committee
16 March 2026

Task Force on Climate-related Financial Disclosures

Task Force on Climate-related Financial Disclosures

PHP TCFD disclosure for 2025 Annual Report and Accounts

This year, we are making our fifth disclosure against TCFD guidelines and reporting in line with the TCFD reporting requirements for UK commercial companies. We have outlined how climate change is incorporated into our governance processes, its impact on our business strategy and planning, our approach to risk management and the climate related metrics, targets and commitments we use.

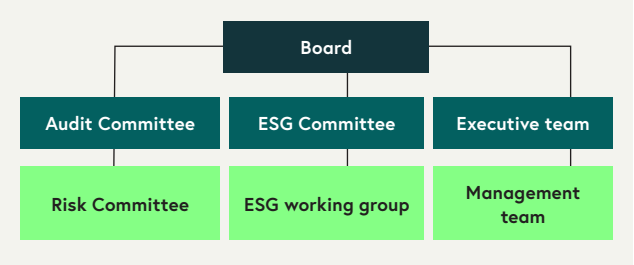
Governance

Board oversight

The Board is responsible for the Group's risk management framework, including the consideration of climate related risks and opportunities as part of its wider oversight of responsible business. The Board reviews climate related risks and opportunities within our existing reporting and governance structure (as detailed on page 60) and established a specific ESG Committee, which was made up of all members of the Board and relevant members of the Executive team to review, plan, approve and act on climate related issues in previous years. Following the Assura merger the Board re-evaluated the Board's inclusion in the ESG Committee and determined that going forward, whilst the ESG agenda remains embedded within the organisation, authority should be delegated to the Executive Committee who then report directly to the Board, with the Risk Committee reporting into the Audit Committee.

The Board and members of the Executive team consider climate related issues when setting objectives, in budget setting and through the Board's annual strategic review of the business.

The ESG Committee monitors progress against the business' responsible business objectives and key strategic climate related workstreams, including progress towards PHP's NZC commitment (see page 32) at all meetings of the ESG Committee (which meets at least three times a year) and at the annual Strategy Day, held in October.



Climate related issues are also considered by the Board and Executive team in key investment, development, asset and property management decision making.

The ESG Committee oversaw and approved PHP's Net Zero Carbon Framework in 2022 and subsequent plans and actions to deliver against it. The Committee reviews and approves the ESG budget each year, with specific allowances in 2024 and 2025 made for climate related work, including energy performance measurement of the portfolio and delivering net zero (operational and embodied) carbon projects for developments and asset management. The Board regularly reviews and approves acquisitions made by the Group and takes into consideration ESG and climate related commitments, specifically minimum EPC ratings and progress towards net zero carbon ready buildings.

Management team's role

The ESG Committee monitors progress on responsible business matters, including climate risks. Implementation and management of responsible business are delegated to the Executive team, with its members leading the ESG working group; other members consist of a representative from each of the investment, development, asset management, property and facilities management teams. The ESG working group met two times during 2025 (2024: five times) to consider progress against commitments and proposals for improvement. Climate related action points included a commitment to apply science-based targets across the Group's activities, embodied carbon measurement for asset management and development projects, EPC improvement, operational energy and carbon assessments of buildings. Outside of these meetings, the Executive team ensures that responsible business and ESG targets are delivered or re-evaluated where not achieved and engages throughout the year regarding progress against planned actions. The Executive and management teams make it clear to relevant employees what is expected and required. Where relevant, specific actions or targets form part of both team and individual personal objectives for each year, for example the improvement of EPC ratings. The Executive team also leads engagement and training across the Group on responsible business and ESG matters, including climate related risks.

The Executive and management teams have specific ESG and climate related performance objectives relevant to their roles and area of the business along with other personal performance objectives which are linked to bonuses to incentivise performance.

Strategy

PHP's NZC Framework (see page 32) details the five key steps it is taking to achieve an ambitious target of being NZC by 2030 for all of PHP's operational, development and asset management activities and to help its occupiers achieve NZC by 2040, five years ahead of the NHS's target of becoming the world's first net zero carbon national health system by 2045 and ten years ahead of the UK and Irish governments' targets of 2050. The Responsible Business Report on pages 32 to 47 provides further detail on our strategy, actions taken and progress made in 2025 and objectives for future years to address climate risks, such as improving EPC ratings within the portfolio.

Task Force on Climate-related Financial Disclosures continued

Strategy continued

Climate related risks and opportunities

During the year, PHP reviewed its existing analysis of climate risks and opportunities and identified no major changes from its extensive analysis carried out during 2022. During 2025 we have continued to operate in a turbulent economic and political climate, particularly in relation to the new UK government's approach, including the transition to clean home-grown energy, and the climate and health policy landscape causing significant uncertainty, including the UK government's approach to future EPC. The merger with Assura has enlarged the portfolio which is broadly similar in nature. Despite this, our overarching view on risk and opportunity and our business strategy in relation to climate change have not changed.

Analysis that was carried out in 2022 by Willis Towers Watson ("WTW") to assess physical and transition risks and undertake quantitative physical and transition scenario analysis is still applicable in the current year. The analysis included engagement and input from across PHP's operational teams.

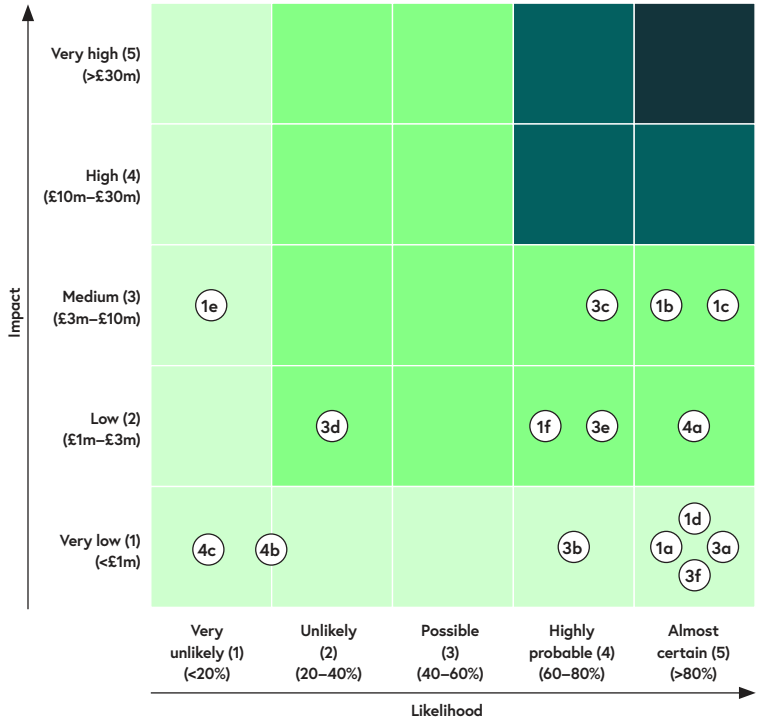
Transition risks and scenario analysis were assessed over the short (to 2026) and medium (to 2030) terms. Physical risks and scenario analysis are assessed over the short, medium and long terms (2030–2100). We have not assessed beyond 2030 for transition risks given the high level of uncertainty in determining impacts of transition risks over the longer term.

The short and medium term time horizons have been chosen based on the Group's detailed knowledge of the portfolio and the estimated time required to implement the NZC Framework (see page 32). The long term time horizon reflects the nature of real estate assets and long leases typical of the primary care sector.

To assess the potential impact of transition risks, an initial risk screening was carried out, based on PHP's existing identified risks and with input from WTW and in relation to relevant risks for other real estate companies. The impact of transition risks was assessed via workshops with key disciplines within PHP and analysis was carried out by WTW, based on the findings. The potential annualised estimated financial impact associated with risks and opportunities has been quantified where possible and categorised using PHP's risk impact scales, which consider impacts to revenue and/or the balance sheet. Risks are scored 1 (very low) to 5 (very high) with financial impact bands for each level. Risk 2a has not been quantified separately as it is included within the impact of risk 1c.

The current potential climate related risks and opportunities we have identified that could have the most material financial impact are outlined below. We do not, however, believe these impacts are currently material enough to impact our financial statements.

Assessed range of annual impact and likelihood of transition risks
Residual risk on medium term time horizon (2030) under an NZC 2050 1.5°C scenario



Policy
- 1a. Pricing of GHG emissions (PHP)
- 1b. Pricing of GHG emissions (tenant)
- 1c. EPC requirements
- 1d. Enhanced emissions reporting obligations
- 1e. Climate change litigation
- 1f. Increasingly stringent planning requirements

Technology
- 2a. Substitution of existing technologies with lower emissions options (included in 1c)

Market
- 3a. Increased cost of raw materials
- 3b. Increased cost and availability of electricity (PHP)
- 3c. Increased cost and availability of electricity (tenant)
- 3d. Cost of capital
- 3e. Change in tenant demands
- 3f. Emissions offsets

Reputation
- 4a. Investment risk/opportunities
- 4b. Stakeholder risk/opportunities
- 4c. Employee risk/opportunities

Task Force on Climate-related Financial Disclosures continued

Strategy continued

Climate related risks and opportunities continued

Below represents the transition and physical risks and opportunities that the Group faces, applicable to both our UK and Ireland businesses.

Category	Risk/opportunity	Time frame	Potential £ impact	Business response/mitigation
Transition risks				
EPC requirements and change in customer demands 1e 3e **Transition risks impacted**	The NHS, and the HSE, accounts for 76% of revenue and is targeting to be NZC by 2045. Costs related to meeting proposed Minimum Energy Efficiency Standards ("MEES") and fines associated with non-compliance.	Medium term	Medium (P&L and BS)	• Commitment to getting all properties to a minimum of EPC B by 2030. • Group's asset management programme actively targeting reductions in carbon emissions and improving energy/EPC performance. • Assets are being extended and refurbished with improvements made to the environmental performance including the installation of LED lights, move away from gas heating and integration of renewable energy generation resulting in improved EPC ratings. • The additional costs are reflected in appraisals and typically supported by increased lease terms and increases in rent.
Increasing cost of energy and GHG emissions 1a 1b 3b 3c **Transition risks impacted**	The cost of energy has increased significantly and in the 1.5°C low carbon world scenario GHG emissions pricing will need to be implemented from 2025–2030.	Short–medium term	PHP – low (P&L) Tenants – medium	• PHP procures energy for a limited number of properties in the portfolio and has operational control over none of the buildings' GHG emissions. • Consequently, the risk of energy and GHG pricing from energy consumption is minimal to PHP. To mitigate risk in PHP's value chain, embodied and supply chain carbon are being measured and actions put in place to minimise and reduce these over time. • Tenants are responsible for their own energy bills and large increases in pricing have a significant impact on them, which could adversely impact the desirability of our assets. • Improving the energy efficiency and reducing the carbon emissions from buildings mitigate these risks, helping tenants to save money in the long term.
Restricted access to capital 3d **Transition risks impacted**	Investors and debt providers only willing to invest in climate resilient businesses.	Medium–long term	Low (P&L)	• PHP has a strong and clearly articulated NZC Framework and strategy developed with clear targets for reduction of direct and indirect emissions and to reach NZC in the future. • Strong stewards of underinvested key social infrastructure assets delivering healthcare and wellbeing to the UK and Irish populations. • Green loan framework developed for several existing and future loan facilities and ongoing engagement with lenders.

Task Force on Climate-related Financial Disclosures continued

Strategy continued

Climate related risks and opportunities continued

Category	Risk/opportunity	Time frame	Potential £ impact	Business response/mitigation
Physical risks				
Flood risk (current and future climates)	Losses from assets located in high flood risk zones, primarily the costs of repair and business interruption, reflected in increased insurance costs.	Long term	Low (medium for potential uninsured losses under high emissions scenario) (P&L)	• PHP has flood alleviation and response plans in place, is appropriately insured and assesses these risks for any new developments and acquisitions. • Under current climate conditions, nine sites have a moderate risk and 65 sites have a very high risk from flood. This equates to under 5% of total asset value. • Our remaining assets have a very low exposure. In a future high emissions climate scenario, the number of sites does not increase, but the potential frequency and severity of floods increase.
Increased severity and frequency of extreme weather events and windstorms	Increased costs to develop climate resilient properties and physical damage requiring repair. Costs of business interruption, reflected in increased insurance costs.	Medium term	Low (medium for potential uninsured losses) (P&L)	• All assets in the portfolio are insured for physical damage and loss of rent with cost of insurance predominantly recovered from occupiers. • Mitigation strategies in operation at assets with identified potential risk. • Comprehensive business continuity plan in place and commitment to repeat physical risk impact and scenario analysis periodically.
Heat stress (future climates)	The UK has very low exposure to heat stress today, increasing beyond 2050 under the 4°C scenario. Costs associated with retrofitting buildings to mitigate overheating and tenant discomfort.	Long term	Low (P&L)	• Sensitivity analysis for heat stress has determined that the overall risk is low. • Approximately 10% of PHP's buildings have air conditioning and therefore additional cooling may be necessary in the future. • PHP also monitors instances of overheating and works with tenants to mitigate this.
Opportunities				
Change in tenant demand	The NHS is aiming for net zero and primary healthcare tenants will increasingly covet or insist on low carbon, sustainable buildings.	Short–medium term	Medium (P&L and BS)	• PHP's strategy to improve the performance of buildings via asset management and NZC developments will maximise rental income in the future. • Existing buildings brought up to modern, low carbon standards will be best placed to achieve occupier contentment and lease renewals and attract the highest rents, performing closer to newly built properties.
Substitution of existing technologies	Potential to help tenants reduce their carbon footprint and their energy costs via introduction of new low carbon technology to buildings.	Medium	PHP – low (P&L) Tenants – medium	• Introducing renewable energy as part of lease regears will help PHP to secure high quality, long term income from tenants. • Supporting and enabling tenants to make use of on-site renewable energy, in particular solar, can reduce tenant costs. Review of entire portfolio for solar potential and active targeting of installation to suitable properties via different delivery models.

Task Force on Climate-related Financial Disclosures continued

Strategy continued

Scenario analysis

In 2022, WTW undertook a physical climate risk assessment of the PHP's portfolio on an asset-by-asset basis, assessing exposure to a range of acute and chronic climate risks, and a transition risk assessment based on PHP's current corporate strategy and action planning.

For physical risks, each is assessed against different scenarios and potential impact is scored 1–5 with scoring for each different physical risk based on Munich RE models and projections. For example, flood risk is scored 1–5 where 1 indicates a minimal flood risk and 5 indicates an asset in a known flood zone with a 1 in 100-year return period.

Our scenario analysis has been based on the Representative Concentration Pathways ("RCP") designed by the IPCC in its Fifth Assessment Report ("AR5"), which are mapped to the latest IPCC AR6 report's Shared Social Economic Pathway ("SSPs") scenarios. The methodology evaluates risks and opportunities for PHP's business under three plausible climate scenarios: a "low carbon world" 1.5°C scenario (for physical and transition risks), a 2–3°C scenario and a 4°C scenario (for physical risks only)[1].

These scenarios have been chosen as the best available at the time of assessment. In particular, the "low carbon world" scenario represents the greatest potential transition risks for PHP and the "hot house world" scenario the greatest physical risks to PHP's portfolio.

In the low carbon world scenario, limiting global warming to 1.5°C will be achieved through stringent climate policies, innovation and demand-led change, where global net zero CO_2 emissions will be reached around 2050. The scenario assumes proactive and sustained action to reduce carbon emissions over the next 30 years to build a low carbon economy. It assumes a carbon price of \$130/tCO_2 by 2030, low growth in material consumption and increasing consumer pressure on businesses to drive sustainability.

The hot house world scenario is aligned with RCP 8.5. It envisions that, due to limited government policy and international effort, emissions continue to grow and consequently global warming exceeds a 4°C temperature rise by the end of the century. The scenario assumes current policies promoting sustainability are removed, there is no carbon pricing and there is increasing adoption of resource and energy intensive lifestyles around the world. As a result, economies fail to transition to a low carbon world and the physical impacts of climate change become increasingly severe.

There are assumed to be longer and more severe heatwaves and droughts and there is an increase in frequency and severity of flooding and other natural catastrophic events.

We regularly review risks internally and will reassess risks and perform scenario analysis on a periodic basis (currently every three years, reflective of changes to real estate climate models, policy, regulatory, market and technology advances).

Resilience of the business to scenarios

By delivering on the strategy put in place by PHP and commitments and actions outlined in its Net Zero Carbon Framework, and given the low exposure to physical climate risks and relatively low potential financial impact, the business is resilient to the assessed scenarios under current conditions.

Based on our asset specific assessment of physical hazard exposure, our portfolio's exposure to all physical climate impacts is low. Our exposure to material levels of flood risk is limited to 5% of properties (by value). We regularly review flood risks of standing assets, have plans and appropriate levels of insurance in place for them and consider resilience to long term flood risk for any new acquisitions or developments.

In the post 2030 scenarios assessed, only flood and windstorm risk was assessed as somewhat "material" under the 4°C scenario. We view heat stress as a potential risk given the nature of our buildings and the desire to offer optimum comfort levels for our healthcare related buildings. PHP is already addressing instances of overheating in today's climate by working with our tenants and taking remedial action where necessary. When refurbishing buildings we consider overheating through the addition of solar shading, insulation and, where needed, energy efficient cooling.

Through our Net Zero Carbon Framework and commitments and our asset management activities, we have a robust approach to meeting energy efficiency, EPC and carbon performance requirements that are expected as part of the low carbon world 1.5°C scenario.

Our strategy also supports PHP's ability to meet or surpass the NHS's net zero commitments.

During 2025, we have continued to analyse the published NHS Net Zero Carbon Building Standard against our current approach and requirements for new build and refurbishment and intend to align our projects where relevant.

Under a high emissions scenario from the 2050s, drought stress and heat stress increase and become a moderate risk, which could impact water scarcity and tenant wellbeing; however, in the short term or under a low emissions scenario, these risks are relatively low. We will continue to assess potential risks in due diligence for future acquisitions and to make appropriate adaptations where required.

Impact on business strategy and financial planning

Climate related risks and opportunities impact and inform PHP's business strategy for asset management and refurbishment, property management, development and acquisition of buildings.

The Group's continued focus on flexible, modern primary care properties, which generally have low energy consumption, means the overall carbon footprint of the portfolio is minimised. In addition, the Group's continued investment in asset and property management initiatives means that its typically slightly older and less energy efficient assets are being upgraded, where feasible, to the latest energy efficient standards.

We are improving and adapting our assets to be more resilient to climate change through maintenance, energy efficiency upgrades and the provision of renewable energy supplies for the Group's occupiers. Furthermore, whilst development is only a small part of our activities, we are focusing on the energy and carbon performance of our developments, including measuring, minimising and offsetting residual embodied carbon impacts.

1 This is in line with the Intergovernmental Panel on Climate Change ("IPCC") Representative Concentration and Shared Social Economic Pathways ("RCPs" mapped to "SSPs") RCP 2.6 ("SSP1"), RCP 4.5 ("SSP2") and RCP 8.5 ("SSP5") respectively.

Task Force on Climate-related Financial Disclosures continued

Strategy continued

Impact on business strategy and financial planning continued

During 2025 we completed work on the Group's first two net zero carbon developments, and all new developments in the UK are being designed to be net zero. During 2025 we have financed and implemented a number of actions to deliver our strategy, including completing PHP's first net zero for asset management project, targeted reassessment of buildings' EPC ratings, committing to applying science-based targets, funding net zero audits of buildings, extending our carbon measurement including purchased goods and services, and achieving certification via Toitu Carbon Reduce and ISO 14064.

During our investment process, we review the locational flood risks, the building fabric and the energy efficiency of potential acquisitions and current assets to understand the climate related risks and costs involved in mitigating those risks.

These actions help to future-proof our buildings and allow us to take advantage of opportunities with the NHS, and our other occupiers, as it transitions towards net zero carbon with its multi-year plan to become the world's first NZC national health system by 2045 and with an ambition for an interim 80% reduction by 2036–2039.

By improving occupier contentment, we enhance the desirability and value of our assets together with our reputation with the NHS and GP occupiers.

Risk management

Approach to identifying and assessing climate risks

PHP assesses climate risks alongside other business risks but also specifically as part of a dedicated climate risk management process. A climate risks and opportunities register is reviewed and updated by the ESG working group and the ESG Committee along with the Risk Committee reporting to the Audit Committee.

The most material (highest scoring) risks are pulled out and action plans put in place, which are reviewed by the Risk and ESG Committees. The longlist of risks is revisited annually to ensure changes, such as to regulation, market or customer demand, have not altered the likelihood or potential impact of the less material risks.

In identifying and assessing the impact of risks, we consider impacts to PHP's direct operations and stakeholders, including our supply chain, partners and tenants. The size and scope of risks are assessed using the internal expertise of our teams supplemented by data relating to impact where available, for example spend data, GHG emissions and energy and any associated future projections. The potential financial impact is estimated and quantified against defined impact scales and value bandings.

To supplement our approach, PHP engages with expert advisers such as Cushman & Wakefield, WTW, Carbon Trust and MSCI, accessing the latest climate science and transition data sets, to further assess and understand potential risks, quantify potential impacts and consider planned and potential actions to address risks posed by climate change.

Approach to managing climate risks

The Company's overall approach to risk management, including management of climate related risks, is set out on pages 56 to 62.

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 risks to the Audit Committee. The risk register is reviewed and updated twice annually by members of the Risk Committee, and assesses inherent 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 Audit Committee in turn agrees those risks that will be managed by the Executive and management teams and those where the Board will retain direct ownership and responsibility for managing and monitoring.

The Board has also 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. The Group has identified "responsible business" as a principal risk which includes environmental issues but a specific climate change risk is still considered to be emerging within the risk management process.

As a response to these risks, PHP developed and launched the NZC Framework, which reduces the overall inherent risk to a much smaller residual risk, should the framework be implemented successfully over time. Business planning and strategy now take into account the commitments set out in the framework and key decisions are made with these commitments in mind, primarily decisions related to investment, development and asset management activities.

Integration with wider corporate risk management process

Responsible business, including climate change, is one of the principal risks faced by the Group as set out on page 60. Climate related risks and opportunities are identified and assessed as part of our risk management framework and are considered by the Board which recognises that this is an increasingly important area.

The Executive and management teams assist the Board in its assessment and monitoring of operational and financial risks. A Risk Committee is formed of members of the senior management team and chaired by the Chief Financial Officer, who is experienced in the operation and oversight of risk management processes, with independent standing invitees attending throughout the year.

The Audit Committee reviews the Group's systems of risk management and their effectiveness on behalf of the Board.

Metrics and targets

Details of PHP's target to achieve NZC across operational, development and asset management activities by 2030 and to help our occupiers achieve NZC by 2040 are set out on page 32.

Relevant material energy and carbon metrics include EPC ratings for our standing assets which are tracked and reported below along with revenue from BREEAM certified buildings and a rental increase from energy efficient refurbishments. These directly link to our targets to achieve NZC, and minimum EPC and BREEAM ratings, set out in our Responsible Business Report on pages 32 to 47. At present, PHP does not have an internal carbon price. Under the Directors' remuneration, for the 2024, 2025 and 2026 LTIP, an environmental metric linked to improving portfolio EPC ratings has been included with a weighting of 15%. Senior management's annual bonuses also have wider ESG objectives. This is set out in more detail on page 96.

Task Force on Climate-related Financial Disclosures continued

Metrics and targets continued

We measure and disclose Scope 1, 2 and 3 emissions on pages 40 and 41 and in our EPRA sustainability disclosures within the Responsible Business Report on our website. Our most material Scope 3 emissions are included, with the exception of capital goods (embodied carbon), which will be reported for projects in the future when they are completed. We also measure and track flood risk across the portfolio based on asset value. These metrics are consistent with cross-industry climate related metrics for GHG emissions, and transition and physical risks and opportunities.

We also report our GRESB benchmark performance score, and ratings provided by the CDP climate programme, MSCI and ISS, with results set out in our Responsible Business Report on pages 32 to 47. We review our metrics and targets annually and update TCFD disclosures for any changes made.

Financial category	Climate category	Metric	Unit	2025	2024
Revenues	Products and services	Revenue from BREEAM Very Good and Excellent properties	% revenue	**13%**	16%
	Products and services	Revenue from DEC A–C rated properties	% revenue	**24%**	49%
	Products and services	Rent increase from completed AM projects with energy improvement measures	£k	**185**	173
Assets	Energy source	Portfolio energy data coverage (by m^2)	%	**79%**	77%
	Energy source	Electricity procured by PHP from renewable sources	%	**100%**	100%
	Policy and legal	EPC A	% asset value	**12%**	11%
		EPC B	% asset value	**51%**	36%
		EPC C	% asset value	**30%**	41%
		EPC D	% asset value	**6%**	11%
		EPC E–F	% asset value	**1%**	1%
	Extreme weather	Portfolio value assessed as at material exposure to flood risk	% asset value	**5%**	5%

The current potential climate related risks and opportunities we have identified that could have the most material financial impact are set out on pages 48 to 51 and these have been used to inform and determine the key metrics and targets noted above.

Compliance statement

PHP confirms that:

1. We believe our climate related financial disclosures for the year ended 31 December 2025 are consistent with the Task Force on Climate-related Financial Disclosures ("TCFD") Recommendations and Recommended Disclosures (as defined in Appendix 1 of the Financial Conduct Authority Listing Rules). Concerning 4b (relating to our Scope 3 emissions), we have assessed all 15 categories but only disclose our material emissions, which are from downstream leased assets and purchased goods and services.
2. Our annual disclosures are contained on the previous pages and in the Responsible Business Report on pages 32 to 47, including commentary on data gaps and performance improvement measures. Further details on our policies and approach to responsible business are also available on our website.
3. We believe that the details of these climate related financial disclosures are conveyed in a decision-useful format to the users of this report.

Section 172 statement

Companies Act 2006 Section 172 Statement

How does the Board consider the interests of key stakeholders?

Our responsibility to stakeholders, together with consideration of the long term consequences of our decisions and maintaining high standards of business conduct, is integral to the way the Board operates.

The Board of Directors, both individually and collectively, is required by law under Section 172 of the Companies Act 2006 to act in the way that it considers, in its good faith judgement, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole and in doing so needs to take into account a number of factors, including the views of the Group's key stakeholders, and describe in the Annual Report how their interests have been considered in Board discussions and decision making. The Board considers that throughout the year, it has acted in a way and made decisions that would most likely promote the success of the Group for the benefit of its members as a whole, with particular regard to:

Section 172 matter	How the matter is brought into Board decision making	Read more
a) The likely consequences of any decision in the long term	The very nature of our business model means that the Board has to have the long term consequences of its investment decisions in mind. The leases which we grant on primary care medical centres are generally over 20 years in length as these facilities form a key component in the delivery of healthcare in a locality. The practices operating from these premises need modern, flexible premises from which to operate and the security of a long term commitment from the landlord to deliver their crucial front-line health services. We seek to improve and enhance existing premises so they remain fit for purpose, incorporate new technologies and meet the latest environmental standards. We strive to build lasting relationships with our occupiers and build a partnership with them. The Board undertook a comprehensive review and update of the business' long term strategy during the year.	Our business model **(page 20)** Financial Review **(page 26)** Responsible Business Report **(page 32)** Corporate Governance Statement **(page 70)**
b) The interests of the Company's employees	The Group's employees are at the heart of the business and our people strategy focuses on delivering a culture of empowerment, inclusion, development, openness and teamwork. Staff turnover remains low and the small number of staff allows for a flexible and individual approach. Laure Duhot is the Non-executive Director representative for workforce engagement and attended five staff meetings during the year.	People **(pages 43 to 47)**
c) The need to foster the Company's business relationships with suppliers, customers and others	The relationships with our occupiers, suppliers and key partners are critical to our ability to maintain our high quality, resilient rental income. Strong relationships with occupiers support retention and we treat our suppliers fairly, ensuring prompt settlement of their invoices.	Stakeholders **(page 46)** Directors' Report **(page 106)** Corporate Governance Statement **(page 70)**
d) The impact of the Company's operations on the community and the environment	We have continued to support our tenants during the year with dedicated property and facilities management services and in adapting their premises to ensure they provide modern, fit for purpose and energy efficient healthcare premises. This year we continued our ESG focus to enable the Group's operational, development and asset management activities to transition to NZC by 2030 and help our occupiers achieve NZC by 2040.	Responsible Business Report **(page 32)** Corporate Governance Statement **(page 70)**
e) The desirability of the Company maintaining a reputation for high standards of business conduct	We have a clear purpose to deliver progressive returns for shareholders through creating outstanding spaces for primary healthcare services in our communities. We adhere to the highest standards of good governance and business conduct in interaction with all our stakeholders and seek to comply with all legal and regulatory standards.	Responsible Business Report **(page 32)** Corporate Governance Statement **(page 70)**
f) The need to act fairly as between members of the Company	The Board embraces open dialogue with shareholders and engages with them through a range of channels and has communicated with them on the most important corporate events through the year, including the combination with Assura plc in 2025 together with a Capital Markets Day and the interim and full year results, to understand their views.	Stakeholders – investors and lenders **(page 46)** Corporate Governance Statement **(page 70)**

Examples of how we have exercised our Section 172 duties in practice are set out in the case studies on pages 37, 38, 39 and 41.

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.

Risk management and principal risks continued

Our risk management structure

Structure	Responsibility
Board	Sets strategic objectives and considers risk as part of this process. Determines appropriate risk appetite levels.
Audit Committee	Reports to the Board on the effectiveness of risk management processes and controls: • External audit • Risk surveys • Health and safety • Insurance • Need for an internal audit function
Risk Committee	Reports to and assists the Audit Committee, monitoring and reviewing: • 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	Implements and monitors risk mitigation processes: • 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.

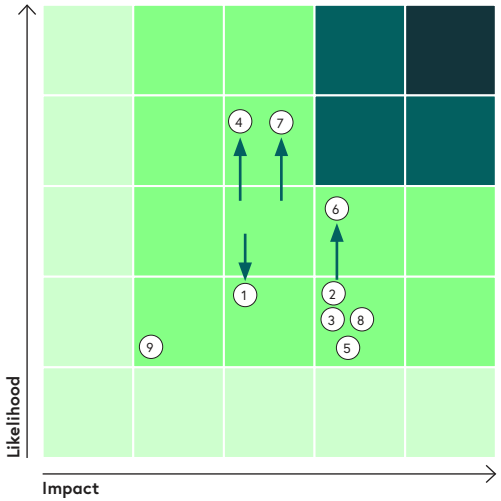
The potential adverse impact of these factors on our business includes reduced demand for our assets impacting property values in the investment market, increased financing costs and our ability to continue to execute our acquisition, disposal and development strategy which could impact our rental income 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

Risk management and principal risks continued

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

1. Property pricing and competition

Unchanged — A C D **KPIs impacted**

The primary care property market continues to be attractive to investors attracted by the secure, government backed income, low void rates and long lease.

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.

Inherent risk rating

2 4 6 8 10 12 14 16 18 20

High
Likelihood is high and impact of occurrence could be major.

Residual risk rating

2 4 6 8 10 12 14 16 18 20

Medium
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.

Active management of the property portfolio generates regular opportunities to increase income and lease terms and enhance value.

Commentary on risk in the year

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.

Elevated interest rates, including volatility, in particular, for gilts and bonds, continues to hold back property yields in the sector.

Mitigation

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.

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.

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.

2. Financing

Unchanged — G H **KPIs impacted**

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.

Furthermore, a more general lack of equity or debt available to the sector could reduce demand for healthcare assets and therefore impact values.

Inherent risk rating

2 4 6 8 10 12 14 16 18 20

High
Likelihood is high and impact of occurrence could be major.

Residual risk rating

2 4 6 8 10 12 14 16 18 20

Medium
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.

Commentary on risk in the year

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.

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.

The Group's undrawn facilities mean it currently has headroom of £571 million, after capital commitments.

All covenants have been met with regard to the Group's debt facilities and these all remain available for their contracted term.

Mitigation

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.

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.

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.

Risk management and principal risks continued

Principal risks and uncertainties continued

Residual risk movement in the year

Increased | Unchanged | Decreased | Low 0–5 | Medium 6–14 | High 15–20

Manage effectively and efficiently

3. Lease expiry management

Unchanged | E | F **KPIs impacted**

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.

Inherent risk rating

2 4 6 8 10 **12** 14 16 18 20

Medium
Likelihood of limited alternative use value is moderate but the impact of such values could be serious.

Residual risk rating

2 4 6 **8** 10 12 14 16 18 20

Medium
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.

Commentary on risk in the year

Lease terms for all property assets will erode and the importance of active management to extend the use of a building remains unchanged.

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.

Mitigation

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.

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.

In addition, there is a strong pipeline of 51 projects that will be progressed in 2026 and the coming years.

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.

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.

4. People

Unchanged | F **KPI impacted**

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.

Inherent risk rating

2 4 6 8 10 **12** 14 16 18 20

Medium
Likelihood and potential impact could be medium.

Residual risk rating

2 4 6 8 10 **12** 14 16 18 20

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.

Commentary on risk in the year

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.

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.

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.

Mitigation

Succession planning is in place for all key positions and will be reviewed regularly by the Nomination Committee.

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.

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.

Notice periods are in place for key employees.

Risk management and principal risks continued

Principal risks and uncertainties continued

Residual risk movement in the year

Increased | Unchanged | Decreased | Low 0–5 | Medium 6–14 | High 15–20

Manage effectively and efficiently continued

5. Responsible business

Unchanged | 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.

Inherent risk rating

2 4 6 8 10 12 14 16 18 20

High
Likelihood is high and impact of occurrence could be major.

Residual risk rating

2 4 6 8 10 12 14 16 18 20

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.

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.

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.

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.

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.

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:

- worked with Achilles to provide limited third-party assurance of our disclosures and achieved certification to Toitu Carbon Reduce and ISO 14064;
- 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 development and refurbishment requirements; and
- 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.

Risk management and principal risks continued

Principal risks and uncertainties continued

Residual risk movement in the year

Increased | Unchanged | Decreased | Low 0–5 | Medium 6–14 | High 15–20

Diversified, long term funding

6. Debt financing

Unchanged | 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.

Inherent risk rating

2 4 6 8 10 12 14 16 18 20

Medium
The likelihood of insufficient facilities is moderate but the impact of such an event would be serious.

Residual risk rating

2 4 6 8 10 12 14 16 18 20

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.

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.

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.

Following the merger, Fitch confirmed that the Assura investment grade rate (BBB+, negative outlook) remains in place.

Mitigation

Existing lenders remain keen to support PHP and new entrants to debt capital markets have indicated willingness to join as new lenders.

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.

Management regularly monitors the composition of the Group's debt portfolio to ensure compliance with covenants and continued funding.

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.

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.

7. Interest rates

Unchanged | 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.

Inherent risk rating

2 4 6 8 10 12 14 16 18 20

High
The likelihood of volatility in interest rate markets is high and the potential impact if not managed adequately could be major.

Residual risk rating

2 4 6 8 10 12 14 16 18 20

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.

Property values are still subject to market conditions which will continue to be impacted by the interest rate environment.

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.

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.

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.

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 £100 million revolving credit facility with RBS expires during 2026.

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.

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.

The Group continues to monitor and consider further hedging opportunities in order to manage exposure to rising interest rates.

Risk management and principal risks continued

Principal risks and uncertainties continued

Residual risk movement in the year

Increased | Unchanged | Decreased | Low 0–5 | Medium 6–14 | High 15–20

Deliver progressive returns

8. Potential over-reliance on the NHS and HSE

Unchanged | 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.

Inherent risk rating

2 4 6 8 10 12 14 16 18 20

Medium

Likelihood is low but impact of occurrence may be major.

Residual risk rating

2 4 6 8 10 12 14 16 18 20

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.

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.

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.

