



OCEANIA

Believe
in better.

ANNUAL MEETING OF SHAREHOLDERS
25 AUGUST 2023

Agenda

- 1 Welcome
- 2 Introduction to Directors and Executive Team
- 3 Chair's address
- 4 CEO's address
- 5 Business of meeting
- 6 Other business



How to Participate in Virtual / Hybrid Meetings (Q&A)

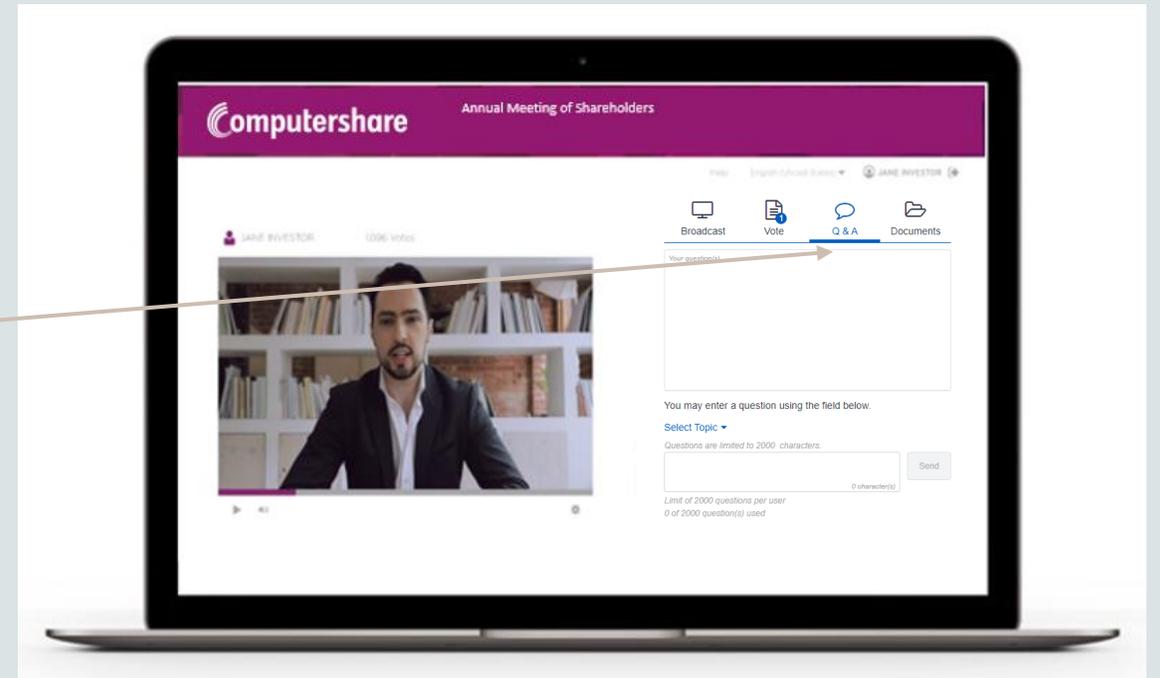
Shareholder & Proxyholder Q&A Participation

Written Questions:

Questions may be submitted ahead of the meeting. If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen at any time. Type your question into the field and press submit. Your question will be immediately submitted.

Help:

The Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.



Oceania's Directors



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



Elizabeth Coutts

Chair and Independent Director

ONZM, BMS, FCA

Joined 2014



Alan Isaac

Independent Director

CNZM, BCA, FCA

Joined 2015



Dame Kerry Prendergast

Independent Director

DNZM, CNZM, MBA (VUW), NZRN, NZM

Joined 2016



Sally Evans

Independent Director

BHSc, MSc, FAICD, GAIST

Joined 2018



Gregory Tomlinson

Independent Director

AME

Re-Joined 2018



Rob Hamilton

Independent Director

BSc, BCom

Joined 2021



Peter Dufaur

Independent Director

BProp

Joined 2021



Board of Directors skills matrix legend:

| | | | | | | | |
|----------------|-----------------------|--|-------------------------------|---------------------------|--------------------------------|----------------------|-----------------------|
| | | | | | | | |
| Core Strengths | Markets and Customers | Building and Maintaining Relationships | Delivering Sustainable Growth | Property and Construction | Capital Structure & Management | Executive Leadership | Australian Experience |

