Results Presentation

for the Six Months Ended 30 November 2017

25 January 2018

OCEANIA
HEALTHCARE

Agenda

1

Highlights of the six months ended 30 November 2017

SECTION 1

1HY2018 Highlights

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We have delivered a strong interim financial result as well as continuing to execute our key developments and operational initiatives. We expect to achieve our IPO Forecasts for the year ending 31 May 2018

1 Reported NPAT and Pro forma Underlying[1] EBITDA ahead of the previous corresponding period

- Underlying NPAT of $19.9m, increased 121% from $9.0m in the previous corresponding period ("pcp")
- Reported NPAT of $42.5m, increased 93% from $22.0m in the pcp
- Pro Forma Underlying EBITDA of $25.3m, increased 9% from $23.3m in the pcp
- Operating cashflow of $17.1m, increased 34% from $12.8m in the pcp
- Total assets increased by $160.5m from 1HY2017 to reach approximately $1.0bn

2 Developments on track

- 25 units completed at Elmwood in November 2017 (on time and on forecast cost)
- 30 care suites completed and MoH certified, and 62 apartments due for completion in January 2018, at Meadowbank (on time and forecast cost)
- 10 units completed at Stoke in December 2017 (on time and on forecast cost)
- 360 units and care suites are under construction at The Sands (formerly Maureen Plowman), Melrose, Meadowbank and Trevellyn
- New greenfield acquisition in the prime Auckland suburb of St Heliers

1. Underlying NPAT is a non-GAAP measure used by Oceania to monitor business performance and is a consideration in determining dividend distributions. Refer to page 41 in the Appendices for a definition of Underlying NPAT. Underlying NPAT is reported in the operating segment note of Oceania's audited consolidated financial statements. The pro forma adjustments are reconciled on page 21 of this presentation. Refer to page 42 in the Appendices for an explanation of the pro forma adjustments made.

1HY2018 Highlights (continued)

We have delivered a strong interim financial result as well as continuing to execute our key developments and operational initiatives. We expect to achieve our IPO Forecasts for the year ending 31 May 2018

3 Operational Excellence

- Supreme Winner Overall Excellence in Care Award for the third consecutive year for innovative "I Love Music" programme
- Continued our strong MoH audit results with 25% of facilities at 4 years, all others at 3 years (up from 20% at 4 years as at May-17)
- Commenced the implementation of a new clinical information system
- Continuation of the conversion of care beds (7) and serviced apartments (39) to care suites

4 Interim dividend declared

- Maiden Interim dividend per share announced of 2.10 cents per share (not imputed[1]), in line with IPO forecasts
- Record date of 13 February 2018. Payment date of 20 February 2018
- Annual target dividend payout of 50-60% of Underlying NPAT

1. The dividends are not imputed due to the availability of existing tax losses.

1HY2018 Financial highlights

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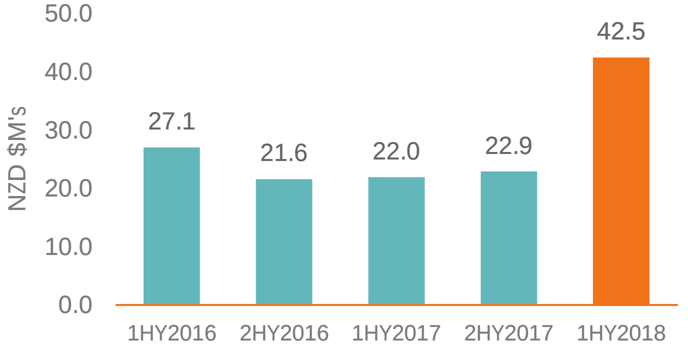
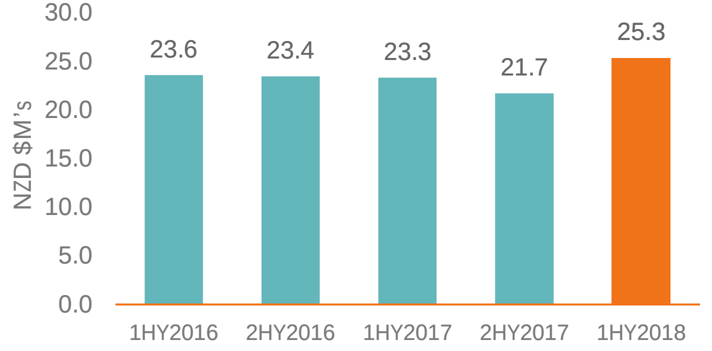
Reported NPAT and Pro Forma Underlying EBITDA are ahead of the pcp. Total assets as at 1HY2018 approximately $1.0b

