Promisia

2026 Annual Shareholders' Meeting Speeches

27 August 2026

Rhonda Sherriff, Chair of Promisia

Introductions

Thank you for taking the time to join us today. It is my pleasure to welcome you to the company's Annual Shareholders' Meeting for 2026. We appreciate your continued support and interest in Promisia, and look forward to updating you on the progress made over the past year, where the business stands today, and the next stage of our growth.

Before we begin the presentation, I'd like to introduce my fellow Board members:

- Tom Brankin
- Tony Mortensen
- Jill Hatchwell
- Craig Percy

Also joining us from the senior leadership team are Francisco Rodriguez Ferrere, our Chief Financial Officer, and Graeme Dodd, our Chief Operating Officer.

I also want to take a moment to acknowledge Tom. Tom has been part of Promisia's journey since 2013 and engineered its transformation into an aged care company in 2020. Since that time, he has been closely involved in many of the acquisitions, developments and important decisions that have moved Promisia forward.

As Tom steps down from his executive role today, I want to thank him for the time, energy and experience he has brought to Promisia. Tom will remain on the Board as a non-executive director.

Finally, I would like to welcome Richard Dey from William Buck, Promisia's external auditor, and Matt Yates, our legal counsel from Duncan Cotterill. Duncan Cotterill will conduct the voting in today's meeting.

During today's meeting, shareholders will have the opportunity to ask questions and vote, and I encourage you to do so. We also invite you to stay at the end of today's meeting to join the Board and management team for light refreshments.

Agenda

So, in terms of how today will run, I'll start with a few reflections from the Board's perspective on the year we've just had, how the stronger operating platform has translated into results, and why the Board is now in a position to introduce a formal dividend policy.

Francisco will then take you through the financial side of the business, including the results for FY26, the work done to strengthen the balance sheet, and the outlook for the year ahead.

Graeme will follow with an update on operations, progress against last year's priorities, care, quality and occupancy, and the people behind our performance.

We'll then spend some time on the proposed Chatswood acquisition, including what we are acquiring, why it fits Promisia, and the key terms of the transaction.

After that, we'll open the floor for questions and discussion, before moving into the formal resolutions set out in the Notice of Meeting.

Over the past two years, much of the work at Promisia has been about getting the fundamentals right: stabilising the business, strengthening the balance sheet, and putting the right leadership and operating disciplines in place.

This year, we began to see that work translate into something much more tangible: stronger performance, greater consistency across the group, and a much clearer sense of what Promisia can now do next.

So, I want to spend a few minutes reflecting on what changed through the past financial year, and why that matters for the next stage of the company.

A stronger platform for Promisia's next stage

FY26 was the year that the reset translated into results. Occupancy improved materially, earnings and operating cash flow strengthened, and asset values increased across the portfolio.

A significant part of that came from the operating platform we have now built. Graeme joined us in May last year, and has brought strong operational discipline and a clear focus.

Graeme and Francisco work very closely together, and that alignment between operations and finance has made a real difference across the business. We now have a much clearer operating model, one that can be applied consistently across our homes and villages, and repeated as the group grows.

But none of this happens without our people. Our care teams, facility managers and support office have been the ones delivering these improvements on the ground. They have continued to care for our residents, while lifting standards, improving performance, and working through a significant amount of change.

On behalf of the Board, I want to thank them for everything they have contributed over the past year.

All of that leaves Promisia in a much stronger position. We have a stronger balance sheet, a more stable and repeatable operating platform, and greater capacity to grow.

It also means we can now begin returning cash to shareholders, while continuing to reinvest in the business and pursue the right growth opportunities. That is the thinking behind the dividend policy we have adopted for FY27.

Disciplined dividend policy

The policy is deliberately simple and cash-based. Dividends will be assessed from Operating Free Cash Flow, rather than accounting profit.

In simple terms, we start with underlying EBITDAF, and then deduct the cash costs the business needs to meet. That includes interest and required debt repayments, tax, and the capital expenditure needed to maintain our existing assets.

What remains is our Operating Free Cash Flow. The policy provides for ordinary dividends of between 20% and 40% of that amount. We also expect those dividends to be fully imputed.

The range gives the Board some flexibility. It allows us to return cash to shareholders, while continuing to invest in our existing homes and villages, maintain a strong balance sheet, and pursue growth where it creates value.

Each dividend will still be considered by the Board based on the company’s performance, financial position, funding requirements, and the opportunities available at the time.