Oceania's Executive Management Team



Brent Pattison

Chief Executive Officer

BBS, CAANZ

Joined 2020



Kathryn Waugh

Chief Financial Officer

BSci (Hons), CA

Joined 2009



Anna Thorburn

**Group General Manager,
Corporate Services**

BA, LLB (Hons)

Joined 2012



Andrew Buckingham

**Group General Manager,
Property and Development**

MRICS, APPI

Joined 2022



Anita Hawthorne

**Group General Manager, Sales
and Service**

BCom, NZICA

Joined 2022

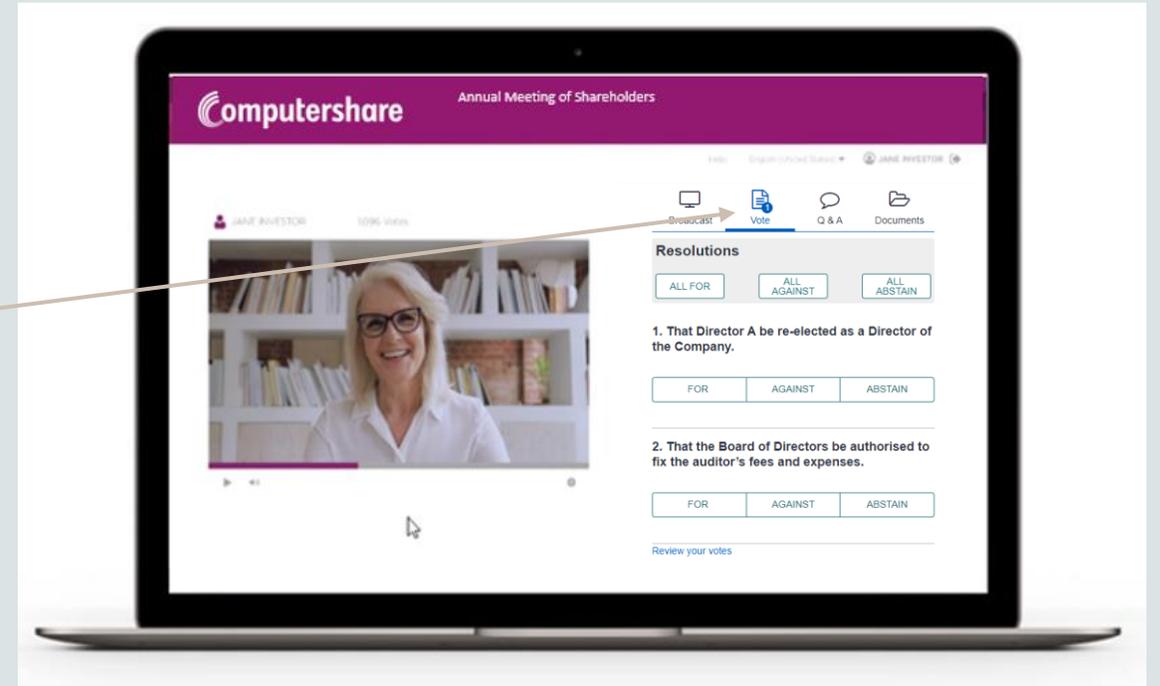
How to Participate in Virtual / Hybrid Meetings (Voting)

Shareholder & Proxyholder Voting

Once the voting has been opened, the resolutions and voting options will allow voting.

To vote, simply click on the Vote tab, and select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the tick appears. To change your vote, select 'Change Your Vote'.





Chair's Address: Elizabeth Coutts

Capital management and dividend policy



The Board of Directors has declared a change in dividend policy, reducing the dividend payout ratio range from 50% - 60% of Underlying NPAT to 30% - 50%.



Full year dividend for FY2023 of 3.2 cents per share, representing 39% of Underlying Net Profit after Tax. The Dividend Reinvestment Plan was available for both the interim and final dividends.



Reduced dividend payout ratio provides flexibility to retain capital to pursue growth opportunities through all phases of the property cycle.



