



INVESTMENTS
WITH PURPOSE
FOR PROFIT
BY PEOPLE
FROM TRIPLE POINT



Triple Point
SOCIAL HOUSING
REIT PLC

Annual Report 2022



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A photograph of a person in a plaid shirt hugging someone in a dark room. In the background, there is a lamp and a television. The image is split diagonally, with the left side being a bright, overexposed area and the right side being a dark, blurred area.

Company Overview

At a Glance

/ WHO WE ARE

Triple Point Social Housing REIT plc invests in social housing properties in the United Kingdom (UK), focusing on homes in the Specialised Supported Housing sector which have been adapted for vulnerable people with care and support needs.

We believe our residents deserve a home in a community setting that offers greater independence than traditional institutional accommodation, at the same time as meeting their specialist care needs.

Our ambition is to be the leading Specialised Supported Housing investor in the UK, helping guarantee a secure future for people in need across the country whilst ensuring that our shareholders have an ethical, attractive, long-term income source which creates social impact.





/ WHO WE ARE

We seek to optimise the opportunities available to vulnerable people across the UK. The properties we invest in provide homes for people with specific care and support requirements. These needs often result from mental health problems, learning disabilities, or physical and sensory impairment.

Our accommodation differentiates itself by being a home within a community rather than the care facilities that have historically been the mainstay for vulnerable people whose care needs are similar to our residents. We also seek to provide value-for-money to local authorities by offering housing that is both more suitable and cost-effective than traditional alternatives.

Our portfolio benefits from leases to Approved Providers, who are bodies that receive payment from central or local government to provide homes for people in need of housing. Through these leases we offer our shareholders an attractive level of income that is linked to inflation.

The Year in Brief

During 2022, the Group deployed £20.3 million into Specialised Supported Housing (and one Children's Services property) in the UK, acquiring 14 homes over the course of the year.

The Group received 91.8% of rent due during the year, with material rent arrears attributable to two Approved Providers only. As described in the Investment Manager's report, the Group is taking active steps to address the issues that have led to the rent arrears with a view to increasing rent collection and ensuring the sustainability of the rental income generated from these two Approved Providers.

3 MARCH 2022

The Company declared an interim dividend of 1.30 pence per Ordinary Share for the period from 1 October to 31 December 2021, resulting in an aggregate total dividend of 5.20 pence per Ordinary Share for the full year ended 31 December 2021.

MARCH

MAY

30 MAY 2022

The Company declared an interim dividend of 1.365 pence per Ordinary Share for the period from 1 January to 31 March 2022.

The Company announced an unaudited Net Asset Value (NAV) per Ordinary Share of 110.70p, as at 31 March 2022.

AUGUST

SEPTEMBER

23 NOVEMBER 2022

The Company declared an interim dividend of 1.365 pence per Ordinary Share for the period from 1 July to 30 September 2022.

The Company announced an unaudited NAV per Ordinary Share of 111.58p, as at 30 September 2022.

NOVEMBER

DECEMBER



27 MAY 2022

Shareholders approved the Company's revised Investment Policy. Amendments included:

- Removing the Group's minimum lease term restriction.
- Allowing the Group to selectively take on the cost of funding planned maintenance.
- Giving the Group the ability to enter into leases which are subject to upward only adjustments, tracking either inflation or central housing benefit policy.



25 AUGUST 2022

Fitch Ratings re-affirmed the Group's existing Investment Grade, long-term Issuer Default Rating (IDR) of 'A-' with a stable outlook and a senior secured rating of 'A' for the Group's existing loan notes.



8 SEPTEMBER 2022

The Company declared an interim dividend of 1.365 pence per Ordinary Share for the period from 1 April to 30 June 2022.



8 DECEMBER 2022

The Group cancelled the £160 million Revolving Credit Facility with Lloyds and Natwest in December 2022 (the facility had been reduced in size from £160m to £50m in February 2022).

POST PERIOD EVENTS

Following the announcement of a Government cap of 7% on social and affordable rent increases from April 2023, irrespective of the fact that the cap does not apply to Specialised Supported Housing, the Company has voluntarily chosen to implement this cap for rent reviews applicable to its Registered Provider lessees in 2023.

On 2 March 2023, the Company declared an interim dividend of 1.365 pence per Ordinary Share for the period from 1 October to 31 December 2022 resulting in an aggregate dividend of 5.46 pence per Ordinary Share for the full year ended 31 December 2022.

Key Highlights

PORTFOLIO VALUATION

£669.1 million

(December 2021: £642.0 million)

As at 31 December 2022, the portfolio was independently valued at £669.1 million on an IFRS basis, representing an uplift of 11.1% against total invested funds of £602.2 million.

TOTAL RETURN

37.4%

(December 2021: 31.1%)

Total return since IPO to 31 December 2022 was 37.4 %.

CONTRACTED RENTAL INCOME

£39.0 million

(December 2021: £35.8 million)

As at 31 December 2022, the contracted rental income was £39.0 million per annum.

WAULT

25.3 years

(December 2021: 26.2 years)

As at 31 December 2022, the WAULT was 25.3 years (including put/call options and reversionary leases).

RENTAL UPLIFTS

100% index linked²

(December 2021: 100%)

As at 31 December 2022, 100% of contracted rental income was either Consumer Price Inflation ("CPI") or Retail Price Index ("RPI") linked.

DIVIDEND COVER

0.92x

(December 2021: 0.99x)

Dividend cover, based on adjusted earnings, for the period ending 31 December 2022 was 0.92x.

Historically dividend cover has been reported on a contracted run-rate basis which for 2021, due to all rent being in payment, was the same as adjusted earnings dividend cover. Due to an increase in rent arrears over the period we have moved to a reporting on an adjusted earnings basis.¹

EPRA NET TANGIBLE ASSETS

109.06p

(December 2021: 108.27 pence)

The EPRA Net Tangible Assets was equal to the IFRS NAV and was 109.06 pence per share as at 31 December 2022.

NET PROFIT

£24.9 million

(December 2021: £28.4 million)

Net Profit for the year ended 31 December 2022 was £24.9 million.

EPRA Net Initial Yield (NIY)

5.46%

(December 2021: 5.20%)

The EPRA NIY was 5.46% as at 31 December 2022.

EPRA NIY is equal to an 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) purchasers' costs.

DIVIDEND PER ORDINARY SHARE

5.46p

(December 2021: 5.20 pence)

Dividends paid or declared in respect of the year ending 31 December 2022 totalled 5.46 pence per share.

TOTAL INVESTMENT PORTFOLIO

497 properties

(December 2021: 488)

During the year the Group purchased 14 properties with an aggregate purchase price of £20.3 million bringing the total portfolio to 497 properties.

MARKET CAPITALISATION

£246.9 million

(December 2021: £389.9 million)

As at 31 December 2022, the market capitalisation of the Group was £246.9 million.

APPROVED PROVIDERS

27

(December 2021: 24)

As at 31 December 2022, the Group had leases with 27 Approved Providers.

FIXED PRICE, RATED DEBT

2.74% and 10.6 years

(December 2021: 2.74% and 11.6 years)

At 31 December 2022, the weighted average cost of debt was 2.74% which is entirely fixed, and the weighted average term to maturity was 10.6 years.

UNITS

3,456

(December 2021: 3,424)

As at 31 December 2022, the portfolio comprised 3,456 units.

LEASES

395

(December 2021: 382)

As at 31 December 2022, the portfolio had 395 leases.

LTV

37.4%

(December 2021: 37.6%)

As at 31 December 2022, the Group's LTV was 37.4%

ONGOING CHARGES RATIO

1.60%

(December 2021: 1.54%)

The ongoing charges ratio was 1.60% as at 31 December 2022 and is a ratio of annualised ongoing charges expressed as a percentage of average net asset value throughout the year. This has increased year on year due to inflation on expenses and increase in fees charged on NAV.



1. Adjusted earnings is EPRA earnings adjusted for non-cash items such as ongoing amortisation of loan arrangement fees

2. 5.1% of our leases are capped.

Leeds Supported Living

Gildersome - Emma's story

/ BACKGROUND TO LEEDS SUPPORTED LIVING

Located in the village of Gildersome, Leeds Supported Living has been providing a Specialised Supported Living service for adults with mental health needs since December 2020. Staff support tenants to develop their confidence and skills with the hope that they will eventually be able to move on to and live independently.

The project was funded by the Group, ISL are the care provider with 24-hour support provided by dedicated staff and Blue Square Residential provide housing management services.

Each of the 15 self-contained flats come with an open plan living room and kitchen area, and an ensuite master bedroom. Tenants benefit from a shared private garden and a communal kitchen lounge which they use for joint activities such as cooking. A new sensory hub is set to open shortly in a separate cabin, providing further activities and a place for the residents to relax in.

Conveniently located for access to local shops on nearby Church Street and Gildersome Street, Leeds Supported Living has a bus stop on its doorstep with the train station only a 15-minute walk away.

We spoke with one of the tenants Emma and ISL service manager Kirsty to find out how Emma's life has changed since she's moved in.





"For the first time in my life, I've bought loads of furniture and made a home."



/ A HOME WHICH HAS LET THE LIGHT IN

"For the first time in my life, I've bought loads of furniture and made a home," said Emma, who moved into Leeds Supported Living in December 2020.

Having been in a hospital psychiatric ward for three years, followed by a stay in rehabilitation and a transitional housing unit, Emma credits her home and the support from staff with changing her life.

The first thing that drew Emma to her flat was the window in the living room, which she describes as "huge, almost as big as a wall!"

"Living here has made a big impact on my recovery and helped my life to get a lot better. It's a really nice space to be in. I love it because I get so much light into my flat and I haven't had that for ages. In the transitional unit, the only thing I could see looking out of the window was a tree." Emma says.

She adds: "When I was in hospital, I did not see daylight. There was only one window on the ward – no natural light at all. When I came here, I realised I've got a massive window. It's really good for my mental health."

Emma's ginger and white cat, lovingly named Angel also helps with her mental health. ISL worked with the Registered Provider Blue Square, to ensure that Emma could live with her beloved cat in her flat.

Emma smiles as she says: "Angel is really cheeky, and a bit of a comfort animal. She knows when I'm not feeling great and will give me a cuddle. She has such a sweet personality and it's nice to have her here."

As you'd expect, everyone living at Leeds Supported Living can decorate their flats to suit their personal preferences and tastes.

"My flat is spacious, it's all really modern and I'm allowed to express myself. Living here is a big step forward, after being in institutions for five to six years where you don't really get the opportunity to do that," says Emma.

Emma has added tones of purple with her furniture to complement the grey and white colour scheme, with tapestry decorating her rooms.

Moving in has also helped Emma to get the support she needs with her studies - she is passionate about psychology and is now in the final year of a psychology degree at Leeds Beckett University.

She said: "University can be very stressful but living here helps - all the staff are really supportive of me going to uni. They're energetic, enthusiastic, and some even have psychology degrees which has helped me to gather ideas."

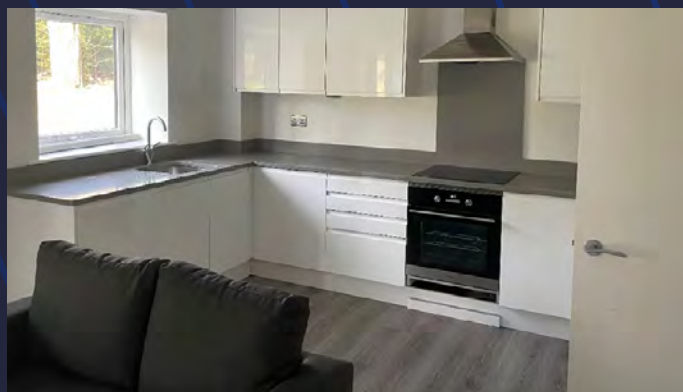
Her passion for her new home has even led to her writing about the communal room located in the apartment building, and how it's impacting positively on mental health for a university assignment.

The welcoming communal lounge is furnished with two large cosy sofas with bright yellow and checked cushions, a round wooden dining table and chairs in the centre, with an assortment of plants on the south-facing windowsill. Nestled in the corner of the room is a bookcase full with books and board games.

In her essay, Emma wrote: "It has become an area that is used for people to relax and socialise, bake, cook, sing,

dance, talk, play cards, do artwork, and share laughter and banter. People are now very relaxed here...it is clear that they now feel more at home here."

She adds: "There's loads of nice colours, photos and a board full of affirmations, which is really bright. The communal area really helps me to get out of my flat and develop my social skills – I'm spending a lot of time with people from different backgrounds."



Emma adds: "Mental health is quite unpredictable. One of the good things about living here is that support times are flexible, you can ask for support as and when you need it."

Devoting time to volunteering at a local mental health organisation, which helps young people, is another of Emma's passions. As well as blogging, she runs a creative writing group which has regular workshops. Emma is passionate about complementary therapy such as Reiki and will be leading yoga and meditation sessions in the Sensory Hub.

Another of her big hobbies is baking. Emma says: "When I was in hospital, I found a passion for baking, and I've got the space to bake here. The kitchen is a really good size. It's great because I can do it any time of day. Sometimes I have a bit of a midnight bake and I hand it out to residents."

Cheesecake is her favourite bake, and her baking skills also make her very popular with other residents ("Everyone loves her!" Kirsty smiles).

The future for Emma looks bright, with the potential for her to move into a step-down service, without 24-hour support, in the future thanks to the progress she's made.

Emma says: "My mental health problems aren't as grave here. Living here has helped my life to get a lot better."

The communal area also has another wall display decorated with leaves with written inscriptions, such as 'supportive', 'inspirational', and 'empathetic'. Kirsty explains: "We all shared three positive words about each other which we wrote on the leaves."

Emma has also formed friendships since moving in. She said: "I've made a couple of nice friends here and we do things together. We go out for open mic nights in the local pub or sometimes go to the local Indian restaurant. I have a social life here – I didn't have one before."

Kirsty adds: "I've been working here since 2022, and in the last 12 months I've seen a real confidence boost in Emma. If she has an idea, we encourage it. She also has creative freedom which she really explores."







Strategic Report



CHRIS PHILLIPS, Chair

Chair's Statement

/ INTRODUCTION

2022 has proven to be another year of unforeseen challenges. Inflation and resultant rising interest rates were to be expected, but their pace of increase was accelerated by geopolitical events, most notably the tragic war in Ukraine, as well as the fallout from heightened domestic political volatility in the UK in the latter half of the year. The Bank of England base rate increased by 375 basis points in 12 months, and inflation reached levels not seen in over 40 years. Higher interest rates have provided investors seeking income with a range of options, many of which have not been viable over the last 15 years, and inflation and its root causes have created operational challenges for business throughout the UK and indeed the world. Questions remain about the impact these challenges will have on property valuations as investors and valuers grapple with understanding the real impact on the performance of property assets, and their relative attractiveness when compared to alternative sources of income.

As with most publicly traded REITs, these factors, combined with further regulatory judgements issued by the Regulator in relation to two of the Group's Approved Providers, have contributed to the Company's shares trading at a discount to Net Asset Value during the period. The Board continues to actively engage with its shareholders and is committed to addressing this discount. As noted in our recent trading update, in order to deliver value to shareholders, the Board and Manager are exploring making accretive share buybacks outside of a close period and the potential sale of a portfolio of the Group's properties. If the Group considered that a potential sale of a portfolio would be in the best interests of its shareholders, and conditional on such a transaction not having a material adverse impact on the Group's leverage position, the Board would seek to use the proceeds to optimise shareholder value in the most efficient way.

Whilst we remain conscious of the need to address the current share price discount to Net Asset Value, I am pleased to report that we have delivered a stable and consistent set of results, and we have been able to continue to focus on providing more good homes for vulnerable people throughout the UK. Our strategy is well insulated against the fallout from deteriorating economic circumstances and any resultant decline in demand for other goods and services. The need for more Specialised Supported Housing in the UK continues to grow and this fact, more than anything, underpins our resilient financial performance.

Despite challenging operating conditions, we have delivered a total return of 5.7% comprising 5.0% from dividend income and 0.7% from a growth in capital value. Given current concerns around interest rates, it is worth reiterating that all of the Group's debt is long-term and fixed-price with a weighted average term of 10.6 years and a weighted average coupon of 2.74%.

This year we have been able to demonstrate to our investors the strong inflation protection within our portfolio. We increased our dividend target by 5.0%, supported by strong underlying rental growth (the weighted average rental growth for the period was 6.7%). Looking forward, whilst Specialised Supported Housing is excluded from the Government's 7% cap on social housing rent increases, we have prudently decided to temporarily cap the Group's rent increases at 7% for the year of 2023. The voluntary cap applied to the portfolio's leases with Registered Providers for 2023 allows for material rental growth (in excess of the Group's highest historical weighted average annual rental growth rate), whilst ensuring that the Group's rent increases remain sustainable and in line with wider social housing sector policy.

Whilst the Group is well placed to navigate the current economic headwinds, we must acknowledge that the Group's Approved Providers have been presented with significant operating challenges. We continue to work closely with our counterparties whose operating margins have come under pressure from increases in maintenance, staffing and energy costs at a time where local authorities and central Government are tightening fiscal policy. Rent collection during the year fell below historic levels of 100% to 91.8%. As noted in the Company's recent trading update, these rent arrears are predominantly attributable to two Approved Providers, My Space Housing Solutions and Parasol Homes. A full update on what steps are being taken to actively address the causes of the rental arrears and preserve the Group's rental income generated from these two lessees going forward is provided in the Investment Manager's Report.

In conjunction with working with Approved Providers to help them address specific challenges, we have also remained focused on helping all of our Registered Provider partners respond to concerns raised by the Regulator about the risks associated with the long-lease model that is commonly employed in the sector. Through amending the Company's investment policy and investment restrictions in May last year, which enabled the Group to enter into more flexible leases, we commenced a process of looking to address these concerns in a way that we hope will help deliver meaningful change to our Approved Providers whilst enhancing the sustainability and performance of the Group's portfolio. The Investment Manager's report will expand on the new flexible leases that the Group can now enter into, and the roll-out of a new clause in the Group's existing leases to help address concerns about risk sharing. The clause has been developed in consultation with key stakeholders, including the Regulator. The implementation of the clause is intended to enhance the Group's Registered Provider lessees' compliance with the Regulator's standards.

It is important to us that over 94% of our lessees benefit from being regulated by the Regulator. We believe in proportionate specialist regulation and the enhancements and protections around governance and service provision that this brings. In over 88% of our properties specialist care and support is provided by care providers regulated by the Care Quality Commission ("CQC") further enhancing both the services provided to the individuals living in our properties and the associated regulatory protections.

As well as proving commercially challenging, 2022 exacerbated a number of existing societal issues and has seen a growing cost-of-living crisis begin to impact the lives of millions of people throughout the UK. Despite additional government support, high inflation has created an affordability crisis which research has shown to disproportionately impact the most vulnerable members of society. In the social housing sector, rising interest rates, growing maintenance costs, labour shortages and a need to invest into existing homes to bring them up to standard in terms of fire safety and energy efficiency have eroded the development budgets of Registered Providers. This, combined with growing pressure on people's ability to afford private rents, has exacerbated the housing crisis and increased demand for social housing at a time when Registered Providers are struggling to meet supply targets. Finally, it is rightly impossible to ignore the clear daily pressures faced by the NHS and the social care sector and hard to see, given the current strain on public finances, how things can materially improve in the short term without additional funding.

More than ever therefore, it is clear that private capital is required to help meet the UK's social housing needs. The Group has continued to deploy capital into both new and existing Specialised Supported Housing properties over the course of the year. In 2022, we have delivered 14 newly developed or newly adapted properties containing 113 homes. These additional homes should help Local Authorities move people off social housing waiting lists and in some cases relieve pressure on the NHS by enabling people to move out of long-stay hospitals and into their own homes.



/ FINANCIAL PERFORMANCE

During the year, we continued to deploy our remaining capital in order to address the acute need for this type of housing and provide additional homes for people with care and support needs. The Group invested £20.3 million in acquiring 14 properties providing 113 additional homes. This has enabled us to grow the Group's portfolio to over £669.1 million in value and provide over 3,400 homes working alongside our Approved Provider and care provider partners with the continued support of our shareholders and lenders.

I am pleased to continue to report this year that we have paid all target dividends in full as we have done consistently since IPO. For the year ending 31 December 2022, dividend cover, based on adjusted earnings, was 0.92x. Dividend cover was lower than in previous years due to the higher than usual level of rent arrears. Through our focus on addressing the current level of rent payments with My Space and Parasol (as expanded on in the Investment Manager's Report) we will look to increase dividend cover this coming year and preserve it over the longer-term. We expect to announce our dividend target for 2023 in May as we have done in previous years.

Overall, we are proud of another set of stable financial results which build on our performance to date. This would not have been possible without the support of our stakeholders, all of whom played an important role in supporting us with delivering on our investment strategy during the period. You can read more about our financial performance during the period in our Key Highlights at pages 8 to 9, along with a more in-depth review in the Investment Manager's report on pages 32 to 44.

Despite the relative resilience of the Group's financial performance and the sector's compelling supply and demand fundamentals, the Company's share price has traded at a discount to Net Asset Value during the period. As noted above, the Board along with the Investment Manager, are actively considering what further steps can be taken to address the discount.



/ SOCIAL IMPACT

Social Impact remains engrained in our decision-making processes and is central to our business model. This set of results once again demonstrates our conviction that financial performance and social impact are mutually reinforcing. The independent Impact Report prepared by The Good Economy identifies that our properties have delivered £3.30 of Total Social Value for every £1.00 invested in the year to 31 December 2022. You can read more on the social value and impact that our properties create in the Impact Report prepared by the Good Economy, available separately on our website.

/ THE BOARD

The Board, led by Ian Reeves, Chair of the Nomination Committee, has instructed Nurole Ltd, an external search consultancy (there is no connection between the Company or any individual Directors and the external search consultancy), to commence a robust succession exercise to recruit a new non-executive director and hopes to provide an update before the 2023 AGM. As part of this succession exercise, the Board has taken into consideration the diversity targets within the FCA's Listing Rules, which we consider to be in the interests of the Group and its shareholders.

Further detail regarding the succession process that has commenced can be found in the Nomination Committee Report on pages 94 to 96.

/ OUTLOOK

The Group's focus in 2023 will be on optimising the performance of our portfolio. We will look to help ensure that our Approved Providers are able to weather the operational obstacles, principally driven by high inflation, facing organisations throughout the UK. With a combination of routine property inspections and continued engagement with our care provider and Approved Provider partners we will seek to optimise the performance of the Group's properties with a focus on delivering good homes and long-term income to our investors. Finally, through delivering on our strategic initiatives, which are focused on addressing concerns raised by the Regulator, we hope to deliver meaningful and sustainable change to both the Group's portfolio and the wider sector.

We take comfort from the fact that the majority of the Group's Approved Providers are regulated by the Regulator and the additional accountability and higher standards this brings to their provision of social housing. We will continue to work with our Registered Provider partners to, where relevant, help them address any points that have been raised by the Regulator. Similarly, we will continue to engage directly with the Regulator in order to ensure that we can better understand and accommodate any observations they have about our investment model and our engagement with our lessees.

We will remain focused on controlling and positively influencing what we can, but we must also accept that there are factors that we cannot control, and which could have an impact on the Group's performance. Specialised Supported Housing valuations showed resilience throughout the COVID pandemic and are relatively well-insulated from the impact of an economic downturn, however they are not impervious to the pressures of rising interest rates. Whilst we feel well positioned relative to most other real estate sectors, the risk of further outward movement in social housing yields remains, principally driven by the tighter spread versus the risk-free rate. We expect any movement to be limited relative to some other commercial property sectors due to the excess demand for Specialised Supported Housing coupled with a continued lack of supply.



Despite these challenges, it is important to also focus on the Group's current strengths. We have successfully mitigated any direct negative impact of rising interest rates on the Group's financial performance having ensured that all debt financing was long-term and fixed rate. Whilst we have capped rent increases at 7% for next year, we expect to deliver strong rental growth nonetheless, which will help protect investors against a backdrop of persistent high inflation. Finally, the Company has met its dividend target for the full year ended 31 December 2022.

As ever, I would like to thank all our advisers, and the Investment Manager, for their continued hard work and dedication to our investment strategy. Our corporate broker and joint financial adviser, Stifel Nicolaus Europe Limited, and our joint financial adviser, Akur Capital, continue to provide valuable and high-quality advice during the year. Finally, I would like to thank our shareholders for their continued support, as well as my fellow Board members for their ongoing commitment and assistance this year.

Chris Phillips
Chair

2 March 2023

Strategy and Business Model

The Board is responsible for the Company's investment objective and investment policy and has overall responsibility for ensuring the Group's activities are in line with such overall strategy. As noted in the interim report, in May 2022 shareholders approved the resolution to amend the Company's investment policy. The Company's investment policy, reflecting these amendments, and investment objective are published below.

As noted in the Chair's Statement and the Investment Manager's report, in 2023 most of the Group's leases will be subject to a one-off rental increase cap of 7%.

/ INVESTMENT OBJECTIVE

The Company's investment objective is to provide shareholders with stable, long-term, inflation-linked income from a portfolio of social housing assets in the United Kingdom with a focus on Supported Housing assets. The portfolio comprises investments in operating assets and the forward funding of pre-let development assets, the Group seeks to optimise the mix of these assets to enable it to pay a covered dividend increasing in line with inflation and so generate an attractive risk-adjusted total return.

/ INVESTMENT POLICY

To achieve its investment objective, the Group invests in a diversified portfolio of freehold or long leasehold social housing assets in the UK. Supported Housing assets account for at least 80% of the Group's gross asset value. The Group acquires portfolios of social housing assets and single social housing assets, either directly or via SPVs. Each asset is subject to a lease or occupancy agreement with an Approved Provider. The rent payable thereunder is, or is expected to be, subject to adjustment in line with inflation (generally CPI) or central housing benefit policy. Title to the assets remains with the Group under the terms of the relevant lease. The Group is not primarily responsible for any management or maintenance obligations under the terms of the lease or occupancy agreement, which typically are serviced

by the Approved Provider lessee, save that the Group may take responsibility for funding the cost of planned maintenance. The Group is not responsible for the provision of care to residents of Supported Housing assets.

The social housing assets are sourced in the market by the Investment Manager.

The Group intends to hold its portfolio over the long-term, benefitting from generally long-term upward-only leases which are, or are expected to be, linked to inflation or central housing benefit policy. The Group will not be actively seeking to dispose of any of its assets, although it may sell investments should an opportunity arise that would enhance the value of the Group as a whole.

The Group may forward fund the development of new social housing assets when the Investment Manager believes that to do so would enhance returns for shareholders and/or secure an asset for the Group's portfolio at an attractive yield. Forward funding will only be provided in circumstances in which:

- (a) there is an agreement to lease the relevant property upon completion in place with an Approved Provider;
- (b) planning permission has been granted in respect of the site; and
- (c) the Group receives a return on its investment (at least equivalent to the projected income return for the completed asset) during the construction phase and before the start of the lease.

For the avoidance of doubt, the Group will not acquire land for speculative development of social housing assets.

In addition, the Group may engage third party contractors to renovate or customise existing social housing assets as necessary.

GEARING

The Group uses gearing to enhance equity returns. The Directors will employ a level of borrowing that they consider prudent for the asset class and will seek to achieve a low cost of funds while maintaining flexibility in the underlying security requirements and the structure of both the Company's portfolio and the Group.

The Directors intend that the Group will target a level of aggregate borrowings over the medium-term equal to approximately 40% of the Group's gross asset value. The aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown, of 50% of the Group's gross asset value.

Debt will typically be secured at the asset level, whether over a particular property or a holding entity for a particular property (or series of properties), without recourse to the Group and having consideration for key metrics including lender diversity, cost of debt, debt type and maturity profiles.

USE OF DERIVATIVES

The Group may use derivatives for efficient portfolio management. In particular, the Group may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases on borrowings incurred in accordance with the Investment Policy as part of the Group's portfolio management. The Group will not enter into derivative transactions for speculative purposes.

INVESTMENT RESTRICTIONS

The following investment restrictions apply:

- the Group will only invest in social housing assets located in the United Kingdom;
- the Group will only invest in social housing assets where the counterparty to the lease or occupancy agreement is an Approved Provider. Notwithstanding that, the Group may acquire a portfolio consisting predominantly of social housing assets where a small minority of such assets are leased to third parties who are not Approved Providers. The acquisition of such a portfolio will

remain within the Investment Policy provided that at least 90% (by value) of the assets are leased to Approved Providers and, in aggregate, all such assets within the Group's total portfolio represent less than 5% of the Group's gross asset value at the time of acquisition;

- at least 80% of the Group's gross asset value will be invested in Supported Housing assets;
- the maximum exposure to any one asset (which, for the avoidance of doubt, will include houses and/or apartment blocks located on a contiguous basis) will not exceed 20% of the Group's gross asset value;
- the maximum exposure to any one Approved Provider will not exceed 30% of the Group's gross asset value, other than in exceptional circumstances for a period not to exceed three months;
- the Group may forward fund social housing units in circumstances where there is an agreement to lease in place and where the Group receives a coupon (or equivalent reduction in the purchase price) on its investment (generally slightly above or equal to the projected income return for the completed asset) during the construction phase and before entry into the lease. Forward funding equity commitments will be restricted to an aggregate value of not more than 20% of the Group's net asset value, calculated at the time of entering into any new forward funding arrangement;
- the Group will not invest in other alternative investment funds or closed-ended investment companies (which, for the avoidance of doubt, does not prohibit the acquisition of SPVs which own individual, or portfolios of, social housing assets);
- the Group will not set itself up as an Approved Provider; and
- the Group will not engage in short selling.

The investment limits detailed above apply at the time of the acquisition of the relevant asset in the portfolio. The Group will not be required to dispose of any investment or to rebalance its portfolio as a result of a change in the respective valuations of its assets or a merger of Approved Providers.

/ INVESTMENT STRATEGY

The Group specialises in investing in UK social housing, with a focus on Supported Housing. The strategy is underpinned by strong local authority demand for more social housing, which is reflected in the focus on acquiring recently developed and refurbished properties across the United Kingdom. The assets within the portfolio have typically been developed for pre-identified residents and in response to demand specified by local authorities or NHS commissioners. The existing portfolio comprises investments made into properties already subject to a fully repairing and insuring lease with specialist Approved Providers in receipt of direct payment from local government (usually Registered Providers regulated by the Regulator), as well as forward funding of pre-let developments. The portfolio will not include any direct development or speculative development investments. Following the amendments to the Company's investment policy in May 2022, the Group expects to enter into more flexible lease structures in future. These more flexible lease structures may include entering into leases for shorter terms and, in certain cases, the Group may selectively take on the cost of funding planned maintenance on some properties.

In addition, as noted in the Chair's Statement and the Investment Manager's report, we are considering including a new clause in the Group's existing leases. The aim of this clause is to protect Registered Providers if factors beyond their control, such as a change in government policy in relation to Specialised Supported Housing rents, reduce the amount of rent they are able to generate from a property or properties that they lease from the Group. In some such circumstances the clause allows for the Registered Provider to agree a new rent level which is reflective of the revised circumstances. Should the new rent level not be acceptable to the Group, the Group has the ability to re-assign or terminate the lease. As noted, we have consulted with the Group's valuers and lenders, and following the publication of these results it is our intention to gain feedback from investors before looking to roll out the new lease clause with our Registered Provider lessees.

/ BUSINESS MODEL

The Group owns and manages social housing properties that are leased to experienced housing managers (typically Registered Providers, which are often referred to as housing associations). The vast majority of the portfolio and future deal pipeline is made up of Supported Housing homes which are residential properties that have been

adapted or built such that care and support can easily be provided to vulnerable residents who may have mental health issues, learning difficulties or physical disabilities. Whilst we have acquired operational properties, we have tended to focus more on acquiring recently developed or adapted properties in order to help local authorities meet increasing demand for suitable accommodation for vulnerable residents (the drivers of this demand are discussed in the Investment Manager's report on pages 32 to 44). Local authorities are responsible for housing these residents and for the provision of all care and support services that are required.

The Supported Housing properties owned by the Group are leased to Approved Providers which are usually not-for-profit organisations focused on developing, tenancing and maintaining housing assets in the public (and private) sectors. Approved Providers are approved and regulated by the Government with the majority through the Regulator (or in some instances, where the Group contracts with care providers and charitable entities, the Care Quality Commission and the Charity Commission, respectively). The majority of the Group's existing leases with Approved Providers are linked to inflation, have a duration of 20 years or longer, and are fully repairing and insuring – meaning that the obligations for management, repair and maintenance of the property are passed to the Approved Provider. Typically, the Government funds both the rent of the individuals housed in Supported Housing and the maintenance costs associated with managing the property. In addition, because of the vulnerable nature of the residents, the rent and maintenance costs are typically paid directly from the local authority to the Approved Provider on behalf of the individuals living in the property. The rent paid by the local authority to the Approved Provider on behalf of the residents is then paid to the Group via the lease. Ultimate funding for the rent of the individuals living in the properties owned by the Group typically comes from the Department for Work and Pensions in the form of housing benefit.

The majority of residents housed in Supported Housing properties require support and/or care. This is typically provided by a separate care provider regulated by the Care Quality Commission. The agreement for the provision of care for the residents is between the local authority and the care provider. The care provider is paid directly by the local authority. Usually, the Group has no direct financial or legal relationship with the care provider and the Group never has any responsibility for the provision of care to the residents in properties the Group owns. The care provider will often be responsible for nominating residents into the properties and, as a result, will normally provide some voids cover to the Approved

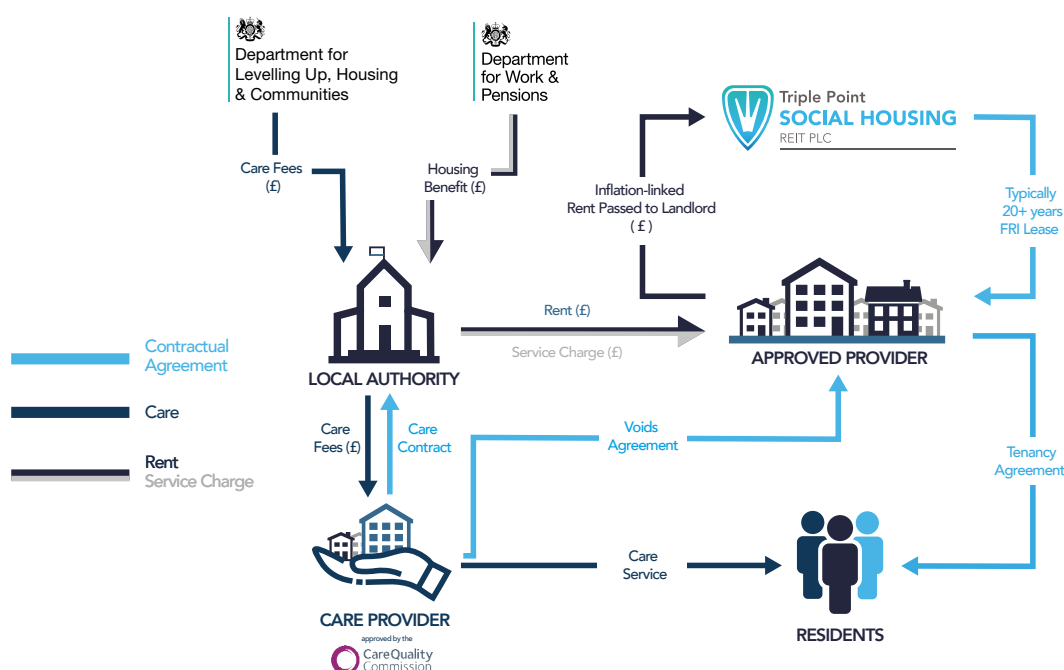
Provider should they not be able to fill the asset (i.e. if occupancy is not 100% it is often the care provider rather than the Approved Provider that will cover the cost of the rent due on void units). Under the terms of its lease, the Group is owed full rent regardless of underlying occupancy, but monitors occupancy levels and the payment of voids cover by care providers, to ensure that Approved Providers are appropriately protected.

Many assets that the Investment Manager sources for the Group have been recently developed and are either specifically designed new build properties or renovated existing houses or apartment blocks that have been adapted for Supported Housing. The benefit of buying recently-developed or adapted stock is that it has been planned in response to local authority demand and is designed to meet the specific requirements of the intended residents. In addition, it enables the Group to work with a select stable of high-quality developers on pipelines of deals rather than being reliant on acquiring portfolios of already-built assets on the open market. This has two advantages: firstly, it enables the Group to source the majority of its deals off-market through trusted developer partners and, secondly, it ensures the Group has greater certainty over its pipeline with visibility over the long-term deal flow of the developers it works with and knows it will not have to compete with other funders.

As well as acquiring recently developed properties, the Group can provide forward funding to developers of new Supported Housing properties. Being able to provide forward funding gives the Group a competitive advantage over other acquirers of Supported Housing assets as it enables the Group to offer developers a single funding partner for both construction and the acquisition of the

completed property. This is often more appealing to developers than having to work with two separate funders during the build of a new property as it reduces practical and relationship complexity. As well as strengthening developer relationships, forward funding enables the Group to have a greater portion of new build properties in its portfolio which typically attract higher valuations, are modern and have been custom-built to meet the needs of the residents they house, helping to achieve higher occupancy levels. The Group benefits from the Investment Manager's long track record of successfully forward funding a range of property and infrastructure assets. The Group will only provide forward funding when the property has been pre-let to an Approved Provider and other protections, such as fixed-priced build contracts and deferred developer profits, have been put in place to mitigate construction risk.

Since the Company's IPO, the Group has set out to build a diversified portfolio that contains assets leased to a variety of Approved Providers, in a range of different counties, and serviced by a number of care providers. This has been possible due to the Investment Manager's over 15-year track record of asset-backed investments, its active investment in the Supported Housing sector since 2014, and the strong relationships it has enjoyed with local authorities for over a decade. These relationships have enabled the Group, in a relatively short space of time, to work with numerous Approved Providers, care providers and local authorities to help deliver Supported Housing that provide homes to some of the most vulnerable members of society.



Key Performance Indicators

In order to track the Group's progress the following key performance indicators are monitored:

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
1. DIVIDEND			
Dividends paid to shareholders and declared during the year. Further information is set out in Note 27.	The dividend reflects the Company's ability to deliver a low risk but growing income stream from the portfolio.	Total dividends of 5.46 pence per share were paid or declared in respect of the period 1 January 2022 to 31 December 2022. (2021: 5.20 pence)	The Company has declared a dividend of 1.365 pence per Ordinary share in respect of the period 1 October 2022 to 31 December 2022, which will be paid on 31 March 2023. Total dividends paid and declared for the year are in line with the Company's target.
2. EPRA NET TANGIBLE ASSETS (NTA)			
The EPRA NTA is equal to IFRS NAV as there are no deferred tax liabilities or other adjustments applicable to the Group under the REIT regime. Further information is set out in Note 5 of the Unaudited Performance Measures.	EPRA NTA measure that assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability.	109.06 pence at 31 December 2022. (31 December 2021: 108.27 pence)	The IFRS NAV (equivalent to EPRA NTA) per share at IPO was 98 pence. This represents an increase of 11.3% since IPO driven primarily by yield compression at acquisition and subsequent annual rental uplifts.
3. LOAN TO VALUE (LTV)			
A proportion of our portfolio is funded through borrowings. Our medium to long term target LTV is 35% to 40% with a maximum of 50%. Further information is set out in Note 20.	The Group uses gearing to enhance equity returns.	37.4% LTV at 31 December 2022. (31 December 2021: 37.6% LTV)	Borrowings comprise two private placements of loan notes totalling £263.5 million provided by MetLife Investment Management and Barings. The £160.0 million revolving credit facility with Lloyds and NatWest was completely undrawn as at 31 December 2021, and during the year, the Group cancelled this facility in its entirety.
4. EPRA EARNINGS PER SHARE			
EPRA Earnings per share (EPRA EPS) excludes gains from fair value adjustment on investment property that are included in the IFRS calculation for Earnings per share. Further information is set out in Note 36.	A measure of a Group's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.	4.78 pence per share for the year ended 31 December 2022, based on earnings excluding the fair value gain on properties, calculated on the weighted average number of shares in issue during the year. (31 December 2021: 4.82 pence)	EPRA EPS reduced slightly reflecting the expected credit loss.