But the important change is that shareholder returns are now a formal part of how we allocate capital, alongside reinvestment and growth.

Promisia has come a long way over the past two years. There is still plenty to do, but the business is in a much stronger position, and the Board is confident about the year ahead.

Francisco Rodriguez Ferrere, Chief Financial Officer

FY26: focused execution, delivering outperformance

FY26 was a really strong year for Promisia, and we are very proud of the result we achieved. As you can see on the slide, every one of those measures moved materially in the right direction.

Revenue increased by 29% to $40.1 million. That reflected a full year of contribution from Cromwell, higher occupancy across the group, and the annual care funding increase from July 2025.

That growth flowed through into underlying EBITDAF, which increased by 58% to $6.6 million. We maintained good control over our costs, allowing more of that revenue growth to flow through to the bottom line.

Importantly, it also translated into much stronger cash generation. Net operating cash flow increased by 87% to $6.4 million. A particular lift came from the care suite sell-down at Ranfurly Manor, which generated strong ORA resale cash flows through the year.

All of these results were underpinned by occupancy. Group care occupancy increased from 87% to 94% by year-end. That has continued to build since then, with occupancy now consistently above 95%.

The improvement in operations and cash flow also came through in the value of our homes and villages. NTA per share increased by 38% to $1.09, with every one of our sites increasing in value by at least 10%.

At the same time, we remained disciplined around debt and reduced our loan-to-value ratio from 42.9% to 31.8%.

So, we ended the year earning more, generating more cash, with higher asset values and materially less leverage. That stronger financial position gives us much greater flexibility around reinvestment, growth, and shareholder returns.

Balance sheet strength supporting the next stage of growth

Getting to this point has required a deliberate balance sheet reset over the past three years. We have consolidated all of our bank debt with BNZ, and then simplified that further into a single group facility.

We have also put a much more stable interest-rate profile in place. Our weighted average interest rate is now around 5.7%, with 79% of our bank debt hedged over a staggered two-to-four-year period. That gives us much better certainty around interest costs and future cash flow.

The improvement in operating cash flow has also allowed us to rebuild liquidity. We currently have around $6 million available, and that continues to build as the business generates more cash.

At the same time, our asset base has grown, both through acquisitions and the increase in value across our existing portfolio. NTA per share has more than doubled from 46 cents to $1.09.

Importantly, we have achieved that while keeping drawn bank debt below where it was three years ago. The result is what you can see in the chart: our loan-to-value ratio has reduced from 59.1% to 31.8%.

So, we now have a larger and more valuable asset base, a cleaner funding structure, stronger liquidity, and significantly lower leverage. That gives us the capacity to continue investing in the existing portfolio, support ordinary dividends, and pursue growth in a disciplined way.

FY27 outlook

Against that backdrop, we remain very confident in the outlook for FY27. We have reaffirmed our guidance for underlying EBITDAF of at least $8 million, representing growth of at least 20% on FY26.

That guidance is based on our existing portfolio. It does not include the proposed Chatswood acquisition or any other material capital activity.

A key part of delivering that result will be maintaining group care occupancy at or above 95% across the year. We are already operating at that level, so the focus now is on holding it there and continuing to improve performance across the group.

We also expect Operating Free Cash Flow to improve materially through FY27. That will support ordinary dividends under the new policy, while still allowing us to reinvest in the business and maintain the financial flexibility we have worked hard to build.

On that basis, we expect to pay an interim dividend following our half-year results. The level of that dividend will be determined in line with the policy and the performance and cash generation of the business at that point.

We'll come back to Chatswood in more detail later in the presentation. Subject to shareholder approval, and the acquisition completing as planned on 1 October, we expect to update the market at our half-year results on its contribution to FY27 earnings and any resulting change to our underlying EBITDAF guidance.

Graeme Dodd, Chief Operating Officer

Operational momentum continues

This time last year I'd just got my feet under the desk and had undertaken what I called at the time an initial health check of each of our homes and villages and our support office.

Following this exercise, at last year's annual shareholders meeting we set out five very simple and practical priorities. At this year's meeting I want to start by covering each of those priorities and go through what we've achieved and where things sit now. Then I'd like to talk about where we are focused on the current financial year and beyond.

The results Francisco has taken you through don't happen on their own. They come from the work at the coal face of every one of our homes and villages — keeping beds full, keeping residents safe and well.

