

**ANNUAL SHAREHOLDERS MEETING - Chief Executive Officer's Address**

**27 June 2025**

Thank you, Liz, and good afternoon, ladies and gentlemen.

It's a pleasure to speak to you today at my first Annual Shareholders Meeting as Chief Executive Officer of Oceania Healthcare.

Since joining in July last year, I've visited many of our villages and met with our residents, their families, and our team across the country. These conversations have confirmed what makes Oceania special - the deep sense of care, responsibility and pride our people bring to their work every day in how we look after our residents and support each other.

We've worked hard to streamline operations, sharpen our focus and build on our core strengths.

**Lifting Performance in FY25**

When I joined, we identified two key areas to accelerate performance: improving sales and making our operations more efficient. These efforts have made our business more resilient and better positioned for the future.

This year, we've seen solid results:

- New sales volumes were up by over 17%; and
- Resales were up by 5%
- In the second half, new sales rose by 7% compared to the first half.

We achieved this through stronger leadership in sales, improved pricing and targeted marketing.

Several villages stood out:

- The Helier in Auckland lifted occupancy from 14% at the start of the year to 41% by late May.
- Bellevue in Christchurch sold out its apartments in just two years.

- Redwood Care Suite Centre in Blenheim opened in May 2024 and reached 62% occupancy by 31 March. Sales of Care Suites under an ORA were 25% ahead of expectations.

These results show we're making real progress in aligning sales with our development pipeline.

We also made headway in managing our capital. Even though we added \$120 million of stock from new development, we achieved \$131 million in sales, which helped us bring our stock level down from \$353 million to \$342 million.

In parallel, we refinanced our banking facilities, extended debt maturities, maintaining covenants, and securing competitive pricing with the support of existing and new lenders.

Importantly, we've continued to be transparent and consistent in how we report.

- Our accounting policies and disclosures were signed off by Ernst and Young;
- We carry out independent property valuations every six months;
- Our 30% Deferred Management Fee has not changed; and
- Weekly fee increases now align with New Zealand superannuation.

## **Optimising the Operating Model**

We're building a leaner and more agile business.

- A cost out programme has already saved \$5 million
- A broader optimisation programme is targeting \$10 to \$15 million of savings
- We've already identified another \$5 million of savings to be realised - starting in the second half of FY26.

Most importantly, these changes do not impact our resident experience, nor our growth potential. They reflect a smarter way of operating – one that is focused, consistent and set up for the future.

## **Portfolio Transformation**

We continue to improve and modernise the quality of our portfolio.

Key milestones in FY25 include:

- 68 apartments completed at Awatere Village
- 50 apartments completed at Waterford Village
- We opened a 106 suite Care Building at Elmwood Village; and

- We opened 40 new dementia suites at Meadowbank Village.

We are also preparing for future growth:

- At Franklin, 31 villas and a community centre are on track for delivery in FY26;
- We bought land in Hastings, adjacent to our Gracelands site, for future development;
- The outdated buildings at Lady Allum were demolished to make way for a central precinct; and
- Six older sites were sold, helping to reduce debt and lifting the overall quality of our portfolio.

## **Leading in Care**

Care is our core – it sits at the heart of who we are. We’ve elevated clinical leadership to the executive level, and have launched our Fundamentals of Care framework this year. This framework is about lifting clinical practice and delivering excellence in resident outcomes.

With demand for high-quality care expected to grow significantly, our development strategy includes a substantial pipeline of premium care suites to meet this growing demand.

As the sector undergoes a review of the Retirement Villages Act, we are actively contributing and advocating for reforms that support transparency, wellbeing, and sustainability.

## **Strengthening Leadership and Culture**

We have simplified our structure, invested in leadership, and introduced technology-based platforms like SafetyHub — a user-friendly mobile tool to improve our Health and Safety system. These platforms provide better visibility and consistency in workforce planning and safety practices.

While there is still work to do, we’re building a high performing and connected workforce. We are supported by an experienced Chair and Board with six independent directors, who bring a deep knowledge of aged care which is a real strength for Oceania.

Together, we’ve sharpened our focus on disciplined execution, excellence in care, and long term sustainability.

## **Our Refreshed Purpose and Pillars**

Today, I’m pleased to introduce Oceania’s refreshed purpose and strategic pillars. These have been shaped through deep engagement with the Board and

executive team, and informed by independent research with our people, our residents and their families.

Our new purpose is “Supporting and empowering people to live well as they age”.

This is backed by four pillars:

- Connected Care
- Inspired Living
- Empowered People, and
- Purposeful Impact.

Each pillar will be supported by strategic priorities that will guide our work over the next five years.

In **Connected Care**, we will focus on improving continuity and satisfaction across the care and ageing journey, strengthening digital engagement, and expanding models that support ageing in place.

For **Inspired Living**, we are focused on wellbeing, lifestyle and connection – creating services and environments that foster dignity and independence and optimising our sales strategies.

Under **Empowered People**, our priorities are to enhance leadership, support professional development and foster a strong, positive employee experience.

And under **Purposeful Impact**, we will drive sustainable growth and innovation – whilst embedding social and environmental value into how we plan, invest, and measure success.

These pillars will help to guide our investment decisions and impact - for residents, their families, our team, and shareholders alike.

## **Climate and Sustainability**

On 5 June, we released our Climate Transition Plan outlining how we are:

- Adapting our villages and buildings
- Lowering emissions, and
- Supporting our people

as we prepare for a climate-resilient future.

## **Closing**

And in closing, I want to sincerely thank the executive team for their efforts over this past year. Their work has strengthened and simplified the business and created a strong platform for the future.

I'd also like to thank our Chair, Liz Coutts, and the Board for their leadership and support.

There is still more to do, but I'm excited about what comes next, and am confident that Oceania is on the right path. We are well positioned for the next chapter, and I look forward to working with you all – residents, families, employees and shareholders – as we continue to grow stronger, together.

Thank you.