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NZX & ASX RELEASE

Ryman's operating performance up 56% as aged care momentum builds

25 November 2026

Ryman Healthcare today announced its first-half result for the six months ended 30 September 2026, demonstrating how its operational reset is translating into sustained growth in recurring earnings, significantly improved aged care profitability and continued positive free cash flow.

Chief Executive Naomi James said the result showed Ryman was increasingly driving more value from its existing portfolio while benefiting from strong underlying demand for aged care and retirement living.

"Two years ago, we set out to strengthen Ryman by improving capital discipline, resetting pricing and simplifying support structures. We're now seeing the benefits of that work, with a stronger business, a higher performing portfolio and significant opportunities ahead."

1H27 highlights:

- Reported revenue up 12% to $464.1 million from $413.8 million
- Financial performance improved with group operating EBITDAF up 56% driven by improved occupancy, increased pricing and operational efficiencies
- Aged care profitability per bed up 59% to $24.3k and on track to deliver the upper end of FY27 guidance range
- 7% growth in resales and 130-unit reduction in new sales stock in subdued property market conditions
- Sustained positive free cash flow of $49.2 million
- Land sales reaching $183 million, or 73% of the $250 million target, following a further $35.9 million of sales announced today
- Reported loss before tax and fair value movements (PBTF) reduced to -$25.9 million (-2.5cps) from -$43.4m (-4.3cps)
- Strong balance sheet with gearing of 27.8%, debt headroom of ~$700 million and no debt maturities until FY31, following planned repayment of RYM010 in December 2026
- Expect to be more than half-way towards FY29 targets of $150 million sustainable cash flow improvement and $500 million cash release by the end of FY27

Aged care drives growth as occupancy hits 94.1% and earnings per bed lift 59%

Aged care continued to be the company's strongest earnings growth driver during the first half, contributing 92% of the increase in Operating EBITDAF.

Aged care profitability per bed increased 59% to $24.3k, reflecting higher occupancy and accommodation pricing, improved utilisation and growing demand for premium accommodation options. Following aged care reforms in Australia, Ryman now generates approximately twice as much care revenue per bed in Australia as in New Zealand, highlighting the significant difference in funding settings between the two countries.

Occupancy increased from 91.1% in 1H26 to 94.1% driven by filling of recently developed centres, including Kevin Hickman Village, which is now full after opening just 15 months ago.

James said aged care was increasingly becoming the engine of near-term earnings growth for the business.

"Demand for aged care continues to grow in both New Zealand and Australia, underpinned by powerful demographic trends and the quality of our offering. Our integrated continuum-of-care model and the quality and scale of our care capacity remains a key point of difference."

New products giving residents and families greater flexibility and choice

Ryman continued expanding products designed to provide residents and families with greater flexibility, affordability and choice.

The Resident Fund product was expanded across Ryman's New Zealand portfolio in September 2026, allowing residents to use capital from their retirement village unit to fund both care accommodation charges and base care fees. Positive uptake from residents so far has increased the Resident Fund to $39 million.

The company also continued the rollout of Ryman Select, its flexible assisted-living model that allows residents to tailor services to their individual needs. Approximately one-third of serviced apartment applicants selected the offering where it was available.

Ryman continued to see strong growth in home care services, supporting residents to remain independent for longer while accessing the care and support they need within their village. In Australia, more than half of serviced apartment residents and a quarter of independent residents now receive home care from Ryman, while in New Zealand 1,700 independent residents are now receiving home care services from Ryman, despite this service currently only being privately funded.

James said these innovations were helping make care more responsive to the needs of residents and simplify the transition to different levels of care.

"Our focus is on making accessing the care you need, when you need it, as simple and flexible as we can. This includes meeting the evolving needs of our residents, delivering more care in the home and higher acuity care in residential aged care settings.

"Products like the Resident Fund and Ryman Select are helping remove barriers for residents and families while also supporting occupancy growth, premium accommodation uptake and long-term earnings."

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Resales growth and vacant stock fall despite a challenging housing market

Retirement living performance continued to improve despite ongoing softness in housing markets across New Zealand and Australia.

Resales increased 7% to 577 from 538 in 1H26, driven by stronger serviced apartment sales.

Second-quarter resale volumes reached an eight-quarter high and net resale contracts increased 11% compared with 2Q26.

Total vacant stock reduced by 67 units, contributing to the significant progress towards the company's $500 million cash release target.

James said improving performance reflected actions being taken within the business rather than improvements in broader market conditions.

"Housing markets remain challenging, particularly for independent living customers needing to sell their own homes to move into a village, but we're continuing to work to make the move into the village easier for our customers and taking action within our control.

"Demand for serviced apartments continues to grow strongly, supported by the increased need for assisted-living and demographic trends as the acuity of residential aged care rises.

"Product innovation, increased customer choice, targeted sales initiatives and a continued focus on the customer experience are contributing to improving momentum across retirement living.

"We're entering the second half with a healthy contract book as we work towards lifting resales to match turnover by the end of FY27."

Disciplined development providing flexibility for future growth

Ryman has significantly reduced its development exposure over the past two years, moderating its construction programme, to now have only one site under construction.

