NZ RegCo
NZ'S LISTED
MARKET REGULATOR

13 August 2026

NZ RegCo Decision

Promisia Healthcare Limited (PHL)
Application for waivers from NZX Listing Rules 7.8.5(b) and 7.8.8(b)

Background

1. The information on which this decision is based is set out in Appendix One to this decision. These waivers will not apply if that information is not, or ceases to be, full and accurate in all material respects.
2. The NZX Listing Rules (**Rules**) to which this decision relates is set out in Appendix Two.
3. Capitalised terms that are not defined in this decision have the meanings given to them in the Rules.

Waiver from Rule 7.8.5(b) and Rule 7.8.8(b)

Decision

4. Subject to the conditions set out in paragraph 5 below, and on the basis that the information provided by PHL is complete and accurate in all material respects, NZ RegCo grants PHL a waiver from Rule 7.8.5(b) and Rule 7.8.8(b) to the extent that these Rules require PHL to commission an Appraisal Report to accompany its Notice of Meeting for shareholders to consider a resolution to approve entry into a transaction to:
   a. purchase the shares in Chatswood Retirement Limited and Chatswood Lifecare Limited from vendors that include a Related Party of PHL; and
   b. approve an issue of shares to a Related Party of PHL as part of the Purchase Price for the transaction,

   (the **Transaction**).
5. The waiver in paragraph 4 above is provided on the conditions that:
   a. the directors of PHL that are not interested in the Transaction (**Non-Interested Directors**) certify to NZ RegCo that in their opinion:
      i. the Share issue is in the best interests of, and fair and reasonable to, PHL and all non-associated shareholders;
      ii. the Acquisition is in the best interests of, and fair and reasonable to, PHL and all non-associated shareholders;
      iii. the terms of the Acquisition have been entered into and negotiated on an arm's length commercial basis;
      iv. PHL was not influenced enter into the Acquisition by the Related Party; and
      v. the waivers are in the best interests of, and fair and reasonable to, PHL and all non-associated shareholders;

      with such certificate to fully explain the Non-Interested Directors' reasons for their opinion;
   b. the waiver, its conditions, and implications being disclosed in PHL's Notice of Meeting;
   c. a confirmation letter which sets out the outcome of the independent valuation of Chatswood as at 31 July 2026 (**Independent Valuation**) will accompany the Notice of Meeting and includes:
      i. a statement from the independent valuer that he has no conflict of interest that could affect his ability to provide an unbiased valuation; and

    ii. a statement from the independent valuer outlining his relevant qualifications and expertise; and

d. NZ RegCo will publish the certificate alongside publication of the waiver decision.

Reasons – Rule 7.8.5(b)

6. The policy behind Rule 7.8.5(b) is to ensure that security holders being asked to vote on resolutions to which Rule 7.8.5(b) apply, receive the benefit of an independent evaluation that allows them to understand and scrutinise the merits of that transaction and highlight for shareholders where Related Parties may be receiving an opportunity which shareholders, generally, are not receiving.
7. In coming to the decision to provide the waiver from Rule 7.8.5(b) set out in paragraph 4 above, NZ RegCo has considered that:
    a. the policy is not offended where the purpose of the issue of the Consideration Shares is not complicated or difficult for shareholders to understand;
    b. the maximum number of Consideration Shares that may be issued is fixed at 1 million, giving shareholders certainty as to what they are approving;
    c. the issue price for the Consideration Shares is fixed at $0.50 which represented a premium to the market price of shares when it was agreed. Further detail on this assessment is set out in the Notice of Meeting. Shareholders can assess the financial implications and fairness of the Consideration Shares with reference to this assessment;
    d. the Notice of Meeting sets out sufficient information to enable shareholders to understand the effect and consequences of the resolution;
    e. PHL's existing shareholders will be asked to consider the resolution to approve the issue of Consideration Shares with the knowledge of the waiver sought having been granted;
    f. the certification conditions in this waiver provide comfort that the Non-Interested Directors consider that:
        i. the Share issue is in the best interests of, and fair and reasonable to, PHL and all non-associated shareholders;
        ii. the Acquisition is in the best interests of, and fair and reasonable to, PHL and all non-associated shareholders;
        iii. the terms of the Acquisition have been entered into and negotiated on an arm's length commercial basis;
        iv. PHL was not influenced enter into the Acquisition by the Related Party; and
        v. the waivers are in the best interests of, and fair and reasonable to, PHL and all non-associated shareholders; and
    g. there is precedent for this decision.

