2025 Interim Report
Arvida Group Limited

CONTENTS

Villas at Queenstown Country Club

LETTER FROM THE CHAIRMAN

Dear Shareholders,

I am pleased to present Arvida's unaudited financial results for the six months ending 30 September 2024.

In a difficult property market and weak economic environment, Arvida has delivered a solid financial result in line with market expectations. Operating EBITDA increased 13% on the prior period to $44.1 million, underscoring the progress made on initiatives aimed at enhancing financial performance.

Net profit after tax of $64.0 million included a fair value gain on investment property of $72.9 million (1H24: $88.6 million), supported by ongoing development activity and continued resale price momentum during the period.

A development milestone for the period was the delivery of 62 new care suites at Queenstown Country Club, representing another step forward in our care strategy. We remain on track to deliver a total of 140-150 new units by the close of FY25 in line with guidance provided.

Looking forward, Arvida is well-positioned to continue to grow and meet the rising demand for quality retirement living in New Zealand.

On 20 November 2024, the final step in the shareholder-approved scheme of arrangement with Stonepeak is expected to complete. Should the scheme become unconditional, Shareholders will receive NZ$1.70 per share in cash pursuant to the Scheme. The Scheme is the culmination of a programme the Board embarked on to accelerate the recognition of the Company's intrinsic value for shareholders.

On behalf of the Board, I would like to acknowledge the contribution of all the Arvida team for their continued commitment to ensuring the well-being of our residents and communities. Providing aged care services successfully requires a genuine commitment to care and wellbeing, only achieved through a culture focused on our residents.

Anthony Beverley
Chair of the Board

ARVIDA AT A GLANCE

We own, operate and build retirement living communities in New Zealand.

We were formed in 2014 when we listed on the New Zealand stock exchange with 18 retirement villages. Since then, we have grown to become one of New Zealand's largest retirement living and aged care groups operating in 35 locations across the country.

6750+
RESIDENTS

5677
UNITS AND CARE BEDS

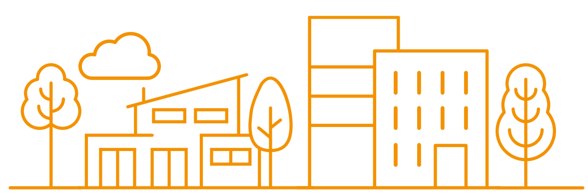
2900+
TEAM MEMBERS

1800+
UNITS IN DEVELOPMENT PIPELINE

35
COMMUNITIES

42%
NEEDS-BASED UNITS[1]

35
ESG SCORE[2]



[1] Calculated as a ratio of care beds, care suites and serviced apartments to total portfolio units.
[2] Published by S&P Global, top quartile score of global industry group.

FINANCIAL HIGHLIGHTS[3]

$000	6 months September 2024 Unaudited	6 months September 2023 Unaudited	12 months March 2024 Audited
Total revenue	125,532	122,110	247,160
Net profit after tax (NZIFRS)	63,986	90,035	139,363
Net operating cash flow	79,519	45,626	144,424
Total assets	4,309,618	4,014,349	4,204,825

UNDERLYING PROFIT RECONCILIATION[4]

$000	6 months September 2024 Unaudited	6 months September 2023 Unaudited	12 months March 2024 Unaudited
Net profit after tax (NZIFRS)	**63,986**	**90,035**	**139,363**
Changes in fair values	(70,375)	(90,653)	(166,698)
Deferred tax	(9,531)	(4,244)	6,513
Impairment of goodwill	0	0	2,059
Loss on village divestment	1,097	0	0
One-off costs[5]	1,166	(800)	2,362
Gain on resales	36,283	27,189	73,846
Development margin on new units	8,082	12,107	27,907
Underlying Profit	**30,708**	**33,634**	**85,352**
Operating EBITDA[6]	**44,086**	**38,970**	**95,225**

[3] Refer to the financial statements for the period and the accompanying notes.
[4] Underlying Profit is a non-GAAP (unaudited) financial measure and differs from NZ IFRS net profit after tax 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.
[5] Non-operating one-off items that relate to insurance (material damage) and transactional activity.
[6] Operating EBITDA is a non-GAAP (unaudited) financial measure that adds back interest and depreciation to Underlying Profit and excludes development gains on sale of new occupation rights.

