



Financial Statements 2026

CONSOLIDATED

Statement of Comprehensive Income

For the year ended		31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>	NOTE		
REVENUE			
Revenue	2.1	200,098	175,286
Deferred management fees	2.1	2,181	2,129
Total revenue		202,279	177,415
Change in fair value of investment property	3.1	1,680	3,088
Reversal of revaluation losses recognised in prior periods	3.2	1,495	—
Interest income		61	148
Total revenue and other income		205,515	180,651
EXPENSES			
Employee costs		(123,048)	(106,282)
Depreciation, amortisation and impairment	2.2	(13,206)	(10,398)
Finance costs	2.2	(11,580)	(12,153)
Other expenses	2.2	(43,342)	(41,344)
Total expenses		(191,176)	(170,177)
Profit before income tax		14,339	10,474
Income tax expense	5.1	(4,286)	(3,075)
Profit for the year		10,053	7,399
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
<i>Items that will be reclassified subsequently to profit and loss</i>			
Revaluation of land and buildings	3.2	6,144	—
Income tax on other comprehensive income	5.1	(493)	—
Fair value gain/(loss) on hedged interest rate swaps	4.4	79	(282)
Other comprehensive income for the year		5,730	(282)
Total comprehensive income		15,783	7,117
PROFIT ATTRIBUTABLE TO			
Owners of the company		9,457	7,034
Non-controlling interests	5.8	596	365
Total profit		10,053	7,399
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO			
Owners of the company		15,187	6,752
Non-controlling interests	5.8	596	365
Total comprehensive income		15,783	7,117
EARNINGS PER SHARE			
Basic and diluted earnings per share (cents per share)	4.2	3.33	2.47

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

CONSOLIDATED

Statement of Changes in Equity

For the year ended 31 March
2026

In thousands of New Zealand
dollars

	NOTE	Contributed Equity	Other Reserves	Retained Earnings	Total	Non- Controlling Interest	Total Equity
BALANCE AS AT 1 APRIL 2025		56,794	8,217	1,222	66,233	241	66,474
Profit for the year		—	—	9,457	9,457	596	10,053
Revaluation of land and buildings		—	5,651	—	5,651	—	5,651
Cash flow hedges — effective portion of changes in fair value	4.4	—	79	—	79	—	79
Total comprehensive income for the year		—	5,730	9,457	15,187	596	15,783
<i>Transactions with owners</i>							
Share buyback	4.1	(475)	—	—	(475)	—	(475)
Share based payments	4.1	34	224	—	258	—	258
Dividends paid	4.1	—	—	(5,113)	(5,113)	(610)	(5,723)
Total transactions with owners		(441)	224	(5,113)	(5,330)	(610)	(5,940)
BALANCE AS AT 31 MARCH 2026		56,353	14,171	5,566	76,090	227	76,317
BALANCE AS AT 1 APRIL 2024		56,820	9,578	(1,966)	64,432	—	64,432
Profit for the year		—	—	7,034	7,034	365	7,399
Cash flow hedges — effective portion of changes in fair value	4.4	—	(282)	—	(282)	—	(282)
Total comprehensive income for the year		—	(282)	7,034	6,752	365	7,117
<i>Transactions with owners</i>							
Share buyback	4.1	(38)	—	—	(38)	—	(38)
Share based payments	4.1	12	48	—	60	—	60
Dividends paid	4.1	—	—	(3,846)	(3,846)	—	(3,846)
Total transactions with owners		(26)	48	(3,846)	(3,824)	—	(3,824)
<i>Other changes in equity</i>							
Acquisition of subsidiary with a NCI ¹ interest		—	—	—	—	(124)	(124)
Put option to purchase the NCI's of a subsidiary	4.1	—	(1,127)	—	(1,127)	—	(1,127)
Total other changes in equity		—	(1,127)	—	(1,127)	(124)	(1,251)
BALANCE AS AT 31 MARCH 2025		56,794	8,217	1,222	66,233	241	66,474

1. Non-controlling interest.

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

CONSOLIDATED
Statement of Financial Position

As at <i>In thousands of New Zealand dollars</i>	NOTE	31 March 2026	31 March 2025
ASSETS			
Cash and cash equivalents		2,823	2,571
Trade and other receivables	5.3	12,988	13,485
Inventories		581	579
Right-of-use assets	3.4	125,570	109,529
Investment properties	3.1	80,492	77,124
Property, plant and equipment	3.2	134,051	118,214
Intangible assets	5.2	17,888	18,068
Total assets		374,393	339,570
LIABILITIES			
Trade and other payables	5.4	25,904	22,860
Current tax liabilities		2,536	2,490
Interest rate swaps	4.4	203	282
Borrowings	4.3	71,564	70,301
Deferred management fees	3.3	6,947	7,357
Refundable occupation right agreements	3.3	38,906	37,843
Put option to purchase the non-controlling interest	4.1	1,127	1,127
Lease liabilities	3.4	141,512	122,697
Deferred tax liabilities	5.1	9,377	8,139
Total liabilities		298,076	273,096
NET ASSETS		76,317	66,474
EQUITY			
Share capital	4.1	56,353	56,794
Reserves	4.1	14,170	8,217
Retained earnings		5,794	1,463
COMPRISING OF			
Equity attributable to owners of the Group		76,090	66,233
Non-controlling interests	5.8	227	241
Total equity		76,317	66,474

The Board of Directors of the Company authorised these consolidated financial statements for issue on 13 May 2026.
For and on behalf of the Board.



Brien Cree
Chair, Board of Directors



Hamish Stevens
Chair, Audit and Risk Committee

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED

Statement of Cash Flows

For the year ended <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
Receipts from residents for care fees and village fees	200,347	176,188
Payments to suppliers and employees	(163,119)	(145,644)
Proceeds from the sale of Refundable Occupation Right Agreements	7,575	7,140
Payments for the repurchase of Refundable Occupation Right Agreements	(4,791)	(4,639)
Interest received	61	148
Interest paid - borrowings	(4,558)	(6,065)
Interest paid - lease liabilities	(6,898)	(5,934)
Income tax paid	(3,496)	(1,141)
Net cash provided by operating activities	25,121	20,053
Proceeds from the sale of property, plant and equipment	13,639	19
Payment for acquisition of businesses	5.6 (14,670)	(1,938)
Cash acquired in business acquisition	5.6 —	999
Payments for the purchase of property, plant and equipment	3.2 (14,385)	(5,843)
Payments for village developments	(1,688)	(508)
Net cash used in investing activities	(17,104)	(7,271)
Repurchase of shares	4.1 (475)	(38)
Proceeds from borrowings	14,831	5,350
Repayments of borrowings	(13,568)	(11,095)
Principal payments of lease liabilities	(2,830)	(2,932)
Dividends paid	4.1 (5,723)	(3,846)
Net cash used in financing activities	(7,765)	(12,561)
Cash and cash equivalents at beginning of the year	2,571	2,350
Net increase in cash and cash equivalents held	252	221
Cash and cash equivalents at end of year	2,823	2,571

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONSOLIDATED

Statement of Cash Flows (continued)

For the year ended <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
RECONCILIATION OF PROFIT FOR THE YEAR TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Profit for the year	10,053	7,399
ADJUSTMENTS FOR NON-CASH ITEMS		
Depreciation, amortisation and impairment	13,206	10,398
Share based payments	380	60
Net loss/(gain) on disposal of property, plant and equipment	39	—
Fair value adjustment to investment properties	(1,680)	(3,088)
Movement in deferred tax	745	1,438
Goodwill on business acquisition	—	(253)
Reversal of revaluation losses recognised in prior periods	(1,495)	—
CHANGES IN OPERATING ASSETS AND LIABILITIES		
Trade and other receivables and other assets	87	856
Inventories	(2)	71
Trade and other payables and other liabilities	2,679	2,005
Current tax liabilities	46	749
Refundable Occupation Rights Agreements	1,063	418
Net cash provided by operating activities	25,121	20,053

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the carrying amount of such liabilities, which comprise bank borrowings and lease liabilities, are summarised below.

<i>In thousands of New Zealand dollars</i>	Borrowings	Lease Liabilities	Total
BALANCE AS AT 1 APRIL 2025	70,301	122,697	192,998
Proceeds from borrowings	14,831	—	14,831
Repayment of borrowings and lease liabilities	(13,568)	(2,830)	(16,398)
Total changes from financing cash flows	1,263	(2,830)	(1,567)
<i>Non-cash changes</i>			
Additions	—	16,542	16,542
Remeasurements	—	5,103	5,103
Balance as at 31 March 2026	71,564	141,512	213,076
BALANCE AS AT 1 APRIL 2024	75,869	121,086	196,955
Proceeds from borrowings	5,350	—	5,350
Repayment of borrowings and lease liabilities	(11,095)	(2,932)	(14,027)
Loan acquired in business acquisition	177	—	177
Total changes from financing cash flows	(5,568)	(2,932)	(8,500)
<i>Non-cash changes</i>			
Remeasurements	—	4,543	4,543
Balance as at 31 March 2025	70,301	122,697	192,998

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes

1. GENERAL INFORMATION

1.1. Basis of Preparation

Reporting Entity

The consolidated financial statements are for Radius Residential Care Limited ('the Company') and its subsidiaries (together 'the Group').

The Group provides rest home and hospital care for the elderly along with development and operation of integrated retirement villages in New Zealand.

Statutory Basis and Statement of Compliance

Radius Residential Care Limited is a limited liability company, incorporated and domiciled in New Zealand. It is registered under the Companies Act 1993 and is a FMC Reporting Entity in terms of Part 7 of the Financial Markets Conduct Act 2013. The Company is listed on the NZX Main Board ("NZX"). The consolidated financial statements have been prepared in accordance with the requirements of the NZX, and Part 7 of the Financial Markets Conduct Act 2013.

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS'), International Financial Reporting Standards ('IFRS') and other applicable New Zealand Financial Reporting Standards, as appropriate for for-profit entities. The Group is a Tier 1 for-profit entity in accordance with XRB A1 *Application of the Accounting Standards Framework*.

The consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The balance sheet for the Group is presented on the liquidity basis where the assets and liabilities are presented in the order of their liquidity.

