



Presentation of Annual Financial Results

Arvida Group Limited
For the 12 months ended 31 March 2023

FY23 Highlights

Financial performance

- Record underlying profit of \$88.0m, up 20% from \$73.5m in FY22
- Strong increase in annuity EBITDA up 30% to \$83.6m from \$64.6m in FY22
- Net profit after tax of \$82.5m, down 59% on IP fair value movements of \$80.4m that included Parklane impairment for flood damage
- Net operating cash flows of \$152.6m, broadly flat on FY22
- Total assets increased to \$3.8b, with \$3.4b of investment property
- Gearing of 30.5% within 25-35% target range
- Final dividend of 2.35 cents per share declared with DRP entitlement, change in dividend payout range to 30-50% underlying profit from 1 April 2023

Underlying Profit¹ NZ\$m



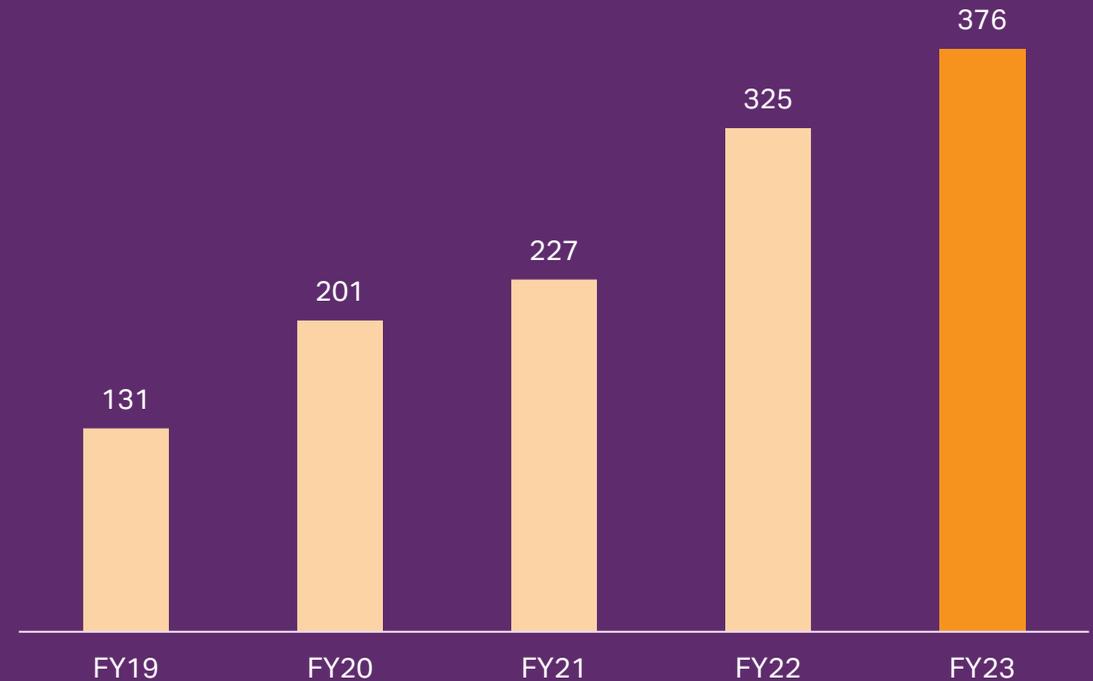
1. Underlying Profit is a non-GAAP unaudited financial measure and differs from NZ IFRS net profit after tax. A reconciliation to Reported Net Profit after Tax is provided in the financial section of this presentation and definition appended.

FY23 Highlights

Business performance

- Record resale and new sale settlements of \$376.4m occupation rights, up 16% on FY22
- 59% increase in resale gains to \$69.1m
- Resale margin increased to 32% from 26% in FY22, and volumes increased 10% to 371 units
- New sales volume down on delays to delivery programme, but gains up 10% to \$27.8m on higher price and margin
- Delivery of 215 units, a miss to 250+ target with Aria Bay now scheduled for 2Q completion
- Includes 63 care suites at Lauriston Park, opens in June
- FY24 delivery target to be retained at 200 units, subject to market conditions
- Acquisition of 2 development sites announced, increasing land bank to 2,200+ units

Total Resale & New Sale Settlements NZ\$m



Investing in our teams

- Focus and investment in our employee brand, 2-3 year timeframe of roll out refreshed proposition
- Already driving improved engagement, up from 7.2 to 7.5 against a global peer benchmark of 7.8
- High engagement with over 33,500 comments received via Peakon
- Surveys confirm purpose & culture key attraction
- Retention at 70%
- Nurses represent 8% workforce, casual workforce has increased in current environment
- Workforce is 76% female, gender pay gap 0.5%
- Focus on supporting teams with career development, 45,000 course completions underpin training / maintaining high clinical standards
- Mental Wellbeing by Design workshops facilitated across group



Resident-led experience

- Covid response has been key priority over last couple of years, but moved to normalise pandemic plan at the beginning of year
- Excellent NPS scores recorded again in annual resident survey: +38 independent residents and +59 care residents
- Arvida rated #1 in Canstar Blue 'Most Satisfied Customers' award in retirement category
- Waimea Plains came out on top in the 'Resident-led Sustainability Initiative' category at RVA Awards
- Pending ComCom and MHUD reviews will put focus on differing resident experiences and offerings across sector
- Demand for care suite offering is high and important part of our continuum offering going forward
- Living Well Centre at Park Lane has proved very successful as community engagement pilot
- First national marketing campaign to lift brand awareness has been highly successful in driving lead generation



Sustainability highlights

- Significant work and engagement across the business on sustainability initiatives, including collaboration with sector and partners, pilot studies, and capex
- Diversion of waste from landfill key target for village managers
- Well advanced to meeting XRB's climate disclosures
- GHG emissions calculated, reported and assured
- Work completed to calculate Scope 3 emissions
- Developed emissions reduction model and plan
- Published Climate Related Disclosures report, Inventory Report and ESG Global portal to website
- Ranked highly in external benchmarking – CDP, MSCI, S&P Global



Governance

- Supported our front line teams with Covid payment through Omicron wave; and those team members on lower pay bands
- Remit & renaming of People and Remuneration Committee to reflect broader consideration of people issues
- Developed Māori Health and Ola Manuia plans in conjunction with implementation of new Nga Paerewa governance standards
- Continue to support Parklane residents and team members affected by flooding in Auckland weather event
- Internal audit of cyber security conducted by KPMG / IT roadmap developed by Theta
- Focus on capital management strategy in preparation for softer economic and property market outlook
- Update at ASM on Board refresh



Strategy update

What is our strategy?

1. Build a platform for sustainable growth
2. Drive growth in cash flows and total returns
 - > Realising identified development opportunities within our existing portfolio
 - > Continue to add value accretive opportunities to our portfolio over the long term, starting the cycle again

What are our strategic priorities?

1. Capital disciplines for future resilience
2. Maturing the business in critical areas
3. A focus on cash management

The year in review – a tough operating environment

- Covid was still a factor particularly through NZ's Omicron wave in 1H
- Higher costs experienced throughout the business
- Staff shortages in care workforce challenged regional & higher acuity care centres
- Parklane hit by Auckland's severe weather event
- Residential property market kept sales team nimble
- Capital market sentiment weighed on share price



Development

Queenstown Country Club villas

FY23 development programme

| New Unit Delivery | 1H | | 2H | | FY23 | |
|---------------------|-----------|-----------|-----------|-----------|------------|---------------|
| | Villa | Villa | Apt | CS | Total | Ave. \$ |
| Te Puna Wairoa | 9 | 17 | - | - | 26 | \$885k |
| Peninsula Club | - | - | 12 | - | 12 | \$810k |
| Lauriston Park | - | - | - | 63 | 63 | \$425k |
| Bethlehem Shores | 15 | 8 | - | - | 23 | \$1,305k |
| Mary Doyle | 6 | - | - | - | 6 | \$850k |
| Glenbrae | 4 | - | - | - | 4 | \$540k |
| Lansdowne | - | 13 | - | - | 13 | \$830k |
| Village at the Park | - | 8 | - | - | 8 | \$1,050k |
| Waimea Plains | 5 | 26 | - | - | 31 | \$720k |
| Queenstown CC | 12 | 17 | - | - | 29 | \$1,410k |
| Total | 51 | 89 | 12 | 63 | 215 | \$835k |

Commentary

- A total of 164 units delivered in 2H, bringing total deliveries for FY23 to 215 units
 - FY23 deliveries weighted to mid-to-high value villas with ave. price of \$1,019k
 - Delivery of 140 units in 4Q (including delivery of 63 care suites at Lauriston Park) resulted in higher stock levels at year end
 - Delivery impacted by weather events, building material supply and cumulative Covid disruption
- Below 250+ delivery guidance due to delay of 57 apartments at Aria Bay
- Uncontracted new unit inventory was 4.4%, or 2.2% adjusting for care suite inventory
- Pricing for premium product at Bethlehem Shores and Queenstown Country Club continued to be strong
- Villa stages at greenfield developments Te Puna Waiora and Waimea Plains selling down well
- Construction costs generally well managed through FY23 deliveries, but expect future programme to include some cost increases

Sales of FY23 deliveries



Te Puna Waiora, Kerikeri | 26 villas
3 settled, 10 contracted



Peninsula Club, Auckland | 12 apartments
4 settled, 2 contracted



Bethlehem Shores, Tauranga | 23 villas
15 settled, 8 contracted



Mary Doyle, Havelock North | 6 villas
6 settled



Lansdowne Park, Masterton | 13 villas
Due to be launched in June



Village at the Park, Wellington | 8 villas
2 contracted

Sales of FY23 deliveries



Waimea Plains, Richmond | 31 villas
9 settled, 12 contracted



Queenstown Country Club | 29 villas
13 settled, 7 contracted



Lauriston Park, Cambridge | 63 care suites Commissioning and certification underway. Soft launch has generated 17 deposited applications. Opening 8 June. Phased opening over June / July.

FY24 Programme

| Units | To be delivered | |
|------------------|-----------------|-----------|
| | Villa | Apt |
| Location | | |
| Aria Bay | - | 57 |
| Te Puna Waiora | 31 | - |
| Peninsula Club | 8 | - |
| Bethlehem Shores | 20 | - |
| Lansdowne Park | 20 | - |
| Whai Mauri Ora | 35 | - |
| Waimea Plains | 24 | - |
| Queenstown CC | 20 | - |
| Total | 158 | 57 |

- FY24 delivery target to be retained at 200 units, subject to market conditions
 - Increase in construction prices, higher interest rate environment and slowing residential housing market are factors
 - Targeting development margins at lower end of 15%-20% range
- Aria Bay is only high-density development to be delivered in FY24, with balance of units comprising all villas
 - First sales at Aria Bay include 21 Mayfair relocations
- Deterioration in domestic economic outlook or residential property market could vary planned delivery numbers and timeframes
- Programme includes completion of Te Puna Waiora resident clubhouse



Aria Bay, Auckland | 57 apartments Fit out of the apartments is nearing completion. Café and communal areas progressing well. First residents expected to move in during 2Q.

Brownfield development in progress



Bethlehem Shores | 54 care suites & 53 apartments Bulk excavation and foundations for the care and apartment building complete. Superstructure commenced. Delivery is programmed over FY26/FY27.



Queenstown Country Club | 62 care suites & 29 apartments Installation of cross laminated timber superstructure mostly complete. Roof framing progressing and fitout commenced. Delivery FY25.

Greenfield development in progress



Te Puna Waioira, Kerikeri | Resident Clubhouse is advancing with framing near complete and roofing commenced. Scheduled completion is December this year. Villa build programme continues.



Whai Mauri Ora, Te Awamutu | 10 villas delivered in April/May, with construction of an additional 14 villas advancing well to a 3Q delivery. Launch mid-year. Earthworks and civils continue for future stages.

