

Interim Group Financial Statements

For the six months ended
31 December 2025

metlifecare



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Consolidated Statement of Comprehensive Income

Metlifecare Limited

For the six months ended 31 December 2025

\$000	Note	Six months ended 31 December 2025 Unaudited	Six months ended 31 December 2024 Unaudited
Income			
Operating revenue	2.1	133,418	120,336
Other income		-	1,200
Interest income		651	1,184
Total income		134,069	122,720
Other gains			
Gain in fair value of investment properties	3.2	79,815	85,096
Share of profit arising from joint venture, net of tax		1,196	1,780
Total income and other gains		215,080	209,596
Expenses			
Employee expenses		(75,618)	(70,462)
Property expenses	2.2	(25,211)	(25,396)
Other expenses	2.2	(30,709)	(27,307)
Change in fair value of residents' share of capital gains		(1,617)	424
(Impairment)/reversal of impairment	2.2	(8,429)	2,600
Depreciation		(10,418)	(8,479)
Amortisation		(26)	(71)
Interest expenses		(26,735)	(25,042)
Total expenses		(178,763)	(153,733)
Profit before income tax		36,317	55,863
Income tax benefit/(expense)		6,406	(4,799)
Profit for the period		42,723	51,064

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income (continued)

Metlifecycle Limited

For the six months ended 31 December 2025

\$000	Note	Six months ended 31 December 2025 Unaudited	Six months ended 31 December 2024 Unaudited
Profit for the period		42,723	51,064
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Loss on cash flow hedges, net of tax		(313)	(18,844)
Items that will not be reclassified to profit or loss:			
Share of other comprehensive income arising from joint venture, net of tax		76	22
Gain on revaluation of care homes, net of tax		47,591	18,770
Other comprehensive income/(loss), net of tax		47,354	(52)
Total comprehensive income		90,077	51,012
Profit per share for profit attributable to the equity holders of the parent company during the period			
Basic/Diluted (cents)		9.1	10.9

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

Metlifecare Limited

For the six months ended 31 December 2025

\$000	Note	Contributed equity	Retained earnings	Hedging reserve	Revaluation reserve	Total equity
Balance at 1 July 2024 (audited)		457,532	1,699,879	2,703	71,953	2,232,067
Comprehensive income/(loss)						
Profit for the period		-	51,064	-	-	51,064
Other comprehensive income/(loss)		-	-	(18,844)	18,792	(52)
Total comprehensive income/(loss)		-	51,064	(18,844)	18,792	51,012
Transactions with the owner in their capacity as an owner:						
Contributions of equity net of transaction costs	4.1	107,722	-	-	-	107,722
Balance at 31 December 2024 (unaudited)		565,254	1,750,943	(16,141)	90,745	2,390,801
Balance at 1 July 2025 (audited)		565,254	1,760,322	(15,592)	113,838	2,423,822
Comprehensive income/(loss)						
Profit for the period		-	42,723	-	-	42,723
Other comprehensive income/(loss)		-	-	(313)	47,667	47,354
Total comprehensive income/(loss)		-	42,723	(313)	47,667	90,077
Balance at 31 December 2025 (unaudited)		565,254	1,803,045	(15,905)	161,505	2,513,899

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

As at 31 December 2025

\$000	Note	31 December 2025 Unaudited	30 June 2025 Audited
Assets			
Cash and cash equivalents		18,003	7,108
Trade and other receivables		126,564	147,527
Derivative financial instruments		-	330
Property, plant and equipment	3.4	673,965	568,983
Investment properties	3.2	6,390,348	6,184,476
Investment in joint venture		21,000	19,728
Intangible assets		5,966	5,993
Goodwill		650	830
		7,236,496	6,934,975
Assets classified as held for sale	3.5	-	24,700
Total assets		7,236,496	6,959,675
Liabilities			
Trade and other payables		88,966	88,383
Derivative financial instruments		22,091	21,985
Interest-bearing liabilities	4.2	1,611,110	1,529,060
Deferred management fees		231,886	216,330
Refundable occupation right agreements	3.3	2,768,544	2,680,095
Deferred tax liability		-	-
Total liabilities		4,722,597	4,535,853
Net assets		2,513,899	2,423,822
Equity			
Contributed equity	4.1	565,254	565,254
Reserves		145,600	98,246
Retained earnings		1,803,045	1,760,322
Total equity		2,513,899	2,423,822

The Interim Group
Financial Statements
presented are signed
for and on behalf of
Metlifecare Limited and
were authorised by the
Board for issue on 26
February 2026.



Paul McClintock AO
Chair of the Board
26 February 2026



Ken Lotu-liga
Director
26 February 2026

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Cash Flow Statement

Metlifecare Limited

For the six months ended 31 December 2025

\$000	Note	Six months ended 31 December 2025 Unaudited	Six months ended 31 December 2024 Unaudited
Cash flows from operating activities			
Receipts from residents for management fees, village, care, and service fees		120,295	101,485
Receipts from residents for new refundable occupation right agreements		301,461	258,918
Receipts from liquidated damages		-	1,200
Payments to residents for outgoing refundable occupation right agreements		(124,137)	(102,730)
Payments to residents via buyback of refundable occupation right agreements for regeneration and remediation		(9,596)	(6,795)
Payments to suppliers and employees		(140,634)	(127,761)
Net interest (paid)/received		(365)	271
Net GST received		2,825	711
Net cash inflow from operating activities		149,849	125,299
Cash flows from investing activities			
Repayments from joint venture		5,116	7,035
Dividends received from joint venture		-	400
Advance paid under Development Agreement	1.5	(12,500)	-
Payments for property, plant and equipment and intangible assets		(38,936)	(41,230)
Payments for investment properties		(141,626)	(125,804)
Payments for land acquisitions		-	(18,950)
Capitalised interest paid	4.2.5	(20,572)	(28,106)
Proceeds from sale of assets held for sale	1.5	24,899	-
Net cash outflow from investing activities		(183,619)	(206,655)

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes.