Clubhouse at Te Puna Waiora

Consolidated Interim Statement of Comprehensive Income

For the six months ended 30 September 2024 (unaudited)

$000	Note	6 months Sept 2024 Unaudited	6 months Sept 2023 Unaudited	12 months March 2024 Audited
Income				
Care fees and village services		84,659	83,416	168,798
Deferred management fees		35,743	33,736	68,222
Other income		5,130	4,958	10,140
Total revenue		**125,532**	**122,110**	**247,160**
Insurance Recoveries		2,112	8,410	13,804
Loss on divestment of villages		(1,097)	0	0
Change in fair value of investment property	4	72,932	88,564	164,955
Change in fair value of interest rate swaps		(3,900)	(773)	(488)
Change in fair value in property, plant and equipment		0	47	93
Share of profit arising from joint venture		1,471	2,733	1,878
Total income		**197,050**	**221,091**	**427,402**
Expenses				
Employee costs		75,444	75,087	156,048
Property costs		18,406	17,146	32,994
Depreciation and amortisation		4,189	4,301	9,125
Impairment of goodwill		0	0	2,059
Finance costs		17,271	13,142	28,655
Transaction costs		1,166	0	362
Other expenses		26,085	25,624	52,181
Total expenses		**142,561**	**135,300**	**281,424**
Profit before tax		**54,489**	**85,791**	**145,978**
Income tax expense / (credit)	3	(9,497)	(4,244)	6,615
Profit after tax		**63,986**	**90,035**	**139,363**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss:				
Net gain / (loss) on revaluation of property, plant and equipment		680	670	(1,724)
Total comprehensive income		**64,666**	**90,705**	**137,639**
Earnings per share:				
Basic (cents per share)	8	**8.81**	12.40	19.15
Diluted (cents per share)	8	**8.79**	12.37	19.09

The accompanying notes on pages 10-19 form an integral part of these interim financial statements.

Consolidated Interim Statement of Changes in Equity

For the six months ended 30 September 2024 (unaudited)

$000	Note	Retained Earnings	Asset Revaluation Reserve	Share Based Payment Reserve	Share Capital	Total
Opening Balance at 1 April 2023		**467,024**	**39,628**	**318**	**887,010**	**1,393,980**
Profit for the period		90,035	0	0	0	90,035
Other comprehensive income		0	670	0	0	670
Total comprehensive income		**90,035**	**670**	**0**	**0**	**90,705**
Dividends paid		(17,005)	0	0	0	(17,005)
Share based payments	7	0	0	(134)	0	(134)
Share capital issued dividend reinvestment plan	7	0	0	0	5,194	5,194
Balance at 30 September 2023 (unaudited)		**540,054**	**40,298**	**184**	**892,204**	**1,472,740**
Opening Balance at 1 October 2023		**540,054**	**40,298**	**184**	**892,204**	**1,472,740**
Profit for the period / (loss)		49,328	0	0	0	49,328
Other comprehensive income		0	(2,394)	0	0	(2,394)
Total comprehensive income		**49,328**	**(2,394)**	**0**	**0**	**46,934**
Dividends paid		(8,735)	0	0	0	(8,735)
Share based payments	7	0	0	276	0	276
Share capital issued dividend reinvestment plan	7	0	0	0	2,792	2,792
Balance at 31 March 2024 (audited)		**580,647**	**37,904**	**460**	**894,996**	**1,514,007**
Opening Balance at 1 April 2024		**580,647**	**37,904**	**460**	**894,996**	**1,514,007**
Profit for the period		63,986	0	0	0	63,986
Other comprehensive income		0	680	0	0	680
Total comprehensive income		**63,986**	**680**	**0**	**0**	**64,666**
Dividends paid		0	0	0	0	0
Share based payments	7	0	0	(210)	0	(210)
Share capital issued dividend reinvestment plan	7	0	0	0	0	0
Transfer revaluation reserve of divestments		1,495	(1,495)	0	0	0
Balance at 30 September 2024 (unaudited)		**646,128**	**37,089**	**250**	**894,996**	**1,578,463**

The accompanying notes on pages 10-19 form an integral part of these interim financial statements.

Consolidated Interim Balance Sheet

As at 30 September 2024 (unaudited)

$000	Note	As at Sept 2024 Unaudited	As at Sept 2023 Unaudited	As at March 2024 Audited
Assets				
Cash and cash equivalents		3,865	6,393	4,679
Trade receivables and other assets		20,269	18,344	11,592
Held for sale	10	0	0	63,252
Insurance recoveries receivable	9	15,000	8,538	13,273
Tax receivable		1,399	1,526	1,594
Resident advances		23,510	21,289	38,575
Accrued income		5,273	6,029	5,517
Property, plant and equipment		191,806	205,095	189,893
Investment properties	4	3,992,563	3,688,589	3,821,765
Investment in joint venture		39,208	39,692	37,937
Intangible assets		16,725	18,854	16,748
Total assets		**4,309,618**	**4,014,349**	**4,204,825**
Liabilities				
Trade and other payables		56,396	50,183	37,478
Held for sale	10	0	0	33,101
Employee entitlements		19,849	15,711	19,518
Revenue in advance		143,548	131,917	136,286
Interest rate swaps		14,856	11,241	10,956
Lease liability		6,358	6,313	5,849
Interest bearing loans and borrowings	6	769,298	753,198	780,288
Resident's loans	5	1,716,436	1,571,373	1,653,696
Deferred tax liabilities		4,414	1,673	13,646
Total liabilities		**2,731,155**	**2,541,609**	**2,690,818**
Net assets		**1,578,463**	**1,472,740**	**1,514,007**
Equity				
Share capital	7	894,996	892,204	894,996
Reserves		37,339	40,482	38,364
Retained earnings		646,128	540,054	580,647
Total equity		**1,578,463**	**1,472,740**	**1,514,007**

The accompanying notes on pages 10-19 form an integral part of these interim financial statements.