Development activity remains focused on completing existing villages. In October 2026, the main building at Richard Hadlee Village in Christchurch opened adding 77 retirement living units and 65 care beds. The company is on track to deliver at the top-end of its build rate guidance for FY27, while capex is tracking to the bottom-end of guidance.

The company today announced three unconditional land sales (Rolleston, Riccarton and Hornby) worth $35.9 million, taking contracted and settled land sales to $183 million.

James said following its shift to an outsourced development model, Ryman's approach to building new villages has fundamentally changed.

"We've significantly reduced our fixed costs, development exposure and the capital required to support our business, while retaining a high-quality development pipeline across New Zealand and Australia. This positions us for future growth when market conditions and expected returns support further investment.

"Our Australian greenfield development sites are being redesigned to give us greater flexibility to deliver care across the villages, enable phased construction and reduce capital intensity.

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"At the same time, we're continuing to invest in our existing New Zealand villages, where we see significant opportunities to improve the resident experience, support occupancy and improve returns."

Strong balance sheet provides flexibility and optionality

Ryman continued to strengthen its balance sheet and improve financial flexibility through disciplined capital management and execution of its capital release programme.

Ryman ended the half with gearing of 27.8%, among the lowest in the sector, and following the planned repayment of RYM010 bonds in December 2026, has no debt maturities until FY31 and approximately $700 million of debt headroom. The company also successfully completed a $150 million retail bond offer, attracting demand approximately three times the amount available.

Chief Financial Officer Matt Prior said Ryman's stronger balance sheet and strategic shift towards recurring earnings and cash generation had significantly improved its financial position.

"We began repositioning Ryman two years ago, strengthening our balance sheet ahead of the market conditions we are now seeing. That early action has put us in a stronger position today, with a business that is less exposed to property market cycles and the capital requirements of development.

"The balance sheet gives us flexibility to continue to execute our transformation, improve returns from our existing portfolio and pursue attractive growth opportunities as market conditions allow.

"It also provides options to return capital to shareholders and pursue selective acquisitions over time."

Bipartisan support builds for aged care funding reform

Recent work by the Aged Care Ministerial Advisory Group and aged care specialist consultancy StewartBrown has strengthened the case for aged care funding reform in New Zealand and prompted bipartisan support for long-term sustainable funding of the sector.

James said the reports provide the evidence for a national conversation about how aged care is funded and delivered in New Zealand.

"The findings of the Ministerial Advisory Group and StewartBrown reports clearly show Government funding does not cover the cost of care, or support investment to deliver future care beds. Aged care in New Zealand needs greater funding from Government, and more flexible funding settings to ensure continued provision of aged care beds as the number, life expectancy and care acuity of ageing New Zealanders increase.

"We look forward to working with the incoming Government, and all parties, to improve the sector's sustainability in the near term, alongside structural change that delivers a sustainable health system for all New Zealanders."

Significant progress towards FY29 targets

With the progress made in the first half, Ryman now expects aged care profitability at the upper end of its FY27 guidance.

Ryman is tracking to reduce vacant stock through the year and continues to target lifting resales to match turnover by the end of FY27.

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James said the progress achieved over the past two years was strengthening management's confidence in delivering its FY29 cash flow targets.

"Despite subdued housing market conditions, we're delivering significant improvements in portfolio performance through growth in high-quality recurring earnings. That progress is showing up clearly against our FY29 targets and we expect to be more than half-way towards achieving our targeted $150 million sustainable cash flow improvement and $500 million cash release by the end of FY27.

"Demand for retirement living and care is underpinned by structural, rather than cyclical, factors demonstrating the strength of our integrated model**.** As property market conditions improve, we expect further upside in cash generation as resales lift and paid out stock balances reduce.

"We have a stronger balance sheet, a growing aged care and assisted-living platform in what is the strongest growing part of the market, and significant opportunities to improve returns over time.

"The reset is behind us. Our focus now is on unlocking the full value of our portfolio and delivering great care for our residents and sustainable long-term growth for shareholders."

ENDS

Authorised by
Morgan Powell
General Counsel

Non-GAAP financial measures

This release includes non-GAAP financial measures such as operating EBITDAF, profit/(loss) before tax and fair value movements (PBTF), revenue per bed, profitability per bed, free cash flow and gearing. These do not have a standard meaning prescribed by GAAP and therefore may not be comparable to information presented by other entities. Definitions and additional detail on these measures can be found in Ryman's 1H27 Results Presentation accompanying this release. These measures are presented to assist investors in understanding Ryman's performance and financial position and should not be considered in isolation or as a substitute for the Group's NZ IFRS financial information for the six months ended 30 September 2026 (unaudited).

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About Ryman

Founded in Christchurch in 1984, Ryman Healthcare is New Zealand's largest retirement living and aged care provider, and the leading integrated retirement living and aged care operator in Victoria. Dual listed on the NZX and ASX, Ryman owns and operates 47 integrated retirement villages across New Zealand and Australia, providing homes to over 15,500 residents and employing 7,900 dedicated team members.

Ryman's villages provide a fully integrated continuum of care, bringing together independent living, assisted living, and aged care services within a single community. This model offers residents choice, continuity, and a genuine home for life experience as their needs change, while giving families confidence and peace of mind. Committed to high standards of quality and service, Ryman delivers exceptional living and care experiences alongside long-term value for residents, families, and shareholders.

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