The Group now has 13% of rent from private hospitals which are all operated by leading independent healthcare providers with strong tenant covenants.

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.

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.

9. Foreign exchange risk

Unchanged | 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.

Inherent risk rating

2 4 6 8 10 12 14 16 18 20

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.

Residual risk rating

2 4 6 8 10 12 14 16 18 20

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.

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.

The wider macroeconomic and political environment across the world continues to cause exchange rate volatility.

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.

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.

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

Chair's introduction to governance

Strong and effective governance

Harry Hyman
Non-executive Chair

"The quality of our governance enables the Board to successfully lead the enlarged business to deliver our post transaction objectives of reduced leverage, delivering cost synergies and integrating the two businesses to achieve the best of both organisations."

Our strong and effective governance supported what was a transformational year for PHP, obtaining overwhelming shareholder and wider stakeholder support for the combination with 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 in the future.

Dear shareholder,

I am pleased to introduce the governance section of this year's Annual Report. This gives more detail on the governance that we have in place, how the Board and its Committees' activities worked on behalf of shareholders and other stakeholders, and the outcome of these activities. We will, as a company listed on the London and Johannesburg Stock Exchanges, report on how we have applied the principles in the UK Corporate Governance Code (2024) and how we have complied with its provisions, or if not, provide an explanation of the Company's departure with recommended practice, in line with the Code's 'Comply or Explain', basis of reporting.

This has been a transformational year for PHP with the acquisition of Assura plc. The opportunity to put forward proposals for a merger with Assura – an important strategic step with a compelling rationale, strongly supported by investors in both companies – arose early in the year. The Board responded by playing a crucial role supporting management and navigating the numerous key decision points and issues to deliver a successful transaction. 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 thereafter.

The Board of the Company has provided valuable oversight and support to management to effect the integration, as evidenced by the synergies already delivered totalling £6.9 million or 77% of the target, which has been achieved primarily through a reduction in people costs and elimination of duplicated professional fees.

I would like to extend my thanks to all of my Board colleagues for the role they played and the high level of performance and commitment demonstrated, through attending no fewer than 12 additional Board meetings. These were frequently at short notice, as the transaction progressed, in addition to the five scheduled Board meetings. Throughout the process, there was a relentless focus on shareholders' best interests and those of stakeholders more broadly, with the long-term strategic success of PHP and the enlarged business as a guiding principle.

The Board's leadership, deep experience of the Company and sector, business insight and mix of skills has stood the Company in excellent stead. I am delighted that Jonathan Davies, the former senior independent director and Chair of Assura who has a vast amount of relevant experience (for which, please see further details on page 69), has now joined the Board as a non-executive director. I am confident his skills will complement the Board's existing capabilities, as well as providing stakeholders with continuity during the integration period and beyond.

Chair's introduction to governance continued

People, culture and strategy

With the acquisition of Assura, a key consideration for the Board has been the alignment of people, culture and strategy. I am proud of how colleagues across the newly enlarged business have collaborated together in the short period since the Competition and Markets Authority review concluded. We recognise that the future success of the Group in large part depends on our people.

We aim to be a key partner working in collaboration with the national and neighbourhood health services in the United Kingdom and Ireland to deliver much needed investment into primary care facilities which have been demonstrated to improve health outcomes and reduce referral rates to overstretched public hospitals, all in a manner which maximises health system value for money.

Accordingly, we conduct our operations with honesty, integrity and respect for the many people, organisations and localities that our business touches. In addition to monitoring and assessing culture with this objective in mind (as further described on page 71), the Board also seeks to maintain an environment internally which encourages openness, collaboration, respect, trust and fairness.

Stakeholders and sustainability

The nature of our business, from investing in and developing properties to managing and improving our spaces, means we have a continuous dialogue with a wide group of stakeholders and we consider our environmental and social impacts in all that we do. More detail on the Board's engagement with shareholders, employees and other stakeholders can be found on pages 43 to 46.

In 2025, we continued the evolution our social impact programme to focus and link with our asset management projects, working directly with tenants to provide support for their chosen local initiatives. Additionally, we continue to engage with and support our employees focusing on professional and personal development.

We provide further details on our initiatives to engage with all our stakeholders on pages 46 to 47 and how we discharge our duties under Section 172 of the Companies Act 2006 on page 55.

AGM and Board re-election

We will be holding our Annual General Meeting on 29 April 2026 and the Notice of the meeting, a covering letter from me about the meeting, explanatory notes for the resolutions to be put to the meeting and details of how you vote are set out on pages 156 to 170. We are pleased that each of the Directors has agreed to stand for election or re-election at the AGM. I hope that you will be able to join us at the meeting. If you are not able to do so, please either use the form of proxy that you should find with the Annual Report or cast your vote electronically as explained on pages 168 to 170.

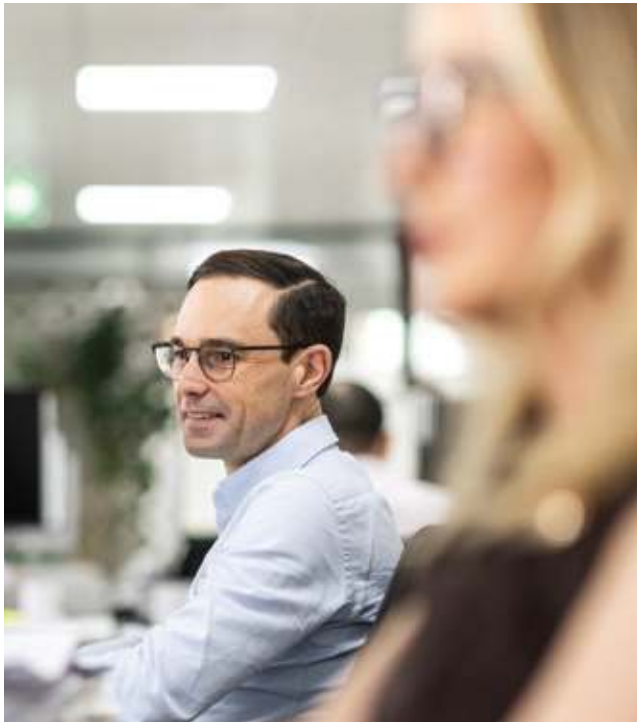
Shareholders will note, as explained in the following section, that I was formerly Chief Executive of PHP. I believe that our governance has worked well for our Company. We have a clear differentiation between my role in leading the Board and Mark Davies' role in leading the Company day to day, as has been demonstrated by the Assura transaction and delivery of 30 years of increasing dividend.

I therefore believe, with the addition of Jonathan Davies as an additional Non-executive Director, that our current Board with a greater number of independent non-Executive Directors, demonstrates that we have the right mix of knowledge and understanding of the Company, its purpose and strategy, assets and risks. These, together with our experience in the sector, skills and abilities and governance systems and processes, enables your Board to successfully lead the enlarged company for shareholders and other stakeholders. We therefore recommend that you vote in favour of all the resolutions proposed at the AGM.

Looking ahead

I would like to conclude by warmly thanking all our employees and the Board for their continued commitment, dedication and professionalism. I am confident that PHP, with a focused and experienced Board, skilled senior management team and committed workforce, is well positioned to deliver our purpose, vision and strategy.

Harry Hyman
Non-executive Chair
16 March 2026



Compliance with the Code

Statement of compliance with the Code

This report sets out the Company's governance structures and practices and explains how the Board discharges its duties and applies the principles and complies with the provisions of the 2024 UK Corporate Governance Code (the "Code"), issued by the Financial Reporting Council ("FRC") and available at www.frc.org.uk. The Company notes that new Provision 29 of the Code regarding risk management and material controls is applicable for accounting periods beginning on or after 1 January 2026 and is not reporting on these but will do so in the next Annual Report and Accounts, in line with the FRC Guidance on the Code. The Company is actively considering the material controls of the enlarged group as part of our integration activities and the declaration that the Board will need to make.

The Board has considered the Company's compliance with the provisions of the Code during the year ended 31 December 2025.

The Board confirms that, throughout the year ended 31 December 2025 and to the date of this report, the Company was compliant with the relevant provisions as set out in the Code, except in relation to the role of Harry Hyman as Non-executive Chair, following his previous tenure as Chief Executive. The Board noted that Mr Hyman's re-election at the 2025 AGM was supported by just under 80% of the votes cast (79.28%). In line with Provision 4, in October 2025 the Company provided an update on the views received from shareholders. The views of shareholders during the Assura transaction encourages and supports the Board's unanimous view that Mr Hyman is the right person to be Chair of the Company, as described below.

In line with the Code Principle of "Where the board reports on departures from the Code's provisions, it should provide a clear explanation" the whole Board has been, and continues to be, unanimously supportive of the Chair in his role. Mr Hyman has a unique understanding of the Company's purpose, strategy and culture of the Company, having founded and developed the Company over the last thirty years. He was crucial, together with the Chief Executive, for ensuring the success of the Assura transaction through his knowledge and understanding of shareholder interests, through his leadership of the Board meetings and ensuring that Board members were kept appraised of matters including the provision of the right information at the appropriate time to make the right decisions.

However, Mr Hyman is very conscious that the role of Chair is to lead the Board and not the implementation of the strategy set by the Board, which is that of Mr Davies, as CEO and who was appointed at the conclusion of the 2024 AGM.

In his role, for example, the Chair facilitated and encouraged discussions and challenge in order that the Board could satisfy itself that the Assura transaction as proposed by management was in the best interests of shareholders and all stakeholders.

The Non-executive Directors, in line with the Code, regularly appraise the performance of the Chair (without him being present) and we are wholly supportive of the Chair in his role. The Board believes that the knowledge and experience of the Chair, plus those of the other Non-executive Directors will be key in the governance of the Company during the integration of Assura and development of the enlarged company. The Board noted that major shareholders were consulted ahead of the Chair's appointment in 2024, as required by the Code in these circumstances, and the Chair continues his active engagement with major shareholders.

Statement from the Senior Independent Director

Dear shareholder,

In relation to the Chair's appointment in 2024, we consulted widely with major shareholders prior to his appointment in order to understand their views. We were very keen to ensure that we had the right person to lead the Board in the Company's next phase of development following the internalisation of management in 2021 and the appointment of a new Chief Executive in 2024. Following the vote at last year's AGM, in which just under 80% voted in favour of his re-election, we offered the opportunity for shareholders to discuss any concerns with me. However, no further requests were received.

In addition, our externally facilitated Board performance review in the year included consideration of Harry's performance. All the Non-executive Directors were very positive about the appointment and his performance in a challenging year. The transition from CEO to Chair has gone very well and his onboarding and ongoing relationship with the Chief Executive has been excellent.

As the Senior Independent Director, I am available to shareholders if they have any issues they would like to raise about the Chair or other matters that they feel that they cannot raise with either the Chair or Chief Executive directly. I have not had any such requests during 2025.

Ian Krieger
Senior Independent Director
16 March 2026

Principles of the Code

Implementing the Code

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Gender

Male	5
Female	3

Ethnicity

Directors from minority ethnic groups	2
Others	6

Balance of the Board

Executive Directors	2
Non-executive	6

Tenure

0-3 years	3
3-6 years	1
6+ years	4

Board of Directors

A Audit Committee E ESG Committee N Nomination Committee R Remuneration Committee
S Standing Committee ● Indicates Chair of Committee

Board of Directors

Harry Hyman
Non-executive Chair
Election to the Board

Harry Hyman founded the Company in 1996 and served on the Board as Managing Director from that time and represented the former adviser to the Company, Nexus Tradeco Limited ("Nexus"), on the Board. On completion of the management internalisation on 5 January 2021, Harry was appointed as Chief Executive Officer. He was appointed as Non-executive Chair with effect from the end of the 2024 AGM, following the appointment of Mark Davies as Chief Executive. He stepped down as Chair of the Nomination Committee in December 2025.

Harry graduated from Cambridge University and trained as a Chartered Accountant and Corporate Treasurer. He is a Fellow of the Institute of Chartered Accountants in England and Wales.

Skills, competence and experience

Harry has significant and extensive experience in investing in the primary healthcare sector, having developed the Company's business from its inception 30 years ago to its current position.

He brings leadership experience as Chair of another listed company and entrepreneurial flair to the Board having established a number of successful private companies. Harry was key to the successful Assura transaction.

Other listed company directorships

Non-executive Chair of Biopharma Credit PLC, an externally managed investment trust which invests in the fast-growing science industry and is listed on the London Stock Exchange.

Mark Davies
Chief Executive Officer
Election to the Board

Mark Davies was appointed to the Board from the 2024 AGM.

Career

Mark was a Co-founder Director of NewRiver REIT plc ("NewRiver") in 2009 and played an important role in taking NewRiver from IPO into the FTSE 250 Index in seven years. He was CFO of NewRiver for over twelve years and, alongside his role as CFO, was also CEO/ Executive Chair of Hawthorn Leisure Limited ("Hawthorn") for five years. Mark stood down from the board of NewRiver following the successful sale of Hawthorn in July 2021 to private equity at a premium price.

Skills, competence and experience

Mark has considerable capital markets, listed company leadership and entrepreneurial experience and was key to the successful Assura transaction.

Other listed company directorships

None.

Richard Howell
Chief Financial Officer
Election to the Board

Richard Howell was appointed to the Board from 31 March 2017. He was appointed as Chief Financial Officer in 2021 following completion of the internalisation of the advisory and management functions previously carried out by Nexus.

Career

Richard is a Chartered Accountant and has over 20 years' experience working with London-listed commercial property companies, principally LondonMetric Property plc and Brixton plc. Richard was part of the senior management team that led the merger of Metric Property Investments plc and London & Stamford Property plc in 2013 to create LondonMetric Property plc. In May 2022 he was appointed as a Non-executive Director at Life Science REIT plc, an AIM-listed, externally managed real estate investment trust.

Skills, competence and experience

Richard has extensive finance and accounting experience, having previously held senior accounting positions within listed property companies operating across the UK. This experience includes both equity and debt financing for the acquisition of Assura, together with implementing the Company's hedging strategy. Richard has been responsible for arranging and negotiating lending arrangements for the Company and in previous roles with major UK banking and finance institutions and advisers, including at LondonMetric Property plc and Brixton plc, leading the finance teams in over £5 billion of property transactions.

Other listed company directorships

Senior Independent Non-executive Director and Chair of the Audit Committee of Life Science REIT plc.

Laure Duhot
Independent Non-executive Director
Election to the Board

Laure Duhot was appointed to the Board from 14 March 2019 following completion of the merger with MedicX Fund Limited.

Career

Laure started her career in the investment banking sector and has developed a focus on the property and infrastructure sectors. She has held senior roles at Lehman Brothers, Macquarie Capital Partners, Sunrise Senior Living Inc., Grainger plc and Lendlease.

Skills, competence and experience

Laure brings over 30 years of senior executive level experience in the investment banking and property sectors, specialising in alternative real estate assets, and has been a Non-executive Director at a number of funds and property companies.

Other listed company directorships

Safestore Holdings plc

Independent Non-executive

Yes.

Board of Directors continued

A Audit Committee E ESG Committee N Nomination Committee R Remuneration Committee
S Standing Committee ● Indicates Chair of Committee

Ian Krieger
Senior Independent Non-executive Director
Election to the Board
Ian Krieger was appointed to the Board in February 2018, and is Chair of the Audit Committee.

Career
Ian is a Chartered Accountant and was a Partner and Vice-Chair at Deloitte until his retirement in 2012.

Skills, competence and experience
Ian qualified as and practised as a Chartered Accountant and brings a wealth of recent financial experience to the Board as well as his experience as Chair of the audit committees of two other UK-listed companies in the property sector (having been Senior Independent Non-executive Director and Chair of the audit committee at both Safestore Holdings plc and Capital & Regional plc until his retirement in 2024).

Other listed company directorships
None.

Independent Non-executive
Yes.

Ivonne Cantú
Independent Non-executive Director
Election to the Board
Ivonne Cantú was appointed to the Board from 1 January 2022.

Career
Ivonne has significant public company experience having spent over 20 years advising listed businesses. She was until 31 August 2025 the Director of Investor Relations, Communications and Sustainability as well as a member of the executive management team of Benchmark Holdings plc, a biotechnology aquaculture company. She is also a Non-executive Director and Chair of the audit committee at Creo Medical Group plc and a Trustee of two non-profit UK based charities, La Vida - Vital Investment for Development Aid in Latin America and Info Latinos.

Skills, competence and experience
Ivonne brings to the Board substantial experience in capital markets, M&A, corporate governance, investor relations and sustainability. Prior to taking up her position at Benchmark Holdings plc, Ivonne spent 13 years as Corporate Finance Adviser at Cenkos Securities plc, and Merrill Lynch, advising companies across multiple sectors and geographies. She has a degree in engineering from the Universidad Panamericana in Mexico City and an MBA from the Wharton School of Business at the University of Pennsylvania.

Other listed company directorships
Creo Medical Group plc.

Independent Non-executive
Yes.

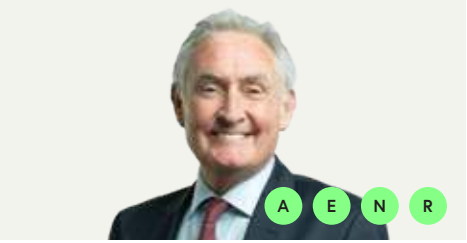
Dr Bandhana (Bina) Rawal
Independent Non-executive Director
Election to the Board
Bina Rawal was appointed to the Board from 27 February 2024.

Career
Bina is a medical professional with 25 years' senior executive experience in healthcare, including with blue chip pharmaceutical companies such as Roche and global research funding charity Wellcome Trust. She is currently Senior Independent Director at Worldwide Healthcare Trust plc, a FTSE 250-listed investment trust specialising in healthcare and life sciences companies where she is board lead for ESG and chairs the nominations committee.

Skills, competence and experience
Bina has a wide breadth of experience spanning patient care, digital and population health, ESG, strategy, partnerships and EDI, alongside extensive networks in UK healthcare through her senior level executive and non-executive roles to date in large, complex organisations within the public, private and not-for-profit sectors.

Other listed company directorships
Worldwide Healthcare Trust plc.

Independent Non-executive
Yes.



Jonathan Davies
Independent Non-executive Director
Election to the Board
Jonathan Davies was appointed to the Board from 1 December 2025.

Career
Jonathan was until recently Chief Financial Officer of SSP Group plc ("SSP"), where he also served as Deputy Chief Executive. Since his appointment in June 2018, Jonathan also served as a Non-Executive Director of Assura plc ("Assura") until the clearance of the Company's acquisition of Assura by the Competition and Markets Authority on 29 October 2025. His skills in strategy, commercial and financial management were built in his earlier roles with Unilever plc, OC&C and Safeway plc.

Skills, competence and experience
Jonathan brings to the Board extensive experience of finance, mergers and acquisitions and corporate governance, having taken SSP private in 2006, listed it on the London Stock Exchange in 2014 and undertaken numerous debt and equity raises since then. Jonathan also brings a deep understanding of Assura, having served as its Senior Independent Director, Chair of the Audit Committee and, latterly, Chair, providing stakeholders with continuity during the integration period and beyond.

Other listed company directorships
None.

Independent Non-executive
Yes.

Corporate governance statement

Part A: Board leadership and Company purpose

Purpose, strategy, values and culture

The Company's purpose is to create long term sustainable value to shareholders by supporting the NHS in the United Kingdom and the HSE in Ireland in tackling the underinvestment in health facilities in both countries.

We exist to facilitate the NHS, the HSE, GPs and our other customers in delivering neighbourhood health services.

We are proud that our buildings serve a total patient list of over 11 million. We also continually invest in our estate through asset management projects designed to improve the quality of the buildings, making them more energy efficient and increasing the number of consulting rooms and other facilities available to deliver key services.

Our strategy is built around four pillars: Grow, Manage, Fund and Deliver. Set out in the table on the right is how the decisions taken by the Board have supported the delivery of this strategy during the year.

How governance supports our strategy

The Board believes that the enlarged Group's portfolio of properties offers long term and sustainable sources of rental income to underpin returns we offer to shareholders.

1. Grow

Whilst development activity remained subdued in the year across the commercial property sector as the volatile economic and geopolitical environment continued, the Board's energy and focus was applied to pursuing the compelling strategic opportunity comprised in the Assura transaction, which went unconditional as to acceptances on 12 August and received CMA clearance on 29 October 2025. This transformational deal provides the group with the scale which investors wish to see, and an exciting future for the enlarged business.

→ Read more on page 22

2. Manage

A major area of focus for PHP has been successfully delivering asset management projects. To enhance the capital value of the portfolio, regear leases and improve the energy efficiency of properties, the Board agreed capital expenditure investment of £16 million on asset management projects completed and exchanged in the year and the reallocation of certain people from the investment team to the asset management team to undertake more projects.

→ Read more on page 22

3. Fund

The Board approved the issue of further ordinary shares in the Company and debt facilities of £407m in order to fund the cash consideration component of the Assura transaction and transaction costs.

The Board considered the reports of the ESG Committee after each of its meetings and approved the investment required to drive forward our sustainability initiatives, details of which are set out in the Responsible Business Report, and decided to re-focus its community impact funding to more closely align with benefiting the communities served by buildings at which asset management projects took place.

→ Read more on page 23

4. Deliver

The Board critically reviewed the level of quarterly interim dividends for the year and were pleased to continue the 30 year history of increasing dividends.

Following its previous decision to introduce a Dividend Reinvestment Plan the Board continued to make the plan available for shareholders as a means for them to increase their shareholding in a cost-effective manner.

→ Read more on page 23

Corporate governance statement continued

Part A: Board leadership and Company purpose continued

Purpose, strategy, values and culture continued

Culture and values

We recognise that, as guardian of the culture, the Board plays a vital role in defining the way in which we do business and the Board sets the tone for the Company.

An appropriate governance structure for decision making, together with promoting an environment of trust, respect and accountability, is fundamental. This attitude and mindset to do what is right shapes the environment within which the Executive Committee and wider PHP team work and the way PHP behaves towards its stakeholders. Our strong culture supports our strategic priority of partnering with the NHS in the UK and the HSE in Ireland in the modernisation of the healthcare estate and promotes employee engagement, retention and productivity.

We work collaboratively and use our combined experience and expertise to find high quality solutions for our occupiers and improve the experience of the people who use our buildings.

- regular reporting and feedback from the Executive Directors and the designated workforce NED following staff engagement meetings, highlighting what we do well and where improvements can be made;
- regular face-to-face engagement with employees through Board site visits and exposure to the senior management team; and
- monitoring of staff turnover rates, whistleblowing and health and safety incidents.

Going forward, we will continue to remain open minded to efficient, tech-enabled ways of working, which can also assist us as we continue to further look at efficiencies to drive down our costs and environmental impact.

Our stakeholders and the Board's engagement with them

Our tenants

We continuously engage with the NHS in the UK and the HSE in Ireland, as well as with our hospital trusts and management, local GPs and other healthcare professionals at our facilities, to understand their evolving requirements.

We also engage with NHS integrated care systems in England, as they continue to evolve, to understand their key priorities for the improvement of care in neighbourhoods and develop an effective partnership with them and other key stakeholders to deliver their vision for improved healthcare provision.

We also continue to find new ways to collaborate with NHS partner organisations to continually progress the high compliance standards which are central to PHP's stakeholder offer.

The Board reviewed the results of the tenant survey conducted in the year. This was based on a face-to-face interview format with a sample of the tenant base to better understand tenants' views and ensure that we are engaging with the right individuals to gain feedback on, and continually improve, our property management performance.

Our communities

In 2025, our social impact programme has continued to focus on and link with our asset management projects, working directly with tenants to provide support for their chosen local initiatives. We support local communities in matters that are important to them rather than applying the same format or solutions uniformly.

Our employees

In 2025, the Board reviewed the integration plans and potential impacts on employees, working closely with teams from Assura and PHP; continued to focus on staff career pathway support and development and continued to engage with our teams, including through changes to internal structures.

In addition to regular updates, PHP held an Estates Review over two days in early September, which was an excellent opportunity for management to spend time with 17 senior members of the combined property team. This encouraged ideas for moving the business forward including further cross-team working.

Board Workforce Engagement

Laure Duhot, as the designated Non-executive Director to lead and support workforce engagement for the Board, held three in person meetings this year with staff in the Cork, London and Stratford-upon-Avon offices.

The meetings importantly also provided an opportunity for people from Assura to speak directly with a Board member from PHP.

These meetings were very well received and gave the Board, through Laure's feedback, an insight into employee views. She reported back her detailed feedback from these sessions, on a non-attributable basis, the outcome of which was the addressing of matters raised in these sessions with management for the consideration and actioning where appropriate.

Our investors

Regular communication with investors is a top priority for the Board in order to understand the views of the owners of the business.

The Assura transaction provided a unique opportunity to engage with shareholders of both PHP and Assura to understand their perspectives. It was heartening to note their support for PHP's management team and strategy, and their shared view that the combination made compelling strategic sense. This view was reflected in the strong level of acceptances to PHP's offer.

We aim to create sustainable value for the investors in our business whether institutional, private or debt investors.

Corporate governance statement continued

Part A: Board leadership and Company purpose continued

Our stakeholders and the Board's engagement with them continued

Our investors continued

Institutional investors	Private investors	Debt investors
Our Executive Directors once again held a series of meetings with institutional investors as part of roadshows following our full year and interim results. There were also numerous engagements with shareholders during the Assura transaction process (all of which were duly overseen by the Company's financial advisers to ensure regulatory compliance). The Board works with its brokers, Deutsche Numis, Peel Hunt and Shore Capital (who were appointed in the year), to ensure that an appropriate level of communication is facilitated through a series of investor relations activities around the issue of our full year and interim results. The feedback received by the brokers from these meetings is relayed to the Board. The Company also held a Capital Markets Day on 24 July 2025 at which investors had the opportunity to learn more about the Company's business and its plans to capture the significant opportunities which it has identified. As a result of these meetings, the Board is mindful of, and considers investor views particularly on the development and implementation of strategy, financial and operational performance, ESG matters, the strength of the Company's income, the debt structure and the real estate market in general in light of NHS plans.	Private investors are an important part of our shareholder base for whom we aim to deliver progressive dividend growth and steady capital appreciation. Our private investors are encouraged to give feedback and communicate with the Board via the Company Secretary. The whole Board attended the 2025 Annual General Meeting and was available to meet shareholders and answer their questions. All the resolutions put to the meeting received strong support from investors. The results of the voting at all general meetings are published on our website. We work closely with our registrar, Equiniti – and, following the secondary listing of the Company's shares on the Johannesburg Stock Exchange, with JSE Investor Services in South Africa – to maintain an efficient share register, and address in a timely way all queries that we receive from our private shareholders throughout the year.	We consider our debt on an ongoing basis for effective cost management. For example, 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 £4.5 million. The fixed rate swap will provide further protection to the Group's interest rate exposure, especially whilst rates continue to remain elevated and volatile. Regular dialogue is maintained with all our relationship banks, including meetings and/or conference calls.

Part B: Division of responsibilities

There is a clear written division of responsibilities between the Chair (who is responsible for the leadership and effectiveness of the Board) and the Chief Executive Officer (who is responsible for the day-to-day operations of the business). The Senior Independent Director also has written terms reflecting his role. The Chair ensures a collaborative culture in the Boardroom with all Directors being encouraged to contribute to discussions and support and/or challenge, and in particular to discourage groupthink. The Chair also meets with individual directors outside of formal meetings to understand their perspective, raise any issues in confidence and develop engagement.

Five Committees of the Board have been operating throughout the year, the Audit, Remuneration, Nomination, ESG and Standing Committees, to which certain powers have been delegated as set out in their terms of reference which can be viewed on our website at www.phpgroup.co.uk/about-us/corporate-governance. The reports of each of the Audit, Remuneration and ESG Committees are set out in the following pages. The ESG Committee has, in 2026, become an Executive Committee led by the Chief Executive.

Our governance structure, shown on page 73, ensures that the Board is able to focus on key matters which are reserved for its consideration including strategic proposals, property acquisitions, major transactions and governance matters which affect the long term success of the business.

The Board has delegated authority for the day-to-day management of the business to the Chief Executive Officer, who is supported in discharging these duties by executive committees as shown on page 73.

There is a clear statement of Matters Reserved for the Board and delegated authorities setting out the financial parameters within which the Executive Directors and senior management team may act without reference to the Board. However, any proposal could still be taken to the full Board for consideration and approval where this is considered appropriate.

Corporate governance statement continued

Part B: Division of responsibilities continued

Our governance structure

Board of Directors

Chair: Harry Hyman
- The Board sets the Group's strategic aims, ensuring that the necessary resources are available for the Group to meet its objectives, and oversees the execution of the strategy within an acceptable risk management framework

Audit Committee

Chair: Ian Krieger
- Oversees the quality of financial and narrative reporting
- Scrutinises significant judgements made by management
- Provides assurance on internal controls, risk management and audit processes
- Evaluates the performance of the external auditor, with responsibility for audit tender
- Obtains assurance regarding the objectivity of the valuers

Members: Ian Krieger, Ivonne Cantú, Laure Duhot, Bina Rawal and Jonathan Davies

Remuneration Committee

Chair: Ivonne Cantú
- Determines and implements Remuneration Policy
- Sets remuneration packages and incentives for Executive Directors and the senior management team
- Approves annual bonus and LTIP targets and outcomes for the senior management team
- Oversees the operation of the PHP Sharesave plan and approves the grant of options under the plan
- Has oversight of workforce remuneration arrangements and alignment of these with the Group's strategy

Members: Ivonne Cantú, Laure Duhot, Ian Krieger, Bina Rawal and Jonathan Davies

Nomination Committee

Chair: Ivonne Cantú
- Leads process for Board appointments
- Considers Board composition and succession
- Reviews balance of skills and diversity on the Board
- Oversees the annual Board evaluation process

Members: Ivonne Cantú, Harry Hyman (who stepped down as Committee Chair in December 2025), Ian Krieger, Laure Duhot, Bina Rawal and Jonathan Davies

ESG Committee (*an Executive Committee in 2026)

Chair: Laure Duhot
- Assisted in the development of ESG strategy
- Developed and monitored policies on ESG matters
- Developed and monitored social impact initiatives
- Considered opportunities for environmental initiatives in the portfolio

Members: Laure Duhot, Ivonne Cantú, Harry Hyman, Ian Krieger, Bina Rawal, Jonathan Davies, Mark Davies, Richard Howell and David Austin

Standing Committee

Chair: Harry Hyman
- Approves dividend announcements and implementation
- Approves the allotment and issue of new shares in connection with the Company's share plans
- Approves other formal matters that require the approval of the Board or a duly authorised committee between scheduled meetings of the Board and acts as the disclosure committee

Members: Harry Hyman, Ian Krieger, Mark Davies and Richard Howell

Other non-Board committees

Executive Committee

- Reviews investment opportunities for consideration by the Board and approves any investment decisions of less than £5 million
- Reviews operational performance of the business and approves proposals for asset management projects involving capital expenditure of less than £2 million
- Undertakes day-to-day management of the PHP portfolio
- Reports to the Board at each meeting through formal reporting from the CEO and CFO

Members: Mark Davies (Chair), Richard Howell, David Austin and Toby Newman*

Risk Committee

- Reviews strategic and operational risks in achieving delivery of PHP's strategic goals
- Reviews operational risk management processes
- Recommends appropriate risk appetite levels and monitors risk exposure
- Reports to the Audit Committee at each of its meetings

Members: Richard Howell (Chair), Ian Krieger, Mark Davies, Liam Cleary, David Austin and Toby Newman*

* Mr Newman stepped down on 30 January 2026.

Corporate governance statement continued

Part B: Division of responsibilities continued

How the Board functions

Regular Board and Committee meetings are scheduled throughout the year with five scheduled meetings held in 2025 (from an overall total of 17 Board meetings in the year, with the remainder being ad hoc meetings held at short notice).

The Board has a formal schedule of matters specifically reserved for its decision, which includes (amongst other things) various strategic, financial and operational responsibilities (see above). A summary of the key activities of the Board during the year can be found on page 75.

Care is taken to ensure that information is circulated in good time before Board and Committee meetings and that papers are presented clearly and with the appropriate level of detail to assist the Board in discharging its duties. The Company Secretary assists the Board and Committee Chairs in agreeing the agenda in sufficient time before the relevant meeting to allow input from key stakeholders and senior executives.

Further, the members of the senior management team regularly attend meetings of the Board and have developed a strong understanding of the Board's approach and culture.

Role	Responsibilities
Non-executive Chair Harry Hyman	• Leads the Board and ensures it runs effectively • Sets Board culture to promote boardroom debate • Regularly meets with the Chief Executive to stay informed about developments between Board meetings • Monitors progress against strategy and performance • Ensures all stakeholders' views are considered
Senior Independent Director Ian Krieger	• Provides a sounding board for the Chair • Leads performance evaluation of the Chair • Is available to respond to shareholders' concerns when contact through the normal channels is not appropriate
Non-executive Directors Ivonne Cantú Laure Duhot Bina Rawal Jonathan Davies	• Scrutinise and constructively challenge the performance of executive management • Bring independent judgement to investment decisions brought to the Board and approve decisions reserved for the Board as a whole • Contribute to developing strategy and monitor the delivery of the agreed strategy • Contribute a broad range of skills and experience
Chief Executive Officer Mark Davies	• Manages the day-to-day running of the business • Manages dialogue with investors, shareholders and key stakeholders and relays views back to the Board • Helps develop and formulate strategy for the Board and is responsible for its implementation
Chief Financial Officer Richard Howell	• Responsible for the preparation of accounts and integrity of financial reporting • Implements decisions on financing and capital structure determined by the Board • Responsible for day-to-day treasury management • Ensures robust accounting systems and internal controls are implemented
Company Secretary Toby Newman Phil Higgins (from February 2026)	• Advises the Board and is responsible to the Chair on corporate governance matters • Ensures good flow of information to the Board and its Committees • Promotes compliance across the business with statutory and regulatory requirements and Board procedures

Corporate governance statement continued

Part B: Division of responsibilities continued

Meetings in the year

Details of the attendance of each of the Directors who served during the year are set out below:

Director	Board (total in year – 5)	Audit Committee (total in year – 5)	Nomination Committee (total in year – 3)	ESG Committee (total in year – 2)	Remuneration Committee (total in year – 4)
Harry Hyman	5	—	3	2	—
Mark Davies	5	—	—	2	—
Richard Howell	5	—	—	2	—
Ivonne Cantú	5	5	3	2	4
Laure Duhot	5	5	3	2	4
Ian Krieger	5	5	3	2	4
Bina Rawal	5	5	3	2	4
Jonathan Davies*	1	1	1	1	1

* Joined the Board in December 2025.

An additional 12 Board meetings were held in the year relating to the Assura transaction

In addition to the Assura Transaction, matters considered and actions taken at the scheduled Board meetings included:

February

- Strategic planning for the year ahead against the backdrop of continuing economic headwinds and geopolitical uncertainty
- Critical examination of the year-end property valuations
- Approval of the preliminary announcement of results and the 2024 Annual Report, incorporating the Notice of AGM
- Received and approved various recommendations from the ESG Committee, including with respect to equality, diversity and inclusion and prevention of modern slavery

April

- Consideration of the voting at the Annual General Meeting, the reasons for any significant votes against resolutions and any follow-up actions
- Strategy discussion including in relation to the use of technology, growth and communication of PHP's proposition

July

- Careful consideration of the results of the interim valuation
- Approval of the interim results for release
- Received and discussed external strategic market update
- Discussion of cyber security risk management and mitigations
- Received an update on regulatory matters

October

- Reflected on key themes from strategy discussions
- Received and discussed an update on current and emerging ESG trends
- Considered a number of investment opportunities

December

- Received and considered updates in connection with 2025 audit process, including internal controls and risk register
- Reviewed and approved 2026 budget

Corporate governance statement continued

Part B: Division of responsibilities continued

Strategy meeting

The strategy meeting is held as a separate meeting outside the regular Board schedule and attended by all the Directors and the Executive Committee.

