



MEDIA RELEASE
21 May 2021

OCEANIA RECORDS STRONG 10 MONTH TRADING RESULTS

Oceania today announced unaudited Underlying Earnings before interest, tax, depreciation and amortisation (EBITDA) of \$56.2m for the 10 month period ended 31 March 2021, an 8% (\$4.1m) increase on the ten month period ended 31 March 2020.

Highlights:

- Sales volumes (for both independent living apartments and villas, as well as care suites) 26% ahead of the 10 month period ended 31 March 2020.
- Aged care business continued to perform well throughout the period despite COVID-19 disruptions, with occupancy increasing to 92.4% for the 10 months to 31 March 2021 compared to 91.7% for the 10 months to 31 March 2020.
- The completion of 217 units and care suites during the 10 month period to 31 March 2021.
- Operating cash flow of \$96.0m for the 10 month period to 31 March 2021 compared to \$99.4m for the 12 months to 31 May 2020, as a result of continued strong sales volumes.
- Total assets increased to \$1.9 billion, up 22% (\$335.0m) on 31 May 2020, primarily due to significant capital expenditure and reversal of COVID-19 related property valuation assumptions.
- Completion of a \$100.0m capital raise, comprising a \$80.0m placement and a \$20.0m retail offer.
- Acquisition of Waterford and Franklin sites.
- Final dividend of 2.1 cents per share (not imputed) announced. This will have a record date of 8 June 2021 and will be paid on 22 June 2021. The Dividend Reinvestment Plan will apply to this dividend.



OCEANIA

Oceania has changed its balance date from 31 May to 31 March. The financial performance outlined below is reported on the basis of the 10 month period to 31 March 2021:

31 March 2021 unaudited non-GAAP trading measures 10 months vs 10 months

\$m	10 months to 31 March		Growth	
	2021	2020	\$m	%
Unaudited				
Underlying EBITDA	56.2	52.1	4.1	7.9%
Underlying NPAT	41.8	40.0	1.8	4.5%
Sales	388	309	79	25.6%
Occupancy	92.4%	91.7%	0.64%	0.7%

31 March 2021 audited GAAP statutory measures 10 months vs 12 months

\$m	10 months to 31 March	12 months to 31 May
Audited	2021	2020
Operating Revenue	175.4	193.6
Reported NPAT	85.5	(13.6)
Operating Cashflow	96.0	99.4
Total Assets	1,883.7	1,548.7

Oceania CEO Brent Pattison advised that “we have observed strong volumes of sales across both independent living apartments and villas, as well as our care suite products. Our team has worked hard to ensure that we deliver growth and performance to our investor community against the challenging backdrop of COVID-19. We increased our investment in the business, demonstrating our commitment to building an even better future for Oceania, our residents, their families and our staff.”

Oceania is continuing to focus on its premium care strategy. Premium care revenue is driven by increased deferred management fee capture. Mr Pattison explained that “the execution of our premiumisation strategy is a critical driver of underlying performance. Approximately 55% of our care portfolio is now premium beds or care suites, compared to 34% at the time of our IPO in 2017. For the 10 months to 31 March 2021, Oceania generated premium care revenue which is 12% higher than premium revenue for the full 12 month period to 31 May 2020.”

Operating cashflow of \$96.0m for the 10 month period to 31 March 2021 was particularly strong, compared to \$99.4m for the 12 months to 31 May 2020, as a result of continued strong sales volumes. Total assets increased to \$1.9 billion, up 22% (\$335.0m) on 31 May 2020, primarily due to significant capital expenditure and the reversal of COVID-19 related property valuation assumptions.

Following the lifting of COVID-19 restrictions, Oceania delivered 217 units and care suites across three sites in the 10 month period to 31 March 2021, with guidance unchanged



OCEANIA

despite the change in balance date. The development of 28 independent living apartments and 61 care suites at Green Gables (Nelson) was completed in September 2020 and sales at this site are progressing well. In addition, the development of 35 independent living apartments at The BayView (Tauranga) and 22 independent living apartments and 71 care suites at The Bellevue (Christchurch) were completed during the period. Since 31 March 2021, Oceania has also completed the development of 49 independent living apartments at Eden (Auckland). Looking ahead, Oceania has resource consents in place for 75% of its development pipeline comprising approximately 2,000 units and care suites.

“Oceania is well positioned to leverage its established platform, with gearing under 25% as at 31 March 2021. We were delighted with the strong support from our existing and new shareholders for our highly successful and oversubscribed \$100.0m capital raise, comprising of a \$80.0m placement and a \$20.0m retail offer” said Mr Pattison. Oceania has utilised the proceeds of the capital raise to acquire Waterford (Hobsonville Point, Auckland), a retirement village comprising 64 independent living villas and 36 independent living apartments, and our leasehold site in Franklin (Auckland), together with adjacent bare land.

Oceania has further invested in clinical training and development this year as part of its commitment to provide career development for its staff. Oceania remains focused on delivering outstanding clinical care to its residents. Clinical leadership and education are key to the delivery of quality care, improving overall skill levels and surveillance abilities.

Oceania Chair Liz Coutts advises the Board declared a final dividend of 2.1 cents per share (unimputed), bringing the total dividend for the 10 month period to 31 March 2021 to 3.4 cents per share (unimputed). The record date for the dividend is 8 June 2021 and the payment date is 22 June 2021. The Dividend Reinvestment Plan will apply to the dividend payable on 22 June 2021 at a discount of 2.5% to the volume weighted average price of shares sold on the NZX Main Board over the period of the five trading days starting on 4 June 2021.

ENDS

For all enquiries, please email investor@oceaniahealthcare.co.nz or phone 0800 333 688