Greenfield development opportunity

| Units | To be delivered | |
|----------------|-----------------|----------------|
| | ILU | Care Suite |
| Te Puna Waiora | 151 | 35-60 |
| Whai Maui Ora | 135 | 35-60 |
| Waimea Plains | 35 | 59 |
| Waikanae Beach | 188 | 60 |
| Lincoln | 200 | 30-50 |
| Warkworth | 200 | 30-50 |
| Total | 909 | 250-340 |

- Added 2 sites for future development
 - 11 ha of flat land in Lincoln, Canterbury
 - 55 ha super-lot on northern edge of Warkworth (~40 mins drive north of Auckland) adjacent to the golf course and local arterial routes including the gateway to the region's popular destinations of Matakana Village, Omaha and East Coast beaches
- Both are broad-acre sites located in rural / urban fringe areas and well suited to Arvida's preferred villa-led development
- Consenting of sites progressing
- 2 additional greenfield sites under conditional contract



Warkworth site

Project returns | Brownfield development

| \$000 | Copper Crest | Queenstown CC |
|---|---------------|----------------|
| <i>Date of acquisition</i> | 1/10/2016 | 31/07/2019 |
| Project cashflows: | | |
| Acquisition price ¹ | 28,094 | 45,359 |
| Development capex incurred ² | 57,754 | 82,030 |
| Invested capital | 85,848 | 127,389 |
| New sales ³ | 74,654 | 93,002 |
| Net investment | 11,194 | 34,387 |
| Finished (unsold) inventory ⁴ | - | 23,660 |
| Total | 11,194 | 10,727 |
| Represented by: | | |
| Work in progress capex incurred on future stages ⁵ | - | 32,681 |
| Current valuation of operators interest ⁶ | 93,990 | 49,820 |
| Undeveloped development land ⁶ | - | 14,100 |
| Net total⁷ | 82,796 | 85,874 |

Commentary

- Acquisition of existing villages has formed significant part of growth strategy
 - 20 villages acquired since IPO across a broad maturity range (including with early stage to late stage development opportunities)
 - Evaluation of brownfield development opportunities key criteria in identifying acquisitions that meeting investment hurdles
 - Copper Crest and Queenstown Country Club are examples of acquired villages that had embedded development opportunities
- Copper Crest represents a village where brownfield development is now complete
 - Village was acquired in 2016 for \$28.1m partially developed with 111 villas
 - Now comprises 158 villas, 29 apartments, 55 care suites plus resident amenity
 - Current asset value is \$82.8m (net development capital invested of \$11.2m)
- Queenstown Country Club represents a village with brownfield development in progress
 - Village was acquired in 2019 for \$45.4m partially developed with 36 villas
 - Now comprises 117 villas plus resident amenity
 - Construction is in progress on a care and apartment building (delivery FY25)
 - Current asset value is \$67.2m (net development capital invested of \$10.7m)

1. Acquisition price comprises operator's interest, undeveloped land, completed unsold stock and working capital washup.

2. Includes all costs for ILUs, care, common and administration facilities and a share of corporate development overheads, GST and capitalised interest.

3. Gross sales value of all occupation rights sold.

4. Gross sales value of all completed but unsold units at 31 March 2023 (includes units subject to application but not settled).

5. Work in progress as at 31 March 2023 and includes all costs incurred for ILUs, care, common and administration facilities and a share of corporate development overheads, GST and capitalised interest.

6. As per the independent valuations prepared by CBRE at 31 March 2023.

7. Excludes operating revenues, expenses, maintenance capex and resale cash flows. Total resale gains of \$12.5m at Copper Crest, \$1.4m at Queenstown CC.

8. First time sales value (excluding resales) less total costs including development land at cost, completed unsold stock on acquisition at cost, all construction costs (including common facilities), finance costs until development completion, development team costs.

Project returns | Greenfield development

| \$000 | Waimea Plains |
|---|----------------|
| <i>Date of acquisition</i> | 17/08/2018 |
| Project cashflows: | |
| Acquisition price ¹ | 10,750 |
| Development capex incurred ² | 93,705 |
| Invested capital | 104,455 |
| New sales ³ | 80,014 |
| Net investment | 24,441 |
| Finished (unsold) inventory ⁴ | 17,295 |
| Total | 7,146 |
| Represented by: | |
| Work in progress capex incurred on future stages ⁵ | 12,439 |
| Current valuation of operators interest ⁶ | 34,370 |
| Undeveloped development land ⁶ | 6,100 |
| Net total | 45,763 |

Commentary

- As development capabilities have been established, greenfield opportunities have been pursued
 - Acquired 6 sites since IPO, 3 of which have development activity in progress
 - Location drivers include the current and future demographic profile, proximity of urban areas and health precincts, quality of infrastructure, zoning for future development locally and competitive landscape
- Waimea Plains represents our first and most progressed greenfield development
 - 8 hectares of unconsented bare land acquired in August 2018 for \$10.8m
 - Current value of \$45.8m (net development capital invested of \$7.1m)
- Future development planned for the site, subject to Board approval, includes
 - Villas & townhouses, care centre (care suites), resident amenity (pool, gym, café, activity area) with further investment of \$70-90m
- Plan to complete activity over next 3-4 years

| | Delivered | Future | Total |
|-------------|-----------|--------|-------|
| ILUs | 151 | 35 | 186 |
| Care Suites | - | 59 | 59 |

1. Acquisition price comprises operator's interest, undeveloped land and completed unsold stock.

2. Includes all costs for ILUs, care, common and administration facilities and a share of corporate development overheads, GST and capitalised interest.

3. Gross sales value of all occupation rights sold.

4. Gross sales value of all completed but unsold units at 31 March 2023 (includes units subject to application but not settled).

5. Work in progress as at 31 March 2023 and includes all costs incurred for ILUs, care, common and administration facilities and a share of corporate development overheads, GST and capitalised interest.

6. As per the independent valuations prepared by CBRE at 31 March 2023.

Financials



Reported profit (IFRS)

| NZ\$m | FY23 | FY22 | YoY | FY21 |
|-------------------------------------|----------------|----------------|--------------|----------------|
| Care & village service fees | 149.0 | 144.7 | 3% | 133.6 |
| Deferred management fees | 62.1 | 48.6 | 28% | 33.5 |
| Other revenue | 10.8 | 8.3 | 30% | 7.3 |
| Total revenue | 222.0 | 201.7 | 10% | 174.5 |
| Net gain on acquisition of villages | - | 43.9 | (100%) | - |
| Insurance recoveries | 19.0 | - | - | - |
| Changes in fair values | 80.9 | 156.0 | (48%) | 121.3 |
| Share of profit arising from JV | 0.8 | 7.4 | (90%) | 6.5 |
| Total income | 322.7 | 409.0 | (21%) | 302.3 |
| Operating expenses | (212.1) | (181.0) | 17% | (152.8) |
| Depreciation | (8.4) | (8.4) | (0%) | (6.7) |
| Total expenses | (220.5) | (189.4) | 16% | (159.5) |
| Operating profit | 102.2 | 219.6 | (53%) | 142.8 |
| Financing costs | (15.1) | (7.9) | 91% | (6.0) |
| Impairment of goodwill | (2.9) | (10.8) | (73%) | (3.7) |
| One-off items | (0.2) | (3.2) | (92%) | (0.1) |
| Profit before income tax | 83.9 | 197.7 | (58%) | 133.0 |
| Income taxation | (1.4) | 1.1 | (223%) | (1.9) |
| Net profit after tax | 82.5 | 198.9 | (59%) | 131.1 |

Commentary

- Revenue grew 10% to \$222.0m with full 12 month contribution from Arena
- Increased revenue from village fees and DMF with addition of Arena, new units added through development, and resale of units at higher prices
- Lower care revenues on lower care occupancy
- Unrealised movements in fair value of investment property was \$80.4m (\$158.9m in FY22) on softer near term growth rates and pricing assumptions and it includes flood-related impairment to Parklane fair value
- Operating expenses increased to \$212.1m, up \$31.1m compared to FY22
 - Increase in employment costs reflects 12 months of Arena, new communities, leave provisions and general wage increases
 - Estimated \$4.2m of Covid-related staff costs incurred
 - Higher property costs to cover insurance and rates and higher marketing costs with launch of brand campaign
- Higher financing costs on higher levels of debt and cost of funds

| Operating Expenses NZ\$m | FY23 | FY22 | YoY | Var. |
|--------------------------|--------------|--------------|------------|-------------|
| Employee Costs | 135.6 | 118.4 | 15% | 17.2 |
| Property Costs | 28.0 | 22.3 | 25% | 5.6 |
| Other Costs | 48.5 | 40.3 | 21% | 8.3 |
| Total | 212.1 | 181.0 | 17% | 31.1 |

Operating revenue breakdown

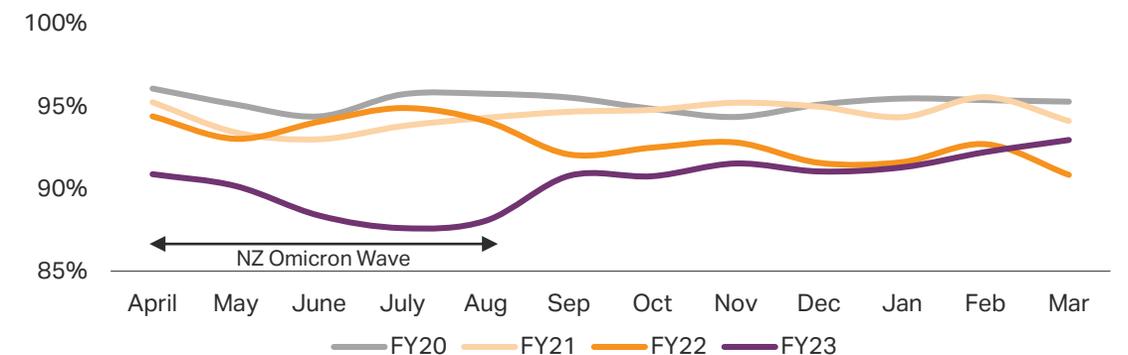
| Care Revenue NZ\$m | FY23 | FY22 | YoY | FY21 |
|---------------------------|--------------|--------------|-------------|--------------|
| Rest home fees | 37.5 | 36.6 | 2% | 36.3 |
| Dementia fees | 17.1 | 16.6 | 3% | 15.6 |
| Hospital fees | 54.5 | 57.9 | (6%) | 52.6 |
| Premium fees | 6.0 | 5.8 | 3% | 5.2 |
| Other revenue | 3.8 | 3.4 | 12% | 4.4 |
| Care revenue | 118.9 | 120.3 | (1%) | 114.1 |
| Serviced apartment fees | 9.3 | 9.7 | (4%) | 10.2 |
| Total care revenue | 128.2 | 130.0 | (1%) | 124.3 |

| Village Revenue NZ\$m | FY23 | FY22 | YoY | FY21 |
|--|--------------|--------------|------------|-------------|
| RV weekly fees | 24.7 | 18.2 | 36% | 13.5 |
| Deferred management fees | 62.1 | 48.6 | 28% | 33.5 |
| Other revenue | 5.9 | 4.0 | 48% | 2.6 |
| Operating revenue | 92.7 | 70.8 | 31% | 49.6 |
| Realised gains on resales ² | 69.1 | 43.4 | 59% | 26.0 |
| Realised development margin ² | 27.8 | 25.2 | 10% | 16.3 |
| Total village revenue | 189.6 | 139.4 | 36% | 91.9 |

Commentary

- Occupancy impacted through Omicron wave with admissions paused at times under Covid settings and staff shortages, particularly nurses
 - Occupancy averaged 91% for year, but improved to be above 94% at year end
 - Expect will take 6 months to recover as Covid & staffing still issues
- Continued margin squeeze due to Te Whatu Ora funded bed rates not keeping pace with rising pay rates, insurance, rates and cost of core supplies
- The three standalone care centre sites with a total of 351 beds (23% of beds) generated \$1.4m of EBITDA for year, which equates to \$4.1k EBITDA per bed
 - Performance improved in 2H but still well below \$12.4k per bed reported in FY22 and \$17.4k per bed reported in FY19 (pre-Covid)

Care Occupancy¹ (%)



1. Includes all care centres except Rhodes on Cashmere.

2. Non-GAAP unaudited financial item.

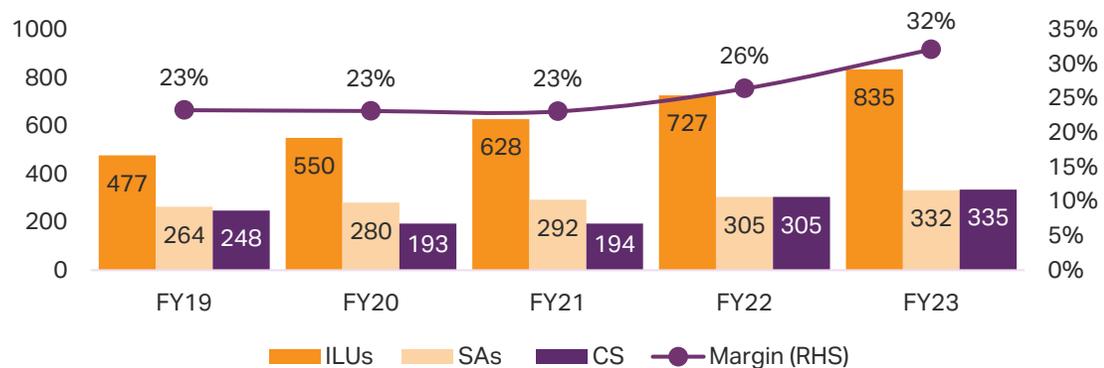
ORA resales

| Resales Analysis ¹ | FY23 | FY22 | YoY | FY21 |
|--------------------------------------|------------|------------|------------|------------|
| Villas / apartments | 192 | 160 | 20% | 121 |
| Serviced apartments | 150 | 165 | (9%) | 140 |
| Care suites | 29 | 12 | 142% | 6 |
| Total resales of ORAs (units) | 371 | 337 | 10% | 267 |
| Value \$m | 219.9 | 170.2 | 29% | 118.0 |
| Av. value per resale \$000 | 593 | 505 | 17% | 442 |
| Resale gains \$m | 69.1 | 43.4 | 59% | 26.0 |
| Resale margin % | 32% | 26% | | 23% |

