



Notice of Special Meeting

23 July 2021

RADIUS RESIDENTIAL
CARE LIMITED



Notice is hereby given that a Special Meeting of Shareholders of Radius Residential Care Limited will be held as follows:

Date of Meeting: Friday 23 July 2021

Time: commencing at 10.30am

Online: web.lumiagm.com

Physical meeting (subject to Government restrictions and to the extent otherwise practicable): at Eden Park (Enter via Gate G), World Cup Lounge West, Level 4, South Stand, Reimers Avenue, Kingsland, Auckland (with entry to the meeting room from 10.00am)

Letter from the Chairman

Dear Shareholder,

We are pleased to invite you to attend a Special Meeting of Shareholders of Radius Residential Care Limited (**Radius Care**), which will be held at Eden Park (Enter via Gate G), World Cup Lounge West, Level 4, South Stand, Reimers Avenue, Kingsland, Auckland (and online at web.lumiagm.com commencing at 10.30am on Friday 23 July 2021 (the **Special Meeting**)).

Background and Overview of Ohaupo Acquisition

On 8 July 2021, Radius Care announced the acquisition of the land and buildings at four strategically important leased sites from one of Radius Care's largest landlords, Ohaupo Holdings Limited (**Ohaupo Holdings**), for an acquisition price of \$31.4 million (the **Ohaupo Acquisition**), being a 2.3% discount to an April 2021 independent valuation undertaken by Long Valuation & Consultancy. The purchase price for the Ohaupo Acquisition will be settled partly in cash and partly through the issue of new shares in Radius Care to Ohaupo Holdings (or its nominee/s) (the **Ohaupo Share Issue**). On the same day, it was further announced that an equity raise comprising a \$23.0 million placement (with the ability to accept up to an additional \$7.0 million of oversubscriptions at Radius Care's discretion) (the **Placement**) and an up to \$5.0 million retail offer (with the ability to accept up to an additional \$5.0 million of oversubscriptions at Radius Care's discretion) (the **Retail Offer**) would be undertaken to fund the Ohaupo Acquisition and to reduce debt (the **Placement** and the **Retail Offer** together, the **Offer**).

The Ohaupo Share Issue, the Placement and the Retail Offer are conditional on shareholder approval, which will be sought at the Special Meeting. The Ohaupo Acquisition is, in turn, conditional on that shareholder approval being obtained.

Alignment of the Ohaupo Acquisition with Strategy

As outlined in Radius Care's December 2020 Listing Profile, Radius Care undertook its listing on the NZX Main Board as the first step in its next stage of growth. The listing sought to provide Radius Care with enhanced ability to access capital to fund growth initiatives as and when specific opportunities arose.

In its Listing Profile, Radius Care outlined its growth strategy which includes the purchase of strategically important facilities already operated (but not owned) by Radius Care, to provide greater control to undertake value enhancing initiatives, particularly developments.

The Ohaupo Acquisition demonstrates execution of this important limb of Radius Care's strategy. The acquisition increases Radius Care's owned portfolio by 277 Beds at four sites across Auckland, Waikato, Taranaki and Canterbury. In addition, the acquisition also:

- increases Radius Care's Brownfield Development pipeline by 40 Care Beds at the Taupaki Gardens site in Kumeu, Auckland and Windsor Court in Ohaupo, Waikato. Brownfield developments are highly value accretive as there are no land costs required to undertake the development on surplus land within the site footprint; and
- creates fully integrated owned facilities at (1) the Windsor Court site in Ohaupo, Waikato where Radius Care owns and operates the adjacent 22 unit retirement village and (2) the Elloughton Gardens site in Timaru, Canterbury where Radius Care owns and operates the adjacent 54 unit retirement village.

Funding

The \$31.4 million purchase price for the Ohaupo Acquisition (and related transaction costs) will be fully funded by the proceeds of the Placement and the issue of new shares under the Ohaupo Share Issue. The \$23.0 million Placement is fully underwritten by Jarden Partners Limited at a floor price of \$0.50 per Share. Radius Care also has the ability to accept oversubscriptions under the Placement of up to an additional \$7.0 million at its discretion on a non-underwritten basis. Any proceeds of the Placement not used to fund the Ohaupo Acquisition (and related transaction costs) will be used to reduce debt.

The Ohaupo Share Issue comprises the issue of \$10.0 million of new shares to Ohaupo Holdings (or its nominee/s) at the same price per share as under the Placement.

