

## **MEDIA RELEASE**

**22 May 2025**

### **FY25 Result – Building on momentum**

Oceania Healthcare (NZX: OCA) reported underlying EBITDA of \$86.0m for the year ended 31 March 2025, up 4.1% on FY24, reflecting steady sales momentum and stock sell down. Building on this momentum, the company has signalled a sharpened strategy centred on strengthening its foundation, enhancing efficiency, and setting the stage for accelerating growth.

#### **Financial summary and highlights**

- Total comprehensive income of \$74.6m (FY24: \$70.5m).
- Reported NPAT of \$30.4m (FY24: \$31.5m).
- Underlying EBITDA rose to \$86.0m, up 4.1% on FY24.
- Underlying NPAT was \$52.5m, (15.5%) lower than FY24, a result of interest charges on completed developments no longer able to be capitalised.
- Operating cashflow increased to \$110.3m, up 6.7% from FY24.
- Total assets increased to \$2.9b, a \$158m increase on FY24 largely reflecting the completion of Elmwood, Waterford and Awatere alongside fair value movements due to the sell down of independent living units at other sites.
- Debt gearing reduced to 36.3%, down from FY24's 38.3%. All banking covenants were met.
- Realised capital gains rose to \$83.2m, an increase of 22.6% on FY24.
- Premium care revenue was up 12.5% on FY24, reaching \$25.4m.
- Total sales volume at The Helier increased 100% from FY24, with 24 apartments and care suites sold in FY25 and full development cost recovery expected by FY26.
- A broader business optimisation programme is underway, targeting \$15m to \$20m of cost savings with full benefits realised in FY27.

#### **Steady 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, notwithstanding 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% as 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.

#### **Financial performance**

Total sales volumes were up 9.2% on the prior corresponding period (pcp), including a 17.2% uplift in new sales volumes to 184 independent living units (ILUs) and care suites.

Operating cash flow increased to \$110.3 million, a 6.7% rise compared to \$103.4m in FY24. This was driven by higher cash receipts from occupation right agreements, up 30.1% on pcp, reflecting key drivers such as improved settlement timing, reduced unsold stock, and increased care revenue.

Underlying NPAT was \$52.5m for the 12 months ended 31 March 2025. This included total capital gains of \$83.2m, an increase of \$15.3m or 22.6% on the previous year.

Chair, Liz Coutts noted "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."

In March 2025, Oceania successfully refinanced its syndicated banking facilities, extending debt maturities and securing competitive terms with unchanged covenant conditions. The refinancing, supported by existing lenders ANZ, ASB, ICBC, and new lender BNZ, underscores lender confidence and positions Oceania for ongoing growth.

### **Final Dividend**

Ms Coutts announced that “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.”

### **Stabilising the core**

In FY25, Oceania initiated an operational optimisation programme to realign the business and support its future strategy. This has already delivered \$5m in cost savings, which will be realised in FY26.

Suzanne Dvorak, CEO said “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, Oceania will continue to sharpen execution, reinforce leadership capability, and ensure the business is well positioned to activate its new strategy from FY27.

### **Setting our strategic direction**

The Board has approved a new strategic direction to guide Oceania through the next five years. Developed through deep 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. Oceania’s refreshed purpose — “*Supporting and empowering people to live well as they age*” — serves as 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.

Ms Dvorak added “Our strategy is 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 strategy that is practical, measurable, focussed on creating value for our shareholders and is aligned with what matters most: people, purpose, and performance.”

The full five year strategy will be further communicated in the coming months.

### **ENDS**

For all enquiries, please email [investor@oceaniahealthcare.co.nz](mailto:investor@oceaniahealthcare.co.nz) or phone 0800 333 688