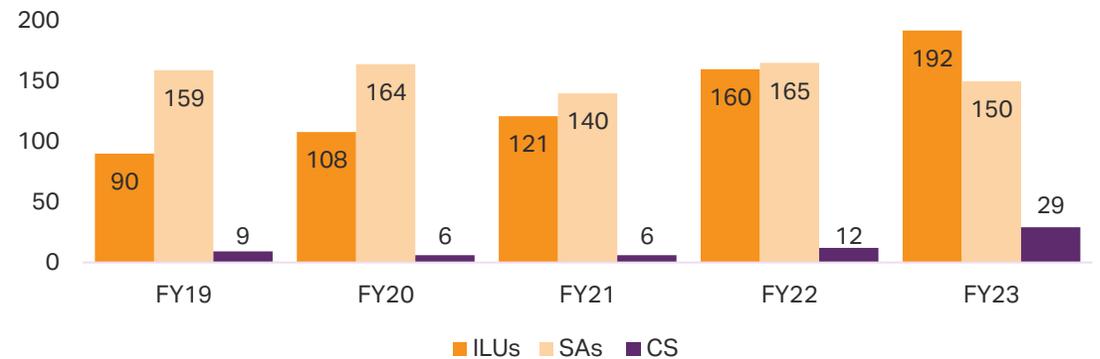
Commentary

- Total settled resales of 371 units, up 10% on FY22 on 20% higher ILU resales
- Gross proceeds of \$219.9m, with average value per resale up 17% to \$593k on villa / apartment resale and Arena Auckland resales
- Realised \$69.1m of resale gains on higher average resale margins of 32%, recovered from lower margin in Q1 of 24%
- 59 resales from the Arena villages at an average resale margin of 53%, and price of \$910k
- Resale prices 8% above average unit pricing assumed in 31 March 2022 independent valuations
- DMF realised on resales was \$29.4m

Ave. Resale Prices (\$000) and Margins (%)



Resale Volumes (units)



1. The figures above include Village at the Park, which is 50% owned by Arvida. The "Value \$m" line includes 100% of the value and the "Resales gain \$m" line includes 50% of gains. A table is appended that shows Village at the Park sales.

Embedded value

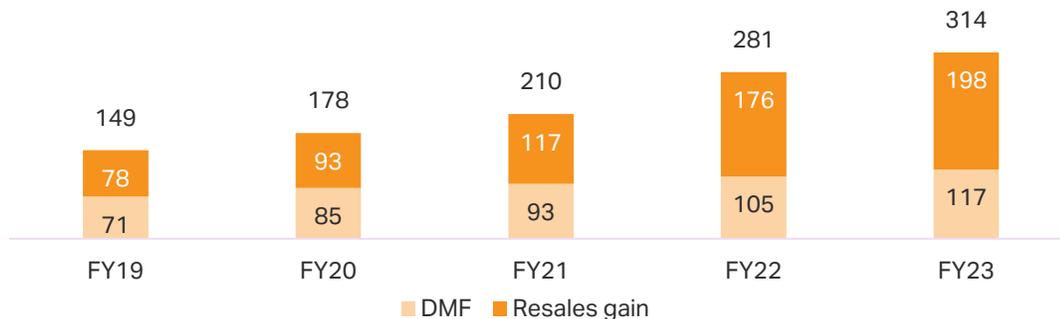
| NZ\$m ¹ | FY23 | FY22 | YoY | FY21 |
|--------------------|----------------|--------------|------------|--------------|
| Resales gains | 710.4 | 611.7 | 16% | 269.9 |
| DMF | 420.8 | 365.5 | 15% | 212.5 |
| Total | 1,131.3 | 977.3 | 16% | 482.4 |

| \$000 per unit | | | | |
|------------------------|------------|------------|-----------|------------|
| Average Embedded Value | ILUs | SAs | CS | Total |
| Resales gains | 235 | 55 | 17 | 198 |
| DMF | 133 | 55 | 34 | 117 |
| Total | 368 | 110 | 51 | 314 |

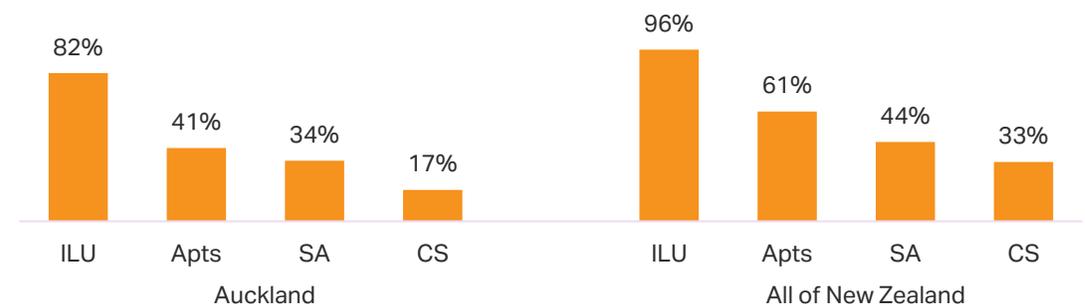
Commentary

- Total embedded value (EV) increased to \$1.1b
 - Comprised \$710m resale gains and \$421m deferred management fees
 - EV per unit is now \$314k, providing future cash flows through resales
- EV represents \$1.56 per share, an increase of 15%
- EV of Arena portfolio is \$435m, compared to \$385m at acquisition
- Average sales prices below median house prices in surrounding catchments with good pricing momentum achieved in Auckland unit prices over period

Embedded Value¹ (\$000 per unit)



Ave. Valuer Affordability Ratio² at Current Ingoing Prices



1. Embedded Value ("EV") per unit is an internal calculation based on the data in the independent valuation reports for all occupied units: Resale Gain EV is calculated by reference to the current unit price less the ingoing unit price less any capital gain sharing and includes resident loan and transfer amounts in FY23; DMF EV is calculated by reference to the contractual amount owed at valuation date. Embedded Value per unit includes Arvida's 50% interest in Village at the Park.

2. A measure obtained from the CBRE & JLL valuer reports that compares current ingoing unit prices to the median houses prices in the surrounding catchment.

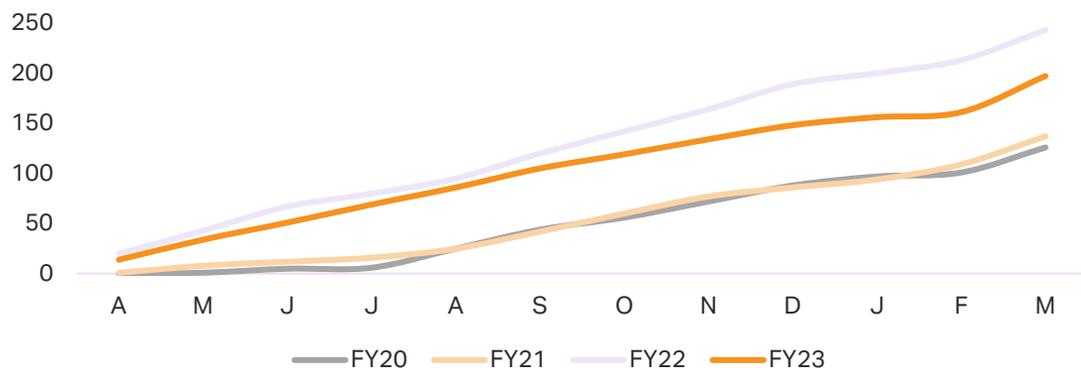
New ORA sales

| New Sales Analysis ¹ | FY23 | FY22 | YoY | FY21 |
|--|------------|------------|--------------|------------|
| Villas / apartments | 163 | 164 | (1%) | 126 |
| Serviced apartments | 1 | 12 | (92%) | 2 |
| Care suites | 33 | 67 | (51%) | 9 |
| Total new sales of ORAs (units) | 197 | 243 | (19%) | 137 |
| Value \$m | 156.5 | 155.0 | 1% | 109.4 |
| Av. value per new sale \$000 | 794 | 638 | 25% | 799 |
| New sale gains \$m | 27.8 | 25.2 | 10% | 16.3 |
| New sale margin % | 18% | 17% | | 15% |

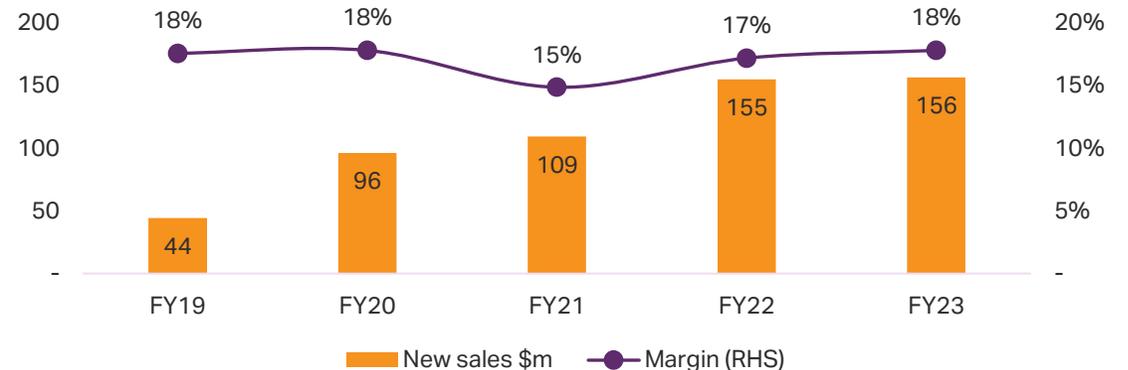
Commentary

- Good sales activity at Te Puna Wairoa, Lauriston Park, Bethlehem Shores, Rhodes on Cashmere, Waimea Plains and Queenstown Country Club
- Gross proceeds broadly flat at \$156.5m on 19% lower volume of settled sales
- \$27.8m of development gains, 10% increase on FY22
- Development margin increased to 18%
- Average ORA values per new sale settlement 25% higher at \$794k
 - Higher priced premium product at Bethlehem Shores and Queenstown Country Club represented 25% of volume
- Average sales value per unit at \$893k/ILU, \$500k/SA, \$315k/CS

Cumulative New Sale Volumes (units)



New Sale Settlements (NZ\$m) and New Sale Margins



1. The figures above include Village at the Park, which is 50% owned by Arvida. The "Value \$m" line includes 100% of the value and the "New sale gain \$m" line includes 50% of gains. A table is appended that shows Village at the Park sales.

Underlying profit

| NZ\$m | FY23 | FY22 | YoY | FY21 |
|--|-------------|-------------|------------|-------------|
| Net profit after tax | 82.5 | 198.9 | (59%) | 131.1 |
| Change in fair values | (81.9) | (162.9) | (50%) | (127.4) |
| Deferred tax | 1.4 | (1.1) | (228%) | 2.0 |
| Impairment of goodwill | 2.9 | 10.8 | (73%) | 3.7 |
| Gain on village acquisition | - | (43.9) | (100%) | - |
| One-off items ¹ | (13.9) | 3.2 | (533%) | 0.1 |
| Gain on resales | 69.1 | 43.4 | 59% | 26.0 |
| Gain on new sales | 27.8 | 25.2 | 10% | 16.3 |
| Underlying profit² | 88.0 | 73.5 | 20% | 51.9 |
| Annuity EBITDA³ | 83.6 | 64.6 | 30% | 48.3 |
| Underlying profit per share (cents) ⁴ | 12.2 | 12.0 | 2% | 9.6 |

Commentary

- Underlying Profit is a non-GAAP unaudited financial measure used to monitor financial performance and reference dividend distributions
 - Makes a sector comparison of past and current performance possible
 - Annuity EBITDA adds back interest, D&A to Underlying Profit and excludes development gains
- Underlying Profit increased to \$88.0m, up 20% on FY22
 - Removed \$14.1m of insurance adjustment relating to material damage
 - Underlying EPS increased to 12.2 cps share
- Annuity EBITDA increased 30% to \$83.6m on growth in settled resales volume and margins
- An underlying profit earnings bridged is appended

1. Non-operating one-off items relating to insurance activity and transactional activity.

2. Underlying Profit is a non-GAAP unaudited financial measure and differs from NZ IFRS net profit after tax. A definition is appended.

