



OCEANIA
HEALTHCARE

**ANNUAL MEETING - CHAIR'S ADDRESS
20 SEPTEMBER 2017**

Well, we were very excited to bring Oceania Healthcare to the public market a few months ago, and with the new capital raised have been able to significantly step-up our development programme and enhance our ability to provide high quality care and services to New Zealand's increasingly ageing population. This is certainly a busy time for the Company with multiple projects on the go, as Earl will take you through shortly. We are clearly focused on creating long term sustainable value for our shareholders as we execute our strategy of providing quality care and retirement village living across New Zealand. Oceania is a Care business – it is at the core of what we deliver to our residents – and this sets us apart from the other listed providers on the market who tend to focus more on lifestyle accommodation in larger communities. In contrast, Oceania delivers very much a needs-based product which is accordingly more resilient to the risks of a fluctuating residential property market.

Our vision, put simply, is to create superior environments that is the first choice for our residents as the place that they want to live, whether it be independently in our retirement village units, or with high quality care services in our aged-care homes. We appreciate that this means adapting our offering to meet the changing requirements of New Zealand's ageing population, and maximising the opportunities within the current regulatory regime in this country.

With our innovative care suite model of aged-care facility, we are able to build out our substantial brownfields landbank with a good mix of aged-care beds and retirement village units, maintaining a strong weighting towards Care which, as I just mentioned, is our core strength as a business. By effectively selling our new care beds under the ORA model or charging premium accommodation charges, we are able to generate commercial returns and recycle our capital through each development. Demand for aged-care in New Zealand is forecast to increase materially over the short-term future given the demographic trends, and Oceania will therefore be well-placed to meet this demand with a quality offering on the market.

Of course, as well as being market-leaders in the delivery of high-quality clinical care, Oceania's other key strength as a business is our brownfields development landbank. We have sufficient surplus land within our existing portfolio to develop approximately 1,700 beds and units without having to make another land acquisition – which represents 6-7 years of construction activity. Furthermore, our in-house development team has successfully obtained resource consents for 63% of the developments planned on that landbank, so our growth pathway is very tangible and secure for several years into the future. We have sufficient banking facilities to execute this strategy, building out the landbank, as well as headroom to make further brownfields or greenfields acquisitions as good opportunities arise. Our recently announced acquisition of a 2,668m² site adjacent to our Eden facility in View Road, Mt Eden, is a good example of how we will add to our landbank as good opportunities to do so arise.

So, it has been a milestone year for the Company and we are very pleased with progress to date as we deliver on our plans. We have achieved our forecasts as set out during the IPO and each of our development projects are progressing well. We are on track, we are focused and confident of delivering ongoing growth well into the future.

You will be aware that we have a 31 May year-end and this means that we will release our financial results for the six months to 30 November 2017 in late January 2018. We will also be paying our first interim dividend to shareholders in February 2018 based on the full year to 31 May 2018.

Thank you once again for attending this afternoon and I'd now like to hand over to Earl Gasparich, our CEO, who will present our operating results and further detail on how we are delivering growth this coming year.

ENDS

OCEANIA HEALTHCARE

2 Hargreaves Street, St Mary's Bay, Auckland 1011
PO Box 9507, Newmarket, Auckland 1149, New Zealand
P +64 9 361 0350 F + 64 9 361 0351
www.oceaniahealthcare.co.nz