The 2025 strategy meeting was held in Dublin. The location of the meeting enabled the Board to meet with its leaders in Ireland, as well as gaining valuable insights into the Irish health market and health policy from external speakers with extensive experience of the sector.

These visits provided valuable further insights for the Board in relation to the Company's business in Ireland, also developing its understanding of the extent to which public and private health provision are intertwined in Ireland and the implications of this for healthcare delivery, together with insights that may be applied to health system functioning and improvement more generally.

In preparation for the strategy meeting the Board received a background information pack that included content relating to finance, asset management, forecasting and equity markets to support an in-depth strategic discussion.

Outcomes

The decisions taken during the year led to the successful outcome of the proposed acquisition of Assura plc, the continued capital investment in PHP's assets including asset management plans and the increased dividend payment. Further work was identified to be undertaken in relation to cyber risk and AI developments and these, together with the strategic development issues identified for the enlarged group would be considered and developed further in 2026.

Part C: Composition, succession and evaluation

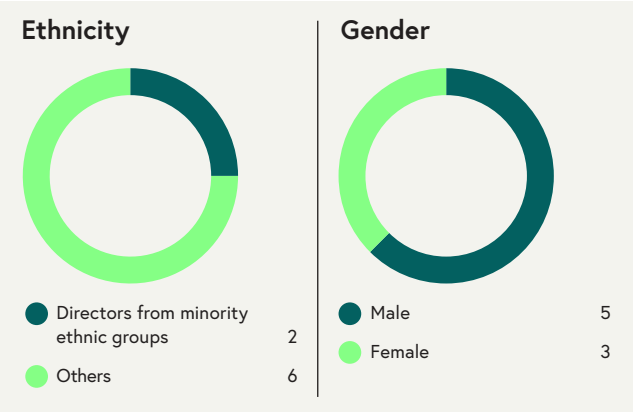
Board composition

The current Board of Directors of the Company consists of the Chair, five independent Non-executive Directors and two Executive Directors and complies with the Code in that at least half of the Board are independent Non-executive Directors. Details of the composition of the Board by gender and ethnicity are set out below.

The Listing Rules target that at least one individual on a company's board of directors is from an ethnic minority background was met, with two of its directors being from an ethnic minority background.

Following the appointment of Dr Bina Rawal, in 2024 43% of the Board were women, such that the 40% target in the Listing Rules was met. The balance of the Board changed in December 2025 with the appointment of Jonathan Davies, following which 37.5% of the Board were women. Accordingly, the 40% target in the Listing Rules is no longer met but would be kept under review. The target for at least one of the senior Board positions specified in the Listing Rules (being Chair, Chief Executive, Senior Independent Director or Chief Financial Officer) being held by a woman was not met in the year. The Company considers that the experience and expertise in these roles best positioned PHP for success in this transformational year, but this would be kept under review.

Biographical information on each of our Directors can be found on pages 68 and 69. Ms Cantú, Ms Duhot, Mr Krieger, Dr Rawal and Mr J Davies are all considered to be independent.



The composition of the Board is fundamental to its governance and overall success of the Company. We continue to have a strong mix of experienced individuals on the Board. The Non-executive Directors are not only able to offer an external perspective on the business, but also constructively challenge the Executive Directors, particularly when developing the Company's strategy.

As previously noted, the Company increased the Board to eight Directors with Jonathan Davies' appointment on 1 December 2025 as a further independent Non-executive Director. We believe that a Board of eight Directors will continue to be of a size that is appropriate for an enlarged business with a clear and focused strategy, at the same time as delivering on the evolving corporate governance requirements to which the Company is subject, noting that the Company is not compliant in respect of certain gender and ethnicity requirements. We believe this size of Board will continue to facilitate all members of the Board developing a close understanding of PHP's enlarged business and foster open debate.

Board induction and training

The Code provides that all Directors should receive a full, formal and tailored induction on joining the Board. On joining the Board new Directors are provided with an induction programme to enable them to integrate into the Board as quickly as possible and feel able to contribute to business and strategy discussions with enough background knowledge.

A tailored induction programme for Mr Davies was facilitated by the Company Secretary. The induction process included the following elements:

- one-to-one meetings with the Chair, other Board members, members of the Executive Committee and the senior management team;
- a full supporting pack of relevant materials to give insight into strategy, structure and operations, as well as the Group's governance framework, policies and procedures; and
- meeting with the Company's advisers, including with Korn Ferry, PHP's remuneration advisers, to understand the design and implementation of the Group's remuneration policies.

The Directors receive regular updates in their Board papers, facilitating greater awareness and understanding of the Group's business as well as legal and regulatory developments. PHP's preparatory work for the implementation of regulatory changes, including implementation of the 2024 update of the Code, has continued in order to underpin the Company's ongoing adherence to best practice governance and assurance practices.

Corporate governance statement continued

Part C: Composition, succession and evaluation continued

Board induction and training continued

All Directors have access to the Company Secretary and a procedure is in place for them to take independent professional advice at the Company's expense should this be required.

Board performance review

Following the externally facilitated Board evaluation which took place in 2024, in 2025 the Board performance review was conducted internally by means of an online questionnaire. This included Board dynamics and relationships, individual participation and contribution, along with the Board's performance through the demands of the successful offer for Assura. The Directors were also asked to comment on the performance of the Board Committees.

The results of the 2025 survey were collated by the Company Secretary and reviewed together with the Chair to consider any themes that had been identified. The Nomination Committee meeting held in December then considered the next steps and recommendations and will keep these under review in the year.

The Chair conducted a review of the performance of each of the individual Directors as a separate exercise. Ian Krieger had private meetings with each of the individual Directors to obtain their feedback on the performance of the Chair.

Outputs

The results of the performance review and the tone set by the Chair and the Chief Executive and that they have developed a strong, supportive relationship providing clear and effective leadership and focus that are instrumental to the long term success of the Company. The members of the Board and its Committees are seen as being engaged and committed and able to raise challenges openly while the culture remains open, respectful and constructive.

Details of the outcomes of the 2024 evaluation and the 2025 evaluation, as well as the actions taken in response to the 2024 evaluation, are provided in the table.

2024 evaluation outcomes	Actions in 2025	2025 evaluation outcomes
As the Company continues its journey following internalisation in 2021 and welcomes its new Chief Executive Officer, to continue to develop its strategy and culture and implement its values for the benefit of all its stakeholders.	Alongside continuing to develop its inclusive culture where staff are encouraged to input to decision making in a progressive and supportive environment, the Company refreshed the format for its Strategy Day such that members of the wider team were encouraged to contribute to the discussion and development of strategy, enriching the dialogue with their expertise as well as providing development opportunities through Board level exposure and engagement.	Continue to embed and refine the Company's culture, ensuring it is both understood and lived throughout the Company, including through successful ongoing employee engagement.
In the context of continuing geopolitical and economic volatility, to maintain a strategic view on the further horizon to best support the Company's long term success.	The Board, Executive Committee and senior leadership team continued to apply their deep knowledge of the Company's business to plot the Company's strategic course through continuing volatility in the best long term interests of its shareholders and stakeholders, with sufficient time allocated to strategy discussion and debate at all Board and management meetings.	Ensure due strategic consideration of the NHS 10-year plan once published in 2025 to best position the Company for long term success.
To continue to seek and benefit from expert third-party insights relating to developments in medical practice, primary care and policy that are relevant to the Company's business and delivery.	The Company continued to remain mindful of the needs and priorities of the health systems which its buildings support, and accordingly continued to leverage expert connections and insights throughout the year to best shape its successful alignment to the needs of those systems and their service users.	To continually keep in view future Board skills to ensure the Company continues to position itself to best effect.

The Board intends to review the implementation of these recommendations as part of its performance review process in 2026, and will report on progress in next year's Annual Report.

Corporate governance statement continued

Part C: Composition, succession and evaluation continued

Conflicts and commitment

The Board operates a policy to identify and, when appropriate, manage actual or potential conflicts of interest affecting Directors. Directors are required to submit any actual or potential conflicts of interest they may have with the business of the Company to the Board for approval. Any conflicts of interest are recorded and reviewed by the Board at each meeting. Directors have a duty to keep the Board updated about any changes to these conflicts and would excuse themselves during discussions on such matters.

Outcomes

No conflicts of interest were identified.

The letters of appointment for Non-executive Directors set out the time commitment expected to be necessary to perform their duties. All Directors are aware of the need to allocate sufficient time to the Company in order to discharge their responsibilities effectively. Directors must obtain prior approval from the Board when they take on any additional responsibilities or external appointments and it is their responsibility to ensure that such appointments will not prevent them meeting their time commitments.

The Board was satisfied that each Director showed commitment to the role through their significant time commitment for pre-reading and attending at the numerous meetings held in the year on all matters, most notably in relation to the Assura acquisition, and each of the Directors' engagement in those meetings.

Information and support

The Board receives key data and information to enable it to make the appropriate decisions. A comprehensive budgeting process is in place, with an annual budget and three year forecast prepared for consideration and approval by the Board. The Directors are provided with relevant and timely information to monitor financial performance against the budget. Defined authorisation levels regulate capital expenditure. Investment decisions that require Board approval in accordance with the authorisation matrices are governed by defined appraisal criteria, which include anticipated financial returns, the quality of the building and its environmental rating. The Board is also provided with details of the healthcare services to be delivered from the medical centre (including details of the patient numbers and the local healthcare need) and other stakeholder considerations. In this way, the Board monitors that agreed approaches and processes are well understood and adhered to.

Part D: Audit, risk management and internal control

The Board is responsible for:

- the Company's risk management and internal control systems and for reviewing their effectiveness;
- the ongoing processes for identifying, evaluating and managing the principal risks faced by the Company;
- ensuring that the systems have been in place for the year under review and up to the date of approval of the Annual Report and Accounts; and
- regularly reviewing these systems.

Audit Committee

The Audit Committee is responsible for monitoring the integrity of the financial statements and the narrative reporting and results announcements of the Company, as well as the appointment, remuneration and effectiveness of the external auditor. The detailed Report of the Audit Committee is on pages 79 to 83.

Financial and business reporting

The Board is responsible for preparing the Annual Report and confirms in the Directors' Responsibility Statement set out on page 110 that it believes that the Annual Report, taken as a whole, is fair, balanced and understandable. The process for reaching this decision is outlined in the Report of the Audit Committee. The basis on which the Company creates and preserves value over the long term is described in the Strategic Report.

Risk management

The Risk Committee is tasked with reviewing the Group's risk horizon and preparing a detailed risk register which it presents for consideration by the Audit Committee. The Audit Committee subsequently makes recommendations in respect of the Group's principal and emerging risks, mitigations, risk appetite and key risk indicators to the Board which determines the extent and nature of the risks it is prepared to take in order to achieve the Company's strategic objectives. Further information on the Group's principal risks and risk management processes can be found in the Risk Management and Principal Risks section of the Strategic Report on pages 56 to 62.

During the course of its review for the year ended 31 December 2025, and to the date of this report, the Audit Committee has not identified, nor been advised of, a failing or weakness which it has determined to be significant. In recognition of Directors' responsibilities under Provision 29 of the Corporate Governance code becoming applicable to the Group for the year ending December 2026, the Audit Committee recognises the need to further develop documentation of material controls and will continue to do so through the year in readiness.

Part E: Remuneration

The UK Corporate Governance Code requires that a board should establish a Remuneration Committee of at least three, or in the case of smaller companies, two, independent Non-executive Directors. In addition the Company Chair may also be a member of, but not chair, the Committee if he or she was considered independent on appointment as Chair. As Harry Hyman was not independent on appointment as Chair, he is not a member of the Committee.

Audit Committee report

Ian Krieger
Chair of the Audit Committee

"The Audit Committee has oversight of risk management, the external auditor and the integrity of the Company's financial reporting processes to ensure the accuracy of the financial results and the robustness of the Company's internal controls."

Members of the Audit Committee (the "Committee")

Member	Number of meetings and attendance while in post
Ian Krieger (Chair)	5 (5)
Ivonne Cantú	5 (5)
Laure Duhot	5 (5)
Bina Rawal	5 (5)
Jonathan Davies*	1 (1)

* Joined the Board in December 2025.

Bracketed numbers indicate the number of meetings the member was eligible to attend.

Key responsibilities

Financial and narrative reporting • Monitor the integrity of the financial statements • Scrutinise the full and half year financial statements • Consider and challenge the key financial judgements	For further information see page 80
Risk management and internal control • Oversee the internal control processes • Assess the need for an internal audit function • Review the risk management framework • Ensure risks are carefully identified, assessed and mitigated	For further information see page 80
External audit • Review the performance, independence and effectiveness of the external auditor and audit process, including the quality of the same	For further information see page 80
Regulatory compliance • Review the viability statement and going concern basis of preparation of the financial statements • Consider whether the Annual Report is "fair, balanced and understandable" • Monitor compliance with applicable laws and regulations	For further information see page 80

Dear shareholder,

I am pleased to present my report as Chair of the Audit Committee explaining how the Committee has discharged its responsibilities during this transformational year.

Composition

Membership of the Committee is restricted to independent Non-executive Directors. All the members of the Committee have considerable commercial and financial knowledge and industry experience necessary to fulfil the Committee's duties and responsibilities. We receive regular updates on business, regulatory, financial reporting and accounting matters and I am the Committee's designated financial expert for the purposes of the Code. I was delighted to welcome Jonathan Davies to the Committee in December. He brings a huge amount of financial expertise from his previous roles at Assura and elsewhere and I have no doubt will contribute greatly to the Committee's work in the future.

In addition to the members of the Committee, the following attended by invitation to assist the Committee: the Chief Financial Officer and the Director: Finance; the Chief Executive Officer and the Chair; the audit partner and senior managers from the auditor; and, at certain meetings, representatives from PHP's valuers. The Company Secretary supports the Committee.

As Chair, in conjunction with the Nomination Committee, I review on an annual basis the composition of the Committee to ensure that it comprises members with skills and competencies relevant to the primary care real estate sector and recent and relevant financial experience. The members of the Committee also evaluate the performance of the Committee during the year.

Meeting focus

During the year the Committee met five times: four of these meetings followed our annual programme which is aligned to the Company's financial reporting timetable and agreed at the start of the year. The additional meeting in October related to audit planning for 2025, mindful of the Assura transaction. At the December meeting, the Committee reviewed the Company's risk management and internal control processes and received an update on the audit, including control findings.

Audit Committee report continued

Meeting focus continued

Our remit is primarily to independently oversee and challenge the integrity of the financial reporting processes at PHP, which supports and ensures the accuracy of the financial results. The Committee reviews the Company's risk management framework and internal controls procedures across PHP to ensure that they remain robust for the enlarged Group and are implemented effectively. The Committee is satisfied that it receives appropriate information from management, and the auditor, to fulfil its obligations. Its Terms of Reference are available in the corporate governance section at www.phpgroup.co.uk. The Committee meets the auditor at least once a year without management present.

Assura acquisition

In the year, we considered the accounting treatment of the acquisition of Assura and agreed with management and the auditors that it was appropriate to account for this as an asset acquisition. In addition, the Committee assessed the fair value of the Assura investment property portfolio at the acquisition date. The Committee received reports on and reviewed the key controls established by Assura around the month end management accounts and the valuation of the investment portfolio. These were compared with the existing PHP controls to understand where there mare be areas of development or risks.

The external auditor met with management and obtained an understanding of the processes in the Assura business namely Investment Properties, Revenue, Payroll, Expenses and Financial Statements Closure Process (FSCP). As part of understanding the processes, the auditor identified the key controls put in place by management in each key business cycle. For the purpose of testing, Deloitte focused on key business processes i.e., Investment Properties & FSCP and tested whether the design & implementation of key controls within these business cycles are effective or not. This extensive testing assisted the Committee in its discussions on the effectiveness of the internal controls across the Group.

Alongside this, we reviewed the valuation of the Group's portfolio at both the half year and the enlarged Group's portfolio at the year end. We required each of the valuers to attend our meetings so that we can interrogate them on the assumptions and methodologies used in reaching their valuations.

Regular tasks

The work undertaken this year has included the consideration, review and approval of the following:

Financial and narrative reporting

- reviewing and monitoring the integrity of the financial statements including reviewing significant financial reporting judgements and estimates made by management, to ensure that the quality of the Company's financial reporting is maintained, in the Company's half and full year financial statements;
- reviewing and commenting on the alternative performance measures, not defined under IFRS or "non-GAAP" measures, to ensure these were consistent with how management measures and judges the Company's performance, including reviewing the balance between statutory and non-statutory measures;
- reviewing the content of the Annual Report and Accounts and advising the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy and whether it informs the Board's statement in the Annual Report on these matters that is required under Provision 27 of the Code;
- assessing the independence and objectivity of the Group's valuers and gaining assurance around the integrity of the conduct of valuation processes at the year end and at the half year;
- reviewing the process undertaken to ensure that the financial statements are fair, balanced and understandable; and
- ensuring compliance with applicable accounting standards, monitoring developments in accounting regulations as they affect the Group and reviewing the appropriateness of accounting policies and practices in place.

Risk management and internal control

- reviewing the Group's risk register, in particular with regard to the potential impact of climate change and principal and emerging risks including digital technology;
- challenging the effectiveness of the Group's risk management systems and considering the adequacy of the process being undertaken to identify risks and mitigate the exposure of the Group to them;
- considering the adequacy and effectiveness of the Group's internal controls and whether there was a need to establish an internal audit function; and
- ensuring the process followed to support the making of the going concern and viability statements remained robust and was correctly followed.

External audit

- examining the performance of the external auditor, its objectivity, effectiveness and independence, as well as the terms of its engagement and scope of its audit, and agreeing the annual audit plan;
- monitoring the ratio and level of audit to non-audit fees paid to the external auditor and agreeing its remuneration for the year; and
- recommending external auditor appointment or re-appointment following any tender process from time to time.

Regulatory compliance

- reviewing the Committee's composition, performance, terms of reference and constitution;
- ensuring appropriate safeguards are in place for the detection of bribery and fraud and reviewing the process by which employees may raise concerns and ensuring that these have been effectively communicated to and understood by the workforce, so that concerns could be raised with me, the Company Secretary or the auditor;
- reviewing the Company's REIT compliance and tax strategy, which may impact the integrity of the financial statements;
- considering the robustness of the Group's assessment of viability over a period of three years, in particular the assumptions underlying the assessment; and
- determining the appropriateness of adopting a going concern basis for the preparation of the financial statements.

Audit Committee report continued

Significant issues considered in relation to the financial statements

During the year, the Committee considered key accounting matters and judgements in respect of the financial statements as detailed below:

Significant issue	Actions taken
Valuation of the property portfolio	
Following the combination with Assura, the Group now has property assets of c.£6.0bn (2024: £2.8bn) as detailed in the Group Balance Sheet and valuation is central to business performance. Accordingly, the key judgement in the financial statements relates to the valuation of the property portfolio which is driven by the yields and ERVs applied in the valuation process. This is a recurring risk for the Group as it is key to its IFRS profitability, balance sheet portfolio value, net asset value, total property return and employee incentives. It also affects investment decisions. Further, the judgemental nature of the yields and ERVs used in the valuation is compounded by the continued uncertain and volatile global economic environment, high inflation and the previous, rapid rise of interest rates. Combined, these have led to another period of subdued transactional evidence of primary care transactions during the year, which is in contrast with more mainstream property sectors, such as offices.	The enlarged portfolio was independently valued for 2025 by Cushman and Wakefield (UK and Ireland), Knight Frank, Avison Young and Jones Lang LaSalle in the UK and by CBRE in Ireland (the "Valuers"), in accordance with IAS 40 Investment property. The Committee ensured that there was a robust process in place to satisfy itself that the valuation of the property portfolio by the valuers – all leading firms in the UK and Irish property markets – was carried out appropriately and independently. Given the significance of the valuation, the Committee met twice with the valuers to review, challenge, debate and consider the valuation process; understand any particular issues encountered in the valuation; and discuss the processes and methodologies used. The Chair of the Audit Committee also discussed with the valuers such matters that allowed the Committee to scrutinise the valuation process and ensure each of the valuers remained independent, objective and effective. The auditor also met with the valuers and deployed the services of its own in-house property valuation expert to test the assumptions made. It reported to the Audit Committee on its findings. The Committee confirmed that it was satisfied that the valuation was not subject to undue influence and had been carried out fairly, appropriately and in accordance with industry valuation standards, and therefore is suitable for inclusion in the financial statements.
Accounting for significant acquisitions, disposals and transactions	
The accounting treatment of the Assura transaction was a significant issue in the year. Significant property acquisitions, disposals and financing and leasing transactions is a recurring risk for the Group with non-standard accounting entries required, and in some cases management judgement applied.	The Committee reviewed the accounting treatment for the Assura acquisition in detail in the year. It was agreed that this would be treated as an asset acquisition, which was consistent with the treatment of the MedicX transaction. Whilst other transactional activity continued to be muted during 2025 due to wider economic conditions, the Group made one standing let investment and commenced work on the Group's second development during the year. The Committee reviewed management papers on key judgements, scrutinising and challenging accounting treatments and judgements. Following a review of the accounting treatment of the significant transactions, in particular the point at which each transaction should be recognised, the Committee was satisfied that all relevant matters had been fully and adequately addressed and that the approach adopted by the Company was appropriate in each case, and in accordance with IFRS. The Committee concluded that the accounting treatment of the acquisitions was appropriate.
Financing	
The Group uses a mixture of equity and debt finance to grow its portfolio and has a number of debt finance arrangements and swaps to hedge exposure to interest rate risk. The accounting treatment of these transactions under IFRS 9 is by its nature complex.	During the year, the Group: (i) put in place a £1.2 billion acquisition financing facility for the Assura merger; (ii) refinanced £266 million and £200 million of Assura debt, extending both to 2027; Refinanced £60 million US PP and issued a new €120 million US PP; and (iii) exercised the option to extend the £50 million Santander revolving credit facilities to 2027. The Committee considered the finance team's paper on the proposed treatment of these transactions under IFRS 9 and agreed that they had been appropriately accounted for.

Audit Committee report continued

Financial and narrative reporting

The integrity of the financial reporting and consolidation processes and the completeness and accuracy of financial information are subject to review by the Audit Committee and the Board. In undertaking its review, the Committee considered:

- the suitability of the accounting policies adopted and whether management had made appropriate estimates and judgements;
- the systems and controls operated by management around the preparation of the accounts;
- the procedures included in these to bring relevant information to the attention of those who prepare the accounts;
- the consistency of the reports; and
- whether they are in accordance with the information provided to the Board during the year.

The Committee reviewed accounting papers prepared by management which provided details on the main financial reporting judgements. The Committee also reviewed reports by the external auditor on the full year and half year results which highlighted any issues with respect to the work undertaken on the year-end audit and half year review.

The Committee paid particular attention to matters it considered important by virtue of their impact on the Group's results and remuneration, and particularly those which involved a high level of complexity, judgement or estimation by management, as noted above.

Developments in accounting regulations and best practice in financial reporting are monitored by the Company and, where appropriate, reflected in the financial statements. The Committee and the Board review the draft consolidated financial statements and the Committee receives reports from management and the auditor on significant judgements, changes in accounting policies, and other relevant matters relating to the consolidated financial statements.

Fair, balanced and understandable assessment

At the request of the Board, the Audit Committee also reviewed the Annual Report to consider whether it is fair, balanced and understandable and provides the necessary information for shareholders to assess the Group's position, performance, business model and strategy.

The Committee was provided with, and commented on, a draft copy of the Annual Report and Financial Statements. In carrying out the process, key considerations included ensuring that there was consistency between the financial results and the narrative provided. The Committee is satisfied that alternative performance measures used, not defined under IFRS, are consistent with how management measures and judges the Group's financial performance.

After reviewing the contents of this year's Annual Report and Financial Statements the Committee has confirmed to the Board that, in its view, the report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy. In forming this view, the Committee considered the overall review and confirmation process around the Annual Report and Financial Statements, and going concern and viability statements.

Review of risk management

The Committee is responsible for reviewing the adequacy and effectiveness of the Group's risk management processes and systems of internal controls, including financial, operational and compliance controls.

Risk management is taken seriously at PHP. The preparation of a detailed risk register is the responsibility of the Risk Committee, which reports to the Committee at least twice a year on risk matters, following which the principal risks identified are brought to the Board. The Board considers the principal risks identified and whether appropriate action is being taken to remove or reduce their likelihood and impact. This is discussed in detail in the Risk Management section on pages 56 to 62.

The Board as a whole, including the Audit Committee members, considered whether the nature and extent of PHP's risk management framework were satisfactory to achieve the Group's strategic objectives. There is a culture of risk awareness embedded into the decision-making process and robust processes are in place to support the identification and management of risk.

The Group has worked with Willis Towers Watson to develop a separate environmental risk register to seek to identify the main emerging physical and transition risks associated with climate change and the associated governmental policy responses. In particular, increasing legislative requirements pertaining to operational building energy efficiency standards, and the stated ambition of the NHS to achieve a net zero health service for direct emissions by 2040, have been identified as key risks as well as opportunities for the Group. The register was tabled and agreed by the ESG Committee, and subsequently reviewed by the Audit Committee as part of its monitoring of the risk management process of the Group.

Review of internal control processes

The Committee is responsible for reviewing the adequacy and effectiveness of internal control systems (covering all material controls, including financial, operational and compliance controls and risk management systems) on behalf of the Board under Provision 29 of the 2018 UK Corporate Governance Code.

Key features of PHP's internal control systems include a comprehensive system of budgeting, financial reporting and business planning, formal documentation procedures and the close involvement of the Executive Committee in all aspects of the Company's day-to-day operations. The Committee has reviewed the adequacy of these systems through various activities including:

- reviewing the effectiveness of the risk management processes;
- reviewing and challenging management's self-assessment of the internal controls framework;
- reviewing the work undertaken by the external auditor in relation to internal controls; and
- reporting of any control or fraud-related whistleblowing issues.

In reviewing the periodic financial reports of the Group, the Committee is reliant on the policies and procedures followed by management to ensure that the records accurately reflect transactions so as to facilitate the production of consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") and other applicable reporting standards. During the year the Audit Committee received a recommendation from the external auditor that internal control procedures need to be improved and documented ahead of Provision 29 of the new Corporate Governance Code becoming applicable later in 2026 which will require the Board to produce a formal declaration on the effectiveness of material controls. Management will look to develop these in the next financial year and consider whether any additional assurance is required on controls ahead of the implementation of Provision 29 within this Code.

Audit Committee report continued

Review of internal control processes continued

For the half-yearly and annual financial reports, the Committee also receives a report from the CFO to assist the Board in assessing the policies and procedures and making the appropriate disclosures.

The Board reviewed the various guidance issued during the year relating to the UK Corporate Governance Code 2024, including Provision 29 which is applicable under the new Corporate Governance Code to PHP for its 2026 financial year end. Under Provision 29, the Board will be required to monitor the Company's risk management and internal control framework and at least annually carry out a review of its effectiveness. The monitoring and review should cover all material controls, including financial, operational, reporting and compliance controls. The management team will determine the appropriate disclosures ahead of the 2026 annual accounts.

Separately, the Board also assessed the implications of the Corporate Sustainability Reporting Directive ("CSRD") that introduces reporting in accordance with European Sustainability Reporting Standards and related assurance but noted that this is not currently applicable to the Group.

Effectiveness of external auditor and audit process

One of the key responsibilities of the Audit Committee was to assess the effectiveness and quality of the external audit process, making enquiries consistent with, and having regard to, the FRC's "Audit Committees and the External Audit: Minimum Standard". In turn, the effectiveness of the audit process is dependent on appropriate audit risk identification at the start of the audit cycle. Ahead of the commencement of the audit, the Committee received from Deloitte LLP a detailed audit plan, identifying its assessment of these key risks. For the audit of the 31 December 2025 financial statements, the primary risks identified were in relation to the valuation of the property portfolio with a specific focus on the application of yields, as well as management override of controls and accounting for the Assura transaction. It is also standard practice for the Audit Committee to meet privately with the external auditor to gauge the effectiveness of its processes. In addition, the Audit Committee seeks feedback from management on the effectiveness of the audit process. The Committee is satisfied that the Company has complied with the Statutory Audit Services for Large Companies Market Investigation (Mandatory use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 published by the CMA on 26 September 2014.

Following its review of the effectiveness, independence, objectivity and expertise of the external auditor (including through direct interactions with the auditor without management present), the Committee is satisfied with the effectiveness of the external auditor and therefore recommends the re-appointment of Deloitte LLP as external auditor for 2026.

It is the Committee's policy to ensure that there is audit partner rotation every five years to safeguard the external auditor's independence and objectivity. Daryl Winstone led the 2025 audit, his third year as Deloitte LLP lead audit partner for PHP.

Auditor independence

The Group's policy on the use of its external auditor for non-audit services precludes the external auditor from being engaged to perform valuation, tax or accounting services work. More broadly, the policy prohibits the external auditor from performing services where there may be perceived to be a conflict with its role as external auditor or which may compromise its independence or objectivity.

All proposed engagements must be submitted to the Committee for approval prior to engagement and all non-audit fees are reported to the Committee.

The Committee considers the remuneration of the external auditor at least on a semi-annual basis and approves its remuneration. It also keeps under close review the ratio of audit to non-audit fees to ensure that the independence and objectivity of the external auditor are safeguarded.

In 2025, fees for audit services amounted to £1.0 million and the non-audit fees amounted to £0.1 million.

The non-audit fee for 2025 equates to 13% of the average audit fees of the last three years. These relate to half year review work, which the Committee considers appropriate and in the Company's interests in order to provide continuing assurance with respect to its processes, procedures and published information.

The chart below sets out the ratio of audit to non-audit fees for each of the past three years.

	2025	2024	2023
Audit fee	**£1,000,000**	£627,000	£649,000
Non-audit fee	**£100,000**	£85,000	£82,000

Evaluation of the performance of the Audit Committee

The performance of the Committee was assessed as part of the annual Board evaluation. The overall conclusion was that the Committee remained effective at meeting its objectives.

Internal audit

The Group does not have a separate internal audit function and the Board, at least annually, reviews the requirement for establishing one. Due to the previous size of the organisation, relatively simple nature of the Group's business and structure and close involvement of the senior management team in day-to-day operations, the Committee did not feel an internal audit function was either appropriate or necessary in 2025. However, following the Assura transaction and enlargement of the Company the Committee will review this in 2026.

From time to time external advisers are engaged to carry out reviews to supplement existing arrangements and provide further assurance.

The Committee considers that this structure, with external assurance sought for any complex, specialist or high risk matters, is appropriate for the Company at this stage.

Ian Krieger
Chair of the Audit Committee
16 March 2026

Nomination Committee report

Ivonne Cantú
Chair of the Nomination Committee

"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 Assura, having served as its Senior Independent Director and, latterly, Chair providing the Company's stakeholders with continuity during the integration period and beyond."

Members of the Nomination Committee (the "Committee") during the year

Member	Number of meetings and attendance while in post
Ivonne Cantú (Chair)*	3(3)
Harry Hyman	3(3)
Laure Duhot	3(3)
Ian Krieger	3(3)
Bina Rawal	3(3)
Jonathan Davies**	1(1)

* Appointed Chair of the Committee in December 2025.

** Joined the Board in December 2025.

Bracketed numbers indicate the number of meetings the member was eligible to attend. Additional attendees invited to attend meetings as appropriate:

Mark Davies – Chief Executive Officer and
Richard Howell – Chief Financial Officer

Dear shareholder,

I am pleased to present the report of the Nomination Committee to shareholders for the year to 31 December 2025.

The Committee continues to play a crucial role in supporting PHP's strategy by ensuring the Board and its Committees have an appropriate balance of skills, experience and knowledge, with robust succession plans in place to ensure continuity, promote diversity for Board and senior management positions and implement a robust evaluation process to ensure the Board and Committees are working effectively.

Activities of the Committee during the year

The Committee continues to oversee succession plans across the senior management team and has continued to work with the Executive Directors to develop succession plans for every member of the senior management team as a part of the annual appraisal process. This will ensure that the execution of the Company's strategy is not dependent on any one individual and continually improve our processes for identifying and developing our internal talent.

Key responsibilities

Board composition and succession

For further information see page 85

- Reviews and evaluates the size, structure and composition of the Board and its Committees
- Ensures the Board comprises individuals with the necessary skills, knowledge and experience to be effective in discharging its responsibilities
- Considers the diversity of the appointments and balance of skills, knowledge and experience of each Director
- Considers succession planning for the Board and the senior management

Board appointments

For further information see page 85

- Leads the process for new appointments to the Board and its Committees
- Ensures that all new Directors receive an appropriate induction programme and reviews the training requirements of the Board
- Ensures that all potential conflicts of interest are declared on appointment and that all disclosed potential conflicts of interest are reviewed regularly

Diversity

For further information see page 85

- Promotes the Company's policy on diversity at Board level and to senior management

Performance evaluation

For further information see page 85

- Leads the annual Board and Committee evaluation exercise

Re-appointment of Directors

For further information see page 85

- Reviews the time required from Non-executive Directors and their external commitments
- Considers the annual election and re-election of Directors to the Board at the Annual General Meeting

Nomination Committee report continued

Activities of the Committee during the year continued

Appointments

It is the responsibility of the Nomination Committee to maintain an appropriate combination of skills and capabilities among our Directors. The Nomination Committee seeks to ensure that all Board appointments are made on merit and measured against objective criteria and with due regard for the benefits of diversity on the Board. The Board is committed to ensuring a broad mix of gender, age, nationality, experience and skills throughout the business.

During 2025, following the successful Assura transaction, we were delighted to welcome former Assura non-executive director Jonathan Davies to the Board in December. Our Board now comprises eight Directors, three of whom are female, one of whom is from an Asian/Asian British background and one of whom is from a Hispanic ethnic background.

Diversity

The Board's policy on equality, diversity and inclusion recognises the importance of diversity in the broadest sense and the benefits it brings to the organisation in terms of skills and experience, wider perspectives and fresh ideas. We are committed to the creation of an inclusive culture where our colleagues reflect the diverse communities we serve and where each person can operate in a working environment which promotes a culture of mutual respect and inclusion throughout the organisation. Senior management's annual objectives are linked to the diversity of the business and how they promote this within their teams.

The PHP Equality, Diversity and Inclusion policy, which the Board promotes, is available on the Company's website at www.phpgroup.co.uk/responsible-business/.

Independence

The Nomination Committee has responsibility for ensuring that at appointment each Director is independent and that they have formally declared to the Company any actual or potential conflicts of interest that may exist at the time of their appointment and subsequently. Annually, the Nomination Committee reviews the formal register of Directors' interests tabled at each meeting of the Board to assess whether any circumstances or relationships exist which could affect the judgement or independence of each of the Non-executive Directors. In addition, the Nomination Committee considered their independence of character and judgement.

During the year, the Nomination Committee formally reviews requests from the Directors for approval of new Board appointments they may wish to take up and also annually reviews each of the Directors' external commitments on both a quantitative and qualitative basis to assess whether these commitments impact negatively on their commitment or performance. Details of the results of this process are set out on page 78 in the Corporate Governance Statement.

It was considered that Harry Hyman's role as Non-executive Chair of BioPharma Credit PLC, an externally managed investment trust involving only four scheduled meetings a year, did not affect his time commitment to the Company or his ability to continue to contribute effectively as Chair. The Independent Non-executive Directors' other commitments were also not considered to detract from the time commitment expected of them or to create any conflicts of interest.

