



Half Year Result

For 6 months to 30 September 2024

Presenting *Today*

Andrew Peskett
Chief Executive Officer
BA (Hons), LLB



Jeremy Edmonds
Chief Financial Officer
BA, BCom, CA



Agenda

Overview of 1H25 Performance

Delivered record operating and financial performance

Analysis of Result

Record EBITDA and operating cashflow, demonstrating our leadership in specialist care offerings

Positioning Radius Care

Strategy update

Appendices

Key operational and financial metrics
Summary Profit and Loss, Balance Sheet and Cash Flow



Overview of 1H25 Performance

OPERATING PERFORMANCE
DELIVERED CONTINUED
GROWTH



1H25 Business *Highlights*

STRONG OPERATING PERFORMANCE DELIVERS EARNINGS GROWTH

Strong Operating Performance

- Record half-year with 10% increase in EBITDAR¹ per bed.
- 14% growth in Underlying EBITDA², adjusted for the sale of one care home.
- Occupancy of 93.4% at the end of the period.
- Improved mix of higher-revenue hospital and specialist care residents.
- Resale gains at villages of \$0.6m with seven village unit sales.
- Debt reduced due to improved operating cashflow.
- Lower financing costs.
- Fully imputed interim dividend of 0.65 cents per share declared, for December 2024 payment.

Highly Engaged Team

- Over 1,700 team members delivering exceptional care in our fully staffed care homes.

Strategic Acquisitions

- Completion of the 51% acquisition of Cibus Catering, on 25 October 2024, expanding complementary services.

Favourable Industry Dynamics Will Underpin High Occupancy and Growth

- Increasing occupancy driven by demographic tailwinds and growing demand for aged care services.
- Improved macro-economic conditions evident in easing inflationary pressure and declining interest rates.

1. Earnings before interest, tax, depreciation, amortisation and rent.

2. Earnings before interest, tax, depreciation and amortisation. Underlying EBITDA is a non-GAAP (unaudited) financial measure which is reconciled to GAAP measures included within the Appendices of this Investor Presentation.

1H25 *Financial* Highlights

Financial Performance

- Underlying EBITDAR¹ (for the 6 months to 30 September 2024) per care bed of \$13.4k, +10% from 1H24.
- Underlying EBITDA \$10.6m, +14% on 1H24 (adjusted for the sale of one care home).
- Accommodation supplements increased 10% to \$5.3m.
- Operating cashflow of \$6.6m, +18% from \$5.6m in 1H24.
- AFFO² of \$3.6m, +27% from \$2.9m in 1H24, supporting dividend payouts.
- Interim dividend of 0.65 cents per share, including full imputation credits of 0.25 cents per share, to be paid on 19 December 2024.

Balance Sheet Position

- Total assets of \$330.5m.
- Investment properties of \$74.3m, +\$0.7m from FY24.
- Drawn debt of \$73.3m, down \$2.6m from FY24.



Radius Matamata Country Lodge

1. Earnings before interest, tax, depreciation, amortisation and rent. Underlying EBITDAR is a non-GAAP (unaudited) financial measure.
2. Available Funds From Operations is a non-GAAP (unaudited) financial measure which is reconciled to GAAP measures included within the Appendices of this Investor Presentation.

Our *People*

Engaged, motivated and settled teams including Care Home Managers, Regional Managers and Executives.

95% of new hires are happy with their jobs.

Staff turnover below sector levels, at 23% for the company.

43 point increase in employee net promoter scores in the past two years (showing a highly engaged workforce).

