

Primary Health Properties PLC

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Primary Health cancels loan facility after loan note issue

Primary Health Properties PLC (LON:PHP) has raised €70mIn through a loan note issue.

The investor in modern primary healthcare facilities in the UK and Ireland said the new senior secured notes have been issued with an interest rate of 1.509% and have a term of 12 years.

Some of the proceeds from the issue will be applied to repay and cancel a €32.6mIn loan facility with the Bank of Ireland, of which €26.2mIn was drawn at a 3.0% margin. The loan facility was acquired as part of the company's merger with MedicX Fund Limited in March 2019.

The rest of the money raised will be applied to finance the developments currently on-site in Ireland and to repay euro-denominated tranches of PHP's existing revolving credit facilities.

"Today's announcement demonstrates further progress in delivering the finance cost-saving synergies outlined at the time of the merger with MedicX, successfully reducing the Group's average cost of debt since completion in March 2019 by 32bps to 3.68%," said Richard Howell, the finance director of Primary Health Properties.

"We will use the funds to progress our disciplined strategy of growing PHP's portfolio, particularly in Ireland, through the acquisition of well-priced, strategic assets that will provide strong income returns and the potential for asset growth whilst maintaining a prudent level of gearing," he added.

Price: 153.685

Market Cap: £1.87 billion

1 Year Share Price Graph



Share Information

Code: PHP

Listing: LSE

52 week High Low
167.6 120.4

Sector: Real Estate

Website: www.phpgroup.co.uk

Company Synopsis:

Primary Health Properties PLC ("PHP") is a UK Real Estate Investment Trust ("REIT") and the leading investor in modern primary healthcare premises. The objective of the Group is to create progressive returns to shareholders through a combination of earnings growth and capital appreciation.

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