Directors standing for election and re-election

All the Directors will stand for election or re-election at the 2026 AGM. Following the annual reviews of individual Directors, it is considered that:

- each Director subject to re-election continues to operate as an effective member of the Board; and
- each Director subject to re-election has the skills, knowledge and experience that enable them to discharge their duties properly and contribute to the effective operation of the Board.

The Board, on the advice of the Committee, recommends the election or re-election of each Director and the skills and experience of each Director are available on pages 68 and 69.

Performance review

In accordance with its terms of reference, the Nomination Committee's performance was reviewed in the context of the results of the annual Board evaluation, paying particular attention to any issues raised with respect to the composition of the Board and its skills, experience and diversity. The review found that the Committee functions effectively and should continue to develop and refresh its responsibilities. The Committee will continue to support the Board – on which an experienced and robust group of independent Non-executive Directors make up the majority – in continuing actively to review performance and working to ensure the delivery of effective governance at all times.

→ Details of the evaluation process and its outcomes are set out in more detail on page 77.

Ivonne Cantú
Chair of the Nomination Committee
16 March 2026

Remuneration Committee report

Ivonne Cantú
Chair of the Remuneration Committee

"The Committee sets the Remuneration Policy for senior executives, aligned with the purpose and values of the Company, to deliver the strategy and long-term sustainable success."

Members of the Remuneration Committee (the "Committee") during the year

Member	Number of meetings and attendance while in post
Ivonne Cantú (Chair)	4 (4)
Laure Duhot	4 (4)
Ian Krieger	4 (4)
Bina Rawal	4 (4)
Jonathan Davies*	1 (1)

* Appointed to the Board in December 2025.

Bracketed numbers indicate the number of meetings the member was eligible to attend.

Additional attendees may be invited to attend meetings as appropriate including Mark Davies – Chief Executive, Harry Hyman – Chair, Richard Howell – Chief Financial Officer and Korn Ferry, independent advisers to the Committee.

No individual participated in any matters that involved their own remuneration.

Dear shareholder,

On behalf of the Remuneration Committee (the "Committee"), I am pleased to provide an overview of our work in relation to both Director and wider workforce remuneration for the year ended 31 December 2025.

We were encouraged by the strong level of support for the Directors' Remuneration Report (98.09% of votes cast) at the Annual General Meeting held in May 2025 and by the high level of engagement in the remuneration consultation carried out this year with our top shareholders. Shareholder guidance on remuneration matters is critical to the Committee's work, and I would therefore like to thank our shareholders for their continued engagement.

Key responsibilities

Policy

- Setting the remuneration policy for the Chair, Executive Directors and senior executives (the "Remuneration Policy") and ensuring it is aligned to the Company's purpose and values and linked to delivery of the Company's long term strategy
- Reviewing the continued appropriateness and relevance of the Remuneration Policy

For further information see page 87

Remuneration

- Within the terms of the approved Remuneration Policy and the Company's remuneration framework:
  - setting the relevant performance objectives and targets for short and long term incentive pay; and
  - determining the remuneration of the Directors, the Company Secretary and the senior executives
- Reviewing and considering remuneration across the Group to ensure appropriate alignment between the remuneration of the Directors, senior executives and the Group as a whole
- Appointing and setting out the terms of reference for any remuneration consultants to advise the Committee
- Agreeing policy on the recovery by the Directors of expenses incurred in performance of their duties

For further information see page 89

Reporting

- Preparing the Directors' Remuneration Report and reporting to shareholders on the implementation of the Company's Remuneration Policy in accordance with relevant statutory and corporate governance requirements

For further information see page 95

Remuneration Committee report continued

This report is divided into three parts:

1. this Annual Statement on pages 87 to 88 in which I provide an overview of the work of the Committee during the year and the key decisions which it took in relation to the remuneration of Executive Directors, senior executives and the wider workforce remuneration for the year ended 31 December 2025;
2. a summary of the Directors' Remuneration Policy (the "Policy") approved by shareholders at the Annual General Meeting on 24 April 2024 and applicable throughout the year.

   The Policy details the link between Company performance and remuneration and is set out on pages 89 to 94; and
3. the Annual Report on Remuneration, which provides information on how the Policy has been applied during the year and how we intend to apply it for 2026, set out on pages 95 to 105.

The Companies Act 2006 requires the auditor to report to the shareholders on certain parts of the Remuneration Report and to state whether, in its opinion, those parts of the report have been properly prepared in accordance with applicable regulations. The parts of the Annual Report on Remuneration that are subject to audit are indicated in the report.

Company performance

2025 was a transformational year for the Company with the acquisition of Assura, a strategic transaction which substantially increases the scale of our business, and which will deliver financial and strategic benefits to our stakeholders. In addition, the Company once again delivered increased income and dividend, with 2026 marking PHP's 30th anniversary of consecutive dividend growth.

The Directors, senior management and members of the workforce performed exceptionally well to deliver these results. These outcomes are, to a large extent, the result of the leadership, expertise and hard work of the Executive Directors and the senior management team.

The Remuneration Committee's activities during the year

The Committee met four times as scheduled, in February, July, November and December. In addition to the scheduled meetings to address our annual programme of work, the Committee and members of the Committee met on numerous occasions to consider the impact of the acquisition of Assura on remuneration policy and its application.

Combination with Assura

Pursuant to the acquisition of Assura which was completed in full at the end of October, the Committee spent time reflecting on the appropriate implementation of the Policy in the context of the enlarged group. Aspects considered included the impact of the transaction on the scale and complexity of the Executive Director and senior management roles, the alignment of performance metrics to the strategic goals of the enlarged Group, the impact of the transaction on inflight LTIP awards and the need to harmonise the remuneration framework and terms across PHP and Assura employees.

Our review resulted in a proposal to increase the salary and long-term incentives for the Executive Directors from 2026. We also commenced a comprehensive review of the remuneration framework and benefits across the enlarged Group which is ongoing. In developing the proposals for the Executive Directors, we assessed the performance of the individuals and the way in which their roles will be expanded given the increased scale and complexity of the Company after the acquisition. In addition, we reviewed a benchmarking analysis of their remuneration packages conducted by our remuneration adviser. We also considered the Company's financial commitments and goals including delivering on the synergies from the transaction and maintaining a low cost ratio.

The Committee wants to ensure that management is fairly rewarded and incentivised for the greater complexity and demands of their roles, including achieving short and medium term goals which are critical to the Company's long term success. The Committee believes that failing to do so represents a risk in the Company's ability to deliver for shareholders and may create a retention risk.

Ahead of implementing the proposals, the Committee engaged with shareholders through a broad consultation.

Engagement with shareholders in relation to the proposals resulting from the acquisition of Assura

Following completion of the acquisition at the end of October, we consulted with our top 20 shareholders and the three main proxy advisers on the proposed changes to salaries and long term incentives for Executive Directors.

We explained the impact on the Executive Directors' roles as a result of the acquisition, the rationale behind the proposed increases which are designed to align remuneration to the median of the REIT sector, our phased approach in implementing such increases and our continued focus on linking pay to performance through suitably stretching targets. We also provided relevant background on the Executive Directors' current remuneration.

In relation to the market benchmarks, these showed that our CEO's and CFO's salary were both, post acquisition, at least 19% below the median level for the REIT sector and 13% below the lower quartile level. In terms of total target remuneration, they were both at least 35% below the median and 25% below the lower quartile levels.

We recognise it is important that material changes in remuneration are phased and reflect the performance of both the individual and the business.

In PHP's case this will require the successful integration of the Assura business, the achievement of associated synergies and the delivery of the strategic goals including maintaining a low cost ratio and a progressive dividend policy.

We proposed to bring our CEO's and CFO's salary levels to the mid-market level of the REIT sector over the next two to three years on a phased basis subject to performance and to increase the LTIP grant within policy to enhance incentives.

We noted that when our CEO was appointed following the 2024 AGM, his salary was below the mid-market level. He has performed very well in the role over the last 18 months and fully established himself as a top performing CEO, in part evidenced by the support from shareholders for the Assura transaction.

Remuneration Committee report continued

Engagement with shareholders in relation to the proposals resulting from the acquisition of Assura continued

During this time his salary has only increased due to inflation by 3% (in January 2025). The first stage of the proposed increase is to bring his salary to the mid-market level of the REIT sector for the PHP business pre the acquisition of Assura. This represents an 18% increase. Subsequent salary increase(s) will take place in 2027 and/or 2028 depending on the speed of progress towards the integration of Assura, to bring the CEO to the mid-market salary level for the REIT sector reflecting the increased size of the combined business.

Our CFO's salary has been reviewed periodically since the business was internalised in January 2021. However, on a pre-acquisition basis he also sits below the REIT mid-market level and we proposed to increase his salary by 13% in a first phase reflecting his development in the role over the last few years. Subsequent salary increase(s) will then take place depending on the speed of progress towards the integration of Assura and individual performance, to bring the CFO to the mid-market salary level for the REIT sector for the combined business.

In addition to the changes to salaries, we proposed increasing the LTIP award for the CEO and CFO to 200% and 175% of salary respectively. These awards will only vest to the extent that the combined business is successful over the 3 years to 31 December 2028 as evidenced by appropriate LTIP vesting criteria.

We had a high response rate to our consultation and the feedback we received was positive. Respondents appreciated the transparency and phased approach to salary increases, emphasising the importance of setting stretching targets to ensure pay and performance remain aligned. Shareholders were in particular supportive of linking future increases to the successful integration of the Assura business. Some respondents expressed an interest in further engagement ahead of increasing salaries in a second phase. A few shareholders made recommendations in relation to long term incentive metrics and we have agreed to consider these in the context of the policy review to take place in 2026 ahead of the new policy which will come into effect in 2027.

I am very grateful for the time that shareholders and the proxy advisory firms spent engaging with us on these matters.

Remuneration for 2026

Taking into consideration the feedback obtained from the consultation with shareholders, the Committee considered and approved the remuneration arrangements which will apply in 2026 and which are fully aligned with the Remuneration Policy. The salary of the CEO from 1 January 2026 was agreed at £643k which is at the mid market level prior to the Assura transaction. The CFO's salary from 1 January 2026 was agreed at £450k.

We plan to make subsequent salary increases, subject to personal and business performance to bring them to the mid-market levels which are currently sitting at £732k for the CEO and £490k for the CFO.

The fees for the Chair were increased to £320k reflecting the increased scale and complexity of the enlarged Group and in line with the benchmarking analysis conducted during the year. Fees for the Non-Executive Directors were increased to £70k. These changes took place on our normal review date of 1 January 2026 following the same rationale.

Following the shareholder consultation, the Committee decided to increase the LTIP award for the CEO and CFO to 200% and 175% of salary from 160% and 150% of salary respectively. The increase is reflective of the strong individual performance of the Executive Directors and brings the CEO's award level to the median against the market whilst the CFO level is between lower quartile and median, from a level that the Committee was not satisfied was appropriate.

The Committee approved the performance measures underpinning the 2026 LTIP award which, in line with 2025, include total accounting return, EPRA earnings per share and an ESG target.

The Committee sets challenging targets for LTIP awards as is evidenced by the recent levels of vesting.

Committee composition

The Committee welcomed Jonathan Davies as a new Committee member in 2025 following his appointment to the Board on 1 December 2025. There were otherwise no changes in the composition of the Committee during the year.

Conclusion

I trust you find this report informative and thank you for your support and engagement during the year.

Overall, the Company has performed robustly against challenging market and economic conditions, and has delivered a transformational transaction in the combination with Assura. The Committee believes that the 2025 remuneration outcomes are appropriate and reflective of the business performance and strategic delivery, and that the Remuneration Policy operated as intended during the year.

I believe that we have put in place appropriate remuneration structures to reward and retain the Executive Directors and the senior management team. We always welcome feedback and hearing the views of our shareholders, so if you have any questions about this report or remuneration generally at PHP, do please contact me through our Company Secretary at: cosec@phpgroup.co.uk.

I look forward to your continued support for the Committee and recommend that shareholders vote in favour of the advisory resolution for the 2025 Directors' Remuneration Report at our forthcoming AGM.

Ivonne Cantú
Chair of the Remuneration Committee
16 March 2026

Directors' remuneration report

Part 1: Summary of the Directors' Remuneration Policy (the "Policy")

The Directors' Remuneration Policy was put to a binding shareholder vote at the 2024 AGM and, following approval, was effective immediately thereafter.

The overall Remuneration Policy of the PHP Group (the "Company") has been developed in compliance with the principles of the 2024 UK Corporate Governance Code, UK institutional investor guidance and the Listing Rules.

Key principles of the Policy

The Company is committed to ensuring that its remuneration practices enable the Company to appropriately reward employees for the services they provide to the Company by; attracting and retaining employees with the skills required to effectively manage the operations and growth of the business; and to motivate employees to perform to the best of their abilities, in the interest of the Company.

The Company's remuneration principles ensure that:

- the Company offers a suitable package to attract, retain and motivate people with the skills and attributes needed to deliver the Company's strategy, aligned with the Company's purpose and values while recognising the requirements of its shareholders and other stakeholders;
- the Company's policy and practices aim to drive and reward behaviours that support the Company strategy, culture and business objectives; and
- the Company's incentive plans are linked to Company and individual performance to encourage high performance from staff at both an individual and team level.

Remuneration is reflective of applicable market conditions, statutory obligations and the level of accountability (responsibility, objectives and goals) assigned to the provision of incentives to deliver outstanding performance, whilst providing organisational flexibility and operational efficiency.

Key elements of the Policy

Pay element and purpose	Operation	Opportunity	Performance metrics, weighting and assessment
Base salary			
Provide a base level of remuneration to support recruitment and retention of Executive Directors with the necessary experience and expertise to deliver the Company's strategy.	Salaries are normally reviewed annually and any changes are normally effective from the beginning of the financial year, although there is no obligation to increase salary. When determining an appropriate level of salary, the Committee considers: • remuneration practices within the Company; • the performance of the individual Executive Director; • the individual Executive Director's experience and responsibilities; • the general performance of the Company; • salaries within the ranges paid by comparable companies used for remuneration benchmarking; and • the economic environment.	Base salaries will be set at an appropriate level within a comparator group(s) of comparable companies and will normally increase at a rate no higher than increases made to the wider employee workforce (save where a higher increase is appropriate to reflect a change in role/responsibilities). Individuals who are recruited or promoted to the Board may, on occasion, have their salaries set below the targeted policy level until they become established in their role. In such cases subsequent increases in salary may be higher than the average until the target positioning is achieved.	None.

Directors' remuneration report continued

Part 1: Summary of the Directors' Remuneration Policy (the "Policy") continued

Key elements of the Policy continued

Pay element and purpose	Operation	Opportunity	Performance metrics, weighting and assessment
Benefits			
Provide a market competitive level of benefits to support recruitment and retention of Executive Directors with the necessary experience and expertise to deliver the Company's strategy.	The Executive Directors may receive benefits which include, but are not limited to, family private health cover, critical illness cover, life assurance cover, income protection and accident/sickness/business travel insurance (including tax payable if any). The Committee recognises the need to maintain suitable flexibility in the determination of benefits that ensure it is able to support the objective of attracting and retaining key personnel. Accordingly, the Committee would expect to be able to adopt other benefits including (but not limited to) relocation expenses, tax equalisation and support in meeting specific costs incurred by Directors. Any reasonable business related expenses can be reimbursed in accordance with the Company's expenses policy, including the tax thereon if determined to be a taxable benefit. The Executive Directors may also participate in any all-employee share plans operated by the Company.	The maximum will be set at the cost of providing the benefits described.	None.
Pensions			
Provide appropriate levels of pension benefits to support recruitment and retention of Executive Directors with the necessary experience and expertise to deliver the Company's strategy.	The Committee has the ability to provide pension funding in the form of a salary supplement or as an employer contribution to a defined contribution pension plan. Any pension payments would not be considered "salary" when determining the extent of participation in the Company's incentive arrangements.	For existing and any future Executive Directors, the maximum pension contribution/allowance as a percentage of basic salary will be in line with the contribution level provided to the majority of the workforce (currently 6% of salary).	None.
Annual Bonus Plan			
The Annual Bonus Plan provides an incentive to the Executive Directors linked to achievement in delivering goals in a sustainable manner that are closely aligned with the Company's strategy and the creation of value for shareholders.	The Committee will determine the bonus payable after the year end based on performance against targets. Annual bonuses are paid in cash after the end of the financial year to which they relate. However, Executive Directors who participate in the Annual Bonus Plan will be required to defer 30% of the bonus, normally net of tax, into shares which should be held for at least three years. The Committee may award dividend equivalents on deferred shares to the extent they vest. Malus and clawback provisions will apply to the award, up to the date of the bonus determination and for three years thereafter. Bonus payments are not pensionable.	The maximum bonus opportunity is 150% of salary.	Discretionary bonus pay-outs will be determined on the satisfaction of a range of key financial and personal/strategic objectives set annually by the Committee. No more than 30% of the overall bonus opportunity can be based on performance against personal/strategic targets. The performance targets applied will be disclosed in the relevant Annual Report, following the end of the performance period. Discretion will apply, enabling the Committee to adjust the bonus outcome upwards or downwards, where the formulaic outcome is, in the view of the Committee, not a fair and accurate reflection of business performance. No more than 25% of the relevant portion of the bonus is payable for delivering a threshold level of performance, and no more than 50% is payable for delivering a target level of performance (where the nature of the performance metric allows such an approach).

Directors' remuneration report continued

Part 1: Summary of the Directors' Remuneration Policy (the "Policy") continued

Key elements of the Policy continued

Pay element and purpose	Operation	Opportunity	Performance metrics, weighting and assessment
Long Term Incentive Plan ("LTIP")			
Awards are designed to incentivise the Executive Directors to maximise returns to shareholders by successfully delivering the Company's objectives over the long term in a sustainable manner.	Awards can be granted annually to Executive Directors under the LTIP in the form of nil-cost options or conditional awards of shares. These would vest at the end of a three-year period, normally subject to: • the Executive Director's continued employment at the date of vesting; and • satisfaction of the performance conditions. The Committee may award dividend equivalents on awards to the extent that they vest. The net of tax number of shares that vest after the end of the three-year performance period will be subject to an additional two-year holding period, during which the shares cannot be sold (irrespective of whether the individual remains employed). Malus and clawback provisions will apply to the award, up to the date of the LTIP determination and for three years thereafter.	Awards may be made up to 200% of base salary in normal circumstances. No more than 25% of the award will vest for threshold performance. 100% of the award will vest for maximum performance.	Awards vest subject to the achievement of challenging performance conditions set by the Committee prior to each grant. Discretion will apply, enabling the Committee to adjust the outcome upwards or downwards, where the formulaic outcome is, in the view of the Committee, not a fair and accurate reflection of business performance.
All-employee share plan			
To encourage share ownership.	The Company currently operates an all-employee savings related share option plan ("SAYE"). To the extent the Company operates this or any future all-employee share plan, the Executive Directors will be able to participate on the same terms as other employees.	Actual participation in these plans will be disclosed in the relevant Annual Report following the implementation and participation in these plans.	None.
Shareholding requirement			
To support long term commitment to the Company and the alignment of Executive Director interests with those of shareholders.	The Committee has adopted formal shareholding guidelines that will encourage the Executive Directors to build up and then subsequently hold a shareholding equivalent to a multiple of their base salary. Requirements will continue for two years after an Executive Director ceases to be employed.	200% of salary.	None.
Non-executive Directors			
To provide a competitive fee for the performance of NED duties, sufficient to attract high calibre individuals to the role.	Fees are set in conjunction with the duties undertaken. Normally only increased when an individual takes on additional duties or where benchmarking indicated fees require realignment to remain competitive.	Overall fees will not exceed the maximum in the Company's Articles of Association of £750,000. This is proposed to be increased in the Articles at the 2026 AGM to £1m.	None. The NEDs are not entitled to receive any remuneration which is performance related. As a result, there are no performance conditions.

Directors' remuneration report continued

Part 1: Summary of the Directors' Remuneration Policy (the "Policy") continued

Choice of performance measures

Each year, the Committee will choose the appropriate performance measures and targets to apply to the Annual Bonus Plan and LTIP. The measures will be closely aligned with the Company's strategy and business priorities and will be consistent with a Board approved level of business risk.

Malus and clawback

Malus and clawback provisions within the Annual Bonus Plan, PIF (a legacy plan) and LTIP apply in the following circumstances:

- material misstatement of results;
- gross misconduct;
- error in calculating the number of shares subject to an award or the amount of cash paid;
- corporate failure; or
- serious reputational damage.

These apply for a period of three years from the determination of the annual bonus and the LTIP vesting date. the Committee has determined that these periods should enable sufficient time for the identification of any issues. These provisions were not used within the year.

Discretion

The Committee will operate the Annual Bonus Plan and LTIP according to their respective rules and in accordance with the Listing Rules where relevant. Consistent with market practice, the Committee retains certain discretions in respect of the operation and administration of these arrangements which include, but are not limited to, the following:

- the participants;
- the timing of the grant of an award or payment;
- the size of an award;
- the determination of the extent to which performance measures have been met and the corresponding vesting or payment levels;
- discretion required when dealing with a change of control or restructuring of the Group;
- determination of the treatment of leavers based on the rules of the respective arrangement and the appropriate treatment chosen, including the pro-rating of awards;
- adjustments required in certain circumstances (e.g. rights issues, corporate restructuring events and special dividends);
- the annual review of performance measures, weighting and targets from year to year; and
- the manner in which share awards can be satisfied (i.e. through the use of new issue, market purchased or treasury shares or by way of a cash payment).

In addition, the Committee retains the ability to adjust the targets and/or set different measures if events or circumstances occur (e.g. a material acquisition and/or divestment of a Group business) which cause it to determine that the conditions are no longer appropriate and the amendment is required so that the conditions achieve their original purpose. Any use of the above discretions would be explained in the Annual Report on Remuneration for the relevant year and may, as appropriate, be the subject of consultation with the Company's major shareholders. Furthermore, the Committee has the discretion to amend the new Policy with regard to minor or administrative matters where it would be, in the opinion of the Committee, in the best interests of the Company, and disproportionate to seek or await shareholder approval.

The Policy and the wider employee population

The Group aims to provide a remuneration package for all employees that is market competitive and operates the same reward and performance philosophy throughout the business. The Group operates variable pay plans primarily focused on mid to senior management level. In some cases, incentive structures and performance conditions apply which are different to those used for Executive Directors in order to ensure the performance targets set can be influenced and controlled by the participant. In addition, the Committee takes into account workforce remuneration and related policies and the alignment of incentives and rewards with culture when setting the policy for Executive Directors' remuneration.

Recruitment policy

The Company's strategy is to attract and retain a talented and diverse workforce.

The Company's approach is that the remuneration of any newly recruited Executive Directors will be assessed in line with the same principles as apply to the existing Executive Directors.

The Committee is mindful that it wishes to avoid paying more than it considers necessary to secure the preferred candidate and will have regard to guidelines and shareholder sentiment regarding enhanced short term or long term incentive payments made on recruitment and the appropriateness of any performance measures associated with an award. Subject to the paragraph opposite, the incentive awards that can be received in any one year will not exceed the maximum individual limits as set out in the new Policy.

The Committee's policy is to not provide sign-on compensation. In addition, the Committee's policy is to not provide buyouts as a matter of course. However, should the Committee determine that the individual circumstances of recruitment justified the provision of a buyout, the equivalent value of any incentives that will be forfeited on cessation of a Director's previous employment will be estimated. This will take into account, among other things, the performance conditions attached to the vesting of these incentives, the timing of vesting, the likelihood of vesting and the nature of the awards (cash or equity). The Committee may then grant a buyout of a value that takes account of the value of the lapsed award, where possible, under the Company's incentive plans. To the extent that it is not possible or practical to provide the buyout within the terms of the Company's existing incentive plans, the Committee may, in exceptional circumstances, consider it appropriate to grant an award under a different structure to facilitate a buyout of outstanding awards held by an individual on recruitment.

Where an existing employee is promoted to the Board, or was previously remunerated by a company that subsequently becomes a Group company, the policy set out above would apply from the date of promotion or that company becoming part of the Group but there would be no retrospective application of the policy in relation to subsisting incentive awards or remuneration arrangements. Accordingly, prevailing elements of the remuneration package would be honoured and form part of the ongoing remuneration of the person concerned. These would be disclosed to shareholders in the Annual Report on Remuneration for the relevant financial year.

The Company's approach is that the remuneration of any newly recruited Non-executive Director will be assessed in line with the same principles as apply to the existing Non-executive Directors.

The Company will not pay any introductory fee or incentive to any person to encourage them to become a Director but may pay fees to search and selection consultants in connection with the appointment.

Directors' remuneration report continued

Part 1: Summary of the Directors' Remuneration Policy (the "Policy") continued

Service agreements and letters of appointment

Executive Directors

Mark Davies' service contract has a twelve-month mutual notice period. Richard Howell's contract has a six-month mutual notice period. The Company's policy is for Executive Directors to have service agreements with no fixed term, but which may be terminated by the Company with no more than twelve months' notice from the Company to the Executive and equivalent notice from the Executive to the Company.

If notice is served by either party, the Executive Director can continue to receive base salary, contractual benefits and pension for the duration of their notice period during which time the Company may require the individual to continue to fulfil their current duties or may assign a period of garden leave. Service contracts do not contain liquidated damages clauses.

The Company may elect to make a payment in lieu of notice equivalent in value to a maximum of twelve months' base salary and contractual benefits including pension contribution but excluding variable pay, payable in equal monthly instalments. Alternatively, the Committee retains the discretion to make payments in lieu of notice as a lump sum.

In the event of termination for cause (e.g. gross misconduct) neither notice nor payment in lieu of notice will be given and the Executive Director will cease to perform their services immediately. In addition, and consistent with market practice, the Company may pay a contribution towards the Executive Director's legal fees for entering into a statutory agreement, may pay a contribution towards fees for outplacement services as part of a negotiated settlement, or may make a payment in relation to claims the Executive Director may have. There is no provision for additional compensation on termination following a change of control. Payment may also be made in respect of accrued benefits, including untaken holiday.

The contracts of the Executive Directors and the appointment letters of the Non-executive Directors will be available for inspection at the 2026 AGM and at the Company's registered office during business hours from the date of the Notice convening the meeting.

Incentive awards – treatment on cessation

Remuneration element	Treatment on exit
Salary, benefits and pension	Salary, benefits and pension will be paid over the notice period. The Company has discretion to make a lump sum payment on termination equal to the salary, value of contractual benefits and value of Company pension contributions payable during the notice period. In all cases the Company will seek to mitigate any payments due.
Annual Bonus Plan	Good leaver reason (reasons outlined below) – normally pro-rated to time and performance for year of cessation, and payable at the year end. Deferred shares delivered in full at normal vesting date. Other reason – no bonus payable for year of cessation and unless they are already owned by the Director, deferred shares normally lapse.
LTIP	Good leaver reason – normally pro-rated to time and performance in respect of each subsisting LTIP award, with awards vesting at the original date. The Company will have the discretion to allow awards to vest early in exceptional circumstances. Other reason – lapse of any unvested LTIP awards. Vested LTIP awards will be retained by Executive Directors. The Committee has the following elements of discretion: • to treat a leaver as a "good leaver". It is the Committee's intention to only use this discretion in circumstances where there is an appropriate business case to do so; • whether to measure performance over the original performance period or at the date of cessation; and • the Committee's policy is generally to pro-rate awards from the date of grant to the date of cessation. The Committee has the discretion to adopt a different approach to pro-rating and the timing of vesting where it is felt appropriate and there is an appropriate business case to do so.

A good leaver reason may include cessation in the following circumstances:

- death;
- ill health;
- injury or disability; or
- at the discretion of the Committee.

Directors' remuneration report continued

Part 1: Summary of the Directors' Remuneration Policy (the "Policy") continued

Service agreements and letters of appointment continued

Incentive awards – treatment on a change in control

The Committee's normal policy on the vesting of incentives on a change of control is summarised below:

Name of incentive plan	Change of control	Discretion
Annual Bonus Plan	Pro-rated to time and performance to the date of the change of control and paid at that time. Deferred shares released at the change of control.	The Committee has discretion to continue the operation of the plan to the end of the bonus year (subject to the agreement of the acquiring company).
LTIP	The number of shares subject to subsisting LTIP awards vesting on a change of control will be pro-rated to time and performance.	The Committee retains absolute discretion regarding the proportion vesting, taking into account time and performance. There is a presumption that the Committee will pro-rate for time, although it may adopt a different approach if it considers appropriate.

Non-executive Directors

The Non-executive Directors each have specific letters of appointment. Non-executive Directors are appointed for an initial term of three years and, under normal circumstances, would be expected to serve for additional three-year terms, up to a maximum of nine years, subject to satisfactory performance, which is reviewed annually by the Nomination Committee. The Board shall have discretion to extend a term beyond nine years in order to retain specialist skills and experience. The Company requires that all Directors are re-elected by shareholders at each AGM.

Non-executive Directors do not have any entitlement to payment upon a loss of office over and above payment for any notice period and any fees or expenses due to them but unpaid at the time of termination.

There is no provision for the recovery of sums paid to a Non-executive Director or the withholding of the payment of any sum due to a Non-executive Director.

External appointments

The Board recognises the benefit which the Company can obtain if Executive Directors serve as Non-executive Directors of other companies. Subject to review in each case, the Board's general policy is that an Executive Director can accept one non-executive directorship of another listed company (but not the chairmanship) and can retain the fees in respect of such appointment. Such appointments require Board approval and the time commitment the appointment will require is taken into consideration.

Statement of employment conditions elsewhere in the Company

The Committee considers pay and employment conditions across the Company when reviewing the remuneration of the Executive Directors and other senior employees. In particular, the Committee considers the range of base pay increases across the Group as well as wider workforce remuneration and related policies. The Policy for the Executive Directors has been designed with regard to the policy for the workforce as a whole. The Committee is kept updated through the year on general employment conditions and it approves the budget for annual salary increases.

Consideration of stakeholders' views

The Company is committed to engagement with shareholders and will seek major shareholders' views in advance of making significant changes to its Policy and how it is implemented. The Chair of the Committee will attend the Annual General as usual to hear the views of shareholders and to answer any questions in relation to remuneration.

Having regard to Provision 41 of the Code, in the course of her meetings as designated workforce Non-executive Director, Laure Duhot engaged in the year with employees on alignment of executive remuneration with wider Company pay policy. We remain confident that Executive remuneration is aligned with the wider Company pay policy, and – having regard also to engagement in year and previously; the Company's small number of staff; low level of staff turnover; and continuity of approach as regards Executive pay – that the workforce continues to be appropriately appraised on these matters. The Company will take steps to ensure this continues to be the case in the context of the enlarged group.

Directors' remuneration report continued

Part 2: Annual Report on Remuneration

On the following pages we set out the Annual Report on Remuneration for the year ended 31 December 2025 which provides details of how the Policy was applied during the year and the remuneration received by each of the Directors. It also sets out how we intend to operate the Policy for 2026.

This part of the report has been prepared in accordance with the Companies Act, various company regulations, and relevant sections of the Listing Rules. The Annual Report on Remuneration will be put to an advisory shareholder vote at the 2026 AGM.

Implementation of the Policy for 2026

How the Policy will operate in 2026 is set out below:

Summary of Policy	Implementation in the year to 31 December 2026
Base salary	
An Executive Director's base salary is set on appointment and reviewed annually with changes normally taking effect from the beginning of the year or when there is a change in position or responsibility.	The salaries of the CEO and the CFO were increased by 19% to £643k and by 13% to £450k respectively, having regard to their increased responsibilities in the context of the enlarged Group, with effect from 1 January 2026.
Pension	
Pension funding as an employer contribution to a defined contribution pension plan or as a salary supplement. Any pension payments are not to be considered "salary" when determining the extent of participation in the Company's incentive arrangements.	An employer pension contribution or cash allowance of 6% of pensionable salary, in line with all other employees of the Group, will be provided for the CEO and CFO.
Benefits	
The Committee recognises the need to maintain suitable flexibility in the benefits provided to ensure it is able to support the objective of attracting and retaining personnel in order to deliver the Group strategy.	In line with the Policy, the CEO and CFO receive life insurance and, in addition, in line with the rest of the workforce, they receive private health cover, income protection cover and critical illness cover.
Annual bonus	
Annual bonuses are paid in cash shortly after the end of the financial year to which they relate. However, Executive Directors who participate in the Annual Bonus Plan are required to defer 30% of the bonus net of tax into shares which should be held for at least three years. Dividend equivalents will be added on deferred shares.	The maximum opportunity under the bonus plan is 150% of salary for the CEO and CFO. The bonus will operate as follows: (i) Financial measures: 70% of opportunity, split equally between (a) EPRA earnings as adjusted by the Committee to ensure consistency with the basis on which the targets are set; and (b) total property return. (ii) Strategy and personal measures: 30% of opportunity split between key goals of the business for the year ahead that will be cascaded through the Company. These will focus on delivering the synergy outcomes from the Assura transaction and deleveraging the balance sheet. Full disclosure of the targets set and performance achieved will be made in next year's report as, due to the nature of the business, these targets are felt to be commercially sensitive at the current time.

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

Implementation of the Policy for 2026 continued

Summary of Policy	Implementation in the year to 31 December 2026
Long Term Incentive Plan	
Awards are to be granted annually under the LTIP in the form of nil-cost options or conditional awards of shares. These awards will vest at the end of a three-year period, normally subject to continued employment at the date of vesting and achieving the performance conditions. Dividend equivalents will be added to awards to the extent that they vest. The net of tax number of shares that vest after the end of the three-year performance period will be subject to an additional two-year holding period, during which the shares cannot be sold (irrespective of whether the individual remains employed).	The CEO and CFO will be granted an LTIP award of shares with a value at grant of 200% and 175% of their salaries respectively. Following consultation, the Committee increased the LTIP award for the CEO and CFO to 200% and 175% of salary from 160% and 150% of salary respectively. The increases reflect the increased size and complexity of the business following the combination with Assura. This brings the CEO's award level up to the median against the market whilst the CFO's level remains at or below the lower quartile. The Committee sets challenging targets for LTIP awards as is evidenced by the recent levels of vesting. The targets for TAR have been increased compared to the 2025 awards and a wider range set for EPS, reflecting market uncertainties. Other senior executives will also be granted LTIP awards. The structure and performance conditions of the awards will include an environmental metric with a weighting of 15%. This metric will be a calculation of the percentage of the property portfolio at 31 December 2028 that has at least a B EPC rating. The EPC targets that have been set are based on the total portfolio at 31 December 2025 which is still subject to checks as part of the integration process and may therefore change. LTIP awards will vest by calculating the growth from the 2025 base level to the level for 2028.

Performance measure	Weighting	Threshold vesting (25%)	Stretch vesting (100%)
Total Accounting Return	42.5%	5% pa CAGR	9% pa CAGR
EPRA earnings per share	42.5%	2.5% pa CAGR	8% pa CAGR
% of portfolio with at least a B rating	15%	65%	67%

Awards vest on a progressive basis for performance between the threshold (25% vesting except for EPRA earnings per share where it is 0% and 25% vesting for between 2.5% and 3% CAGR) and stretch targets and lapse if the threshold is not achieved. The Committee will have a discretion to change the formulaic outcome of (both downwards and upwards) if it is out of line with the underlying performance of the Company.

Shareholding requirement	
Executive Directors are required to build up and hold a shareholding equivalent to a percentage of base salary. The requirements continue for two years after an Executive Director ceases to be employed.	The shareholding requirement is 200% of base salary.
Non-executive Directors	
To provide a competitive fee for the performance of NED duties, sufficient to attract high calibre individuals to the role.	The fees payable to the NEDs have been increased with effect from 1 January 2026 by 4% to the following levels: Base fee £70,000, SID fee £12,000, Committee Chair fee £12,000 and employee engagement fee £3,000. The Chair's fee has also been increased with effect from 1 January 2026 to £320,000. All of these changes reflect increased time commitment and responsibility in the context of the enlarged group.