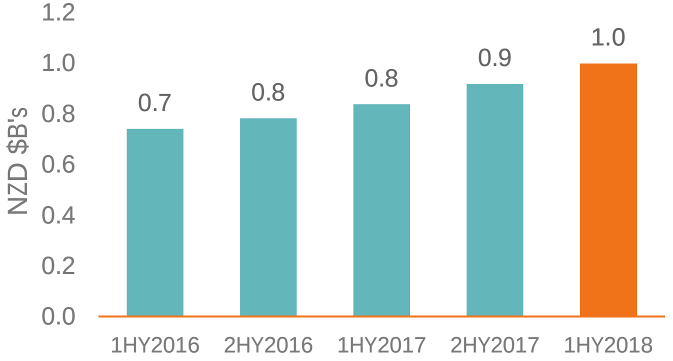
Reported NPAT



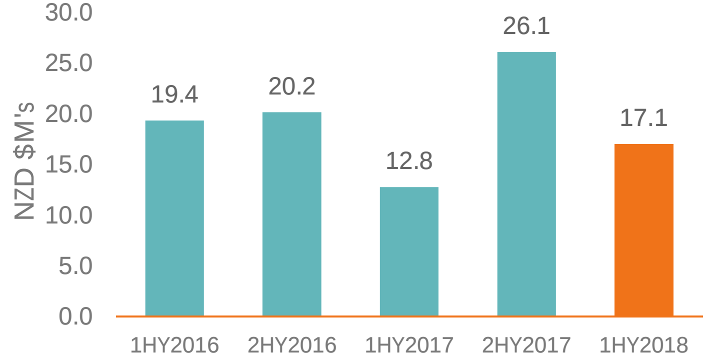
Pro forma Underlying EBITDA



Total Assets



Operating Cash Flow



Operational highlights

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Enhancing our clinical care platform, receiving industry recognition and strong MoH certification results

- Winner of the New Zealand Aged Care Association overall excellence in care award (third year in a row)
- Continued our excellent MoH audit results with 25% of facilities at 4 years, all others at 3 years (up from 20% at 4 years as at May-17)
- After a successful trial at our Lady Allum site in Milford, we are rolling out the Oceania “I Love Music” programme across all our sites
- Implementation of our new clinical information system has commenced
- Winner of the Senior Lifestyle Cuisine Award (third year in a row)
- Continuation of conversions of care beds to care suites, with 9 care beds converted to 7 care suites at Woodlands and Addington Lifestyle and 39 serviced apartments converted to care suites at Elmwood and Heretaunga
- Launched new moving and handling training programme across all facilities to reduce injury rates when transferring residents

2

Business Overview and Strategy

SECTION 2

Oceania at a glance

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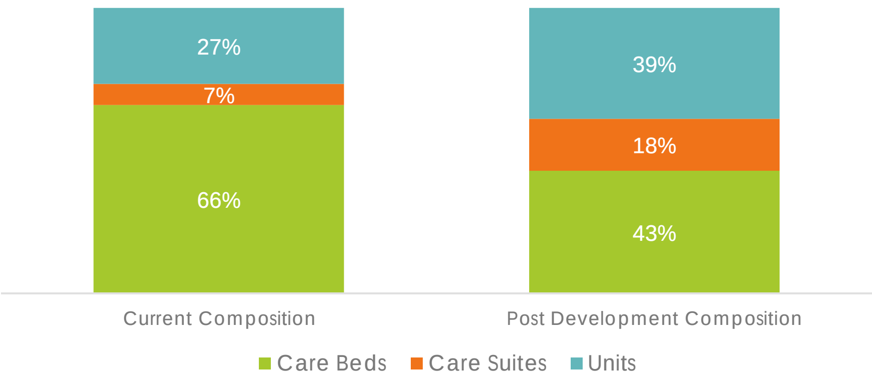
We are a large national operator with a portfolio of 51 sites

Current and future portfolio composition[4] – Remaining "needs" focused

	Care Beds	Care Suites	Units	Total
North Island	1,976	170	741	2,887
South Island	593	118	295	1,006
Total Existing[1]	2,569	288	1,036	3,893
Development Pipeline[3]	0	665	1,117	1,782
Less decommissions	(311)	0	(78)	(389)
Net Development Pipeline[2]	(311)	665	1,039	1,393
Total post development	2,258	953	2,075	5,286

Current and future portfolio composition[4] – Remaining "needs" focused



Oceania's site locations

1. Comprising 48 operating facilities and 3 undeveloped sites. Facility numbers as at 30 November 2017. 2. Current and planned developments. 3. Includes 378 Care Studios which may be initially sold with a PAC, and may subsequently be sold under an ORA. Meadowbank stage 3 (30 care suites and 62 units) and Stoke (10 units) are included in the development pipeline. These were substantially complete as at 30 Nov 2017 4. Future composition assumes execution of current planned development of Oceania's Brownfield Development landbank. Refer to Appendices for movements in the portfolio from 31 May 2017.