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
5. ADJUSTED EARNINGS PER SHARE			
Adjusted earnings per share includes adjustments for non-cash items. The calculation is shown in Note 36.	A key measure which reflects actual cash flows supporting dividend payments.	5.03 pence per share for the year ended 31 December 2022, based on earnings after deducting the fair value gain on properties, and amortisation and write-off of loan arrangement fees; calculated on the weighted average number of shares in issue during the year. (31 December 2021: 5.14 pence)	Company's ability to meet dividend payments from net cash inflows. It represents a dividend cover for the year to 31 December 2022 of 0.92x.
6. WEIGHTED AVERAGE UNEXPIRED LEASE TERM (WAULT)			
The average unexpired lease term of the investment portfolio, weighted by annual passing rents. Further information is set out in the Investment Manager's Report.	The WAULT is a key measure of the quality of our portfolio. Long lease terms underpin the security of our income stream.	25.3 years at 31 December 2022 (includes put and call options). (31 December 2021: 26.2 years)	As at 31 December 2022, the portfolio's WAULT stood at 25.3 years.
7. EXPOSURE TO LARGEST APPROVED PROVIDER			
The percentage of the Group's gross assets that are leased to the single largest Approved Provider.	The exposure to the largest Approved Provider must be monitored to ensure that we are not overly exposed to one Approved Provider in the event of a default scenario.	29.5% at 31 December 2022. (31 December 2021: 28.3%)	Our maximum exposure limit is 30%.
8. TOTAL RETURN			
Change in EPRA NTA plus total dividends paid during the period.	The Total Return measure highlights the gross return to investors including dividends paid since the prior year.	EPRA NTA per share was 109.06 pence at 31 December 2022. Total dividends paid during the year ended 31 December 2022 were 5.395 pence per share. Total return was 5.7% for the year to 31 December 2022. (31 December 2021: 6.62%)	The EPRA NTA per share at 31 December 2022 was 109.06 pence. Adding back dividends paid during the year of 5.395 pence per Ordinary Share to the EPRA NTA at 31 December 2022 results in an increase of 5.7%. The Total Return since IPO is 37.4% at 31 December 2022.

EPRA Performance Measures

The table shows additional performance measures, calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We provide these measures to aid comparison with other European real estate businesses.

Full reconciliations of EPRA Earnings and NAV performance measures are included in Note 36 of the consolidated financial statements and notes 3 and 5 of the Unaudited Performance Measures, respectively. A full reconciliation of the other EPRA performance measures are included in the Unaudited Performance Measures section.



KPI AND DEFINITION	PURPOSE	PERFORMANCE
1. EPRA EARNINGS PER SHARE		
EPRA Earnings per share excludes gains from fair value adjustment on investment property that are included in the IFRS calculation for Earnings per share.	A measure of a Group's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.	4.78 pence per share for the year to 31 December 2022. (31 December 2021: 4.82 pence)
2. EPRA NET REINSTATEMENT VALUE (NRV) PER SHARE		
The EPRA NRV adds back the purchasers' costs deducted from the IFRS valuation.	A measure that highlights the value of net assets on a long-term basis.	£480.7 million/119.33 pence per share as at 31 December 2022. £475.4 million/118.08 pence per share as at 31 December 2021.
3. EPRA NET TANGIBLE ASSETS (NTA) PER SHARE		
The EPRA NTA is equal to IFRS NAV as there are no deferred tax liabilities or other adjustments applicable to the Group under the REIT regime.	A measure that assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability.	£439.3 million/109.06 pence per share as at 31 December 2022. £436.1 million/108.27 pence per share as at 31 December 2021.
4. EPRA NET DISPOSAL VALUE (NDV)		
The EPRA NDV provides a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability.	A measure that shows the shareholder value if assets and liabilities are not held until maturity.	£510.1 million/126.63 pence per share as at 31 December 2022. £434.0 million/107.76 pence per share as at 31 December 2021.
5. EPRA NET INITIAL YIELD (NIY)		
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) purchasers' costs.	A comparable measure for portfolio valuations. This measure should make it easier for investors to judge for themselves how the valuation of a portfolio compares with others.	5.46% at 31 December 2022. 5.20% at 31 December 2021.
6. EPRA "TOPPED-UP" NIY		
This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).	The topped-up net initial yield is useful in that it allows investors to see the yield based on the full rent that is contracted at 31 December 2022.	5.51% at 31 December 2022. 5.27% at 31 December 2021.
7. EPRA VACANCY RATE		
Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	A "pure" percentage measure of investment property space that is vacant, based on ERV.	0.00% at 31 December 2022. 0.26% at 31 December 2021.
8. EPRA COST RATIO		
Administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income.	A key measure to enable meaningful measurement of the changes in a Group's operating costs.	21.09% at 31 December 2022. 20.91% at 31 December 2021.

The Investment Manager



Pictured above: Max Shenkman, James Cranmer, Ben Beaton, Anne-Britt Karunaratne, Ralph Weichelt, Isobel Gunn-Brown and Justin Hubble

/ JAMES CRANMER, MANAGING PARTNER

James joined the Investment Manager in 2006 to establish its flagship leasing business, Triple Point Lease Partners, which has grown to be one of the UK's most active providers of operating lease finance into local authorities and NHS Trust Hospitals. James has over 20 years' experience in structured, asset and vendor finance, and has been responsible for in excess of £1 billion of funding into UK local authorities, NHS Hospital Trusts, FTSE 100 and small and medium-sized companies. James is a graduate of St. Andrews University. He became Co-Managing Partner in 2016.

/ MAX SHENKMAN, PARTNER & HEAD OF INVESTMENT

Max joined the Investment Manager in 2011 and has led investments across the product range. He has arranged both debt and equity funding for a number of property backed transactions in the social housing, infrastructure and agricultural sectors. Max has led over £500million of investment into Supported Housing assets for the Group. Prior to joining the Investment Manager, Max was an Associate in the Debt Capital Markets team at Lazard where he advised private equity clients on both the buy and sell side. Max graduated from the University of Edinburgh.

/ ANNE-BRITT KARUNARATNE, HOUSING OPERATIONS DIRECTOR

Anne-Britt joined Triple Point in August 2021 and is the Housing Operations Director in the Housing team. She has over 35 years' social housing experience, and is responsible for looking after our portfolio of social housing homes. Anne-Britt is passionate about delivering great quality homes and excellent services that make a difference to peoples' lives and the communities they live in.

/ BEN BEATON, MANAGING PARTNER

Ben joined the Investment Manager in 2007 to lead the sourcing and execution of a broad spectrum of investments including renewable energy, long leased infrastructure and property bridge lending. He has spent his career building innovative products for investors and offering attractive and flexible funding solutions to a range of businesses, both in the public and private sector. Ben has a BSc (Hons) in Biological Sciences from the University of Edinburgh. He became Co-Managing Partner in 2016.

/ RALPH WEICHELT, HEAD OF DEBT CAPITAL MARKETS

Ralph joined Triple Point in November 2017 and is Head of Debt Capital Markets responsible for the debt strategies for all Triple Point managed private and listed funds. Prior to joining Triple Point, Ralph was a Partner in a pan-European debt advisory and fixed income firm focusing on debt origination via the debt capital markets for commercial real estate and infrastructure. Prior to this, he held a number of senior positions in pan-European real estate spanning from fund management, transactional work to advisory. Ralph is also a member of the Investment Committee.

/ ISOBEL GUNN-BROWN, PARTNER & REIT CFO

Isobel joined the Investment Manager in 2010 and acts as Finance Director to the Group leading the financial reporting responsibilities of the Group. At the Investment Manager Isobel is head of the Fund Finance department. Isobel is ACCA qualified with over 30 years' experience in the financial services sector. Her experience is wide-ranging and includes managing the financial reporting for three listed Investment Trusts and two listed venture capital trusts.

/ JUSTIN HUBBLE, PARTNER & GENERAL COUNSEL

Justin joined the Investment Manager in 2017 as General Counsel. He began his legal career as a barrister in New Zealand before moving to the UK where he worked as a private practice lawyer at City firm Ashurst during the dot-com era. On leaving private practice he pursued in-house roles as the General Counsel of several high growth, disruptive tech businesses from start-up to float. Justin is qualified as a barrister & solicitor in New Zealand and as a solicitor in the UK. He is a graduate of Otago University, New Zealand and holds a Master of Laws degree from University College London.



MAX SHENKMAN, Head of Investment

Investment Manager's Report

/ INTRODUCTION

Coming into 2022, the Group had evidenced its strong operational performance despite the COVID pandemic and high inflationary environment. All of the Group's debt was fixed-rate meaning that concerns around the risk of rising interest rates had been mitigated through the Group's refinancing in August 2021. Similarly, the inflation-linked nature of the Group's leases (with the majority being uncapped and linked to CPI) combined with the Government's stated policy of increasing social housing rents by CPI + 1% meant that the Group was well positioned to offer investors strong protection against the risk of rising inflation. Valuations had proven to be resilient and, given the strong underlying supply and demand fundamentals of the sector, seemed well placed to withstand a possible economic downturn. Given these inherent protections against key macroeconomic investor concerns, our focus at the start of the year was on making sure that the Group's portfolio remained resilient and continued to perform well, delivering good homes and sustainable returns to our investors, deploying the Group's remaining capital into high quality Specialised Supported Housing properties with a focus on additionality, and making sure that the Group was able to constructively respond to the known concerns raised by the Regulator around the risks posed to Registered Providers through entering into long leases.

Now that 2022 has drawn to a close, it is important to look back and consider to what extent our assumptions around the Group's protections against inflation and rising rates held firm, assess how successful we were in achieving our strategic objectives, and how well we responded to 2022, an unpredictable year that was more volatile and tragic than anyone could have foreseen.

Taking interest rates first, this year has seen those with floating rate debt scramble to refinance or hedge against a backdrop of rapidly rising interest rates and hedging costs. Our decision to refinance the Group's floating rate revolving credit facility in August 2021 was hugely beneficial to the Group this year and has fully insulated the Group from any direct financial impact from rising interest rates. However, rates have risen at such a pace, and to such an extent, that not only have they increased the cost of borrowing but they have also begun to undermine wider property market valuations, especially those with a focus on long income, as the gap between property yields and the risk-free rate has narrowed. The impact on the valuation of the Group's properties has been limited so far and, whilst the risk of further rate increases remains, we expect this to be the case going forward.

This year, the Board took the decision to increase the Company's target dividend by 5% which was supported by the Group's rental income increasing on average by 6.7%. During November, in order to help alleviate the cost-of-living crisis, the Government moved away from the prevailing social housing rent policy (which was to increase rents by CPI + 1%) and capped social housing rent increases at 7% for the year, beginning April 2023. Specialised Supported Housing was excluded from this cap. Despite Specialised Supported Housing being excluded, the Group will voluntarily apply a 7% temporary rent increase cap to the Group's leases. We took this decision with the Board because we wanted to support the Group's lessees and ensure that the Group's rent increases remained consistent with the wider social housing sector. It also felt like the right thing to do in the midst of a cost-of-living crisis.

A lot of the focus of the last twelve months has been on optimising the performance of the Group's property portfolio. The rate of making new acquisitions was impacted by many of the properties we targeted being in development and so suffered from the supply chain issues, labour shortages and/or cost increases that have caused delays for development projects throughout the UK. We have deployed during the year £20.3 million into 14 properties and have £13.1 million of uncommitted cash still available. Whilst we had originally expected to be fully deployed by the end of the year, given the deterioration of market conditions over the course of the year, we have retained a certain amount of capital in order to give the Group optionality over the coming year.

As the Chair has made clear, the Company is exploring making accretive share buybacks and the potential sale of a portfolio of the Group's properties. So, whilst the Group's pipeline of strategically important opportunities remains strong, given the Company's share price is at a significant discount to net asset value, any decision to deploy capital into income producing properties needs to be considered against the relative benefit of returning capital to shareholders.

The Manager's Housing Team of 24 people are focused on monitoring the performance of the properties, lessees and care providers within the Group's portfolio. Properties are routinely inspected by the Manager's in-house surveyors and this is complemented by quarterly and bi-annual operational, financial and compliance surveys as well as frequent engagement with senior management teams. We have added to the asset management side of our Housing Team at Triple Point

with two new hires, both of whom have strong direct Registered Provider or Local Authority experience. The constant engagement between our asset management team and the Group's lessees has helped to ensure that the vast majority have performed in line with expectations over the last 12 months. Excess demand for Specialised Supported Housing continues to underpin the rental payments made to the Group by its lessees, and these payments have generally remained consistent with the exception of two Approved Providers, more

information on which is provided in the Approved Provider section below. If there are issues within the portfolio at a granular level, for example a need to find a new care provider for a property due to the exit of an incumbent, then it is the job of the asset management team to work with the relevant Approved Provider to ensure that a resolution that secures the continued delivery of a good Specialised Supported Housing service and the sustainability of the Group's rental income can be found as quickly as possible, and in a way that benefits all stakeholders. As always, the team's focus remains on ensuring that the individuals living in properties owned by the Group have a good home whilst receiving the care and support on which they rely.



Social Impact remains at the core of the Group's strategy. The independent Impact Report prepared by The Good Economy for the period ended 31 December 2022 sets out the Group's impact objectives and target outcomes on which the Group's performance can be measured against. The Impact Report prepared by the Good Economy is available separately on the Group's website and we look forward to continuing our work with the Good Economy, as well as our other partners, to drive forward standardised reporting for equity investors in the sector.

It is now recognised that climate change can impact the long-term value of an asset and therefore developing robust climate risk management is an important part of an Investment Manager's responsibilities. The Task Force on Climate Related Financial Disclosure has emerged as the industry-leading standard for providing transparency on how investments are being protected against possible risk from climate change, or conversely how opportunities may be captured. The Group has chosen to make a voluntary disclosure using this framework which can be found on page 54. The

disclosure demonstrates how the Investment Manager approaches this challenge for the Group, through four areas (Governance, Strategy, Risk Management, Metrics & Targets) and in doing so seeks to provide added reassurance to investors on how risk as a result of climate change is understood and managed for the Group's assets. The Investment Manager is committed to continuing to develop and improve its approach to this challenge and the scope of the disclosure details provided.

Our retrofit pilot project continues to progress well. Each property in the pilot has been reviewed to assess the suitability of the proposed upgrade works and costings. Our primary focus is on a 'fabric first' approach, ensuring that properties are insulated and airtight. This approach will enable us to minimise disruption to residents whilst reducing energy consumption. The pilot project will see a range of new technologies and systems installed into our properties including air source heat pumps and solar PV panels as well as 'fabric first' items such as additional insulation. We are working with a single contractor and retrofit designer, and are in the process of agreeing how to implement the proposed physical works in the pilot projects.



We will continue to work with our lessees in order to roll out a new lease clause that we hope will help ensure a path to compliance for those Registered Providers who are able to demonstrate to the Regulator that they have meaningfully accommodated historic concerns.

At the start of the year, we were focused on amending the Company's investment policy in order to ensure that we could agree more flexible leases with Registered Providers. We are grateful for the shareholder support regarding these changes which were agreed in May. These amendments were required to ensure that the Group is at the forefront of an evolving sector and able to engage with the strongest counterparties on the best projects. They were also reflective of our desire to alter the Group's investment structure to help our Registered Provider partners address some of the concerns that the Regulator has raised about the long-lease model and promote their compliance with the Regulator's standards.

The changes to the Company's investment policy have also enabled us, in the latter half of 2022, to begin work on a new clause that we hope to include in all of our existing Registered Provider leases following ongoing consultation with stakeholders, including the Regulator. The aim of this clause is to address some of the general risks raised by the Regulator in relation to long leases and in so doing protect Registered Providers if factors beyond their control, such as a change in government policy in relation to Specialised Supported Housing rents, reduce the amount of rent they are able to generate from a property or properties that they lease from the Group. In some such circumstances, the clause allows for the Registered Provider to agree a new rent level which is reflective of the revised circumstances. Should the new rent level not be acceptable to the Group, the Group has the ability to re-assign or terminate the lease. This clause has been developed in close consultation with the senior management teams of a selection of the Group's Registered Providers and has been discussed with the Regulator. The Group's valuers are supportive of the clause and have opined that the roll-out of the clause would lead to no negative impact on the value of the Group's portfolio. In addition we have had initial conversations with Group's lenders about the clause being included in leases over which they have security. Now that the clause is in near agreed form, following the publication of the annual report, it is our intention to engage with shareholders to understand their feedback on the clause. Subject to shareholder feedback, we will look to roll out the clause methodically with all of the Group's Registered Provider lessees in the second quarter of this year. In so doing, we hope to enable the Boards of the Registered Providers we work with to further their compliance with the Regulator's standards.

In responding to the unforeseen challenges thrown up by 2022, we feel that the Group has arguably proven its relative resilience. Come what may politically in the UK, there will still be an overwhelming need for more Specialised Supported Housing in this country and its unlikely that political volatility is going to change that. Similarly, with both main political parties seemingly now wedded to fiscal prudence, private funding and privately owned social housing properties are going to be a critical part of our collective ability to respond meaningfully to the housing crisis. As was demonstrated through COVID, the Group remains resilient to a downturn in economic circumstances. The events of 2022 served to accelerate such a downturn. Due to the ongoing strong demand for more specialised supported homes and the Government support for the individuals living in the properties owned by the Group, we expect continued resilience to these external factors, as demonstrated by the Group since inception.

/ MARKET

As ever, growing excess demand for more homes is one of the defining characteristics of the Specialised Supported Housing sector. Whether it be analysis undertaken by the National Audit Office, the conclusions of the Government's social care white paper or independently commissioned research there is strong consensus that demand for social care will continue to grow due to better diagnosis, higher survival rates for premature babies and longer life expectancies and this will drive further demand for Specialised Supported Housing. Put most succinctly, in its 2021 "People at the Heart of Care" white paper³, the Government estimated that by 2030 demand for supported housing will increase by 125,000 homes.

This growing demand is now set against a backdrop of a challenging operating environment for Registered Providers. For decades now this country has looked to Registered Providers to deliver the affordable homes that local authorities rely on. However, an ever-growing set of financial headwinds now face the sector and is beginning to inhibit the ability of Registered Providers to deliver their development pipelines. As well as the ubiquitous concerns around rising costs and interest rates, Registered Providers also need to accommodate within their business plans the ability to meet the expenditure associated with ensuring that their properties meet the latest fire safety standards and energy efficiency targets and an increasing level of regulation, particularly in relation to consumer standards. As a result, Registered

3. <https://www.gov.uk/government/publications/people-at-the-heart-of-care-adult-social-care-reform-white-paper/people-at-the-heart-of-care-adult-social-care-reform>

Providers are increasingly considering alternative sources of capital in order to deliver on the potential of their development pipeline. We are seeing a growing number of larger Registered Providers interested in exploring working with providers of private capital such as the Group, in order to develop new homes.

Whilst the case for private capital remains strong and there is a consensus around growing demand for social care and the efficacy of Specialised Supported Housing, it is important not to focus solely on meeting demand. The recent Levelling Up, Housing and Communities Committee's report on Exempt Accommodation was an important reminder of the need to focus on delivering services that meet the needs of the individuals and which are appropriately regulated. Amongst other things, the report recommended the implementation of minimum standards for exempt accommodation, including on referrals, care and support, and quality of housing and a requirement for all exempt accommodation providers to be registered.

The Group has leases with 27 Approved Providers, having entered into leases with another three Approved Providers during the period. The vast majority of these lessees have performed steadily over the last 12 months, managing the challenges of inflation and labour shortages well. However, two of the Group's lessees (Parasol and My Space) fell behind with their rental payments over the course of 2022, which in turn has caused rent collection at the portfolio level to slip below historical levels.

Since the latter half of 2022, whilst Parasol have continued to make regular rental payments to the Group, these have not reflected the full amount of rent due and so rental arrears have built up. We have been engaging consistently with both the management team and the Board of Parasol and understand they have taken meaningful steps to address the underlying causes behind the build up of arrears. Our expectation is that we will agree a plan with Parasol in March that will see rent payments increase over the course of the year, simultaneously we are working with Parasol to put in place a repayment plan for the arrears that built up over the course of 2022.

As noted in the Company's recent trading update, in January, the Regulator published an Enforcement Notice about My Space Housing Solutions in which it noted concerns around solvency. This followed on from the Regulatory Judgement of My Space published in December in which My Space was downgraded to the non-compliant rating of V4 for viability and G4

for governance (from a V3 G3 previously). My Space currently have a number of actions prescribed by the Regulator that they need to complete within a relatively short timeframe. We have taken the decision to actively look to move the Group's properties away from My Space. We have identified a possible alternative Registered Provider and are in the process of providing all of the information required for the Registered Provider to determine whether they can provide the right level of service to the individuals living in the properties. Protecting the welfare of the residents of these properties is the Group's principal concern and it should be noted that a transfer might require lease terms to be amended. The Regulator has requested that My Space consider, amongst other things, the option of a business combination or merger, were a business combination or merger be agreed then this could negate the need to move properties.

In order to establish the downside risk, the Board and the Manager requested the Group's valuer, Jones Lang LaSalle ("JLL"), to determine the potential negative impact on the value of the Group's property portfolio in the event that My Space were to go into administration. JLL have estimated this impact to be up to 2.4% of the Group's total portfolio valuation as of 31 December 2022.

The performance of My Space is not reflective of the Group's wider portfolio of lessees and whilst we are focused on finding a resolution to the issues described above, the Group's other lessees do not require the same level of engagement and are broadly performing in line with expectations. Last year, the Regulator issued two notices in relation to the Group's Registered Providers, as noted above, one related to My Space and the other related to Highstone Housing Association (3.5% of the Group's rent roll). Highstone has committed to work with the Regulator to address the issues outlined in the regulatory notice and has already made meaningful progress in that regard.

94.3% of the Group's portfolio by rent roll is leased to Registered Providers that are subject to regulatory protections and standards provided by the Regulator. Since IPO, of the Group's 27 lessees, 10 have had regulatory notices or judgements issued about them by the Regulator highlighting issues that they need to address. The Group's focus has always been on working with Registered Providers, regulated by the Regulator, in order to deliver Specialised Supported Housing to vulnerable individuals throughout the UK (Specialised Supported Housing makes up 88.5% of the Group's properties by rent roll). We believe in proportionate

specialist industry regulation and its ability to enhance governance and service provision. We think this is important when delivering homes to vulnerable adults as it brings additional scrutiny, accountability, and higher standards all of which are implemented by a Regulator that is focused on the delivery of social housing.

88.5% of the Group's properties (by rent roll) benefit from a separate care provider, regulated by the CQC. The care provider delivers care and/or support to the residents living in the Group's properties. A further 3.8% of the Group's properties are leased directly to a care provider regulated by the CQC, meaning that 92.3% of the Group's properties have care and support provided by a CQC registered care provider. Based on data received by the Manager from lessees, the Group estimates that, for those lessees, the average care hours received by residents is over 40 hours per week, considerably above guidance around the levels of care expected in Specialised Supported Housing.

As described above, a lot of our focus this year has been on working to ensure that the Group's Registered Provider partners are able to address the points that are consistent across the range of notices and judgements that the Regulator has put out about Registered Providers that operate in the Specialised Supported Housing sector. These principally concern the risks associated with long leases and our ability to materially address these points has been unlocked through the recent changes to the Company's investment policy. We expect the Regulator to remain very active in the sector and to hold Registered Providers to the highest standards. We complement our work with our lessees by direct engagement with the Regulator to keep the Regulator informed on our areas of focus and as much as possible better understand their concerns so they can be reflected in any changes we make to our lease structures.



Financial Review

We are pleased to present another stable set of financial results as highlighted earlier on pages 8 to 9. The Group's financial performance is underpinned by an increase in annualised rental income from inflationary uplifts in the Group's predominantly uncapped leases.

/ TOUCHING ON SOME OF THE KEY HIGHLIGHTS:

RENTAL INCOME



£39.0m

The annualised rental income of the Group was £39.0 million as at 31 December 2022, compared to £35.8 million at 31 December 2021.

EPRA NIY

▶ **5.46%**

The EPRA NIY has increased from 5.20% at 31 December 2021 to 5.46% at 31 December 2022.

EPRA EPS

▶ **4.78 pence per share**

The EPRA Earnings Per Share ("EPRA EPS") of 4.78 pence, compared to 4.82 pence at 31 December 2021, excludes the fair value gain on investment property and is measured on the weighted average number of shares in issue during the period.

EPRA NTA

▶ **109.06 pence per share**

The EPRA NTA was 109.06 pence per share at 31 December 2022, the same as the IFRS NAV pence per share, compared to 108.27 pence at 31 December 2021.

CASH AND CASH EQUIVALENTS

£30.1m

The Group held cash and cash equivalents of £30.1 million at 31 December 2022, compared to £52.5 million at 31 December 2021. £13.1 million of cash was available for further investment as at 31 December 2022. Cash generated from operating activities was £25.7 million for the year, compared to £24.7 million for the year ended 31 December 2021.

IFRS EARNINGS

6.18 pence per share

IFRS Earnings per share was 6.18 pence for the year to 31 December 2022, compared to 7.05 pence for the comparative year to 31 December 2021.

PORTFOLIO VALUATION – IFRS

£669.1m

At the year end, the portfolio was independently valued at £669.1 million on an IFRS basis compared to £642.0 million at 31 December 2021, reflecting a valuation increase of 11.1% against the portfolio's aggregate purchase price (including acquisitions costs). This reflects an EPRA net initial yield of 5.46%, against the portfolio's blended net initial yield of 5.90% at the point of acquisition.



EPRA ONGOING CHARGES RATIO

1.60%

The ongoing charges ratio for the year was 1.60% compared to 1.54% for the year ended 31 December 2021.

FAIR VALUE GAIN £8.3M

A fair value gain of £8.3 million was recognised during the year on the revaluation of the Group's properties compared to £9.0 million in the comparative year to 31 December 2021.



/ DEBT FINANCING

Following a refinancing in 2021, all of the Group's debt is fixed-price and long-term with the earliest debt maturity occurring in mid-2028, providing strong protection from rapidly increasing interest rates.

Over the period, the Group fully cancelled the £160.0 million revolving credit facility that had been provided by Lloyds and NatWest. The undrawn facility had previously remained in place following a reduction from £160.0 million to £50.0 million in February 2022 to provide the Group with access to additional capital for deployment. However, the recent increase in SONIA rates have made this facility non-accretive to investor returns and the remaining facility was cancelled in December 2022.

As at 31 December 2022, the Group's debt structure comprised two facilities with a combined value of £263.5 million. Both facilities are fixed-priced (with a weighted average coupon of 2.74%), long-term (with a weighted average maturity of 10.6 years) and fully drawn. The Group continues to maintain significant covenant headroom across both facilities while also having additional liquidity in the form of £75.1 million unencumbered properties.

In August 2021, the Group secured £195.0 million of long-term, fixed-rate, interest only, sustainability linked loan notes through a private placement with Barings

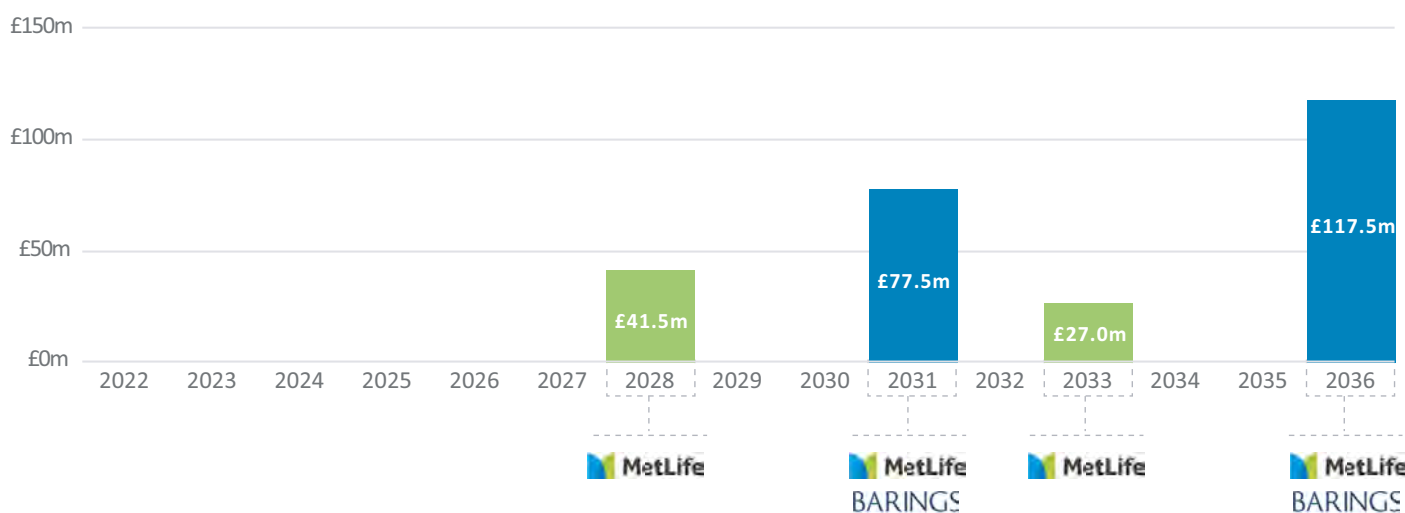
and MetLife Investment Management clients against a defined portfolio of the Group's properties at a loan-to-value of 50% at the point at which the debt was put in place. The loan notes are divided into two tranches of £77.5 million and £117.5 million with maturities in 2031 and 2036 respectively. Across both tranches the weighted average coupon is 2.634%.

In addition, the Group has a long-term, fixed-rate facility with MetLife Investment Management providing £68.5 million of debt secured against a defined portfolio of the Group's properties at a loan-to-value of 40% at the point at which the debt was put in place. The facility comprises two tranches of £41.5 million and £27.0 million with maturities in 2028 and 2033, respectively. Across both tranches the weighted average coupon is 3.039%.

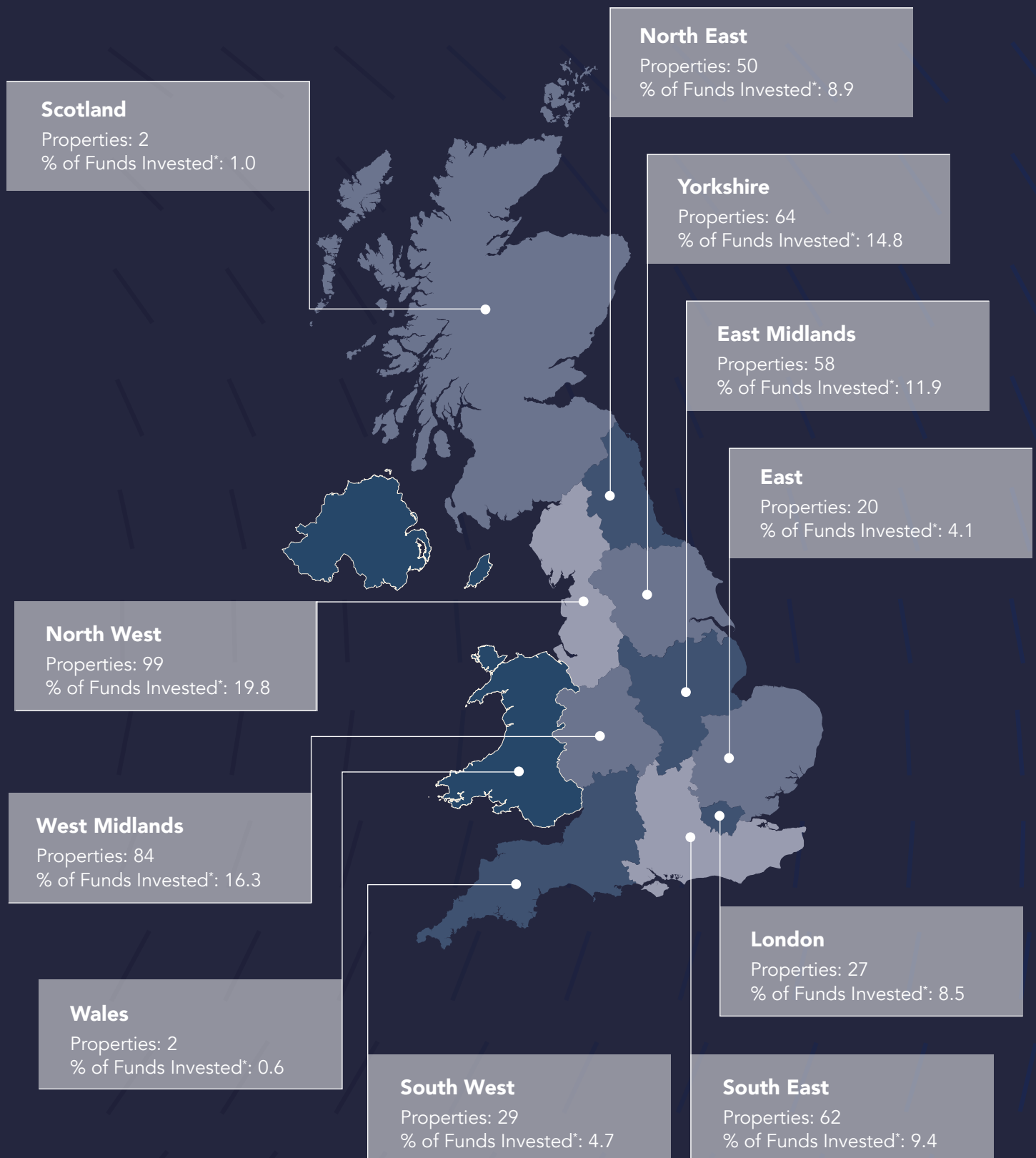
In August 2022, the Group completed its first annual review with Fitch Ratings, and we were pleased that the Group's existing rating of 'A-' with a Stable Outlook and senior secured ratings of 'A' were re-affirmed by Fitch Ratings in respect of both debt facilities. This is a reflection of not only the Group's continued financial resilience, but also the resilience of the sector in spite of the broader economic and market conditions.

Further information on the Group's debt facilities is set out in Note 20 of the financial statements.

DRAWN DEBT MATURITY PROFILE



/ PORTFOLIO SUMMARY BY LOCATION



* calculated excluding acquisition costs

/ PROPERTY PORTFOLIO REVIEW

As at 31 December 2022, the portfolio comprised 497 properties providing 3,456 homes, showing a broad geographic diversification across the UK and reflecting our investment strategy of providing additional homes to address the acute need for Specialised Supported Housing.

The IFRS value of the portfolio as at 31 December 2022 was £669.1 million, representing a 4.2% increase compared to £642.0 million in 2021. On a like for like basis there has been some negative adjustment to the valuation yields of the Group's properties reflecting a general trend in real estate, principally driven by rising interest rates over the last 12 months. However, at a range of between 10bps to 25bps this outward yield movement for the Group's properties over the 12-month period has been limited relative to commercial property sectors. This is reflective of excess demand for Specialised Supported Housing and a continued lack of supply, and the fact that, prior to this year, yields had not tightened as much in the Specialised Supported Housing sector as they had in some commercial property sectors. In addition to this general outward movement in yields, in the latter half of 2022 further outward

yield adjustments were applied to two of the Group's Approved Providers, My Space and Parasol, to reflect rent arrears that had built up over the course of the year.

During the period, the Group bought 14 properties for a total investment cost of £20.3 million (including acquisition costs) as we looked to deploy our remaining capital. As reported in the interim report, in the first half of the year the Group disposed of four properties and exchanged on the sale of two further properties. The exchanges have now completed and so the Group has sold 6 properties during the period. The decision to sell these properties was taken due to changes in the underlying investment cases and therefore, we believe this to have been in the best interest of shareholders. Where occupied properties have been sold, the Group's priority has been ensuring that the sale proceeded in a way that ensured the continuous provision of the services at the property and maintaining the well-being of its residents. Since IPO, the Group has sold seven properties as a result of changes in the underlying investment cases and its focus remains on securing long-term, inflation-linked income to generate sustainable financial returns.



/ RENTAL INCOME

The Group's 395 leases generated a total annualised rental income of £39.0 million at the period end, an increase of £3.2 million since 2021 that was predominantly driven by the Group's rental income increasing on average by 6.7% during the period.

All rents under the leases are currently indexed against either CPI (92.6%) or RPI (7.4%). At the period end, the portfolio had a WAULT of 25.3 years, which at present we anticipate continuing to remain above 20 years, with 77.6% of the portfolio's rental income showing a current unexpired lease term of 20 years or longer. As we move into 2023, we expect to start entering into more flexible lease terms as part of bringing new, larger Approved Providers into the portfolio either through new investments or by taking over the management of existing properties.

Prior to the decision to voluntarily implement the Government's temporary 7% cap on social housing rent increases in the Group's rent increases for 2023, the Group's leases have been predominantly uncapped with only a small portion (5.1% of rental income) containing a cap and collar structure. For the purposes of the portfolio valuation, JLL have held their inflation assumption that CPI and RPI increase at 2% and 2.5% per annum, respectively over the term of the relevant leases.

/ OUTLOOK

We will need to remain focused on helping our Approved Provider and care provider partners navigate a high inflationary environment and remain watchful of the impact that rising interest rates will have on the value of the Group's portfolio. Our asset management team will continue to engage actively with My Space and Parasol to ensure that we preserve the long-term income generated by those properties we have leased to

these two organisations, but it is important to note that we remain broadly confident about the resilience of our other 25 lessees to the prevailing economic conditions and this resilience is underpinned by growing demand for Specialised Supported Housing.

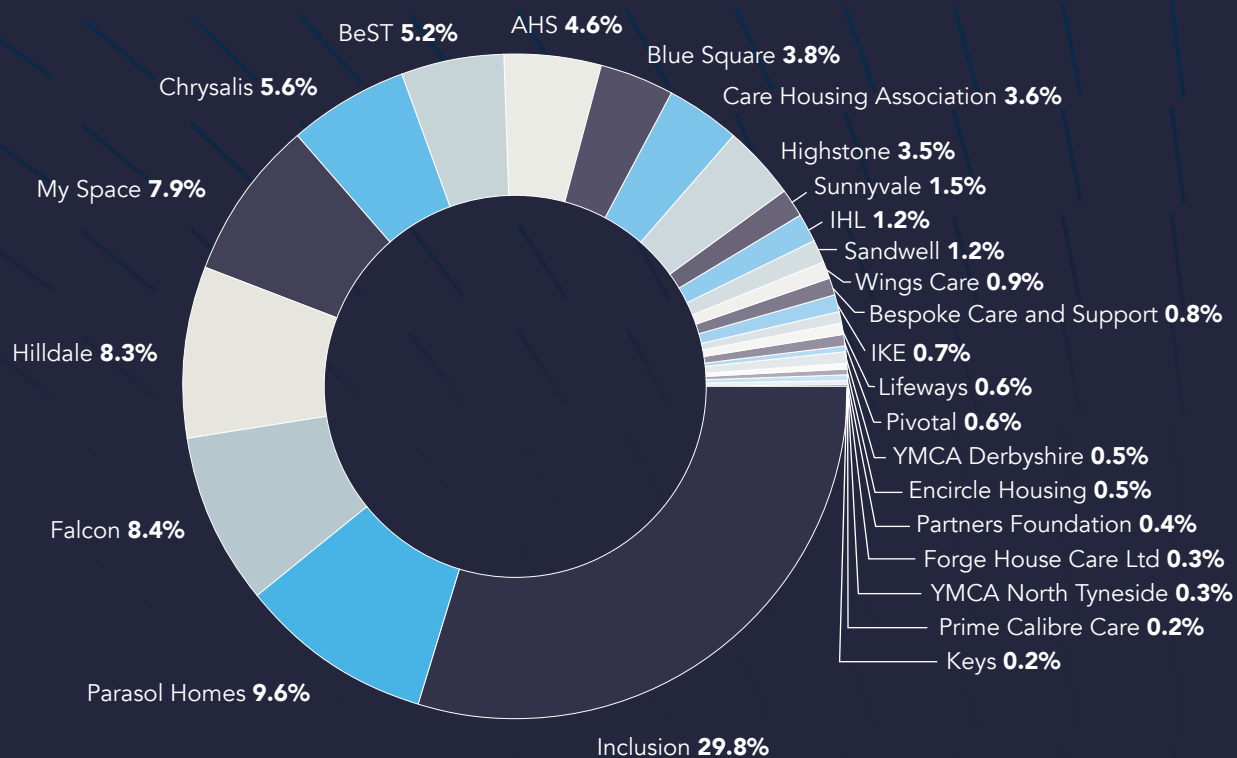
Through our ongoing engagement with My Space and Parasol we will look to increase dividend cover this year and preserve it over the longer-term. We expect the Group to continue to offer investors protection against rising inflation due to both the inflation-linked nature of the Group's leases and the long-term fixed price debt that the Group has secured. We have a number of strategic objectives that we want to achieve over the course of the year. As noted, the Board is currently considering making accretive share buybacks and the potential sale of a portfolio, and so any future deployment will need to be considered in this context. Were capital to be deployed, the focus would be on opportunities that bring new Registered Providers into the Group's portfolio on flexible lease terms and which demonstrate how our recent change in investment policy has enabled us to secure best in class opportunities for the Group. We will continue to work with our lessees in order to roll out a new lease clause that we hope will help ensure a path to compliance for those Registered Providers who are able to demonstrate to the Regulator that they have meaningfully accommodated historic concerns. As always, we will remain focused on ensuring that our partners deliver good homes to our residents throughout the UK.



