



NZX MARKET ANNOUNCEMENT

20 June 2022

CHANGE TO FULL YEAR RESULTS

Promisia Healthcare Limited (NZX:PHL) previously released to market its unaudited full year results for the year ending 31 March 2022. Promisia will be releasing its annual report, including its audited financial statements, by the end of this month.

While completing the audit of these financial statements, Promisia has become aware that the unaudited results included an error in the carrying value of Ranfurly Manor. The error occurred in the independent valuation of Ranfurly Manor with respect to when the value of 10 newly constructed care suites is recognised in the carrying value of Ranfurly Manor. That value should be recognised only when a new care suite has been sold to a new resident.

The effect of this timing error is that the value of Ranfurly Manor was overstated by approximately \$700,000 in the unaudited full year result.

The audit process has also identified several other small changes in revenue and expenses that have resulted in a positive impact to profit of \$166,000, excluding the valuation correction as noted above.

The adjustment to the carrying value of Ranfurly Manor and the other smaller adjustments noted have had the following impact on the full year results for Promisia:

- Income was announced at \$21.0 million (including a fair value movement of \$0.84 million) and now decreases to \$20.1 million (including a fair value movement of \$0.14 million).
- Total assets decrease from \$52.1 million to \$51.4 million.
- NTA per quoted security decreases from \$0.000890 per share to \$0.000860 per share.

This correction does not result in any change to reported EBITDAF (\$4.5 million), cash or cash equivalents or debt. The correction does not cause Promisia to cease to comply with its bank covenants.

An updated results announcement accompanies this announcement.

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