TriplePoint
Social Housing REIT plc

INTERIM REPORT
FOR THE PERIOD ENDED 30 JUNE

2018

Contents

Company Overview

The Value of Home

Who We Are

Triple Point Social Housing REIT plc invests in UK social housing assets, focusing on homes in the Supported Housing sector which have been adapted for vulnerable tenants with care and support needs.

We believe our tenants deserve accommodation that feels like home. Our properties offer tenants greater independence than institutional care accommodation, at the same time as meeting their specialist care needs.

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

What We Do

We provide greater opportunities and stability for vulnerable people across the UK. The properties we invest in provide sustainable, good quality accommodation 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 rather than the care facilities that have been a mainstay for vulnerable people with care needs similar to our tenants. We also look to provide value for money to local authorities by offering accommodation that is both more suitable and cheaper than other traditional alternatives.

Our portfolio assets benefit from longterm leases to Approved Providers, who are bodies that receive their funding from central and local government. Through these long leases we offer our shareholders an attractive level of inflation-linked income.

At a Glance

During the period to 30 June 2018, we deployed a further £46.4 million into UK social housing assets. Over the period we acquired an average of eight properties and sites per month. This has been made possible by our Investment Manager's ability to complete deals quickly and efficiently, selecting quality counterparties with assets that meet our strict investment criteria. At 30 June 2018, we owned a portfolio of 167 social housing properties[1] generating an annualised rental income of £10.4 million per annum[2].

In addition to deploying £46.4 million in the period, as at 30 June 2018 the Group had made further commitments totalling £51.5 million[3] in relation to the acquisition and development of UK social housing assets.

These commitments include £24.1 million resulting from the exchange of contracts on the acquisition of TPSHIL which exchanged shortly before the period end on 22 June 2018 but only completed mid July following shareholder approval, and £27.4 million of other exchanges and forward funding transactions.

In the first half of 2018 we also declared and paid interim dividends of 1 pence per Ordinary Share for the period from 8 August to 31 December 2017 and of 1.25 pence per Ordinary Share for the period from 1 January to 31 March 2018. An interim dividend in respect of the period 1 April to 30 June 2018 of 1.25 pence per Ordinary Share was declared on 16 August 2018 and will be payable on 28 September 2018 in line with the Company's target aggregate dividend of 5 pence per Ordinary Share for the year ending 31 December 2018.

In March 2018 the Company raised gross proceeds of £47.5 million (net proceeds of £46.5 million) of additional equity through a C Share placing. By the end of June 2018, we had successfully invested or committed over 90% of the net proceeds of the C Share placing (this includes the commitment of £24.1 million in relation to the exchange of contracts on the acquisition of TPSHIL), triggering the calculation of the conversion of the C Shares to Ordinary Shares.

Since the end of the period we have successfully raised £68.5 million of longterm debt secured against a £172 million pool of Supported Housing assets. The debt is split into two tranches with 10 and 15-year terms with fixed interest rates of 2.924% and 3.215% respectively. We continue to acquire high quality social housing properties and at 13 September 2018 had deployed a further £49.3 million (which included £23.9 million of funds committed as at 30 June 2018).

As at 30 June 2018 the portfolio was independently valued at £190.0 million on an IFRS basis. The unaudited IFRS NAV per share was 101.61 pence, which has increased since 31 December 2017 by 0.76%. The Group's assets were valued at £203.4 million on a portfolio valuation basis, reflecting a portfolio premium of £13.4 million against the IFRS valuation.

All the assets have been acquired subject to longterm index-linked leases, with the majority of our lessees being Registered Providers regulated by the Regulator of Social Housing. Care for the occupants of our properties is generally provided by domiciliary care companies regulated by the Care Quality Commission.

[1] Including forward funded assets.
[2] Excluding forward funding transactions.
[3] Excluding acquisition costs.

Six Months in Brief

The first half of 2018 was an active period during which we continued to implement the Group's investment strategy and position ourselves for further success.

12 January 2018

29 units

The Group completed on a portfolio of 8 Supported Housing properties, comprising an aggregate 29 units, for £5.7 million[4].

9 February 2018

£10.4m

The Group completed on a portfolio of 8 Supported Housing properties, comprising an aggregate 50 units, for £10.4 million including:

CARDEN AVENUE

Acquired	9 February 2018
Acquisition price	£3.4 million[4]
Gross area	12,849 sq. ft.
Built/renovated	2018
Lease	25 years, CPI-linked
On/off-market	Off-market

- A new-build purpose-built property providing Supported Housing for 16 occupants.
- Benefits from a secure garden and a car park.
- Located in a residential area with wide range of local amenities nearby and good access to public transport.

6 March 2018

1.00p

The Company declared an interim dividend of 1 pence per Ordinary Share for the period from 8 August to 31 December 2017. This dividend was paid in March 2018.

23 March 2018

£47.5m

The Company issued 47,500,000 C Shares, raising gross proceeds of £47.5 million.

14 May 2018

1.25p

The Company declared an interim dividend of 1.25 pence per Ordinary Share for the period from 1 January to 31 March 2018.

18 June 2018

Following the Company successfully satisfying the required eligibility criteria, the Company was added to the FTSE EPRA/NAREIT Global Real Estate Index Series, raising the Group's profile further, which led to additional investor interest and further diversified the Company's investor base and increased liquidity in its shares.

[4] Excluding acquisition costs.

22 June 2018

£24.1m The Group exchanged on the TPSHIL portfolio of 18 Supported Housing properties comprising an aggregate 156 units, for a total commitment of £24.1 million including:

DALLAS STREET

Exchanged	22 June 2018
Acquisition price	£2.3 million[5]
Gross area	12,722 sq. ft.
Built/renovated	2018
Lease	25 years, CPI-linked
On/off-market	Off-market

- A new-build purpose-built property providing Supported Housing for 15 occupants.
- Specially designed to be more accessible for the disabled with laminate floors in the living space and the bathrooms being designed as wet rooms.
- Private car parking space for 17 cars.
- Located in a residential area with a good range of local amenities in close proximity.

WELLINGBOROUGH

Exchanged	22 June 2018
Acquisition price	£1.6 million[5]
Gross area	14,155 sq. ft.
Built/renovated	2018
Lease	25 years, CPI-linked
On/off-market	Off-market

- A new-build purpose-built property providing Supported Housing for 11 occupants.
- Entrance is gated with 7 available car parking spaces.
- Flats have been designed to be more suitable for the physically disabled tenants.
- Located in a residential area with good access to public transport and good local road connections.

29 June 2018

The Group substantially invested or committed the proceeds of the C Share issue including the proposed acquisition of TPSHIL (total commitment £24.1 million) which completed on 13 July 2018 and therefore has not been included as an acquisition prior to 30 June 2018.

POST PERIOD EVENTS

The Group entered into a long-dated fixed-rate, interest-only private placement of loan notes for £68.5 million with a top tier US life insurance company on 23 July 2018.

An interim dividend in respect of the period 1 April to 30 June 2018 of 1.25 pence per Ordinary Share was declared on 16 August 2018. The Board also declared dividends payable to holders of C Shares comprising a fixed dividend of 3% per annum pro rated for the period from admission to trading on 27 March to 30 August 2018. The dividends will be payable on 28 September 2018 to shareholders on the register on 24 August 2018.

On 30 August 2018 the C Shares converted into Ordinary Shares on the basis of 0.975836 new Ordinary Shares for every one C Share held. The total number of new Ordinary Shares arising on Conversion was 46,352,210.

Since the period end the Group has acquired a further 41 Specialist Supported Housing properties comprising an aggregate 306 units, for £46.9 million.

[5] Excluding acquisition costs.

Highlights

Financial

Ordinary Share Dividend

3.5 pence

Dividends paid or declared to date

- 1 pence per Ordinary Share for the period from 8 August to 31 December 2017 paid in March 2018.
- 1.25 pence per Ordinary Share for the period from 1 January to 31 March 2018 paid in June 2018.
- An interim dividend declared in respect of the period 1 April 2018 to 30 June 2018 totalled 1.25 pence per share to be paid in September 2018.
- The Company is targeting an aggregate dividend of 5 pence per Ordinary Share for the year ending 31 December 2018.

Market Capitalisation

£263 million

Market capitalisation of £263 million as at 30 June 2018, based on an Ordinary Share price of 107 pence and a C Share price of 103.5 pence.

IFRS NAV and EPRA NAV

101.61 pence

IFRS NAV and EPRA NAV per share at 30 June 2018

The IFRS NAV and EPRA NAV per share at 31 December 2017 was 100.84 pence, an increase of 0.76% respectively to 30 June 2018.

Ongoing Charges Ratio

1.85%[6]

(Dec. 17: 1.34%)

Ongoing Charge is a ratio of annualised ongoing charges expressed as a percentage of average net asset value throughout the period.

IFRS Valuation

£190 million[7]

Portfolio independently valued at £190 million on an IFRS basis.

C Share Raise

£47.5 million

The Company raised £47.5 million (£46.5 million net of proceeds) at an issue price of 100 pence per share in March 2018. A dividend of 1.29 pence per C Share has been declared and will be paid on 28 September 2018. On 30 August 2018 the C Shares converted into Ordinary Shares on the basis of 0.975836 new Ordinary Shares for every one C Share held. The total number of new Ordinary Shares arising on Conversion was 46,352,210. The Board also declared dividends payable to holders of C Shares comprising a fixed dividend of 3% per annum pro rated for the period from admission to trading on 27 March to 30 August 2018. The dividends will be payable on 28 September 2018 to shareholders on the register on 24 August 2018.

Committed Capital

£51.5 million

The Group has made further commitments totalling £51.5 million (excluding transaction costs) in relation to the acquisition and development of UK social housing assets as at 30 June 2018.

[6] The ongoing charges ratio is calculated as a percentage of the average net asset value for the period under review. The ongoing charges ratio for the period is 1.85%. This increase is in large part attributable to the fact that the C Shares issued during the period are not deemed to have increased the average net asset value as they are treated as a financial liability prior to conversion. However, the costs associated with the C Shares are included in the ongoing charges calculation.

If the Ordinary Shares arising on conversion of the C Shares had been in issue on 30 June 2018, the ongoing charges ratio at 30 June 2018 would be 1.50%.

[7] Including current valuation of forward funded assets.

Operational

Investment Portfolio

167

Since IPO the Company has purchased 167 properties with an aggregate net purchase price of £175 million.

Portfolio

100%

let or pre-let

Portfolio was fully let and income producing during the year.

WAULT

29 years

As at 30 June 2018, the weighted average unexpired lease term was 29 years (assuming exercise of put and call options).

Units

1,158

As at 30 June 2018, the Investment Portfolio comprised 1,158 self-contained units.

Leases

100

As at 30 June 2018, the Investment Portfolio comprised 100 leases.

Approved providers

12

As at 30 June 2018, 12 Approved Providers with whom the Group has leases.

Inflation Measure

100%

Index Linked

As at 30 June 2018 the contracted rental income is either CPI or RPI linked.

Contracted Rental Income

£10.4m[8]

As at 30 June 2018 the contract rental income is £10.4 million per annum.

Average NIY

5.32%

The blended portfolio yield based on the portfolio valuation including assumed purchased costs is 5.32%.

Post Balance Sheet Activity

Further Investment & Loan Financing

The Company has announced the acquisition of 41 supported housing properties, comprising 306 units in total, for an aggregate purchase price of approximately £46.9 million (excluding costs) as at 13 September 2018[9].

The Company has entered into a long dated, fixed rate, interest only financing arrangement for an amount of £68.5 million with a US life insurance company. The loan notes represent a loan-to-value of 40% of the value of the secured pool of assets and have a weighted duration of 12 years and a blended coupon of 3.039%.

[8] Excluding forward funded assets.

[9] This includes the completion of the acquisition of TPHSIL for a total commitment of £24.1 million.

> Our properties offer tenants greater independence than institutional care accommodation, at the same time as meeting their specialist care needs.

Interim Report

Chairman's Statement

Chris Phillips, Chairman

Dear Shareholder,

The Group made good progress in the first half of 2018. The strong relationships that we have established with a number of developers has, up to 30 June 2018, enabled us to acquire a total of £46.4 million[10] of recently developed properties and development sites across the UK. We continue to benefit from strong local authority demand for Supported Housing which is driven by the cost savings and enhanced living opportunities that our homes can offer tenants relative to traditional alternatives such as residential or inpatient care.