Reasons – Rule 7.8.8(b)

8. The policy behind Rule 7.8.8(b) is to ensure that shareholders receive the benefit of an independent evaluation that allows them to understand and scrutinise the merits of the transaction where there is potential for undue influence by Related Party involvement.
9. In coming to the decision to provide the waiver from Rule 7.8.8(b) set out in paragraph 4 above, NZ RegCo has considered that:

a. the Independent Valuation provides an independent, external, benchmark of the market value of the Acquisition;

b. the outcome of the Independent Valuation together with the detail in the Notice of Meeting provides PHL's shareholders with information that allows the shareholders to objectively assess the merits of the Acquisition to make an informed voting decision;

c. PHL submits, and NZ RegCo has no reason not to accept, that PHL has addressed (or provided an equivalent for) the specific information requirements of Rule 7.10.2 through the disclosure in the directors' certificate and the disclosure on the Independent Valuation in the Notice of Meeting. PHL submits there is a sufficient information to ensure shareholders can make an informed decision;

d. entry into, and the terms of, the Acquisition were negotiated on an arm's length basis and as a condition of the waivers, the Non-Interested Directors will provide certification to this effect;

e. the Notice of Meeting sets out sufficient information to enable shareholders to assess the merits and consequences of the Acquisition;

f. PHL's existing shareholders will be asked to consider the resolution to approve the Acquisition with the knowledge of the waiver sought having been granted; and

g. the certification conditions in this waiver provide comfort that the Non-Interested Directors consider that:

    i. the Share issue is in the best interests of, and fair and reasonable to, PHL and all non-associated shareholders;

    ii. the Acquisition is in the best interests of, and fair and reasonable to, PHL and all non-associated shareholders;

    iii. the terms of the Acquisition have been entered into and negotiated on an arm's length commercial basis;

    iv. PHL was not influenced enter into the Acquisition by the Related Party; and

    v. The waivers are in the best interests of, and fair and reasonable to, PHL and all non-associated shareholders;

10. PHL has submitted and NZ RegCo has no reason not to accept that:

    a. the Acquisition is appropriate in this context, as the Acquisition has clear strategic merit for PHL. Since acquiring other aged care facilities, PHL's core focus has been on lifting occupancy at its facilities and realising operational efficiencies across its facilities to create a strong foundation for further growth by acquisition;

    b. the Purchase Price represents a $1.2 million (or a 4.58%) discount to the independently determined current market value of Chatswood, and where the Non-Interested Directors have certified that the terms are fair and reasonable, shareholders can opine on the fairness of the Acquisition when considering the Notice of Meeting; and

    c. a number of potential acquisitions have been considered by PHL and either disregarded (particularly due to location, local market demographics or differing views on value) or remain under investigation. The Non-Interested Directors certify that the Acquisition is in the best interests of PHL and its non-associated shareholders given its strategic fit with PHL's existing portfolio.

