

# NZX Webinar

Arvida Group Limited  
9 June 2021

# AT A GLANCE

- > Listed in 2014; now one of NZ's largest providers of aged care services
- > 33 retirement communities nationally, with our newest greenfield development launched during the year in Kerikeri
- > Retirement living accommodation and aged care services to over 4,950 residents
- > Market capitalisation of ~\$1b
- > Total assets of over \$2b
- > Member of NZ50 Index



## Total Aged Care Beds

780

HOSPITAL

629

REST HOME

263

DEMENTIA CARE

1,672

TOTAL AGED CARE BEDS

95%

OCCUPANCY OF AGED CARE BEDS

## Total Retirement Units

2,695

TOTAL RETIREMENT UNITS

1,893

VILLAS/APARTMENTS

688

SERVICED APARTMENTS

114

CARE SUITES

81 years

CURRENT AVERAGE AGE OF INDEPENDENT LIVING RESIDENTS

87 years

CURRENT AVERAGE AGE OF SERVICED APARTMENT RESIDENTS

**Our Mission:**

**Transform the ageing experience**

# STRATEGY UPDATE



## **Buying + Building Well**

Grow and expand our operations through careful selection of greenfield and brownfield development projects and existing village acquisitions that deliver long term value

## **Living Well**

Invest in our employees and organisation's culture to deliver a truly resident-led service offering that transforms the ageing experience of our residents and future customers

## **Engaging Well**

Invest in the health and wellbeing of our communities leveraging The Attitude of Living Well and new delivery platforms to provide innovative high quality services

## **Nurturing Well**

Manage our business in a responsible and sustainable way, to help create thriving communities whilst limiting our impact on the environment

# FY21 OUTCOMES



## **Buying + Building Well**

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- > 247 new units delivered incl. 114 care suites, +1 new community in Kerikeri
- > 1,324 units in development pipeline
- > Development margin of 15%

## **Living Well**

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- > Staff engagement index at 86%; 45,000+ training modules completed
- > No notified H&S injury incidents; 83% of care centres at 4 year certification
- > Inclusion in Refinitiv Top 100 Diversity & Inclusion Index

## **Engaging Well**

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- > +48 NPS village residents; +43 NPS care residents
- > 95% care occupancy
- > +1 Arvida Good Friends community

## **Nurturing Well**

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- > Carbon emissions measured and independently audited
- > Emissions reduction target set; 50 tonnes of carbon credits offset
- > \$125m retail bond issue

# NAVIGATING COVID-19

Fast to action a pandemic response team

Three priorities from the outset:

1. Prepare our staff
2. Safeguard our residents
3. Protect our business

No positive cases recorded in residents or staff

**“Mum feels cared for, safe and loved by the wonderful staff - actually no words can really describe this..”**



# Development Milestones



# FY21 MILESTONES

## ARIA BAY, AUCKLAND





# FY21 MILESTONES

## COPPER CREST, TAURANGA





# ARVIDA GOOD FRIENDS LAUNCHED IN CHRISTCHURCH



## Community centre

Includes: café, micro-bakery, hair & beauty, 50+ gym, pool, spa, allied health, physio, activities & events space



## Home Care & Help

Includes: a range of services available in the home, integrated with App that produces real time data to assist with delivering care when needed



## Transport

Includes: member only ride share transport within geo fenced area



# FY21 MILESTONES

## ARVIDA GOOD FRIENDS, CHRISTCHURCH





# DEVELOPMENT IN PROGRESS

## ARIA BAY, AUCKLAND





# DEVELOPMENT IN PROGRESS

## WAIMEA PLAINS, RICHMOND





# DEVELOPMENT IN PROGRESS

## TE PUNA WAIORA, KERIKERI





# **Financial Highlights:**

**Resilient performance in Covid-year**

# FY21 RESULT HIGHLIGHTS



## Continued underlying business performance in Covid-19 year

- > Continued focus on Covid-19 response to ensure the safety of our residents and staff
- > Net profit after tax (NZ IFRS) of \$131.1m, up 207% on FY20
- > FY21 Underlying Profit<sup>1</sup> of \$51.9m, strong 2H performance up 53% on Covid impacted 1H
- > Operating cash flows of \$130.8m
- > Gearing ratio at 30%, no change from FY20 on increased build rate
- > Strong new and resale settlements of 404 units/beds; delivering \$227.4m gross proceeds up 13% on FY20
- > Development activity delivered 247 new units/beds relative to guidance of 200+
- > Commenced development of new greenfield site at Te Puna Waiora in Kerikeri
- > Maintained high clinical standards with 83% of care centres now having 4 year certification; and 95% care occupancy
- > Continued excellent resident and staff satisfaction results

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 annual report and investor presentation.

1. 4Q dividend of 1.50 cps declared
  - > Total dividend for FY21 to 5.35 cps or 56% of Underlying Profit, in line with current target 50-70% payout range
  - > Expect 4Q dividend to be sustainable
2. New target payout range of 40-60% of Underlying Profit adopted
  - > Guidance to lower end of the band as the focus moves to recycling capital into greenfield developments
3. Dividend reinvestment plan established
  - > Full details and how shareholders can opt in are contained in the DRP offer document
  - > With the DRP introduction, the frequency of dividends changes to six monthly



# QUESTIONS