Summary of Oceania's investment proposition

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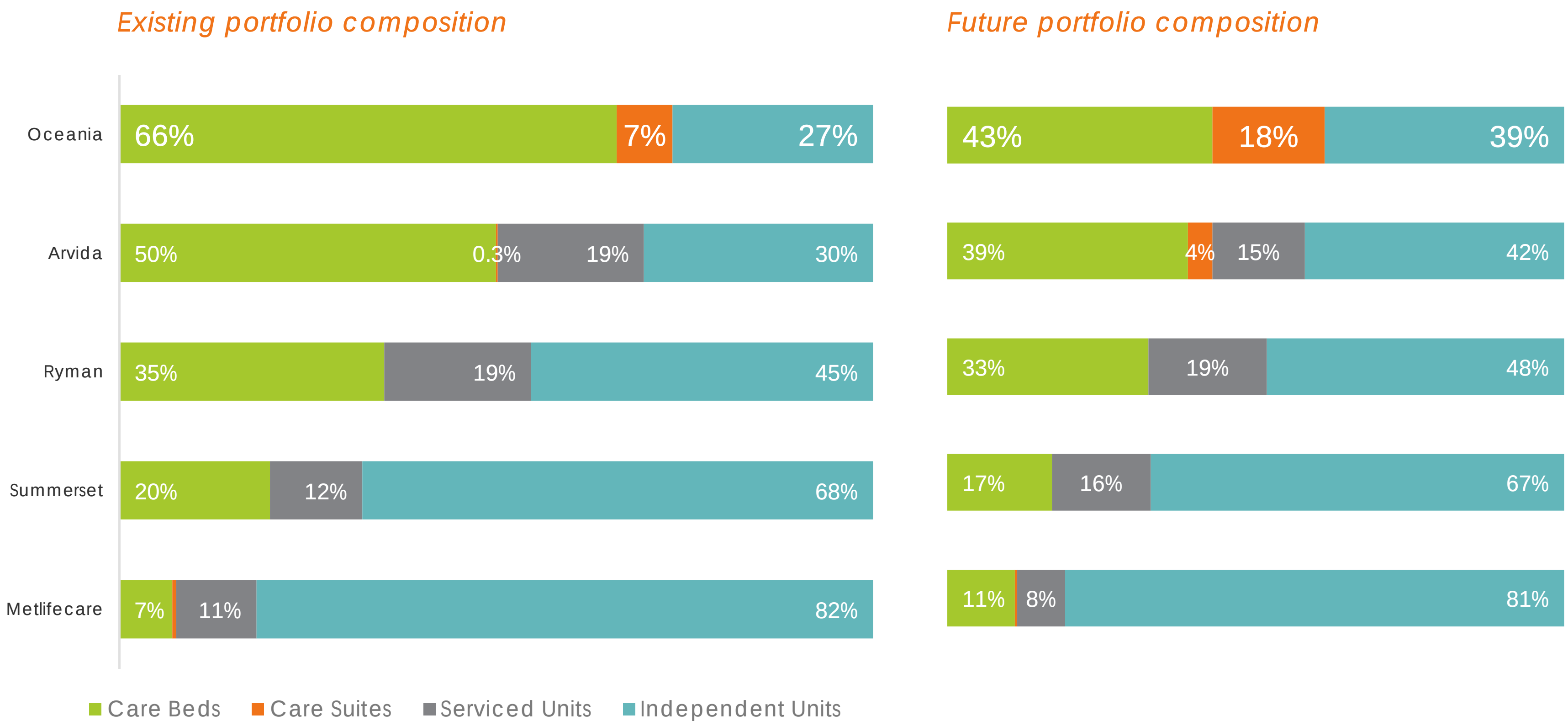
Our business model supports a combination of dividend yield with long term growth potential

Aged care	Stable revenue from "needs-based" care service and government funding....	+	...with growth through premium charging and care suite model
Village	Regular DMF earnings stream....	+	...and resale margins from existing embedded value
Development	Developments drive future DMF and care earnings streams...	+	...as well as upfront development cashflow

