

ACQUISITION OF ALDWINS ROAD PROPERTIES

Aged care and retirement living provider, Promisia Healthcare Limited (NZX:PHL), advises that, in line with its growth strategy, it has entered agreements to acquire the following properties:

- 60 Aldwins Road, Christchurch;
- 74 & 76 Aldwins Road, Christchurch.

These two properties adjoin the Aldwins House property, which is owned by Promisia, and settlement is occurring today. Except for the debt arrangements outlined below, these acquisitions have been funded by cash in hand.

The acquisitions secure an opportunity for Promisia to expand the Aldwins House facility in the future to offer a broader continuum of care for residents, through the development of assisted and independent living options. The Board has not set a timetable to undertake these developments.

Since being acquired by Promisia last year, Aldwins House has grown occupancy to approximately 100 residents, moved into a cashflow positive position and will make a positive contribution to Promisia's EBITDA for the current FY23 financial year.

Promisia's Chair, Helen Down, commented: "Today's acquisitions are in line with our strategy to grow our network and are perfectly located to allow us to expand the capacity and continuum of care at our Aldwins House facility in Christchurch. Any acquisition must meet strict investment criteria and be value accretive for our shareholders. These small but important land acquisitions border our existing properties and provide immediate and future development potential, which is of considerable strategic value for our company".

60 Aldwins Road

Promisia's subsidiary company, Aged Care Holdings Limited (**ACHL**), has entered into an agreement to acquire 100% of the shares in Aldwins Retirement Village Limited (**ARVL**). ARVL owns the property situated at 60 Aldwins Road, Christchurch which adjoins the southern boundary of Aldwins House.

This property has a land area of approximately 896m² and currently has a residential dwelling on it. The shares of ARVL are being purchased from the Brankin Family Interest Trust, a family trust associated with PHL director, Tom Brankin. The purchase price under the agreement is \$900,000, less an assumed first mortgage liability on the property of approximately \$375,000.

The purchase price has been set at a level which reflects the current fair market value of the property and the costs expended by ARVL in acquiring the property and obtaining resource consent for the property to be redeveloped into a 31-care suite development.

74 & 76 Aldwins Road

In a separate transaction, Promisia has also today settled an agreement with an unrelated party to acquire the property at 74 & 76 Aldwins Road, which adjoins Aldwins House on its northern boundary.

This property has a land area of approximately 1687m² and is currently bare land. As with 60 Aldwins Road, this property has the potential for an assisted independent living development to leverage the existing facilities of Aldwins House.

The property has been purchased for approximately \$1.21 million with \$170,000 paid on settlement today and with the balance payable over the next seven months on an interest free basis.

ENDS

Approved for release by Acting Chair, Helen Down, 021 776 212

About Promisia Healthcare

Promisia operates four aged care facilities, specialising in high needs and specialised aged care (being rest home, hospital, and dementia care). It also offers independent living in retirement villas and apartments. Promisia's facilities are located in established and well serviced towns with strong communities close to main centres. The company has a diversified growth strategy that includes growing its portfolio, developing existing facilities and extending its revenue mix.

Promisia is listed on the NZX (NZX: PHL). www.promisia.com