

Annual General Meeting

for the Financial Year Ended 31 May 2018

28 August 2018



OCEANIA
HEALTHCARE

Agenda

01 Welcome

02 Introduction to Directors and Management

03 Chair's Address

04 CEO's Address

04 Business of Meeting

05 Other Business

Introduction to Oceania's Directors



Oceania has a highly experienced Board with a diverse range of skills



Liz COUTTS
Chair and
Independent Director

ONZM, BMS, FCA
Joined - 2014



Alan ISAAC
Independent
Director

CNZM, BCA, FCCA,
FCIS

Joined - 2015



Kerry PRENDERGAST
Independent
Director

CNZM, MBA, NZRN,
NZM

Joined - 2016



Hugh FITZSIMONS
Non-Executive
Director

BEd LLB (Hons)

Joined - 2012



Patrick McCAWE
Non-Executive
Director

BCA (Hons), MBA,
CA

Joined - 2017



Sally EVANS
Independent
Director

BHSc, MSc,
FAICD, GAIST

Joined - 2018



Greg TOMLINSON
Non-Executive
Director

AME

Re-Joined - 2018



Chair's Address – Liz Coutts

Projects completed in FY2018



Meadowbank Stage 3, Auckland



Stoke Villas, Nelson



Elmwood Villas, Auckland

Projects under construction



Meadowbank Stage 4, Auckland



The Sands, Auckland



The BayView, Tauranga



Trevellyn, Hamilton

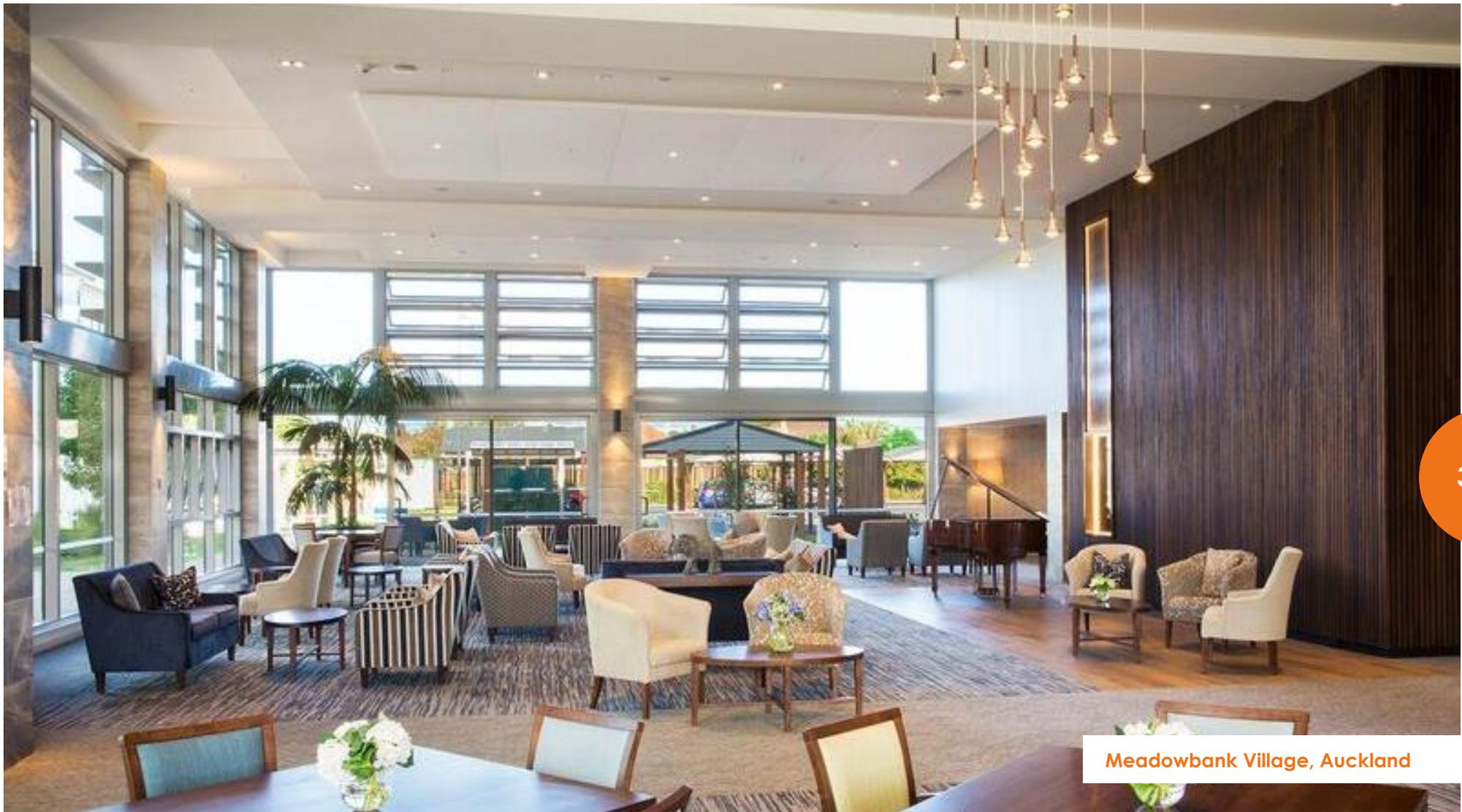


Green Gables, Nelson



The Sands, Auckland

CEO's Address – Earl Gasparich



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Meadowbank Village, Auckland

Financial Overview

SECTION 3

FY2018 Financial highlights