In addition, Radius Care proposes to undertake the Retail Offer

of up to \$5.0 million of new shares (with the ability for Radius Care to accept oversubscriptions of up to an additional \$5.0 million at its discretion), also at the same price per share as under the Placement. The proceeds of the Retail Offer will be used to reduce debt in order to create funding headroom for Radius Care. The Retail Offer is not underwritten. The key terms of the Retail Offer are set out in the explanatory notes that form part of this notice of meeting.

Further details of the Retail Offer, including application instructions, will be contained in an offer document (the **Offer Document**), expected to be available to eligible shareholders on 26 July 2021. You can also access information, including the announcements and investor presentation regarding the Offer and Ohaupo Acquisition, on our website at www.radiuscare.co.nz/investors-centre.

Shareholder Approval Required

Radius Care will hold the Special Meeting to consider the approval by shareholders of the issue of shares under the Ohaupo Share Issue, the Placement and Retail Offer.

The resolutions to approve the issue of shares under the Ohaupo Share Issue, the Placement and Retail Offer are ordinary resolutions, requiring a simple majority of the votes of those shareholders who are eligible to vote and voting to pass.

The resolutions are interdependent and all must be approved by Shareholders in order for any one of the resolutions to be effective.

Ahead of the Special Meeting, the directors encourage you to carefully read this Notice of Meeting before making a voting decision. You should also refer to the Offer Document before making an investment decision with respect to the Retail Offer.

Recommendations

The Board considers the Ohaupo Acquisition to be consistent with Radius Care's clear growth strategy, which includes the purchase of strategically important facilities already operated by Radius Care, allowing greater control to undertake value enhancing initiatives. It is on this basis that the Board

recommends shareholders vote in favour of Resolutions 1 and 2, being the resolutions to approve the Ohaupo Share Issue and the Placement, which are required to fund the Ohaupo Acquisition and allow that transaction to complete. Director Duncan Cook has abstained from making a recommendation on Resolution 2 as he intends to apply for shares in the Placement (and therefore will not be eligible to vote in favour of this resolution).

The Board also recommends that shareholders vote in favour of Resolution 3, being the resolution to approve the Retail Offer. The proceeds from the Retail Offer will provide Radius Care with funding headroom to undertake further acquisitions and developments consistent with its growth strategy. Directors Bret Jackson and Tim Sumner have abstained from making a recommendation on Resolution 3 due to their association (through the Knox Funds) with shareholders eligible to subscribe for shares under the Retail Offer. Director Duncan Cook has abstained from making a recommendation on Resolution 3 as he is eligible to participate in the Retail Offer (and is therefore not eligible to vote in favour of this resolution).

Three of Radius Care's largest shareholders, Wave Rider Holdings Limited, Knox Fund IV NZD LP and Knox Fund IV AUD LP have informed the company that they intend to vote in favour of all resolutions they are permitted to vote in favour of.

Further details on how to vote and where to return your proxy form are included on the form itself, as well as in this Notice of Meeting.

On behalf of the Board, thank you for your continued support and we welcome your consideration of, and participation in, the Special Meeting on 23 July 2021.

Yours sincerely,



Brien Cree

Chairman

Notice of Special Meeting Of Shareholders

NOTICE is given that a Special Meeting of Shareholders of Radius Residential Care Limited (**Radius Care**) will be held on Friday 23 July 2021 commencing at 10.30am:

- a. online at web.lumiagm.com; and
- b. subject to Government restrictions and to the extent otherwise practicable, at Eden Park (Enter via Gate G), World Cup Lounge West, Level 4, South Stand, Reimers Avenue, Kingsland, Auckland.

Capitalised terms in this Notice of Meeting have the meanings set out in the Glossary.

ORDER OF BUSINESS

A. Chairman's Introduction and Address

B. Consideration of and Voting on the Resolutions

To consider and, if thought fit, to pass the following ordinary resolutions:

Resolution 1 – Issue of Shares to Ohaupo Holdings (or its nominee/s)

That the issue of up to 20 million fully paid Shares to Ohaupo Holdings (or its nominee/s) at an issue price of not less than \$0.50 per Share in part satisfaction of the purchase price for the Ohaupo Acquisition, with such Shares to rank equally on issue with all existing Shares, be approved for all purposes, including Listing Rule 4.2.1.