Functional and Presentation Currency

The consolidated financial statements are presented in New Zealand dollars which is the Group's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Measurement Basis

These consolidated financial statements have been prepared under the historical cost convention, except for the following items which are measured on a fair value basis or using fair value techniques:

- Investment properties (Note 3.1)
- Land and buildings within property, plant and equipment (Note 3.2)
- Derivative financial instruments, including interest rate swaps and cash flow hedges (Note 4.4)
- Assets and liabilities recognised in business combinations (Note 5.6)

- Equity-settled share-based payment arrangements, including the long-term incentive plan (Note 5.7)
- The valuation of the put option associated with non-controlling interests (Note 4.1)

The measurement basis for each of these items is described in the relevant accounting policy notes.

Key Estimates and Judgements

The Board of Directors and Management are required to make judgements, estimates and assumptions in applying the accounting policies. The assumptions, estimates and judgements applied are based on experience and relevant information the Board and Management believe are reasonable. Actual results may differ from the estimates, judgements and assumptions made by the Board of Directors and Management.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are described in the following notes:

- Valuation of investment properties (Note 3.1)
- Valuation of land and buildings (Note 3.2)
- Determination of lease terms and incremental borrowing rates for lease liabilities and right-of-use assets (Note 3.4)
- Recognition of deferred tax assets and liabilities (Note 5.1)
- Impairment testing of goodwill (Note 5.2)
- Business combinations (Note 5.6)
- Derivative financial instruments, including interest rate swaps and cash flow hedges (Note 4.4)
- Equity-settled share-based payment arrangements, including the long-term incentive plan (Note 5.7)
- The valuation of the put option associated with non-controlling interests (Note 4.1)

New and Amended Accounting Standards and Interpretations

A number of new and amended accounting standards and interpretations have been issued but are not yet effective for the year ended 31 March 2026 and have not been early adopted by the Group.

Amendments to NZ IFRS 9 and NZ IFRS 7 – Classification and Measurement of Financial Instruments

The amendments clarify certain requirements relating to the classification and measurement of financial instruments and associated disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2026. The Group does not expect the adoption of these amendments to have a material impact on its financial statements.

Annual Improvements to NZ IFRS Accounting Standards 2024

The Annual Improvements introduce minor amendments to a number of NZ IFRS Accounting Standards. The Group does not expect these amendments to have a material impact on its financial statements.

NZ IFRS 18 – Presentation and Disclosure in Financial Statements

NZ IFRS 18 will replace NZ IAS 1 *Presentation of Financial Statements* and introduces new requirements aimed at improving the presentation and disclosure of information in the financial statements. The standard introduces defined subtotals in the statement of profit or loss, including operating profit, enhanced guidance on aggregation and disaggregation of information, and new disclosures relating to management-defined performance measures. NZ IFRS 18 also introduces limited changes to the statement of cash flows.

NZ IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. The Group is currently assessing the impact of the standard on its financial statements. While the standard does not introduce changes to recognition or measurement, it is expected to have a material impact on the presentation and disclosure of the Group's financial statements.

Segment Reporting

An operating segment is a component of an entity that engages in business activities which earn revenue and incur expenses and where the chief operating decision maker reviews the operating results on a regular basis and makes decisions on resource allocation.

The Group operates in one operating segment being the provision of aged care in New Zealand. 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 services provided and the type and class of residents have similar characteristics within the operating segment. The Ministry of Health is a significant customer of the Group as disclosed in Note 2.1, as the Group derives care fee revenue in respect of eligible Government subsidised aged care residents. No other customers individually contribute a significant proportion of the Group's revenue. All revenue earned and assets held are in New Zealand.

1.2. Accounting Policies

Material accounting policies which are relevant to understanding the consolidated financial statements are disclosed in each of the applicable notes. They have been applied on a consistent basis across all periods presented in these consolidated financial statements.

Measurement of Fair Value

For financial reporting purposes, 'fair value' is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants (under current market conditions) at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or liability, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Further information about the assumptions made in measuring fair values is included in Notes 3.1, 3.2, 4.4, 5.6 and 5.7.

2. OPERATING PERFORMANCE

2.1. Revenue

Revenue from Contracts with Customers

Revenue from care and village fees and recoveries income is recognised in accordance with *NZ IFRS 15 Revenue from Contracts with Customers* ("NZ IFRS 15"). Deferred management fees and rental income are considered leases under *NZ IFRS 16 Leases* ("NZ IFRS 16"), and are therefore excluded from the scope of *NZ IFRS 15*.

Care and Village Fees and Recoveries Income

The Group derives revenue from the provision of residential care and related services. Rest home, hospital dementia, and service fee charges (including accommodation supplements) are governed by individual care admission agreements with residents.

Residents are charged a daily care fee, with the care fee component set by the Government annually, while other charges (including accommodation supplements and additional services) are determined by the Group in accordance with the relevant agreements. Revenue is recognised net of any rebates provided to residents.

The Group derives care fee revenue in respect of eligible Government subsidised aged care residents who receive rest home, dementia or hospital level care. Government aged care subsidies received from Health New Zealand included in care fees and village services amounted to \$118.1m (2025: \$104.8m).

There are no elements of variable consideration of significant financing component associated with care and village fees and recoveries income.

Village fees are detailed within each resident's Occupation Right Agreements (ORAs) and relate to the operating costs of the village. Revenue is recognised based on the daily or weekly fees charged, reflecting the period a resident has occupied a unit.

The performance obligation of providing the care and village services is satisfied over time, as the resident simultaneously receives and consumes the benefits of the service as it is provided. Billing and revenue recognition are generally done during the same period that the performance obligation is satisfied. Payments received in advance are recorded on the statement of financial position as a contract liability and subsequently recognised through profit or loss when the services are rendered.

For the year ended	31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>		
Rest home, hospital and dementia fees	175,805	156,006
Accommodation Supplements	12,156	10,850
Village service fees	1,272	1,215
Other care related revenue	609	319
Rental income	83	118
Catering revenue	5,791	3,503
Other services	4,382	3,275
Total	200,098	175,286

Lease Income

Deferred Management Fees

Occupation Right Agreements (ORAs) confer the right to occupy a retirement unit and are considered leases under *NZ IFRS 16 Leases*.

A management fee is payable by the residents of the Group's independent living units for the right to share in the use and enjoyment of common facilities. The management fee is calculated as a percentage of the ORA amount and accrues either daily, monthly or annually for a set period, based on the terms of the individual contracts. The current ORAs accrue management fees at rates ranging from 6.67% to 10% per annum.

The management fee is payable in cash by the resident at the time of repayment (to the resident) of the refundable ORA amount due. The Group has the right to set off of the refundable occupation right agreement amount and the management fee receivable.

At year end, the management fee receivable that has yet to be recognised through profit or loss as management fee revenue is recognised as a deferred management fee liability in the statement of financial position.

Key Accounting Estimates and Judgements

The deferred management fee represents the difference between the management fees receivable under the ORA and the portion of the management fee accrued which is recognised on a straight-line basis over the longer of the term specified in a resident's ORA or the average expected occupancy for the relevant accommodation i.e. eight years for villas and three to four years for serviced apartments and villas (2025: Eight years for villas and three to four years for serviced apartments).

2.2. Expenses

For the year ended		31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>	NOTE		
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT			
Buildings	3.2	1,338	1,344
Motor vehicles	3.2	180	158
Furniture, fixtures and fittings	3.2	3,395	2,910
Information technology	3.2	712	714
Medical equipment	3.2	424	262
AMORTISATION OF INTANGIBLE ASSETS			
Customer relationships	5.2	180	90
		6,229	5,478
DEPRECIATION OF RIGHT-OF-USE ASSETS			
Land and buildings	3.4	5,604	4,920
		5,604	4,920
IMPAIRMENT OF DEVELOPMENT PROJECTS			
Work in progress	3.2	1,373	—
		1,373	—
Total depreciation, amortisation & impairment		13,206	10,398
FINANCE COSTS			
Interest — bank and vendor financing		4,682	6,219
Interest — lease liabilities	3.4	6,898	5,934
Total finance costs		11,580	12,153
OTHER EXPENSES			
Fees paid to Auditors			
Audit of consolidated financial statements		222	236
Tax compliance services ¹		—	28
Agreed upon procedures engagement		11	10
Total fees paid to auditor		233	274
Care home operating expenses		23,591	26,065
Cost of goods sold		7,423	3,847
Operating rental expenses relating to low value and short-term leases		41	37
Directors' fees and expenses		581	981
Donations and sponsorships		26	25
Loss/(gain) on sale of property, plant and equipment		2	(4)
Other expenses (no items of individual significance)		11,445	10,119
Total other expenses		43,342	41,344

1. In the 2026 year the tax compliance services were no longer performed by the same firm as the auditors.

3. PROPERTY ASSETS

3.1. Investment Properties

Accounting Policy

Investment properties include completed freehold land and buildings, freehold land and buildings under development comprising retirement villages including common facilities, provided for use by residents under the terms of a Refundable Occupation Right Agreements (ORA). Investment properties are held for long term yields and to generate rental income.

Investment properties are initially recognised at cost. After initial recognition, investment properties are measured at fair value. Gains or losses arising from a change in the fair value of investment properties are recognised in profit or loss.

Deferred management fees, are accounted for as described in Note 2.1.

As at <i>In thousands of New Zealand dollars</i>	NOTE	31 March 2026	31 March 2025
INVESTMENT PROPERTIES			
Opening carrying amount		77,124	73,528
Net fair value gain		1,680	3,088
Occupation Right Agreements settled		(6,101)	(6,659)
Occupation Right Agreements entered		6,101	6,659
Purchases		1,678	508
Other adjustments		10	—
Closing carrying amount		80,492	77,124

A reconciliation between the valuation and the amount recognised on the Consolidated Statement of Financial Position as investment properties is as follows:

Valuation of operator's interest		30,849	28,850
Refundable Occupation Right Agreements	3.3	38,906	37,843
Deferred management fees	3.3	6,947	7,357
Unsold/vacant units		1,150	1,100
Residential properties		2,640	1,974
		80,492	77,124

Valuation Process and Key Inputs

The Group's investment properties are valued on an annual basis. This year the valuations were undertaken by LVC Limited (LVC), an independent valuer. LVC are registered with the Property Institute of New Zealand, employs registered valuers and has appropriate recognised professional qualifications and recent experience in the location and category of properties being valued.