Consolidated Cash Flow Statement (continued)

Metlifecare Limited

For the six months ended 31 December 2025

\$000	Note	Six months ended 31 December 2025 Unaudited	Six months ended 31 December 2024 Unaudited
Cash flows from financing activities			
Proceeds from issuing shares		-	107,722
Advances to related parties		(3,596)	(2,072)
Proceeds from borrowings		212,238	309,148
Repayment of borrowings		(130,299)	(302,000)
Interest paid on borrowings		(29,078)	(31,525)
Payment of debt refinancing costs		(3,215)	(2,695)
Principal payments of lease liabilities		(1,385)	(1,269)
Net cash inflow from financing activities		44,665	77,309
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		7,108	8,227
Cash and cash equivalents at the end of the period		18,003	4,180

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes.

Notes to the Interim Group Financial Statements

1. GENERAL INFORMATION

This section outlines the basis upon which the Interim Group Financial Statements are prepared.

1.1 Reporting entity

The Interim Group Financial Statements are for Metlifecare Limited (the Company) and its subsidiaries (together the Group).

The Company is incorporated and domiciled in New Zealand. The address of its registered office is Level 4, 110 Carlton Gore Road, Newmarket, Auckland 1023.

The immediate parent of the Group is Asia Pacific Village Group Limited (APVG), a limited liability company incorporated in New Zealand. The ultimate parent is EQT Infrastructure Holdings, a Swedish entity.

The Company is registered under the Companies Act 1993 and is a FMC reporting entity under the Financial Markets Conduct Act 2013 (FMCA). The Company has a fixed-rate Sustainability Bond listed on the NZX Debt Market.

The Group is primarily in the business of owning, operating, and developing retirement villages and care homes for the elderly in New Zealand.

1.2 Basis of preparation

The Interim Group Financial Statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (GAAP) and the FMCA. They comply with New Zealand Equivalents to International Accounting Standard 34 – Interim Financial Reporting (NZ IAS 34) and International Accounting Standard 34 – Interim Financial Reporting (IAS 34), as appropriate to for-profit entities.

The Group is a Tier 1 for-profit entity in accordance with XRB A1 – Application of the Accounting Standards Framework.

The Interim Group Financial Statements do not include all the notes included in the annual Group Financial Statements. Accordingly, these Interim Group Financial Statements should be read in conjunction with the Group Financial Statements for the year ended 30 June 2025.

The Interim Group Financial Statements for the six months ended 31 December 2025, and comparatives for the six months ended 31 December 2024, are unaudited. The comparatives as at 30 June 2025 are audited.

The Interim Group Financial Statements have been prepared on the basis the Group is a going concern.

The functional currency of the Company and its subsidiaries and the presentation currency of the Group is New Zealand dollars. Unless otherwise stated, the Interim Group Financial Statements are presented in round thousands of dollars. The use of \$m signifies millions of dollars.

Comparative information may have been restated to align with the current period presentation.

1.3 Material accounting policies

All accounting policies that materially affect the measurement of the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Balance Sheet and the Consolidated Cash Flow Statement have been applied on a basis consistent with those used in the Group Financial Statements for the year ended 30 June 2025. Material accounting policies that are relevant to the understanding of the Interim Group Financial Statements are provided throughout the Notes to these Interim Group Financial Statements and the Notes to the Group Financial Statements for the year ended 30 June 2025.

(i) New accounting standards

There are no new accounting standards which have or are expected to have a material effect on the Interim Group Financial Statements.

Standards issued but not yet effective

NZ IFRS 18 Presentation and Disclosure in Financial Statements effective from 1 January 2027 has not been early adopted in preparing these interim financial statements. Management's assessment of the impact of NZ IFRS 18 is underway.

(ii) Measurement of fair value

The Group measures investment properties, care homes, land included in retirement villages under development and construction work in progress, derivative financial instruments, and assets held for sale at fair value. The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

Notes to the Interim Group Financial Statements (continued)

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, the measurement is a Level 3 measurement.

The fair value of interest rate swaps and sustainability-linked interest rate swaps is calculated as the present value of the estimated future cash flows discounted using market interest rates at balance date. The Group has categorised interest rate swaps and sustainability-linked interest rate swaps as Level 2 under the fair value hierarchy. There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments in the period to 31 December 2025 (30 June 2025: nil).

(iii) Goods and Services Tax (GST)

The Consolidated Statement of Comprehensive Income and Consolidated Cash Flow Statement have been prepared so that all components are stated exclusive of any GST that can be claimed, with the net amount of GST payments/receipts being shown in the Consolidated Cash Flow Statement, where relevant. Where an amount of GST is not recoverable, this is recognised as part of the cost of the assets or as an expense, as applicable. All other items in the Consolidated Balance Sheet are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

(iv) Foreign currency translation

Transactions in foreign currencies are translated at the foreign exchange rate at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from translation of monetary assets and liabilities at balance date are recognised in the Consolidated Statement of Comprehensive Income.

(v) Classification of Group property

The Group operates retirement villages and care homes. As outlined in section 3, retirement villages are typically investment property and care homes are typically property, plant and equipment.

