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Delivering  
Better.



**OCEANIA**

Annual Report 2025



## Delivering Better.

## Better Performance. Better Progress. Better Care.



At Oceania, striving for better is in our DNA.

Just as our residents have always sought more – more independence, more connection, more fulfilment – we do the same. In FY25, that drive came to life through decisive action and focused execution.

Backed by a clear strategy and new leadership, we turned ambition into momentum. Every decision was guided by purpose, every effort anchored in outcomes: from stronger financial performance to deeper community impact.

This report captures how we're delivering real progress – and sets a foundation for long term, sustainable success.

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“At Oceania, we are focused on delivering more than care: we’re creating connected communities where residents can live with dignity and purpose. This year’s progress reflects the strength of our people, our commitment to innovation, and the values that guide everything we do.”

Suzanne Dvorak – Chief Executive Officer

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**The year in review.**  
Our results and progress.



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# About us

From Ruakākā in the north, to Riccarton in the south, we create places where older New Zealanders can live with purpose, dignity and connection.

## Staff



2,700

## Residents



3,900

## Care beds and care suites



2,158

## Units



2,003

Existing sites with mature operations

20

Existing sites with current and planned developments


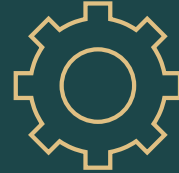


17

**Total sites**

37



# A year of strategic progress

<p><b>Financial</b> 31 March 2025</p> 	<p><b>Total assets</b> As at 31 March 2025</p> <p><b>\$2.9bn</b></p> <p>↑ <b>5.7%</b> higher than 31 March 2024 total assets of \$2.8bn</p>	<p><b>Underlying Earnings Before Interest, Tax, Depreciation and Amortisation</b> 31 March 2025</p> <p><b>\$86.0m</b></p> <p>↑ <b>4.1%</b> ahead of 31 March 2024 earnings Before Interest, Tax, Depreciation and Amortisation of \$82.6m</p>	<p><b>Reported Total Comprehensive Income</b> 31 March 2025</p> <p><b>\$74.6m</b></p> <p>↑ <b>5.8%</b> compared to 31 March 2024 reported total comprehensive income of \$70.5m</p>	<p><b>Operating Cash Flow</b> 31 March 2025</p> <p><b>\$110.3m</b></p> <p>↑ <b>6.7%</b> compared to 31 March 2024 reported operating cash flow of \$103.4m</p>
<p><b>Operational</b> 31 March 2025</p> 	<p><b>Total sales</b></p> <p><b>520</b></p> <p>↑ <b>9.2%</b> higher than total sales for the year to 31 March 2024 of 476</p>	<p><b>97</b> New units</p> <hr/> <p><b>87</b> New care suites</p>	<p><b>130</b> Resale units</p> <hr/> <p><b>206</b> Resale care suites</p>	<p><b>Care Occupancy</b></p> <p><b>94.5%</b></p> <p>(excluding development sites)</p> <p>↑ <b>1.9%</b> higher than occupancy for the year to 31 March 2024 of 92.6%</p>
<p><b>Developments</b> 31 March 2025</p> 	<p><b>Units and care suites under construction as at 31 March 2025 and expected to be completed in FY2026</b></p> <p><b>71</b></p> <ul style="list-style-type: none"> <li>Franklin Stage 1 (Auckland)</li> <li>Meadowbank Stage 6 (Auckland)</li> </ul>		<p><b>Units and care suites substantially completed in FY2025</b></p> <p><b>224</b></p> <ul style="list-style-type: none"> <li>Awatere Stage 3 (Christchurch)</li> <li>Elmwood Stage 1 (Manurewa)</li> <li>Waterford Stage 1 (Hobsonville, Auckland)</li> </ul>	
<p><b>ESG</b> 31 March 2025</p> 	<p><b>GHG emissions (t CO2e) (market based)</b></p> <p>Scope 1 + 2</p> <p><b>3,151</b></p> <p>↓ Compared to 31 March 2024 scope 1+2 emissions of 3,560</p>	<p><b>Construction waste diverted from landfill</b></p> <p>Auckland <b>85.1%</b> ↑ Compared to 31 March 2024 construction waste diverted from landfill of 79.0%</p> <hr/> <p>Non-Auckland <b>79.8%</b> ↑ Compared to 31 March 2024 construction waste diverted from landfill of 62.9%</p>		<p><b>Employee NPS (eNPS) (+/-100)</b></p> <p><b>23</b> ↓ Compared to 31 March 2024 eNPS of 24</p> <hr/> <p><b>Care resident NPS (+/-100)</b></p> <p><b>41</b> — Compared to 31 March 2024 care resident NPS of 41</p>





**Elizabeth Coutts**  
– Chair

## Letter from the Chair

# Focused Execution and Solid Returns

**I am pleased to present the Oceania Healthcare Annual Report for the year ended 31 March 2025.**

This year Oceania has continued to successfully transform its portfolio and optimise its operating model. Under new leadership, Oceania's purpose, strategy and growth plans have been further developed for the next 5 years.

### Financial Performance

Oceania delivered a solid financial result in FY25 with an increase in underlying EBITDA and sales volumes despite market conditions. New development stock continued to be sold down, a number of developments were completed and, or progressed, and the divestment of six older non core sites were settled.

↑ \$110.3m

Operating cash flow

Operating cash flow increased to \$110.3m, up 6.7% compared to \$103.4m for the year ending 31 March 2024. This uplift reflects increased cash receipts from occupation right agreements which rose to \$294.5m, a 30% increase on the prior corresponding period (pcp) – driven by improved sales of development stock and increased care earnings per bed.

Sales volumes were also up 9.2% on pcp including a 17.2% uplift in new sale volumes to 184 independent living units (ILU) and care suites.

Total Comprehensive Income of \$74.6m for the 12 months ending 31 March 2025, is up 5.8% from pcp and Net Profit after Tax of \$30.4m, is down 3.5% on pcp.

Total Assets increased to \$2.9b and Net Assets increased to \$1.1b at 31 March 2025, up 5.7% and 7.3% respectively. This increase largely reflects the completion of Elmwood (Auckland), Waterford (Auckland) and Awatere (Hamilton), alongside the fair value movements due to the sell down of ILU's at other sites.

As at 31 March 2025, undrawn net debt headroom was \$97.0m and gearing reduced to 36.3% down from 38.3% as at 31 March 2024. This improvement reflects continued capital discipline, divestment of non core assets, a sharpened sales focus and a targeted cost optimisation programme.



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**Final Dividend**

The Directors have resolved not to declare a final dividend. Work is underway to review our Dividend Policy so that it better aligns with the operating cashflows of the business. Our revised Dividend Policy will be announced at the time of the ASM in June.

**Leadership and Strategic Execution**

Suzanne Dvorak joined as Chief Executive Officer in July 2024 and has significant sector expertise and a strong focus on operational delivery and people leadership. She also brings the clarity and capability to lead the execution of Oceania’s strategic direction and deliver operational excellence, meaningful outcomes for residents, employees and stakeholders and sustainable growth.

Under a new sales leadership structure this year, it was pleasing to see that both new and resales volumes increased by 17.2% and 5.3% respectively.

With respect to the portfolio, this year Waterford (Auckland), Elmwood (Auckland), Awatere (Hamilton) and Redwood (Blenheim) developments were completed. Meadowbank Dementia (Auckland) was completed in May 2025, and good progress was made at the new development in Franklin (Auckland), with the first villas



*The Sands, Browns Bay, Auckland*

and community centre expected to be complete in June 2025. Planning and site redesign have also been advanced at Lady Allum (Auckland) and Elmwood (Auckland).

This year, six sites were divested for \$33.6m, and the divestment programme of non core sites continues.

These programmes will contribute to the strengthening of the Balance Sheet and enable the next phase of growth.

**Integrated Thinking, Sustainability and Climate**

FY25 marks Oceania’s second year preparing mandatory climate related disclosures under the Aotearoa New Zealand’s climate reporting regime. During the year, the organisation built on the progress made in identifying and assessing climate-

related risks and opportunities, advancing this work through the development of its first transition plan. Oceania’s FY25 disclosures are scheduled for publication in June 2025.

Progress also continued under Oceania’s Sustainability Framework, launched in FY23, with a continued focus on sustainable design standards, managing operational waste, energy efficiency initiatives, and emissions reduction.

Recognition as a finalist in the Sustainability Leadership category at the Deloitte Top 200 Business Awards reflects the growing maturity of sustainability as a value driver for the organisation, and underscores Oceania’s commitment to embedding sustainability principles into strategy, operations, and future growth planning.

“Suzanne Dvorak joined as Chief Executive Officer in July 2024 and has significant sector expertise and a strong focus on operational delivery and people leadership.”

Elizabeth Coutts – Chair



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Total Assets

\$2.9bn

**Governance**

Directors maintained close engagement with the business throughout the year, including onsite visits to a number of villages across the portfolio. These visits included morning teas with residents and frontline teams, along with operational site walkthroughs and health and safety reviews. This engagement continues to be an important part of the Board’s governance approach, ensuring that operational realities and resident experiences are actively reflected in Board level discussions and decision making.

Oceania advanced its enterprise risk management capability during FY25, strengthening its resilience across cyber security, climate risk, regulatory, care funding and care governance domains.

The Board will continue to oversee the delivery and execution of the next strategic cycle ensuring Oceania is positioned for sustainable long term growth.

**Looking Ahead**

New Zealand’s population is aging and the demand for senior’s care and accommodation is projected to grow considerably in line with projected growth in New Zealand’s senior population. The total population aged 75 years and over is expected to almost double by 2050, growing from approximately 414,000 today to over 810,000.

The current supply of aged residential care in New Zealand is inadequate to meet projected growth in the older population. Rising demand for care, combined with insufficient Government funding, continues to place significant pressure on aged care and retirement living providers to ensure adequate supply.

Oceania is and will be well positioned for the future to provide for the needs of the elderly. The Board remains confident in the organisation’s ability to complete the delivery of the current strategic cycle with discipline, while ensuring a smooth transition to the new Strategic Direction.

The Board extends its thanks to Oceania’s residents and their families, dedicated employees, and all stakeholders for their ongoing support and partnership.

Yours sincerely,

**Elizabeth Coutts**

Chair





**Suzanne Dvorak**  
– Chief Executive Officer

## Letter from the CEO

# Driving Change and Strengthening Foundations.

**This year we have focused on improving sales, streamlining operations, and building on our strong foundations.**

We have already seen positive momentum, delivering a solid financial result, including increased sales, notwithstanding market conditions.

As we move into FY26 we are focused on further strengthening the business and finalising a clear strategic framework to guide Oceania through its next phase. We are looking forward to sharing this framework with our shareholders later this year.

### Focus on Sales Momentum

Sales momentum accelerated in the second half of FY25, with new sales volumes increasing by 17.2% and resales up 5.3% on prior year, despite challenging market conditions. This growth was driven by a revitalised sales and marketing approach, refined pricing strategies, and enhanced leadership in sales.

Strong sell-down results were achieved across key development sites. Occupancy increased at The Helier in Auckland with 41% occupancy as at 20 May 2025 compared to 14% at 31 March 2024.

Additionally, Oceania successfully completed the full sell-down of independent living apartments at The Bellevue in Christchurch shortly after year end, within just 24 months. The new care suite centre at Redwood in Blenheim has reached 62% occupancy in record time with expectations to be fully occupied within 12 months.

The resultant reduction of unsold stock from \$353m to \$342m was the biggest lever to reduce borrowings, which finished the year at \$627.8m, down from \$640.5m in March 2024.

Oceania refinanced its syndicated banking facilities in March 2025. The refinance extended debt maturity profiles and secured optimal terms, including competitive pricing and unchanged covenant conditions. The refinancing, supported by existing lenders ANZ, ASB, ICBC and new lender BNZ, underscores lender confidence and positions Oceania effectively for continued growth.



### Shaping a Stronger Portfolio for the Future

Oceania maintained a disciplined approach to development, now focused on capital efficient, staged projects in regions with particularly strong demand. A flexible near term pipeline has been established, which balances growth opportunities with prudent capital management.

Significant progress was made during FY25, including at Meadowbank in Auckland, where the dementia care centre will open in early June 2025. At Franklin, construction of the stage one villas and a community centre is underway, scheduled for FY26 completion.

Planning continues across Oceania’s strategic land bank to ensure readiness for future opportunities. During the year we purchased 2.6 hectares of land adjoining our Graceland’s site in Hastings. This land will be used to extend our existing village with villa product and care suites.

Work has commenced at Lady Allum in Milford. The demolition of the old care building has been completed making way for the construction of a new central precinct which will include penthouse apartments. Finally, six sites were divested during the year, enhancing and modernising the portfolio and reducing debt.

With changes to the certification pathways for overseas nurses recently introduced, a decision was made during the year ended 31 March 2025 to close the Wesley Institute of Nursing Education. The final course concluded in April 2025.

### Leading in Care and Resident Experience

Care remains Oceania’s greatest strength. Reflecting this, in FY25 clinical leadership was elevated to the executive level.

We embedded new initiatives under our Fundamentals of Care framework to strengthen clinical practice and resident outcomes. This framework defines the essential elements of care that every resident should consistently experience and underpins Oceania’s commitment to excellence in care.

Our development strategy includes a significant pipeline of premium care suites, designed to meet future demand. This positions Oceania to respond to the sector wide care capacity gap highlighted in recent reports and media commentary.

Oceania also remained actively engaged in the sector wide review of the Retirement Villages Act, advocating for reforms that improve transparency, enhance resident wellbeing, and support the long term sustainability of the sector.

These initiatives reinforce Oceania’s commitment to enabling residents to live well with dignity, connection, and choice.

Despite challenging market conditions –



increase in new sales volumes, and



increase in resales





### Empowering our People and Culture

Since joining Oceania in July 2024, I've had the opportunity to visit many of our villages and meet with residents, families, and team members across New Zealand. These visits have reinforced that Oceania has a sense of care and responsibility that defines its culture and fuels the pride our people take in delivering exceptional experiences.

This year we have simplified our organisational structures and strengthened leadership capability. This focus on organisational culture and leadership development has laid important foundations for the future.

Investment in core systems – including the rollout of HumanforceHR and SafetyHub – has already delivered improved workforce insights and more consistent people management practices.

While there is more work ahead, we are strengthening the foundation for building a high performing and connected workforce.

**“This year we have simplified our organisational structures, strengthened leadership capability, and increased focus on recognition and reward.”**



### Strengthening the Core

We initiated a right sizing programme in FY25 to reshape the business and align with Oceania's future strategy. To date, this programme has implemented cost savings of \$5m that will be realised in FY26.

Building on this, a broader business optimisation programme is underway, targeting \$10m to \$15m of sustainable annualised savings. So far in FY26, a further \$5.2m of cost savings have been identified with benefits to be realised from 2HY26. Full benefits will be realised in FY27, with a focus on system consistency, margin discipline, and operational simplicity.

Over the next 12 months, we will build on recent progress – sharpening execution and reinforcing leadership capability ensuring we are well placed to activate our new strategy from FY27.

This operational optimisation focus is a key step in unlocking future value as part of our new strategic direction.



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“Our refreshed purpose – **Supporting and empowering people to live well as they age** – is the anchor for our next strategic phase.”

### Setting our Strategic Direction

The Board has approved a new strategic direction to guide Oceania through its next five years. This strategy was developed through engagement with the Board, executive team, employees, and independent consumer research with residents and families. It reflects both the lessons of the past and a clear vision for the future.

Our refreshed purpose – “*Supporting and empowering people to live well as they age*” – is the anchor for our next strategic phase.

While grounded in Oceania’s existing strengths, this is not a simple extension. It is a sharper and more ambitious plan, designed to meet changing resident expectations, increasing care needs and a more complex operating environment.

Structured around four refined focus areas – *Connected Care, Inspired Living, Empowered People, and Purposeful Impact* – the strategy will guide planning, investment and operational decision making across the business.

This strategic direction positions Oceania to lead with clarity and confidence, supported by a plan that is practical, measurable, focused on creating value for our shareholders and it is aligned to what matters most: people, purpose and performance.

Thank you to our residents and families, our dedicated teams, and the Board for their continued trust and support. I am proud to lead Oceania into its next phase of growth and opportunity.

**Suzanne Dvorak**  
Chief Executive Officer



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# How we create value

At Oceania, value is created through the alignment of our people, expertise, assets, and relationships – all working together to enhance resident wellbeing and drive sustainable growth.

Our value creation model shows how we use a broad range of resources – or ‘capitals’ – to deliver meaningful outcomes for our stakeholders.

These capitals are shaped by our material impacts and brought to life through our strategic pillars.

## Our Capitals



### Our team

Our people are our greatest asset. Their dedication and expertise drive our ability to enrich the lives of our residents daily and deliver outstanding care.



### Our expertise

We use resident insights to drive innovation and remain at the forefront of retirement and aged care living and seek to invest in global best practices, systems and processes, including our nurse led model of care.



### Our retirement villages and care centres

We are dedicated to developing high quality, environmentally sustainable villages, equipped with quality amenities.



### Our relationships

We are a people business. Building strong relationships with our residents, their families, our people, suppliers and stakeholders, is pivotal to everything we do.



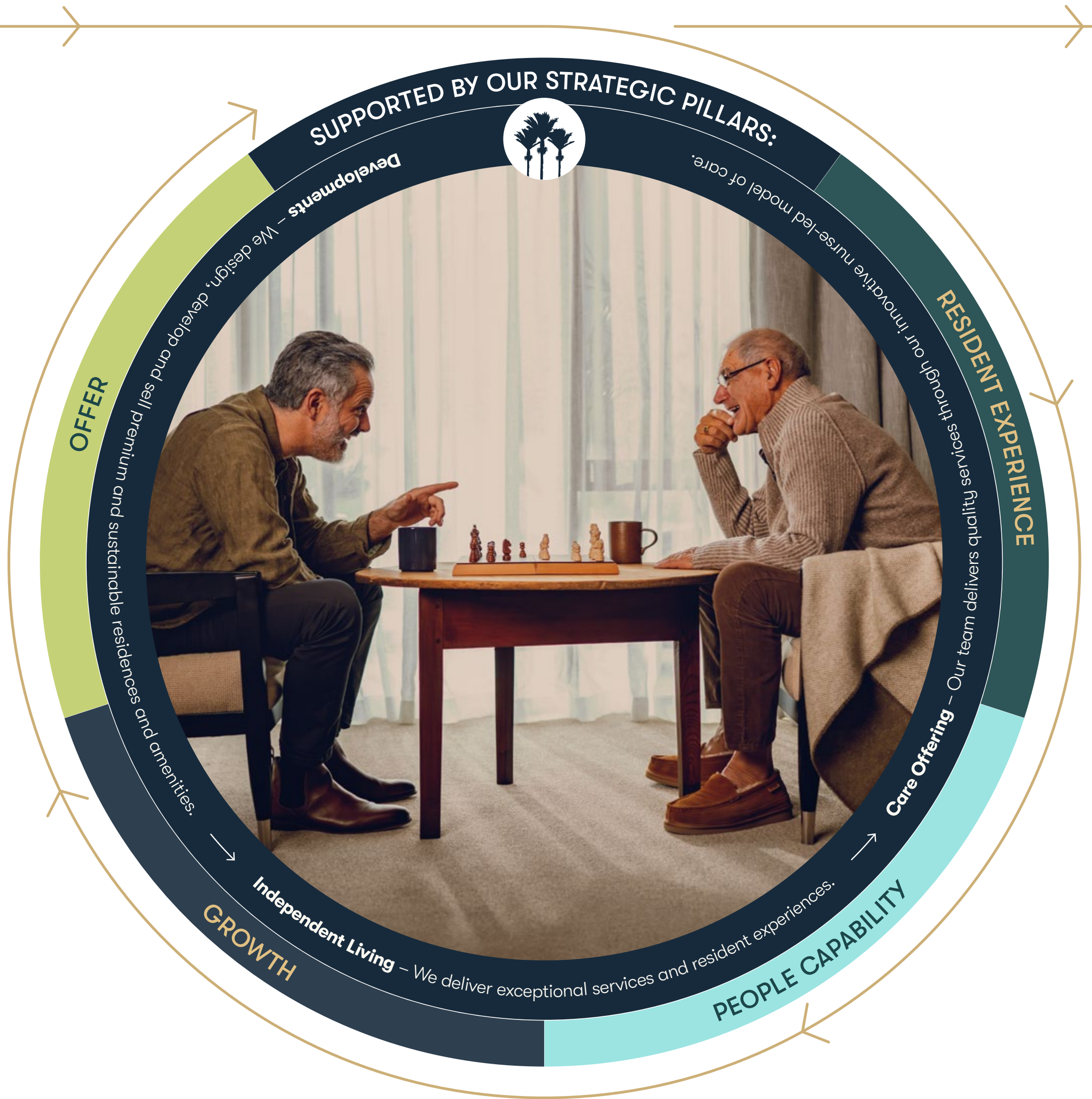
### Our natural capital

We recognise the environment’s fundamental role in shaping and sustaining our retirement and aged cared villages and communities. By adopting sustainable practices, we are committed to minimising our environmental impact.



### Our financial capital

We employ a combination of shareholder funds, banking facilities and operating cashflow to maintain and grow our business.



## Our Material Impacts

### Resident wellbeing

Resident safety and security, provision of quality care, social connectedness, health equity of ageing Māori and Pacific peoples and the capacity and capability of our people.

### Employee practices

The health and wellbeing of our people can be affected by issues such as national workforce shortages, pay equity, health and safety and opportunities for professional development, and diversity and inclusion.

### Community and social wellbeing

Accessibility and affordability of aged residential care options for older New Zealanders, supporting the public health system by helping to free up public hospital beds, impacting the cultural significance of land, and training NZ and internationally qualified nurses.

### GHG emissions and climate

GHG emissions from corporate, village and aged care centre operations and embodied carbon.

### Waste and environmental impact

The impact we have on the environment including waste going to landfill, biodiversity and ecosystems, emissions and pollution from operations, water, and the opportunity to support a circular economy.

### Economic contribution

Through economic activity and job creation and adding to housing supply.

### Sustainable supply chain

Environmental and social impacts of procurement choices and supply chain practices.

### Ethics, trust and governance

Trust levels with residents and their whānau through the provision of services to residents and ethical business conduct.

## The Value for our Stakeholders



### Our investors

Oceania focuses on the financial performance of its assets and is committed to long term sustainable growth.



### Our team

We grow and develop our team members through fostering an inclusive culture and training. By doing so, we enable teams to deliver exceptional services and improved resident focused experiences.



### Our residents

We create vibrant and enjoyable retirement and aged care living experiences for our residents.



### Our society

We seek to create thriving community hubs. Our retirement villages and care centres go beyond being residences, as they foster a sense of belonging and togetherness in the local community.



### Our industry

We participate in and advocate for industry wide issues, to support better outcomes for NZ's ageing communities and the people who care for them.



### Our environment

We establish more resilient communities for our ageing population and by adopting sustainable practices and minimising our negative impact we not only reduce our environmental footprint, but aspire to create opportunities for regeneration.

## Aspirational Value Outcomes



Oceania's villages are a driving force of thriving communities around New Zealand. We use resources sustainably to build homes that seamlessly integrate with, and benefit, the local community.



Residents thrive in our hospitality inspired, resident-led villages. We enable our residents to live a sustainable and fulfilled life.



As an employer of choice we enable our teams to perform their life's best work at Oceania.



We create long term value for our stakeholders by integrating sustainability into our thinking, strategy and growth initiatives.



## The pursuit of better



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# Our Sustainability Framework

Oceania published its Sustainability Framework in FY23, outlining aspirations and goals for each of its four strategic pillars. The metrics and targets we've set help bring accountability, focus, monitoring and transparency to our sustainability journey, enabling more informed decision making.



## Our Sustainability Framework is enabled by:

- supply chain practices
- partnerships and collaboration
- innovation and technology
- sustainability risk management
- policies and processes
- data and measurement
- transparent reporting
- sustainability capability
- advocacy



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# Our Offer

Design, develop, build and sell modern properties for our residents of the future

## SUSTAINABILITY GOALS AND KEY METRICS

- Design with a focus on the local environment, community needs and cultural values of each location.
- Minimise our environmental impact and support a circular economy.

Our villages are more than places to reside – they are homes where quality, care, and connection create meaningful living experiences.

From modern residences to innovative care models, every decision is guided by a understanding of what makes life fulfilling at every stage. Our design philosophy ensures we build vibrant communities that stand the test of time.

Oceania proudly owns and operates 37 retirement villages and care centres across New Zealand, offering independent living and aged care services, all shaped by a commitment to quality and community. Many of our villages are intentionally smaller and more intimate, fostering deeper connections and a strong local presence.

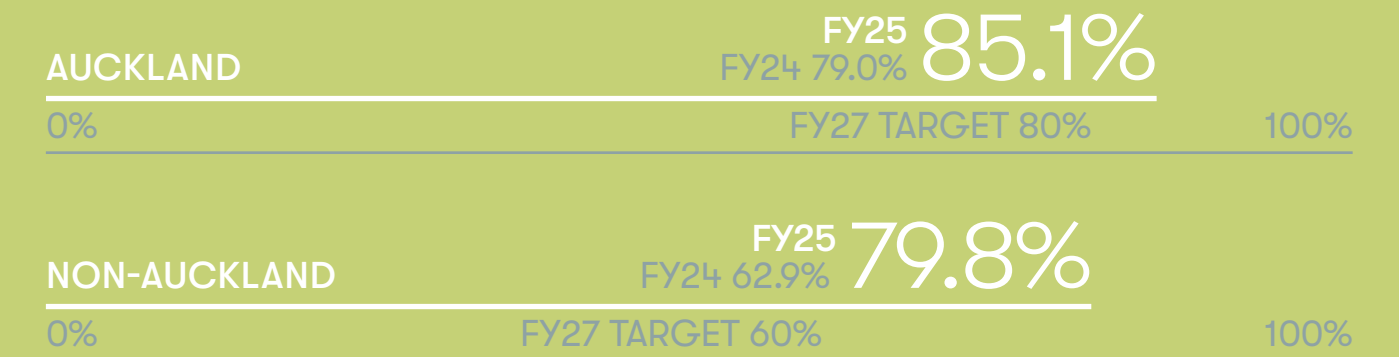
Recognising every resident has unique needs, our portfolio offers a diverse range of living options. One example is our Couples Care Suites, offered at select sites, enabling loved ones to stay together as care needs evolve, easing the stress of separation during vulnerable times.

We've made sustained investment in our care suite model to ensure it meets resident needs while delivering sustainable returns. Looking ahead, Oceania is strategically rebalancing its portfolio to achieve the right mix of care suites and independent living units, combining high density sites with broadacre, integrated villages.

Sustainability is central to our approach. We design and build with local communities and the environment in mind. Increasingly, our independent residences are achieving Homestar certification from the New Zealand Green Building Council (NZGBC), reflecting higher standards of energy efficiency and healthier living. These credentials support wellbeing while strengthening Oceania's position in an investment landscape that places increasing value on environmental performance.

As we continue to evolve, we remain focused on creating exceptional living environments, fostering community engagement, and delivering a future ready approach to care and sustainability.

### Construction waste diverted from landfill as a percentage of all construction waste



### Water use (000s)



### Operational waste



### Green Star Communities

FY25 TARGET	FY25
One pilot development	On track to register first Green Star communities project, Franklin Village



## Year in review

**Oceania continued to rebalance and modernise its portfolio in FY25, expanding its connected care offering and strengthening its commitment to sustainable, resident focused communities**

- » During FY25, Oceania delivered more than 224 new units and care suites, including:
  - Awatere Village, Hamilton: 68 Apartments
  - Waterford Village, Auckland: 50 Apartments
  - Elmwood Village, Auckland: 106 Care Suites
- » The Helier in Auckland was awarded ‘Best in Category’ at the 2024 NZ Property Council Awards.
- » More than 650 units across Oceania’s portfolio have now been delivered to Homestar standard – creating healthier, warmer, more energy efficient homes.
- » Construction commenced at Franklin Village, Oceania’s first greenfield broadacre development:
  - 30 stage one villas are being built to Homestar 7
  - Community buildings are being built to Green Star.
  - The village is on track to achieve Green Star Communities certification – reinforcing Oceania’s commitment to sustainable, resilient, and liveable community design from the outset.
  - Constructing the final stage of 40 suite dementia centre at Meadowbank Village.
  - Oceania divested six non core care sites for approximately \$33.8 million.



*Awatere Village, Hamilton*

### » Focus on sustainable construction and operations

- Developed smart water metering implementation plan to better manage real time water usage; to be rolled out in FY26.
  - Exceeded construction waste diversion targets for Auckland and regional projects, diverting 474.1 tonnes of waste from landfill and preventing 127.8 tonnes of CO<sub>2</sub>e emissions.
  - Invested in replacing gas with high efficiency electric hot water heat pumps across several sites and diesel heating as part of decarbonising Oceania’s energy systems.
  - Continued implementation of energy efficiency projects across the portfolio, including LED lighting upgrades.
- » Three of Oceania’s villages are participants in the University of Otago’s ‘Reducing Food Waste in the Aged Care Sector’ food minimisation project, helping to reduce food waste.

## Our future focus



### Inspired living

**Elevating the ageing experience through thoughtful environments and tailored wellbeing services that support the whole person.**



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**“This development is about providing certainty and comfort at a time when both really matter. Residents will receive high quality, personalised care from a team they know – while remaining in a space that supports their independence and wellbeing.”**

Suzanne Dvorak, Chief Executive Officer.



## Oceania strengthens dementia care offering with new centre at Meadowbank

**In June 2025, Oceania’s Meadowbank Village will open its newest centre – the Ōrākei Building – a purpose built, premium dementia care centre designed to provide specialist care and enable residents to remain in a familiar environment as their needs change.**

The centre will initially offer 21 rest home level dementia care suites. A further 19 suites will be available for hospital level dementia care following certification from Te Whatu Ora, expected by mid June. This integrated care approach means residents can transition between levels of care without the disruption of moving buildings.

The Ōrākei Building completes Meadowbank’s connected care, extending from independent living through to rest home, hospital, and now, specialist dementia services.

### **Supporting continuity, connection, and personalised care**

The centre is built around an integrated, person centred model of care that supports individual identity, comfort, and independence. Residents live in a communal environment with shared kitchens, living spaces, and a secure garden – creating familiar and homelike environments.

Multi skilled caregivers work within each household, providing consistent support and building trusted relationships with residents and their whānau. Oceania’s commitment to resident centred fundamental care underpins this approach, enabling continuity of care in an environment that feels both safe and supportive.

### **Designed for wellbeing and ease**

Each suite includes an ensuite to promote independence, while dementia friendly design features – such as clear signage, calming colour palettes, and intuitive layouts – support daily routines and sensory needs.