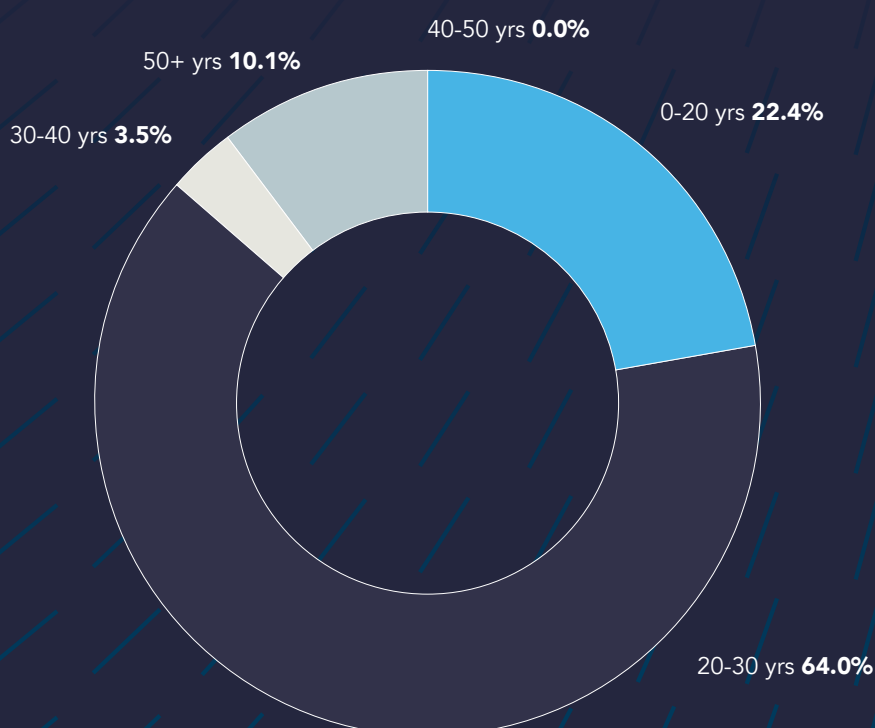
Max Shenkman
Head of Investment

2 March 2023

RENTAL INCOME BY APPROVED PROVIDER



RENTAL INCOME BY LEASE LENGTH





Sustainability Report

We aim to be one of the leading investors in UK Specialised Supported Housing and this is reflected in our constantly evolving and committed approach to embedding social outcomes through the homes we create, alongside an understanding of the need to ensure wider environmental, social and governance (ESG) factors in decisions taken by the Group and our counterparties.

Our business model (pages 24 to 25) seeks to ensure that our properties are suitable to meet residents' needs and assist local authorities in responding to local demand for the benefit of the wider community. Our social impact is therefore at the heart of what we do, and we focus on investing where there is clear long-term social need. How we do this is summarised below and set out in further detail in the independent Impact Report available separately on the website <https://www.triplepointreit.com/>. We maintain a robust corporate governance framework, and this is described in further detail within our corporate governance report on pages 82 to 87. We also recognise the importance of a wide range of other social factors alongside environmental considerations and in particular environmental efficiency, which is becoming increasingly integral to our investment strategy.

/ THE GROUP'S SUSTAINABILITY

The Group continues to provide homes to individuals with a significant need for appropriate housing and support. These are some of the most vulnerable members of society, with a range of learning disabilities, physical disabilities and mental health diagnoses. Conversations with housing providers, care providers and local authority commissioners confirm that there is a high level of underlying demand for Specialised Supported Housing. We also have a responsibility to consider the wider risk, opportunities and impacts of sustainability issues if the Group is to succeed in providing high quality social housing for vulnerable people over the long term.

We understand the importance of transparent reporting as a requisite to accountability for strong sustainability performance. During the last year, we have identified key environmental, social and governance data points, each that play a role in influencing the strategy's sustainable future. These data points incorporate areas where the Group has the ability to drive positive change across its portfolio and the wider sector.

To demonstrate the commitment to sustainability progress, the Group has opted to track and report on these ESG data points, noted in table 1 below. In addition to reporting, we have set targets, where appropriate and possible, for achievement during the 2023 financial year or beyond.

SUSTAINABILITY TABLE 1.
THE GROUP INVESTMENTS SUSTAINABILITY PERFORMANCE FOR THE REPORTING YEAR END
31 DECEMBER 2022

METRIC	RESULTS (AS AT 31 DECEMBER, 2022)																																								
Portfolio EPC ratings	A: 0.4% B: 31.15% C: 39.31% D: 22.02% E: 6.95% F: 0.12%	A-C: 70.87%																																							
Property emissions per m2 (portfolio level carbon intensity)	The average annual Co2 emissions from a Group property: 1.4 tonnes per annum Total portfolio Co2 emissions: 3,610 tonnes The carbon emissions produced by the Group's properties are categorised as Scope 3, generated from the energy usage across the portfolio properties. The Group partnered with Kamma Data, an innovative data provider in the sector, demonstrating best practice in estimating property emissions by utilising a variety of data sources. EPC data is used as a baseline, with a proprietary matching system indexing localised and more frequently updated EPC databases to ensure a high coverage rate. Emissions are recalculated using primary data from the EPC reports to better reflect the emissions associated with new technologies, and utilise up-to-date carbon intensity data from the National Grid. The Investment Manager is in the process of developing a net zero plan. The Group's emissions data have been taken from the baseline net zero calculations for the Group's portfolio, as of November 2022. We are committed to improving the accuracy level of our environmental disclosures and continue to work with highly rated data partners to ensure best practice is followed.																																								
METRIC																																									
Number of properties and location of these properties	497 properties and 3456 units. See breakdown below: <table> <tr> <th>REGION</th><th># OF ASSETS</th><th># OF UNITS</th></tr> <tr> <td>East</td><td>20</td><td>125</td></tr> <tr> <td>East Midlands</td><td>58</td><td>442</td></tr> <tr> <td>London</td><td>27</td><td>192</td></tr> <tr> <td>North East</td><td>50</td><td>377</td></tr> <tr> <td>North West</td><td>99</td><td>732</td></tr> <tr> <td>Scotland</td><td>2</td><td>29</td></tr> <tr> <td>South East</td><td>62</td><td>276</td></tr> <tr> <td>South West</td><td>29</td><td>167</td></tr> <tr> <td>Wales</td><td>2</td><td>20</td></tr> <tr> <td>West Midlands</td><td>84</td><td>554</td></tr> <tr> <td>Yorkshire</td><td>64</td><td>542</td></tr> <tr> <td></td><td>497</td><td>3,456</td></tr> </table>		REGION	# OF ASSETS	# OF UNITS	East	20	125	East Midlands	58	442	London	27	192	North East	50	377	North West	99	732	Scotland	2	29	South East	62	276	South West	29	167	Wales	2	20	West Midlands	84	554	Yorkshire	64	542		497	3,456
REGION	# OF ASSETS	# OF UNITS																																							
East	20	125																																							
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West Midlands	84	554																																							
Yorkshire	64	542																																							
	497	3,456																																							
METRIC																																									
Quality rating of care providers (CQC)	85% rated Good or Outstanding																																								

GOVERNANCE OF COMPANY

METRIC	DATA
Investment Trust Governance: - Board diversity - Board experience - Board independence	Gender split: See Governance report for gender disclosure p.96 Ethnicity split: See Governance report for ethnicity disclosure p.96 Experience / education: See the Governance report for board member biographies p.80 to 81 Average age: 68 Non-executives vs. directors: 100% non-executive
Board engagement with ESG:	The Board receive specific sustainability training from the Investment Manager's Head of Sustainability at a minimum of every 2 years. The Board received regular updates on the Eco-Retrofit Project throughout the year. Specifically, this is an ongoing programme to fund the upgrade of properties owned by the Group see p.35. Consideration and approval for the implementation of a 7% rent increase cap, in line with the Department for Levelling Up, Housing, and Communities (DLUHC) social housing rent cap. Specialised Supporting Housing was excluded from the cap, but the Company still took the decision to apply the 7% cap. In making this decision, the Board wanted to support the Group's lessees and ensure that the Group's rent increases remained consistent with the wider social housing sector, and also wanted to do the right thing in the midst of the cost-of-living crisis. In order to address Regulator concerns regarding risks that long leases can pose on Registered Providers (such as risk of changes to government policy impacting the amount of housing benefit available to individuals living in Specialised Supported Housing and therefore RP's ability to pay lease rent), the Board agreed to engaging with the boards and senior management teams of some of its lessees to agree a new lease clause that aims to re-apportion some of this risk. The clause will ensure that where there are risks that are beyond the control of the Group's lessees such as changes in government policy or regulation, then, subject to a materiality threshold being breached, these risks will sit with the Group. The Board intends to engage with shareholders on implementation of the lease clause. The Board and The Nomination Committee both considered the FCA's new Diversity Listing Rules and the targets these set out.

/ INITIATIVE-TAKING IMPROVEMENTS

The Investment Manager's Property Asset Management team have developed a comprehensive retrofit program, to improve the energy efficiency of properties, seeking to meet EPC regulation changes, reduce tenant costs and reduce portfolio-wide emissions.

To conduct retrofit work on Specialised Supported Housing requires careful and considerate planning, especially regarding the impact of construction during retrofit work, and the ease of functionality for all technology that is used, including heating controls and ventilation systems. To this end, where possible, the team will conduct as many upgrades as possible in one go in order to minimise disruption to tenants, considering tenant needs and ability to benefit from proposed upgrades. All retrofit works will closely follow sustainability best practices.

See retrofit section on page 35 for further details regarding the retrofit plans and implementation.

/ SUSTAINABILITY APPROACHES: IMPACT AND ESG INTEGRATION

The Group's approach to sustainability is to create social impact by delivering homes for vulnerable individuals supported through the additional management of wider risks and opportunities which may impact the quality of those homes or the long-term value of the assets through the integration of ESG factors in the investment decision making process.

Impact creation: The Group's social impact goal is to increase the provision of Specialised Supported Housing that delivers positive outcomes for people with care and support needs. Under this overall impact goal, the Group has established the following set of impact objectives and identified the target outcomes to which the Fund aims to contribute:

IMPACT OBJECTIVES	CONTRIBUTE TOWARDS	TARGET OUTCOMES
The areas under the Group's direct control or influence: Social Need; Fund sustainable developments; increase supply; quality services and partnerships		The outcomes for people and planet; these depend on many factors, one of which may be the Group's activities Improve wellbeing Value for money

The Good Economy conduct an independent assessment of the impact objectives and target outcomes. Full details regarding the impact results can be found at The Good Economy's website.

ESG integration: In conjunction with the Board's endorsement, and in line with the Principles of Responsible Investment (PRI), the Investment Manager has an ESG integration policy in place, directly relating to the Group's investments with the aim of ensuring value for investors, coupled with respecting society and the environment. Within this integration policy, the Investment Manager has set out principles which it incorporates throughout its business, for example, to consider the impact of operations on local communities and to uphold high standards of business integrity and honesty.

An overview of how ESG is integrated throughout the investment process is outlined in table 2, whilst further details of this process, including examples, can be found within the ESG integration policy (available on request).

SUSTAINABILITY TABLE 2. THE GROUP INTEGRATES ESG THROUGHOUT ALL STAGES OF THE INVESTMENT PROCESS.

INVESTMENT STAGE	SUSTAINABILITY ACTIVITIES
Origination and initial due diligence	Key ESG and impact factors are summarised within the team's internal pipeline tracker. An opportunity will only progress to incurring costs once the senior investment team members believe that ESG conditions are being met or managed and the opportunity does not present a material ESG risk.
Cost incurring due diligence	Key ESG considerations are assessed on a deal-by-deal basis within the due diligence trackers. A new due diligence tracker is completed for new transactions, the tracker also assesses transactions against six impact objectives. The due diligence tracker is designed to capture all the ESG metrics collated throughout the origination and due diligence phase.
Property Investment Committee	ESG factors are presented and considered by members of the investment committee within a paper which is accompanied by the due diligence tracker for all supporting ESG data. The meeting minutes will record any ESG issues raised, with confirmation that ESG factors have been considered, and the committee believes that once any ESG conditions are met, the deal does not present a material ESG risk. The final due diligence Tracker will record any investment committee comments or actions on ESG.
Ownership and asset management	On-going conversations with partners to discuss and gather insight and share good practice as well as identifying early any future challenges. Property performance is monitored to ensure that social needs continue to be met. The governance of existing counterparties is monitored through regular meetings and inspections. We consider how to optimise ESG performance across the portfolio – for example, upgrading the EPC ratings of existing properties through comprehensive retrofit programs. We engage in sector-wide discussions (including with government) about ESG performance and best practices
Exit	If properties are sold, we will disclose ESG improvements during the period of ownership.

When considering ESG within the investment process, a materiality approach is taken to ensure focus is given to those issues most likely to negatively impact or positively strengthen the homes we are investing in. The details below summarise the areas of interrogation.

/ ENVIRONMENT

When acquiring assets, we look closely at their environmental impact, and encourage a sustainable approach for new development. We also look to ensure the environmental impact is considered in relation to the maintenance and upgrading of existing properties.

We now require every property we acquire to have a minimum energy performance rating of at least a 'C' on an EPC for renovated properties and at least a 'B' on an EPC for new-build properties, notwithstanding the legal requirement for any privately rented properties to have a minimum energy performance rating of E on an EPC. A retrofit programme also commenced in 2021 to increase all our properties EPC ratings to a minimum of C.

Through our rigorous and evolving due diligence process, the high standards we expect from developers and significant investment in the Specialised Supported Housing sector, we have been able to provide capital and expertise that has enabled our counterparties to progress alongside us. We focus on offering residents resource-efficient and adapted living areas which help ensure our investments are fit-for-purpose and sustain their value over the long-term. As a landlord, we consider the opportunities we have to help reduce running costs for our lessees and occupiers, and increase resident well-being. Considering these issues helps to increase the security of income and preserve the long-term value of investments.

/ CLIMATE CHANGE

The Investment Manager, in accordance with the FCA's ESG Sourcebook, is committed to the implementation of disclosures consistent with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) by 30 June 2024.

Whilst the Group is not currently required to disclose against the TCFD framework, it seeks to demonstrate best practice in transparency and therefore has included a disclosure within this report. Further details are found in the Climate Risk analysis section below, and the full report is set out below.

/ SOCIAL AND SOCIAL IMPACT

Our properties aim to provide multiple benefits to local communities. We want to provide residents with safe and secure accommodation, which meet their individual care needs. We work with Approved Provider lessees to enable them to grow the portfolio of properties they are responsible for managing, allowing them to expand the number of individuals they support whilst providing employment for local carers, housing managers and builders. While development and refurbishment can cause some minor short-term disruption to an area, these activities help create employment and, at the same time, help alleviate the UK's housing crisis.

/ GOVERNANCE

The Group looks to encourage best practice governance among all counterparties in order to minimise operational risks and encourage them to continually assess how they can contribute more to employees, residents, wider society and the environment, through compliance with legislation and regulations, and the adoption and implementation of issue-specific policies. Details on the Group's corporate governance practices are set out on pages 82 to 87.

/ FUTURE SUSTAINABILITY INNOVATIONS FOR THE GROUP

NET ZERO ROADMAP EXERCISE

The Investment Manager has started the process of aligning all of its financed emissions to Net Zero pathways. The Investment Manager is a signatory of the Partnership for Carbon Accounting Fundamentals and discloses its financed emissions as part of this commitment. The Investment Manager intends to set near-term Science-Based Targets for 2030 across all of its eligible assets as a first step towards reaching Net Zero emissions by 2050, and as part of our obligations as signatories of the Net Zero Asset Managers initiative.

/ CLIMATE RISK ANALYSIS

Climate-related risks and appropriate mitigation is a growing area of focus for the Group. The team are seeking to roll out comprehensive climate analysis initiatives to support risk mitigation and forward

planning. This will encompass both existing portfolio properties as well as becoming incorporated into the selection process for new properties.

The Group is considering the climate change strategy of its portfolio including a review of its climate risks and opportunities, and has committed to disclose these in line with The Task Force for Climate-Related Financial Disclosures (TCFD) recommendations. These are designed to provide a framework to take account of

climate-related risks and opportunities and ensure that corporate reporting is consistent and comparable.

The Group is pleased to voluntarily report its progress to date in line with the eleven disclosures set out in the TCFD recommendations.

Please refer to page 54 to 61 to read the full TCFD disclosure.

/ THE INVESTMENT MANAGER: TRIPLE POINT

An important aspect of the Investment Manager's approach to ESG is the adoption of the Principles for Responsible Investment ('PRI'), which they signed up to in 2019. The PRI are designed to guide and demonstrate best practice ESG integration, and to promote alignment

between the objectives of investors and wider society. The principles, which are voluntary, are intended to be actionable and measurable are detailed in the table below.

	PRINCIPLE	SUMMARY OF INVESTMENT MANAGER ACTION
1	We will incorporate ESG issues into investment analysis and decision-making processes.	As evidenced through our detailed approach to ESG due diligence and laid out in our ESG Integration Policy.
2	We will be active owners and incorporate ESG issues into our ownership policies and practices.	As evidenced through engagement with RPs and developers on processes that would benefit from improved ESG performance. For example, when investing in construction seeking developers to become signatories of the Considerate Code of Constructors.
3	We will seek appropriate disclosure on ESG issues by the entities in which we invest.	As evidence through our increasing expectations on those we work with, for example requesting developers to become signatories to the Considerate Contractors Code.
4	We will promote acceptance and implementation of the Principles within the investment industry.	As evidence through our involvement in the Sustainability Reporting Standard for Social Housing and the Equity Impact Project, and participation in the Green Lease Working Group for the Green Finance Institute initiatives which seek to drive industry best practice in ESG and impact.
5	We will work together to enhance our effectiveness in implementing the Principles.	As evidenced by the ongoing participation of the investment manager in collaborative initiatives, and in ESG innovation, such as our work towards improved energy efficiency.
6	We will each report on our activities and progress towards implementing the Principles.	As evidenced through the detail we publish in our Annual Report, our ESG Integration Policy, our Impact Report and the Investment Manager's Group Sustainable Business Objectives report.

Triple Point became a certified B Corp in December 2022. B Corp Certification is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials. To achieve certification, a company must:

- Demonstrate high social and environmental performance by achieving a B Impact Assessment score of 80 or above and passing our risk review. Multinational corporations must also meet baseline requirement standards.

- Make a legal commitment by changing their corporate governance structure to be accountable to all stakeholders, not just shareholders, and achieve benefit corporation status if available in their jurisdiction.
- Exhibit transparency by allowing information about their performance measured against B Lab's standards to be publicly available on their B Corp profile on B Lab's website.

/ WIDER GOVERNANCE AND SUSTAINABLE BUSINESS BEHAVIOURS OF THE GROUP AND INVESTMENT MANAGER

BUSINESS RELATIONSHIPS

The Group has a set of corporate providers that ensure the smooth running of the Group's activities. The Group's key service providers are listed on page 152, and the Management Engagement Committee annually reviews the effectiveness and performance of these service providers, taking into account any feedback received. The Group also benefits from the commitment and flexibility of its corporate lenders for its debt facilities. Each of these relationships is important to the long-term success of the business. The Group and the Investment Manager maintain high standards of business conduct by acting in a collaborative and responsible manner with all its business partners that protects the reputation of the Group as a whole.

EMPLOYEES

The Group has no employees and accordingly no requirement to separately report on this area.

The Investment Manager is an equal opportunities employer who respects and seeks to empower each individual and the diverse cultures, perspectives, skills and experiences within its workforce. The Investment Manager places great importance on company culture and the wellbeing of its employees and considers various initiatives and events to ensure a positive working environment.

HEALTH AND SAFETY

The Group is committed to fostering the highest standards in health and safety. Day-to-day responsibility for health and safety in our properties is shared by the Approved Providers and care providers who manage the housing and provide care. Our Investment Manager requests confirmation from Approved Providers that all properties remain compliant and property visits, following an agreed visiting schedule, are undertaken to verify this. Every quarter the Board is provided with updates on the health and safety of our residents.

DIVERSITY

We are an externally managed business and do not have any employees or office space. As such the Group does not operate a diversity policy with regards to any administrative, management and supervisory functions. A description of the Board's policy on diversity can be found on page 95.

The Investment Manager has an Inclusion and Diversity Policy which outlines commitments including compulsory training for all employees on equality and diversity in the workplace and unconscious bias training. All staff are expected to conduct themselves to help the organisation provide equal opportunities in employment, and prevent bullying, harassment, victimisation and discrimination. Behaviours contrary to those outlined in the policy result in disciplinary procedures.

The Investment Manager are members of the Diversity Project, an initiative championing a more inclusive culture within the Savings and Investment profession and this further informs our approach to Inclusion and Diversity. Some of the Diversity Project's Five Year Goals include:

- All member firms to support one or more graduate/school leaver recruitment programmes focused on socio-economic diversity
- Gender pay gaps reduced by one third from their 2019 figures
- 50:50 male:female graduate and school leaver recruitment

Some of the initiatives used by the Investment Manager to support these goals are the 100 Black Intern Programme, Investment 2020 and Girls are Investors Programme.

Triple Point are committed to transparency around diversity report. We have voluntarily opted to report against the following metrics:

TRIPLE POINT HOUSING TEAM	TRIPLE POINT GROUP
64.7% women	41.5% women
33.3% women in leadership roles (partners/ directors)	21.4% women in leadership roles (partners) 46.6% women in leadership roles (directors)
23.5% ethnic minority	17.0% ethnic minority
33.3% ethnic minority in leadership roles (partners/ directors)	0% ethnic minority in leadership roles (partners) 20% ethnic minority in leadership roles (directors)

HUMAN RIGHTS

The Group is not within the scope of the Modern Slavery Act 2015 because it has not exceeded the turnover threshold and is therefore not obliged to make a slavery and human trafficking statement.

The Board are satisfied that, to the best of their knowledge, the Company's principal advisers, which are listed in the Shareholder Information section on page 152 comply with the provisions of the UK Modern Slavery Act 2015.

The Investment Manager takes the risk of Modern Slavery extremely seriously. The Investment Manager's responsibilities as both an employer and investor are laid out in a separate and public Modern Slavery Act Statement available on the Triple Point website⁴.

INVESTMENT MANAGER'S GOVERNANCE OF SUSTAINABILITY APPROACH

The Investment Manager's overall commitment and approach to sustainability is overseen by the Head of Sustainability and the supporting sustainability governance structure. The Investment Manager's sustainability is governed through three core elements.

Firstly, all investments must be approved by the Investment Manager's Investment Committee. All of the Investment Manager's Investment Committee members receive ESG training, to ensure they fully understand the ESG integration approach in place and can assess investment opportunities in the correct context. This review process ensures investment decisions are aligned with the strategy's ESG commitments and the organisation's ethos on corporate responsibility and responsible investment more generally.

Secondly, the Investment Manager has a Sustainability Group which meets every month and is chaired by Ben Beaton, co-Managing Partner of the Investment Manager. This group reviews all sustainability activities across the business, with members consisting of partners and business heads from across all functions and is minuted by the Company Secretarial team. Reporting into this group is the Sustainable Investment Subgroup, which is chaired by Lindsay Smart, the Investment Manager's Head of Sustainability. This group meets every 8 weeks, with members consisting of senior partners and investment directors from across the Investment Manager's investment strategies and will discuss investment opportunities and related sustainability issues and opportunities.

Thirdly, the Investment Manager's Head of Sustainability is responsible for running an annual ESG performance review of ESG integration by each strategy, to ensure teams are implementing the ESG activity committed to within the associated integration policy. The results and follow-up action of this review are shared with the Sustainability Group and with the Sustainable Investment Subgroup.

4. <https://www.triplepoint.co.uk/approach-to-sustainability/116/>

/ COMPANY'S APPROACH TO TCFD DISCLOSURE

The Task Force for Climate-Related Financial Disclosures (TCFD) recommendations are designed to provide a framework for the financial sector to take account of climate-related risks and opportunities and ensure that such reporting is consistent and comparable. The Company is pleased to report here in alignment with the eleven recommended disclosures set out in the TCFD recommendations.

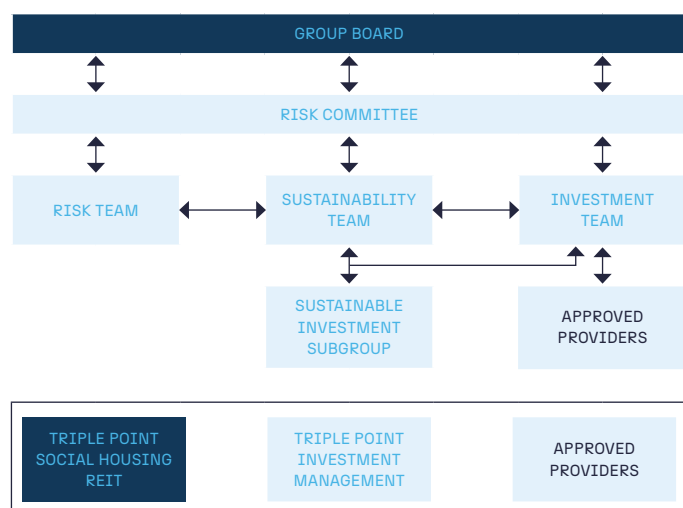
The report has been prepared with reference to TCFD All Sector Guidance and Supplemental Guidance for the Financial Sector. In addition to UK government requirements, the FCA has made it a requirement for many regulated firms to publish TCFD-aligned climate disclosures on their website, with effect from 1 January 2023 and with the first reports due by 30 June 2024, under ESG 2.1 in the FCA Rules. While not in scope of this requirement yet, the Company has decided to produce this TCFD report ahead of FCA expectations to demonstrate its support for the disclosures. Except where noted, we consider our disclosure to be consistent with all of the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations and Recommended Disclosures as detailed in "Recommendations of the Task Force on Climate-Related Financial Disclosures", 2017, with use of additional guidance from "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures", 2021. The Company has identified that it is not currently compliant with TCFD recommendations for target disclosure. It is also noted that the Company has no Scope 1 and 2 emissions, as disclosed in the Directors' Report on page 105. Net Zero targets are currently being formalised, which will be disclosed in subsequent reporting.

RECOMMENDATION	RECOMMENDED DISCLOSURES	PAGES
Governance Disclose the organisation's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.	55
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	55
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	57-61
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	57-61
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	57-61
Risk Management Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks.	55-56
	b. Describe the organisation's processes for managing climate-related risks.	55-56
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	55-56
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	61
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	61
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	61

GOVERNANCE

- Describe the board's oversight of climate-related risks and opportunities.
- Describe management's role in assessing and managing climate-related risks and opportunities.

Risks to the Company, including climate risks, are formally captured in the Company's Risk Register which is owned by the Board, which has ultimate responsibility for managing the climate risks faced by the Company. The Investment Manager shares the Risk Register on a quarterly basis, and provides additional updates on material climate risks on an ad hoc basis. Triple Point's Head of Sustainability and the Risk team are responsible for ensuring coverage of climate-related risks within the risk register.



At the Investment Manager level, assessment and management of climate-related risks and opportunities is shared across the Housing Teams and the wider Triple Point business through the Risk Committee and dedicated Investment Team meetings. Triple Point's Sustainability Team and Risk Team, co-ordinate these processes.

Climate-related risks are increasingly assessed as part of the standard due diligence process when acquiring or funding the development of new properties. All climate risks identified are presented in the materials provided to the Investment Committee and, where relevant, will be discussed during committee meetings to assess the potential impact of these risks on the property or development and to determine the time frame over which they might materialise. Additionally, the investment committee will assess potential mitigations for the risks.

The central Sustainable Investment Subgroup within Triple Point holds meetings every second month, serving as an extra platform for the examination of ESG issues that could impact potential investments, including the impact of climate change. This group is comprised of senior members of Triple Point's investment team from all investment strategies, bringing together a range of expertise and viewpoints for productive discussions. Max Shenkman is currently the representative from the Company in this subgroup.

Where investments are made into properties that are in construction, Triple Point's investment team can have more of a direct influence over the design and development of a property, and can ensure that any relevant mitigation measures are included in the specification, such as additional drainage measures for properties with increasing flood risk.

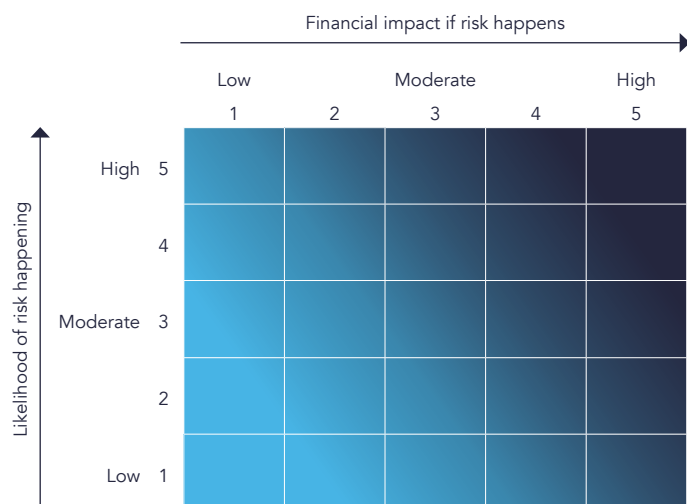
RISK MANAGEMENT

- Describe the organisation's processes for identifying and assessing climate-related risks.
- Describe the organisation's processes for managing climate-related risks.
- Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Climate-related risks to the portfolio are identified during an annual workshop between the Housing Team and the sustainability team within the asset manager. During this workshop, the subject-matter expertise of the Housing Team and asset management teams is utilised to map climate risks onto the assets held by the Company. A particular emphasis is placed on how identified risks interact with the residents of the Company's properties and how these can be mitigated to ensure safety and comfort, as well as providing financial resilience to the Company.

The method used to evaluate the importance of each climate risk that the Company is exposed to is aligned to the Company's general risk management structure. It involves a matrix with a 5-point rating system for both the likelihood and consequence of each risk.

- Likelihood: low, moderate, high.
- Impact: low, moderate, high.



This alignment allows for the climate-related risks to be incorporated into broader risk management and mitigation procedures. These risks are added to the risk register of the strategy, which is reviewed during the quarterly Portfolio Risk Review meeting. This meeting brings together the Housing Team, and the sustainability, and risk teams, with the resulting risk register being approved by the Board and evaluated and approved by the Risk Committee.

The period over which each risk first becomes material is defined as:

- Short-term: 0-2 years
- Medium-term: 2-5 years
- Long-term: over 5 years

These time scales are aligned to the Company's overall risk management framework, considering the nature of the Group's assets and liabilities (see page 140).

The Company uses the suggested policies of the UK Climate Change Committee's Sixth Carbon Budget as a starting point for identifying transition risks to the property sector. Key suggested policies from the Balanced Pathway, such as minimum efficiency standards, are considered. In addition, key physical risk outputs such as changes in temperature, precipitation and storm frequency, are used to qualitatively assess the physical risks to the assets. Outputs from a variety of scenarios are utilised, which are outlined in the Strategy section below.

In addition to the risk-identification workshops, the Company uses an external provider, Climate X, to analyse and quantify the physical risk to its assets resulting from climate change. Climate X maintains a realistic digital twin of the earth, utilising data from remote sensing. This digital twin is combined with the latest, high-resolution climate modelling, to determine the future risks from a wide range of hazards, under a range of climate scenarios:

HAZARDS ASSESSED BY THE CLIMATE X MODEL:

River Flooding	Subsidence	Heat Stress
Coastal Flooding	Landslides	Storm
Surface Flooding	Coastal Erosion	Droughts & Wildfires

Climate X simulate the effect of future chronic and acute weather events at the asset level, to model the vulnerability of the asset itself, which is then used to calculate the asset-specific risk from each individual hazard, and estimate future value-at-risk, expressed as expected losses per annum, as a percentage of the total building reinstatement cost for each property. An example of the metrics given for a property is shown below:

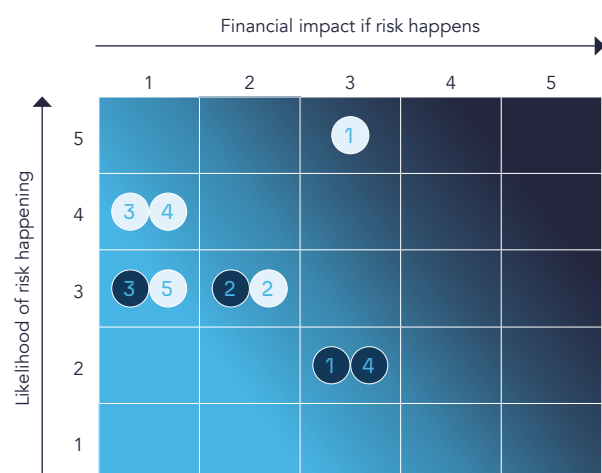
RISK DASHBOARD				
HAZARD	RATING	SEVERITY	PROBABILITY	ACCURACY
ACUTE				
River flooding	A	0.00m Depth	3%	79%
Surface flooding	A	0.00m Depth	1%	66%
Landslide	D	1 Shallow	27%	99%
CHRONIC				
Subsidence	A	0.35cm / year	90%	90%
Costal flooding	F	1.40m Depth	95%	95%
Heat stress	C	7 No of days > 30°C	99%	99%

Figure 1: Example output from Climate X for a property. The probability (e.g. 95%) of a risk of a certain severity (e.g. a flood depth of 1.4 metres) are calculated and summarised in an overall risk rating scope from A-F. A transparent methodology is available for each risk rating and an accuracy is calculated, based on model agreement.

STRATEGY

- Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.
- Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.
- Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Investing in real assets exposes the Company to both the physical and transition risks associated with climate change. The Company's properties may require additional work to bolster their resiliency against increasingly extreme weather, or require efficiency upgrades to meet ever-stricter efficiency standards, as the government seeks to mitigate emissions from the building sector, one of the largest sources of emissions in the UK. With a greater than average efficiency, the Company's building stock of properties provide some resilience against this risk, but it is recognised that risks and opportunities will arise across a range of timeframes, which are considered here. The main risks to the fund are shown below:



PHYSICAL

- 1 Water Stress
- 2 Increased frequency of heatwaves
- 3 Increased surface flooding during more frequent storms
- 4 Physical damage to properties (assessed by Climate X)

TRANSITION

- 1 Efficiency Regulations
- 2 Carbon pricing in the value chain
- 3 Changing resident requirements
- 4 Market expectation to report accurate emissions information
- 5 Cost of capital linked to efficiency performance

PHYSICAL RISKS*

RISK	1. WATER STRESS	2. INCREASED FREQUENCY OF HEATWAVES	3. INCREASED SURFACE FLOODING DURING MORE FREQUENT STORMS
DESCRIPTION	Particularly for properties in the South East of England, an increased frequency of droughts may cause water shortages and also lead to subsidence issues in certain properties.	Given the vulnerable nature of many of the Company's tenants, overheating of the Company's properties is an acute risk.	Increasing frequency of storms may lead to an increased frequency of surface flooding, if current drainage options prove to be insufficient.
POTENTIAL FINANCIAL IMPACTS	- Increased utility bills for Approved Providers and residents. - May require installation of more water-efficient appliances. - Subsidence may affect property values and require repair work.	- Capex may be required to add additional insulation and ventilation to properties to prevent overheating. - Frequent overheating of buildings can cause wear and tear and potentially lower building values.	- Potential damage to properties as a result of flooding, requiring repairs and affecting property value. - Properties may need to be upgraded to include more comprehensive drainage systems.
LIKELIHOOD	Low to Moderate	Moderate	Moderate
IMPACT	Moderate	Low to Moderate	Low
TIME HORIZON	Medium term	Short term	Medium term
MITIGATION AND RESILIENCY	- Utility bills are paid by the lessee and residents. - Where a significant risk of subsidence is identified, properties would not be acquired. - Any future biodiversity improvements will take drought risk into consideration, noting that tree planting in particular can exacerbate subsidence.	- Repairs and restoration are the responsibility of the lessee, under the terms of the lease, which limits the Company's exposure. - The ongoing EPC retrofit programme will provide additional insulation, higher-quality glass, and other measures to limit overheating. This risk will be considered when planning efficiency upgrades to provide synergies wherever possible. - Consideration of risk factors such as roof windows, glass types, and shading are made during due diligence, considering resident comfort and the ease of use of windows and blinds.	- Surface flooding risk is assessed for the portfolio by the Company's Climate X analysis, in addition to assessments from insurers and the Environment Agency. - The Geographic diversity of the Company's properties means that this risk is unlikely to be material at the portfolio level. - The Company is currently exploring the potential for increasing biodiversity at its properties. The potential for natural drainage options will be assessed as part of this work. - Insurance protection will be increased if necessary.

*Risk four, Physical Damage to Properties, is assessed in more detail in the Scenario Analysis section of the report.

TRANSITION RISKS

RISK	1. EFFICIENCY REGULATIONS	2. CARBON PRICING IN THE VALUE CHAIN	3. CHANGING RESIDENT REQUIREMENTS	4. MARKET EXPECTATION TO REPORT ACCURATE EMISSIONS INFORMATION	5. COST OF CAPITAL LINKED TO EFFICIENCY PERFORMANCE
DESCRIPTION	Government legislation to mandate all residential buildings to achieve an EPC B rating or above will require retrofit of energy efficiency measures. If regulations develop particularly quickly, newly completed properties may have to be retrofitted.	Construction activities and manufacturing of materials is carbon intensive, causing high exposure to any potential future carbon pricing measures.	As part of the energy transition, home requirements may change, and will need to be factored into planning and design standards. Facilities such as secure bicycle parking, electric vehicle charging points and public transport accessibility will become more important.	Currently, the Company follows market practice in reporting estimated emissions for its portfolio due to difficulties in accessing actual energy consumption data for its properties. Future market expectations may shift to collecting real data. Without this data, the fund may be less competitive in the market-place, as investors are less able to gauge the risk.	The Company has an active sustainability-linked loan facility, in which cost of capital is linked to efficiency performance, measured via EPCs. In the future, debt facilities linked to ESG performance criteria may become more common and have increasingly stringent requirements around efficiency standards.
POTENTIAL FINANCIAL IMPACTS	Properties that do not meet standards may become stranded assets, require retrofitting, or face a 'brown tax', with a lower valuation and less liquidity.	Carbon pricing in the supply chain of materials may be passed on to the developers, increasing property prices.	Including these features in property designs may increase costs.	Increased difficulty accessing funding, with a higher cost of capital.	Failure to meet efficiency standards results in a higher cost of capital for the company.
LIKELIHOOD	High	Moderate	Moderate to High	Moderate to High	Moderate
IMPACT	Moderate	Low to Moderate	Low	Low	Low
TIME HORIZON	Medium term	Long term	Short term	Short term	Short term
MITIGATION AND RESILIENCY	- The Company's portfolio is significantly more energy efficient than the national average, with only 29% of properties rated below EPC C, compared with 56%. - The ongoing EPC retrofit programme aims to further improve efficiency, to stay ahead of emerging regulation.	- The 2023 Code of Considerate Constructors is recommended to developers and includes guidance on tracking embodied emissions. - The potential for conducting embodied emissions assessments of future properties is being assessed.	- Public transport accessibility assessments have been conducted for eligible properties. - Fast vehicle charging and bicycle points are included in developer requirements. - The Company will begin to track the number of electric vehicle charging points.	- The Investment Manager continues to explore options to improve data quality. - Future building standards may include requirements for smart metering, and provisioning of data to Triple Point.	- The existing high efficiency performance of the portfolio provides resiliency. - Funds saved from the lower cost of capital could be partially used to further increase the efficiency of the portfolio.