The Group applies the following principles when ascertaining the appropriate accounting treatment to be applied:

Unit	Scenario	Consideration of significant cash flows	Classification
Independent living unit (villa or apartment)	Additional services are optional ¹ (whether or not the unit is certified for Aged Related Residential Care)	The business model is the provision of retirement accommodation	Investment property
Serviced apartment	Services are compulsory but an insignificant portion of total revenue from the unit (whether or not the unit is certified for Aged Related Residential Care)	1. Where a guideline of under 20% of total revenue is adopted; and 2. The business model is the provision of retirement accommodation	Investment property
Care suite	Full Aged Related Residential Care services are compulsory, and a significant portion of the total revenue derived from the unit	The business model is the provision of care	Property, plant and equipment
Traditional care bed	Full Aged Related Residential Care services are compulsory for that bed	The business model is the provision of care. The price of the accommodation does not change the overall purpose of the accommodation	Property, plant and equipment

¹ Excludes Additional Lifestyle Services (previously referred to as Assisted Lifestyle Services) included in certain Occupation Rights Agreements (ORA) generally in respect of new development retirement villages.

Notes to the Interim Group Financial Statements (continued)

Metlifecare Limited

1.4 Segment information

The Group operates in one operating segment, being the provision of retirement villages and care homes. The chief operating decision maker, the Board of Directors, reviews the operating results on a regular basis and makes decisions on resource allocation based on the review of Group results and cash flows as a whole. The nature of the products and services provided, and the type and class of customers, have similar characteristics within the operating segment.

All revenue is earned, and all assets are held, solely in New Zealand.

1.5 Significant events and transactions

The following events and transactions occurred during the period:

(i) Development land acquisitions

➤ Settled transactions

In the six months to 31 December 2025, the Group has not settled on any land purchases.

➤ Unconditional contracts

On 26 August 2025, the Group entered an unconditional contract ('Development Agreement') to purchase land in Napier, on which the Group plans to invest approximately \$140.0m to construct a retirement village. On 31 October 2025, \$12.5m was advanced to Mana Ahuriri Hāpai Limited Partnership in accordance with the Development Agreement.

(ii) Disposal of assets

➤ Albany land

At 30 June 2025, land held in Albany was classified as an asset held for sale. Settlement of this transaction occurred on 31 October 2025 at the purchase price of \$25.4m.

(iii) Sustainability-Linked Loan refinancing

On 27 November 2025, the Company completed the partial refinancing of the Sustainability-Linked Loan (SLL) Facilities. The most significant changes were the increase of the overall facility by \$100m from \$1.65 billion to \$1.75 billion, and the extension of maturities that were due to expire on or before 31 January 2028, totalling \$1.05 billion. The SLL Facilities comprise core and development facilities, with different maturity dates as outlined in Note 4.2 – Interest bearing liabilities.

(iv) Related party transaction

On 28 November 2025, the Company advanced \$3.5m to Asia Pacific Village Trustee Limited. Asia Pacific Village Trustee Limited is a subsidiary of APVG TopCo Pte. Ltd, which itself is a subsidiary of EQT Infrastructure Holdings. The loan is for a term of five years and will incur interest at the prescribed non-concessionary rate of interest for fringe benefit tax as set by the New Zealand Inland Revenue.

2. OPERATING PERFORMANCE

This section provides information that the Directors consider most relevant in the context of the operating performance of the Group including revenue, property and other expenses.

2.1 Operating revenue

\$000	Six months ended 31 December 2025 Unaudited	Six months ended 31 December 2024 Unaudited
Management fees	53,374	47,843
Rest home, hospital and service fees	57,675	51,393
Village fees	20,075	18,850
Other revenue	2,294	2,250
Total operating revenue	133,418	120,336

Information about major customers

Revenue from the Group's largest customer, the New Zealand Government, is included in total operating revenue. This includes care fee revenue from eligible Government subsidised aged care residents who receive rest home or hospital level care. Revenue from the New Zealand Government, received via Health New Zealand - Te Whatu Ora, included in rest home, hospital and service fees, amounted to \$21.1m (31 December 2024: \$19.4m).

Notes to the Interim Group Financial Statements (continued)

2.2 Expenses

The profit before income tax includes the following expenses:

\$000	Six months ended 31 December 2025 Unaudited	Six months ended 31 December 2024 Unaudited
Utilities and other property expenses	16,790	16,498
Repairs and maintenance of investment properties	6,964	7,594
Repairs and maintenance of property, plant and equipment	1,457	1,304
Total property expenses	25,211	25,396
Resident expenses	6,772	6,319
Marketing and promotion	6,912	7,131
Other employment expenses (e.g., staff training and recruitment)	1,789	1,410
IT and communication expenses	6,060	6,683
Legal and consultant expenses	4,655	1,552
Gain on disposal of assets	(235)	(293)
Other village operating expenses	2,858	2,546
Director fees	427	376
Other operating expenses	1,471	1,583
Total other expenses	30,709	27,307
Reversal of impairment of care homes	(5,508)	(8,426)
Impairment of investment properties	13,956	-
Impairment of goodwill	180	415
(Reversal of impairment)/impairment of assets held for sale	(199)	4,308
Impairment of intangible assets	-	1,103
Total impairment/(reversal of impairment)	8,429	(2,600)

Notes to the Interim Group Financial Statements (continued)

Metlifecare Limited

3. INVESTMENT PROPERTIES, REFUNDABLE OCCUPATION RIGHT AGREEMENTS AND RELATED PROPERTY ASSETS

This section shows the retirement village assets (investment properties), related liabilities for resident ORAs, and other property assets including care homes (property, plant and equipment) which are considered to be the most relevant to the operations of the Group.