The valuation of investment property are adjusted for balances relating to refundable ORA payments and management fees receivable recognised separately on the Consolidated Statement of Financial Position and also reflected in the valuation model.

Unsold Units

Any developed but not yet sold units (unsold units) are 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 units at reporting date.

Key Accounting Estimates and Judgements

As the fair value of investment properties is determined using inputs that are significant and unobservable, the Group has categorised investment properties as Level 3 under the fair value hierarchy in accordance with *NZ IFRS 13 Fair Value Measurement*.

Significant Unobservable Inputs

The significant unobservable inputs used in the fair value measurement of the Group's portfolio of completed investment properties are the discount rate and the property growth rate.

The following assumptions have been used to determine fair value:

Significant Input	Description	Inter-relationship Between the Key Inputs and Fair Value Measurement	2026	2025	
Discount rate	Villas and serviced apartments	The pre-tax discount rate	A significant increase/(decrease) in the discount rate would result in a significantly (lower)/higher fair value measurement.	15.5% - 19.0%	15.5% - 19.0%
Property price growth rate	Villas	0 - 4 years anticipated annual property price growth over the cash flow	A significant increase/(decrease) in the property price growth rate would result in a significantly higher/(lower) fair value measurement.	0.5% - 2.5%	0.5% - 2.5%
	Serviced apartments			0% - 2.5%	0% - 2.5%
	Villas and serviced apartments	5+ years anticipated annual property price growth over the cash flow	A significant increase/(decrease) in the property price growth rate would result in a significantly higher/(lower) fair value measurement.	2.50%	2.50%

Sensitivities

	Adopted Value of Operator's Interest	Discount Rate		Property Growth Rates	
AS AT 31 MARCH 2026		+0.5%	-0.5%	+0.25%	-0.25%
Valuation \$NZ000's	30,849				
Difference \$NZ000's		(900)	850	1,150	(1,200)
Difference %		(2.9%)	2.8%	3.7%	-3.9%
AS AT 31 MARCH 2025		+0.5%	-0.5%	+0.25%	-0.25%
Valuation \$NZ000's	28,850				
Difference \$NZ000's		(950)	900	1,050	(1,250)
Difference %		(3.3%)	3.1%	3.6%	(4.3%)

The occupancy period is a significant component of the valuations. LVC consider the demographic profile of the village (age and gender of residents) and the average occupancy period depending on the type of unit and averages within the industry. Subsequent changes in residents are then calculated based on the period of occupancy expected for each resident as at the date of the valuation. 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 valuation calculates the expected cash flows with stabilised departing occupancy assumptions set out on the next page.

Significant Input

As at	31 March 2026	31 March 2025
Stabilised occupancy period – villas	8.0 yrs - 9.0 yrs	8.0 yrs - 9.0 yrs
Stabilised occupancy period – serviced apartments	3 yrs	3-4 yrs

The ingoing price achieved on subsequent ORA resales is a key unobservable input in the determination of fair value. A significant increase/(decrease) in the ingoing price (as driven by the property growth rates) would result in a significantly higher/(lower) fair value measurement.

3.2. Property, Plant and Equipment

Accounting Policy

Freehold land and buildings are measured at revalued amounts, less any subsequent accumulated depreciation and any accumulated impairment losses. All other property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. At each reporting date the carrying amount of each asset is reviewed to ensure that it does not differ materially from the asset's fair value at reporting date. Where necessary, independent valuations are performed and the asset is revalued to reflect its fair value.

Category	Useful Life Range
Buildings	50 years
Motor vehicles	5 years
Furniture, fixtures and fittings	5 - 10 years
Information technology	4 years
Medical equipment	7 years

Assets are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Impairment losses in respect of individual assets are recognised in profit or loss unless the asset is measured at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and is recognised in other comprehensive income to the extent that it does not exceed the amount in the revaluation surplus for the same asset.

Gains and losses on disposals are determined by comparing the net disposal proceeds with the carrying amount of the asset. These are included in the profit or loss.

Carrying Value of Assets at Historical Cost

The carrying amount at which both land and buildings would have been carried had the assets been measured under historical costs is as follows:

As at <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
Land and buildings	97,570	91,322
Accumulated depreciation	(5,159)	(3,972)
Total	92,411	87,350

Reconciliation of Carrying Amount

<i>In thousands of New Zealand dollars</i>	Land and Buildings	Motor Vehicles	Furniture, Fixtures and Fittings	Information Technology	Medical Equipment	Work in Progress	Total
YEAR ENDED 31 MARCH 2026							
Opening net book value	96,016	436	12,084	1,429	1,057	7,192	118,214
Additions	5,547	118	5,546	444	926	2,007	14,588
Business combination ¹	13,600	5	961	13	90	—	14,670
Revaluation ²	7,640	—	—	—	—	—	7,640
Transfers	700	—	1,013	122	150	(1,985)	—
Disposals ¹	(13,600)	(6)	(33)	—	—	—	(13,639)
Impairment ³	—	—	—	—	—	(1,373)	(1,373)
Depreciation	(1,338)	(180)	(3,395)	(712)	(424)	—	(6,048)
Closing net book value	108,565	373	16,175	1,297	1,799	5,842	134,051
AS AT 31 MARCH 2026							
Cost	108,570	1,889	50,407	8,156	3,221	5,842	178,085
Accumulated Depreciation	(5)	(1,515)	(34,232)	(6,860)	(1,422)	—	(44,034)
Net book value	108,565	373	16,175	1,297	1,799	5,842	134,051

<i>In thousands of New Zealand dollars</i>	Land and Buildings	Motor Vehicles	Furniture, Fixtures and Fittings	Information Technology	Medical Equipment	Work in Progress	Total
YEAR ENDED 31 MARCH 2025							
Opening net book value	97,646	347	10,799	1,123	718	6,677	117,310
Additions	—	80	3,462	512	601	1,180	5,835
Business combination	—	167	309	—	—	—	476
Reclassification	(286)	—	286	—	—	—	—
Transfers	—	—	148	517	—	(665)	—
Disposals	—	—	(10)	(9)	—	—	(19)
Depreciation	(1,344)	(158)	(2,910)	(714)	(262)	—	(5,388)
Closing net book value	96,016	436	12,084	1,429	1,057	7,192	118,214
AS AT 31 MARCH 2025							
Cost	98,691	1,802	42,921	7,577	2,057	7,192	160,240
Accumulated Depreciation	(2,675)	(1,366)	(30,837)	(6,148)	(1,000)	—	(42,026)
Net book value	96,016	436	12,084	1,429	1,057	7,192	118,214

1. On 30 May 2025 the land and buildings of St Allisa care home were purchased and subsequently sold and leased back on the same day for \$13.6 million.

2. The revaluation noted in the Statement of Comprehensive Income differs from the above due to deferred tax.

3. During the year, a partial impairment of capitalised development costs was recognised for costs no longer aligned with updated project scope following a detailed review of development plans.

Valuations

As at 31 March 2026

The Group's thirteen properties included in land and buildings were revalued on 31 March 2026 to \$108.6 million from a carrying value immediately prior of \$101.0 million, resulting from a revaluation gain of \$6.1 million in other comprehensive income and a reversal of previous valuation losses of \$1.5 million in the profit and loss statement. The fair values of the thirteen revalued land and buildings on freehold land have been determined by reference to independent valuations obtained as at 31 March 2026. These valuations were undertaken by a Property Institute of New Zealand registered valuer, LVC Limited. LVC, an external independent valuation company employing registered valuers, has appropriate recognised professional qualifications.

As at 31 March 2025

The Group's twelve properties included in land and buildings were revalued on 31 March 2023. Management assessed that these freehold land and buildings did not experience any significant and volatile changes in fair value necessitating a revaluation as at 31 March 2025. This assessment was informed by advice provided by the Group's land and buildings Valuer, LVC Limited (LVC) (who provides valuation services to the Group) who provided a valuation update report confirming that the carrying amounts of these freehold land and buildings did not differ materially from that which would be determined using fair value as at 31 March 2023.

Key Accounting Estimates and Judgements

Property measurements are categorised as Level 3 (2025: Level 3) of the fair value measurement hierarchy as the fair value is determined using inputs that are unobservable.

Significant Unobservable Inputs

The significant unobservable input used in the fair value measurement of the Group's land and buildings is the capitalisation rate applied to rentals. A significant decrease/(increase) in the capitalisation rate would result in significantly higher/(lower) fair value measurement.

Sensitivities

As at 31 March 2026	Adopted Value	Capitalisation Rate	
Valuation \$NZ000's	108,565	+0.5%	-0.5%
Difference \$NZ000's		(8,000)	6,950
Difference %		(7.4%)	6.4%

As at 31 March 2023	Adopted Value	Capitalisation Rate	
Valuation \$NZ000's	112,510	+0.5%	-0.5%
Difference \$NZ000's		(7,900)	9,200
Difference %		(7.0%)	8.2%

3.3. Refundable Occupation Right Agreements

Accounting Policy

Occupation Right Agreements (ORAs) confer the right to occupy a retirement unit and are considered leases under *NZ IFRS 16 Leases*.

A new resident is charged a refundable security deposit, on being issued the right to occupy one of the Group's units, which is refunded to the resident subject to a new ORA for the unit being issued to an incoming resident, net of any amount owing to the Group. The Group has a legal right to set off any amounts owing to the Group by a resident against that resident's security deposit. Such amounts include management fees, rest home and hospital fees, service fees and village fees. As the refundable occupation right is repayable to the resident upon vacating the unit (subject to a new ORA for the unit being issued to an incoming resident), the fair value is equal to the face value, being the amount that can be refunded.

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.

A resident is charged a village contribution fee in consideration for the right to occupy one of the Group's units to a maximum of 30% of the entry payment.

Some residents may be charged an administration fee for the right to occupy one of the Group's units of between 3.45% and 5.0% of the entry payment.

The village contribution is payable by the resident on termination of the ORA. Village contribution is recognised as deferred management fees, Note 2.1. The management fee receivable is recognised in accordance with the terms of the resident's ORA.