Consolidated Interim Statement of Cash Flow

For the six months ended 30 September 2024 (unaudited)

$000	Note	6 months Sept 2024 Unaudited	6 months Sept 2023 Unaudited	12 months March 2024 Audited
Cash flows from operating activities				
Receipts from residents for care fees and village services		85,502	91,436	183,208
Receipts of residents' loans from resales		135,178	70,743	199,103
Receipts of residents' loans from new sales		61,911	44,158	127,939
Interest received		273	368	757
Payments to suppliers and employees		(119,336)	(118,068)	(235,454)
Repayments of residents' loans		(75,786)	(33,566)	(109,554)
Insurance recoveries received		385	410	4,081
Interest paid		(8,804)	(9,772)	(25,505)
Income tax paid		196	(83)	(151)
Net cash inflow from operating activities		**79,519**	**45,626**	**144,424**
Cash flows from investing activities				
Insurance recoveries received		0	12,162	9,150
Purchase of property, plant and equipment and intangible assets		(4,059)	(6,315)	(5,015)
Purchase of investment properties		(86,484)	(161,880)	(274,534)
Proceeds from sale of assets		29,054	0	5,579
Capitalised interest paid		(5,922)	(11,096)	(24,211)
Dividends received		200	300	1,200
Net cash (outflow) from investing activities		**(67,211)**	**(166,829)**	**(287,831)**
Cash flows from financing activities				
Proceeds from borrowings		43,842	142,000	184,431
Repayment of borrowings		(55,231)	(12,000)	(27,000)
Transaction costs		(1,166)	0	(362)
Payments for lease liabilities		(567)	(487)	(1,123)
Dividends paid		0	(11,811)	(17,754)
Net cash inflow from financing activities		**(13,122)**	**117,702**	**138,192**
Net increase / (decrease) in cash and cash equivalents		**(814)**	**(3,501)**	**(5,215)**
Cash and cash equivalents at the beginning of the financial period		4,679	9,894	9,894
Cash and cash equivalents at the end of the financial period		**3,865**	**6,393**	**4,679**

The accompanying notes on pages 10-19 form an integral part of these interim financial statements.

Notes to the Consolidated Interim Financial Statements

For the six months ended 30 September 2024 (unaudited)

1 General Information

Arvida Group Limited (the "Group" or the "Company") is a for-profit, limited liability company incorporated and domiciled in New Zealand. Arvida Group Limited is registered under the Companies Act 1993. The Company is an FMC Reporting Entity in terms of Part 7 of the Financial Markets Conduct Act 2013 ("the Act") and is listed on the NZX Main Board (the "NZX"). The Company's registered office is 29 Customs Street West, Auckland Central, Auckland.

The Group is in the business of owning, operating and developing retirement villages and care facilities for the elderly in New Zealand.

These consolidated interim financial statements ("interim financial statements") have been approved for issue by the Board of Directors on 19 November 2024.

The Directors believe it remains appropriate that the financial statements have been prepared under the going concern convention.

Basis of Preparation

These interim financial statements have been prepared:

- in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and comply with NZ IAS 34 Interim Financial Reporting and IAS 34 Interim Financial Reporting;
- using the same accounting policies and methods of computation as were followed in the Group annual financial statements for the period ended 31 March 2024;
- in accordance with the requirements of the Financial Markets Conduct Act 2013;
- under the historical cost convention, as modified by the revaluation of investment properties, land and buildings (included in property, plant and equipment) and derivatives;
- on the liquidity basis where the assets and liabilities are presented on the balance sheet in the order of their liquidity;
- in New Zealand dollar terms, rounded to the nearest thousand dollars; and
- with all amounts shown exclusive of goods and services tax ("GST"), other than trade debtors and trade creditors, except where the amount of GST incurred is not recoverable from the taxation authority. When this occurs, the GST is recognised as part of the cost of the asset or as an expense, as applicable.

These interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Group annual financial statements for the period ended 31 March 2024.

Critical Accounting Estimates and Judgements

The preparation of the interim financial statements, in line with NZ IFRS, requires the use of certain critical accounting estimates and judgements. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The Directors, in determining the appropriate treatment, have carefully evaluated all of the available information and consider the adopted policies to be appropriate.

Judgements used remain materially unchanged from the financial statements for the period ended 31 March 2024, aside from the assumptions around expected period of tenure used for revenue recognition and the fair value of investment property which has since had a valuation undertaken. Further detail on revenue recognition assumptions are available in note 2 and on the fair value of investment properties in note 4.