3.1 Market conditions

The property portfolio, comprising investment property (Note 3.2 – Investment properties) and certain property, plant and equipment comprising care homes (Note 3.4 – Property, plant and equipment) has been valued by CBRE Limited (CBRE) and Jones Lang LaSalle (JLL) (collectively referred to as the valuers), as at 31 December 2025 and 30 June 2025.

The valuations represent a 'point in time valuation'.

Following a period of subdued activity in the residential property market from 2022 to mid-2025, recent interest rate cuts and a stronger economic backdrop have improved sentiment in relation to a housing market recovery, although this may be tempered by supply levels and labour market conditions. Notwithstanding a more positive economic outlook, there is still significant volatility and uncertainty, both domestically and internationally (including as a result of geopolitical tensions).

The valuers' recommendation is that, as consumer and investor behaviour can change rapidly during in this environment, valuations should continue be reviewed periodically.

3.2 Investment properties

Investment properties include completed freehold land and buildings, freehold development land and buildings under development comprising independent living units and apartments, serviced apartments, car parks and common facilities, provided for use by residents under the terms of an ORA. Investment properties are held for long-term yields.

The Group's investment properties, and movements for the period, are set out in the following table:

\$000	Note	31 December 2025 Unaudited	30 June 2025 Audited
Opening balance		6,184,476	5,733,687
Additions		154,348	335,968
Transfer to assets classified as held for sale	3.5	-	(2,425)
Transfer to property, plant and equipment	3.4	(14,296)	(14,159)
Disposals		(39)	(4,019)
Impairment		(13,956)	-
Change in fair value		79,815	135,424
Closing balance		6,390,348	6,184,476

Investment properties are categorised as follows:

\$000	31 December 2025 Unaudited	30 June 2025 Audited
Development land	221,317	232,336
Retirement villages under development	262,116	197,360
Retirement villages		
Valuation	3,024,089	2,953,127
Net liabilities to residents	2,882,826	2,801,653
Total investment properties	6,390,348	6,184,476

► Recognition and measurement

Investment property is initially recognised at cost and subsequently measured at fair value, except for retirement village units under development, which are measured at cost until fair value can be reliably determined. As the fair value is determined using inputs that are significant and unobservable, the Group has categorised all investment properties as Level 3 under the fair value hierarchy in accordance with NZ IFRS 13 – Fair Value Measurement.

Notes to the Interim Group Financial Statements (continued)

Metlifecare Limited

Valuation process

The fair value of investment property is determined by the Directors having taken into consideration the valuation conducted by independent registered valuers.

The Group uses a dual valuer model in respect of the Group's measurement of its investment properties, this model involves two registered valuers undertaking a valuation of a proportion of the portfolio of investment property on a systematic, rotational basis. It is not intended that there will be more than one valuation obtained for the same asset, but where this occurs, a midpoint of the two valuations will be used in determining the fair value of that asset. All investment properties are valued twice per annum.

The valuers undertook the valuation of investment properties in accordance with professional valuation standards for all the reporting periods presented. The valuers are registered valuers and industry specialists in valuing the retirement village and aged care sector.

For the CBRE valuation, a desktop valuation was prepared as at 31 December 2025. This involved the Group confirming the movements in the sales, resales, and repurchases of ORAs during the period, an assessment by CBRE of the general market conditions and the impact of any other changes, where appropriate, on the completed value of investment properties. The desktop valuation represents an assessment by CBRE of the financial impact of the changes for the six-month period since the full valuation that was completed at 30 June 2025. CBRE will perform a full valuation as at 30 June 2026.

For the JLL valuation, a full valuation was prepared as at 31 December 2025.

The fair value for investment properties, as determined by the valuers, is adjusted for the net liabilities to residents made up of the below items recognised on the Consolidated Balance Sheet.

Net liabilities to residents related to investment properties

The differences between the balances in the table below and the balances found in Note 3.3 – Refundable occupation right agreements, or (in the case of deferred management fees) on the Consolidated Balance Sheet, relate primarily to care suites, which are recognised as property, plant and equipment, refer to Note 3.4 – Property, plant and equipment.

\$000	31 December 2025 Unaudited	30 June 2025 Audited
Refundable occupation licence payment	3,472,725	3,363,083
Residents' share of capital gains	21,813	26,004
Management fee receivable	(787,030)	(747,584)
Deferred management fee	227,677	212,901
Loans and deferrals to residents	(52,359)	(52,751)
Total net liabilities to residents	2,882,826	2,801,653

Development land

Development land comprises a standalone title and/or part of the principal site. Where the development land is a standalone title, the respective valuer has ascribed a value which can be captured independently, if desired, from the overall village. Where the development land is part of the principal site, the respective valuer has identified if there is potential, be it planning or economic, to expand the village and has assessed a value accordingly. This latter value, whilst identified as surplus land value, cannot be independently captured.

As a general rule, the respective valuer has treated units in the early stages of construction, land with approvals and other vacant land clearly identified for future development, as land for development in its highest and best use.

Retirement villages under development

Where the staged development still requires substantial work, such that practical completion will not be achieved at or close to balance date, or the fair value of investment properties under development cannot be reliably determined at that point in time, these assets are measured at cost less any impairment, with the exception of the underlying development land which is recognised at fair value per the Directors' valuation. The cost approach is deemed to be the more robust approach as it relies on inputs that can be accurately determined and is not subject to any variable inputs. Impairment is determined by considering the value of work in progress and the Directors' estimate of the asset value on completion.

Investment properties which are substantially complete at balance date are valued by the valuers as if they were complete. The fair value of these properties is reduced for their estimated cost to complete of \$7.8m (30 June 2025: \$10.4m).

Notes to the Interim Group Financial Statements (continued)

Retirement villages

To assess the market value of the Group's interest in a retirement village, the valuers have undertaken a cash flow analysis to derive a net present value.