Resolution 2 – Issue of Shares under the Placement

That the issue of up to 60 million fully paid Shares to investors at an issue price of not less than \$0.50 per Share under the Placement, with such Shares to rank equally on issue with all existing Shares, be approved for all purposes, including Listing Rule 4.2.1.

Resolution 3 – Issue of Shares under the Retail Offer

That the issue of up to 20 million fully paid Shares to existing shareholders at an issue price of not less than \$0.50 per Share under the Retail Offer, on the terms further described in, and on such additional terms as are not inconsistent with those set out in, this Notice of Meeting, be approved for all purposes, including Listing Rule 4.2.1.

By order of the Board



Brien Cree

Chairman

8 July 2021



Explanatory Notes

Major shareholder intends to vote in favour

Radius Care understands that its major shareholder, Wave Rider Holdings Limited, together with Knox Fund IV NZD LP and Knox Fund IV AUD LP, which between them currently hold in aggregate 69.20% of the Shares, intend to vote all of the Shares held by them in favour of Resolution 1 and Resolution 2. Wave Rider Holdings Limited intends to vote all of the Shares held by it (currently 54.00% of the Shares) in favour of Resolution 3. Under the Listing Rules, Knox Fund IV NZD LP and Knox Fund IV AUD LP (together the Knox Funds) are not permitted to vote in favour of Resolution 3.

The Board considers that this provides an endorsement of the Ohaupo Acquisition and the issue of Shares under the Ohaupo Share Issue, the Placement and the Retail Offer.

Explanatory Notes relating to Resolution 1:

Details of Ohaupo Share Issue and Ohaupo Acquisition

Resolution 1 provides for Shareholders to consider and, if thought fit, approve the Ohaupo Share Issue.

On 8 July 2021, Radius Care entered into four conditional sale and purchase agreements (the **Ohaupo Agreements**) with Ohaupo Holdings to acquire for a total purchase price of \$31.4 million four properties that are currently owned by Ohaupo Holdings and leased by Radius Care. Those properties (the **Ohaupo Properties**) comprise:

- Radius Taupaki Gables at 116 Taupaki Road, Auckland;
- Radius Windsor Court at 20 Sandes Street, Ohaupo, Waikato;
- Radius Heatherlea at 139 Vivian Street, New Plymouth; and
- Radius Elloughton Gardens at 1 Pages Road, Marchwiell, Timaru.

Each of the Ohaupo Properties are currently leased by Radius Care on 12 year leases (with 4.8 years remaining to next renewal) and with a further three rights of renewal for 12 year terms each in favour of Radius Care. Accordingly, final expiry of the current leases, if all rights of renewal are exercised by Radius Care, would be in 2062.

The purchase price for the acquisition of the Ohaupo Properties pursuant to the Ohaupo Agreements is \$31.4 million in aggregate, allocated across the individual properties. This price is supported by individual independent valuations jointly commissioned by Radius Care and Ohaupo Holdings and undertaken by Long Valuation and Consultancy as set out in the table below:

	Valuation Date	Valuation
Radius Taupaki	6 April 2021	\$7,325,000
Radius Windsor Court	6 April 2021	\$9,025,000
Radius Heatherlea	6 April 2021	\$5,300,000
Radius Elloughton Gardens	6 April 2021	\$10,500,000
Total	-	\$32,150,000

The acquisition price represents a 2.3% discount to the aggregate independent valuation of the Ohaupo Properties. The purchase price is to be satisfied by a payment of \$21.4 million in cash and the issue of \$10.0 million of fully paid Shares at an issue price equal to the Placement Price to Ohaupo Holdings (or its nominee/s) (the **Ohaupo Share Issue**). The cash portion of the purchase price will be funded from the net proceeds expected to be raised through the Placement.

The maximum number of Shares that may be issued under the Ohaupo Share Issue is 20 million Shares, being the number of Shares required to be issued at the Underwritten Price in order to satisfy the \$10.0 million share component of the Ohaupo Acquisition purchase price.

The Ohaupo Agreements are conditional on Radius Care obtaining shareholder approval to the Ohaupo Share Issue, the Placement and the Retail Offer, which will be sought at the Special Meeting.