Shared spaces include green walls, large windows, and natural light to create a soothing atmosphere. A central heating and cooling system, along with solar panels and other energy efficient design elements, reflect Oceania’s commitment to sustainability.

Residents benefit from a flexible daily rhythm that includes physical movement, sensory engagement, and activities aligned to Te Whare Tapa Whā, supporting holistic wellbeing across physical, emotional, social, and spiritual dimensions.

“This development is about providing certainty and comfort at a time when both really matter,” said Suzanne Dvorak, Chief Executive Officer. “Residents will receive high quality, personalised care from a team they know – while remaining in a space that supports their independence and wellbeing.”

The Ōrākei Building represents a new benchmark for specialist dementia care at Oceania – combining clinical expertise, thoughtful design, and a genuine commitment to ageing in place.





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# Our Resident Experience

To be the leader in the delivery of resident experience in retirement villages and aged care centres in New Zealand.

## SUSTAINABILITY GOALS AND KEY METRICS

-  **Prioritise resident wellbeing through conscious design and exceptional services.**
-  **Actively engage with our residents, people and local community to create positive social and environment outcomes.**

**Our communities are places where older New Zealanders can grow, connect, and live with meaning – supported by personalised care, trusted relationships, and a sense of belonging.**

As New Zealanders live longer and healthier lives, expectations are shifting. Residents increasingly seek connection, purpose, and choice, alongside care. We remain committed to leading the way in redefining retirement living, delivering a life enriched by wellbeing, recreation, convenience, and meaningful support.

We create environments that prioritise independence, connection and fulfillment with an emphasis on resident choice. Our Five Ways to Wellbeing programme reinforces this, encouraging connection, activity, mindfulness, learning, and giving.

Our goal is to create communities that feel like home – where every resident feels valued and supported.

This is reflected in the full implementation of our Māori Health Plan, helping care teams engage with whānau, strengthen understanding of Te Tiriti o Waitangi, and deliver inclusive care.

We’ve also embedded our Fundamentals of Care framework, supporting physical, psychological, social and spiritual needs, with a focus on the relationship between resident, whānau, and caregiver.

Innovation is central to Oceania’s approach. Our Nurse Practitioner Model, now operating in two thirds of our care centres, enhances continuity of primary care for our residents. It now extends to two independent living villages, with plans to expand. With 13 Nurse Practitioners and a talent development pathway, we’re building resilience amid General Practitioner shortages.

To enhance connected living, we continue rolling out digital solutions like the Oceania Together App and voice activated media. We also remain committed to Couples Care Suites, helping loved ones stay together as care needs evolve.

Looking ahead, we’re focused on creating meaningful experiences and nurturing communities where residents truly belong. Through innovation, personalised care, and inclusive design, we ensure village life is enriching and fulfilling.

## 7 Homestar certification

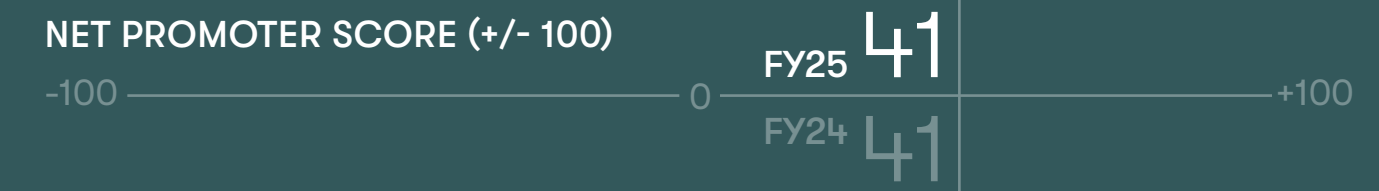
New ILUs designed and built to 7 Homestar  
 FY30 Target: To 7 Homestar



## Care resident wellbeing

Number of care residents who improve or maintain an optimum level of health  
 FY27 Target: 78.93%<sup>1</sup>    FY24 **78.9%**    FY25 **78.0%**<sup>2</sup>

## Care resident satisfaction



<sup>1</sup> The methodology for this care resident wellbeing metric is bespoke to Oceania for the purposes of establishing an ambitious social metric under its sustainability linked loan. The methodology was created using six years of historical Oceania InterRAI data.  
<sup>2</sup> We achieved a neutral outcome on the care resident wellbeing KPI, indicating that while we met the expected standard, we did not exceed it.



## Year in review

Oceania’s focus in FY25 remained on enriching the lives of residents, strengthening community connections, and delivering high quality, person centred care. This commitment was reflected in a range of initiatives across our villages – from clinical innovation and wellbeing programs to meaningful external partnerships and sector recognition.

» During the year, we:

- Maintained our care resident satisfaction score (NPS) of 41, reflecting our ongoing commitment to positive care experiences.
- Commenced work on implementing NPS measurement for independent living residents.
- Expanded our Nurse Practitioner Model, with 13 Nurse Practitioners now supporting 20 care centres and villages enhancing continuity of primary care for our residents.
- Introduced new initiatives within our Fundamentals of Care Framework and delivered education webinars promoting relationship based, integrated care.
- Appointed a dedicated Dementia Specialist to lead the development of Oceania’s dementia strategy.
- Continued promotion and facilitation of resident and team participation in the Five Ways to Wellbeing programme (connect, get active, take notice, learn and give).

» We were proud to partner with organisations that share our purpose and strengthen community wellbeing. These initiatives provided opportunities for our residents and teams to give back, connect with and support others:

- National Foundation for Deaf and Hard of Hearing (NFDHH) - Oceania with the NFDHH are providing ‘Hearing Health’ morning teas featuring free screening, information on accessing grants for hearing aid support and basic sign language teaching. Oceania is a Hearing Accredited Workplace.
- Chip Packet Project - Residents teamed up to help turn family sized chip packets into survival blankets for people experiencing homelessness. What began as a single site effort has now turned into a national partnership for 2025.
- Fair Food Project - Oceania volunteers supported the collection and redistribution of surplus food to transitional housing and domestic violence shelters, reinforcing our commitment to environmental and social wellbeing.

### Awards and Recognition

» **Retirement Village Association Awards 2024:**

- Winner: Marina Cove: Worm farm project.
- Finalist: Franklin Care Centre: “Vegetables for Pataka Kai” project.

» **New Zealand Aged Care Association Awards 2024:**

- Winner: The Bellevue for Excellence in Food Award for Care Homes and Hospitals.
- Finalist: Oceania Nurse Practitioner Model for Innovative Delivery Award.



Marina Cove: Worm farm project.

## Our future focus

### Connected Care

Delivering seamless transitions across lifestyle, health, and care, strengthened by trusted relationships with family, whānau, and community, and supported by smart technology.

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## Coming together to deliver warmth, one chip packet at a time

What do chips, compassion and community have in common? At Oceania, they're part of a story of connection and giving, where chip packets are no longer just waste. They become a way to provide warmth, hope, and purpose.



### Person centred experiences with purpose

Through the Five Ways to Wellbeing programme, Oceania continues to create experiences that go beyond care. One initiative that captured hearts and hands across our villages was the Chip Packet Project New Zealand (CPPNZ), launched during Recycling Week – a time to reflect on how we treat our waste, and each other.

A single foil lined packet of chips is consumed in minutes, yet takes more than 80 years to break down in landfill. With each New Zealander contributing around 60 kilograms of plastic to landfill annually, finding creative ways to reduce waste is critical.

Through a new partnership with CPPNZ, empty chip packets have now found a new purpose – becoming heat reflective survival blankets for those without shelter.

### From waste to warmth

Residents, staff, and families came together to clean, flatten and donate foil chip packets. At 'Blanket Parties' at three of our villages – Lady Allum in Auckland, Atawhai in Napier, and Palm Grove in Christchurch, those packets were transformed into survival blankets – turning what would otherwise be waste, into a practical resource for those in need.

**“The Chip Packet Project is all about giving new life to waste, bringing people together, and supporting those doing it tough – and our partnership with Oceania embodies that and more. We're deeply grateful to the residents and staff, who've rolled up their sleeves and put their hearts into this mahi. Together, we're not just creating survival items – we're creating hope, purpose, and connection.”**

Terrena Griffiths, Founder, Chip Packet Project New Zealand



The project was more than just recycling it bought people together. Residents and teams contributed their time, energy, and heart to make a difference – connecting across generations and communities in the process.

### Lasting impact

Following its success, Oceania will expand its involvement in 2025-2026 through a national partnership with CPPNZ. More villages and care centres will take part, continuing to turn small acts into lasting impact.







# Our People Capability

Building capability and developing a culture that enables our people to perform their life's best work at Oceania.

## SUSTAINABILITY GOALS AND KEY METRICS

-  **Attract, grow and retain great people.**
-  **Provide a safe, diverse, equitable and inclusive workplace that fosters our people's development and capability.**

Our people are at the heart of Oceania. Their dedication, compassion, and expertise underpin our leadership in retirement and aged care across New Zealand. By nurturing a capable, diverse, and engaged workforce, we enrich residents' lives and build a resilient organisation.

Our people capability strategy supports this through investment in professional development, wellbeing, and a culture grounded in inclusion, growth, and recognition.

Today's workforce seeks more than just a job; they want to grow, contribute meaningfully, and feel valued. That's why we invest in upskilling and celebrate high performance.

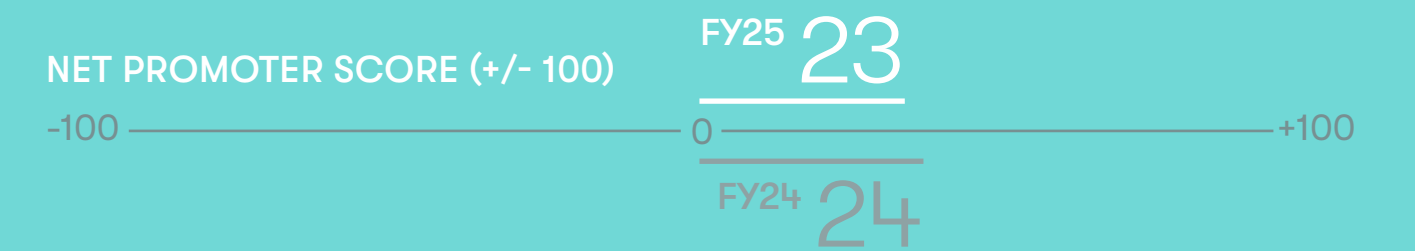
Listening to our people is central to our approach. Insights from our annual engagement survey shape our priorities around culture, inclusion, and wellbeing. We continue to evolve our strategy to reflect these insights and remain responsive to team needs.

Health, safety, and wellbeing remain core priorities, supported by mental health initiatives, inclusive policies, and strong support networks. Our goal is to ensure every team member feels safe, respected, and empowered to thrive.

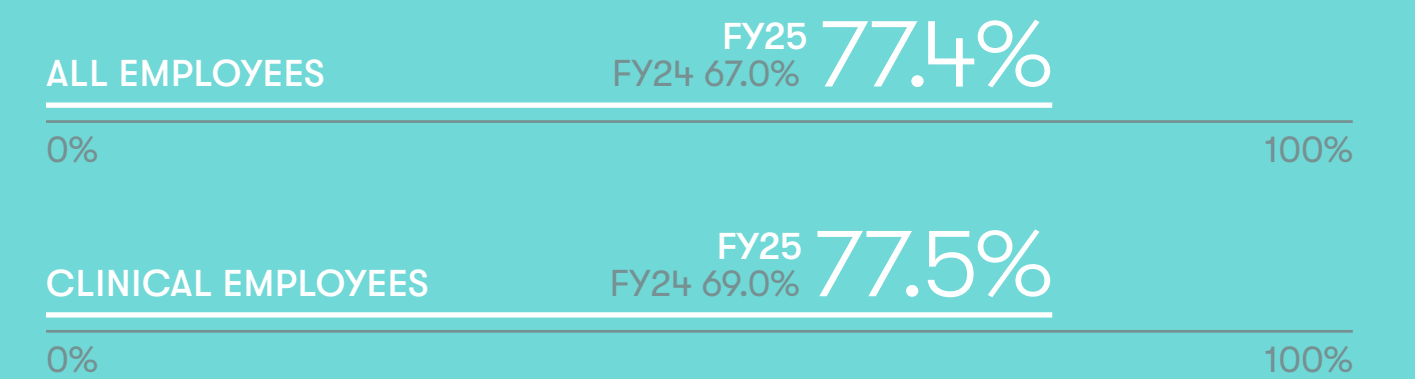
Engagement and retention remain key focus areas. We're proud to report an uplift in both our overall and clinical retention rate in FY25, a testament to our efforts in building a supportive and rewarding work environment. While labour market factors such as the current nursing oversupply have contributed, we remain focused on sustaining long term workforce strength.

Ultimately, our people drive our purpose. Their passion and care create a lasting impact for residents, families, and communities. By fostering talent, promoting equity, and recognising excellence, we are building a workforce that believes in better and delivers it every day.

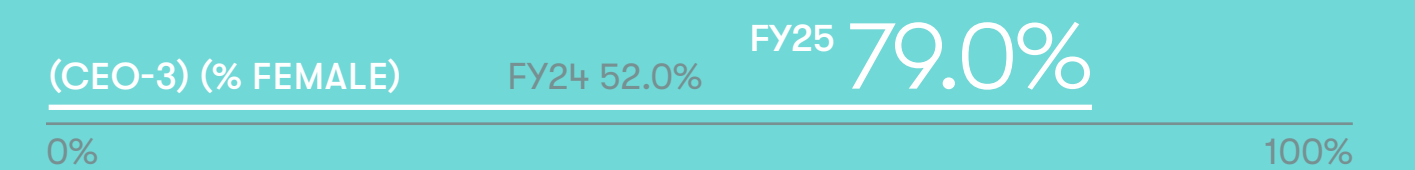
### Employee net promoter score (eNPS) (+/-100)



### Employee retention



### Gender Diversity



### Lost time injury frequency rate



<sup>1</sup> LTIFR is a health & safety metric that measures the number of lost time injuries (work related injuries resulting in time away from work).



## Year in review

**Oceania continues to prioritise and invest in its people, empowering teams to deliver exceptional care and create a safe, inclusive, and rewarding workplace.**

During the year, we focused on strengthening leadership, building capability, and supporting a culture of respect and safety:

### » Strengthening leadership & systems

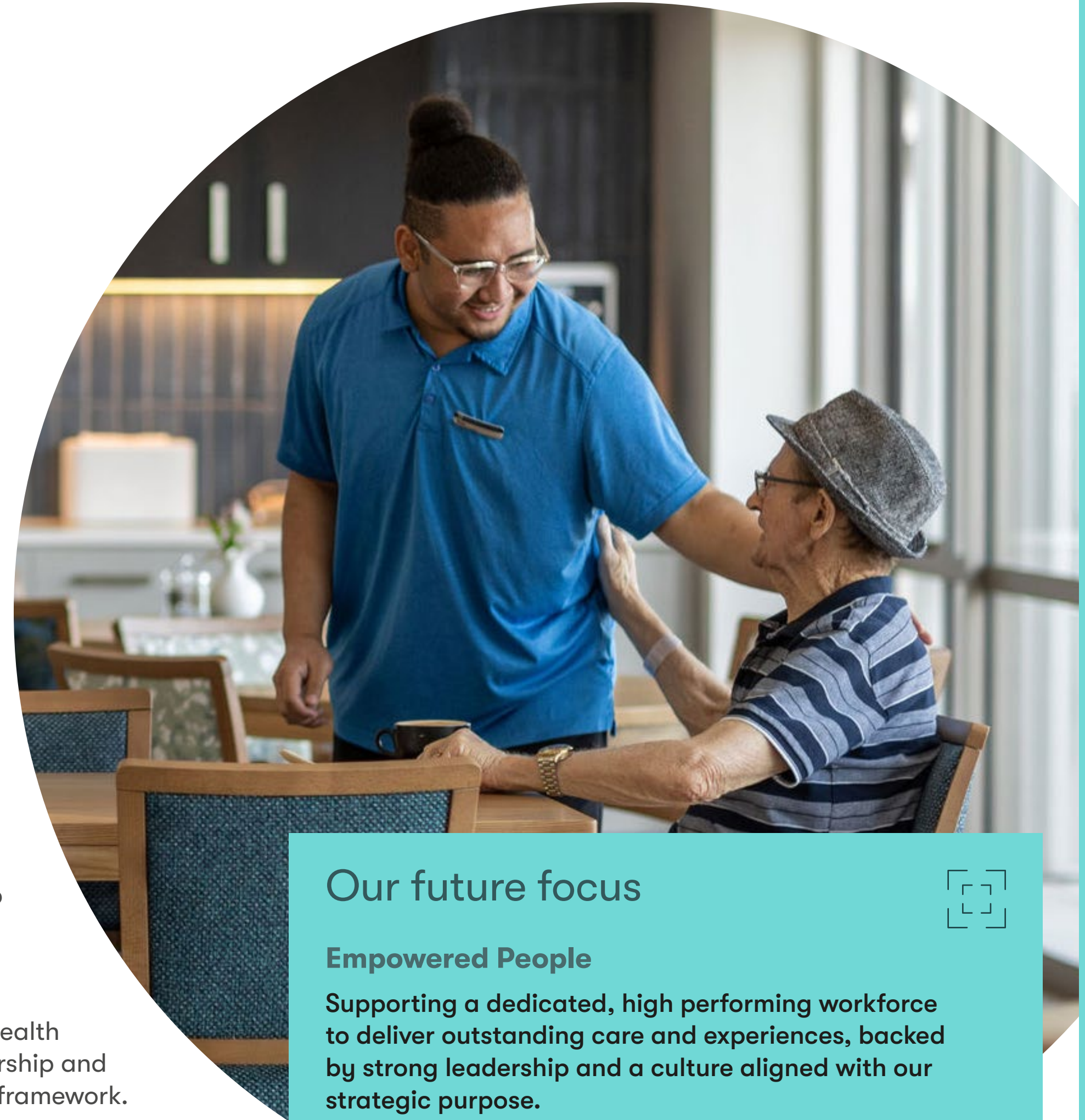
- Clinical and Sales functions were elevated to the Executive Team.
- The Senior Leadership Team was expanded to include leaders from Clinical, Sales, Marketing, and Risk.
- Rolled out a new Human Resource Information System (HRIS), enhancing workforce planning and insight capabilities.
- Launched HumanforceHR, a people platform that simplifies access to employee resources, policies, and information.

### » Investing in our people

- Delivered over 100 workshops, onsite training sessions, and clinical development activities to build capability across both clinical and non clinical teams.
- Four leadership cohorts participated in the Future Fluent programme during FY25, supporting skills development and role proficiency across the organisation.
- Despite the closure of the Wesley School of Nursing in 2024, Oceania continues to apply its best practices in internal training.

### » Creating a safe, inclusive workplace

- Celebrated Cultural Days that honoured the traditions and heritage of our diverse workforce and communities, fostering mutual respect and connection.
- Implemented the Safety Hub app, enabling frontline teams to report safety issues in real time, improving risk resolution and responsiveness.
- Conducted the annual employee engagement survey, with feedback directly informing people initiatives and strategic priorities.
- Maintained a positive employee satisfaction rating of 23, reflecting Oceania’s commitment to listening, engaging and collaborating with our people to ensure a rewarding workplace.
- Strengthened health and safety leadership through Gemba Walks at clinical, executive, and board levels, promoting continuous improvement.
- Directors actively participated in regular Health and Safety Walks, reinforcing visible leadership and alignment with our Fundamentals of Care framework.



## Our future focus



### Empowered People

**Supporting a dedicated, high performing workforce to deliver outstanding care and experiences, backed by strong leadership and a culture aligned with our strategic purpose.**





## Clinical leadership and everyday excellence

Oceania continues to strengthen clinical leadership and frontline practice, with a focus on safe, person centred care. This year, the introduction of Gemba Walks – championed by Director of Clinical and Care Services, Shirley Ross – reinforced Oceania’s commitment to connection, accountability, and clinical visibility at all levels of the organisation.

### A leader grounded in care

With more than 38 years of nursing experience, Shirley brings extensive clinical knowledge and a strong belief in the power of nurse led care. Her leadership spans hospital wards, aged care facilities, and health boards, including her former role as Head of Division for Older People’s Health at Waitematā DHB. Since joining Oceania, she has elevated both the voice of clinical staff and the visibility of care delivery – particularly through initiatives like the Nurse Practitioner Model and Gemba Walks.

### Introducing Gemba walks to Oceania

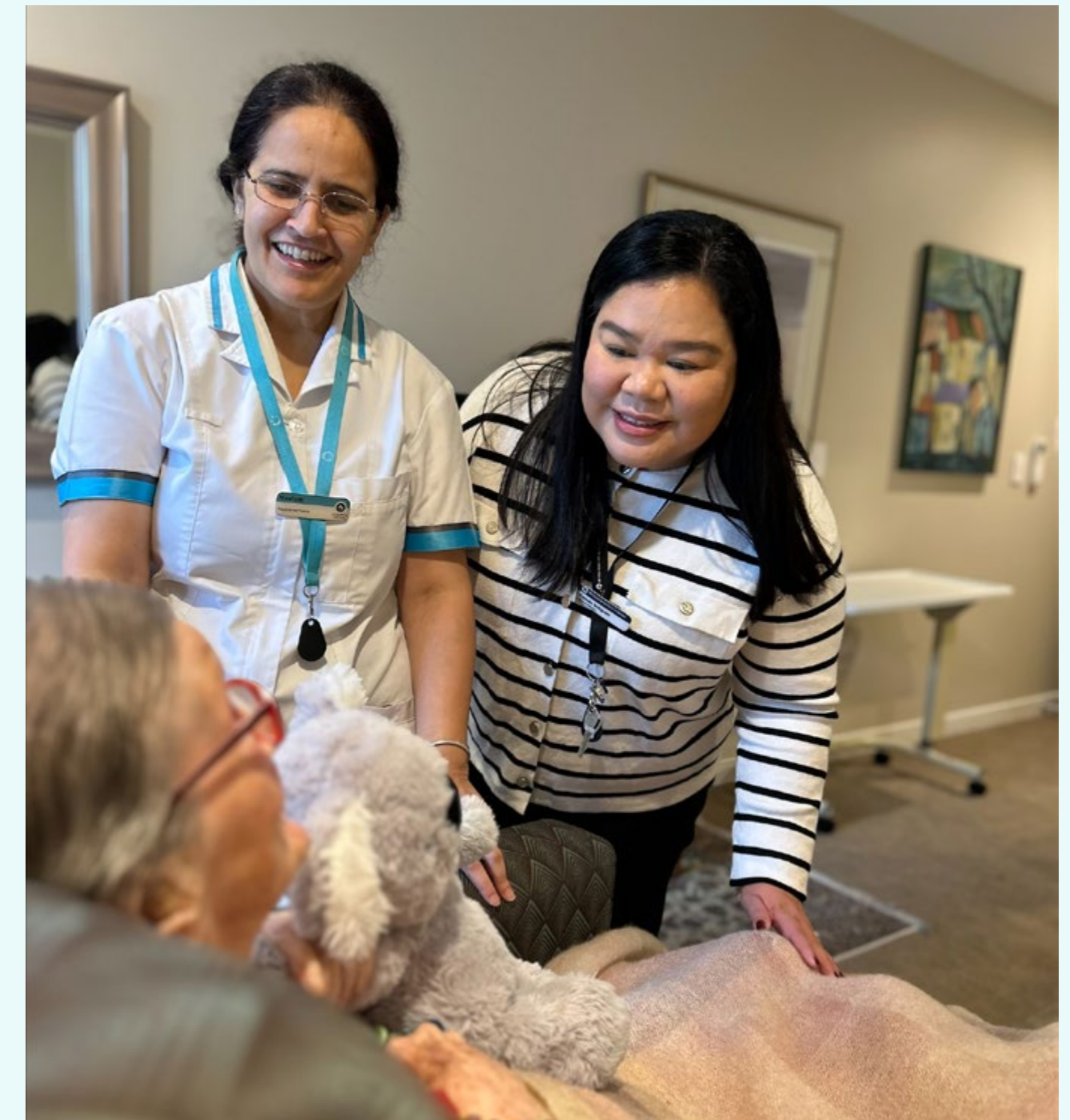
The Gemba Walk programme was introduced after Shirley attended the International Learning Collaborative (ILC) conference in Oxford, where she encountered global approaches to restoring attention to fundamental care. The ILC developed a framework to ensure patients and residents receive the fundamentals of care with consistency, dignity, and attention. Shirley adapted this concept for Oceania.

Today, Gemba Walks are embedded across the organisation – from clinical managers walking daily alongside teams in care centres, to board members and executives joining monthly walks. By encouraging leaders to spend time where care happens, the approach has strengthened understanding, improved early issue resolution, and created space for shared learning and connection.

### Everyday excellence in action

For Shirley, it’s a return to what matters most. “We have extraordinary people working in aged care – compassionate, capable, and dedicated. Our job as leaders is to stay close, stay visible, and keep listening.”

In 2025, Shirley will return to the ILC conference – this time, to share Oceania’s progress and present how Gemba Walks are driving everyday excellence and building a culture where fundamental care is everyone’s business.



**A Gemba Walk is a workplace walk through designed to observe, ask questions, and identify both good and poor practice. The concept comes from the Japanese word “Gemba” or “Gembutsu” meaning “the real place” – often defined in aged care as the place where work happens: beside the resident.**

At Oceania, Gemba Walks are led by the Clinical team across our care centres. Clinical Managers conduct daily walks, while Regional Clinical Managers and the Support Office clinical team participate monthly. By engaging teams in conversations about clinical workflows, interacting with residents, and observing care in real time, Gemba Walks increase connection, surface opportunities for improvement, and create space for staff and residents to share ideas. The approach supports stronger engagement and empowers teams to continuously elevate care.



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# Our Growth

To deliver outstanding financial performance and sustainable growth over the long term.

## SUSTAINABILITY GOALS AND KEY METRICS

- Adopt a long term value focus when making investment decisions and allocating capital.
- Reduce our GHG emissions in line with our science based target and integrate climate resilience into our business.

We're focused on sustainable growth that delivers lasting value for our investors, residents, team and communities. Our integrated approach ensures that our decisions balance shareholder returns with care for our residents, our people, and the environment.

In FY25, our strategic focus led to increased sales, reduced debt, a disciplined development pipeline and an optimised business model. These initiatives are generating long term savings while advancing our Sustainability Framework.

With New Zealand's over 75 population projected to more than double by 2048, we're responding with a clear strategy for sustainable, profitable growth.

In response to recent market pressures, we adopted a more flexible short term development pipeline, reducing gearing while maintaining growth. In line with this, we divested six non core sites in FY25.

Historically, our development focused on brownfield sites. As these decline, we're entering a new chapter targeting select greenfield projects while continuing the focus on maintenance of our portfolio. These allow

us to design communities that support local economies, reduce environmental impact through Homestar and Green Star certification, and generate long term investor value.

Our \$500 million sustainability linked loan, now in its third year, underscores our disciplined growth approach. Refinanced in March 2025, we secured a new syndicate member, optimal pricing, and extended tenor, all while maintaining existing covenants and associated social and environmental goals.

We're delivering against emissions reduction targets and increasing supply chain transparency, aiming to align 72.5% of suppliers by spend, covering category 1 purchased goods and services and category 2 capital goods, with science based targets in FY27.

We've invested in maturing our risk framework and embedding a strong culture of risk awareness. Our second Climate Related Disclosure report will be released in June 2025.

Looking ahead, we remain focused on value creation, operational excellence, and long term planning, delivering sustainable outcomes for our residents, people, and stakeholders.

## Number of units built

INDEPENDENT LIVING	FY24 95	FY25 118
CARE UNITS	FY24 87	FY25 106

## GHG emissions (tCO<sub>2</sub>e)

### TARGET

Reduce absolute scope 1 and 2 emissions by 42% by FY30, below a FY2022 base year (market based emissions)

	FY24 3,560	FY25 3,151
REDUCTION AGAINST FY22 BASE YEAR (market based emissions)	-29% FY25 FY24 20% <sup>1</sup>	
	-100%	FY30 TARGET -42% 0%

<sup>1</sup> See our FY24 GHG Emissions Report: [oceaniahealthcare.co.nz/investor-centre/sustainability](https://oceaniahealthcare.co.nz/investor-centre/sustainability)



## Year in review

### Oceania delivered a favourable financial performance and continued to invest in growth initiatives.

During the year, we strengthened delivery across finance, sustainability, digital capability, and risk:

- Reported FY25 Total Comprehensive Income of \$74.6m and Net Profit after Tax of \$30.4m.
- Secured \$5m in cost savings through business optimisation initiatives, with a further \$10–\$15m in progress for FY27.
- Rolled out new digital platforms to streamline operations, including HRIS, Safety Hub, and enhanced emissions reporting tools.
- Successfully refinanced our \$500m sustainability linked syndicated loan, adding a new syndicate partner.
- Met two of three annual Sustainability Performance Targets (SPTs) under our sustainability linked loan – construction waste diversion and Scope 1 and 2 GHG emissions reduction (market based).
- Delivered 224 new independent living units and care suites, supporting increased demand for high quality, resident centred housing.
- Committed to achieving the care resident wellbeing upper threshold under our sustainability linked loan, which was in the neutral zone in FY25.

