MEDIA RELEASE
22 NOVEMBER 2023

OCEANIA CONTINUES THE TRANSFORMATION OF ITS PORTFOLIO

Oceania today announced unaudited Underlying Earnings before interest, tax, depreciation and amortisation (u/EBITDA[1]) of $37.6m for the six months ended 30 September 2023.

Highlights

- Total assets increased to $2.7bn, a 6% increase since 31 March 2023 which includes the completion of 17 apartments at The Helier (Auckland), 46 apartments at The Bellevue Stage Two (Christchurch) and four villas at Stoke Village (Stoke) plus the acquisition of adjacent parcels of land at our Bream Bay and St Heliers sites.
- Net assets increased to $1.0bn from $962.3m as at 31 March 2023.
- Operating cashflow increased to $48.0m for the six months to 30 September 2023, 53% above pcp.
- Undrawn net debt headroom of $113.9m and gearing of 37.7%, as at 30 September 2023.
- Total sales volumes were up 13% ahead on pcp including a 38% uplift in new sale volumes of 84 independent living units (ILU) and care suites.
- Divested, closed and exited leasehold interests at six care centres and villages.

30 September 2023 unaudited GAAP statutory measures 6 months vs 6 months

$m's	6 months to 30 September	6 months to 30 September	Growth	
	2023	2022	$m	%
Operating Revenue	131.6	122.1	9.5	8%
Reported NPAT	35.2	11.2	24	214%
Operating Cashflow	48.0	31.4	16.6	53%
Dividend (cents per share)	nil	1.9		
$m's	**As at 30 September**	**As at 31 March**	**Growth**	
	2023	**2023**	**$m**	**%**
Total Assets	2,689.8	2,544.9	144.9	5.7%
Net Assets	1,017.3	962.3	55.0	5.7%

30 September 2023 unaudited non-GAAP[1] trading measures 6 months vs 6 months

$m's	6 months to 30 September	6 months to 30 September	Growth	
	2023	2022	$m	%
Underlying EBITDA	37.6	38.7	(1.1)	(2.7%)
Underlying NPAT	27.4	27.8	(0.4)	(1.4%)
Sales Volume	255	226	29	13%
Occupancy %	90.3%	91.0%		

[1] Underlying NPAT is a non-GAAP (unaudited) financial measure and differs from Reported NPAT by replacing the unrealised fair value adjustment in property values with the Board's estimate of realised components of movements in investment property value and to eliminate other unrealised, deferred tax and one-off items. A reconciliation is included within the Interim Report and the Investor Presentation.

MEDIA RELEASE
22 NOVEMBER 2023

Oceania's unaudited underlying EBITDA was $37.6m for the six month period ended 30 September 2023 (1HY2024).

Oceania has continued to transform its property portfolio with significant capital investment and site divestments and closures, with total assets now $2.7bn, representing 6% growth since 31 March 2023. The increase includes the acquisition of adjacent parcels of land at our Bream Bay and St Heliers sites. Further increase has arisen from the positive fair value movements of $61.6m and other development spend during the period.

CEO Brent Pattison said "Our development portfolio has progressed well with a leading portfolio of premium, bespoke and newly developed boutique residences."

As at 30 September 2023, Oceania had undrawn net debt headroom of $113.9m and gearing of 37.7% representing drawn debt and bonds of $621.4m and $10.3m of cash and is compliant with all bank facility covenants. Oceania CEO, Brent Pattison noted "We have a diversified debt profile with a long dated corporate bond program and a syndicated banking facility which is in place to support the execution of our strategic plan."

Oceania has divested, closed and exited leasehold interests at six care centres and villages. The sale of two Auckland sites was completed on 29 August 2023 at an amount above independent valuation. We have seven remaining sites held for sale as at 30 September 2023 with carrying valuation of $43.0m net of held for sale ORA liabilities.

Oceania Chair, Liz Coutts said "Oceania recognises the importance of climate resilience in long term value creation and continues to make strides in its climate risk disclosure preparation. With our commitment to setting a science-based greenhouse gas emissions reduction target, we are submitting this target to the SBTi for validation. In the meantime, we continue to progress with steps in our emissions reduction plan to tackle our scopes 1 and 2 emissions."

The development margin for the period reflects this with a moderation from prior comparative periods of 31.7% to 21.0% in ILU product and 39.0% to 29.9% in our care suite product.

CEO Brent Pattison commented "We have achieved increased sales volumes in the period, particularly in regional locations outside of Auckland. We expect stronger development margins as we sell down our new apartment developments in urban precincts across New Zealand.''

Oceania Chair Liz Coutts advises that "The Directors have resolved not to pay an interim dividend to provide for ongoing investment in Oceania's growth and portfolio transformation. The Directors will consider a resumption of paying dividends at the next reporting date, after taking into consideration, cash flow, market conditions and growth opportunities."

ENDS

For all enquiries, please email investor@oceaniahealthcare.co.nz or phone 0800 333 688.