The Ohaupo Agreements have each been entered into on the Auckland District Law Society and the Real Estate Institute of New Zealand's template Agreement for Sale and Purchase of Real Estate (10th edition). In addition to the standard terms of that agreement, the Ohaupo Agreements include the following key terms:

- in the case of Radius Heatherlea, if remedial cladding and related work that Ohaupo Holdings has been arranging to

address water ingress to the building at Radius Healthlea is not completed by the settlement date, Ohaupo Holdings will continue to be liable for the costs of and the responsibility to complete that work following settlement; and

- in the case of Radius Elloughton Gardens, the property is purchased “as is where is” in relation to the earthquake risk of the Elloughton Grange building, and the purchaser will assume responsibility and liability for earthquake strengthening works and attend to any such required works following settlement.

If shareholders approve the resolutions at the Special Meeting, it is anticipated that settlement will occur on 5 August 2021, following allotment under the Placement. On the settlement date Radius Care will pay the \$21.4 million cash portion of the purchase price and will satisfy the balance of the purchase price by the Ohaupo Share Issue, being the issue of \$10.0 million of Shares to Ohaupo Holdings (or its nominee/s) at the Placement Price on the same terms as, and ranking equally with, the then existing Shares in Radius Care.

Ohaupo Holdings has agreed that the Shares issued to it or its nominee/s under the Ohaupo Share Issue will be subject to transfer restrictions for a period of 12 months. These transfer restrictions are subject to exceptions if the Company gives its prior written consent to the transfer, where the transfer is to accept a takeover offer, where the transfer is pursuant to a compulsory acquisition under a takeover offer, where the transfer is to accept a share buyback offer by Radius Care or to participate in a scheme of arrangement in respect of Radius Care's shares.

Impact of the Ohaupo Share Issue and Ohaupo Acquisition

Ownership of the Ohaupo Properties removes the annual lease expense payable by Radius Care to Ohaupo Holdings of \$2.2 million.

Rationale for the Ohaupo Share Issue and Ohaupo Acquisition

In addition to removal of the annual lease expense, the transaction:

- increases the Brownfield Development pipeline by 40 Care Beds at the Taupaki site in Kumeu, Auckland and Windsor

Court in Ohaupo, Waikato. Brownfield developments are highly value accretive as there are no land costs required to undertake the development on surplus land within the site footprint; and

- creates fully integrated owned facilities at (1) the Windsor Court site in Ohaupo, Waikato and (2) the Elloughton Gardens site in Timaru, Canterbury where Radius Care owns and operates the retirement villages.

For an explanation of the implications of Resolution 1 not being approved, the Listing Rule requirements for Resolution 1 and the dilutionary effect on Shareholders if Resolution 1 is passed, please refer to the heading “Explanatory Notes relating to Resolutions 1, 2 and 3” below.

The Board recommends that Shareholders vote in favour of Resolution 1.

Explanatory Notes relating to Resolution 2:

Resolution 2 provides for Shareholders to consider and, if thought fit, approve the issue of up to 60 million Shares under the Placement at an issue price of not less than \$0.50 per Share.

On 8 July 2021, Radius Care announced a \$23.0 million underwritten placement (the **Placement**) to fund the cash component of the Ohaupo Acquisition purchase price (with the ability for Radius Care to accept oversubscriptions of up to an additional \$7.0 million at its discretion on a non-underwritten basis). The Placement (excluding oversubscriptions) has been fully underwritten by the Underwriter at a floor price of \$0.50 per Share (Underwritten Price), which represents a discount of 44.40% to the closing price of Shares on the NZX on 7 July 2021. All Shares to be issued under the Placement (including any oversubscriptions) will be issued at the “**Placement Price**”, which will be set following a bookbuild process that will take place on 8 July 2021 (**Bookbuild**). Under the Bookbuild, institutional and other select investors in New Zealand, Australia and other jurisdictions will be invited to apply for Shares in the Placement across a range of prices for the Shares. That information will then be used to assist with the determination of the Placement Price and allocations of Shares under the Placement.

Explanatory Notes continued

The Placement Price, and allocations under the Placement, will be determined by agreement between Radius Care, the Lead Manager and Underwriter following completion of the Bookbuild. The Placement Price will be the Underwritten Price or such greater clearing price under the Bookbuild at which at least \$23.0 million of Shares can be allocated and issued to participants in the Placement.

The maximum number of Shares that may be issued under the Placement is 60 million Shares, being the maximum number of Shares that may be issued if the Placement Price equals the Underwritten Price in order to raise the \$30.0 million maximum size of the Placement (including \$7.0 million of oversubscriptions).