The deferred management fee represents the difference between the management fees receivable under the ORA and the portion of the management fee accrued which is recognised on a straight-line basis over the longer of the term specified in a resident's ORA or the average expected occupancy for the relevant accommodation i.e. eight years for villas and three to four years for serviced apartments (2025: Eight years for villas and three to four years for serviced apartments).

The management fee recognised in the Consolidated Statement of Comprehensive Income represents income earned in line with the average expected occupancy.

As a refundable occupation license payment is repayable to the resident upon termination (subject to a new ORA being issued to an incoming resident), the fair value is equal to the face value, being the amount that can be demanded.

The expected maturity of the refundable obligations to residents is beyond 12 months.

As at		31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>	NOTE		
REFUNDABLE OCCUPATION RIGHT AGREEMENTS			
Refundable occupation right agreements		54,907	53,418
Less: Management fee receivable (per contract)		(16,001)	(15,575)
Refundable Occupation Right Agreements		38,906	37,843
RECONCILIATION OF MANAGEMENT FEES RECOGNISED UNDER NZ IFRS AND PER ORA			
Management fee receivable (per contract)		(16,001)	(15,575)
Deferred management fees	2.1	6,947	7,357
Management fee receivable (per NZ IFRS)		(9,054)	(8,218)
COMPRISING OF			
<i>Current deferred management fees</i>		2,022	2,038
<i>Non-current deferred management fees</i>		4,925	5,319
Deferred management fees		6,947	7,357

3.4. Leases

Right-of-use Assets

Right-of-use assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss. Right-of-use assets are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Right-of-use assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease Liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. Interest expense on lease liabilities is recognised in profit or loss (as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12 Months or Less and Leases of Low Value Assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight line basis over the lease term.

Key Accounting Estimates and Judgements

Extension and termination options are included in a number of leases across the Group. These terms are used to maximise the operational flexibility of the Group's contracts. The majority of extension and termination options are exercisable only by the Group and not by the respective lessor. In determining the lease term, management considers all relevant facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. Extension options, or periods after termination options, are included in the lease term only when the Group is reasonably certain to exercise those options. In making this assessment, the Group generally includes the first renewal period where it is assessed as reasonably certain to be exercised. Subsequent renewal periods are not included in the lease term unless there is a clear economic incentive that makes their exercise reasonably certain. This assessment is reviewed if a significant event or significant change in circumstances occurs that is within the Group's control and affects this assessment. Extension options assessed as reasonably certain to be exercised have been included in the measurement of the Group's lease liabilities.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The weighted average incremental borrowing rates applied by the Group is 5.1% (2025: 5%). One new lease was entered into during the year (2025: None) and no leases were cancelled during the year (2025: No leases were cancelled).

As at <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
(A) RIGHT-OF-USE ASSETS		
Land and buildings under lease	158,933	137,359
Accumulated depreciation	(33,363)	(27,830)
Total carrying amount of right-of-use assets	125,570	109,529
<i>Reconciliation of the carrying amount of right-of-use assets at the beginning and end of the financial year:</i>		
<i>Land and buildings</i>		
Opening carrying amount	109,529	109,906
Additions ¹	16,542	—
Depreciation	(5,604)	(4,920)
Remeasurements	5,103	4,543
Closing carrying amount	125,570	109,529
<i>1. Additions during the year relate to right-of-use assets recognised on commencement of a lease for a newly leased site as disclosed in Note 5.6.</i>		
(B) LEASE LIABILITIES		
Current land and buildings	3,373	2,868
Non-current land and buildings	138,139	119,829
Total	141,512	122,697
For the year ended <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
(C) LEASE EXPENSES AND CASH FLOWS		
Interest expense on lease liabilities	6,898	5,934
Depreciation expense on right-of-use assets	5,604	4,920
Cash outflow in relation to leases	9,726	8,865
(D) MATURITY ANALYSIS – CONTRACTUAL UNDISCOUNTED CASH FLOWS		
Not later than 1 year	10,360	8,992
Later than 1 year and not later than 5 years	41,358	35,832
Later than 5 years	210,929	178,413
Total	262,647	223,237

4. SHAREHOLDER EQUITY AND FUNDING

4.1. Shareholder Equity and Reserves

	Shares	2026 \$000	Shares	2025 \$000
SHARE CAPITAL				
Authorised, issued and fully paid up capital	283,467,009	56,353	284,737,253	56,794
Total contributed equity	283,467,009	56,353	284,737,253	56,794
MOVEMENTS				
Opening balance of ordinary shares issued	284,737,253	56,794	284,876,742	56,820
Shares issued to employees	83,832	34	57,864	12
Share buyback scheme	(1,354,076)	(475)	(197,353)	(38)
Closing balance of ordinary shares issued	283,467,009	56,353	284,737,253	56,794

All ordinary shares are authorised and rank equally with one vote attached to each fully paid ordinary share. The shares have no par value. The Group incurred no transaction costs issuing shares during the year (2025:None).

During the year ended 31 March 2026, 1,351,076 ordinary shares were repurchased on market as part of the Group's on-market share buyback programme to purchase up to 0.7% of its ordinary shares from 23 December 2024 for a period of 12 months (31 March 2025: 197,353 ordinary shares were repurchased). All repurchased shares have been subsequently cancelled

Dividends

Dividend distributions to shareholders are recognised as a liability in the period in which dividends are declared. On 21 May 2025 a final dividend of 0.80 cents per share (fully imputed) was declared and was paid on 19 June 2025. On 19 November 2025 a cash interim dividend of 1.00 cents per share (fully imputed) was declared in relation to the year ended 31 March 2026 and was paid on 18 December 2025.

On 13 May 2026 a final cash dividend of 1.20 cents per share (fully imputed) was declared and will be paid on 11 June 2026.

	Cents per share	2026 Total \$000	Cents per share	2025 Total \$000
RECOGNISED AMOUNTS:				
Prior year final dividend	0.80	2,278	0.70	1,994
Interim dividend	1.00	2,837	0.65	1,852
	1.80	5,115	1.35	3,846
Final dividend declared	1.20	3,402	0.80	2,278

Other Reserves

Asset Revaluation Reserve

The asset revaluation reserve is used to record the revaluation of freehold land and buildings.

Share Based Payments Reserve

The share-based payments reserve represents the cumulative expense recognised for share-based payments under the Group's Long Term Incentive Plan (LTIP). In accordance with NZ IFRS 2, the fair value of Performance Share Rights is recognised as an employee benefit expense over the vesting period, with a corresponding credit to the reserve. Upon vesting, amounts are transferred to share capital. Further details of the Group's LTIP are set out in Note 5.7.

Cash Flow Hedge Reserve

The cash flow hedge reserve is used to record the effective portion of gains or losses on hedging instruments that are designated and qualify as cash flow hedges. Amounts are reclassified to profit or loss when the hedged forecast transactions affect profit or loss.

Put Option Reserve

The Group holds a put option over the remaining 49% non-controlling interest in Cibus Catering Limited, exercisable on the fifth anniversary of the acquisition date. The option is valued based on a contractually agreed EV/EBITDA multiple, consistent with NZ IFRS 13.

In accordance with NZ IAS 32, a financial liability is recognised for the present value of the expected redemption amount, with a corresponding debit to equity recorded in the put option reserve, reflecting the effective acquisition of the non-controlling interest.

Subsequent remeasurement of the liability is recognised directly in equity within the put option reserve, in line with the Group's accounting policy, with no impact on profit or loss.

As at 31 March 2026, there have been no changes to key valuation inputs or assumptions, and no remeasurement has been recognised.

As at		31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>	NOTE		
Asset revaluation reserve	3.2	15,147	9,496
Share based payments reserve	5.7	353	130
Cash flow hedge reserve	4.4	(203)	(282)
Put option reserve		(1,127)	(1,127)
Total		14,170	8,217

4.2. Earnings per share

Basic and Diluted

Basic earnings per share is calculated by dividing the profit after tax of the Group by the weighted average number of ordinary shares outstanding during the year. As at 31 March 2026, there were no shares with a dilutive effect (31 March 2025: None) and therefore basic and diluted earnings per share were the same.

For the year ended	31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>		
Profit after tax	9,457	7,034
Weighted average number of ordinary shares outstanding ('000s)	283,862	284,874
Cents per share	3.33	2.47

4.3. Borrowings

Borrowings are initially recognised at fair value, including transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of the borrowings, using the effective interest method.

<i>As at</i> <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
SECURED LIABILITIES		
<i>Current</i>		
Other loans ¹	64	132
<i>Non-current</i>		
Bank loans	71,500	70,169
Total	71,564	70,301

1. Other loans represent equipment and vehicle finance loans held by Cibus Catering Limited with Westpac New Zealand Limited \$20k (31 March 2025: \$64k) and UDC Finance \$44k (31 March 2025: \$68k). These are secured by way of equipment and vehicles themselves, and the Westpac loans also include a general security agreement over the assets and all present and after-acquired property of Cibus Catering Limited.

Terms and Conditions and Assets Pledged as Security

	Current \$000	Non-current \$000	Facility Limit \$000	Effective Interest Rate %	Expiry Date
31 MARCH 2026					
ASB Facility - A	—	7,500	20,000	5.03%	15 June 2028
ASB Facility - B	—	48,000	48,000	5.58%	15 June 2028
ASB Facility - C	—	16,000	16,000	4.63%	15 June 2028
ASB Facility - D	—	—	4,000	—	15 June 2027
Other loans	64	—	—		
	64	71,500	88,000		
31 MARCH 2025					
ASB Facility - A	—	11,700	20,000	7.29%	1 November 2026
ASB Facility - B	—	9,694	9,700	6.78%	1 November 2026
ASB Facility - C	—	14,500	14,500	6.56%	1 November 2026
ASB Facility - D	—	23,675	23,675	7.95%	6 May 2027
ASB Facility - F	—	10,600	10,600	8.15%	28 March 2027
Other loans	132	—	—		
	132	70,169	78,475		

ASB Bank Limited Loans

Security

The ASB Bank Limited bank committed money market loans of the Group are guaranteed by certain Group entities and secured by mortgages over the Group's care centre freehold land and buildings and rank second behind the Statutory Supervisors when the land and buildings are classified as investment property and investment property under development.