Oceania's strategic positioning

Our focus is aged care with a growing retirement village business

Comparison to other listed operators

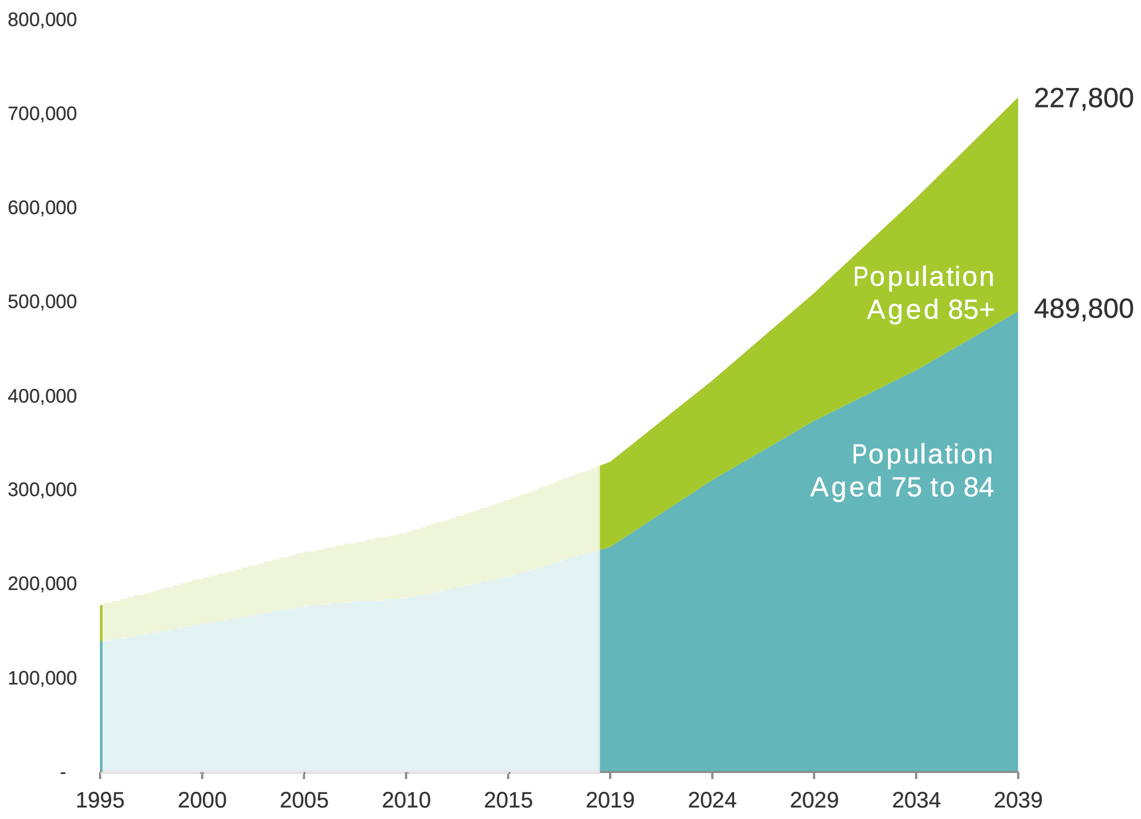


Source: Results presentations of other operators

We have a clear growth strategy in aged care

The care suite model is integral to us meeting the needs of customers

Estimated population growth[1]



Care Strategy

- Continuing growth and ageing of the New Zealand population is expected to significantly increase demand for aged care over the next 20 years
- Due to the level of returns for operators achieved under the traditional funding model, there has been a low level of net aged Care Bed additions[2]
- Industry-led changes to the funding model have been supported, primarily involving increased private charging for aged care services
- Oceania has responded by developing the care suite product (applying the ORA model over care beds) and increasing PACs

Benefits of the care suite model

- Ability to recycle capital, improving returns for the development of aged care beds
- Regular DMF earnings stream increases earnings per bed

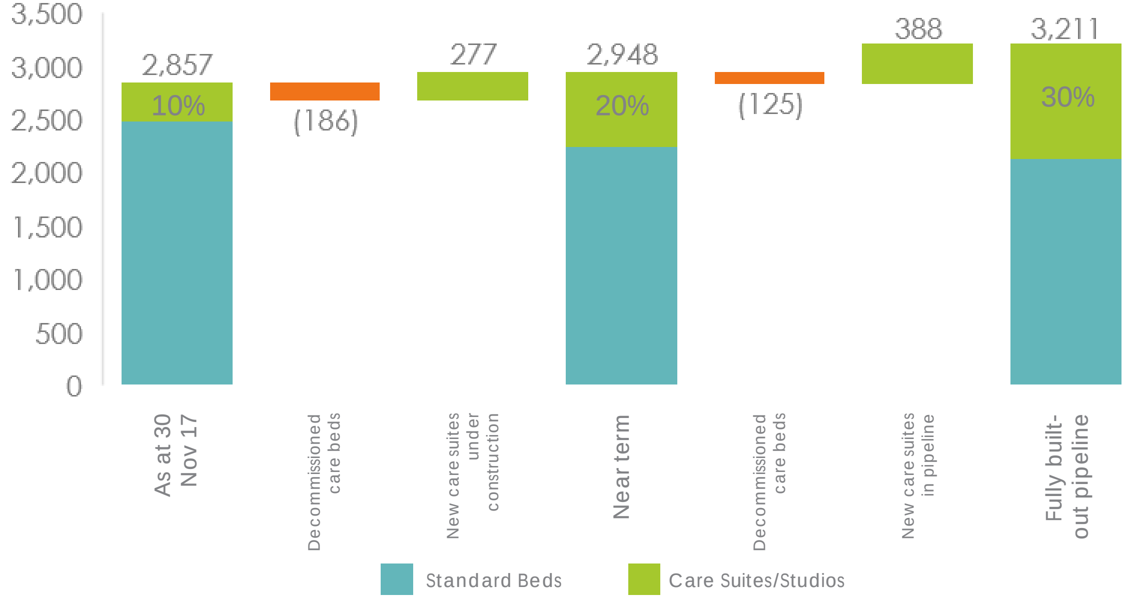
1. Statistics New Zealand population forecasts as at March 2017. 2. Average annual growth of 0.8% from 2013 – 2016.

Developing new care facilities

We are transforming our care offering as we execute our brownfields development pipeline. The current projects under construction will double our number of care suites over the next two years

Trevellyn – Hamilton

Melrose – Tauranga



- We currently have 288 care suites in the portfolio which represents 10% of our total care beds
- We currently have 277 care suites under construction at Melrose, Trevellyn, The Sands (formerly Maureen Plowman) and Meadowbank[1]. This will almost double the amount of care suites and lift this to 20% of our total beds
- Once the existing brownfields pipeline is fully built-out we will have 953 care suites in the portfolio(30% of our total care offering)

1. This includes 81 at Melrose, 90 at Trevellyn, 44 at The Sands and 62 at Meadowbank (including the 30 that were completed after 30 November 2017).