Basis of Consolidation

The Group's interim financial statements are prepared by consolidating the interim financial statements of all entities that comprise the Group, being Arvida Group Limited and its subsidiaries. Consistent accounting policies are employed in the preparation and presentation of the Group's interim financial statements. All intercompany transactions and balances, and unrealised profits arising within the Group are eliminated in full.

Segment Reporting

An operating segment is a component of an entity that engages in business activities which earn revenue and incur expenses and where the chief operating decision maker reviews the operating results on a regular basis and makes decisions on resource allocation.

The Group operates in one operating segment being the provision of aged-care in New Zealand. The chief operating decision maker, the Board of Directors, reviews the operating results on a regular basis and makes decisions on resource allocation based on the review of Group results and cash flows as a whole. The nature of the products and services provided and the type and class of customers have similar characteristics within the operating segment. All revenue earned and assets held are in New Zealand.

2 Income

Information about Major Customers

The Group derives care fee revenue in respect of eligible Government subsidised aged care residents who receive rest home, dementia or hospital level care. Government aged care subsidies received from Te Whatu Ora included in care fees and village services amounted to $41.2 million (31 March 2024: $85.2 million; and 30 September 2023: $42.6 million).

Key Judgements and Estimates

Deferred management fees are recognised as revenue on a straight-line basis. This requires management to estimate the period of occupancy for units and serviced apartments. The expected periods of tenure, being based on historical results, experience and industry averages, are estimated at 6.8 to 9.3 years (31 March 2024: 6.7 to 9.3 years; and 30 September 2023: 6.8 to 9.2) for independent apartments and villas and are estimated at 2.7 to 5.2 years (31 March 2024: 2.7 to 5.2 years; and 30 September 2023: 2.7 to 5.1 years) for care suites and serviced apartments.

3 Income Tax Expense

$000	6 months Sept 2024 Unaudited	6 months Sept 2023 Unaudited	12 months March 2024 Audited
Reconciliation to profit before tax			
Profit before tax	54,489	85,791	145,978
Tax at 28%	**15,257**	**24,021**	**40,874**
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:			
Changes in fair values	(20,421)	(24,798)	(46,187)
Share of profit arising from joint venture (net of tax)	(412)	(765)	(526)
Non-taxable income and non-deductible expenditure	748	131	1,020
Other	(4,669)	(2,833)	11,434
Income tax expense	**(9,497)**	**(4,244)**	**6,615**

4 Investment Properties

$000	As at Sept 2024 Unaudited	As at Sept 2023 Unaudited	As at March 2024 Audited
Balance at beginning of period	3,821,765	3,427,005	3,427,005
Additions	97,866	173,020	287,308
Assets held for sale	0	0	(54,716)
Disposals	0	0	(4,079)
Reclassification from / (to) property, plant and equipment	0	0	1,292
Fair value movement - unrealised	72,932	88,564	164,955
Total investment property	**3,992,563**	**3,688,589**	**3,821,765**
Valuation of managers' net interest	1,765,905	1,628,855	1,698,515
Development land	155,335	147,360	151,925
Investment property under construction	216,612	215,113	186,784
Liability for residents' loans	1,716,436	1,571,373	1,653,772
Net revenue in advance / (accrued revenue)	138,275	125,888	130,769
Total investment property	**3,992,563**	**3,688,589**	**3,821,765**

Recognition and Measurement

Investment properties are held to earn rental income and for capital appreciation. They comprise land and buildings and associated equipment and furnishings related to independent living units, serviced apartments, care suites and common facilities in the retirement village. Investment properties include land acquired with the intention of constructing a retirement village. All retirement village units that are contracted with an ORA are classified as investment property as the majority of the net operating cash flows generated are for the purpose of earning rental income and capital appreciation.

Investment properties under construction are measured at cost. Investment property is initially recognised at cost and subsequently measured at fair value with any change in fair value recognised in profit or loss.

The Group's policy is that a full valuation of the investment properties should be undertaken at each year end and a desktop review should be undertaken at each interim period. Due to the impending Scheme of Implementation agreement (refer to note 12 for further information), a full valuation has been undertaken at 30 September 2024.

CBRE and JLL completed a full valuation as at 30 September 2024 to determine the current valuation of each property. The valuation indicated an overall uplift in the valuation of the properties of $72.9 million which has been recognised as a change in the fair value of investment properties in the consolidated interim statement of comprehensive income. CBRE and JLL obtained key information (resident schedules and sales data) associated with each property.

Key Judgements and Estimates

The fair value of investment property is determined on a six monthly basis. The fair value of completed investment properties and development land has been determined by Michael Gunn, an independent registered valuer, of the firm CBRE and Glenn Loraine, an independent registered valuer of the firm JLL. A valuation method for investment properties was used based on a discounted cash flow ("DCF") model. CBRE used expected cash flows for a 20-year period and JLL used expected cash flows for a 25-year period.