As at 31 March 2026 the balance of the bank loans over which the properties are held as security is \$71.5 million (31 March 2025: \$70.2 million), the total commitment as at 31 March 2026 is \$88.0 million (31 March 2025: \$78.6 million).

Other

As at 31 March 2026, the Group has a Corporate Banking Overdraft Facility Agreement with ASB Bank Limited for \$2 million (31 March 2025: \$2 million). This facility bears interest at an effective interest rate of 6.46% (31 March 2025: 7.60%) and is secured over the assets of the Group and guaranteed by certain Group entities. At 31 March 2026 no balance was drawn down (31 March 2025: None).

Covenants

As at 31 March 2026, the Group classified its secured borrowings of \$71.5 million (31 March 2025: \$70.2 million) as non-current liabilities. These borrowings are subject to financial covenants under the Group's financing arrangements with ASB Bank Limited, which are tested and reported quarterly. The ASB Bank have set predetermined ratios within the financing arrangements for each of the following covenants:

- Fixed charge cover ratio;
- Leverage ratio; and
- Equity ratio.

For covenant purposes, Adjusted EBITDA and Net Interest are calculated based on accounting policies applied prior to the adoption of *NZ IFRS 16 Leases*, excluding the impact of right-of-use assets and lease liabilities.

The Group complied with all covenant requirements during the reporting period and as at 31 March 2026. Based on management's forecast and assessment, continued compliance is expected for at least the next 12 months, and there is no material risk that the non-current borrowings will become repayable within that period.

Reorganisation of Borrowing Facilities

On 16 June 2025, the Group reorganised and extended its committed market loans with ASB Bank Limited. In addition to extending the expiry dates, the changes included:

- Re-financing and consolidation of previous Facilities B, C & D into a new Facility B;
- Refinancing previous Facility F into a new Facility C, with additional capacity intended to finance the acquisition of land in Belfast, Christchurch;
- Establishing a new Facility D to fund approved development projects.

On 2 March 2026, \$5.5 million was drawn down from Facility C to allow for the acquisition of land in Belfast, Christchurch.

4.4. Interest Rate Swaps

The Group uses interest rate swaps to manage its risk associated with interest rate fluctuations. Interest rate swaps are initially recognised at fair value on the date a contract is entered into and are subsequently measured at fair value on each reporting date. The fair values of the interest rate swaps are determined based on cash flows discounted to present value using current market interest rates. The non-current portion of interest rate swaps comprised of \$0.2 million in liabilities (2025: \$0.3 million). The Group has 49% (2025: 42%) of interest-bearing borrowings covered by fixed interest rate swap agreements.

Cash Flow Hedges

The Group has entered into interest rate swaps to manage its interest rate risk in relation to its floating rate debt. These interest rate swaps qualify for cash flow hedge accounting. When interest rate swaps meet the criteria for cash flow hedge accounting, the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while the ineffective portion is recognised in the income statement. Amounts taken to reserves are transferred out of reserves and included in the measurement of the hedged transaction when the forecast transaction occurs. When interest rate swaps do not meet the criteria for cash flow hedge accounting, all movements in fair value of the hedging instrument are recognised in the income statement. Under the interest rate swap agreements that qualify for cash flow hedge accounting, the Group has a right to receive interest at variable rates and to pay interest at fixed rates ("payer interest rate swap agreements"). These agreements effectively change the Group's interest exposure on the principal covered by the interest rate swaps from a floating rate to fixed rates, which range between 3.54% and 4.31% (2025: 3.71% and 4.31%). At 31 March 2026, the Group had interest rate swap agreements in place with a total notional principal amount of \$35 million (2025: \$30 million). Of the swaps in place, at 31 March 2026, all were active.

The fair value of these agreements at 31 March 2026 is a \$0.2 million liability. The agreements cover notional amounts for terms of up to three years. The notional principal amounts and the period of expiry of the cash flow hedge interest rate swap contracts are as follows:

As at	31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>		
Less than 1 year	15,000	—
Between 1 and 2 years	15,000	10,000
Between 2 and 3 years	—	20,000
Between 3 and 4 years	5,000	—
Total	35,000	30,000

5. OTHER DISCLOSURES

5.1. Income Tax

Key Accounting Estimates and Judgements

Deferred Tax on Investment Property

Deferred tax on investment property is assessed on the basis that the asset value will be realised through use ("Held for Use").

An initial recognition exemption has been applied to newly developed village sites in accordance with *NZ IAS 12 Income Taxes*.

The Group's ORAs comprise two distinct cash flows (being an ORA deposit upon entering the unit and the refund of this deposit upon exit). In determining the tax base of investment property, the Group considered whether taxable cash flows are received at the end of the ORA period (i.e. upon refund of the ORA deposit by way of set off on exit by a resident) or at the beginning of the ORA period (i.e. at time of the receipt of the ORA deposit). The Group has carefully evaluated all the available information and considers it appropriate to recognise and measure the tax base and associated deferred tax based on the taxable cash flows being receivable at the end of the ORA period as this best represents the Group's contractual entitlement.

In calculating deferred tax under the Held for Use methodology, the Group has made significant judgements to determine taxable temporary differences. The carrying value of the Group's investment property is determined on a discounted cash flow basis and includes cash flows that are both taxable and non-taxable in the future. The Group has recognised deferred tax on the cash flows with a future tax consequence being DMF as provided by LVC, to the extent that it arises from depreciable components (i.e. buildings) of the investment property. The Group uses the valuer's valuations to estimate the apportionment of cash flows arising from the depreciable (i.e. buildings) and non-depreciable components (i.e. land).

Deferred Tax on Buildings

The impact of the removal of tax depreciation on commercial buildings, which reduced the tax base to nil, created a significant taxable temporary difference for all of the Group's care home buildings classified as Property, Plant and Equipment, irrespective of their date of acquisition. The recognition of this temporary difference as a deferred tax liability depends on whether the buildings were acquired through business combination or whether the initial recognition exception (IRE) in *NZ IAS 12* was previously applied.

For the year ended	31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>		
(A) COMPONENTS OF TAX EXPENSE		
Current tax	3,541	1,618
Deferred tax	745	1,457
Total tax expense	4,286	3,075
(B) INCOME TAX RECONCILIATION		
<i>The prima facie tax payable on profit before tax is reconciled to the income tax expense as follows:</i>		
Prima facie income tax payable on profit before tax at 28.0%	4,015	2,933
Permanent differences	(207)	(269)
Over provision for income tax in prior year	(78)	(396)
Deferred tax impact from reversal of depreciation on buildings	446	824
Other	110	(17)
Income tax expense attributable to profit	4,286	3,075

As at <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
(C) DEFERRED TAX		
<i>Deferred tax assets</i>		
Lease liabilities	39,624	34,355
Provisions	2,858	3,231
Deferred management fee income	—	74
Total deferred tax asset	42,481	37,660
<i>Deferred tax liabilities</i>		
Property, plant and equipment	4,170	2,779
Customer relationships	177	228
Deferred management fee income	387	—
Right-of-use assets	35,159	30,668
Deferred tax impact from reversal of depreciation on buildings	11,964	12,124
Total deferred tax liability	51,858	45,799
Net deferred tax liabilities	(9,377)	(8,139)

For the year ended <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
(D) DEFERRED INCOME TAX EXPENSE COMPRISES:		
<i>Through profit included in income tax expense</i>		
Decrease/(Increase) in deferred tax assets	(4,821)	669
Increase in deferred tax liabilities	5,566	535
Increase in deferred tax liabilities as a result of acquisition	—	253
	745	1,457
<i>Through other comprehensive income</i>		
Increase in deferred tax liabilities	493	—
	493	—

Deferred tax assets are recognised for deductible temporary differences as Management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

For the year ended <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
(E) IMPUTATION CREDITS AVAILABLE FOR USE IN SUBSEQUENT PERIODS		
Balance at the beginning of the year	8,133	7,028
Dividends paid	(1,988)	(1,496)
Credits received from subsidiaries	248	—
New Zealand tax payments, net of refunds	4,420	2,601
Credits foregone following changes in shareholder continuity ¹	(7,247)	—
Balance at the end of the year	3,566	8,133

1. On 22 May 2025, Wave Rider Holdings Limited (as trustee of the Wave Rider Trust), an entity associated with Brien Cree, sold its entire 95,312,500 shareholding in Radius Care to Kade Kings Limited (also associated with Brien Cree). This transfer contributed to a break in shareholder continuity, causing the forfeiture of historical imputation credits.

5.2. Intangible Assets

Goodwill

As at <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
Goodwill at cost	17,255	17,255
Customer relationships	633	813
Total	17,888	18,068
<i>Goodwill by cash generating unit (CGU)</i>		
Care	16,063	16,063
Catering business	1,192	1,192
Total	17,255	17,255

Key Accounting Estimates and Judgements

Goodwill is allocated to twenty one (2025: Twenty one) individual CGUs within the Group which are various individual residential care, village and a catering businesses acquired by the Group.

Corporate office cash flows incurred by the Group is allocated to each CGU based on bed numbers.

Care CGUs Recoverable Amount

The recoverable amount of CGUs as at reporting date has been determined based on its fair value less costs of disposal, determined using discounted cash flows that includes Management's estimates based on past performance and its expectation for the future performance for up to five years. These estimates are based on budgeted projections of occupancy levels, sales growth and changes to cost structures. Cash flows from performance thereafter are estimated using a standard growth rate deemed to be reasonable by Management.

The key assumptions used for discounted cash flows calculations are as follows:

- Cash flows for year one are based on the budget approved by the Board of Directors, with years two to five based on management forecasts.
- The cash flow period used in the calculations was five years (2025: Five years).
- The post-tax discount rate applied in the calculations was between 9.9% and 11.5% (2025: Post-tax between 10.5% and 12.0%). The pre-tax discount rate applied in the calculations was between 12.9% and 15.2% (2025: Pre-tax between 13.6% and 15.7%).
- The terminal growth rate applied in the calculations was 2.0% (2025: 2.0%).
- Occupancy projections vary between CGU based on actual and expected occupancy rates.

Management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying value of the goodwill to be materially lower than its recoverable amount.