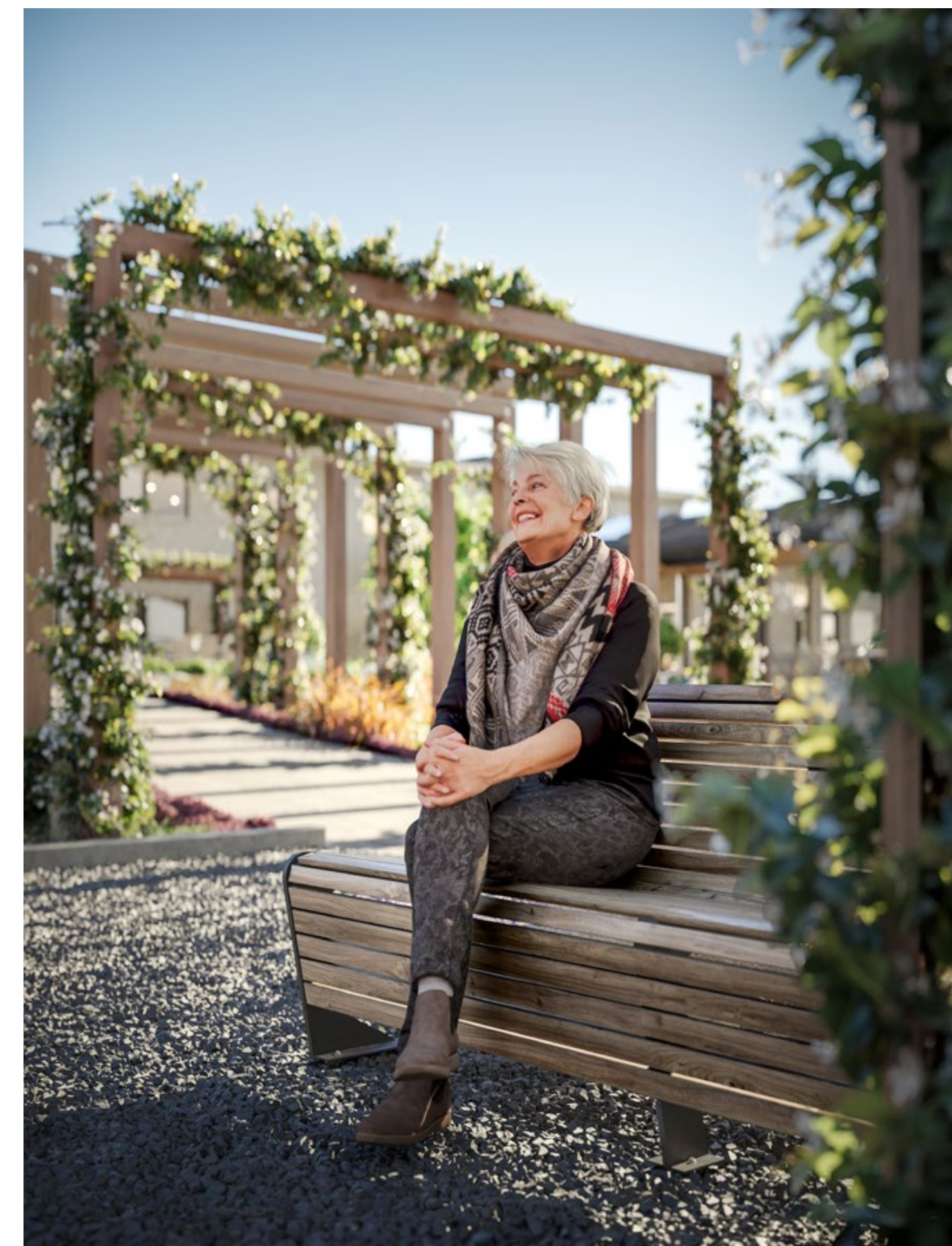
### » Climate and carbon

- Developed Oceania's first Climate Transition Plan to guide long term resilience and transition to a low carbon economy.
- Designed community buildings at Franklin Village with at least 10% less embodied carbon than standard reference buildings (as part of Green Star framework).
- Progressed Oceania's Scope 3 supplier engagement target, 38% of key suppliers engaged now have science based GHG target<sup>1</sup>.
- Oceania's FY25 Climate Related Disclosures, will be available from June 2025. <https://oceaniahealthcare.co.nz/investor-centre/reports-presentations/>

### » Comprehensive risk management

- Strengthened cyber strategy to address emerging threats, including AI enabled cyber attacks.
- Continued to lead in health and safety, leveraging new tools, technologies and processes to create safer environments for residents, teams, and visitors.

<sup>1</sup> Not all suppliers have their science based targets verified by the Science Based Target initiative (SBTi); some have their targets assured through alternative frameworks such as Toitū. Some suppliers are covered by SBTi targets set at the parent company level. Further, a change in emissions factor library may lead to a change of suppliers in scope of this target in future.



## Our future focus



### Purposeful Impact

Building long term, sustainable growth through innovation, operational excellence, and investments that create social and environmental value.

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## Sales performance and market momentum

Oceania saw a strong rebound in unit sales in FY25, with 520 units sold – a 9% increase on the prior year. The uplift reflects the success of targeted marketing, refreshed pricing strategies, and renewed energy across the sales team. Progress also continued on the sell down of unsold stock.

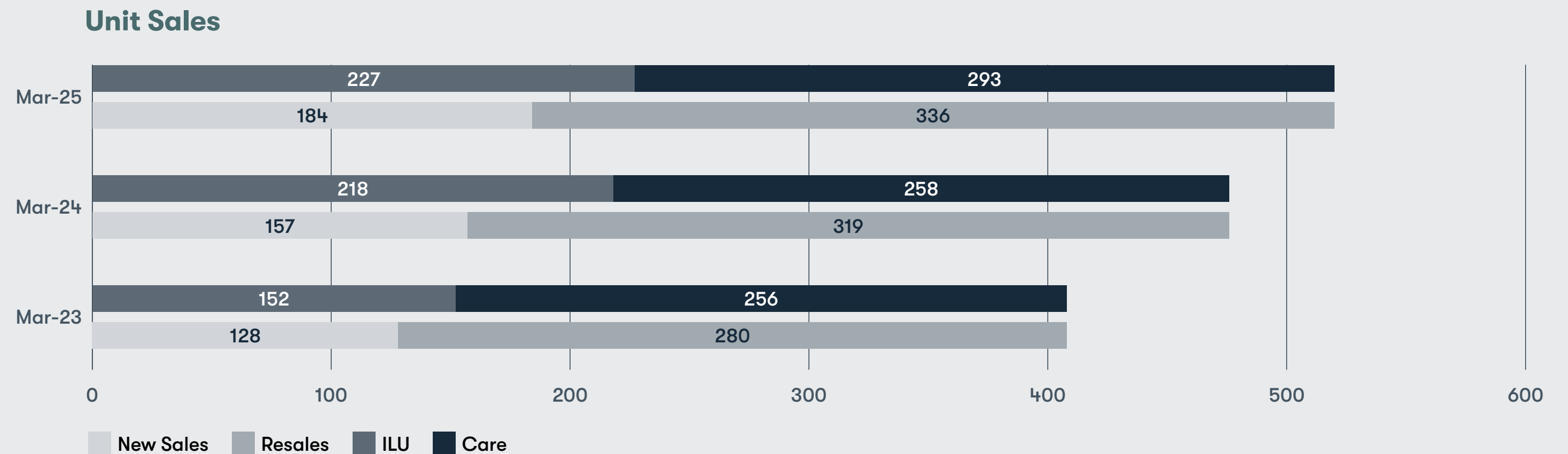
### A clear value proposition

The renewed momentum comes despite broader softness in the residential property market and demonstrates the strength of Oceania’s integrated care and lifestyle proposition. Across multiple open days, microsites, and resident information sessions, interest from prospective residents remained high – particularly among those exploring both lifestyle and care needs in one place.

### Leadership driving engagement

Sales and marketing activity was led by Stephen Lester, who joined Oceania as Chief Sales and Marketing Officer in November 2024. Stephen brings experience in customer engagement and sales strategy, and works closely with Fiona Cameron, General Manager Sales, who stepped into the role in July 2024.

Together, they’ve focused on lifting team capability and visibility across Oceania’s villages – ensuring sales teams are better connected to both prospective residents and the care teams supporting them.



“Our team at all sites are engaging positively with those looking for a retirement experience that also offers an integrated care proposition,” says Stephen.

“Oceania’s sales focus has stepped up and it is pleasing to see some good results being delivered. The market is seeing and responding to what we have to offer.”

Unit sales for FY25 included strong performance across both new sales and resales, with increases in independent living units and care suites. The results contribute to a longer term growth trajectory, with 520 total units sold this year – a clear uplift from FY24.

“The market is seeing and responding to what we have to offer.”

Stephen Lester, Chief Sales and Marketing Officer





**This is Oceania.**  
Our leadership.



# Strategic Leadership



## Elizabeth Coutts

Chair and Independent Director  
ONZM, BMS, FCA



Liz Coutts has been a Director and Chair of Oceania since 5 November 2014. Liz is also the Chair of EBOS Group Limited and 2degrees Group Limited and a consultant to Fonterra Co-operative Group Limited. Liz is a Fellow of Chartered Accountants Australia and New Zealand, a past President of the Institute of Directors NZ Inc and was made an Officer of the New Zealand Order of Merit (ONZM) in 2016.

Liz has previously been Chief Executive of Caxton Group, and Chair and, or director of a number of public and private companies and entities over the last 25 years including Skellerup Holdings Limited, Life Pharmacy Limited, Industrial Research, Public Trust, Sanford, Ravensdown Fertiliser Cooperative, the Health Funding Authority, Pharmac, Air New Zealand, Sport and Recreation New Zealand. She has been a Commissioner of both the Commerce Commission and Earthquake Commission and a member of both the Financial Reporting Standards Board of the New Zealand Institute of Chartered Accountants and the Monetary Policy Committee of the Reserve Bank of New Zealand.

Liz is a member of all Board Committees.



## Alan Isaac

Independent Director  
CNZM, BCA, FCA



Alan Isaac has been a Director of Oceania since 1 October 2015. Alan is a professional director with extensive experience in accounting, finance and governance. He is the past President of the Institute of Directors NZ Inc. and is Chairman of New Zealand Community Trust and Basin Reserve Trust. He is a former President of the International Cricket Council. Alan is a Director of Scales Corporation Limited, Skellerup Holdings Limited, and Community Gaming Alliance GP Limited. He is also a Trustee of Wellington Free Ambulance and the Wellington Cricket Foundation. In April 2024 Alan was appointed to the Special Division of the NZ Markets Disciplinary Tribunal.

Alan is a former national Chairman of KPMG, and was made a Companion of the New Zealand Order of Merit (CNZM) in 2013. He is a Fellow of Chartered Accountants Australia and New Zealand.

Alan is Chair of the Audit Committee, Chair of the Risk Committee and is a member of the People and Culture Committee.



## Dame Kerry Prendergast

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



Dame Kerry Prendergast has been a Director of Oceania since 22 December 2016. Dame Kerry is a professional director. She was Mayor of Wellington (2001-2010) and is currently the Chair of Wellington Free Ambulance, Wellington Opera, Tourism Industry Association, Capital Kiwi, Advisory Oversight Group (Wellington Region Water Service Delivery Planning) and Royal New Zealand Ballet. Dame Kerry is also a trustee of New Zealand Community Trust and the Wellington International Arts Foundation. For 25 years Dame Kerry was an independent midwife after training as a general nurse in 1970, and consequently gaining a Diploma in Intensive Care. She was made a Companion of the New Zealand Order of Merit (CNZM) in 2011 and was promoted to Dame Companion of the New Zealand Order of Merit in January 2019 for services to governance and the community.

Dame Kerry is Chair of the Clinical and Health & Safety Committee and a member of the Risk Committee.



## Strategic Leadership cont.



### Sally Evans

Independent Director  
BHSc, MSc, FAICD, GAIST



Sally Evans has been a Director of Oceania since 23 March 2018. Sally has over 30 years' experience in the private, government and social enterprise sectors in Australia, New Zealand, the United Kingdom and Hong Kong.

Sally is a Director of Healius Limited in Australia, and Allianz Australia Life Insurance Limited and a member of the Advisory Council of the Australian regulator, the Aged Care Quality and Safety Commission. She has previously held Directorships on the boards of Ingenia Retirement Communities, Opal Specialist Aged Care and Blue Cross Aged Care, was an inaugural member of the Australian Federal Government's Aged Care Financing Authority and prior executive roles include Investment Manager, Aged Care at AMP Capital.

Sally is Chair of the Sustainability Committee and a member of the Clinical and Health and Safety Committee.



### Gregory Tomlinson

Independent Director  
AME



Greg Tomlinson has been a Director of Oceania since 23 March 2018.

Greg is a Christchurch domiciled businessman and investor with experience in a variety of New Zealand industries. One of the original pioneers of the aquaculture industry in Marlborough, he has also established construction and aged care businesses.

Greg established Qualcare before it was sold into the Oceania Group in early 2008 and he was a director of Oceania from 2008 until 2016. Greg holds directorships on the boards of a number of New Zealand based companies and is currently Chair of Heartland Group Holdings Limited and Indevin Group Limited.

Greg is Chair of the Development Committee.



### Rob Hamilton

Independent Director  
BSc, BCom



Rob has been a Director of Oceania since 17 September 2021. He is a respected member of the capital markets and finance community in New Zealand, with more than 30 years' experience in senior executive roles. Rob is currently a Director of Westpac New Zealand Limited, a Director of Tourism Holdings Limited, a Director of Mercury NZ Limited and Chair of the Auckland Grammar School Foundation Trust.

He was previously Chief Financial Officer at SkyCity Entertainment Group Limited and a Managing Director and Head of Investment Banking at Jarden (formerly First NZ Capital).

Rob was also previously a member of the Auckland Grammar School Board of Trustees and a Board member on the New Zealand Olympic Committee.

Rob is Chair of the People and Culture Committee and is a member of the Audit Committee and the Sustainability Committee.



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# Our Board Skill Set

## ⚙️ Core Strengths

### Governance 6/6

- Commitment to the highest standard of governance.
- Board experience (NZX 50 or equivalent) or experience as an advisor to Boards for at least 5 years.
- An ability to assess effectiveness of senior management.

### Finance and accounting 4/6

- Senior executive or board experience in financial accounting and reporting, corporate finance and internal controls.
- Understanding of business and property valuation principles and their implications on the financial performance and position.

### Risk management 6/6

- Developing and overseeing an appropriate risk framework and culture.
- Experience evaluating and managing financial and non-financial risks.

### Capital markets and structure 5/6

- Experience with equity and debt markets, capital structuring and investment analysis.

### Regulatory knowledge and experience 6/6

- An understanding of the regulatory environment in which we operate and the role that plays in ensuring sustainable custodianship of our assets and providing benefit to our customers.

### Human resources 6/6

- Familiarity with people and best practice development and performance structures.

### Health and safety 6/6

- Experience and understanding of health and safety and wellbeing requirements.

## 🌿 Climate

### Climate 6/6

- Undertaken climate response training and understand climate risks.

## 👥 Markets & Customers

### Customer Advocacy 6/6

- Experience and understanding of sales, marketing and brand strategy and practices.

### Aged Care, Hospitality, Customer Service Market Experience 6/6

- Experience and understanding (either at Board, leadership or senior consulting level) of the dynamics of the international and/or domestic aged care, hospitality and customer services markets, and opportunities and challenges within those markets.

### Clinical Experience 4/6

- Experience and understanding of the clinical requirements of the healthcare sector at a governance, leadership and/ or practitioner level.

## 👍 Building & Maintaining Relationships

### Government Relationships 6/6

- An understanding of the functioning of Government and experience developing and maintaining a constructive relationship and interactions with Government and regulators.

### Shareholder/Investment Community Relationships 6/6

- Experience in and understanding of shareholder and investment community concerns and developing constructive relationships.



## Our Board Skill Set cont.

### Delivering Sustainable Growth

#### **Growth** 6/6

- A track record of developing and implementing a successful and sustainable strategy of growth in business.

#### **Strategy** 6/6

- Ability to think strategically and assess strategic options and business plans.

#### **Operational Leverage** 6/6

- Experience in leading or advising organisational change and creating value for the benefit of customers and shareholders.

#### **Business Model & Technological Disruption** 6/6

- Understanding of differing business models and the potential for disruptive models and practices to impact customers and the supply chain
- Understanding of the opportunity and risks provided by technology development.

### Capital Structure & Management

#### **Capital Structure & Management** 5/6

- Experience with a range of capital structures and management of capital within an organisation.

### Property & Construction

#### **Property & Construction** 2/6

- Experience as an investor, leader or adviser in the property development market.
- Experience as an investor, leader or adviser in the construction industry.

### Executive Leadership

#### **Executive Leadership** 6/6

- Experience in a senior executive leadership position in a large organisation.

### Australian Experience

#### **Australian Experience** 4/6

- Experience and understanding (either at Board, leadership or senior consulting level) of business in Australia.



# Three year summary

FOR THE YEAR ENDED 31 MARCH 2025

## Financial Metrics

\$NZm	March 2025 12 Months	March 2024 12 Months	March 2023 12 Months
Underlying Net Profit after Tax <sup>1</sup>	52.5	62.1	58.6
Underlying EBITDA <sup>1</sup>	86.0	82.6	80.0
Profit for the Year	30.4	31.5	15.4
Total Comprehensive Income	74.6	70.5	34.5
Total Assets	2,940.7	2,782.3	2,544.9
Operating Cash Flow <sup>2</sup>	110.3	103.4	78.8

## Operating Metrics

	March 2025 12 Months	March 2024 12 Months	March 2023 12 Months
Units	2,003	1,915	1,820
Care Suites	1,090	1,071	984
Care Beds	1,068	1,396	1,651
<b>Total</b>	<b>4,161</b>	<b>4,382</b>	<b>4,455</b>
New Sales	184	157	128
Resales	336	319	280
<b>Total</b>	<b>520</b>	<b>476</b>	<b>408</b>
Occupancy	92.3%	91.1%	90.4%
Occupancy (excluding development sites)	94.5%	92.6%	92.0%

<sup>1</sup> This is a non-GAAP measure, refer to note 2.1 in the consolidated financial statements for further details.

<sup>2</sup> Restated in prior periods, this restatement increases Operating Cashflow from \$85.4m in March 2024 and \$70.2m in March 2023. Refer to note 1.2 for details.





## Consolidated financial statements.

34	Consolidated Statement of Comprehensive Income
34	Consolidated Balance Sheet
35	Consolidated Statement of Changes in Equity
35	Consolidated Cash Flow Statement
36	Notes to the Consolidated Financial Statements

## Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 MARCH 2025

\$NZ000's	Notes	March 25	March 24
Revenue	2.2	260,572	265,463
Change in fair value of investment property	3.1	90,170	60,779
Other income	2.3	4,938	9,165 <sup>1</sup>
<b>Total income</b>		<b>355,680</b>	<b>335,407</b>
Employee benefits and other staff costs	2.4	178,370	178,786
Depreciation (buildings and care suites)	2.4, 3.2, 3.5	14,402	12,794
Depreciation and amortisation (chattels, leasehold improvements and software)	2.4, 3.2, 3.5, 5.2	7,746	6,192
Impairment of property, plant and equipment and right of use asset	2.4, 3.2	26,011	9,269
Impairment of held for sale assets	3.3	14	5,088
Impairment of goodwill	2.4, 5.2	198	555
Finance costs	2.4	20,833	16,417
Other expenses	2.4	82,252	77,913
<b>Total expenses</b>		<b>329,826</b>	<b>307,014</b>
<b>Profit before income tax</b>		<b>25,854</b>	<b>28,393</b>
Income tax benefit	5.1	4,561	3,081
<b>Profit for the year</b>		<b>30,415</b>	<b>31,474</b>
<b>Other comprehensive income</b>			
<b>Items that will not be subsequently reclassified to profit or loss</b>			
Gain on revaluation of property, plant and equipment for the year, net of tax	3.2, 5.1	45,794	41,175
<b>Items that may be subsequently reclassified to profit or loss</b>			
Loss on cash flow hedges, net of tax		(1,645)	(2,154)
<b>Other comprehensive income for the year, net of tax</b>		<b>44,149</b>	<b>39,021</b>
<b>Total comprehensive income for the year attributable to shareholders of the parent</b>		<b>74,564</b>	<b>70,495</b>
Basic earnings per share (cents per share)	4.2	4.2	4.4
Diluted earnings per share (cents per share)	4.2	4.2	4.3

1. Other income in the prior period includes \$2.7m in relation to proceeds from insurance. Refer to note 1.3 (iii)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

## Consolidated Balance Sheet

AS AT 31 MARCH 2025

\$NZ000's	Notes	March 25	March 24
<b>Assets</b>			
Cash and cash equivalents		7,589	7,485
Trade and other receivables	5.3	117,791	124,864
Derivative financial instruments	5.6	735	3,030
Assets held for sale	3.3	-	44,259
Investment property	3.1	1,972,033	1,815,387
Property, plant and equipment	3.2	828,486	770,877
Right of use assets	3.5	9,341	10,783
Intangible assets	5.2	4,713	5,663
<b>Total assets</b>		<b>2,940,688</b>	<b>2,782,348</b>
<b>Liabilities</b>			
Trade and other payables	5.4	36,445	52,057
Deferred management fee	3.4	57,279	47,337
Refundable occupation right agreements	3.4	1,106,813	997,190
Refundable occupation right agreements held for sale	3.4	-	7,585
Lease liabilities	3.5	10,558	11,205
Borrowings	4.4	627,748	640,518
Deferred tax liabilities	5.1	-	-
<b>Total liabilities</b>		<b>1,838,843</b>	<b>1,755,892</b>
<b>Net assets</b>		<b>1,101,845</b>	<b>1,026,456</b>
<b>Equity</b>			
Contributed equity	4.1	715,960	715,960
Retained earnings / (deficit)		6,999	(34,264)
Reserves		378,886	344,760
<b>Total equity</b>		<b>1,101,845</b>	<b>1,026,456</b>

The Board of Directors of the Company authorised these consolidated financial statements for issue on 22 May 2025.

For and on behalf of the Board

*Elizabeth Coutts*

Elizabeth Coutts

Chair

*Alan Isaac*

Alan Isaac

Director

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.



## Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2025

\$NZ000's	Notes	Contributed equity	Retained deficit	Asset revaluation reserve	Cash flow hedge reserve	Total equity
<b>Balance as at 31 March 2023</b>		<b>713,374</b>	<b>(68,496)</b>	<b>313,029</b>	<b>4,353</b>	<b>962,260</b>
Profit for the year		-	31,474	-	-	31,474
<b>Other comprehensive income</b>						
Revaluation of cash flow hedge net of tax		-	-	-	(2,154)	(2,154)
Revaluation of assets net of tax	3.2, 5.1	-	-	41,175	-	41,175
Transfer of assets net of tax		-	11,643	(11,643)	-	-
<b>Total comprehensive income</b>		<b>-</b>	<b>43,117</b>	<b>29,532</b>	<b>(2,154)</b>	<b>70,495</b>
<b>Transactions with owners</b>						
Dividends paid	4.1	-	(9,348)	-	-	(9,348)
Share issue: dividend reinvestment scheme	4.1	2,586	-	-	-	2,586
Employee share scheme	4.1	-	463	-	-	463
<b>Total transactions with owners</b>		<b>2,586</b>	<b>(8,885)</b>	<b>-</b>	<b>-</b>	<b>(6,299)</b>
<b>Balance as at 31 March 2024</b>		<b>715,960</b>	<b>(34,264)</b>	<b>342,561</b>	<b>2,199</b>	<b>1,026,456</b>
Profit for the year		-	30,415	-	-	30,415
<b>Other comprehensive income</b>						
Revaluation of cash flow hedge net of tax		-	-	-	(1,645)	(1,645)
Revaluation of assets net of tax	3.2, 5.1	-	-	45,794	-	45,794
Transfer of assets net of tax		-	10,023	(10,023)	-	-
<b>Total comprehensive income</b>		<b>-</b>	<b>40,438</b>	<b>35,771</b>	<b>(1,645)</b>	<b>74,564</b>
<b>Transactions with owners</b>						
Employee share scheme	4.1	-	825	-	-	825
<b>Total transactions with owners</b>		<b>-</b>	<b>825</b>	<b>-</b>	<b>-</b>	<b>825</b>
<b>Balance as at 31 March 2025</b>		<b>715,960</b>	<b>6,999</b>	<b>378,332</b>	<b>554</b>	<b>1,101,845</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 MARCH 2025

\$NZ000's	Notes	March 25	March 24 Restated
<b>Cash flows from operating activities</b>			
Receipts from residents for village and care fees		201,013	207,911
Payments to suppliers and employees		(266,145)	(241,638)
Receipts from new occupation right agreements		294,494	226,313
Payments for outgoing occupation right agreements		(106,556)	(78,780)
Net goods and services tax paid		(1,867)	(3,654)
Receipts from insurance proceeds	1.3(iv)	4,684	8,670
Interest received		3,110	4,543
Interest paid on general borrowings		(17,675)	(19,570)
Interest paid in relation to right of use assets		(781)	(443)
<b>Net cash inflow from operating activities</b>		<b>110,277</b>	<b>103,352</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment and intangible assets		(39,803)	(52,016)
Payments for investment property and investment property under development		(73,747)	(128,381)
Proceeds from sale of assets		32,103	20,316
Interest paid in relation to development borrowings <sup>1</sup>		(18,428)	(17,978)
Payments for assets held for sale		(435)	(1,168)
<b>Net cash outflow from investing activities</b>		<b>(100,310)</b>	<b>(179,227)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		102,091	138,674
Repayment of borrowings		(110,412)	(53,925)
Principal payments for lease liabilities		(1,542)	(2,065)
Dividends paid		-	(6,763)
<b>Net cash (outflow) / inflow from financing activities</b>		<b>(9,863)</b>	<b>75,921</b>
Net increase in cash and cash equivalents		104	46
Cash and cash equivalents at the beginning of the year		7,485	7,439
<b>Cash and cash equivalents at end of year</b>		<b>7,589</b>	<b>7,485</b>

<sup>1</sup> Restated in prior periods. Refer to note 1.2 (ii).

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes.



# Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 MARCH 2025

\$NZ000's	Notes	March 25	March 24 Restated
<b>Reconciliation of profit after income tax to net cash inflow from operating activities</b>			
<b>Profit for the year</b>		<b>30,415</b>	<b>31,474</b>
<b>Non cash items included in profit for the year</b>			
Deferred management fees accrued but not settled	2.2	(63,557)	(56,595)
Depreciation (buildings and care suites)	2.4	14,402	12,794
Depreciation and amortisation (chattels, leasehold improvements and software)	2.4	7,746	6,192
Impairment of goodwill	2.4	198	555
Net loss on disposal of property, plant and equipment		1,112	670
Fair value adjustment to investment property	3.1	(90,170)	(60,779)
Impairment of property, plant and equipment	3.2	26,011	9,269
Fair value adjustment to held for sale assets	3.3	14	5,088
Loss allowance for trade and other receivables	2.4	168	71
Interest accrued but not paid		6,825	(4,588)
Fair value movement on residents' share of resale gains	2.4	424	715
Fair value movement on cash flow hedges	5.6	-	4
Gain on loan modification	4.4	(5,425)	-
Deferred tax benefit	5.1	(4,561)	(3,081)
Employee share scheme	4.3	825	463
Other non cash items		974	1,001
		<b>(105,014)</b>	<b>(88,221)</b>
<b>Cash items excluded from profit for the year</b>			
Receipts from new occupation right agreements		294,494	226,313
Payments for outgoing occupation right agreements		(106,556)	(78,780)
		<b>187,938</b>	<b>147,533</b>
<b>Increase in operating assets and liabilities</b>			
Increase in trade and other receivables		6,856	3,089
(Decrease) / increase in trade and other payables <sup>1</sup>		(9,918)	9,478
<b>Net cash inflow from operating activities</b>		<b>110,277</b>	<b>103,353</b>

<sup>1</sup> Restated in prior periods. Refer to note 1.2 (ii).

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes.

# Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 MARCH 2025

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# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## General Information

### 1.1 Basis of Preparation

#### (i) Entities Reporting

The consolidated financial statements of the Group are for the economic entity comprising Oceania Healthcare Limited (the “Company”) and its subsidiaries (together “the Group”). Refer to note 5.5 for details of the Group structure.

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Oceania Healthcare Limited as at 31 March 2025 and the results of all subsidiaries for the year then ended.

The Group owns and operates various care centres and retirement villages throughout New Zealand. The Group's registered office is Level 26, HSBC Tower, 188 Quay Street, Auckland, 1010, New Zealand.

#### (ii) Statutory Base

Oceania Healthcare Limited is a limited liability company which is domiciled and incorporated in New Zealand. It is registered under the Companies Act 1993 and is a FMC Reporting Entity in terms of Part 7 of the Financial Markets Conduct Act 2013. The Company is also listed on the NZX Main Board (“NZX”) and the Australian Securities Exchange (“ASX”) as a foreign exempt listing. The consolidated financial statements have been prepared in accordance with the requirements of the NZX and ASX listing rules, and Part 7 of the Financial Markets Conduct Act 2013.

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (“NZ GAAP”). They comply with New Zealand equivalents to International Financial Reporting Standards (“NZ IFRS”), International Financial Reporting Standards (“IFRS”) and other applicable New Zealand Financial Reporting Standards, as appropriate for for-profit entities. The Group is a Tier 1 for-profit entity in accordance with XRB A1.

The consolidated financial statements have been prepared in accordance with the going concern basis of accounting, which assumes that the Group will be able to realise its assets and discharge its liabilities in the normal course of business as they come due into the foreseeable future.

The Consolidated Balance Sheet has been prepared using a liquidity format.

#### (iii) Measurement Basis

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and liabilities, including investment properties, certain classes of property, plant and equipment and derivatives.

#### (iv) Key Estimates and Judgements

The preparation of the consolidated financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise their judgement in the process of applying the Group's accounting policies.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the following notes:

- Classification of accommodation with a care or service offering (note 3)
- Fair value of investment property and investment property under development (note 3.1)
- Fair value of freehold land and buildings (note 3.2)
- Classification and fair value of held for sale facilities (note 3.3)
- Revenue recognition of deferred management fees (note 3.4)
- Recognition of deferred tax (note 5.1)



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 1.2 Accounting Policies

### (i) New Accounting Standards

No changes to accounting policies have been made during the year and the Group has not early adopted any standards, amendments or interpretations to existing standards that are not yet effective.

In May 2024 the External Reporting Board issued NZ IFRS 18: Presentation and Disclosure in Financial Statements ('NZ IFRS 18'), effective for reporting periods commencing on or after 1 January 2027. This accounting standard is expected to change the presentation of the Group's Statement of Comprehensive Income and may introduce additional note disclosures. NZ IFRS 18 does not impact the financial position, financial performance or cash flows of the Group. Other standards, amendments and interpretations which are not yet effective are not expected to have a material impact on the Group.

### (ii) Treatment of Interest Paid in Consolidated Cash Flow Statement

The Group has amended its accounting policy regarding the presentation of interest paid in the Consolidated Cash Flow Statement in the current year to better align with underlying drivers of debt. Previously, all interest paid has been presented in cash flows from operating activities.

Interest paid in relation to funds drawn for use in the development of investment property or property, plant and equipment is now presented in cash flows from investing activities.

The change in presentation of the capitalised interest cash outflows from operating activities to investing activities provides more relevant, and reliable information as this aligns with other retirement village operators' financial statements in the retirement village sector.

The 31 March 2024 comparative numbers have been restated to reflect these changes in the Consolidated Cash Flow Statement. The impact of these changes to the 31 March 2024 position is as follows:

- Net cash inflow from operating activities has increased by \$18.0m from \$85.4m to \$103.4m.
- Net cash outflows from investing activities have increased by \$18.0m from \$161.2m to \$179.2m.

The impact on the 31 March 2025 position is as follows:

- Net cash inflow from operating activities has increased by \$18.4m from \$91.9m to \$110.3m.
- Net cash outflows from investing activities have increased by \$18.4m from \$81.9m to \$100.3m.

### (iii) Measurement of Fair Value

The Group classifies its fair value measurement using the fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels.

Level 1: Quoted prices (unadjusted) in active markets for the identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amount of all financial assets and liabilities is considered to approximate their fair value.