So let me take you back through those five priorities.

The first was Every Bed is a Promise. Our product is care, and every time we welcome a resident we make a promise to them and their family. That commitment sits as the foundation for everything else — it's the standard we hold ourselves to.

Lift and Hold Occupancy was the second. Occupancy is the oxygen for our business. Group care occupancy started FY26 at 87%. By the 31st of March 2026 we'd managed to lift this number to 94%. This number has kept building and we're now consistently sitting above 95%.

Underneath that group number, the site-level results are strong — Nelson Street is full following the dementia and hospital conversion. Ranfurly, Aldwins and Golden View consistently sits between 95% and 100%. In addition, as at today we've sold down 100% of our care suites. Lifting it was the hard part. But holding it there is now the challenge.

The third was Perfect the Recipe. Each of our homes and villages are quite unique and different but great performance has similar settings and key ingredients that can be shared.

Innovation can also be shared, and the clearest example is Ran-Fit — our ACC-accredited strength and balance programme, which started at Ranfurly and now every one of our sites has been approved and accredited by ACC to run Ran-fit. Often the best ideas come from the people closest to the work. Our job is to spot them, back the teams behind them, and then help share them across the group.

The fourth was Operational Excellence. This is the less visible work — a shared resident management system across every site, a new time and attendance system, recruitment software, consolidated suppliers, a restructured support office and an operations analyst giving us real time analysis on near misses, adverse events and forward looking wage-to-revenue analysis.

These aren't headline changes, but they're the disciplines that sit behind a well-run business, and they're what let more of our revenue growth flow through to the bottom line.

And the fifth was being Positioned for Growth. We spent the year strengthening our fundamentals — getting occupancy up, care quality improving, systems and teams working well. That's the foundation you need before you take on anything bigger.

We entered FY27 with real momentum behind us. Last year these were our five key areas of focus. This year they're delivering.

Care quality and community

I want to be clear on one thing. Commercial progress isn't intended to ever be achieved at the cost of care. We see the two as going hand in hand — a well-run home tends to perform strongly commercially, operationally, and clinically.

Ranfurly passed its certification audit in September, with auditors noting the quality of the team and the satisfaction of staff, residents and families. Golden View's audit told a similar story.

And being part of the community matters just as much. At Ranfurly, residents pack first aid kits for the local food pantries, staff drop baking to the fire brigade, and the home sponsors local sport and school events. It's more than providing a service — it's about opening our homes to the community around them.

Our People

Behind every number on these slides are the people who make it happen. Our managers and leaders are absolutely central to that: Darren McKean at Ranfurly, Debbie McCusker at Aldwins, Hayley McKean at Nelson St, and Kate Little and Jo Sherperd in Cromwell.

Their leadership is the single biggest reason our sites perform the way they do. Families don't just choose a building. They make a choice based on how people are treated, and how they're made to feel.

For the team at each home or village, how people are treated and made to feel is led by the key three: the manager, the clinical manger and the admin manager.

We are in a people business and we find there are generally two types of people: those who go for a wonderful and enchanting walk in the rain and those who just get wet!

Success is all about nous, attitude and approach, and we recognise our best people through the Promisian Badge — our highest honour, awarded to those who are masters at their craft and who lift up everyone around them.

And the heart of it is simple. We hire for heads and hearts — not just arms and legs. We're looking for people who are willing to walk with us, not just work for us.

Get that right, and everything else follows — occupancy, care, quality, and ultimately results. That same standard — a focus on residents and great people doing the right thing at the right time in the right way — is exactly what we looked for in Chatswood.

Proposed Chatswood acquisition

Chatswood is an opportunity that we think fits very naturally with the business we have built. It is a high-quality home and village, with a strong reputation for care, a good operating team, and a model that is very complementary to what we already have in Christchurch.

So let me give you a quick overview of what Chatswood actually is and what we would be acquiring.

Chatswood at a glance

Chatswood is a modern, purpose-built retirement village and care home located in Opawa, in south-east Christchurch.

It currently has 100 operational beds and units, across a mix of rest home and hospital-level care, care suites and serviced apartments. That includes 29 hospital-level care rooms, all with full ensuites, 42 care suites, and 29 serviced apartments, ranging from studios through to one and two-bedroom apartments.

What that gives Chatswood is a broad continuum of care. Residents can move from assisted living through rest home and into hospital-level care as their needs change.