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

Implementation of the Policy for 2026 continued

The performance of the Company during the year would not have been possible without a skilled and motivated workforce. We recognise that it is critical for our colleagues to feel valued as well as to be paid fairly. To this end we undertook a formal review of pay and benefits across the Company at the end of the year pursuant to which we have increased basic salary across the workforce and continue to keep our overall benefits package under review so our colleagues feel valued. Our CEO pay ratio can be seen on page 104. Widespread share ownership is an objective of the Committee as it rewards our colleagues for the successful execution of our strategy across several years and aligns their interests more closely with our shareholders.

Executive Directors

Single total figure of remuneration (audited information)

The following tables detail all elements of remuneration receivable by the Executive Directors in respect of the year ended 31 December 2025 and show the comparative figures for the year ended 31 December 2024 in a separate table below. Amounts for 2024 represent remuneration earned during the period in their roles as Executive Directors, being amounts paid to Harry Hyman as CEO up to 24 April 2024 and Mark Davies as CEO from the same date:

Name	**Salary 2025 £000**	**Benefits[2] 2025 £000**	**Pension[3] 2025 £000**	**Total fixed 2025 £000**	**Annual bonus[1] 2025 £000**	**LTIP[4] 2025 £000**	**SAYE[5] 2025 £000**	**Total variable 2025 £000**	**Total 2025 £000**
Mark Davies	**541**	**2**	**32**	**575**	**812**	**—**	**—**	**812**	**1,387**
Richard Howell	**399**	**2**	**24**	**425**	**599**	**88**	**—**	**687**	**1,112**

1 The CEO earned an annual bonus of £811,500; the CFO earned an annual bonus of £598,500. The annual bonus is set by the Committee and is discretionary, of which 30% (net of tax) is deferred into Ordinary Shares which have to be held for three years and are subject to malus and clawback.

2 The CEO and CFO both receive life cover, private health cover, income protection cover and critical illness cover in line with the remainder of the workforce.

3 The CEO and the CFO receive a pension allowance of 6% of their full salary, the same employer contribution as other members of the PHP pension plan.

4 The long term incentive value for 2025 reflects the outturn for the 2023 LTIP scheme that vests in March 2026 at 18.125%. The vesting share price has been estimated at 97.7 pence, based on the three-month average share price ended 31 December 2025. A total of 414,874 shares were awarded to the CFO and dividend equivalents accrued. None of the 2023 LTIP scheme was attributable to share price appreciation.

5 The CEO was granted an option to acquire 25,383 Ordinary Shares in the Company at a price of 73.08 pence per share under the PHP 2024 Sharesave plan. Similarly the CFO was granted an option to acquire 22,233 Ordinary Shares in the Company at a price of 80.96 pence per share under the PHP 2023 Sharesave plan.

Name	Salary 2024 £000	Benefits[2] 2024 £000	Pension[3] 2024 £000	Total fixed 2024 £000	Annual bonus[1] 2024 £000	LTIP[4] 2024 £000	SAYE 2024 £000	Total variable 2024 £000	Total 2024 £000
Mark Davies	416	1	22	439	322	—	—	322	761
Harry Hyman	142	2	—	143	133	—	—	133	276
Richard Howell	387	2	23	412	348	182	—	530	942

1 The CFO earned an annual bonus of £347,720: Mark Davies as the CEO earned an annual bonus of £322,337 with Harry Hyman earning £132,955 as the former CEO, both pro-rated for the period of employment from/to the AGM in 2024. The annual bonus is set by the Committee and is discretionary, of which 30% (net of tax) was deferred into Ordinary Shares which have to be held for three years and are subject to malus and clawback.

2 The CEO and CFO both received life cover, private health cover, income protection cover and critical illness cover in line with the remainder of the workforce.

3 Mark Davies as the CEO and the CFO received a pension allowance of 6% of his full salary, the same employer contribution as other members of the PHP pension plan. Harry Hyman, as former CEO, did not receive a pension.

4 The long term incentive value for 2024 reflects the outturn for the 2022 LTIP scheme that vested in September 2025 at 50%. The vested share price was 89.25 pence per share. A total of 190,383 shares were awarded to the CFO and dividend equivalents accrued. None of the 2022 LTIP scheme was attributable to share price appreciation.

5 Mark Davies' salary includes £56,535 he received under a consultancy agreement for the 3 month period before, and in anticipation of him becoming CEO.

6 Harry Hyman stepped down as CEO in April 2024.

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

2025 annual bonus outcome

The bonus scheme for the CEO and CFO in 2025 was based on a mixture of financial targets and personal targets. The maximum potential bonus awards were 150% of salary. The table below includes details of the specific targets and the extent that they were met.

Metric	Weight	Threshold (25%)	Maximum (100%)	Outcome	Bonus achieved
Financial targets					
Adjusted earnings	35%	£92.9m	£94.9m	£131m	100%
Total property return	35%	3.5%	6.0%	6.9%	100%
Personal targets					
Individual targets	30%	See below	See below	See below	100%

In total, the bonus payable to the CEO in light of his performance against both the financial targets and personal objectives was equivalent to 100% of the maximum payable. This resulted in a bonus award of £811,500 of which, in line with the Policy, £129,029 representing 30% of the award, after tax, will be deferred into shares to be held for three years. The deferred shares are not subject to any further conditions.

Personal objectives (30% of total bonus)

The personal objectives were set based on Mark Davies' individual areas of responsibility and the main objectives set out below:

Objective	Achievement	Committee assessment
Effective development and communication of the Company's strategy and vision to stakeholders, including NHSPS and ICB senior contacts	The CEO led an active stakeholder introduction and engagement programme with the Company's key stakeholders including investors, employees and NHS bodies. In particular, the successful capital markets day and communication during the Assura transaction and subsequently.	The Committee assessed the CEO's performance, including feedback received from investors during consultations and from the Board's engagement activities with employees. 100%
Hold an effective Strategy Day	The CEO led the Company's annual Strategy Day bringing together the Board and senior management to discuss the Group's future development with high quality external speakers attending to prompt reflection and discussion.	Having participated directly in the Strategy Day and received feedback from other participants, the Committee determined that the objective had been fully met. 100%
Provide effective leadership to the Company underpinned by the Company's values, including further development of its culture	The CEO provided effective leadership to the Company translating into continued strong performance against a challenging economic backdrop affecting the Company's sector.	The Committee assessed the CEO's leadership through the Company's performance, the cohesiveness of the management team and feedback obtained through the Board's employee engagement activities. 100%
Develop the talent in the team evidenced in succession plans/ promotion readiness, and the Company's diversity agenda	The CEO has worked closely with the team and with the Head of People from Assura following the acquisition. He has been very closely involved in the development, promotion and implementation of succession plans for the senior team as a result of the transaction.	The Committee has high visibility of the CEO's actions against this objective. The CEO also demonstrated a proactive approach to implementing the Company's diversity agenda. 100%
Invest time to maintain a strong relationship with the Chair and rest of the Board including new NED	The CEO has spent significant amounts of time working with the Chair and the wider Board on the acquisition. He has taken time to maintain the strong relationship with the Chair and the rest of the Board.	The Committee determined that the objective had been fully met. 100%
Expand the share register in South Africa and take the PHP story to social impact investors with a target over time of 10% of the total share register	During the year the CEO undertook investor roadshows in South Africa meeting potential and existing investors to help develop the register there.	The Committee determined that the objective had been met with time spent developing the relationships in SA. 100%

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

2025 annual bonus outcome continued

The personal objectives of Richard Howell as CFO were set based on Richard's areas of responsibility and the main objectives were as follows:

Personal objectives (30% of total bonus) continued

Objective	Achievement	Committee assessment
Work with Mark Davies to deliver the Group's strategy including opportunities for scale and consolidation. Through personal leadership, working closely with Mark Davies, develop strong teams working collaboratively across the organisation to achieve PHP's goals.	During the year the CFO and his team played a key role in the Assura acquisition. The CFO continued to support the investment teams and provided significant levels of input and assistance including with respect to developing proposals for potential JV opportunities.	The Committee assessed that the performance of the CFO had been very strong in this area particularly in the context of the Assura acquisition. 100%
Optimise the funding structure to support the real estate strategy, including developing green funding sources Maintain appropriate LTV, cost of finance and debt maturity metrics Consider options and make first steps towards moving to the Group's debt structure to an unsecured basis at the appropriate time.	The CFO's team continued to support and provide advice to investment, asset management, rent review and Axis teams during the year in what has been a very difficult market. Significant refinancings completed in the year addressing all refinancing risk in the next two years, together with detailed planning to optimise debt structure moving forward.	The Committee noted the positive leadership of the CFO in optimising the funding for the Group for the transaction including debt funding and hedging. 100%
Keep costs below budget and EPRA cost ratio to be amongst the lowest in the sector	EPRA cost ratio kept at 9.8% (2024: 10.1%) and the second lowest in UK REIT sector.	The Committee assessed that the performance of the CFO had been strong in this area. 100%
Deliver opportunities for sustainable and progressive earnings growth by focusing on portfolio, including adjacencies, and income quality	Key analysis and working closely with the finance and property teams, with the CEO and developing opportunities and delivering these in the year and into 2026.	The Committee assessed that the performance of the CFO had been strong in this area. 100%
Deliver improved risk management and continue to develop and improve control environment with Axis PHP.	Focus on team awareness of risk management, both in the finance function and more widely in the business. Further systems and processes developed to assist with the Axis PHP business and more widely.	The Committee assessed that the performance of the CFO had been strong in this area. 100%
Continue to lead and develop ESG framework and deliver targets as set out in the Responsible Business report in the 2022 Annual Report. Including qualitative assessment on progress being made towards NZC Framework and medium to long-term targets.	There was continued progress towards the Company's NZC and ESG targets overall, in line with plans.	The Committee assessed that the performance of the CFO had been strong in this area. 100%
Continue to develop and improve the Group's IT infrastructure including controls, cyber risks and opportunities arising from AI. Improve employee feedback, efficiency and usage of IT.	Further development of the Group's IT infrastructure has been key in the year with the combination of IT systems with Assura and development of the best use of systems across the business. Further development and ongoing initiatives for adopting AI whilst being mindful of risks and to also maintain strong cyber resilience.	The Committee assessed that the performance of the CFO had been strong in this area. 100%

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

2025 annual bonus outcome continued

The Committee assessed Richard's performance against his personal targets after the year end and agreed that a bonus of 100% was payable in respect of this aspect of the Annual Bonus Plan, in light of his performance against these objectives. In reaching this conclusion the Committee determined that Richard had performed strongly during the year and had succeeded in meeting the majority of the targets set for him.

In total, the bonus payable to the CFO in light of his performance against both the financial targets and personal objectives was equivalent to 100% of the maximum payable. This resulted in a bonus award of £598,500 of which, in line with the Policy, £95,162 representing 30% of the award, after tax, will be deferred into shares to be held for three years. The deferred shares are not subject to any further conditions.

In light of the financial performance of the Company in the year including the refinancing and issue of equity and debt and the appropriate hedging strategy being implemented in a challenging economic environment, the Committee is satisfied that the bonus pay-out is appropriate. Specifically, the Committee took account of the following factors:

- The Company achieved a strong set of financial results with substantial year-on-year growth in EPRA earnings and in EPRA earnings per share despite a challenging environment for the property sector.
- The Company paid £117 million in dividends for 2025 to shareholders. The full year dividend for the year ended 31 December 2025, which was over 100% covered, increased by 3% from 6.9 pence to 7.1 pence.
- The Company maintained a strong control over costs, and effect 60% of the identified synergies by the year end which has increased to 83% at the time of reporting.
- The Company delivered a transformational strategic transaction which has the potential to deliver substantial returns for shareholders in the medium and long term.

On this basis, the Committee felt comfortable that the formulaic bonus outcome reflected the individual Executive Director and Company performance and, as a result, the Committee determined that no overriding discretion will be applied to the bonus outcome. Accordingly, the Committee is comfortable that an overall bonus pay-out of 100% of maximum is appropriate.

LTIP vesting in 2026

The 2023 LTIP awards will vest in March 2026, subject to Total Accounting Return and EPRA earnings per share targets.

Richard Howell was granted a nil-cost option over 414,874 Ordinary Shares in PHP (the "Award") which was subject to the following performance targets over a three-year period to 31 December 2025:

Performance measure	Weighting	Threshold vesting (25%)	Stretch vesting (100%)
Total Accounting Return	50%	4% per annum CAGR	8% per annum CAGR
EPRA earnings per share	50%	3% per annum CAGR	8% per annum CAGR

The Award vests on a straight line basis for performance between the applicable threshold and stretch targets.

Performance achieved and the level of vesting of the Award are as follows:

Performance measure	Performance achieved	Level of vesting
Total Accounting Return	4.6% per annum CAGR	18.125% of the total award
EPRA earnings per share	1.7% per annum CAGR	0% of the total award
Total		**18.125% of the award**

The Total Accounting Return and earnings per share outcomes were adjusted to reflect the exceptional impacts of the acquisition of Assura, which had not been factored into the targets set in 2023. Similar adjustments will be made to the 2024 and 2025 LTIP awards.

The Committee is comfortable that the current Policy operated as intended and that the overall 2025 remuneration paid to Executive Directors was appropriate.

Share scheme interests awarded during the year

Mark Davies and Richard Howell participated in the LTIP during the year.

Mark Davies was granted a nil-cost option over 969,643 Ordinary Shares in PHP. In line with the Policy the Award has a face value of 160% of salary (calculated on the basis of a share price of £0.8927, being the average of the closing middle market quotations on 17, 18 and 19 September 2025) and will vest after three years subject to achievement of performance targets (Total Accounting Return 42.5%, EPRA earnings per share 42.5% and percentage of properties EPC rated A or B 15%).

Richard Howell was granted a nil-cost option over 670,438 shares Ordinary Shares in PHP (the "Award"). In line with the Policy the Award has with a face value of 150% of salary and the same performance targets.

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

Share scheme interests awarded during the year continued

The Award is subject to the following performance targets over a three-year period to 31 December 2027:

Performance measure	Weighting	Threshold vesting (25%)	Stretch vesting (100%)
Total Accounting Return	42.5%	4% per annum CAGR	8% per annum CAGR
EPRA earnings per share	42.5%	3% per annum CAGR	8% per annum CAGR
Percentage of properties EPC rated A or B	15%	48% of portfolio	52% of portfolio

The Award vests on a straight line basis for performance between the applicable threshold and stretch targets and lapses to the extent the applicable threshold is not achieved. Any fractional result shall be rounded to the nearest whole number of shares.

The rationale for selecting EPRA EPS and Total Accounting Return ("TAR") (EPRA NTA per share growth plus dividends) is that these are also key indicators of value creation for shareholders out of which the dividends are paid, and the share values are driven. TAR reflects the impact of gearing as experienced by shareholders. Targets are absolute, rather than relative because there is not felt to be a suitably large list of peer companies against which to make comparison. The inclusion of total shareholder return was considered by the Committee, but potential volatility that is outside of management control and a very small peer group made the use of absolute and relative targets difficult to justify. The Committee will review this for future awards.

The Committee will determine whether, and the extent to which, the performance targets have been met, in accordance with the rules of the plan.

Mark Davies and Richard Howell also participate in the PHP Sharesave plan. Mark Davies entered into a savings contract to save £500 per month (the maximum sum permitted under the plan rules) and holds options granted in 2024 to acquire 25,383 Ordinary Shares of 12.5 pence at a price of 73.08 pence per share. Richard Howell entered into a savings contract to save £500 per month (the maximum sum permitted under the plan rules) and hold options granted in 2023 to acquire 22,233 Ordinary Shares of 12.5 pence at a price of 80.96 pence per share.

The Company may fund its share incentives through a combination of new issue and/or market purchase shares. The Company monitors the level of share grants and the impact of these on the continuing requirements for shares. In accordance with guidelines set out by the Investment Association at the time of adopting the share plans, the Company can issue a maximum of 10% of its issued share capital in a rolling ten-year period to employees under all its share plans, with an inner limit of 5% applying to discretionary plans.

Non-executive

	Fees		Taxable benefits		Total	
Name	**2025 £000**	2024 £000	**2025 £000**	2024 £000	**2025 £000**	2024 £000
Harry Hyman (Chair)[1]	**282**	133	**—**	—	**282**	133
Ian Krieger (Senior Independent Director)	**107**	88	**—**	—	**107**	88
Ivonne Cantú	**95**	77	**—**	—	**95**	77
Jonathan Davies*	**6**	—		—	**6**	—
Laure Duhot	**95**	77	**—**	—	**95**	77
Bina Rawal	**84**	55	**—**	—	**84**	55

1 Harry Hyman was appointed Chair of the Board at the 2024 AGM and his remuneration figure represents Directors' fees from 24 April 2024. the fees above reflect an additional fee in the year of £80,000 for the Chair reflecting the exceptional time commitment for the Assura transaction. The Non-Executive Directors fees, except for Jonathan Davies, received an additional fee for the year, paid in February 2026, of £16,000 reflecting their additional time commitment for the Assura transaction.

* Appointed 1 December 2025.

The Committee agreed to increase the fee paid to the Chair to £320,000 effect from 1 January 2026 at its meeting in December 2025 and the Board agreed to increase the fees payable to the remaining Non-executive Directors for 2026 by 4%. These increases reflect the increased time commitment and responsibility of the business following the combination with Assura. In relation to the additional fees paid in the year, these reflected the significant additional Board and Committee meetings held in the year to consider the Assura transaction and its progress and implications for the business. Ms Duhot's fees for 2026 were reduced to reflect that the ESG Committee is now an Executive Committee and Ms Duhot no longer Chair's the Committee.

Executive Directors: contracts

Name	Date of appointment	Date of service agreement or letter of appointment
Mark Davies	24 April 2024	24 April 2024
Richard Howell	1 April 2017	1 April 2017

Mr Davies entered into a contract of employment with the Company which commenced on 24 April 2024 and Mr Howell entered into a revised contract of employment with the Company on 15 April 2021 to reflect the terms of the Policy. Mr Davies' contract is a rolling contract that can be terminated by either party on giving twelve months' notice. Mr Howell's contract is a rolling contract that can be terminated by either party on giving six months' notice.

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

Non-executive Directors: contracts

Name	Date of appointment	Date of service agreement or letter of appointment	Length of appointment Years[1]
Harry Hyman	24 April 2024	24 April 2024	2
Ivonne Cantú	1 January 2022	14 December 2021	4
Laure Duhot	14 March 2019	14 March 2019	7
Ian Krieger	15 February 2018	15 February 2018	8
Bina Rawal	27 February 2024	27 February 2024	2
Jonathan Davies	1 December 2025	1 December 2025	0

1 Subject to annual election or re-election at the Company's AGM in accordance with the Code.

The Non-executive Directors each have specific letters of appointment, rather than service contracts. Non-executive Directors are appointed for an initial term of three years and, under normal circumstances, would be expected to serve for additional three-year terms, up to a maximum of nine years, subject to satisfactory performance, which is reviewed annually by the Nomination Committee. The Board shall have discretion to extend a term beyond nine years in order to retain specialist skills and experience which are hard to replace and provided always that the individual is considered to remain independent.

The appointment of the Chair and any Non-executive Directors may be terminated immediately if they are not re-appointed by shareholders or if they are removed by the Board under the Company's Articles of Association or if they resign and do not offer themselves for re-election. In addition, appointments may be terminated by either the individual or the Company giving three months' written notice of termination.

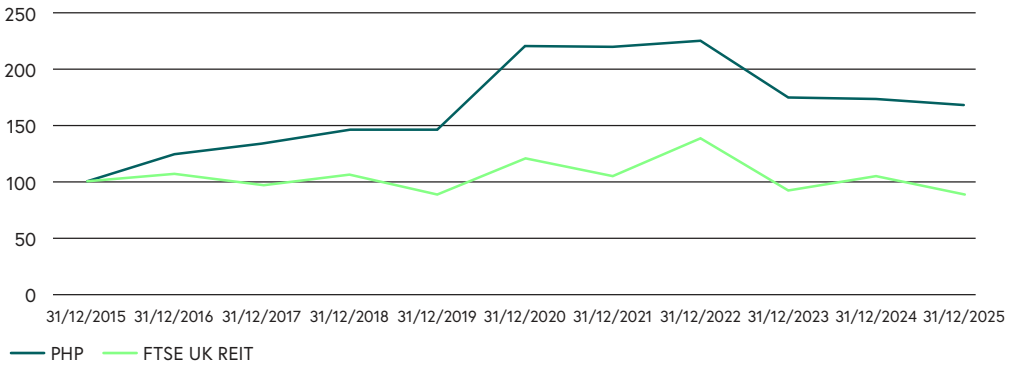
In accordance with the Code, the Company requires that all Directors are elected or re-elected at each Annual General Meeting.

The Company's performance

The following graph compares the total shareholder return of the Company's Ordinary Shares relative to a return on a hypothetical holding over the same period in the FTSE All-Share Real Estate Investment Trust Index. This index has been chosen by the Board as the Company is a constituent member of that index. Total shareholder return is the measure of returns provided by a company to shareholders reflecting share price movements and assuming reinvestment of dividends.

For the year ended 31 December 2025, the highest and lowest closing mid-market prices of the Company's Ordinary Shares were 103.2 pence and 91.5 pence respectively.

Total shareholder return performance %



CEO pay

This table shows how pay for the role of the CEO has changed in the last five years. This table will be expanded over future periods until a ten-year history has been provided. Prior to 2020 the Group was externally managed. Amounts for 2024 represent remuneration earned during the period in their roles as Executive Directors, being amounts paid to Harry Hyman as CEO up to 24 April 2024 and Mark Davies as CEO from the same date.

Year	**2025 £000**	2024 £000	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000
Incumbent	**Mark Davies**	Mark Davies	Harry Hyman	Harry Hyman	Harry Hyman	Harry Hyman	Harry Hyman
Single figure of remuneration	**1,387**	761	276	854	263	836	574
% of max bonus earned*	**100%**	60%	63%	71%	n/a	n/a	n/a
% of max LTIP awards vesting*	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a

* Mr Hyman did not participate in the LTIP scheme in any period, nor the Annual Bonus Plan in 2021 and 2022. He received £nil, £nil, £589k and £524k in 2023, 2022, 2021 and 2020 under the PIF.

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

Remuneration adviser

The Remuneration Committee's adviser is Korn Ferry (who were appointed by the Committee). Korn Ferry provides advice on Directors' remuneration and governance and has no other connection with the Company. Korn Ferry is a signatory to the voluntary code of conduct of the Remuneration Consultants Group in relation to executive remuneration consulting. The Committee is satisfied that its advice is independent and objective and as a result was scored highly in these matters in the Remuneration Committee performance review. The fees paid for its services, calculated on a time and materials basis during the calendar year, were £65,940.

Relative importance of spend on pay

The following table shows the total remuneration paid to Directors and total management fees paid compared to the dividends paid to shareholders:

	2025 £000	2024 £000	Difference
Directors' remuneration	**3,167**	2,265	40%
Pay overall (including Executive Directors)	**10,407**	7,710	35%
Dividends	**116,630**	92,125	3%

Note: The items listed in the table are as required by the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 Section 20. The figures for this measure are as shown in Note 4 to the financial statements.

Statement of Directors' shareholding and share interests (audited)

The interests of each person who served as a Director at any time during the financial year in the share capital of the Company (all of which are beneficial unless otherwise stated) and any interests of a person connected with such persons (within the meaning of Section 96B(2) of the Financial Services and Markets Act 2000) are shown below. There have been no changes to their interests from 31 December 2025 to the date of this report.

Director	Number of shares owned beneficially	Number of shares owned by connected persons	% of salary held	Total interest subject to conditions (LTIP nil-cost awards)	Total interests subject to continued service condition only	Outstanding Sharesave options	**Total interests as at 31 December 2025**
Harry Hyman	12,224,317	12,381,736	n/a	n/a	n/a	n/a	**24,606,053**
Mark Davies	403,691	—	75%	1,856,467	n/a	25,383	**2,285,541**
Richard Howell	203,563	543,435	187%	1,625,091	—	22,233	**2,394,322**
Ian Krieger	465,820	111,853	n/a	n/a	n/a	n/a	**577,673**
Laure Duhot	20,868	23,169	n/a	n/a	n/a	n/a	**44,037**
Ivonne Cantú	76,945	—	n/a	n/a	n/a	n/a	**76,945**
Bina Rawal	38,549	—	n/a	n/a	n/a	n/a	**38,549**
Jonathan Davies	82,463	—	n/a	n/a	n/a	n/a	**82,463**

Shareholding guidelines

In accordance with the Policy, in order to ensure that the Executive Directors' interests are aligned with those of shareholders, the shareholding guideline (as a percentage of salary) for the Executive Directors is 200%. In addition, the Executive Directors are required to retain shares equal to the level of this guideline (or if they have not reached the guideline, the shares that count at that point in time) for the two years following their departure.

The guideline shareholdings for the year ended 31 December 2025 are shown below:

Executive Director	Requirement	Guideline holding	Qualifying holding	% of salary held
Mark Davies	200%	1,105,209	403,691	75%
Richard Howell	200%	815,117	746,998	187%

Accordingly the shareholding guidelines were not met in the year. The shareholding definition includes shares beneficially owned by the Executive Directors and their connected persons. Shares subject to conditions (including LTIPs and sharesave) are not included. The 31 December 2025 closing share price has been used to determine the guideline holdings.

The shareholding guidelines continue to apply for two years post cessation of employment.

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

CEO pay ratio

Although PHP (including following the Assura combination) does not have more than 250 employees, and is thus not formally required to publish the ratio of the CEO's pay to the wider UK workforce, we have decided to include this figure as good practice.

Our CEO to colleague pay ratio is set out in the table below. For comparative purposes, the analysis below represents actual amounts paid to Mark Davies in his role as CEO during the year and have been aggregated including salary, pension and bonuses:

Financial year	Method used	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
2025	**Option A**	**17.9:1**	**10.9:1**	**4.1:1**
2024	Option A	15.7:1	9.5:1	6.0:1
2023	Option A	11.5:1	6.8:1	4.4:1
2022	Option A	3.8:1	2.2:1	1.4:1

The Company has chosen to use Option A as the method for calculating the CEO pay ratio. This method had been selected because PHP has a small number of employees, and this method is considered to be the most up to date and statistically accurate method of calculation. It is also recommended by the UK government and the Investment Association. The CEO pay ratio increased from 2024 to 2025 as a result of the CEO base pay increasing in the period by 3%, the same as the average increase for our workforce. Additionally for the 2025 period, the CEO's bonus was 100% of his annualised base pay, compared to 20% for the wider workforce. The Company believes that the median pay ratio is consistent with the pay, reward and progression policies for the Company's UK employees taken as a whole.

	2025			
	CEO £	25th £	50th £	75th £
Basic salary	**541,000**	**57,600**	**76,915**	**113,300**
Benefits	**1,986**	**3,730**	**8,128**	**10,173**
Pension	**32,460**	**3,480**	**4,635**	**7,829**
Annual Bonus Plan	**811,500**	**12,500**	**37,500**	**208,250**
Total pay	**1,386,946**	**77,310**	**127,178**	**339,552**

CEO pay for 2025 has been calculated for the period 1 January 2025 to 31 December 2025 based on the single figure remuneration.

The calculation for the pay of employees at the different levels has been calculated as at 31 December 2025. Where relevant, full-time equivalent pay was calculated by applying a proportionate increase to the pay and benefits of any part-time employees.

For the purpose of the calculations, the following elements of pay were included in the total pay figure for the employee at each quartile in the year to 31 December 2025:

- annual basic salary;
- bonus earned in the year;
- employer pension contributions;
- Sharesave; and
- life cover.

Directors' remuneration report continued

Part 2: Annual Report on Remuneration continued

Percentage change in remuneration of the Board of Directors

The table below shows the percentage change in remuneration of the Executive and Non-executive Directors against PHP employees as a whole.

	% change 2024 to 2025			% change 2023 to 2024			% change 2022 to 2023			% change 2021 to 2022			% change 2020 to 2021		
	Base salary/ fees	**Benefits**	**Bonus**	Base salary/ fees	Benefits	Bonus	Base salary/ fees	Benefits	Bonus	Base salary/ fees	Benefits	Bonus	Base salary/ fees	Benefits	Bonus
Harry Hyman[1,2]	**3**	**—**	**—**	(33)	(63)	(70)	57	175	0	6	0	(100)	400	0	12
Mark Davies[3]	**3**	**7**	**152**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Richard Howell[3]	**3**	**3**	**72**	8	8	(9)	7	116	46	5	309	(43)	7%	n/a	n/a
Ian Krieger[2]	**3**	**—**	**—**	8	n/a	n/a	12	n/a	n/a	4	n/a	n/a	11	n/a	n/a
Ivonne Cantú[2]	**3**	**—**	**—**	8	n/a	n/a	9	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Laure Duhot[2]	**3**	**—**	**—**	8	n/a	n/a	13	n/a	n/a	5	n/a	n/a	9	n/a	n/a
PHP employees[4]	**4**	**230**	**68**	5	(4)	(24)	10	18	7	7	135	(2)	n/a	n/a	n/a

1 Harry Hyman's fee increase reflects the fee for 2024 v fee for 2025 as Chair.
2 The Non-executive Directors receive no benefits and do not participate in the annual bonus scheme.
3 The % change for salary for Mr Davies reflects the base salary for 2024 v 2025.
4 Assura employees that joined following the merger have been included and predominantly account for the large increase in benefits and bonus from the prior year.

Statement of shareholder voting

At the 2025 AGM, shareholder voting on the Directors' Remuneration Report was as follows:

	Number of votes	% of votes cast
Votes cast in favour	792,538,886	98.09
Votes cast against	15,397,151	1.91
Votes withheld[1]	684,234	—
Total votes cast	**807,936,037**	**100**

At the 2024 AGM, shareholder voting on the Directors' Remuneration Policy was as follows:

	Number of votes	% of votes cast
Votes cast in favour	718,248,823	84.22
Votes cast against	134,558,949	15.78
Votes withheld[1]	1,029,803	—
Total votes cast	**852,807,772**	**100**

1 A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes for or against a resolution.

Payments to past Directors or for loss of office

There have been no payments made to past Directors and no payments made for loss of office in the year.

Approval

The Directors' Remuneration Report has been approved by the Board of Directors.

Signed on behalf of the Board of Directors

Ivonne Cantú
Chair of the Remuneration Committee
16 March 2026

Directors' report

The Directors present to shareholders their Annual Report and Accounts, together with the financial statements and the Auditor's Report, for the year ended 31 December 2025.

Company status

Primary Health Properties PLC is a public limited liability company incorporated under the laws of England and Wales and is the holding company of the Group, which has no branches. Its primary listing is on the London Stock Exchange (equity shares, commercial companies, category) (LON: PHP) and is a constituent of the FTSE 250 Index. It also has a secondary listing on the Johannesburg Stock Exchange (JSE: PHP) and is included in the FTSE/JSE All-Share Index and All-Property Index.

Principal activity

The principal activity of the Group is investment in primary healthcare property in the United Kingdom and Ireland.

The purpose of the Annual Report is to provide information to the members of the Company, as a body, that is a fair, balanced and understandable assessment of the Group's performance, business model and strategy. A detailed review of the Group's business and performance during the year, the principal risks and uncertainties facing the Group, its approach to responsible business, an indication of future likely developments in the Company and details of important events since the year ended 31 December 2025 are contained in the Group's Strategic Report on pages 1 to 63 and should be read as part of this report.

The Company, its Directors, employees, agents or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed. The Annual Report contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this Annual Report. Nothing in this Annual Report should be construed as a profit forecast.

Tax status

The Group became a Real Estate Investment Trust ("UK REIT") on 1 January 2007. It is the opinion of the Directors that the Group has conducted its affairs so as to be able to continue as a UK REIT.

Directors

The names and biographical information for the current Directors can be found on pages 68 and 69. Details of the Directors who served during the year and the interests of the Directors and their connected persons in the Company's Ordinary Shares can be found in the Directors' Remuneration Report on page 103.

The Company's Articles require that Directors should submit themselves for election at the first Annual General Meeting following their appointment and thereafter for re-election at least every three years. The Company has, however, adopted the requirements of the UK Corporate Governance Code) in requiring the annual re-election of all Directors.

A proposal to re-elect such Directors is to be included within the Notice calling the 2026 AGM. The Chair confirms to shareholders that, following formal performance evaluation, all the Directors standing for election or re-election continue to be effective. Their contribution is valuable and they demonstrate full commitment to and independence in their roles.

Appointment and removal of Directors

Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall not be less than two and there shall be no maximum number of Directors.

Dividends

The results for the year are shown in the Group Statement of Comprehensive Income on page 119.

The Company has paid four interim dividends each of 1.775 pence per Ordinary Share of 12.5 pence ("Ordinary Shares") for the year, totalling 7.1 pence per share, each of which has been paid as 1.375 pence by way of Property Income Distribution ("PID") and the remainder, being 0.400 pence, as an ordinary dividend.

Powers of Directors

Subject to the provisions of the Companies Act 2006 (the "Act"), the memorandum and Articles of Association (the "Articles") of the Company and any directions given by special resolution, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company.

Appointment of Directors

Subject to the Articles, and without prejudice to the power of the Company to appoint any person to be a Director, the Board has power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with the Articles.

Any Director so appointed shall hold office only until the next Annual General Meeting of the Company following such appointment and shall then be eligible for election.

Retirement of Directors

Under the Articles at each Annual General Meeting any Director who shall have been a Director at each of the two preceding Annual General Meetings is required to stand for re-election as a Director. However, the Company has adopted the requirements of the Code in requiring the annual re-election of all Directors.

Removal of Directors

In addition to any powers of removal conferred by the Act, the Company may by special resolution remove any Director before the expiration of their period of office and may (subject to the Articles) by ordinary resolution appoint another person to act in their place.

Directors' report continued

Indemnities

The Company has procured directors' and officers' liability insurance in respect of itself, the Directors and the directors of its subsidiaries. These indemnities are qualifying third-party indemnity provisions as defined by Section 234 of the Act.

The Company has agreed to indemnify each Director against any liability incurred in relation to acts or omissions arising in the ordinary course of their duties. The indemnity only applies to the extent permitted by law. A copy of the deed of indemnity is available for inspection at PHP's registered office and will be available at the 2026 AGM. No indemnity was provided and no payments were made pursuant to these provisions during the year.

Substantial interests

As at 28 February 2026, the Company had been notified under the Disclosure Rules or was otherwise aware of the following shareholders who were directly or indirectly interested in 3% or more of the voting rights in the Company's issued share capital. These positions have not materially changed since 31 December 2025.

Name	Shares	%
BlackRock	229,318,948	8.84
Hargreaves Lansdown	152,048,510	5.86
Vanguard Group	145,453,713	5.60
Interactive Investor	103,155340	3.98
Legal and General Investment Management	102,448,071	3.95
Schroder Investment Management	101,775,651	3.92
Rathbones	80,558,877	3.10

Share capital

At the date of this report, the Company has one class of share in issue, being 2,595,089,751 Ordinary Shares of 12.5 pence each, each carrying the right to one vote at general meetings of the Company and to participate in any dividends declared in accordance with the Articles. There are no Ordinary Shares held in treasury. No person has any special rights of control over the Company's share capital.

At the 2025 AGM shareholders authorised the Company to make market purchases of Ordinary Shares representing up to 10% of its issued share capital at the time to allot equity securities (as defined by the Act) for cash. The Company did not purchase or acquire any of its Ordinary Shares during the year, nor did any nominee or third party with the Company's assistance acquire any shares on behalf of the Company. The authority to make market purchases referred to above will expire at the 2026 AGM and it is proposed to seek renewal of this authority at the 2026 AGM.