3. Annuity EBITDA is a non-GAAP unaudited financial measure that adds back interest and depreciation to Underlying Profit and excludes gains on sale of new units.

4. Calculated on the weighted average number of shares on issue.

Balance sheet

| NZ\$m | FY23 | FY22 | YoY | FY21 |
|-------------------------------|----------------|----------------|------------|----------------|
| Cash and cash equivalents | 9.9 | 8.2 | 21% | 6.4 |
| Property, plant and equipment | 202.3 | 208.8 | (3%) | 195.5 |
| Investment property | 3,427.0 | 3,061.2 | 12% | 1,872.0 |
| Investment in JV | 37.3 | 37.4 | (0%) | 31.2 |
| Intangibles | 18.9 | 21.7 | (13%) | 32.5 |
| Other assets | 66.6 | 59.6 | 12% | 44.1 |
| Total assets | 3,762.0 | 3,396.9 | 11% | 2,181.7 |
| External debt | 622.8 | 452.9 | 38% | 364.9 |
| Residents' loans | 1,538.3 | 1,415.9 | 9% | 865.9 |
| Deferred tax liability | 5.7 | 3.8 | 49% | 5.9 |
| Other liabilities | 201.2 | 179.3 | 12% | 118.6 |
| Total liabilities | 2,368.0 | 2,051.8 | 15% | 1,355.3 |
| Net assets | 1,394.0 | 1,345.1 | 4% | 826.4 |
| NTA per share (cents) | 190 | 184 | 3% | 146 |
| Shares on issue (000) | 723,578 | 720,061 | 0% | 542,488 |

Commentary

- Total assets now \$3.8b, with \$3.4b of investment property
- Investment property increased \$365.8m (vs FY22) through \$271.3m of development activity and \$80.4m increase in fair value of villages
- Valuations of retirement villages are completed by CBRE & JLL annually
 - Lauriston Park care suite centre included in investment property
 - Care centres valuations performed every second year, and completed in FY22
- Key movements in FY23 fair value
 - Mary Doyle: +\$19.9m from 15% increase in average current values
 - Queenstown Country Club: +\$17.0m from the sell down of new stock, decrease in discount rate of 1.0%, and 3% increase in average current values
 - Knightsbridge: +\$13.4m from 8% increase in average current values
 - Bethlehem Shores: +\$9.7m from the sell down of new stock and 4% increase in average current values
 - Copper Crest: +\$8.5m from 8% and 10% increase in average current values of ILUs and CS respectively
 - Parklane (Auckland): -\$22.0m from increase in discount rate of 1.0% and impairment
- Insurance receivable of \$12.7m in relation to Parklane
- Net tangible assets per share was \$1.90, up 3% from FY22 but down on half year mainly with Parklane fair value impairment

Capital structure

| NZ\$m | FY23 | FY22 | YoY | FY21 |
|-------------------------------------|--------------|--------------|------------|--------------|
| Investment property | 3,427 | 3,061 | 12% | 1,872 |
| ORA / DMF | (1,658) | (1,521) | 9% | (920) |
| Retirement villages | 1,769 | 1,540 | 15% | 952 |
| Care facilities | 188 | 203 | (7%) | 209 |
| | 1,957 | 1,743 | 12% | 1,161 |
| Investment in JV | 37 | 37 | (0%) | 32 |
| Implied value | 1,994 | 1,781 | 12% | 1,193 |
| Less Net debt ¹ | (613) | (445) | 38% | (358) |
| Net implied value | 1,381 | 1,336 | 3% | 834 |
| Net implied value per share (cents) | 191 | 186 | 3% | 154 |

| NZ\$m | FY23 | FY22 | YoY | FY21 |
|--|------------|------------|------------|------------|
| Drawn bank debt | 500 | 330 | 52% | 243 |
| Retail bond – ARV010 | 125 | 125 | - | 125 |
| Cash | (10) | (8) | 21% | (6) |
| Total Net Debt | 615 | 447 | 38% | 362 |
| Gearing (ND / ND+E) | 30.5% | 24.8% | | 30.3% |
| Loan to value (covenant 50%) | 32.8% | 27.4% | | 33.2% |
| Interest cover (covenant 1.75x) ² | 2.7x | 2.8x | | 2.7x |

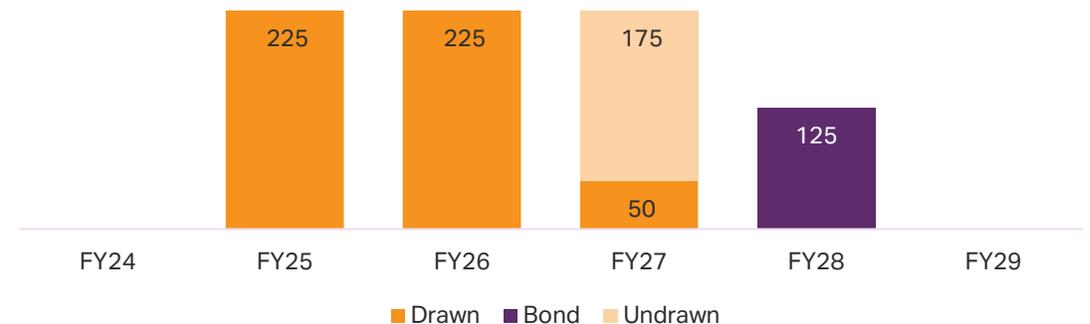
1. Includes capitalised financing costs.

2. Subject to a amendment for the period to September 2025 at 1.75x, thereafter 2.25x.

Commentary

- Total net debt of \$615m includes development project work in progress of \$169m, development land of \$119m and inventory of \$203m
- Increased facility limits by \$150m during year and expanded banking syndicate to include a third NZ bank, ASB
- Total facility limit is \$800m (including \$125m bond) with a weighted average tenure of 2.8 years
 - \$175m of undrawn facility headroom at balance date
 - Gearing at 30.5% within target 25%-35% range
- Amendment of interest cover covenant to 1.75x through to Sept 2025
 - Covenant calculation includes all interest (capitalised and expensed)
- Interest rate hedges at balance date equated to 35% of drawn debt. Hedges have weighted average interest rate of 2.8% (excluding margin and line fees)

Refinancing Profile NZ\$m



Cash flows

| NZ\$m | FY23 | FY22 | YoY | FY21 |
|--|----------------|----------------|--------------|----------------|
| Receipts care fees and village services | 160.8 | 143.5 | 12% | 144.4 |
| Residents' loans from resales | 186.2 | 158.7 | 17% | 102.1 |
| Residents' loans from new sales | 125.2 | 129.2 | (3%) | 100.7 |
| Repayment of residents' loans | (106.7) | (98.7) | 8% | (64.2) |
| Payments to suppliers and employees | (203.2) | (173.4) | 17% | (145.4) |
| Insurance recoveries received | 4.9 | - | nm | - |
| Financing costs | (14.6) | (7.8) | 87% | (6.2) |
| Taxation | (0.0) | 0.3 | (105%) | (0.5) |
| Net cash flow from operating activities | 152.6 | 151.8 | 1% | 130.8 |
| Cash from subsidiaries on acquisition | - | 11.0 | nm | - |
| Insurance recoveries received | 1.4 | - | nm | 1.4 |
| Purchase of PP&E and intangible assets | (9.5) | (10.3) | (8%) | (8.6) |
| Purchase of (net sale proceeds) villages | - | (341.8) | nm | - |
| Purchase of investment properties | (264.1) | (191.8) | 38% | (140.4) |
| Capitalised interest paid | (13.6) | (5.3) | 154% | (5.8) |
| Dividend received | 0.9 | 1.2 | (25%) | 1.2 |
| Net cash flow from investing activities | (284.9) | (537.1) | (47%) | (153.6) |
| Net cash flow from financing activities | 134.0 | 387.1 | (65%) | 25.0 |

Commentary

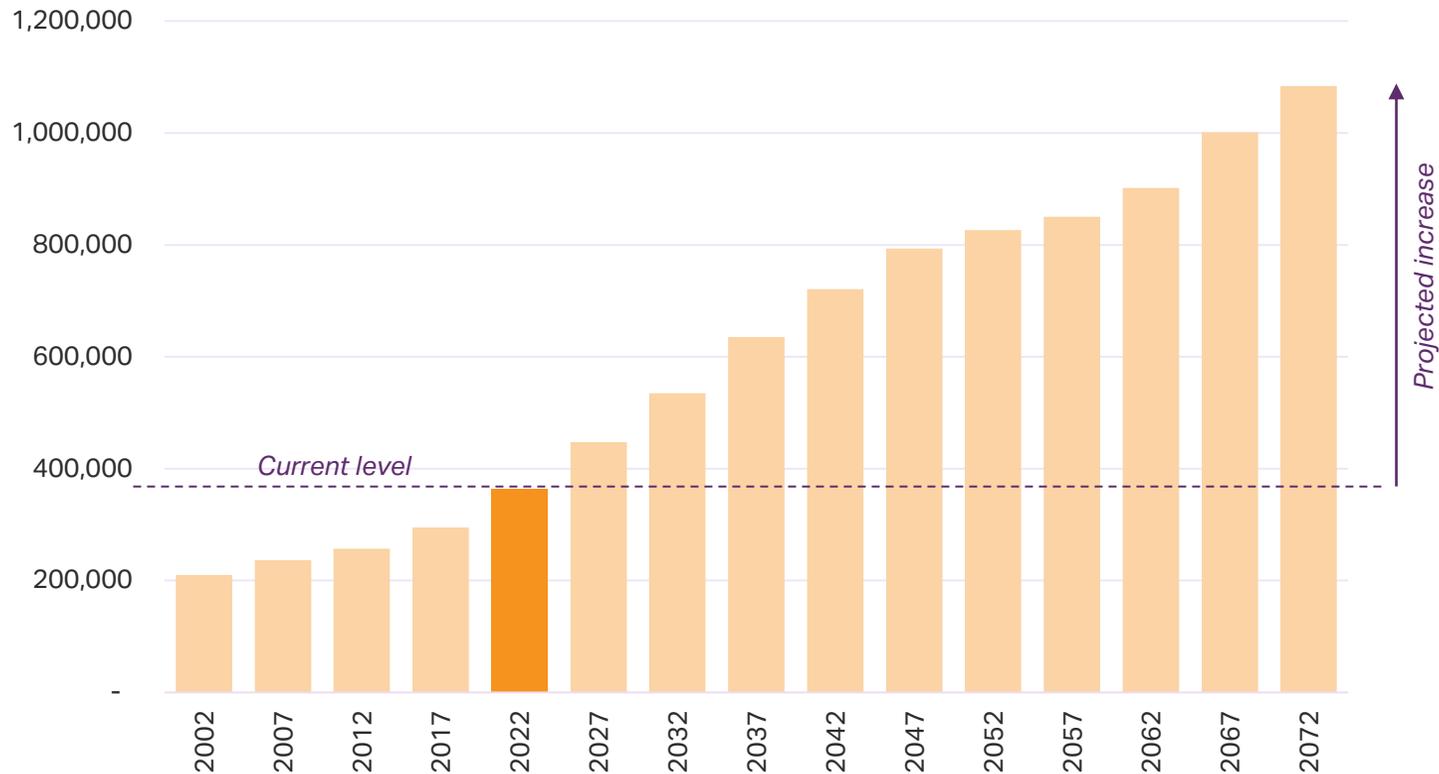
- Net operating cash flows of \$152.6m broadly flat on FY22 with key movements due to
 - Increased payments from portfolio growth and inflation increases
 - Timing of resale cash flows
 - Funding costs
- 2H business cash flows (net operating cash flow less receipts from new sales) at \$19.3m, up 138% on 1H at \$8.1m
- Investing cash flows lower mainly reflecting acquisition and disposal activity in prior period
 - Land settlements for Lincoln, Waikanae Beach, Whai Mauri Ora
 - Construction progress across 10 sites includes care and apartment buildings at Lauriston Park, Aria Bay and Queenstown Country Club and resident clubhouse at Te Puna Waiora
 - Civil and earthworks at new greenfield site Whai Mauri Ora
- A breakdown of capital expenditure is appended



Outlook

NZ's ageing population

Population growth 75 years and over



1. Stats NZ data

KEY THEMES

1

Populations are ageing – NZ's population of those aged 75+ years is projected to grow at a CAGR of 3.4% over the next 20 years adding around 356,000 people by 2043

2

Covid has demonstrated the social, safety, wellbeing benefits of retirement community living underpins the current penetration rate at 14%

3

Increased personal wealth, particularly housing equity, makes the transition to retirement living increasingly viable for a broader range of New Zealanders

4

Successive government's track record of underfunding the aged care sector is reducing supply and investment in maintenance capex

5

NZ's oldest baby boomers are 77 years old and approaching targeted age of entry

Outlook

- Indicators for economy and property market beginning to steady but still with challenges
- Shortages in care workforce stabilising
- Signals that nurse pay disparity is to be partially funded
- Lower reported Covid infection rates positive for continued normalisation of care occupancy
- Increases in aged care funding not keeping pace with cost of providing service and support
- Pending regulatory reviews and sector focus
- Capital market sentiment continues to overhang total shareholder returns

"The Board and management team have placed considerable focus confirming a robust framework applies to capital commitments, balance sheet capacity and cash management.