Reported NPAT and Underlying NPAT **were ahead** of FY2017

Reported NPAT

NZ\$m



✔ Reported NPAT \$32.1m (71.5%) higher than FY2017

Underlying NPAT¹

NZ\$m



✔ Underlying NPAT \$18.1m (53.1%) higher than FY2017

1. Underlying Net Profit After Tax includes pro forma adjustments in FY2017.

Care segment

Care earnings lower year-on-year due to lower occupancy and equal pay

NZ\$m	FY2017	FY2018
Operating revenue	152.8	159.6
Expenses	(120.9)	(130.7)
Underlying EBITDA	31.9	28.9
EBITDA per Care Bed / Suite (excl. decommissioned sites)	\$12,648	\$11,742
Occupancy	90.4%	88.1%

- Occupancy declining by 2.3% to average 88.1% over the year, largely explained by sites that are either under development or being divested
- Strong growth in revenue from premium rooms
 - Care suite DMF revenue increasing to \$3.6m (up 21%)
 - Premium Accommodation Charges increasing by 19.3% to \$6.8m.
FY2018 Average Premium Charge of \$13.67 (20.8% higher than FY2017)



Village segment

Strong resale and development margins

NZ\$m	FY2017	FY2018
Operating revenue	20.6	23.0
Realised gains on resales	12.7	16.9
Realised development margin	5.2	21.1
Operating expenses	(11.7)	(11.3)
Underlying EBITDA	26.8	49.7

- Resale gains high compared to listed peers
- Development margin 33.5% - reflects the higher-value units sold in our three Auckland villages
- Sales volumes higher year-on-year in both resales and new sales
- Embedded value in the portfolio increased to \$210.7m at FYE2018