## 1.3 Significant Events and Transactions

### (i) Disposal of leasehold interest

On 31 August 2023, in the comparative period, the Group exited the Wesley Care Centre, Mt Eden, Auckland. The site was leased from the owner Airedale Property Trust and the lease was not extended beyond the expiry date.

### (ii) Disposal of held for sale and Investment Property sites

During the year ended 31 March 2025 a total of six sites were divested for proceeds totalling \$33.8m. The sites divested were Takanini (Auckland), Holmwood (Christchurch), Middlepark (Christchurch), Victoria Place (Tokoroa), Totara Park (Warkworth) and Otumarama (Nelson). The aggregate loss on sale of these sites is \$0.9m and has been recognised in the Consolidated Statement of Comprehensive Income. (March 2024: three sites, total sales proceeds \$19.9m).

While the Group continues to operate a divestment programme there are no sites which meet the accounting definition of held for sale as at 31 March 2025. Refer note 3.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 1.3 Significant Events and Transactions (continued)

### (iii) Weather Events: Auckland Floods and Cyclone Gabrielle

A number of significant weather events occurred in New Zealand during January and February 2023. The Group owns and operates a number of sites in the Auckland and Hawkes Bay regions which were impacted by these events. Agreement was reached with insurers during May 2024 in relation to the Auckland Floods and Cyclone Gabrielle. Refer to Notes 3.1 and 3.2 for impact on fair value in the prior period, no impact in the current period.

## 1.4 Market Capitalisation

At balance date, the market capitalisation of the Group (being the 31 March 2025 closing share price, as quoted on the NZX Main Board, multiplied by the number of shares on issue) was below the carrying amount of the Group's net assets and shareholders' funds. In considering the difference, the Group notes that over 90% of total assets at 31 March 2025 are property assets carried at fair value as assessed by CBRE Limited. Colliers Limited were also engaged to perform a review of the CBRE Limited valuation of certain sites in the portfolio comprising 43% of the total value of property assets. This review supported the CBRE Limited valuation.

## 2. Operating Performance

### 2.1 Operating Segments

The Group's chief operating decision maker is the Board of Directors.

The operating segments have been determined based on the information reviewed by the Board of Directors for the purposes of allocating resources and assessing performance. The assets and liabilities of the Group are reported to the chief operating decision maker in total not by operating segment.

The Group operates in New Zealand and comprises three segments; care operations, village operations and other.

Information regarding the operations of each reportable segment is included below. Amongst other criteria, performance is measured based on segmental underlying earnings before interest, tax, depreciation and amortisation ("EBITDA"), which is the most relevant measure in evaluating the performance of segments relative to other entities that operate within the aged care and retirement village industries.

### Additional segmental reporting information

*Capital expenditure:* Refer to note 3 for details on capital expenditure.

*Goodwill:* Goodwill is allocated to care cash generating units.

### What is Total Comprehensive Income?

Total comprehensive income is a measure of the total performance of all segments under NZ GAAP. It includes fair value movements relating to the Group's care centres and cash flow hedges.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 2.1 Operating Segments (continued)

	Care	Village	Other
<b>Product</b>	Includes traditional care beds and care suites.	Includes independent living and rental properties.	N/A
<b>Services</b>	The provision of accommodation, care and related services to Oceania's aged care residents. Includes the provision of services such as meals and care packages to independent living residents.	The provision of accommodation and related services to independent residents in the Group's retirement villages.	Provision of support services to the Group. In addition this segment includes the provision of training by the Wesley Institute of Nursing Education. <sup>1</sup>
<b>Recognition of Operating Revenue and Expenses</b>	The Group derives Operating Revenue from the provision of care and accommodation. In relation to the provision of superior accommodation above the Government specification the Group derives revenue from Premium Accommodation Charges ("PACs") or, in the case of care suites, through Deferred Management Fees ("DMF"). Operating Expenses primarily include staff costs, resident welfare expenses and overheads.	The Group derives Operating Revenue from weekly service fees and rental income. Operating Revenue also includes DMF accrued over the expected occupancy period for the relevant accommodation. Operating Expenses include village property maintenance, sales and marketing, and administration related expenses.	Includes corporate office and corporate expenses. Finance costs relate to the cost of bank debt. Income and expenditure relating to the Wesley Institute of Nursing Education is recognised in this segment. <sup>1</sup>
<b>Recognition of Fair Value movements on New Developments</b>	Fair value increases or decreases are recognised in other comprehensive income (i.e. not in profit or loss) for the fair value movement above historical cost. Impairments below historical cost are recognised in comprehensive income (i.e. profit or loss).	Fair value movements are recognised in comprehensive income (i.e. profit or loss).	N/A

	Care	Village	Other
<b>Recognition of Fair Value movements on Existing Care Centres and Retirement Villages</b>	Fair value movements are treated the same as above. When sites are decommissioned for development this results in an impairment of the buildings and chattels which is recognised in comprehensive income (i.e. profit or loss).	Fair value movements are recognised in comprehensive income (i.e. profit or loss).	N/A
<b>Recognition in Underlying Profit (refer note 2.1 overleaf)</b>	Fair value movements are removed.	Fair value movements are removed. Realised gains on resales and the development margins from the sale of independent living units and care suites are included, reflective of the ownership structure of the assets.	No material adjustments.
<b>Asset Categorisation</b>	Assets used, or, in the case of developments, to be used, in the provision of care are recognised as property, plant and equipment.	Assets used, or, in the case of developments, to be used, for village operations are recognised as investment property.	Corporate office assets are recognised as property, plant and equipment. Assets include intangibles (e.g. software).

<sup>1</sup> With changes to the certification pathways for overseas nurses recently introduced, a decision was made during the year ended 31 March 2025 to close the Wesley Institute of Nursing Education. The final course concluded in April 2025



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 2.1 Operating Segments (continued)

March 2025 \$NZ000's	Care Operations	Village Operations	Other <sup>1</sup>	Total
Revenue	200,288	52,413	7,871	260,572
Change in fair value of investment property	-	90,170	-	90,170
Other income	832	996	-	1,828
<b>Total income</b>	<b>201,120</b>	<b>143,579</b>	<b>7,871</b>	<b>352,570</b>
Operating expenses	(180,680)	(41,200)	(38,742)	(260,622)
Impairment of goodwill	(198)	-	-	(198)
Impairment of property, plant and equipment	(26,011)	-	-	(26,011)
Impairment of held for sale assets	-	(14)	-	(14)
<b>Segment EBITDA</b>	<b>(5,769)</b>	<b>102,365</b>	<b>(30,871)</b>	<b>65,725</b>
Interest income	-	392	2,718	3,110
Finance costs	-	-	(20,833)	(20,833)
Depreciation (buildings and care suites)	(13,452)	-	(950)	(14,402)
Depreciation and amortisation (chattels, leasehold improvements and software)	(5,822)	-	(1,924)	(7,746)
<b>(Loss) / Profit before income tax</b>	<b>(25,043)</b>	<b>102,757</b>	<b>(51,860)</b>	<b>25,854</b>
Income tax (expense) / benefit	4,671	(5,389)	5,279	4,561
<b>(Loss) / Profit for the year attributable to shareholders</b>	<b>(20,372)</b>	<b>97,368</b>	<b>(46,581)</b>	<b>30,415</b>
<b>Other comprehensive income</b>				
Gain on revaluation of property, plant and equipment for the year, net of tax	45,794	-	-	45,794
Loss on cash flow hedges, net of tax	-	-	(1,645)	(1,645)
<b>Total comprehensive income / (loss) for the year attributable to shareholders of the parent</b>	<b>25,422</b>	<b>97,368</b>	<b>(48,226)</b>	<b>74,564</b>

<sup>1</sup> Includes revenue of \$7.9m, operating expenses of \$3.2m and EBITDA of \$4.7m in relation to Wesley Institute of Nursing Education.

March 2024 \$NZ000's	Care Operations	Village Operations	Other <sup>2</sup>	Total
Revenue	206,346	49,950	9,167	265,463
Change in fair value of investment property	-	60,779	-	60,779
Change in fair value of Held for sale assets	-	-	-	-
Other income	1,810	2,611	201	4,622
<b>Total income</b>	<b>208,156</b>	<b>113,340</b>	<b>9,368</b>	<b>330,864</b>
Operating expenses	(186,288)	(37,027)	(33,384)	(256,699)
Impairment of goodwill	(555)	-	-	(555)
Impairment of property, plant and equipment	(9,269)	-	-	(9,269)
Impairment of right of use investment property	-	(5,088)	-	(5,088)
<b>Segment EBITDA</b>	<b>12,044</b>	<b>71,225</b>	<b>(24,016)</b>	<b>59,253</b>
Interest income	-	72	4,471	4,543
Finance costs	-	-	(16,417)	(16,417)
Depreciation (buildings and care suites)	(12,794)	-	-	(12,794)
Depreciation and amortisation (chattels, leasehold improvements and software)	(4,745)	-	(1,447)	(6,192)
<b>(Loss) / Profit before income tax</b>	<b>(5,495)</b>	<b>71,297</b>	<b>(37,409)</b>	<b>28,393</b>
Income tax (expense) / benefit	(17,069)	1,813	18,337	3,081
<b>(Loss) / Profit for the year attributable to shareholders</b>	<b>(22,564)</b>	<b>73,110</b>	<b>(19,072)</b>	<b>31,474</b>
<b>Other comprehensive income</b>				
Gain on revaluation of property, plant and equipment for the year, net of tax	41,175	-	-	41,175
Gain on cash flow hedges, net of tax	-	-	(2,154)	(2,154)
<b>Total comprehensive income / (loss) for the year attributable to shareholders of the parent</b>	<b>18,611</b>	<b>73,110</b>	<b>(21,226)</b>	<b>70,495</b>

<sup>2</sup> Includes revenue of \$9.2m, operating expenses of \$2.3m and EBITDA of \$6.8m in relation to Wesley Institute of Nursing Education.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 2.1 Operating Segments (continued)

### Underlying net profit after tax (“Underlying Profit”)

Underlying Profit and Underlying EBITDA are non-GAAP measures of financial performance and considered in the determination of dividends. The calculation of Underlying Profit and Underlying EBITDA requires a number of estimates to be approved by the Directors in their preparation. Both the methodology and the estimates may differ among companies in the retirement village sector. Underlying Profit and Underlying EBITDA do not represent cash flow generated during the year.

The Group calculates Underlying Profit and Underlying EBITDA by making the following adjustments to reported Net Profit after Tax:

	<b>Total comprehensive income / (loss) for the year attributable to shareholders of the parent</b>
<b>Remove</b>	Fair value adjustments for investment property assets, property, plant and equipment, held for sale assets and financial instruments.
<b>Add back</b>	Impairment of goodwill
<b>Add back / remove</b>	Loss / gain on sale, decommissioning or purchase of assets and business assets including associated costs
<b>Add back</b>	Depreciation (care suites)
<b>Remove</b>	Insurance income recognised in relation to material damage due to adverse weather events
<b>Add back</b>	Directors’ estimate of realised gains on the resale of units and care suites sold under an ORA
<b>Add back</b>	Directors’ estimate of realised development margin on the first sale of new ORA units or care suites following the development of an ORA unit or care suite, conversion of an existing care bed to a care suite or conversion of a rental unit to an ORA unit
<b>Add back</b>	Deferred taxation component of taxation expense so that only the current tax expense is reflected
<b>=</b>	<b>Underlying Profit</b>
<b>Remove</b>	Interest income
<b>Add back</b>	Finance costs (including lease interest under NZ IFRS 16 Leases but excluding hedge ineffectiveness)
<b>Add back</b>	Depreciation and amortisation (including right of use and other property, plant and equipment)
<b>Add back</b>	Current tax expense
<b>=</b>	<b>Underlying EBITDA</b>

### Resale gain – Underlying Profit

The Directors’ estimate of realised gains on resales of ORA units and care suites (i.e. the difference between the incoming resident’s ORA licence payment and the ORA licence payment previously received from the outgoing resident) is calculated as the net cash flow received, and receivable at the point that the ORA contract becomes unconditional and has either “cooled off” (the contractual period in which the resident can cancel the contract) or where the resident is in occupation at balance date.

### Development margin – Underlying Profit

The Directors’ estimate of realised development margin is calculated as the ORA licence payment received, and receivable, in relation to the first sale of new ORA units and care suites, at the point that the ORA contract becomes unconditional and has either “cooled off” or where the resident is in occupation at balance date, less the development costs associated with developing the ORA units and care suites. Where the development has been acquired in a business combination the development costs are equal to the purchase price.

The Directors’ estimate of realised development margin for conversions is calculated based on the difference between the ORA licence payment received, and receivable, in relation to sales of newly converted ORA units and care suites, at the point that the ORA contract becomes unconditional and has either “cooled off” or where the resident is in occupation at balance date, and the associated conversion costs.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 2.1 Operating Segments (continued)

The table below describes the composition of development and conversion costs.

Included	New builds:
	<ul style="list-style-type: none"> <li>the construction costs directly attributable to the relevant project, including any required infrastructure (e.g. roads) and amenities related to the units (e.g. landscaping) as well as any demolition and site preparation costs associated with the project. The costs are apportioned between the ORA units and care suites, in aggregate, using estimates provided by the project quantity surveyor. The construction costs for the individual ORA units or care suites sold are determined on a prorated basis using gross floor areas of the ORA units and care suites;</li> <li>an apportionment of land value based on the gross floor area of the ORA units and care suites developed. The value for Brownfield<sup>1</sup> development land is the estimated fair value of land at the time a change of use occurred<sup>2</sup> (from operating as a care centre or retirement village to a development site), as assessed by an external independent valuer. Greenfield<sup>3</sup> development land is valued at historical cost; and</li> <li>capitalised interest costs to the date of project completion apportioned using the gross floor area of ORA units and care suites developed.</li> </ul>
	Conversions:
	<ul style="list-style-type: none"> <li>of care beds to care suites - the actual refurbishment costs incurred; and</li> <li>of rental units to ORA units - the actual refurbishment costs incurred and the fair value of the rental unit prior to conversion.</li> </ul>
Excluded	<ul style="list-style-type: none"> <li>Construction, land (apportioned on a gross floor area basis) and interest costs associated with common areas and amenities or any operational or administrative areas.</li> </ul>

March 2025 \$NZ000's	Care Operations	Village Operations	Other	Total
<b>Total comprehensive income / (loss) for the year attributable to shareholders of the parent</b>	<b>25,442</b>	<b>97,368</b>	<b>(48,226)</b>	<b>74,564</b>
<b>Adjusted for Underlying Profit items</b>				
Less: Fair value adjustments for investment property assets, property, plant and equipment, held for sale assets and cashflow hedges	(19,783)	(90,156)	1,645	(108,294)
Add: Impairment of goodwill	198	-	-	198
Add: Loss on sale of business assets including associated costs	-	856	-	856
Add: Depreciation (care suites)	11,831	-	-	11,831
Less: Fair value of loan modification	-	-	(5,425)	(5,425)
Add: Change in estimate of impairment in relation to weather event	-	181	-	181
Add: Realised resale gain	-	34,843	-	34,843
Add: Realised development margin	-	48,343	-	48,343
<b>Underlying net profit before tax</b>	<b>17,668</b>	<b>91,435</b>	<b>(52,006)</b>	<b>57,097</b>
Less: Deferred tax (benefit) / expense	(4,671)	5,389	(5,279)	(4,561)
<b>Underlying net profit after tax</b>	<b>12,997</b>	<b>96,824</b>	<b>(57,285)</b>	<b>52,536</b>
Less: Interest income	-	(392)	(2,718)	(3,110)
Add: Finance costs (excluding fair value of loan modification)	-	-	26,258	26,258
Add: Depreciation (buildings)	1,621	-	950	2,571
Add: Depreciation and amortisation (chattels, leasehold improvements and software)	5,822	-	1,924	7,746
<b>Underlying EBITDA</b>	<b>20,440</b>	<b>96,432</b>	<b>(30,871)</b>	<b>86,001</b>

<sup>1</sup> Brownfield land refers to land previously utilised by, or part of, an operational aged care centre or retirement village.

<sup>2</sup> The timing of a change of use is a Directors' estimate. It is based on a range of factors including evidence of steps taken to secure a resource consent and/or building consent for a particular development or stage of a development and the decommissioning of existing operations (either through the buy-back of existing village ORA units or decommissioning of an existing care centre). Note the cost of buybacks is not included in the development cost as an independent fair value of the land on an unencumbered basis is used as the value ascribed to the development land.

<sup>3</sup> Greenfield land refers to land not previously utilised by, or as part of, an operational aged care centre or retirement village. Greenfield land is typically bare (undeveloped) land at the time of purchase.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 2.1 Operating Segments (continued)

March 2024 \$NZ000's	Care Operations	Village Operations	Other	Total
Total comprehensive income / (loss) for the year attributable to shareholders of the parent	18,611	73,110	(21,226)	70,495
<b>Adjusted for Underlying Profit items</b>				
Less: Fair value adjustments for investment property assets, property, plant and equipment, held for sale assets and cashflow hedges <sup>1</sup>	(31,906)	(55,692)	2,154	(85,444)
Add: Impairment of goodwill	555	-	-	555
Add: Loss on sale of business assets including associated costs	-	678	-	678
Add: Depreciation (care suites)	10,344	-	-	10,344
Less: Gain on purchase of business assets including associated costs	-	252	-	252
Add: Change in estimate of impairment in relation to weather event	-	419	-	419
Add: Realised resale gain	-	32,472	-	32,472
Add: Realised development margin	-	35,401	-	35,401
<b>Underlying net profit before tax</b>	<b>(2,396)</b>	<b>86,640</b>	<b>(19,072)</b>	<b>65,172</b>
Less: Deferred tax expense / (benefit)	17,069	(1,813)	(18,337)	(3,081)
<b>Underlying net profit after tax</b>	<b>14,673</b>	<b>84,827</b>	<b>(37,409)</b>	<b>62,091</b>
Less: Interest income	-	(72)	(4,471)	(4,543)
Add: Finance costs	-	-	16,417	16,417
Add: Depreciation (buildings)	2,450	-	-	2,450
Add: Depreciation and amortisation (chattels, leasehold improvements and software)	4,745	-	1,447	6,192
<b>Underlying EBITDA<sup>2</sup></b>	<b>21,868</b>	<b>84,755</b>	<b>(24,016)</b>	<b>82,607</b>

<sup>1</sup> Includes adjustment for material damage insurance in relation to affected properties.

<sup>2</sup> Included in Village Operations remains an amount of \$2.0m in relation to other insurance income. This insurance income relates to compensation for business interruption costs and lost gross profits incurred prior to 31 March 2024.

## 2.2 Revenue

### How we earn revenue

Care	Village	Other
Daily care fees for long term and short term rest home, hospital and dementia residents	Deferred management fees – independent living	Training income
Premium accommodation charges	Village service fees – independent living	Interest income
Deferred management fees – care suites	Rental income – residents without a long term occupation right agreement	

### Accounting Policy

Revenue is recognised in accordance with NZ IFRS 15 Revenue from Contracts with Customers (“NZ IFRS 15”). Deferred management fees and rental income are considered leases under NZ IFRS 16 Leases (“NZ IFRS 16”), and are therefore excluded from the scope of NZ IFRS 15. None of the Group’s revenue, as defined by NZ IFRS 15, contains significant financing components.

### Rest Home and Hospital Service Fees

A contract is in place with all care residents by means of an admission agreement. The resident receives the benefit as the care is administered and each resident incurs a contracted daily care fee. Rest home and hospital service fees are recognised at the point in time the services are rendered which is specifically linked to the day the service is delivered. Where applicable these are recognised net of any associated rebates to residents.

Aged care subsidies received from the Ministry of Health, included in rest home, hospital and dementia fee revenue within the care segment, for the year ended March 2025 amounted to \$107.4m (March 2024: \$113.9m).

### Premium Accommodation Charges

Premium accommodation charges are payable by residents who occupy a premium room above the level specified by the Government. The charge is included in their admission agreement and the charge is recognised when the accommodation is provided.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 2.2 Revenue (continued)

### Deferred Management Fees

Deferred management fees are considered leases and are payable by residents of the Group's units, apartments and care suites under the terms of their ORA or unit title rights. Refer to note 3.4.

Management fees are typically payable on termination of the ORA up to a maximum percentage of a resident's occupation licence, or unit title rights, deposit for the right to share in the use and enjoyment of common facilities.

The timing of the recognition of deferred management fees is a critical accounting estimate and judgement. The deferred management fee is recognised on a straight line basis over the average expected occupancy. The expected periods of occupancy are based on historical Group averages, for the relevant accommodation they are estimated to be 7 years for units and premium apartments, 5 years for apartments and 3 years for care suites from the date of occupation. Estimates of deferred management fee tenure are reviewed periodically. Where a change is made, it is the Group's policy to recognise the aggregate impact of this change in the period in which the change in estimate occurs.

### Village Service Fees

Village service fees are charged to residents to recover a portion of village operating costs associated with services provided including staff wages, rates, and electricity. An ORA is in place with all village residents who receive the benefit of services throughout their stay. Village service fees are recognised over time as services are rendered.

### Training Income

Training income is received from students attending short term training courses at the Wesley Institute of Nursing Education. Income is recognised when the course is provided. With changes to the certification pathways for overseas nurses recently introduced, a decision was made during the year ended 31 March 2025 to close the Wesley Institute of Nursing Education. The final course concluded in April 2025.

### Rental Income

Rental agreements are in place with all rental residents and set out the relevant weekly and monthly rental fees. The resident receives the benefit throughout their stay and revenue is recognised as it is earned.

\$NZ000's	March 25	March 24
Rest home, hospital, dementia fees	174,557	183,806
Premium accommodation charge	7,524	6,370
Deferred management fees – independent living	39,477	38,639
Deferred management fees – care suites	17,861	16,187
Village service fees	10,842	9,741
Training income	7,910	9,155
Rental income	525	493
Other services provided to residents	1,876	1,072
	<b>260,572</b>	<b>265,463</b>

## 2.3 Other Income

### Interest Income

Interest income is recognised on an accruals basis using the effective interest method.

### Insurance Income

Insurance income in relation to recent weather events is recognised as per note 1.3(iii).

### Other Income

Other income includes administration and legal income derived from the settlement of ORAs.

\$NZ000's	March 25	March 24
Interest income	3,110	4,543
Insurance income	-	2,690
Other income	1,828	1,932
	<b>4,938</b>	<b>9,165</b>



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 2.4 Expenses

### Accounting Policy

All operating expenses are recognised on an accrual basis.

\$NZ000's	Notes	March 25	March 24
<b>Profit before income tax includes the following expenses:</b>			
<b>Employee benefits and other staff costs</b>			
Wages and salaries		172,577	174,043
Termination benefits <sup>1</sup>		1,348	373
Employee share scheme expense	4.3	305	277
Other staff costs <sup>2</sup>		4,140	4,093
		<b>178,370</b>	<b>178,786</b>
<b>Depreciation and amortisation</b>			
Depreciation of buildings	3.2	1,527	1,570
Depreciation of care suites	3.2	11,831	10,344
Depreciation of right of use assets (buildings)	3.5	1,044	880
Depreciation of chattels	3.2	5,660	4,406
Depreciation of right of use assets (chattels)	3.5	1,307	1,229
Amortisation of software	5.2	779	557
		<b>22,148</b>	<b>18,986</b>
<b>Finance costs</b>			
Interest on senior debt facilities		26,676	27,876
Interest on retail bond		6,175	6,175
Agency, commitment and line fees		4,446	4,528
Interest rate swaps		-	-
Capitalised interest and line fees		(12,959)	(23,757)
Amortisation of bank fees		985	988
Fair value of loan modification		(5,425)	-
Bank interest		154	160
Interest on lease liabilities		781	443
Change in fair value of ineffective cash flow hedges		-	4
		<b>20,833</b>	<b>16,417</b>
<b>Impairment of property, plant and equipment</b>	3.2	<b>26,011</b>	<b>9,269</b>
<b>Change in fair value of held for sale assets</b>	3.3	<b>14</b>	<b>5,088</b>
<b>Impairment of goodwill</b>	5.2	<b>198</b>	<b>555</b>

\$NZ000's	Notes	March 25	March 24
<b>Other expenses</b>			
<b>Fees paid to Auditor</b>			
Audit and review of consolidated financial statements		601	588
Audit or review related services – Trustee reporting		8	7
Other assurance services and other agreed-upon procedures		-	9
Proxy voting at the Annual Shareholder Meeting services		92	93
Climate related reporting assurance		92	102
Total other assurance services and other agreed upon procedures		4	19
Other services – remuneration advisory <sup>3</sup>		705	716
<b>Total fees paid to auditor</b>		<b>705</b>	<b>716</b>
Repairs and maintenance of property, plant and equipment including leasehold care centres		3,497	3,643
Repairs and maintenance of investment property including leasehold investment property		3,323	3,125
Loss on disposal of property, plant and equipment		840	683
Donations		1	31
Loss allowance for trade and other receivables	5.3	168	71
Resident consumables		18,698	19,242
Movement of residents' share of resale gains		424	715
Insurance		6,614	6,417
Legal and professional services		7,808	4,658
Other expenses (no items of individual significance)		40,174	38,612
		<b>82,252</b>	<b>77,913</b>
<b>Total Expenses</b>		<b>329,826</b>	<b>307,014</b>

<sup>1</sup> In the current period Termination benefits include payments to two Key Management Personnel, refer note 5.5

<sup>2</sup> Other staff costs include costs such as staff training, uniforms and recruitment.

<sup>3</sup> A further invoice of \$2k was paid in the period in relation to costs incurred in the year to 31 March 2024.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 3. Property Assets

The Group operates care centres and retirement villages. As outlined in section 2.1, village sites are typically investment property and care sites are typically property, plant and equipment.

### What is Investment Property?

Land and buildings are classified as investment property when they are held to generate revenue either through capital appreciation or through rental income.

As residents occupying our retirement villages live independently, the level of services provided is seen as secondary to the provision of accommodation. Accordingly, these buildings are classified as investment property as they are held primarily to generate DMF income.

### What is Property, Plant and Equipment?

Land, buildings and chattels are classified as property, plant and equipment when they are used to generate revenue through the provision of goods and services or for administration purposes.

As residents occupying our care centres, including care suites, require services including nursing care, meals and laundry the buildings in which they live are considered to be operated by the Group to generate this revenue and are classified as property, plant and equipment.

### What is a Care Suite?

Care suites are a premium offering for a resident requiring rest home or hospital level care. The care suite is located within a care centre. Rather than pay a daily premium accommodation charge for the provision of the premium room the residents enter into an ORA with a net management fee.

### What is Held for Sale?

Assets are classified as held for sale when the carrying amount will be recovered principally through a sale transaction rather than through continuing use.

## Classification of Serviced Apartments and Care Suites

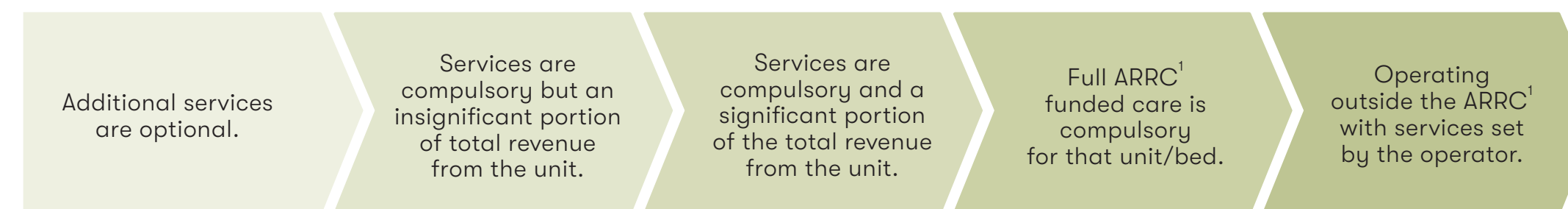
Where services are provided to residents who occupy accommodation under an ORA, it is the Group's policy to assess their level of significance in the context of the overall income derived from the serviced apartment or care suite in ascertaining whether the serviced apartment or care suite is freehold land and buildings (referred to as property, plant and equipment) or investment property.

The Group applies the following principles when ascertaining the appropriate accounting treatment to be applied:

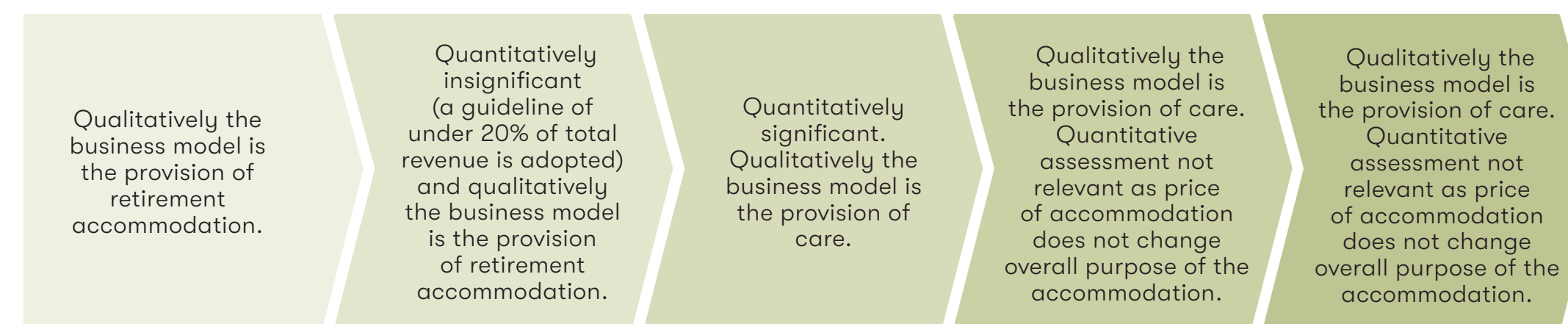
### CLASSIFICATION

Investment Property Village Assets		Property, Plant and Equipment Care Assets		
Independent living (villa or apartment)	Serviced apartment	Care suite	Traditional care bed	Private care

### SCENARIO



### CONSIDERATION OF SIGNIFICANCE OF CASH FLOWS



<sup>1</sup> ARRC refers to Age-Related Residential Care.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 3.1 Village Assets: Investment Property

### Accounting Policy

Investment property includes both freehold land and buildings and land and buildings under development, comprising independent units, serviced apartments and common facilities, provided for use by residents under the terms of an ORA. Investment property is held for long-term yields and is not occupied by the Group. Investment property is held at fair value.

The fair value of investment property is determined by the Directors having taken into consideration the valuation conducted by CBRE Limited as independent registered valuers and the cost of work undertaken in relation to investment property under development.

The movement in the carrying value of investment property, net of additions, transfers and disposals is recognised as a fair value movement in the Consolidated Statement of Comprehensive Income.

Fair value measurement on investment property under development is only applied if the fair value is considered to be reliably measurable. Where the fair value of a property under development can be determined, it is carried at fair value. Where the fair value of investment property under development cannot be reliably determined, the carrying amount is considered to be the fair value of the land plus the cost of work undertaken.