In addition to deploying £46.4 million in the period, as at 30 June 2018 the Group had made further commitments totalling £51.5 million in relation to the acquisition and development of UK social housing assets. These commitments include £24.1 million resulting from the exchange of contracts on the acquisition of TPSHIL and £27.4 million of other exchanges and forward funding transactions.

In March 2018 the Company moved up from the Specialist Fund Segment to the Premium Segment of the Main Market of the London Stock Exchange and was admitted to the Official List. At the same time, the Company raised £47.5 million (£46.5 million net proceeds) of additional capital through a C Share issue.

By the end of June 2018, we had successfully invested or committed over 90% of the net proceeds of the C Share placing triggering the calculation date for the purposes of conversion of the C Shares. Commitments included, for these purposes, an amount of £24.1 million in relation to the acquisition of TPSHIL, a portfolio of 18 Supported Housing assets, which we acquired from the Triple Point Group and exchanged contracts on 22 June 2018, subject to shareholder approval as a related party transaction. Approval was received and the transaction completed on 13 July 2018. The C Shares converted on 30 August 2018.

[10] Excluding acquisition costs.

> “By working with developers to bring new Supported Housing properties to market, the Group is helping to resolve the chronic social housing shortage currently prevalent across the UK.”

167
Acquired assets to date

£180.5m
Total investment costs to date

1,158
Total tenants to date

Over the past six months, we have focused on our relationships with developers of high quality supported living properties. These relationships give us access to allocated future pipelines of newly developed and renovated Supported Housing properties. Our developer relationships have ensured that we can successfully deploy funds into a pool of high-quality, diversified assets and developers continue to provide us with strong deployment prospects for the future. Predominantly we have acquired newly constructed, recently renovated properties that were subject to a lease with an Approved Provider counterparty who has been subject to our due diligence process. In this way, we acquired Meadowhurst Gardens which is leased to Inclusion Housing and which helps individuals with learning disabilities live more independently, and Bold Street, which is leased to My Space Housing Solutions and which assisted in alleviating the undersupply of housing for people with complex mental health needs in Warrington.

We also entered into our first forward funding transactions in the period. We have acquired and commenced work on our first site in Bradford in January and since then have acquired a further 7 forward funding sites, totalling 8 forward funding transactions completed by the Group in the period. Forward funding is an integral part of the Company's investment strategy providing the Group access to high quality assets at attractive yields.

Being able to provide forward funding enables us to acquire new build assets that have been designed in conjunction with Approved Providers and local authorities to meet specified local demand. This gives us access to high quality assets while strengthening our relationships with local authorities, Approved Providers and developers – providing a competitive advantage over our peer group.

Deployment

In the first half of 2018, we acquired 51 assets at a total investment cost of £46.4 million[11] adding 1 new Approved Provider. Our portfolio is well diversified by geography and Approved Provider.

Since the half year end, we continued to acquire high quality social housing properties and at 13 September 2018 had deployed a further £49.3 million which included £23.9 million of committed funds as at 30 June 2018. Consequently, we have made good progress with deploying the proceeds of our recent debt raise, which I discuss further below.

The 167 assets we had acquired by 30 June 2018 have the capacity to house 1,158 tenants, are leased to 12 Approved Providers, are located in 69 different local authorities and are serviced by 34 care providers. The portfolio at 30 June 2018 benefited from a weighted average unexpired lease term of 29.0 years. Since 30 June 2018, the 41 assets the Group has acquired house 306 tenants.

After deploying our capital, we continue to maintain a close relationship with our Approved Provider lessees. This relationship involves regular meetings, site visits and the receipt of key management information.

A map setting out the location of our properties can be found on page 22.

Investment Performance

We continue to benefit from the Investment Manager's strong network of counterparties, from developers to local authorities and Approved Providers. Through its network, we have been able to source the majority of our properties off-market and at attractive yields. The Investment Manager's capital discipline manifests itself through its diligence process. Before completing an acquisition, it scrutinises properties and developers in a

[11] Excluding acquisition costs.

101.61p
IFRS NAV

£190.0m
IFRS Valuation

5.32%
Average NIY

comprehensive and timely manner, ensuring that the assets we acquire are of high build quality and enjoy robust occupant demand. This means, now and in the longer term, the Group will possess a high quality portfolio of attractive, occupied assets.

In the current market environment, investors have demonstrated that there is appetite for companies that offer reduced risk and secure inflation-linked income. Since IPO, we have deployed funds into property investments that are subject to long leases with upwards-only, inflation-linked rent reviews. The lessees are Approved Providers who receive funding for the rent due directly from local government.

Share Price

In March, the Company became eligible for inclusion in the FTSE Indices as it moved up to the Premium Segment of the Main Market. It became a constituent of the FTSE All-Share Index in March and in June we were included in the FTSE EPRA/NAREIT Global Real Estate Index Series. We have enjoyed strong share price performance, with our shares trading at a sustained premium to IFRS NAV.

Financial Results

At the half year end, the portfolio was independently valued at £190.0 million on an IFRS basis, reflecting a valuation uplift of 5.27% against the portfolio's aggregate purchase price (including transaction costs). The valuation reflects a portfolio yield of 5.32%, against the portfolio's blended net initial yield at purchase of 5.91% (excluding forward funding transactions).

The Group's assets were valued at £203.4 million on a portfolio valuation basis, reflecting a portfolio premium of £13.4 million against the IFRS valuation. A portfolio valuation basis assumes the portfolio of properties is held in a single SPV holding structure, is sold to a third party on arm's length terms and attracts purchaser's costs of 2.3%.

The audited IFRS NAV per Ordinary Share was 101.61 pence, which has increased since IPO by 3.68%.

Dividends

The Group has paid dividends totalling 2.25 pence per Ordinary Share since IPO. An interim dividend of 1.25 pence per Ordinary Share in respect of the period 1 April to 30 June 2018 was declared on 16 August 2018. The Board also declared dividends payable to holders of C Shares comprising a fixed dividend of 3% per annum pro rated for the period from admission to trading on 27 March to 30 August 2018. The Ordinary Share and C Share dividends will be payable on 28 September 2018 to shareholders on the register on 30 August 2018 (being the date on which the C Shares were converted into Ordinary Shares). The Group intends to continue paying four equally weighted interim dividends in respect of the preceding quarter in each of June, September, December and March for future years. The target dividend for the year to 31 December 2018 is 5 pence per Ordinary Share.

Loan Financing

Shortly after the end of the half year, in July 2018, the Company successfully completed its first debt financing, undertaking a private placement of £68.5 million of loan notes with a major US life insurance company. The Company raised £68.5 million of debt, secured against a specific pool of Supported Housing assets acquired by the Group in the period from August 2017 to the end of March 2018. The loan notes are split into two tranches, a 10 and a 15-year tranche. The fixed rate coupon of the 10 and 15-year tranches are 2.924% and 3.215%, respectively. On a blended basis, the weighted average term is 12 years with an average fixed rate coupon of 3.039%.

The debt arrangement represents a loan-to-value of 40% of the reported £172.0 million market value of the secured assets. This is in line with the Company's investment policy and debt strategy of securing low loan-to-value, long-dated debt to capitalise on the low interest rate environment in order to enhance shareholder returns.

The fixed rate loan note issuance is the first of a planned debt funding programme designed to support the Group's continued growth. The Group intends to utilise the debt proceeds to fund an extensive pipeline of further acquisitions in the second half of 2018.

Further Capital Raising

The Investment Manager has access to a significant pipeline of potential investments and is currently engaged in discussions with various parties (including Approved Providers and developers) in relation to a number of assets that meet the Company's investment criteria and on terms the Investment Manager considers attractive to the Company.

The Company expects to have substantially invested or committed the proceeds of its recent debt raise (announced on 23 July 2018) by the end of October and therefore intends to undertake a further issue of equity by way of a placing, open offer and offer for subscription shortly. The Company expects to publish a prospectus in connection with the issue in September.

Investment Manager

The Board and the Investment Manager, Triple Point Investment Management LLP, work closely together, meeting regularly to discuss developments in the Group and the market. We will continue this approach going forward to help maintain the efficient and effective management of the Group. During the period the Investment Manager further deepened the long-standing relationships with developers from whom we have previously purchased and continued to implement a disciplined policy focused on quality opportunities and rejecting those that failed to meet our rigorous criteria. The Board is grateful for the continued hard work and support of the Investment Manager.

Social Impact

By working with developers to bring new Supported Housing properties to market, the Group is helping to resolve the chronic social housing shortage currently prevalent across the UK. The types of tenants that are housed in properties owned by the Group include people with mental health problems, autism, learning disabilities and physical and sensory impairments. The Supported Housing homes provided to these tenants typically provide individuals with the opportunity for a better quality of life whilst coming at a lower cost to local authorities than alternatives such as residential care.

The Group is committed to the important social aim of helping to provide more and appropriate accommodation to some of the most vulnerable in society such that they can aspire to live more autonomously in local communities. At the same time, our consistent, high-quality approach to due diligence and development, combined with significant investment in the sector, is helping to drive quality in constructors and developers in the Supported Housing space.

Outlook

The outlook is positive and we expect the strong performance of the first half of 2018 to continue into the next six months of this year. We have identified, predominantly through our existing developer relationships, a strong pipeline of properties in line with our investment strategy. While a number of assets will be turned down as a result of our established due diligence process, which focuses on asset and lessee quality, we are confident our pipeline and deal flow will be sufficient to meet or exceed our deployment targets.

The market fundamentals remain strong and are demonstrated by stark undersupply and strong central and local government support for Supported Housing. We are therefore optimistic about the performance of our existing portfolio and our ability to deliver on the pipeline of assets that have already been identified for 2018.

I would like to take this opportunity to thank my fellow board members for their support and commitment in the first half of the year, and to all shareholders for your continued support.

Chris Phillips, Chairman

> The majority of the Group's assets are still located in the Midlands and the North of England, however, in the first six months of this year we have increased our percentage of assets acquired in the South of England, which has given the portfolio a stronger geographical balance, and we expect this trend to continue for the remainder of 2018.

Investment Manager's Report

Max Shenkman, Head of Investment,
Triple Point Investment Management LLP

In 2018, we continued to implement the Group's strategy of focusing on investing in good quality Supported Housing properties. In the first quarter of 2018, we completed the deployment of the IPO proceeds within the target deployment period of nine months from listing. By the end of June, we had successfully invested or committed 90% of the net proceeds of the C Share issue which triggered the process for conversion of the C Shares to Ordinary Shares on 30 August 2018. We are pleased that the Company was able to report an IFRS NAV per share of 101.61 pence at 30 June 2018, a 3.68% increase since IPO.

During the period to 30 June 2018, the Group acquired 51 assets. All assets are fit for purpose, sustainable and benefit from strong local authority support. We have also rejected a number of deals that fell within the Company's investment strategy but were not deemed to be of sufficiently high quality to warrant investment. The assets acquired by the Group all benefit from inflation-linked, fully repairing and insuring longterm leases (typically 20 to 30 years) to expert housing managers (usually Registered Providers). The properties are leased to a diversified range of 12 Approved Providers, who have different areas of geographical focus and expertise.

In addition to the strong pipeline of assets acquired over the period, we are pleased that the Group secured its first long-term debt financing. This loan financing, at a competitive all-in fixed interest rate of 3.039%, a 40% loan-to-value and an average term of 12 years, is a demonstration of the quality of the Group's portfolio and the Group's ability to attract high-quality, long-term lenders to the market.

The majority of the Group's assets are located in the Midlands and the North of England, however, in the first six months of this year we have increased our percentage of assets acquired in the South of England, which has given the portfolio a stronger geographical balance, and we expect this trend to continue for the remainder of 2018. Most of the assets we have acquired in 2018 have been purchased from developers with whom we have a long-standing relationship. By working closely with a stable of high calibre developers, we have been able to build up a strong pipeline of deals that, subject to the completion of satisfactory due diligence and agreement on pricing and terms, we expect to be able to acquire for the Group. Currently, we have visibility of a pipeline of deal flow with an aggregate value of over £400 million, which we expect to be able to close in the next 12 months. All potential acquisitions remain subject to our exacting due diligence process and pricing analysis to ensure that the Group only acquires high quality assets that will provide robust, sustainable returns for shareholders in the longer term.