Any developed but not yet sold stock (unsold stock) is valued based on recent comparable transactions, adjusted for disposal costs, holding costs and an allowance for profit and risk. This represents the fair value of the Group's interest in unsold stock at 31 December 2025.

There are various car parks within the Group's portfolio including car parks under the same roof (ORA inclusive of a car park) as well as standalone car parks (whereby there is a separate ORA for the car park).

The valuers have undertaken a proxy to a detailed cash flow-based forecasting by applying a percentage to the gross realisation of all car park values of 15% or 20% to car parks under a standalone ORA. This is an implicit approach applied on the basis that on completion all car parks will be fully sold down and attract a similar resident demographic. For vacant standalone car parks, the respective valuer has applied a block discount that represents the fair value of the Group's unsold car parks at 31 December 2025.

Valuation inputs and relationships to fair value

► Key estimates and judgements

The significant unobservable inputs used in the fair value measurement of the Group's portfolio of retirement villages are the property price growth rate and the discount rate. The following assumptions have been used to determine fair value:

Unobservable input	31 December 2025 Unaudited	30 June 2025 Audited
Nominal growth rate – anticipated annual property price growth over the cash flow period 0 – 5 years	1.0% - 3.5%	1.0% - 3.5%
Nominal compound growth rate – anticipated annual property price growth over the cash flow period > 5 years	2.8% - 3.4%	2.8% - 3.4%
Pre-tax discount rate	12.5% - 17.5%	12.5% - 17.5%

The occupancy period is a significant component of the valuation.

For the CBRE valuation, this is driven from a Monte Carlo simulation. The simulations are dependent on the demographic profile of the village (age and gender of residents) and the reason for departing a unit. The resulting stabilised departing occupancy period is an estimate of the long run occupancy term for residents.

The JLL valuation incorporates actuarial tables and probability analysis along with observed trends within a village such as average age of entry and length of stay, to estimate when each existing resident is most likely to terminate their ORA. The resulting stabilised departing occupancy period is an estimate of the long run occupancy for residents, reflecting the current and forecast trends.

An increase in the stabilised departing occupancy period will have a negative impact on the valuation and a decrease in the stabilised departing occupancy will have a positive impact on the valuation. The valuations calculate the expected cash flows for a 20-25 year period (30 June 2025: 20-25 year period) with stabilised departing occupancy assumptions set out below.

Stabilised departing occupancy - years	31 December 2025 Unaudited	30 June 2025 Audited
Independent living units and apartments*	4.8 – 8.8	4.7 – 8.8
Serviced apartments	4.1 – 5.0	3.9 – 5.1

*At Merivale Retirement Village, residents in certain independent living apartments are able to acquire a service package making these more akin to a serviced apartment impacting on stabilised departing occupancy.

The valuations also include within the forecast cash flows the Group's expected costs relating to any known or anticipated remediation works. The estimate of the gross cash flows included for remediation works is \$46.1m (30 June 2025: \$46.8m). The decrease in the estimated remediation work costs reflects continued progress on the Group's remediation strategy, where more than half of the units identified as requiring weathertightness works have either been completed or are in progress.

Notes to the Interim Group Financial Statements (continued)

The valuers have also included within the forecast cash flows the Group's expected costs associated with seismic strengthening works of \$2.0m (30 June 2025: \$3.5m). In the year ended 30 June 2024, a comprehensive and proactive programme of work was undertaken to assess the seismic strength rating of buildings on properties owned by the Group. The forecast cash flows include costs for seismic works underway for two villages, which will be addressed as part of the Group's regeneration strategy well in advance of the statutory timeframe for completing seismic strengthening works.

The estimates for both the weathertightness remediation programme and the work identified as a result of the seismic review are based on currently available information for both cost and timing of the work to be completed.

3.3 Refundable occupation right agreements

The refundable occupation right agreements balance for investment properties and care suites is outlined below:

\$000	31 December 2025 Unaudited	30 June 2025 Audited
Refundable occupation right agreements	3,619,612	3,478,196
Residents' share of capital gains	21,813	26,004
Management fees receivable	(809,868)	(764,950)
Loans and deferrals to residents	(63,013)	(59,155)
Total refundable occupation right agreements	2,768,544	2,680,095

► Recognition and measurement

ORAs conferring the right to occupancy are considered leases under NZ IFRS 16 – Leases. A new resident is charged a refundable security deposit on being issued the right to occupy which is refunded to the resident on termination. The Group has a legal right to set off any amounts owing to the Group by a resident against that resident's security deposit, including management fees, loans and deferrals receivable, service fees and village fees. As the refundable occupation right is repayable to the resident upon relicense, the face value of the amount that is repayable is recognised as a liability.

The right of residents to occupy the investment properties of the Group is protected by the Statutory Supervisor, restricting the ability of the Group to fully control these assets without undergoing a consultation process with all affected parties.

Certain older ORAs include the right to a proportion of the capital gain arising on resale. The amount of the capital gain relating to these agreements is recognised by way of a liability on the Consolidated Balance Sheet.

Notes to the Interim Group Financial Statements (continued)

Metlifecare Limited

3.4 Property, plant and equipment

Property, plant and equipment comprises owner-occupied freehold land and buildings, plant and equipment operated by the Group for the provision of care services, and land and buildings that are to be developed into care homes in the future.