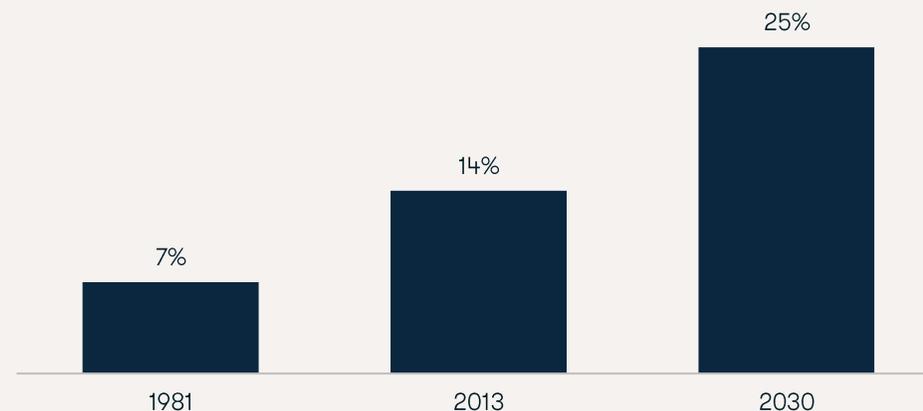
Focus on balance sheet with \$500m bank facility and \$225m of retail bonds secured at coupons of 2.3% and 3.3%, and appropriate hedging in place to manage interest rate risk.



Proven record of cash generation from developments and focus on consistently achieving positive outcomes in recycling cash.

Sector tailwinds

Proportion of NZ population over 65 years old



New Zealand's population is ageing, and it is doing so as part of a community that is seeking quality life choices and opportunities for their later years.



This ageing cohort is less fragile and more independent than ever before. They are healthier, wealthier and more active, including participation in the workforce.

Operational updates (continued)

Sustainability

We are committed to creating sustainable retirement and aged care living for today, and for our people of tomorrow.



Our focus remains forward looking

- Sustainability Framework created with measurable goals to 2030
- Committed to reducing greenhouse gas emissions in line with a science-based target
- Designing and building to NZ Green Building Council Homestar certification for better resident and environmental wellbeing
- Delivering on ambitious social and environmental goals, linked to our debt financing
- Evidence based framework approach to improving wellbeing
- Strong sustainability governance and oversight

Aged care regulation



FUND THE FUTURE OF AGED CARE, TODAY.

Our grandparents. Our parents. Our children. Us.
We all deserve quality care when we're most vulnerable.
Except, that's not a future we can all count on—unless we do what needs to be done today.

The aged care sector has reached a tipping point, with the number of Kiwis over 85 likely to triple over the next 25 years.

At a time when we should be creating new aged care beds, we're losing them. When we should be recruiting aged care nurses, we're losing them. And the consequences are snowballing.

That's why we're calling on the Government to fix the broken funding system.

To ensure quality aged care now, and in the future.



CEO's Address: Brent Pattison

FY2023 highlights



We delivered 5% growth in Underlying EBITDA in FY2023 underpinned by our ability to generate premium revenues in care.

Profit growth underpinned by premium revenues

↑ 5%

growth in Underlying EBITDA, increasing to

\$80.0m

In FY2023, up from \$76.2m in FY2022

Care premiumisation

FY2023 premium care revenue

\$20.4m

8% increase from FY2022



Premium care revenue growth

is driven by increased DMF capture from our growing care suite portfolio, and PAC charging

~60%

of our care portfolio is now premium beds or care suites

Village DMF

↑ 18%

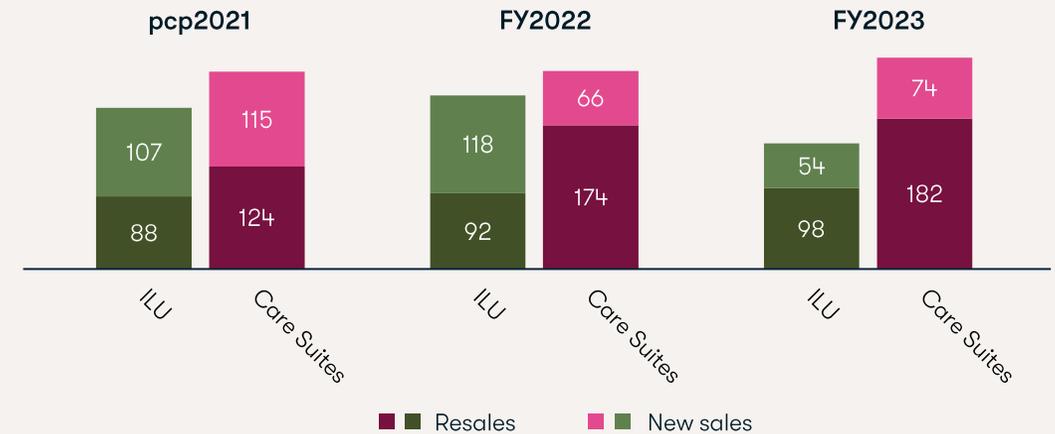
growth in villa and apartment DMF, increasing to