Market Review

Over the period, the well-documented mismatch between supply and demand in the UK social housing market has continued to persist. In the Supported Housing sector, this mismatch is particularly acute, with the National Housing Federation predicting the shortfall in Supported Housing assets to increase 86% from 2015 to 2020. On top of this, an increasing number of people in the UK are finding themselves priced out of both the private rental and property ownership markets which, combined with a growing population, is creating considerable demand for social housing assets.

The UK's "housing crisis" continues to be fuelled by the inability to meet national (private and public) new house building targets. In the Supported Housing sector, demand for new homes is expected to increase by 30% by 2030 and, in particular, demand for housing from those with learning disabilities is expected to increase 55% over the same period. Against this backdrop, the Group's aim of funding high quality Supported Housing assets is well-placed.

Although there is now an upward trend in new house completions in the UK and the government has recently announced that additional funding will be made available to fund new social housing developments, as of April 2017 there were 1.16 million households on social housing waiting lists and, in 2016 - 2017, few more than 160,000 new homes were built against an estimated requirement of 300,000.

The impact of insufficient social housing supply is exacerbated by demand in the Supported Housing market. Demand for assets is two-fold. Firstly, improvements in healthcare are increasing the number of people requiring long-term accommodation adapted to provide care services. Secondly, following the 2012 Winterborne View care home scandal, the UK Government introduced the Care Act 2014. This placed a statutory obligation on local authorities to house people needing care in independent living situations based in communities where possible (as opposed to providing in-patient or institutional care). In light of these developments, not only do local authorities have more people needing care, but they also have a responsibility to rehouse people already receiving care in more suitable accommodation of the sort provided by the Group's Supported Housing assets.

Alongside the supply and demand issues, local authorities are facing widely reported regulatory and downward cost pressures. These are incentivising local authorities to find creative, high-quality and cost effective housing solutions for those for whom they are responsible. Supported Housing assets provide part of this solution.

Supported Housing is compelling not only due to the quality of life it can afford occupants, but also because of the potential cost savings for local authorities. Research recently commissioned by Mencap (a leading UK charity for people with learning disabilities) showed that demand for new Supported Housing properties is expected to grow over the next ten years. The report found that it costs on average £1,596 per week to house and care for a person with learning disabilities living in Supported Housing, compared with £1,760 per week for a residential care placement and £3,500 per week for inpatient care. This is further substantiated by a 2017 government report showing that, in that year, local authorities received 135,950 requests for community care support – which consists of home care, supported living and other long-term care. Such demand meant that the area in which local authorities saw the largest increase in expenditure was "Long Term" support, which increased by £539.0 million to £13.6 billion in 2016-17. Community care accounted for 46% of this total.

The Group works closely with specialist Supported Housing Approved Providers who are seeking to meet housing demand in the Supported Housing sector. These Approved Providers are increasing their assets under management in order to achieve scale, to better leverage expertise and efficiencies in order to help vulnerable people who cannot meet their housing needs in the private market. These Approved Providers look to the Group to fund the development of new social housing assets, given insufficient or inaccessible grant funding. After funding an asset, an Approved Provider enters into a long lease with the Group in respect of that property, the income of which contributes to shareholders' long-term index-linked returns.

Regulatory Oversight

The Investment Manager undertakes thorough due diligence on any Registered Provider before the Group enters into a lease, with the intention of contracting only with counterparties of a sufficiently high quality. All of the Registered Providers with whom the Group has leases are regulated by the Regulator of Social Housing ("the Regulator").

Registered Providers are subject to a detailed in-depth assessment ("IDA") by the Regulator within three years of passing through the 1,000 units under management barrier. The IDA assesses the Registered Provider's compliance with the requirements of the Governance and Financial Viability Standard. Each IDA is a bespoke piece of work and will consider in detail a provider's viability (its ability to meet financial obligations), its approach to value for money and its governance. The IDA is likely to encompass assessment of risk profiles, exposures, financial strengths and weaknesses, governance and the delivery of value for money in the broadest sense. The outcome of an IDA results in the Regulator publishing a formal grading (V 1-4 for Viability and G 1-4 for Governance), known as a regulatory judgement.

Most of the Registered Providers with whom the Group has leases specialise in providing Supported Housing accommodation and currently have less than 1,000 units under management, which means that they have historically been subject to a lower level of regulation than the IDA regime applicable to larger Registered Providers. However, the Group has leases with a number of Registered Providers who are close to progressing through the threshold of 1,000 units under management and who the Group therefore expects to be the subject of an IDA in due course. The Group and the Investment Manager see this as a positive for these Registered Providers due to the increased accountability and higher degree of transparency which it will bring.

The Regulator seeks to work closely with a Registered Provider that is failing to meet any aspect of the Governance and Financial Viability Standard, with a view to remedying the issue as soon as possible in a manner which protects the integrity of the Social Housing regime. The recent case of First Priority Housing Association Limited ("FPHA"), a Registered Provider with whom the Group has no leases, offers an example of this collaborative approach to regulation. In February 2018, the Regulator issued a Regulatory Notice stating that it had been approached by FPHA and that, following a review, it appeared that FPHA did not have the financial capacity to meet its debts as they fell due. As FPHA had fewer than 1,000 units at its last regulatory submission, the Regulator had not yet published a regulatory judgement on FPHA, so published the Regulatory Notice instead. The Regulator worked with FPHA to understand its financial position, to strengthen its board and to secure the long-term future of the 227 individual properties leased and managed by FPHA. On 9 May 2018, one of FPHA's landlords, Civitas Social Housing Plc, announced that all of its leases with FPHA had been assigned on the same terms to another Registered Provider and, over the course of the following two months, a large portion of the remaining leases were transferred away from FPHA to other Registered Providers. Finally, on 17 July 2018, FPHA entered into a Company Voluntary Arrangement with its remaining creditors. Whilst the Group did not have any exposure to FPHA this provides a recent example of the Regulator facilitating the management of Approved Providers entering into financial difficulties

Financial Review

As at 30 June 2018, the annualised rental income of the Group was £10.4 million (excluding forward funding transactions). The Group is a UK REIT for tax purposes and is exempt from corporation tax on its property rental business.

The fair value gain of £3.3 million was recognised during the period on the revaluation of the Group's properties.

Earnings per share was 3.02 pence for the period[12], compared to 3.94 pence for the period ending 31 December 2017[13] calculated on the weighted average number of shares in issue during the period. Adjusted earnings per share were 9.38 pence for the period, where post-tax earnings were adjusted for a valuation on a portfolio basis (as opposed to individual asset) IFRS basis.

The IFRS NAV per share was 101.61 pence, which has increased since IPO by 3.68%. The EPRA NAV per share and the IFRS NAV per share were equivalent for the period. The IFRS NAV adjusted for the portfolio valuation (including portfolio premium) was £215.9 million, which equates to a Portfolio NAV of 107.97 pence per share.

[12] EPRA Earnings per share was 1.39 pence for the period to 30 June 2018.

[13] The period to 31 December 2017 ran from the Company's incorporation on 12 June 2017. The Company's Ordinary Shares were admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange on 8 August 2017.

The ongoing charges ratio is calculated as a percentage of the average net asset value for the period under review. The ongoing charges ratio for the period is 1.85%. This increase is in large part attributable to the fact that the C Shares issued during the period are not deemed to have increased the average net asset value as they are treated as a financial liability prior to conversion. However, the costs associated with the C Shares are included in the ongoing charges calculation. If the Ordinary Shares arising on conversion of the C Shares had been in issue on 30 June 2018, the ongoing charges ratio at 30 June 2018 would be 1.50%.

At the period end, the portfolio was independently valued at £190.0 million on an IFRS basis, reflecting a valuation uplift of 5.27% against the portfolio's aggregate purchase price (including transaction costs). The valuation reflects a portfolio yield of 5.32%, against the portfolio's blended net initial yield of 5.91%. This yield arbitrage of 59 basis points implies a purchase-to-valuation margin of 11.1%, underpinning the quality of the Group's asset selection and acquisition process.

The Group's properties were valued at £203.4 million on a portfolio valuation basis, reflecting a portfolio premium of £13.4 million against the IFRS valuation. A portfolio valuation basis assumes the portfolio of properties is held in a single SPV holding structure, is sold to a third party on arm's length terms and attracts purchaser's costs of 2.3%.

Continued Strategic Alignment and Asset Selection

In the first half of 2018, the Group has continued to execute its investment strategy, delivering inflation-protected income underpinned by a careful asset selection of secure, long-let and index-linked properties. During this period, the Group purchased 51 assets which included its first series of forward funding transactions. For the standing investments, the aggregate net purchase prices were £46.4 million.

	2017 Q4	2018 Q2	CHANGE	
# of Assets	116	167	**+51**	▲
# of Leases	65	100	**+35**	▲
# of Units	828	1,158	**+330**	▲
# of APs	11	12	**+1**	▲
# of FFAs	0	8	**+8**	▲
WAULT	30.6 years	29.0 years	**-1.6 years**	▼

In addition the Group has made further commitments totalling £51.5 million (excluding transaction costs) in relation to the acquisition and development of UK social housing assets as at 30 June 2018. These commitments include £24.1 million resulting from the exchange of contracts on the acquisition of TPSHIL and £27.4 million of other exchanges and forward funding transactions.

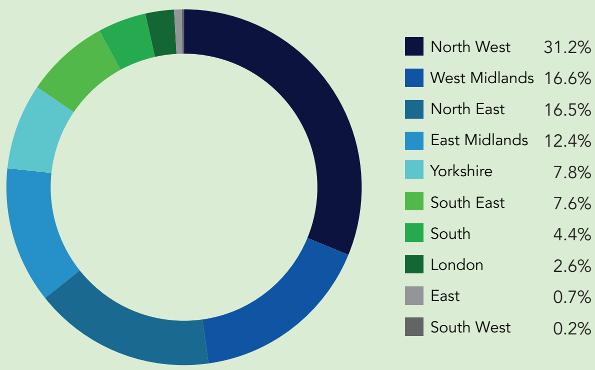
COMMITTED CAPITAL AS AT 30 JUNE 2018	TOTAL FUNDS £M
Total Deployed	£180.5
Exchanges	£43.4
Forward Funding Commitments	£8.1
Total Capital Committed	**£232.0**

Property Portfolio

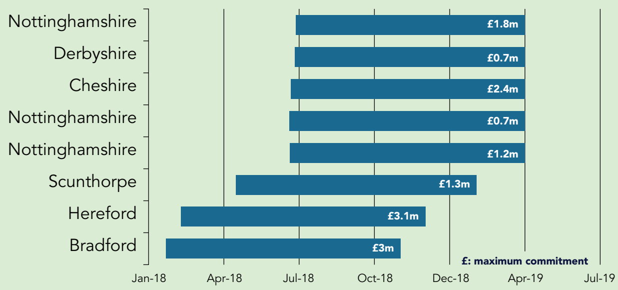
As at 30 June 2018, the property portfolio comprised 167 assets with 1,158 units and showed a broad geographic diversification across the UK. The 3 largest concentrated areas were the North West (31.2%), West Midlands (16.6%) and the North East (16.5%). The fair value of the property portfolio is £190.0 million (an average of £1.1 million per property).

During the first half of 2018, the Group committed to its first series of forward funding transactions. Forward funding forms an integral part of the Group's investment strategy, adding significant value-add to the property portfolio. A total of 8 forward funding transactions have been signed with various lease start dates following build programmes of up to 12 months and with an aggregate funding commitment of £8.1 million.