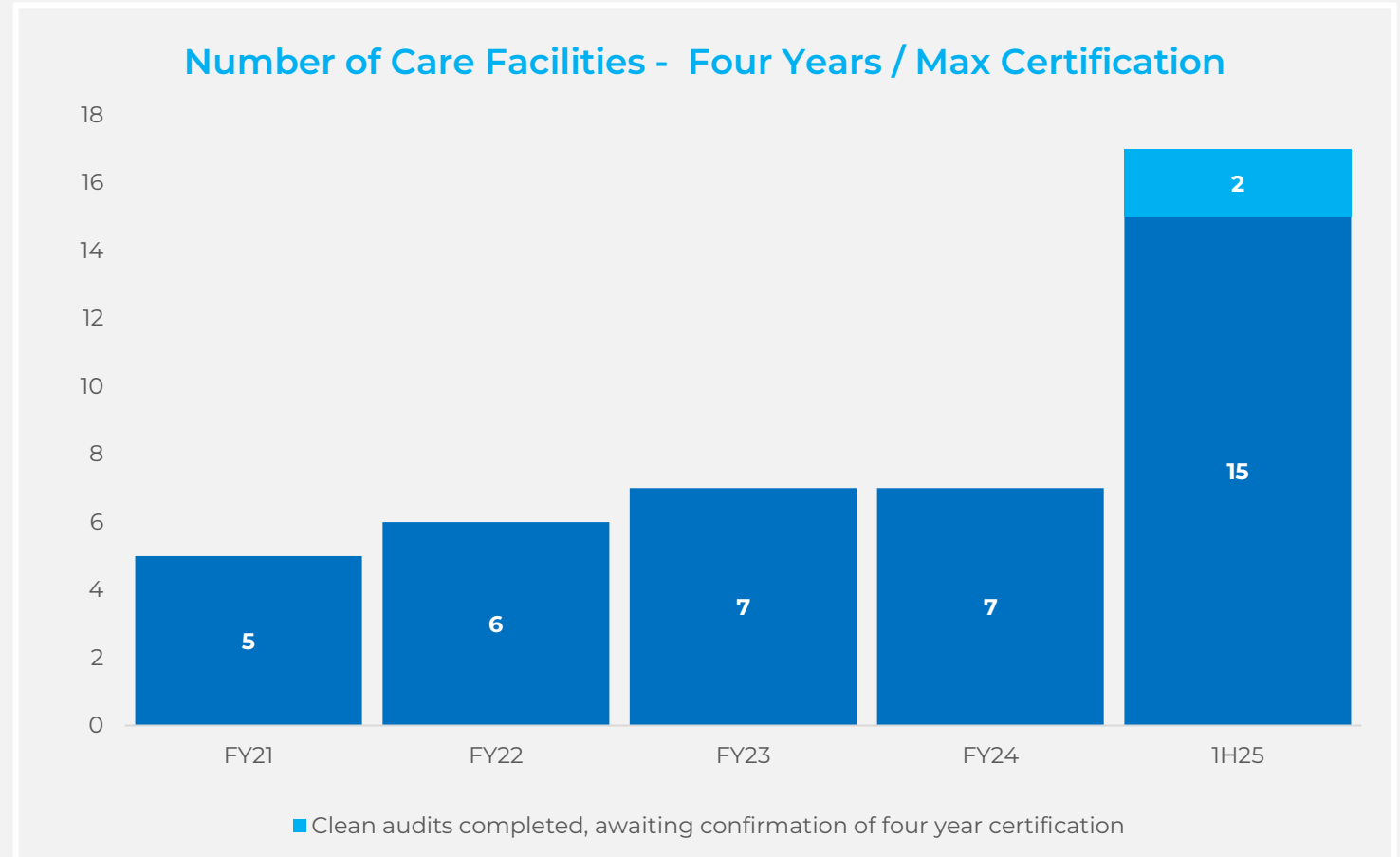
Over 60% of management positions have been filled by internal job candidates.



Care Home *Certification*

Four years / max certification¹

Two audit results pending are likely to take Radius Care to 17 care homes with four year certification (74% of care homes).



¹ Audit certification periods range from one to four years. Four years is the maximum possible period.

