



Half Year Result

For 6 months to 30 September 2024



Presenting *Today*

Andrew Peskett
Chief Executive Officer
BA (Hons), LLB



Jeremy Edmonds
Chief Financial Officer
BA, BCom, CA



Agenda

Overview of 1H25 Performance

Delivered record operating and financial performance

Analysis of Result

Record EBITDA and operating cashflow, demonstrating our leadership in specialist care offerings

Positioning Radius Care

Strategy update

Appendices

Key operational and financial metrics
Summary Profit and Loss, Balance Sheet and Cash Flow



Overview of 1H25 Performance

OPERATING PERFORMANCE
DELIVERED CONTINUED
GROWTH



1H25 Business *Highlights*

STRONG OPERATING PERFORMANCE DELIVERS EARNINGS GROWTH

Strong Operating Performance

- Record half-year with 10% increase in EBITDAR¹ per bed.
- 14% growth in Underlying EBITDA², adjusted for the sale of one care home.
- Occupancy of 93.4% at the end of the period.
- Improved mix of higher-revenue hospital and specialist care residents.
- Resale gains at villages of \$0.6m with seven village unit sales.
- Debt reduced due to improved operating cashflow.
- Lower financing costs.
- Fully imputed interim dividend of 0.65 cents per share declared, for December 2024 payment.

Highly Engaged Team

- Over 1,700 team members delivering exceptional care in our fully staffed care homes.

Strategic Acquisitions

- Completion of the 51% acquisition of Cibus Catering, on 25 October 2024, expanding complementary services.

Favourable Industry Dynamics Will Underpin High Occupancy and Growth

- Increasing occupancy driven by demographic tailwinds and growing demand for aged care services.
- Improved macro-economic conditions evident in easing inflationary pressure and declining interest rates.

1. Earnings before interest, tax, depreciation, amortisation and rent.

2. Earnings before interest, tax, depreciation and amortisation. Underlying EBITDA is a non-GAAP (unaudited) financial measure which is reconciled to GAAP measures included within the Appendices of this Investor Presentation.

1H25 *Financial* Highlights

Financial Performance

- Underlying EBITDAR¹ (for the 6 months to 30 September 2024) per care bed of \$13.4k, +10% from 1H24.
- Underlying EBITDA \$10.6m, +14% on 1H24 (adjusted for the sale of one care home).
- Accommodation supplements increased 10% to \$5.3m.
- Operating cashflow of \$6.6m, +18% from \$5.6m in 1H24.
- AFFO² of \$3.6m, +27% from \$2.9m in 1H24, supporting dividend payouts.
- Interim dividend of 0.65 cents per share, including full imputation credits of 0.25 cents per share, to be paid on 19 December 2024.

Balance Sheet Position

- Total assets of \$330.5m.
- Investment properties of \$74.3m, +\$0.7m from FY24.
- Drawn debt of \$73.3m, down \$2.6m from FY24.



Radius Matamata Country Lodge

1. Earnings before interest, tax, depreciation, amortisation and rent. Underlying EBITDAR is a non-GAAP (unaudited) financial measure.
2. Available Funds From Operations is a non-GAAP (unaudited) financial measure which is reconciled to GAAP measures included within the Appendices of this Investor Presentation.

Our *People*

Engaged, motivated and settled teams including Care Home Managers, Regional Managers and Executives.

95% of new hires are happy with their jobs.

Staff turnover below sector levels, at 23% for the company.

43 point increase in employee net promoter scores in the past two years (showing a highly engaged workforce).