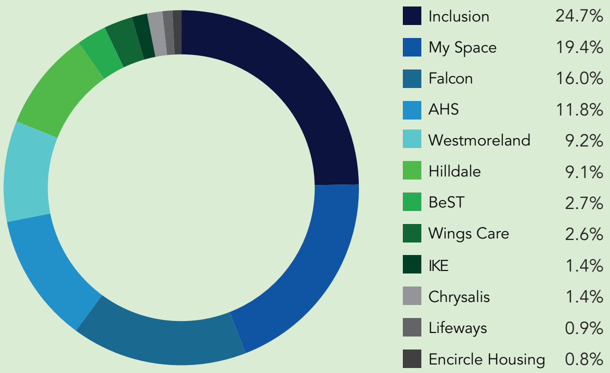
Market Value by Region



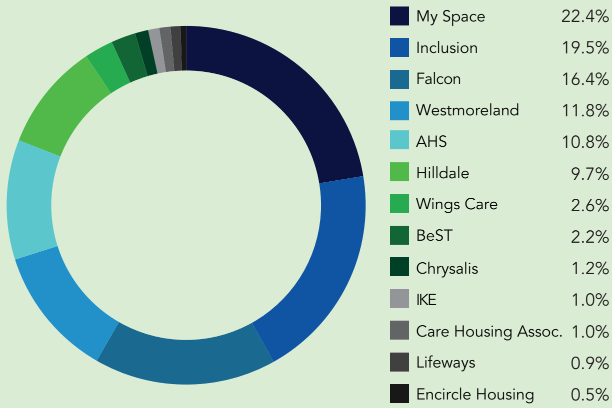
Forward Funding Agreements ("FFAs") Overview



Rental Income by AP



Units by AP



Rental Income

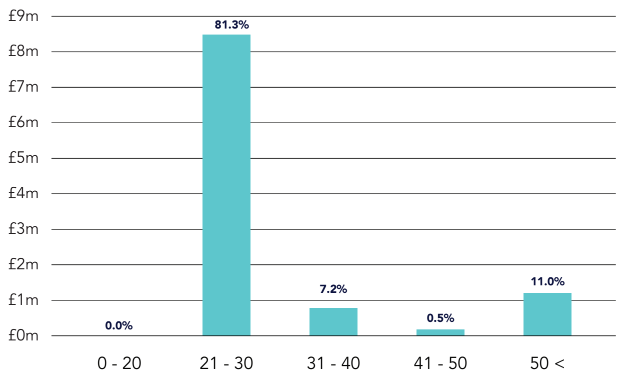
As at 30 June 2018, the property portfolio is fully let with the assets either being let or pre-let on completion, comprising 100 fully repairing and insuring leases which includes the current forward funding transactions. The total annualised rental income of £10.4 million solely accounts for the aggregate rental income of the standing investments.

In the first half 2018, the Group has further diversified its tenant base by adding one additional Approved Provider to the portfolio; Encircle Housing. Another Approved Provider, Care Housing Association, has entered into an Agreement for Lease on a Forward Funding acquisition which is expected to be producing rental income in early 2019. With the Group having entered into active leases with 12 Approved Providers, the Group's tenant base is well diversified across the sector with some of the most desired UK housing associations. Our three largest Approved Providers by rental income were Inclusion Housing (24.7%), My Space Housing Solutions (19.4%) and Falcon Housing Association (16.0%).

Our three largest Approved Providers by units were My Space Housing Solutions (259), Inclusion Housing (226) and Falcon Housing Association (190).

As at 30 June 2018, the property portfolio had a WAULT of 29.0 years, with 81.3% of the portfolio's rental income showing an unexpired lease term of between 21-30 years. Compared with Q4 2017, the WAULT has shortened slightly by 1.6 years as the majority of additions in the reporting period showed a lease term certain of 25 years. The WAULT includes the initial lease term upon completion as well as any reversionary leases and/or put and call options available to the Group at expiry.

Income by Lease Length

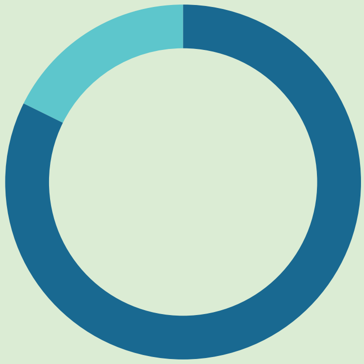


Rents under the leases are indexed against either CPI (82.3% of the 30 June 2018 portfolio) or RPI (17.7% of the 30 June 2018 portfolio), which provides investors the security that the rental income is in line with inflation. For the purposes of the portfolio valuation, Jones Lang LaSalle assumed CPI and RPI to increase at 2.0% per annum and 2.5% per annum respectively over the term of the relevant leases.

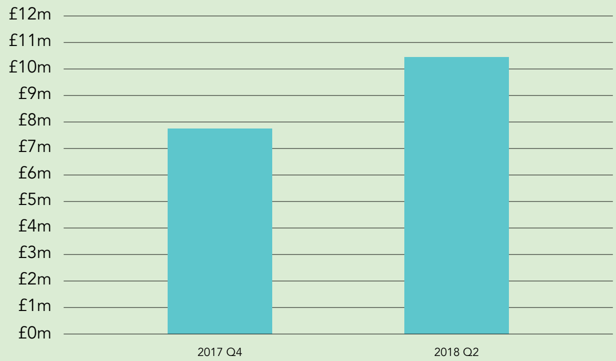
As at 30 June 2018, the total rent passing was £10.4 million (excluding forward funding transactions)[14]. In this reporting period, there were 28 leases which benefited from a rental uplift linked to CPI/RPI, equating to a total rental value increase of approximately £91,000 more than the initially contracted rent.

[14] The passing rent value of £10.4 million excludes all Forward Funding transactions that are yet to be rental income producing.

Rental Income by Index



Rental Income Uplift



Pipeline and Outlook

Since IPO, the Group has benefited from demand for new Supported Housing assets and the reliance of specialist Supported Housing Approved Providers on private funders such as the Company to help fund new developments. This has enabled the Group to build up a strong pipeline over the next 12 months. The pipeline has principally been developed through our relationships with a number of high quality developers of Supported Housing assets. The developers, in conjunction with local authorities, care providers and Approved Providers, have identified where the need for more Supported Housing assets is most acute and have continued to develop new Supported Housing assets in these areas. It is these assets that make up the majority of the pipeline.

The properties in the pipeline are at various stages of development. For example, some may require planning permission, some are still at the design stage and some are nearly ready to be acquired by the Group. It is important to note that the Group will only acquire an asset when a lease with an Approved Provider is in place or, in the case of forward funding, when the assets are pre-let to an Approved Provider. Nearly all of the properties that the Group intends to acquire from developers in 2018 and 2019 are off market, as they are expected to be sold directly to the Group without being marketed to other funds.

While the focus has been on working with developers, the Group has also acquired portfolios of assets. Some of these portfolios were off market and some were marketed to a limited number of funders. The Group does not tend to participate in large auction processes. We will continue to look at portfolios of assets opportunistically although we do not generally include portfolios in pipeline calculations.

Portfolio acquisitions tend to be more opportunistic (and therefore harder to predict) and if they become competitive processes the probability of successfully completing the acquisition is considerably lower than for deals that come through our developer pipelines.

The Group's future pipeline, like its current portfolio, has a good geographical spread. As such, the Group should maintain a balanced, diverse portfolio into the future. In addition, the pipeline should enable the Group to broaden the range of Approved Providers that it works with. This, in turn, should lead to additional opportunities to fund Supported Housing assets in 2018, 2019 and beyond.

“The Group's future pipeline, like its current portfolio, has a good geographical spread.”

Portfolio Summary

LOCATION

Key	County	Properties	% of funds invested*
1	North West	62	32.5
2	North East	33	16.4
3	West Midlands	21	15.8
4	East Midlands	15	12.0
5	South East	12	7.9
6	Yorkshire	11	7.2
7	South	6	4.6
8	London	4	2.7
9	East	2	0.7
10	South West	1	0.2
Total		**167**	**100.0**

*excluding purchase costs

PORTFOLIO HIGHLIGHTS AS AT 30 JUNE 2018

£175.1m
Aggregate consideration

167
Properties (1,158 units)

69
Local Authorities

100
Tenancies

12
Approved Providers

34
Care Providers

£10.4m
Contracted rental income

29.0 years
WAULT

100%
Index-linked

Key Performance Indicators

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

1. ORDINARY SHARE DIVIDEND

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
Dividends paid to shareholders and declared in relation to the period.	The dividend reflects the Company's ability to deliver a low risk but growing income stream from the portfolio.	Dividends paid or declared for the period 1 January 2018 to 30 June 2018 were 2.5 pence per Ordinary Share.	The Company declared a dividend of 1.25 pence per Ordinary Share in respect of the period 1 April 2018 to 30 June 2018, payable on 28 September 2018, which is in line with the Company's target.

2. IFRS NAV PER SHARE

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
The value of our assets (based on an independent valuation) less the book value of our liabilities, attributable to shareholders.	The IFRS NAV reflects our ability to grow the portfolio and to add value to it throughout the life cycle of our assets.	101.61 pence at 30 June 2018.	The IFRS NAV per share at 31 December 2017 was 100.84 pence. This is an increase of 0.76% since 31 December 2017 driven by growth in the underlying asset value of the investment properties.

3. LOAN TO GAV

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
It is envisaged that a proportion of our investment portfolio is funded by borrowings. Our medium to longterm target Loan to GAV is 40% with a hard cap of 50%.	The Company will seek to use gearing to enhance equity returns.	0.0% at 30 June 2018.	Although no gearing is in place as of 30 June 2018, appropriate gearing has been introduced since the period end.

4. EARNINGS PER SHARE

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
The post-tax earnings generated that are attributable to shareholders.	The EPS reflects our ability to generate earnings from our portfolio including valuation increases.	3.02 pence per share for the six month period to 30 June 2018.	The outlook remains positive and we continue to invest to generate an attractive total return.

5. ADJUSTED EARNINGS PER SHARE

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
The post-tax earnings adjusted for the market portfolio valuation including portfolio premium.	The Adjusted EPS reflects the application of using the portfolio value.	9.38 pence per share for the period to 30 June 2018.	The Adjusted EPS shows the value per share on a long-term basis.

6. WEIGHTED AVERAGE UNEXPIRED LEASE TERM (WAULT)

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
The average unexpired lease term of the investment portfolio, weighted by annual passing rents. Our target is a WAULT of at least 15 years.	The WAULT is a key measure of the quality of our portfolio. Long lease terms underpin the security of our income stream.	29 years at 30 June 2018 (includes put and call options).	As at 30 June 2018, the portfolio's WAULT stood at 29 years and remains ahead of the Group's minimum term of 15 years.

7. PORTFOLIO NET ASSET VALUE

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
The IFRS NAV adjusted for the market portfolio valuation including portfolio premium.	The Portfolio NAV measure is to highlight the fair value of net assets on an ongoing, longterm basis.	The Portfolio Net Assets of £215.9 million equates to a Portfolio NAV of 107.97 pence per Ordinary Share.	The Portfolio NAV per share shows a good market growth in the underlying asset value of the investment properties.

8. EXPOSURE TO LARGEST APPROVED PROVIDER

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
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.	19.40%.	Our target is lower than 25%. We are materially below our maximum exposure target with our largest Approved Provider, Inclusion Housing.

EPRA Performance Measures

The table below 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.

1. EPRA EARNINGS PER SHARE

KPI AND DEFINITION	PURPOSE	PERFORMANCE
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.	1.39 pence per share for the period to 30 June 2018. 0.02 pence per share for the period to 31 December 2017. As the Company is currently in ramp up phase to full investment (including debt at 40%) and undertaking forward fundings there will be a lag in the Company's ability to fully cover dividends. Our priority remains to achieve a fully covered dividend from operations.

2. EPRA NAV PER SHARE

KPI AND DEFINITION	PURPOSE	PERFORMANCE
EPRA NAV makes certain adjustments to IFRS NAV to exclude items not expected to crystallise in a long-term investment property business model. As at 30 June 2018 both the EPRA NAV and the IFRS NAV are equivalent.	Provides stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy.	£249.9 million/ 101.61 pence per share. £201.7 million/ 100.84 pence per share as at 31 December 2017.

3. EPRA NET INITIAL YIELD (NIY)

KPI AND DEFINITION	PURPOSE	PERFORMANCE
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.	5.14% at 30 June 2018. 4.26% at 31 December 2017.

4. EPRA "TOPPED-UP" NIY

KPI AND DEFINITION	PURPOSE	PERFORMANCE
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 30 June 2018.	5.32% at 30 June 2018. 5.32% at 31 December 2017.

5. EPRA VACANCY RATE

KPI AND DEFINITION	PURPOSE	PERFORMANCE
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 30 June 2018.	0.00% at 30 June 2018. 0.00% as at 31 December 2017.

The Investment Manager

JAMES CRANMER
Co-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.

BEN BEATON
Co-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.

MAX SHENKMAN
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 £150 million of investment into Supporting 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.

RALPH WEICHELT
Investment Director

Ralph joined the Investment Manager in 2017 as a member of the Investment Team. Prior to joining the Investment Manager, Ralph was a partner in Chalkhill Partners LLP, a debt advisory firm focusing on commercial real estate debt origination via institutions and debt capital markets. Prior to this, he held a number of positions in pan-European real estate entities spanning fund management, transactional work (sourcing/underwriting/execution) and advisory. His over 20 years' experience spans across all investment strategies, ranging from core, value added to opportunistic. Ralph is also a qualified Chartered Surveyor.