The issue of Shares under the Placement is conditional on Shareholder approval being obtained at the Special Meeting. If Shareholders approve the resolutions at the Special Meeting, issue and allotment of Shares under the Placement will occur on two settlement dates, being 27 July 2021 and 3 August 2021. Participants in the Placement will have the option to elect on which settlement date they wish to be issued and allotted Shares. NZ RegCo has granted Radius Care a waiver from Listing Rule 4.19.1 to enable the allotment of Shares under the Placement to occur more than 10 business days after the closing date for the Placement.

Shares issued under the Placement will rank equally on issue with all existing Shares.

The proceeds of the Placement will be used to fund the \$21.4 million cash component of the Ohaupo Acquisition purchase price (and related transaction costs), with any additional proceeds raised to be applied to debt repayment to create further headroom for potential future growth initiatives.

For an explanation of the implications of Resolution 2 not being approved, the Listing Rule requirements for Resolution 2 and the dilutionary effect on Shareholders if Resolution 2 is passed, please refer to the heading “Explanatory Notes relating to Resolutions 1, 2 and 3” below.

The Board recommends that Shareholders vote in favour of Resolution 2.

Director Duncan Cook has abstained from making this recommendation as he intends to apply for shares in the Placement (and therefore will not be eligible to vote in favour of this resolution).

Explanatory Notes relating to Resolution 3:

Resolution 3 provides for Shareholders to consider and, if thought fit, approve the issue of up to 20 million Shares under the Retail Offer at an issue price of not less than \$0.50 per Share.

On 8 July 2021, together with the Placement, Radius Care announced an up to \$5.0 million non-underwritten retail offer, with the ability for Radius Care to accept oversubscriptions of up to an additional \$5.0 million at its discretion (the **Retail Offer**). Shares will be issued under the Retail Offer at the Placement Price.

The issue of Shares under the Retail Offer is conditional on Shareholder approval being obtained at the Special Meeting. If Shareholders approve the resolutions at the Special Meeting, the Retail Offer will open on 26 July 2021.

The key terms of the Retail Offer are as follows:

Size of Retail Offer	Up to \$5.0 million, with an ability for Radius Care to accept oversubscriptions of up to an additional \$5.0 million at its discretion.
Eligible Shareholders	<p>Any Shareholder other than Wave Rider Holdings Limited, the Knox Funds and the ROC Funds, with a registered address at the record date for the Retail Offer (being 5.00pm on 20 July 2021 (Record Date)) in:</p> <ul style="list-style-type: none"> • New Zealand; or • Australia and who Radius Care considers is a sophisticated investor or a professional investor within the meaning of subsections 708(8) or (11) of the Corporations Act 2001 (Australia) and for the purposes of part 6D.2 of the Corporations Act 2001 (Australia), <p>and who is not in the United States and not acting for the account or benefit of a person in the United States.</p> <p>The rationale for the Retail Offer not being extended to Wave Rider Holdings Limited, the Knox Funds and the ROC Funds is set out following this table.</p>
Maximum number of Shares to be offered under the Retail Offer	<p>20 million Shares</p> <p>(being the maximum number of Shares that may be issued if the Placement Price equals the Underwritten Price in order to raise the \$10.0 million maximum size of the Retail Offer (including \$5.0 million of oversubscriptions)).</p>
Application amount	<p>There is no maximum or minimum application amount.</p> <p>In the event that the total number of Shares applied for under the Retail Offer exceeds the total number of Shares offered under the Retail Offer, Radius Care may scale applications as described under the heading "Scaling" in this table below.</p>
Issue Price of Shares	The Placement Price
Transferability	The offer made under the Retail Offer is personal to the relevant Shareholder and non-renounceable. It cannot be transferred to another person.
Underwriting	The Retail Offer will not be underwritten.
Scaling	<p>Radius Care will have the right, at its discretion, to scale applications. Any such scaling will:</p> <ul style="list-style-type: none"> • first be on a proportionate basis to a level that allows all eligible Shareholders participating in the Retail Offer to maintain their proportionate shareholding in Radius Care as at the Record Date (and for this purpose, any Shareholder who is a limited partner of a Knox Fund will be deemed to hold, in addition to their own shareholding, such proportion of the Shares held by that Knox Fund at the Record Date as is equivalent to the proportion that that Shareholder's limited partner interest in that Knox Fund represents of the total limited partner interests in that Knox Fund of all eligible Shareholders participating in the Retail Offer); and • thereafter, be at the discretion of Radius Care, having regard to the amount the relevant Shareholder's application under the Retail Offer represents of the total application amounts received under the Retail Offer.
Shares held through a trustee or custodian	Shareholders who own Shares through a trustee or custodian (and are otherwise eligible to participate in the Retail Offer) may instruct the trustee or custodian to apply for Shares on their behalf.
Opening date	26 July 2021.
Closing date	9 August 2021 (unless extended).