Development projects are structured and managed to match the operating and investment requirements of the business within capital capacity limits."

Anthony Beverley
Chair

Strategy in action

Proactive strategy to set the business for resilient growth in the current economic and property market

Priorities

Capital discipline
to ensure ongoing resilience

Critical areas matured
to enhance productivity

Focus on cash
to lift capture

Focus Areas

Near-term development programme
prioritised to villas

Intensive / brownfield **builds phased**, preference to higher value sites

Prudent on capital deployment

Funding plan **alignment** to development profile

People strategy to lift **employment brand** proposition

Workforce **planning** post-Covid

IT roadmap

Organisational design improvements

Core **profitability** improved

- Care occupancy
- Fees & service packages

Sales **momentum**

Conversion of care beds/serviced apartments to premiumise

How We Measure

- Gearing within 25%-35%
- Absolute indebtedness
- Unit delivery / new sales

- Engagement / retention
- Staffing ratios / wage cost

- Care occupancy
- Resales margin

Dividend

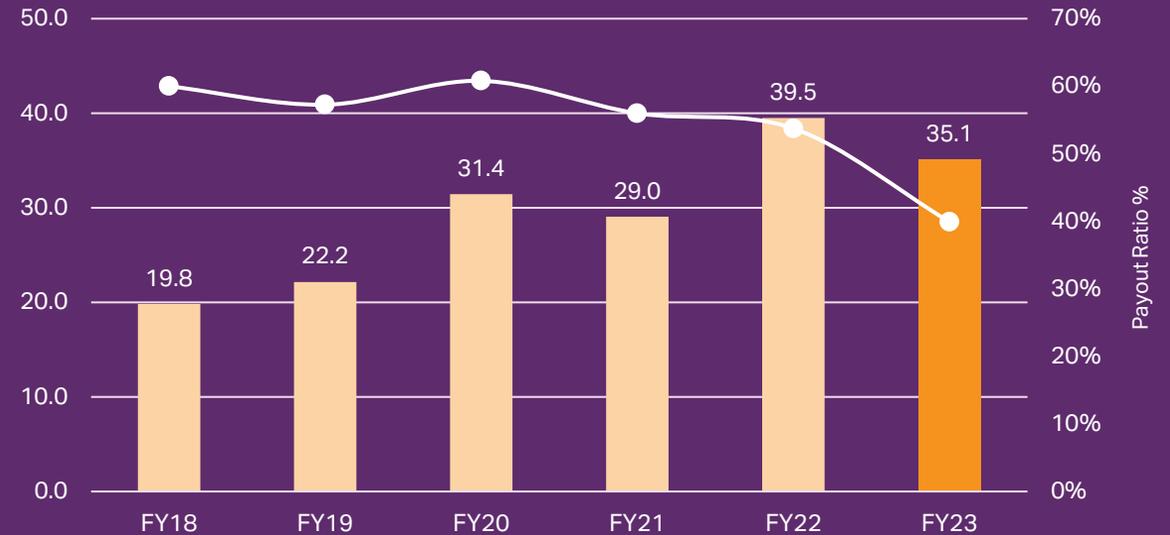
Final Dividend

- The business has experienced a number of revenue and cost pressures over the past year. As highlighted, risks to the downside remain.
 - Requires prudent capital management to navigate a challenging environment and build through the cycle well within funding limits
- Dividend declared for the six months ended 31 March 2023 of 2.35 cps, bringing total FY23 dividend to 4.85 cps (being 40% of FY23 underlying profit)
- No imputation credits attached and no supplementary dividend payable for non-resident shareholders
- The dividend will be paid on 22 June 2023. The record date for final determination of entitlements to the dividend is 8 June 2023
- Dividend policy is amended from 40%-60% to a payout band of 30%-50% of underlying profit from 1 April 2023. Expectation is for FY24 dividend payments to be at the bottom end of the amended range

Dividend reinvestment plan

- Dividend reinvestment plan (DRP) was introduced 1 June 2021 and will apply to this dividend payment enabling shareholders to take shares in lieu of the cash dividend
- When determining the price per share of shares issued under the DRP, a 2% discount will be applied
- Eligible investors wishing to take up the DRP must register by 5.00pm NZT on 9 June 2023. Any applications received on or after this time will be applied to subsequent dividends

Gross dividend NZ\$m vs. Payout ratio %





Appendices

Natter Café, Well centre Park Lane Christchurch

Arvida At a glance

PEOPLE

6750+
Residents

2900+
Team members

PORTFOLIO

36⁺³
Communities

43%
Needs based

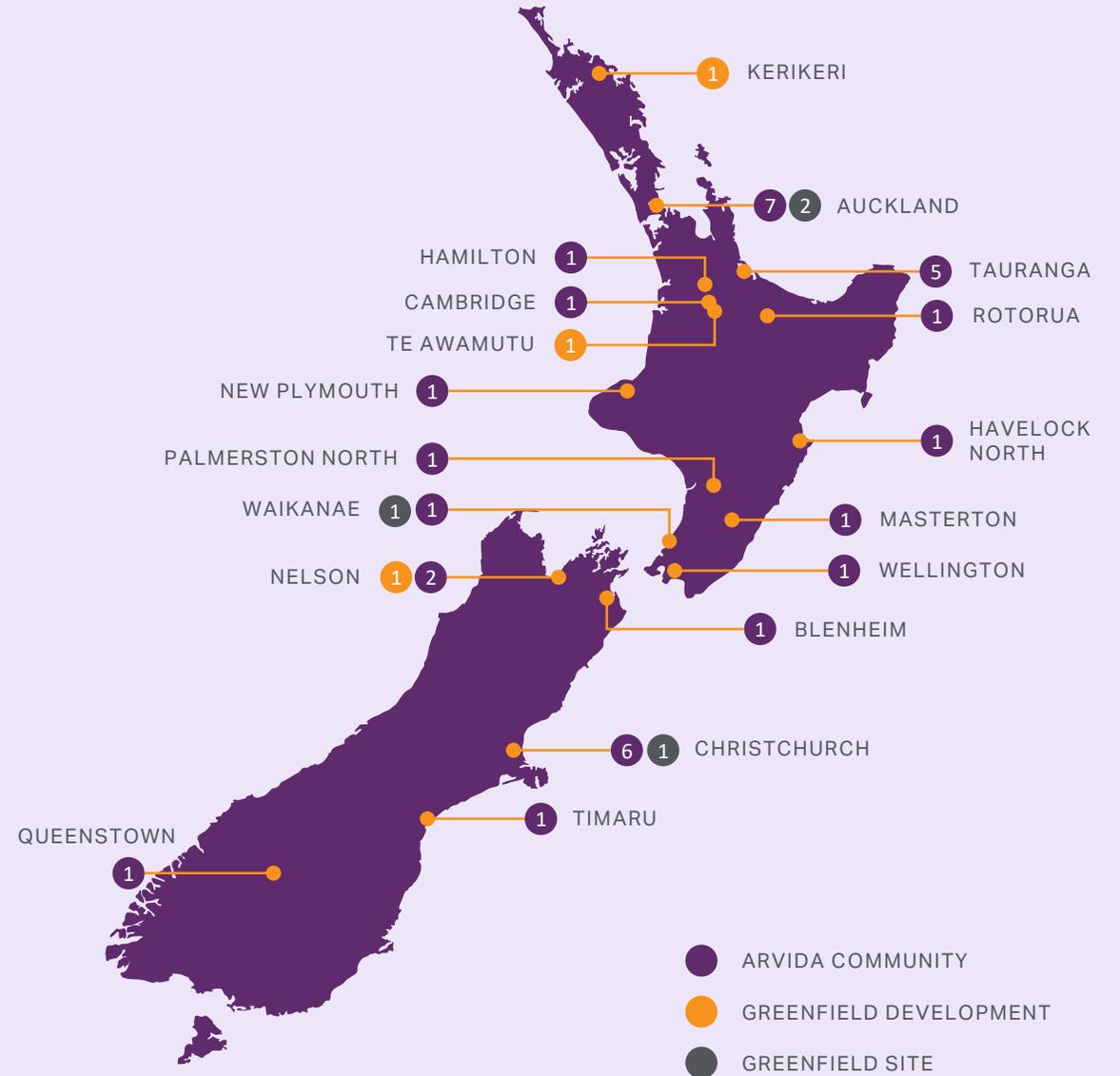
\$1.1b
Embedded value

4126
ORA Units

1544
Care beds

2229
Units in landbank

\$3.8b
Total assets



What matters most?

What do we do?

Create thriving retirement communities where older New Zealanders can lead connected and fulfilling lives

What matters most?

Our people

What is our focus?

Living Well

Inspire our residents to live their best lives

Embedding the Attitude of Living Well™ across our retirement communities

Engaging Well

Empower our teams to give their best everyday

Resetting our people strategy post-Covid to be an employer of choice

Nurturing Well

Be a sustainable organisation

Achieving our economic, social and climate sustainability aspirations

Growing Well

Grow our portfolio of resident-led retirement communities

Establishing a greenfield development programme of liveable communities



Product positioning

| | Aged Care | | Assisted Living | | Independent Living | |
|--------------------|--|-----------------|--|----------------------|--|---------------|
| Overview | Beds <ul style="list-style-type: none"> Rest home, hospital and dementia level healthcare, with some centres having 'swing' beds to offer rest home or hospital level care Dedicated on-site 24/7 clinical care teams certified by Ministry of Health | PAC Beds | Care Suites <ul style="list-style-type: none"> Care services accessible (Care Suites up to hospital-level, Serviced Apts up to resthome) Either dedicated clinical care team or co-located with care centre | Serviced Apts | Apartments <ul style="list-style-type: none"> Independent living in Villas & Apartments Preferential access to on site continuum of care accommodation Urban or urban-fringe locations, with range of common amenity (e.g. clubhouse) | Villas |
| "Annuity" earnings | <ul style="list-style-type: none"> Government or privately funded daily bed day rates providing income Premium accommodation charges (PACs) apply to larger / better appointed rooms | | <ul style="list-style-type: none"> Occupation Right Agreement (ORA) is sold to an incoming resident Cash flows generated from entry payment for ORA less exit payments and resale costs DMF at 30% (amortised over 2 yrs, reset for Care Suite transfers at 15%) delivers annuity-like recurring revenue Care service packages apply | | <ul style="list-style-type: none"> Occupation Right Agreement (ORA) is sold to an incoming resident Cash flows generated from entry payment for ORA less exit payments and resale costs DMF at 30% (amortised over 4 yrs) delivers annuity-like recurring revenue Wellness packages available Weekly village fee levies | |
| Growth | <ul style="list-style-type: none"> Growth in PACs Conversion of Beds to Care Suites | | <ul style="list-style-type: none"> Resale gains Gross development pipeline of ~700 Care Suites | | <ul style="list-style-type: none"> Resale gains Gross development pipeline of ~1,500 ILUs | |