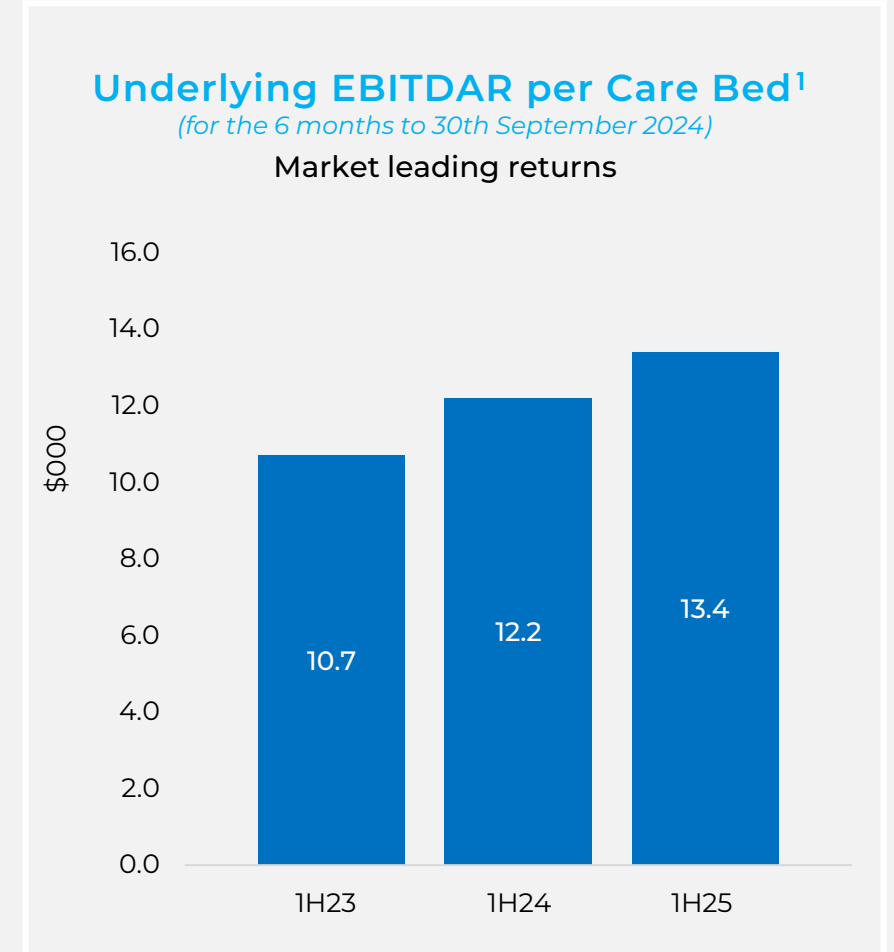
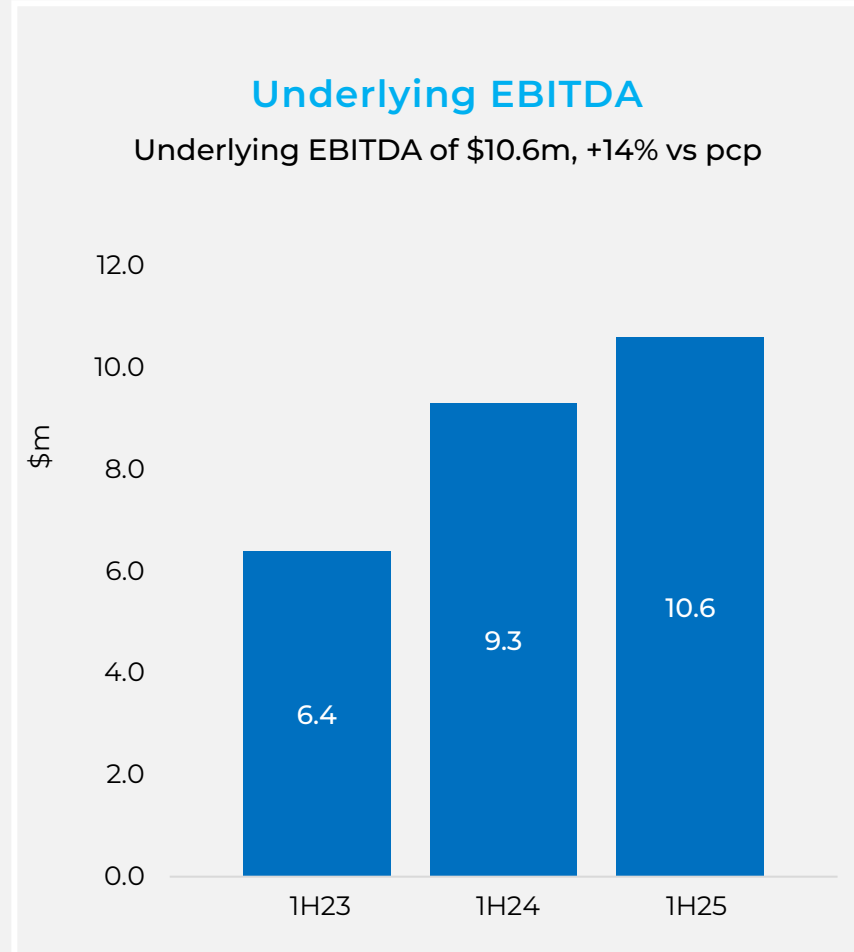
Analysis of Result

EBITDA AND CASHFLOW GROWTH
DEMONSTRATE OUR LEADERSHIP IN
SPECIALIST CARE OFFERINGS



Financial *Performance* Overview (excl Arran Court)