At the Annual General Meeting in 2025, the Directors were granted authority: (i) to allot shares up to a maximum amount of £55,687,241, representing approximately one-third of the Company's issued Ordinary Share capital; and (ii) to allot shares up to a maximum nominal value of £16,706,172 (representing approximately 10% of the Company's issued share capital) without having to first offer those shares to existing shareholders ((ii) being referred to as the "Authority").

The Directors were also granted authority to allot further shares up to a maximum nominal value of £16,706,172 (representing approximately 10% of the Company's issued share capital) without having to first offer those shares to existing shareholders, where such authority is used in connection with the financing (or refinancing, if the authority is to be used within six months after the original transaction) of an acquisition or specified capital investment (the "Additional Authority").

In relation both to the Authority and the Additional Authority, the Directors were also granted authority to allot shares up to a nominal amount of 20% of any allotment pursuant to the Authority and for the purposes of a "follow-on offer" as defined in paragraph 3 of Section 2B of the Pre-Emption Group's Statement of Principles (November 2022), or a maximum of 2% of the Company's issued share capital in each case.

The Directors made no use of these powers during the year but will seek to renew them, in line with market practice, at the 2026 AGM.

Rights attaching to shares under the Articles

The Company's Articles do not contain any specific restrictions on the size of a shareholder's holding.

Voting rights

Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with the Articles, on a show of hands every member who is present in person or by proxy and entitled to vote has one vote and on a poll every member who is present in person or by proxy and entitled to vote has one vote for every share of which he is the holder.

Restrictions on voting

There are no restrictions on exercising voting rights save in situations where the Company is legally entitled to impose such restrictions, such as if having been served with a notice under Section 793 of the Act, a shareholder fails to disclose details of any past or present beneficial interest. The Company is not aware of any arrangements between shareholders that may result in restrictions on the transfer of securities or voting rights.

Transfer

There are no restrictions on the transfer of Ordinary Shares, other than certain restrictions imposed by laws and regulations which restrict Directors and persons closely associated with them from dealing in the Company's securities without prior approval under the Company's share dealing code.

The rights and obligations attaching to the Ordinary Shares, in addition to those conferred by law, are set out in the Articles.

Amendment of the Company's Articles

Any amendments to the Company's Articles may be made by special resolution. There were no amendments made to the Articles in the year.

Directors' report continued

Change of control

Under the Group's financing agreements, repayment or termination of the outstanding amounts on a change of control may be required by the lenders or bondholders. There are no agreements between the Company and the Directors providing compensation for loss of office or employment or otherwise that occurs specifically because of a change of control.

The Company's share plans contain provisions that, as a result of a change of control, options and awards may vest or become exercisable, in accordance with the rules of the plans.

Suppliers

The Group has not signed up to any specific supplier payment code. It is PHP's policy to comply with the terms of payment agreed with its suppliers. Where specific payment terms are not agreed, the Group endeavours to adhere to the supplier's standard payment terms and aims to settle supplier accounts promptly in accordance with its individual terms of business. The number of creditor days outstanding as at 31 December 2025 was ten days (2024: seven days; 2023: eight days; 2022: ten days).

Annual General Meeting

The Annual General Meeting of PHP ("AGM") will be held on 29th April 2026 at 10:30 a.m. The Notice convening the AGM and explanatory notes for the resolutions sought will be sent to shareholders not less than 21 clear days before the date of the meeting.

Full details will be set out in the Notice of AGM, but may need to be altered at short notice, in which case the Company will update shareholders, as necessary, via a Regulatory Information Service and the Company's website at www.phpgroup.co.uk. Shareholders are advised to check the Company's website for updates.

Auditor

Deloitte LLP has expressed its willingness to continue in office as auditor and a resolution to re-appoint it will be put to shareholders at the AGM.

Employees

As at 31 December 2025, the Group had 129 employees in the UK and 27 in Ireland.

Employees are encouraged to maximise their individual contribution to the Group. In addition to competitive remuneration packages, they participate in an annual bonus scheme which links personal contribution to the goals of the business.

In addition, all employees are eligible to participate in the PHP Sharesave plan 2021 that was approved by shareholders at the 2021 AGM. Employees are provided regularly with information regarding the business and other matters of concern to them at bi-weekly video-conference calls. In addition, all staff are eligible to participate in a defined contribution pension scheme. The views of employees are taken into account when making decisions that might affect their interests. The Company encourages openness and transparency, with staff having regular access to senior management and being given the opportunity to express views and opinions.

Further details of how the Directors engage with employees can be found on pages 43 and 44 and in the Corporate Governance section on page 70.

The Group is committed to the promotion of equal opportunities, supported by its Equality, Diversity and Inclusion policy which is informed by and aligned with the Listing Rules. The policy reflects both current legislation and best practice. It highlights the Group's obligations with respect to race, gender, socio-economic and disability equality.

Full and fair consideration is given to applications for employment from disabled persons and appropriate training and career development are provided.

Donations

The Group does not make any political donations. Details of the charitable donations made in the year are set out on page 42 in the Responsible Business section.

Share service

The Shareholder Information section on page 171 provides details of the share services available.

Financial instruments

The Group's financial risk management objectives and policies are discussed in Note 17.

Subsequent events

Details of events occurring since the year end are given in Note 26.

Going concern

The Group's business activities together with the factors likely to affect its future development, performance and position, along with the financial position of the Group, its cash flows, liquidity position and borrowing facilities, are set out in the Strategic Report.

The Group's property portfolio is 99% occupied with over 89% of its income funded directly or indirectly from government sources and the average WAULT across the Group's portfolio is 10.8 years.

As at 31 December 2025, the Group had £551 million of headroom on its debt facilities, after commitments to fund on properties under construction through the course of 2025 with a further £20 million of cash. The weighted Group average unexpired loan term was 4.1 years.

The Group's consolidated loan to value ratio, including drawn, unsecured debt, is 57% with all banking covenants being met during the year and subsequent to the year end. The Group has a clear plan to de-leverage the business although the going concern assessment is not dependent on this. Given the two distinct debt structures within the Enlarged Group reflecting secured within PHP and unsecured debt within Assura, each has its own distinct set of covenants. Values would need to fall by 41% or 31% before the LTV ratio was at risk of being breached at the PHP and Assura levels respectively. Income would need to fall by approximately 62% or 64% for the interest cover covenants was at risk of being breached at the PHP and Assura levels respectively.

The Directors believe that the Group is well placed to manage its business risks successfully. Having reviewed the Group's business activities, financial development, performance and position including its cash flows, liquidity position, borrowing facilities and covenant cover, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence and meet its liabilities as they fall due for a period of at least twelve months from the date of this report. For this reason, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Directors' report continued

Regulatory disclosures

Additional information which is incorporated into this report by reference, including information required in accordance with the Companies Act 2006, Listing Rule 6.6.1 and the Disclosure and Transparency Rules ("DTRs"), can be found on the following pages:

Review of business and future developments Strategic Report	See pages 14 to 17
Principal risks Risk Management section of the Strategic Report	See pages 56 to 62
Viability statement	See page 63
Directors' details Directors' biographies	See pages 68 and 69
Directors' share interests Remuneration Committee Report	See page 103
Section 172 Statement Responsible Business section of the Strategic Report	See page 55
Greenhouse gas emissions Responsible Business section of the Strategic Report	See pages 40 to 41
Financial instruments Note 16	See page 141
Financial risk management policies Risk Management section of the Strategic Report	See pages 56 to 62
Related party transactions Note 24	See page 146
Subsequent events Note 26	See page 146

All other sub-sections of Listing Rule 6.6.1 are not applicable. Information that fulfils the requirements of Listing Rule 6.6.6 can be found in the Corporate Governance Statement on pages 70 to 78 and is incorporated into this Directors' Report by reference.

Directors' statement as to disclosure of information to auditor

The Directors who were members of the Board at the time of approving the Directors' Report are listed on pages 68 and 69. Having made enquiries of fellow Directors and of the Company's auditor, each of the Directors confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The Directors' Report, Strategic Report and Corporate Governance Report were approved by the Board on 16 March 2026.

By order of the Board.

Phil Higgins
Interim Company Secretary
Primary Health Properties PLC
Registered office: 5th Floor, Burdett House,
15–16 Buckingham Street, London WC2N 6DU
Registered in England Number: 3033634

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

Independent auditor's report

to the members of Primary Health Properties PLC

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Primary Health Properties PLC (the 'company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the group statement of comprehensive income;
- the group and company balance sheets;
- the group and company statements of changes in equity;
- the group cash flow statement;
- the related notes 1 to 27 to the group financial statements, and
- the related notes 1 to 18 to the company financial statements.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the group and company for the year are disclosed in note 4 to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the group or the company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Accounting for the acquisition of Assura plc; and • Estimation of property yields applied in the valuation of investment property. Within this report, key audit matters are identified as follows: Newly identified Similar level of risk
Materiality	The materiality that we used for the group financial statements was £38.3 million which was determined on the basis of 1.5% of net assets. Further to net assets, we considered EPRA Earnings to be a critical financial performance measure for the group, and we therefore applied a lower threshold of 5% (£6.2 million) for the specific items that impact EPRA Earnings.
Scoping	On 12 August 2025, the group completed the acquisition of Assura Plc. In the current year we identified two components, the existing group (Primary Health Properties plc) and the newly acquired group (Assura plc). We performed audits of the entire financial information of both of these components. The audit procedures to respond to the risks of material misstatement were performed directly by the group audit engagement team.
Significant changes in our approach	The group completed the acquisition of Assura Plc in the year. There is judgement within the acquisition accounting and therefore we have determined this represents an additional key audit matter (KAM).

Independent auditor's report continued

to the members of Primary Health Properties PLC

Report on the audit of the financial statements continued

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the group's and company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of relevant controls over management's process for evaluating the group and company's ability to continue as a going concern, including the identification and evaluation of the financial impact of relevant business risks and the method, model and assumptions applied by management in assessing going concern;
- obtaining an understanding of the financing facilities available to the group and the company, including repayment periods, maturity dates, interest costs and financial and non-financial covenants such as loan to value and interest cover ratios. This includes the additional facilities agreed following the acquisition of Assura plc;
- testing the mathematical accuracy of management's going concern model, including the recalculation of current and forecast covenant compliance, together with the impact on covenant compliance of the sensitivities applied;
- performing a retrospective review of management's historical forecasting accuracy;
- challenging the key assumptions applied in management's going concern model, including forecast valuation movements and rental income with reference to market data and other external information;
- challenging the appropriateness of the sensitivity analysis performed by the directors, including the 'additional stress-testing' performed by management with reference to the forecasts, historical performance, and other external data;
- assessing the level of headroom in the forecasts with reference to both liquidity and financial covenants, such as loan to value and interest cover ratios, including the ability of the group to extend undrawn facilities.
- assessing whether any additional facts or information have become available since the date management made their assessment; and
- evaluating the appropriateness of the going concern disclosures in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Accounting for the acquisition of Assura plc

Key audit matter description	The Group completed the acquisition of Assura Plc on 12 August 2025. This acquisition was a significant transaction, with a deal value of £1,578m including cash consideration of £407m plus the issue of 1,258.6 million new PHP shares. Judgement is required in determining whether to account for the acquisition as an asset acquisition or as a business combination under IFRS3 'Business Combinations'. The Group has accounted for the acquisition as an asset acquisition and consequently no Goodwill was recognised upon initial acquisition. Judgement is also needed in determining the fair value of the assets and liabilities acquired. Further information on the acquisition can be found in notes 2.3 and 25 of the financial statements. Given the size and complexity of the acquisition, we identified a key audit matter with regards to accounting for the acquisition and the fair value of the assets and liabilities acquired. The consideration of this risk by the Audit Committee is described on page 80.

Independent auditor's report continued

to the members of Primary Health Properties PLC

Report on the audit of the financial statements continued

5. Key audit matters continued

5.1. Accounting for the acquisition of Assura plc continued

How the scope of our audit responded to the key audit matter	We carried out the following audit procedures to address the risk associated with the identified key audit matter: • Obtained and critically assessed management's paper which sets out the transaction and evaluated whether the acquisition of Assura plc meets the criteria of a business combination under IFRS 3 'Business Combinations' or an asset acquisition, including management's judgements in determining whether the assets acquired have similar risk characteristics when applying the concentration test. • Assessed the fair value of the assets and liabilities acquired, with a particular focus on the fair value of the debt and investment property acquired (the most significant items within the Assura plc balance sheet). We recalculated the fair value of the debt and assessed management's judgements applied in determining the fair value of investment property. • With the involvement of our valuation specialists, independently recomputed the fair value of debt acquired and involved Deloitte Real Estate Advisory ("DREA") specialists in assessing the valuation of the investment property at the acquisition date. While no external valuation of the investment property was obtained by management as at the 12th August 2025, an external valuation was obtained at 31st December 2025, with an assessment made by management on the adjustments within the 31st December 2025 valuation that were needed in order to determine the valuation of investment property as at 12th August 2025. We also assessed the quantum of these adjustments and whether they have been appropriately recorded within the 12th August 2025 valuation. • Assessed the completeness and accuracy of the disclosures relating to the acquisition.
Key observations	Based on our work performed, we concluded that the accounting treatment and financial statement disclosures for the acquisition of Assura plc were appropriate.

5.2. Estimation of property yields applied in the valuation of investment property

Key audit matter description	The group primarily owns and manages a portfolio of primary healthcare properties in the UK and Ireland. As stipulated by IAS 40 Investment Property, the properties are remeasured to their fair value at each balance sheet date. The fair value of the group's portfolio was £2.75 billion at 31 December 2024. Following the acquisition of Assura Plc, the group's portfolio is now valued at £5.9 billion as at 31 December 2025. The group involves professionally qualified independent external valuers to perform the properties valuation bi-annually in accordance with Royal Institution of Chartered Surveyors ('RICS') Valuation – Global Standards. In determining the fair value of a property, the external valuers consider several factors including current rent and yields (principally net initial yields). The key judgement relates to the yields adopted. These consider property-specific factors including the Weighted Average Unexpired Lease Term ('WAULT') together with the age and specification of the asset. These factors are then considered in combination with prevailing market yields, comparable transactional evidence, and market sentiment in determining the specific yield to apply to a property. The yields adopted are inherently subjective and a small change can materially impact the valuation of the property portfolio. This compares to rental values which are based on long-term lease agreements. We therefore consider the yield assumption to be a key audit matter. Furthermore, given the high level of estimation involved, we have determined that there is potential for fraud through possible manipulation of yields and therefore the valuation. Please see the accounting policy in note 2.3 and investment property related disclosures including the sensitivity of significant unobservable inputs in note 10 to the financial statements. The consideration of this risk by the Audit Committee is described at page 81.

Independent auditor's report continued

to the members of Primary Health Properties PLC

Report on the audit of the financial statements continued

5. Key audit matters continued

5.2. Estimation of property yields applied in the valuation of investment property continued

How the scope of our audit responded to the key audit matter	We carried out the following audit procedures to address the risk associated with the identified key audit matter: • Obtained an understanding of the relevant controls established by management to ensure the correct information is provided to the external valuers, and to oversee and review the work performed by the external valuers. • Assessed the competence, capabilities and objectivity of the external valuers and read their terms of engagement with the group to determine whether there were any matters that might affect their objectivity or may have imposed scope limitations on their work. This included whether there had been any change in their engagement terms within the year. • Obtained and assessed the external valuation reports for all properties and evaluated whether the valuation approach is consistent with the RICS guidelines and therefore suitable for use in determining the fair value recorded within the group's balance sheet, as well as testing the integrity of the models used by the external valuers on a sample basis. • Assessed the integrity of the data provided to the external valuers. This included tracing a sample of information provided to the external valuers to underlying lease agreements. • Assessed the appropriateness of the disclosures included in the financial statements and considered whether the disclosures in relation to the key estimates are reasonable. • With involvement of our DREA specialists obtained an overall understanding of the primary healthcare property markets in the UK and Ireland to support our challenge of the work of the group's external valuers. We discussed and challenged the valuation process and assumptions used by the valuers, with a principal focus on the yields adopted by comparing these to publicly available information, including average yields quoted by competitors, external evidence and (where applicable) comparable property transactions. • Selected a sample of properties where the yields applied in the valuation were outside our expectations and challenged the explanations provided by the external valuers with reference to transactional evidence or other relevant information.
Key observations	Based on our work performed, we concluded that the assumptions applied in relation to yields in arriving at the fair value of the group's investment property were appropriate.

6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Company financial statements
Materiality	£38.3 million (2024: £27.5 million)	£35.6 million (2024: £24.3 million)
Basis for determining materiality	1.5% of net assets (2024: 2% of net assets)	1.5% of net assets (2024: 2% of net assets)
Rationale for the benchmark applied	The overall level of materiality was determined using net assets because this is the primary focus of investors in a listed real estate business. In addition to net assets, we considered EPRA Earnings to be a critical financial performance measure for the group and we applied a lower threshold of £6.2 million (2024: £4.8 million) for EPRA Earnings impacting items. Given the significant increase in the size of the group following the acquisition of Assura Plc, we concluded that it was appropriate to reduce the percentage applied to the net assets benchmark compared with the prior year (2024: 2%). The lower materiality used for balances impacting EPRA earnings was determined using 5% (2024: 5%) of EPRA earnings.	The overall level of materiality was determined using net assets as this is determined to be the most appropriate and stable base for setting materiality in line with our understanding that the Company is primarily an asset-based business.

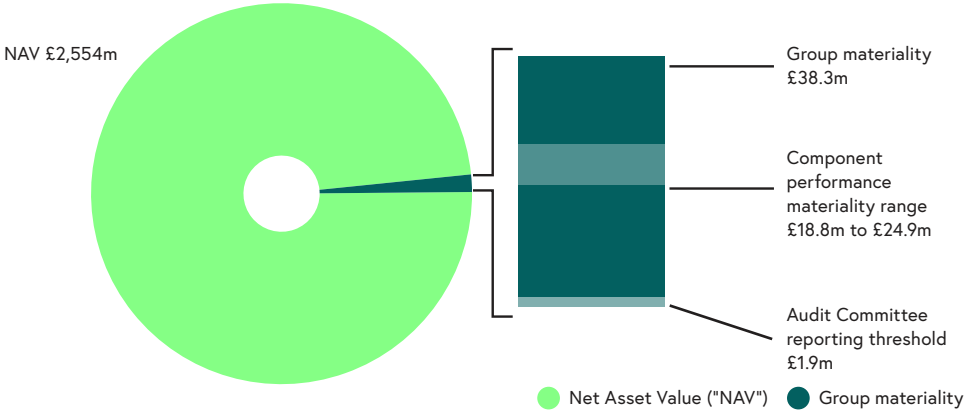
Independent auditor's report continued

to the members of Primary Health Properties PLC

Report on the audit of the financial statements continued

6. Our application of materiality continued

6.1. Materiality continued



6.2 Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Company financial statements
Performance materiality	70% (2024: 70%) of group materiality	70% (2024: 70%) of company materiality
Basis and rationale for determining performance materiality	We set performance materiality at a level lower than materiality in order to reduce to an appropriately low level the probability that the total of uncorrected and undetected misstatements would result in material misstatement of the financial statements. In determining performance materiality, we considered the following factors: • our understanding of the entity and the environment in which the entity operates; • our risk assessment and our assessment of the group's overall control environment including the degree of centralisation and common controls/processes; and • our assessment of the nature, cause, and number of misstatements that were accumulated in audits of the financial statements of prior periods, which has been historically low.	

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £1.9 million for the financial statements as a whole and £1 million for items impacting EPRA earnings, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Identification and scoping of components

In auditing the group, we identified two components being Primary Health Properties plc (the existing group) and Assura plc (the group acquired in the year) and determined component performance materiality of £18.8m. The components were identified due to the maintenance of separate financial information and management teams for each component before consolidation into the enlarged group. Our audit scope encompassed obtaining an understanding of the group and its environment, including group-wide controls and the financial reporting process, and assessing the risks of material misstatement at the group level. We have performed an audit of the entire financial information for both components.

All audit work across the group was performed by the group audit team in the UK. For the audit of the company, we performed audit work on the management-produced deconsolidated financial information to identify the relevant company-only balances and transactions such as intercompany balances to a performance materiality of £24.9m.

7.2. Our consideration of the control environment

As part of our risk assessment procedures, we obtained an understanding of the control environment which encompassed the existing processes and relevant controls established by Primary Health Properties related to key business cycles including the property valuation, revenue, cash, payroll, treasury, financial reporting and expenditure processes. For the Assura plc component, we obtained an understanding of the control environment, including of the relevant controls over key business cycles such as property valuation and financial reporting.

Furthermore, where appropriate we tested relevant controls to support our risk assessment and, ultimately, the nature, timing, and extent of our substantive procedures. We placed reliance on relevant controls where our assessment supported such reliance. Where we identified that control improvements could be made, we reported these to the Audit Committee.

We note the Audit Committee's discussion of the control environment, as presented in their report on page 79, including consideration of the changes to the UK Corporate Governance Code (through Provision 29) regarding the board's responsibility with regards to the control environment.

Independent auditor's report continued

to the members of Primary Health Properties PLC

7. An overview of the scope of our audit continued

7.3. Our consideration of climate-related risks

The group remains committed to assessing and managing the potential impacts of climate change on its operations and financial position. Management has undertaken an assessment of climate-related risks, quantified the potential financial impacts, and developed plans to mitigate these risks. The Group continues to strive towards its previously stated target of net zero carbon emissions by 2030 for all operational, development, and asset management activities. Additionally, the group aims to support its occupiers in achieving net zero carbon emissions by 2040, five years ahead of the NHS's target of becoming the world's first net zero carbon national health system by 2045.

We considered as part of our risk assessment, the climate-related risks specific to the group, which could impact the overall engagement risk assessment. Our audit procedures encompassed discussions with management to understand any updates to their process for identifying, assessing, and mitigating climate-related risks, as well as the potential impact on the financial statements. Furthermore, with involvement of our ESG specialists we assessed the Group's climate-related financial disclosures for alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. We also consider the consistency of these disclosures, as presented on pages 48 to 54 in the Annual Report with the financial statements and our knowledge obtained in the audit. We have also evaluated the appropriateness of disclosures included in the financial statements in Note 2.4.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels, and performance targets;
- results of our enquiries of management, those charged with governance and the Audit Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the group's sector;
- any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
  - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

Independent auditor's report continued

to the members of Primary Health Properties PLC

11. Extent to which the audit was considered capable of detecting irregularities, including fraud continued

11.1. Identifying and assessing potential risks related to irregularities continued

- the matters discussed among the audit engagement team and relevant internal specialists, including real estate specialists, ESG specialists, and financial instrument specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the area of estimation of property yields applied in the valuation of investment property. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules, REIT legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

11.2. Audit response to risks identified

As a result of performing the above, we identified the estimation of property yields applied in the valuation of investment property as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit Committee and legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and the company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Corporate Governance Statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 108;
- the directors' explanation as to its assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on page 63;
- the directors' statement on fair, balanced and understandable set out on page 82;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 57;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 82; and
- the section describing the work of the audit committee set out on pages 79 to 83.

Independent auditor's report continued

to the members of Primary Health Properties PLC

Report on other legal and regulatory requirements continued

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

Following the recommendation of the Audit Committee, we were re-appointed by the Board on 18 October 2022 to audit the financial statements for the year ending 31 December 2023 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and re-appointments of the firm is 13 years, covering the years ending 31 December 2013 to 31 December 2025.

15.2. Consistency of the audit report with the additional report to the Audit Committee

Our audit opinion is consistent with the additional report to the Audit Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Daryl Winstone FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
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 taxation[1]		**119**	41

	Notes	2025 £m	2024 £m
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 tax[1]		**6**	2
Total comprehensive income net of tax[1]		**125**	43
IFRS earnings per share			
Basic	7	**6.6p**	3.1p
Diluted	7	**6.6p**	3.1p
Adjusted earnings per share[2]			
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)

	Notes	2025 £m	2024 £m
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 equity[1]		**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)

	Notes	2025 £m	2024 £m
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 FRS 102. 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.

Notes to the Group financial statements continued

2. Accounting policies continued

2.3 Summary of significant accounting policies continued

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.

Notes to the Group financial statements continued

2. Accounting policies continued

2.3 Summary of significant accounting policies continued

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.

Notes to the Group financial statements continued

2. Accounting policies continued

2.3 Summary of significant accounting policies continued

De-recognition of financial assets and liabilities continued

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.

Notes to the Group financial statements continued

2. Accounting policies continued

2.3 Summary of significant accounting policies continued

Fair value measurements continued

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.

Notes to the Group financial statements continued

2. Accounting policies continued

2.4 Significant accounting estimates and judgements continued

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 £23 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

Notes to the Group financial statements continued

4. Group operating profit continued

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 £m	2024 £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

Notes to the Group financial statements continued

5. Finance costs continued

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.

Notes to the Group financial statements continued

6. Taxation continued

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

Notes to the Group financial statements continued

7. Earnings per share continued

Number of shares continued

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	1,528	1,378
Intangible assets	**—**	**—**	**4**	—	—	5
Real estate transfer taxes	**—**	**—**	**397**	—	—	181
Net reinstatement value ("NRV")	**2,554**	**2,692**	**2,964**	1,376	1,528	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	1,528	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 share[1]

	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 share[2]

	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.

Notes to the Group financial statements continued

7. Earnings per share continued

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.

Reconciliation of profit for the period to headline earnings	2025 £m	2024 £m
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
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

Reconciliation of profit for the period to headline earnings	2025	2024
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 £m	2024 £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.

Notes to the Group financial statements continued

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
Pennine Property Partnership LLP	50%	Calderdale and Huddersfield NHS Foundation Trust
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.

Notes to the Group financial statements continued

9. Investment in joint ventures and associates and other investments continued

Other investments continued

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.

Notes to the Group financial statements continued

10. Investment properties and investment properties under construction continued

	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.

Notes to the Group financial statements continued

10. Investment properties and investment properties under construction continued

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 £m	2024 £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

Notes to the Group financial statements continued

14. Borrowings

a) Term loans and overdrafts

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

		Facility		Amounts drawn		Undrawn	
	Expiry date	**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.

Notes to the Group financial statements continued

14. Borrowings continued

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 recouponed 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.

Notes to the Group financial statements continued

14. Borrowings continued

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)
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

Notes to the Group financial statements continued

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
€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.

Notes to the Group financial statements continued

17. Financial risk management continued

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.

Notes to the Group financial statements continued

17. Financial risk management continued

Financial risk factors continued

c) Liquidity risk continued

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 2025 £m	**Fair value 2025 £m**	Book value 2024 £m	Fair value 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.

Notes to the Group financial statements continued

17. Financial risk management continued

Financial risk factors continued

d) Market risk continued

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 cover[1]: 1.15 to 2.25 (2024: 1.15 to 2.25); and
- loan to value[1]: 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.

Notes to the Group financial statements continued

17. Financial risk management continued

Financial risk factors continued

e) Capital risk management continued

Group loan to value ratio	2025 £m	2024 £m
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).

Notes to the Group financial statements continued

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**

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.

Notes to the Group financial statements continued

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.

Company balance sheet

at 31 December 2025

Registered in England Number: 3033634

	Notes	2025 £m	2024 £m
Non-current assets			
Investment in subsidiaries	8	**2,499**	865
Trade and other receivables	9	**1,180**	797
		3,679	1,662
Current assets			
Cash and cash equivalents	10	**1**	1
		1	1
Total assets		**3,680**	1,663
Current liabilities			
Trade and other payables	11	**(314)**	(295)
Borrowings: bonds	12	**—**	(151)
		(314)	(446)
Non-current liabilities			
Borrowings: term loans and overdraft	12	**(994)**	—
		(994)	—
Total liabilities		**(1,308)**	(446)
Net assets		**2,372**	1,217
Equity			
Share capital	14	**324**	167
Share premium		**479**	479
Merger and other reserves		**1,428**	416
Retained earnings	15	**141**	155
Total equity		**2,372**	1,217

In accordance with the exemption allowed by Section 408(3) of the Companies Act 2006, the Company has not presented its own Income Statement or Statement of Comprehensive Income.

The Company's profit for the year was £109 million (2024: profit of £59 million).

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

Company statement of changes in equity

for the year ended 31 December 2025

	Share capital £m	Share premium £m	Merger and other reserves £m	Retained earnings £m	Total equity £m
1 January 2025	167	479	416	155	1,217
Profit attributable to equity holders	—	—	—	109	109
Exchange gain on translation of foreign balances	—	—	—	(7)	(7)
Total comprehensive income	—	—	—	102	102
Shares issued as part of Assura acquisition	157	—	1,012	—	1,169
Share-based awards (LTIP)	—	—	—	1	1
Dividends paid	—	—	—	(117)	(117)
31 December 2025	**324**	**479**	**1,428**	**141**	**2,372**

	Share capital £m	Share premium £m	Merger and other reserves £m	Retained earnings £m	Total equity £m
1 January 2024	167	479	416	179	1,241
Profit attributable to equity holders	—	—	—	59	59
Exchange gain on translation of foreign balances	—	—	—	8	8
Total comprehensive income	—	—	—	67	67
Share-based awards (LTIP)	—	—	—	—	—
Dividends paid	—	—	—	(91)	(91)
31 December 2024	167	479	416	155	1,217

Notes to the Company financial statements

1. Accounting policies

The Company is a public limited company incorporated in England and Wales in accordance with the Companies Act 2006, limited by shares. These financial statements are presented in Sterling because that is the currency of the primary economic environment in which the Company operates.

Basis of accounting/statement of compliance

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 ("FRS 100") issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 Reduced disclosure framework as issued by the Financial Reporting Council.

As permitted by FRS 101, exemptions from applying the following requirements have been adopted:

- IFRS 7 Financial instruments: disclosures;
- IFRS 13 Fair value measurement, paragraphs 91 to 99;
- IAS 1 Presentation of financial statements, paragraphs 10(d), 10(f), 38 to 40, 76, 79(d) and 134 to 136;
- IAS 7 Statement of cash flows;
- IAS 24 Related party disclosures, paragraphs 17 and 18A; and
- IAS 36 Impairment of assets, paragraphs 130(f)(ii), 130(f)(iii), 134(d) to (f) and 135(c) to (e).

The Company has also taken advantage of the exemption from the requirements in IAS 24 Related party disclosures to disclose related party transactions entered into between two or more members of the Group where those party to the transaction are wholly owned by a member of the Group.

The financial statements have been prepared under the historical cost convention except for the convertible bond.

Statement of Comprehensive Income

The Company has taken advantage of the exemption in the Companies Act from presenting a Company Statement of Comprehensive Income together with related notes.

Cash Flow Statement

The Directors have taken advantage of the exemption in FRS 101 from including a Cash Flow Statement in the financial statements on the grounds that a Consolidated Cash Flow Statement is presented in the Group financial statements of PHP.

Income

Revenue is recognised in the financial statements as follows:

Interest income: Revenue is recognised as interest accrues using the effective interest method, which 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.

Dividends: Dividend income is recognised in the period in which it received Board approval and, hence, when the Company's right to the payment is established.

Investment in subsidiaries

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Investments in subsidiary undertakings are stated at cost in the Company's Statement of Financial Position less impairment. The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

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.

Employee costs

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

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. No revisions were recognised in the period. There are no critical accounting judgements or key sources of estimation uncertainty in the Company's accounts.

3. Foreign currencies

The functional and presentation currency of the Company is Sterling. Transactions in currencies other than Sterling 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.

Notes to the Company financial statements continued

4. Revenue

The Company operates under one business segment and one geographical segment, being the holding company of subsidiaries that invest in primary healthcare property within the United Kingdom and the Republic of Ireland.

5. Staff costs

	2025 £m	2024 £m
Wages and salaries, pension, bonus and social security costs	**4**	3
Equity-settled share-based payments	**1**	1
	5	4

The Company operates a defined contribution pension scheme for all employees. The Company contribution to the scheme during the year was £0.1 million (2024: £0.1 million), which represents the total expense recognised through the income statement. 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.

The average monthly number of Company employees was two (2024: two).

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.

The Company'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 Company 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.

6. Taxation

a) Taxation charge in the Group Statement of Comprehensive Income

The taxation charge is made up as follows:

	2025 £m	2024 £m
Deferred tax charge	**2**	4

The Company holds an investment in an Irish Collective Asset Vehicle ("ICAV"). The ICAV does not pay any Irish corporation tax on its profits but a 20% withholding tax is paid on distributions to owners.

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
(Loss)/profit on ordinary activities before taxation	**112**	63
Standard tax at UK corporation tax rate of 25% (2024: 25%)	**28**	16
Transfer pricing adjustments	**1**	1
Fair value loss on convertible bond	**—**	(1)
Non-taxable items	**(35)**	(18)
Impact of taxes in the Republic of Ireland	**2**	4
Loss relief	**6**	2
Taxation charge (Note 6a)	**2**	4

Notes to the Company financial statements continued

7. Dividends

Amounts recognised as distributions to equity holders in the year:

	2025 £m	2024 £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

See Note 9 in the Group financial statements for further details about the dividend proposed and declared post year end.

8. Investment in subsidiaries

	£m
As at 1 January 2025	865
Acquisition of Assura plc	1,620
ICAV recapitalisation	14
Impairment of subsidiary undertakings	—
As at 31 December 2025	**2,499**
As at 1 January 2024	866
Incorporation of PHP Development Holdings Limited	—
Incorporation of PHP Finance (Jersey No. 3) Limited	—
ICAV recapitalisation	2
Impairment of subsidiary undertakings	(3)
As at 31 December 2024	865

All subsidiaries of the Company are 100% owned and listed on the following pages. All are incorporated in the UK and their registered office is Burdett House, 15–16 Buckingham Street, London WC2N 6DU, except as noted.