Explanatory Notes continued

In order to provide eligible Shareholders with the opportunity to subscribe for the largest number of Shares possible under the Retail Offer, the Retail Offer will not be open to certain of Radius Care's largest substantial product holders: Wave Rider Holdings Limited, the Knox Funds and ROC Funds (which currently hold, in aggregate, 79.39% of the Shares). Of those substantial product holders: Wave Rider Holdings Limited has informed Radius Care that it does not wish to allocate any funds for further investment at present; the Knox Funds have informed Radius Care that they are satisfied that the limited partners of those funds who are also eligible Shareholders will have the opportunity to participate in the Retail Offer and have the benefit of their proportion of the Knox Fund's shareholding in Radius Care credited to them for scaling purposes; and the ROC Funds will be invited to participate in the Placement.

Shares issued under the Retail Offer will rank equally on issue with all existing Shares.

The proceeds of the Retail Offer will be used to fund the reduction of debt in order to create funding headroom for Radius Care.

For an explanation of the implications of Resolution 3 not being approved, the Listing Rule requirements for Resolution 3 and the dilutionary effect on Shareholders if Resolution 3 is passed, please refer to the heading "Explanatory Notes relating to Resolutions 1, 2 and 3" below.

The Board recommends that Shareholders vote in favour of Resolution 3.

Directors Bret Jackson and Tim Sumner have abstained from making this recommendation on the basis they are directors of Knox Investment Partners Limited, the manager of the Knox Funds, which is considered an Associated Person of Shareholders eligible to participate in the Retail Offer for the purpose of the voting restrictions in respect of this Resolution 3. Director Duncan Cook has abstained from making this recommendation on the basis he is eligible to participate in the Retail Offer (and is therefore not eligible to vote in favour of this resolution).

Explanatory Notes relating to Resolutions 1, 2 and 3:

Implications of the resolutions not being approved

The resolutions are all interdependent and so all must be passed by shareholders in order for any one of them to be effective. If any of the resolutions are not passed:

- Radius Care will not be able to satisfy the shareholder approval condition in the Ohaupo Agreements and, accordingly, will not be able to complete the Ohaupo Acquisition. In such circumstances, absent an alternative agreement being reached with Ohaupo Holdings that is viable for Radius Care, Radius Care would need to cancel the Ohaupo Agreements and the Ohaupo Acquisition would not proceed. The Ohaupo Agreements do not require Radius Care to pay Ohaupo Holdings any money in that circumstance.
- Neither the Placement nor the Retail Offer will proceed and no Shares will be issued under them. Radius Care would need to terminate the underwriting agreement between Radius Care, the Lead Manager and the Underwriter. In that situation, Radius Care would be required to pay the Underwriter a termination fee of \$300,000 (plus GST, if any).
- Radius Care's reputation would be damaged, which may affect its ability to transact in the future.

Listing Rule requirements

Shareholder approval is required for each of Resolutions 1, 2 and 3 by Listing Rule 4.1.1 which generally requires share issues to be approved by Shareholders unless an exception applies under the Listing Rules. As such, Radius Care must obtain Shareholder approval to:

- the Ohaupo Share Issue by ordinary resolution, which is presented as Resolution 1 in this Notice of Meeting;
- the issue of Shares under the Placement by ordinary resolution, which is presented as Resolution 2 in this Notice of Meeting; and
- the issue of Shares under the Retail Offer by ordinary resolution, which is presented as Resolution 3 in this Notice of Meeting.