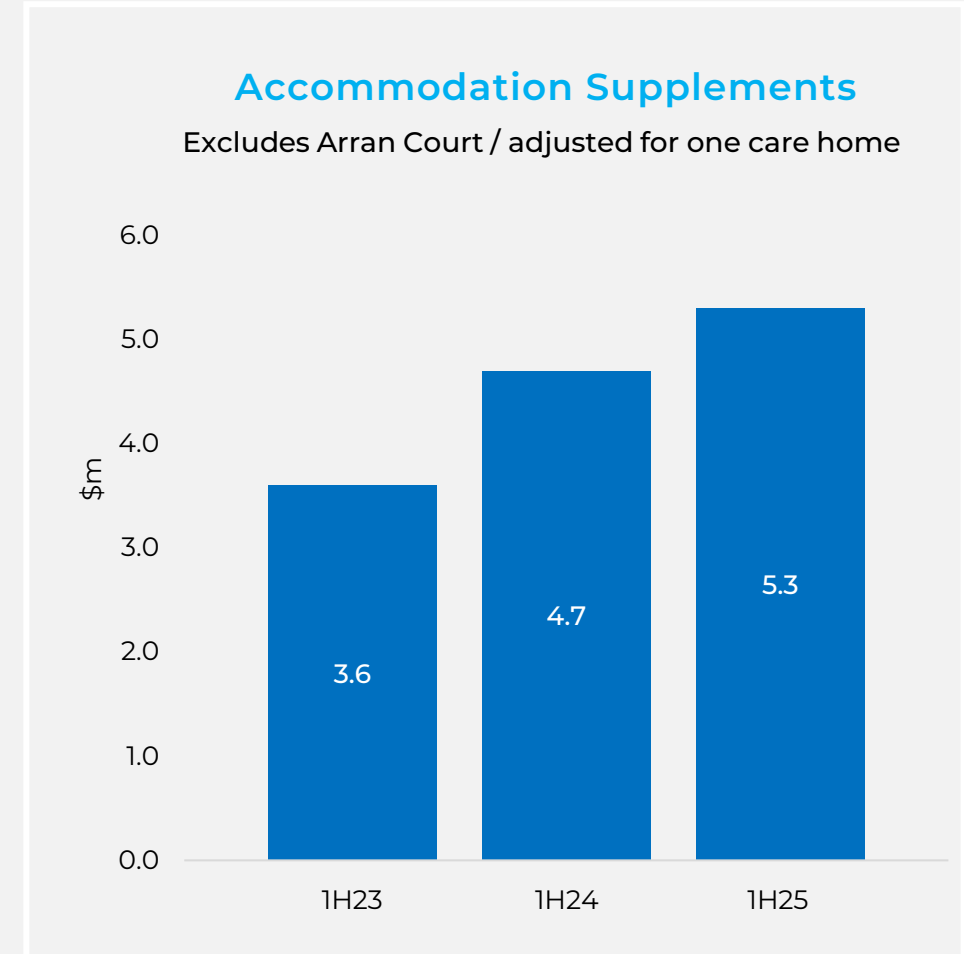
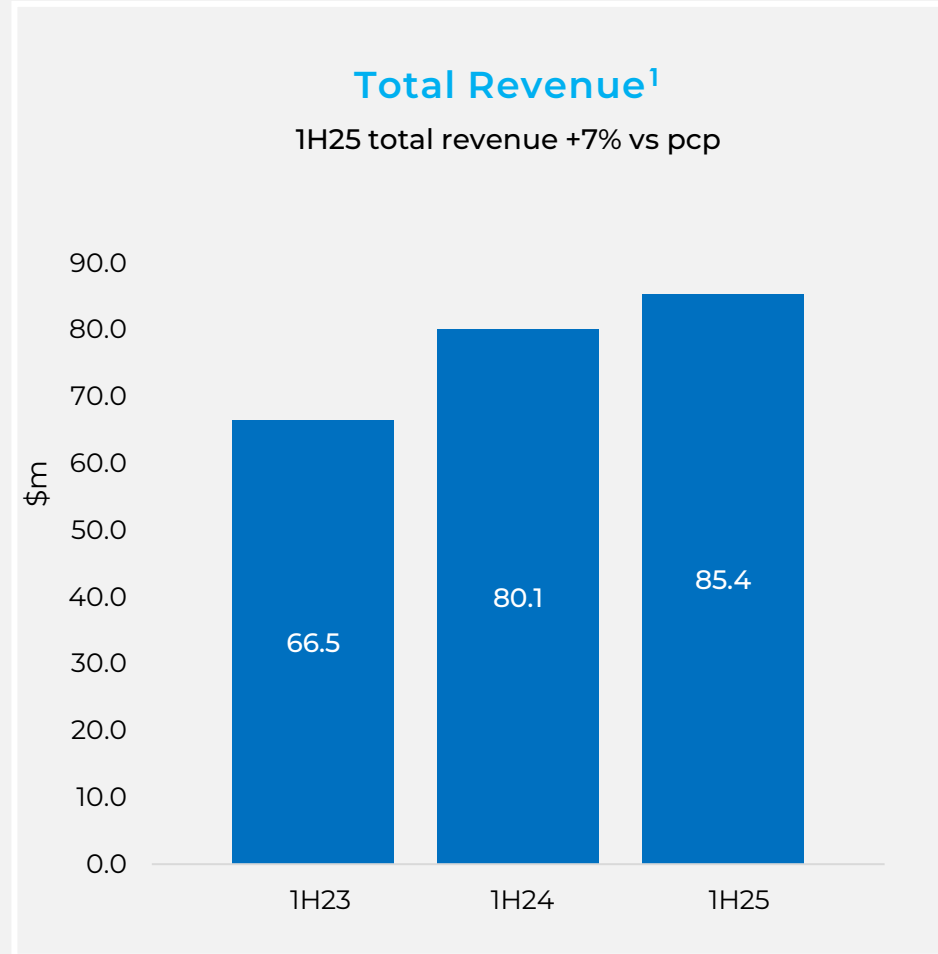
Continued strong occupancy, improved bed mix, accommodation supplement growth, and tight cost management, have materially lifted Underlying EBITDA and Underlying EBITDAR per Care Bed.



1. Underlying EBITDAR for aged care segment divided by the average number of care beds occupied during the period.

7% Revenue Growth (excl Arran Court)

Continued strong occupancy, improved bed mix and accommodation supplement growth delivered revenue growth compared to comparative period.