\$NZ000's	Notes	March 25	March 24
<b>Investment property under development at fair value</b>			
Opening balance		181,968	141,738
Impact of change to GST taxable supplies <sup>1</sup>		(593)	(1,500)
Capitalised expenditure (including land acquisitions)		54,575	61,539
Capitalised interest and line fees		8,806	13,626
Disposal		(305)	-
Transfer to completed investment property		(100,105)	(27,475)
Transfer to property, plant and equipment	3.2	(1,750)	-
Transfer from held for sale	3.3	1,340	-
Change in fair value during the year		(4,071)	(5,960)
<b>Closing balance</b>		<b>139,865</b>	<b>181,968</b>
<b>Completed investment property at fair value</b>			
Opening balance		1,633,418	1,455,983
Impact of change to GST taxable supplies		(1,382)	(1,372)
Transfer from investment property under development		100,105	27,475
Transfer (to)/from property, plant and equipment	3.2	(800)	80
Transfer from held for sale	3.3	7,330	21,608
Capitalised expenditure		14,101	60,003
Capitalised interest and line fees		755	2,903
Disposal		(15,600)	-
Change in fair value during the year - villages		94,241	66,739
<b>Closing balance</b>		<b>1,832,168</b>	<b>1,633,419</b>
<b>Total investment property</b>		<b>1,972,033</b>	<b>1,815,387</b>

1. Relates to GST claimed on land purchased in a prior period subject to a change in use adjustment in the current period.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 3.1 Village Assets: Investment Property (continued)

### Change in Fair Value Recognised in the Consolidated Statement of Comprehensive Income

\$NZ000's	March 25	March 24
Increase in fair value of investment property	156,647	217,665
Add / (Less): Transfers to property, plant and equipment, right of use assets and held for sale during the year	(6,120)	(21,688)
Less: Capitalised expenditure including capitalised interest	(76,262)	(135,198)
Add: Disposals	15,905	-
<b>Change in fair value recognised in Consolidated Statement of Comprehensive Income</b>	<b>90,170</b>	<b>60,779</b>

A reconciliation between the valuation and the amount recognised as investment property is as follows:

\$NZ000's	March 25	March 24
<b>Investment Property under development</b>		
Valuation	139,865	181,968
	139,865	181,968
<b>Completed Investment Property</b>		
Valuation	919,089	812,698
Add: Refundable occupation licence payments	1,121,025	1,003,945
Add: Residents' share of resale gains	5,050	5,730
Less: Management fee receivable	(190,387)	(170,638)
Less: Resident obligations for units not included in valuation	(22,609)	(18,316)
	<b>1,832,168</b>	<b>1,633,419</b>
<b>Total investment property at fair value</b>	<b>1,972,033</b>	<b>1,815,387</b>

Where an incoming resident has an unconditional ORA in respect of a retirement village unit and the corresponding outgoing resident for that same accommodation has not yet been refunded, the independent valuation is adjusted for the incoming resident balances only. In certain circumstances accommodation under an ORA is valued as development land. In these situations the independent valuation is not adjusted for the refundable amounts and consequently no offsetting "gross up" is required. An adjustment of \$22.6m (March 2024: \$18.3m) is included in the above reconciliation to reflect this.

The valuation of investment property is adjusted for cash flows relating to refundable occupation licence payments, residents' share of resale gains and management fee receivable recognised separately on the Consolidated Balance Sheet and also reflected in the valuation model.

#### Why do we adjust for the liability to residents?

In the external valuation the fair value of investment property includes an allowance for the amount that is payable by the Group to residents already in occupation within the property. However, this liability to existing residents is recognised in the Group's Consolidated Balance Sheet (referred to as refundable occupation right agreements – refer to note 3.4). Accordingly, the Group adds this net liability to residents to the external valuation to "gross up" the fair value of investment property and avoid double counting the liability to residents.

#### Valuation Process and Key Inputs

##### Investment Property under Development

CBRE Limited provided valuations of development land in respect of investment property under development as at 31 March 2025.

The fair value of investment property is determined by the Directors having taken into consideration the valuation conducted by the external valuers as independent registered valuers and the cost of work undertaken in relation to investment property under development.

The Group has applied the following methodology in relation to the measurement of investment property under development:



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 3.1 Village Assets: Investment Property (continued)

### Practical completion not achieved

Where the development still requires substantial work such that practical completion is not going to be achieved, and a reliable estimate of fair value cannot be made, at or close to balance date, the fair value recognised is the fair value of the development land per the Directors' valuation plus the cost of any work in progress. An amount of \$40.9m as at 31 March 2025 (March 2024: \$85.9m) has been recognised in relation to these development sites.

Where an individual development is of both investment property and freehold buildings in nature, the fair value of land and work in progress is apportioned between investment property under development and freehold land and buildings under development, by applying the estimated gross floor area for these respective areas of the development based on information obtained from the project quantity surveyors at the planning and design stages.

### Practical completion achieved

Where a development is practically completed, or likely to be completed at, or close to, balance date the investment property is measured at its completed fair value per the Directors' valuation with an adjustment made for any estimated costs, in accordance with the project budget, to be incurred to complete the development, and is then transferred to completed investment property.

### Completed Investment Property

As required by NZ IAS 40 Investment Property, the valuation of investment property is adjusted for cash flows relating to refundable occupation licence payments, residents' share of resale gains and management fees receivable recognised separately on the Consolidated Balance Sheet and also reflected in the valuation model.

Any interest costs incurred on outstanding development debt balances after the completion of that development are recognised through the Statement of Comprehensive Income, an amount of \$6.3m in the period (March 2024: nil)

The Group's interest in all completed investment property was valued on 31 March 2025 by CBRE Limited (March 2024: CBRE Limited,) at a total of \$919.1m (March 2024: \$812.7m).

## Property Specific Assumptions

### Seismic Assessments

The fair value of investment property, incorporates an allowance in relation to remediation to properties where seismic strength testing has been carried out.

### Weather Events: Auckland Floods and Cyclone Gabrielle

In the prior comparative period the fair value of completed investment property was adjusted downwards for the cost of future works to be undertaken to remediate damage caused by the Auckland Floods, an amount of \$5.2m.

### Key Accounting Estimates and Judgements

All investment properties have been determined to be Level 3 (March 2024: Level 3) in the fair value hierarchy as the fair value is determined using inputs that are unobservable.

### Significant Unobservable Inputs

The significant unobservable input used in the fair value measurement of the Group's development land is the value per m<sup>2</sup> assumption. Increases in the value per m<sup>2</sup> rate result in the corresponding increases in the total valuation.

The significant unobservable inputs used in the fair value measurement of the Group's portfolio of completed investment property are the discount rate and property price growth rate. There are no interdependencies or interplays between unobservable inputs.

The following assumptions have been used to determine fair value:

Significant Input	Description	2025	2024
Discount rate	The pre-tax discount rate	14.0% - 20.0 % (median: 15.0%)	14.0% - 20.0 % (median: 14.9%)
Property price growth rate	Anticipated annual property price growth over the cash flow period 0-4 years	0.5% - 3.0 %	0.5% - 3.0 %
Property price growth rate	Anticipated annual property price growth over the cash flow period 5+ years	2.5% - 3.5 %	2.5% - 3.5 %



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 3.1 Village Assets: Investment Property (continued)

### Sensitivities

At 31 March 2025	Adopted Value	Discount Rate +0.5%	Discount Rate -0.5%	Property Growth Rate +50 bp	Property Growth Rate -50 bp
<b>Completed investment property</b>					
Valuation \$NZ000's	919,089				
Difference \$NZ000's		(30,787)	32,560	53,898	(52,434)
Difference %		(3.4%)	3.5%	5.9%	(5.7%)
At 31 March 2024	Adopted Value	Discount Rate +0.5%	Discount Rate -0.5%	Property Growth Rate +50 bp	Property Growth Rate -50 bp
<b>Completed investment property</b>					
Valuation \$NZ000's	812,698	-	-	-	-
Difference \$NZ000's		(26,456)	28,461	48,359	(45,872)
Difference %		(3.3%)	3.5%	6.0%	(5.6%)

The stabilised occupancy period is a key driver of the CBRE Limited valuation. A significant increase / (decrease) in the occupancy period would result in a significantly lower/ (higher) fair value measurement.

Significant Input	2025	2024
Stabilised Occupancy Period	5.1 yrs – 9.0 yrs (median: 7.7 yrs)	5.1 yrs – 9.0 yrs (median: 7.7 yrs)

Current ingoing price, for subsequent resales of ORAs, is a key driver of the valuations. A significant increase / (decrease) in the ingoing price (as driven by the property growth rates) would result in a significantly higher / (lower) fair value measurement.

## 3.2 Care Assets: Property, Plant and Equipment

### Accounting Policy

Property, plant and equipment comprises owner-occupied freehold land and buildings and plant and equipment operated by the Group for the provision of care services, care suites and land and buildings that are to be developed into care centres in the future.

Following initial recognition at cost, completed owner occupied freehold land and buildings and land and buildings under development are carried at fair value. Independent valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the assets' fair value at balance date. Any depreciation at the date of valuation is deducted from the gross carrying value of the asset, and the net amount is restated to the revalued amount of the asset. In periods where no valuation is carried out, the asset is carried at its revalued amount plus any additions, less any impairment and less any depreciation incurred since the date of the last valuation.

All other plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

In relation to land and buildings under development, fair value is determined by the Directors having taken into consideration the valuation conducted by CBRE Limited as an independent registered valuer and the cost of work undertaken.

A property under construction is classified as land and buildings within property, plant and equipment where the completed development will be classified as such and as investment property where the completed development will be classified as an investment property. Fair value measurement on property under construction is only applied if the fair value is reliably measurable. Where the fair value of property under construction cannot be reliably determined the value is the fair value of the land plus the cost of work undertaken. Property under construction classified as land and buildings under development is revalued annually and is not depreciated.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed to the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred.



## Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

### 3.2 Care Assets: Property, Plant and Equipment (continued)

Increases in the carrying amount arising on revaluation of land and buildings above cost are credited to the asset revaluation reserve in other comprehensive income; increases that offset previous decreases taken through profit or loss are recognised in profit or loss. Decreases that offset previous increases of the same asset are charged against the asset revaluation reserve in other comprehensive income; all other decreases are charged to profit or loss. When revalued assets are sold, or held for sale, the amounts included in the reserve are transferred to retained earnings.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Category	Useful Life Range	Weighted Average Depreciation Rate
Freehold buildings	10 – 50 years	2.4%
Chattels and leasehold improvements	2 – 50 years	20%
Motor vehicles	5 years	22%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. No depreciation is charged in the year of sale for all assets other than buildings in which case depreciation is charged to the earlier of the date of classification to held for sale or the date of sale.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the net disposal proceeds with the carrying amount of the asset. These are included in the Consolidated Statement of Comprehensive Income.

\$NZ000's	Notes	Freehold Land and Buildings Under Development	Freehold Land	Freehold Buildings	Chattels and Leasehold Improvements	Total
<b>Year ended 31 March 2025</b>						
Opening net book amount		78,608	116,111	554,703	21,455	770,877
Additions		21,357	-	8,847	9,284	39,488
Impact of change to GST taxable supplies <sup>1</sup>		-	-	-	-	-
Capitalised interest and line fees		1,438	-	1,960	-	3,398
Disposals		-	-	-	-	-
Depreciation <sup>2</sup>		-	-	(13,358)	(5,660)	(19,018)
Transfer from investment property	3.1	1,750	-	800	-	2,550
Transfer from held for sale	3.3	48	2,800	2,797	552	6,197
Reclassification within Property, Plant and Equipment		(42,825)	1,782	37,502	3,541	-
<b>Revaluation surplus</b>						
Change in fair value recognised in comprehensive income <sup>3</sup>		(9,685)	(245)	(16,081)	-	(26,011)
Change in fair value recognised in other comprehensive income <sup>4</sup>		(1,100)	4,754	47,351	-	51,005
<b>Closing net book amount</b>		<b>49,591</b>	<b>125,202</b>	<b>624,521</b>	<b>29,172</b>	<b>828,486</b>
<b>At 31 March 2025</b>						
Cost		-	-	-	64,142	64,142
Valuation		49,591	125,202	624,521	-	799,314
Accumulated depreciation		-	-	-	(34,970)	(34,970)
<b>Net book amount</b>		<b>49,591</b>	<b>125,202</b>	<b>624,521</b>	<b>29,172</b>	<b>828,486</b>

<sup>1</sup> Relates to GST claimed on land purchased in a prior period subject to a change in use adjustment in the current period.

<sup>2</sup> The amounts on the face of the Statement of Comprehensive Income in relation to depreciation includes \$3.1m in relation to right of use assets and software amortisation not included in this note.

<sup>3</sup> One site, Elmwood, has just completed a brownfield care development. This development required the closure of the existing care suites and a number of residents were relocated to the newly developed care suite building. Impairments of \$25.8m and \$2.4m are recognised in Comprehensive Income and Other Comprehensive Income respectively.

<sup>4</sup> The revaluation noted in the Statement of Comprehensive Income differs from the above due to deferred tax, refer note 5.1.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 3.2 Care Assets: Property, Plant and Equipment (continued)

\$NZ000's	Notes	Freehold Land and Buildings Under Development	Freehold Land	Freehold Buildings	Chattels and Leasehold Improvements	Total
<b>Year ended 31 March 2024</b>						
Opening net book amount		89,098	109,071	496,448	17,552	712,169
Additions		33,509	-	8,247	10,130	51,886
Impact of change to GST taxable supplies <sup>1</sup>		(280)	-	-	-	(280)
Capitalised interest and line fees		6,015	-	1,213	-	7,228
Disposals		-	-	-	(1,299)	(1,299)
Depreciation		-	-	(11,914)	(4,406)	(16,320)
Transfer from investment property	3.1	-	-	(80)	-	(80)
Transfer from intangible assets		-	-	-	363	363
Transfer to held for sale		-	(4,895)	(12,834)	(885)	(18,614)
Reclassification within Property, Plant and Equipment		(45,391)	-	45,391	-	-
<b>Revaluation surplus</b>						
Change in fair value recognised in comprehensive income		(3,922)	280	(5,627)	-	(9,269)
Change in fair value recognised in other comprehensive income <sup>2</sup>		(421)	11,655	33,859	-	45,093
<b>Closing net book amount</b>		<b>78,608</b>	<b>116,111</b>	<b>554,703</b>	<b>21,455</b>	<b>770,877</b>
<b>At 31 March 2024</b>						
Cost		-	-	-	54,896	54,896
Valuation		78,608	116,111	554,703	-	749,422
Accumulated depreciation		-	-	-	(33,441)	(33,441)
<b>Net book amount</b>		<b>78,608</b>	<b>116,111</b>	<b>554,703</b>	<b>21,455</b>	<b>770,877</b>

1 Relates to GST claimed on land purchased in a prior period subject to a change in use adjustment in the current period.  
2 The revaluation noted in the Statement of Comprehensive Income differs from the above due to deferred tax, refer note 5.1.

## Land and Buildings Under Development

A valuation in respect of development land was provided by CBRE Limited as at 31 March 2025.

Any costs incurred to 31 March 2025 on the developments are included in arriving at the fair value as at 31 March 2025.

The Group has applied the following methodology in relation to the measurement of land and buildings under development:

### **Practical completion not achieved**

Where the development still requires substantial work such that practical completion is not going to be achieved, and a reliable estimate of fair value cannot be made, at or close to balance date, the fair value recognised is the fair value of the development land per the Directors' valuation plus the cost of any work in progress. An amount of \$30.6m as at 31 March 2025 (March 2024: \$61.4m) has been recognised in relation to these development sites.

Where an individual development is of both investment property and freehold buildings in nature, the fair value of land and work in progress is apportioned between investment property under development and freehold land and buildings under development, by applying the estimated gross floor area for these respective areas of the development based on information obtained from the project quantity surveyors at the planning and design stages.

### **Practical completion achieved**

Where a development is practically completed, or likely to be completed at, or close to, balance date the land and buildings are measured at its completed fair value per the Directors' valuation with an adjustment made for any estimated costs, in accordance with the project budget, to be incurred to complete the development, and is then transferred to completed land and buildings.

## Completed Land and Buildings

A valuation in respect of completed land and buildings was provided by CBRE Limited as at 31 March 2025.

Any interest costs incurred on outstanding development debt balances after the completion of that development are recognised through the Statement of Comprehensive Income, an amount of \$4.2m in the period (March 2024: nil)



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 3.2 Care Assets: Property, Plant and Equipment (continued)

The valuation of the Group's care centres was apportioned to land, buildings, chattels and goodwill. The fair value of land and buildings as calculated by CBRE Limited is based on the level of rent able to be generated from the maintainable net cash flow of the site subject to average efficient management. The fair value of the Group's land and buildings as determined by the Directors is based on these apportionments. However, chattels are carried at historic cost less depreciation and the amount apportioned to goodwill by CBRE Limited is not recorded in the consolidated financial statements.

### Care Suites and Serviced Apartments

As discussed earlier in note 3, where services are provided to residents who occupy accommodation under an ORA, it is the Group's policy to look at the significance of these services in the context of the overall revenue derived from the care suite or serviced apartment in ascertaining whether the care suite or serviced apartment is property, plant and equipment or investment property. Care suite residents occupying accommodation under an ORA receive a significant level of services. Hence, they are included in property, plant and equipment. Care suite land and buildings are held at fair value.

Serviced apartments are included in investment property.

### Key Accounting Estimates and Judgements

All land and buildings have been determined to be Level 3 (March 2024: Level 3) in the fair value hierarchy as the fair value is determined using inputs that are unobservable.

### Critical Judgements and Estimates in Applying Accounting Policies

#### Classification of Care Suites

An area of significant judgement is determining the classification of those properties which are operated as care suites. Refer note 3 for further information.

#### Valuation of Freehold Land and Buildings

The valuation approach for the freehold land and buildings as at 31 March 2025 was an income capitalisation approach and/or discounted cash flow analysis supplemented by the direct comparison approach. The valuation is determined by the capitalisation of net cash flow profit/earnings before interest, tax, depreciation, amortisation and rent ("EBITDAR") under the assumption a positive cash flow will be generated into perpetuity. Capitalisation rates used for the 31 March 2025 valuation range from 12.25% to 15.00% with a median value of 13.50% (March 2024: 12.25% to 17.50% with a median value of 13.63%). The valuation was apportioned between land, buildings, chattels / plant and equipment and goodwill to determine the fair value of the assets.

The significant unobservable input used in the fair value measurement of the Group's development land is the value per m2 assumption. Increases in the value per m2 rate result in corresponding increases in the total valuation.

The significant unobservable input used in the fair value measurement of the Group's portfolio of completed land and buildings is the capitalisation rate applied to earnings. A significant decrease/ (increase) in the capitalisation rate would result in significantly higher / (lower) fair value measurement.

The significant unobservable inputs used in the fair value measurement of the Group's portfolio of care suite also include the discount rate and property price growth rate. There are no interdependencies or interplays between unobservable inputs.

### Sensitivities

At 31 March 2025	Adopted Value	Capitalisation Rate +50 bp	Capitalisation Rate -50 bp
<b>Freehold land and buildings</b>			
Valuation \$NZ000's	749,723		
Difference \$NZ000's		(45,266)	49,911
Difference %		(6.0%)	6.7%

At 31 March 2024	Adopted Value	Capitalisation Rate +50 bp	Capitalisation Rate -50 bp
<b>Freehold land and buildings</b>			
Valuation \$NZ000's	670,815		
Difference \$NZ000's		(40,406)	43,779
Difference %		(6.0%)	6.5%

At 31 March 2025	Adopted Value	Discount Rate +0.5%	Discount Rate -0.5%	Property Growth Rate +50 bp	Property Growth Rate -50 bp
<b>Completed care suite property</b>					
Valuation \$NZ000's	367,645				
Difference \$NZ000's		(12,315)	13,024	21,560	(20,974)
Difference %		(3.4%)	3.5%	5.9%	(5.7%)

At 31 March 2024	Adopted Value	Discount Rate +0.5%	Discount Rate -0.5%	Property Growth Rate +50 bp	Property Growth Rate -50 bp
<b>Completed care suite property</b>					
Valuation \$NZ000's	253,355				
Difference \$NZ000's		(8,248)	8,873	15,076	(14,300)
Difference %		(3.3%)	3.5%	6.0%	(5.6%)



## Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

### 3.2 Care Assets: Property, Plant and Equipment (continued)

#### Carrying Value of Assets

The carrying amount at which both land and buildings would have been carried had the assets been measured under historical cost is as follows:

\$NZ000's	Freehold land	Freehold buildings	Freehold land and buildings under development	Total
<b>Carrying amount</b>				
– Historical cost 2025	41,138	318,659	25,079	384,876
Carrying amount				
– Historical cost 2024	36,203	279,306	25,903	341,412

### 3.3 Held for Sale

Assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell, except for investment property assets held for sale which are carried at fair value.

Assets previously classed as Investment Properties and Right of Use Investment Properties are held on the Consolidated Balance Sheet at their fair value, assets previously classed as Property, Plant and Equipment are held on the Consolidated Balance Sheet at current valuation, which is the lower of fair value less costs to sell and the carrying amount.

Changes in fair value from the date of classification to held for sale are recognised in comprehensive income. See note 3.4 for resident liabilities associated with these held for sale assets.

As at 31 March 2025 there are no sites that meet the definition of held for sale (March 2024: seven sites).

During the year to 31 March 2025, six sites were disposed of. Refer to Note 1.3(ii) for further details. While there are several sites which the Group continues to market these sites no longer meet the accounting definition of held for sale. Two of these sites were reclassified to Investment Property in the year ending 31 March 2024 and a further two sites classified as held for sale as at 31 March 2024 have been transferred back to Investment Property and Property, Plant and Equipment during the year. Of the two transferred in the year ended 31 March 2024 one was subsequently sold in the year to 31 March 2025.

Refer to Notes 1.3 and 5.8 for further details.

\$NZ000's	Notes	March 25	March 24
Opening balance		44,259	101,652
Transfer to investment property	3.1	(8,670)	(21,608)
Transfer (to)/from property, plant and equipment	3.2	(6,197)	18,614
Additions		435	1,168
Disposals		(29,813)	(50,479)
Change in fair value during the year		(14)	(5,088)
<b>Closing balance</b>		<b>-</b>	<b>44,259</b>

### 3.4 Refundable Occupation Right Agreements

#### What is an ORA?

An ORA is a contract which sets out the terms and conditions of occupation of an independent living unit or care suite. A new resident is charged a refundable occupation licence payment in consideration for the right to occupy one of the Group's units, apartments or care suites. On termination of the ORA the occupation licence payment is repaid to the exiting resident.

#### What is DMF?

An amount equal to a capped percentage of the occupation licence payment is charged by the Group as a management fee for the right of use and enjoy the common areas of the village. The deferred management fee is payable by the resident on termination of the ORA.



## Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

### 3.4 Refundable Occupation Right Agreements (continued)

#### Accounting Policy

The occupation licence payment becomes payable when the ORA is unconditional and has either “cooled off” or where the resident is in occupation. The Group has a legal right to set-off any amounts owing to the Group by a resident against that resident’s occupation licence payment. Such amounts include deferred management fees, recovery of village operating costs and recovery of outstanding obligations to the village.

The management fee receivable is recognised in accordance with the terms of the resident’s ORA.

The deferred management fee represents the difference between the management fees receivable under the ORA and the portion of the management fee accrued which is recognised on a straight-line basis over the average expected occupancy for the relevant accommodation i.e. 7 years for units and premium apartments, 5 years for apartments and 3 years for care suites (March 2024: 7yrs, 5yrs, 3yrs).

The management fee recognised in the Consolidated Statement of Comprehensive Income represents income earned in line with the average expected occupancy.

Included in the obligation to residents is an estimate of the amount expected to be paid to those residents whose ORA or unit title arrangement allows them to participate in the resale gain of the unit or apartment they occupy.

As the refundable occupation licence payment is repayable to the resident upon termination (subject to a new ORA being issued to an incoming resident), the fair value is equal to the amortised cost, being the amount that can be demanded.

\$NZ000's	March 25	March 24
<b>Village</b>		
Refundable occupation licence payments	1,121,025	1,003,945
Residents' share of resale gains	5,050	5,730
Less: Management fee receivable (per contract)	(241,897)	(217,412)
	<b>884,178</b>	<b>792,263</b>
<b>Care Suites</b>		
Refundable occupation licence payments	273,778	246,529
Accommodation rebate	-	95
Less: Management fee receivable (per contract)	(51,143)	(41,697)
	<b>222,635</b>	<b>204,927</b>
<b>Total refundable occupation right agreements</b>	<b>1,106,813</b>	<b>997,190</b>
<b>Held for Sale<sup>1</sup></b>		
Refundable occupation licence payments	-	9,034
Residents' share of resale gains	-	-
Less: Management fee receivable (per contract)	-	(1,955)
	<b>-</b>	<b>7,079</b>

#### Reconciliation of Management Fees recognised under NZ IFRS and per ORA

\$NZ000's	March 25	March 24
<b>Village</b>		
Management fee receivable (per contract)	(241,897)	(217,412)
Deferred management fee	51,510	46,774
<b>Management fee receivable (per NZ IFRS)</b>	<b>(190,387)</b>	<b>(170,638)</b>
<b>Care Suites</b>		
Management fee receivable (per contract)	(51,143)	(41,697)
Deferred management fee	5,769	563
<b>Management fee receivable (per NZ IFRS)</b>	<b>(45,374)</b>	<b>(41,134)</b>
<b>Held for Sale</b>		
Management fee receivable (per contract)	-	(1,955)
Deferred management fee	-	506
<b>Management fee receivable (per NZ IFRS)</b>	<b>-</b>	<b>(1,449)</b>

<sup>1</sup> In the prior period the amount on the face of the Balance Sheet in relation to refundable occupation right agreements held for sale included an amount of \$0.5m in relation to deferred management fees detailed further in this note.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 3.5 Leases

### What's a right of use asset?

Right of use assets are assets held under a lease arrangement. It represents the value of the lessee's right to use an asset over the life of the lease. There is a corresponding lease liability on the Consolidated Balance Sheet which represents the present value of the future lease payments.

### Accounting Policy

Right of use assets and lease liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the remaining lease payments. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liabilities.

Right of use assets are initially recognised at cost, comprising of the initial amount of the lease liability less any lease incentives received. Right of use assets relating to equipment and motor vehicles, recognised in chattels, are subsequently depreciated using the straight line method from the commencement date to the end of the lease. In considering the lease term, the Group applies judgement in determining whether it is reasonably certain that an extension or termination option will be exercised.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined the incremental borrowing rate at the commencement of the lease is used.

### Right of Use Asset

<b>\$NZ000's 12 months ended 31 March 2025</b>	<b>Notes</b>	<b>Buildings</b>	<b>Chattels</b>	<b>Total</b>
Opening net book value		8,061	2,722	10,783
Additions		-	1,405	1,405
Disposals		-	(268)	(268)
Modifications		(228)	-	(228)
Depreciation		(1,044)	(1,307)	(2,351)
<b>Net book value as at 31 March 2025</b>		<b>6,789</b>	<b>2,552</b>	<b>9,341</b>

<b>\$NZ000's 12 months ended 31 March 2024</b>	<b>Notes</b>	<b>Buildings</b>	<b>Chattels</b>	<b>Total</b>
Opening net book value		940	3,347	4,287
Additions		8,027	564	8,591
Disposals		-	(103)	(103)
Modifications		(26)	143	117
Depreciation		(880)	(1,229)	(2,109)
<b>Net book value as at 31 March 2024</b>		<b>8,061</b>	<b>2,722</b>	<b>10,783</b>

<b>\$NZ000's 31 March 2025</b>	<b>Buildings</b>	<b>Chattels</b>	<b>Total</b>
Cost	8,211	7,137	15,348
Accumulated depreciation	(1,422)	(4,586)	(6,008)
<b>Net book value as at 31 March 2025</b>	<b>6,789</b>	<b>2,552</b>	<b>9,341</b>



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 3.5 Leases (continued)

### Lease Liabilities

<b>\$NZ000's</b> <b>Year Ended 31 March 2025</b>	<b>Buildings</b>	<b>Chattels</b>	<b>Total</b>
Opening net book value	8,344	2,861	11,205
Additions	-	1,399	1,399
Disposals	-	(280)	(280)
Interest	535	246	781
Modification	(228)	-	(228)
Lease payments made	(717)	(1,602)	(2,319)
<b>Lease liabilities as at 31 March 2025</b>	<b>7,934</b>	<b>2,624</b>	<b>10,558</b>

<b>\$NZ000's</b> <b>Year Ended 31 March 2024</b>	<b>Buildings</b>	<b>Chattels</b>	<b>Total</b>
Opening net book value	1,161	3,637	4,798
Additions	7,964	564	8,528
Disposals	(165)	(123)	(288)
Interest	159	295	454
Modification	232	-	232
Lease payments made	(1,007)	(1,512)	(2,519)
<b>Lease liabilities as at 31 March 2024</b>	<b>8,344</b>	<b>2,861</b>	<b>11,205</b>

### Lease of Property, Plant and Equipment

On 9 February 2024 the Group exited its leased corporate office building located at 80 Queen Street, Auckland and commenced a lease at 188 Quay Street, Auckland.

In addition to the corporate office building, the group also leases various equipment and motor vehicles.

## 4. Shareholder Equity and Funding

### 4.1 Shareholder Equity and Reserves

	<b>March 2025</b> <b>Shares</b>	<b>March 2024</b> <b>Shares</b>	<b>March 2025</b> <b>\$NZ000's</b>	<b>March 2024</b> <b>\$NZ000's</b>
<b>Share capital</b>				
Issued and fully paid up capital	724,231,030	724,154,779	715,960	715,960
<b>Total contributed equity</b>	<b>724,231,030</b>	<b>724,154,779</b>	<b>715,960</b>	<b>715,960</b>
<b>Movements</b>				
Opening balance of ordinary shares issued	724,154,779	720,555,185	715,960	713,374
Shares issued for employee share scheme	-	53,761	-	-
Shares issued for Long Term Incentive Scheme	76,251	212,894	-	-
Shares issued for dividend reinvestment plan	-	3,332,939	-	2,586
<b>Closing balance of ordinary shares issued</b>	<b>724,231,030</b>	<b>724,154,779</b>	<b>715,960</b>	<b>715,960</b>

All ordinary shares rank equally with one vote attached to each fully paid ordinary share. The shares have no par value. The Company incurred no transaction costs issuing shares during the period (March 2024: nil).

### Dividend Reinvestment Plan ("DRP")

In 2019, the Board approved the implementation of a dividend reinvestment plan for New Zealand and Australian shareholders. This plan has been effective for all subsequent dividends.

