MARKET RELEASE
ARVIDA GROUP LIMITED 1H FY25 PROFIT RESULTS

Highlights

- Operating EBITDA of $44.1m, up 13%
- Gross ORA sales value of $193.4 million, up 13%
- 70 new units delivered, including 65 care suites
- Total assets of $4.3 billion
- NTA at $2.14 per share
- Scheme implementation pending

19 November 2024 – Retirement village operator Arvida Group Limited (**Arvida**) today reported its unaudited financial results for the six-month period ended 30 September 2024.

Financial Result

Net profit after tax of $64.0 million included a fair value gain on the investment property of $72.9 million (1H24: $88.6 million), supported by ongoing development activity and continued resale price momentum during the period. Operating EBITDA increased 13.1% to $44.1 million (1H24: $39.0 million) despite a difficult property market and weak economic environment.

Operating revenue increased 2.8% on the prior corresponding period to $125.5 million from the continued growth in deferred management fees from resales and new development village sales, along with higher care and village fees. Care occupancy at 94% continued to be at lower than historical levels and remained an area of strategic focus.

At $79.5 million, operating cash flow improved on the prior year (1H24: $45.6 million) mainly reflecting settlement cash flows.

The gross value of sales of occupation right agreements for the period increased 12.9% to $193.4 million. This reflected strong resale performance, up 32.4% on the prior period, but lower new sales activity on a reduced development programme. A total of 292 settlements occurred in the period.

Arvida's balance sheet has continued to grow, with total assets increasing by $104.8 million over the period since year end to $4.3 billion.

Development Activity

A development milestone in the period was the delivery of 62 new care suites at Queenstown Country Club, representing another step forward in Arvida's care strategy. Delivery of 140-150 new units is expected by the close of FY25 in line with guidance previously provided.

The property market remains subdued, however with inflation and interest rates set to decline a recovery in the property market should follow. The Board has set the current development strategy with a view that it will take some time for a firm recovery to materialise.

Value Recognition Programme

As reported at the annual meeting of shareholders in September, progress has been made with much of the cost saving initiatives identified as part of the value recognition programme. The core debt reduction plan will take a longer period to complete in the current economic environment and property market.

On 20 November 2024, the final step in the shareholder-approved scheme of arrangement with Stonepeak is expected to complete. Subject to the remaining customary implementation conditions being satisfied or waived, the Scheme is expected to be implemented and all shareholders at 5.00pm (NZ time) on the Record Date will be paid NZ$1.70 per share in cash.

The Scheme is the culmination of a programme the Board embarked on to accelerate the recognition of the Company's intrinsic value for shareholders.

– Ends –

For more information, please contact:
Briar Malpas, Company Secretary
Email: briar.malpas@arvida.co.nz

For media queries, please contact:
Geoff Senescall, Senescall Akers
Tel: +64 21 481 234
Email: senescall@senescallakers.co.nz

About Arvida:
Arvida is one of New Zealand's largest aged care providers owning and operating 35 retirement villages located nationally. Each village operates independently under a corporate structure that supports village operations to ensure quality and consistency of service. Arvida provides a range of living and lifestyle options from independent living to full rest home, hospital and dementia-level care.

Arvida's growth strategy includes the targeted development of new villages in areas that are supported by a strong demographic and economic profile and acquisition of quality villages that meet strict acquisition criteria as well as the development of additional facilities at existing villages.

Arvida is listed on the NZX (NZX: ARV). Website: **www.arvida.co.nz**