1. Total revenue excludes other income.

Dividends

Interim Dividend

- Cash interim dividend of 0.65 cents per share (with full imputation credits of 0.25 cents per share).
- Ex-dividend date – 4 December 2024.
- Record date – 5 December 2024.
- Payment date – 19 December 2024.

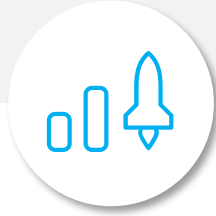
Final Dividend Outlook

The Board expects total dividends for FY25 to be consistent with the Group's stated policy to pay between 50% to 70% of AFFO for the year.



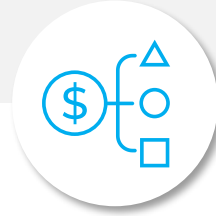
Strategy Update

Strategy Update



Grow Scale

Leased Care Opportunities
Targeted M&A
Brownfield development
Greenfield development



Diversify Revenue

Grow Cibus Catering
Grow RConnect
Expand Radius Shop
Expand health services
beyond core aged care



Radius Way

Develop Radius Way as a
template for aged care
services

Why Are We Different?

Culture

Portfolio

Intellectual property

Brand/reputation

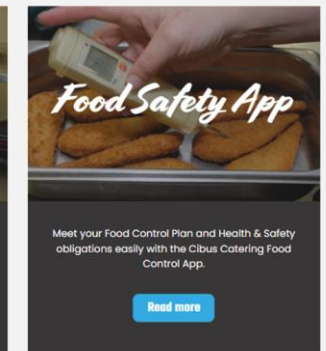
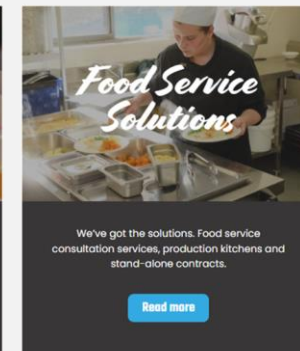
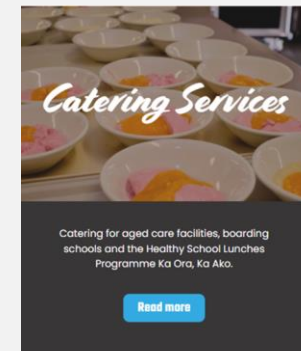
We are not dependent on the property market



Cibus Catering

Acquisition of 51% of Cibus Completed on 25 October 2024

- Founded in 1994.
- Provides full-service kitchen management for 2,300 aged care residents daily across 25 care homes, including ten Radius sites.
- Offers menu and recipe planning services supporting an additional 4,100 residents.
- Cibus App provides food safety, nutrition management and menu planning support for customers.
- Strong record of customer retention, due to high-quality meals and service, and deep understanding of the aged-care sector.
- Strong cash generation.
- Growth expected to accelerate with Radius Care's support:
 - Additional aged residential care clients, both full kitchen management and offsite supply from existing kitchens.
 - Grow Cibus App consulting, food safety, recipe and menu planning revenue.



Outlook

Radius Care expects key financial metrics for the FY25 year will exceed the comparative period.

In addition, the recent acquisition of 51% of Cibus Catering will be immediately accretive to FY25 second half year earnings and cashflow.