\$39.0m

In FY2023, up from \$33.1m in FY2022

Sales update

Sales volumes



Development and resale margins

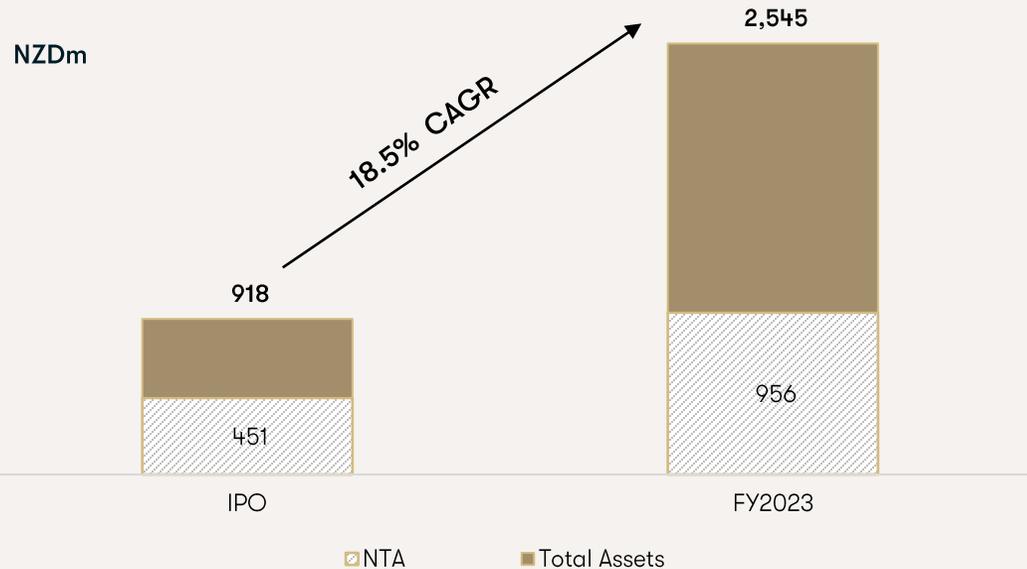


Strategy and Portfolio Transformation



Strategic investment has been made during a lower interest rate environment, which unlocks future build ready programmes despite market headwinds.

More than doubling of NTA since IPO



| | IPO | FY2023 |
|---------------------------|--------|--------|
| Share price | \$0.79 | \$0.73 |
| NTA per share | \$0.74 | \$1.33 |
| Villas and apartments | 1,071 | 1,820 |
| Care suites and care beds | 2,879 | 2,639 |

Capital Management



Cost of debt

Average fixed rate (including margin and line fees) on bank debt of 4.1%.

Our two retail bonds (total of \$225m) issued in 2020 and 2021 have a blended interest rate of 2.7%.