ISOBEL GUNN-BROWN
Head of Fund Management Services

Isobel joined the Investment Manager in 2010 and acts as Chief Finance Officer to the Group leading the financial reporting responsibilities of the Group in conjunction with the AIFM. At the Investment Manager Isobel is Head of the Fund Management Services 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 eight listed venture capital trusts, managing the Investment Manager's FCA regulation and reporting requirements and monitoring investee company compliance with HMRC regulation.

JUSTIN HUBBLE
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 practise lawyer at City firm Ashurst during the dot-com era. On leaving private practise 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.

Principal Risks and Uncertainties

The Board has overall responsibility for the Group's risk management and internal controls, with the audit committee reviewing the effectiveness of the Group's risk management process on its behalf.

The principal risks and uncertainties we face are described in detail on pages 39 to 41 of our Annual Report for the period ended 31 December 2017 and in the following pages on 31 to 33.

The identified risks have the potential to materially affect our business, either favourably or unfavourably. Some risks may currently be unknown, while others that we currently regard as immaterial, and have therefore not been included here, may turn out to be material in the future.

RISK CATEGORY FINANCIAL

Expensive or lack of debt finance may limit our ability to grow

RISK IMPACT	RISK MITIGATION	IMPACT	LIKELIHOOD
Without sufficient debt funding at sustainable rates, we will be unable to pursue suitable investments in line with our Investment Policy. This would significantly impair our ability to pay dividends to shareholders at the targeted rate.	When raising debt finance the Investment Manager adopts a flexible approach involving speaking to multiple funders offering various rates, structures and tenors. Doing this allows the Investment Manager to maintain maximum competitive tension between funders. After proceeding with a funder, the Investment Manager agrees heads of terms early in the process to ensure a streamlined, transparent fund-raising process. The Board also keeps our liquidity under constant review and we will always aim to have headroom in our debt facilities ensuring that we have a level of protection in the event of adverse fund-raising conditions.	Moderate	Low

RISK CATEGORY PROPERTY

Default of one or more Approved Provider lessees

RISK IMPACT	RISK MITIGATION	IMPACT	LIKELIHOOD
The default of one or more of our lessees could impact the revenue gained from relevant assets. If the lessee cannot remedy the default or no support is offered to the lessee by the Regulator of Social Housing, we may have to terminate or negotiate the lease, meaning a sustained reduction in revenues while a replacement is found.	Under the terms of our Investment Policy and restrictions, no more than 30% of the Group's gross asset value may be exposed to one lessee, meaning the risk of significant rent loss is low. The lessees are predominantly regulated by the Regulator of Social Housing, meaning that, if a lessee was to suffer financial difficulty, it is likely that the Regulator of Social Housing would assist in making alternative arrangements to ensure continuity for residents who are vulnerable members of the community.	Low to Moderate	Low

RISK CATEGORY PROPERTY

Forward-funding properties involves a higher degree of risk than that associated with completed investments

RISK IMPACT	RISK MITIGATION	IMPACT	LIKELIHOOD
Our forward funded developments are likely to involve a higher degree of risk than is associated with standing investments. This could include general construction risks, delays in the development or the development not being completed, cost overruns or developer/contractor default. If any of the risks associated with our forward funded developments materialised, this could reduce the value of these assets and our portfolio.	Before entering into any forward funding arrangements, the Investment Manager undertakes substantial due diligence on developers and their main subcontractors, ensuring they have a strong track record. We enter into contracts on a fixed price basis and then, during the development work, we defer development profit until work has been completed and audited by a chartered surveyor. Further, less than 10% of our portfolio is forward-funded at present and we are limited by our Investment Policy which restricts us to forward funding a maximum of 20% of the Group's net asset value at any one time. Ultimately, with these mitigating factors in place, the flexibility to forward fund allows us to acquire assets and opportunities which will provide prime revenues in future years.	Low to Moderate	Low to Moderate

RISK CATEGORY REGULATORY

Risk of an Approved Provider receiving a non-compliant financial viability or governance rating by the Regulator

RISK IMPACT	RISK MITIGATION	IMPACT	LIKELIHOOD
Should an Approved Provider with which the Group has one or more leases in place receive a non-compliant rating 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 Group's Net Asset Value until such time as the matter is resolved through an improvement in the relevant Approved Provider's rating or a change in Approved Provider.	As part of the Company's acquisition process, the Investment Manager conducts a thorough due diligence process on all Registered Providers with which the Company enters into lease agreements that takes account of their financial strength and governance procedures. The Investment Manager has established relationships with the Approved Provider with whom it works. The Approved Providers keep them informed of developments surrounding the regulatory notices.	Moderate to High	Low to Moderate

RISK CATEGORY REGULATORY

Risk of changes to the Social Housing regulatory regime

RISK IMPACT	RISK MITIGATION	IMPACT	LIKELIHOOD
Future Governments may take a different approach to the Social Housing regulatory regime, resulting in changes to the law and other regulation or practices of the Government with regard to Social Housing.	As demand for social housing remains high relative to supply, the Group is confident there will continue to be a viable market within which to operate, notwithstanding any future change of government. Even if government funding was to reduce, the nature of the rental agreements the Group has in place means that the Group will enjoy continued lessee rent commitment for the term of the agreed leases.	High	Low to Moderate

RISK CATEGORY REGULATORY

Risk of not being qualified as REIT

RISK IMPACT	RISK MITIGATION	IMPACT	LIKELIHOOD
If the Group fails to remain in compliance with the REIT conditions, the members of the Group will be subject to UK corporation tax on some or all of their property rental income and chargeable gains on the sale of properties which would reduce the funds available to distribute to investors.	The Group intends to stay as a REIT and work within its investment objective and policy. The Investment Manager will retain legal and regulatory advisers and consult with them on a regular basis to ensure it understands and complies with the requirements. In addition, the Board oversees adherence to the REIT regime, maintaining close dialogue with the Investment Manager to ensure we remain compliant with legislation.	High	Low

RISK CATEGORY CORPORATE

Reliance on the Investment Manager

RISK IMPACT	RISK MITIGATION	IMPACT	LIKELIHOOD
We continue to rely on the Investment Manager's services and its reputation in the social housing market. As a result, our performance will, to a large extent, depend on the Investment Manager's abilities in the property market. Termination of the Investment Management Agreement would severely affect our ability to effectively manage our operations and may have a negative impact on the share price of the Company.	Unless there is a default, either party may terminate the Investment Management Agreement by giving not less than 12 months' written notice, which may expire before August 2020. The Board regularly reviews and monitors the Investment Manager's performance. In addition, the Board meets regularly with the Manager to ensure that we maintain a positive working relationship.	High	Low

RISK CATEGORY FINANCIAL

Property valuations may be subject to change over time

RISK IMPACT	RISK MITIGATION	IMPACT	LIKELIHOOD
Property valuations are inherently subjective and uncertain. Market conditions, which may impact the creditworthiness of lessees, may adversely affect 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 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 the assets in the portfolio may be negatively affected. Any changes could affect the Group's net asset value and the share price of the Group. The borrowings the Company currently has and which the Group uses in the future may contain loan to value and interest covenants. If property valuations decrease, such covenants could be breached, and the impact of such an event could include: an increase in borrowing costs; a call for additional capital from the lender; payment of a fee to the lender; a sale of an asset; or a forfeit of any asset to a lender.	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 to visit each property in the portfolio once a year, and works closely with lease counterparties to ensure, to the extent reasonably possible, their financial strength and governance procedures remain robust through the duration of the relevant lease.	Moderate	Moderate

Directors' Responsibility Statement

The Directors confirm that to the best of their knowledge this condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union and that the operating and financial review on pages 37 to 63 includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8 of the Disclosure and Transparency rules of the United Kingdom's Financial Conduct Authority namely:

- an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions in the first six months of the financial year as disclosed in note 22.

A list of the Directors is shown on page 66.

Shareholder information is as disclosed on the Triple Point Social Housing REIT plc website.

Approval

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

Chris Phillips
Chairman
13 September 2018

Independent Review Report to the members of Triple Point Social Housing REIT plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2018 which comprises the Condensed Group Statement of Comprehensive Income, the Condensed Group Statement of Financial Position, the Condensed Group Statement of Changes in Equity, the Condensed Group Statement of Cash Flows and the Notes to the Group Condensed Interim Financial Statements.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

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

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting its responsibilities in respect of half-yearly financial reporting in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2018 is not prepared, in all material respects, in accordance with International Accounting Standard 34, as adopted by the European Union, and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Thomas Edward Goodworth
BDO LLP
Chartered Accountants
London, United Kingdom

13 September 2018

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

Financial Statements

Condensed Group Statement of Comprehensive Income

For the period from 1 January 2018 to 30 June 2018

	Note	Period from 1 January 2018 to 30 June 2018 (unaudited) £'000	Period from 12 June 2017 to 31 December 2017 (audited) £'000
Income			
Rental income	5	4,744	1,027
Total income		4,744	1,027
Expenses			
Directors' remuneration	6	(127)	(147)
Management fees	7	(868)	(472)
General and administrative expenses		(878)	(446)
Total expenses		(1,873)	(1,065)
Gain from fair value adjustment on investment property	11	3,257	5,639
Operating profit		6,128	5,601
Finance income	8	70	79
Finance expense	9	(24)	(8)
Finance expense – C Shares amortisation	9	(134)	-
Profit for the period before tax		6,040	5,672
Taxation	10	-	-
Profit and total comprehensive income attributable to shareholders for the period		**6,040**	**5,672**
Earnings per share – basic	26	**3.02p**	**3.94p**
Earnings per share – diluted	26	**2.75p**	**3.94p**

All amounts reported in the Condensed Group Statement of Comprehensive Income for the period ended 30 June 2018 relate to continuing operations.

The accompanying notes on pages 41 to 61 form an integral part of these Group Financial Statements.

Company Number 10814022

Condensed Group Statement of Financial Position

As at 30 June 2018

	Note	30 June 2018 (unaudited) £'000	31 December 2017 (audited) £'000
Assets			
Non-current assets			
Investment properties	11	190,581	138,512
Total non-current assets		**190,581**	**138,512**
Current assets			
Trade and other receivables	12	2,411	12,002
Cash and cash equivalents	13	63,346	58,185
Total current assets		**65,757**	**70,187**
Total assets		**256,338**	**208,699**
Liabilities			
Current liabilities			
Trade and other payables	14	5,288	5,876
C Shares	15	46,684	-
Total current liabilities		**51,972**	**5,876**
Non-current liabilities			
Other payables	16	1,154	1,151
Total non-current liabilities		**1,154**	**1,151**
Total liabilities		**53,126**	**7,027**
Total net assets		**203,212**	**201,672**
Equity			
Share capital	17	2,000	2,000
Share premium reserve	18	-	-
Capital reduction reserve	19	189,533	194,000
Retained earnings		11,679	5,672
Total Equity		**203,212**	**201,672**
Net asset value per share – basic	27	**101.61p**	**100.84p**
Net asset value per share – diluted	27	**101.61p**	**100.84p**

The Condensed Group Financial Statements were approved and authorised for issue by the Board on 13 September 2018 and signed on its behalf by:

Chris Phillips
Chairman
13 September 2018

The accompanying notes on pages 41 to 61 form an integral part of these Group Financial Statements.

Condensed Group Statement of Changes in Equity

For the period from 1 January 2018 to 30 June 2018

	Note	Share capital £'000	Share premium reserve £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2018		2,000	-	194,000	5,672	**201,672**
Total comprehensive income for the period		-	-	-	6,040	**6,040**
Transactions with owners						
Dividends paid	20	-		(4,467)	(33)	**(4,500)**
Balance at 30 June 2018 (unaudited)		**2,000**	-	**189,533**	**11,679**	**203,212**

	Note	Share capital £'000	Share premium reserve £'000	Capital reduction reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 12 June 2017		-	-	-	-	-
Total comprehensive income for the period		-	-	-	5,672	**5,672**
Transactions with owners						
Ordinary Shares issued in the period at a premium	17,18	2,000	198,000	-	-	**200,000**
Share issue costs capitalised	18	-	(4,000)	-	-	**(4,000)**
Cancellation of share premium	18,19	-	(194,000)	194,000	-	-
Balance at 31 December 2017 (audited)		**2,000**	-	**194,000**	**5,672**	**201,672**

The accompanying notes on pages 41 to 61 form an integral part of these Group Financial Statements.