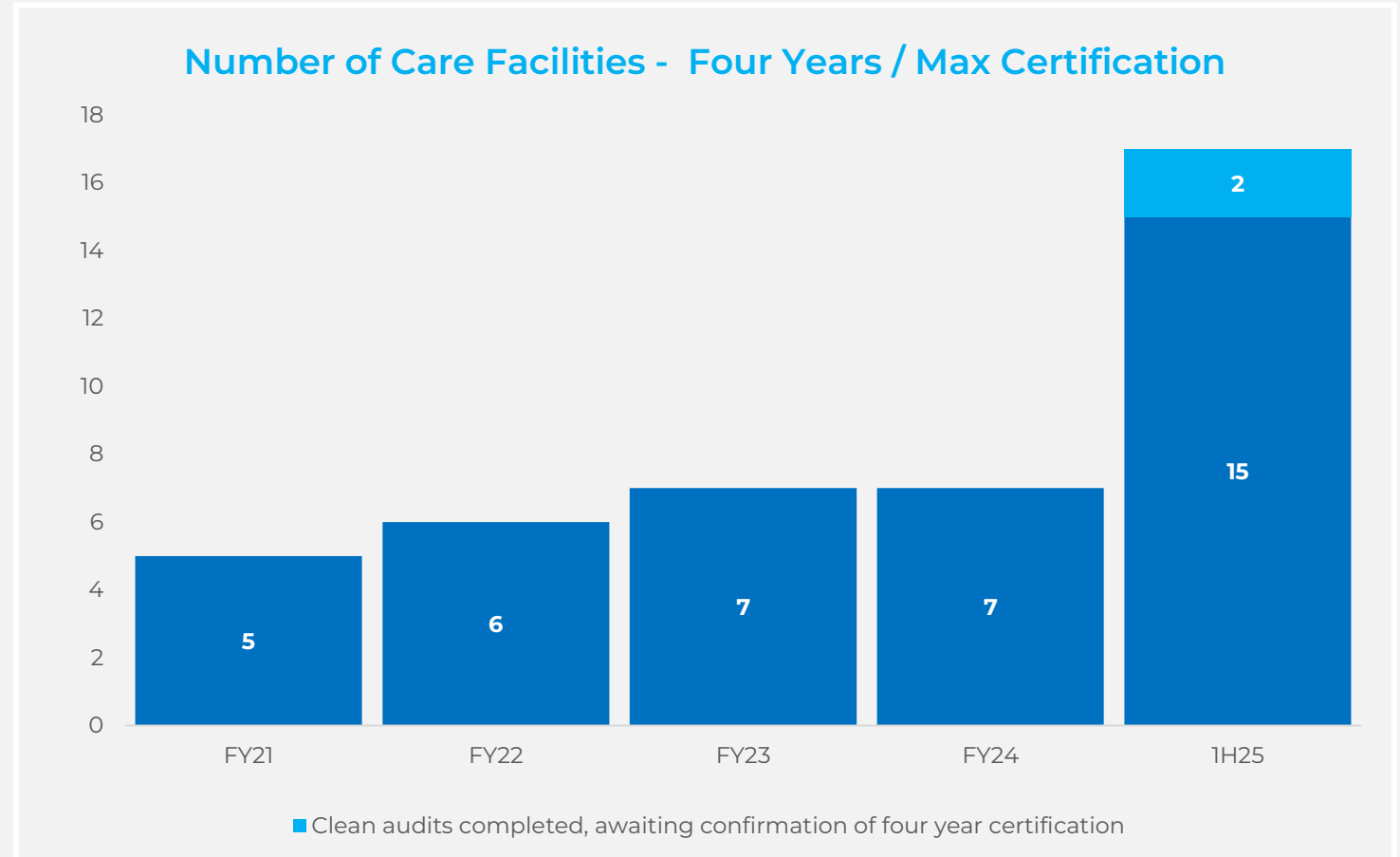
Over 60% of management positions have been filled by internal job candidates.



Care Home *Certification*

Four years / max certification¹

Two audit results pending are likely to take Radius Care to 17 care homes