Appendices

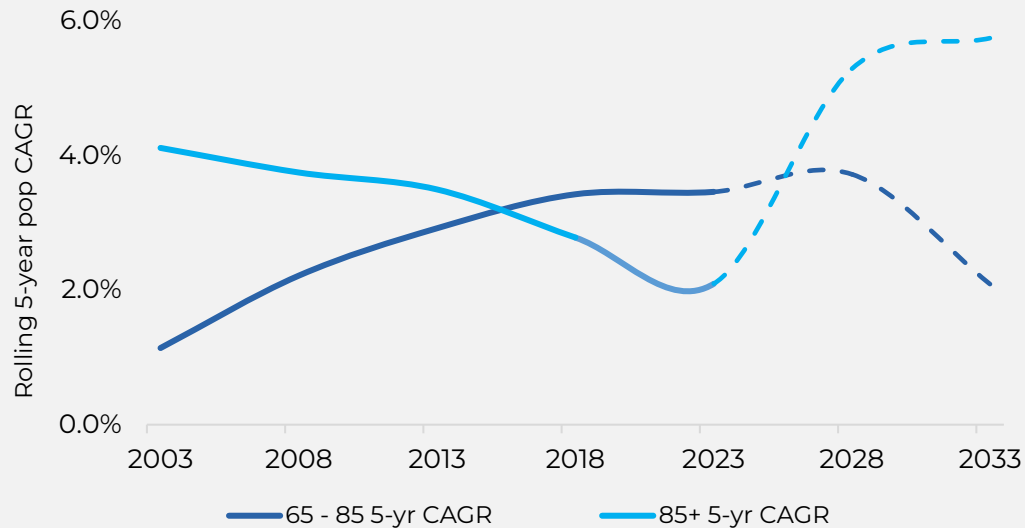


Strong Portfolio for Changing Demographics

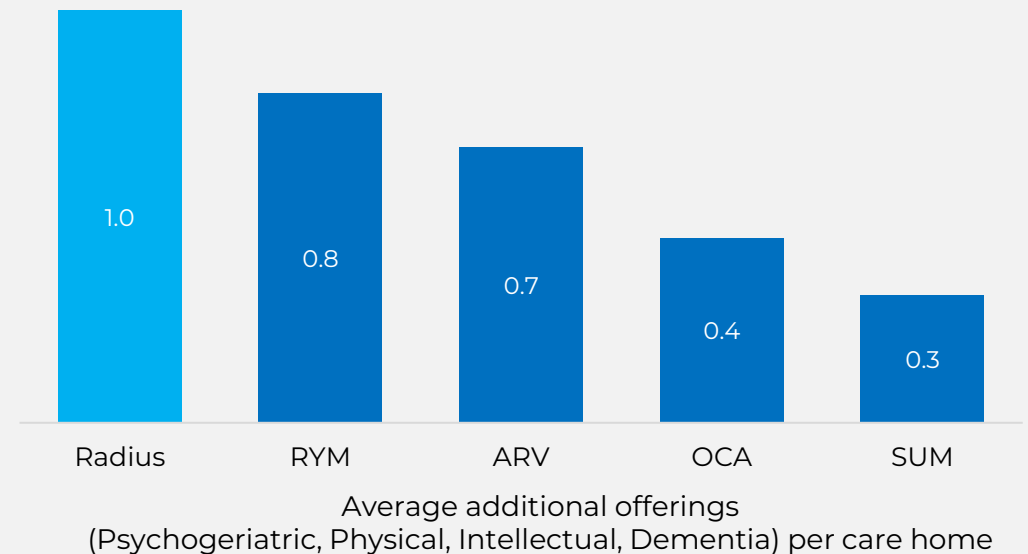
The Radius Care growth pipeline offers unique exposure to a high-acuity, specialised care provider dedicated to delivering compassionate and outstanding clinical care outcomes.

With an absolute focus on our core business, Radius Care consistently achieves industry leading metrics, including EBITDAR per bed.

Demand underpinned by population demographics¹



Portfolio oriented to high acuity and specialist care²



1. Source: Statistics New Zealand.

2. Source: Ministry of Health audit reports as disclosed on Ministry of Health website – <https://www.health.govt.nz/your-health/certified-providers/aged-care/> based on data as at 3 May 2024.