Condensed Group Statement of Cash Flows

For the period from 1 January 2018 to 30 June 2018

	Note	From 1 January 2018 to 30 June 2018 (unaudited) £'000	From 12 June 2017 to 31 December 2017 (audited) £'000
Cash flows from operating activities			
Profit before income tax		6,040	5,672
Adjustments for:			
Gain from fair value adjustment on investment property	11	(3,257)	(5,639)
Finance income	8	(70)	(79)
Finance costs	9	24	8
Finance costs–C share amortisation	9	134	-
Operating results before working capital changes		2,871	(38)
Increase in trade and other receivables		(499)	(722)
Increase in trade and other payables		710	1,555
Net cash flow generated from operating activities		**3,082**	795
Cash flows from investing activities			
Purchase of investment properties		(46,077)	(127,401)
Prepaid acquisition costs refunded/(paid)	12	6,060	(11,280)
Restricted cash–released		2,920	(3,427)
Restricted cash–(paid)		(2,373)	-
Net cash flow used in investing activities		**(39,470)**	(142,108)
Cash flows from financing activities			
Proceeds from issue of Ordinary Shares		-	200,000
Ordinary Share issue costs capitalised		-	(4,000)
Proceeds from issue of C Shares	15	47,500	-
C share issue costs capitalised	15	(950)	-
Dividends paid	20	(4,500)	-
Interest received		56	73
Interest paid		(10)	(2)
Net cash flow generated from financing activities		**42,096**	**196,071**
Net increase in cash and cash equivalents		5,708	54,758
Cash and cash equivalents at the beginning of the period		54,758	-
Cash and cash equivalents at the end of the period	13	**60,466**	54,758

The accompanying notes on pages 41 to 61 form an integral part of these Group Financial Statements.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

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 18 St. Swithin's Lane, London, United Kingdom, EC4N 8AD. 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 Condensed Group Financial Statements for the six months ended 30 June 2018 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority (previously the Financial Services Authority) and with IAS 34, Interim Financial Reporting, as adopted by the European Union.

Comparatives, as required by IAS 34 for the comparable interim period, are not provided as this is the Group's first interim report since incorporation.

The Condensed Group Financial Statements for the six months ended 30 June 2018 have been reviewed by the Company's Auditor, BDO LLP in accordance with International Standard of Review Engagements 2410, Review of Interim of Financial Information Performed by the Independent Auditor of the Entity and were approved for issue on 13 September 2018. The Condensed Group Financial Statements are unaudited and do not constitute statutory accounts for the purposes of the Companies Act 2006.

The comparative financial information for the period ended 31 December 2017 in this interim report does not constitute statutory accounts for that year. The Company's annual report and accounts for the period to 31 December 2017 have been delivered to the Registrar of Companies. The independent auditor's report on those accounts was unqualified, did not include reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006.

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.

The Group has applied the same accounting policies in these Condensed Group Financial Statements as in its 2017 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for periods beginning on or after 1 January 2018. New standards impacting the Group that will be adopted in the annual financial statements for the year ended 31 December 2018 are:

- IFRS 9 Financial Instruments; and
- IFRS 15 Revenue from Contracts with Customers

IFRS 9 *Financial Instruments*

IFRS 9 replaces IAS 39 Financial Instrument: Recognition and Measurement and introduces a single model that has initially only two classification categories rather than the multiple classification and measurement models in the previous standard. The new models are amortised at cost and fair value.

Due to the nature of the Group's financial instruments, the adoption of IFRS 9 does not have a material impact on the Group's consolidated results or financial position and does not require there to be a restatement of comparative figures.

The fair value of each category of the Group's financial instruments approximates to their carrying value. Where financial assets and liabilities are measured at fair value the measurement hierarchy, valuation techniques and inputs used are consistent with those used at 31 December 2017. There were no movements between different levels of the fair value hierarchy in the period.

Having considered the requirements of IFRS 9, under section 5.5.15(b), the Directors are required to apply the simplified approach when considering the Expected Credit Loss ("ECL") model when determining the expectations of impairment. Under the simplified approach the Company is always required to measure lifetime expected losses.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

2. BASIS OF PREPARATION (continued)

Given the nature of the Group's receivables, the Directors do not consider any to be impaired. They believe that all are fully recoverable and therefore there is no ECL to recognise. This view is because all rent receivables are fully insured and each tenant receives their cash inflows from local and central government. These factors combine to ensure the probability of credit loss is immeasurably small.

IFRS 15 *Revenue from Contracts with Customers*

IFRS 15 has replaced IAS 11 Construction Contracts and IAS 18 Revenue. The standard introduces a new revenue recognition model that recognises revenue either at a point in time or over time (effective for annual periods beginning on or after 1 January 2018).

The Directors are satisfied the standard has no material impact on the financial statements as rental income is outside the scope of the standard and the Group's only revenue is currently generated from rental income from leases that do not contain any service components.

IFRS 16 becomes effective on 1 January 2019 for annual periods beginning on or after 1 January 2019 and the Directors are currently assessing the impact on the financial statements. However, it is not expected that this standard will have a material impact on the Group's financial statements as the Group has no operating leases as a lessee.

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 rental income exceeds the expected operating costs of the Group for at least the next 12 months.

As a result, the directors believe that the Group is 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.

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

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 make reference to market evidence of transaction prices for similar properties. Further information is provided in note 11.

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 2017, 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 ("SSH") 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;

Level 3 – External inputs are "unobservable". Value is the directors 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.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Judgements:

3.2. 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 the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the 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 no integrated set of activities were acquired.

3.3. The Group as lessor

The Group has acquired investment properties that are subject to commercial property leases with Registered Providers. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the duration of the lease terms and minimum lease payments, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

3.4. The Group as lessee

Leases where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Group are accounted for as finance leases. The asset is treated as if it had been purchased outright and held within the Group's investment properties. The amount initially recognised as an asset is the lower of the fair value of the leased property and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element is charged to the Statement of Comprehensive Income over the period of the lease. The capital element reduces the balance owed to the lessor.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in this report are consistent with those applied in the Group's statutory accounts for the period ended 31 December 2017. The principal accounting policies of the financial statements are set out below.

4.1. Basis of consolidation

The Condensed Group Financial Statements comprise the financial information of the Group as at the interim period 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 has the ability to 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 is 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 Company.

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. 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.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2. Investment property (continued)

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 at gross development costs (including any associated costs), which reflects the Group's maximum commitment in relation to the forward funding of the pre-let property. Subsequently, the properties are revalued at fair value at each reporting date in 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 6.5-6.75% per annum is payable by the Developer. On lease commencement date, the aggregate amount of coupon interest accrued during the construction period is deducted from the gross development cost, reducing the outstanding balance payable to the Developer on practical completion. When practical completion is reached the completed investment property is transferred to operational assets of 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 where 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. No leases granted in the period exceed 30 years, the economic life of the assets is deemed to be considerably longer than this. The portfolio consists of purpose built, high specification assets which by their nature can last indefinitely if maintenance and replacement works are carried out, or could be modified and used for alternative uses if necessary.

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.

4.4. 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. If not, they are presented as non-current assets.

Trade and other receivables are initially recognised at fair value, and subsequently where necessary re-measured at amortised cost less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due in accordance with the original terms of the receivables.

4.5. Cash and cash equivalents

Cash and cash equivalents 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.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 consideration required to settle the present obligation at the Statement of Financial Position date, taking into account 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 until settled.

4.8. C Shares financial liability

C Shares are convertible non voting preference shares and under IAS 32 Financial Instruments: Presentation, meet the definition of a financial liability. C Shares are recognised on issue at fair value less directly attributable transaction costs. After initial recognition, C Shares are subsequently measured at amortised cost using the effective interest rate method. Amortisation is credited to or charged to finance income or finance costs in the Consolidated Statement of Comprehensive Income. Transaction costs are deducted from proceeds at the time of issue. C Shares will convert into Ordinary Shares on the conversion date on the basis of their respective NAV per share at the calculation date.

4.9. Taxation

Taxation on the profit or loss for the period not exempt under UK REIT regulations is comprised of current and deferred tax. Tax is recognised in the consolidated 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 expected tax payable on any non REIT taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax that is provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

4.10. Dividend 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. In the UK, 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.

Rental income is invoiced in advance and any rental income that relates to a future period is deferred and appears within current liabilities on the Statement of Financial Position.

Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease.

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.

4.13. Expenses

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

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. Impairment of financial assets

Having considered the requirements of IFRS 9, under section 5.5.15(b), the simplified approach has been applied when considering the ECL model in determining the expectations of impairment. Under the simplified approach the Company is always required to measure lifetime expected losses.

5. RENTAL INCOME

The lease agreements between the Group and the Registered Providers are full 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.

	1 January 2018 to 30 June 2018 (unaudited) £'000	12 June 2017 to 31 December 2017 (audited) £'000
Rental income	4,744	1,027
	4,744	**1,027**

6. DIRECTORS' REMUNERATION

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, and the other directors of the Board receive a fee of £50,000 per annum. 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 initial Issue).

None of the directors received any advances or credits from any Group entity during the period.

	1 January 2018 to 30 June 2018 (unaudited) £'000	12 June 2017 to 31 December 2017 (audited) £'000
Directors' fees	112	132
Employer's National Insurance Contributions	15	15
	127	**147**

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

7. MANAGEMENT FEES

On 20 July 2017 Triple Point Investment Management LLP 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.

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 cash balances) as at 31 March, 30 June, 30 September and 31 December in each year on the following basis with effect from Admission:

(a) 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;

(b) 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;

(c) 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;

(d) 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.

Fees of £867,926 were chargeable by TPIM during the period to 30 June 2018. At the period end, £1,313,755 was due to TPIM.

	1 January 2018 to 30 June 2018 (unaudited) £'000	12 June 2017 to 31 December 2017 (audited) £'000
Management fees	868	472
	868	**472**

8. FINANCE INCOME

	1 January 2018 to 30 June 2018 (unaudited) £'000	12 June 2017 to 31 December 2017 (audited) £'000
Head lease interest income	14	6
Bank interest income	56	73
	70	**79**

9. FINANCE COSTS

	1 January 2018 to 30 June 2018 (unaudited) £'000	12 June 2017 to 31 December 2017 (audited) £'000
Head lease interest income	14	6
Bank charges	10	2
	24	8
Amortisation of C share liability	134	-
	158	**8**

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

10. 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 interim period from 1 January to 30 June 2018, 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.

	1 January 2018 to 30 June 2018 (unaudited) £'000	12 June 2017 to 31 December 2017 (audited) £'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%. The differences are explained below.

	1 January 2018 to 30 June 2018 (unaudited) £'000	12 June 2017 to 31 December 2017 (audited) £'000
Profit before tax	6,040	5,672
Tax at UK corporation tax standard rate of 19%	1,148	1,078
Change in value of investment properties	(619)	(1,071)
Exempt REIT income	(625)	(50)
Amounts not deductible for tax purposes	-	4
Unutilised residual current period tax losses	96	39
	-	-

The Government has announced that the corporation tax standard rate is to be reduced from 19% to 17% with effective date from 1 April 2020. UK REIT exempt income includes property rental income that is exempt from UK Corporation Tax in accordance with Part 12 of CTA 2010.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

11. INVESTMENT PROPERTY

	Operational assets £'000	Properties under development £'000	30 June 2018 (unaudited) Total £'000	31 December 2017 (audited) Total £'000
Investment Property Valuation brought forward	137,546	-	137,546	-
Acquisitions	42,466	6,229	48,695	131,793
Fair value adjustment	3,547	(290)	3,257	5,639
Head lease ground rent	1,083	-	1,083	1,080
Total investment property	**184,642**	**5,939**	**190,581**	**138,512**
Reconciliation to independent valuation:				
Investment Property Valuation at 30 June 2018	156,057	33,935	189,992	137,546
Fair value adjustment–head lease ground rent	1,083	-	1,083	1,080
Fair value adjustment–lease incentive debtor	(494)	-	(494)	(114)
Total Investment Property	**156,646**	**33,935**	**190,581**	**138,512**

Properties under development represents contracts for the development of a pre-let property under a forward funding agreement.

The carrying value of leasehold properties at 30 June 2018 was £24.4 million (2017–£24.1 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 on a quarterly basis.

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 7 years.