Development land has been valued using a sales comparison approach.

Assumption Estimate Used	Estimate Used
Land $/ha	Between $0.6 million and $23.1 million (31 March 2024: $0.5 million and $22.5 million; and 30 September 2023 $0.5 million and $30.1 million)
Land $/unit	Between $0.0 million and $0.3 million (31 March 2024: $0.0 million and $0.3 million; and 30 September 2023 $0.0 million and $0.2 million)

The valuation of investment property includes within its forecast cash flows, the Group's expected costs relating to any known or anticipated remediation works. The fair value as determined by the independent valuer is adjusted for assets and liabilities already recognised in the balance sheet which are also reflected in the DCF. As the fair value of investment property is determined using inputs that are unobservable, the Group has categorised investment property as level 3 under the fair value hierarchy in accordance with NZ IFRS 13 'Fair Value Measurement'. Significant assumptions used by the valuer include:

Assumption	Estimate Used
Occupancy periods of units	Stabilised departing occupancy of 6.8 to 9.3 years (31 March 2024: 6.7 to 9.3 years; and 30 September 2023: 6.8 to 9.2 years) for independent apartments and villas and 2.7 to 5.2 years for care suites and serviced apartments (31 March 2024: 2.7 to 5.2 years; and 30 September 2023: 2.7 to 5.1 years)
House price inflation	Between 0.0% and 3.5% (31 March 2024: 0.0% and 3.5%; and 30 September 2023: 0.0% and 3.5%)
Discount rate	Between 12.75% and 16.5% (31 March 2024: 12.75% and 16.5%; 30 September 2023: 12.5% and 16.5%)
Average age on entry	Between 72 and 83 years (31 March 2024: 72 and 83 years; 30 September 2023: 73 and 83 years) for independent apartments and villas and between 80 and 87 years (31 March 2024: 81 and 87 years; and 30 September 2023: 80 and 91 years) for care suites and serviced apartments

The occupancy period derived by CBRE is driven from a Monte Carlo simulation. The simulations are dependent upon the demographic profile of the village (age and gender of residents) and a death and non-death probability as the reason for departing a unit. The resulting stabilised departing occupancy period is an estimate of the long run occupancy term for residents. Additional variables which will influence the stabilised occupancy period outputs (and recycle profile) by village will include resident densities where a high proportion of couples will logically extend/prolong the recycle profile, occupancy periods for existing residents, current absolute age levels and whether it is a care or lifestyle orientated village.

The occupancy period derived by JLL for the existing residents is based on the observed historical length of stay within the village and the demographic profile of the existing residents, including age and gender. The stabilised occupancy period for new residents is guided by the historical length of stay for previous residents within the village, considered alongside village maturity, resident densities where a high proportion of couples will logically prolong the recycle profile, current age levels and whether it is a care or lifestyle orientated village.

A 0.5% decrease in the discount rate would result in a $62.6 million (31 March 2024: $60.3 million; and 30 September 2023: $57.2 million) higher fair value measurement and an increase in the fair value gain recorded in the income statement. Conversely, a 0.5% increase in the discount rate would result in a $57.8 million (31 March 2024: $55.9 million; and 30 September 2023: $53.1 million) lower fair value measurement and a decrease in the fair value gain recorded in the income statement. A 0.5% decrease in the 5-year plus growth rate would result in a $86.0 million (31 March 2024: $83.9 million; and 30 September 2023: $78.1 million) lower fair value measurement and a decrease in the fair value gain recorded in the income statement. Conversely, a 0.5% increase in the 5-year plus growth rate would result in a $93.7 million (31 March 2024: $89.6 million; 30 September 2023: $85.1 million) higher fair value measurement and an increase in the fair value gain recorded in the income statement. Other key components in determining the fair value of investment property are the average age on entry of residents and the stabilised departing occupancy period. A decrease (increase) in the stabilised departing occupancy period would result in higher (lower) fair value measurement and a increase (decrease) in the average age on entry of residents would result in a higher (lower) fair value measurement.

5 Residents' Loans

$000	As at Sept 2024 Unaudited	As at Sept 2023 Unaudited	As at March 2024 Audited
Opening balance	1,653,696	1,538,282	1,538,282
Amounts repaid on termination of ORAs	(71,819)	(71,307)	(151,217)
Amounts received on issue of new ORAs	178,235	162,951	408,738
Amounts relating to assets held for sale	0	0	(30,089)
Movement in DMF receivable and residents' portion of capital gains	(43,676)	(58,553)	(112,018)
Total residents' loans	**1,716,436**	**1,571,373**	**1,653,696**

Residents' loans are amounts payable to Arvida by a resident on being issued the right to occupy one of the Group's units or serviced apartments under an occupation right agreement ("ORA"). The ORA confers a right of occupancy until such time as the right is effectively terminated.

These loans are non-interest-bearing and are repayable to the exiting resident, net of any amount owing to the Group, when a new ORA for the unit or serviced apartment is issued to an incoming resident.