At a Glance



1,789
Care Beds

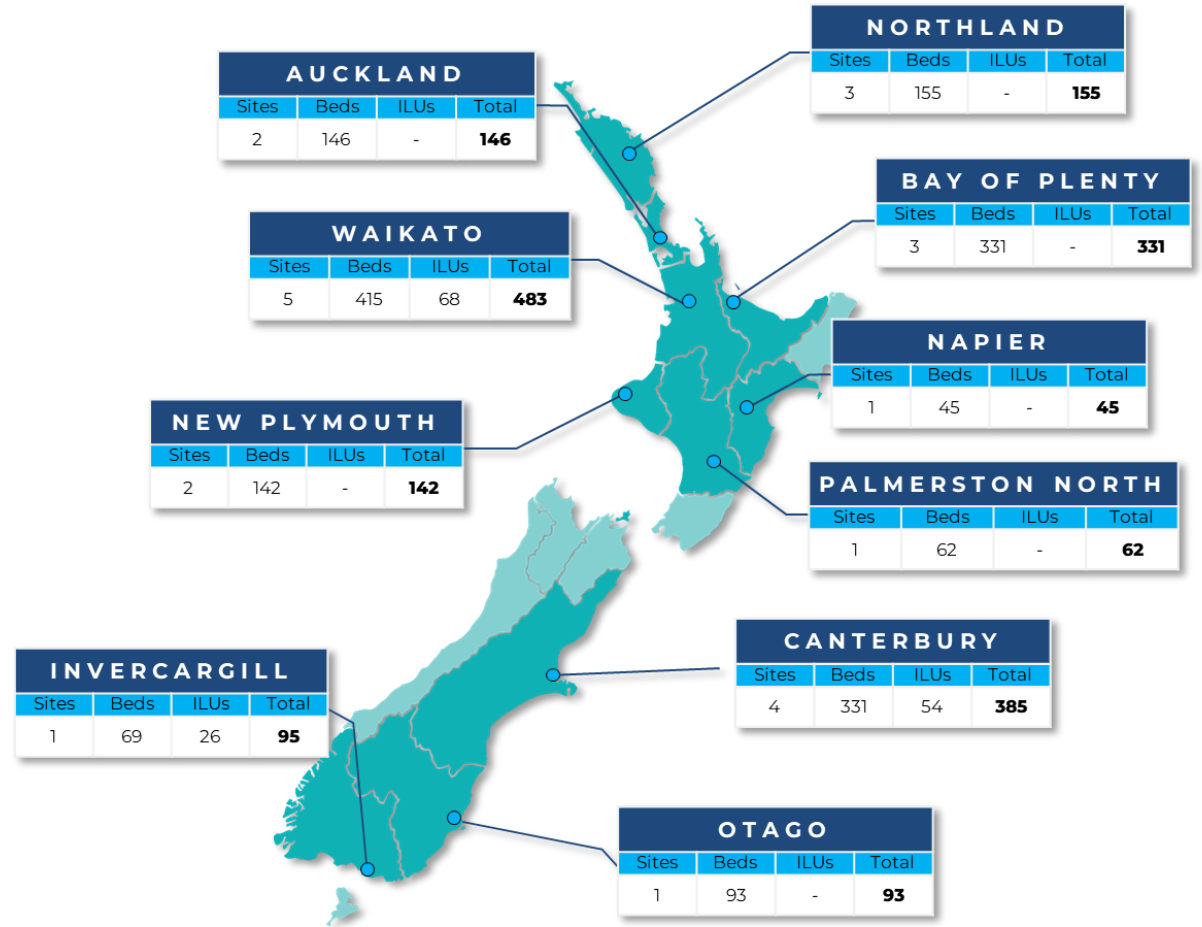


148
ILUs



1,700+
Employees

National aged care focused portfolio with strong regional presence, owing 12 and leasing 11 of the 23 sites nationwide



Key operational and financial metrics

Operating Metrics

	1H25	1H24	1H23	1H22
Number of Care Beds (period end) ¹	1,789	1,889	1,865	1,715
Average Care Bed Occupancy ²	92.3%	91.9%	91.5%	93.0%
Underlying EBITDAR per Care Bed ³ (000s)	\$13.4	\$12.2	\$10.6	\$10.3
Number of Units (period end) ⁴	148	148	147	76
Number of new Unit sales	-	-	-	4
Number of existing Unit resales	7	21	3	-
Realised gains on resales (m)	\$0.6	\$1.4	\$0.2	-
Realised development margins (m)	-	-	-	\$0.1
Average resale price (000s)	\$440	\$386	\$445	-
Average new unit sale price (000s)	-	-	-	\$403

Accommodation Supplements

	1H25	1H24	1H23	1H22
Accommodation Supplements Revenue	\$5.3m	\$4.8m	\$3.7m	\$3.1m
Number of Care Beds (period end) ¹	1,789	1,889	1,865	1,715
Number of Available Care Beds with Accommodation Supplements	1,253	1,289	1,265	1,147
Percentage of Care Beds with Accommodation Supplements	70.0%	68.2%	67.8%	66.9%

DMF terms for Retirement Village units

- 30% over three years
- average resident tenure is 4.7 years

Revenue Split

\$m	1H25	1H24	1H23	1H22
Aged Care	83.0	81.9	68.1	63.8
Retirement Village	1.9	2.6	1.2	0.7
Group support	0.5	(0.0)	0.6	0.4
Total revenue⁵	85.4	84.5	69.9	64.9

1. Comprises Care Beds occupied, available to be occupied or unavailable due to refurbishment.
 2. Total occupied Care Bed days divided by total Care Bed days available during the year.
 3. Pro forma Underlying EBITDAR for aged care (as set out in the lower right table) divided by the average number of Care Beds occupied during the year.

4. Comprises Units occupied, available to be occupied or unavailable due to refurbishment.
 5. Total revenue excludes Other income.

Financials

Statement of Comprehensive Income

- Underlying EBITDA +2% to \$10.6m.
- Underlying EBITDAR per Care Bed +10% to \$13.4k.
- Profit Before Tax +68% to \$2.8m
- Net Profit After Tax +39% to \$2.0m.

(\$000)	1H25	1H24
Revenue		
Revenue	84,213	83,308
Deferred management fees	1,162	1,162
Total revenue	85,375	84,470
Change in fair value of investment property	595	1,350
Interest Income	86	33
Total revenue and other income	86,056	85,853
Expenses		
Employee costs	(51,209)	(52,477)
Depreciation expense	(5,049)	(5,143)
Finance costs	(6,322)	(8,008)
Other expenses	(20,716)	(18,584)
Total expenses	(83,296)	(84,212)
Profit before income tax	2,760	1,641
Income tax expense	(788)	(223)
Profit for the period	1,972	1,418

Financials

Statement of Financial Position

(\$000)	1H25	FY24
Assets		
Cash and cash equivalents	66	2,350
Trade and other receivables	12,362	15,002
Inventories	594	554
Investment properties	74,277	73,528
Property, plant and equipment	117,419	117,310
Right-of-use assets	109,671	109,906
Intangible assets	16,063	16,063
Total assets	330,452	334,713
Liabilities		
Trade and other payables	17,859	19,990
Current tax liabilities	1,695	1,621
Borrowings	73,269	75,869
Deferred management fees	7,363	7,608
Refundable occupation right agreements	37,573	37,425
Lease liabilities	121,865	121,086
Cash flow hedge	163	-
Deferred tax liability	6,383	6,682
Total liabilities	266,170	270,281
Net assets	64,282	64,432
Equity		
Share capital	56,832	56,820
Reserves	9,439	9,578
Retained earnings	(1,989)	(1,966)
Total equity	64,282	64,432