Hedging

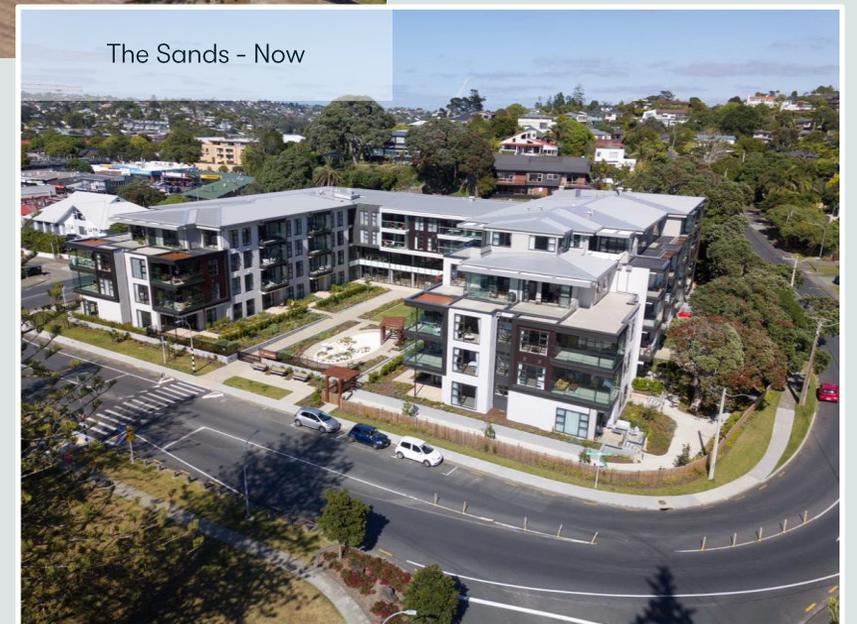
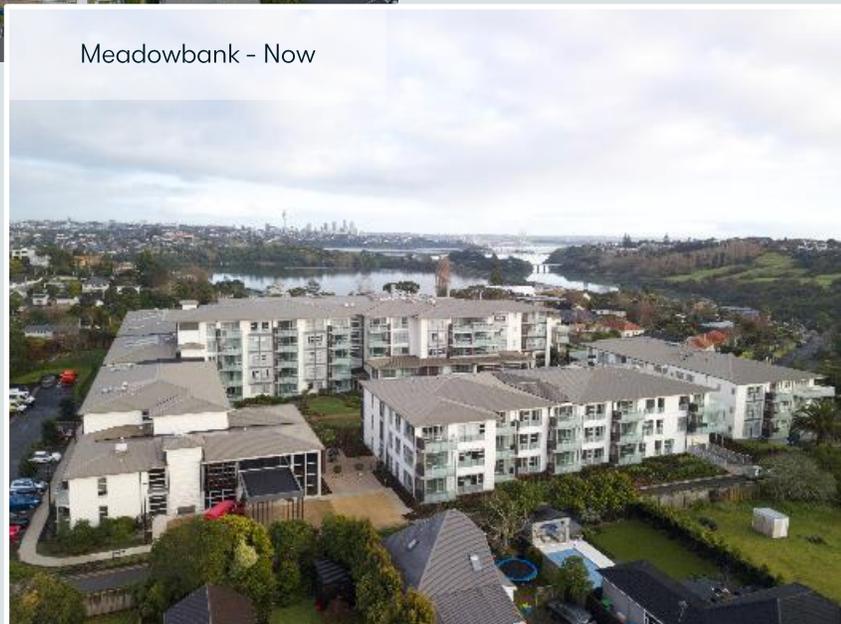
Interest rate swaps in place with a range of tenors through to FY2027 covering \$100m of our bank debt.

These swaps ensure an average fixed interest rate of between 3.0% and 3.5% for covered principal each period.



Strategy and Portfolio Transformation

Premium developments completed since IPO.



137

Apartments completed (since IPO)



63

Care Suites completed (since IPO)



64

Apartments completed



44

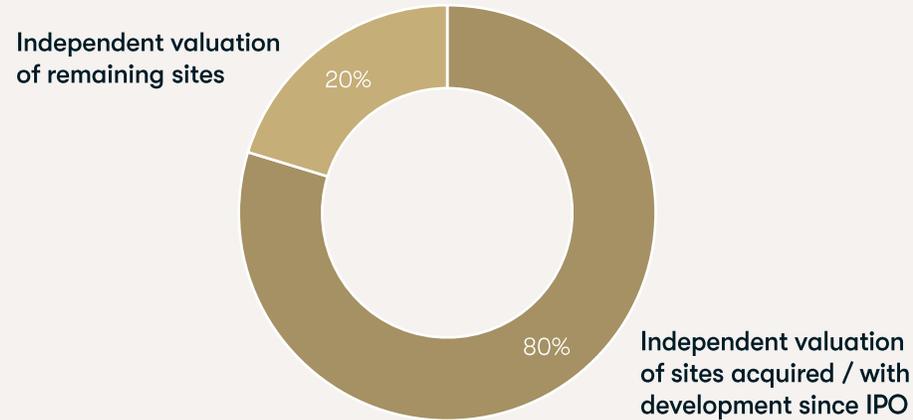
Care Suites completed

Strategy and Portfolio Transformation

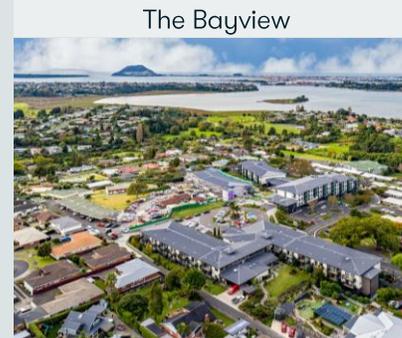
Since IPO we have added over 1,400 units and care suites through developments and acquisitions to reweight to a premium portfolio.