Deferred management fees ("DMF") are payable by residents in consideration for the supply of accommodation and the right to share in the use of community facilities. Deferred management fees are paid in arrears with the amount payable by the resident calculated as a percentage of the resident loan amount as per the resident's ORA.

The DMF receivable is calculated and recorded based on the current tenure of the resident and the contractual right to the DMF earned at balance date. Under certain ORAs, residents are entitled to receive some or all of the capital gain which has occurred from the increase in value of the unit or serviced apartment. The present value of the operator's portion of estimated capital gain has been calculated by either CBRE or JLL in the valuation of the investment property.

Recognition and Measurement

Resident loans are initially recognised at fair value and subsequently measured at amortised cost.

As the Group holds a contractual right to offset the DMF receivable on termination of an agreement against the resident's loan to be repaid, residents' loans are recognised net of the DMF receivable on the balance sheet. The fair value of the residents' loans is equal to the face value, being the amount that can be demanded for repayment.

6 Interest Bearing Loans and Borrowings

$000	As at Sept 2024 Unaudited	As at Sept 2023 Unaudited	As at March 2024 Audited
Secured bank loans	646,042	630,000	657,431
Retail Bond - ARV010	125,000	125,000	125,000
Capitalised financing costs	(1,744)	(1,802)	(2,143)
Total interest bearing loans and borrowings	**769,298**	**753,198**	**780,288**

Recognition and Measurement

Interest bearing loans and borrowings include secured bank loans and unsubordinated fixed-rate bonds. Interest bearing loans and borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost.

Any financing costs paid on the establishment of the loans are deducted from the fair value of the loan to determine the carrying amount on initial acquisition, and are then accredited to the carrying amount of the loan under the effective interest method.

Secured Bank Loans

On 30 October 2023, a Deed of Amendment and Restatement was executed with ANZ Bank New Zealand Limited, Bank of New Zealand and ASB Bank Limited to refinance and restructure its bank debt facilities into a revolving core and development facility. The deed increased the total limit of bank facilities by $100.0 million to $775.0 million. The split between bank facility limits is $325.0 million of core facilities and $450.0 million of development facilities. The interest cover covenant was been amended to exclude interest costs on the development facility. Other key terms of the amended bank facilities are not substantially different.

Security

The bank loans and bonds are secured by various mortgages over certain of the Group's assets, subject to a first priority to the Statutory Supervisor over the property assets within the retirement village companies. A registered first ranking composite general security agreement is in place. This contains a cross guarantee and indemnity granted by Arvida Group Limited and acceded to by each of its subsidiaries.

Interest

Interest on the bank loan is charged using the BKBM Bill Rate plus a margin. Interest rates applicable in the year to 30 September 2024 ranged from 6.4% to 7.1% pa (31 March 2024: 6.1% to 7.1% pa; and 30 September 2023: 6.1% to 7.0%). A separate line fee is charged over the facility limit.

Funding facilities	Sept 2023 Limit Unaudited	Sept 2023 Drawn Amount Unaudited
Facility A maturing 1 September 2026	$125.0m	$115.0m
Facility B maturing 1 September 2025	$125.0m	$125.0m
Facility C maturing 1 September 2024	$125.0m	$125.0m
Facility D maturing 1 September 2024	$100.0m	$100.0m
Facility E maturing 15 November 2025	$100.0m	$100.0m
Facility F maturing 1 September 2026	$100.0m	$65.0m
Total Facilities	**$675.0m**	**$630.0m**

Funding facilities	March 2024 Limit Audited	March 2024 Drawn Amount Audited
Core Facility A maturing 1 September 2026	$135.0m	$135.0m
Core Facility B maturing 1 September 2027	$90.0m	$67.4m
Core Facility C maturing 1 September 2025	$100.0m	$95.0m
Development Facility A maturing 1 September 2026	$270.0m	$270.0m
Development Facility B maturing 1 September 2027	$180.0m	$90.0m
Total Facilities	**$775.0m**	**$657.4m**

Funding facilities	Sept 2024 Limit Unaudited	Sept 2024 Drawn Amount Unaudited
Core Facility A maturing 1 September 2026	$135.0m	$135.0m
Core Facility B maturing 1 September 2027	$90.0m	$46.7m
Core Facility C maturing 1 September 2025	$100.0m	$99.0m
Development Facility A maturing 1 September 2026	$270.0m	$270.0m
Development Facility B maturing 1 September 2027	$180.0m	$95.3m
Total Facilities	**$775.0m**	**$646.0m**

7 Share Capital

Shares 000	As at Sept 2024 Unaudited	As at Sept 2023 Unaudited	As at March 2024 Audited
Opening balance	730,985	723,578	723,578
Shares issued	0	4,398	7,407
Closing balance	**730,985**	**727,976**	**730,985**

Recognition and Measurement

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

The Company incurred $0.0 million of transaction costs during the year (31 March 2024: $0.0 million; and 30 September 2023: $0.0 million), with no costs related to the issue of new shares deducted from equity (31 March 2024: $0.0 million; and 30 September 2023: $0.0 million).