with four year certification (74% of care homes).



¹ Audit certification periods range from one to four years. Four years is the maximum possible period.

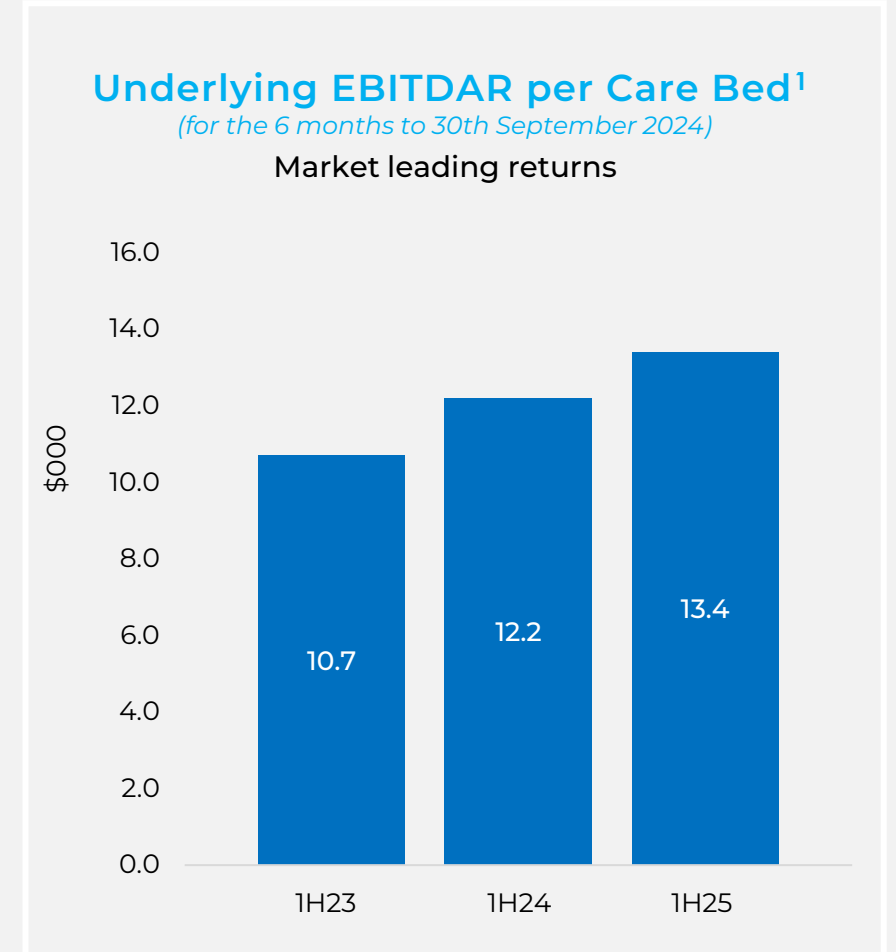
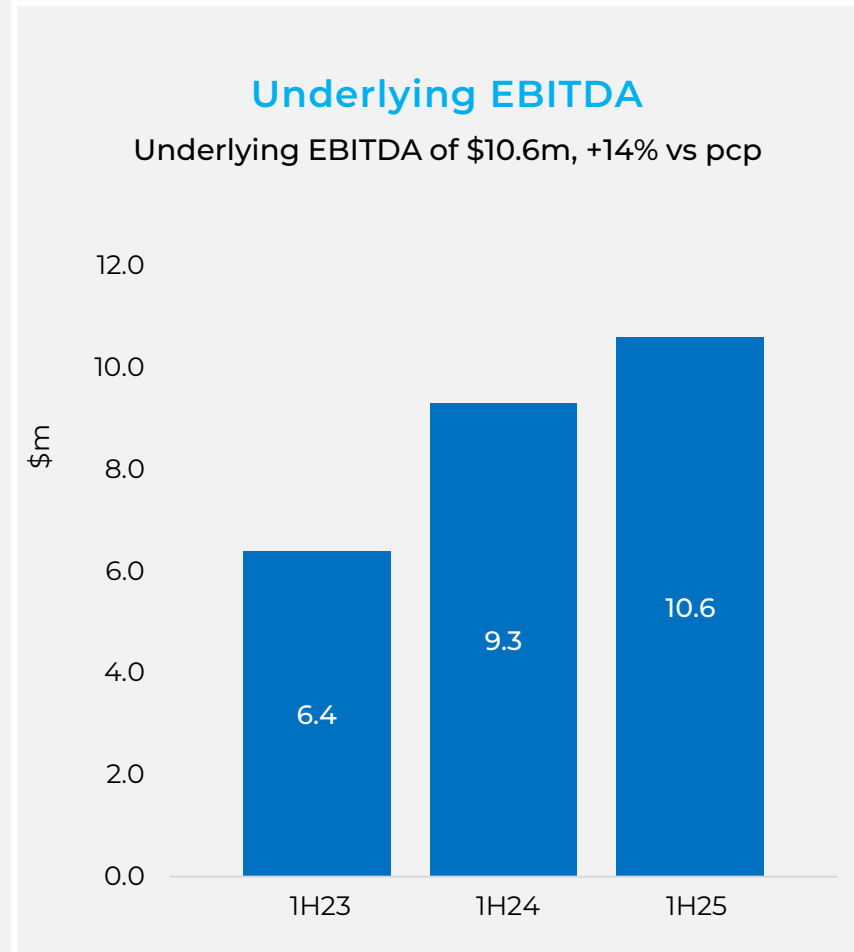
Analysis of Result