Lady Allum, Auckland



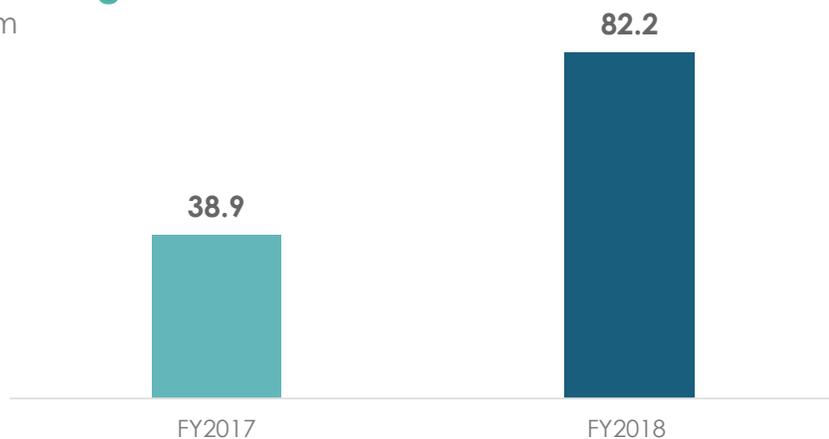
Elmwood, Auckland

Balance Sheet and Cash Flow

Net operating cash flow of \$82.2m and total assets of \$1.15b

Operating cash flow

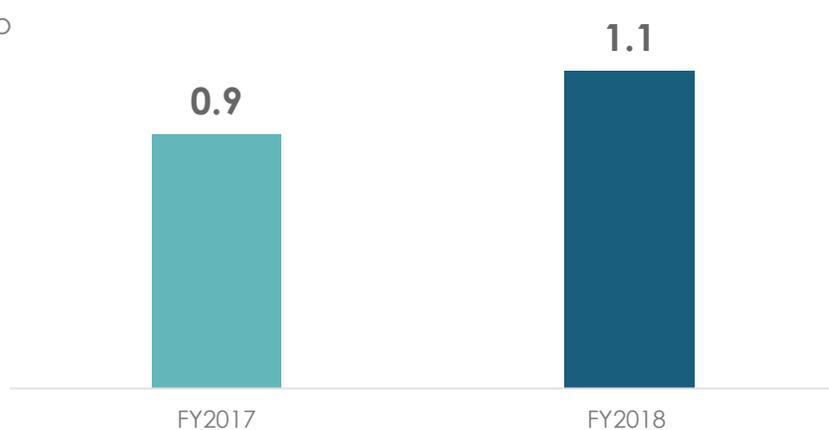
NZ\$m



● Net operating cashflow of \$82.2m

Total Assets

NZ\$b



● Total assets of \$1.15bn at FYE2018

● Total net debt of \$150.8m at FYE2018



Aged Care Strategy

SECTION 4

Aged Care is our core competency



We are market leaders in the delivery of the highest levels of clinical care



Care suites - The core of our growth strategy

Premium certified beds that enable us to recycle capital

Care Suites

- Premium rooms that are MOH certified to enable **rest home and hospital level care**
- **Recycle capital** by selling under ORA
- **Enhanced returns** through deferred management fee and care earnings





The Sands, Auckland

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Our Key Developments

SECTION 5

Meadowbank Village

Stage 3 completed in February 2018 with 73% of apartments sold or under application as at June 2018.
Stage 4 on track for completion in May 2019



Stage 3

Completed on time & under budget

62

Apartments

73% sold / under application

30

Care Suites

53% occupied

Stage 4

Under construction with a further

49

Apartments

34

Care Suites

The Sands

Construction of The Sands is on track for completion in May 2019



The Sands will provide

64 Apartments

44 Care Suites

Due for completion around May 2019

The BayView

Redevelopment of The BayView is on track and scheduled to complete in 1HY2019 with Stage 2 commencing in 2HY2019