All ordinary shares are authorised and rank equally with one vote attached to each fully paid ordinary share. The shares have no par value.

On 22 June 2023, Arvida Group Limited issued 4,398,137 ordinary shares pursuant to the Company's dividend reinvestment plan.

On 21 December 2023, Arvida Group Limited issued 3,009,435 ordinary shares pursuant to the Company's dividend reinvestment plan.

8 Earnings per Share

	6 months Sept 2024 Unaudited	6 months Sept 2023 Unaudited	12 months March 2024 Audited
Profit attributable to equity holders ($000)	63,986	90,035	139,363
Basic earnings per share			
Weighted average number of ordinary shares on issue (thousands)	725,981	725,981	727,809
Basic earnings per share (cents)	**8.81**	**12.40**	**19.15**
Diluted earnings per share			
Weighted average number of ordinary shares on issue (thousands)	728,052	728,052	729,880
Diluted earnings per share (cents)	**8.79**	**12.37**	**19.09**

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders by the weighted average number of ordinary shares on issue during the year.

Diluted

Diluted earnings per share is calculated by dividing the profit attributable to equity holders by the weighted average number of ordinary shares on issue during the year adjusted to assume conversion of dilutive potential of ordinary shares.

9 Insurance Recoveries Receivable

The Group has comprehensive insurance cover in place for events such as those that affected Parklane. It covers loss from both material damage and business interruption. Assessment of the Parklane claim continues as new information comes available. It is possible that the actual financial impacts will differ from those included in the financial statements.

On 2 August 2023, the Group settled the material damage claim with insurers for the flooding event at Parklane Auckland for $14.9 million.

As at 30 September 2024, the Group has $15.0 million of business interruption insurance recoveries receivable for the impacts of the flooding event at Parklane Auckland (31 March 2024: $13.0 million; and 30 September 2023: $8.5 million).

10 Held for sale

The Group classifies assets held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use.

Assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Costs to sell are the costs directly attributable to the disposal of an asset, except for the portion that relates to investment property which is carried at fair value.

The criteria for held for sale classification is met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Assets and liabilities classified as held for sale are presented in the balance sheet.

As at 31 March 2024, Strathallan (assets and liabilities of Strathallan Healthcare Limited and Strathallan Lifecare Village Limited) was classified as held for sale. On 30 April 2024, the Group completed the sale of Strathallan for $30.0 million.

During the period to 30 September 2024, a loss of $1.1m has been recognised in the statement of comprehensive income for the sale of Strathallan.

The Strathallan assets and liabilities represented as held for sale are as follows:

$000	As at Sept 2024 Unaudited	As at Sept 2023 Unaudited	As at March 2024 Audited
Assets			
Other assets	0	0	472
Property, plant and equipment	0	0	8,063
Investment property	0	0	54,717
Assets held for sale	**0**	**0**	**63,252**
Liabilities			
Other liabilities	0	0	(1,247)
Revenue in advance	0	0	(1,765)
Residents' loans (ORA's)	0	0	(30,089)
Liabilities held for sale	**0**	**0**	**(33,101)**
Net assets held for sale	**0**	**0**	**30,151**

11 Capital Commitments

As at 30 September 2024, the Group had $55.5 million of capital commitments in relation to construction contracts (31 March 2024: $29.5 million; and 30 September 2023: $86.3 million).

As at 30 September 2024, the Group had $0.0 million of commitments in relation to the purchase of land (31 March 2024: $1.3 million; and 30 September 2023: $1.8 million).

12 Subsequent Events

On 20 July 2024, the Group entered into a Scheme Implementation Agreement ("SIA") with Stonepeak Alps BidCo Limited ("Stonepeak BidCo"), under which Stonepeak BidCo would acquire all of the shares in the Group at NZ$1.70 per share by way of a scheme of arrangement ("Scheme"). Under the SIA, on satisfaction of all conditions and completion of the Scheme, Stonepeak BidCo would acquire all shares in Arvida. It is currently expected implementation of the Scheme will occur on 20 November 2024, subject to remaining customary implementation conditions being satisfied or waived.

13 Contingent Liabilities

At balance date there are no known contingent liabilities (31 March 2024: none; and 30 September 2023: The Labour inspectorate of Ministry of Business, Innovation and Employment ("MBIE") has undertaken a programme of compliance audit of the Group in respect of the Holidays Act 2003 (the "Holidays Act"). The Group is working with MBIE to review its compliance with the Holidays Act).