EBITDA AND CASHFLOW GROWTH
DEMONSTRATE OUR LEADERSHIP IN
SPECIALIST CARE OFFERINGS



Financial *Performance* Overview (excl Arran Court)

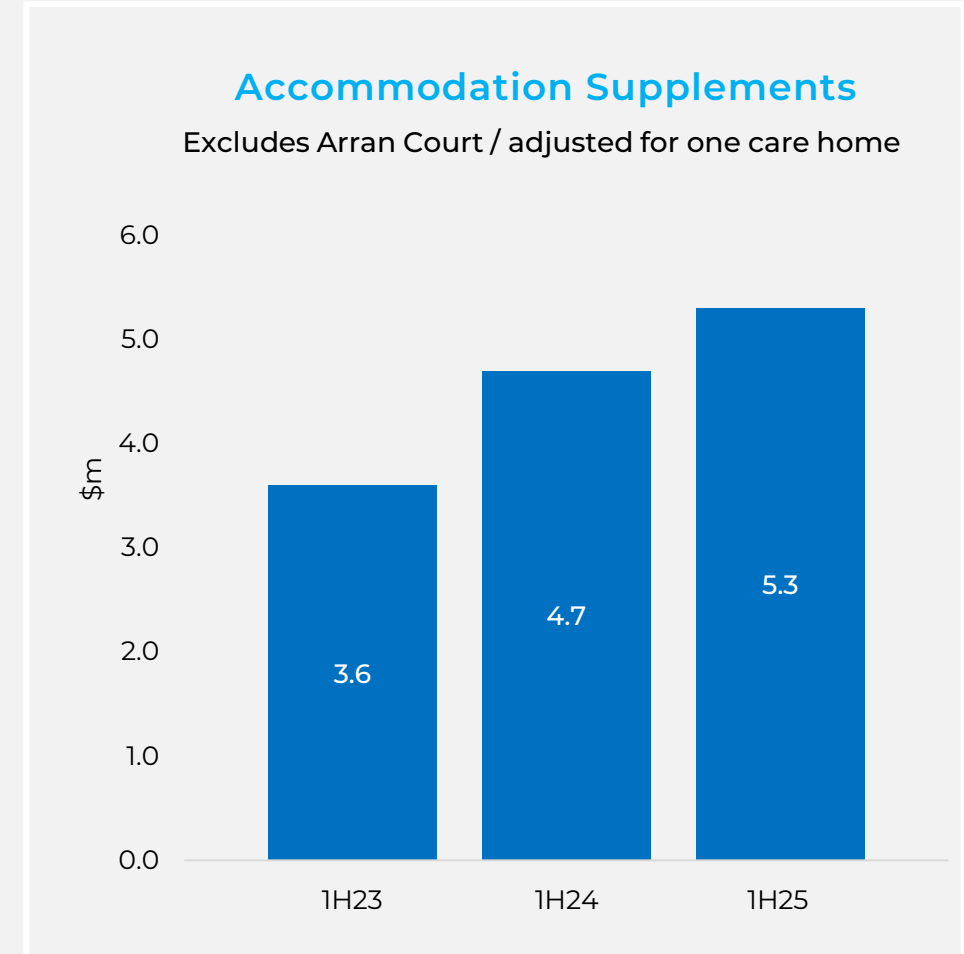
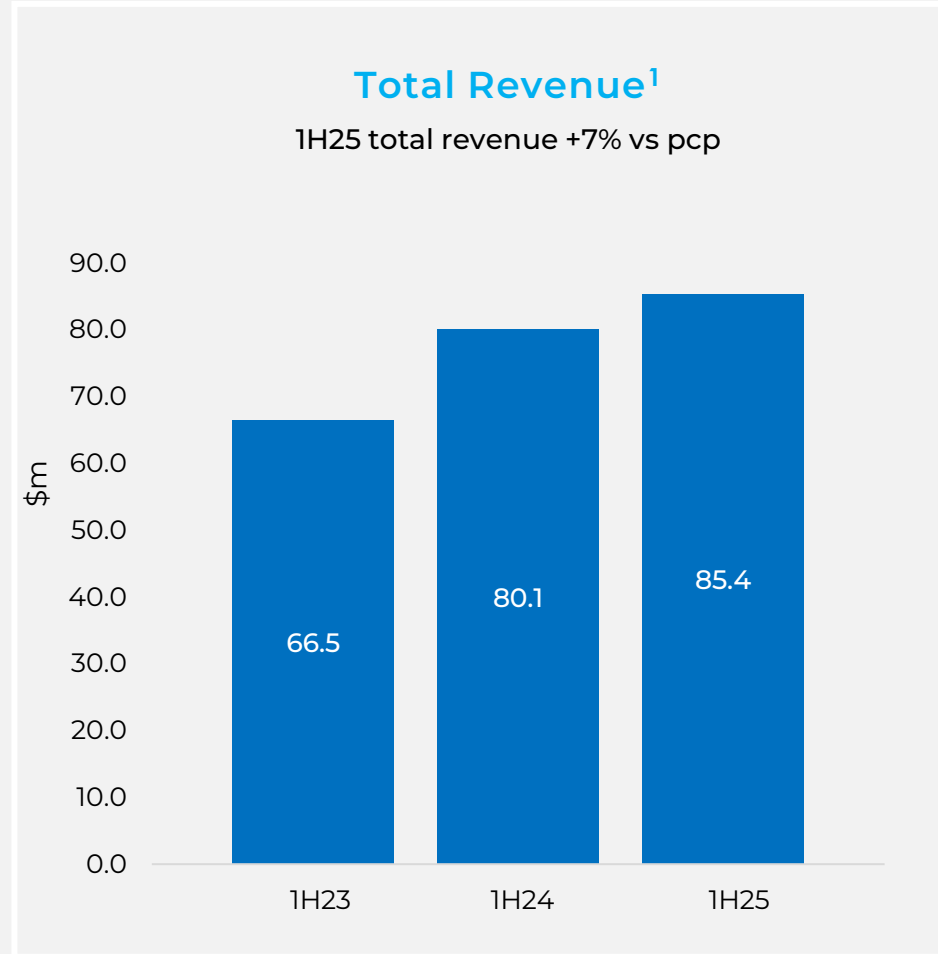
Continued strong occupancy, improved bed mix, accommodation supplement growth, and tight cost management, have materially lifted Underlying EBITDA and Underlying EBITDAR per Care Bed.



1. Underlying EBITDAR for aged care segment divided by the average number of care beds occupied during the period.

7% Revenue Growth (excl Arran Court)

Continued strong occupancy, improved bed mix and accommodation supplement growth delivered revenue growth compared to comparative period.



1. Total revenue excludes other income.

Dividends

Interim Dividend

- Cash interim dividend of 0.65 cents per share (with full imputation credits of 0.25 cents per share).
- Ex-dividend date – 4 December 2024.
- Record date – 5 December 2024.
- Payment date – 19 December 2024.

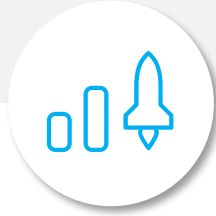
Final Dividend Outlook

The Board expects total dividends for FY25 to be consistent with the Group's stated policy to pay between 50% to 70% of AFFO for the year.



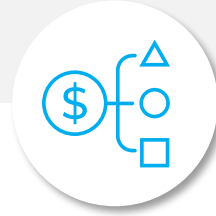
Strategy Update

Strategy Update



Grow Scale

Leased Care Opportunities
Targeted M&A
Brownfield development
Greenfield development



Diversify Revenue

Grow Cibus Catering
Grow RConnect
Expand Radius Shop
Expand health services
beyond core aged care



Radius Way

Develop Radius Way as a
template for aged care
services

Why Are We Different?