Value from developments and acquisitions showing through in our portfolio

Portfolio valuation



Average sales prices achieved NZD000

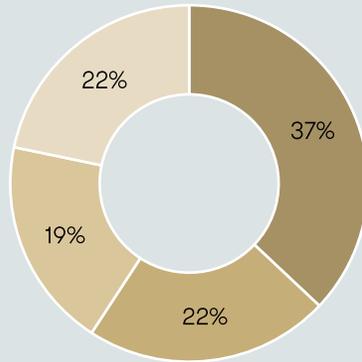


Strategy and Portfolio Transformation

We have established a premium care presence with future weighting in developments to premium ILUs.

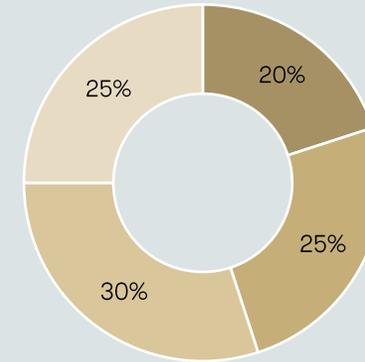
Current and future portfolio composition

Current portfolio



■ Care Beds ■ Care Suites ■ Apartments ■ Villas

Indicative future portfolio (~2030)



■ Care Beds ■ Care Suites ■ Apartments ■ Villas

Franklin Villa (render)



Franklin Care Centre (render)



Meadowbank Dementia Centre (render)



Bream Bay Villa



The Helier: Reimagining aged care and retirement living



As part of the reimagination of Resident Experience at The Helier, we are focusing on intelligent design and superior resident services.

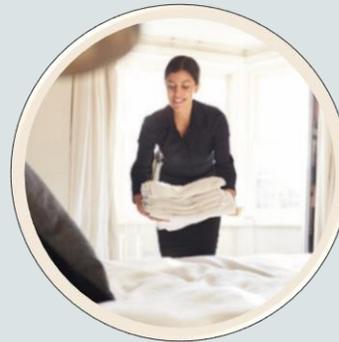
Watch: First look inside \$150m St Helier's retirement village

PREMIUM



Chauffeur-driven hybrid Jaguars, an executive chef heading food operations, matching logo-embroidered dressing gowns, 24-hour-a-day room service and monogrammed stationery - sound like a luxury hotel?

It's Oceania Healthcare's new \$150 million The Helier being marketed as "a new era of luxury" in the retirement village sector, with executive chef and fusion cuisine specialist Charles Pihera in charge.



Regulation

Government under funding for care and RV legislative reform continues to dampen business conditions

NEW ZEALAND / HEALTH

Health system gaps putting elderly at risk, Aged Care Commissioner says

8:55 am on 29 April 2023

Share this     



NEW ZEALAND COMPANIES OFFICE

COMPANIES REGISTER DISCLOSE REGISTER

News and notices > Review of the Retirement Villages Act is under way

Review of the Retirement Villages Act is under way

3 May 2023

The Ministry of Housing and Urban Development (HUD), working in partnership with the retirement sector, has begun a review of the Retirement Villages Act 2003.



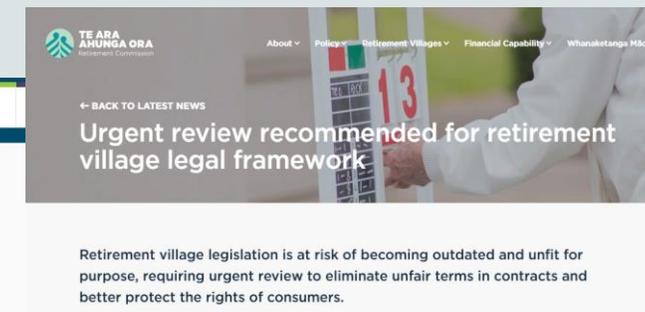
HOME / NEWS & STORIES

Review of Retirement Villages Act begins in 2023

Retirement village sector unveils voluntary reforms

Retirement villages' unfair terms under scrutiny

Retirement village operators in recovery after a 'pretty tough' pandemic



TE ARA AHUNGA ORA Retirement Commission

About Policy Retirement Villages Financial Capability Whānauatanga Māori

← BACK TO LATEST NEWS

Urgent review recommended for retirement village legal framework

Retirement village legislation is at risk of becoming outdated and unfit for purpose, requiring urgent review to eliminate unfair terms in contracts and better protect the rights of consumers.