	<b>March 2025</b> <b>value per share</b>	<b>March 2025</b> <b>number of shares</b>	<b>March 2024</b> <b>value per share</b>	<b>March 2024</b> <b>number of shares</b>
Reinvestment of final dividend for the prior period	-	-	\$0.7754	3,332,939
Reinvestment of interim dividend for the period	-	-	-	-

### Long Term Incentive ("LTI") - Share Rights

On 15 September 2020 the Board approved a Long Term Incentive Scheme for its senior executives ("LTI Scheme"). The LTI Scheme was established to:

- provide an incentive to key executives to commit to Oceania for the long term; and
- align these executives' interests with the interests of Oceania's shareholders.

Participants in the Scheme were granted Share Rights from time to time which, subject to meeting certain performance hurdles and the vesting criteria, convert into an entitlement to receive ordinary shares. The performance hurdles relate to Oceania's total shareholder return relative to the NZX50 Group and, for certain schemes, Oceania's performance against underlying earnings per share targets.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 4.1 Shareholder Equity and Reserves (continued)

Share Rights became exercisable when the performance hurdles were met over the period from the commencement date to the measurement date and the holder remained employed on the vesting date, and in certain other exceptional circumstances. On becoming exercisable, each Share Right entitled the holder to receive one fully paid ordinary share in Oceania Healthcare Limited, less an adjustment for tax paid on the holder's behalf for the benefit received under the Scheme. The Share Rights had a nil exercise price.

### Performance Hurdles for Share Rights

The Share Rights in the 2021 scheme (vesting date March 2024) grant were divided into two equal allotments each with its own performance hurdle.

- For the first allotment, the proportion of Share Rights satisfying the performance hurdle was determined on a straight-line basis, from 0%, where the total shareholder return (TSR) from the commencement date to the measurement date is equal to or less than the 35th percentile of the NZX50 Group, up to 100% where the TSR is equal to or greater than the 75th percentile of the NZX50 Group; and
- For the second allotment, the Share Rights satisfied the performance hurdle if the Group's annual growth in underlying earnings (before interest, tax, depreciation and amortisation) per share (UEPS) from the commencement date to the measurement date was equal to or greater than 10% per annum growth in UEPS for the relevant period.

The Share Rights in the 2022 scheme (vesting date March 2025) were subject to one performance hurdle. The proportion of Share Rights satisfying the performance hurdle were determined on a straight line basis, from 0% where the TSR from the commencement date to the measurement date is equal to or less than the 25th percentile of the NZX50 Group, up to 100% where the TSR is equal to or greater than the 75th percentile of the NZX50 Group.

### Lapse of Share Rights

Share Rights lapse where the performance hurdles are not met on a relevant measurement date or, in general, where the participant ceases to be employed by the Group before the vesting date (except in certain circumstances).

Scheme	Date	Share rights issued	Share rights lapsed	Share rights vested
2020 LTI	20 September 2020	1,948,061	1,599,054	349,007
2021 LTI	10 September 2021	1,078,125	984,875	93,250
2022 LTI	18 November 2022	1,430,150	1,430,150	-

### LTI - Share Options

On 11 September 2023 the Board approved a new Share Option Plan. The option plan has been established to:

- Reward and retain key employees;
- Drive longer term performance and alignment of incentives of participants with the interests of the groups shareholders; and
- Encourage longer term decision making by participants.

Participants in the Option Plan are granted options to acquire ordinary shares from time to time. These options are exercisable by participants subject to those participants' continued employment by Oceania, during specified exercise periods for a set exercise price. On exercise of the options, the Group will facilitate a cashless (net settled) exercise by issuing such number of shares as is equal to the difference between the then current market value of Oceania's shares and the exercise price (less an adjustment for tax paid on the holder's behalf for the benefit received), multiplied by the number of options being exercised, divided by the then current market value of Oceania's shares.

Scheme	Issue Date	Exercise Date	Participants as at 31 March 2025	Share Options issued	Share Options forfeited	Exercise price
2023 Option Plan	11 September 2023	May 2026	3	16,666,667	10,714,286 <sup>1</sup>	\$0.82
2023 Option Plan	30 April 2024	May 2026	2	4,761,904	2,380,952	\$0.82
2023 Option Plan <sup>2</sup>	15 October 2024	May 2026	8	5,476,195	952,382	\$0.82
2024 Option Plan <sup>3</sup>	15 October 2024	May 2027	1	775,385	n/a	\$0.76
2024 Option Plan	10 December 2024	May 2027	3	938,461	n/a	\$0.76

### Dividends

	March 2025 cents per share	March 2025 \$NZ000's	March 2024 cents per share	March 2024 \$NZ000's
Final dividend for the prior period	-	-	1.3	9,348
Interim dividend for the period	-	-	-	-
<b>Total dividends declared during the year</b>	<b>-</b>	<b>-</b>	<b>1.3</b>	<b>9,348</b>

<sup>1</sup> Amended from 31 March 2024 Annual Report. 7,142,856 share options previously granted to former Chief Executive Officer were noted as having lapsed on resignation however 3,571,428 share options were subsequently agreed to be retained on exit

<sup>2</sup> Share Options issued post 30 September 2024 to selected Senior Leaders

<sup>3</sup> Share options issued post 30 September 2024 to the new Chief Executive Officer



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 4.1 Shareholder Equity and Reserves (continued)

### Asset Revaluation Reserve

The asset revaluation reserve is used to record the revaluation of freehold land and buildings and land and buildings under development. The amounts are recognised in the Consolidated Statement of Comprehensive Income when it affects profit or loss. Refer to note 3.2.

### Cash Flow Hedge Reserve

The cash flow hedge reserve is used to record gains or losses on instruments used as cash flow hedges. The amounts are recognised in the Consolidated Statement of Comprehensive Income when the hedged transaction affects profit or loss. Refer to note 5.6.

## 4.2 Earnings per share

### Basic

Basic earnings per share is calculated by dividing the profit after tax of the Group by the weighted average number of ordinary shares outstanding during the period.

	March 2025	March 2024
Profit after tax (\$'000)	30,415	31,474
Weighted average number of ordinary shares outstanding ('000s)	724,231	723,320
<b>Basic earnings per share (cents per share)</b>	<b>4.2</b>	<b>4.4</b>

### Diluted

Diluted Earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As at 31 March 2025 there were no shares with a dilutive effect (March 2024: 349,007).

	March 2025	March 2024
Profit after tax (\$'000)	30,415	31,474
Weighted average number of ordinary shares outstanding ('000s)	724,231	723,669
<b>Diluted earnings per share (cents per share)</b>	<b>4.2</b>	<b>4.3</b>

## 4.3 Employee Share Based Payments

### Employee Share Plan

In the comparative year, on 25 September 2023, 53,761 shares were issued as part of an employee share scheme ("ESS"). All permanent employees as at that date were invited to participate. Full time employee participants were allocated an equivalent of \$800 of shares and part time employee participants were allocated an equivalent of \$400 of shares. The shares are held in trust and will be transferred to the employee if the employee remains employed by Oceania (or any of its subsidiaries) for the following three years.

There was no new employee share scheme in the year ended 31 March 2025.

## 4.4 Borrowings

### Accounting Policy

Borrowings are initially recognised at fair value, including transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such a time as the assets are substantially ready for their intended use. Other borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

\$NZ000's	March 2025	March 2024
<b>Secured</b>		
Bank loans	410,633	418,955
Capitalised loan costs	(1,028)	(1,504)
Loan modification gain	(5,425)	-
Retail Bond – OCA010	125,000	125,000
Retail Bond – OCA020	100,000	100,000
Capitalised bond costs	(1,432)	(1,933)
<b>Total borrowings</b>	<b>627,748</b>	<b>640,518</b>
Current	-	-
Non current	635,633	643,955
<b>Total borrowings excluding capitalised loan costs and loan modification gain</b>	<b>635,633</b>	<b>643,955</b>



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 4.4 Borrowings (continued)

### Recognition and Measurement

#### Bank Loans

Interest is charged using the BKBM Bill rate plus a margin and line fee. Interest rates applicable in the year to 31 March 2025 ranged from 5% to 7.1% (March 2024: 6.40% to 7.15%).

#### Retail Bond

NZDX ID	Issue Date	No. of bonds	\$NZ000's	Maturity	Fixed Interest	Trading Interest at March 25	Trading Interest at March 24
OCA010	19 Oct 20	125.0m	\$125,000	19 Oct 27	2.3%	6.81%	7.6%
OCA020	13 Sept 21	100.0m	\$100,000	13 Sept 28	3.3%	6.15%	7.3%

The bonds are quoted on the NZX Debt Market. Interest on OCA010 is payable quarterly in January, April, July and October in equal instalments. As at 31 March 2025 the fair value of OCA010 was \$112.8m.

Interest on OCA020 is payable quarterly in March, June, September and December in equal instalments. As at 31 March 2025 the fair value of OCA020 was \$90.9m.

The entire debt facility is sustainability-linked for the entire five year period with a penalty in the event of the Group not satisfying certain ESG targets and an interest discount in the event that certain targets are met. For the period to 31 March 2025, two targets were met and a discount will be received. For the period to 31 March 2024, all three targets were met and a discount was received.

#### Debt Financing

On 4 March 2025 it was announced that the Group has extended the maturity of its bank debt facilities to three and five years and introduced a new lender to the syndicate with financial close to occur on 1 May 2025. The total limit of bank facilities will remain at \$500m and the split as follows:

- 1) General Corporate Facility limit \$50m, 3 year tenor;
- 2) General Corporate Facility limit \$185m, 5 year tenor; and
- 3) Development Facility limit \$265m, 5 year tenor.

The facilities are held by a banking syndicate comprising ANZ, BNZ, ASB and ICBC.

The refinance included a change to interest rates which has resulted in the recognition of a loan modification gain of \$5.4m as at 31 March 2025.

### Financing Arrangements

At 31 March 2025, the Group held committed bank facilities with drawings as follows:

\$NZ000's	March 2025		March 2024	
	Committed	Drawn	Committed	Drawn
General Corporate Facility	185,000	112,105	185,000	110,000
Development Facility	315,000	298,528	315,000	308,955
<b>Total</b>	<b>500,000</b>	<b>410,633</b>	<b>500,000</b>	<b>418,955</b>

The Group's revolving Development Facility is utilised to cover costs associated with current development projects. The revolving General Corporate Facility is used for general corporate purposes as well as for development land and initial costs for projects not currently funded by the Development Facility.

Interest on the General Corporate Facility is typically payable quarterly. Interest on the Development Facility is capitalised and repaid together with principal using the ORA licence proceeds received upon settlement of initial sales of newly developed units and care suites. Line fees are payable quarterly on the committed General Corporate Facility and the Committed Development Facility.

The financial covenants in the Group's senior debt facilities, with which the Group must comply include:

- a) Interest Cover Ratio – the ratio of Adjusted EBITDA to Net Interest Charges, where interest charges relates to the interest and commitment fees in relation to the General Corporate Facility, is not less than 2.0x;
- b) Loan to Value Ratio – the ratio of total bank indebtedness shall not exceed 50% of the total property value of all Group's properties (including the "as-complete" valuations for projects funded under the Development Facility); and
- c) Guarantor Group Coverage – at all times the adjusted EBITDA of the Guaranteeing Group must be at least 90% of the Adjusted EBITDA of the total tangible assets of the Group; and
- d) Development – at all times the outstanding principal amount under the Development Facility shall not exceed the Development Value. Development Value (per the most recent valuation excluding any settled stock) is the aggregate value of all Residential Facilities in all Developments that are being funded by the Development Facility less their cost to complete.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 4.4 Borrowings (continued)

The covenants are tested half yearly. All covenants have been complied with during the period. The Group has agreed with its banks that the calculation of Adjusted EBITDA and Net Interest, for the purposes of the financial covenants, shall continue to be based on the accounting treatment in use before the introduction of NZ IFRS 16 *Leases*. No changes have been made to these covenants as part of the refinance.

### Assets Pledged as Security

The bank loans and bonds of the Group are secured by mortgages over the Group's care centre freehold land and buildings and rank second behind the Statutory Supervisors where the land and buildings are classified as investment property and investment property under development.

As at 31 March 2025 the balance of the bank loans over which the properties are held as security is \$410.6m (March 2024: \$419.0m).

### Net Debt Reconciliation

Cash and cash equivalents include cash on hand. The following provides an analysis of net debt and the movements in net debt for the year.

<b>\$NZ000's</b>	<b>March 2025</b>	<b>March 2024</b>
Cash and cash equivalents	7,589	7,485
Debt – repayable within one year	(1,978)	(1,331)
Debt – repayable after one year	(644,213)	(653,829)
<b>Net Debt</b>	<b>(638,602)</b>	<b>(647,675)</b>

Cash and liquid investments	7,589	7,485
Gross debt – fixed interest rates	(235,559)	(236,205)
Gross debt – floating interest rates	(410,633)	(418,955)
<b>Net Debt</b>	<b>(638,602)</b>	<b>(647,675)</b>

### Borrowings

<b>\$NZ000's</b>	<b>March 2025</b>	<b>March 2024</b>
Borrowings at the start of the year	(643,955)	(558,014)
Cash drawdowns	(102,091)	(153,840)
Cash repaid	110,413	67,899
<b>Borrowings at the end of the year</b>	<b>(635,633)</b>	<b>(643,955)</b>

## 5. Other Disclosures

### 5.1 Income Tax

#### What is Current Tax?

Current tax is an estimate of the tax that is payable to Inland Revenue for the current financial year.

#### What is Deferred Tax?

Deferred tax is an estimate of income tax that will be payable or recoverable in respect of temporary differences relating to the accounting and tax values of the Group's assets and liabilities. Deferred tax also includes the value of tax losses that we consider we will use in the future to meet any income tax obligation.

### Accounting Policy

The tax expense or benefit for the year comprises current and deferred tax. Tax is recognised in the calculation of profit for the year in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income. In this case the tax is also recognised in other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted at the balance date. The Directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 5.1 Income Tax (continued)

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences, and losses can be utilised.

\$NZ000's	March 2025	March 2024
<b>Income tax benefit</b>		
Current tax	-	-
Deferred tax	(4,561)	(3,081)
	<b>(4,561)</b>	<b>(3,081)</b>
<b>Taxation expense is calculated as follows:</b>		
Profit before income tax	25,854	28,393
Tax at the New Zealand tax rate of 28%	7,239	7,950
Adjusted by the tax effect of:		
Non-deductible impairment of goodwill	56	156
Non-deductible expenditure	364	254
Capitalised interest deductible for tax	(3,629)	(6,765)
Taxable deferred management fees	(10,309)	(7,941)
Non-assessable revaluation of investment property	(25,248)	(16,799)
Taxable depreciation	(9,869)	(10,691)
Accounting depreciation	5,778	4,863
Right of use asset	373	8,771
Non-deductible impairment of fixed asset	7,287	3,801
Adjustment for timing difference of provisions	(545)	384
Losses generated	28,503	16,017
<b>Current tax expense</b>	<b>-</b>	<b>-</b>
Impact of movements in investment property	(4,865)	(1,819)
Impact of movements in property, plant and equipment	(3,672)	17,015
Impact of movements in right of use assets	(230)	(96)
Impact of movements in held for sale assets	(163)	(7,921)
Other adjustments	557	(290)
Deferred management fee	10,309	7,554
Losses (recognised) / utilised or derecognised	(6,497)	(17,524)
<b>Deferred tax benefit</b>	<b>(4,561)</b>	<b>(3,081)</b>
<b>Income tax benefit</b>	<b>(4,561)</b>	<b>(3,081)</b>

Movement in the Deferred Tax Balance:

\$NZ000's	Balance 1 April 2024	Recognised in Consolidated Statement of Comprehensive Income	Recognised in Other Comprehensive Income	Balance 31 March 2025
Investment property	4,016	4,865	-	8,881
Property, plant and equipment	(31,877)	3,672	(5,211)	(33,416)
Right of use assets	260	230	-	490
Held for sale assets	(163)	163	-	-
Provisions and other assets / liabilities	6,296	(557)	650	6,389
DMF revenue in advance	(20,862)	(10,309)	-	(31,171)
Tax losses	42,330	6,497	-	48,827
<b>Deferred tax assets / (liabilities)</b>	<b>-</b>	<b>4,561</b>	<b>(4,561)</b>	<b>-</b>

\$NZ000's	Balance 1 April 2023	Recognised in Consolidated Statement of Comprehensive Income	Recognised in Other Comprehensive Income	Balance 31 March 2024
Investment property	2,197	1,819	-	4,016
Property, plant and equipment	(10,944)	(17,015)	(3,918)	(31,877)
Right of use assets	164	96	-	260
Held for sale assets	(8,084)	7,921	-	(163)
Provisions and other assets / liabilities	5,169	290	837	6,296
DMF revenue in advance	(13,308)	(7,554)	-	(20,862)
Tax losses	24,806	17,524	-	42,330
<b>Deferred tax assets / liabilities</b>	<b>-</b>	<b>3,081</b>	<b>(3,081)</b>	<b>-</b>

## Recognition and Measurement

No income tax was paid or payable during the year (March 2024: nil).



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 5.1 Income Tax (continued)

### Key Accounting Judgements

#### Deferred Tax on Investment Property

Deferred tax on investment property is assessed on the basis that the asset value will be realised through use (“Held for Use”). An initial recognition exemption has been applied to newly developed village sites in accordance with NZ IAS 12 *Income Taxes*.

The Group’s ORAs comprise two distinct cash flows (being an ORA deposit upon entering the unit and the refund of this deposit upon exit). In determining the tax base of investment property, the Group considered whether taxable cash flows are received at the end of the ORA period (i.e. upon refund of the ORA deposit by way of set off on exit by a resident) or at the beginning of the ORA period (i.e. at time of the receipt of the ORA deposit). The Group has carefully evaluated all the available information and considers it appropriate to recognise and measure the tax base and associated deferred tax based on the taxable cash flows being receivable at the end of the ORA period as this best represents the Group’s contractual entitlement.

In calculating deferred tax under the Held for Use methodology, the Group has made significant judgements to determine taxable temporary differences. The carrying value of the Group’s investment property is determined on a discounted cash flow basis and includes cash flows that are both taxable and non-taxable in the future. The Group has recognised deferred tax on the cash flows with a future tax consequence being DMF and deductible amounts as provided by external valuers, to the extent that it doesn’t relate to land. The Group uses the external valuers’ valuation of land and improvements to estimate the apportionment of cash flows arising from the depreciable (i.e. buildings) and non-depreciable components (i.e. land).

#### Deferred tax on non-residential buildings

On 28 March 2024, the Government passed the Taxation (Annual Rates for 2023–24, Multinational Tax, and Remedial Matters) Act, which included tax legislation changes including the removal of tax deductions for depreciation on non-residential buildings. The change largely reinstates the policy that was in place between 2012 and 2020. Specifically, the tax depreciation rate will be set at 0% for all buildings (residential and non-residential) with an estimated useful life of 50 years or more, from the 2024/25 year onwards. This resulted in an increase in the deferred tax liability in respect of Property, Plant and Equipment and Investment Property of \$28.4m as at 31 March 2024 for the Group, but did not result in any change to the total deferred tax recognised on the balance sheet of nil due to the recognition of previously unrecognised tax losses.

### Recognition of Deferred Tax on Tax Losses

After taking into consideration tax losses generated in the year to 31 March 2025, the Group now has an estimated \$355.3m (March 2024: \$253.7m) of available tax losses as at 31 March 2025.

The Group may recognise deferred tax assets to the extent that it is probable that the Group will generate future economic profits to offset the deferred tax assets or to the extent that they offset deferred tax liabilities. As at 31 March 2025 the Group recognised a deferred tax asset of \$48.8m (March 2024: \$42.3) representing tax losses generated in order to offset the net deferred tax liability position. All other available losses generated are held off balance sheet. Total available losses are noted below:

NZ\$000's	March 25	March 24
Opening balance – tax losses	253,720	201,282
Prior period adjustments: other	(12)	(4,773)
Losses per Inland Revenue	253,708	196,509
Losses utilised for the year	-	-
Losses forfeited during the year	-	-
Losses generated during the year	101,640	57,211
<b>Closing balance – tax losses</b>	<b>355,348</b>	<b>253,720</b>

## 5.2 Intangible Assets

### Accounting Policy

#### Goodwill

Goodwill represents the excess of cost of an acquisition over the fair value of the Group’s share of the net identifiable assets of the acquired subsidiary or business at the date of acquisition. Goodwill is not amortised. Instead, goodwill is tested at least once annually for impairment at 31 March and carried at cost less accumulated impairment losses. Impairments are recognised in the Statement of Comprehensive Income. Gains and losses on the disposal of an entity or cash generating unit (“CGU”) include the carrying amount of goodwill relating to the entity or CGU sold. Goodwill is allocated to CGUs and these CGUs are grouped where appropriate for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose.



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 5.2 Intangible Assets (continued)

### Computer Software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specified software. Where computer software licences are housed in the cloud they are capitalised to the extent the Group controls the licence and has rights to the software beyond rights to access. These costs are amortised on a straight line basis over their estimated useful lives (2.5 – 8 years).

\$NZ000's	Goodwill	Software	Total
<b>Year ended 31 March 2025</b>			
Opening net book amount	2,881	2,782	5,663
Additions	-	311	311
Transfer to Property, Plant and Equipment	-	-	-
Amortisation	-	(779)	(779)
Impairment charge	(198)	-	(198)
Disposal	(284)	-	(284)
<b>Closing net book amount</b>	<b>2,399</b>	<b>2,314</b>	<b>4,713</b>
<b>As at 31 March 2025</b>			
At cost	207,953	5,289	213,242
Accumulated amortisation and impairment	(205,554)	(2,975)	(208,529)
<b>Net book amount</b>	<b>2,399</b>	<b>2,314</b>	<b>4,713</b>
<b>Year ended 31 March 2024</b>			
Opening net book amount	3,167	3,550	6,717
Additions	269	197	466
Transfer to Property, Plant and Equipment	-	(363)	(363)
Amortisation	-	(557)	(557)
Impairment charge	(555)	-	(555)
Disposal	-	(45)	(45)
<b>Closing net book amount</b>	<b>2,881</b>	<b>2,782</b>	<b>5,663</b>
<b>As at 31 March 2024</b>			
At cost	208,237	4,978	213,215
Accumulated amortisation and impairment	(205,356)	(2,196)	(207,552)
<b>Net book amount</b>	<b>2,881</b>	<b>2,782</b>	<b>5,663</b>

### Impairment Test for Goodwill

The carrying value of goodwill has been assessed on a site by site basis taking into account the sites results as a whole. An impairment is recognised when the carrying value of goodwill plus chattels is greater than the CBRE Limited value of goodwill plus chattels.

The carrying amount of goodwill at each site is not significant in comparison to the total amount of goodwill. All goodwill is allocated to the care CGUs.

### Key Judgements in Applying the Accounting Policies

#### Care CGUs Recoverable Amount

The recoverable amount of the individual care sites has been determined based on an external valuation of fair value less costs to sell by CBRE Limited as an external valuer. The fair value less costs to sell is considered level 3 in the fair value hierarchy. This has been used for comparison to current carrying value. The assumptions used in determining the fair value for care centres are disclosed in note 3.2.

## 5.3 Trade and Other Receivables

### Accounting Policy

Trade receivables are amounts due from residents and various government agencies in the ordinary course of business and are recognised initially at fair value, being its transaction price, plus transaction costs. Trade receivables are held with the objective of collecting the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less a provision for impairment.

Occupation licence payment receivables are recognised at the point in time that an ORA becomes unconditional and has either “cooled off” or where the resident is in occupation, and the resident has not yet made all of the contractual licence payment to the Group. The long term portion of this receivable has been discounted by \$1.8m (March 2024: \$1.9m).



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 5.3 Trade and Other Receivables (continued)

\$NZ000's	March 25	March 24
<b>Net trade and other receivables</b>		
Trade receivables	19,207	21,632
Less: Loss allowance	(263)	(299)
	<b>18,944</b>	<b>21,333</b>
Occupation licence payment receivable <sup>1</sup>	93,895	93,788
Insurance Receivable	248	4,914
Prepayments	4,704	4,829
<b>Trade and other receivables</b>	<b>117,791</b>	<b>124,864</b>

### Recognition, Measurement and Judgements in Applying Accounting Policies

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and requires recognition from initial recognition of the trade receivable. To measure expected credit losses, trade receivables have been grouped and reviewed on the basis of the number of days since resident departure and the funding stream and type of debtor. Judgement is used in selecting the inputs to the impairment calculation and is based on past history and forward looking assumptions.

The Group has the following financial assets subject to the application of the expected credit loss model:

- Trade receivables from care operations for the provision of care fees revenue for rest home and hospital fees. These are split between private amounts owed by residents and amounts due from agencies such as the Ministry of Health and ACC.
- Trade receivables from village operations for the provision of weekly service fees and occupation licence payment receivables. These are receivable from residents.

The Group has applied a simplified approach to calculating the expected loss rate expected by applying a 1.5% allowance to trade receivables from care operations (2024: 1.5%) and 0% from village operations (2024: 0%), adjusted for any other known factors with respect to individual debts.

There is no significant concentration of credit risk as trade receivables relate to individual residents and government agencies.

<sup>1</sup> Occupation licence receivable includes an amount of \$65.1m in relation to short term occupation licence receivables expected to be recovered in less than 12 months. (31 March 2024: \$74.0m).

## 5.4 Trade and Other Payables

### Accounting Policy

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Trade payables are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest method.

### Wages and Salaries, Annual Leave and Long Service Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for employee entitlements is carried at the present value of the estimated future cash flow.

The liability for long service leave is recognised in the provision for employee entitlements and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

\$NZ000's	March 25	March 24
Trade payables	3,838	14,975
Development accruals	4,920	9,266
Sundry payables and accruals <sup>1</sup>	3,788	3,106
Accrued interest on external borrowings	1,356	1,355
Employee entitlements	22,543	23,355
<b>Trade and other payables</b>	<b>36,445</b>	<b>52,057</b>



# Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

## 5.5 Related Party Transactions

The below entities are subsidiaries of Oceania Healthcare Limited.

Name of Entity	Principal Activities	2025	2024	Class of shares
Oceania Group (NZ) Limited	Corporate office functions	100%	100%	Ordinary
Oceania Care Company Limited	Operation of aged care centres	100%	100%	Ordinary
Oceania Village Company Limited	Ownership and operation of retirement villages	100%	100%	Ordinary
OCA Employees Trustee Limited	Hold Employee Share Scheme shares on behalf of employees	100%	100%	Ordinary
Bream Bay Village Limited <sup>2</sup>	Non operating	100%	100%	Ordinary

All subsidiaries are incorporated in New Zealand and have a balance date of 31 March (2024: 31 March). There are no significant restrictions on subsidiaries.

## Key Management Personnel Compensation

Key management personnel are all executives with the authority for the strategic direction and management of the Group and exclude those in an Acting capacity.

\$NZ000's	March 25	March 24
Directors' remuneration	833	871
Directors' dividends including DRP	-	395
Salaries and other short term employee benefits <sup>3</sup>	4,743	2,967
Long Term Incentive Scheme	21	164
Key management personnel dividends including DRP	-	4
Termination benefits <sup>2</sup>	622	338
	<b>6,219</b>	<b>4,739</b>

## Transactions with Related Parties

There are no outstanding balances with related parties (March 2024: nil).

## 5.6 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risks (including cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as interest rate swap contracts to hedge certain interest rate risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rates to determine market risk and aging analysis for credit risk.

### Classification and measurement

Financial assets are required to be classified into three measurement categories: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. Trade receivables are amounts due from residents and various government agencies held to collect contractual cash flows in the ordinary course of business. These balances are held at amortised cost less a provision for impairment.

Risk management is carried out centrally by management under policies approved by the Board of Directors. The Directors provide written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

### (a) Fair Value Estimation

All financial assets (cash and cash equivalents, trade and other receivables and certain right of use assets) and financial liabilities (trade and other payables, lease liabilities and bank borrowings), other than derivatives, are measured at amortised cost, which approximates to fair value. Financial liabilities measured at amortised cost are fair valued using the contractual cash flows. In considering the fair value of interest bearing assets and liabilities the estimated future interest rates approximate the discount rates used in a fair value assessment.

1 Sundry payables include \$0.1m (March 2024 \$0.1m) relating to cash held on behalf of residents.

2 The business operations and assets of Bream Bay Village Limited were sold to Oceania Village Limited on 30 September 2022 at carrying amount. Subsequent to this date the company is dormant.

3 Termination payments were made to two employees who met the definition of key management and ceased to be employed by the Group during the period (March 2024: one employee).



## Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

### 5.6 Financial Risk Management (continued)

#### (b) Market Risk

Market risk is the risk that changes in market prices such as interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

#### (c) Cash Flow Risk

The Group has no significant interest-bearing assets, as such the Group's income is substantially independent of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The cash flow and interest rate risks are monitored by the Directors on a monthly basis. The Directors monitor the existing interest rate profile with reference to the Group's Treasury Policy and the Group's underlying interest rate exposure. Management present interest rate hedging analysis and strategies to the Directors for consideration and seek Director approval prior to entering into any interest rate swaps.

The following table shows the sensitivity of the Group's Profit / (Loss) and equity to a movement in interest rates of +/-1%. This assumes all other variables remain constant.

\$NZ000's	+1%		-1%	
	Profit / (Loss)	Equity	Profit / (Loss)	Equity
<b>2025</b>				
Interest expense	3,798	3,213	(3,798)	(3,213)
Change in fair value of cash flow hedges	-	605	-	(612)
<b>2024</b>				
Interest expense	3,516	2,514	(3,516)	(2,514)
Change in fair value of cash flow hedges	-	1,147	-	(1,170)

#### Interest Rate Swaps

It is the Group's policy to manage interest rate risk through the use of interest rate swaps to reduce the impact of changes in interest rates on its floating rate long term debt. The objective of the interest rate swaps is to protect the Group from the short to medium term impact to cash flows which arises out of variability in floating interest rates.

Interest rate swaps are initially recognised at fair value on the date a contract is entered into and are subsequently measured at fair value on each reporting date. The fair values of the interest rate swaps are determined based on cash flows discounted to present value using current market interest rates.

Interest swaps are assessed for effectiveness at each reporting period. A retrospective calculation will be used to determine the amount of any ineffectiveness to recognised in comprehensive income.

The expected causes of ineffectiveness are as follows:

- Credit risk of the bank;
- Insufficient level of floating rate debt;
- Differing interest settlement dates; or
- Inter Bank Offered Rate ("IBOR") reform if the BKBM rate is replaced with another measure.

When interest rate swaps meet the criteria for cash flow hedge accounting, the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income (loss of \$1.6m, March 2024: loss of \$2.1m), while the ineffective portion is recognised in other expenses in the Consolidated Statement of Comprehensive Income (nil impact, March 2024: nil impact). Amounts taken to the interest rate reserve are transferred out of the reserve and included in the measurement of the hedged transaction when the forecast transaction occurs. When interest rate swaps do not meet the criteria for cash flow hedge accounting, all movements in fair value of the hedging instruments are recognised in the Consolidated Statement of Comprehensive Income.