In order to achieve its Investment Objective, the Company will invest in a diversified portfolio of freehold or long leasehold Social Housing assets in the UK. Supported Housing assets will account for at least 80% of Gross Asset Value (once fully invested). The Company will acquire portfolios of Social Housing assets and single Social Housing assets to be acquired and/or held, either directly or via SPVs. Each asset will be subject to a lease or occupancy agreement with an Approved Provider for terms primarily ranging from 20 years to 25 years, with the rent payable thereunder subject to adjustment in line with inflation (generally CPI). Title to the assets will remain with the Group under the terms of the relevant lease. The Group will not be responsible for any management or maintenance obligations under the terms of the lease or occupancy agreement, all of which will be serviced by the Approved Provider lessee. The Group will not be responsible for the provision of care to occupants of Supported Housing assets.

The Group intends to hold its investment property portfolio over the long term, taking advantage of long-term upward only inflation linked leases. The Group will not be actively seeking to dispose of any of its assets, although it may dispose of investments should an opportunity arise that would enhance the value of the Group as a whole.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

11. INVESTMENT PROPERTY (continued)

% Key Statistics

The metrics below are in relation to the total investment property portfolio held as at 30 June 2018.

Portfolio metrics	30 June 2018	31 December 2017
Capital Deployed*	£175,056	£128,525
Number of Properties	167	116
Number of Tenancies***	100	65
Number of Registered Providers***	12	11
Number of Local Authorities***	69	51
Number of Care Providers***	34	25
Average NIY**	5.32%	5.32%

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

Regional exposure

Region	30 June 2018 *Cost £'000	30 June 2018 % of portfolio	31 December 2017 *Cost £'000	31 December 2017 % of portfolio
North West	56,979	32.5%	49,664	38.6%
North East	28,786	16.4%	24,037	18.7%
West Midlands	27,657	15.8%	18,912	14.7%
East Midlands	21,018	12.0%	11,374	8.8%
South East	13,832	7.9%	4,732	3.7%
Yorkshire	12,580	7.2%	10,140	7.9%
South	8,031	4.6%	6,245	4.9%
London	4,676	2.7%	3,421	2.7%
East	1,234	0.7%	-	-
South West	263	0.2%	-	-
Total	**175,056**	**100.0%**	**128,525**	**100.0%**

**excluding acquisition costs*

Fair value hierarchy

	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		£'000	£'000	£'000	£'000
Assets measured at fair value:					
Investment properties	30 June 2018	190,581	-	-	190,581
Investment properties	31 December 2017	138,512	-	-	138,512

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

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

11. INVESTMENT PROPERTY (continued)

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 SSH 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 Housing Association itself regulated by the Homes and Communities Agency.

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

The valuer treats the fair value for forward funded asset as work-in-progress value whereby the Company 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 Company 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 Company receiving the completed building.

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.
2. The discount rate applied to the rental flows.

Key factors in determining the discount rates applied include the performance of the regulated social housing sector and demand for each specialist 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 of 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.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

11. INVESTMENT PROPERTY (continued)

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 6.9%.

The range of discount rates used in the Group's property portfolio valuation is from 6.4 to 7.5%.

	-0.5% change in Discount Rate	+0.5% change in Discount Rate	+0.25% change in CPI	-0.25% change in CPI
	£'000	£'000	£'000	£'000
Changes in the IFRS fair value of investment properties as at 30 June 2018	13,190	(11,891)	6,705	(6,388)
Changes in the IFRS fair value of investment properties as at 31 December 2017	9,360	(8,415)	4,796	(4,561)

12. TRADE AND OTHER RECEIVABLES

	30 June 2018 (unaudited) £'000	31 December 2017 (audited) £'000
Prepayments and other receivables	1,895	11,530
Rent receivable	516	472
	2,411	**12,002**

Prepaid acquisition costs include the cost of acquiring FPI Co 211 Limited of £Nil (2017–£4,030,000) and a PUMA pipeline deposit of £885,824 (2017–£7,213,552).

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.

13. CASH AND CASH EQUIVALENTS

	30 June 2018 (unaudited) £'000	31 December 2017 (audited) £'000
Cash held by lawyers	3,312	38,496
Liquidity funds	2,868	15,872
Restricted cash	2,880	3,427
Cash at bank	54,286	390
	63,346	**58,185**

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

13. CASH AND CASH EQUIVALENTS (continued)

Liquidity funds refer to money placed in money market funds. These are highly liquid funds with accessibility within 24 hours and subject to insignificant risk of changes in value. Interest at a market rate of 0.01% per annum is earned on these deposits.

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 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. Currently that amount of cash is held in escrow by the lawyers. The cash is committed on the acquisition of the properties.

Cash and cash equivalent reported in the Statement of Cash Flows totalled £60.47 million (2017–£54.76 million) as at the period end, which excludes restricted cash totalling £2.9 million (2017–£3.4 million).

14. TRADE AND OTHER PAYABLES

Current liabilities	**30 June 2018 (unaudited) £'000**	**31 December 2017 (audited) £'000**
Other creditors	2,880	3,427
Accruals	2,030	2,031
Trade payables	229	380
Head lease ground rent	28	29
Deferred consideration	121	-
Deferred income	-	9
	5,288	**5,876**

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.

15. C SHARES

	30 June 2018 (unaudited) £'000	**31 December 2017 (audited) £'000**
At beginning of period	-	-
Proceeds from issue of shares	47,500	-
C share issue costs	(950)	-
Amortisation of C share liability	134	-
At end of period	46,684	-

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

15. C SHARES (continued)

On 23 March 2018 the Company announced the issue of 47,500,000 C Shares, issued at 100 pence per share. The C Shares are convertible preference shares. The shares are listed on the London Stock Exchange and dealing commenced on 27 March 2018.

Holders of C Shares are not entitled to receive notice of, attend, speak or vote at general meetings of the Company.

The C Shares have the right to participate in a fixed rate dividend of 3% per C Share per annum pro-rated up to the conversion date paid in cash (based on a C Share price of 100 pence). The pro-rated dividend will be paid on 28 September 2018.

The funds were raised in order to finance a number of property acquisitions and C Shares were issued rather than Ordinary Shares so that the issue costs associated with the fund raise and the costs associated with the property acquisitions did not dilute the Ordinary Share NAV.

In order to calculate the net assets attributable to each share class, the results, assets and liabilities attributable to the C Shares are identified in a separate pool to the results, assets and liabilities of the Ordinary Shares. A share of fund level expenses for the period is allocated to the C Shares based on the net assets of each share class pool at 31 March 2018. In arriving at the finance charge for C Share liability the Group has amortised issue costs of £584,000 and coupon interest of £375,000 during the period.

On 30 June 2018 90% of the C Share funds had been invested or committed and the C Shares converted into Ordinary Shares on 30 August 2018 (conversion date). The conversion is on the basis of their respective NAV per share as at 29 June 2018 (calculation date), adjusted for dividends payable to both share classes and the fair value gain on assets acquired on which the Company had exchanged contracts but not completed until 13 July 2018. On 30 August 2018 46,352,210 Ordinary Shares were issued on conversion of the C Shares.

It should be noted that these financial statements include all results, assets and liabilities of both share class pools however as the C Shares are classified as a liability, net assets are reduced by the value of the C Shares liability which is also equivalent to the net assets of the C Share pool.

The value of the C Shares liability at 30 June 2018 is £46,683,799 representing 98.28p per share.

The table below gives a summary of the movement in net assets of the C Share pool and Group results for the period from 1 January 2018 to 30 June 2018.

	C Share £'000	**Group** £'000
Opening reserves	-	201,672
Proceeds from issue of shares	47,500	47,500
Share issue costs	(950)	(950)
Net rental income	15	4,744
Expenses	(132)	(1,873)
Fair value gains on investment properties	249	3,257
Finance income	2	70
Finance costs	-	(24)
Dividends paid	-	(4,500)
	46,684	**249,896**
Less C Share liability	**-**	**(46,684)**
Net assets	**46,684**	**203,212**

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

15. C SHARES (continued)

Net assets are represented by:

	C Share £'000	Group £'000
Investment property	10,277	190,581
Trade and other receivables	206	2,411
Cash at bank	38,012	63,346
Trade and other payables	(1,811)	(6,442)
	46,684	249,896
Less C Share liability	-	(46,684)
Net assets	46,684	203,212

The fair value of the C Share liability at 30 June 2018 is £48,925,000 representing a quoted price of 1.03 pence per share.

16. OTHER PAYABLES

Non-current liabilities	30 June 2018 (unaudited) £'000	31 December 2017 (audited) £'000
Head lease ground rent	1,054	1,051
Rent deposit	100	100
	1,154	1,151

The Directors consider that the carrying value of trade and other payables approximate their fair value.

17. SHARE CAPITAL

	30 June 2018 (unaudited) £'000	31 December 2017 (audited) £'000
Authorised:		
200 million Ordinary Shares of £0.01 each	2,000	2,000
Issued and fully paid:		
200 million Ordinary Shares of £0.01 each	2,000	2,000

18. SHARE PREMIUM RESERVE

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

	30 June 2018 (unaudited) £'000	31 December 2017 (audited) £'000
Balance at beginning of period	-	-
Share premium arising on Ordinary Shares issued in the period	-	198,000
Share issue costs capitalised	-	(4,000)
Transfer to capital reduction reserve	-	(194,000)
Balance at end of period	-	-

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

19. CAPITAL REDUCTION RESERVE

	30 June 2018 (unaudited) £'000	31 December 2017 (audited) £'000
Balance at beginning of period	194,000	-
Transfer from share premium reserve	-	194,000
Dividends paid	(4,467)	-
Balance at end of period	**189,533**	**194,000**

The capital reduction reserve relates to the distributable reserve established on cancellation of the share premium reserve.

20. DIVIDENDS

	1 January 2018 to 30 June 2018 (unaudited) £'000	12 June 2017 to 31 December 2017 (audited) £'000
Dividend of 1p for the period 12 June to 31 December 2017	2,000	-
Dividend of 1.25p for the 3 months to 31 March 2018	2,500	-
	4,500	**-**

On 6 March 2018, the Company declared its maiden interim dividends of 1 pence per Ordinary Share for the initial period from 12 June to 31 December 2017.

On 14 May 2018, the Company declared an interim dividend of 1.25 pence per Ordinary Share for the period 1 January 2018 to 31 March 2018.

On 16 August 2018, the Company declared an interim dividend of 1.25 pence per Ordinary Share for the period 1 April 2018 to 30 June 2018. The total dividend of £2,500,000 will be paid on 28 September 2018 to Ordinary Shareholders on the register on 24 August 2018.

The Company is targeting to pay dividends of at least 5 pence per Ordinary Share for the financial year ended 31 December 2018.

The Company intends to pay dividends to shareholders on a quarterly basis and in accordance with the REIT regime.

On 16 August 2018, the Company declared a dividend of an aggregate of 1.29 pence per C Share comprising of 0.789 pence per C Share for the period from admission to trading on 27 March 2018 to 30 June 2018; and 0.501 pence per C Share for the period from 1 July 2018 to the date of conversion into Ordinary Shares on 30 August 2018. The total dividend of £612,946 will be paid on 28 September 2018 to holders of C Shares on the register on 24 August 2018.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

21. SEGMENTAL INFORMATION

IFRS 8 Operating Segments requires operating segments to be identified on the basis of 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 167 Social Housing properties as at 30 June 2018 in England and Wales. 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 of 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.

22. RELATED PARTY DISCLOSURE

Directors

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, and the other Directors of the Board receive a fee of £50,000 per annum. The directors are also entitled to an additional fee of £7,500 in connection with the production of every prospectus by the Company.

23. CONSOLIDATED ENTITIES

The Group consists of a parent company, Triple Point Social Housing REIT plc, incorporated in the UK and a number of subsidiaries ultimately held by the Company, which operate and are incorporated in the UK and Guernsey. 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 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.