Portfolio at 31 March 2023

| Village | Region | Villas | Apts | SA | CS | RH | H | D | Total | Future Development ² | | | | |
|-------------------------------------|---------------------------|--------------|------------|------------|------------|------------|------------|------------|--------------|---------------------------------|------------|------------|------------|----------|
| | | | | | | | | | | FY24 | FY25+ | ILU | CS | Beds |
| 1 Te Puna Waioara | Kerikeri | 65 | - | - | - | - | - | - | 65 | 31 | 180 | 151 | 60 | - |
| 2 Aria Bay | Auckland North | - | 34 | 17 | 59 | - | - | - | 110 | 57 | - | 57 | - | - |
| 3 Aria Gardens | Auckland North | - | - | - | - | 43 | 91 | 20 | 154 | - | - | - | - | - |
| 4 Aria Park | Auckland City | - | - | 46 | - | 30 | 54 | - | 130 | - | 72 (93) | - | 72 | - |
| 5 Peninsula Club | Whangaparaoa | 165 | 73 | - | - | - | - | - | 238 | 8 | 111 (58) | 119 | - | - |
| 6 Mayfair | Auckland North | 100 | 68 | - | - | - | - | - | 168 | - | 57 (68) | 57 | - | - |
| 7 Knightsbridge | Auckland North | 157 | 91 | - | - | - | - | - | 248 | - | - | - | - | - |
| 8 Parklane | Auckland North | 99 | - | 58 | - | - | - | - | 157 | - | 58 (58) | - | 58 | - |
| 9 Mt Eden Gardens | Auckland City | 1 | 36 | - | - | - | - | - | 37 | - | 69 (37) | 69 | - | - |
| 10 Cascades | Hamilton | - | 5 | 32 | - | 42 | 32 | - | 111 | - | 80 | 50 | 30 | - |
| 11 Lauriston Park | Cambridge | 198 | - | - | 63 | - | - | - | 261 | - | - | - | - | - |
| 12 Views | Tauranga | - | - | - | - | 18 | 50 | 20 | 88 | - | - | - | - | - |
| 13 Copper Crest | Tauranga | 158 | 29 | - | 55 | - | - | - | 242 | - | - | - | - | - |
| 14 Bethlehem Country Club | Tauranga | 166 | 4 | - | - | - | - | - | 170 | - | - | - | - | - |
| 15 Bethlehem Shores | Tauranga | 208 | - | - | - | - | - | - | 208 | 20 | 107 | 73 | 54 | - |
| 16 Ocean Shores | Mt Maunganui | 126 | 84 | - | - | - | - | - | 210 | - | - | - | - | - |
| 17 Whai Mauri Ora | Te Awamutu | - | - | - | - | - | - | - | - | 35 | 160 | 135 | 60 | - |
| 18 Glenbrae | Rotorua | 98 | - | 35 | - | 13 | 28 | - | 174 | - | - | - | - | - |
| 19 Mary Doyle | Havelock North | 185 | 48 | 46 | - | 26 | 64 | 60 | 429 | - | - | - | - | - |
| 20 Olive Tree | Palmerston North | 95 | - | 41 | - | 22 | 12 | 17 | 187 | - | - | - | - | - |
| 21 Molly Ryan | New Plymouth | 35 | - | 28 | - | 20 | 13 | - | 96 | - | - | - | - | - |
| 22 Waikanae Country | Kapiti | 4 | - | 20 | - | 27 | 32 | - | 83 | - | 51 (59) | - | 51 | - |
| 23 Lansdowne Park | Masterton | 82 | - | 29 | - | 25 | 25 | - | 161 | 20 | 15 | 35 | - | - |
| 24 Village at the Park ¹ | Wellington | 51 | 123 | 17 | - | - | 42 | 33 | 266 | - | - | - | - | - |
| | North Island Total | 1,993 | 595 | 369 | 177 | 266 | 443 | 150 | 3,993 | 171 | 960 | 746 | 385 | - |

1. Portfolio metrics presented as if a 100% interest held. Arvida has a 50% interest in Village at the Park.

2. Gross units expected to be delivered (expected decommissions shown in brackets). Subject to final investment decision approval.

Portfolio at 31 March 2023

| Village | Region | Villas | Apts | SA | CS | RH | H | D | Total | Future Development ² | | | | |
|----------------------------|--------------|------------|------------|------------|-----------|------------|------------|-----------|--------------|---------------------------------|------------|------------|------------|----------|
| | | | | | | | | | | FY24 | FY25+ | ILU | CS | Beds |
| 25 Ashwood Park | Blenheim | 18 | - | 35 | - | 47 | 48 | 26 | 174 | - | - | - | - | - |
| 26 The Wood | Nelson | 5 | - | 36 | - | 30 | 47 | - | 118 | - | - | - | - | - |
| 27 Oakwoods | Nelson | 116 | - | 45 | - | 22 | 26 | - | 209 | - | 64 | 20 | 44 | - |
| 28 Waimea Plains | Tasman | 151 | - | - | - | - | - | - | 151 | 24 | 70 | 35 | 59 | - |
| 29 St Albans | Christchurch | - | 21 | 60 | - | 28 | 10 | - | 119 | - | - | - | - | - |
| 30 Ilam | Christchurch | - | - | 45 | - | 22 | 34 | 20 | 121 | - | - | - | - | - |
| 31 Mayfair | Christchurch | 11 | - | 23 | - | 29 | 34 | - | 97 | - | - | - | - | - |
| 32 St Allisa | Christchurch | - | - | - | - | 55 | 34 | 20 | 109 | - | - | - | - | - |
| 33 Park Lane | Christchurch | 8 | 78 | 45 | - | 22 | 20 | - | 173 | - | - | - | - | - |
| 34 Rhodes on Cashmere | Christchurch | - | 44 | - | 35 | - | - | - | 79 | - | - | - | - | - |
| 35 Queenstown Country Club | Queenstown | 117 | - | - | - | 11 | 24 | - | 152 | 20 | 172 | 130 | 62 | - |
| 36 Strathallan | Timaru | 51 | - | 48 | - | 13 | 43 | 20 | 175 | - | - | - | - | - |
| South Island Total | | 477 | 143 | 337 | 35 | 279 | 320 | 86 | 1,677 | 44 | 306 | 185 | 165 | - |

| Development Land | Region | Villas | Apts | SA | CS | RH | H | D | Total | FY24 | FY25+ | ILU | CS | Beds |
|-------------------------------|----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|------------|------------|----------|
| | Warkworth | - | - | - | - | - | - | - | - | - | 250 | 200 | 50 | - |
| | Waikanae Beach | - | - | - | - | - | - | - | - | - | 248 | 188 | 60 | - |
| | Lincoln | - | - | - | - | - | - | - | - | - | 250 | 200 | 50 | - |
| Development Land Total | | - | 748 | 588 | 160 | - |

| Group Summary | Region | Villas | Apts | SA | CS | RH | H | D | Total | FY24 | FY25+ | ILU | CS | Beds |
|--------------------|--------------|--------------|------------|------------|------------|------------|------------|------------|--------------|------------|--------------|--------------|------------|----------|
| | North Island | 1,993 | 595 | 369 | 177 | 266 | 443 | 150 | 3,993 | 171 | 1,458 | 1,134 | 495 | - |
| | South Island | 477 | 143 | 337 | 35 | 279 | 320 | 86 | 1,677 | 44 | 556 | 385 | 215 | - |
| New Zealand | | 2,470 | 738 | 706 | 212 | 545 | 763 | 236 | 5,670 | 215 | 2,014 | 1,519 | 710 | - |

1. Portfolio metrics presented as if a 100% interest held. Arvida has a 50% interest in Village at the Park.

2. Gross units expected to be delivered (expected decommissions shown in brackets). Subject to final investment decision approval.

Development staging

Brownfield Development

| | Units | Design | Consenting | Construction | Sales |
|---|------------|--------|------------|--------------|-------|
| Bethlehem Shores Villas, Apartments & Care | 127 | ● | ● | ● | ● |
| Queenstown Country Club Villas, Apartments & Care | 192 | ● | ● | ● | ● |
| Aria Bay Apartments | 57 | ● | ● | ● | ● |
| Lansdowne Park Villas | 35 | ● | ● | ● | ● |
| Peninsula Club Villas, Apartments & Care | 119 | ● | ● | ● | ● |
| Mayfair (Auckland) Apartments & Care | 57 | ● | ● | ● | ● |
| Aria Park Care | 72 | ● | ● | ● | ● |
| Parklane (Auckland) Apartments & Care | 58 | ● | ● | ● | ● |
| Mt Eden Gardens Apartments & Care | 69 | ● | ● | ● | ● |
| Cascades Apartments & Care | 80 | ● | ● | ● | ● |
| Waikanae Country Club Apartments & Care | 51 | ● | ● | ● | ● |
| Oakwoods Apartments | 64 | ● | ● | ● | ● |
| Total Brownfield | 981 | | | | |

Greenfield Development

| | Units | Design | Consenting | Construction | Sales |
|---|--------------|--------|------------|--------------|-------|
| Waimea Plains Villas & Care | 94 | ● | ● | ● | ● |
| Te Puna Waiora Villas & Care | 211 | ● | ● | ● | ● |
| Whai Mauri Ora Villas & Care | 195 | ● | ● | ● | ● |
| Waikanae Beach site Villas, Apartments & Care | 248 | ● | ● | ● | ● |
| Lincoln site Villas & Care | 250 | ● | ● | ● | ● |
| Warkworth site Villas & Care | 250 | ● | ● | ● | ● |
| Total Greenfield | 1,248 | | | | |
| Total Pipeline Units | 2,229 | | | | |

RV valuation summary at 31 March 2023

| Village | Region | Valuer | 2022 Valn (\$000) | 2023 Valn (\$000) | Fair Value Mvmt ² (\$000) | Discount Rate | Embedded Value | Afford. Villa | Afford. Apt | Afford. SA | Afford. CS |
|----------------------------|------------------|--------|-------------------|-------------------|--------------------------------------|---------------|------------------|---------------|-------------|------------|------------|
| Te Puna Waiora | Kerikeri | CBRE | 44,910 | 53,030 | 2,432 | 16.00% | 4,217 | 78% | - | - | - |
| Aria Bay | Auckland North | CBRE | 43,870 | 43,800 | (96) | 14.25% | 15,851 | - | 65% | 41% | 17% |
| Aria Park | Auckland City | JLL | 20,200 | 19,150 | (1,419) | 13.25% | 9,650 | - | - | 45% | - |
| Peninsula Club | Whangaparaoa | CBRE | 79,490 | 104,130 | 6,810 | 14.25% | 105,368 | 80% | 52% | - | - |
| Mayfair | Auckland North | CBRE | 48,080 | 50,290 | (881) | 14.50% | 59,783 | 75% | 33% | - | - |
| Knightsbridge | Auckland North | JLL | 126,905 | 131,170 | 13,416 | 13.25% | 122,021 | 99% | 46% | - | - |
| Parklane | Auckland North | CBRE | 51,430 | 50,175 | (22,042) | 15.03% | 49,466 | 69% | - | 23% | - |
| Mt Eden Gardens | Auckland City | CBRE | 11,900 | 10,650 | (1,809) | - | - | - | - | - | - |
| Cascades | Hamilton | CBRE | 18,610 | 17,605 | (1,292) | 14.65% | 4,664 | - | 77% | 50% | - |
| Lauriston Park | Cambridge | JLL | 72,275 | 98,700 | 3,172 | 13.50% | 67,291 | 76% | - | - | 43% |
| Copper Crest | Tauranga | CBRE | 86,250 | 98,110 | 8,501 | 13.50% | 75,615 | 96% | 70% | - | 36% |
| Bethlehem Country Club | Tauranga | CBRE | 87,320 | 85,185 | (1,949) | 13.75% | 79,351 | 112% | 85% | - | - |
| Bethlehem Shores | Tauranga | CBRE | 126,240 | 135,475 | 9,698 | 14.00% | 104,632 | 136% | - | - | - |
| Ocean Shores | Mt Maunganui | JLL | 97,455 | 100,150 | 5,376 | 13.75% | 98,722 | 107% | 63% | - | - |
| Whai Mauri Ora | Te Awamutu | CBRE | 13,550 | 17,900 | 1,603 | - | - | - | - | - | - |
| Glenbrae | Rotorua | CBRE | 30,320 | 29,800 | (483) | 15.25% | 20,551 | 77% | - | 45% | - |
| Mary Doyle | Havelock North | CBRE | 79,590 | 95,315 | 19,894 | 14.50% | 86,667 | 108% | 62% | 41% | 30% |
| Olive Tree | Palmerston North | CBRE | 20,285 | 26,590 | 4,466 | 15.50% | 21,484 | 90% | - | 37% | - |
| Molly Ryan | New Plymouth | JLL | 10,845 | 11,525 | 253 | 15.00% | 7,308 | 68% | - | 34% | - |
| Waikanae Country | Kapiti | CBRE | 6,960 | 6,980 | (2,508) | 16.00% | 4,490 | 100% | - | 47% | - |
| Lansdowne Park | Masterton | JLL | 25,525 | 38,100 | 4,889 | 13.50% | 20,411 | 149% | - | 67% | - |
| Ashwood Park | Blenheim | JLL | 8,550 | 8,950 | 287 | 13.75% | 6,309 | 77% | - | 37% | - |
| The Wood | Nelson | CBRE | 10,492 | 11,080 | 694 | 13.50% | 5,235 | 89% | - | 38% | - |
| Oakwoods | Nelson | JLL | 41,790 | 45,975 | 1,995 | 13.75% | 33,411 | 71% | - | 36% | - |
| Waimea Plains | Tasman | CBRE | 51,250 | 55,570 | 6,452 | 14.00% | 16,429 | 75% | - | - | - |
| St Albans | Christchurch | CBRE | 23,200 | 22,415 | 939 | 14.00% | 5,733 | - | 72% | 44% | - |
| Ilam | Christchurch | JLL | 11,500 | 11,650 | (1,192) | 12.50% | 3,556 | - | - | 47% | - |
| Mayfair | Christchurch | JLL | 7,765 | 7,750 | (1,323) | 14.50% | 3,920 | 74% | - | 43% | - |
| Park Lane | Christchurch | CBRE | 50,550 | 40,915 | 3,109 | 13.75% | 14,713 | 124% | 86% | 53% | - |
| Rhodes on Cashmere | Christchurch | CBRE | 37,940 | 32,510 | 1,362 | 14.00% | 7,420 | - | 95% | - | 37% |
| Queenstown Country Club | Queenstown | CBRE | 75,350 | 92,020 | 17,041 | 14.50% | 30,019 | 101% | - | - | - |
| Strathallan | Timaru | JLL | 21,770 | 22,980 | 327 | 15.00% | 18,338 | 121% | - | 73% | - |
| Totals | | | 1,442,167 | 1,575,645 | 77,721 | | 1,102,624 | | | | |
| Joint venture ¹ | | | | | | | | | | | |
| Village at the Park | Wellington | CBRE | 69,845 | 82,925 | 1,900 | 14.00% | 57,284 | 90% | 75% | 29% | - |