3

Developments

SECTION 3

Clear development pipeline

We will deliver our key developments during the IPO Forecast period on time and on forecast cost

Key changes since May-17

- 25 Villas completed at Elmwood in November 2017. 10 villas completed at Stoke in December 2017
- 30 care suites at Meadowbank are complete with MOH certification with the 62 apartments practically complete. CPU received and first residents moving in during February
- Stage 4 at Meadowbank commenced in October 2017 (32 care suites, 49 apartments)
- The Sands (formerly Maureen Plowman) is "out of the ground". On track for completion in FY2019
- Melrose development (81 care suites) commenced in July 17
- Trevellyn (90 care Suites) commenced in January 2018
- Resource consent issued for Windermere in August 2017
- Waimarie Street, in St Heliers, Auckland, land under contract (66 units and care suites planned)
- View Road (adjoining Eden Village) under contract (30 units planned)

Meadowbank – Completed January 2018 (30 care suites, 62 apartments)

Elmwood – Completed October 2017 (25 villas)

Stoke – Completed December 2017 (10 villas)

Clear development pipeline

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We have a pipeline of 1,782 units. Of this 1,057 units, or 59%, is either under construction or consented

Facility	Location	Status	Gross Residences	May 17	Nov 17	May 18	Nov 18	Future
Meadowbank								
Stage 3	Auckland	Substantially Complete	92					
Stage 4	Auckland	Under Construction	81					
Stage 5	Auckland	Consented	26					
Stoke	Nelson	Complete	10					
The Sands	Auckland	Under Construction	108					
Melrose								
Stage 1	Tauranga	Under Construction	81					
Stage 2 - 5	Tauranga	Consented	216					
Trevellyn								
Stage 1	Hamilton	Under Construction	90					
Stage 2-3	Hamilton	Consented	133					
Green Gables	Nelson	Consented	88					
Windermere								
Stage 1	Christchurch	Consented	75					
Stage 2-3	Christchurch	Consented	53					
Wharerangi	Taupo	Under Construction	4					
Total Consented or Under Construction			1057					

Construction period

Meadowbank Stage 3 practically complete

The care facility has been certified and 26 of the 62 apartments are under pre sale application

Meadowbank

Auckland

Stage 3 practically complete delivering

- 30 care suites and studios (completed and certified), and
- 62 apartments (to be completed January 2018). Certificate for public use received.

26 apartments under presales application as of the 23 of January 2018 in line with the IPO Forecast pricing. The IPO Forecast was 28 sales for the full year to 31 May 2018

Stage 4 under construction with a further:

- 32 care suites and studios, and
- 49 apartments

The Sands progressing on programme

Construction of The Sands (formerly Maureen Plowman) is “out of the ground” with strong levels of presales interest

The Sands

Browns Bay, Auckland

- The Sands (formerly Maureen Plowman) in Browns Bay, Auckland will provide 64 apartments and 44 care suites
- In-ground works were completed in November 2017 with the first floor slab to be poured in January 2018
- Due for completion around May 2019
- Strong in-bound inquiry from potential purchasers with presales to commence in March 2018

Addition of premium site to our pipeline

In December 2017 we entered into a contract for the purchase of a 8,945m^2 site in the premium suburb of St Heliers, Auckland

Waimarie St

St Heliers, Auckland

Greenfield site under contract in the Auckland suburb of St Heliers

- 8,945m^2 with extensive harbour views
- Premium boutique aged care facility and retirement village planned
- Strong forecast demand in the catchment area
- Median house price of $1.7m in the area
- 66 units and care suites added to development pipeline

Financial Results

4

Income statement

Reported net profit after tax of $42.5m was $20.5m (93%) above the pcp result and above the full year FY2017 result

Summary of Income Statement for the six months ended 30 November

NZDm	1HY2018	1HY2017[1]	FY2017
Operating revenue	92.1	89.2	174.8
Change in fair value of investment property	34.1	32.6	57.2
Total Income	126.3	121.9	232.0
Operating expenses	(77.5)	(73.0)	(146.9)
Impairment of goodwill and loss on disposal of chattels	0.0	0.0	(1.0)
Impairment of property, plant and equipment	1.1	(3.2)	(4.3)
Total Expenses	(76.3)	(76.2)	(152.2)
Operating Profit	49.9	45.7	79.8
Transaction expenses	0.0	(0.9)	(4.4)
Finance costs	(1.4)	(10.1)	(20.1)
Depreciation and amortisation	(4.1)	(3.8)	(7.9)
Profit before Income tax	44.4	30.9	47.4
Taxation benefit/(expense)	(1.9)	(9.0)	(2.5)
Reported Net Profit after Tax	42.5	22.0	44.9

Commentary

- $92.1m operating revenue - includes care revenue ($79.9m), village weekly fees ($2.7m) and village deferred management fees ($7.8m), and reflects the equal pay settlement for health care assistants that came into effect in July 2017
- Fair value movement in IP and PPE driven by:
  - Revaluation of existing village assets ($7.3m);
  - Uplift from new Meadowbank apartments ($11.7m)
  - Uplift from new Elmwood villas ($9.8m)
  - Uplift from sales of Lady Allum apartments ($5.2m)
- Existing care assets and development land not revalued for these interim accounts
- 1HY2018 operating expenses reflect the equal pay settlement for health care assistants

1. Note, as disclosed in the FY2017 annual financial statements the 1HY2017 income statement has been restated for an adjustment to the deferred tax expense of $4.3m. All other income statement items before tax are unchanged. There is no impact on cashflow or non-GAAP Underlying Profit.

