Market Announcement
6 August 2026

Promisia

PROMISIA TO ACQUIRE CHATSWOOD RETIREMENT VILLAGE IN CHRISTCHURCH

Summary:

- Promisia Healthcare has entered into a conditional agreement to acquire Chatswood Retirement Village in Opawa, Christchurch, for $25.0 million.
- Chatswood strengthens Promisia's presence in East Christchurch with a broader integrated care and retirement village offering.
- The acquisition is expected to be immediately accretive to Promisia's underlying EBITDAF and operating free cash flow.
- Completion is scheduled for 1 October 2026, subject to satisfaction of the remaining conditions, including shareholder, NZX, regulatory and statutory supervisor approvals.
- Chatswood is currently 50% owned by interests associated with Rhonda Sherriff, the Chair of the Promisia Board.

Promisia Healthcare Limited (Promisia) (NZX: PHL) has entered into a conditional agreement to acquire the shares of the two companies that own and operate Chatswood Retirement Village in Opawa, Christchurch, for $25.0 million.

Chatswood is a purpose-built, modern care home and village with an excellent reputation in the Christchurch market. The facility comprises 100 beds and units, including 29 care beds, 42 care suites and 29 serviced apartments, providing rest home, hospital-level and assisted-living care.

Chatswood recently received a four-year certification from the Ministry of Health, the highest certification period available under New Zealand's aged care certification framework, reflecting its strong clinical care and operating standards.

The acquisition is expected to be immediately accretive to Promisia's underlying EBITDAF and operating free cash flow. Based on current occupancy and operations, Chatswood is expected to contribute annualised underlying EBITDAF of approximately $2.3 million to $2.8 million, including deferred management fee income.

Strategically, Chatswood is highly complementary to Aldwins House, Promisia's existing Christchurch care home. Together, they give Promisia two of East Christchurch's largest care homes and create a broader integrated offering across rest home, hospital-level care, care suites, serviced apartments and ORA-based retirement living.

The acquisition also supports Promisia's strategy of developing strong regional clusters, creating opportunities for greater operating efficiency, stronger local recognition and improved service delivery. Chatswood also offers attractive medium-term development and expansion potential, with approximately 2,600 m^2 of development land.

Promisia Chief Financial Officer Francisco Rodriguez Ferrere said: "Chatswood is a high-quality acquisition and a clear strategic fit for Promisia. It complements Aldwins House, broadens our Christchurch offering and gives us a materially stronger position in East Christchurch.

"Our strategy is to build strong local clusters in the communities we serve, improving local recognition and offering residents a wider range of care and accommodation options. Chatswood fits this model well and is expected to be immediately accretive to underlying earnings and operating free cash flow."

Transaction details

The purchase price for the acquisition is $25.0 million, subject to customary working capital adjustments. The consideration comprises:

- $24.0 million payable in cash at completion;
- $0.5 million satisfied through the issue of Promisia ordinary shares at $0.50 per share to Rhonda Sherriff; and
- $0.5 million satisfied through the issue of a Promisia convertible note to the other vendor. The convertible note may be converted into shares at the option of the holder any time over the 12-month period following completion at a conversion price of $0.50 per share.

The $0.50 price for both the shares and conversion of the convertible note was agreed in April 2026 as part of the overall commercial negotiations and represented a premium to Promisia's prevailing market price at that time. The cash component of the transaction will be funded through cash on hand and approved bank financing.

Completion is scheduled for 1 October 2026, subject to shareholder approval, required NZX approvals, usual regulatory approvals, statutory supervisor approval and an outstanding Certificate of Code Compliance being issued for recently completed building works at Chatswood. Promisia expects to seek shareholder approval at its **Annual Shareholders' Meeting, currently scheduled to be held on 27 August 2026**. Further detail will be provided in the Notice of Meeting.

As noted above, the vendors include interests associated with Promisia Chair Rhonda Sherriff. Rhonda Sherriff has not participated in Promisia's consideration, negotiation or approval of the transaction. The transaction has been considered and approved by the Promisia Board excluding Rhonda Sherriff.

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About Promisia Healthcare

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