Financials

Statement of Cash Flows

(\$000)	1H25	1H24
Cash flows from operating activities		
Receipts from residents for care fees and village fees	86,323	84,075
Payments to suppliers and employees	(73,593)	(76,479)
Proceeds from the sale of Refundable Occupation Right Agreements	3,080	6,204
Payments for the repurchase of Refundable Occupation Right Agreements	(2,011)	(1,789)
Interest received	86	32
Interest paid – borrowings	(3,296)	(4,766)
Interest paid – lease liabilities	(2,968)	(2,991)
Income tax (expense)/benefit	(1,014)	1,313
Net cash provided by operating activities	6,607	5,599
Cash flows from investing activities		
Proceeds from the sale of property, plant and equipment	14	889
Payments for the purchase of property, plant and equipment	(2,729)	(1,404)
Payments for village developments	(154)	(458)
Net cash used in investing activities	(2,869)	(973)
Cash flows from financing activities		
Proceeds from bank borrowings	2,250	-
Repayment of bank borrowings	(4,850)	-
Principal payments of lease liabilities	(1,428)	(1,340)
Dividends paid	(1,994)	-
Net cash provided by/(used in) financing activities	(6,022)	(1,340)
Reconciliation of cash and cash equivalents		
Cash and cash equivalents at beginning of the year	2,350	(2,379)
Net (decrease)/increase in cash and cash equivalents held	(2,284)	3,288
Cash and cash equivalents at end of period	66	908

Financials

Underlying Earnings and AFFO Calculation

(\$000)	1H25	1H24
Net Profit Before Tax	2,760	1,641
Remove: Change in fair value of investment property	(595)	(1,350)
Include: Realised gains on resales	595	1,350
Remove: Depreciation expense	5,049	5,143
Remove: Interest Income	(86)	-
Remove: Interest Expense	6,322	8,008
Include: Pre-NZ IFRS 16 operating lease expense	(4,397)	(4,341)
EBITDA	9,648	10,452
Underlying Adjustments	967	-
Underlying EBITDA	10,615	10,452
Net interest expense (bank and other loans)	(3,260)	(5,047)
Pre-NZ IFRS 16 tax (expense)/benefit	(1,116)	(521)
Depreciation expense	(2,607)	(2,017)
AFFO	3,632	2,867

Directory of care homes

OWNED			
CARE HOME	LOCATION	CARE BEDS	UNITS
St Helenas	Christchurch	52	-
Thornleigh Park	New Plymouth	87	-
Lexham Park	Katikati	63	-
Heatherlea	New Plymouth	55	-
Taupaki Gables	Kumeu	60	-
Windsor Court	Ohaupo	76	-
Elloughton Gardens	Timaru	86	-
Clare House	Invercargill	69	-
Clare House Village	Invercargill	-	26
Peppertree	Palmerston North	62	-
St Joans	Hamilton	82	-
Fulton Home	Dunedin	93	-
Windsor Court Village	Ohaupo	-	22
Elloughton Grange Village	Timaru	-	54
Matamata Country Lodge	Matamata	81	-
Matamata Retirement Village	Matamata	-	46
Total owned		866	148
Average owned		72	37

LEASED		
CARE HOME	LOCATION	CARE BEDS
Kensington	Hamilton	96
Potter Home	Whangarei	55
Rimu Park	Whangarei	55
Waipuna	Auckland	86
Hampton Court	Napier	45
Baycare	Northland	45
Matua	Tauranga	149
Althorp	Tauranga	119
Millstream ¹	Ashburton	80
Millstream Apartments ¹	Ashburton	19
Glaisdale	Hamilton	80
Hawthorne	Christchurch	94
Total leased		923
Average leased		77

- Average current lease term of 17.7 years.
- Average time to final expiry of 24.7 years.

TOTAL		
CARE HOME	CARE BEDS	UNITS
Leased	923	-
Owned	866	148
TOTAL	1,789	148

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This presentation sets out information relating to Radius Care's half year result for the period to 30 September 2024. As such, it should be read in conjunction with the unaudited consolidated financial statements for Radius Care and its subsidiaries for the period ended 30 September 2024 ("**Financial Statements**") and other material that Radius Care has released to NZX along with this presentation. That material is also available at www.radiuscare.co.nz.

In certain sections of this presentation, Radius Care has chosen to present certain financial information exclusive of the impact of significant items. A number of non-GAAP financial measures are used in this presentation which are used by management to assess the performance of the business and have been derived from the Financial Statements. You should not consider any of these financial measures in isolation from, or as a substitute for the information provided in the Financial Statements.

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