Stage 1

Under construction will provide

81 Care Suites

Due for completion around Oct
2018

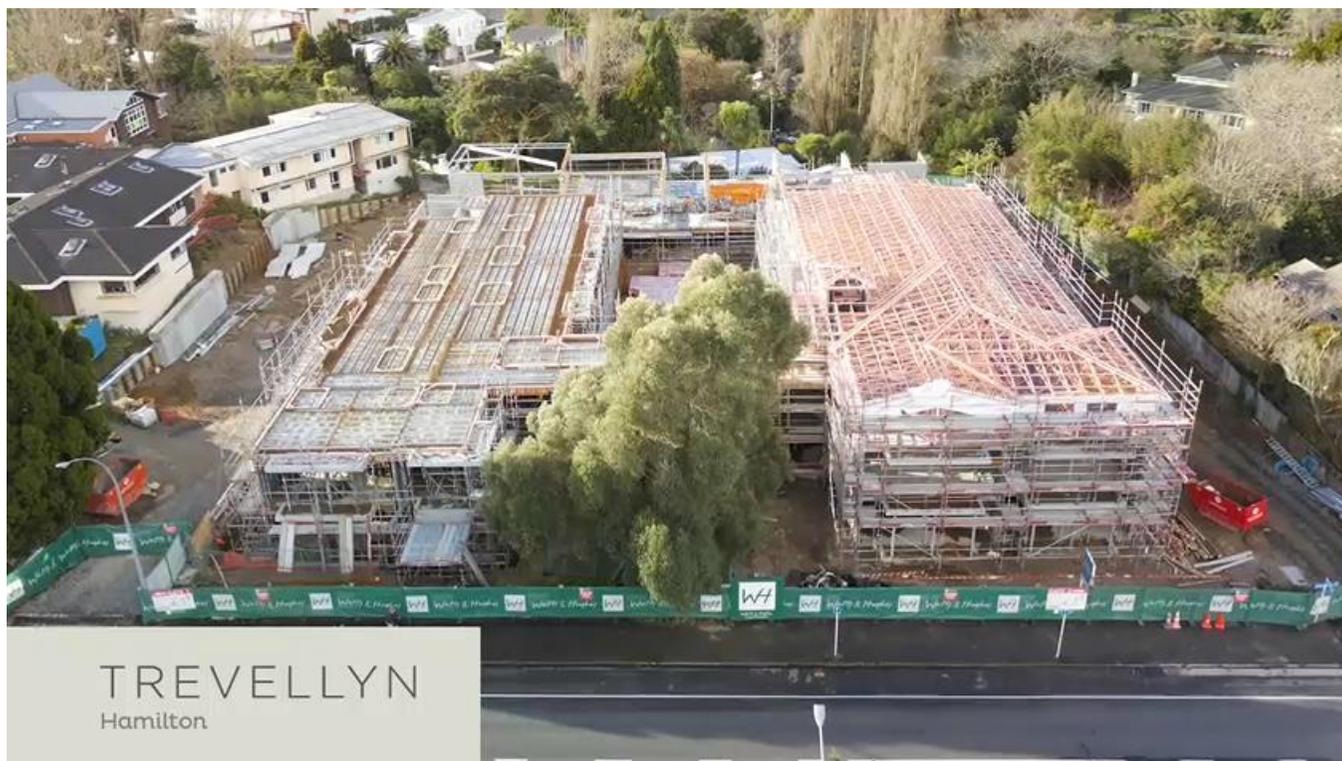
Stage 2

Scheduled to commence in
2HY2019

74 Apartments

 Community Centre

Construction of Trevellyn commenced in 2HY2018 with completion scheduled for FY2020



Stage 1

Currently under construction,
will provide:

90 Care Suites

Due for completion in FY2020

Stage 2

Scheduled to commence in
FY2020

63 Apartments

 Community Centre

Green Gables

Redevelopment of Green Gables commenced in June 2018



Green Gables will provide

28 Apartments

61 Care Suites

Due for completion in FY2020

Waimarie Street

We have significantly enlarged the development area of the Waimarie Street site in the premium suburb of St Heliers, Auckland



Greenfield site in the Auckland suburb of St Heliers:

116

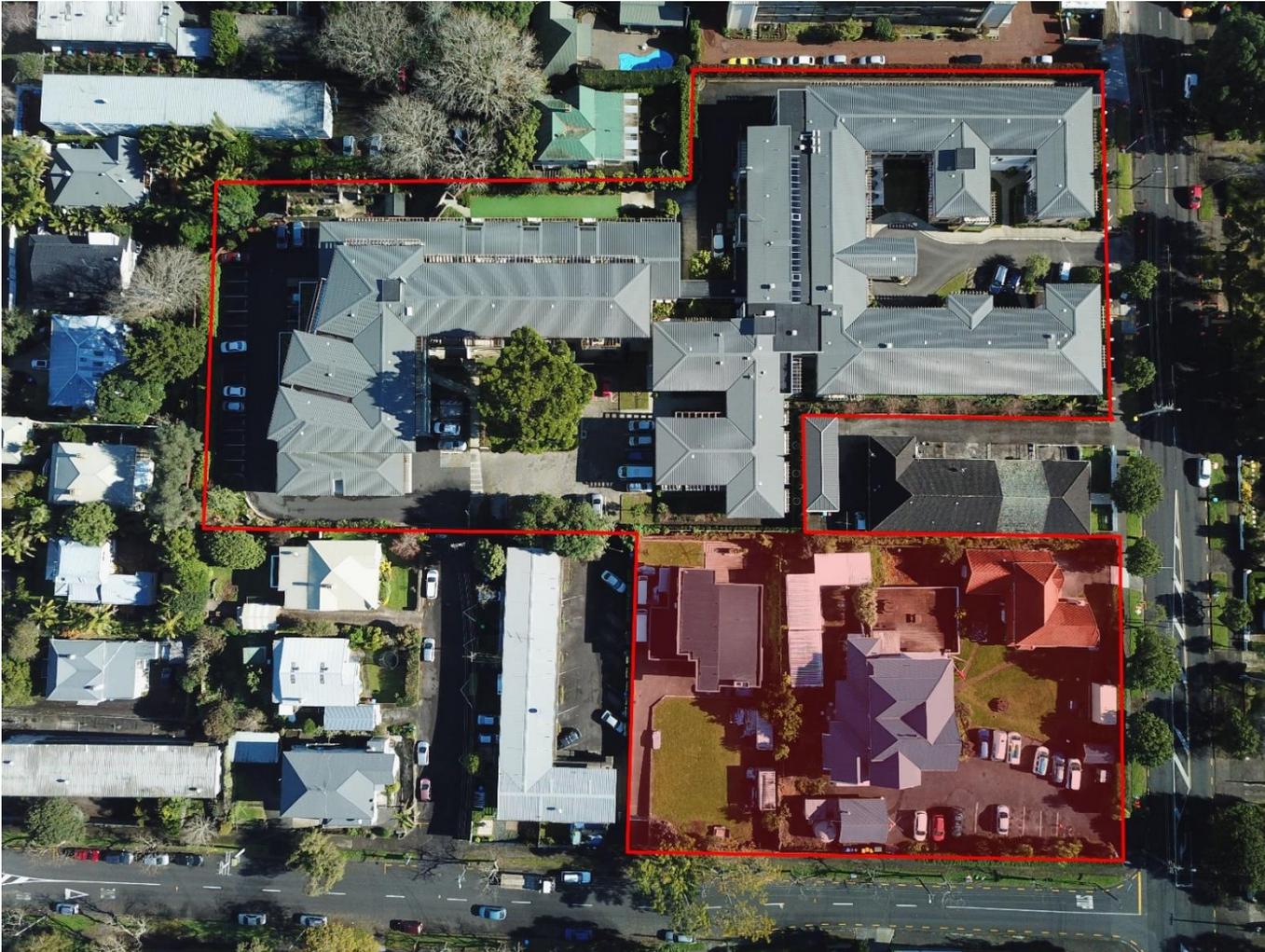
Units & Care Suites
Planned

13,464
m²

Land acquisition

- Original land acquired was 8,945m²
- Subsequent purchases have increased this to 13,464m² and "squared-off" the site
- Premium boutique aged care facility and retirement village planned (approximately 116 units and care suites)

Additional land was acquired adjacent to the Eden Village



Development of the site¹ will provide

47 Apartments

✓ Community Centre

- Under-croft carpark and a community centre to supplement the existing retirement village facility

1. Site to be developed is shaded red within the Eden site outline

Lady Allum

Resource consent has been obtained for the development of a new care facility and further redevelopment of the site



Elmwood

Land purchase will enable the construction of a new care facility



Windermere

Stage 1 development at Windermere is scheduled to commence in 2HY2019



Stage 1 development will provide

22 Apartments

60 Care Suites

Scheduled to commence
2HY2019

Resolutions

01

That Alan Isaac, who retires by rotation, and being eligible, offers himself for re-election, be re-elected as a director of the Company.

02

That Kerry Prendergast, who retires by rotation, and being eligible, offers herself for re-election, be re-elected as a director of the Company.

03

That Sally Evans, who holds office under the constitution only until the Annual Meeting and, being eligible, offers herself for election, be elected as a Director of the Company.

Resolutions

04

That Gregory Tomlinson, who holds office under the constitution only until the Annual Meeting and, being eligible, offers himself for election, be elected as a Director of the Company.

05

That the Directors be authorised to fix the remuneration of PricewaterhouseCoopers as the auditor of the Company for the ensuing year.

General Business

Questions from the floor

Please state your name, whether you are a shareholder, or if a proxy holder, the name of the shareholder represented