Culture

Portfolio

Intellectual property

Brand/reputation

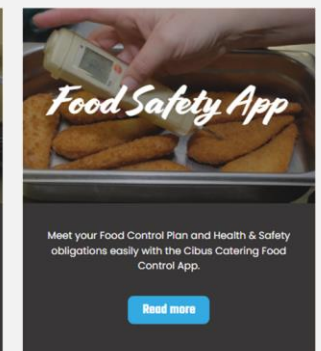
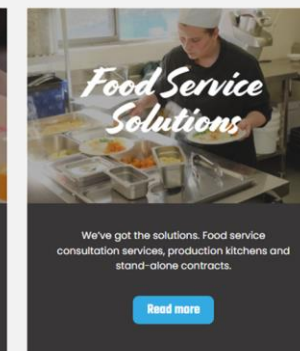
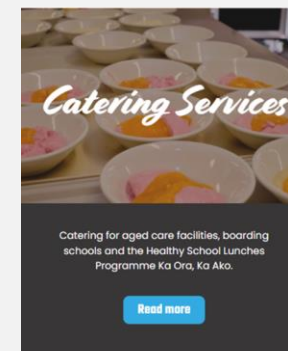
We are not dependent on the property market



Cibus Catering

Acquisition of 51% of Cibus Completed on 25 October 2024

- Founded in 1994.
- Provides full-service kitchen management for 2,300 aged care residents daily across 25 care homes, including ten Radius sites.
- Offers menu and recipe planning services supporting an additional 4,100 residents.
- Cibus App provides food safety, nutrition management and menu planning support for customers.
- Strong record of customer retention, due to high-quality meals and service, and deep understanding of the aged-care sector.
- Strong cash generation.
- Growth expected to accelerate with Radius Care's support:
 - Additional aged residential care clients, both full kitchen management and offsite supply from existing kitchens.
 - Grow Cibus App consulting, food safety, recipe and menu planning revenue.



Outlook

Radius Care expects key financial metrics for the FY25 year will exceed the comparative period.

In addition, the recent acquisition of 51% of Cibus Catering will be immediately accretive to FY25 second half year earnings and cashflow.

Appendices

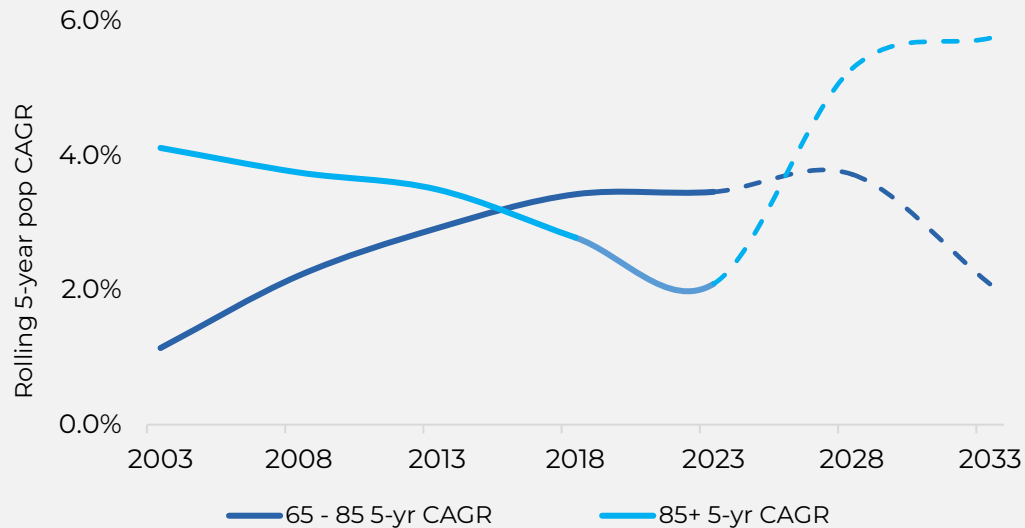


Strong Portfolio for Changing Demographics

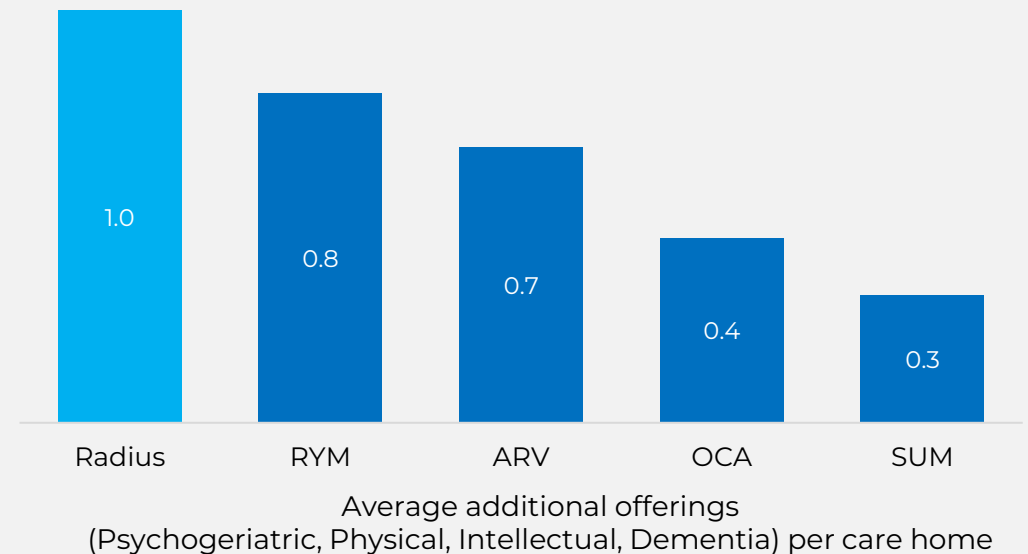
The Radius Care growth pipeline offers unique exposure to a high-acuity, specialised care provider dedicated to delivering compassionate and outstanding clinical care outcomes.