Dilutionary effect

Resolutions 1, 2 and 3 all involve the issue of Shares. If:

- the resolutions are all passed;
- the Placement Price is set at the Underwritten Price; and
- the maximum number of Shares that are authorised for issue under the resolutions are issued,

then dilution will occur in respect of current shareholdings. In those circumstances, the dilutionary effect on a Shareholder that does not participate in the Placement or Retail Offer is as follows:

Current Shares on Issue:		176,495,000
Resolution 1: Ohaupo Share Issue	20,000,000	
Resolution 2: Issue of Shares under the Placement	60,000,000	
Resolution 3: Issue of Shares under the Retail Offer	20,000,000	
Total Shares approved for issue under the Resolutions:		100,000,000
Total Shares on issue following completion of the Ohaupo Share Issue, Placement and Retail Offer:		276,495,000
Example Shareholder percentage holding pre allotments:		5%
Example Shareholder percentage holding post allotments:		3.2%

Eligible Shareholders will have an opportunity to increase their shareholding and off-set this dilutionary effect by subscribing for Shares under the Retail Offer when it is offered.

Procedural Notes and Other Information

Explanatory Notes

Explanatory Notes relating to the resolutions are attached to and form part of this Notice of Meeting.

Attendance

All Shareholders who are registered as at 5.00pm (New Zealand time) on 20 July 2021 are entitled to attend online or in person and vote at the Special Meeting.

Attendance online

To attend the meeting online please go to web.lumiagm.com and enter the Meeting ID 308-646-140. To participate, Shareholders will need their CSN or holder number which can be found on their proxy form attached to this Notice of Meeting. Shareholders attending online will be able to vote and ask questions during the Special Meeting. More information regarding virtual attendance at the Special Meeting (including how to vote and ask questions virtually during the Special Meeting) is available through the Virtual Meeting Guide. Shareholders attending online are encouraged to review the Virtual Meeting Guide prior to the Special Meeting.

Attendance in person

If Government restrictions allow, the venue for the Special Meeting for those Shareholders attending in person is Eden Park (Enter via Gate G), World Cup Lounge West, Level 4, South Stand, Reimers Avenue, Kingsland, Auckland (with entry to the meeting room available from 10.00am).

Radius Care may, in its sole discretion, elect to hold the Special Meeting as an online only meeting if it considers there are potential risks to the health of meeting attendees or if an in-person meeting is prohibited by law, as a result of significant developments in the COVID-19 situation in New Zealand and restrictions on the size of public gatherings. In such circumstances, Radius Care will provide Shareholders with as much notice as is reasonably practicable by way of an announcement to NZX and on Radius Care's website at www.radiuscare.co.nz.

Proxies and representatives

If you are unable to attend the Special Meeting in person or online, you may appoint a proxy or representative (in the case of a corporate shareholder) to attend and vote on your behalf. The notice appointing a proxy or representative must be received by Computershare Investor Services Limited not later than 10.30am (New Zealand time) on 21 July 2021 by any of the following means:

- Online:** Visit www.investorvote.co.nz and follow the instructions or, if you have a smartphone, by scanning the QR code on the first page of the proxy form attached to this Notice of Meeting and following the prompts
- Email:** Email corporateactions@computershare.co.nz with "Radius Care proxy" in the subject line
- Delivery:** Deliver your completed form to: Computershare Investor Services Limited, Level 2, 159 Hurstmere Road, Takapuna, Auckland 0622
- Mail:** Post your completed form to Computershare Investor Services Limited, Private Bag 92119, Victoria Street West, Auckland 1142

A proxy or representative need not be a Shareholder and may be appointed by completing the proxy form attached to this Notice of Meeting.

The appointment of a proxy or representative does not preclude a Shareholder from attending and voting in person or online at the Special Meeting. However, please note that your proxy will not be able to vote at the Special Meeting unless you have provided a voting direction or discretion. If you do not provide an election in respect of the resolutions, your direction is to abstain. If you make more than one election in respect of any resolution your vote will be invalid on that resolution.

If you do not name a person as your proxy but have indicated on the Proxy form how you wish to vote, the Chairman of the Special Meeting will vote in accordance with your express instructions.

You may appoint the Chairman of the Special Meeting as your proxy. If you appoint the Chairman of the Special Meeting as your proxy and elect to give him discretion on how to vote, then he intends to vote your Shares in favour of the resolutions.

Ordinary resolutions

Resolutions 1, 2 and 3 must be passed by an ordinary resolution of Shareholders, i.e. by a simple majority of the votes of those Shareholders entitled to vote and voting on the resolution in person or by proxy.