The recoverable amount of the individual care sites as at 31 March 2026 has been determined based on fair value less costs of disposal, determined using discounted cash flows. As the recoverable amount of individual care sites was determined using inputs that are significant and unobservable, the Group has categorised these inputs as Level 3 under the fair value hierarchy in accordance with *NZ IFRS 13 Fair Value Measurement*. The significant unobservable inputs used in the fair value measurement of the recoverable amount of the Group's individual care sites were as described above, year one to five forecast cash flows, a pre-tax discount rate, a terminal growth rate and occupancy projections based on actual and expected occupancy rates.

- A significant increase/(decrease) in the forecast cash flows, terminal growth rate, and occupancy projections and rates, assumptions would result in a significantly higher/(lower) fair value measurement.
- A significant increase/(decrease) in the pre-tax discount rate would result in a significantly (lower)/higher fair value measurement.

Catering business CGU Recoverable Amount

The recoverable amount of the Cibus Catering Limited (Cibus) business CGU has been determined as at reporting date using the Value in Use (VIU) method. The VIU calculation is based on a five-year discounted cash flow model, prepared using Board-approved forecasts, with a terminal growth rate applied thereafter. The model includes only third-party revenue and actual gross profit margins achieved in FY26.

The key assumptions used for the discounted cash flows are as follows:

- Cash flows for year one are based on the budget approved by the Board of Directors, with years two to five based on management forecasts.
- The cash flow period used in the calculations was five years (2025: Five years).
- The post-tax discount rate applied in the calculations was between 9.9% and 11.5% (2025: Post-tax between 10.5% and 12.0%). The pre-tax discount rate applied in the calculations was between 12.9% and 15.2% (2025: Pre-tax between 13.6% and 15.7%).
- The terminal growth rate applied in the calculations was 2.0% (2025: 2.0%).
- Management fee allocations reflect actual Cibus structure.

Management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying value of the goodwill to be materially lower than its recoverable amount.

Customer Relationships

As at <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
CUSTOMER RELATIONSHIPS		
Opening balance	813	—
Additions	—	903
Amortisation	(180)	(90)
Closing net book value	633	813

The Group recognises an intangible asset of \$0.6 million (2025: \$0.8 million) attributable to customer relationships. The asset reflects the present value of expected future gross profit from contracts with external customers over the 12-month period ending 31 March 2026 and is amortised over a five year's. Significant judgement was applied in determining the appropriate valuation approach. Management considered and ultimately did not apply a long-term forecast model, as Cibus' customer contracts are generally short-term and cancellable with three months' notice. The business operates in the aged care catering sector, which is characterised by competitive tender processes, high customer turnover, and limited long-term contractual lock-in. As a result, a valuation based on the expected gross profit from existing external customer contracts over a one-year period was deemed more appropriate than longer-term models reliant on renewal rates or customer retention forecasts. Internal customers within the Group were excluded from the valuation. Management used contract-level data and gross profit history to calculate the present value of the forecast earnings and considered this to be the best available estimate of the asset's fair value at the date of acquisition. No indicators of impairment were identified at 31 March 2026 (2025: No indicators of impairment).

5.3. Trade and Other Receivables

Trade receivables are amounts due from residents and Government agencies in the ordinary course of business and are recognised initially at fair value being the transaction price plus any transaction costs. Subsequent to initial recognition, receivables from contracts with customers are measured at amortised cost using the effective interest method less impairment.

As at <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
CURRENT		
Trade receivables	11,624	11,515
Allowance for credit losses	(806)	(672)
	10,818	10,843
NZX listing bond	75	75
Prepayments	1,799	1,904
Accrued Income	296	663
	2,170	2,642
Total	12,988	13,485

Recognition, Measurement and Judgements in Applying Accounting Policies

When measuring expected credit losses ('ECL') the Group uses reasonable and supportable forward looking information, which is based on assumptions for future movement of different economic drivers and how these drivers will affect each other.

The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtors and an analysis of the debtors' current financial positions, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group has the following financial assets subject to the application of the expected credit loss model:

- Trade receivables from care operations for the provision of care fees revenue for rest home and hospital fees. These are split between private amounts owed by residents and amounts due from agencies such as the Ministry of Health and Accident Compensation Corporation.
- Trade receivables from village operations for the provision of weekly service fees and occupation licence payment receivables. These are receivable from residents.

The following table provides information about the risk profile of trade receivables from contracts with residents and Government agencies using a provision matrix. The information in the below table does not distinguish between resident or product types as the Group's historical credit loss experience does not show different patterns for different resident or product types.

Expected Credit Losses

	Not Past Due	Days Past Due			Total
		31-60	61-90	91 & Over	
AS AT 31 MARCH 2026					
Estimated total gross carrying amount (\$000)	9,176	319	186	1,943	11,624
Expected credit loss rate (%)	0.2%	0.3%	2.2%	40.3%	6.9%
Expected credit loss rate (\$000)	18	1	4	783	806
AS AT 31 MARCH 2025					
Estimated total gross carrying amount (\$000)	7,616	827	322	2,750	11,515
Expected credit loss rate (%)	0.2%	0.4%	1.9%	23.5%	5.8%
Expected credit loss rate (\$000)	15	3	6	648	672

5.4. Trade and Other Payables and Provisions

The Group's obligation in respect of employees' defined contribution entitlements is limited to the contributions payable at the end of the reporting period.

As at <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
CURRENT		
<i>Unsecured trade and other payables</i>		
Trade creditors	3,548	5,273
GST payable	1,524	1,414
Other payables	155	321
Accrued expenses	4,487	2,228
<i>Provisions</i>		
Annual leave	8,411	7,490
Other employee entitlements	7,779	6,134
Total	25,904	22,860

5.5. Related Party Transactions

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 over the entity.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

All intercompany transactions and balances are eliminated. The subsidiaries are consolidated from the date the Group gains control until the date on which control ceases.

Name of Entity	Principal Activities	Ownership Interests and Voting Rights		Class of Shares
		2026	2025	
Cibus Catering Limited	Residential Catering – aged care and boarding schools	51%	51%	Ordinary
Clare House Retirement Village Limited	Operating entity for Clare House Retirement Village and property owning entity for the Clare House care home	100%	100%	Ordinary
Elloughton Grange Village Limited	Operating entity for Elloughton Retirement Village	100%	100%	Ordinary
Luma Brands Limited Established 3 March 2026	Operating entity for the import and distribution of medical supplies	100%	N/A	Ordinary
Radius (Belfast) Limited Established 5 June 2025	Property owning company for land purchased in Belfast, Christchurch	100%	N/A	Ordinary
Radius Care Holdings Limited	Property owning entity for St Helenas, Thornleigh Park, Lexham Park, Elloughton Gardens, Heatherlea, Windsor Court, Taupaki Gables, Peppertree, St Joans and Fulton care homes	100%	100%	Ordinary
Radius Care Limited (non-trading)	Dormant	100%	100%	Ordinary
Radius Health Limited Established 4 July 2025	Dormant	100%	N/A	Ordinary
Radius Matamata Retirement Village Limited	Operating entity for Matamata Retirement Village	100%	100%	Ordinary
Radius SPV Limited	Property owning entity for Matamata Country Lodge and Matamata Retirement Village	100%	100%	Ordinary
R Connect Limited	Staff placement company providing short term staffing solutions	100%	100%	Ordinary
Windsor Lifestyle Estate Limited	Operating entity for Windsor Retirement Village	100%	100%	Ordinary

Key Management Personnel Compensation and Other Related Parties

Key management personnel are all executives and Directors with the authority for the strategic direction and management of the Group.

Related Party	Relationship
Brien Cree	Director and Ultimate Shareholder (via Kade Kings Limited)
Bret Jackson	Director and Ultimate Shareholder (via Takatimu Investments Limited)
Duncan Cook	Director and Shareholder
Hamish Stevens	Director and Shareholder
Mary Gardiner	Director
Tom Wilson	Director and Shareholder
Kade Kings Limited	Director (Brien Cree)
Barefoot Crue Limited	Common Director (Duncan Cook)
InforMe Limited	Common Director (Duncan Cook), Common Shareholder (Valhalla Capital Limited)
Neil Foster	Shareholder
Takatimu Investments Limited	Shareholder
Tasman Advisory Limited	Common Director (Bret Jackson)
Time Capital NZ Limited	Common Shareholder (Tom Wilson)
Valhalla Capital Limited	Common Director (Brien Cree)
Warehouse Storage Limited	Common Shareholder (Neil Foster)
Wave Rider Trust	Common Beneficiary (Brien Cree)

Key Management Personnel Compensation

For the year ended	31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>		
Directors' remuneration and expenses	581	981
Dividends to Director related entities	1,845	1,384
Key management personnel salaries and other short term employee benefits	3,844	3,554
Key management personnel dividends	6	2
Total Director and key management payments	6,276	5,921
OTHER RELATED PARTIES		
<i>Catering services</i>		
Cibus Catering Limited (up to 30 September 2024) ¹	—	4,442
<i>Software fees</i>		
InforMe Limited	30	—
<i>Consulting fees</i>		
Barefoot Crue Limited ²	391	250
Tasman Advisory Limited ³	29	—
<i>Rent paid</i>		
Warehouse Storage Limited	1,979	1,123
<i>Rent received and utility recharges</i>		
Cibus Catering Limited (up to 30 September 2024) ¹	—	35
<i>Personal guarantee fee</i>		
Wave Rider Trust	170	170
<i>Disposal of land and buildings</i>		
Warehouse Storage Limited	13,600	—
<i>Business acquisition</i>		
Valhalla Capital Ltd	—	465

1. A 51% shareholding in Cibus Catering Limited was purchased in October 2024 and now forms part of the consolidated financial statements.

2. Predominantly relates to services provided in respect of General Counsel and the St Allisa acquisition (2025: predominantly relates to General Counsel services).

3. Related to additional services provided.

5.6. Business Combinations

Summary of Acquisition

On 30 May 2025, the Group acquired 100% of the assets and liabilities of St Allisa, a dementia, rest home and hospital care home. Concurrent with the acquisition, the Group entered into a sale and leaseback transaction for the land and buildings associated with the care home. The land and buildings was sold to Warehouse Storage Limited for \$13.6 million and immediately leased back to the Group. The lease has an initial term of 30 years, with two 10-year renewal options.