OPPORTUNITIES		
OPPORTUNITY	1. INCREASED VALUE OF ENERGY EFFICIENT HOMES	3. INCREASED SURFACE FLOODING DURING MORE FREQUENT STORMS
TYPE	Markets	Energy Source
DESCRIPTION	As efficiency regulations increase, the value of existing efficient homes will increase, with a 'green premium' attached to housing stock with good efficiency credentials.	Although not formally assessed, the geographical spread of the Company's properties means that opportunities are likely to exist for on-site renewable energy generation. Energy generated could be provided to tenants in the first instance, to reduce energy bills, with the excess being sold to the grid by the Company.
FINANCIAL IMPACT	- Increased Net Asset Value for the Company.	- Additional income stream for the Company, through selling excess electricity. - Increased value of properties.
LIKELIHOOD	High	High
IMPACT	High	Low
TIME HORIZON	Medium term	Long term

/ SCENARIO ANALYSIS

The Company acknowledges the uncertainty around future climate scenarios and has performed partial, qualitative scenario analysis to understand the impact of each of the most significant risks to its portfolio under different climate outcomes. The most prominent risks to the Company were assessed under two scenarios, and the overall resiliency of the strategy was assessed under each:

- Net Zero: in which warming is limited to 1.5°C by 2050, limiting physical risks but creating high transitional risk due to the introduction of strict climate policies and rapid technology change.
- Hot House World: in which warming reaches 4°C, as no new climate policies are introduced and technological progress is slow, limiting transitional risks but presenting significant physical risks.



1.5-DEGREE WORLD – WHERE WE ASSUME HIGH LEVEL OF REGULATION AND TRANSITIONAL RISK	4-DEGREE WORLD – WHERE WE ASSUME A LIMITED REGULATORY RESPONSE AND GREATER PHYSICAL RISKS
Most prominent risks:	
• Quicker implementation of stringent efficiency requirements for properties affecting property values and requiring retrofit. • Carbon pricing and net zero building requirements increasing building costs.	• Subsidence induced by water stress. • Increased frequency of heatwaves necessitating building upgrades
Mitigants to ensure resilience:	
• The Company's assets are currently above market-standard for efficiency and a retrofit program is underway to bring up the standard of the properties in advance of any legislation.	• Assessment through Climate X to quantify worst-case risks, shows limited damage to buildings, even under the Hot House World scenario. • EPC retrofit programme is likely to provide mitigations to overheating risks.

Quantitative scenario analysis was conducted for the portfolio utilising climate modelling from Climate X (described in the Risk Management section). Scenarios used here are from the International Panel on Climate Change (IPCC)'s Representative Concentration Pathways (RCPs) 2.6 and 8.5. These scenarios align to the Net Zero (RCP 2.6) and Hot House World (RCP 8.5) scenarios used in the qualitative analysis. Under each scenario, potential losses per annum and a physical risk score were determined.

	RCP 2.6	RCP 8.5
LOSSES PER ANNUM	0.9%	1.0%
RISK SCORE	A	B

Overall, the Manager believes the Company's overall to be resilient to climate risks under a wide range of climate scenarios. The Company's assets have a low vulnerability to physical climate risks and the portfolio is more efficient than average, with an ongoing retrofit programme to further increase performance, limiting transition risk.

METRICS AND TARGETS

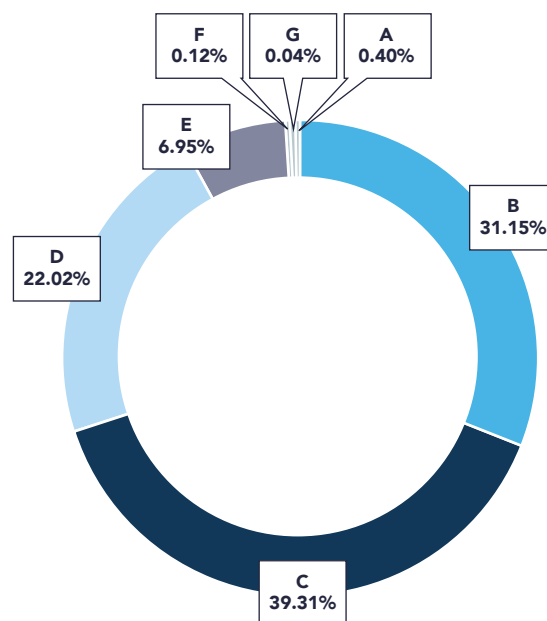
- Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
- Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
- Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

The Company recognises the need for continuous improvement of data collection to accurately assess exposure to climate risks and opportunities that may be present under future climate scenarios. Four main indicators are tracked: Climate Value-at-Risk, EPC ratings, energy consumption, and emissions.

Climate Value-at-Risk, given by the Climate X assessment of the portfolio, was assessed for the first time in the current reporting year. This analysis will be conducted during each reporting year to track the exposure of the portfolio to physical climate risk as the portfolio changes and climate risk modelling methods mature.

	RCP 2.6	RCP 8.5
LOSSES PER ANNUM	0.9%	1.0%
RISK SCORE	A	B

The EPC ratings of each property are monitored on an ongoing basis, to assess exposure to future efficiency regulations, and as a starting point for the EPC retrofit programme. Currently, 71% of the portfolio is rated at C or above.



Finally, the energy consumption and associated emissions of the properties are estimated by Kamma, data, utilising a variety of data sources. EPC data is used as a baseline, with a proprietary matching system indexing localised and more frequently updated EPC databases to ensure a high coverage rate. Emissions are recalculated using primary data from the EPC reports to better reflect the emissions associated with new technologies and utilise up-to-date carbon intensity data from the National Grid.

ENERGY CONSUMPTION (GWH)	30.15
TOTAL PROPERTY EMISSIONS	3,610
EMISSIONS PER PROPERTY (TCO2E)	1.4
SOCIAL AVERAGE	2.3
NATIONAL AVERAGE	3

The Investment Manager is currently in the process of setting Net Zero targets across its entire portfolio, which will cover all in-scope assets, including all of the Group's properties. The most up to date guidance from the Science-Based Targets Initiative (SBTi) will be used to determine the ambition of this target, which at the time of publication, will result in a short-term emissions reductions target, up to 2030. Following the release of additional guidance, longer-term targets will be set.

Stakeholder Engagement

This section describes how the Board engages with its key stakeholders, how it considers their interests and the outcome of the engagement when making its decisions, the likely consequences of any decision in the long-term, and further ensures that it maintains a reputation for high standards of business conduct. The Group is committed to continual stakeholder engagement and implements a cycle of constant engagement at all stages of the Group's investment lifecycle.

/ SECTION 172(1) STATEMENT

STAKEHOLDER	WHY IS IT IMPORTANT TO ENGAGE?	HOW HAVE THE INVESTMENT MANAGER/DIRECTORS ENGAGED?
Shareholders	Investment from our shareholders plays an important role by providing capital to ensure we can deliver additional housing into the Specialised Supported Housing sector. Through the investment of private capital into an under-funded sector, we can achieve a positive social impact whilst ensuring our shareholders receive a long-term inflation-linked return.	The way in which we engage with our shareholders is set out on page 87 in our Corporate Governance Report.
Residents	Our strategy is centred on providing Specialised Supported Housing for our residents. We remain focused on providing homes to our residents which offer them greater independence than institutional accommodation, as well as meeting their specialist care needs.	The Investment Manager monitors resident welfare through engagement with Approved Providers. The Investment Manager receives quarterly reports from Approved Providers to ensure compliance with health and safety standards. Any concerns are raised to the Board. We do not generally engage with residents directly. Instead, day-to-day engagement is done by care providers and, to a lesser extent, Approved Providers.
Investment Manager	The Investment Manager is responsible for executing the Investment Objective within the Investment Policy of the Company.	The Board maintains regular and open dialogue with the Investment Manager at Board meetings and has regular contact on operational and investment matters outside of meetings.
Approved Providers	Our relationship with Approved Providers is integral to ensuring rent is paid to the Group and that properties are managed appropriately. The Group's leases with Approved Providers are fully repairing and insuring – meaning that Approved Providers are responsible for management, repair and maintenance, in addition to tenancing the properties.	The Investment Manager looks to maintain good relationships with Approved Providers, having formal meetings with senior management at least every six months as well as engaging more frequently on an ad hoc basis on a variety of matters. Quarterly operational surveys and biannual compliance surveys are provided to the Investment Manager.

WHAT WERE THE KEY TOPICS OF ENGAGEMENT?	WHAT WAS THE FEEDBACK OBTAINED AND THE OUTCOME OF THE ENGAGEMENT?
- Financial and operational performance. - Share price discount to NAV and potential rectification action. - The share price and possible share buybacks or the sale of a portfolio. - The regulatory environment of the Supported Housing sector. - Environmental, social and governance considerations. - The Company's key service provider appointments, including the AIFM and broker arrangements.	The Board and the Investment Manager are considering share buybacks and a portfolio sale to address investor feedback about the Company's share price. The Board and Investment Manager consider shareholder concerns when speaking to the Regulator and agreed to keep shareholders updated of any developments. We understand the importance of, and are committed to, working with Registered Providers to address the concerns of the Regulator. Refer to the Market Review in the Investment Manager's Report on pages 36 to 38. The Investment Manager has enhanced environmental, social and governance considerations within its investment process, and within its own business. Refer to Investment Manager's Report on page 35, and the Sustainability Report on pages 46 to 61.
We provide oversight of resident welfare by ensuring properties are safe and secure before residents move. Going forward we monitor compliance with health and safety standards; ensure residents are looked after by competent counterparties; and request updates on any health and safety issues every quarter.	Resident issues raised as a result of engagement through care providers were addressed. Any compliance issues are remedied with any associated works undertaken. The Group's investment decisions are informed by the long-term needs of our residents.
In addition to all matters related to the execution of the Company's Investment Objective, the Board engaged with the Investment Manager on developments in the market and updates from the Regulator.	As a result of the engagement between the Board and the Investment Manager the Group has been able to execute its investment strategy and has considered what adjustments can be made to the Group's model that will uphold financial and governance standards while attracting further private investment. Additionally, the Investment Manager produces reports to the Board every quarter on various governance and operational matters at the Board's request. Capital allocation is also considered with regard to the views of the Board.
The Investment Manager discussed a number of topics with Approved Providers including that properties are managed in accordance with their leases; financial reporting and governance; and specific property-related issues such as occupancy, health and safety issues, rent levels, management accounts and governance.	Refer to the Investment Manager's Report on pages 32 to 44.

/ SECTION 172(1) STATEMENT

STAKEHOLDER	WHY IS IT IMPORTANT TO ENGAGE?	HOW HAVE THE INVESTMENT MANAGER/DIRECTORS ENGAGED?
Care Providers	Our residents receive care from care providers. It is important to ensure that our vulnerable residents receive the best possible care. In addition, the care providers share the cost of voids with Approved Providers so we engage with care providers to ensure our Approved Providers are able to pay our rent in the event of empty units. Therefore, care providers play an essential role in the occupancy levels of our properties and strong engagement with the Group ensures the best possible care for our residents.	The Investment Manager engages with care providers as part of its due diligence process and regularly meets and engages with our provider representatives when inspecting the Group's portfolio, when reviewing quarterly data and on an ad hoc basis.
Local authorities	Local authorities are responsible for identifying appropriate housing and care for the individuals who live in the Group's properties. New acquisitions are assessed to ensure that they meet the expectations of the relevant Local Authority in order to ensure that referrals are made as efficiently and safely as possible.	When looking at a new acquisition the Investment Manager engages with, or receives feedback from, various departments within local authorities including Commissioners and Housing Benefit officers. The Investment Manager will look to engage with a local authority in relation to an existing scheme if required (for example if a new care provider is needed).
The Regulator	The Regulator regulates Registered Providers of social housing to ensure providers are financially viable and properly governed. It is important to ensure that, as much as possible, the Group reflects observations made by the Regulator in its investment structures and its engagement with its Registered Provider lessees.	The Investment Manager is in contact with the Regulator in order to understand the key concerns and priorities of the Regulator in the Specialised Supported Housing Sector.
Lenders	The Group's investments in social housing assets are partly funded by debt. Prudent debt financing is required to achieve the Group's return targets. All of our debt is long-term and so it is important for the Group and the Investment Manager to form a good relationship with our debt provider partners and provide them with all information and commentary required.	The Investment Manager engages with its lenders mainly via the reporting of financial and information covenants under the existing loan agreements on a quarterly basis. In addition, there are regular ad-hoc engagements in relation to general topics relating to the social housing sector as well as specific topics arising from the financial and operational performance of the Group's activities and future opportunities, and any other general matters affecting the relationship between the Group and the lenders.

PRINCIPAL DECISIONS

Principal decisions have been defined as those that have a material impact to the Group and its key stakeholders. In taking these decisions, the Directors considered their duties under section 172 of the Act.

INCREASE IN TARGET DIVIDEND

During the year, the Board increased the Company's target dividend by 5%. The decision was supported by underlying rental growth in the Group's leases and represented strong dividend growth in a high inflationary environment. Further detail can be found in the Investment Manager's Report on pages 32 to 44. The Board believed that the decision was in the best interests of the Company's shareholders and feel confident that the decision will not impact the Company's ability to pay future dividends.

RENT INCREASE CAP OF 7%

The Board voluntarily took the decision to apply a 7% rent increase cap to the Group's leases and agreed a temporary one-year cap with most of the Group's lessees.

WHAT WERE THE KEY TOPICS OF ENGAGEMENT?	WHAT WAS THE FEEDBACK OBTAINED AND THE OUTCOME OF THE ENGAGEMENT?
The Investment Manager engages with care providers on: the specific care and support requirements of residents including health and safety compliance (refer to Investment Manager's Report on pages 32 to 44); property management by Approved Providers; financial and operational capacity for new schemes; occupancy levels; and financial performance.	The Investment Manager rejected deals where care providers did not meet the care or governance standards expected or where care providers were unable to demonstrate the financial strength to meet its obligations under a service level agreement. Following engagement, scope of works were agreed with care providers to produce properties that meet the specific care needs of residents. Whilst done at the relevant local authorities discretion care providers have been changed where expectations around the standard of care were not met or where engagement identified care providers in financial difficulties.
The aim of the engagement is, as much as possible, to ensure that the properties acquired by the Group are consistent with the requirements of the relevant local authority. Where necessary local authorities will be engaged with directly post the acquisition of a property to access ongoing demand levels and any changes in commissioning strategy.	The Investment Manager will listen to feedback from local authorities and where possible will work with Approved Providers to improve and upgrade properties to ensure that they meet ongoing commissioning requirements. An initial pilot programme to implement energy efficiency upgrades across 12 initial properties has commenced. Refer to the Investment Manager's Report on pages 35 for more detail.
Discussions with the Regulator are focused on ensuring the market evolves in line with its observations, and Registered Providers can best focus on addressing the Regulator's observations.	The Investment Manager continues to work with the Boards of its Registered Provider lessees to understand how best we can help them meet the standards of the Regulator. Refer to the Investment Manager's Report on pages 32 to 44 for more detail.
The Group engaged on the following topics: financial and information covenant reporting and; active asset management activities undertaken by the Group e.g. any other asset management activity that requires lenders' consent.	The Group is fully compliant with its debt covenants. The Investment Manager's pro-active engagement with the Group's lenders is welcome by its lenders and to date no concerns in relation to the performance of its loans have been raised by the lenders. The Board continues to monitor compliance with debt covenants and keeps liquidity under constant review to make certain the Group has sufficient headroom in its debt facilities. The Group cancelled the undrawn £160.0 million Revolving Credit Facility jointly provided by Lloyds and NatWest across two separate reductions occurring in February 2022 (a part-cancellation of £110.0 million) and December 2022 (a cancellation of the remaining £50.0 million). In August 2022, Fitch Ratings affirmed the Group's existing Investment Grade, long-term Issuer Default Rating (IDR) of 'A-' with a stable outlook and a senior secured rating of 'A' for the Group's existing loan notes.

This cap is in line with the Government's cap on social housing rent increases. Specialised Supported Housing was excluded from this cap, however, the Board believed that applying the cap was in the best interests of the shareholders, Approved Providers, residents, and the local authorities. The Board believed that 7% would still represent further significant rental growth for the Group's portfolio and also provide a greater degree of certainty for investors.

CANCELLATION OF £160 MILLION REVOLVING CREDIT FACILITY

The Board decided to cancel the undrawn £160 million Revolving Credit Facility with Lloyds and Natwest across two separate reductions occurring in February 2022 and December 2022.

In making this decision, the Board considered the Group's liquidity position and the Investment Manager's engagement with the relevant lenders, and determined that the decision was in the best interests of the Group's investors, taking into account the Group's gearing level and facility fees.

Risk Management

The Board recognises that effective risk management is key to the Group's success and that a proactive approach is critical to ensuring the sustainable growth and resilience of the Group.

In the Company's 2022 Interim Report we noted that events that emerged in the first half of 2022 could adversely impact on three of the Group's principal risks outlined in the 2021 Annual Report. These events principally related to rising interest rates and inflation in the United Kingdom, and the UK government's consultation on a possible rent cap to be applied to increases to social housing rents for the year starting in April 2023. In addition, at the Company's annual general meeting in May, shareholders approved changes to the Company's Investment Policy and Investment Restrictions. These changes allow the Group to enter into a broader range of lease structures, including: shorter leases; selectively taking on the cost of planned maintenance; and leases where upward only rent reviews are linked to either inflation or central housing benefit policy. Given the approved changes to the Company's Investment Policy and Investment Restrictions, and now that the outcome of the government's rent cap consultation is known (as noted in both the Chair's Statement and the Investment Manager's Report) and the Company has a better understanding of the impact of both rising inflation and interest rates on the Group's portfolio and performance, the Company has taken the opportunity to refresh the Group's principal risks and uncertainties, as set out herein.

By way of background, the Group focuses on a single sub-sector of the UK real estate market with the aim of delivering an attractive, growing and secure income for shareholders. The Company has a specific investment policy, as outlined on pages 22 to 23, which is adhered to and for which the Board has overall responsibility. The Group does not undertake speculative development. Furthermore, the Group looks to work with experienced lessees and has assembled a granular portfolio with a relatively high WAULT.

As an externally managed investment company, the Company outsources key services to the Investment Manager and other service providers and relies on their systems and controls. The Board undertakes a formal risk review, with the assistance of the audit committee, twice a year to assess and challenge the effectiveness

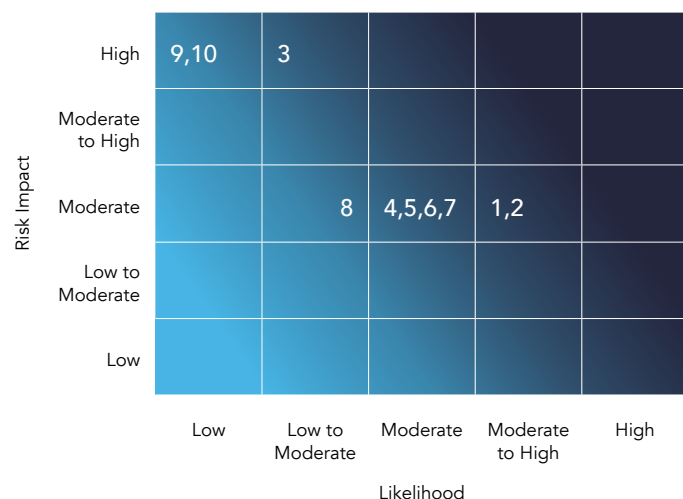
of the Company's risk management and internal control systems. The Board regularly reviews the control reports of the key service providers and the external auditors note any deficiencies in internal controls and processes that have been identified during the course of the audit. A description of the key internal controls of the Group can be found on page 89.

The Investment Manager has responsibility for identifying potential risks at an early stage, escalating risks or changes to risk, and relevant considerations and implementing appropriate mitigations which are recorded in the Group's risk register. Where relevant the financial model is stress tested to assess the potential impact of certain risks against the likelihood of occurrence. The Board regularly reviews the risk register to ensure gradings and mitigating actions remain appropriate.

The Group's risk management process is designed to identify, evaluate and mitigate (rather than eliminate) the significant and emerging risks the Group faces and continues to evolve to reflect changes in the Group's business and operating environment. The process can therefore only provide reasonable, and not absolute, assurance. It does however ensure a defined approach to decision making that decreases uncertainty surrounding anticipated outcomes, balanced against the objective of creating value for shareholders.

During the year, the Board has not identified or been advised of any failings or weaknesses in the Group's risk management and internal control systems.

/ RISK HEAT MATRIX



Risk

1. Default of one or more Approved Provider lessees
2. Risk of an Approved Provider being deemed non-compliant with the Governance and Viability Standard by the Regulator
3. Risk of changes to the social housing regulatory regime and changes to government policy in relation to social housing and housing benefit.
4. Non-payment of voids cover by care providers
5. Property valuations may be subject to change over time
6. Risk of poor or inadequate housing management (including compliance) or poor provision of care services by the Group's Approved Providers lessees and care providers respectively.
7. Higher than projected levels of inflation may impact Approved Providers' ability to pay rent due under the Group's leases.
8. The potential impact of climate change on the valuation of the Group's properties
9. Unable to operate within debt covenants
10. Reliance on the Investment Manager

/ PRINCIPAL RISKS AND UNCERTAINTIES

The table below sets out what we the Company believes to be the principal risks and uncertainties facing the Group. As noted above the table has been updated to reflect changes to the Company's Investment Policy and Investment Restrictions and any risks emerging as a result of the events and trends of 2022. The table does not cover all of the risks that the Group may face. Additional risks and uncertainties not presently known to management or deemed to be less material at the date of this report may also have an adverse effect on the Group.

In the 2021 Annual Report two emerging risks were reported: "change in social housing legislation" and the "Ukraine-Russia conflict". The risk of "change in social housing legislation" has been incorporated into the risk of "changes to the social housing regulatory regime and changes to government policy in relation to social housing and housing benefit" in the table below. The Group has no direct exposure to Russia or Eastern European territories and so the principle impact of the Ukraine-Russia conflict has been regarding inflation. As such we consider this risk to be covered in the "higher than projected levels of inflation may impact Approved Providers' ability to pay rent due under the Group's leases" risk detailed in the table below.

1. RISK CATEGORY – PROPERTY DEFAULT OF ONE OR MORE APPROVED PROVIDER LESSEES

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
The default of one or more of the Group's lessees could impact the rental income received from the relevant assets. If the lessee cannot remedy the default, the Group may have to terminate, re-assign or re-negotiate the relevant lease. This could lead to a sustained reduction in rental income.	Under the terms of the Company's investment policy and restrictions, no more than 30% of the Group's Gross Asset Value may be exposed to one lessee. This restriction is in place to mitigate against the risk of significant rent loss in the event of an Approved Provider default.	Moderate
Additionally, were a care provider not to renew the service level agreement with a lessee, this may result in a lessee having to cover rental payment on void units without receiving the corresponding housing benefit payment from the care provider.	Were a lessee to default or were the Group to believe it likely that a lessee would default, the Group could look to move the affected properties to another Approved Provider with whom the Group has a good relationship. The intention would be to ensure both the ongoing provision of housing to the residents, and, as much as possible, the preservation of the income stream associated with the relevant properties.	LIKELIHOOD Moderate to High CHANGE IN YEAR Increased

2. RISK CATEGORY – REGULATORY**RISK OF AN APPROVED PROVIDER BEING DEEMED NON-COMPLIANT WITH THE GOVERNANCE AND VIABILITY STANDARD BY THE REGULATOR**

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
Should an Approved Provider with which the Group has one or more leases in place be deemed non-compliant by the Regulator, in particular in relation to viability, depending on the further actions of the Regulator, it is possible that there may be a negative impact on the market value of the relevant properties which are the subject of such lease(s). Depending on the exposure of the Group to such Approved Provider, this in turn may have a material adverse effect on the Group's Net Asset Value unless the matter is resolved through an improvement in the relevant Approved Provider's rating or the transfer of leases to an alternative Approved Provider.	The Investment Manager has established relationships with the Approved Providers with whom it works. The Approved Providers keep the Investment Manager informed of developments surrounding regulatory notices. As at 31 December 2022, the Group has assembled a diversified portfolio with leases to 27 Approved Providers. The Group has leases in place with 10 Registered Providers that have been deemed non-compliant by the Regulator. Where Registered Providers have been deemed non-compliant the Group has looked to work with them in order to help address the issues identified by the Regulator. The Group's commitment to this approach can be seen through the Group's proposed new lease clause described in both the Chair's Statement and the Investment Manager's Report. In all but two cases there has been no subsequent reduction in value in the properties we lease to the Registered Providers that have been deemed non-compliant by the Regulator.	Moderate
		LIKELIHOOD
		Moderate to High
		CHANGE IN YEAR
		Increased

3. RISK CATEGORY – REGULATORY**RISK OF CHANGES TO THE SOCIAL HOUSING REGULATORY REGIME AND CHANGES TO GOVERNMENT POLICY IN RELATION TO SOCIAL HOUSING AND HOUSING BENEFIT.**

THE PREVIOUSLY NOTED EMERGING RISK CONCERNING CHANGES IN SOCIAL HOUSING LEGISLATION HAS NOW BEEN INCORPORATED INTO THIS RISK.

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
The Social Housing Regulation Bill is in the process of being passed by the UK government which is reflective of the government's ability, and desire, to change and update regulation and policy relating to social housing. In addition future governments may take a different approach to the social housing regulatory regime, resulting in significant changes to the law and other regulation or practices of the Government with regard to social housing.	It is important that the Group works with the Group's Approved Provider lessees to help en-sure that they respond proactively to any changes in regulation or policy and the Group understands what, if any, impact it will have on their organisation and the properties that the Group leases to them. As demand for social housing remains high relative to supply, the Board and the Investment Manager are confident there will continue to be a viable market within which to operate and a need for private investment to deliver more homes In addition, the social housing regulatory regime in which most of the Group's lessees operate provides a high degree of accountability and transparency.	High
		LIKELIHOOD
		Low to Moderate
		CHANGE IN YEAR
		Stable

4. RISK CATEGORY – FINANCIAL RISK NON-PAYMENT OF VOIDS COVER BY CARE PROVIDERS

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
If a care provider gets into financial difficulty and is unable to pay contracted voids cover to an Approved Provider, this could have a negative impact on the financial performance of the Approved Provider which ultimately could impact its ability to pay the Group its rent. This risk is compounded if there is low occupancy in a property.	The Investment Manager closely monitors the performance of the care providers to ensure, so far as reasonably possible, that they are financially viable and performing well. Should a care provider get into financial difficulty, the Group works with a wide range of alternative care providers who could step in to provide care services and therefore cover the voids payment. Occupancy is also closely monitored and the Investment Manager works with Approved Providers and care providers to optimise occupancy.	Moderate
		LIKELIHOOD
		Moderate
		CHANGE IN YEAR
		Stable

5. RISK CATEGORY – FINANCIAL PROPERTY VALUATIONS MAY BE SUBJECT TO CHANGE OVER TIME

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
Property valuations are inherently subjective and uncertain. Market conditions, which may impact the creditworthiness of lessees, may adversely affect valuations. This is particularly relevant at the moment given rising interest rates and the resultant negative impact on property valuations. The portfolio is valued on a Market Value basis, which takes into account the expected rental income to be received under the leases in the future. This valuation methodology provides a significantly higher valuation than the Vacant Possession value of a property. In the event of an unremedied default of an Approved Provider lessee, the value of those assets in the portfolio may be negatively affected. Any changes could affect the Group's net as-set value and the share price of the Group.	All of the Group's property assets are independently valued quarterly by Jones Lang LaSalle, a specialist property valuation firm, who are provided with regular updates on portfolio activity by the Investment Manager. The Investment Manager meets with the external valuers to discuss the basis of their valuations and their quality control processes. Default risk of lessees is mitigated in accordance with the lessee default principal risk explanation provided above. In order to protect against loss in value, the Investment Manager's property management team seeks routinely to visit each property in the portfolio, and works closely with the Group's lessees to ensure, to the extent reasonably possible, their ongoing financial strength viability, and that governance procedures remain robust through the duration of the relevant lease.	Moderate
		LIKELIHOOD
		Moderate
		CHANGE IN YEAR
		Stable

6. RISK CATEGORY – PROPERTY (NEW) RISK OF POOR OR INADEQUATE HOUSING MANAGEMENT (INCLUDING COMPLIANCE) OR POOR PROVISION OF CARE SERVICES BY THE GROUP'S APPROVED PROVIDERS LESSEES AND CARE PROVIDERS RESPECTIVELY.

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
Approved Providers and care providers face a number of operational challenges (e.g. rising costs and labour shortages) which have heightened the risk of poor or inadequate housing management or poor care being provided in relation to the Group's properties. Poor services being provided to the individuals in the Group's properties could undermine the benefits of Specialised Supported Housing and cause reputational damage to the Group which could negatively impact the Group's performance and/or the price of the Company's shares.	The Investment Manager undertakes strategic property inspections in order to review the physical condition of the Group's properties as well as the quality of services being provided to the Group's residents. In addition, there is frequent engagement with the Group's Approved Providers and care providers as well as quarterly operational and compliance surveys which provide data on the performance of the Group's properties.	Moderate
		LIKELIHOOD
		Moderate
		CHANGE IN YEAR
		New

7. RISK CATEGORY – FINANCIAL RISK**HIGHER THAN PROJECTED LEVELS OF INFLATION MAY IMPACT APPROVED PROVIDERS' ABILITY TO PAY RENT DUE UNDER THE GROUP'S LEASES.**

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
The Group's leases contain upward only rent reviews, generally linked to inflation (typically CPI), with the majority being uncapped. Annual rental uplifts have been, and will continue to be, higher than projected as a result of increased inflation in 2022 and 2023.	Whilst the social housing rent increase cap of 7% will not apply to Specialised Supported Housing, the Group has decided to apply a temporary 7% cap to the rent increases it agrees with its Registered Provider lessees for the calendar year 2023. This should help to ensure that the Group's lessees are able to agree rent increases with Local Authorities, in relation to the Group's residents, that are in-line with the rent increases in the Group's leases.	Moderate
		LIKELIHOOD
		Moderate
		CHANGE IN YEAR
		Increased

8. RISK CATEGORY – CLIMATE RISK (NEW)**THE POTENTIAL IMPACT OF CLIMATE CHANGE ON THE VALUATION OF THE GROUP'S PROPERTIES**

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
Changing weather patterns under projected climate change scenarios could physically damage the Group's properties and reduce their value. New minimum efficiency standards could require retrofitting of efficiency measures, or result in a reduction in valuations. The impact of the most prominent climate-related risks to the portfolio is assessed in detail in the Group's TCFD reporting on page 54.	The Investment Manager's sustainability team has been working with the housing team to assess the risk that climate change poses to the Group's properties. The key transition risks to the portfolio have been identified and qualitatively assessed. Physical risks to the portfolio have been assessed using a new piece of analytical software and the outputs of this analysis are demonstrated in the Group's TCFD reporting on page 54. The Investment Manager will work to ensure protections are put in place for any properties that are deemed to be at high risk to the negative impact of climate change. The Group believes that the Group's reporting on climate change is ahead of regulatory requirements.	Moderate
		LIKELIHOOD
		Low to Moderate
		CHANGE IN YEAR
		New

9. RISK CATEGORY – FINANCIAL**UNABLE TO OPERATE WITHIN DEBT COVENANTS**

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
The borrowings the Group currently has and which the Group uses in the future may contain loan to value and interest covenants ratios. If property valuations and rental income significantly decrease, such covenants could be breached. The impact of such an event could include (among other things): an increase in borrowing costs; a requirement for additional cash or property collateral; payment of a fee to the lender; a sale of an asset or assets, or a forfeit of an asset or any assets to a lender. Any of the above could result in a material decrease to the Group's Net Asset Value.	The Investment Manager monitors loan to value and interest covenants ratios on an ongoing basis. In the unlikely event that an event of default occurs under these covenants the Group has a remedy period during which it can potentially cure the covenant breach by either injecting cash collateral or unencumbered property assets in order to restore covenant compliance. During the year to 31 December 2022, no debt covenants have been breached.	High
		LIKELIHOOD
		Low
		CHANGE IN YEAR
		Stable

10. RISK CATEGORY – CORPORATE RELIANCE ON THE INVESTMENT MANAGER

RISK IMPACT	RISK MITIGATION	POTENTIAL IMPACT
The Company continues to rely on the Investment Manager's services and its reputation in the social housing market. As a result, the Group's performance will, to a large extent, depend on the Investment Manager's asset management abilities in the property market. Termination of the Investment Management Agreement would severely affect the Investment Manager's ability to effectively manage the Group's operations and may have a negative impact on the Group's performance and/or the price of the Company's shares.	Unless there is a default, either party may terminate the Investment Management Agreement by giving not less than 12 months' written notice. The Board regularly reviews and monitors the Investment Manager's performance. In addition, the Board meets regularly with the Investment Manager to ensure that the Company and the Investment Manager maintain a positive working relationship.	High
		LIKELIHOOD
		Low
		CHANGE IN YEAR
		Stable

Going Concern and Viability

/ GOING CONCERN

The Strategic Report and financial statements have set out the current financial position of the Group and Parent Company. The Board has regularly reviewed the position of the Company and its ability to continue as a going concern in Board meetings throughout the year. The Group has targeted high-quality properties in line with yield expectations and will continue to analyse investment opportunities to ensure that they are the right fit for the Group.

The Group benefits from a secure income stream from long leases which are not overly reliant on any one tenant and present a well-diversified risk. The Directors have reviewed the Group's forecast which shows the expected annualised rental income exceeds the expected operating costs of the Group. 91.8% of rental income due and payable for the period ended 31 December 2022 has been collected, rent arrears are predominantly attributable to two Approved Providers, My Space Housing Solutions and Parasol Homes.

The Directors believe that the Group is still well placed to manage its financing and other business risks and that the Group will remain viable, continuing to operate and meet its liabilities as they fall due. During the year, Fitch Ratings Limited assigned the Company an investment Long-Term Issuer Default Rating of 'A-' with a stable outlook.

The Directors have performed an assessment of the ability of the Group to continue as a going concern, for a period of at least 12 months from the date of signing these financial statements. The Directors have considered the expected obligations of the Group for the next 12 months and are confident that all will be met.

The Directors have also considered the financing provided to the Group. Norland Estates Limited and TP REIT Propco 2 Limited have bank facilities with MetLife and Metlife and Barings respectively. TP REIT Propco 5 Ltd's Revolving Credit Facility (RCF) with Lloyds and Natwest cancelled in December 2022. Prior to cancellation the facility was undrawn.

The loans secured by Norland Estates Limited and TP REIT Propco 2 Limited are subject to asset cover ratio covenants and interest cover ratio covenants which can be found in the table below. The Directors have also considered reverse stress testing and the circumstances that would lead to a covenant breach. Given the level of headroom, the Directors are of the view that the risk of scenarios materialising that would lead to a breach of the covenants is remote.

	NORLAND ESTATES LIMITED	TP REIT PROPCO 2 LIMITED
Asset Cover (ACR)		
Asset Cover Ratio Covenant	x2.00	x1.67
Asset Cover Ratio 31 December 2022	x2.77	x2.10
Blended Net initial yield	5.55%	5.34%
Headroom (yield movement)	196bps	130bps
Interest Cover (ICR)		
Interest Cover Ratio Covenant	1.75x	1.75x
Interest Cover Ratio 31 December 2022	5.02x	4.41x
Headroom (rental income movement)	65%	60%

The loan secured by Norland Estates Limited asset cover ratio was amended from previous covenant of x2.25 in August 2021 to bring more in line with the ACR covenant in the new Note Purchase Agreement with MetLife and Barings.

Under the downside model the forecasts have been stressed to show the effect of some Care Providers ceasing to pay their voids liability, and as a result this causes Approved Providers to default under some of the Group leases. Under the downside model the Group will be able to settle its liabilities for a period of at least 12 months from the date of signing these financial statements. As a result of the above, the Directors are of the opinion that the going concern basis adopted in the preparation of the financial statements is appropriate.

The Group has no short or medium term refinancing risk given the 10.6 year average maturity of its long term debt facilities with MetLife and Barings, the first of which expires in June 2028, and which are fully fixed at an all-in weighted average rate of 2.74%.

Based on the forecasts prepared and the intentions of the parent company, the Directors consider that the Group will be able to settle its liabilities for a period of at least 12 months from the date of signing these financial statements and therefore has prepared these financial statements on the going concern basis.

/ VIABILITY STATEMENT

In accordance with Principle 21 of the AIC Code, the Board has assessed the prospects of the Group over a period longer than 12 months required by the relevant 'Going Concern' provisions. The Board has considered the nature of the Group's assets and liabilities, and associated cash flows, and has determined that five years, up to 31 December 2027, is the maximum timescale over which the performance of the Group can be forecast with a material degree of accuracy and therefore is the appropriate period over which to consider the viability.

In determining this timescale the Board has considered the following:

- That the business model of the Group assumes the future growth in its investment portfolio through the acquisition of Supported Housing assets which are intended to be held for the duration of the viability period.
- The length of the service level agreements between Approved Providers and care providers.
- The future growth of its investment portfolio of properties is achieved through long-term, inflation linked, fully repairing and insuring leases
- The Group's property portfolio has a WAULT of 25.3 years to expiry, representing a secure income stream for the period under consideration
- The Group's Loan Notes have a weighted average term of 10.6 years

In assessing the Company's viability, the Board has carried out a robust assessment of the emerging risks and principal risks facing the Group, including those that would threaten its business model, future performance, solvency, liquidity and dividend cover for a five-year period.

The Directors' assessment has been made with reference to the principal risks and uncertainties and emerging risks summarised on pages 66 to 71 and how they could impact the prospects of the Group and Company both individually and in aggregate. The following risks in particular have been addressed in the assessment:

1. Default of one or more Approved Provider lessees (taking into account that two of the Group's lessees have built up arrears during 2022)
2. Risk of changes to the social housing regulatory regime
3. Non-payment of voids cover by care providers

The business model was subject to a sensitivity analysis, which involved flexing a number of key assumptions underlying the forecasts. The sensitivities performed were designed to provide the Directors with an understanding of the Group's performance in the event of a severe but plausible downturn scenario, taking full account of mitigating actions that could be taken to avoid or reduce the impact or occurrence of the underlying risks outlined below:

- **Rental income:** It is assumed that some care providers do not meet their void payment obligations and this causes Approved Providers to default under 7% of the Group's leases.
- **Property valuations:** It is assumed that where there are void units Approved Providers will default on their leases, resulting in those units being valued significantly below their vacant possession value. We believe this represents a severe reduction in value.
- **Inflation:** No inflation uplift on rental income but costs and dividends increase in line with inflation.

The outcome in the downturn scenario on the Group's covenant testing is that there are no breaches and the Group can maintain a covenant headroom on existing facilities.

In the downturn scenario mitigating actions to reduce variable costs such as marketing, PR and any other non-critical spend would be required to enable the Group to meet its future liabilities.

The remaining principal risks and uncertainties, whilst having an impact on the Group's business, are not considered by the Directors to have a reasonable likelihood of impacting the Group's viability over the five-year period.

Based on the results of this analysis, the Directors have a reasonable expectation that the Group and Company will be able to continue in operation and meet its liabilities as they fall due for the next five years.

/ BOARD APPROVAL OF THE STRATEGIC REPORT

The Strategic Report has been approved by the Board of Directors and signed on its behalf by:



Chris Phillips
Chair

2 March 2023





Governance

Chair's Letter



CHRIS PHILLIPS, Chair

/ DEAR SHAREHOLDER,

I am pleased to introduce the Corporate Governance Report for the year ended 31 December 2022. The Board recognises that a strong governance framework underpins our purpose and strategy.

As set out in the Investment Manager's Report on pages 32 to 44, new and unforeseen challenges have pervaded 2022. Against a backdrop of inflation, rising interest rates, Russia's attack on Ukraine and the resultant impact on energy and food markets, and a tumultuous year for UK politics, the Board has continued to oversee the Group's provision of sustainable, high-quality homes for vulnerable people throughout the UK. Alongside this key ambition, we have also worked with the Investment Manager and our key stakeholders, to look for ways to close the discount to net asset value that the Company has been trading at during the period.

/ STAKEHOLDER ENGAGEMENT

The Board's engagement with the Group's key stakeholders has been of primary focus during the period. This has been particularly prevalent, given the recent regulatory judgements issued by the Regulator in relation to two of the Group's Approved Providers. At our quarterly Board meetings, the Investment Manager has updated us on its relationship with the Approved Providers and ensures us that it maintains regular dialogue to encourage Approved Providers to continually improve their operations.

