

UPDATE ON CROMWELL ACQUISITIONS

Further to the announcement of 24 April 2024, Promisia Healthcare Limited (**Promisia**) (NZX: PHL) is pleased to update the market on its progress in acquiring Golden View Lifestyle Village and Ripponburn Lifestyle Village in Cromwell.

About the Cromwell Acquisitions

These acquisitions will expand Promisia's network, with an additional 106 care beds, including a specialist dementia unit, and 137 independent living villas and apartments. The transaction will be immediately earnings accretive for Promisia, with Golden View and Ripponburn currently generating annualised revenue of approximately \$10.5m, equal to approx. 40% of Promisia's FY24 operating revenue of \$26.3m.

Transaction progress

The transaction remains conditional on finance, shareholder and regulatory approvals, and other material adverse change conditions.

Promisia can advise that it has agreed with the vendors of Golden View and Ripponburn to extend the date for satisfying the finance condition for the acquisitions to 31 July 2024, with completion scheduled for 14 August 2024.

Promisia has received a debt finance offer of \$7.5 million from the Bank of New Zealand to support the Cromwell acquisitions and is now working to satisfy the conditions precedent of that offer. The conditions include:

- Promisia raising at least \$3 million of new capital; and
- Promisia reaching an unconditional agreement for the sale of its Eileen Mary facility in Dannevirke with expected sale proceeds of \$3 million after debt. Promisia can advise that it is in negotiations with a buyer who is undertaking due diligence. The transaction is proceeding, and we will update the market in due course.

Promisia intends to hold a special shareholders meeting on 31 July 2024 to vote on the transaction. A notice of meeting will be released to market and sent to shareholders in approximately 2 weeks' time.

Capital Raising

To satisfy the above new capital condition, Promisia intends to undertake a capital raising in July 2024. The capital raising will be structured as a combination of placements and a share purchase plan offer to all shareholders. The Board will set pricing and terms for the capital raise in the next week and will update the market at that time.

BNZ offer of refinancing and extensions for \$13.1 million

In addition to financing the Cromwell acquisitions, BNZ has offered to extend \$6.6 million of existing facilities that were scheduled to mature on 18 October 2024 for a further two years.

Furthermore, BNZ has offered to refinance the existing \$6.5 million loan Promisia has with Senior Trust. The Senior Trust loan is currently scheduled to mature on 30 October 2024.

The Board of Promisia is delighted to receive this lending offer and views it as an endorsement of the strong operational and financial performance of its existing aged care facilities since they were acquired four years ago.

ENDS

Authority for this announcement:

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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>.