1. Portfolio metrics presented as if a 100% interest held. Arvida has a 50% interest in Village at the Park.

2. Fair Value movement excludes Waikanae Beach and Lincoln land.

Valuation inputs for ILUs

| Village | Region | No. of Units | Ave. Ingoing Price (\$000) | Ave. Current Price (\$000) | Yr1 | Yr2 | Yr3 | Yr4 | Yr5 | Ave. Resident Age (yrs) | Stabilised Tenure (yrs) |
|----------------------------|------------------|--------------|----------------------------|----------------------------|-------|-------|-------|-------|-------|-------------------------|-------------------------|
| Te Puna Waiora | Kerikeri | 65 | 708 | 815 | - | - | 2.00% | 2.50% | 3.00% | 76 | 8.8 |
| Aria Bay | Auckland North | 34 | 910 | 959 | - | - | 2.00% | 3.00% | 3.50% | 81 | 7.9 |
| Aria Park | Auckland City | - | - | - | - | - | - | - | - | -- | - |
| Peninsula Club | Whangaparaoa | 238 | 552 | 893 | - | - | 1.85% | 2.50% | 3.50% | 83 | 8.2 |
| Mayfair | Auckland North | 168 | 653 | 848 | - | - | 1.80% | 2.50% | 3.50% | 83 | 8.7 |
| Knightsbridge | Auckland North | 248 | 624 | 973 | 0.10% | 1.10% | 2.50% | 3.00% | 3.50% | 83 | 8.7 |
| Parklane | Auckland North | 99 | 740 | 1,020 | - | - | 2.00% | 2.50% | 3.50% | 82 | 8.5 |
| Mt Eden Gardens | Auckland City | 37 | 432 | 468 | - | - | - | - | - | - | - |
| Cascades | Hamilton | 5 | 513 | 649 | - | - | 1.00% | 2.00% | 3.50% | 84 | 8.5 |
| Lauriston Park | Cambridge | 198 | 485 | 718 | 0.25% | 1.25% | 2.50% | 3.00% | 3.50% | 80 | 9.2 |
| Copper Crest | Tauranga | 187 | 625 | 885 | - | - | 2.00% | 2.60% | 3.50% | 81 | 8.7 |
| Bethlehem Country Club | Tauranga | 170 | 782 | 1,066 | - | - | 2.00% | 2.50% | 3.50% | 80 | 9.0 |
| Bethlehem Shores | Tauranga | 208 | 1,006 | 1,304 | - | - | 2.00% | 2.50% | 3.50% | 78 | 9.0 |
| Ocean Shores | Mt Maunganui | 210 | 521 | 879 | - | 0.85% | 2.50% | 3.00% | 3.50% | 84 | 8.5 |
| Whai Mauri Ora | Te Awamutu | - | - | - | - | - | - | - | - | - | - |
| Glenbrae | Rotorua | 98 | 376 | 542 | - | - | 2.00% | 2.50% | 3.00% | 85 | 7.6 |
| Mary Doyle | Havelock North | 233 | 539 | 802 | - | - | 2.00% | 2.50% | 3.40% | 84 | 8.0 |
| Olive Tree | Palmerston North | 95 | 545 | 628 | - | - | 2.00% | 2.50% | 3.00% | 83 | 8.5 |
| Molly Ryan | New Plymouth | 35 | 410 | 490 | 0.25% | 1.50% | 2.50% | 3.00% | 3.50% | 85 | 7.0 |
| Waikanae Country | Kapiti | 4 | 557 | 878 | - | - | 1.50% | 2.00% | 3.00% | 87 | 8.5 |
| Lansdowne Park | Masterton | 82 | 495 | 709 | - | 0.75% | 2.50% | 3.00% | 3.50% | 82 | 8.8 |
| Ashwood Park | Blenheim | 18 | 329 | 479 | - | 0.50% | 2.00% | 3.00% | 3.50% | 85 | 6.8 |
| The Wood | Nelson | 5 | 479 | 708 | - | - | 2.00% | 3.00% | 3.50% | 87 | 6.5 |
| Oakwoods | Nelson | 116 | 450 | 619 | - | 0.75% | 2.00% | 3.00% | 3.50% | 83 | 8.5 |
| Waimea Plains | Tasman | 151 | 641 | 686 | - | - | 2.00% | 2.50% | 3.50% | 77 | 8.7 |
| St Albans | Christchurch | 21 | 537 | 531 | - | - | 2.00% | 3.00% | 3.50% | 83 | 7.2 |
| Ilam | Christchurch | - | - | - | - | - | - | - | - | - | - |
| Mayfair | Christchurch | 11 | 425 | 496 | 0.25% | 1.25% | 2.50% | 3.00% | 3.50% | 81 | 7.2 |
| Park Lane | Christchurch | 86 | 583 | 610 | - | - | 2.00% | 3.00% | 3.50% | 80 | 8.0 |
| Rhodes on Cashmere | Christchurch | 44 | 858 | 886 | - | - | 1.50% | 3.00% | 3.50% | 81 | 8.1 |
| Queenstown Country Club | Queenstown | 117 | 1,324 | 1,407 | - | - | 1.50% | 2.50% | 3.00% | 78 | 8.7 |
| Strathallan | Timaru | 51 | 413 | 582 | 0.25% | 1.50% | 2.50% | 3.00% | 3.50% | 84 | 8.6 |
| | Totals | 3,034 | | | | | | | | | |
| Joint venture ¹ | | | | | | | | | | | |
| Village at the Park | Wellington | 174 | 575 | 819 | - | - | 2.00% | 2.50% | 3.50% | 83 | 8.0 |

1. Portfolio metrics presented as if a 100% interest held. Arvida has a 50% interest in Village at the Park.

Valuation inputs for SA/CS

| Village | Region | No. of Units | Ave. Ingoing Price (\$000) | Ave. Current Price (\$000) | Yr1 | Yr2 | Yr3 | Yr4 | Yr5 | Ave. Resident Age (yrs) | Stabilised Tenure (yrs) |
|----------------------------|------------------|--------------|----------------------------|----------------------------|-------|-------|-------|-------|-------|-------------------------|-------------------------|
| Te Puna Waiora | Kerikeri | - | - | - | - | - | - | - | - | - | - |
| Aria Bay | Auckland North | 76 | 303 | 334 | 0.50% | 1.00% | 2.00% | 2.60% | 3.10% | 87 | 3.5 |
| Aria Park | Auckland City | 46 | 524 | 597 | 0.25% | 1.00% | 2.50% | 3.00% | 3.50% | 86 | 5.1 |
| Peninsula Club | Whangaparaoa | - | - | - | - | - | - | - | - | - | - |
| Mayfair | Auckland North | - | - | - | - | - | - | - | - | - | - |
| Knightsbridge | Auckland North | - | - | - | - | - | - | - | - | - | - |
| Parklane | Auckland North | 58 | 324 | 340 | - | 1.00% | 2.00% | 2.50% | 3.00% | 88 | 4.5 |
| Mt Eden Gardens | Auckland City | - | - | - | - | - | - | - | - | - | - |
| Cascades | Hamilton | 32 | 368 | 420 | 0.50% | 1.00% | 1.00% | 2.00% | 3.50% | 88 | 4.8 |
| Lauriston Park | Cambridge | 63 | - | 410 | - | 1.00% | 2.25% | 3.00% | 3.50% | - | - |
| Copper Crest | Tauranga | 55 | 289 | 344 | 0.50% | 1.00% | 2.00% | 2.50% | 3.00% | 86 | 3.0 |
| Bethlehem Country Club | Tauranga | - | - | - | - | - | - | - | - | - | - |
| Bethlehem Shores | Tauranga | - | - | - | - | - | - | - | - | - | - |
| Ocean Shores | Mt Maunganui | - | - | - | - | - | - | - | - | - | - |
| Whai Mauri Ora | Te Awamutu | - | - | - | - | - | - | - | - | - | - |
| Glenbrae | Rotorua | 35 | 284 | 315 | 0.50% | 1.00% | 1.00% | 2.50% | 3.00% | 88 | 4.2 |
| Mary Doyle | Havelock North | 46 | 237 | 315 | 0.50% | 1.00% | 2.00% | 2.50% | 3.00% | 87 | 4.4 |
| Olive Tree | Palmerston North | 41 | 219 | 260 | 0.50% | 1.00% | 1.00% | 2.50% | 3.00% | 87 | 4.5 |
| Molly Ryan | New Plymouth | 28 | 219 | 246 | 0.25% | 1.50% | 2.50% | 3.00% | 3.50% | 90 | 4.1 |
| Waikanae Country | Kapiti | 20 | 313 | 411 | 0.50% | 1.00% | 1.50% | 2.00% | 2.50% | 84 | 4.9 |
| Lansdowne Park | Masterton | 29 | 300 | 317 | 0.25% | 1.25% | 2.50% | 3.00% | 3.50% | 85 | 4.3 |
| Ashwood Park | Blenheim | 35 | 212 | 228 | 0.25% | 1.00% | 2.50% | 3.00% | 3.50% | 86 | 4.2 |
| The Wood | Nelson | 36 | 265 | 304 | 0.50% | 1.00% | 2.00% | 3.00% | 3.50% | 89 | 4.2 |
| Oakwoods | Nelson | 45 | 281 | 313 | 0.25% | 1.00% | 2.25% | 3.00% | 3.50% | 87 | 4.3 |
| Waimea Plains | Tasman | - | - | - | - | - | - | - | - | - | - |
| St Albans | Christchurch | 60 | 289 | 321 | 0.50% | 1.00% | 2.00% | 3.00% | 3.50% | 87 | 4.5 |
| Ilam | Christchurch | 45 | 308 | 319 | - | 1.00% | 2.50% | 3.00% | 3.50% | 86 | 4.1 |
| Mayfair | Christchurch | 23 | 249 | 288 | - | 1.00% | 2.50% | 3.00% | 3.50% | 88 | 4.3 |
| Park Lane | Christchurch | 45 | 290 | 361 | 0.50% | 1.00% | 2.00% | 3.00% | 3.50% | 86 | 4.6 |
| Rhodes on Cashmere | Christchurch | 35 | 392 | 344 | 0.50% | 1.00% | 2.00% | 2.50% | 3.00% | 87 | 2.7 |
| Queenstown Country Club | Queenstown | - | - | - | - | - | - | - | - | - | - |
| Strathallan | Timaru | 48 | 306 | 352 | 0.25% | 1.50% | 2.50% | 3.00% | 3.50% | 87 | 4.4 |
| | Totals | 901 | | | | | | | | | |
| Joint venture ¹ | | - | | | | | | | | | |
| Village at the Park | Wellington | 17 | 265 | 303 | 0.50% | 1.00% | 1.50% | 2.50% | 3.00% | 83 | 4.4 |

1. Portfolio metrics presented as if a 100% interest held. Arvida has a 50% interest in Village at the Park.

Additional disclosures

| Village at the Park Sales Analysis ¹ | | | | |
|---|-----------|----------------|-----------|-------|
| FY23 | Resales | | New Sales | |
| | Units | \$000 | Units | \$000 |
| Villas / apartments | 10 | \$7,220 | - | - |
| Serviced apartments | 8 | \$2,120 | - | - |
| Care suites | - | - | - | - |
| Total sales of ORAs (units) | 18 | \$9,340 | - | - |
| Value \$m | 9.3 | | - | - |
| Av. value per sale \$000 | 519 | | | - |
| Gains (100%) \$m | 3.2 | | | - |
| Margin % | 34% | | | - |

| Head Office NZ\$m | FY23 | FY22 | YoY | FY21 |
|----------------------|-------------|-------------|------------|-------------|
| Employee costs | 13.1 | 9.8 | 34% | 8.1 |
| Other | 9.8 | 8.0 | 23% | 3.7 |
| Total expense | 22.9 | 17.8 | 29% | 11.8 |
| Capitalised wages | 5.9 | 3.9 | 51% | 2.8 |

- Arvida acquired Arena in November 2021. FY22 therefore includes a part year of Arena support office costs, and FY23 a full 12 months.