Subsidiaries held directly by the Company

Name	Principal activity	Name	Principal activity
Primary Health Investment Properties Limited	Property investment/financing company	PHP Finance (Jersey No 3) Limited[1]	Issuer of bonds
Primary Health Investment Properties (No. 2) Limited	Property investment	PHP Bond Finance Limited	Issuer of bonds
Primary Health Investment Properties (No. 3) Limited	Property investment	PHP Medical Investments Limited	Property investment/financing company
PHP Healthcare (Holdings) Limited	Investment holding	PHP SB Limited	Investment holding/issuer of bonds
Primary Health Investment Properties (No. 4) Limited	Investment holding/financing company	Primary Health Properties ICAV[2]	Property investment/investment holding
PHIP (5) Limited	Property investment/financing company	Carden Medical Investments Limited[4]	Property investment
PHP Finance (Jersey No 2) Limited[1]	Issuer of bonds	Chelmsley Associates Limited	Property investment
PHP Euro Private Placement ML Ltd	Property investment/financing company	PHP STL Limited	Investment holding/financing company
PHP SPV Limited	Property investment	PHP Euro Private Placement Limited	Issuer of bonds
MXF Fund Limited[5]	Investment holding	PHP Primary Properties (Haymarket) Limited	Subletting of leased real estate
PHP Development Holdings Limited	Property investment	PHP Tradeco Holdings Limited	Investment holding
Axis Real Estate Group Limited[6]	Investment holding	PHP Health Solutions Limited	Property investment
PHP Croft Limited	Property investment	Assura Limited[7]	Investment holding

Notes to the Company financial statements continued

8. Investment in subsidiaries continued

Subsidiaries held indirectly by the Company

Name	Principal activity	Name	Principal activity
PHP (Bingham) Limited	Property investment	PHP Investments No. 2 Limited	Property investment
Anchor Meadow Limited	Property investment	Leighton Health Limited	Property investment
PHP AV Lending Limited	Financing company	PHP Clinics Limited	Property investment
PHP Investments No. 1 Limited	Property investment	PHP Primary Properties Limited	Property investment
PatientFirst Partnerships Limited	Property investment	Crestdown Limited	Property investment
PHP Glen Spean Limited	Property investment	Primary Health Investment Properties (No. 6) Limited	Property investment
PHP Empire Holdings Limited	Property investment	GP Property Limited[5]	Investment holding
Health Investments Limited	Property investment	MXF Properties OM Limited	Property investment
PatientFirst (Hinckley) Limited	Property investment	GPG No. 5 Limited	Property investment
PatientFirst (Burnley) Limited	Property investment	GP Property One Ltd	Property investment
PHP Investments (2011) Limited	Property investment	MXF Properties II Limited	Property investment
PHIP (Chester) Limited	Property investment	MXF Properties IV Limited	Property investment
MXF Properties I Limited[5]	Property investment	MXF Properties VI Limited[5]	Property investment/issuer of bonds
MXF Properties III Limited	Property investment	MXF Properties VIII Limited[5]	Property investment/issuer of bonds
MXF Properties V Limited[5]	Property investment	MXF GPG Holdings Limited[5]	Property investment
MXF Properties VII Limited[5]	Property investment/investment holding	MXF (Fakenham) Limited	Property investment
Primary Medical Property Investments Limited	Property investment	PHP Tradeco Limited	Operations management
MXF Properties Ireland Limited[5]	Property investment	PHP Primary Care Developments Limited	Property investment
MXF Properties IX Limited	Investment holding/financing company	Assura HC UK Limited[8]	Property investment
PHP Property Management Services Limited	Operations management	Assura Health Investments Limited[8]	Property investment
Axis Technical Services Limited[6]	Property and facility management	Assura Medical Centres Limited[8]	Property investment
Assura (SC1) Ltd[8]	Property investment	Assura P2 Limited[8]	Property investment
Assura (SC2) Limited[8]	Property investment	Assura P3 Limited[8]	Property investment
Assura Aspire Limited[8]	Property investment	Assura P4 Limited[8]	Property investment
Assura Aspire UK Limited[8]	Property investment	Meridian Medical Service Limited[8]	Property investment
Assura (GHC) Ltd[8]	Property investment	Metro MRH Limited[8]	Property investment
Assura HC Limited[8]	Property investment	Metro MRI Limited[8]	Property investment
Assura P5 Limited[8]	Property investment	Metro MRM Limited[8]	Property investment
Assura P6 Limited[8]	Property investment	Newton Healthcare Limited[8]	Property investment
Assura PCP UK Limited[8]	Property investment	Park Medical Services Limited[8]	Property investment
Assura Primary Care Properties Limited[8]	Property investment	PCC Investments (IE) Ltd (Ireland)[9]	Property investment
Assura Properties Limited[8]	Property investment	Pentagon HS Limited[8]	Property investment
Assura Properties UK Limited[8]	Property investment	Prospect Medical (Malvern) Limited[8]	Property investment

Notes to the Company financial statements continued

8. Investment in subsidiaries continued

Subsidiaries held indirectly by the Company continued

Name	Principal activity	Name	Principal activity
Assura Trellech Limited[8]	Property investment	Assura Investments Limited[8]	Investment holding
BHE (Heartlands) Limited[8]	Property investment	Assura Management Services Limited[8]	Investment holding
BHE (St James) Limited[8]	Property investment	Assura P1 Limited[8]	Property investment
Donnington Health Care Limited[8]	Property investment	Assura Property Management Limited[8]	Property management
Haven Health (Portsmouth) Limited[8]	Property investment	Assura Solaris Limited[8]	Property investment
Haven Health (Shirley) Limited[8]	Property investment	The 3P Development Limited[8]	Investment holding
Jelmac (Primary Care) Properties Limited[8]	Property investment	Coatham Limited[10]	Property investment
Malmesbury Medical Enterprise Limited[8]	Property investment	Rebourne Healthcare Ltd[8]	Property investment
Medical Properties Limited[8]	Property investment	SJM Developments Limited[8]	Property investment
Assura (Haven Health) Limited[8]	Investment holding	Surgery Developments Limited[8]	Property investment
Assura Capital Projects Development Limited[8]	Property investment	Trinity Medical Properties Limited[8]	Property investment
Assura Financing Plc[8]	Investment holding/financing company	Upton Community Health Care Limited[8]	Property investment
Assura IH Limited[8]	Investment holding		

1 Subsidiary company registered in Jersey. Registered office: 3rd Floor, 44 Esplanade, St Helier, Jersey JE4 9WG.
2 An Irish Collective Asset-management Vehicle established in Ireland.
3 Subsidiary company registered in Ireland. Registered office: Riverside 1, Sir John Rogerson's Quay, Dublin 2, Ireland.
4 Subsidiary company registered in Scotland. Registered office: 4th Floor, 20 Castle Terrace, Edinburgh, Scotland EH1 2EN.
5 Subsidiary company registered in Guernsey. Registered office: Oak House, Hirzel Street, St Peter Port, Guernsey GY1 1NP.
6 Subsidiary company registered in Ireland. Registered office: 12 Eastgate Way, Little Island, Co. Cork, Ireland.
7 Registered office: 3 Barrington Road, Altrincham, United Kingdom WA14 1GY.
8 Subsidiary acquired as part of acquisition of Assura registered in England. Registered office: 3 Barrington Road, Altrincham, United Kingdom WA14 1GY.
9 Subsidiary acquired as part of acquisition of Assura registered in Ireland. Registered office: Floor 3, Block 3, Miesian Plaza, Dublin 2 DO2 7754.
10 Subsidiary acquired as part of acquisition of Assura registered in Jersey. Registered office: 1st Floor, Liberation House, Castle Street, St Helier, Jersey JE1 1GL.

100% of all voting rights and Ordinary Shares are held directly or indirectly by the Company.

Notes to the Company financial statements continued

9. Trade and other receivables

	2025 £m	2024 £m
Non-current		
Amounts due from Group undertakings	**1,180**	797
Current		
Amounts due from Group undertakings	**—**	—
	1,180	797

Based on the IFRS 9 expected credit loss model, a £4.7 million (2024: £5.3 million) impairment provision was recognised on amounts due from Group undertakings. Expected credit loss is measured on a twelve-month basis.

Amounts due from Group undertakings are unsecured, interest free and repayable on demand. The amounts owed by Group undertakings are repayable on demand given there is no formal agreement between the Group undertakings and there is no expectation that these amounts would be repaid within twelve months, being the Group's normal operating cycle, and therefore classified as non-current assets.

10. Cash at bank and in hand

	2025 £m	2024 £m
Cash at bank and in hand	**1**	1

11. Trade and other payables

	2025 £m	2024 £m
Current		
Amounts owed to Group undertakings	**289**	285
Trade and other payables	**25**	10
	314	295

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

12. Borrowings

	2025 £m	2024 £m
Borrowings: term loans and overdrafts	**999**	—
Unamortised loan arrangement fees	**(5)**	—
Intra-group loan with PHP Finance (Jersey No 2) Limited (Note 13)	**—**	150
Option to convert (Note 13)	**—**	1
	994	151

13. Intra-group loan with PHP Finance (Jersey No 2) Limited

On 15 July 2019, PHP Finance (Jersey No 2) Limited (the "issuer"), a wholly owned subsidiary of the Group, issued £150.0 million of 2.875% convertible bonds (the "bonds") for a six-year term and if not previously converted, redeemed or purchased and cancelled, the bonds were to be redeemed at par on maturity. The proceeds were loaned to the Company and the Company has unconditionally and irrevocably guaranteed the due and punctual performance by the issuer of all of its obligations (including payments) in respect of the bonds. The bonds were redeemed at par on maturity in July 2025 and the intercompany loan was settled.

Subject to their terms, the bonds were convertible into preference shares of the issuer which were automatically transferred to the Company in exchange for Ordinary Shares in the Company or, at the Company's election, any combination of Ordinary Shares and cash.

The intra-group loan between the issuer and the Company arising from the transfer of the loan proceeds was initially recognised at fair value, net of capitalised issue costs, and is accounted for using the amortised cost method.

In addition to the intra-group loan, the Company had effectively entered into a derivative contract due to its guarantee of the obligations of the issuer in respect of the bonds and the commitment to provide shares or a combination of shares and cash on conversion of the bonds. This derivative contract was included within the balance sheet as a liability carried at fair value through profit and loss.

See Note 14 in the Group financial statements for further details about the convertible bond.

Notes to the Company financial statements continued

14. Share capital

Issued and fully paid at 12.5 pence each

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

15. Retained earnings

	2025 £m	2024 £m
As at 1 January	**155**	179
Profit for the year	**109**	59
Dividends paid	**(117)**	(91)
Exchange differences on translation of foreign balances	**(7)**	8
Long Term Incentive Plan	**1**	—
As at 31 December	**141**	155

16. Contingent liabilities

The Company has guaranteed the performance of its subsidiaries in respect of development agreements totalling £nil (2024: £nil). The Company is guarantor to several of its subsidiaries' debt facilities totalling £1 billion (2024: £1.1 billion).

17. Related party transactions

Details of related party transactions are provided in the Directors' Report, the Directors' Remuneration Report and Note 24 to the Group financial statements on page 146. The Directors are listed in the Board of Directors section.

The Company has also taken advantage of the exemption from the requirements in IAS 24 Related party disclosures to disclose related party transactions entered into between two or more members of the Group where those party to the transaction are wholly owned by a member of the Group.

18. Subsequent events

There have been no significant events affecting the Company since the period ended 31 December 2025.

Notice of Annual General Meeting 2026
Primary Health Properties plc (the "Company")

Wednesday, 29 April 2026 at 10:30 a.m. (UK time)/12:30 p.m. (South Africa time)

To be held at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF.

THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document or about what action you should take, you should seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act, 2000 if you are resident in the United Kingdom or, if you reside elsewhere, another appropriately authorised financial adviser.

If you have sold or otherwise transferred all of your ordinary shares of 12.5 pence each in the Company ("Ordinary Shares"), please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the Ordinary Shares.

Whether or not you propose to attend the Annual General Meeting ("AGM"), please complete and submit a Form of Proxy in accordance with the instructions printed on the enclosed form.

The Form of Proxy must be received by the Company's registrar, Equiniti Limited ("Equiniti"), by no later than 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) on 27 April 2026.

Primary Health Properties PLC
Incorporated and registered in England and Wales under number 03033634. Primary listing on the London Stock Exchange and secondary listing on the Johannesburg Stock Exchange.

A map showing the location of the venue and how to get there is set out below.

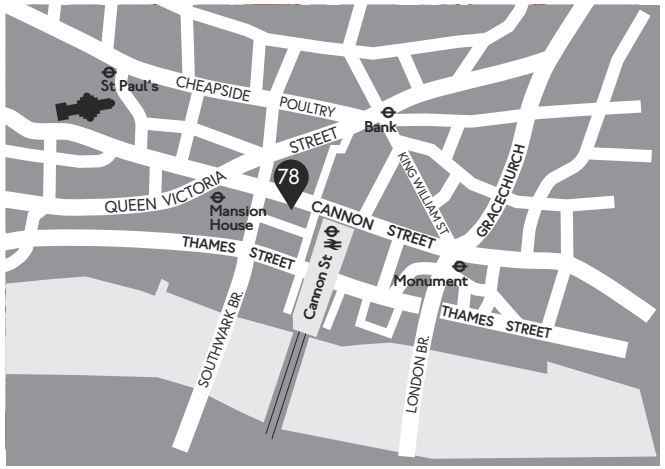
Venue

The offices of CMS Cameron McKenna Nabarro Olswang LLP, Cannon Place, 78 Cannon Street, London EC4N 6AF.

Travel information

Underground and rail
By train: Cannon Street station is serviced by the Southeastern train line.

By London Underground (tube)/Docklands Light Railway ("DLR"): It is approximately a three-minute walk from Bank Station underground (tube) station on the Central, Waterloo & City and Northern lines. Bank is also a DLR station. It is above Cannon Street underground (tube) station on the Circle and District lines.



Notice of Annual General Meeting 2026 continued

LETTER FROM THE CHAIR

To all shareholders 16 March 2026

Notice of Annual General Meeting

Dear shareholder,

I am pleased to invite you to our 2026 Annual General Meeting ("AGM"), which will be held on Wednesday, 29 April at 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) as a hybrid meeting, with shareholders invited to join physically at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF or listen remotely via secure telephone line (please see further below).

The formal Notice of AGM, which sets out the resolutions to be proposed and an explanation of the resolutions, can be found on pages 156 to 170 of our 2025 Annual Report, which is available on our website (www.phpgroup.co.uk).

Your vote and participation in the AGM are important to us. We strongly encourage you to vote on all resolutions either electronically, in advance of the meeting, or by appointing the Chair as your proxy. If you cast your vote by proxy in advance, this will not prevent you from voting on the day.

Actions to be taken in respect of the AGM

There is a secure telephone line so that shareholders can listen to the AGM and also ask any questions relating to the business of the meeting. Please note you will not be able to vote by telephone. If you would like to attend the meeting by telephone, please contact the Company Secretary at cosec@phpgroup.co.uk. Requests must be received by no later than 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) on 27 April 2026.

The telephone line will open shortly before 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) on the day of the meeting. In order to access the meeting, in addition to your secure dial-in details, you will need your Shareholder Reference Number, which can be found on your Form of Proxy/Voting Instruction Form, Dividend Confirmation Statement or Share Certificate.

Unfortunately, there will not be a facility to vote by telephone. We recommend that shareholders appoint the Chair of the meeting as their proxy and register a voting instruction using their Form of Proxy/Voting Instruction Form ahead of the meeting. Details about how to vote are included in the documents sent to you.

If you are unable to attend the AGM (whether in person or remotely) and vote on the day, the ways to vote are as follows:

1. Register your vote electronically by creating an online portfolio via Equiniti Limited ('Equiniti') at www.sharevote.co.uk. If you have already registered with Equiniti's online portfolio service, Shareview, you can submit your proxy by logging on to your portfolio at www.shareview.co.uk and following the instructions. Please note that votes submitted electronically in this manner should be submitted by no later than 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) on 27 April 2026.
2. Appoint a proxy to vote on your behalf. Fill in the proxy form enclosed with this document ("Form of Proxy") and return it to Equiniti as detailed in Note 4 on page 169, appoint your proxy electronically as detailed in Note 4, or if you are a CREST member, appoint your proxy through the CREST proxy appointment service as detailed in Note 5 on page 169. Shareholders who wish to appoint a proxy are recommended to appoint the Chair of the meeting as their proxy.
3. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by Equiniti. For further information regarding Proxymity, please go to www.proxymity.io. Before you can appoint a proxy via this process, you will need to have agreed to Proxymity's terms and conditions. It is important that you read these carefully, as you will be bound by them and they will govern the electronic appointment of your proxy.

Proxy appointments should be completed as soon as possible and must be received by 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) on 27 April 2026, whether this is via Proxymity or otherwise.

Voting electronically or the completion and return of the Form of Proxy will not prevent you from attending and voting at the AGM, or any adjournment of the AGM, whether in person or remotely, should you wish to do so. As all our resolutions at the AGM will be taken on a poll vote, so as to accurately record all votes made either at the meeting or via proxy, shareholders attending the meeting will be asked to vote their shares by poll. Full guidance will be given on the day. The results of the AGM will be notified to the London and Johannesburg Stock Exchanges and posted on our website as soon as possible after the AGM.

Recommendation

The Directors consider that the resolutions are in the best interests of the Company and are most likely to promote the success of the Company for the benefit of shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of all the resolutions, as they intend to do so in respect of their own beneficial holdings, which, as at 13 March 2026 (being the last practicable date prior to publication of this document), amount in aggregate to 26,807,973 Ordinary Shares, representing approximately 1.06 per cent. of the Ordinary Shares of the Company currently in issue.

On behalf of the Board, I thank you for your continued support.

Yours sincerely,

Harry Hyman
Non-executive Chair

Notice of Annual General Meeting 2026 continued

NOTICE OF ANNUAL GENERAL MEETING

PRIMARY HEALTH PROPERTIES PLC

(incorporated and registered in England and Wales with registered number 03033634 with a primary listing on the London Stock Exchange and secondary listing on the Johannesburg Stock Exchange)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Primary Health Properties PLC (the **"Company"**) will be held at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF, on 29 April 2026 at 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) (the **"AGM"**). Shareholders will be asked to consider and, if thought fit, pass the resolutions as set out below (the **"Resolutions"**). Resolutions 18 to 21 (inclusive) will be proposed as special resolutions. All other Resolutions will be proposed as ordinary resolutions. Voting on the Resolutions will be by way of a poll.

Ordinary resolutions

Resolution 1: Annual Report and Accounts
To receive the Company's Annual Report and Accounts of the Directors of the Company (the **"Directors"**) and of the auditor to the Company for the financial year ended 31 December 2025.

Resolution 2: Directors' Remuneration Report
To approve the Directors' remuneration report (excluding the Directors' remuneration policy) as contained in the Company's Annual Report and Accounts for the financial year ended 31 December 2025.

Resolution 3: Dividend policy
To approve the Company's dividend policy, as set out in the explanatory notes that accompany this Notice of AGM.

Resolution 4: Scrip Dividend
That the Directors be and are hereby authorised, in accordance with the company's Articles of Association (the "Articles"):

(a) to offer the holders of ordinary shares of the 12.5 pence each in the capital of the Company ("Ordinary Shares"), to the extent and in the manner determined by the Directors and pursuant to the provisions of the Articles, the right to elect (in whole or part) to receive new Ordinary Shares (credited as fully paid) instead of cash and to allot new Ordinary Shares pursuant to such offer, in respect of any dividend as may be declared by the Directors from time to time. This authority shall continue for the period ending on the date of the annual general meeting to be held in 2029, except that the Directors shall be entitled to make an offer pursuant to this authority which would or might require Ordinary Shares to be allotted after such time and the Company may allot such Ordinary Shares as if this authority had not expired; and

(b) for the purposes of any offer made pursuant to paragraph (a) of this resolution, the Directors be and are hereby authorised, in accordance with and subject to the Articles, to capitalise such amount standing to the credit of any reserve account or the credit of the profit and loss account of the Company as may be necessary and apply the same in paying up and allotting and issuing new Ordinary Shares to the shareholders who have, or are deemed to have, validly accepted such an offer in accordance with their respective entitlements.

Resolution 5: Re-appointment of the auditor
To re-appoint Deloitte LLP as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid before the Company.

Resolution 6: Auditor's remuneration
To authorise the Audit Committee of the Company, for and on behalf of the Directors, to determine the remuneration of the auditor.

Resolution 7: Re-election of Harry Hyman
To re-elect Harry Hyman as a Director of the Company.

Resolution 8: Re-election of Mark Davies
To re-elect Mark Davies as a Director of the Company.

Resolution 9: Re-election of Richard Howell
To re-elect Richard Howell as a Director of the Company.

Resolution 10: Re-election of Ian Krieger
To re-elect Ian Krieger as a Director of the Company.

Resolution 11: Re-election of Ivonne Cantú
To re-elect Ivonne Cantú as a Director of the Company.

Resolution 12: Election of Jonathan Davies
To elect Jonathan Davies as a Director of the Company.

Resolution 13: Re-election of Laure Duhot
To re-elect Laure Duhot as a Director of the Company.

Resolution 14: Re-election of Dr Bandhana (Bina) Rawal
To re-elect Bina Rawal as a Director of the Company.

Resolution 15: Political expenditure or donations
To authorise the Company and its subsidiaries at any time during the period for which this Resolution 15 has effect for the purposes of Sections 366 and 367 of the Companies Act 2006 (**"2006 Act"**) to:

(a) make political donations to political parties or independent election candidates (as such terms are defined in the 2006 Act), not exceeding £40,000 in aggregate;

(b) make political donations to political organisations other than political parties (as such terms are defined in the 2006 Act), not exceeding £40,000 in aggregate; and

(c) incur political expenditure (as such term is defined in the 2006 Act), not exceeding £40,000 in aggregate,

during the period beginning with the date of the passing of this Resolution 15 and ending with the conclusion of the next AGM of the Company (or, if earlier, on the date which is 15 months after the date of this AGM) provided that the maximum amounts referred to in (a), (b) and (c) may comprise one or more sums in different currencies which shall be converted at such rate as the Directors may determine.

Notice of Annual General Meeting 2026 continued

NOTICE OF ANNUAL GENERAL MEETING continued

Ordinary resolutions continued

Resolution 16: Directors' fees

That pursuant to article 93 of the Company's articles of association, the amount of fees payable to the Directors of the Company in each year shall not exceed an aggregate sum of £1,000,000.

Resolution 17: Authority to allot shares

That the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "2006 Act"), in substitution for all existing authorities:

(A) to exercise all the powers of the Company to allot shares and to make offers or agreements to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (together **"Relevant Securities"**) up to an aggregate nominal amount of £108,128,740; and

(B) to exercise all the powers of the Company to allot equity securities (as defined in Section 560(1) of the 2006 Act) up to an additional aggregate nominal amount of £108,128,740 provided that this authority may only be used in connection with a pre-emptive offer (including an offer by way of a rights issue or open offer) in favour of holders of Ordinary Shares and other persons entitled to participate therein, where the equity securities respectively attributable to the interests of all those persons at such record dates as the Directors may determine are proportionate (as nearly as may be) to the respective numbers of equity securities held or deemed to be held by them or are otherwise allotted in accordance with the rights attaching to such equity securities, subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal difficulties under the laws of any territory or the requirements of a regulatory body or stock exchange by virtue of shares being represented by depositary receipts or any other matter whatsoever,

PROVIDED that such authorities shall expire (unless renewed, varied or revoked by the Company in a general meeting) at the conclusion of the next annual general meeting ("AGM") of the Company after the passing of this Resolution 17 or, if earlier, on the date which is 15 months after the date of the AGM, but in each case, prior to its expiry, the Company may make offers and enter into agreements which would, or might, require Relevant Securities or equity securities as the case may be to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot Relevant Securities or equity securities (and sell treasury shares) in pursuance of any such offer or agreement as if the authority in question had not expired.

Special resolutions

Resolution 18: Disapplication of pre-emption rights

That, subject to the passing of Resolution 17, the Directors be and are hereby authorised, pursuant to Sections 570 and 573 of the 2006 Act, to allot equity securities (as defined in Section 560(1) of the 2006 Act) for cash under the authority given by Resolution 17 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if Section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be limited to:

(A) the allotment of equity securities and/or sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities made (but in the case of the authority conferred by Resolution 17(B), by way of a pre-emptive offer (including an offer by way of a rights issue or open offer)) to holders of Ordinary Shares at such record dates as the Directors may determine in proportion (as nearly as may be practicable) to their existing holdings and to holders of other equity securities as required by the rights of those securities or, if the Directors otherwise consider necessary, as permitted by the rights of those securities, and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory or any other matter;

(B) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (A) above) up to an aggregate nominal amount of £32,438,622; and

(C) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (A) or paragraph (B) above) up to a nominal amount equal to 20 per cent of any allotment of equity securities or sale of treasury shares from time to time under paragraph (B) above, such authority to be used only for the purposes of making a follow-on offer which the Board determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice, and shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution 18 or, if earlier, on the date which is 15 months after the date of the AGM but in each case, prior to its expiry, the Company may make offers and enter into agreements which would, or might, require Relevant Securities or equity securities as the case may be to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) in pursuance of any such offer or agreement as if the authority in question had not expired.

Notice of Annual General Meeting 2026 continued

NOTICE OF ANNUAL GENERAL MEETING continued

Special resolutions continued

Resolution 19: Further disapplication

That subject to the passing of Resolution 17, the Directors be and are hereby authorised, in addition to any authority granted under Resolution 18, to allot equity securities (as defined in Section 560(1) of the 2006 Act) for cash under the authority given by Resolution 17 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if Section 561 of the 2006 Act did not apply to any such allotment or sale, provided that this power shall be limited to:

(A) the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £32,438,622 and used only for the purposes of financing (or refinancing, if the authority is to be used within twelve months after the original transaction) a transaction which the Board determines to be either an acquisition or a specified capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice; and

(B) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (A) above) up to a nominal amount equal to 20 per cent of any allotment of equity securities or sale of treasury shares from time to time under paragraph (A) above, such authority to be used only for the purposes of making a follow-on offer which the Board determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice, and shall expire at the conclusion of the next AGM of the Company after the passing of this Resolution 19 or, if earlier, on the date which is 15 months after the date of the AGM but in each case, prior to its expiry, the Company may make offers and enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) in pursuance of any such offer or agreement as if the authority in question had not expired.

Resolution 20: Notice of general meetings

That the Company is authorised to call any general meeting of the Company, other than an annual general meeting, on not less than 14 clear days' notice during the period beginning on the date of the passing of this Resolution 20 and ending on the conclusion of the next annual general meeting of the Company.

Resolution 21: Purchase of own shares

That the Company be generally and unconditionally authorised for the purposes of Section 701 of the 2006 Act to make one or more market purchases (within the meaning of Section 693(4) of the 2006 Act) of Ordinary Shares on such terms and in such manner as the Directors may from time to time determine, provided that:

(a) the maximum aggregate number of Ordinary Shares that may be purchased is 259,508,975 (representing approximately 10 per cent of the issued Ordinary Share capital of the Company as at the latest practicable date prior to publication of this document);

(b) the minimum price (excluding expenses payable by the Company) which may be paid for each Ordinary Share is 12.5 pence;

(c) the maximum price (excluding expenses payable by the Company) which may be paid for each Ordinary Share is the higher of: i) an amount equal to 105 per cent of the average of the middle market quotations for an Ordinary Share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately prior to the day the purchase is made; and ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the London Stock Exchange Trading System; and

(d) this authority shall expire at the conclusion of the Company's next AGM after the passing of this Resolution 21 or, if earlier, on the date which is 15 months after the date of the AGM, save that the Company may, before the expiry of this authority, enter into a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of Ordinary Shares in pursuance of any such contract.

By order of the Board

Phil Higgins
Interim Company Secretary
16 March 2026

Primary Health Properties PLC
Registered office: 5th Floor, Burdett House, 15-16 Buckingham Street, London WC2N 6DU

Registered in England & Wales No: 03033634

Important notes regarding your general right to appoint a proxy and voting can be found on pages 168 and 169.

Notice of Annual General Meeting 2026 continued

EXPLANATORY NOTES TO THE RESOLUTIONS

These notes are intended to explain the business to be transacted at the Annual General Meeting ("AGM") to be held at 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) on 29 April 2026 at the offices of CMS Cameron McKenna Nabarro Olswang LLP at Cannon Place, 78 Cannon Street, London EC4N 6AF. Resolutions 18 to 21 (inclusive) are proposed as special resolutions. This means that for each of those Resolutions to be passed, at least three-quarters of the votes cast must be in favour of the Resolution. All other Resolutions are proposed as ordinary resolutions, so that for each of those Resolutions to be passed, more than half of the votes cast must be in favour of the Resolution.

Annual Report and Accounts (Resolution 1)

Under company law, the Directors must present to shareholders the Annual Report 2025 for adoption. The Board will welcome any questions and discussion on the Annual Report 2025 at the AGM.

Directors' Remuneration Report (Resolution 2)

Resolution 2 seeks shareholders' approval for the Directors' remuneration report as contained on pages 86 to 105 inclusive of the Annual Report 2025 (but excluding the Remuneration Policy referenced on pages 89-94). The Remuneration Report gives details of the Directors' remuneration paid for the year ended 31 December 2025 in accordance with the remuneration policy approved by shareholders in 2024. The auditor has audited those parts of the Directors' remuneration report that are required to be audited.

This Resolution is proposed as an ordinary resolution. The vote is advisory in nature, which means that the Directors' entitlement to remuneration is not conditional on it.

Dividend policy (Resolution 3)

Resolution 3 is proposed to seek shareholders' approval of the Company's dividend policy. We have continued to deliver a strong and robust operational and financial performance over the course of 2025 following the Assura plc acquisition. This has allowed the Company to pay an increasing level of dividend to its shareholders over the last 29 years with 2026 marking the 30th year of dividend growth.

The Company's policy is to make all of its dividend payments (currently four per annum) as interim dividends. This enables the fourth dividend payment to be made approximately two months earlier than would be the case if that dividend were categorised as a "final dividend" and therefore had to await shareholder approval at the Annual General Meeting. This arrangement is made in the interests of shareholders, enabling them to benefit from the earlier receipt of the fourth dividend. As we believe it is important for shareholders to have an opportunity to consider this policy annually, and in accordance with the principles of good corporate governance, a resolution to approve the Company's dividend policy is included as Resolution 3 in the accompanying Notice of AGM.

Renewal of the Scrip Dividend (Resolution 4)

Shareholders last renewed the authority for the Company's scrip dividend scheme (the "Scrip Dividend" or "Scrip Dividend Scheme") at the annual general meeting in April 2022. The Scrip Dividend Scheme received shareholder approval for three years and expired on the day of the 2025 Annual General Meeting. The Directors are proposing that shareholders renew the Scrip Dividend Scheme for a further period of three years until the AGM in 2029. The purpose of the renewal is to provide flexibility to the Company in implementing its dividend policy and to allow the Directors to offer a scrip dividend if they consider that appropriate.

Details of how the Scrip Dividend Scheme operates and the basis of the calculation of the scrip dividend for participants are set out in the terms and conditions of the Scrip Dividend Scheme. A summary is provided at Appendix 1. The terms and conditions of the Scrip Dividend Scheme are available on the Company's website at www.phpgroup.co.uk/scrip, and in hard copy form from the Company's registrar, Equiniti.

If renewed, the Scrip Dividend Scheme will allow participants to receive Ordinary Shares for every cash dividend entitlement where the scrip dividend alternative is offered. Eligible shareholders that hold their Ordinary Shares in certificated form and wish to participate in the Scrip Dividend Scheme will need to complete a Scrip Mandate Form in accordance with the terms and conditions of the Scrip Dividend Scheme. Eligible UK shareholders who hold their Ordinary Shares in CREST can only participate in the Scrip Dividend Scheme by use of the CREST Dividend Election Input Message. Eligible South African shareholders that hold their Ordinary Shares in Dematerialised Form can participate by notifying their CSDP, broker or custodian (as applicable) in the manner and time stipulated in the agreement governing the relationship between such shareholder their CSDP, broker or custodian. Eligible shareholders that are South African shareholders or UK shareholders that hold their shares in CREST must elect to participate in the Scrip Dividend Scheme on each occasion the scrip alternative is offered, otherwise any dividend entitlement will be paid in cash.

The number of Ordinary Shares that shareholders will be entitled to receive under the Scrip Dividend Scheme will be calculated by reference to the amount of the cash dividend, the number of Ordinary Shares held, any fractional cash entitlement carried forward from the last dividend and the Scrip Share Price. The Scrip Share Price will be the average of the closing middle market quotation derived from the Daily Official List of the United Kingdom Listing Authority for an Ordinary Share on the day on which the Ordinary Shares are first quoted as ex-dividend, and the four subsequent dealing days.

In accordance with the Articles, approval is also sought to capitalise sums standing to the credit of the reserves of the Company or the profit and loss account. This is to enable the Directors to apply such sums in paying up the Ordinary Shares allotted to shareholders pursuant to the elections under the Scrip Dividend Scheme.

The Directors will retain the discretion to decide whether to offer a scrip dividend alternative in respect of each future dividend. The Directors will review whether a scrip dividend alternative should be offered as part of their deliberations when considering each quarterly dividend. Should a scrip dividend alternative be offered, shareholders who elect to take new Ordinary Shares in the Company under the Scrip Dividend Scheme will increase their holdings without incurring stamp duty or dealing costs.

South African shareholders holding Ordinary Shares via the Johannesburg Stock Exchange in the Republic of South Africa that elect to receive Ordinary Shares in the Company under the Scrip Dividend Scheme should note that their scrip dividend may be subject to administrative fees.

In line with investor protection guidelines, the authority contained in Resolution 4 is sought for three years, and will therefore expire on the date of the annual general meeting to be held in 2029.

Notice of Annual General Meeting 2026 continued

EXPLANATORY NOTES TO THE RESOLUTIONS continued

Renewal of the Scrip Dividend (Resolution 4) continued

At any time, the Directors may, at their discretion and without notice to shareholders, modify, suspend, terminate or cancel the Scrip Dividend Scheme. The operation of the Scrip Dividend is always subject to the Directors' decision to make an offer of new Ordinary Shares in respect of any particular dividend.

Re-appointment and remuneration of auditor (Resolutions 5 and 6)

Resolution 5 proposes to re-appoint Deloitte LLP as auditor of the Company to hold office from the conclusion of the AGM until the conclusion of the next general meeting of the Company at which accounts are laid.

Resolution 6 proposes to authorise the Audit Committee, for and on behalf of the Directors, to determine the remuneration of the auditor.

Election and re-election of Directors (Resolutions 7 to 14)

In accordance with the recommendations of the UK Corporate Governance Code, all the Directors have resolved that they will offer themselves for election or re-election by shareholders at the AGM.

Separate Resolutions are being proposed to elect or re-elect each of the Directors. Resolutions 7 to 14 are being proposed as ordinary resolutions.

Details of each Directors background and experience are set out in their biographies on pages 68 and 69 of the Annual Report 2025.

Re-election of Harry Hyman (Resolution 7)

Chair: Appointed to the Board as Chair at the 2024 AGM. Founded the Company in 1996 and Director of the Company since 1996.

Other external relationships

Non-executive Chair of Biopharma Credit PLC.

Contribution and reasons for re-election

Harry has extensive experience in investing in the primary healthcare sector, gained over the last 30 years. Harry was the Chief Executive of the Company following the management internalisation in 2021 until his appointment as Chair in 2024.

The value of his contribution to the Company was demonstrated by his role on the successful Assura transaction in 2025. As Chair, Harry led the Board through a significant number of additional Board meetings during the negotiation process, assisted the Chief Executive Officer and Chief Financial Officer on engagement with major shareholders and brought his experience and expertise in the sector to Board deliberations. Further details on the Company's governance and a statement from the Senior Independent Director supporting Harry's re-election is on page 66 of the Annual Report.

Independent

No

Re-election of Mark Davies (Resolution 8)

Chief Executive Officer: Appointed as a Director on 24 April 2024.

Other external relationships

None.

Contribution and reasons for re-election

Mark Davies led the Company through the Assura transaction whilst overseeing the day to day operational effectiveness of the Company. He is a highly experienced FTSE 250 executive, having held CEO and CFO roles in listed companies and private equity. He was a Co-founder Director of NewRiver REIT plc ("NewRiver") in 2009 and played an important role in taking the company from IPO to the FTSE 250 in seven years. He was CFO of NewRiver for over twelve years and, alongside his role as CFO, was also CEO/Executive Chair of Hawthorn Leisure Limited ("Hawthorn") for five years. Mark stood down from the Board of NewRiver following the successful sale of Hawthorn in July 2021 to private equity at a premium price.

Independent

No

Re-election of Richard Howell (Resolution 9)

Chief Financial Officer: Appointed as a Director from 1 April 2017.

Other external relationships

Non-executive Director of Life Science REIT plc.

Contribution and reasons for re-election

Richard oversaw the accounting and financial aspects of the Assura transaction in 2025 including the debt and equity financing considerations. He brings his experience at the Company over the last 7 years as CFO to the post-acquisition challenges and opportunities for the Group. Richard has extensive finance experience and deep understanding of the markets in which the Company operates, having previously held senior accounting positions within listed property companies operating across the UK. He continues to contribute greatly to the long-term success of the Company's corporate group.

Independent

No

Notice of Annual General Meeting 2026 continued

EXPLANATORY NOTES TO THE RESOLUTIONS continued

Re-election of Ian Krieger (Resolution 10)

Senior Independent Non-executive Director: Appointed as a Director on 15 February 2017.

Other external relationships

None.