Under the interest rate swap agreements, the Group has a right to receive interest at variable rates and an obligation to pay interest at fixed rates. Of the interest rate swaps in place at 31 March 2025, \$50.0m (March 2024: \$100m) are being used to cover approximately 12.2% (March 2024: 23.9%) of the loan principal outstanding. Bank loans of the Group currently bear an average fixed interest rate (including margin and line fees) of 4.3% (March 2024: 4.2%). The fair value of these agreements at 31 March 2025 is a \$0.7m asset (March 2024: \$3.0m asset). The agreements were entered into in 2019 and cover notional amounts for a period of 3 years, 5 years, and 7 years.



## Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

### 5.6 Financial Risk Management (continued)

The notional principal amounts and the period of expiry of the interest rate swap contracts are as follows:

	Average contracted fixed interest rate		Notional principal amount	
	March 25 %	March 24 %	March 25 \$NZ000's	March 24 \$NZ000's
Less than 1 year	-	3.25	-	50,000
Between 1 and 3 years	3.41	3.43	50,000	50,000
Between 3 and 5 years	-	-	-	-

#### (d) Credit Risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure from trade and other receivables.

In the normal course of business, the Group has no significant concentrations of credit risk. Other than on a small number of exceptions, the Group requires settlement of the ORA before allowing occupation of its villas or apartments. Therefore, the Group does not face significant credit risk. The values attached to each financial asset in the Consolidated Balance Sheet represent the maximum credit risk. No collateral is held with respect to any financial assets. The Group enters into financial instruments with various counterparties in accordance with established limits as to credit rating and dollar limits and does not require collateral or other security to support the financial instruments.

#### Concentrations

Cash and cash equivalents of the Group are deposited with one of the major trading banks. Non-performance of obligations by the bank is not expected due to the credit rating of the counter party considered. The Standard and Poors credit rating of the counter party as at 31 March 2025 is AA- (March 2024: AA-).

The Group's receivables represent distinct trading relationships with each of the residents. There are no concentrations of credit risk with residents. Large receivables generally relate to the residential care subsidies which are received from Health New Zealand Te Whatu Ora and Work and Income New Zealand. Neither of these entities has demonstrated, or is considered, a credit risk.

#### (e) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions. Due to the dynamic nature of the underlying businesses, the Directors aim at maintaining flexibility in funding by keeping committed credit lines available.

Cash flow forecasting is regularly performed by management. Management monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs, while maintaining headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance.

The table below shows the maturity analysis of the Group's contractual undiscounted cash flows.

\$NZ000's	Less than 1 Year	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years
<b>2025</b>				
Trade and other payables	8,749	-	-	-
Lease liabilities	2,582	1,980	4,479	4,165
Borrowings	6,175	6,175	281,378	360,633
Cash flow hedge - interest rate swaps	704	46	-	-
Refundable occupation right agreements <sup>1</sup>	1,106,813	-	-	-
<b>2024</b>				
Trade and other payables	24,238	-	-	-
Lease liabilities	2,069	2,378	4,652	5,361
Borrowings	6,175	6,175	656,508	-
Cash flow hedge - interest rate swaps	1,927	1,067	151	-
Refundable occupation right agreements <sup>1</sup>	1,004,269	-	-	-

<sup>1</sup> Refundable ORAs are classified as being repayable on demand, and therefore fully repayable within 12 months.



## Notes to the Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

### 5.6 Financial Risk Management (continued)

Of the derivative financial instruments value of \$0.74m on the Consolidated Balance Sheet as at 31 March 2025 \$0.7m is classified as current and \$0.04m is classified as non-current (March 2024: balance of \$0.3m as current, \$2.7m classified as non-current).

The refundable ORAs are repayable to the resident on vacation of the unit, apartment, care suite or on the termination of the occupation right agreement and subsequent resale of the unit, apartment or care suite.

#### (f) Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The consolidated financial statements are prepared on a going concern basis.

### 5.7 Contingencies and Commitments

At 31 March 2025, the Group had no contingent liabilities (March 2024: nil).

At 31 March 2025, the Group has a number of commitments to develop and construct certain development sites totalling \$31.0m (March 2024: \$45.3m).

There are no significant unrecognised contractual obligations entered into for future repairs and maintenance at balance date.

### 5.8 Events After Balance Date

#### Divestments

On 13 May 2025, \$1.8m was received in full and final settlement for the sale of the Woburn care centre located in Waipukurau.

#### Other

There have been no other significant events after balance date.



## Independent Auditor's Report



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### Independent auditor's report to the shareholders of Oceania Healthcare Limited

#### Opinion

We have audited the financial statements of Oceania Healthcare Limited (the "Company") and its subsidiaries (together the "Group") on pages 34 to 70, which comprise the consolidated balance sheet of the Group as at 31 March 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended of the Group, and the notes to the consolidated financial statements including material accounting policy information.

In our opinion, the consolidated financial statements on pages 34 to 70 present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2025 and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Ernst & Young provides other assurance and remuneration benchmarking services to the Group. Partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. We have no other relationship with, or interest in, the Group.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of the audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### Investment property and freehold land and buildings valuation

Why significant	How our audit addressed the key audit matter
<p>As disclosed in notes 3.1 and 3.2 of the consolidated financial statements:</p> <ul style="list-style-type: none"> <li>The Group's investment property ("village assets") portfolio was valued at \$1.972 billion at 31 March 2025 and included completed investment property and investment property under development.</li> <li>The Group's freehold land and buildings ("care assets") were valued at \$799 million at 31 March 2025. This included completed care centre land and buildings operated by the Group for the provision of care services and care centres under development.</li> </ul> <p>Where village assets and care assets were considered to be able to be reliably valued, valuations were carried out by a third party valuer (the Valuer). The valuation of village assets and care assets is inherently subjective given that there are alternative assumptions and valuation methods that may result in a range of values.</p> <p>For village assets, key assumptions are made in respect of:</p> <ul style="list-style-type: none"> <li>discount rate;</li> <li>forecast house price inflation;</li> <li>the average entry age of residents; and</li> <li>the occupancy periods of the units for each village.</li> </ul> <p>For care assets, key assumptions are made in respect of:</p> <ul style="list-style-type: none"> <li>capitalisation rates; and</li> <li>earnings per care bed.</li> </ul> <p>Properties which are externally valued are recorded in the consolidated financial statements at a Directors' valuation which is generally based on the value determined by the Valuer as at 31 March 2025.</p> <p>Village and care assets under development whose value cannot be reliably determined, generally those which are not substantially progressed, are carried at the fair value of the land plus the cost of work undertaken.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Held discussions with management to understand: <ul style="list-style-type: none"> <li>sales or purchases of the Group's village and care assets;</li> <li>changes in the condition of each property; and</li> <li>their internal review of the valuation report.</li> </ul> </li> <li>Held discussions with the Valuer to gain an understanding of the assumptions and estimates used and the valuation methodologies applied;</li> <li>On a sample basis we: <ul style="list-style-type: none"> <li>involved our real estate valuation specialists to assist with our assessment of the methodologies used and whether the significant valuation assumptions fell within a reasonable range;</li> <li>assessed key inputs of property specific information supplied to the Valuer by the Group, including resident schedules, Occupational Rights Agreement ("ORA") and occupancy data, to the underlying records held by the Group; and</li> <li>assessed the significant input assumptions applied by the Valuer compared to previous period assumptions, taking into account the changing state of the properties and other market changes.</li> </ul> </li> <li>Assessed the competence, capability and objectivity of the Valuer;</li> <li>Tested the allocation of costs from work in progress to completed village units and other assets;</li> <li>Considered the impact of new development work and the completeness of the assets included in the valuation;</li> <li>Considered management's assessment of the fair value of village and care assets that are not substantially progressed at balance date.</li> <li>Assessed the adjustments made between the amounts determined by the Valuer and the recorded valuation amounts, including those arising from seismic strengthening and tested the quantum of these adjustments; and</li> <li>Considered the adequacy of the disclosures in Note 3.1 and 3.2.</li> </ul>

#### Information other than the financial statements and auditor's report

The directors of the Company are responsible for the other information. The other information comprises the annual report, which includes the Climate Statement but does not include the financial statements and our auditor's report thereon. We obtained the annual report other than the Climate Statement prior to the date of this auditor's report. The Climate Statement is expected to be made available to us after the date of this report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



## Independent Auditor's Report



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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

If, based upon the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. When we read the Climate Statement, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and, if uncorrected, to take appropriate action to bring the matter to the attention of users for whom our auditor's report was prepared.

### Directors' responsibilities for the financial statements

The directors are responsible, on behalf of the entity, for the preparation and fair presentation of the consolidated financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing on behalf of the entity the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (New Zealand) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website: <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/>. This description forms part of our auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Brent Penrose.

Chartered Accountants  
Auckland  
22 May 2025



## Corporate Governance

This section of the Annual Report provides information on Directors' independence, diversity and inclusion policies, remuneration and statutory disclosures.

Oceania's governance framework is guided by the recommendations set out in the January 2025 edition of the NZX Corporate Governance Code (NZX Code). Oceania has prepared a statement on the extent to which it has followed the recommendations in the NZX Code. The Corporate Governance Statement is current as at 31 March 2025. Oceania considers that it has followed the recommendations in the NZX Code in all respects during FY2025.

For detailed information on Oceania's corporate governance policies, practices and processes please refer to the Investors' section on the Oceania website - [www.oceaniahealthcare.co.nz/investor-centre/governance](http://www.oceaniahealthcare.co.nz/investor-centre/governance). This contains the following documents:

- Corporate Governance Statement
- Constitution
- Charters
  - Board Charter
  - Audit Committee Charter
  - Clinical and Health and Safety Committee Charter
  - Development Committee Charter
  - People and Culture Committee Charter
  - Sustainability Committee Charter
  - Risk Committee Charter
- Policies
  - Code of Values and Conduct
  - Continuous Disclosure Policy
  - Diversity and Inclusion Policy
  - External Auditor Independence Policy
  - Fraud Policy
  - Health and Safety Policy
  - Privacy Policy
  - Remuneration Policy
  - Trading in Company Securities Policy
  - Whistleblowing Policy
- Dividend Reinvestment Plan Offer Document

### Director independence

As at 31 March 2025, the Board comprised six Directors. All of the Directors are non-executive Directors. The Board has considered which of the Directors are Independent Directors for the purposes of the NZX Listing Rules, having regard to the rules, including the factors in the NZX Code. The Board has determined that, as at 31 March 2025, all six Directors are Independent Directors, including the Chair and the Chair of the Audit Committee. As at the date of this Annual Report, the Directors are:

Elizabeth Coutts	Chair, Independent Director	Appointed in November 2014
Alan Isaac	Independent Director	Appointed in October 2015
Dame Kerry Prendergast	Independent Director	Appointed in December 2016
Sally Evans	Independent Director	Appointed in March 2018
Gregory Tomlinson	Independent Director	Appointed in March 2018
Robert Hamilton	Independent Director	Appointed in September 2021

### Committee Membership

The Board has six standing committees to assist in the execution of the Board's duties, being the Audit Committee, the People and Culture Committee, the Clinical and Health and Safety Committee, the Development Committee, the Sustainability Committee and the Risk Committee.

As at 31 March 2025, membership of the committees was as follows:

Audit Committee – Alan Isaac (Chair), Elizabeth Coutts, Rob Hamilton

People and Culture Committee – Rob Hamilton (Chair), Elizabeth Coutts, Alan Isaac

Clinical and Health and Safety Committee – Dame Kerry Prendergast (Chair), Elizabeth Coutts, Sally Evans

Development Committee – Gregory Tomlinson (Chair), Elizabeth Coutts

Sustainability Committee – Sally Evans (Chair), Elizabeth Coutts, Rob Hamilton

Risk Committee – Alan Isaac (Chair), Elizabeth Coutts, Dame Kerry Prendergast



## Corporate Governance

### Diversity and Inclusion

Oceania's Diversity and Inclusion Policy is available on its website at <https://www.oceaniahealthcare.co.nz/investor-centre/governance>. The Diversity and Inclusion Policy aims to ensure that Oceania has a focus on diversity throughout the organisation. This recognises that a diverse workforce contributes to business growth and performance, helping to drive an inclusive, high-performance environment in addition to being reflective of our resident community.

The Board considers that the Diversity and Inclusion Policy has been successfully implemented across the business and remains a key focus with an excellent balance of gender at Director and officer levels. As at 31 March 2025 (and 31 March 2024 for the prior comparative period), the gender breakdown of the Directors, officers (as that term is defined in the NZX Listing Rules) and employees is as follows:

Gender	31 March 2025			31 March 2024		
	Male	Female	Gender Diverse <sup>1</sup>	Male	Female	Gender Diverse <sup>1</sup>
Directors	3	3	0	4	3	0
Officers	2	4	0	2	4	0
Employees	469	2,225	2	468	2,497	2

Oceania has introduced internal systems and processes to allow regular and efficient monitoring of policy objectives including the implementation of a centralised Human Resources Information System (HRIS) designed to ensure Oceania can capture and report diversity data in real time. This data includes gender, ethnicity (inclusive of Iwi affiliation) and age (as far as people are willing to declare).

This enhanced data capture will substantially increase Oceania's ability to make informed policy, remuneration and employee related decisions.

### Remuneration Report

#### Remuneration Overview

Oceania presents this remuneration overview for the year ended 31 March 2025. This overview provides details of Oceania's approach to remuneration including incentive plans for executives that were in place for the year ended 31 March 2025 and remuneration received by the CEO and the Directors.

### Remuneration Principles

It is recognised that in order to drive sustainable business performance and execute the strategic plan, Oceania must attract and retain people of a high calibre with requisite expertise. Accordingly, the Board sets the remuneration of executives with regard to this and other business objectives.

It is Oceania's policy to align components of executive remuneration with the performance of Oceania and its shareholders. Executive remuneration therefore comprises both fixed and "at risk" (or performance-based) elements which are both short and long-term in nature. The purpose of this policy is to ensure that the interests of the executives, Oceania and its shareholders are aligned during the period over which the business results are realised.

As a result, the remuneration framework is structured to promote the long-term sustainable growth of Oceania with a portion of performance-based senior executive remuneration awarded as rights to equity.

### Remuneration Governance

Oceania has established a People and Culture Committee to assist the Board in the conduct of the Board's responsibilities with regard to people and culture, including remuneration. The People and Culture Committee Charter can be found at [www.oceaniahealthcare.co.nz/investor-centre/governance](https://www.oceaniahealthcare.co.nz/investor-centre/governance).

The People and Culture Committee is responsible for:

- Reviewing and recommending changes to Oceania's remuneration structure, people policies, procedures and practices, objectives and performance;
- Reviewing and recommending changes to the remuneration of the CEO and executives, having regard to Oceania's strategy, vision, values, business objectives and performance, the responsibilities and performance of executives and the general external market; and
- Reviewing and recommending changes to Director fees, taking into account the external market, work load, succession planning and the need to offer competitive fees to attract and retain non-executive Directors of a high calibre.

1. Gender diverse is self-identified and includes those who have selected "prefer not to say".



## Corporate Governance

The Board is responsible for:

- Approving changes to Oceania’s remuneration structure, people policies, procedures and practices, objectives and performance;
- Approving changes to the remuneration of the CEO and executives; and
- Recommending changes to non-executive Director remuneration, for approval by shareholders.

The members of the People and Culture Committee during the year ended 31 March 2025 were Rob Hamilton (Chair), Elizabeth Coutts, Sally Evans and Alan Isaac.

### Executive Remuneration Framework

Oceania’s remuneration structure for executives, including the Chief Executive Officer (“CEO”), comprises three elements:

- Total fixed remuneration (“TFR”);
- Short term incentive (“STI”); and
- Long term incentive (“LTI”).

The following summarises each component of executive remuneration.

#### a. Total Fixed Remuneration

Fixed remuneration includes base salary and, in some cases, the provision of a carpark, a vehicle allowance and KiwiSaver contributions. Each executive’s fixed remuneration is set based on the individual’s position, market relativity, and the individual’s qualifications and experience. TFR is reviewed annually.

#### b. Short Term Incentive

The STI for most executives is an annual cash payment which is dependent on the achievement of a combination of Oceania and individual performance measures.

The performance measures are set by reference to the executive’s responsibility and particular projects relevant to that executive and the business or function for which they are responsible. The purpose of the STI is to reward executives for meeting measurable objectives linked to a financial year.

The table below sets out the key terms for the STI plan granted to executives during the year ended 31 March 2025:

Feature	Approach
<b>Purpose</b>	Align individual performance with Oceania objectives Provide individuals with a competitive market position for total reward (i.e. variable and fixed pay components)
<b>Eligibility</b>	Those considered for participation in the STI programme must be able to impact the performance of their work area or function and also contribute to Oceania’s overall performance.
<b>Instrument</b>	<b>All executives except CEO, CFO and CPOO:</b> Cash payment <b>CEO, CFO and CPOO:</b> Cash payment and deferred share rights The STI Outcome has both a cash and deferred component with 80% of the STI Outcome paid in cash and 20% deferred in the form of Restricted Share Rights, which provides participants the opportunity to acquire fully paid ordinary shares. Restricted Share Rights vest with reference to the STI Payment Date (Grant Date): <ul style="list-style-type: none"> <li>• One third of the Restricted Share Rights will vest on the date which is 12 months from the Grant Date;</li> <li>• One third of the Restricted Share Rights will vest on the date which is 24 months from the Grant Date;</li> <li>• One third of the Restricted Share Rights will vest on the date which is 36 months from the Grant Date.</li> </ul>
<b>Entry Hurdles (both of which must be met)</b>	1. Health and Safety improvements 2. GHG emission reduction targets
<b>Performance Targets (each of which has a 50% weighting and a minimum threshold, plus the ability to achieve a stretch outcome of up to 150% of target)</b>	1. Underlying EBITDA growth 2. Net Debt reduction
<b>Outcome FY2025</b>	In relation to the year ended 31 March 2025: <ol style="list-style-type: none"> <li>1. Both Entry Hurdles were met.</li> <li>2. 105% of the Underlying EBITDA growth KPI was met.</li> <li>3. 67% of the Net Debt reduction KPI was met.</li> </ol>



## Corporate Governance

### c. Long Term Incentive

Oceania currently has a share option plan as its LTI for the executive team (“Option Plan”). The Option Plan was established to:

- Reward and retain key employees
- Drive longer term performance and alignment of incentives of participants with the interests of Oceania’s shareholders; and
- Encourage longer term decision making by participants.

The table below sets out the key terms of the grants made under the Option Plan during the period to 31 March 2025:

Feature	Approach
Eligibility	The Board determines whether an Option Plan will operate and the extent (if any) to which each executive is invited to participate in an Option Plan each year.
Instrument	<p>Participants in the Option Plan are granted options to acquire ordinary shares from time to time. These options are exercisable by participants subject to those participants’ continued employment by Oceania, during specified exercise periods for a set exercise price.</p> <p>On exercise of the share options, Oceania will facilitate a cashless (net settled) exercise by issuing such number of shares as is equal to the difference between the then current market value and the exercise price of between \$0.76 and \$0.82 (less an adjustment for tax paid on the holder’s behalf for the benefit received), multiplied by the number of share options being exercised, divided by the then current market value of Oceania’s shares.</p>
Vesting period	Approximately three years, being the date on which the relevant share option is granted until 10 business days after announcement of the Company’s final results three years later (or such other date as determined by the Board).
Exercise period	Participants have 90 days from the date the share options vest to exercise the share options.
Dividends and voting rights	Share options do not have voting rights or entitlement to dividends.
Cessation of employment	<ul style="list-style-type: none"> <li>If a participant ceases to be employed due to an “involuntary event” (such as death, redundancy or total permanent illness or injury), the Board may, in its absolute discretion determine whether the participant’s share options may be retained by the participant as if he or she remained employed by Oceania, or whether the vesting of such share options may be accelerated. Any share options that are not retained or vested will lapse.</li> <li>If a participant ceases to be employed for any other reason, all of the participant’s share options will lapse.</li> </ul>

In addition to the Option Plan noted directly above, Oceania previously had a performance share rights plan as an LTI for the executive team. The Share Rights in the 2022 scheme (vesting date March 2025) were subject to one performance hurdle. The portion of Share Rights satisfying the performance hurdle was determined on a straight line basis, from 0% where the Total Shareholder Return (TSR) from the commencement date to the measurement date was equal to or less than the 25th percentile of the NZX50 Group, up to 100% where the TSR was equal to or greater than the 75th percentile of the NZX50 Group.

The performance hurdles for these Share Rights were not met on the measurement date and all remaining share rights lapsed.

### d. Senior Leaders LTI Scheme

Certain senior leaders have been invited to participate in a Senior Leaders LTI Scheme that has been approved by the Board. The purpose of the Senior Leaders LTI Scheme is to provide an incentive to emerging leaders, retain key talent and align the interests of emerging leaders, the Executive Team and shareholders through the successful execution of Oceania’s strategy. The Senior Leaders LTI scheme takes the form of a Share Option Plan. Senior leaders are offered an incentive of a specified number of share options that vest if the share price hurdle is met and the senior leader remains employed by Oceania at the time of vesting.

### CEO Remuneration

A summary of the remuneration of the CEO, Suzanne Dvorak, is set out below.

Ms Dvorak commenced as Chief Executive Officer on 22 July 2024. The key terms of Ms Dvorak’s employment contract and remuneration structure are provided below:

#### 1. CEO Contract Key Terms

Contract duration	Notice period	Post employment restraint	Non solicitation period
Ongoing until terminated by either party	6 months	6 months	12 months



## Corporate Governance

### 2. CEO Remuneration Structure

The table below sets out the components and various weightings of Ms Dvorak's remuneration in relation to the year ended 31 March 2025:

	Target %	Target \$	Stretch Target (150% of Target) %	Stretch Target \$
Annual Fixed Remuneration		840,000		840,000
Short Term Incentive (as % of Annual Fixed Remuneration)	62.5%	525,000	93.75%	787,500
Long Term Incentive (as % of Annual Fixed Remuneration)	60%	504,000		504,000
<b>Total (annualised)</b>		<b>1,869,000</b>		<b>2,131,500</b>

### CEO STI Plan and Outcome

For the year ended 31 March 2025, the STI Outcome was to be based on:

Entry Hurdles (both of which must be met)	<ol style="list-style-type: none"> <li>Health and Safety improvements</li> <li>GHG emission reduction targets</li> </ol>
Performance Targets (each of which has a 50% weighting and a minimum threshold, plus the ability to achieve a stretch outcome of up to 150% of target)	<ol style="list-style-type: none"> <li>Underlying EBITDA growth</li> <li>Net Debt reduction</li> </ol>

The STI Outcome has both a cash and deferred component with 80% of the STI Outcome paid in cash and 20% deferred in the form of Restricted Share Rights, which provide Ms Dvorak the opportunity to acquire fully paid ordinary shares. Restricted Share Rights vest with reference to the STI Payment Date (Grant Date):

- One third of the Restricted Share Rights will vest on the date which is 12 months from the Grant Date;
- One third of the Restricted Share Rights will vest on the date which is 24 months from the Grant Date;
- One third of the Restricted Share Rights will vest on the date which is 36 months from the Grant Date;

In relation to the year ended 31 March 2025:

1. Both entry hurdles were met.
2. 105% of the Underlying EBITDA growth KPI was met.
3. 67% of the Net Debt reduction KPI was met.

A cash payment for the year ended 31 March 2025 will be made in June 2025. Refer to section 4 for further details.

### LTI Option Plan

Ms Dvorak has been invited to participate in Oceania's share option plan for the executive team ("Option Plan"). During the period ended 31 March 2025, Ms Dvorak received long term incentive benefits (comprised of share options granted under the Option Plan) with a value of \$504,000 at the time of the grant.

The table below sets out the key terms for the grant of share options made to Ms Dvorak under the Option Plan during the period ended 31 March 2025:

Feature	Approach
<b>Instrument</b>	<p>The share options will vest to Ms Dvorak, subject to her continued employment by Oceania, 10 business days after Oceania's final results for the 2027 financial year (or such other date as determined by the Board) and be exercisable from that date.</p> <p>On exercise of the share options, Oceania will facilitate a cashless (net settled) exercise by issuing such number of shares as is equal to the difference between the then current market value of Oceania's shares and the exercise price of \$0.76, multiplied by the number of share options being exercised, divided by the then current market value of Oceania's shares.</p> <p>Oceania will pay tax on Ms Dvorak's behalf for the taxable benefit received by Ms Dvorak under the plan, and there will be a reduction in the number of shares to be issued on exercise to the extent the amount of such tax is greater than the tax savings available to Oceania (or a subsidiary) in relation to the share options.</p>
<b>Vesting period</b>	Approximately three years, being 10 business days after the announcement of Oceania's final results for the 2027 financial year (or such other date as determined by the Board).
<b>Exercise period</b>	Ms Dvorak has 90 days from the date the share options vest to exercise the share options
<b>Dividends and voting rights</b>	The share options do not have voting rights or entitlement to dividends.
<b>Cessation of employment</b>	<p>If Ms Dvorak ceases to be employed due to an "involuntary event" (such as death, redundancy or total permanent illness or injury), the Board may, in its absolute discretion determine whether Ms Dvorak's share options may be retained by the participant as if she remained employed by Oceania, or whether the vesting of the share options may be accelerated. Any share options that are not retained or vested will lapse.</p> <p>If Ms Dvorak ceases to be employed for any other reason, all her share options will lapse.</p>

### 3. CEO Transition Allowance

Ms Dvorak is paid a taxable transition allowance of \$175,000, in equal monthly instalments, over the first 18 months of employment, to assist her to relocate to New Zealand.

## Corporate Governance

### 4. CEO Remuneration for the year ended 31 March 2025

The remuneration paid to the respective Chief Executive Officers during the year ended 31 March 2025 is as follows:

Paid in FY2025	Total fixed remuneration		STI	Subtotal	LTIP PAYE	Remuneration Total
	Base Salary	Other Benefits				
Mr Pattison <sup>1</sup>	525,062	57,402	579,332	1,161,796	14,138	1,175,934
Ms Dvorak <sup>2</sup>	581,538	103,901	-	685,439	-	685,439
Earned in FY2025						
Mr Pattison <sup>1</sup>	342,958	57,402	189,332	589,692	14,138	603,830
Ms Dvorak <sup>2</sup>	581,539	103,901	312,958	998,398	-	998,398

The Base Salary paid to Mr Pattison includes an annual leave payment of \$203,970.

During the year to 31 March 2025, 62,500 share options held by Mr Pattison vested. Of the remaining share options held at the time his employment ceased, 3,571,428 were forfeited and 3,571,428 were retained.

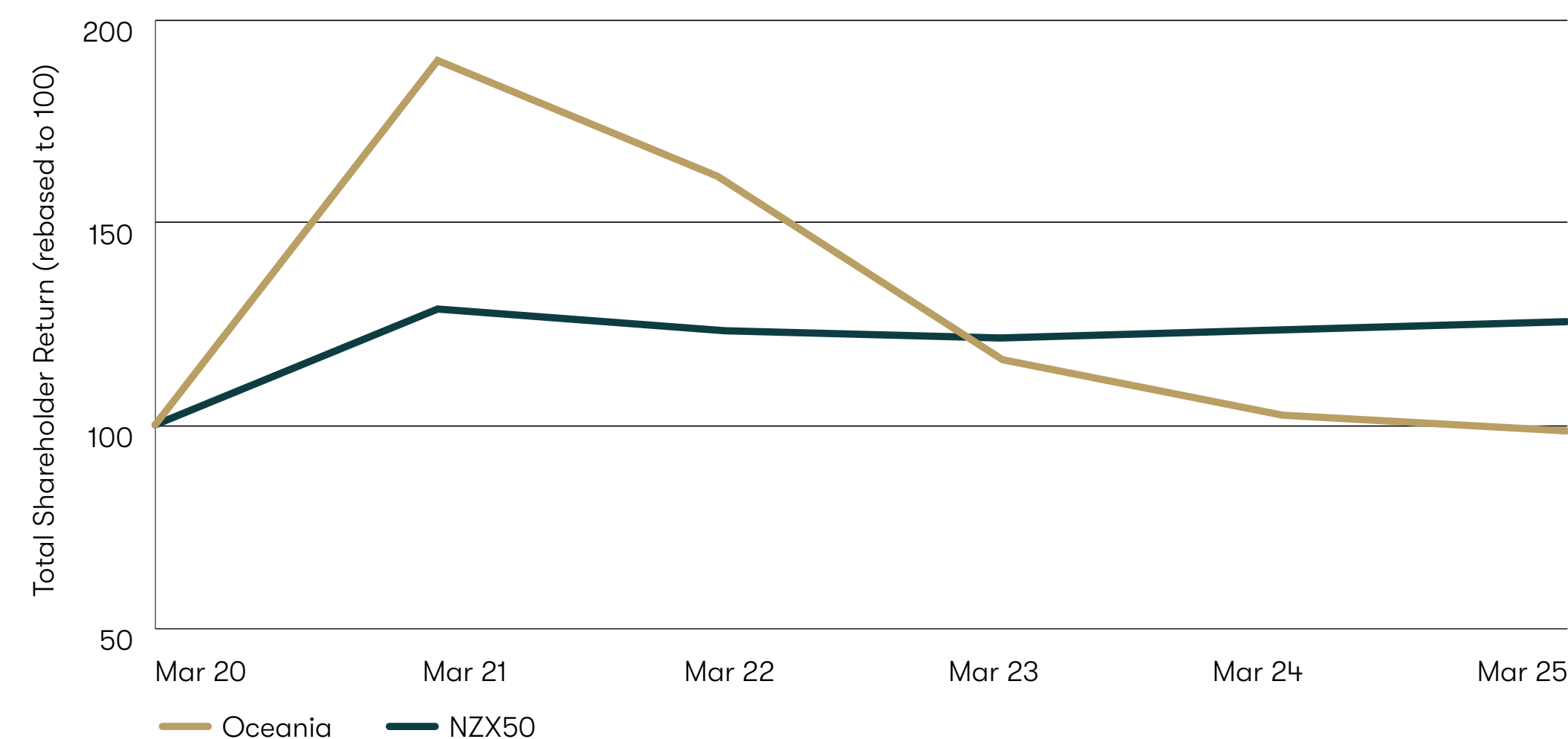
Other benefits in the above table represent a vehicle allowance and superannuation payments in the case of Mr Pattison and represent the transition allowance and superannuation in the case of Ms Dvorak.

