

FULL YEAR RESULTS TO MARCH 2026

Promisia delivers strong FY26 result and introduces dividend policy

Promisia Healthcare Limited (NZX: PHL) has released its unaudited preliminary results for the year ended 31 March 2026, reporting strong performance across its key financial and operational measures.

FY26 Results Summary:

- Operating revenue increased 29% to \$40.1 million
- Underlying EBITDAF¹ increased 58% to \$6.6 million
- Net profit after tax increased 89% to \$12.9 million
- Net operating cash flows increased 87% to \$6.4 million
- Aggregate market valuation increased 17.1% to \$107.2 million
- Net tangible assets (NTA) per share increased 38% to \$1.09
- Loan-to-value ratio reduced to 31.8% from 42.9%
- Group care occupancy increased from 87% to 94%

Promisia Chair Rhonda Sherriff said: “FY26 has been a strong year for Promisia. Occupancy, earnings, cash flow, balance sheet strength and care quality have all materially improved over the year.

“That was not driven by one facility or one initiative. The improvement reflects the delivery of the plan we set at the start of the year: focus on residents and care quality, lift occupancy, strengthen the systems and processes across our facilities, and build the platform for growth.

“The result gives the Board confidence that Promisia is entering FY27 with momentum, further earnings growth ahead and, for the first time, a dividend policy linked to Operating Free Cash Flow².”

Financial Highlights:

FY26 delivered a clear step change in financial performance.

Operating revenue increased 29% to \$40.1 million, supported by higher occupancy, the first full-year contribution from the Cromwell operations, and growth in deferred management fees. Underlying EBITDAF increased 58% to \$6.6 million, up from \$4.2 million in FY25.

Net profit after tax increased 89% to \$12.9 million, supported by the stronger operating result and fair value gains from the revaluation of Promisia’s care facilities and retirement villages. The aggregate market valuation increased by \$15.7 million to \$107.2 million at 31 March 2026, with each site increasing in value by at least 10%. This reflects broad-based improvement across the portfolio, rather than a single asset or one-off valuation movement.

NTA per share increased from \$0.79 to \$1.09, an increase of 38%. This continues the value-creation trend over recent years, with NTA per share more than doubling from \$0.46 at March 2023.

¹ EBITDAF is operating earnings before interest, tax, depreciation, amortisation and fair value adjustments and is a non-GAAP number. Underlying EBITDAF excludes transactions considered to be non-trading in nature or size. Excluding these transactions from normalised earnings can assist users in forming a view of the underlying performance of the Group.

² Operating Free Cash Flow is calculated from Underlying EBITDAF, less cash interest, required debt repayments, cash tax payable for the year and maintenance capital expenditure. Operating Free Cash Flow is a non-GAAP cash measure.

During the year, Promisia completed a comprehensive debt restructure, consolidating its BNZ lending into a single Group-level facility. The restructure created a simpler and more scalable debt structure, improved visibility over future interest costs and strengthened the Group's funding platform.

Borrowing costs reduced to \$2.31 million from \$2.45 million. The weighted average interest rate reduced to 5.7% from 7.1%, with interest rate swaps now providing greater cash flow certainty over the next two to four years. As the debt restructure was completed in December 2025, the full-year benefit of lower interest costs will flow through in FY27.

Loan-to-value ratio reduced to 31.8% at year end, with more than \$3.0 million of cash and undrawn facilities available.

Operational highlights

A key driver of the FY26 result has been the strengthening of Promisia's leadership team. Graeme Dodd joined as Chief Operating Officer in May 2025 and has worked closely with Chief Financial Officer Francisco Rodriguez Ferrere to lift performance across all areas of the business. This has meant clearer accountability, more structured support for facility managers, better reporting and a more disciplined focus on occupancy, care quality and financial performance.

Occupancy was a major driver of the year's result, increasing from 87% at March 2025 to 94% at year end.

Nelson Street's conversion of rest home beds to dementia care was completed during the year, alongside the addition of hospital-level care, and the facility is now effectively full. Ranfurly Manor's care suite sell-down is complete, supporting deferred management fee growth and increased cash flow from Occupation Right Agreement (ORA) resales. Aldwins House reached its highest-ever occupancy during the year, with improved culture, reputation and care quality under stronger local leadership. Golden View and Ripponburn are now fully integrated into Promisia, with sustained regional demand and the benefits of scale and operational alignment now embedded.

Promisia also strengthened its operating model during the year through supplier consolidation, standardised systems, roster reviews and consistent processes across the portfolio.

Care quality also progressed during the year, with key clinical and quality indicators improving across the Group. This reflects enhanced clinical oversight, better use of data and benchmarking, and the standardisation of our resident management system across all sites.

Dividend policy

The Board has introduced a formal dividend policy for FY27.

The policy is based on Operating Free Cash Flow rather than accounting profit. This means dividends will be assessed from cash generated by the business after allowing for cash interest, required debt repayments, cash tax payable and maintenance capital expenditure.

Operating Free Cash Flow will become a key measure for the Group going forward, and Promisia expects to report against it as part of its regular financial updates. This will give shareholders a clearer view of the cash available to support dividends, reinvestment and future growth.

Dividends will be assessed at 20% to 40% of Operating Free Cash Flow and are intended to be fully imputed. Any dividend will remain at the Board's discretion, taking into account the Group's financial performance, financial position, funding requirements and growth opportunities at the time.

The policy reflects the stronger earnings base and improved cash generation achieved during FY26, while maintaining balance sheet discipline and capacity to reinvest in the business.

Outlook

Promisia enters FY27 with stronger earnings, improved cash flow and a financial platform that supports growth.

For FY27, Promisia expects underlying EBITDAF to increase to at least \$8.0 million, representing more than 20% year-on-year growth. This guidance is based on the existing portfolio, with Group care occupancy expected to lift to at least 95%.

Operating Free Cash Flow is also expected to materially improve from FY26, supporting the ability to pay a dividend under the new policy while continuing to reinvest in the business.

Promisia is actively working towards an earnings-accretive acquisition in FY27. This is consistent with the company's strategy of growing through large-scale integrated care and village facilities that align with its operating model.

The FY26 result has created a clear platform for FY27: higher occupancy, improving cash flow, dividend capacity and disciplined growth.

ENDS

Approved for release by Promisia Chair, Rhonda Sherriff

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About Promisia Healthcare

Promisia is a New Zealand aged care and retirement living provider, creating places where people feel safe, known and truly at home. We are large enough to invest, improve and deliver reliably—yet small enough to stay personal, local and deeply connected to the communities we serve. Our purpose is simple: to build connected communities where people feel cared for, included and valued. We aim to be the provider of choice in each community we operate in, with care facilities and retirement villages in well-established, well-serviced towns and metropolitan areas. We are committed to growing sustainably and profitably by doing the basics exceptionally well: delivering quality care to residents, peace of mind to families and whānau, and long-term value for our care homes, villages, communities and shareholders. Promisia is listed on the NZX (NZX: PHL).

<http://www.promisia.co.nz>.