Underlying earnings

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Underlying NPAT was $10.9m ahead of the pcp due to increased development margins and the post IPO capital structure

Reconciliation of Underlying Adjustments

NZDm	1HY2018	1HY2017	FY2017
Reported Net profit after tax	42.5	22.0	44.9
less: Change in fair value of investment property and PP&E	(35.3)	(29.5)	(52.8)
add: Impairment of goodwill	0.0	0.2	0.5
add: Loss on disposal of chattels at decommissioned sites	0.0	0.0	0.5
add: Realised gains on resales	6.7	6.4	12.7
add: Realised development margin	4.1	0.9	5.2
Add: Deferred tax	1.9	9.0	2.5
Underlying NPAT	19.9	9.0	13.4
Pro forma adjustments:			
Non-recurring or infrequent items			
Transaction and Offer costs	0.0	0.9	4.4
Structural changes			
Listed company costs	0.0	(0.4)	(0.7)
Listed capital structure	0.0	8.5	17.0
Pro forma Underlying NPAT	19.9	18.0	34.0
add: Depreciation and amortisation	4.1	3.8	7.9
add: Pro forma finance costs	1.4	1.5	3.0
Pro forma Underlying EBITDA	25.3	23.3	45.0

By segment	1HY2018	1HY2017	FY2017
Aged Care	16.4	18.4	31.9
Retirement Village	16.3	12.1	26.8
Other/Corporate	(7.4)	(7.2)	(13.7)
Pro forma Underlying EBITDA	25.3	23.3	45.0

Commentary

- Pro forma underlying EBITDA was $2.0m above the pcp
- Reduction in care segment driven by lower occupancy and decommissioning of development sites. Earnings per occupied bed in line with the pcp
- Resales margin above 1HY2017 with average resale gain up to $96.6k per unit/suite, 25.0% above the pcp average of $77.5k
- Development margin of $4.1m underpinned by sales of new Lady Allum apartments and Elmwood villas

1. See Appendices for a summary of pro forma adjustments.

Care segment

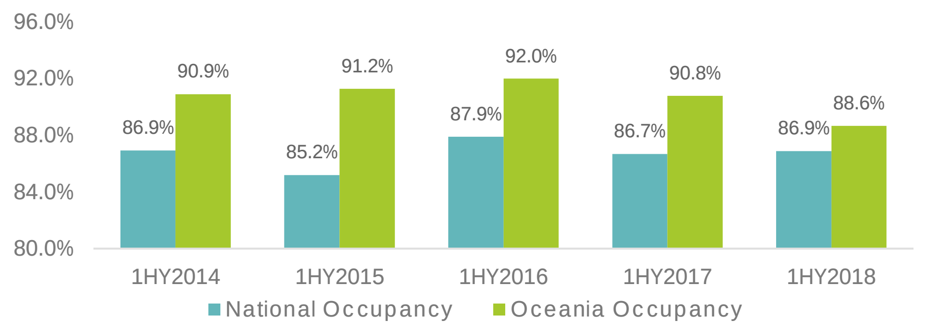
EBITDA per occupied bed, excluding decommissioned and development sites, is broadly in line with pcp. Premium charges (care suite DMF and PAC revenue) increased 26% from the pcp

NZ$m	1HY2018	1HY2017	FY2017
Daily care fees	75.9	74.3	145.7
PAC revenue	1.6	1.3	2.7
Care suite DMF	1.8	1.4	3.0
Other revenue	0.7	1.1	1.4
Total aged care operating revenue	79.9	78.1	152.8
Staff and resident expenses	(55.6)	(52.5)	(105.8)
Occupancy and site overhead expenses	(7.9)	(7.2)	(15.1)
Total aged care expenses	(63.5)	(59.7)	(120.9)
Aged care pro forma Underlying EBITDA	16.4	18.4	31.9
EBITDA per Care Bed / Suite (excl. decommissioned and development sites)	$13,814	$14,390	$12,797

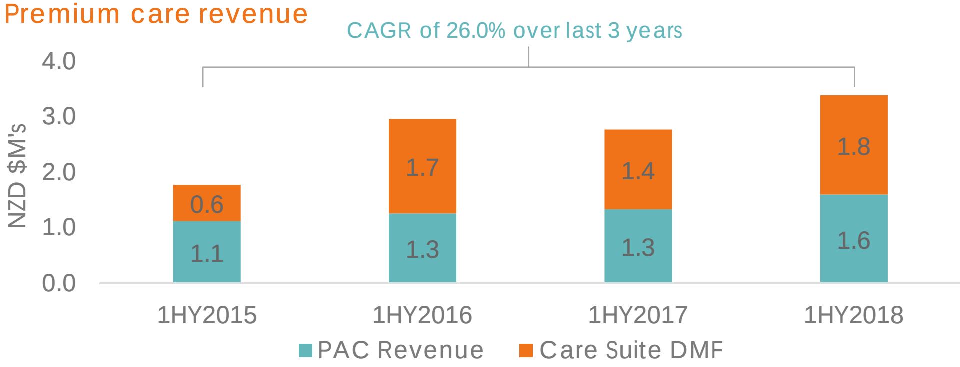
Commentary

- Occupancy was ahead of the national average of 86.9%[1]
- Care suite DMF revenue increased 28.5% from the pcp
- Premium charging (PAC and DMF) ahead of the pcp. Average PAC of $13.49 vs $10.88 in the pcp
- A number of sites have been decommissioned or had major developments commence on site[2]
- The year on year impact on earnings at these sites is $0.8m
- Occupancy excluding the decommissioned and development sites is 89.0%

Occupancy rates versus national average



Premium care revenue



1. Source – New Zealand Aged Care Association surveys
2. Maureen Plowman and Green Gables were decommissioned for redevelopment. Melrose and Trevellyn both have new care facilities under construction.