Our investors are also of vital consideration for the Board's decisions. We have endeavoured to keep shareholders abreast of any events impacting the Group and we have been able to demonstrate the robustness of our business model against a high inflationary environment, by increasing our dividend target by 5.0% in respect of the financial year ended 31 December 2022.

The views of our stakeholders are of critical importance to the Board's decision-making process, and a full overview of our engagement with all stakeholders is set out in more detail on pages 62 to 65. We will continue to engage openly with all our stakeholders to understand their views on governance and performance.

/ BOARD AGENDA IN 2022

The Board has focussed on a broad range of matters during 2022 and have continued to seek ways to strengthen the performance of our existing portfolio. We were pleased to note that, at the Company's Annual General Meeting on 27 May 2022, shareholders voted in favour of the proposed amendments to the Investment Policy, following consultation with a number of our investors. In summary, these amendments removed the Group's minimum lease term restriction; allowed the Group to selectively take on the cost of funding planned maintenance; and provided the Group with the ability

to enter into leases which are subject to upward only adjustments, tracking either inflation or central housing benefit policy. These amendments have ensured that the Group retains the requisite flexibility to continue to be at the forefront of this evolving Specialised Supported Housing sector and allows our Approved Providers to accommodate observations made by the Regulator, and thereby remain an attractive partner to the Group.

In addition, despite the Government excluding the Specialised Supported Housing sector from the 7% cap on social housing rent increases, the Board made the decision to temporarily cap the Group's rent increases at 7% for 2023.

The Board considers that commitment to continuous improvement is an essential factor in an effective and sustainable governance structure. To that end, the Board requested an interim review of its progress in implementing the recommendations that arose from our external Board evaluation. The review confirmed that we have made good progress in implementing the review recommendations and enhancing governance oversight, and no further issues had arisen in the period that required additional attention. One area identified that still required further progress was in relation to the Board's succession planning. I am happy to confirm that advancement has been made in this regard and I am grateful to Ian Reeves for leading the succession process as Chair of the Nomination Committee. We look forward to updating shareholders on the outcome of the recruitment process as soon as practicable.

Further detail on the appointment process is included in Ian Reeves' Nomination Committee report on pages 94 to 96.

/ ANNUAL GENERAL MEETING

We are planning to hold our Annual General Meeting ("AGM") on 23 May 2023, and I look forward to the opportunity this provides to meet with shareholders in person. The detailed arrangements will be communicated in our Notice of AGM published in March 2023.

/ COMPLIANCE STATEMENT

Throughout the year to 31 December 2022, the Board has considered the Principles and Provisions of the AIC Code of Corporate Governance (AIC Code). The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code (the UK Code), as well as setting out additional Provisions on issues that are of specific relevance to Triple Point Social Housing REIT plc.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to shareholders.

The Company has complied with the Principles and Provisions of the AIC Code. The AIC Code is available on the AIC website (www.theaic.co.uk).

/ LOOKING AHEAD TO 2023

The Board remains focused on developing our high standards of governance, to support the strategic direction of the Group and deliver sustainable long-term value for shareholders and all stakeholders. In this section of the Annual Report, we report on our compliance with the principles of corporate governance and highlight the key governance events which have taken place in the year.



Chris Phillips
Chair

2 March 2023

Board of Directors



Left to right: Paul Oliver, Peter Coward, Tracey Fletcher-Ray, Chris Phillips and Ian Reeves CBE

CHAIR	CHRIS PHILLIPS (72)
Appointed	17 July 2017
Committee memberships	Management Engagement Committee Nomination Committee
Skills and experience	Chris has extensive experience of real estate and listed companies. He was Managing Director of PB Securities, the UK subsidiary of Prudential Bache, for three years, before joining Lombard Odier as the Managing Director of its London broking business. He then joined Colliers International and after heading its residential consultancy business, became the first Managing Director of Colliers Capital UK Limited (Colliers commercial real estate property fund). Having served on the Board of Places for People for 14 years, 10 of them as Chair, Chris stood down from the role in January 2021.
Principal external appointments	London & Newcastle 2010 Holdings Limited (Chair) Shetland Space Centre (Director) Nova Innovations Ltd (Chair)

CHANGES TO BOARD COMMITTEE MEMBERSHIP

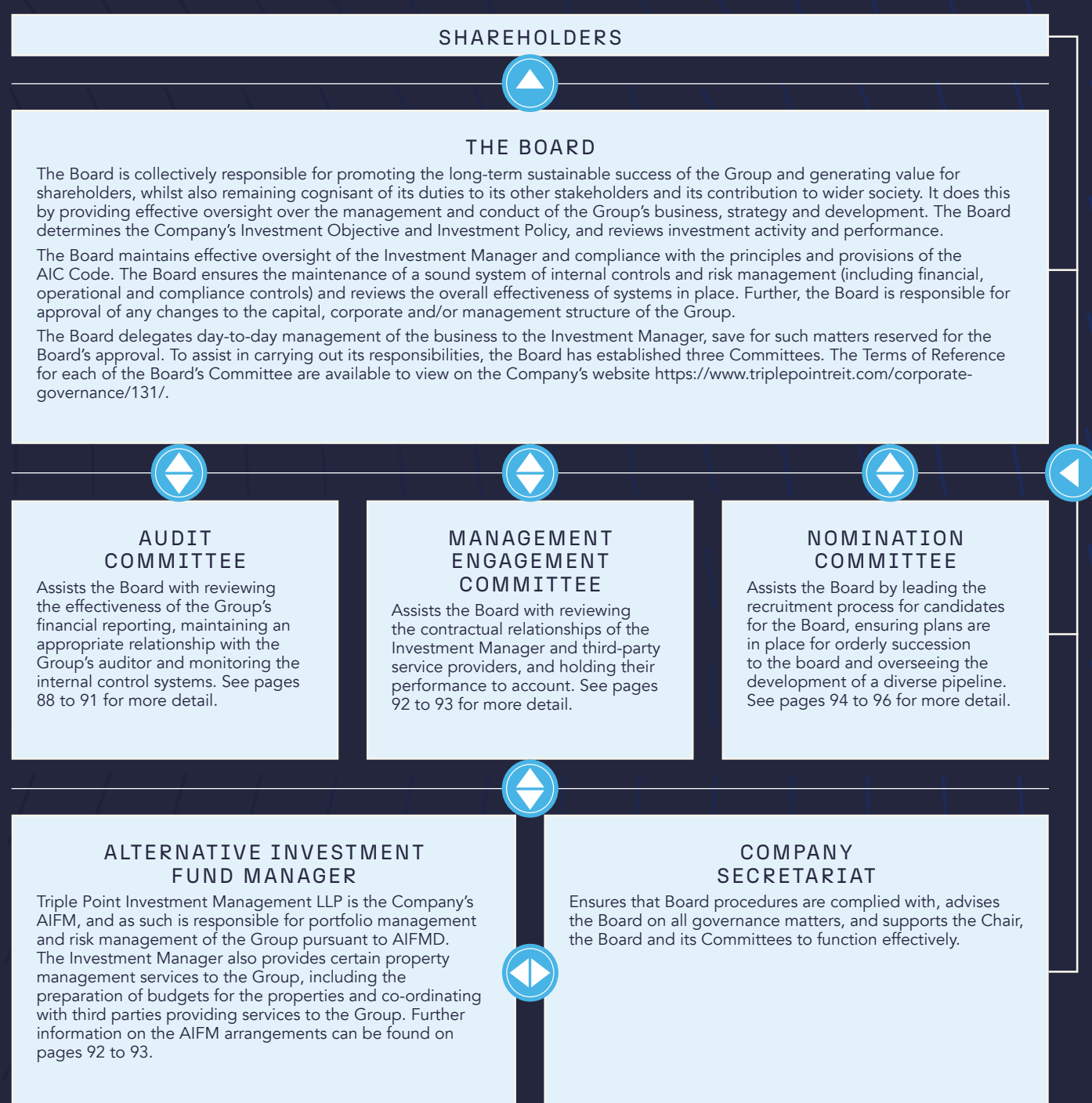
- As announced on 24 March 2022, Tracey Fletcher-Ray replaced Chris Phillips as Chair of the Management Engagement Committee with effect from 24 March 2022. Chris Phillips will remain a member of the Management Engagement Committee.

SENIOR INDEPENDENT DIRECTOR	
IAN REEVES CBE (78)	
Appointed	17 July 2017
Committee memberships	Audit Committee Management Engagement Committee Nomination Committee (Chair)
Skills and experience	Ian is co-founder and CEO of Synaps International Limited. He is visiting Professor of Infrastructure Investment and Construction at The Alliance Manchester Business School, Chair of The Estates and Infrastructure Exchange (EIX) and a Director of Xinous Inc. He was appointed as a Non-executive Director and Chair of Geiger Counter Limited on 13 December 2021 and 9 March 2022 respectively. Ian was founder and Chair of High-Point Rendel Group, a pioneering management and engineering consultancy company with a global network of offices. He has been president and CEO of Cleveland Bridge, Chairman of McGee Group, Chairman of Constructing Excellence and Chair of the London regional council of the CBI. Ian was awarded his CBE in 2003 for services to business and charity.
Principal external appointments	Synaps International Limited (co-founder and CEO) The Estates and Infrastructure Exchange (Chair) Geiger Counter Limited (Chair) Xinous Inc (Director)
NON-EXECUTIVE DIRECTOR	
PETER COWARD (66)	
Appointed	17 July 2017
Committee memberships	Audit Committee (Chair) Management Engagement Committee Nomination Committee
Skills and experience	Peter is a chartered accountant with international commercial and corporate finance experience. He has over 25 years' experience as a Senior Tax Partner at PricewaterhouseCoopers specialising in property, and has worked with a wide range of firms to develop a knowledge and understanding of tax regimes worldwide and of organisational and project structuring to optimise the tax position.
Principal external appointments	Bradda Capital Ltd (Director) ChanceryGate Limited (Director) Matfen Hall Ltd (Director) The Heat Vault Company Ltd (Director) True Potential Group Limited (Director)
NON-EXECUTIVE DIRECTOR	
PAUL OLIVER (67)	
Appointed	17 July 2017
Committee memberships	Audit Committee Management Engagement Committee Nomination Committee
Skills and experience	Paul has over 40 years' experience in real estate development and investment management in both the UK and Europe. He has led commercial real estate development teams and has been at the forefront of the establishment of property funds since 1988. In 2002 he launched Teesland PLC on the LSE building funds under management to €6.5 billion before sale to Valad in June 2007. Paul founded Curlew Capital in 2010 to pursue 'Operational' real estate markets focussing on 'Beds' – 2 funds in UK PBSA and a portfolio for Young Urban residents in the Netherlands.
Principal external appointments	Curlew Capital Ltd (CEO)
NON-EXECUTIVE DIRECTOR	
TRACEY FLETCHER-RAY (58)	
Appointed	1 November 2018
Committee memberships	Audit Committee (appointed 24 January 2019) Management Engagement Committee (Chair) (appointed as a member on 24 January 2019 and as Chair on 24 March 2022)
Skills and experience	Tracey has considerable expertise as an executive and non-executive director in the care and support sectors. Tracey previously was a non-executive director to L&Q Group, one of the UK's largest Housing Associations and developers, and was Managing Director of Caring Homes, a leading provider of care homes for the elderly. She is currently CEO of Witherslack Group, a leading provider of specialist education and care for young people with special educational needs. She spent nearly two years as Managing Director at Berendsen PLC developing the company's healthcare business, strategy and growth and eight years at Bupa UK, holding Managing Director roles in the Care Home business which involved contracting with and providing services on behalf of local authorities and the NHS, and Bupa Health Clinics.
Principal external appointments	Witherslack Group (CEO)

Corporate Governance

/ GOVERNANCE FRAMEWORK

Our Governance Framework demonstrates how we operate, representing the key governance arrangements through which the Board and its Committees can implement the highest standards of challenge and oversight. It is not an exhaustive list of every organisation or service provider that the Group has engaged with on governance matters.



/ KEY MATTERS RESERVED FOR THE BOARD

Board membership and powers including the appointment and removal of Board members.	Establishing the overall control framework, Stock Exchange related matters, including the approval of communications to the Stock Exchange, and communications with shareholders, other than announcements of a routine nature.
Key commercial matters, including review of all investments and divestments, and any significant changes in lease terms.	The appointment, termination, and regular assessment of the performance of the principal advisers, including the AIFM, the Investment Manager, Tax Advisers, Legal Advisers, Financial Adviser, Administrator and Company Secretary, Broker, Registrar, PR Adviser and Auditor.
The approval of the budget and financial models.	The approval of annual and half yearly financial reports, to 31 December and 30 June respectively, dividends, accounting policies and significant changes in accounting practices.
The approval of the net asset value calculation prepared by the Administrator on a quarterly basis at 31 March, 30 June, 30 September and 31 December each year.	The review of the adequacy of corporate governance procedures.
The review of significant estimates and judgements of the Group.	The review of the risk inventory and the effectiveness of internal controls.
Approval of changes to the Group's capital structure, dividend policy, treasury policy, borrowing facilities and any banking relationships, hedging strategy, cash management, the Group's business strategy, acquisitions and disposals and capital expenditure.	Approval of any related party transactions subject to further regulatory requirement.
Oversight of the Group's operations ensuring compliance with statutory and regulatory obligations.	

Corporate Governance

/ BOARD MEMBERSHIP AND MEETING ATTENDANCE

Individual Directors' attendance during the year to 31 December 2022 is set out below:

DIRECTOR	BOARD MEETINGS ATTENDED / REQUIRING ATTENDANCE	GENERAL MEETINGS ATTENDED / REQUIRING ATTENDANCE
Chris Phillips (Chair)	8/8	1/1
Ian Reeves CBE	7/8	0/1
Peter Coward	6/8	1/1
Paul Oliver	8/8	1/1
Tracey Fletcher-Ray	8/8	1/1

/ COMPOSITION

The Group has a non-executive Chair and four other non-executive Directors, including a Senior Independent Director, all of whom are considered independent on and since their appointment. All Directors are independent of the Investment Manager.

Chris Phillips is the Chair of the Board. The Chair leads the Board and is responsible for the Board's overall effectiveness in directing the Group. The Chair, in conjunction with the Company Secretary, ensures that accurate, timely and clear information is circulated to the Directors, and sufficient time is given in meetings to review all agenda items thoroughly in preparation for and during Board meetings, following up any issues arising in the Board meetings effectively. He promotes a culture of openness and constructive debate to ensure the effective contribution of all Directors, facilitating a co-operative environment between the Investment Manager and the Directors, and encourages Directors to critically examine information and reports to constructively challenge the Investment Manager and hold third party service providers to account where appropriate.

The Chair has put mechanisms in place to facilitate effective communication between shareholders and the Board, to ensure that their views, issues and concerns are considered as part of the decision-making process.

Ian Reeves is the Senior Independent Director and, if required, will act as a sounding board and intermediary for the other Directors and shareholders. In addition to the Chair, Ian Reeves engages with shareholders or Directors if they have any issues or concerns, or if there are any unresolved matters that shareholders or other Directors believe should be brought to his attention.

The Directors hold or have held senior positions in industry and commerce and contribute a wide range of skills, experience and objective perspective to the Board. The Board committees allow the Directors to focus in greater detail and depth on key matters such as strategy, governance, internal controls and risk management.

/ TIME COMMITMENT

Non-executive Directors are expected to devote sufficient time to carry out their duties effectively. The expectation regarding time commitment is set out in the Directors' letters of appointment. Directors are required to disclose the potential external role and ensure it is approved by the Board prior to the acceptance of any such appointment. During the year, the Board was satisfied that all Directors were and remain able to commit sufficient time to discharge their responsibilities effectively having given due consideration to their other significant commitments.

During the year, Tracey Fletcher-Ray was appointed as Chief Executive Officer of Witherslack Group. The Board, taking into consideration the expected time commitment of the role, approved the external appointment.

There were no external appointments accepted during the year which were considered to be significant for the relevant directors, taking into account the expected time commitment and nature of these roles.

The Directors' other principal commitments are listed on pages 80 to 81.

/ BOARD COMMITTEES

The Board has established a management engagement committee, an audit committee and a nomination committee. Given that the Company has no executive Directors or other employees, the Board does not consider it necessary to establish a separate remuneration committee. The functions and activities of each of the committees are described in their respective reports.

/ BOARD MEETINGS

The Board meets formally at least on a quarterly basis with additional meetings as they may decide are required from time to time. During 2022, the Board held four scheduled meetings and four extra Board meetings including one strategy meeting attended by those Directors available at the time, to deal with transactional and specific events such as property management strategies and review of the Group's Investment Policy.

The Chair sets the agenda for the meetings and ensures, in conjunction with the Company Secretary, prior to each meeting that the Directors receive accurate, clear and timely information to help them to discharge their duties. For this purpose, the Board receives periodic reports from the Investment Manager detailing the performance of the Group. The meetings focus on a review of portfolio performance and associated matters such as pipeline, gearing, asset management, occupancy, marketing/investor relations, peer group comparisons, regulatory matters, environmental and social matters and the impact of macro-economic issues.

/ KEY DECISIONS OF THE BOARD 2022

During the year, the Board considered the following matters:

- the Group's longer-term strategy;
- proposed changes to, and analysis of, the Group's current and future lease terms;
- proposed changes to the Company's Investment Policy;
- the eventual cancellation of the undrawn £160 million Revolving Credit Facility ("RCF"), jointly provided by Lloyds and NatWest, in December 2022 following an initial reduction agreed in February 2022;
- amendments to the Investment Management Agreement that ensured the right of first refusal applied to all Specialised Supported Housing assets regardless of length of lease;
- implementation of a temporary rent cap for the year of 2023 in line with the Department for Levelling Up, Housing and Communities (DLUHC) social housing rent increase cap of 7%;
- subject to shareholder consultation, a new lease clause, that addresses the Regulator's concerns regarding the long-lease model and ensures that where there are risks that are beyond the control of the

Group's lessees, then, subject to a materiality threshold being breached, the risks will sit with the Group;

- an increase to the target aggregate dividend by 5% for the year ended 31 December 2022;
- the valuation methodology of the Group's portfolio;
- the risks and related mitigations of the Group's lease counterparties;
- the standards of Registered Providers that had received a non-compliant rating by the Regulator and updates on regulatory developments within the social housing sector;
- the declaration of the Company's interim dividends;
- the Group's due diligence process;
- the risk profile of the Group and its counterparties;
- capital deployment, investment pipeline and review of rejected deals;
- the budget for general, administrative and marketing expenses;
- the Group's compliance with the REIT regime;
- the Group's financial public relations and communication strategy;
- the Group's property insurance;
- the key performance indicators by which the Group measures success;
- review of quarterly management accounts;
- half yearly broker report regarding the Company's share price rating, performance and trading and NAV performance;
- analysis of the Company's shareholder register;
- considered a Dividend Re-Investment Scheme (DRIP);
- an interim review, to measure the Board's progress against recommendations arising from the last external evaluation;
- the recommendations of its Nomination Committee with respect to Board diversity, succession planning and the current balance of skills, experience and knowledge;
- a quarterly review of corporate governance compliance, Group subsidiary activity and depositary report; and
- the Group's social impact including environmental and governance matters.

/ PERFORMANCE EVALUATION

The Directors recognise that the evaluation process is a significant opportunity to review the practices and performance of the Board, its Committees, and its individual Directors and to implement actions to improve the Board's effectiveness and contribute to the Group's success.

The Board evaluation in respect of the year ended 31 December 2020 was undertaken by an independent third-party evaluator, Satori Board Review ("Satori"). This year, Satori revisited the Board to provide further external validation of progress in making the changes outlined and agreed by the Board. It was determined that the Board had broadly implemented the recommendations arising from the last external review and the key focus moving forward was the establishment of an orderly succession plan. The Board have made good progress in this regard and further detail is set out in the Nomination Committee report on pages 94 to 96.

A full performance evaluation of the Board, its committees and the individual Directors will continue to be conducted annually. The Chair will regularly consider an externally facilitated Board evaluation.

In respect of the year ended 31 December 2022, the Board conducted a performance evaluation by completing a written questionnaire to appraise and gather useful learnings on the functioning of the Board, the Group's committees and individual Directors.

The Chair, supported by the Company Secretary, acted on the results of the evaluation. The results of the questionnaire demonstrated that there is consensus that the performance and functioning of the Board remains effective.

There were however areas of improvement that were identified. The key challenges and recommendations of next steps are outlined below.

CHALLENGES	RECOMMENDATIONS OF NEXT STEPS
Diversity	There has been significant emphasis placed upon gender and ethnic diversity as a result of the changes to the Listing Rules, amongst other things. The Board are encouraged to ensure that diversity of all kinds, including social diversity, is given due consideration in the constitution of the Board.

CHALLENGES	RECOMMENDATIONS OF NEXT STEPS
Director Training	The Board is encouraged to dedicate more time to enhance professional development of the Directors, to ensure continuous improvement of knowledge and skills. With a new Director due to join the Board, the existing Directors should be conscious of ensuring that they receive a comprehensive induction and are integrated well within the Board.
Strategy	A core focus for the Board over the coming year will be the strategy for the Company moving forward. The Board should ensure that sufficient time is given to discussing this.
KPIs	The Board acknowledge that the KPIs and performance monitoring have improved during the year however the process is still evolving. It is therefore recommended that the Board continue to critically evaluate the KPIs to ensure that they support the strategy and allow the Board to effectively assess the performance of the Company and portfolio.

/ CONFLICTS OF INTERESTS

The Group operates a conflicts of interest policy that has been approved by the Board and sets out the approach to be adopted and procedures to be followed where a Director, or such other persons to whom the Board has determined the policy applies, has an interest which conflicts, or potentially may conflict, with the interests of the Group. Under the policy and the Company's Articles of Association, the Board may authorise potential matters of conflict that may arise, subject to imposing limits or conditions when giving authorisation, if this is appropriate.

The Group reserves the right to withhold information relating, or relevant, to a conflict matter from the Director concerned and/or to exclude the Director from any Board information, discussions or decisions which may or will relate to that matter of conflict or where the Chair considers that it would be inappropriate for such Director to take part in the discussion or decision or to receive such information. Procedures have been established to monitor actual and potential conflicts of interest on a regular basis and the Board is satisfied that these procedures are working effectively.

The Investment Manager maintain conflicts of interest policies to avoid and manage any conflicts of interest that may arise between themselves and the Group. The Investment Manager has established a clear and robust framework to ensure that any conflicts of interest are appropriately governed that includes:

- potential conflicts where the Investment Manager is party to the transaction;
- the Investment Manager's obligation to, as far as reasonably practical, exclusively offer all new investment opportunities to the Group; and
- other conflict matters regarding the value, quality or other terms relating to the acquisition or disposal of assets from or to the Group or provision of debt funding by the Investment Manager to the Group

/ PROFESSIONAL DEVELOPMENT

The Directors received a comprehensive induction programme on joining the Board that covered the Group's investment activities, the role and responsibilities of a Director and guidance on corporate governance and applicable regulatory and legislative landscape. The Directors' training and development was assessed as part of the annual effectiveness evaluation and, in any event, the Chair regularly reviews and discusses the development needs with each Director. Each Director is fully aware that they should take responsibility for their own individual development needs and take the necessary steps to ensure they are wholly informed of regulatory and business developments.

During the year, the Directors received periodic guidance on technical, regulatory and compliance changes at quarterly Board meetings, and on an ad hoc basis where necessary.

/ SHAREHOLDER ENGAGEMENT

The Group encourages active interest and contribution from both its shareholders and responds promptly to all queries received by the Group. The Board recognises the importance of maintaining strong relationships with shareholders and the Directors place a great deal of importance on understanding shareholder sentiment.

The Investment Manager and the Group's Joint Financial Advisers regularly meet to discuss, amongst other things, the views of the Company's shareholders. The Group's Corporate Broker speaks to shareholders regularly and ensures shareholder views are clearly communicated to the Board. The Board takes responsibility for, and has a direct involvement in, the content of communications regarding major corporate matters.

The Board encourages shareholders to attend and vote on the resolutions at the Annual General Meeting, and to ask the Board any questions that they may have.

The Chair makes himself available, as necessary, to speak to shareholders. In addition, the Chairs of the Board's committees make themselves available, as necessary, on significant matters related to their areas of responsibility when required.

The Board is committed to providing investors with regular announcements of events affecting the Group. The Group publish quarterly factsheets that are available to download, along with all other investor documentation, from the Group's website <https://www.triplepointreit.com>.

During the year, the Group regularly engaged with shareholders. Of particular note this year, the Board and Investment Manager consulted with shareholders regarding the proposed changes to the Investment Policy (further detail in the Chair's Statement on pages 16 to 21), ahead of the 2022 AGM.

As the restrictions put in place by the Government during the COVID pandemic have lifted, the Board will look to increase its direct engagement with shareholders in future.

Audit Committee Report



PETER COWARD,
Audit Committee Chair

/ RESPONSIBILITIES

The Audit Committee has the primary responsibility of reviewing the financial statements and the accounting principles and practices underlying them, liaising with the external auditors and reviewing the effectiveness of the Group's internal controls.

The main role of the Audit Committee is to:

- provide formal and transparent arrangements for considering how to apply the financial reporting and internal control principles set out in the AIC Code and to maintain an appropriate relationship with the external auditors;
- where requested, provide advice to the Board on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;

AUDIT COMMITTEE MEMBERS	AUDIT COMMITTEE MEETINGS ATTENDED / REQUIRING ATTENDANCE
Peter Coward (Chair)	2/2
Ian Reeves CBE	2/2
Paul Oliver	2/2
Tracey Fletcher-Ray	2/2

- monitor the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance and reviewing significant financial reporting judgements contained in them;
- review the Group's internal financial controls and the Group's internal control and risk management systems;
- make recommendations to the Board to put to the shareholders for their approval in general meetings in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- liaise with the Group's Tax Adviser in relation to ensuring continuing compliance with the REIT regime;
- develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm;
- report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and make recommendations as to the steps to be taken; and
- report to the Board on how it has discharged its responsibilities.

The Audit Committee's Terms of Reference can be found on the Group's website at <https://www.triplepointreit.com/corporate-governance/131/>.

/ COMMITTEE MEMBERSHIP

The Audit Committee is chaired by Peter Coward and comprises of four members.

The Board is satisfied that at least one member of the Audit Committee has recent and relevant financial experience. Peter Coward is qualified as a Chartered Accountant and was, until the end of June 2016, a Senior Tax Partner at PricewaterhouseCoopers LLP specialising in property. The Board is also satisfied that the Committee, collectively, has competence relevant to the sector in which the Group operates.

/ ACTIVITIES

The Audit Committee meets at least twice a year to consider the annual report, interim report, any other formal financial performance announcements, and any other matters as specified under the Committee's Terms of Reference. The Committee regularly reports to the Board on how it discharged its responsibilities. During the year, the Audit Committee discussed and considered the external audit performance, objectivity and independence, the external auditor re-appointment, accounting policies and alternative accounting treatments, significant accounting judgements and estimates, and the risk register.

/ PERFORMANCE EVALUATION

Refer to the Corporate Governance section for further details on the performance evaluation.

/ INTERNAL CONTROL AND RISK MANAGEMENT

The Group has an ongoing process in place for identifying, evaluating and managing the principal and emerging risks faced by the Group.

During the year, the Board carried out a robust assessment of the Group's emerging and principal risks, further reviewed by the Audit Committee, and satisfied itself that the procedures for identifying the information needed to monitor and manage these risks were robust. The Group has in place the following key internal controls:

- a risk register identifying risks and controls to mitigate their potential impact and/or likelihood and this is maintained by the Investment Manager subject to the supervision and oversight of the Committee;
- a procedure to ensure that the Group can continue to operate as a REIT;
- internal control reports of the Investment Manager, Administrator and Depositary, which are reviewed by the Board;
- forecasts and management accounts prepared by the Investment Manager and Administrator, which allow the Board to assess performance; and
- there is an agreed and defined Investment Policy, specified levels of authority and exposure limits in relation to investments, leverage and payments.

The Board also receives a quarterly depositary report. INDOS Financial Limited are responsible for cash monitoring, asset verification and oversight of the Group and the Investment Manager in performing its function under the AIFMD. The Depositary reports its findings on a quarterly basis during which it monitors and verifies all new acquisitions, share issues, loan facilities, shareholder distributions and other key events. In addition, on an ongoing basis, the Depositary tests the quarterly management accounts, bank reconciliations and performs a quarterly review of the Group when discharging its duties.

Taking into account the review of the reports provided and its knowledge of the business, the Audit Committee has reviewed and approved any statements included in the annual report concerning internal controls and risk management and has determined that the effectiveness of the internal controls was satisfactory. The principal risks and uncertainties identified from the risk register and a description of the Group's risk management procedures can be found on pages 66 to 71.

/ SIGNIFICANT ISSUES CONSIDERED BY THE AUDIT COMMITTEE

The Audit Committee considered the key accounting judgements underlying the preparation of the financial statements, focusing specifically on:

VIABILITY AND GOING CONCERN

The Board is required to consider and report on the longer-term viability of the business as well as assess the appropriateness of applying the going concern assumption.

The Audit Committee have taken account of the solvency and liquidity position of the Group from the financial statements and the information provided from the Investment Manager on the forecasted cash flow for the Group, expected pipeline and expected fund raising plans through a fundraise or debt finance over the period to December 2027. As a result, the Audit Committee consider that it is appropriate to adopt the going concern basis of preparation of the financial statements.

VALUATION OF PROPERTY PORTFOLIO

The valuation of the Group's property portfolio is fundamental to the Group's statement of financial position and reported results.

The valuations of the properties at the end of the financial period were performed by Jones Lang LaSalle, whom the Audit Committee consider having sufficient local and national knowledge of social housing and Supported Housing and the skills and knowledge to undertake the valuations competently. The Audit Committee met with the Group's Valuer to discuss the valuation methodology of the Group's portfolio and examine the suitability of the value of assets leased to Registered Providers that had received non-compliant ratings.

The Audit Committee considered the underlying assumptions of IFRS valuation basis and portfolio valuation and gains comfort from the valuer's methodology and other supporting market information. The Audit Committee have considered the subjectivity of the property valuations which could affect the NAV and share price of the Group, and these were discussed with the Investment Manager and external auditor.

REVENUE RECOGNITION

The Group's revenue solely comprises of rental income from investment property assets, and therefore it is integral that the underlying assumptions for determining rental income are appropriate. Rental income is recognised on a straight-line basis over the lease term, thereby relying on the Investment Manager's determination of the lease term, based on whether they are reasonably certain the option to extend the lease term will be exercised. The Audit Committee gained comfort of these assumptions by reviewing the external auditor's analysis including a review of the lease documentation, investigation of differences to actual revenue recognised in the year compared to expectations, rental uplift against external market data, and how they challenged any significant assumptions made by the Investment Manager.

The Board has considered the appropriateness of the ECL provision which relates to rental arrears for two of the Group's Approved Providers. The ECL provision represents a default probability for two Approved Providers, on outstanding rent due at 31 December 2022, which was determined based on their latest known financial position and any repayments plans that had been agreed or discussed.

/ INTERNAL AUDIT

The Board has considered the appropriateness of establishing an internal audit function and, having regard to the structure and nature of the Group's activities, has concluded that the function is unnecessary. The Audit Committee will review on an annual basis the need for this function and make appropriate recommendations to the Board.

/ EXTERNAL AUDITORS, AUDIT FEES AND NON-AUDIT SERVICES

An important responsibility of the Audit Committee each year is to monitor the performance, objectivity and independence of the Group's external auditors, currently BDO LLP ("BDO"). In evaluating BDO's performance, the Audit Committee examine effectiveness of the audit process, independence and objectivity of the auditor, taking into consideration the length of tenure of the external auditors, the non-audit services undertaken during the year and relevant UK professional and regulatory requirements, and the quality of delivery of its services.

BDO were appointed as the external auditors of the Group on 18 July 2017, and a formal external audit tender process was undertaken in 2019. BDO were recommended by the Audit Committee for re-appointment at the 2022 AGM and the resolution was duly passed. We have also transitioned our lead BDO partner for the 2022 audit following completion of the previous audit partner's five-year term. I would like to thank Edward for his leadership of the external audit and welcome Charles Ellis as our new lead audit partner.

The auditors attend all Audit Committee meetings and I, as Audit Committee Chair, have a number of meetings with the lead audit partner as required. The auditors work with the Investment Manager and discuss their findings and recommendations with the Audit Committee.

The Audit Committee has approved a non-audit services policy that determines the services that BDO can provide and the maximum fee that may be raised for non-audit services in comparison to the statutory audit fee, in line with the FRC Ethical Standards for Auditors.

In accordance with the policy, and to ensure that independence and objectivity is satisfactorily safeguarded, the approval of the Audit Committee must be obtained before the external auditor is engaged to provide any permitted non-audit services above a fee threshold of £5,000. The Audit Committee has also agreed that the role of reporting accountant although a permitted service, where necessary, would be undertaken by a firm other than BDO to ensure best practice compliance with the non-audit service policy.

BDO are prohibited from providing services to the Group that would be considered to jeopardise their independence, such as tax services, bookkeeping and preparation of accounting records, financial systems design and implementation, valuation services, internal audit outsourcing and services linked to the financing, capital structure and asset allocation. The Group's non-audit services policy is reviewed annually to ensure it continues to be in line with best practice.

The Committee annually reviews the level of non-audit fees to ensure that the provision of non-audit services does not impair the auditor's independence or objectivity, taking into account the relevant regulations and the FRC's Ethical Standard. The policy provides that total fees for non-audit services provided by the auditor to the Group shall be limited to no more than 70% of the average of the statutory audit fee for the Group paid to the auditor in the last three consecutive financial years.

The total audit fee in relation to the year ended 31 December 2022 for audit of the Group and subsidiaries was £273,000 (net of VAT). The total non-audit fees for the year ended 31 December 2022 were £36,000 (net of VAT) in relation to the interim review. The ratio of non-audit services fees to audit fees in the year was 13.2%.



Peter Coward
Audit Committee Chair

Management Engagement Committee Report



TRACEY FLETCHER-RAY,
Management Engagement
Committee Chair

/ RESPONSIBILITIES

The main function of the Management Engagement Committee is to review and make recommendations on any proposed amendment to the Investment Management Agreement and keep under review the performance of the Investment Manager. The Committee will regularly review the composition of the key executives performing the services on behalf of the Investment Manager and monitor and evaluate the performance of other key service providers to the Group.

The Management Engagement Committee's Terms of Reference can be found on the Group's website at <https://www.triplepointreit.com/corporate-governance/131/>.

MANAGEMENT ENGAGEMENT COMMITTEE MEMBERS	MANAGEMENT ENGAGEMENT COMMITTEE MEETINGS ATTENDED / REQUIRING ATTENDANCE
Tracey Fletcher-Ray (Chair)	2/2
Chris Phillips	1/2
Ian Reeves CBE	2/2
Peter Coward	2/2
Paul Oliver	2/2

/ COMMITTEE MEMBERSHIP

The Management Engagement Committee is chaired by Tracey Fletcher-Ray and comprises of all the Directors.

/ ACTIVITIES

During the year, the Management Engagement Committee conducted a comprehensive review of the key agreements with its service providers, and a detailed review of the performance, composition, personnel, processes and internal control systems of the Investment Manager, and a review of the Group's other corporate advisers and key service providers. The discussion included an assessment of performance and suitability of the services provided in the context of the fees paid to each provider, and a review of the termination period of each agreement.

The Management Engagement Committee considered the terms of the Investment Management Agreement, to ensure it continues to reflect properly the commercial arrangements agreed between the Company and the Investment Manager and were satisfied that this was the case.

/ PERFORMANCE EVALUATION

Refer to the Corporate Governance section for further details on the performance evaluation.

/ MANAGEMENT ARRANGEMENTS

AGREEMENT

The Company operates as an externally managed alternative investment fund for the purposes of the AIFMD. In its role as AIFM, the Investment Manager is responsible for portfolio management and risk management of the Group pursuant to the AIFMD.

The Company AIFM is Triple Point Investment Management LLP.

For the performance of the risk management function, which is set out within the AIFM Agreement, and excludes the portfolio management aspect of the role, the Investment Manager receives an annual fee which equates to 3.5 basis points on net assets of up to £300 million, and 3.0 basis points for net assets above £300 million.

The AIFM Agreement is terminable by the Investment Manager on giving the Group not less than 12 months' written notice and using its reasonable endeavours to assist with the appointment of a successor alternative investment fund manager of the Company or the Company giving to the Investment Manager not less than 12 months' written notice. The AIFM Agreement may be terminated earlier by either party with immediate effect in certain circumstances, including, if an order or resolution for liquidation is passed for the other party or the other party has committed a breach of its obligations under the AIFM Agreement that is material in the context of the AIFM Agreement.

The Group has given certain market standard indemnities in favour of the Investment Manager in respect of the Investment Manager's potential losses in carrying on its responsibilities under the AIFM Agreement.

The annual fee paid under the AIFM Agreement for the year ended 31 December 2022 was £192,000 (£175,000 as at 31 December 2021). No performance fee is payable to the Investment Manager.

INVESTMENT MANAGEMENT AGREEMENT

Under the Investment Management Agreement, which governs the portfolio management aspects of the AIFM role, the Investment Manager is entitled to receive an annual management fee which is calculated quarterly in arrears based upon a percentage of the NAV of the Group (not taking into account uncommitted cash balances excluding debt) as at 31 March, 30 June, 30 September and 31 December in each year on the following basis:

COMPANY BASIC NAV (EXCLUDING CASH BALANCES)	ANNUAL MANAGEMENT FEE (PERCENTAGE OF BASIC NAV)
Up to and including £250 million	1.0%
Above £250 million and up to and including £500 million	0.9%
Above £500 million and up to and including £1 billion	0.8%
Above £1 billion	0.7%

The annual fee paid to the Investment Manager under the Investment Management Agreement for the year ended 31 December 2022 was £4.70 million.

On a semi-annual basis, once the Group's half year or year-end NAV has been announced, the Investment Manager shall procure that 25% of the management fee (net of any applicable tax) for the relevant six-month period immediately preceding the date of that NAV shall be applied by subscribing for, or acquiring, Ordinary Shares ('Management Shares'). The Investment Manager subscribes for or acquires Management Shares on a semi-annual basis as anticipated under the Investment Management Agreement.

The Investment Manager is also entitled to be reimbursed for all disbursements, fees and costs payable to third parties properly incurred by the Investment Manager on behalf of the Group pursuant to provision of the services under the Investment Management Agreement.

There are no performance, acquisition, exit or property management fees.

The Investment Management Agreement may be terminated by the Investment Manager or the Group by not less than 12 months' written notice. In the event of termination, fees will be calculated to the date of expiry or termination payable pro rata on the day of such expiry or termination.

/ CONTINUING APPOINTMENT OF THE INVESTMENT MANAGER

The Management Engagement Committee has reviewed the continuing appointment of the Investment Manager and based on the Group's strong investment performance, deep sector expertise and counterparty relationships, the committee are satisfied that their appointment remains in the best interests of shareholders as a whole.



Tracey Fletcher-Ray
Management Engagement Committee Chair

Nomination Committee Report



IAN REEVES, Nomination Committee Chair

/ RESPONSIBILITIES

The Nomination Committee's main function is to lead the process for appointments, ensuring plans are in place for orderly succession to the Board, overseeing the development of a diverse pipeline for succession and any other matters as specified under the Committee's Terms of Reference. This includes ensuring that any appointments and succession plans are based on merit and objective criteria, and, within this context, promoting diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

The Nomination Committee's Terms of Reference can be found on the Group's website at <https://www.triplepointreit.com/corporate-governance/131/>.

/ COMMITTEE MEMBERSHIP

The Nomination Committee is chaired by Ian Reeves and comprises of four members.

NOMINATION COMMITTEE MEMBERS	NOMINATION COMMITTEE MEETINGS ATTENDED / REQUIRING ATTENDANCE
Ian Reeves CBE (Chair)	2/2
Chris Phillips	2/2
Peter Coward	2/2
Paul Oliver	2/2

/ ACTIVITIES

The Committee met twice during the period to 31 December 2022 to review the balance of skills and experience, the size and structure of the Board, and held a further meeting in 2023 to focus on long-term succession planning. The Committee also reviewed the time and significant commitments of the Board and satisfied itself that the Directors were able to commit sufficient time to discharge their responsibilities effectively having given due consideration of external appointments.