1. Portfolio metrics presented as if a 100% interest held. Arvida has a 50% interest in Village at the Park.

Additional disclosures

| Inventory ¹ | Resale | | New Sale | |
|--|-----------|------------|------------|------------|
| | FY23 | FY22 | FY23 | FY22 |
| Contracted | 28 | 72 | 63 | 83 |
| Uncontracted | 51 | 61 | 182 | 76 |
| Total resale stock | 79 | 133 | 245 | 159 |
| % uncontracted of total ORA units | 1.2% | 1.6% | 4.4% | 1.9% |
| % uncontracted (adjusted) ² | | | 2.2% | 2.0% |
| <i>Contracted</i> | 15 | 39 | 42 | 64 |
| <i>Uncontracted</i> | 13 | 11 | 61 | 31 |
| Villas | 28 | 50 | 103 | 95 |
| <i>Contracted</i> | 4 | 9 | 10 | 11 |
| <i>Uncontracted</i> | 10 | 7 | 25 | 42 |
| Apartments | 14 | 16 | 35 | 53 |
| <i>Contracted</i> | 8 | 22 | 0 | 1 |
| <i>Uncontracted</i> | 28 | 43 | 0 | 1 |
| Serviced apartments | 36 | 65 | 0 | 2 |
| <i>Contracted</i> | 0 | 2 | 11 | 7 |
| <i>Uncontracted</i> | 1 | 0 | 96 | 2 |
| Care suites | 1 | 2 | 107 | 9 |

1. Excludes Village at the Park inventory, and redevelopment inventory.

2. Adjusted for new care suite inventory.

Additional disclosures

| Capital Expenditure NZ\$m | FY23 | FY22 | YoY | FY21 |
|---|--------------|--------------|------------|--------------|
| Acquisitions | 24.2 | 18.9 | 28% | 1.4 |
| Purchase of furniture & fittings | 9.1 | 4.7 | 94% | 6.8 |
| Development capital expenditure | 229.6 | 166.8 | 38% | 133.3 |
| ILU refurbishment | 14.7 | 6.0 | 145% | 3.9 |
| SA unit refurbishment | 1.2 | 1.7 | (28%) | 1.5 |
| Care facility refurbishment | 1.5 | 0.9 | 73% | 0.1 |
| General building works | 4.1 | 3.8 | 7% | 3.1 |
| Unit title buybacks | 2.8 | 4.6 | (39%) | 4.7 |
| Total capital expenditure | 287.2 | 207.4 | 38% | 154.8 |
| Is represented by: | | | | |
| Purchase of prop., plant & equip. | 9.5 | 10.3 | (8%) | 8.6 |
| Purchase of investment property | 264.1 | 191.8 | 38% | 140.4 |
| Capitalised interest | 13.6 | 5.3 | 157% | 5.8 |
| Net cash from investing activities | 287.2 | 207.4 | 38% | 154.8 |

Sustainability

| Key indicators | FY23 | FY22 |
|--|--------------|-------------------|
| Emissions¹ | | |
| Scope 1 | 3,228 | 2,722 |
| Scope 2 | 2,196 | 1,888 |
| Scope 3 | 79,931 | 69,394 |
| Total Scope 1, 2 & 3 | 85,355 | 74,004 |
| Primary emissions | 6,610 | 5,574 |
| Emissions intensity | | |
| IFRS Revenue (gross tCO ₂ e / \$Millions) | 29.0 | 27.6 |
| Total revenue (gross tCO ₂ e / \$Millions) ² | 21.7 | 22.0 |
| Retirement living units (gross tCO ₂ e / number) ³ | 1.2 | 1.0 |
| CDP rating | Pending | B |
| S&P Global ESG score | Pending | 37 (top quartile) |

Commentary

- Main factors contributing to FY23 emissions increase
 - Flood related waste was 42 tCO₂e (1%)
 - Ex-Covid resumption of activity with business travel up 131 tCO₂e (2%)
 - 12 months of Arena added 785 tCO₂e (14%), 5 months was included in FY22
- Focus of FY23 efforts
 - Developed emissions reduction model and plan
 - Calculated and reported Scope 3 additional emissions
 - Continued roll out of LED lighting with 3,306 lights installed
 - Insights from our electricity optimisation project being considered
 - Educated residents and staff in reducing waste with 23 waste talks completed and over 300 people attending
 - Food waste audits conducted to understand more about this waste stream
 - Sector collaboration on research into sanitary waste
- Sustainability data can be accessed through ESG portal on website (arvida.co.nz)



MSCI
ESG RATINGS



CCC B BB BBB A AA AAA



NZGBC
TE KAUNHERA HANGANGA TAUTAIAO
Member 2022-2023



1. Scope 3 emissions restated in FY22 to include purchased goods & capital goods. Adjustments made to FY22. Please refer to Greenhouse Gas Inventory Report at arvida.co.nz.

2. Measured as a percentage of revenue (revenue IFRS plus gross value of occupation rights sales).

3. Measured as a percentage of retirement units.

ESG indicators

| | FY23 | FY22 |
|--|-------|--------|
| Workplace indicators | | |
| Engagement ¹ | 7.5 | 85% |
| Retention | 70% | n/a |
| Diversity valued and encouraged ¹ | +26 | 73% |
| Treated fairly and with respect ¹ | +27 | 73% |
| Pay equity gap ² | 0.8% | (0.1%) |
| Gender pay gap ³ | 0.5% | 2.3% |
| TRIFR ⁴ | 3.9 | 5.0 |
| Total workforce ⁵ | 2,917 | 2,707 |
| % Workforce female | 76% | 78% |
| % Senior management female | 40% | 25% |
| % Director female | 40% | 40% |
| % Nurses | 8% | 9% |
| % Caregivers | 52% | 51% |

| | FY23 | FY22 |
|--|--------|--------|
| Community indicators | | |
| Resident NPS | | |
| Independent residents | +38 | +42 |
| Care residents | +59 | +45 |
| Care occupancy | 91% | 94% |
| Need-based composition | 43% | 44% |
| Care centres certification | | |
| % with 4 years | 65% | 73% |
| % with 3 years | 35% | 27% |
| No. of care centres | 24 | 25 |
| Environment indicators | | |
| Non-renewable energy consumption (MWh) | 31,444 | 28,074 |
| Renewable energy consumption (MWh) | 228.3 | 122.9 |
| Water use (million cubic meters) | 0.7 | 0.7 |
| Waste to landfill (tonnes) | 2,879 | 2,743 |

1. The Peakon platform was used to measure satisfaction and engagement in FY23.

2. Measures pay equity for performing the same role (median pay of same role (base salary).

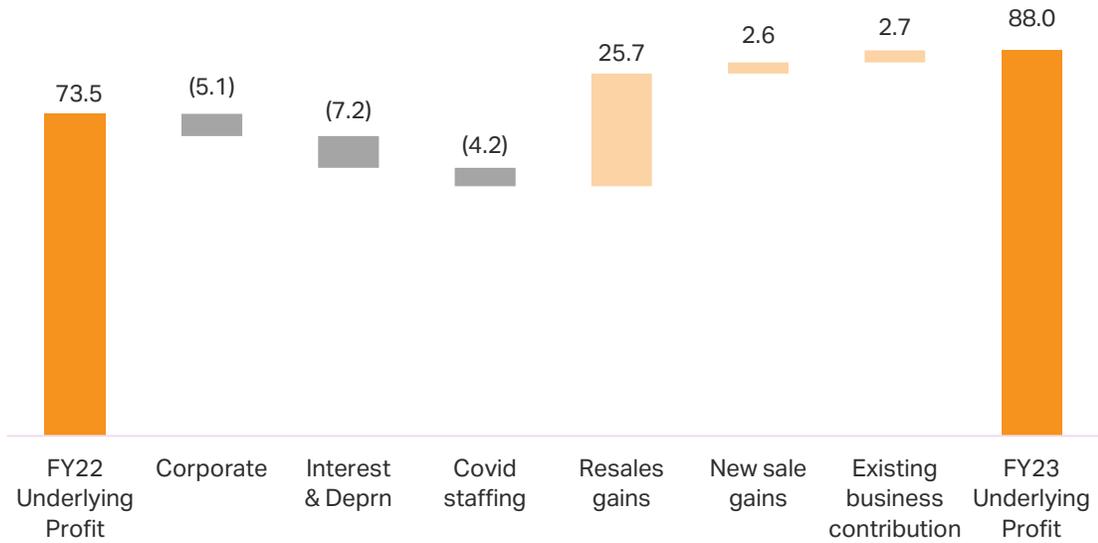
3. Measures median pay for all employees (base salary).

4. Total Recordable Injury Frequency Rate per 100,000 hours worked.

5. Comprises all fulltime, permanent part time and casual staff, and Village at the Park.

Underlying Profit bridge

Underlying Profit bridge \$m



Definitions

Underlying Profit (or Underlying NPAT)

Underlying Profit is a non-GAAP unaudited financial measure used by Arvida to monitor financial performance and determine dividend distributions.

Arvida calculates Underlying Profit by making the following adjustments to Reported Net Profit after Tax:

- Removing the change in fair value of investment properties, property, plant and equipment and derivatives (from the Statement of Comprehensive Income);
- Removing any impairment of goodwill;
- Removing any loss on disposal of chattels from the decommissioning of development sites;
- Removing any gains on acquisition of subsidiaries;
- Adding back the Directors' estimate of realised gains on occupation right agreement units;
- Adding back the Directors' estimate of realised development margin on the cash settlement of the first sale of new ORA units following the development or conversion to an ORA unit;
- Adding back the deferred taxation component of taxation expense so that only current tax expense is reflected; and
- Adding back insurance amounts and transaction costs.

Resale Gain

The Directors' estimate of realised gains on resales of ORA is calculated as the net cash flow received by Arvida on the settlement of the resale of pre-existing ORAs (i.e. the difference between the ORA licence payment received from the incoming resident and the ORA licence payment previously received from the outgoing resident).

Development Margin

The Directors' estimate of realised development margin is calculated as the cash received on settlement of the first sale of new ORA units less the development costs associated with developing the ORA units.

Development costs include:

- Construction costs directly attributable to the relevant project, including any required infrastructure (e.g. roading) and amenities related to the units (e.g. landscaping) as well as any demolition and site preparation costs associated with the project. The costs are apportioned between the ORA units, in aggregate, using estimates provided by the project quantity surveyor. The construction costs for the individual ORA units sold are determined on a pro-rated basis using gross floor areas of the ORA units;
- An apportionment of land valued based on the gross floor area of the ORA units and care suites developed. The value for brownfield development land is the acquisition cost or the estimated fair value of land at the time a change of use occurred (from operating as a care facility or retirement village to a development site), as assessed by an external independent valuer. Greenfield development land is valued at historical cost; and
- Capitalised interest costs to the date of project completion apportioned using the gross floor area of ORA units developed.

Development costs do not include:

- Construction, land (apportioned on a gross floor area basis) and interest costs associated with common areas and amenities or any operational or administrative areas.

Important notice

Disclaimer

- The information in this presentation has been prepared by Arvida Group Limited with due care and attention. However, neither the Company nor any of its directors, employees, shareholders nor any other person shall have any liability whatsoever to any person for any loss (including, without limitation, arising from any fault or negligence) arising from this presentation or any information supplied in connection with it.
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