Details of the purchase consideration, the net assets acquired are as follows:

<i>As at</i> <i>In thousands of New Zealand dollars</i>	2026 Fair Values
<i>Purchase consideration</i>	
Cash paid	14,623
Total	14,623
<i>The assets and liabilities recognised as a result of the acquisition are as follows:</i>	
Property, plant and equipment	14,670
Trade and other payables	(56)
Trade and other receivables	9
Net assets and liabilities recognised	14,623
<i>The assets and liabilities sold are as follows:</i>	
Property, plant and equipment (land and buildings)	(13,600)
Net assets and liabilities sold	(13,600)

Revenue and Profit Contribution

The acquired business contributed revenues of \$7.8 million and a loss before tax of (\$0.2 million) to the group for the period from 30 May 2025 to 31 March 2026.

If the acquisition had occurred on 1 April 2025, pro-forma revenue and loss before tax for the year ended 31 March 2026 would have been \$9.3m and \$0.3 million respectively. These amounts have been calculated using the business units results and adjusting them for:

- differences in the accounting policies between the group and the subsidiaries, and
- the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment had applied from 1 April 2025.

5.7. Long Term Incentive Plan (LTIP)

On 7 August 2025 the Shareholders approved a Long Term Incentive Scheme for senior executives ('LTIP').

Performance Hurdles

The Performance Share Rights (PSRs) have been divided into three tranches. All PSRs relevant to each tranche will vest into ordinary shares in Radius if the 10-day VWAP, for the 10 trading days immediately prior to (and not including) the grant date, is equal to or greater than the target share price. The three tranches are:

- Tranche 1 will vest if the weighted average price of ordinary shares on the NZX Main Board over the 10 NZX trading days ("10 Day VWAP") before 31 July 2027 is equal to or greater than 44 cents.
 - If Tranche 1 does not vest, the share rights in that tranche will be added to and form part of Tranche 2, and will be eligible to vest in accordance with (c) or (e) below.
 - Tranche 2 will vest if the 10 Day VWAP as at 31 July 2028 is equal to or greater than 66 cents.
 - If Tranche 2 does not vest, the share rights in that tranche will be added to and form part of Tranche 3, and will be eligible to vest in accordance with (e) below.
 - Tranche 3 will vest if 10 Day VWAP as at 31 July 2029 is equal to or greater than 88 cents.
- In addition, if:
- a "Change of Control Transaction" (that is a takeover, merger or the like) occurs which results in a person or group becoming the controller of a majority of the voting shares of Radius Care; and
 - the price or consideration per share paid in that Change of Control Transaction is equal to or greater than the share price specified in (a), (c) or (e) above in respect of a tranche which has not vested, then the share rights in that tranche will vest on completion of that Change of Control Transaction.

Recognition and Measurement

On 7 August 2025, 11,363,644 share rights were issued for nil consideration and a nil exercise price in relation to the LTIP Scheme. On 23 October 2025, a further 909,092 share rights were granted on the same terms and conditions as other participants. On 30 March 2026, 909,092 share rights lapsed and no share rights were exercised or expired during the period.

The fair value of Performance Share Rights granted during the year was determined at grant date using a Monte Carlo valuation model. The fair value per right ranged from approximately \$0.10 to \$0.19 (depending on tranche).

On 18 July 2025, the preceding share scheme, issued on 18 July 2022, lapsed with no shares vesting under the scheme.

5.8. Non-Controlling Interests

The following table summarises the information relating to each of the Group's subsidiaries that has material non-controlling interests, before any intra-group eliminations.

Cibus Catering Limited

For the year ended <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
ASSETS		
Cash and cash equivalents	1,543	1,679
Trade and other receivables	489	445
Inventories	105	119
Property, plant and equipment	467	455
Deferred tax asset	99	113
Total assets	2,703	2,811
LIABILITIES		
Trade and other payables	(2,061)	(1,875)
Current tax liabilities	(116)	(312)
Borrowings	(64)	(132)
Total liabilities	(2,241)	(2,319)
Net assets	462	492
Net assets attributable to NCI	227	241
For the year ended <i>In thousands of New Zealand dollars</i>	31 March 2026	31 March 2025
Revenue from contracts with customers	16,714	8,038
Profit	1,217	744
Other comprehensive income (OCI)	—	—
Total comprehensive income	1,217	744
Profit allocated to NCI	596	365
OCI allocated to NCI	—	—
Cash flows from operating activities	1,346	765
Cash flows from investment activities	(164)	(39)
Cash flows from financing activities	(1,318)	(45)
Net (decrease)/ increase in cash and cash equivalents held	(136)	681
Net (decrease)/ increase in cash and cash equivalents held allocated to NCI	(67)	333

5.9. Financial Risk Management

The Group is exposed to the following financial risks in the normal course of business:

- a. Credit risk
- b. Liquidity risk
- c. Interest rate risk

The Board of Directors reviews and agrees on policies for managing each of these risks as summarised below:

As at		31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>	NOTE		
AMORTISED COST FINANCIAL ASSETS			
Cash and cash equivalents		2,823	2,571
Trade and other receivables	5.3	10,818	10,843
Total assets		13,641	13,414
AMORTISED COST FINANCIAL LIABILITIES			
Trade and other payables	5.4	9,714	9,236
Lease liabilities	3.4	141,512	122,697
Interest rate swaps	4.4	203	282
Borrowings	4.3	71,564	70,301
Refundable Occupation Right Agreements	3.3	38,906	37,843
Total liabilities		261,899	240,359

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Group's exposure to credit risk, or the risk of counterparties defaulting arises mainly from cash at bank, trade and other receivables.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date, of recognised financial assets is the carrying amount of those assets, net of any provisions for impairment of those assets, as disclosed in the consolidated statement of financial position and notes to consolidated financial statements.

The Group has no significant concentrations of credit risk. The Group's trade receivables represent distinct trading relationships with each of its residents and various Government agencies. The only large trade receivables relate to residential care subsidies which are receivable in aggregate from Health New Zealand, Work and Income New Zealand and the Accident Compensation Commission. These entities are not considered a credit risk.

The Group does not have any material credit risk exposure to any single counterparty or group of counterparties under financial instruments entered into by the Group.

Cash Deposits and Other Receivables

Credit risk for cash deposits is managed by holding all cash deposits with high credit rating financial institutions, i.e. major registered New Zealand banks.

Trade Receivables

Credit risk with respect to trade receivables is limited due to the large number of customers which qualify for Ministry of Health funding in relation to payment of our services. Amounts owed by the residents are generally unsecured. Credit risk is managed through the use of admission agreements for all residents, which gives contractual rights to the Group in relation to security and collection of debts in circumstances where there is no entitlement to Ministry of Health funding. All admissions are reviewed to ensure a duly completed admission agreement is available. The loss allowance for expected credit losses of trade receivables is provided in Note 5.3. As the Group undertakes transactions with a large number of customers and regularly monitors payment in accordance with credit terms, the financial assets that are neither past due nor impaired, are expected to be received in accordance with the credit risk.

(b) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group has liquidity risk with respect to its repayment obligations of financial liabilities.

The Group maintains a rolling 90 day forecast of daily cash flows to ensure it will have sufficient liquidity to meet its liabilities as they fall due. This is linked to a monthly rolling forecast which provides directional liquidity expectations for a minimum of a further twelve months.

The Group has a bank facility which is subject to certain covenant clauses, whereby it is required to meet certain key performance indicators. This bank facility is provided by the ASB Bank. Refer to Note 4.3 for further information on the Group's banking facility and covenant compliance.

The following table outlines the Group's remaining contractual maturities for non-derivative financial instruments. The amounts presented in the table are the undiscounted contractual cash flows of the financial liabilities allocated to time bands based on the earliest date on which the Group can be required to pay.

	Less than 1 Year	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years
<i>In thousands of New Zealand dollars</i>				
AS AT 31 MARCH 2026				
Trade and other payables	9,714	—	—	—
Lease liabilities	10,360	10,436	30,922	210,929
Borrowings	64	—	71,500	—
Refundable Occupation Right Agreements ¹	38,906	—	—	—
	59,044	10,436	102,422	210,929
AS AT 31 MARCH 2025				
Trade and other payables	9,236	—	—	—
Lease liabilities	8,992	9,008	26,824	178,413
Borrowings	—	—	70,169	—
Refundable Occupation Right Agreements ¹	37,843	—	—	—
	56,071	9,008	96,993	178,413

¹ The refundable ORAs are repayable to the resident on vacation of the unit or on the termination of the occupation right agreement and subsequent resale of the unit. The expected maturity of the refundable ORAs is shown in note 3.3.

c. Interest Rate Risk

The Group is exposed to interest rate risk in relation to its interest earning cash deposits and its interest bank borrowings. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The Group manages interest rate risk by maintaining a mix of variable rate and fixed rate borrowings, including interest rate swaps described in Note 4.4.

Interest rates on cash at bank are subject to market risk in the event of changes its interest rates. Interest rates on non-current bank borrowings are generally subject to review annually or at shorter intervals, and interest rates on current borrowings can be reviewed at the lender's discretion.

The following table outlines that Group's exposure to interest rate risk in relation to future cash flows and the effective weighted average interest rates on classes of financial assets and financial liabilities:

<i>In thousands of New Zealand dollars</i>	Interest Bearing	Non-interest Bearing	Total Carrying Amount	Weighted Average Effective Interest Rate
As at 31 March 2026				
FINANCIAL INSTRUMENTS				
<i>Financial assets</i>				
Cash	2,823	—	2,823	0.0% Fixed
<i>Financial liabilities</i>				
Bank and other loans	(71,564)	—	(71,564)	5.31%
Interest rate swaps	(203)	—	(203)	
Lease liabilities	(141,517)	—	(141,517)	5.1% Fixed
Total	(213,284)	—	(213,284)	
As at 31 March 2025				
FINANCIAL INSTRUMENTS				
<i>Financial assets</i>				
Cash	2,571	—	2,571	0.0% Fixed
<i>Financial liabilities</i>				
Bank and other loans	(70,301)	—	(70,301)	7.42%
Interest rate swaps	(282)	—	(282)	
Lease liabilities	(122,697)	—	(122,697)	5.0% Fixed
Total	(193,280)	—	(193,280)	

The interest rate on the Group's bank loans is fixed for a relevant 'Interest period' (being either 30, 60, 90 or 180 days) and comprised of the Base Rate (equal to the BKBM on the first day of the relevant Interest Period), plus a Margin and Line fee in accordance with the Group's agreement with the bank. The weighted average interest period term as at 31 March 2026 was 84 days (2025: 30 days).