/ SUCCESSION PLANNING AND RECRUITMENT

A key focus of the Nomination Committee during the year has been implementing a long-term succession plan for the Board. Once a decision is made to recruit an additional Director, under its Terms of Reference, the Nomination Committee has the responsibility in identifying and leading that process on behalf of the Board. A formal role description is created, which is based upon requirements identified from a review of the current balance of experience and skills, as well as having due regard to the benefits of diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

The Committee is then responsible for engaging with an independent external search consultant in order to facilitate the search. In accordance with the Group's Diversity Policy, the Committee engages with an external search consultant that can commit in undertaking an open and transparent process that includes potential candidates from different social and ethnic backgrounds.

During the year, the Committee engaged with Nurole to support in its recruitment process. Nurole provided a long-list of candidates which was reviewed by the Committee to create a shortlist. Interviews then took place with short-listed candidates and selected Committee members, and feedback was provided to the Committee. Once a preferred candidate is selected, the Nomination Committee will recommend the individual to the Board for appointment.

/ PERFORMANCE EVALUATION

Refer to the Corporate Governance for further details on the performance evaluation.

/ RE-ELECTION OF DIRECTORS

All Directors submit themselves for election or re-election on an annual basis. All Directors in office as at the date of this report are to be proposed for re-election at the 2023 AGM.

/ TENURE POLICY

The Board considers that the length of time each Director, including the Chair, serves on the Board should not be limited and has not set a finite tenure policy. Continuity, self-examination and ability to do the job are the relevant criteria on which the Board assesses a Director's independence. Length of service of current Directors and future succession planning will be reviewed each year as part of the Board evaluation process.

/ DIVERSITY

The Board's objective is to maintain effective decision-making, including the impact of succession planning. The Board recognises the benefits of all types of diversity and supports the recommendations of the Hampton-Alexander Review and the Parker Review. All Board appointments will be made on merit, and promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths, ensuring that such appointment will develop and enhance the operation of the Board to best serve the Group's strategy.

The Board recognises the importance of diversity in the boardroom which introduces different perspectives to the Board debate and considers it to be in the interests of the Group and its shareholders to take into consideration diversity criteria when appointing a new individual to the Board. In line with the Company's succession plan, when undertaking the appointment of a new Director, the Nomination Committee will instruct an external search consultancy to undertake an open and transparent process that includes potential candidates from different social and ethnic backgrounds.

Members of the Board should collectively possess a diverse range of skills, expertise, industry knowledge and business. The Board will continue to monitor diversity, taking such steps as it considers appropriate to maintain its position as a meritocratic and diverse business.

The FCA's Listing Rules require that the Company reports on whether the following targets have been met: at least 40% of individuals on the Board are women; at least one of the senior Board positions is held by a woman; and at least one individual on its Board is from a minority ethnic background.

The Company is not required to report against the FCA's Listing Rule requirements until the year ending 31 December 2023, however due to the Company's commitment to transparency and increasing diversity, the Company has decided to voluntarily report. The following table sets out the gender and ethnic diversity of the Board as at 31 December 2022 in accordance with the FCA's Listing Rules:

GENDER DIVERSITY	NUMBER OF BOARD MEMBERS	PERCENTAGE OF THE BOARD	NUMBER OF SENIOR POSITIONS ON THE BOARD ¹
Men	4	80	2
Women	1	20	–
Not specified / prefer not to say	–	–	–
ETHNIC DIVERSITY			
White British or other White (including minority white groups)	5	100	2
Mixed/Multiple Ethnic Groups	–	–	–
Asian/Asian British	–	–	–
Black / African / Caribbean / Black British	–	–	–
Other ethnic group, including Arab	–	–	–
Not specified / prefer not to say	–	–	–

¹ Senior positions include Chair and Senior Independent Director

Although for the reporting period, the Board did not meet the FCA's targets with respect to diversity, the Board has commenced a succession exercise to appoint a new non-executive director, and it is intended that this process will result in the Company meeting the recommended targets, whilst ensuring that succession is managed in an orderly manner.

In addition, the role of Management Engagement Committee Chair, which the Board considers to be a senior position, is held by a woman. However, we remain committed to pushing the benefits of a diverse Board and will continue to make improvements in this regard.

As an investment company with solely independent, Non-executive Directors, the Group does not have a Chief Executive or a Chief Financial Officer and has no employees. Accordingly, no disclosures regarding executive management positions have been included.



Ian Reeves CBE
Nomination Committee Chair

Directors' Remuneration Report

/ ANNUAL STATEMENT

Dear shareholder,

I am pleased to present the Directors' Remuneration Report on behalf of the Board for the year ended 31 December 2022. It is set out in two sections in line with legislative reporting regulations:

- Directors' Remuneration Policy (on pages 98 to 99) – This sets out our Remuneration Policy for Directors of the Company that has been in place since 14 May 2021 following approval by shareholders.
- Annual Report on Directors' Remuneration (on pages 100 to 102) – This sets out how the Directors were paid for the year ended 31 December 2022. There will be an advisory shareholder vote on this section of the report at our 2023 AGM.

Prior to our IPO in August 2017, the Group introduced a remuneration framework to ensure that remuneration was aligned with best market practice whilst attracting and securing the right non-executive Directors to deliver our investment objectives.

The scale and structure of the Directors' remuneration was determined by the Company in consultation with the Group's Financial Adviser having been benchmarked against companies of a similar size in the sector and having regard to the time commitment and expected contribution to the role.

The Group does not have any executive Directors or employees, and, as a result, operates a simple and transparent remuneration policy with no variable element, that reflects the non-executive Directors' duties, responsibilities and time spent.

/ DISCRETION EXERCISED UNDER THE DIRECTORS' REMUNERATION POLICY

At the date of this report, no discretion is intended to be exercised under the Directors' Remuneration Policy.

We value engagement with our shareholders and for the constructive feedback we receive and look forward to your support at the forthcoming AGM.



Chris Phillips
Chair

Directors' Remuneration Policy

/ APPROVAL OF REMUNERATION POLICY

Our Directors' Remuneration Policy was last approved by shareholders at the Annual General Meeting of the Group held on 14 May 2021 and became effective from the conclusion of the Annual General Meeting. In accordance with section 439A of the Companies Act 2006, the provisions of the policy will apply until they are next put to shareholders for renewal of that approval, which must be at intervals of not more than three years, or if the Remuneration Policy is varied, in which event shareholder approval for the new Remuneration Policy will be sought.

The policy applies to the non-executive Directors; the Company has no executive Directors or employees.

/ REMUNERATION POLICY OVERVIEW

The Group's objective is to have a simple and transparent remuneration structure, aligned with the Group's strategy. The Group aims to provide remuneration packages with no variable element which will retain non-executive Directors with the skills and experience necessary to maximise shareholder value on a long-term basis. The remuneration packages for the recruitment of non-executive Directors will be set with reference to the remuneration packages of comparable businesses.

/ POLICY TABLE

The Directors are entitled only to the fees as set out in the table below from the date of their appointment. No element of Directors' remuneration is subject to performance factors.

COMPONENT	OPERATION	LINK TO STRATEGY
Annual Fee	Each Director receives a basic fee which is paid on a monthly basis. The total aggregate fees that can be paid to the Directors in any given financial year will be calculated in accordance with the Company's Articles of Association.	The level of the annual fee has been set to attract and retain high calibre Directors with the skills and experience necessary for the role. The fee has been benchmarked against companies of a similar size in the sector, having regard to the time commitment and expected contribution to the role.
Additional Fees	The Directors are each entitled to an additional fee of £7,500 in connection with the production of every prospectus by the Group. A Director who performs services, which in the opinion of the Board are outside the scope of the ordinary duties of a non-executive director, may also be paid such extra remuneration or may receive such other benefits as the Board may determine.	The additional fee in connection with the production of every prospectus has been included in recognition of the additional time commitment and contribution required in the preparation of a prospectus by the Company. The additional fee for services outside of the scope of ordinary duties offers flexibilities for a Director to be awarded additional remuneration to adequately compensate a Director where this is considered appropriate for the effective functioning of, or in furtherance of, the Company's aims.
Other benefits	Article 18.5 of the Company's Articles of Association permits for any Director to be repaid expenses incurred in attending or returning from meetings of the Board, committees of the Board or shareholder meetings or otherwise in connection with the performance of their duties as Directors of the Company. The Board has the power to pay and agree to pay gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.	In line with market practice, the Company will reimburse the Directors for expenses to ensure that they are able to carry out their duties effectively. The Directors do not currently receive any additional benefits; however the Board has included the power to offer the additional benefits as specified to create flexibility in the approach to retain or attract high calibre Board members.

/ SERVICE CONTRACTS

The Directors are engaged under letters of appointment and do not have service contracts with the Company.

/ DIRECTORS' TERM OF OFFICE

Under the terms of the Directors' letters of appointment, each directorship is for an initial period of 12 months and thereafter terminable on three months' written notice by either the Director or the Company. Each Director will be subject to annual re-election by shareholders at the Company's Annual General Meeting in each financial year.

/ POLICY ON PAYMENT FOR LOSS OF OFFICE

The Directors are entitled to payment of the fees as specified above, notwithstanding termination of their appointment, for the initial period of 12 months from the date of their appointment. Thereafter, there is no compensation payable upon termination of office as a Director of the Company.

/ CONSIDERATION OF SHAREHOLDER VIEWS

The Company is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to Directors' remuneration, the Company will seek the reasons for any such vote and will detail any resulting actions in the Directors' Remuneration Report.

Annual Report on Directors' Remuneration

/ CONSIDERATION OF REMUNERATION MATTERS

The Board does not consider it necessary to establish a separate remuneration committee as it has no executive Directors. The Board as a whole considers the remuneration of the Directors.

/ SINGLE TOTAL FIGURE (AUDITED TABLE)

NON-EXECUTIVE DIRECTORS	ANNUAL FEE ¹	ADDITIONAL FEE ²	OTHER TAXABLE BENEFITS ³	TOTAL 2022	TOTAL 2021	% 2021 ANNUAL CHANGE		
						ANNUAL FEE ¹	ADDITIONAL FEE ²	OTHER TAXABLE BENEFITS ³
Chris Phillips	£75,000	–	–	£75,000	£75,000	0%	0%	N/A
Ian Reeves CBE	£50,000	–	–	£50,000	£50,000	0%	0%	N/A
Peter Coward	£50,000	–	–	£50,000	£50,000	0%	0%	N/A
Paul Oliver	£50,000	–	–	£50,000	£50,000	0%	0%	N/A
Tracey Fletcher-Ray	£50,000	–	–	£50,000	£50,000	0%	0%	N/A

1 The Directors are paid a fixed annual fee. The fees do not have any variable or performance related elements, however, the Directors are entitled to an additional fee of £7,500 in connection with the production of every prospectus prepared with a fundraising by the Group. Refer to Directors' Fees section below.

2 The Company received no additional fees for the year ended 31 December 2022.

3 The Company does not provide a pension, retirement or similar benefits.

/ DIRECTORS' FEES

The Directors are each paid an annual fee of £50,000 other than the Chair who is entitled to receive an annual fee of £75,000. In addition to the annual fee, each Director is entitled to an additional fee of £7,500 in connection with the production of every prospectus prepared with a fundraising by the Group in recognition of the additional time contribution and commitment required. Any Director who performs services, which in the opinion of the Board are outside the scope of the ordinary duties of a non-executive director, may also be paid such extra remuneration or may receive such other benefits as the Board may determine. The additional fees are treated as a cost of issue not included as an expense through the Statement of Comprehensive Income. Directors are further entitled to recover all reasonable expenses properly incurred in connection with performing their duties as a Director. Directors' expenses for the year to 31 December 2022 totalled £3,238 (£1,546 as at 31 December 2021). No other remuneration was paid or payable during the year to any Director.

/ STATEMENT OF DIRECTORS' SHAREHOLDING AND SHARE INTERESTS (AUDITED TABLE)

Outlined are details of the Directors' shareholdings as at 31 December 2022. In the period between 31 December 2022 and the date of this report, Peter Coward acquired a further 813 ordinary shares on 11 January 2023, making the total number of shares he holds 80,076.

The Directors are not required to hold any shares of the Company by way of qualification. A Director who is not a shareholder of the Company shall nevertheless be entitled to attend and speak at shareholders' meetings.

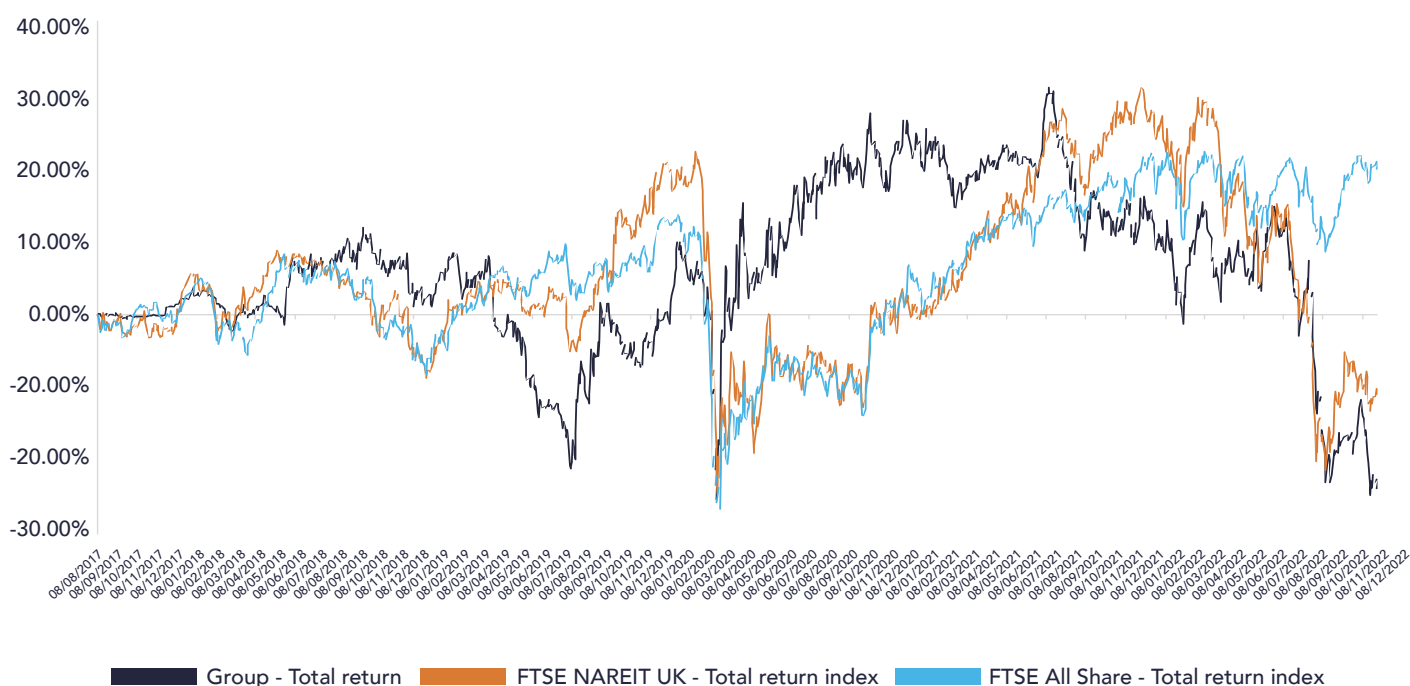
DIRECTOR	NUMBER OF SHARES HELD AS AT 31 DECEMBER 2021	NUMBER OF SHARES HELD AS AT 31 DECEMBER 2022	PERCENTAGE OF ISSUED SHARE CAPITAL AS AT 31 DECEMBER 2022
Chris Phillips	54,854*	54,854*	0.01%
Ian Reeves CBE	0	0	0.00%
Peter Coward	78,543**	79,263**	0.02%
Paul Oliver	77,967	77,967	0.02%
Tracey Fletcher-Ray	37,735	37,735	0.01%

*25,000 Ordinary Shares were subscribed through Chris Phillip's self-invested personal pension with the balance subscribed by Centaurea Investments Limited

**54,263 Ordinary Shares were subscribed through Peter Coward's self-invested personal pension.

/ TOTAL SHAREHOLDER RETURN

The graph below illustrates the total shareholder return of the Company's Ordinary Shares over the period relative to a return on a hypothetical holding over the same period in the FTSE All-Share Index and the FTSE EPRA/NAREIT UK Index. These indices have been chosen as they are considered to be the most appropriate benchmarks against which to assess the relative performance of the Company as the FTSE All Share represents companies of a similar capital size, and the constituents of the FTSE EPRA/NAREIT UK Index are UK based real estate companies.



/ RELATIVE IMPORTANCE OF SPEND ON PAY

The table below shows the total spend on remuneration compared to the distributions to shareholders by way of dividends, share buybacks and the management fees incurred by the Company. As the Group has no employees the total spend on remuneration comprises only the Directors' fees.

	2022	2021
Directors' fees	£275,000	£275,000
Dividends paid	£21,730,467	£20,924,889
Share buybacks	–	–
Management fee	£4,704,319	£4,546,596

/ CONSIDERATION OF SHAREHOLDER VIEWS

During the year, the Company did not receive any communications from shareholders specifically regarding Directors' pay.

The resolution to approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) was passed at the Annual General Meeting on 27 May 2022. The resolution to approve the Directors' Remuneration Policy was passed on a poll at the Annual General Meeting on 14 May 2021.

DIRECTOR	VOTING FOR	VOTING AGAINST	VOTES WITHHELD
Remuneration Report (approved at AGM on 27 May 2022)	99.97%	0.03%	64,780
Remuneration Policy (approved at AGM on 14 May 2021)	97.87%	2.13%	504,233

On behalf of the Board:



Chris Phillips
Chair

2 March 2023

Directors' Report

The Directors are pleased to present the annual report, including the Group's and Company's audited financial statements as at, and for the year ended 31 December 2022.

The information that fulfils the requirements of the Corporate Governance statement in accordance with rule 7.2 of the DTR can be found in this Directors' report and in the Governance section on pages 78 to 108 all of which is incorporated into this Directors' report by reference.

/ PRINCIPAL ACTIVITY

The Company is a closed-ended investment company and is a Real Estate Investment Trust which was incorporated in England and Wales on 12 June 2017. The Company is a holding company of a number of subsidiaries. The Group invests in properties in accordance with the investment policy and Investment Objective.

/ DIRECTORS

The names of the Directors who served from 1 January 2022 to 31 December 2022 are set out in the Board of Directors section on pages 80 to 81, together with their biographical details and principal external appointments.

The Articles govern the appointment and replacements of Directors.

/ AIFM AND INVESTMENT MANAGER

The names of the partners and employees of the Group's AIFM and Investment Manager are set out on pages 31 and a summary of the principal contents of the AIFM agreement and the Investment Management Agreement are set out in the management engagement committee report on pages 92 to 93.

/ FINANCIAL RESULTS AND DIVIDENDS

The financial results for the year can be found in the Group Statement of Comprehensive Income which can be found on page 118. In line with the target for the financial year, the Company declared the following interim dividends in respect of the year to 31 December 2022, amounting to 5.46 pence per share.

RELEVANT PERIOD	DIVIDEND PER SHARE (P)	EX DIVIDEND DATE	RECORD DATE	PAYMENT DATE
1 January to 31 March 2022	1.365	9 June 2022	10 June 2022	24 June 2022
1 April to 30 June 2022	1.365	15 September 2022	16 September 2022	30 September 2022
1 July to 30 September 2022	1.365	1 December 2022	2 December 2022	16 December 2022
1 October to 31 December 2022	1.365	16 March 2023	17 March 2023	31 March 2023

/ POWERS OF THE DIRECTORS

The powers given to the Directors are contained within the current articles of association of the Company (the 'Articles'), are subject to relevant legislation and, in certain circumstances (including in relation to the issuing or buying back by the Company of its shares), are subject to the authority being given to the Directors by shareholders in general meetings.

The Articles govern the appointment and replacements of Directors.

/ DIRECTORS' INDEMNITY

The Group has indemnified the Directors against certain liabilities which may be incurred in the course of their duties. This indemnity remains in force as at the date of this report and will also indemnify any new directors that join the Board. The Company maintains directors' and officers' liability insurance which gives appropriate cover for legal action brought against the Directors.

/ FINANCIAL RISK MANAGEMENT

The information relating to the Group's financial risk management and policies can be found in Note 33 of the financial statements.

/ POST-BALANCE SHEET EVENTS

Important events that have occurred since the end of the financial year can be found in Note 34 of the notes to the financial statements.

/ AMENDMENT TO THE ARTICLES

The Articles may only be amended with shareholders' approval in accordance with relevant legislation.

/ SHARE CAPITAL

The Company was admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange on 8 August 2017 and migrated to trading on the premium segment of the Main Market on 27 March 2018.

As at 31 December 2022, the Company had 403,239,002 Ordinary Shares in issue, 450,000 of which were held in treasury, as can be found in Note 22 of the financial statements. The shares held in treasury do not carry any voting rights and therefore the total number of voting rights in the Company is 402,789,002. There are no restrictions on voting rights of securities in the Company.

There are no restrictions on the transfer of securities in the Company other than certain restrictions which may be impaired by law, for example, Market Abuse Regulations, and the Group's Share Dealing Code.

The Company is not aware of any agreements between holders of securities that may result in restrictions on transferring securities in the Company. There are no securities of the Company carrying special rights with regards to the control of the Company in issue.

As a REIT, the Company's Ordinary Shares will be 'excluded securities' under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the Ordinary Shares will not be subject to the FCA's restriction on the promotion of non-mainstream pooled investments.

/ PURCHASE OF OWN ORDINARY SHARES

At the Company's Annual General Meeting on 27 May 2022, the Company was granted authority to make market purchases up to a maximum of 40,278,900 Ordinary Shares.

As at the date of this report, 450,000 Ordinary Shares were purchased (during 2019) in the market and held in treasury. A resolution to renew the Company's authority to purchase shares in accordance with the Notice of AGM will be put to the shareholders at the Annual General Meeting on 23 May 2023.

/ CHANGE OF CONTROL

Under the Group's financing facilities, any change of control at the borrower or immediate parent company level may trigger a repayment of the outstanding amounts to the lending banks. In certain facilities, the change of control provisions also include a change of control at the ultimate parent company level.

The Directors do not receive compensation for loss of office occurring due to a change of control.

/ GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY

The Board is cognisant of the impact of the Group's operations on emissions. In supporting the construction of new build properties, we hope to encourage best practice, in turn helping to reduce the industry's impact on emissions and the consumption of depleting resources. The Group voluntarily disclose Scope 3 property greenhouse gas emissions within the sustainability report, further information on page 54.

In relation to the Streamlined Energy and Carbon Reporting (SECR), implemented by The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, for the year ended 31 December 2022 the Group is considered to be a low energy user (<40,000kWh) and therefore falls below the threshold to produce an energy and carbon report.

/ MAJOR SHAREHOLDINGS

In accordance with DTR 5, the Company was advised of the following significant direct and indirect interests in the issued ordinary share capital of the Company as at 31 December 2022.

SHAREHOLDER	INTERESTS IN ORDINARY SHARES	% HOLDING DISCLOSED
BlackRock, Inc.	53,520,406	13.27%
East Riding of Yorkshire Council	32,879,797	9.36%
Investec Wealth & Management Limited	28,892,160	8.22%
Nottinghamshire County Council Pension Fund	19,417,475	5.53%
Evelyn Partners Investment Management Services	19,892,781	4.93%
Smith and Williamson Holdings Limited	11,788,972	4.78%
Brewin Dolphin Limited	16,032,858	4.56%
South Yorkshire Pensions Authority	11,955,713	3.40%

Information provided to the Company pursuant to DTR 5 is available via the Regulatory News section on the Group's website.

/ CONTRACTS OF SIGNIFICANCE

There are no contracts of significance of the Company or a subsidiary in which a Director is or was materially interested or to which a controlling shareholder was a party.

/ DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as the Directors are aware, there is no relevant audit information of which the auditor is unaware.

The Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

/ RELATED PARTY TRANSACTIONS

Related Party transactions for the period to 31 December 2022 can be found in Note 15 of the financial statements.

/ RESEARCH AND DEVELOPMENT

No expenditure on research and development was made during the year (2021: Nil).

/ DONATIONS AND CONTRIBUTIONS

No political or charitable donations were made during the year (2021: Nil).

/ BRANCHES OUTSIDE THE UK

There are no branches of the business located outside the UK.

/ ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held on 23 May 2023 at 10.00am at 5 New Street Square, London, EC4A 3TW.

/ INFORMATION INCLUDED IN THE STRATEGIC REPORT

The information that fulfils the reporting requirements relating to the following matters can be found on the pages identified.

SUBJECT MATTER	PAGE REFERENCE
Likely future developments	16-21
Employee engagement	52-53
Employment of disabled persons	52-53
Business relationships	52-53

On behalf of the Board:



Chris Phillips
Chair

2 March 2023

Directors' Responsibilities Statement

The directors are responsible for preparing the annual report and the financial statements in accordance with UK adopted international accounting standards and 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 UK adopted international accounting standards and have elected to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 Group and Parent Company and of the profit or loss for the Group for that period.

In preparing these 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 they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business; and
- prepare a Directors' report, a strategic report and Directors' remuneration report which comply with the requirements of the Companies Act 2006.

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 ensuring that the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

/ WEBSITE PUBLICATION

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

/ DIRECTORS' RESPONSIBILITIES PURSUANT TO DTR4

The Directors confirm to the best of their knowledge:

- The financial statements have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group.
- The Annual Report includes a fair review of the development and performance of the business and the financial position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

/ APPROVAL

This Directors' responsibilities statement was approved by the Board of Directors and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C Phillips', written in a cursive style.

Chris Phillips
Chair

2 March 2023

Independent Auditor's Report

/ TO THE MEMBERS OF TRIPLE POINT SOCIAL HOUSING REIT PLC

/ OPINION ON THE FINANCIAL STATEMENTS

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Triple Point Social Housing REIT plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022 which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group and Company Statements of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

/ 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

INDEPENDENCE

Following the recommendation of the audit committee, we were appointed by the Directors on 18 July 2017 to audit the financial statements for the year ended 31 December 2017 and subsequent financial periods. Following a competitive re-tender in May 2019 we were reappointed to audit the financial statements for the year ended 31 December 2019 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is six years, covering the years ended 31 December 2017 to 31 December 2022.

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 prohibited by that standard were not provided to the Group or the Parent Company.

/ 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 and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the going concern model from the Directors, and challenging the assumptions used by the Directors in the going concern forecast. This included assumptions around expected investment property acquisitions, the movements in investment property valuations, movements in the Group's level of borrowings and the associated interest, and rental income increases. We obtained evidence, where available, to support inputs into the model.
- Testing the arithmetical accuracy of the model.
- Challenging the sensitivities applied by the Directors to the model, including a fall in revenue in the event lessees are unable to meet rent payments in relation to vacant units, as well as a corresponding fall in property valuations. On these stress tested model we challenged assumptions made by the Directors, specifically with regards to:
 - i. The expected impact on investment property valuations;
 - ii. The expected impact on rental income;
 - iii. The expected void period before suitable alternative tenants could be found;
 - iv. The impact on the Group's covenant compliance; and
 - v. The reasonableness of the assumptions used in the stress test.
- Performing an analysis of the headroom of the Group's ability to meet their day to day operational costs in the stress tested forecasts.
- Performing an analysis of the covenant compliance and the headroom and considered these in light of our own further stress tests.
- Reviewing the post year end rent receipts for trade debtors as at 31 December 2022, to assess the financial position of tenants.

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 and the Parent 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 Parent Company's reporting on how it 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.

/ OVERVIEW

COVERAGE*	100% (2021: 100%) of Group revenue		
	100% (2021: 100%) of Group investment property		
	99.9% (2021: 99.6%) of Group total assets		
	99.8% (2021: 99.8%) of Group profit before tax		
KEY AUDIT MATTERS		2022	2021
	Investment property valuations	✓	✓
	Revenue recognition	N/A	✓
	Revenue recognition is no longer considered to be a key audit matter as revenue is no longer considered to be a significant risk.		
MATERIALITY	Group financial statements as a whole We determined materiality for the Group financial statements as a whole to be £7,060,000 (2021: £6,990,000), which was set at 1% (2021: 1%) of Group total assets.		

/ AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

The Group operates solely in the United Kingdom, and all audit procedures are performed by the Group audit team. We identified four significant components, in addition to the Parent Company:

- Norland Estates Limited
- TP REIT Propco 2 Limited
- TP REIT Propco 3 Limited
- TP REIT Propco 4 Limited

All significant components were subject to full scope audits. Audit work on the other components in the Group was undertaken subject to Group materiality. Material balances and significant risk areas were tested substantively and through analytical procedures.

*These are areas which have been subject to a full scope audit by the Group engagement team.

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, including 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.

KEY AUDIT MATTER	HOW THE SCOPE OF OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Investment property valuations Refer to notes 3.1 and 4.2 in relation to significant estimates and accounting policies. Refer to note 14 in relation to investment properties. The Group's investment property portfolio is made up of standing assets that are existing properties that are currently let. They are valued using the income capitalisation method. This method is applied to income producing assets and discounts the future value of rents by an appropriate discount rate. The Directors use an independent valuer to assist them with the valuation of the property portfolio. The valuation of investment property requires significant judgement and estimates by the Directors and the independent valuer and is therefore considered a significant risk due to the subjective nature of certain assumptions inherent in each valuation. Any input inaccuracies or unreasonable bases used in the valuation judgements (such as in respect of yield profile applied) could result in a material misstatement of the financial statements. There is also a risk that the Directors may influence the significant judgements and estimates in respect of property valuations in order to achieve property valuation and other performance targets to meet market expectations. This could be achieved through manipulation of information provided to the valuer.	Experience of valuer and relevance of its work • We obtained the valuation report prepared for the Directors by the independent valuer and discussed the basis of the valuations with the independent valuer. We checked that the basis of the valuations was in accordance with the requirements of accounting standards. • We assessed the external valuer's qualifications, independence and objectivity. • We obtained a copy of the instructions provided to the independent valuer and reviewed for any limitations in scope or for evidence of Management bias. Data provided to the valuer • We checked 100% of the underlying data provided to the valuer by Management. This data included inputs such as current rent and lease term, which we agreed to the executed lease agreements as part of our audit work. Assumptions and estimates used by the valuer • We developed yield expectations on all properties in the Group's portfolio using available independent industry data and reports around the year end. • We discussed the assumptions used and the valuation movement in the year with both Management and the independent valuer. Where the valuation was outside of our expected range we discussed with the independent valuer specific assumptions and reasoning for the yields applied and corroborated their explanations where relevant. We also discussed with the valuer their views on the impact on the valuations of the Approved Providers having received non-compliant ratings from the regulators. We compared their responses against our own expectations based on our sector knowledge and through inspection of comparable market data. Key observations: Our testing indicated that the estimates and assumptions used in the investment property valuations were appropriate in the context of the Group's property portfolio.

/ OUR APPLICATION OF MATERIALITY

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	GROUP FINANCIAL STATEMENTS		PARENT COMPANY FINANCIAL STATEMENTS	
	2022 £M	2021 £M	2022 £M	2021 £M
MATERIALITY	7.1	7.0	4.1	4.0
BASIS FOR DETERMINING MATERIALITY	Materiality for the Group and Parent company's financial statement was set at 1% of total assets (2021: 1%).			
RATIONALE FOR THE BENCHMARK APPLIED	We determined that total assets would be the most appropriate basis for determining overall materiality as we consider it to be one of the principal considerations for the users of the financial statements in assessing the financial performance of the Group and Parent Company.			
PERFORMANCE MATERIALITY	4.94	4.55	2.90	2.59
BASIS FOR DETERMINING PERFORMANCE MATERIALITY	On the basis of our risk assessment, together with our assessment of the Group's overall control environment, our judgement was that overall performance materiality for the Group should be 70% (2021: 65%) of materiality. A number of factors led to the judgement to increase the performance materiality level from prior year. This included the fact that there was a low level of brought forward adjustments, with a minimal number of adjustments raised in historic audits, as well as Management's open consideration to adjusting for misstatements raised. We determined that the same measure as the Group was appropriate for the Parent Company.			

SPECIFIC MATERIALITY

We also determined that for other account balances, classes of transactions and disclosures not related to investment properties, that specifically impact the measurement of EPRA earnings, a misstatement of less than materiality for the financial statements as a whole, specific materiality, could influence the economic decisions of users. As a result, we determined that specific materiality for these areas should be £962,000 (2021: £970,000). This was set at 5% (2021: 5%) of European Public Real Estate Association ("EPRA") earnings. EPRA earnings excludes the impact of the net surplus on revaluation of investment properties. Those items which may affect EPRA earnings include rental income, general and administrative expenses, management fees, finance income and finance cost. We further applied a performance materiality level of 70% (2021: 65%) of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated. The specific materiality for the Parent Company was capped at 65% (2021: 40%) of Group specific materiality being £625,000 (2021: £388,000).

COMPONENT MATERIALITY

We set materiality for each significant component of the Group based on a percentage of 1% (2021: 1%) of the total assets of that component. Significant component materiality ranged from £180,000 to £4,810,000 (2021: ranged from £388,000 to £3,980,000).

In the audit of each component, we further applied performance materiality levels of 70% (2021: 65%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

REPORTING THRESHOLD

We agreed with the Audit Committee that for the Group financial statements we would report to them all individual audit differences in excess of £353,000 (2021: £140,000) for items audited to financial statement materiality, and £48,000 (2021: £19,000) for items audited to specific materiality. We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

We agreed that the reporting threshold for the Parent Company would be £207,000 (2021: £79,600) for items audited to financial statement materiality, and £31,200 (2021: £7,800) for items audited to specific materiality.

/ OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. 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.

/ 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 parent company'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 or our knowledge obtained during the audit.

GOING CONCERN AND LONGER-TERM VIABILITY

- The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 72 to 74; and
- The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 72.

OTHER CODE PROVISIONS

- Directors' statement on fair, balanced and understandable set out on page 107;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 66 to 73;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 89; and
- The section describing the work of the audit committee set out on page 88.

/ OTHER COMPANIES ACT 2006 REPORTING

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

STRATEGIC REPORT AND DIRECTORS' REPORT	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 Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
DIRECTORS' REMUNERATION	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

/ RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement, 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 Parent 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 Parent Company or to cease operations, or have no realistic alternative but to do so.

/ 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.

EXTENT TO WHICH THE AUDIT WAS 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:

We gained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates, and considered the risk of acts by the Group that were contrary to applicable laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements and considered the significant laws and regulations to be the Companies Act 2006, the UK Listing Rules, tax legislation, housing association regulations, health and safety legislation and the Equal Opportunity Act.

Our procedures included agreeing the financial statement disclosures to underlying supporting documentation where relevant, review of Board and Committee meeting minutes, enquiries with Management and those charged with governance as to the risks of non-compliance with laws and regulations and any instances thereof and we obtained an understanding of controls around procurement fraud.

We assessed the susceptibility of the financial statements to material misstatement, including fraud and considered the fraud risk areas to be revenue recognition, investment property valuations and management override of controls.

We obtained a copy of all new leases entered into during the year and checked the calculation and recognition of rental income and agreed this back to the tenancy schedule prepared by Management.

For all leases that were in place at 31 December 2021, we set expectations for the rental income based on information previously extracted from the leases and compared this to the actual revenue recognised in the current year, investigating any differences above a set threshold.

We traced a sample of rental income invoiced through to bank statements to check that rent recognised is not net of any lease concessions or additional rent free periods granted not previously identified as well as the cash being received from the contracting tenant.

We agreed all bank balances and loans to direct bank confirmations and agreements.

In addressing the risk of management override of internal controls, we tested a sample of journals and evaluated whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud. We identified what we considered to be the key risk characteristics and targeted our sample testing to these areas. We obtained an explanation for journals within the sample, as well as supporting evidence. This included evaluating any management bias within the valuation of investment property, as mentioned in the investment property valuations key audit matter above.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, who were deemed to have appropriate competence and capabilities, to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

/ USE OF OUR REPORT

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Charles Ellis (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

2 March 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Financial Statements

Group Statement of Comprehensive Income

for the year ended 31 December 2022

	Note	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Income			
Rental income	5	37,300	33,117
Expected credit loss	5	(2,073)	–
Other income		110	–
Total income		35,337	33,117
Expenses			
Directors' remuneration	6	(308)	(307)
General and administrative expenses	9	(2,854)	(2,067)
Management fees	8	(4,704)	(4,552)
Total expenses		(7,866)	(6,926)
Gain from fair value adjustment on investment property	14	8,264	8,998
Operating profit		35,735	35,189
Finance income	11	56	44
Finance costs	12	(10,889)	(6,823)
Profit for the year before tax		24,902	28,410
Taxation	13	–	–
Profit and total comprehensive income for the year		24,902	28,410
IFRS Earnings per share – basic and diluted	36	6.18p	7.05p

The accompanying notes on pages 122 to 141 form an integral part of these Group Financial Statements.

Financial Statements

Group Statement of Financial Position

as at 31 December 2022

	Note	31 December 2022 £'000	31 December 2021 £'000
Assets			
Non-current assets			
Investment properties	14	667,713	641,293
Trade and other receivables	15	2,889	2,311
Total non-current assets		670,602	643,604
Current assets			
Assets held for sale		–	480
Trade and other receivables	16	4,272	3,435
Cash, cash equivalents and restricted cash	17	30,139	52,470
Total current assets		34,411	56,385
Total assets		705,013	699,989
Liabilities			
Current liabilities			
Trade and other payables	18	3,120	3,651
Total current liabilities		3,120	3,651
Non-current liabilities			
Other payables	19	1,520	1,523
Bank and other Borrowings	20	261,088	258,702
Total non-current liabilities		262,608	260,225
Total liabilities		265,728	263,876
Total net assets		439,285	436,113
Equity			
Share capital	22	4,033	4,033
Share premium reserve	23	203,753	203,753
Treasury shares reserve	24	(378)	(378)
Capital reduction reserve	25	160,394	160,394
Retained earnings	26	71,483	68,311
Total Equity		439,285	436,113
IFRS Net asset value per share – basic and diluted	37	109.06p	108.27p

The Group Financial Statements were approved and authorised for issue by the Board on 2 March 2023 and signed on its behalf by:



Chris Phillips

Chair

2 March 2023

The accompanying notes on pages 122 to 141 form an integral part of these Group Financial Statements.

Financial Statements

Group Statement of Changes in Equity

for the year ended 31 December 2022

Year ended 31 December 2022	Note	Share capital £'000	Share premium reserve £'000	Treasury shares reserve £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2022		4,033	203,753	(378)	160,394	68,311	436,113
Profit and total comprehensive income for the year		–	–	–	–	24,902	24,902
Transactions with owners							
Dividends paid	27	–	–	–	–	(21,730)	(21,730)
Balance at 31 December 2022		4,033	203,753	(378)	160,394	71,483	439,285

Year ended 31 December 2021	Note	Share capital £'000	Share premium reserve £'000	Treasury shares reserve £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2021		4,033	203,776	(378)	166,154	55,066	428,651
Profit and total comprehensive income for the year		–	–	–	–	28,410	28,410
Transactions with owners							
Share issue costs capitalised	23	–	(23)	–	–	–	(23)
Dividends paid	27	–	–	–	(5,760)	(15,165)	(20,925)
Balance at 31 December 2021		4,033	203,753	(378)	160,394	68,311	436,113

The accompanying notes on pages 122 to 141 form an integral part of these Group Financial Statements.

Financial Statements

Group Statement of Cash Flows

for the year ended 31 December 2022

	Note	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Cash flows from operating activities			
Profit before income tax		24,902	28,410
Adjustments for:			
Expected credit loss		2,073	–
Gain from fair value adjustment on investment property		(8,264)	(8,998)
Finance income		(56)	(44)
Finance costs		10,889	6,823
Operating results before working capital changes		29,544	26,191
(Increase)/Decrease in trade and other receivables		(4,127)	(1,237)
(Decrease)/Increase in trade and other payables		280	(242)
Net cash flow generated from operating activities		25,697	24,712
Cash flows from investing activities			
Purchase of investment properties		(20,611)	(61,350)
Prepaid acquisition costs paid		–	(18)
Disposal proceeds from sale of assets		2,120	125
Restricted cash – paid		(5)	(410)
Restricted cash – released		133	279
Interest received		18	–
Net cash flow used in investing activities		(18,345)	(61,374)
Cash flows from financing activities			
Proceeds from issue of Ordinary Shares at a premium		–	–
Ordinary Share issue costs capitalised		–	(23)
Interest paid		(7,226)	(5,615)
Bank borrowings drawn	20	–	195,000
Bank borrowings repaid	20	–	(130,000)
Loan arrangement fees paid	21	(599)	(2,728)
Dividends paid	27	(21,730)	(20,925)
Net cash flow generated from financing activities		(29,555)	35,709
Net decrease in cash and cash equivalents		(22,203)	(953)
Cash and cash equivalents at the beginning of the year		51,899	52,852
Cash and cash equivalents at the end of the year	17	29,696	51,899

The accompanying notes on pages 122 to 141 form an integral part of these Group Financial Statements.