With an absolute focus on our core business, Radius Care consistently achieves industry leading metrics, including EBITDAR per bed.

Demand underpinned by population demographics¹



Portfolio oriented to high acuity and specialist care²



1. Source: Statistics New Zealand.

2. Source: Ministry of Health audit reports as disclosed on Ministry of Health website – <https://www.health.govt.nz/your-health/certified-providers/aged-care/> based on data as at 3 May 2024.

At a Glance



1,789
Care Beds

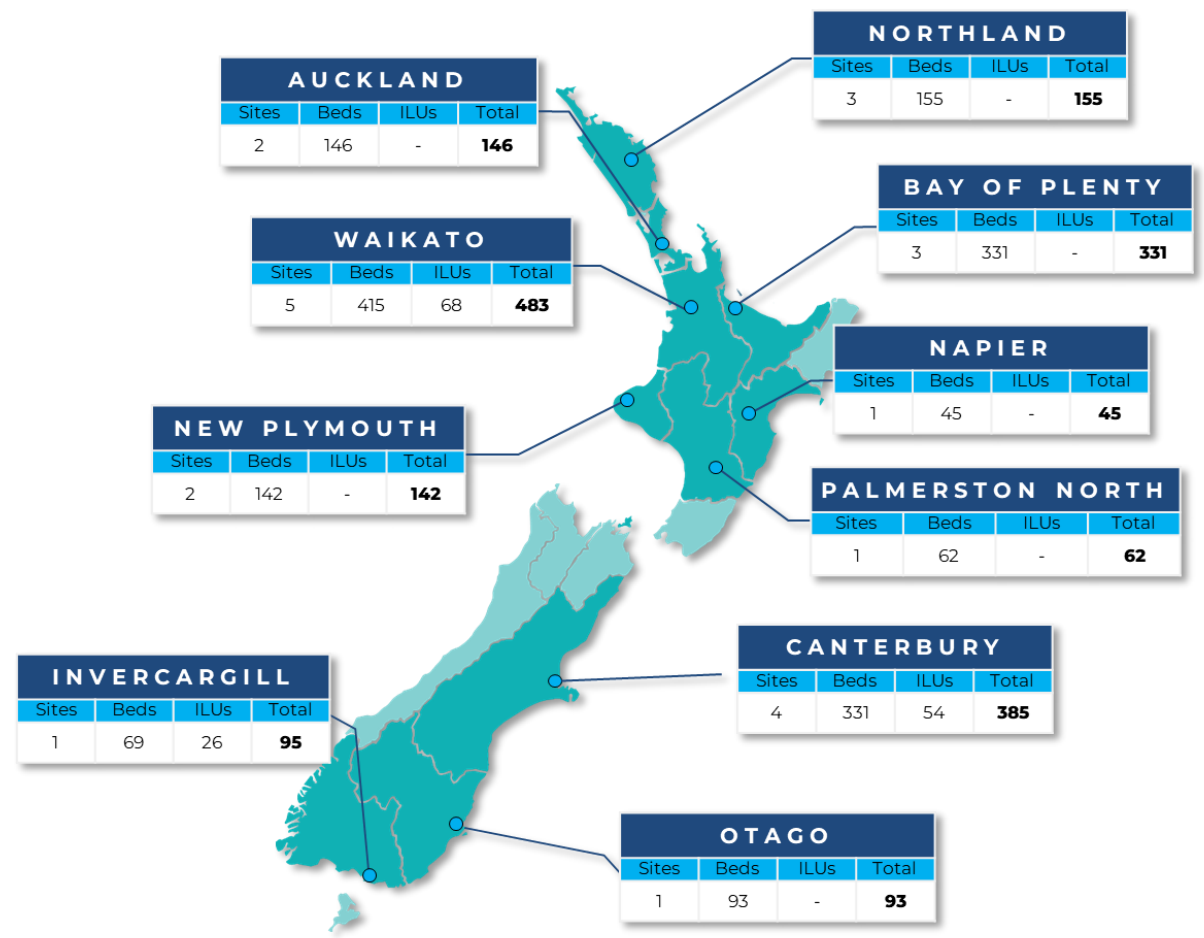


148
ILUs



1,700+
Employees

National aged care focused portfolio with strong regional presence, owing 12 and leasing 11 of the 23 sites nationwide