COMPANY INFORMATION

REGISTERED OFFICE OF ARVIDA

Arvida Group Limited
Aon Centre, Level 15
29 Customs Street West
Auckland 1010

PO Box 90217 Victoria Street West
Auckland 1142

Phone: +64 9 972 1180

Email: info@arvida.co.nz

Website: www.arvida.co.nz

DIRECTORS

Anthony Beverley, Independent Director and Chair

Michael Ambrose, Independent Director

Susan Peterson, Independent Director

Susan Paterson, Independent Director

Paul Ridley-Smith, Independent Director

GROUP AUDITOR

Ernst & Young

VALUERS

CBRE Limited

Jones Lang LaSalle Limited

LEGAL ADVISORS

Chapman Tripp

Anthony Harper

BANKERS

ANZ Bank New Zealand Limited

Bank of New Zealand

ASB Bank Limited

STATUTORY SUPERVISOR

Covenant Trustee Services Limited

BOND SUPERVISOR

The New Zealand Guardian Trust Company Limited

SHARE REGISTRAR

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna, Auckland 0622

Phone: +64 9 488 8777

Email: enquiry@computershare.co.nz

St Albans apartments

DIRECTORY

Auckland

Aria Bay
3-7 Woodlands Crescent
Browns Bay, Auckland 0630
Phone 09 479 1871

Aria Gardens
11 Bass Road
Albany, Auckland 0632
Phone 09 415 7035

Aria Park
1-3 Claude Road
Epsom, Auckland 1023
Phone 09 630 8430

Knightsbridge
21 Graham Collins Drive
Windsor Park
Auckland 0632
Phone 09 477 2100

Mayfair
14 Oteha Valley Road
Northcross, Auckland 0632
Phone 09 478 4000

Mt Eden Gardens
467 Mt Eden Road
Mt Eden, Auckland 1024
Phone 09 630 6303

Parklane
106 Becroft Drive
Forrest Hill
Auckland 0620
Phone 09 410 9615

Peninsula Club
441 Whangaparāoa Road
Stanmore Bay
Whangaparāoa 0932
Phone 09 424 8228

Blenheim

Ashwood Park
118-130 Middle Renwick Road
Springlands, Blenheim 7241
Phone 03 577 9990

Christchurch

Ilam
28 Ilam Road, Ilam
Christchurch 8041
Phone 03 348 5305

Mayfair
104 Wharenui Road
Upper Riccarton
Christchurch 8041
Phone 03 348 2445

Park Lane
35 Whiteleigh Avenue
Tower Junction
Christchurch 8024
Phone 03 338 4495

Rhodes on Cashmere
5 Overdale Drive,
Cashmere, Christchurch 8022
Phone 03 332 3240

St Albans
41 Caledonian Road
St Albans, Christchurch 8014
Phone 03 366 1824

St Allisa
46 Main South Road
Upper Riccarton
Christchurch 8042
Phone 03 343 3388

Havelock North

Mary Doyle
3 Karanema Drive
Havelock North 4130
Phone 06 873 8400

Kerikeri

Te Puna Waiora
59 Hall Road
Kerikeri 0230
Phone 0800 20 24 20

Masterton

Lansdowne Park
100 Titoki Street
Masterton 5810
Phone 06 377 0123

Nelson

Oakwoods
357 Lower Queen Street,
Richmond, 7020
Phone 03 543 9700

The Wood
156 Milton Street
Nelson 7010
Phone 03 545 6059

Waimea Plains
455 Lower Queen Street
Richmond 7020
Phone 03 922 9823

New Plymouth

Molly Ryan
269 Mangorei Road
New Plymouth 4312
Phone 06 757 8773

Palmerston North

Olive Tree
11-13 Dalwood Grove
Palmerston North 4412
Phone 06 350 3000

Queenstown

Queenstown Country Club
420 Frankton-Ladies Mile Hwy
Queenstown 9371
Phone 0800 111 410

Rotorua

Glenbrae
22 Hilda Street
Rotorua 3010
Phone 07 349 0014

Tauranga

Bethlehem Country Club
111 Carmichael Road
Bethlehem, Tauranga 3110
Phone 07 579 2030

Bethlehem Shores
141 Bethlehem Road
Bethlehem, Tauranga 3110
Phone 07 579 2035

Bethlehem Views
186 Cambridge Road
Bethlehem, Tauranga 3110
Phone 07 578 5500

Copper Crest
52 Condor Drive
Pyes Pa, Tauranga 3112
Phone 07 578 6245

Ocean Shores
80 Maranui Street
Mt Maunganui 3116
Phone 07 547 4240

Waikanae

Waikanae Lodge
394 Te Moana Road
Waikanae, 5036
Phone 04 902 6800

Waikato

Cascades
55 Pembroke Street
Hamilton 3204
Phone 07 839 2348

Lauriston Park
91 Coleridge Street
Cambridge 3432
Phone 07 827 0793

Whai Mauri Ora
10 Frontier Road
Te Awamutu 3876
Phone 0800 278 432

Wellington

Village at the Park
130 Rintoul St, Berhampore
Wellington 6023
Phone 04 380 1361

arvida.co.nz