Village segment

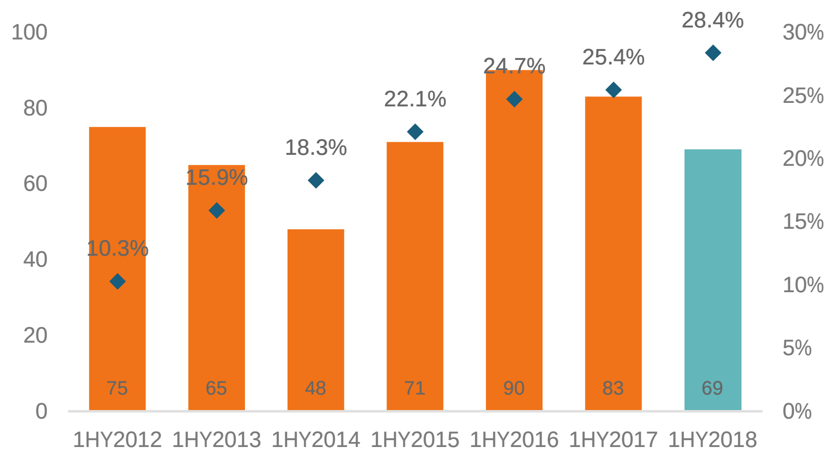
Pro Forma Underlying EBITDA was $3.8m ahead of the pcp

NZ$m	1HY2018	1HY2017	FY2017
Villa and Apartment DMF	7.8	6.6	13.3
Retirement village service fees	2.7	2.7	5.3
Other revenue	1.1	1.2	2.1
Total retirement village operating revenue	11.5	10.5	20.6
Realised gains on resales	6.7	6.4	12.7
Realised development margin	4.1	0.9	5.2
Village site operating expenses	(5.4)	(5.0)	(9.5)
Resident share of capital gains	(0.5)	(0.7)	(2.2)
Total retirement village expenses	(6.0)	(5.7)	(11.7)
Retirement village pro forma Underlying EBITDA	16.3	12.1	26.8

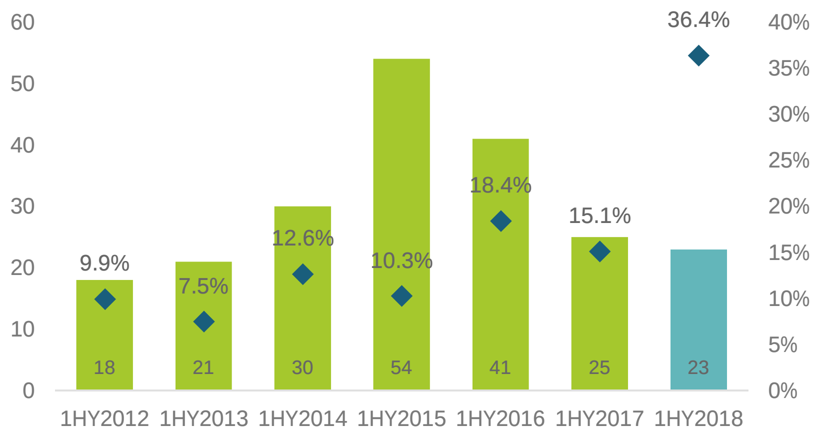
Commentary

- Deferred Management Fees continue to grow (18.2% c.f the pcp) as new developments are completed and resales occur at higher prices
- Gains on resale were above the pcp despite lower volumes as margins improved from 25.4% in the pcp to 28.4% in 1HY2018. This was driven by an 11.8% increase in resale prices
- Lower resales volumes in 1HY2018 due to low stock levels as at 31 May 2017
- Development margin reflects the sales of the new Lady Allum apartments in Milford, Auckland with prices in line with IPO Forecasts