ILUs are Independent Living Units

Key operational and financial metrics

Operating Metrics

| | 1H25 | 1H24 | 1H23 | 1H22 |
|---|--------|--------|--------|--------|
| Number of Care Beds (period end) ¹ | 1,789 | 1,889 | 1,865 | 1,715 |
| Average Care Bed Occupancy ² | 92.3% | 91.9% | 91.5% | 93.0% |
| Underlying EBITDAR per Care Bed ³ (000s) | \$13.4 | \$12.2 | \$10.6 | \$10.3 |
| Number of Units (period end) ⁴ | 148 | 148 | 147 | 76 |
| Number of new Unit sales | - | - | - | 4 |
| Number of existing Unit resales | 7 | 21 | 3 | - |
| Realised gains on resales (m) | \$0.6 | \$1.4 | \$0.2 | - |
| Realised development margins (m) | - | - | - | \$0.1 |
| Average resale price (000s) | \$440 | \$386 | \$445 | - |
| Average new unit sale price (000s) | - | - | - | \$403 |

Accommodation Supplements

| | 1H25 | 1H24 | 1H23 | 1H22 |
|--|--------|--------|--------|--------|
| Accommodation Supplements Revenue | \$5.3m | \$4.8m | \$3.7m | \$3.1m |
| Number of Care Beds (period end) ¹ | 1,789 | 1,889 | 1,865 | 1,715 |
| Number of Available Care Beds with Accommodation Supplements | 1,253 | 1,289 | 1,265 | 1,147 |
| Percentage of Care Beds with Accommodation Supplements | 70.0% | 68.2% | 67.8% | 66.9% |

DMF terms for Retirement Village units

- 30% over three years
- average resident tenure is 4.7 years

Revenue Split

| \$m | 1H25 | 1H24 | 1H23 | 1H22 |
|----------------------------------|-------------|-------------|-------------|-------------|
| Aged Care | 83.0 | 81.9 | 68.1 | 63.8 |
| Retirement Village | 1.9 | 2.6 | 1.2 | 0.7 |
| Group support | 0.5 | (0.0) | 0.6 | 0.4 |
| Total revenue⁵ | 85.4 | 84.5 | 69.9 | 64.9 |

1. Comprises Care Beds occupied, available to be occupied or unavailable due to refurbishment.
 2. Total occupied Care Bed days divided by total Care Bed days available during the year.
 3. Pro forma Underlying EBITDAR for aged care (as set out in the lower right table) divided by the average number of Care Beds occupied during the year.

4. Comprises Units occupied, available to be occupied or unavailable due to refurbishment.
 5. Total revenue excludes Other income.

Financials

Statement of Comprehensive Income

- Underlying EBITDA +2% to \$10.6m.
- Underlying EBITDAR per Care Bed +10% to \$13.4k.
- Profit Before Tax +68% to \$2.8m
- Net Profit After Tax +39% to \$2.0m.

| (\$000) | 1H25 | 1H24 |
|---|-----------------|-----------------|
| Revenue | | |
| Revenue | 84,213 | 83,308 |
| Deferred management fees | 1,162 | 1,162 |
| Total revenue | 85,375 | 84,470 |
| Change in fair value of investment property | 595 | 1,350 |
| Interest Income | 86 | 33 |
| Total revenue and other income | 86,056 | 85,853 |
| Expenses | | |
| Employee costs | (51,209) | (52,477) |
| Depreciation expense | (5,049) | (5,143) |
| Finance costs | (6,322) | (8,008) |
| Other expenses | (20,716) | (18,584) |
| Total expenses | (83,296) | (84,212) |
| Profit before income tax | 2,760 | 1,641 |
| Income tax expense | (788) | (223) |
| Profit for the period | 1,972 | 1,418 |

Financials

Statement of Financial Position

| (\$000) | 1H25 | FY24 |
|--|----------------|----------------|
| Assets | | |
| Cash and cash equivalents | 66 | 2,350 |
| Trade and other receivables | 12,362 | 15,002 |
| Inventories | 594 | 554 |
| Investment properties | 74,277 | 73,528 |
| Property, plant and equipment | 117,419 | 117,310 |
| Right-of-use assets | 109,671 | 109,906 |
| Intangible assets | 16,063 | 16,063 |
| Total assets | 330,452 | 334,713 |
| Liabilities | | |
| Trade and other payables | 17,859 | 19,990 |
| Current tax liabilities | 1,695 | 1,621 |
| Borrowings | 73,269 | 75,869 |
| Deferred management fees | 7,363 | 7,608 |
| Refundable occupation right agreements | 37,573 | 37,425 |
| Lease liabilities | 121,865 | 121,086 |
| Cash flow hedge | 163 | - |
| Deferred tax liability | 6,383 | 6,682 |
| Total liabilities | 266,170 | 270,281 |
| Net assets | 64,282 | 64,432 |
| Equity | | |
| Share capital | 56,832 | 56,820 |
| Reserves | 9,439 | 9,578 |
| Retained earnings | (1,989) | (1,966) |
| Total equity | 64,282 | 64,432 |