Financial Statements

Notes to the Group Financial Statements

for the year ended 31 December 2022

1. CORPORATE INFORMATION

Triple Point Social Housing REIT PLC (the "Company") is a Real Estate Investment Trust ("REIT") incorporated in England and Wales under the Companies Act 2006 as a public company limited by shares on 12 June 2017. The address of the registered office is 1 King William Street, United Kingdom, EC4N 7AF. The Company is registered as an investment company under section 833 of the Companies Act 2006 and is domiciled in the United Kingdom.

The principal activity of the Company is to act as the ultimate parent company of Triple Point Social Housing REIT PLC and its subsidiaries (the "Group") and to provide shareholders with an attractive level of income, together with the potential for capital growth from investing in a portfolio of social homes.

2. BASIS OF PREPARATION

The financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. All accounting policies have been applied consistently.

The Group's Financial Statements have been prepared on a historical cost basis, as modified for the Group's investment properties, which have been measured at fair value. Gains or losses arising from changes in fair values are included in profit or loss.

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK-adopted international accounting standards, with future changes being subject to endorsement by the UK Endorsement Board. The Company transitioned to UK-adopted international accounting standards in its consolidated financial statements on 1 January 2021. There was no impact or changes in accounting policies from the transition. The Group has applied the same accounting policies and method of computation in these Financial Statements as in its 2021 annual financial statements. At the date of authorisation of these financial statements, there were a number of standards and interpretations which were effective, however none of which have an impact on these financial statements.

2.1. GOING CONCERN

The Group benefits from a secure income stream from long leases which are not overly reliant on any one tenant and present a well-diversified risk. The Directors have reviewed the Group's forecast which shows the expected annualised rental income exceeds the expected operating costs of the Group. 91.8% of rental income due and payable for the period ended 31 December 2022 has been collected, rent arrears are predominantly attributable to two Approved Providers, My Space Housing Solutions and Parasol Homes.

The Directors believe that the Group is still well placed to manage its financing and other business risks and that the Group will remain viable, continuing to operate and meet its liabilities as they fall due. During the year, Fitch Ratings Limited assigned the Company an investment Long-Term Issuer Default Rating of 'A-' with a stable outlook.

The Directors have performed an assessment of the ability of the Group to continue as a going concern, for a period of at least 12 months from the date of signing these financial statements. The Directors have considered the expected obligations of the Group for the next 12 months and are confident that all will be met.

The Directors have also considered the financing provided to the Group. Norland Estates Limited and TP REIT Propco 2 Limited have bank facilities with MetLife and Metlife and Barings respectively. TP REIT Propco 5 Ltd's Revolving Credit Facility (RCF) with Lloyds and Natwest cancelled in December 2022. Prior to cancellation the facility was undrawn.

The loans secured by Norland Estates Limited and TP REIT Propco 2 Limited are subject to asset cover ratio covenants and interest cover ratio covenants which can be found in the table below. The Directors have also considered reverse stress testing and the circumstances that would lead to a covenant breach. Given the level of headroom, the Directors are of the view that the risk of scenarios materialising that would lead to a breach of the covenants is remote.

	Norland Estates Limited	TP REIT Propco 2 Limited
Asset Cover (ACR)		
Asset Cover Ratio Covenant	x2.00	x1.67
Asset Cover Ratio 31 December 2022	x2.77	x2.10
Blended Net initial yield	5.55%	5.34%
Headroom (yield movement)	196bps	130bps
Interest Cover (ICR)		
Interest Cover Ratio Covenant	1.75x	1.75x
Interest Cover Ratio 31 December 2022	5.02x	4.41x
Headroom (rental income movement)	65%	60%

The loan secured by Norland Estates Limited asset cover ratio was amended from previous covenant of x2.25 in August 2021 to bring more in line with the ACR covenant in the new Note Purchase Agreement with MetLife and Barings.

Under the downside model the forecasts have been stressed to show the effect of some Care Providers ceasing to pay their voids liability, and as a result this causes Approved Providers to default under some of the Group leases. Under the downside model the Group will be able to settle its liabilities for a period of at least 12 months from the date of signing these financial statements. As a result of the above, the Directors are of the opinion that the going concern basis adopted in the preparation of the financial statements is appropriate.

The Group has no short or medium term refinancing risk given the 10.6 year average maturity of its long term debt facilities with MetLife and Barings, the first of which expires in June 2028, and which are fully fixed at an all-in weighted average rate of 2.74%.

Based on the forecasts prepared and the intentions of the Parent Company, the Directors consider that the Group will be able to settle its liabilities for a period of at least 12 months from the date of signing these financial statements and therefore has prepared these financial statements on the going concern basis.

2.2. CURRENCY

The Group financial information is presented in Sterling which is also the Company's functional currency.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Group's accounting policies, which are described in note 4, 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 that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

ESTIMATES:

3.1. INVESTMENT PROPERTIES (NOTE 14)

The Group uses the valuation carried out by its independent valuers as the fair value of its property portfolio. The valuation is based upon assumptions including future rental income and the appropriate discount rate. The valuers also refer to market evidence of transaction prices for similar properties. Further information is provided in note 14.

The Group's properties have been independently valued by Jones Lang LaSalle Limited ('JLL' or the 'Valuer') in accordance with the definitions published by the Royal Institute of Chartered Surveyors' ("RICS") Valuation – Professional Standards, July 2020, Global and UK Editions (commonly known as the "Red Book"). JLL is one of the most recognised professional firms within social housing valuation and has sufficient current local and national knowledge of both social housing generally and Specialist Supported Housing and has the skills and understanding to undertake the valuations competently.

With respect to the Group's Financial Statements, investment properties are valued at their fair value at each Statement of Financial Position date in accordance with IFRS 13 which recognises a variety of fair value inputs depending upon the nature of the investment. Specifically:

Level 1 – Unadjusted, quoted prices for identical assets and liabilities in active (typically quoted) markets;

Level 2 – Quoted prices for similar assets and liabilities in active markets; and

Level 3 – External inputs are "unobservable". Value is the Director's best estimate, based on advice from relevant knowledgeable experts, use of recognised valuation techniques and a determination of which assumptions should be applied in valuing such assets and with particular focus on the specific attributes of the investments themselves.

Given the bespoke nature of each of the Group's investments, all of the Group's investment properties are included in Level 3.

3.2. EXPECTED CREDIT LOSSES (ECL)

The total ECL provision is £2.1 million and relates to rental arrears for two of the Group's Approved Providers. A default probability for each of the two Approved Providers, representing the estimated percentage likelihood of them paying any outstanding rent due at 31 December 2022, was determined based on their latest known financial position and any repayments plans that had been agreed or discussed. For each provider the estimated percentage probability of receiving unpaid rent has been multiplied by the rental arrears for the year. These two figures have then been aggregated to arrive at the ECL provision.

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Notes to the Group Financial Statements

for the year ended 31 December 2022

JUDGEMENTS:

3.3. ASSET ACQUISITIONS

The Group acquires subsidiaries that own investment properties. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Directors consider whether a set of activities and assets which include an input and a substantive process that together significantly contribute to the ability to create outputs has been acquired in determining whether the acquisition represents the acquisition of a business. An optional concentration test is also performed which assesses whether substantially all of the fair value of the gross assets acquired is concentrated in a single asset or group of similar assets. If such a concentration exists, the transaction is not viewed as an acquisition of a business and no further assessment of the business combination guidance is required. The Group has not purchased, and does not intend to purchase, any subsidiaries which incorporate any assets other than investment property.

Where such acquisitions are not judged to be the acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based upon their relative fair values at the acquisition date. Accordingly, no goodwill or deferred tax arises.

All corporate acquisitions during the period have been treated as asset purchases rather than business combinations because the optional concentration test has been performed which has determined that the fair value of the gross asset acquired is concentrated into a single asset, investment property and therefore is not a business combination.

3.3. THE GROUP AS LESSOR (NOTE 28)

The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of its properties and so accounts for the leases as operating leases. This evaluation involves judgement and the key factors considered include comparing the duration of the lease terms compared to the economic life of the underlying property asset, or in the case of sub-leased properties, the remaining life of the right-of-use asset arising from the headlease, and the present value of minimum lease payments compared to the fair value of the asset at acquisition.

3.4. LEASE TERM

Rental income is recognised on a straight-line basis over the expected lease term. A judgement has to be made by the Directors as to the expected term of each lease. The judgement involves determining whether put and call options on certain leases will be exercised. This judgement impacts the length of

time over which lease incentives are recognised. The key element of this judgement is whether the Directors can be "reasonably certain" that any options or breaks in place to extend the lease term will be exercised at the expiry of the current lease, which is typically some 20 years in the future. In particular, consideration was given to the future regulatory environment, government policy on social housing and future alternative uses for the property. The Directors concluded that it was impossible to say with reasonable certainty that an option will be exercised. The Directors concluded that lease terms should be restricted to the initial term of the lease, or to the break date, except where reversionary lease have already been executed or where options to extend have already been exercised.

The principal accounting policies applied in the preparation of the financial statements are set out below.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1. BASIS OF CONSOLIDATION

The financial statements comprise the financial information of the Group as at the year-end date.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. All intra-Group transactions, balances, income and expenses are eliminated on consolidation. The financial information of the subsidiaries are included in the financial statements from the date that control commences until the date that control ceases.

If an equity interest in a subsidiary is transferred but a controlling interest continues to be held after the transfer, then the change in ownership interest is accounted for as an equity transaction.

Accounting policies of the subsidiaries are consistent with the policies adopted by the Group.

4.2. INVESTMENT PROPERTY

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost, being the fair value of the consideration given, including expenditure that is directly attributable to the acquisition of the investment property. The Group recognises asset acquisitions on completion. After initial recognition, investment property is stated at its fair value at the Statement of Financial Position date. Gains and losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise in the Statement of Comprehensive Income. Subsequent expenditure is capitalised only when it is probable that future economic benefits are associated with the expenditure.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected to be obtained from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recorded in profit or loss in the period in which the property is derecognised.

Investment properties under construction are financed by the Group where the Group enters into contracts for the development of a pre-let property under a forward funding agreement. The Group does not expose itself to any speculative development risk as the proposed property is pre-let to a tenant under an agreement for lease and the Group enters into a fixed price development agreement with the Developer. Investment properties under construction are initially recognised in line with stage payments made to the developer. The properties are revalued at fair value at each reporting date in the form of a work-in-progress value. The work-in-progress value of investment properties under construction is estimated as fair value of the completed asset less any costs still payable in order to complete, which includes the Developer's margin.

During the period between initial investment and the lease commencement date (practical completion of the works) a coupon interest due on the funds paid in the range of typically 6-6.75% per annum is payable by the Developer. The accrued coupon interest is considered as a discount on the fixed contract price. It does not result in any cash flows during the development but reduces the outstanding balance payable to the developer on practical completion. When practical completion is reached, the completed investment property is transferred to operational assets at the fair value on the date of completion.

Significant accounting judgements, estimates and assumptions made for the valuation of investment properties are discussed in note 3.

4.3. LEASES

LESSOR

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group has determined that it retains all the significant risks and rewards of ownership of the properties it has acquired to date and accounts for the contracts as operating leases as discussed in note 3.

Properties leased out under operating leases are included in investment property in the Statement of Financial Position. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant leases.

LESSEE

As a lessee the Group recognises a right-of-use asset within investment properties and a lease liability for all leases, which is included within other payables (note 18). The lease liabilities are measured at the present value of the remaining lease payments, discounted using an appropriate discount rate at inception of the lease or on initial recognition. The discount rate applied by the Group is the incremental borrowing rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

As leasehold properties meet the definition of investment property, the right-of-use assets are presented within investment property (note 14), and after initial recognition are subsequently measured at fair value.

SUB-LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the underlying property asset to the lessee. Sub-leases of leasehold properties are classified with reference to the right-of-use asset arising from the head lease. All other leases are classified as operating leases.

4.4. RENT AND OTHER RECEIVABLES

Rent and other receivables are amounts due in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets.

Rent receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost, less provision for impairment.

Impairment provisions for current and non-current rent receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the rent receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the rent receivables. For rent receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of comprehensive income. On confirmation that the rent receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

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for the year ended 31 December 2022

Impairment provisions for all other receivables are recognised based on a forward-looking expected credit loss model using the general approach. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

4.5. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

Cash, cash equivalents and restricted cash include cash in hand, cash held by lawyers and liquidity funds with a term of no more than three months that are readily convertible to a known amount of cash, and which are subject to an insignificant risk of changes in value.

Cash held by lawyers is money held in escrow for expenses expected to be incurred in relation to investment properties pending completion. These funds are available immediately on demand.

Restricted Cash represents cash held in relation to retentions for repairs, maintenance and improvement works by the vendors that is committed on the acquisition of the properties, and restricted bank borrowings.

4.6. PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the Statement of Financial Position date, considering the risks and uncertainties surrounding the obligation.

4.7. TRADE AND OTHER PAYABLES

Trade and other payables are classified as current liabilities if payment is due within one year or less from the end of the current accounting period. If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method until settled.

4.8. BANK AND OTHER BORROWINGS

Bank borrowings and the Group's loan notes are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensure that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Group Statement of Financial Position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payment while the liability is outstanding.

Modifications to borrowing terms are assessed when agreed with the lender to determine if they represent a substantial or non-substantial modification under IFRS 9. This involves the '10% test' comparing the discounted present value of the revised cash flows against the carrying value of the loan, as well as a review of any other qualitative changes to the terms. If the modifications are deemed substantial, the existing liability is extinguished and a new liability is recognised, with the difference between the carrying amount of the existing financial liability and the fair value of the modified financial liability at modification date being recognised in the Statement of Comprehensive Income. If the modification is deemed non-substantial, costs or fees incurred are adjusted against the liability and are amortised over the remaining term.

4.9. TAXATION

Taxation on the element of the profit or loss for the period that is not exempt under UK REIT regulations would be comprised of current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised as direct movement in equity, in which case it is 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 Statement of Financial Position date, and any adjustment to tax payable in respect of previous periods.

4.10. DIVIDENDS PAYABLE TO SHAREHOLDERS

Dividends to the Company's shareholders are recognised as a liability in the Group's Financial Statements in the period in which the dividends are approved. Interim dividends are recognised when paid.

4.11. RENTAL INCOME

Rental income from investment property is recognised on a straight-line basis over the term of ongoing leases and is shown gross of any UK income tax. A rental adjustment is recognised from the rent review date in relation to unsettled rent reviews, where the Directors are reasonably certain that the rental uplift will be agreed.

Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. These are recognised within trade and other receivables on the Statement of Financial Position.

When the Group enters into a forward funded transaction, the future tenant signs an agreement for lease. No rental income is recognised under the agreement for lease, but once the practical completion has taken place the formal lease is signed at which point rental income commences to be recognised in the Statement of Comprehensive Income.

4.12. FINANCE INCOME AND FINANCE COSTS

Finance income is recognised as interest accrues on cash balances held by the Group. Finance costs consist of interest and other costs that the Group incurs in connection with bank and other borrowings. These costs are expensed in the period in which they occur. Borrowing costs that are separately identifiable and directly attributable to the acquisition or construction of forward funded assets that take a substantial period of time to complete are capitalised as part of the development cost in investment property (note 14).

4.13. EXPENSES

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

4.14. INVESTMENT MANAGEMENT FEES

Investment advisory fees are recognised in the Statement of Comprehensive Income on an accruals basis.

4.15. SHARE ISSUE COSTS

The costs of issuing or reacquiring equity instruments (other than in a business combination) are accounted for as a deduction from equity.

4.16. TREASURY SHARES

Consideration paid or received for the purchase or sale of treasury shares is recognised directly in equity. The cost of treasury shares held is presented as a separate reserve ("the treasury share reserve"). Any excess of the consideration received on the sale of treasury shares over the weighted average cost of the shares sold is credited to retained earnings.

5. RENTAL INCOME

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Rental income – freehold assets	35,087	31,071
Rental income – leasehold assets	2,213	2,046
	37,300	33,117
Expected credit loss	2,073	–

The lease agreements between the Group and the Registered Providers are fully repairing and insuring leases. The Registered Providers are responsible for the settlement of all present and future rates, taxes, costs and other impositions payable in respect of the property. As a result, no direct property expenses were incurred.

All rental income arose within the United Kingdom.

The expected loss rates are based on the Group's credit losses which occurred in the year under review for the first time since IPO. The loss rates are then adjusted for current and forward-looking information affecting the Group's tenants. The total ECL provision is £2.1 million and relates to rental arrears for two of the Group's Approved Providers. For each provider the estimated percentage probability of receiving unpaid rent has been multiplied by the rental arrears for the period. These two figures have then been aggregated to arrive at the ECL provision. The residual balance not provided through the statement of comprehensive income is £1.0 million.

6. DIRECTORS' REMUNERATION

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Directors' fees	275	275
Employer's National Insurance Contributions	33	32
	308	307
Additional fees paid – capitalised as share issue costs	–	–
	308	307

The Directors are remunerated for their services at such rate as the Directors shall from time to time determine. The Chairman receives a Director's fee of £75,000 per annum (2021: £75,000), and the other Directors of the Board receive a fee of £50,000 per annum (2021: £50,000). The Directors are also entitled to an additional fee of £7,500 in connection with the production of every prospectus by the Company. Each Director was paid this additional fee in 2020 following the publication of the prospectus, but no additional fees were received during 2022 or 2021. A

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Notes to the Group Financial Statements

for the year ended 31 December 2022

summary of the Directors' emoluments, including the disclosures required by the Companies Act 2006, is set out in the Directors' Remuneration Report within the Corporate Governance Report. None of the Directors received any advances or credits from any group entity during the year.

7. PARTICULARS OF EMPLOYEES

The Group and Company had no employees during the year other than the Directors (2021: none).

8. MANAGEMENT FEES

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Management fees	4,704	4,552
	4,704	4,552

On 20 July 2017 Triple Point Investment Management LLP 'TPIM' was appointed as the delegated investment manager of the Company by entering into the property management services and delegated portfolio management agreement. Under this agreement the delegated investment manager will advise the Company and provide certain management services in respect of the property portfolio. A Deed of Variation was signed on 23 August 2018. This defined cash balances in the Net Asset Value calculation in respect of the management fee as "positive uncommitted cash balances after deducting any borrowings". The management fee is an annual management fee which is calculated quarterly in arrears based upon a percentage of the last published Net Asset Value of the Group (not taking into account uncommitted cash balances after deducting borrowings as described above) as at 31 March, 30 June, 30 September and 31 December in each year on the following basis with effect from Admission:

- on that part of the Net Asset Value up to and including £250 million, an amount equal to 1% of such part of the Net Asset Value;
- on that part of the Net Asset Value over £250 million and up to and including £500 million, an amount equal to 0.9% of such part of the Net Asset Value;
- on that part of the Net Asset Value over £500 million and up to and including £1 billion, an amount equal to 0.8% of such part of the Net Asset Value; and
- on that part of the Net Asset Value over £1 billion, an amount equal to 0.7% of such part of the Net Asset Value.

Management fees of £4,704,000 (2021: £4,552,000) were chargeable by TPIM during the year. At the year end £1,159,000 (2021: £1,146,000) was due to TPIM.

By two agreements dated 30 June 2020, the Company appointed TPIM as its Alternative Investment Fund Manager by entering into an Alternative Investment Fund Management Agreement and (separately) documented TPIM's continued appointment as the provider of portfolio and property management services by entering into an Investment Management Agreement.

9. GENERAL AND ADMINISTRATIVE EXPENSES

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Legal and professional fees	829	673
Audit fees	371	256
Administration fees	324	336
Lease transfer costs	151	40
Other administrative expenses	1,179	762
	2,854	2,067

On 1 October 2019 Hanway Advisory Limited, who are associated with Triple Point Investment Management LLP the delegated investment manager, were appointed to provide Administration and Company Secretarial Services to the Group. Within Administration Fees is an amount of £324,000 (2021: £326,000) for Company Secretarial Services chargeable by Hanway Advisory Limited.

The audit fees in the table above are inclusive of VAT, and therefore differ to the fees in note 10 which are reported net of VAT.

On 30 June 2020 Triple Point Investment Management LLP was appointed as the fund's Alternative Investment Fund Manager (AIFM) to perform certain functions for the Group. During the year AIFM services of £192,000 (2021: £175,000) were chargeable by TPIM. At the year end £48,000 (2021: £44,000) was due to TPIM.

Lease transfer costs represent repairs costs incurred in relation to the transfer of 12 leases from Westmoreland and amortisation costs in relation to the original transfer costs.

10. AUDIT FEES

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Group audit fees – current year	242	189
Subsidiary audit fees	31	24
	273	213

Non audit fees paid to BDO LLP included £36,000 (2021: £29,000) in relation to the half year interim review.

The audit fee for the following subsidiaries has been borne by the Company:

> TP REIT Super Holdco Limited	> Norland Estates Limited
> TP REIT Holdco 1 Limited	> TP REIT Propco 2 Limited
> TP REIT Holdco 2 Limited	> TP REIT Propco 3 Limited
> TP REIT Holdco 3 Limited	> TP REIT Propco 4 Limited
> TP REIT Holdco 4 Limited	> TP REIT Propco 5 Limited
> TP REIT Holdco 5 Limited	

11. FINANCE INCOME

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Other interest income	56	44
	56	44

12. FINANCE COSTS

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Interest payable on bank borrowings	7,217	5,492
Amortisation of loan arrangement fees	1,006	1,279
Written off loan arrangement fees	2,619	–
Head lease interest expense	37	44
Bank charges	9	8
	10,889	6,823
Total finance cost for financial liabilities not at fair value through profit or loss	10,880	6,815

Written off loan arrangement fees relate to the Lloyds and NatWest loan facility that was reduced and subsequently cancelled during the year, all remaining unamortised loan arrangement fees were written off.

13. TAXATION

As a UK REIT, the Group is exempt from corporation tax on the profits and gains from its property investment business, provided it meets certain conditions as set out in the UK REIT regulations. For the current period, the Group did not have any non-qualifying profits and accordingly there is no tax charge in the period. If there were any non-qualifying profits and gains, these would be subject to corporation tax. It is assumed that the Group will continue to be a group UK REIT for the foreseeable future, such that deferred tax has not been recognised on temporary differences relating to the property rental business.

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Current tax		
Corporation tax charge for the year	–	–
Total current income tax charge in the profit or loss	–	–

The tax charge for the period is less than the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below.

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Profit for the year before tax	24,902	28,410
Tax at UK corporation tax standard rate of 19%	4,731	5,398
Change in value of investment properties	(2,727)	(1,710)
Disposal of investment property	1,157	–
Exempt REIT income	(3,768)	(4,202)
Amounts not deductible for tax purposes	27	22
Unutilised residual current period tax losses	580	492
	–	–

UK REIT exempt income includes property rental income that is exempt from UK Corporation Tax in accordance with Part 12 of CTA 2010.

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14. INVESTMENT PROPERTY

	Operational assets £'000	Properties under development £'000	Total £'000
As at 1 January 2022	641,293	–	641,293
Acquisitions and additions	19,752	–	19,752
Fair value adjustment*	15,239	–	15,239
Movement in head lease ground rent liability	(2)	–	(2)
Disposals	(8,569)	–	(8,569)
As at 31 December 2022	667,713	–	667,713

	Operational assets £'000	Properties under development £'000	Total £'000
As at 1 January 2021	565,533	6,568	572,101
Acquisitions and additions	59,114	1,568	60,682
Fair value adjustment*	9,513	–	9,513
Movement in head lease ground rent liability	5	–	5
Transfer of completed properties	8,136	(8,136)	–
Reclassified to assets held for sale	(1,008)	–	(1,008)
As at 31 December 2021	641,293	–	641,293

*Additions in the table above differs to the total investment cost of new properties in the period in the front end due to retentions no longer payable which were credited to Investment Property additions.

*Gain from fair value adjustment on investment properties in the condensed Group statement of comprehensive income is net of the loss from fair value adjustments on assets held for sale of £0.88m (31 December 2021 – £0.51m) and loss on disposal of three assets of £6.1m (31 December 2021 – £nil).

Reconciliation to independent valuation:

	31 December 2022 £'000	31 December 2021 £'000
Investment property valuation	669,077	642,018
Fair value adjustment – head lease ground rent	1,460	1,462
Fair value adjustment – lease incentive debtor	(2,824)	(2,187)
	667,713	641,293

Properties under development represent contracts for the development of a pre-let property under a forward funding agreement. Where the development period is expected to be a substantial period, the borrowing costs that can be directly attributed to getting the asset ready for use are capitalised as part of the investment property value. All properties under development were completed in 2021. There are no properties under development as at 31 December 2021 or 2022.

The carrying value of leasehold properties at 31 December 2022 was £40.1 million (2021: £39.36 million).

In accordance with "IAS 40: Investment Property", the Group's investment properties have been independently valued at fair value by Jones Lang LaSalle Limited ("JLL"), an accredited external valuer with recognised and relevant professional qualifications. The independent valuers provide their fair value of the Group's investment property portfolio every three months.

JLL were appointed as external valuers by the Board on 11 December 2017. JLL has provided valuations services to the Group. The proportion of the total fees payable by the Company to JLL's total fee income is minimal. Additionally, JLL has a rotation policy in place whereby the signatories on the valuations rotate after seven years.

% KEY STATISTIC

The metrics below are in relation to the total investment property portfolio held as at 31 December 2022.

Portfolio metrics	31 December 2022	31 December 2021
Capital Deployed (£'000)*	581,647	569,991
Number of Properties	497	488
Number of Tenancies***	395	382
Number of Approved Providers***	27	24
Number of Local Authorities***	153	156
Number of Care Providers***	123	115
Valuation Net Initial Yield (NIY)**	5.49%	5.25%

* calculated excluding acquisition costs.

** calculated using IAS 40 valuations (excluding forward funding acquisitions).

*** calculated excluding forward funding acquisitions.

REGIONAL EXPOSURE

Region	31 December 2022		31 December 2021	
	*Cost £'000	% of funds invested	*Cost £'000	% of funds invested
North West	115,042	19.8	122,622	21.5
West Midlands	94,790	16.3	92,794	16.3
East Midlands	69,429	11.9	64,595	11.3
London	49,579	8.5	49,526	8.7
North East	51,986	8.9	47,061	8.3
Yorkshire	86,293	14.8	81,034	14.2
South East	54,799	9.4	52,196	9.2
South West	27,466	4.7	27,900	4.9
East	23,703	4.1	23,703	4.2
Scotland	5,900	1.0	5,900	1.0
Wales	2,660	0.6	2,660	0.4
Total	581,647	100	569,991	100

* excluding acquisition costs.

FAIR VALUE HIERARCHY

	Date of valuation	Total £'000	Quoted prices in active markets (Level 1) £'000	Significant observable inputs (Level 2) £'000	Significant unobservable inputs (Level 3) £'000
Assets measured at fair value:					
Investment properties	31 December 2022	667,713	–	–	667,713
Investment properties	31 December 2021	641,293	–	–	641,293

There have been no transfers between Level 1 and Level 2 during the year, nor have there been any transfers between Level 2 and Level 3 during the year.

The valuations have been prepared in accordance with the RICS Valuation – Professional Standards (incorporating the International Valuation Standards) by JLL, one of the leading professional firms engaged in the social housing sector.

As noted previously, all of the Group's investment properties are reported as Level 3 in accordance with IFRS 13 where external inputs are "unobservable" and value is the Directors' best estimate, based upon advice from relevant knowledgeable experts.

In this instance, the determination of the fair value of investment property requires an examination of the specific merits of each property that are in turn considered pertinent to the valuation.

These include i) the regulated social housing sector and demand for the facilities offered by each Specialised Supported Housing property owned by the Group; ii) the particular structure of the Group's transactions where vendors, at their own expense, meet the majority of the refurbishment costs of each property and certain purchase costs; iii) detailed financial analysis with discount rates supporting the carrying value of each property; iv) underlying rents for each property being subject to independent benchmarking and adjustment where the Group considers them too high (resulting in a price reduction for the purchase or withdrawal from the transaction); and v) a full repairing and insuring lease with annual indexation based on CPI or CPI+1% and effectively 25 years outstanding, in most cases with a Registered Provider itself regulated by the Regulator.

The valuer treats the fair value for forward funded assets as work-in-progress value whereby the Group forward funds a development by committing a total sum, the Gross Development Value ("GDV") over the development period in order to receive the completed development at practical completion. The work-in-progress value of the asset increases during the construction period accordingly as payments are made by the Group which leads, in turn, to a pro-rata increase in the valuation in each quarter valuation assuming there are no material events affecting the GDV adversely. Interest accrued during construction as well as an estimation of future interest accrual prior to lease commencement will be deducted from the balancing payment which is the final payment to be drawn by the developer prior to the Group receiving the completed building. All properties under development were completed in 2021. There were no forward funded assets in the portfolio as at 31 December 2022.

Descriptions and definitions relating to valuation techniques and key unobservable inputs made in determining fair values are as follows:

VALUATION TECHNIQUES: DISCOUNTED CASH FLOWS

The discounted cash flows model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate and lease incentive costs such as rent-free periods. The expected net cash flows are then discounted using risk-adjusted discount rates.

There are two main unobservable inputs that determine the fair value of the Group's investment property:

1. the rate of inflation as measured by CPI; it should be noted that all leases benefit from either CPI or RPI indexation; and
2. the discount rate applied to the rental flows.

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Key factors in determining the discount rates to assess the level of uncertainty applied include: the performance of the regulated social housing sector and demand for each Specialised Supported Housing property owned by the Group; costs of acquisition and refurbishment of each property; the anticipated future underlying cash flows for each property; benchmarking of each underlying rent for each property (passing rent); and the fact that all of the Group's properties have the benefit of full repairing and insuring leases entered into by a Housing Association.

All the properties within the Group's portfolio benefit from leases with annual indexation based upon CPI or RPI. The fair value measurement is based on the above items highest and best use, which does not differ from their actual use.

SENSITIVITIES OF MEASUREMENT OF SIGNIFICANT UNOBSERVABLE INPUTS

As set out within the significant accounting estimates and judgements in note 3, the Group's property portfolio valuation is open to judgements and is inherently subjective by nature.

As a result, the following sensitivity analysis has been prepared:

AVERAGE DISCOUNT RATE AND RANGE:

The average discount rate used in the Group's property portfolio valuation is 6.82% (2021: 6.63%).

The range of discount rates used in the Group's property portfolio valuation is from 6.2% to 8.6% (2021: 6.21% to 8%).

	-0.5% change in Discount Rate £'000	+0.5% change in Discount Rate £'000	+0.25% change in CPI £'000	-0.25% change in CPI £'000
Changes in the IFRS fair value of investment properties as at 31 December 2022	40,552	(36,941)	21,037	(20,207)
Changes as at 31 December 2021	26,922	(24,663)	21,190	(20,238)

Given that the factors on which the valuations are based have not been adversely affected by COVID, there has been no direct impact to the investment property valuation at 31 December 2022. The valuations have also not been influenced by climate related factors due to there being little measurable impact on inputs at present.

15. TRADE AND OTHER RECEIVABLES (NON-CURRENT)

	31 December 2022 £'000	31 December 2021 £'000
Other receivables	172	183
Lease incentive debtor	2,717	2,128
	2,889	2,311

The Directors consider that the carrying value of trade and other receivables approximate their fair value. All amounts are due to be received in more than one year from the reporting date.

16. TRADE AND OTHER RECEIVABLES (CURRENT)

	31 December 2022 £'000	31 December 2021 £'000
Rent receivable	3,209	1,971
Prepayments	174	796
Other receivables	782	608
Lease incentive debtor	107	60
	4,272	3,435

The Directors consider that the carrying value of trade and other receivables approximate their fair value. All amounts are due to be received within one year from the reporting date.

The Group applies the general approach to providing for expected credit losses under IFRS 9 for other receivables. Where the credit loss relates to revenue already recognised in the Income Statement, the expected credit loss allowance is recognised in the Statement of Comprehensive Income. Expected credit losses totalling £2,073,000 (2021: nil) were charged to the Statement of Comprehensive Income in the year.

17. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

	31 December 2022 £'000	31 December 2021 £'000
Cash held by lawyers	544	8,459
Restricted cash	443	571
Ring-fenced cash	–	4,451
Cash at bank	29,152	38,989
	30,139	52,470

Cash held by lawyers is money held in escrow for expenses expected to be incurred in relation to investment properties pending completion. These funds are available immediately on demand.

Restricted cash represents retention money (held by lawyers only) in relation to repair, maintenance and improvement works by the vendors to bring the properties up to satisfactory standards for the Group and the tenants. The cash is committed on the acquisition of the properties. It also includes funds held in an escrow account in relation to the transfer of leases during 2020.

Ring-fenced cash includes retention monies held by Coutts in a "charged" account which requires lender's permission to release.

	31 December 2022 £'000	31 December 2021 £'000
Total Cash, cash equivalents and restricted cash	30,139	52,470
Restricted cash	(443)	(571)
Cash reported on Group Statement of Cash Flows	29,696	51,899

18. TRADE AND OTHER PAYABLES

	31 December 2022 £'000	31 December 2021 £'000
Current liabilities		
Accruals	2,014	2,373
Trade payables	37	48
Head lease ground rent (note 28)	40	39
Other creditors	1,029	1,191
	3,120	3,651

The Other Creditors balance consists of retentions due on completion of outstanding works and on the rebate of SDLT refunds. The Directors consider that the carrying value of trade and other payables approximate their fair value. All amounts are due for payment within one year from the reporting date.

19. OTHER PAYABLES

	31 December 2022 £'000	31 December 2021 £'000
Non-current liabilities		
Head lease ground rent (note 28)	1,420	1,423
Rent deposit	100	100
	1,520	1,523

20. BANK AND OTHER BORROWINGS

	31 December 2022 £'000	31 December 2021 £'000
Bank and other borrowings drawn at year end	263,500	263,500
Unamortised costs at beginning of period	(4,798)	(3,573)
Less: loan issue costs incurred	(131)	(2,390)
Add: loan issue costs amortised	433	1,165
Add: loan issue costs written off	2,085	–
Unamortised costs at end of the year	(2,412)	(4,798)
Balance at year end	261,088	258,702

The amount of loan arrangement fees written off and amortised in note 12, and loan issue costs in the Statement of cash flows differs to the amounts in the table above as this excludes amounts in relation to the undrawn cancelled RCF which amount to £534k, £573k and £468k respectively.

At 31 December 2022 there were undrawn bank borrowings of £NIL (2021: £160 million).

As at 31 December 2022, the Group's borrowings comprised two debt facilities:

- a long dated, fixed rate, interest only financing arrangement in the form of a private placement of loan notes in an amount of £68.5 million with MetLife Investment Management (and affiliated funds) and
- £195 million long dated, fixed rate, interest only sustainability-linked loan notes through a private placement with MetLife Investment Management clients and Barings

The Group also had access to £160m Revolving Credit Facility (RCF) with Lloyds and NatWest during the year which was cancelled in December 2022. Prior to being cancelled, the facility was undrawn.

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LOAN NOTES

The Loan Notes of £68.5 million are secured against a portfolio of Specialised Supported Housing assets throughout the UK, worth approximately £189 million (31 December 2021 - £188 million). The Loan Notes represent a loan-to-value of 40% of the value of the secured pool of assets and are split into two tranches: Tranche-A, is an amount of £41.5 million, has a term of 10 years from utilisation and is priced at an all-in coupon of 2.94% pa; and Tranche-B, is an amount of £27 million, has a term of 15 years from utilisation and is priced at an all-in coupon of 3.215% pa. On a blended basis, the weighted average term is 12 years carrying a weighted average fixed rate coupon of 3.04% pa. At 31 December 2022, the Loan Notes have been independently valued at £55.8 million which has been used to calculate the Group's EPRA Net Disposal Value in note 36 of the Unaudited Performance Measures. The fair value is determined by comparing the discounted future cash flows using the contracted yields with the reference gilts plus the margin implied. The reference gilts used were the Treasury 3.687% 2028 Gilt (Tranche A) and Treasury 3.665% 2033 Gilt (Tranche B), with an implied margin that is unchanged since the date of fixing.

In August 2021, the Group put in place Loan Notes of £195 million which enabled the Group to refinance the full £130 million previously drawn under its £160 million RCF with Lloyds and Natwest. The Loan Notes are secured against a portfolio of Specialised Supported Housing assets throughout the UK, worth approximately £410 million. The Loan Notes represent a loan-to-value of 40% of the value of the secured pool of assets and are split into two tranches: Tranche-A, is an amount of £77.5 million, has a term of 10 years from utilisation and is priced at an all-in coupon of 2.403% pa; and Tranche-B, is an amount of £117.5 million, has a term of 15 years from utilisation and is priced at an all-in coupon of 2.786% pa. On a blended basis, the weighted average term is 13 years carrying a weighted average fixed rate coupon of 2.634% pa. At 31 December 2022, the Loan Notes have been independently valued at £134.6 million which has been used to calculate the Group's EPRA Net Disposal Value in note 36 of the Unaudited Performance Measures. The fair value is determined by comparing the discounted future cash flows using the contracted yields with the reference gilts plus the margin implied. The reference gilts used were the Treasury 3.598% 2031 Gilt (Tranche A) and Treasury 3.929% 2036 Gilt (Tranche B), with an implied margin that is unchanged since the date of fixing.

The loans are considered a Level 2 fair value measurement.

The Group has met all compliance with its financial covenants on the above loans throughout the year.

Undrawn committed bank facilities – maturity profile	Total £'000	< 1 year £'000	1 to 2 years £'000	3 to 5 years £'000	> 5 years £'000
At 31 December 2022	–	–	–	–	–
At 31 December 2021	160,000	–	–	160,000	–

21. NOTES SUPPORTING STATEMENT OF CASH FLOWS

Reconciliation of liabilities to cash flows from financing activities:

	Bank borrowings £'000 (note 20)	Head lease £'000 (note 18,19)	Total £'000
At 1 January 2022	258,702	1,463	260,165
Cash flows:			
Repayment of principal on head lease liabilities	–	(40)	(40)
Loan arrangement fees paid	(131)	–	(131)
Non-cash flows:			
– Amortisation of loan arrangement fees	433	–	433
– Loan arrangement fees written off	2,084	–	2,084
– Head lease additions	–	–	–
– Accrued interest on head lease liabilities	–	37	37
At 31 December 2022	261,088	1,460	262,548

	Bank borrowings £'000 (note 20)	Head lease £'000 (note 18,19)	Total £'000
At 1 January 2021	194,927	1,456	196,383
Cash flows:			
Bank borrowings drawn	195,000	–	195,000
Bank borrowings repaid	(130,000)	–	(130,000)
Repayment of principal on head lease liabilities	–	(39)	(39)
Loan arrangement fees paid	(2,728)	–	(2,728)
Non-cash flows:			
– Amortisation of loan arrangement fees	1,278	–	1,278
– Loan arrangement fees paid in advance recognised in prepayments	225	–	225
– Head lease additions	–	2	2
– Accrued interest on head lease liabilities	–	44	44
At 31 December 2021	258,702	1,463	260,165

22. SHARE CAPITAL

	Issued and fully paid Number	Issued and fully paid £'000
At 1 January 2022	403,239,002	4,033
At 31 December 2022	403,239,002	4,033

	Issued and fully paid Number	Issued and fully paid £'000
At 1 January 2021	403,239,002	4,033
At 31 December 2021	403,239,002	4,033

The Company achieved admission to the specialist fund segment of the main market of the London Stock Exchange on 8 August 2017, raising £200 million. As a result of the IPO, at 8 August 2017, 200,000,000 shares at one pence each were issued and fully paid. The Company was admitted to the premium segment of the Official List of the Financial Conduct Authority and migrated to trading on the premium segment of the Main Market on 27 March 2018.