\$000	Freehold land and buildings	Construction work in progress	Plant, furniture, equipment and motor vehicles	Right-of-use assets	Total
At 30 June 2024					
Cost or fair value	346,032	55,023	89,188	11,711	501,954
Accumulated depreciation/impairment losses	-	-	(45,407)	(4,499)	(49,906)
Closing net book value	346,032	55,023	43,781	7,212	452,048
Year ended 30 June 2025					
Opening net book value	346,032	55,023	43,781	7,212	452,048
Change in fair value recognised in other comprehensive income	47,155	907	-	-	48,062
Transfer from investment properties	14,159	-	-	-	14,159
Additions/transfers	44,498	9,419	18,014	2,244	74,175
Disposals	(6,691)	-	(248)	-	(6,939)
Reversal of impairment	18,730	-	-	-	18,730
Impairment	(7,743)	(4,418)	(1,103)	-	(13,264)
Depreciation	(8,863)	-	(7,781)	(1,344)	(17,988)
Closing net book value	447,277	60,931	52,663	8,112	568,983
At 30 June 2025					
Cost or fair value	447,277	60,931	105,851	13,955	628,014
Accumulated depreciation/impairment losses	-	-	(53,188)	(5,843)	(59,031)
Closing net book value	447,277	60,931	52,663	8,112	568,983

Notes to the Interim Group Financial Statements (continued)

Metlifecycle Limited

\$000	Freehold land and buildings	Construction work in progress	Plant, furniture, equipment and motor vehicles	Right-of-use assets	Total
Six months ended 31 December 2025					
Opening net book value	447,277	60,931	52,663	8,112	568,983
Change in fair value recognised in other comprehensive income	52,071	2,047	-	-	54,118
Transfer from investment properties	13,847	449	-	-	14,296
Additions	3,618	29,532	7,921	2,317	43,388
Disposals	(1,744)	-	(8)	(158)	(1,910)
Reversal of impairment	5,701	-	-	-	5,701
Impairment	-	(193)	-	-	(193)
Depreciation	(5,551)	-	(4,108)	(759)	(10,418)
Closing net book value	515,219	92,766	56,468	9,512	673,965
At 31 December 2025					
Cost or fair value	515,219	92,766	113,764	16,114	737,863
Accumulated depreciation/impairment losses	-	-	(57,296)	(6,602)	(63,898)
Closing net book value	515,219	92,766	56,468	9,512	673,965

Notes to the Interim Group Financial Statements (continued)

Metlifecare Limited

► Recognition and measurement

All property, plant and equipment is initially recorded at cost. For transfers from investment properties following a change in classification from investment properties to property, plant and equipment, the carrying value at the time of change is deemed to be the cost. Initial cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes materials and direct labour, and any other costs directly attributable to bringing the asset to its working condition for its intended use. Property, plant and equipment is subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Subsequent to initial recognition, freehold land and buildings for care homes are carried at a revalued amount, which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and accumulated impairment losses, if any, since the assets were last revalued. As the fair value of freehold land and buildings is determined using inputs that are unobservable, the Group has categorised property, plant and equipment as Level 3 under the fair value hierarchy in accordance with NZ IFRS 13 – Fair Value Measurement. Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the date of valuation. Refer to Note 3.1 – Market conditions for further information.

The fair value of freehold land and buildings and development land is determined by the Directors having taken into consideration the valuation conducted by independent registered valuers.

The Group uses a dual valuer model in respect of the Group's measurement of its care homes, the model involves two registered valuers (CBRE and JLL) undertaking a valuation of a proportion of the portfolio of care homes on a systematic, rotational basis. It is not intended that there will be more than one valuation obtained for the same asset, but where this occurs, a midpoint of the two valuations will be used in determining the fair value of that asset.

Any revaluation surplus is recognised in other comprehensive income unless it reverses a revaluation decrease of the same asset previously recognised in the profit or loss. Any revaluation deficit is recognised in the profit or loss unless it directly offsets a previous surplus in the same asset recognised in other comprehensive income. Any accumulated depreciation at revaluation date is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Independent valuations are performed every six months.

Subsequent to initial recognition, plant, furniture, equipment and motor vehicles, are recognised at cost less accumulated depreciation.

Right-of-use assets relating to leases of office premises, other businesses premises and vehicles are capitalised and recognised within property, plant and equipment at the commencement date of the lease, and comprise the initial lease liability, plus any initial indirect costs incurred and restoration costs, less any lease incentives received. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Land and buildings under development

Subsequent to initial recognition, fair value measurement on construction work in progress is only applied if the fair value is reliably measurable.

Where the fair value of property under construction cannot be reliably determined (e.g., practical completion has not been achieved) the value is the fair value of the development land (which is classified under construction work in progress) plus the cost of work in progress, less any impairment. Impairment is determined by considering the value of work in progress and the Directors' estimate of asset value on completion.

At 31 December 2025, \$92.8m (30 June 2025: \$60.9m) has been recognised in relation to these development sites. Of this balance, \$13.6m is development land measured at fair value (30 June 2025: \$11.8m) and \$79.2m is the cost of work in progress less impairment (30 June 2025: \$49.1m).

For the sites where there is a split in the development classified by nature as investment properties and another portion as property, plant and equipment, the fair value of the land and the cost of work in progress is apportioned between investment properties and property, plant and equipment, by applying an estimated gross floor area for the respective areas of development based on information from the planning and design stages.

Care beds

The valuers determined the fair value of care beds' assets using an earnings-based multiple approach where the normalised earnings before interest, tax, depreciation, amortisation and rent is capitalised at rates of between 11.3% to 13.3% (30 June 2025: 11.3% to 13.5%). The valuation prepared has been split between land, improvements, chattels and goodwill to determine the fair value of the relevant assets. The revaluation, net of applicable deferred income tax, is recognised in other comprehensive income and is shown in the revaluation reserve in shareholders' equity.