During the year ended 31 March 2025, Ms Dvorak received remuneration of \$685,439. This includes the fixed remuneration and the transition allowance. Given Ms Dvorak commenced on 22 July 2024, Ms Dvorak did not receive an STI payment in relation to the year ended 31 March 2024. Ms Dvorak is entitled to a STI of \$312,958 in relation to the year ended 31 March 2025. The cash component of the STI is \$250,366 and will be paid in June 2025, with the remaining 20% deferred in the form of restricted share rights.

### Two-year summary – CEO's remuneration

Name		Total Remuneration	Percentage STI against maximum	Percentage vested LTIs against maximum	Span of LTI performance period
Brent Pattison	FY2025	\$1,175,934	- <sup>3</sup>	-	-
Brent Pattison	FY2024	\$1,138,626	104%	16.6%	2021-2022 2021-2023; or 2021-2024 <sup>4</sup>
Suzanne Dvorak	FY2025 22 July 2024 – 31 March 2025	\$685,439	86%	-	22 July 2024 – 31 March 2025

### Total Shareholder Return Performance (Five Year Summary)



1. Mr Pattison's employment as Chief Executive Officer ended on 21 July 2024.  
2. Ms Dvorak commenced employment as Chief Executive Officer on 22 July 2024.  
3. Brent Pattison received a discretionary STI payment of \$189,332 in relation to FY2025 at the end of his employment. This payment made was not associated with the achievement of any entry hurdles or performance targets.  
4. Performance Share Rights in this grant had a measurement date of 31 March 2022, 31 March 2023 or and 31 March 2024. All vesting occurred at the end of the three year period, on 31 March 2024.



## Corporate Governance

### Directors' Fees

Directors' remuneration is paid in the form of fees. A higher level of fees is paid to the Chair to reflect the additional time and responsibilities that this position involves. Additional fees are payable in respect of work carried out by the Chairs of the Audit Committee, People and Culture Committee, the Clinical and Health and Safety Committee, the Development Committee and the Sustainability Committee.

Non-executive Directors do not receive performance-based remuneration.

Total remuneration for non-executive Directors is subject to an aggregate fee pool limit. As at 31 March 2025, the maximum fee pool for non-executive Directors was \$896,000 (plus GST, if any) per annum. The pool was last fixed at the Annual Shareholders Meeting on 23 June 2022. This maximum fee pool comprises total annual fees payable to non-executive Directors of \$871,000 as well as headroom of \$25,000 in order to allow for the Board to approve payments to non-executive Directors for assuming additional responsibilities above and beyond the normal duties of either the Board or a Committee.

In the year ended 31 March 2025, the director fees paid to non-executive Directors was \$833,000. No payments were made to non-executive Directors for assuming additional responsibilities above and beyond the normal duties of the Board or a Committee for significant strategic work or projects.

### Director Remuneration paid in the year ended 31 March 2025

Director	Board Fees	Audit Committee	Clinical and Health and Safety Committee	People and Culture Committee	Development Committee	Sustainability Committee	Risk Committee	Total remuneration
Elizabeth Coutts (Chair)	\$200,000	-	-	-	-	-	-	\$200,000
Alan Isaac <sup>1</sup>	\$100,000	\$20,000	-	-	-	-	\$12,000	\$132,000
Dame Kerry Prendergast	\$100,000	-	\$15,000	-	-	-	-	\$115,000
Sally Evans <sup>2</sup>	\$100,000	-	-	\$6,000	-	\$6,000	-	\$112,000
Gregory Tomlinson <sup>3</sup>	\$100,000	-	-	-	\$7,000	-	-	\$107,000
Robert Hamilton <sup>4</sup>	\$100,000	-	-	\$6,000	-	\$6,000	-	\$112,000
Peter Dufaur <sup>5</sup>	\$50,000	-	-	-	\$5,000	-	-	\$55,000

The above fees exclude GST and expenses.

1. Alan Isaac was appointed Chair of the Risk Committee on 1 April 2024

2. Sally Evans retired as Chair of the People and Culture Committee and was appointed Chair of the Sustainability Committee on 3 September 2024

3. Greg Tomlinson retired as Chair of the Development Committee on 1 May 2024. He was reappointed Chair of the Development Committee on 1 October 2024

4. Robert Hamilton retired as Chair of the Sustainability Committee and was appointed Chair of the People and Culture Committee on 3 September 2024

5. Peter Dufaur was appointed Chair of the Development Committee on 1 May 2024. He retired from the Board and as Chair of the Development Committee on 30 September 2024



## Corporate Governance

### Employees' Remuneration

Oceania did not employ people directly in the year ended 31 March 2025. All employees are employed by subsidiaries of Oceania. The number of employees and former employees of Oceania's subsidiaries, not being a Director of Oceania, who received remuneration and other benefits the value of which was or exceeded \$100,000 during the financial year ended 31 March 2025 is set out in the table of remuneration bands below.

The remuneration figures shown in the "Remuneration" column include all monetary payments actually paid during the course of the year ended 31 March 2025, which include performance incentive payments for the year ended 31 March 2024. The table does not include amounts paid after 31 March 2025 that relate to the year ended 31 March 2025.

Remuneration	Number of Employees	Remuneration	Number of Employees
\$100,000 – \$109,999	70	\$260,000 – \$269,999	2
\$110,000 – \$119,999	105	\$270,000 – \$279,999	3
\$120,000 – \$129,999	75	\$280,000 – \$289,999	1
\$130,000 – \$139,999	24	\$290,000 – \$299,999	2
\$140,000 – \$149,999	12	\$300,000 – \$309,999	2
\$150,000 – \$159,999	9	\$310,000 – \$319,999	1
\$160,000 – \$169,999	18	\$330,000 – \$339,999	1
\$170,000 – \$179,999	13	\$340,000 – \$349,999	1
\$180,000 – \$189,999	4	\$400,000 – \$409,999	1
\$190,000 – \$199,999	9	\$410,000 – \$419,999	2
\$200,000 – \$209,999	5	\$710,000 – \$719,999	1
\$210,000 – \$219,999	2	\$800,000 – \$809,999	1
\$220,000 – \$229,999	1	\$830,000 – \$839,999	1
\$230,000 – \$239,999	3	\$840,000 – \$849,999	1
		\$1,170,000 – \$1,179,999	1

### Statutory Disclosures

#### Disclosure of Directors' Interests

The following particulars were entered in the Interests Register kept for Oceania and its subsidiaries during the year ended 31 March 2025:

**Elizabeth Coutts:** Consultant to Fonterra Co-operative Group Limited.

**Dame Kerry Prendergast:** Chair of Advisory Oversight Group (Wellington Region Water Service Delivery Planning), Advisor to Wellington Charity Hospital, Consultant to Pharmac.

**Rob Hamilton:** Director of Mercury NZ Limited, Director of Cyprus Enterprises Limited, Director of Meadow Mushrooms Limited and Chair of the Auckland Grammar School Foundation Trust.

#### Specific Disclosures

There were no specific disclosures made by Directors during the year ended 31 March 2025 of any interests in transactions with Oceania or any of its subsidiaries.

#### Use of Company Information

During the year ended 31 March 2025, the Board did not receive any notices from Directors requesting use of Oceania's or any of its subsidiaries' information.

#### Events After Balance Date

**Elizabeth Coutts:** Resigned as a New Zealand Advisory Board Member of Marsh Limited.

**Dame Kerry Prendergast:** Resigned as Chair of the Victoria University Foundation and no longer acts as a Consultant to Pharmac.



## Corporate Governance

### Securities Dealings of Directors

Dealings by Directors of Oceania in relevant interests in Oceania's ordinary shares during the year ended 31 March 2025 are entered in the Interests Register:

Director	Number of ordinary shares	Nature of relevant interest	Acquisition / disposal	Consideration (per share)	Date of Transaction
Elizabeth Coutts	10,000	Beneficial Interest	Acquisition	\$0.54	24 June 2024
Elizabeth Coutts	1. 19,386 2. 15,614 3. 5,000 4. 10,000	Beneficial Interest	Acquisition	1. \$0.76 2. \$0.77 3. \$0.75 4. \$0.71	29 November 2024, 2 December 2024, 3 December 2024 and 4 December 2024
Alan Isaac	50,000	Beneficial Interest	Acquisition	\$0.53	12 June 2024
Alan Isaac	40,000	Beneficial Interest	Acquisition	\$0.78	29 November 2024
Sally Evans	61,000	Registered and beneficial interest	Acquisition	\$0.54	1 July 2024
Gregory Tomlinson	4,051,189	Beneficial Interest	Off market sale by Harrogate Trustee Limited to another entity under the control of Mr Tomlinson	\$0.74	19 December 2024

### Directors' Interests in Shares

Directors of Oceania have disclosed the following relevant interests in shares as at 31 March 2025:

Director	Number of shares in which a relevant interest is held
Elizabeth Coutts	2,059,403 shares
Alan Isaac	434,886 shares
Dame Kerry Prendergast	365,355 shares
Sally Evans	303,985 shares
Gregory Tomlinson <sup>1</sup>	27,882,244 shares
Robert Hamilton	40,500 shares

1. Gregory Tomlinson's relevant interests are legally held by Tomlinson Group Investments Limited.

### Indemnity and Insurance

Oceania has granted indemnities, as permitted by the Companies Act 1993 and the Financial Markets Conduct Act 2013, in favour of each of its Directors and officers. Oceania also maintains Directors' and Officers' liability insurance for its Directors and officers.

### Auditor's Fees

Oceania's external auditor is EY. Total fees payable to EY in its capacity as auditor during the financial year ended 31 March 2025 were \$600,600. Total fees payable to EY for other assurance services relating to climate related reporting requirements were \$86,100. EY was paid \$16,590 for other professional services.

### Donations

During the year ended 31 March 2025, Oceania paid a total of \$1,363.51 in donations.

### Listings

Oceania's shares are listed on the NZX Main Board and the Australian Securities Exchange operated by ASX Limited. Oceania is listed on ASX as a Foreign Exempt Listing, which means that Oceania is required to comply with the NZX Listing Rules but it is exempt from the majority of the ASX Listing Rules. In accordance with ASX Listing Rule 1.15.3, Oceania confirms that it has complied with the NZX Listing Rules for the financial year ended 31 March 2025.

### NZX Waivers

Oceania did not apply for or rely upon any waivers from the requirements of the NZX Listing Rules during the financial year ended 31 March 2025.

### Credit Rating

Oceania currently has not sought a credit rating.

### Former Directors

Peter Dufaur ceased to hold office as a Director during the period 1 April 2024 to 31 March 2025.



## Corporate Governance

### Subsidiary Company Directors

Suzanne Dvorak, Kathryn Waugh, Elizabeth Coutts, and Andrew Buckingham are the Directors of all Oceania's subsidiaries as at 31 March 2025, with the exception of OCA Employees Trustee Limited (the Directors of which are Elizabeth Coutts and Sally Evans).

No remuneration is payable, and there is no entitlement to other benefits, for any directorship of a subsidiary.

### Shareholder and Bondholder Information

#### Twenty Largest Registered Shareholders

(as at 31 March 2025)

Registered Shareholder	Number of Shares	% Shares
1 NEW ZEALAND CENTRAL SECURITIES DEPOSITORY LIMITED	239,172,222	33.02%
2 FORSYTH BARR CUSTODIANS LIMITED <1-CUSTODY>	107,714,804	14.87%
3 TOMLINSON GROUP INVESTMENTS LIMITED	27,882,244	3.84%
4 NEW ZEALAND DEPOSITORY NOMINEE LIMITED <A/C 1 CASH ACCOUNT>	25,335,816	3.49%
5 CUSTODIAL SERVICES LIMITED <A/C 4>	20,520,252	2.83%
6 LENNON HOLDINGS LIMITED	17,368,643	2.39%
7 FNZ CUSTODIANS LIMITED	15,903,282	2.19%
8 FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 E>	9,361,930	1.29%
9 PT (BOOSTER INVESTMENTS) NOMINEES LIMITED	6,690,230	0.92%
10 H & G LIMITED	6,150,000	0.84%
11 NZX WT NOMINEES LIMITED <CASH ACCOUNT>	5,326,528	0.73%
12 JBWERE (NZ) NOMINEES LIMITED <NZ RESIDENT A/C>	4,735,676	0.65%
13 ANDREW CRAIG STRONG & ALISON JEAN STRONG	4,400,000	0.6%
14 M A JANSSEN LIMITED	3,870,026	0.53%
15 LEVERAGED EQUITIES FINANCE LIMITED	2,388,639	0.32%
16 JP MORGAN NOMINEES AUSTRALIA LIMITED	2,378,935	0.32%
17 FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 NRL>	2,349,418	0.32%
18 ASB NOMINEES LIMITED <210037 - ML A/C>	2,194,830	0.3%
19 ADMINIS CUSTODIAL NOMINEES LIMITED	2,078,580	0.28%
20 FNZ CUSTODIANS LIMITED <DRP NZ A/C>	1,913,951	0.26%
<b>Total</b>	<b>507,736,006</b>	<b>69.99%</b>

New Zealand Central Securities Depository Limited provides a custodial depository service that allows electronic trading of securities to its members. It does not have a beneficial interest in these shares. Its major holdings of Oceania shares are held on behalf of:

Name	Number of Shares	% Shares
1 ANZ WHOLESALE TRANSTASMAN PROPERTY SECURITIES FUND	29,983,416	12.54%
2 BNP PARIBAS NOMINEES (NZ) LIMITED	29,667,201	12.40%
3 MFL MUTUAL FUND LIMITED	27,249,160	11.39%
4 ACCIDENT COMPENSATION CORPORATION	24,093,556	10.07%
5 GENERATE KIWISAVER PUBLIC TRUST NOMINEES LIMITED <>	23,012,877	9.62%
6 ANZ WHOLESALE AUSTRALASIAN SHARE FUND	19,904,006	8.32%
7 CITIBANK NOMINEES (NEW ZEALAND) LIMITED	19,357,958	8.09%
8 TEA CUSTODIANS LIMITED CLIENT PROPERTY TRUST ACCOUNT	15,479,502	6.47%
9 JPMORGAN CHASE BANK NA NZ BRANCHSEGREGATED CLIENTS ACCT	14,220,875	5.95%
10 HSBC NOMINEES (NEW ZEALAND) LIMITED A/C STATE STREET	14,000,248	5.85%
11 HSBC NOMINEES (NEW ZEALAND) LIMITED	5,502,580	2.30%
12 PATHFINDER NOMINEES LIMITED	5,069,703	2.12%
13 ANZ WHOLESALE NZ SHARE FUND	4,344,304	1.82%
14 ANZ WHOLESALE PROPERTY SECURITIES	3,189,921	1.33%
15 PUBLIC TRUST CLASS 10 NOMINEES LIMITED	1,584,142	0.66%
16 ANZ CUSTODIAL SERVICES NEW ZEALAND LIMITED	1,206,115	0.50%
17 PUBLIC TRUST RIF NOMINEES LIMITED	429,814	0.18%
18 ANZ WHOLESALE EQUITY SELECTION FUND	314,981	0.13%
19 BNP PARIBAS NOMINEES (NZ) LIMITED	284,946	0.12%
20 QUEEN STREET NOMINEES ACF KOURA WEALTH LTD	218,772	0.09%

#### Spread of Registered Shareholdings

(as at 31 March 2025)

Size of Holding	Number of Shareholders	%	Number of Shares	%
1 – 1,000	927	12.44	420,288	0.06%
1,001 – 5,000	1769	23.75	5,192,374	0.72%
5,001 – 10,000	1396	18.74	10,654,279	1.47%
10,001 – 100,000	2927	39.30	89,542,751	12.36%
100,001 and over	430	5.77	618,421,338	85.39%
<b>Totals</b>	<b>7449</b>	<b>100%</b>	<b>724,231,030</b>	<b>100%</b>



## Corporate Governance

### Substantial Product Holders

According to notices given under the Financial Markets Conduct Act 2013, the following were substantial product holders of Oceania as at 31 March 2025:

Substantial Product Holder	Number of Shares	% of shares held at date of notice	Date of Notice
ANZ New Zealand Investments Limited, ANZ Bank New Zealand Limited and ANZ Custodial Services New Zealand Limited	86,423,347	11.933%	24 September 2024
Forsyth Barr Investment Management Limited	66,720,212	9.213%	27 November 2024

### Twenty Largest Registered Bondholders OCA 010

(as at 31 March 2025)

Registered Bondholder	Number of Bonds	% Bonds
1 CUSTODIAL SERVICES LIMITED <A/C 4>	39,042,000	31.23%
2 NEW ZEALAND CENTRAL SECURITIES DEPOSITORY LIMITED	23,692,000	18.95%
3 FORSYTH BARR CUSTODIANS LIMITED <1-CUSTODY>	19,504,000	15.6%
4 FNZ CUSTODIANS LIMITED	14,071,000	11.25%
5 NZX WT NOMINEES LIMITED <CASH ACCOUNT>	2,509,000	2%
6 FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 E>	2,274,000	1.81%
7 INVESTMENT CUSTODIAL SERVICES LIMITED <A/C C>	2,258,000	1.8%
8 JBWERE (NZ) NOMINEES LIMITED <NZ RESIDENT A/C>	1,322,000	1.05%
9 FNZ CUSTODIANS LIMITED <DRP NZ A/C>	942,000	0.75%
10 KEVIN GARRY WALKER & KARAKA & PURIRI TRUSTEE LTD <PURIRI A/C>	633,000	0.5%
11 FNZ CUSTODIANS LIMITED <DTA NON RESIDENT A/C>	540,000	0.43%
12 FORSYTH BARR CUSTODIANS LIMITED <A/C 1 NRLAIL>	523,000	0.41%
13 CUSTODIAL SERVICES LIMITED <A/C 12>	512,000	0.4%
14 DAVID JAMES FOSTER & LINDA JOYCE FOSTER	500,000	0.4%
15 CRAIG JOHN THOMPSON	500,000	0.4%
16 CRAIG PAUL WERNER & LEA LYNN WERNER	470,000	0.37%
17 FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 NRL>	402,000	0.32%
18 HENRY & WILLIAM WILLIAMS MEMORIAL TRUST INCORPORATED	400,000	0.32%
19 HUGH MCCRACKEN ENSOR	370,000	0.29%
20 WILLIAM LEONARD WRIGHT & TONYA LEE DOWMAN & NATASHA JOY BANK <THE WRIGHT FAMILY A/C>	350,000	0.28%
<b>Total</b>	<b>110,814,000</b>	<b>88.56%</b>

New Zealand Central Securities Depository Limited provides a custodial depository service that allows electronic trading of securities to its members. It does not have a beneficial interest in these bonds. Its major holdings of Oceania bonds are held on behalf of:

Name	Number of Bonds	% Bonds
1 TEA CUSTODIANS LIMITED CLIENT PROPERTY TRUST ACCOUNT	17,469,000	73.73%
2 GENERATE KIWISAVER PUBLIC TRUST NOMINEES LIMITED	5,121,000	21.61%
3 MINT NOMINEES LIMITED	545,000	2.30%
4 ANZ BANK NEW ZEALAND LIMITED	275,000	1.16%
5 ANZ CUSTODIAL SERVICES NEW ZEALAND LIMITED	110,000	0.46%
6 PUBLIC TRUST CLASS 10 NOMINEES LIMITED	97,000	0.41%
7 BNP PARIBAS NOMINEES (NZ) LIMITED	75,000	0.32%

### Spread of Registered Bondholdings OCA010

(as at 31 March 2025)

Size of Holding	Number of Bondholders	%	Number of Bonds	%
1,001 – 5,000	16	3.58%	80,000	0.06%
5,001 – 10,000	82	18.34%	796,000	0.64%
10,001 – 100,000	306	68.46%	10,143,000	8.11%
100,001 and over	43	9.62%	113,981,000	91.19%
<b>Totals</b>	<b>447</b>	<b>100%</b>	<b>125,000,000</b>	<b>100%</b>



## Corporate Governance

### Twenty Largest Registered Bondholders OCA 020

(as at 31 March 2025)

Registered Bondholder	Number of Bonds	% Bonds
1 NEW ZEALAND CENTRAL SECURITIES DEPOSITORY LIMITED	27,859,000	27.85%
2 CUSTODIAL SERVICES LIMITED <A/C 4>	21,583,000	21.58%
3 FORSYTH BARR CUSTODIANS LIMITED <1-CUSTODY>	20,225,000	20.22%
4 FNZ CUSTODIANS LIMITED	10,548,000	10.54%
5 INVESTMENT CUSTODIAL SERVICES LIMITED <A/C C>	2,161,000	2.16%
6 FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 E>	2,068,000	2.06%
7 FORSYTH BARR CUSTODIANS LIMITED <A/C 1 NRLAIL>	857,000	0.85%
8 FNZ CUSTODIANS LIMITED <DTA NON RESIDENT A/C>	856,000	0.85%
9 RICHARD BARTON ADAMS & ALLISON RUTH ADAMS <ADAMS FAMILY A/C>	751,000	0.75%
10 FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 NRL>	702,000	0.7%
11 JBWERE (NZ) NOMINEES LIMITED <NZ RESIDENT A/C>	598,000	0.59%
12 KIWIGOLD.CO.NZ LIMITED <KIWIGOLD A/C>	400,000	0.4%
13 NZX WT NOMINEES LIMITED <CASH ACCOUNT>	386,000	0.38%
14 MARIANNE MATHILDE MARIE STOESSEL	350,000	0.35%
15 ANDREW WILLIAM GAWLIK & SUSAN MARY GAWLIK <SCARNESS A/C>	330,000	0.33%
16 CUSTODIAL SERVICES LIMITED <A/C 12>	184,000	0.18%
17 PAUL ARNOLD AITKEN	170,000	0.17%
18 FNZ CUSTODIANS LIMITED <DRP NZ A/C>	168,000	0.16%
19 JOHN PRICE LOCKIE & JULIETTE VIRGINIA LOCKIE	150,000	0.15%
20 LILI WANG	150,000	0.15%
	<b>90,496,000</b>	<b>90.42%</b>

New Zealand Central Securities Depository Limited provides a custodial depository service that allows electronic trading of securities to its members. It does not have a beneficial interest in these bonds. Its major holdings of Oceania bonds are held on behalf of:

Name	Number of Bonds	% Bonds
1 GENERATE KIWISAVER PUBLIC TRUST NOMINEES LIMITED	11,850,000	42.54%
2 HSBC NOMINEES (NEW ZEALAND) LIMITED	9,553,000	34.29%
3 TEA CUSTODIANS LIMITED CLIENT PROPERTY TRUST ACCOUNT	6,300,000	22.61%
4 PUBLIC TRUST CLASS 10 NOMINEES LIMITED	111,000	0.40%
5 CITIBANK NOMINEES (NEW ZEALAND) LIMITED	34,000	0.12%
6 ANZ CUSTODIAL SERVICES NEW ZEALAND LIMITED	11,000	0.04%

### Spread of Registered Bondholdings OCA 020

(as at 31 March 2025)

Size of Holding	Number of Bondholders	%	Number of Bonds	%
1,001 – 5,000	51	10.22%	255,000	0.26%
5,001 – 10,000	127	25.45%	1,052,000	1.05%
10,001 – 100,000	296	59.32%	7,982,000	7.98%
100,001 and over	25	5.01%	90,711,000	90.71%
<b>Totals</b>	<b>499</b>	<b>100%</b>	<b>100,000,000</b>	<b>100%</b>



## Risk Management at Oceania

Oceania maintains an enterprise-wide risk management policy, supported by regular management and Board reporting on risk management. Management continue to undertake ongoing improvements to uplift and mature the management of risk across the business.

Oceania has a Board Risk Committee, which meets at least twice a year, and has responsibility for the monitoring and oversight of effective risk management at Oceania, including the most significant and strategic risks. The Board has overall responsibility for determining the nature and extent of material risks Oceania is willing to take to achieve its strategic objectives.

Oceania also engages an external service provider for independent evaluation of selected internal controls and risk mitigations, as well as recommending continuous improvements to the control environment. The findings from internal audits are provided to the Risk Committee for oversight and follow up.

### Oceania's Top Risks

Management and the Board Risk Committee identify and assess the top risks including risk mitigation plans. The most significant risks that Oceania manages are set out below.

Oceania's senior leaders are collectively accountable for managing these risks.

Risk	Response
<b>Financial Resilience</b> This risk refers to external macroeconomic factors (such as equity and property markets), financial resilience (including financing, liquidity and debt strategy), and critical strategic drivers of financial and market performance (including the development and sales pipelines).	Oceania operates a range of mechanisms to ensure financial resilience including external scanning of macroeconomic factors such as equity markets, housing, inflation and supply chain stability. Management have recently completed a refinance of debt facilities, with no requirement for additional capital or borrowings.  Management have undertaken a strategy refresh including portfolio optimisation, site development and new revenue streams, as well as continued focus on sales strategy and market pricing.
<b>People &amp; Culture</b> The risk that Oceania is not able to meet strategic objectives (including standards of resident care and experience) because it does not have the right capacity, capability, engagement, or culture.	The ongoing management of Oceania's workforce in the aged care sector, remains an area of significant focus. A people and culture strategy and plan is being developed and will cover a comprehensive range of initiatives, including remuneration and benefit framework, and an elevated focus on learning and development. Management is currently deploying a new Human Resources Information System (HRIS).

Risk	Response
<b>Climate</b> This represents the risks that Oceania faces from significant physical climate hazards as well as transition risks which may impact our ability to move to, and thrive in, a low carbon economy.	Oceania maintains a comprehensive sustainability strategy, supported by extensive consultation with independent experts where appropriate. The overall approach to managing climate risk is integrated with Oceania's enterprise-wide approach to risk management.  In accordance with the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021, Oceania publishes an annual Climate-Related Disclosure report in June of each year, articulating its approach to climate risk management and transition to a low carbon economy.
<b>Cyber, Data &amp; Privacy</b> The risk of harm to Oceania's reputation, residents or staff, caused by a significant or prolonged cyber-attack, data or reportable privacy breach, resulting in significant external scrutiny and/or cost to Oceania.	Oceania has adopted the National Institute of Standards and Technology (NIST) framework for managing cyber-security threats.  This includes a comprehensive programme for continuous uplift and strengthening of the information security framework. Oceania also has a Privacy Officer, and a privacy framework.
<b>Design &amp; Build</b> This refers to the risk of failure of project management for the development of new or existing facilities, including supply chain issues, developer (or subcontractor) failure risk, or labour supply risk.	Oceania only engages with highly regarded and experienced construction contractors and consultants, with robust quality assurance, due diligence, health & safety and auditing practices to support end to end contractor management. Management aim for as much fixed pricing as possible.  There is also an ongoing focus on refurbishment and remediation as required for existing properties.
<b>Clinical and Care</b> The risk of a significant or systemic breach of clinical care obligations, or a significant/systemic failing of clinical care processes, resulting in an adverse outcome for residents.	Oceania has a comprehensive clinical governance programme including Learning from Harm (LFH, Fundamentals of Care (FoC) programme, dementia strategy, internal and independent clinical assurance and continuous improvement programmes.  There are dedicated site-based Clinical Managers and regional Quality Managers, as well as a strong focus on staff training, onboarding, and continuing education.
<b>ESG &amp; Corporate Responsibility</b> The risk that Oceania does not meet its ESG or corporate responsibilities, impairing its "social licence" to operate.	Oceania has a strong focus on ESG matters, including a dedicated Sustainability team, maintenance of a Sustainability Linked Loan, with oversight by the Board Sustainability Committee.
<b>Health &amp; Safety</b> The risk or potential for harm to employees, residents, contractors, or visitors because of business activities.	Oceania has a robust health and safety framework and maturity roadmap, including regular Board and management oversight and reporting, comprehensive policies and procedures, regular independent audits, ongoing programmes for critical risk management, contractor management, and employee training.  As part of Oceania's focus on continuous improvement, a new health and safety system was implemented in 2025.  Please see further disclosure on health and safety risks on the following page.

## Risk Management at Oceania

Risk	Response
<b>Resident Experience</b> This encompasses both risk of a significant or systemic failing in resident experience, as well as failure to deliver on brand and experience commitments and meet resident expectations and needs.	Oceania deploys a range of programmes to continuously improve the resident experience, including complaints management, resident experience programmes, training, assurance activities, and trialling of new technologies and offerings.
<b>Regulatory Reforms</b> The risk that regulatory reforms require a change in business model.	Management closely monitors industry, government and regulatory developments across Australasia which have the potential to impact Oceania in future.  In late 2024, Oceania updated its Occupation Right Agreements and Disclosure Statements to mitigate the risk of potentially unfair contract terms.
<b>Business Continuity</b> The risk to operations arising from business disruption, including pandemic, other health-related disruptions, or physical/natural events.	Oceania has extensive experience in recent years in managing significant business disruption including pandemic and extreme weather events.  Emergency management plans and training are in place and regularly tested.
<b>Compliance</b> The risk of systemic or significant non-compliance with regulatory or legal requirements.	Oceania maintains a compliance management framework, with key compliance obligations embedded into a wide range of operational policies and procedures, with oversight where appropriate by expert functions e.g. Clinical and H&S, Risk and Legal.

### Health and Safety

Oceania maintains a comprehensive Health & Safety policy and framework and has a dedicated National Health and Safety team. The Clinical and Health & Safety Board Committee has oversight of Oceania's responsibilities under the Health and Safety at Work Act 2015.

The Clinical and Health & Safety Committee is responsible for ensuring that health and safety has appropriate focus within Oceania through oversight of health and safety risk assessment and mitigation, safety systems, staff capability, staff competency, safety leadership and culture. Health and safety is discussed by management at regular Safety Steering Group meetings.

An integral part of the health and safety framework is a strong health and safety culture, with a focus on identifying, assessing, and managing all critical health and safety risks, including role modelling and leadership from all levels of management. In the past year, there has been a significant management focus on maturing the health and safety framework, implementation of a new health & safety management system, frequent site Safety Leadership Walks by directors and senior leaders, as well as continued improvement in the management of critical health & safety risks, and contractor management.

The Health and Safety team work closely with the Clinical team and regional management to ensure well-aligned culture and practices. Oceania also embeds Health and Safety Representatives across key business units.

Health and safety reviews are conducted for all significant health and safety incidents and Oceania also undertakes lost time injury frequency reporting, near miss reporting, health and safety inductions, local site health and safety committee meetings, legislative updates and key health and safety initiatives.

Oceania has a health and safety risk matrix to assess the severity and likelihood of identified risks, determine mitigation strategies, and determine the level of residual risk. This matrix is reviewed annually by the Board (and is integrated with the enterprise-wide risk management framework) and annual health and safety objectives are set for the business based on the significant risks identified.

Involvement in Health and Safety committees across Oceania sites has driven positive health and safety culture with health and safety representatives leading the committee meetings. In addition, the site Health and Safety Committees undertake two committee "shakeup activities" a year such as off-site hazard awareness walks, wellbeing swims, safety quizzes and hazard rooms.

Oceania is part of the Accident Compensation Corporation (ACC) Accredited Employer Programme (AEP) having most recently completed the ACC AEP audit in April 2025.

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**OCEANIA**