Following a fourth public offer on 21 October 2020, a further 51,886,792 Ordinary Shares of one pence each were issued and fully paid.

Rights, preferences and restrictions on shares: All Ordinary Shares carry equal rights, and no privileges are attached to any shares in the Company. All the shares are freely transferable, except as otherwise provided by law. The holders of Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

The table above includes 450,000 treasury shares (note 24). Treasury shares do not hold any voting rights.

23. SHARE PREMIUM RESERVE

The share premium relates to amounts subscribed for share capital in excess of nominal value.

	31 December 2022 £'000	31 December 2021 £'000
Balance at beginning of year	203,753	203,776
Share premium arising on Ordinary Shares issue	–	–
Share issue costs capitalised	–	(23)
Balance at end of year	203,753	203,753

24. TREASURY SHARES RESERVE

	31 December 2022 £'000	31 December 2021 £'000
Balance at beginning of year	(378)	(378)
Own shares repurchased	–	–
Balance at end of year	(378)	(378)

The treasury shares reserve relates to the value of shares purchased by the Company in excess of nominal value. No treasury shares were purchased during the current or prior year. During the year ended 31 December 2019, the Company purchased 450,000 of its own 1p Ordinary Shares at a total gross cost of £377,706 (£374,668 cost of shares and £3,038 associated costs). As at 31 December 2022 and 31 December 2021, 450,000 1p Ordinary Shares were held by the Company.

25. CAPITAL REDUCTION RESERVE

	31 December 2022 £'000	31 December 2021 £'000
Balance at beginning of year	160,394	166,154
Dividends paid	–	(5,760)
Balance at end of year	160,394	160,394

The capital reduction reserve relates to the distributable reserve established on cancellation of the share premium reserve. Dividends have been distributed out of Retained Earnings and the Capital Reduction Reserve in the year ended 31 December 2022.

26. RETAINED EARNINGS

	31 December 2022 £'000	31 December 2021 £'000
Balance at beginning of year	68,311	55,066
Total comprehensive income for the year	24,902	28,410
Dividends paid	(21,730)	(15,165)
Balance at end of year	71,483	68,311

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27. DIVIDENDS

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
1.295p for the 3 months to 31 December 2020 paid on 26 March 2021	–	5,217
1.3p for the 3 months to 31 March 2021 paid on 25 June 2021	–	5,236
1.3p for the 3 months to 30 June 2021 paid on 30 September 2021	–	5,236
1.3p for the 3 months to 30 September 2021 paid on 17 December 2021	–	5,236
1.3p for the 3 months to 31 December 2021 paid on 25 March 2022	5,236	–
1.365p for the 3 months to 31 March 2022 paid on 24 June 2022	5,498	–
1.365p for the 3 months to 30 June 2022 paid on 30 September 2022	5,498	–
1.365p for the 3 months to 30 September 2022 paid on 16 December 2022	5,498	–
	21,730	20,925

On 2 March 2023, the Company declared an interim dividend of 1.365 pence per Ordinary Share for the period 1 October 2022 to 31 December 2022. The total dividend of £5,498,070 will be paid on 31 March 2023 to Ordinary shareholders on the register on 17 March 2023.

The Company intends to pay dividends to shareholders on a quarterly basis and in accordance with the REIT regime.

Dividends are not payable in respect of its Treasury shares held.

28. LEASES

A. LEASES AS LESSEE

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date:

	<1 year £'000	1-2 years £'000	2-3 years £'000
Lease payables			
31 December 2022	40	40	40
31 December 2021	40	40	40

	3-4 years £'000	4-5 years £'000	> 5 years £'000	Total £'000
Lease payables				
31 December 2022	40	40	13,024	13,224
31 December 2021	40	40	13,126	13,326
		31 December 2022 £'000	31 December 2021 £'000	
Current liabilities (note 18)		40	40	
Non-current liabilities (note 19)		1,420	1,423	
Balance at end of year		1,460	1,463	

The above is in respect of properties held by the Group under leasehold. There are 23 properties (2021: 24) held under leasehold with lease ranges from 125 years to 999 years.

The Group's leasing arrangements with lessors are headlease arrangements on land and buildings that have been sub-let under the Group's normal leasing arrangements (see above) to tenants. The Group carries its interest in these headlease arrangements as long leasehold investment property (note 14).

B. LEASES AS LESSOR

The Group leases out its investment properties (see note 14).

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

	<1 year £'000	1-2 years £'000	2-3 years £'000
Lease receivables			
31 December 2022	38,975	38,975	38,975
31 December 2021	35,771	35,800	35,800

	3-4 years £'000	4-5 years £'000	> 5 years £'000	Total £'000
Lease receivables				
31 December 2022	38,975	38,975	462,374	657,248
31 December 2021	35,800	35,800	461,561	640,532

Leases are direct-let agreements with Registered Providers for a term of at least 15 years and usually between 20 to 25 years with rent linked to CPI or RPI. All leases are full repairing and insuring (FRI) leases, the tenants are therefore obliged to repair, maintain and renew the properties back to the original conditions.

The following table gives details of the percentage of annual rental income per Registered Provider with 10% or more than 10% share in any year presented:

Registered Provider	31 December 2022 % of total annual rent	31 December 2021 % of total annual rent
Inclusion Housing CIC	29	30
Falcon Housing Association CIC	8	10
Parasol Homes (previously 28A Supported Living)	10	10

Other disclosures about leases are provided in notes 5, 14, 18, 21 and 33.

29. CONTROLLING PARTIES

As at 31 December 2022 there is no ultimate controlling party of the Company.

30. SEGMENTAL INFORMATION

IFRS 8 Operating Segments requires operating segments to be identified based on internal financial reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker (which in the Group's case is delegated to the Delegated Investment Adviser TPIM).

The internal financial reports received by TPIM contain financial information at a Group level as a whole and there are no reconciling items between the results contained in these reports and the amounts reported in the financial statements.

The Group's property portfolio comprised 497 (2021: 488) Social Housing properties as at 31 December 2022 in England, Wales and Scotland. The Directors consider that these properties represent a coherent and diversified portfolio with similar economic characteristics and, as a result, these individual properties have been aggregated into a single operating segment. In the view of the Directors there is accordingly one reportable segment under the provisions of IFRS 8. All the Group's properties are engaged in a single segment business with all revenue, assets and liabilities arising in the UK, therefore, no geographical segmental analysis is required by IFRS 8.

31. RELATED PARTY DISCLOSURE

Directors are remunerated for their services at such rate as the Directors shall from time to time determine. The Chairman receives a Director's fee of £75,000 per annum (2021: £75,000), and the other directors of the Board receive a fee of £50,000 per annum (2021: £50,000). The Directors are also entitled to an additional fee of £7,500 in connection with the production of every prospectus by the Company (including the Issue). This was received by the Directors in 2020 but not in the current year as no prospectus was produced.

Dividends of the following amounts were paid to the Directors during the year:

Chris Phillips: £2,960 (2021: £2,850)

Peter Coward: £4,266 (2021: £4,031)

Paul Oliver: £4,206 (2021: £4,050)

Tracey Fletcher-Ray: £2,036 (2021: £1,960)

No shares were held by Ian Reeves as at 31 December 2022 (31 December 2021: nil).

32. CONSOLIDATED ENTITIES

The Group consists of a parent Company, Triple Point Social Housing REIT PLC, incorporated in the UK and a number of subsidiaries held directly by the Company, which operate and are incorporated in the UK. The principal place of business of each subsidiary is the same as their place of incorporation.

The Group owns 100% of the equity shares of all subsidiaries listed below and has the power to appoint and remove the majority of the Board of those subsidiaries. The relevant activities of the below subsidiaries are determined by the Board based on simple majority votes. Therefore, the Directors of the Company concluded that the Company has control over all these entities and all these entities have been consolidated within the financial statements. The principal activity of all the subsidiaries relates to property investment.

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for the year ended 31 December 2022

The subsidiaries listed below were held as at 31 December 2022:

Name of Entity	Registered Office	Country of Incorporation	Ownership %
TP REIT Super HoldCo Limited*	1 King William Street, London, EC4N 7AF	UK	100%
TP REIT HoldCo 1 Limited	1 King William Street, London, EC4N 7AF	UK	100%
TP REIT HoldCo 2 Limited	1 King William Street, London, EC4N 7AF	UK	100%
TP REIT HoldCo 3 Limited	1 King William Street, London, EC4N 7AF	UK	100%
TP REIT HoldCo 4 Limited	1 King William Street, London, EC4N 7AF	UK	100%
TP REIT HoldCo 5 Limited	1 King William Street, London, EC4N 7AF	UK	100%
TP REIT PropCo 2 Limited	1 King William Street, London, EC4N 7AF	UK	100%
TP REIT PropCo 3 Limited	1 King William Street, London, EC4N 7AF	UK	100%
TP REIT PropCo 4 Limited	1 King William Street, London, EC4N 7AF	UK	100%
TP REIT PropCo 5 Limited	1 King William Street, London, EC4N 7AF	UK	100%
Norland Estates Limited	1 King William Street, London, EC4N 7AF	UK	100%
Henderson Court 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%
Lawrence Hotel 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%
The Glebe 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%
Sunny Retford 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%

* indicates entity is a direct subsidiary of Triple Point Social Housing REIT plc.

The subsidiaries listed below were acquired in the year to 31 December 2022:

Name of Entity	Registered Office	Country of Incorporation	Ownership %
New Road 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%
My House 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%
Henderson Court 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%
Lawrence Hotel 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%
The Glebe 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%
Sunny Retford 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%

The subsidiaries listed below have been struck off since 31 December 2022:

Name of Entity	Registered Office	Country of Incorporation	Ownership %
My House 1 Ltd	1 King William Street, London, EC4N 7AF	UK	100%

33. FINANCIAL RISK MANAGEMENT

The Group is exposed to market risk, interest rate risk, credit risk and liquidity risk in the current and future periods. The Board oversees the management of these risks. The Board's policies for managing each of these risks are summarised below.

33.1. MARKET RISK

The Group's activities will expose it primarily to the market risks associated with changes in property values.

RISK RELATING TO INVESTMENT IN PROPERTY

Investment in property is subject to varying degrees of risk. Some factors that affect the value of the investment in property include:

- changes in the general economic climate;
- competition for available properties;
- obsolescence; and
- Government regulations, including planning, environmental and tax laws.

Variations in the above factors can affect the valuation of assets held by the Group and as a result can influence the financial performance of the Group.

The factors mentioned above have not had a material impact on the valuations of the investment properties as at 31 December 2022, and are not expected to in the immediate future, but will continue to be monitored closely.

Please refer to the Corporate Social Responsibility Report on pages 42 to 43 for further information on Environmental Policy which may affect the investment property valuations going forward. There was no impact on the valuations in the year ended 31 December 2022 from climate change factors, given that there is little measurable impact on inputs at present.

33.2. INTEREST RATE RISK

The Group's debt at 31 December 2022 does not have any exposure to interest rate risk.

33.3. CREDIT RISK

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risks from both its leasing activities and financing activities, including deposits with banks and other institutions as detailed in notes 16 and 19.

CREDIT RISK RELATED TO FINANCIAL INSTRUMENTS AND CASH DEPOSITS

One of the principal credit risks facing the Group arises with the funds it holds with banks and other institutions. The Board believes that the credit risk on short-term deposits and current account cash balances is limited because the counterparties are banks and institutions with high credit ratings.

In August this year, Fitch has assigned the Company an Investment Grade Long-Term Issuer Default Rating of 'A-' with a stable outlook, and a senior secured rating of 'A' for the Group's new Loan Notes.

CREDIT RISK RELATED TO LEASING ACTIVITIES

In respect of property investments, in the event of a default by a tenant, the Group will suffer a rental shortfall and additional costs concerning re-letting the property to another Social Housing Registered Provider. Credit risk is primarily managed by testing the strength of covenant of a tenant prior to acquisition and on an ongoing basis. The Investment Manager also monitors the rent collection in order to anticipate and minimise the impact of defaults by occupational tenants. Outstanding rent receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset.

The Group has leases in place with ten Registered Providers that have been deemed non-compliant by the Regulator. We continue to conduct ongoing due diligence on all Registered Providers and all rents payable under these leases have been paid. We continue to monitor and maintain a dialogue with the Registered Providers as they work with advisers and the Regulator to implement a financial and governance improvement action plan in order to address the Regulator's concerns. The Board believes that the credit risk associated with the non-compliant rating is limited.

33.4. LIQUIDITY RISK

The Group manages its liquidity and funding risks by considering cash flow forecasts and ensuring sufficient cash balances are held within the Group to meet future needs. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of financing through appropriate and adequate credit lines, and the ability of customers to settle obligations within normal terms of credit. The Group ensures, through forecasting of capital requirements, that adequate cash is available to fund the Group's operating activities on a weekly basis. Upcoming cash requirements are compared to existing cash reserves available, followed by discussions around optimal cash management opportunities in order to best manage liquidity risk.

The following table details the Group's liquidity analysis:

31 December 2022	£'000	< 3 months £'000	3-12 months £'000	1-5 years £'000	> 5 years £'000
Headleases (note 28)	13,223	10	30	159	13,024
Trade and other payables					
Bank and other borrowings (note 20):					
– Fixed interest rate	263,500	–	–	–	263,500
– Variable interest rate	–	–	–	–	–
Interest payable on bank and other borrowings:					
– Fixed interest rate	76,609	1,804	5,413	28,869	40,523
– Variable interest rate	–	–	–	–	–
	353,332	1,814	5,443	29,028	317,047

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for the year ended 31 December 2022

31 December 2021	£'000	< 3 months £'000	3-12 months £'000	1-5 years £'000	> 5 years £'000
Headleases (note 28)	13,325	10	30	159	13,126
Trade and other payables					
Bank and other borrowings (note 20):					
– Fixed interest rate	263,500	–	–	–	263,500
– Variable interest rate	–	–	–	–	–
Interest payable on bank and other borrowings:					
– Fixed interest rate	83,827	1,804	5,413	28,869	47,741
– Variable interest rate	–	–	–	–	–
	360,652	1,814	5,443	29,028	324,367

33.5. FINANCIAL INSTRUMENTS

The Group's principal financial assets and liabilities, which are all held at amortised cost, are those that arise directly from its operation: trade and other receivables, trade and other payables, headleases, borrowings and cash held at bank.

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are included in the financial statements:

	Book value 31 December 2022 £'000	Fair value 31 December 2022 £'000	Book value 31 December 2021 £'000	Fair value 31 December 2021 £'000
Financial assets:				
Trade and other receivables	6,804	6,804	4,739	4,739
Cash, cash equivalents and restricted cash	30,139	30,139	52,470	52,470
Financial liabilities:				
Trade and other payables	3,080	3,080	3,606	3,606
Borrowings	261,088	190,314	258,702	260,761

34. POST BALANCE SHEET EVENTS

There were no post balance sheet events subsequent to the end of the period

35. CAPITAL COMMITMENTS

The Group had capital commitments of £NIL million (2021: £4.2 million) in relation to the assets exchanged but not completed at 31 December 2022.

36. EARNINGS PER SHARE

Earnings per share ("EPS") amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period. As there are no dilutive instruments outstanding, both basic and diluted earnings per share are the same.

The calculation of basic and diluted earnings per share is based on the following:

	Year ended 31 December 2022	Year ended 31 December 2021
Calculation of Basic Earnings per share		
Net profit attributable to Ordinary Shareholders (£'000)	24,902	28,410
Weighted average number of Ordinary Shares (excluding treasury shares)	402,789,002	402,789,002
IFRS Earnings per share – basic and diluted	6.18p	7.05p
Calculation of EPRA Earnings per share		
Net profit attributable to Ordinary Shareholders (£'000)	24,902	28,410
Changes in fair value of investment property (£'000)	(8,264)	(8,998)
One-off amortisation of arrangement fees on the cancelled RCF	2,619	–
EPRA earnings (£'000)	19,257	19,412
<i>Non cash adjustments to include:</i>		
Amortisation of loan arrangement fees	1,006	1,279
Adjusted earnings (£'000)	20,263	20,691
Weighted average number of Ordinary Shares (excluding treasury shares)	402,789,002	402,789,002
EPRA earnings per share – basic and diluted	4.78p	4.82p
Adjusted earnings per share – basic and diluted	5.03p	5.14p

Adjusted earnings is a performance measure used by the Board to assess the Group's dividend payments. The metric adjusts EPRA earnings for interest paid to service debt that was capitalised, and the amortisation of ongoing loan arrangement fees. The Board

sees these adjustments as a reflection of actual cashflows which are supportive of dividend payments. The Board compares the Adjusted earnings to the available distributable reserves when considering the level of dividend to pay.

37. NET ASSET VALUE PER SHARE

Basic Net Asset Value ("NAV") per share is calculated by dividing net assets in the Group Statement of Financial Position attributable to Ordinary Shareholders of the parent by the number of Ordinary Shares outstanding at the end of the period. Although there are no dilutive instruments outstanding, both basic and diluted NAV per share are disclosed below.

Net asset values have been calculated as follows:

	31 December 2022 £'000	31 December 2021 £'000
Net assets at end of the year	439,285	436,113
Shares in issue at end of the year (excluding treasury shares)	402,789,002	402,789,002
Dilutive shares in issue	–	–
IFRS NAV per share – basic and dilutive	109.06p	108.27p

38. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to minimise the cost of capital.

The Group considers proceeds from share issuance, bank and other borrowings and retained earnings as capital.

Until the Group is fully invested and pending re-investment or distribution of cash receipts, the Group will invest in cash equivalents, near cash instruments and money market instruments.

The level of borrowing will be on a prudent basis for the asset class and will seek to achieve a low cost of funds, whilst maintaining the flexibility in the underlying security requirements and the structure of both the investment property portfolio and the Group.

The Directors currently intend that the Group should target a level of aggregate borrowings over the medium term equal to approximately 40% of the Group's Gross Asset Value. The aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown, of 50% of the Gross Asset Value.

The initial fixed rate facility with MetLife requires an asset cover ratio of x2.00 (amended from previous covenant of x2.25 in August 2021 to bring more in line with the ACR covenant in the new Note Purchase Agreement with Metlife and Barings) and an

interest cover ratio of x1.75. At 31 December 2022, the Group was fully compliant with both covenants with an asset cover ratio of x2.77 (2021: x2.75) and an interest cover ratio of x5.02 (2021: x4.90). The subsequent facility with Metlife and Barings requires an asset cover ratio of x1.67 and an interest cover ratio of x1.75. At 31 December 2022, the Group was fully compliant with both covenants with an asset cover ratio of x2.10 and an interest cover ratio of x4.41.

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Company Statement of Financial Position

as at 31 December 2022

Company Registration Number: 10814022

	Note	31 December 2022 £'000	31 December 2021 £'000
Assets			
Non-current assets			
Investment in subsidiaries	4	395,213	382,318
Total non-current assets		395,213	382,318
Current assets			
Trade and other receivables	5	1,149	3,700
Cash, cash equivalents and restricted cash	6	14,209	12,561
Total current assets		15,358	16,261
Total assets		410,571	398,579
Liabilities			
Current liabilities			
Trade and other payables	7	2,036	1,831
Total current liabilities		2,036	1,831
Total liabilities		2,036	1,831
Total net assets		408,535	396,748
Equity			
Share capital	8	4,033	4,033
Share premium reserve	9	203,753	203,753
Treasury shares reserve	10	(378)	(378)
Capital reduction reserve	11	160,394	160,394
Retained earnings	13	40,733	28,946
Total Equity		408,535	396,748
Net asset value per share – basic and diluted	14	101.43p	98.50p

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit of the Company for the year was £33,517,000 (2021: £22,463,000).

The Company Financial Statements were approved and authorised for issue by the Board on 2 March 2023 and signed on its behalf by:



Chris Phillips

Chair

2 March 2023

The accompanying notes on pages 144 to 147 form an integral part of these Company Financial Statements.

Company Statement of Changes in Equity

for the year ended 31 December 2022

	Note	Share capital £'000	Share premium reserve £'000	Treasury shares reserve £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2022		4,033	203,753	(378)	160,394	28,946	396,748
Total comprehensive income for the year		–	–	–	–	33,517	33,517
<i>Transaction with Owners</i>							
Dividends paid	12	–	–	–	–	(21,730)	(21,730)
Balance at 31 December 2022		4,033	203,753	(378)	160,394	40,733	408,535

	Note	Share capital £'000	Share premium reserve £'000	Treasury shares reserve £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2021		4,033	203,776	(378)	166,154	21,648	395,233
Total comprehensive income for the year		–	–	–	–	22,463	22,463
<i>Transaction with Owners</i>							
Issue costs capitalised	9	–	(23)	–	–	–	(23)
Dividends paid	12	–	–	–	(5,760)	(15,165)	(20,925)
Balance at 31 December 2021		4,033	203,753	(378)	160,394	28,946	396,748

The accompanying notes on pages 144 to 147 form an integral part of these Company Financial Statements.

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Notes to the Company Accounts

for the year ended 31 December 2022

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in accordance with the Companies Act 2006.

1.1. DISCLOSURE EXEMPTIONS ADOPTED

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly-owned members of the Group.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the Group Financial Statements. These financial statements do not include certain disclosures in respect of:

- financial instruments; and
- fair value measurement other than certain disclosures required as a result of recording financial instruments at fair value.

The principal accounting policies applied in the preparation of the financial statements are set out below.

2. PRINCIPAL ACCOUNTING POLICIES

2.1. CURRENCY

The Company financial information is presented in Sterling which is also the Company's functional currency.

2.2. INVESTMENT IN SUBSIDIARIES

Investment in subsidiaries is included in the Company's Statement of Financial Position at cost less provision for impairment. Investments are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, the asset is written down accordingly. Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. Where assets have been transferred within the Group, a capital reduction in the originating Company is performed, and a dividend is declared to the Triple Point Social Housing REIT PLC. This results in an impairment to investments in subsidiaries.

2.3. TRADE AND OTHER RECEIVABLES

Trade and other receivables are amounts due in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets.

Rent receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost, less provision for impairment.

Impairment provisions for amounts due from subsidiaries are recognised based on a forward-looking expected credit loss model using the general approach. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

2.4. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

Cash, cash equivalents and restricted cash include cash in hand, cash held by lawyers and liquidity funds with a term of no more than three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash held by lawyers is money held in escrow for expenses expected to be incurred in relation to investment properties pending completion. These funds are available immediately on demand.

Restricted Cash represents monies held in escrow in relation to the on-boarding of the lease transfer.

2.5. TRADE AND OTHER PAYABLES

Trade and other payables are classified as current liabilities if payment is due within one year or less from the end of the current accounting period. If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method until settled.

2.6. DIVIDEND PAYABLE TO SHAREHOLDERS

Dividends to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved. Interim dividends are recognised when paid.

2.7. FINANCE INCOME AND FINANCE COSTS

Finance income is recognised as interest accrues on cash balances held by the Company. Finance costs consist of interest and other costs that the Company incurs in connection with bank and other borrowings. These costs are expensed in the period in which they occur.

2.8. EXPENSES

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

2.9. INVESTMENT MANAGEMENT FEES

Investment advisory fees are recognised in the Statement of Comprehensive Income on an accruals basis.

2.10. SHARE ISSUE COSTS

The costs of issuing or reacquiring equity instruments (other than in a business combination) are accounted for as a deduction from equity.

2.11. TREASURY SHARES

Consideration paid or received for the purchase or sale of treasury shares is recognised directly in equity. The cost of treasury shares held is presented as a separate reserve (the "treasury share reserve"). Any excess of the consideration received on the sale of treasury shares over the weighted average cost of the shares sold is credited to retained earnings.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's Financial Statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The estimate and associated assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

INVESTMENTS

Investments held as fixed assets are stated at cost less any provision for impairment. The Directors assess the recoverability of investments made and economic benefit of the investments based on market conditions, economic forecasts and cash flow estimates.

4. INVESTMENT IN SUBSIDIARIES

	31 December 2022 £'000	31 December 2021 £'000
Balance at beginning of year	382,318	366,641
Reversal of Impairment	2,334	–
Acquisitions	10,561	86,851
Impairments	–	(71,174)
Balance at end of year	395,213	382,318

Investment in subsidiaries are included in the Company's Statement of Financial Position at cost less provision for impairment.

The reversal of impairment in the year is due to the underlying net asset value of the subsidiary increasing due to the valuations of the underlying property, requiring a reversal of the original impairment.

5. TRADE AND OTHER RECEIVABLES

	31 December 2022 £'000	31 December 2021 £'000
Amounts due from subsidiaries	1,003	3,561
Prepayments	144	125
Other receivables	2	14
	1,149	3,700

Included in Prepayments are prepaid acquisition costs which include the cost of acquiring assets not completed at the year end.

The directors consider that the carrying value of trade and other receivables approximate their fair value. All amounts are due to be received within one year from the reporting date.

The Group applies the general approach to providing for expected credit losses under IFRS 9 for other receivables and amounts due from subsidiaries. Both the expected credit loss and the incurred loss provision in the current and prior year are immaterial.

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for the year ended 31 December 2022

6. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

	31 December 2022 £'000	31 December 2021 £'000
Restricted cash	538	564
Cash at Bank	13,671	11,997
	14,209	12,561

Restricted cash represents monies held in escrow in relation to the transfer of leases during 2020.

7. TRADE AND OTHER PAYABLES

CURRENT LIABILITIES

	31 December 2022 £'000	31 December 2021 £'000
Other creditors	20	20
Amounts due to subsidiaries	–	–
Accruals	1,979	1,763
Trade and other payables	37	48
	2,036	1,831

The Directors consider that the carrying value of trade and other payables approximate their fair value. All amounts are due for payment within one year from the reporting date.

8. SHARE CAPITAL

	Issued and fully paid Number	Issued and fully paid £'000
At 1 January 2022	403,239,002	4,033
At 31 December 2022	403,239,002	4,033

	Issued and fully paid Number	Issued and fully paid £'000
At 1 January 2021	403,239,002	4,033
At 31 December 2021	403,239,002	4,033

The Company achieved admission to the specialist fund segment of the main market of the London Stock Exchange on 8 August 2017, raising £200 million. As a result of the IPO, at 8 August 2017, 200,000,000 shares at one pence per share have been issued and fully paid. The Company was admitted to the premium segment of the Official List of the Financial Conduct Authority and migrated to trading on the premium segment of the Main Market on 27 March 2018.

Following a fourth public offer on 21 October 2020 the Company issued 51,886,792 new Ordinary Shares of one pence each which were fully paid.

The Company was admitted to the premium segment of the Official List of the Financial Conduct Authority and migrated to trading on the premium segment of the Main Market on 27 March 2018.

The table above includes 450,000 treasury shares (note 10). Treasury shares do not hold any voting rights.

9. SHARE PREMIUM RESERVE

The share premium relates to amounts subscribed for share capital in excess of nominal value.

	31 December 2022 £'000	31 December 2021 £'000
Balance at beginning of year	203,753	203,776
Share premium arising on new Ordinary Shares	–	–
Share issue costs capitalised	–	(23)
Balance at end of year	203,753	203,753

10. TREASURY SHARES RESERVE

	31 December 2022 £'000	31 December 2021 £'000
Balance at beginning of year	(378)	(378)
Own shares repurchased	–	–
Balance at end of year	(378)	(378)

The treasury shares reserve relates to the value of shares purchased by the Company in excess of nominal value. During the period ended 31 December 2020, the Company purchased 450,000 of its own 1p Ordinary Shares at a total gross cost of £377,706 (£374,668 cost of shares and £3,038 associated costs). As at 31 December 2022, 450,000 1p Ordinary Shares are held by the Company (31 December 2021 – 450,000 1p Ordinary Shares).

11. CAPITAL REDUCTION RESERVE

	31 December 2022 £'000	31 December 2021 £'000
Balance at beginning of year	160,394	166,154
Dividends paid	–	(5,760)
Balance at end of year	160,394	160,394

The capital reduction reserve relates to the distributable reserve established on cancellation of the share premium reserve. Dividends have been distributed out of Retained Earnings and the Capital Reduction Reserve in the year ended 31 December 2022.

During the Board meeting on 3 August 2017 a resolution was passed authorising the cancellation of the share premium account. The amount standing to the credit of the share premium account of the Company following completion of the Issue (less any issue expenses set off against the share premium reserve) was, as a result, credited as a distributable reserve to be established in the Company's books of account which shall be capable of being applied in any manner in which the Company's profits available for distribution (as determined in accordance with the CA 2006) are able to be applied.

In order to cancel the share premium reserve the Company needed to obtain a court order, which was received on 15 November 2017. An SH19 form was filed at Companies House with a copy of the court order and the certificate of cancellation was issued by Companies House on 15 November 2017.

12. DIVIDENDS

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
1.295p for the 3 months to 31 December 2020 paid on 26 March 2021	–	5,217
1.3p for the 3 months to 31 March 2021 paid on 25 June 2021	–	5,236
1.3p for the 3 months to 30 June 2021 paid on 30 September 2021	–	5,236
1.3p for the 3 months to 30 September 2021 paid on 17 December 2021	–	5,326
1.3p for the 3 months to 31 December 2021 paid on 25 March 2022	5,236	–
1.365p for the 3 months to 31 March 2022 paid on 24 June 2022	5,498	–
1.365p for the 3 months to 30 June 2022 paid on 30 September 2022	5,498	–
1.365p for the 3 months to 30 September 2022 paid on 16 December 2022	5,498	–
	21,730	20,925

On 2 March 2023, the Company declared an interim dividend of 1.365 pence per Ordinary share for the period 1 October 2022 to 31 December 2022. The total dividend of £5.498 million will be paid on 31 March 2023 to Ordinary shareholders on the register on 17 March 2023.

The Company intends to pay dividends to shareholders on a quarterly basis and in accordance with the REIT regime.

Dividends are not payable in respect of its treasury shares held.

13. RETAINED EARNINGS

	31 December 2022 £'000	31 December 2021 £'000
Balance at beginning of year	28,946	21,648
Total comprehensive profit for the year	33,517	22,463
Dividends paid	(21,730)	(15,165)
Balance at end of year	40,733	28,946

14. NET ASSET VALUE PER SHARE

Net Asset Value per share is calculated by dividing net assets in the Company Statement of Financial Position attributable to ordinary equity holders of the parent by the number of Ordinary Shares outstanding at the end of the year. Although there are no dilutive instruments outstanding, both basic and diluted NAV per share are disclosed below.

Net asset values have been calculated as follows:

	31 December 2022 £'000	31 December 2021 £'000
Net assets at end of period	408,535	396,748
Shares in issue at end of period (excluding treasury shares)	402,789,002	402,789,002
Dilutive shares in issue	–	–
Basic and dilutive per share	101.43p	98.50p

15. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption not to disclose transactions with other members of the Group as the Company Financial Statements are presented together with the Group Financial Statements.

Note 31 of the Notes to the Group Financial Statements includes details of other related party transactions undertaken by the Company and its subsidiaries.

16. POST BALANCE SHEET EVENTS

There were no post balance sheet events subsequent to the end of the period.

Other Information

Unaudited Performance Measures

for the year ended 31 December 2022

1. PORTFOLIO NET ASSET VALUE

The objective of the Portfolio Net Asset Value "Portfolio NAV" measure is to highlight the fair value of the net assets on an ongoing, long-term basis, which aligns with the Group's business strategy as an ongoing REIT with a long-term investment outlook. This Portfolio NAV is made available on a quarterly basis on the Company's website and announced via RNS.

In order to arrive at Portfolio NAV, two adjustments are made to the IFRS Net Asset Value ("IFRS NAV") reported in the consolidated financial statements such that:

- The hypothetical sale of properties will take place based on a sale of a corporate vehicle rather than a sale of underlying property assets. This assumption reflects the basis upon which the Company's assets have been assembled within specific SPVs.
- The hypothetical sale will take place in the form of a single portfolio disposal.

	31 December 2022 £'000	31 December 2021 £'000
Net asset value per the consolidated financial statements	439,285	436,113
Value of Asset pools	439,285	436,113
Effects of the adoption to the assumed, hypothetical sale of properties as a portfolio and on the basis of sale of a corporate vehicle	62,682	49,975
Portfolio Net Asset Value	501,967	486,088

After reflecting these amendments, the movement in net assets is as follows:

	31 December 2022 £'000	31 December 2021 £'000
Opening reserves	486,088	468,788
Net issue proceeds	–	(23)
Operating profits	27,471	26,192
Capital appreciation	21,856	19,350
Loss on fair value adjustment on assets held for sale	(885)	(515)
Finance income	56	44
Finance costs	(10,889)	(6,823)
Dividends paid	(21,730)	(20,925)
Portfolio Net Assets	501,967	486,088
Number of shares in issue at the year end (excluding treasury shares)	402,789,002	402,789,002
Portfolio net asset value per share	124.62p	120.68p

2. ADJUSTED EARNINGS PER SHARE – PORTFOLIO NAV BASIS

Summary Consolidated Statement of Comprehensive Income	31 December 2022 £'000	31 December 2021 £'000
Net rental income	35,227	33,117
Other income	110	–
Expenses	(7,866)	(6,926)
Fair value gains on investment property	71,830	58,973
Loss on fair value adjustment on assets held for sale	(885)	(515)
Finance income	56	44
Finance costs	(10,889)	(6,823)
Value of each pool	87,583	77,870
Weighted average number of shares (excluding treasury shares)	402,789,002	402,789,002
Adjusted earnings per share – basic	21.74p	19.46p

3. EPRA NET REINSTATEMENT VALUE

	31 December 2022 £'000	31 December 2021 £'000
IFRS NAV/EPRA NAV (£'000)	439,285	436,113
Include:		
Real Estate Transfer Tax* (£'000)	41,283	39,492
EPRA Net Reinstatement Value (£'000)	480,568	475,605
Fully diluted number of shares	402,789,002	402,789,002
EPRA Net Reinstatement value per share	119.31p	118.07p

* Purchaser's costs

4. EPRA NET DISPOSAL VALUE

	31 December 2022 £'000	31 December 2021 £'000
IFRS NAV/EPRA NAV (£'000)	439,285	436,113
Include:		
Fair value of debt* (£'000)	70,774	(2,059)
EPRA Net Disposal Value (£'000)	510,059	434,054
Fully diluted number of shares	402,789,002	402,789,002
EPRA Net Disposal Value**	126.63p	107.76p

* Difference between interest-bearing loans and borrowings included in balance sheet at amortised cost, and the fair value of interest-bearing loans and borrowings.

**Equal to the EPRA NNNNAV disclosed in previous reporting periods.

5. EPRA NET TANGIBLE ASSETS

	31 December 2022 £'000	31 December 2021 £'000
IFRS NAV/EPRA NAV (£'000)	439,285	436,113
EPRA Net Tangible Assets (£'000)	439,285	436,113
Fully diluted number of shares	402,789,002	402,789,002
EPRA Net Tangible Assets*	109.06p	108.27p

*equal to IFRS NAV and previous EPRA NAV metric as none of the EPRA Net Tangible Asset adjustments are applicable as at 31 December 2022 or 31 December 2021.

6. EPRA NET INITIAL YIELD (NIY) AND EPRA "TOPPED UP" NIY

	31 December 2022 £'000	31 December 2021 £'000
Investment Property – wholly-owned (excluding head lease ground rents)	666,253	639,831
Less: development properties	–	–
Completed property portfolio	666,253	639,831
Allowance for estimated purchasers' costs	41,283	39,492
Gross up completed property portfolio valuation	707,536	679,322
Annualised passing rental income	38,626	35,343
Property outgoing	–	–
Annualised net rents	38,626	35,343
Contractual increases for lease incentives	349	443
Topped up annualised net rents	38,975	35,785
EPRA NIY	5.46%	5.20%
EPRA Topped Up NIY	5.51%	5.27%

7. ONGOING CHARGES RATIO

	31 December 2022 £'000	31 December 2021 £'000
Annualised ongoing charges	7,018	6,671
Average undiluted net assets	437,699	432,382
Ongoing charges	1.60%	1.54%

8. EPRA VACANCY RATE

	31 December 2022 £'000	31 December 2021 £'000
Estimated Market Rental Value (ERV) of vacant spaces	–	93
Estimated Market Rental Value (ERV) of whole portfolio	38,975	35,785
EPRA Vacancy Rate	0%	0.26%

9. EPRA COST RATIO

	31 December 2022 £'000	31 December 2021 £'000
Total administrative and operating costs	7,866	6,926
Gross rental income	37,300	33,117
EPRA cost ratio	21.09%	20.91%

Glossary and Definitions

"AIC CODE"	AIC Code of Corporate Governance produced by the Association of Investment Companies;
"AIC GUIDE"	AIC Corporate Governance Guide for Investment Companies produced by the Association of Investment Companies;
"AIFM"	the alternative investment fund manager of the Company being Triple Point Investment Management LLP;
"AIFMD"	the EU Alternative Investment Fund Managers Directive 2011/61/EU;
"APPROVED PROVIDER"	a housing association, Local Authority or other regulated organisation in receipt of direct payment from local government including a care provider;
"BASIC NAV"	the value, as at any date, of the assets of the Company after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company from time to time;
"BOARD"	the Directors of the Company from time to time;
"COMPANY"	Triple Point Social Housing REIT plc (company number 10814022);
"DTR"	the Disclosure Guidance and Transparency Rules sourcebook containing the Disclosure Guidance, Transparency Rules, corporate governance rules and the rules relating to primary information providers;
"EPRA"	the European Public Real Estate Association;
"GAV"	the gross assets of the Company in accordance with applicable accounting rules from time to time;
"GROUP"	the Company and any subsidiary undertakings from time to time;
"INVESTMENT MANAGER"	Triple Point Investment Management LLP (partnership number OC321250);
"IPO"	the admission by the Company of 200 million Ordinary Shares to trading on the Specialist Fund Segment of the Main Market, which were the subject of the Company's initial public offering on 8 August 2017;
"NAV"	the net assets of the Company in accordance with applicable accounting rules from time to time;
"NIY"	net initial yield, being the annual rent generated under a lease in respect of a property divided by the combined total of that property's acquisition price and acquisition costs;
"ORDINARY SHARES"	ordinary shares of £0.01 each in the capital of the Company;

"REGISTERED PROVIDER"

a housing association or Local Authority;

"REGULATOR OF SOCIAL HOUSING"

The Regulator of Social Housing is an executive non-departmental public body, sponsored by the Department for Levelling Up, Housing and Communities responsible for promoting a viable, efficient and well-governed social housing sector.

"REIT"

means a qualifying real estate investment trust in accordance with the UK REIT Regime introduced by the UK Finance Act 2006 and subsequently re-written into Part 12 of the Corporation Tax Act 2010;

"SUPPORTED HOUSING"

accommodation that is suitable, or adapted, for residents with special needs, which may (but does not necessarily): (a) include some form of personal care provided by a supported housing care provider; and/or (b) that enable those tenants to live independently in the community;

"SPECIALISED SUPPORTED HOUSING"

accommodation which is designed, structurally altered, refurbished or designated for occupation by, and made available to, residents who require specialised services or support in order to enable them to live, or to adjust to living, independently within the community;

"TOTAL RETURN"

the percentage increase in net asset value plus dividends paid since IPO; and

"WAULT"

the weighted average unexpired lease term certain across the portfolio, weighted by contracted rental income. We have included all parts of the term certain, including additional leases which are triggered by landlords' put options, but not those triggered by lessees' call options unless the options were mutual.

Shareholder Information

NON-EXECUTIVE DIRECTORS

Chris Phillips (Chairman)
Ian Reeves CBE (Senior Independent Director)
Peter Coward (Non-executive director)
Paul Oliver (Non-executive director)
Tracey Fletcher-Ray (Non-executive director)

ALTERNATIVE INVESTMENT FUND MANAGER ("INVESTMENT MANAGER")

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REGISTRAR

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INVESTMENTS
WITH PURPOSE
FOR PROFIT
BY PEOPLE
FROM TRIPLE POINT



1 King William Street | London | EC4N 7AF

For further information about the Triple Point
please call 020 7201 8990 or send an email to contact@triplepoint.co.uk

www.triplepoint.co.uk

Triple Point is the trading name for the Triple Point Group which includes the following companies and associated entities: Triple Point Investment Management LLP registered in England & Wales no. OC321250, authorised and regulated by the Financial Conduct Authority no. 456597, Triple Point Administration LLP registered in England & Wales no. OC391352 and authorised and regulated by the Financial Conduct Authority no. 618187, and TP Nominees Limited registered in England & Wales no.07839571, all of 1 King William Street, London, EC4N 7AF, UK.

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