The significant unobservable inputs used in the fair value measurement of the Group's portfolio of land and buildings, are the capitalisation rates applied to individual unit earnings. A significant decrease/(increase) in the capitalisation rate would result in a significantly higher/(lower) fair value measurement.

Notes to the Interim Group Financial Statements (continued)

Care suites

The Group recognises care suites as property, plant and equipment on development or when there is evidence of change in use of the property, being the conversion from serviced apartments to care suites or care beds to care suites. In determining the fair value of care suites, the valuers have used both the retirement village methodology in relation to the management fees revenue, and the care beds methodology in relation to the residential care fees income derived via the care home. Refer to key assumptions disclosed in Note 3.2 – Investment properties and above.

If freehold land and buildings were stated on a historical cost basis, the amounts would be as follows:

\$000	31 December 2025	30 June 2025
Net book value	369,842	358,057

In determining the fair value of the Group's property, plant and equipment, in respect of care suites, the valuers estimate the stabilised departing occupancy period, as set out below.

Stabilised departing occupancy – years	31 December 2025	30 June 2025
Care suites	2.7 – 3.0	2.7 – 3.0

Depreciation

► Recognition and measurement

Depreciation is provided on a straight-line basis on property, plant and equipment, other than freehold land, at rates calculated to allocate the assets' cost or valuation, less estimated residual value, over their estimated useful lives, commencing from the time the assets are held ready for use, as follows:

Asset category	Useful lives
Freehold buildings	25 - 50 years
Plant, furniture and equipment	3 - 10 years
Motor vehicles	5 - 7 years

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each balance sheet date. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Consolidated Statement of Comprehensive Income.

Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, after reducing the carrying amount by any amount that the asset has been revalued. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

In the period ended 31 December 2025, a reversal of impairment of \$5.5m was recognised in the Consolidated Statement of Comprehensive Income to reflect the valuation of the care homes (31 December 2024: reversal of impairment of \$8.4m). Refer to Note 2.2 – Expenses.

3.5 Assets held for sale

► Recognition and measurement

The Group classifies assets as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. Assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell. Costs to sell are the costs directly attributable to the disposal of an asset.

The criteria for held for sale classification are met when the sale is highly probable and the asset is available for immediate sale in its present condition. Assets and liabilities classified as held for sale are separately presented in the Consolidated Balance Sheet.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Assets that are subject to an unconditional agreement for sale or are being actively marketed with a sale expected to be completed within 12 months meet the definition of held for sale. As at 31 December 2025, there are no assets that meet the definition of held for sale (30 June 2025: \$24.7m).

Notes to the Interim Group Financial Statements (continued)

4. SHAREHOLDERS' EQUITY AND FUNDING

This section includes disclosures related to the Group's capital structure and external funding arrangements.

4.1 Contributed equity

The following table provides details of movements in the Group's issued shares:

	Note	31 December 2025 Unaudited No. of shares	30 June 2025 Audited No. of shares	31 December 2025 Unaudited \$000	30 June 2025 Audited \$000
Opening balance		469,818,099	362,096,318	565,254	457,532
Shares issued net of transaction costs		-	107,721,781	-	107,722
Closing balance		469,818,099	469,818,099	565,254	565,254

All ordinary shares are authorised and rank equally with one vote attached to each fully paid ordinary share. The shares have no par value. Ordinary shares are classified as equity and are recognised net of costs directly attributable to the issue of new shares.

4.2 Interest-bearing liabilities

The following table sets out the Group's interest-bearing liabilities:

\$000	31 December 2025 Unaudited	30 June 2025 Audited
Sustainability-Linked Loan	1,502,010	1,419,999
Sustainability Bond	100,000	100,000
Capitalised debt costs	(5,789)	(4,475)
	1,596,221	1,515,524
Lease liabilities	14,889	13,536
Total interest-bearing liabilities	1,611,110	1,529,060
Net gearing ratio*	38.8%	38.5%

* Calculated as a ratio of net interest bearing debt to net interest bearing debt plus the book value of total equity.

Notes to the Interim Group Financial Statements (continued)

4.2.1 Sustainability-Linked Loan

As outlined in Note 1.5 – Significant events and transactions, the SLL Facilities were increased in aggregate by \$100m and \$1.05 billion was refinanced during the period ended 31 December 2025. In addition to the SLL Facilities, the Company has an overdraft facility that was entered into on 14 October 2015 and has been amended from time to time.

The facility limits, amounts drawn, and maturities are set out below.

Facility limits and drawn debt

\$000	31 December 2025 Unaudited Facility limit	31 December 2025 Unaudited Drawn	30 June 2025 Audited Facility limit	30 June 2025 Audited Drawn
Core facility	841,896	670,895	741,891	623,241
Development facility	908,104	831,115	908,109	796,758
Working capital facility	10,000	-	10,000	-
Total	1,760,000	1,502,010	1,660,000	1,419,999

Maturities

\$000	31 December 2025 Unaudited	30 June 2025 Audited
On demand	-	-
Less than one year	-	-
Between one and two years	-	258,391
Between two and three years	-	650,000
Three or more years	1,502,010	511,608
Total	1,502,010	1,419,999

4.2.2 Sustainability Bond

On 30 September 2019, the Group issued \$100m of guaranteed, secured, unsubordinated fixed-rate bonds with a coupon rate of 3.00% per annum, maturing on 30 September 2026. This was designated as a Sustainability Bond on 26 October 2021.

The bond is secured on an equal ranking basis with certain other secured creditors including the Company's bank lenders. As of 31 December 2025, the Sustainability Bond had a fair value of \$98.8m (30 June 2025: \$96.8m).