Interdependent resolutions

Resolutions 1, 2 and 3 are interdependent and must all be passed by Shareholders in order for any one of those resolutions to be effective.

Voting Restrictions

In accordance with Listing Rule 6.3.1, Radius Care will disregard any votes cast in favour of:

- Resolution 1 by Ohaupo Holdings and its Associated Persons (as defined in the Listing Rules), which shall include any persons that Ohaupo Holdings nominates to receive Shares under the Ohaupo Share Issue;
- Resolution 2 by any person who Radius Care or Jarden Securities Limited (as Lead Manager of the Placement) has notified that they have been allocated Shares under the Placement and their respective Associated Persons (as defined in the Listing Rules); and
- Resolution 3 by all Shareholders eligible to participate in the Retail Offer and their respective Associated Persons (as defined in the Listing Rules).

In light of the scaling arrangements under the Retail Offer for shareholders that are also limited partners in the Knox Funds (as described in the Explanatory Notes to Resolution 3), the Company considers the Knox Funds to be Associated Persons of Shareholders eligible to participate in the Retail Offer, for the purposes of the voting restrictions in respect of Resolution 3. Radius Care will therefore disregard any votes cast in favour of Resolution 3 by the Knox Funds.

Any discretionary proxies given to persons disqualified from voting under the requirements set out above will not be valid. Such persons may, however, vote non-discretionary proxies where the relevant Shareholder has indicated on the proxy form how the Shareholder wishes that person (as proxy) to vote.

NZ RegCo No Objection

This Notice of Meeting has been reviewed by NZ RegCo. NZ RegCo has confirmed that it has no objection to this Notice of Meeting. However, NZ RegCo takes no responsibility for any statement in this Notice of Meeting.



Glossary

Board	The Board of Directors of Radius Care
Bookbuild	The bookbuild process used by Radius Care to set the Placement Price
Explanatory Notes	The explanatory notes on the Resolutions attached to, and forming part of, this Notice of Meeting
Knox Funds	Knox Fund IV NZD LP and Knox Fund IV AUD LP
Lead Manager	Jarden Securities Limited
Listing Rules	The listing rules of the NZX Main Board
Notice of Meeting	This notice of special meeting, including the Explanatory Notes
NZX	NZX Limited
NZX Main Board	The main board equity security market operated by NZX
Offer	The offer of new Shares by Radius Care to raise up to \$40.0 million by way of the Placement and Retail Offer, as announced on 8 July 2021
Offer Document	The Offer Document expected to be available to eligible Shareholders on 26 July 2021 setting out further details of the Retail Offer, including application instructions
Ohaupo Acquisition	The acquisition of the Ohaupo Properties in accordance with the Ohaupo Agreements as described in the Explanatory Notes
Ohaupo Agreements	The agreements for sale and purchase of real estate in respect of the Ohaupo Properties between Radius Care Holdings Limited and Ohaupo Holdings and dated 8 July 2021
Ohaupo Holdings	Ohaupo Holdings Limited
Ohaupo Properties	<p>The properties located at:</p> <ul style="list-style-type: none"> • 116 Taupaki Road, Taupaki, Auckland • 20 Sandes Street, Ohaupo, Waikato • 139 Vivian Street, New Plymouth • 1 Pages Road, Marchwiell, Timaru
Ohaupo Share Issue	The issue of \$10.0 million of Shares at the Placement Price in part satisfaction of the purchase price payable under the Ohaupo Acquisition
Placement	The placement of up to 60 million Shares announced on 8 July 2021 at a price of not less than \$0.50 per Share as described in the Explanatory Notes

Placement Price	The price per Share at which Shares will be issued under the Placement, to be determined by agreement between Radius Care, the Lead Manager and the Underwriter after the conclusion of the Book-build, and which will be not less than the Underwritten Price
Radius Care	Radius Residential Care Limited
Retail Offer	The offer to be made to eligible Shareholders at the Placement Price as described in the Explanatory Notes
ROC Funds	ACT Private Equity No.3 Fund, ROC Alternative Investment Trust VI and ROC Asia Pacific Co-Investment Fund II
Share	An ordinary share in Radius Care
Shareholders	Those persons recorded on the Radius Care share register as the holder of Shares
Underwriter	Jarden Partners Limited
Underwritten Price	\$0.50 per Share



Caring is our calling