No other financial assets or financial liabilities are expected to be exposed to interest rate risk.

Sensitivity

If interest rates were to increase/decrease by 100 basis points from the rates prevailing at the reporting date, assuming all other variables remain constant, then the impact of profit for the year and equity would be as follows:

For the year ended	31 March 2026	31 March 2025
<i>In thousands of New Zealand dollars</i>		
<i>+ / - 100 basis points</i>		
Impact on profit after tax	(515)	(506)
Impact on equity	(144)	(142)

5.10. Contingent Liabilities

Lester Heights Business

26 June 2013, the Group entered into an agreement to sell the Lester Heights business. The sale was settled on 31 August 2013. One of the conditions of sale is that in the event that the new business owner defaults on the rental payments, the Group is required to guarantee the rent. No amounts have been paid to date, but in the event that a default occurs, the potential cost to the Group is an annual rent of \$286,210 (2025: \$286,210) per annum until 2029. The Group will likely assume operations at this care home, in the event of a default. At reporting date the Group has assessed the likelihood of the new business owner defaulting on the rental payment as not probable (2025: Not probable).

Other

There were no other material contingent liabilities at reporting date (31 March 2025: None).

5.11. Commitments

At 31 March 2026, the Group had capital commitments of \$2.7 million (31 March 2025: None).

There are no significant unrecognised contractual obligations entered into for future repairs and maintenance at balance date.

5.12. Events Subsequent to Reporting Date

Dividends

On 13 May 2026, the Board declared a final dividend of 1.20 cents per share (fully imputed), that is due to be paid on 11 June 2026.

Acquisition of a Care Home

On 1 April 2026, the Group entered into an agreement to acquire the business and assets of the Karori Village care home in Wellington for \$13.6 million. The agreement is conditional only on usual regulatory approvals.

Settlement is expected to take place on Tuesday 26 May 2026.

Other

There has been no other matter or circumstance which has arisen since 31 March 2026 that has significantly affected or may significantly affect:

- a. the operations, in financial years subsequent to 31 March 2026, of the Group; or
- b. the results of those operations; or
- c. the state of affairs, in financial years subsequent to 31 March 2026, of the Group.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Radius Residential Care Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Radius Residential Care Limited and its subsidiaries ('the Group') on pages 2 to 35, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and International Financial Reporting Standards ('IFRS').

Our report is made solely to the Shareholders of the Group. Our audit work has been undertaken so that we might state to the Shareholders of the Group those matters we are required to state to them in an auditor's 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 Shareholders of the Group as a body, for our audit work or for our report.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated 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 and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor and provider of other assurance services we have no relationship with, or interests in, Radius Residential Care Limited or any of its subsidiaries. The provision of these other assurance services has not impaired our independence.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
<p>Valuation of investment properties and land and buildings</p> <p>As disclosed in Note 3.1 and 3.2 of the Group's consolidated financial statements, as at 31 March 2026, the Group has investment properties totalling \$80.5m (operated as retirement villages) and land and buildings (operated by the Group for provision of care services) totalling \$108.6m measured at fair value.</p> <p>Investment properties and land and buildings were significant to our audit due to the size of the assets and the subjectivity, complexity and uncertainty inherent in estimating the fair value of the investment properties and land and buildings.</p> <p>Management has engaged an independent external valuer ('the Valuer') to determine the fair value of the Group's investment properties and land and buildings as at 31 March 2026. The Valuer performed their work in accordance with the International Valuation Standards and the Australia and New Zealand Valuation and Property Standards, NZ IFRS 13 <i>Fair Value Measurement</i>, NZ IAS 40 <i>Investment Property</i> and NZ IAS 16 <i>Property, Plant and Equipment</i>. The Valuer engaged by the Group has appropriate experience in the sector in which the Group operates.</p> <p>For each investment property, the Valuer considered property-specific information such as the income generated by departures and the re-sale of independent living units. They then applied assumptions in relation to, the timing of unit re-sale, the length of occupancy of existing residents, the price paid by new residents, price movements, type of Occupancy Right Agreement, discount rate, growth rate and terminal yield. The Valuer also considered the individual characteristics of each village, its location, its nature, its resident profile and the expected future cash flows for that particular village.</p> <p>For each land and building property, the Valuer considered property-specific information such as capitalisation rates and earnings per care bed. The Valuer also considered the individual characteristics of each property, its location, and its nature.</p> <p>The Group has adopted the assessed values determined by the Valuer.</p>	<p>Our audit procedures, among others, included:</p> <ul style="list-style-type: none"> ▪ Understanding and evaluating the Group's internal controls relevant to the accounting estimates used to determine the fair value of the Group's investment properties. ▪ Reading and evaluating the external valuation reports for the Group's investment properties and land and buildings as at 31 March 2026. ▪ Confirming that the valuation approaches for the investment properties and land and buildings were in accordance with NZ IFRS 13, either NZ IAS 40 or NZ IAS 16, and suitable for determining the fair value of the Group's investment properties and land and buildings as at 31 March 2026. ▪ Evaluating the competence, capabilities, objectivity and expertise of Management's independent external valuer (the 'Valuer') and the appropriateness of the Valuer's work as audit evidence relevant to the valuation assertion. ▪ Agreeing property-related data provided by Management to the Valuer, to the Group's records. ▪ Engaging our own external property valuation expert to assist in understanding and evaluating the following, based on their specialist knowledge from performing and reviewing valuations of similar properties, known relevant transactional evidence and available market data: <ul style="list-style-type: none"> ○ the work and findings of the Valuer; ○ the Valuer's valuation methods and assumptions to assist us in challenging the appropriateness of valuation methods and assumptions used; and ○ the acceptable range of values considered reasonable to evaluate Management's adopted valuation estimate. <p>This involved discussing and corresponding with Management, the Valuer engaged by the Group and our own external property valuation expert.</p> <ul style="list-style-type: none"> ▪ Evaluating the selection of valuation methods, inputs and assumptions with a view to identifying Management bias. ▪ Agreeing the adopted value of the Operator's Interest to the external valuation reports and checking adjustments made in relation to Refundable Occupation Right Agreements and Deferred Management fees recognised separately on the consolidated statement of financial position. ▪ Evaluating the disclosures (including the accounting policies and accounting estimates) related to the investment properties and land and buildings which are included in the Group's consolidated financial statements.
<p>Acquisition accounting for St Allisa and subsequent sale and leaseback of the land and buildings</p> <p>As disclosed in Note 5.6 of the Group's consolidated financial statements, the Group acquired the assets and liabilities of St Allisa for \$14.6m on 30 May 2025. The acquisition included a sale and leaseback of the land and buildings with Warehouse Storage Limited (related party). The property was sold for \$13.6m and leased back to the Group for an initial term of 30 years with two 10-year rights of renewal.</p>	<p>Our audit procedures among others included:</p> <ul style="list-style-type: none"> ▪ Understanding and evaluating the Group's internal controls relevant to the accounting estimates used to determine the fair value of the assets acquired and liabilities assumed. ▪ Reading the sale and purchase agreement and other agreements relating to the acquisition to understand key

Key Audit Matter	How our audit addressed the key audit matter
<p>The acquisition of St Allisa is significant to our audit due to the size of the acquisition (total consideration of \$14.7m) and the subjectivity and complexity inherent in accounting for business combinations under NZ IFRS 3 <i>Business Combinations</i>.</p> <p>Management has completed a purchase price allocation process to identify the acquirer, determine the acquisition date, recognise and measure the identifiable assets acquired, the liabilities assumed and any resulting goodwill.</p> <p>Accounting for the sale and leaseback transaction is outside of the normal course of business and involves complex accounting and significant management judgement. The sale and leaseback transaction is accounted for in accordance with NZ IFRS 16 <i>Leases</i> and NZ IFRS 15 <i>Revenue from Contracts with Customers</i>. NZ IFRS 16 requires the Group to measure the resulting right of use asset at the proportion of the previous carrying amount of the land and buildings retained. There are specific requirements when the fair value of the consideration for the sale of an asset does not equal the fair value of the asset.</p> <p>This transaction is significant to our audit due to the amount of consideration and size of the assets and liabilities involved as well as the subjectivity, complexity and uncertainty inherent in accounting for the acquisition and subsequent sale and leaseback.</p>	<p>terms and conditions and confirming our understanding of the transaction with Management.</p> <ul style="list-style-type: none"> ▪ Evaluating the measurement of the consideration transferred. ▪ Evaluating the identified assets and liabilities against the terms of the sale and purchase agreements. ▪ For the measurement of the identified assets and liabilities, evaluating the fair values of the identified assets and liabilities at acquisition date. ▪ Evaluating the inputs and any underlying assumptions with a view to identifying Management bias. ▪ Reading the sale and purchase agreement and lease relating to the sale and leaseback to understand key terms and conditions and confirming our understanding of the transaction with Management. ▪ Evaluating whether the proposed accounting for the subsequent sale and leaseback of the land and buildings is in accordance with NZ IFRS 16 and NZ IFRS 15 by: <ul style="list-style-type: none"> ○ Evaluating whether a sale has occurred in accordance with NZ IFRS 15; ○ Recalculating the lease liability and right-of-use asset based on the key inputs identified above and comparing our recalculations to the balances recorded by the Group; ○ Evaluating the measurement of the right-of-use asset as a portion of the previous carrying amount of the underlying land and buildings as well as the recognition of any gain or loss related to rights transferred to the buyer/lessor. ▪ Evaluating the disclosures (including material accounting policy information and accounting estimates) related to the acquisition of the St Allisa businesses and subsequent sale and leaseback of the land and buildings which are included in the Group's consolidated financial statements.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 31 March 2026 (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors.

Responsibilities of the Directors for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the Directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/>

The engagement partner on the audit resulting in this independent auditor's report is J A Daubney.



BAKER TILLY STAPLES RODWAY AUCKLAND

Auckland, New Zealand

13 May 2026