Contribution and reasons for re-election

Ian brings to the Board a wealth of specialised financial and accounting skills and expertise from his experience in the audit profession and in previously chairing the audit committees of two other listed companies in the property sector. His extensive financial expertise, coupled with his insight and governance experience of other listed companies, makes him ideally placed to serve as Chairman of the Audit Committee. Ian makes an effective and valuable contribution to the Board, including through his role of Chair of the Audit Committee, and demonstrates a high degree of commitment, including devoting an appropriate amount of time, to the role.

Independent

Yes

Re-election of Ivonne Cantú (Resolution 11)

Independent Non-executive Director: Appointed as a Director on 1 January 2022.

Other external relationships

Non-Executive Director at Creo Medical Group plc.

Contribution and reasons for re-election

Ivonne has significant public company and corporate finance experience, having spent over 20 years advising listed businesses. She is currently the Director of Investor Relations, Communications and Sustainability as well as a Member of the Executive Management Team of Benchmark Holdings plc, a biotechnology aquaculture company. She is also a Non-executive Director and Chair of the Remuneration Committee at Creo Medical Group plc.

Independent

Yes

Election of Jonathan Davies (Resolution 12)

Independent Non-executive Director: Appointed as a Director on 1 December 2025.

Other external relationships

Director of SSP Group Plc (until September 2025) and Non-executive Director of Assura plc (until October 2025).

Contribution and reasons for election

Jonathan was until recently Chief Financial Officer of SSP Group plc ("SSP"), and latterly as Deputy Chief Executive until the end of December 2025. From June 2018, Jonathan also served as a Non-executive Director of Assura until the clearance of the Company's acquisition of Assura by the Competition and Markets Authority on 29 October 2025.

Jonathan brings extensive experience of finance, mergers and acquisitions and corporate governance, having taken SSP private in 2006, listed it on the London Stock Exchange in 2014 and undertaken numerous debt and equity raises since then. Jonathan also brings a deep understanding of Assura, having served as its Senior Independent Director and, latterly, Chair. He will provide the Company's stakeholders with continuity during the integration period and beyond.

Independent

Yes

Re-election of Laure Duhot (Resolution 13)

Non-executive Director: Appointed as a Director on 14 March 2019.

Other external relationships

Non-executive Director and Chair of the Remuneration Committee at Safestore Holdings plc.

Contribution and reasons for re-election

Laure brings over 30 years of property and finance experience to the Board, including insights from her international property investment experience. Laure has specialised in investment in alternative real estate assets and was a Non-executive Director at MedicX Limited.

Independent

Yes

Re-election of Dr Bandhana (Bina) Rawal (Resolution 14)

Independent Non-executive Director: Appointed as a Director on 27 February 2024.

Other external relationships

Non-executive Director at World Healthcare Trust plc

Contribution and reasons for re-election

Bina brings to the Board a wide breadth of experience spanning patient care, digital and population health, ESG matters, strategy, partnerships and EDI. She also brings an extensive network of relationships in UK healthcare following her executive and non-executive career in large complex organisations in the public, private and not for profit sectors.

Independent

Yes

Notice of Annual General Meeting 2026 continued

EXPLANATORY NOTES TO THE RESOLUTIONS continued

Political expenditure or donations (Resolution 15)

Under the 2006 Act, political donations made by a company and its subsidiaries to political parties, to other political organisations or to an independent election candidate, or political expenditure incurred by a company of more than £5,000 in any twelve month period, is prohibited unless they have been authorised in advance to make donations by the company's shareholders.

It is the policy of the Company not to make donations to political parties, other political organisations or independent election candidates and the Directors have no intention of changing that policy.

However, as a result of the wide definition of political organisations under the 2006 Act, normal expenditure (such as expenditure on organisations concerned with matters of public policy, law reform and representation of the business community) and business activities (such as communicating with the government and political parties at local, national and European level) might be construed as political expenditure or as a donation to a political party or other political organisation and therefore fall within the restrictions of the 2006 Act.

Consequently, the Directors have concluded that, in common with many other listed companies, it would be prudent to seek authority from shareholders to allow them to make political donations and incur political expenditure (up to £40,000 in the specified period) to ensure that the Group does not inadvertently breach the Companies Act 2006. Any political donation made or political expenditure incurred which is in excess of £200 will be disclosed in the Company's Annual Report and Accounts for next year, as required by the 2006 Act. Resolution 15 will not be used to make political donations within the normal meaning of that expression.

Directors' fees (Resolution 16)

Pursuant to article 93 of the Articles of Association of the Company, payments of fees to non-executive Directors in each year are capped at £750,000. Article 93 provides that the Company may, by ordinary resolution, increase the amount of the fees payable under that article. Given the additional non-executive Director appointment in the year, and to give the Company flexibility moving forward, it is proposed by Resolution 16 that the cap on non-executive Director fees be increased to an aggregate sum not exceeding £1,000,000. The current level of fees, as detailed in the Directors' Remuneration Report, are just over £700,000.

Directors' authority to allot shares (Resolution 17)

Further to the Articles of Association of the Company (the "Articles") and the provisions of the 2006 Act, the Directors may only allot Ordinary Shares or grant rights over Ordinary Shares if authorised to do so by shareholders.

Accordingly, the authority in Resolution 17, paragraph (A) will allow the Directors to allot shares or grant rights to subscribe for, or convert any security into, shares in the Company, up to a maximum nominal amount of £108,128,740, representing approximately one-third of the Company's issued Ordinary Share capital calculated as at 13 March 2026 (being the latest practicable date prior to publication of this document). The authority in Resolution 17, paragraph (B) will allow the Directors, in connection with a fully pre-emptive offer (including an offer by way of a rights issue or open offer), to allot shares or grant rights to subscribe for, or convert any securities into, shares in the Company, up to a maximum nominal amount of £108,128,740 in addition to the nominal amount of any shares allotted or rights granted to subscribe for, or to convert any security into, shares under paragraph (A), together representing approximately two-thirds of the Company's issued Ordinary Share capital calculated as at 13 March 2026 (being the latest practicable date prior to publication of this document). This is in line with corporate governance guidelines.

This authority will last until the conclusion of the next annual general meeting of the Company or, if earlier, on the date which is 15 months after the date of the AGM. The Directors intend to renew this authority annually at each annual general meeting of the Company. The Directors have no present intention of exercising this authority other than pursuant to legally binding obligations to do so or pursuant to the scrip dividend scheme, if it is approved and the Directors choose to offer a scrip dividend. However it is considered prudent to maintain the flexibility that this authority provides.

As at 13 March 2026 (being the latest practicable date prior to the publication of this document), the Company held no Ordinary Shares in treasury.

Directors' authority to dis-apply pre-emption rights (Resolutions 18 and 19)

Under the 2006 Act, when new shares are proposed to be issued for cash, other than in connection with an employee share option plan, they must first be offered to existing shareholders pro-rata to their percentage holdings at such time, unless shareholders have waived this right either generally or in respect of a particular issue. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. The purpose of Resolutions 18 and 19, therefore, is to enable shareholders to waive their pre-emption rights and allow the Directors to allot shares for cash without such shares being first offered to existing shareholders.

The Statement of Principles, as revised by the Pre-emption Group in November 2022, allows non-pre-emptive issues capped at 10 per cent for an unrestricted purpose, and at 10 per cent for use only in connection with an acquisition or specified capital investment. The Statement of Principles allows companies to seek a further disapplication of up to 2 per cent in each case for the purposes of a "follow-on offer", as defined in paragraph 3 of Section 2B of the Statement of Principles. This constitutes an offer announced at the same time as, or as soon as reasonably practicable after, the non-pre-emptive placing, of shares not exceeding 20 per cent of those issued in the non-pre-emptive placing, made only to existing shareholders as at a record date prior to announcement of the non-pre-emptive placing (excluding any shareholder allocated shares in that placing), entitling them to subscribe for shares up to a monetary cap of £30,000 per ultimate beneficial owner, at a price which is equal to, or less than, the offer price in the non-pre-emptive placing. This is designed to facilitate participation by retail investors in secondary issuances. Resolution 18 will, if passed by special resolution, give the Directors authority to allot shares pursuant to the authority granted in Resolution 17 for cash on a non-pre-emptive basis. This authority will permit the Directors to allot shares for cash: (A) in connection with a rights issue or any other pre-emptive offer concerning equity securities; or (B) otherwise than in connection with a rights issue or any other pre-emptive offer for shares in the Company up to a maximum nominal value of £32,438,621, representing approximately 10 per cent of the Company's issued Ordinary Share capital as at 13 March 2026 (being the latest practicable date prior to the publication of this document).

Notice of Annual General Meeting 2026 continued

EXPLANATORY NOTES TO THE RESOLUTIONS continued

Directors' authority to dis-apply pre-emption rights (Resolutions 18 and 19) continued

Resolution 18(C) will, if passed by special resolution, also give the Directors authority to allot shares (or sell treasury shares) pursuant to the authority granted in Resolution 17 for cash on a non-pre-emptive basis. This disapplication will permit the Directors to allot shares, or sell treasury shares, for cash otherwise than in connection with a rights issue or any other pre-emptive offer for shares in the Company up to a maximum nominal value representing approximately 20 per cent of any allotment of equity securities (or sale of treasury shares) made from time to time pursuant to the authority granted in Resolution 18(B) to be used only for a follow-on offer which the Board determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group.

For the purposes of Resolution 18, the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights. Resolution 19 additionally authorises the Directors to allot new shares (or sell treasury shares) for cash, without the shares being offered first to existing shareholders, in connection with the financing (or refinancing, if the authority is to be used within twelve months after the original transaction) of an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding twelve-month period and is disclosed in the announcement of the allotment. The authority under Resolution 19 is limited to a nominal value of £32,438,621, representing approximately 10 per cent of the Company's issued Ordinary Share capital as at 13 March 2026 (being the latest practicable date prior to the publication of this document).

Resolution 19(B) also will, if passed by special resolution, give the Directors authority to allot shares (or sell treasury shares) pursuant to the authority granted in Resolution 17 for cash on a non-pre-emptive basis, provided that such allotment or sale is up to a maximum nominal value representing approximately 20 per cent of any allotment of equity securities (or sale of treasury shares) made from time to time pursuant to the authority granted in Resolution 19(A) to be used only for a follow-on offer which the Board determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group.

The Board intends to adhere to the provisions in the Pre-Emption Group's Statement of Principles, as updated in November 2022, and will seek to limit the discount applied to any non-pre-emptive issue to 5 per cent, including expenses. Notwithstanding the above, the Directors consider it desirable and believe it appropriate to have the maximum flexibility permitted by corporate governance guidelines to enable non-pre-emptive allotments to take place to finance business opportunities.

The provisions of Resolutions 18 and 19 comply with the Share Capital Management Guidelines issued by the Investment Association in February 2023 and the disapplication of pre-emption rights resolutions follow the resolution templates issued by the Pre-emption Group in November 2022.

If Resolutions 18 and 19 are passed, the authorities will expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the date which is 15 months after the date of the AGM. The Directors intend to renew this authority annually at each AGM of the Company. The Directors have no immediate plans to make use of this authority.

As at 13 March 2026 (being the latest practicable date prior to the publication of this document), the Company did not hold any treasury shares. If the Company were to create treasury shares, for example through the market purchase of its own shares, the subsequent sale of any treasury shares would be counted as equivalent to the issue of new shares for the purpose of the limitations on the issue of new shares included in Resolution 21.

Notice of general meetings, other than annual general meetings (Resolution 20)

Under the 2006 Act, the minimum notice period for general meetings of listed companies is 21 days. Companies may reduce this period to 14 days (other than for annual general meetings) provided that two conditions are met: (i) the Company offers a facility for shareholders to vote by electronic means (which is met if the company offers a facility, accessible to all shareholders, to appoint a proxy by means of a website); and (ii) there is an annual resolution of shareholders approving the reduction of the minimum notice period from 21 days to 14 days.

The Board is therefore proposing, in common with many other listed companies, Resolution 20 as a special resolution to approve 14 days as the minimum period of notice for all general meetings other than annual general meetings. The approval will be effective until the Company's next annual general meeting, when it is intended that the approval be renewed. The Board will consider on a case-by-case basis whether the use of the flexibility offered by the shorter notice period is merited. The shorter notice period will be used in accordance with all relevant corporate governance guidelines applicable at the time. In particular, it will only be used where flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

Purchase of own shares (Resolution 21)

Resolution 21 seeks authority for the Company to make market purchases of its own Ordinary Shares as permitted by the 2006 Act and is proposed as a special resolution. If passed, the Resolution gives authority for the Company to purchase up to 259,508,975 of its Ordinary Shares, representing approximately 10 per cent of the Company's issued Ordinary Share capital as at 13 March 2026 (being the latest practicable date prior to the publication of this document).

This authority is commonly sought by listed companies and the Board considers it prudent to obtain the flexibility this Resolution provides. In considering whether to use this authority, the Board will take into account factors including the financial resources of the Company, the Company's share price and future funding opportunities. It will be exercised only if the Board believes that to do so would result in an increase in earnings per share and would be in the best interests of shareholders generally and that the purchase can be expected to result in an increase in earnings per Ordinary Share.

The Directors have no present intention of exercising the authority granted by Resolution 21.

Notice of Annual General Meeting 2026 continued

EXPLANATORY NOTES TO THE RESOLUTIONS continued

Purchase of own shares (Resolution 21) continued

The Resolution specifies the minimum and maximum prices which may be paid for any Ordinary Shares purchased under this authority. The authority will expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the date which is 15 months after the date of the AGM.

The Company may either cancel any Ordinary Shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them). No dividends are paid on shares in treasury and no voting rights attach to treasury shares. If the Ordinary Shares that the Company buys back under this authority are held in treasury, this would give the Company the ability to re-issue treasury shares quickly and cost-effectively, providing the Company with additional flexibility in the management of its capital.

As at 13 March 2026 (being the latest practicable date prior to the publication of this document there are no warrants or options to subscribe for Ordinary Shares that are outstanding.

APPENDIX 1: SCRIP DIVIDEND SCHEME

Scrip Dividend Scheme – summary of key features

Below is a summary of the key features of the Company's Scrip Dividend Scheme (the "Scrip Dividend" or "Scrip Dividend Scheme") applicable to all ordinary shareholders. Participation in the Scrip Dividend is subject to, and in accordance with, its terms and conditions. Details regarding the operation of the Scrip Dividend for shareholders resident in the UK and South Africa ("SA") can be found in the terms and conditions and explanatory description of the Scrip Dividend Scheme which are available on the PHP website at **phpgroup.co.uk/scrip**. If you require a hard copy of the terms and conditions or otherwise need help, please contact the Company's registrar, Equiniti.

The renewal of the Scrip Dividend Scheme is subject to shareholder approval, which is being sought for a period of three years, after which the authority will need to be renewed. If the Directors revoke an offer (or otherwise suspend, terminate or cancel the Scrip Dividend Scheme), the relevant shareholders will receive their dividend in cash on or as soon as reasonably practicable after the dividend payment date.

What is the Scrip Dividend?

The Scrip Dividend Scheme enables PHP's ordinary shareholders to elect to receive new fully paid ordinary shares in PHP instead of cash dividends. The operation of the Scrip Dividend is always subject to the Directors' decision to make the scrip offer available in respect of any particular dividend. Should the Directors decide not to offer the scrip in respect of any particular dividend, cash will automatically be paid instead.

The Directors will review whether a scrip dividend alternative should be offered as part of their deliberations when considering each quarterly dividend. At any time, the Directors of the Company, at their discretion and without notice to shareholders individually, may modify, suspend, terminate or cancel the Scrip Dividend Scheme. The Directors may make amendments to the terms and conditions of the Scrip Dividend from time to time in accordance with the Company's articles of association. If the Directors decide to offer a scrip dividend, a statement of the total number of new Ordinary Shares that would be issued if all eligible shareholders were to elect to take up their full entitlement of new Ordinary Shares in respect of that dividend and the final percentage which that number would represent of the Company's issued share capital, together with a statement of the total cash dividend payable on the basis that no elections for that scrip dividend are received, will be announced by the Company at the time the reference share price is announced.

What is the deadline for joining the Scrip Dividend Scheme for a particular dividend?

In order to ensure an instruction will apply to a dividend, should the Directors decide to offer a scrip dividend, UK Certificated Shareholders must ensure that their scrip dividend elections are received by Equiniti in accordance with the terms and conditions by 5:00 p.m. (UK time) on the date advised by the Company for that scrip dividend. CREST participants must input their instructions through CREST by 5:00 p.m. (UK time) on the date advised by the Company for that scrip dividend. SA Certificated Shareholders must ensure that their scrip dividend elections are received by the SA Transfer Secretaries by 5:00 p.m. (UK time) on the date advised by the Company for the scrip dividend and SA Shareholders that hold their Ordinary Shares in Dematerialised Form must notify their CSDP, broker or custodian in the manner and time stipulated in the agreement governing the relationship between such shareholder and their CSDP, broker or custodian.

The ex-dividend date, reference share price, election date and all further information in respect of any scrip dividend will be announced and made available on the PHP website at phpgroup.co.uk/scrip. If you wish either to participate in the Scrip Dividend Scheme or to terminate your participation, you will need to follow the election instructions set out below, depending on whether you hold paper share certificates, hold your shares electronically through CREST or are a SA Shareholder that holds your shares in Dematerialised Form. Future dividends paid in cash will be paid to any bank account previously mandated for the receipt of dividends or subsequently registered.

How do I elect to join the Scrip Dividend Scheme?

If you are a UK Certificated Shareholder, to join the Scrip Dividend Scheme, please complete a Scrip Mandate Form and return it to Equiniti at the address provided on the form. Alternatively, for holders of Ordinary Shares, please go to equiniti.com and follow the link to register your election online. UK Certificated Shareholders can change any previous elections as long as the new election is received by Equiniti by the deadline stipulated for it to be effective for that dividend. South African Certificated Shareholders may join the Scrip Dividend Scheme by completing a Scrip Mandate Form and returning it to the SA Transfer Secretaries in accordance with the Scrip Dividend Scheme and instructions on the form. SA Shareholders should note that a scrip dividend election made in respect of a dividend is irrevocable. However a new election is required to be made in respect of each dividend pursuant to which a scrip dividend alternative is offered.

How to I join the Scrip Dividend Scheme if I hold my Ordinary Shares in Dematerialised Form on the SA Register?

South African shareholders should notify their CSDP, broker or custodian in the manner and time stipulated in the agreement governing the relationship between such SA Shareholder and their CSDP, broker or custodian, failing which they will receive a cash dividend.

Notice of Annual General Meeting 2026 continued

APPENDIX 1: SCRIP DIVIDEND SCHEME continued

How can I cancel my election if I hold my Ordinary Shares in Dematerialised Form on the SA Register?

Any election to participate in the Scrip Dividend Scheme by an SA Shareholder is irrevocable. Notwithstanding previous participation, a new election is required in respect of each dividend.

How do I join the Scrip Dividend if I hold my shares through CREST?

Shareholders who hold their Ordinary shares through CREST can only elect to receive dividends in the form of new ordinary shares through the CREST Dividend Election Input Message. Other forms of election, including an election via a Mandate Form or online at **Equiniti.com** will not be accepted. CREST shareholders must submit a new Dividend Election Input Message for each dividend that they wish to receive in the form of new ordinary shares. Evergreen elections will not be accepted and elections will revert to cash by default after the payment of each dividend.

How can I cancel my election if I hold my shares through CREST?

CREST shareholders can only cancel their election through the CREST system. CREST messages should not be used to change an election in respect of the Scrip Dividend Scheme that was not made through CREST. A CREST notice of cancellation will take effect on its receipt and will be processed by the Equiniti in respect of all dividends payable after the date of receipt of such notice. A notice of cancellation must be received by the election date announced by the Company that will not be more than 20 business days before the relevant dividend payment date, for it to be effective for that dividend. Notice must be received by Equiniti before 5:00 p.m. (London time) on that election date (see 'What is the deadline for joining (or leaving) the Scrip Dividend for a particular dividend?').

How many new shares will I receive?

As dividends are announced in pence, the amount of new Ordinary Shares you are entitled to receive will be calculated on the basis of your total cash dividend entitlement in pounds sterling, plus any residual entitlement brought forward from a previous scrip dividend. As no fraction of a new ordinary share will be issued, any residual cash balance will be retained by the Company on your behalf and carried forward (without interest) to be included in the calculation of the next dividend entitlement. Examples are provided on the Company's website www.phpgroup.co.uk/scrip.

How will I know how many shares I have received?

Once your new shares have been issued, a statement will be sent to you along with your new share certificate (where relevant), showing the number of new ordinary shares issued, the scrip share price, and the total cash equivalent of the new ordinary shares for tax purposes. If your cash dividend entitlement, together with any residual cash entitlement brought forward, is insufficient to acquire at least one new Ordinary Share, your statement will explain that no new Ordinary Shares have been issued and will show the total amount of cash to be carried forward.

CREST members will have their accounts credited directly with new Ordinary Shares on the dividend payment date or as soon as practicable thereafter and will receive a statement as above.

SA Shareholders who hold their Ordinary Shares in Dematerialised Form on the SA Register will have CSDP accounts credited directly with the new Ordinary Shares on the dividend payment date or as soon as practicable thereafter and will receive a statement as above.

Can I participate in the Scrip Dividend in respect of part of my holding?

No, your scrip dividend election will only be accepted in relation to the whole of your shareholding. However, the Directors may, at their discretion, allow shareholders to elect in respect of part of their shareholding where they are acting on behalf of more than one beneficial holder.

Can the Company change or cancel the Scrip Dividend Scheme?

Yes, the operation of the Scrip Dividend is always subject to the Directors' decision to make an offer of new ordinary shares in respect of any particular dividend. The Directors may also, after such an offer is made, revoke the offer generally at any time prior to the issue of new ordinary shares under the Scrip Dividend Scheme.

The Scrip Dividend may be modified, suspended or terminated at any time at the discretion of the Directors without notice to shareholders individually. In the case of any modification, existing scrip dividend elections, unless otherwise specified by the Directors, will be deemed to remain valid under the modified arrangements unless and until the Equiniti receives a cancellation from non-CREST participants in accordance with the terms and conditions of the Scrip Dividend Scheme, or CREST participants input their instructions to cancel. Directors may make amendments to the terms and conditions of the Scrip Dividend Scheme from time to time in accordance with the Company's articles of association.

In the case of termination of the Scrip Dividend Scheme, existing elections will be deemed to have been cancelled as at the date of such termination. If the Directors revoke an offer (or otherwise suspend or terminate the Scrip Dividend Scheme), shareholders will receive their dividends in cash on or as soon as possible after the dividend payment date.

Any announcement of any cancellation or modification of the terms of the Scrip Dividend will be made on the Company's website at **phpgroup.co.uk/scrip** and via a Regulatory News Service such as RNS.

What are the tax consequences?

The tax consequences of electing to receive new ordinary shares in place of a cash dividend will depend on your individual circumstances.

If you are not sure how you will be affected from a tax perspective, you should consult an independent financial adviser or other appropriate professional before taking any action. Please refer to the terms and conditions on the website at php.co.uk/scrip, which are not exhaustive and reflect the Company's understanding of the tax position as at the date stated in the terms and conditions.

Notice of Annual General Meeting 2026 continued

GUIDANCE NOTES FOR THE AGM AND ON APPOINTMENT OF PROXIES

1. General:

A copy of this Notice of AGM and other information regarding the AGM, required by Section 311A of the 2006 Act (including a copy of the Annual Report 2025 posted to shareholders with this notice), are available from the Company's website at www.phpgroup.co.uk. Shareholders who have not elected to receive these documents in printed form may obtain copies by writing to the Company Secretary at the Company's registered office. Shareholders who wish to receive the printed Annual Report and Accounts for future years should write to the Company's Registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA.

2. Entitlement to vote:

Under the Articles, the holders of Ordinary Shares are entitled to attend the AGM and to speak and vote at the AGM. Duly appointed proxies are entitled also to attend, speak and vote at the AGM.

Only those holders of Ordinary Shares registered in the register of members of the Company as at 6:30 p.m. (UK time)/8:30 p.m. (South Africa time) on Monday 27 April 2026 (or, if the AGM is adjourned, 6:30 p.m. (UK time)/8:30 p.m. (South Africa time) on the day that is 48 hours before any adjourned meeting (excluding any part of any day that is not a working day)) shall be entitled to attend (either in person, remotely or by proxy) and vote at the AGM, or any adjourned meeting, in respect of the number of shares registered in their names at that time. Any changes to the register of members after the relevant deadline shall be disregarded in determining the right of any person to attend and vote at the AGM or an adjourned meeting.

3. Entitlement to appoint proxies:

Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. If a proxy is submitted without indicating how the proxy should vote on any Resolution, the proxy will exercise his or her discretion as to whether and, if so, how to vote. To appoint more than one proxy you may photocopy the Form of Proxy. A proxy need not be a shareholder of the Company.

The Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this Notice of AGM. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA.

The return of a completed Form of Proxy, or other such instrument or any CREST Proxy Instruction (as described in Note 5 below), will not prevent a shareholder attending the AGM and voting.

In the case of joint shareholders, the signature of only one of the joint holders is required on the Form of Proxy but the vote of the first named on the register of members will be accepted to the exclusion of the other joint holders.

4. Validity of proxies:

To be valid a Form of Proxy or other instrument appointing a proxy must be received by one of the following methods:

a. by posting the reply-paid proxy or otherwise by post (in which case postage will be payable) to Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA;

b. in the case of CREST members, by utilising the CREST electronic proxy appointment services in accordance with the procedures set out in paragraph 5 below; or

c. as an alternative to completing and returning the printed Form of Proxy, you may submit your proxy electronically by accessing the Sharevote website provided by Equiniti Limited. Shareholders may submit an electronic proxy online, using the reference numbers printed on the Form of Proxy, at www.sharevote.co.uk, where details of the voting procedures are shown.

IMPORTANT: in any case, the Form of Proxy or electronic appointment must be received by or lodged with the Company by 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) on Monday 27 April 2026 (or, if the AGM is adjourned, not later than 48 hours before the time fixed for the adjourned meeting (excluding any part of any day that is not a working day)).

5. Electronic proxy appointment:

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available via www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **"CREST Proxy Instruction"**) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number RA19) not later than 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) on Monday 27 April 2026 (or, if the AGM is adjourned, not later than 48 hours before the time fixed for the adjourned meeting (excluding any part of any day that is not a working day)).

For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

Notice of Annual General Meeting 2026 continued

GUIDANCE NOTES FOR THE AGM AND ON APPOINTMENT OF PROXIES continued

5. Electronic proxy appointment: continued

CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by Equiniti Limited. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by not later than 10:30 a.m. (UK time)/12:30 p.m. (South Africa time) on Monday 27 April 2026 (or, if the AGM is adjourned, not later than 48 hours before the time fixed for the adjourned meeting) in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

6. Corporate representatives:

Any corporation which is a member may by resolution of its Directors or other governing body authorise one or more person(s) to act as its representative who may exercise, on its behalf, all its powers as a member, provided that they do not do so in relation to the same shares. A certified copy of any such resolution must be deposited at the registered office of the Company not less than 48 hours before the time appointed for the AGM to be valid (excluding any part of any day that is not a working day).

7. Nominated persons:

Any person to whom this document is sent who is a person nominated under Section 146 of the 2006 Act to enjoy information rights (a **"Nominated Person"**) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies at Notes 2, 3, 4, and 5 above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by shareholders of the Company. If you have been nominated to receive general shareholder communications directly from the Company, it is important to remember that your main contact in terms of your investment remains the registered shareholder or custodian or broker who administers the investment on your behalf. Therefore, any changes or queries relating to your personal details and holding (including any administration) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee to deal with matters that are directed to it in error. The only exception to this is where the Company, in exercising one of its powers under the 2006 Act, writes to you directly for a response.

8. Electronic communication:

Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that the shareholders subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company, including the lodgement of an electronic Form of Proxy, that is found to contain any virus, will not be accepted.

9. Voting and voting rights:

As at 5:00 p.m. on 13 March 2026 (being the latest business day prior to the publication of this document), the Company's issued share capital consists of 2,595,089,751 Ordinary Shares, carrying one vote each. Therefore, the total number of voting rights in the Company as at 5:00 p.m. on 13 March 2026 is 2,595,089,751. The website referred to in Note 1 will include information on the number of Ordinary Shares and voting rights.

Voting on the Resolutions will be conducted by way of a poll rather than on a show of hands, as this is considered by the Board to reflect the views of shareholders more accurately. As soon as practicable following the AGM, the results of voting at the AGM and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each Resolution will be announced via a Regulatory Information Service and also placed on the Company's website referred to in Note 1 above.

10. Right to ask questions:

Any shareholder attending the AGM has the right to ask questions. The secure telephone line will enable shareholders who attend the AGM remotely to ask questions during the meeting. Further details on how to ask a question via the phone line will be made available to shareholders who notify the Company Secretary at cosec@phpgroup.co.uk to request individual secure dial-in details.

The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if:

- to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; or
- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.

Notice of Annual General Meeting 2026 continued

GUIDANCE NOTES FOR THE AGM AND ON APPOINTMENT OF PROXIES continued

11. Audit concerns:

Under Section 527 of the 2006 Act a shareholder or shareholders meeting the threshold requirements set out in that Section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's Report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstance connected with the auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the 2006 Act. The Company cannot require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on a website under Section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under Section 527 of the 2006 Act to publish on a website.

The request may be in hard copy form or in electronic form (stating your name and address and in the case of an electronic communication stating Annual General Meeting in the subject line of the e-mail); must either set out the statement in full or, if supporting a statement sent by another shareholder, clearly identify the statement which is being supported; must be authenticated by the person or persons making it; and must be received by the Company at least one week before the AGM.

12. Communication with the Company:

You may not use any electronic address provided either in this Notice of AGM or any related documents (including the Form of Proxy accompanying this document) to communicate with the Company for any purposes other than those expressly stated. All communication with the Company in relation to the AGM should be by writing to Equiniti Limited, Aspect House, Spencer Road, Lancing BN99 6DA or to the Company Secretary at the registered office of the Company set out at the foot of the Notice of AGM.

13. Shareholders' right to require the Company to give notice of a resolution and include a matter in the business of the meeting:

Under Sections 338 and 338A of the Companies Act 2006, shareholders meeting the threshold requirements set out in those sections may, subject to conditions, require the Company to give to shareholders notice of a resolution which may properly be moved and is intended to be moved at that meeting and/or to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may properly be included in the business at that meeting.

A resolution may properly be moved or a matter may properly be included in the business of the AGM unless: (i) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise); (ii) it is defamatory of any person; or (iii) it is frivolous or vexatious. Such a request may be in hard copy or electronic form; must identify the resolution of which notice is to be given or the matter to be included in the business; must be authenticated by the person or persons making it; must be received by the Company (if sent in electronic form at cosec@phpgroup.co.uk) not later than 17 March 2026, being the date six clear weeks before the AGM; and (in the case of a matter to be included in the business at the meeting only) must be accompanied by a statement setting out the grounds for the request.

14. Inspection of documents:

The following documents, which are available for inspection at an agreed time during normal business hours at the registered office of the Company on any weekday (Saturdays, Sundays and public holidays excluded), will also be available for inspection at the place of the AGM from 9:30 a.m. on the day of the AGM until the end of the meeting:

i. copies of the service contracts of the Executive Directors under which they are employed by the Company and the letters of appointment (and other related documents) of the Non-executive Directors; and

ii. the Articles of Association of the Company.

Shareholder information

Corporate calendar 2026

Annual General Meeting	29 April 2026
Announcement of half year results (provisional)	24 July 2026

Dividends

The Company intends to make quarterly dividend payments to shareholders in February, May, August and November. The first quarterly dividend in 2026 (for which the record date was 30 January 2026) with a payment date of 13 March 2026.

Further distributions are expected to be paid in May, August and November 2026.

Distributions from the Company may comprise PIDs (see below), ordinary cash dividends or a combination of the two. PIDs have been paid by the Group since 1 January 2007.

Payment of dividends

If you would like your dividend/interest paid directly into your bank or building society account, you should write to the Registrar including details of your nominated account. Although this will enable your dividend/interest to be paid directly into your account, your tax voucher will be sent to your registered address.

Dividend Reinvestment Plan ("DRIP")

The Company offers a DRIP, provided by Equiniti Financial Services Limited, enabling shareholders to use their cash dividend to buy further Ordinary Shares. For information on how to apply for the DRIP, as well as its terms and conditions, please visit www.shareview.co.uk.

Scrip dividend scheme

The optional scrip dividend scheme previously offered to shareholders is currently been suspended and management will keep this under review.

Investment account

The Company has made arrangements for Equiniti Financial Services Limited to provide an investment account to allow lump sum and regular savings to facilitate the purchase of the Company's Ordinary Shares. Details and the forms required for this service can be accessed from the Company's website or alternatively at: www.shareview.co.uk/dealing.

For details of the service please contact Equiniti on +44 (0) 371 384 2030.

Equiniti Financial Services Limited is authorised and regulated by the Financial Conduct Authority. As with all stock market investments, the price of shares can go down as well as up and on sale investors may not get back the full amount they invested.

Taxation status

The REIT regulations require an REIT to distribute at least 90% of its exempt rental income (as calculated for tax purposes) as a PID.

PIDs are paid out under deduction of withholding tax at the basic rate, currently 20%. Certain classes of shareholders, including UK companies, charities, local authorities and UK pension schemes, may receive PIDs without deduction of withholding tax, if a valid claim is lodged with the Company by a qualifying shareholder. Shareholders who wish to apply for a tax exemption form should contact the Registrar.

The above is a general guide only and shareholders who have any doubt about their tax position should consult their own appropriate independent professional adviser.

Registrar

The Company's Registrar is Equiniti. In the event of any queries regarding your holding of shares, please contact the Registrar free of charge on +44 (0) 371 384 2030 (lines are open 8:30 a.m. to 5:30 p.m. Monday to Friday), or in writing to: Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA.

Changes of name or address must be notified to the Registrar in writing.

Equiniti Shareview dealing services

A quick and easy share dealing service is available to either sell or buy PHP shares. To deal online or by telephone all you need is your Shareholder Reference Number, full postcode and date of birth. Your Shareholder Reference Number can be found on your latest dividend statement. For further information on this service, or to buy and sell shares, please contact Equiniti customer services on +44 (0) 371 384 2030 (8:30 a.m. to 5:30 p.m. Monday to Friday) or access www.shareview.co.uk/dealing.

Forward-looking statements

This document contains certain statements that are neither reported financial results nor other historical information. These statements are forward looking in nature and are subject to risks and uncertainties. Actual future results may differ materially from those expressed in or implied by these statements. Many of these risks and uncertainties relate to factors that are beyond PHP's ability to control or estimate precisely, such as future market conditions, the behaviour of other market participants, the actions of governmental regulators and other risk factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, and changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including inflation and consumer confidence, on a global, regional or national basis. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. PHP does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document.

Information contained in this document relating to the Company should not be relied upon as a guide to future performance.

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 NNNAV) 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.

Glossary of terms continued

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.

Glossary of terms continued

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.

Advisers and bankers

Stockbrokers
Deutsche Numis
45 Gresham Street
London EC2V 7BF

Peel Hunt LLP
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100 Liverpool Street
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Shore Capital
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London SW1A 1LD

Solicitors
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78 Cannon Street
London EC4N 6AF

Gowling WLG (UK) LLP
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TLT LLP
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London EC2V 7JE

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Riverside One
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Dublin 2

Pinsent Masons
30 Crown Place
Earl Street
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Auditor
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Bankers
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St Helens
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Produced by
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Registered office:
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15–16 Buckingham Street
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Website:
www.phpgroup.co.uk

Registered in England Number:
3033634