Name of Entity	Registered Office	Country of Incorporation	Ownership %
Bloxwich Developments Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Court Developments Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Rushden Developments Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Supported Developments Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Stoke Central Developments Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Soho SPV 1 Ltd	5 Old Bailey, London, EC4M 7BA	UK	100%
Soho SPV 2 Ltd**	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Soho SPV 3 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Soho SPV 4 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Soho SPV 5 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Soho SPV 6 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Soho SPV 8 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (21) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (25) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (26) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (28) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

23. CONSOLIDATED ENTITIES (continued)

Name of Entity	Registered Office	Country of Incorporation	Ownership %
MSL (30) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (37) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (39) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (40) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (42) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (43) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (44) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (45) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
MSL (51) Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 22 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 110 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 150 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 153 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 159 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 160 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 170 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 173 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 174 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 175 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
FPI Co 188 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
TP REIT Super HoldCo Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
TP REIT HoldCo 1 Ltd*	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
TP REIT HoldCo 2 Ltd*	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
TP REIT PropCo 2 Ltd*	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Norland Estates Ltd*	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Allerton SPV 1 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Allerton SPV 2 Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Sorogold Street Ltd	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Sorogold Property Limited*	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
PSCI Holdings II Limited	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
Puma Social Care (Holdings) Limited	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
Puma Property Investments Limited*	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
Puma Properties (Springside) Ltd*	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
Puma Properties (Holdings) Limited*	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
Puma Properties UK (Eskdale) Ltd*	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
Puma Properties (Workington) Ltd*	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
Puma Properties (HDSL) Limited*	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
Puma Properties UK (CTP 1) Ltd*	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
Puma Properties UK (CTP 2) Ltd*	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
Puma Properties UK (Elm Place) Ltd*	Bond Street House, London, W1S 4JU	UK	100%
Puma Properties UK (Barnsley) Ltd*	Bond Street House, London, W1S 4JU	UK	100%
Puma Properties UK (Baskerville Hall) Ltd*	Bond Street House, London, W1S 4JU	UK	100%
Puma Properties UK (Prescott Court) Ltd*	Bond Street House, London, W1S 4JU	UK	100%
HB Villages St Helens Ltd*	Bond Street House, London, W1S 4JU	UK	100%
SIPP Holdings Limited	Burleigh Manor, Peel Road, Douglas, IM1 5EP	Isle of Man	100%
SL Boathouse Ltd*	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
SL Workington Limited*	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
PSCI Holdings Limited	1 Le Truchot St Peter Port, GY1 1WD	Guernsey	100%
PSCI Holdings III Limited	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%
TP REIT Maple Limited	18 St. Swithin's Lane, London, EC4N 8AD	UK	100%

* Indirectly owned

** Dissolved 10 July 2018

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

24. SUBSEQUENT EVENTS

Property acquisitions

Subsequent to the end of the period, the Group has acquired portfolios of 41 supported Social Housing properties deploying £49.3 million (including acquisition costs).

Forward Funding Arrangements

Since 30 June 2018 the Group has entered into one forward funding agreement at a total project cost of £1.9 million. The land has been acquired by the Group and a developer has been contracted to carry out the construction. Jones Lang LaSalle Limited has been appointed as the fund monitor for both sites and will be overseeing the projects on behalf of the Group.

Debt financing

On 20 July 2018, the Company has entered into 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 and affiliated funds. The Loan Notes are secured against a portfolio of specialist supported living assets throughout the UK, worth approximately £172 million, acquired in the period from admission in August 2017 to the end of March 2018. The amounts which have been drawn down under the Loan Notes are segregated and non-recourse to the Company.

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, in an amount of £41.5 million, has a term of 10 years from utilisation and is priced at an all-in coupon of 2.924%; and Tranche-B, in an amount of £27 million, has a term of 15 years from utilisation and is priced at an all-in coupon of 3.215%. On a blended basis, the weighted average term is 12 years carrying a weighted average fixed rate coupon of 3.039%.

Dividends

On 16 August 2018, the Company declared a quarterly dividend in respect of the Ordinary Shares for the three months to 30 June 2018 of 1.25 pence per Ordinary Share. The dividend will be paid on 28 September 2018 to holders of Ordinary Shares on the register as at 24 August 2018.

On 16 August 2018, the Company declared an aggregate dividend of 1.29 pence in respect of the C Shares. This comprises of 0.789 pence for the period from admission to trading on 27 March 2018 to 30 June 2018; and 0.501 pence for the period from 1 July 2018 to the date of conversion into Ordinary Shares on 30 August 2018. Both dividends will be paid on 28 September 2018 to holders of C Shares on the register as at 24 August 2018.

Conversion of C Shares

On 30 August 2018 the C Shares were converted into Ordinary Shares in accordance with the terms for the C Shares as set out in the Company's Articles of Association. For every one C Share held, 0.975836 new Ordinary Share was issued.

Acquisition

On 13 July 2018, the Company acquired TP Social Housing Investments Limited and its subsidiaries for a total purchase price of £22.3 million, as part of a single transaction, from Pantechnicon Capital Limited (total commitment £24.1 million). Ben Beaton, James Cranmer and Claire Ainsworth are all directors of Pantechnicon Capital Limited and they are also all partners of TPIM, the delegated investment adviser. This is a related party transaction.

The transaction has been treated as an asset acquisition.

25. CAPITAL COMMITMENTS

The Group has capital commitments of £51.5 million in relation to the cost to complete its forward funded pre-let development assets and on properties exchanged but not completed at 30 June 2018.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

26. 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. Diluted EPS are calculated by dividing profit for the period attributable to both Ordinary equity holders and C preference shareholders by the weighted average number of Ordinary Shares and C Shares in issue during the period. The weighted average number of shares, for the purposes of calculating diluted earnings per share, has been calculated based on the actual number of shares issued on conversion of the C Shares in accordance with IAS 33.

The calculation of basic, diluted and EPRA earnings per share is based on the following:

	1 January 2018 to 30 June 2018 (unaudited)	12 June 2017 to 31 December 2017 (audited)
Calculation of Basic Earnings per share		-
Net profit attributable to Ordinary Shareholders (£'000)	6,040	5,672
Weighted average number of Ordinary Shares	200,000,000	143,842,365
Earnings per share – basic	**3.02p**	**3.94p**
Calculation of Diluted Earnings per share		
Net profit attributable to Ordinary Shareholders (£'000)	**6,040**	**5,672**
Add back finance costs associated with the C Share liability (£'000)	134	-
Total (£'000)	**6,174**	**5,672**
Weighted average number of Ordinary Shares	200,000,000	143,842,365
Effects of dilution from C Shares	24,584,603	-
	224,584,603	**143,842,365**
Earnings per share – diluted	**2.75p**	**3.94p**
Calculation of EPRA Earnings per share		
Net profit attributable to Ordinary Shareholders (£'000)	**6,040**	**5,672**
Changes in value of fair value of investment property (£'000)	(3,257)	(5,639)
Total (£'000)	**2,783**	**33**
Weighted average number of Ordinary Shares	200,000,000	143,842,365
Earnings per share – EPRA	**1.39p**	**0.02p**

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

27. NET ASSET VALUE PER SHARE

Basic Net Asset Value ("NAV") per share is calculated by dividing net assets in the Condensed Group Statement of Financial Position attributable to ordinary equity holders of the parent by the number of Ordinary Shares outstanding at the end of the period. Diluted NAV per share is calculated by adjusting net assets for the conversion of C Shares.

Net asset values have been calculated as follows:

	30 June 2018 (unaudited)	31 December 2017 (audited)
Net assets (£'000)	203,212	201,672
Number of Ordinary Shares in issue at end of period	200,000,000	200,000,000
NAV basic	**101.61p**	**100.84p**
Net assets (£'000)	203,212	201,672
Adjust for the effect of the C Shares converting (£'000)	46,684	-
Adjusted net assets (£'000)	**249,896**	**201,672**
Number of Ordinary Shares in issue at end of period	200,000,000	200,000,000
Number of Ordinary Shares that would be issued on the conversion of C Shares	45,945,807	-
Total	**245,945,807**	**200,000,000**
NAV – diluted (EPRA NAV)	**101.61p**	**100.84p**

For the purpose of calculating the diluted NAV the number of shares equal the shares that would have been issued if conversion of the C Shares had happened on 30 June 2018, based on the NAV of the C Share pool at that date rather than taking into account any impact on the C Share pool NAV up to the point of conversion.

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

28. UNAUDITED PERFORMANCE MEASURE–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, longterm basis, which aligns with the Group's business strategy as an ongoing REIT with a longterm investment outlook. This Portfolio NAV is made available on a quarterly basis on the Company's website and announced via RNS.

On 27 March 2018 the Company issued 47,500,000 of C Shares. The results, assets and liabilities attributable to the C Shares are accounted for in a separate pool to those of the Ordinary Shares and thus the Company announces a quarterly Portfolio NAV for both share classes.

The C Shares have been recognised in the financial statements as a liability valued at amortised cost which represents the value of the assets and liabilities attributable to the C Share pool (see note 15). Thus, the net assets of the Company disclosed in the financial statements are equal to the net assets attributable to the Ordinary Shareholders.

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;

i. The C Share liability, equivalent to the net assets attributable to the C Shareholders is added back to net assets, because under IFRS accounting rules the C Shares are recognised as a liability. (Please refer to note 15 for more details).

ii. The hypothetical sale of properties will take place on the basis of 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.

iii. The hypothetical sale will take place in the form of a single portfolio disposal.

	30 June 2018 Ordinary Share £'000	30 June 2018 C Share £'000	30 June 2018 Total £'000	31 December 2017 Ordinary Share £'000
Net asset value per the consolidated financial statements	203,212	-	203,212	201,672
Add back C Share liability	-	46,684	46,684	-
Value of Asset pools	203,212	46,684	249,896	201,672
Effects of the adoption to the assumed, hypothetical sale of properties as a portfolio and on the basis of sale of a corporate vehicle	12,722	728	13,450	9,400
Portfolio Net Asset Value	**215,934**	**47,412**	**263,346**	**211,072**

Notes to the Group Condensed Interim Financial Statements (unaudited)

For the period from 1 January 2018 to 30 June 2018

28. UNAUDITED PERFORMANCE MEASURE - PORTFOLIO NET ASSET VALUE (continued)

After reflecting these amendments, the movement in net assets is as follows:

	30 June 2018 Ordinary Share £'000	30 June 2018 C Share £'000	30 June 2018 Total £'000	31 December 2017 Ordinary Share £'000
Opening reserves	201,672	-	201,672	-
Net issue proceeds	-	46,550	46,550	196,000
Operating profits/(losses)	2,988	(117)	2,871	33
Capital appreciation	15,729	978	16,707	15,039
Finance income	68	2	70	-
Finance costs	(24)	-	(24)	-
Dividends paid	(4,500)	-	(4,500)	-
Portfolio Net Assets	**215,933**	**47,413**	**263,346**	**211,072**
Number of shares in issue at the period end	**200,000,000**	**47,500,000**		**200,000,000**
Portfolio net asset value per share	**107.97p**	**99.82p**		**105.5p**

Summary Consolidated Statement of Comprehensive Income – Portfolio NAV Basis

	30 June 2018 Ordinary Share £'000	30 June 2018 C Share £'000	30 June 2018 Total £'000	31 December 2017 Ordinary Share £'000
Net rental income	4,729	15	4,744	1,027
Expenses	(1,741)	(132)	(1,873)	(1,065)
Fair value gains on investment property	15,729	978	16,707	15,039
Finance income	68	2	70	71
Finance costs	(24)	-	(24)	-
Value of each pool	**18,761**	**863**	**19,624**	**15,072**
Weighted average number of shares	**200,000,000**	**24,584,603**		**143,842,365**
Adjusted earnings per share – basic	**9.38p**	**3.51p**		**10.48p**

Information

Glossary

"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, Langham Hall Fund 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 Group after deduction of all liabilities determined in accordance with the accounting policies adopted by the Group from time to time;

"Board"
the Directors of the Company from time to time;

"Company"
Triple Point Social Housing REIT plc (company number 10814022);

"C Shares"
C non-voting preference shares of 1.25 pence each in the capital of the Company;

"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;

"GAV"
the gross assets of the Company in accordance with applicable accounting rules from time to time;

"Group"
the Company and its subsidiary undertakings from time to time;

"Investment Manager"
Triple Point Investment Management LLP (partnership number OC321250) that was appointed as the delegated investment manager of the Company under the delegated portfolio management agreement on 20 July 2017;

"IPO"
the admission by the Company of 200 million Ordinary Shares to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange, which were the subject of the Company's initial public offering on 8 August 2017;

"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;

"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;

"TPSHIL"
TP Social Housing Investments Limited (company number 11187363) the entire issued share capital of which was acquired by the Company as part of a related party transaction detailed in the Circular dated 22 June 2018;

"WAULT"
the 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

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Ian Reeves CBE (Senior Independent Director)
Peter Coward (Non-executive Director)
Paul Oliver (Non-executive Director)

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