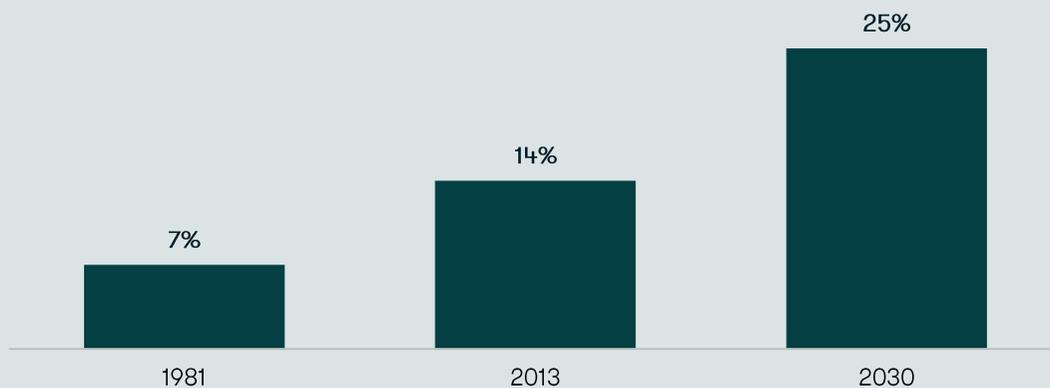
Outlook

Despite challenging market conditions currently, long term future demand for retirement and aged care living in New Zealand remains strong

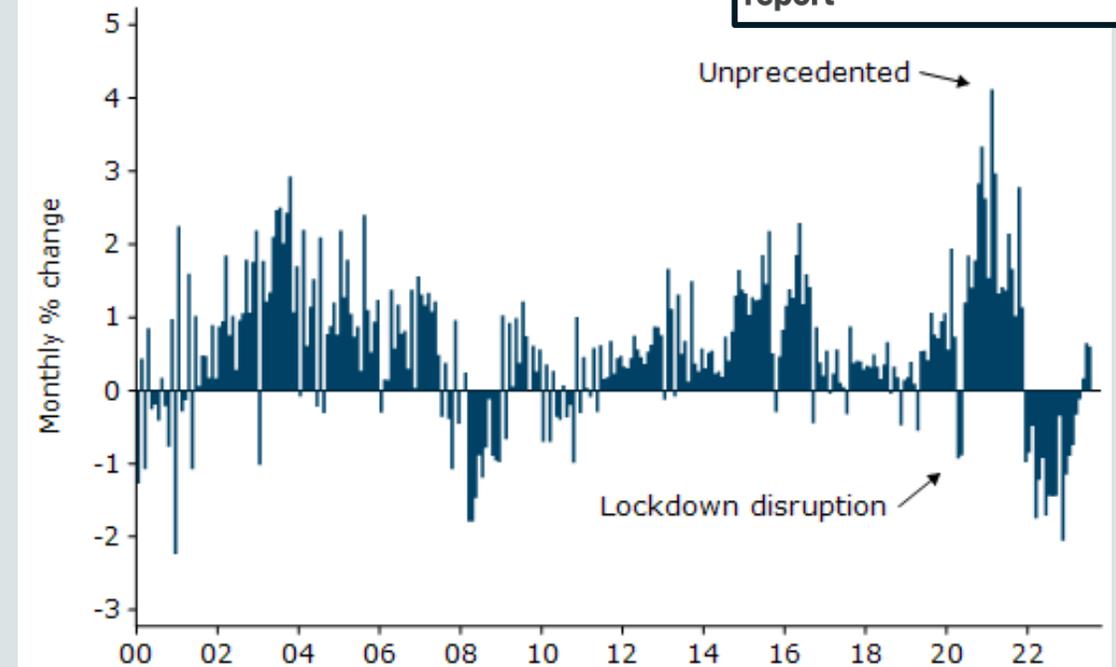
An age friendly [society] encourages active ageing by optimising opportunities for health, participation and security in order to enhance [the] quality of life as people age

-WHO, Age Friendly Cities

% of population over 65 years old



Monthly REINZ house price inflation



Source: REINZ, Macrobond, ANZ Research



Questions



Resolutions

01.

Re-election of Elizabeth Coutts:

That Elizabeth Coutts be re-elected as a Director of the Company.

02.

Auditor's remuneration:

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

Questions from the floor.

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

Thank You.