There is also the old 25-bed rest home wing, together with adjoining land and properties, which provides options for future redevelopment. That is not the immediate priority, but it does provide additional opportunity over the longer term.

Chatswood: a strong strategic fit

For us, the strategic fit is particularly strong. We already have Aldwins House operating in East Christchurch, and our support office is also based here in Christchurch.

Chatswood gives us much greater regional scale. Together, Aldwins and Chatswood would give us two of the largest care-focused sites in East Christchurch. But importantly, they are also very complementary.

Aldwins is a large care-only home, while Chatswood adds the retirement village, care suite and serviced apartment offering. That gives residents greater choice and allows us to offer a much broader range of care within the same part of Christchurch.

There are also some obvious operating benefits from having the two homes close together. Admissions, local marketing, staffing support, training and procurement can all be supported across the two sites. And being close to our support office should also make the integration much easier.

So, from an operational perspective, we think Chatswood fits very naturally with what we are already doing.

Francisco Rodriguez Ferrere, Chief Financial Officer

Transaction overview

The agreed purchase price for Chatswood is $25 million. The majority of that is cash, with $24 million payable on completion.

The remaining $1 million is split between $500,000 of Promisia ordinary shares, issued at 50 cents per share, and a $500,000 convertible note, with a 12-month term, no interest, and a conversion price of 50 cents per share.

The transaction is fully funded. BNZ has committed $20 million of new facilities, comprising a $15 million two-year term facility and a $5 million nine-month bridging facility. The balance will be funded from our existing liquidity.

The transaction remains subject to shareholder approval today. Once that approval is obtained and the transaction becomes unconditional, completion is scheduled for 1 October.

Expected financial impact

The important point for shareholders is that we expect Chatswood to be immediately accretive to both underlying earnings and Operating Free Cash Flow.

Based on its current operating performance, on a standalone annualised basis, Chatswood is expected to generate around $7 million of care fee revenue, together with around $1.5 million of deferred management fee income.

Operating Free Cash Flow is expected to be between $2.5 million and $3.5 million annually, depending mainly on the timing and level of ORA resale activity.

The acquisition is also expected to be NTA accretive. Based on our 31 March balance sheet, we expect NTA per share to increase by around 1.1 cents, or approximately 1%.

Immediately following completion, we expect our bank loan-to-value ratio to be around 42%. We would expect that to reduce from there as the Group continues to generate surplus Operating Free Cash Flow and uses that cash to continue reducing debt.

Any proceeds received from the exercise of our existing warrants would provide further capacity to reduce bank debt.

As I mentioned earlier, our current FY27 guidance does not include any contribution from Chatswood. Subject to shareholders approving the transaction and completion occurring as planned, we will incorporate Chatswood into our forecasts and provide updated FY27 guidance with our half-year results.

Independent process and shareholder approval

The last point I want to cover is the process we have followed given the related-party nature of the transaction. As shareholders will be aware, our Chair, Rhonda Sherriff, is one of the vendors of Chatswood. That means the acquisition is a related-party transaction under the NZX Listing Rules.

From the outset, a sub-committee of the non-interested Directors was established to oversee the process. Rhonda has not participated in any Board discussions, decisions or negotiations regarding the acquisition.

The due diligence and commercial negotiations have been led by Graeme and I, supported by our external legal and valuation advisers. The transaction has been negotiated on a commercial arm's length basis.

As part of that process, we commissioned CBRE to independently value Chatswood. CBRE's valuation came in at $26.2 million, providing an independent benchmark for the non-interested Director subcommittee in assessing the commercial terms of the transaction.

There has also been independent scrutiny around the equity component of the transaction. The 50-cent share issue price was agreed in April, when Promisia shares were trading below that level, and is also consistent with the exercise price of our existing warrants.

NZX has granted Promisia a waiver from the requirement to provide shareholders with a separate appraisal report. That waiver was granted alongside the independent valuation, the disclosures provided to shareholders, and a formal certificate from the non-interested Directors.

Those Directors have certified that the acquisition is fair and reasonable, in the best interests of Promisia and its non-associated shareholders, and that Promisia was not influenced to enter into the transaction by Rhonda.

Ultimately though, Resolution 4 relating to the acquisition remains subject to shareholder approval today. The non-interested Directors unanimously recommend that shareholders vote in favour of the transaction.

The two largest shareholders of Promisia have also confirmed their intention to vote in favour. That gives you the background to both the transaction and the process we have followed.