Notes to the Interim Group Financial Statements (continued)

Metlifecare Limited

4.2.3 Security for Sustainability-Linked Loan and Sustainability Bond

The Company has granted a first-ranking general security interest over its assets and a first-ranking mortgage over its land in favour of the Security Trustee (New Zealand Permanent Trustees Limited).

The Company's wholly owned subsidiary, Metlifecare Retirement Villages Limited (MRVL), as operator of the villages, has granted a first-ranking general security interest over its assets (other than land) and a second-ranking mortgage over its land in favour of the Security Trustee.

The Security Trustee holds the security for the benefit of the Company's bondholders, bank lenders and hedge providers pursuant to a Security Trust Deed.

The Company and MRVL have also each provided a guarantee in favour of the beneficiaries under the Security Trust Deed in relation to the obligations of the other party.

Registered mortgages or an encumbrance in favour of the Statutory Supervisor of MRVL are recognised as first charges over the freehold land and buildings of MRVL to protect the interests of the residents in the event of failure by MRVL (as operator of the villages) and to observe obligations under the Deed of Supervision and ORAs.

Financial covenants

The Group must comply with certain financial covenants under the SLL Facilities on a quarterly basis. The financial covenants that the Group must comply with include:

- A maximum Loan-to-Valuation ratio (<50%).
- A minimum interest cover ratio (which is broadly the ratio of cash flow available for debt servicing, excluding cash flows associated with the current remediation programme, to interest costs in respect of the previous 12 months) of two times.

In addition, under the terms of the Sustainability Bond, the Group must also comply with a Loan to Valuation ratio (<50%). For the period ended 31 December 2025, the Group was compliant with its financial covenants (30 June 2025: compliant). There has been no change to the financial covenants during the period ended 31 December 2025.

4.2.4 Net interest-bearing debt reconciliation

\$000	31 December 2025 Unaudited	30 June 2025 Audited
Cash and cash equivalents	18,003	7,108
Interest-bearing liabilities (excluding lease liabilities)	(1,596,221)	(1,515,524)
Lease liabilities	(14,889)	(13,536)
Net interest-bearing debt	(1,593,107)	(1,521,952)

4.2.5 Interest expenses

\$000	Six months ended 31 December 2025 Unaudited	Six months ended 31 December 2024 Unaudited
Interest expenses	34,203	49,298
Less: Interest from derivatives movements	6,262	(2,989)
SLL Facility expenses	6,356	6,362
Less: Interest and facility expenses capitalised	(20,572)	(28,106)
Interest expenses on lease liabilities	486	477
Total interest expenses	26,735	25,042

► Recognition and measurement

Interest on SLL Facilities is charged using the BKBM Bill Rate, plus a margin and line fee. A fixed coupon rate of 3.00% is incurred on the Sustainability Bond. Weighted average interest rates charged during the period ended 31 December 2025 ranged from 5.3% to 6.1% per annum (31 December 2024: 5.9% to 6.8% per annum).

Interest and facility expenses of \$20.6m (31 December 2024: \$28.1m), arising from the debt for development land, and the construction of investment properties and care homes were capitalised during the period. Average capitalisation rates of 1.4% per annum (31 December 2024: 2.0% per annum) were used, representing the borrowing costs used to finance these development projects.

Notes to the Interim Group Financial Statements (continued)

OTHER DISCLOSURES

This section includes additional information that is considered less significant in understanding the financial performance and position of the Group but must be disclosed to comply with New Zealand Equivalents to International Financial Reporting Standards.

5. TAX LOSSES

Tax losses are subject to the Business Continuity Test. This allows entities to carry forward tax losses that may previously have been forfeited due to shareholder continuity breaches, provided there is no major change in the Group's business activities within five years (or less if losses are used earlier) of the change in ownership.

At 31 December 2025, the Group assessed itself as having met the Business Continuity Test criteria and holds \$1,266.5m of gross tax losses (30 June 2025: \$1,165.3m).

6. COMMITMENTS

\$000	Note	31 December 2025 Unaudited	30 June 2025 Audited
Capital commitments			
Estimated commitments to purchase, develop and construct certain sites	1.5	182,802	188,351
Total commitments		182,802	188,351

7. CONTINGENT LIABILITIES AND ASSETS

At 31 December 2025, the Group had no material contingent liabilities or assets (30 June 2025: nil).

8. SUBSEQUENT EVENTS

There are no material subsequent events requiring disclosure.

Independent auditor's review report

To the Shareholder of Metlifecare Limited

Report on the interim group financial statements

Our conclusion

We have reviewed the interim group financial statements (financial statements) of Metlifecare Limited (the Company) and its controlled entities (the Group), which comprise the consolidated balance sheet as at 31 December 2025, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the six months ended on that date, and notes, comprising material accounting policy information and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2025, and its financial performance and cash flows for the six months then ended, in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34).

Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial statements* section of our report.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board (PES 1), as applicable to audits and reviews of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with PES 1.

In our capacity as auditor and assurance practitioner, our firm also provides review, other assurance services and other services relating to reporting to the Group's trustees. In addition, certain partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business. The firm has no other relationship with, or interests in, the Group.

Responsibilities of Directors for the financial statements

The Directors of the Company are responsible on behalf of the Company for the preparation and fair presentation of these financial statements in accordance with IAS 34 and NZ IAS 34 and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the financial statements

Our responsibility is to express a conclusion on the financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34.

A review of financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these financial statements.

Who we report to

This report is made solely to the Company's shareholder. Our review work has been undertaken so that we might state those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder for our review procedures, for this report or for the conclusion we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Jonathan Kirby.

For and on behalf of:



PricewaterhouseCoopers
26 February 2026

Auckland