Financials

Statement of Cash Flows

| (\$000) | 1H25 | 1H24 |
|---|----------------|----------------|
| Cash flows from operating activities | | |
| Receipts from residents for care fees and village fees | 86,323 | 84,075 |
| Payments to suppliers and employees | (73,593) | (76,479) |
| Proceeds from the sale of Refundable Occupation Right Agreements | 3,080 | 6,204 |
| Payments for the repurchase of Refundable Occupation Right Agreements | (2,011) | (1,789) |
| Interest received | 86 | 32 |
| Interest paid – borrowings | (3,296) | (4,766) |
| Interest paid – lease liabilities | (2,968) | (2,991) |
| Income tax (expense)/benefit | (1,014) | 1,313 |
| Net cash provided by operating activities | 6,607 | 5,599 |
| Cash flows from investing activities | | |
| Proceeds from the sale of property, plant and equipment | 14 | 889 |
| Payments for the purchase of property, plant and equipment | (2,729) | (1,404) |
| Payments for village developments | (154) | (458) |
| Net cash used in investing activities | (2,869) | (973) |
| Cash flows from financing activities | | |
| Proceeds from bank borrowings | 2,250 | - |
| Repayment of bank borrowings | (4,850) | - |
| Principal payments of lease liabilities | (1,428) | (1,340) |
| Dividends paid | (1,994) | - |
| Net cash provided by/(used in) financing activities | (6,022) | (1,340) |
| Reconciliation of cash and cash equivalents | | |
| Cash and cash equivalents at beginning of the year | 2,350 | (2,379) |
| Net (decrease)/increase in cash and cash equivalents held | (2,284) | 3,288 |
| Cash and cash equivalents at end of period | 66 | 908 |

Financials

Underlying Earnings and AFFO Calculation

| (\$000) | 1H25 | 1H24 |
|---|---------------|---------------|
| Net Profit Before Tax | 2,760 | 1,641 |
| Remove: Change in fair value of investment property | (595) | (1,350) |
| Include: Realised gains on resales | 595 | 1,350 |
| Remove: Depreciation expense | 5,049 | 5,143 |
| Remove: Interest Income | (86) | - |
| Remove: Interest Expense | 6,322 | 8,008 |
| Include: Pre-NZ IFRS 16 operating lease expense | (4,397) | (4,341) |
| EBITDA | 9,648 | 10,452 |
| Underlying Adjustments | 967 | - |
| Underlying EBITDA | 10,615 | 10,452 |
| Net interest expense (bank and other loans) | (3,260) | (5,047) |
| Pre-NZ IFRS16 tax (expense)/benefit | (1,116) | (521) |
| Depreciation expense | (2,607) | (2,017) |
| AFFO | 3,632 | 2,867 |

Directory of care homes

| OWNED | | | |
|-----------------------------|------------------|------------|------------|
| CARE HOME | LOCATION | CARE BEDS | UNITS |
| St Helenas | Christchurch | 52 | - |
| Thornleigh Park | New Plymouth | 87 | - |
| Lexham Park | Katikati | 63 | - |
| Heatherlea | New Plymouth | 55 | - |
| Taupaki Gables | Kumeu | 60 | - |
| Windsor Court | Ohaupo | 76 | - |
| Elloughton Gardens | Timaru | 86 | - |
| Clare House | Invercargill | 69 | - |
| Clare House Village | Invercargill | - | 26 |
| Peppertree | Palmerston North | 62 | - |
| St Joans | Hamilton | 82 | - |
| Fulton Home | Dunedin | 93 | - |
| Windsor Court Village | Ohaupo | - | 22 |
| Elloughton Grange Village | Timaru | - | 54 |
| Matamata Country Lodge | Matamata | 81 | - |
| Matamata Retirement Village | Matamata | - | 46 |
| Total owned | | 866 | 148 |
| Average owned | | 72 | 37 |

| LEASED | | |
|------------------------------------|--------------|------------|
| CARE HOME | LOCATION | CARE BEDS |
| Kensington | Hamilton | 96 |
| Potter Home | Whangarei | 55 |
| Rimu Park | Whangarei | 55 |
| Waipuna | Auckland | 86 |
| Hampton Court | Napier | 45 |
| Baycare | Northland | 45 |
| Matua | Tauranga | 149 |
| Althorp | Tauranga | 119 |
| Millstream ¹ | Ashburton | 80 |
| Millstream Apartments ¹ | Ashburton | 19 |
| Glaisdale | Hamilton | 80 |
| Hawthorne | Christchurch | 94 |
| Total leased | | 923 |
| Average leased | | 77 |

- Average current lease term of 17.7 years.
- Average time to final expiry of 24.7 years.

| TOTAL | | |
|--------------|--------------|------------|
| CARE HOME | CARE BEDS | UNITS |
| Leased | 923 | - |
| Owned | 866 | 148 |
| TOTAL | 1,789 | 148 |

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This presentation sets out information relating to Radius Care's half year result for the period to 30 September 2024. As such, it should be read in conjunction with the unaudited consolidated financial statements for Radius Care and its subsidiaries for the period ended 30 September 2024 ("**Financial Statements**") and other material that Radius Care has released to NZX along with this presentation. That material is also available at www.radiuscare.co.nz.

In certain sections of this presentation, Radius Care has chosen to present certain financial information exclusive of the impact of significant items. A number of non-GAAP financial measures are used in this presentation which are used by management to assess the performance of the business and have been derived from the Financial Statements. You should not consider any of these financial measures in isolation from, or as a substitute for the information provided in the Financial Statements.

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