

PROMISIA HEALTHCARE HY26 INTERIM RESULTS

Execution and performance focus delivers operational and financial gains

- Underlying EBITDAF up 31% to \$2.5 million with operating revenue rising 47% to \$19.2 million in HY26
- Group care occupancy improved from 87% to 90% since March 2025; Aldwins House reaching record occupancy above 90%
- New Chief Operating Officer delivers rapid results through comprehensive facility health checks, operational improvements and unified systems implementation
- Balance sheet strengthened through disciplined capital allocation with non-core Aldwins properties sold and free cash flow applied to Golden View ownership advancement
- Pro-forma LVR improving to approximately 40.7%
- Positioned for sustainable growth with early-stage acquisition negotiations underway supported by improving earnings and reduced leverage

Promisia Healthcare Limited (Promisia) (NZX: PHL) has announced its unaudited results for the six months ended 30 September 2025 (HY26).

The first half of FY26 marks a significant milestone for Promisia. After a year laying new foundations, the company is now demonstrating disciplined execution and meaningful operational momentum across every part of its business.

Chair Rhonda Sherriff said: “In May 2025, we welcomed Graeme Dodd as Chief Operating Officer – a strategic appointment that has already proven transformative. He is working collaboratively alongside Francisco Rodriguez Ferrere as Chief Financial Officer and together they have focused on performance, accountability and cash generation.”

The results speak for themselves: group care occupancy has climbed from approximately 87% at March to around 90% now, with individual facilities showing even stronger momentum. That is reflected favourably in Promisia’s financial performance, together with a continuing focus on liquidity and balance sheet discipline.

Financial performance

Promisia’s first-half underlying EBITDAF increased 31% to \$2.5 million from \$1.9 million a year earlier, supported by a 47% rise in operating revenue to \$19.2 million in the same period.

The company already upgraded its full-year underlying EBITDAF guidance to at least \$6.1 million, representing growth exceeding 45% year-on-year, up from its initial guidance of 25% growth.

“This substantial upgrade reflects the successful execution of the five strategic levers we outlined at our AGM, all of which are now delivering ahead of schedule,” Rhonda Sherriff said.

Promisia reported a profit before income tax of \$240,000 for the half year compared with \$5.45 million a year earlier. However, these figures are heavily influenced by non-cash accounting items that do not reflect underlying operating performance. The prior result included a \$5.18 million non-cash bargain-purchase gain from the Cromwell acquisition, while the current period includes \$736,000 of non-cash imputed interest on the associated vendor loan.

Operational transformation

The arrival of the new COO has driven tangible improvements across the portfolio. Comprehensive facility health checks were conducted across every community, identifying both strengths to celebrate and clear opportunities for improvement, providing a roadmap tailored to each site.

At Aldwins House, the transformation has been particularly impressive. Occupancy has lifted from 85% at March to over 90% – the highest in the facility’s history. This was achieved through clarifying our market position, improving standards and ensuring appropriate resident placement to meet their care needs.

At Ranfurly, there has been exceptional momentum in care suite sales – climbing from approximately 50% sold at March to over 80% now.

Facility managers are flourishing under the new leadership and feeling genuinely empowered and inspired to achieve above and beyond results.

Operational improvements include consolidating suppliers to leverage group scale; implementing unified quality management systems providing real-time clinical information across all sites; and introducing new time and attendance systems. By early November, every site will operate on the same resident management platform – critical infrastructure for consistency and future growth.

Financial discipline and balance sheet strength

Financial discipline has remained central to the strategy throughout the half-year. Also, the Cromwell operations now deliver a full-year earnings contribution with clear efficiency gains.

“We continued disciplined capital allocation in the half-year and applied free cashflow to advance Golden View ownership at \$180,000 monthly,” Rhonda Sherriff said.

Targeted value-add projects like the Nelson Street conversion and Ranfurly care suite refurbishment were completed, while non-core properties at Aldwins were sold to reduce debt and strengthen liquidity.

The company’s loan-to-value ratio continues to improve, providing balance sheet flexibility for future investment opportunities. On a pro forma basis after the Aldwins Road property sales are considered, LVR will be approximately 40.7%.

Looking Ahead

With operational systems on the path to becoming embedded and earnings momentum established, the second half will focus on targeted growth and development opportunities for existing facilities.

“Promisia is in early negotiations for a potential acquisition that aligns with our model of large-scale integrated care and village facilities in regional locations. We are also assessing developments of existing facilities that can be funded sustainably within our balance sheet capacity,” Rhonda Sherriff said.

The combination of improving earnings, reduced leverage and stronger cash flow positions Promisia well for the next stage of growth in a measured and sustainable way.

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About Promisia Healthcare

Promisia is a New Zealand based aged care and retirement living provider, with a focus on delivering quality personalised care. Our aim is to be the aged care provider of choice in our communities. Our facilities are located in well-established and well serviced towns and metropolitan areas. Our goal is to profitably grow our business in a sustainable manner, delivering quality care to our residents, peace of mind to their families and whanau, and excellent value to our villages, community and shareholders. Promisia is listed on the NZX (NZX: PHL). <http://www.promisia.co.nz>.