Appendix One

1. Promisia Healthcare Limited (**PHL**) is a Listed Issuer with its ordinary shares quoted on the NZX Main Board.
2. PHL operates in the aged care industry and currently operates five residential care facilities and three retirement villages in three clusters across New Zealand. PHL has a strategy to grow by undertaking acquisitions of operational retirement villages and aged care facilities.
3. As announced to market on 6 August 2026, PHL has entered into a conditional agreement to acquire 100% of the shares in two companies, Chatswood Retirement Limited and Chatswood Lifecare Limited (the **Targets**) which together own and operate the Chatswood residential care facility (**Chatswood**) for total consideration of $25 million (**Acquisition**).
4. Chatswood is located at 60 Hawford Road, Opawa, Christchurch, within proximity to one of PHL's existing aged care facilities. Chatswood comprises of a purpose built and integrated high needs aged care and retirement village complex spanning 1.2643 hectares. Chatswood is expected to complement PHL's existing offering in the region.
5. The Targets are owned in equal proportions by:
    a. a family trust associated with Rhonda Sherriff, the Chair of PHL's Board (**Sherriff Interest**) who is a Related Party of PHL; and
    b. a family trust associate with Reuben Ennor, (**Ennor Interest**).
6. The due diligence investigations and negotiations on the terms and conditions of the Acquisition were conducted by a sub-committee comprising of Non-Interested Directors (excluding the Related Party). That sub-committee commissioned the Independent Valuation to validate the Purchase Price and assist the PHL Board in establishing the carrying value of Chatswood for PHL's financial statements. The Independent Valuation valued Chatswood at $26.2 million on 31 July 2026, $1.2 million above the Purchase Price. A letter setting out the valuation of the Chatswood will accompany the Notice of Meeting.
7. The purchase price payable by PHL (**Purchase Price**) for the Acquisition consists of:
    a. $24 million in cash, which will be funded utilising a new core facility and bridge facility with Bank of New Zealand to the amount of $20 million, and PHL's cash on hand;
    b. an issue of up to 1 million fully paid ordinary shares in PHL (**Shares**) to the Sherriff Interest at an issue price of $0.50 per Share (**Consideration Shares**) on the terms of a subscription agreement which is summarised in the Notice of Meeting. Rhonda Sherriff does not currently hold any Shares (either directly or through any Associated Person); and
    c. an issue of a convertible note to the Ennor Interest with a face value of $500,000 (**Convertible Note**) on the terms of a convertible note agreement which is summarised in the Notice of Meeting. The convertible note matures 12 months after 1 October 2026 (**Completion Date**) and may be converted into Shares at the option of the Ennor Interest at any time following maturity at a conversion price of $0.50 per Share. To the extent not converted, the principal will be repayable in full.
8. If approved by shareholders and the Acquisition becomes unconditional, settlement of the Transaction will occur on the Completion Date.

Rule Requirements

9. PHL is seeking shareholder approval for the Acquisition under Rules 5.1.1(b) and 5.2.1, and the issue of Consideration Shares and Convertible Note under Rule 4.2.1, respectively, at its 2026

Annual Meeting of Shareholders to be held on 27 August 2026. PHL released its notice of meeting via the NZX Market Announcement Platform on 13 August 2026 (**Notice of Meeting**).

10. Under Rule 7.8.5(b), because more than 50% of the Consideration Shares are proposed to be issued to the Sherriff Interest, an Associated Person of a director of PHL, the Notice of Meeting must be accompanied by an Appraisal Report.
11. The Acquisition is a Material Transaction as the consideration payable by PHL is above 10% of PHL's Average Market Capitalisation. The Acquisition is a Material Transaction with a Related Party under Rule 5.2.1, as Rhonda Sherriff is both associated with the vendor and a director of PHL. Rule 7.8.8(b) is therefore triggered, and the Notice of Meeting must be accompanied by an Appraisal Report.
12. PHL is therefore seeking waivers from Rules 7.8.5(b) and 7.8.8(b) to enable PHL to release its Notice of Meeting without an accompanying Appraisal Report.
13. Further information on the Acquisition and the Consideration Shares can be found in the Notice of Meeting.

Appendix Two

Rule 7.8.5

Rule 7.8.5 A notice of meeting to consider a resolution of the nature referred to in Rule 7.8.4 (other than a resolution to permit an issue under Rule 4.7.1) must be accompanied by an Appraisal Report if:

(…)

(b) more than 50% of the Financial Products to be issued are intended or likely to be acquired by Directors or Associated Persons of Directors, or

(…)

Rule 7.8.8

Rule 7.8.8 A notice of meeting for the purposes of Rule 5.2.1 must:

(a) be reviewed by NZX in accordance with Rule 7.1,

(b) be accompanied by an Appraisal Report, and

(c) contain such other material as is necessary to enable the holders of Financial Products entitled to Vote to decide whether the transaction price and terms are fair.