Resales Volume and Margin



Development Sales Volume and Margin



Village segment – key indicators

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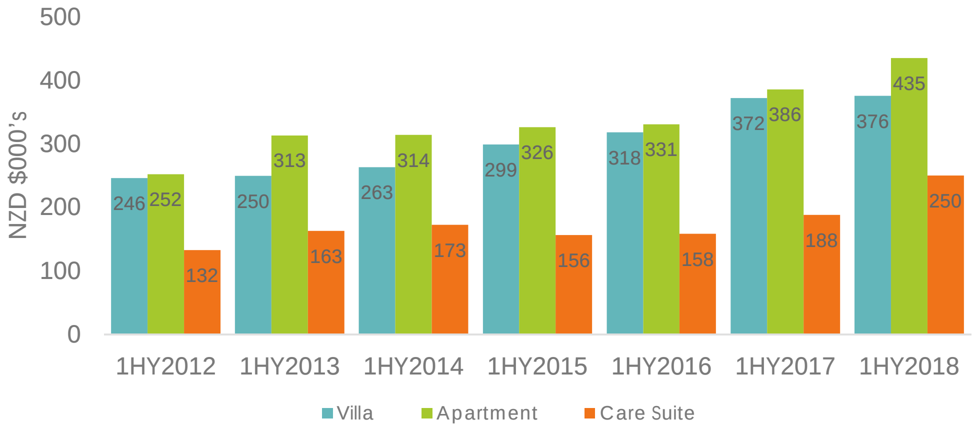
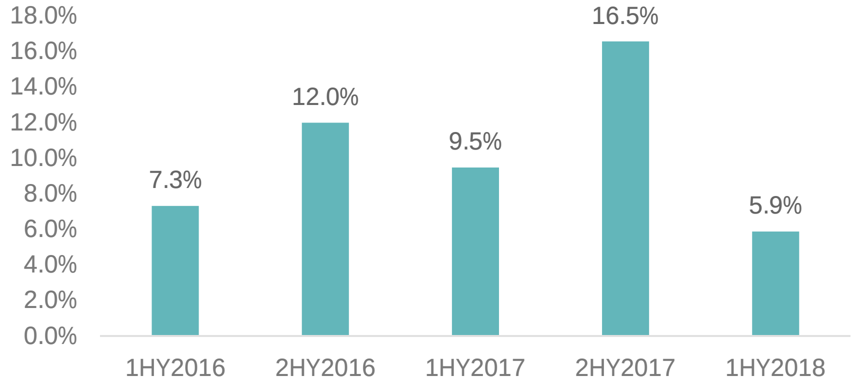
Resale prices and margins were above the pcp

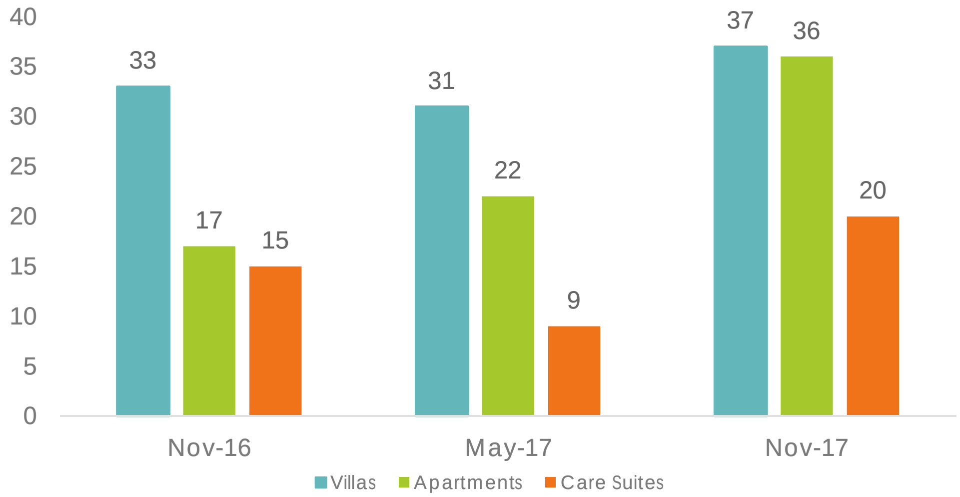
Resales Prices



Resales Prices vs CBRE Valuation Assumption



Closing Stock (incl stock under application) - Resales

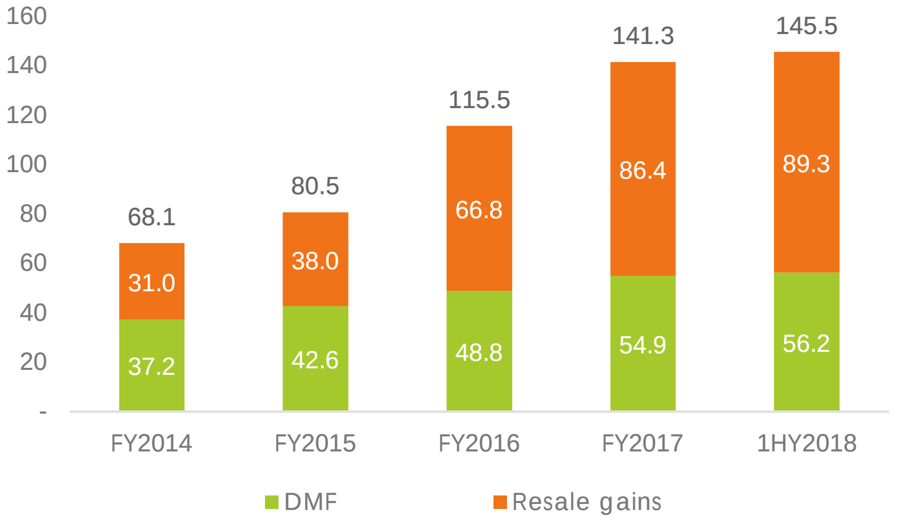


- Average resale margin increased from 25.4% in the pcp to 28.4%, higher than any other comparable period
- This was, in part, due to a material increase in the average resale price for care suites (up 33% to $250k)
- Resales prices achieved in 1HY2018 were, on average, 5.9% higher than the May 2017 CBRE valuation. The chart depicts the variance to the prior annual valuation.
- After 12 months of relatively low stock levels, vacancies arising in October and November increased stock by 29% compared to 30 November 2016. This will underpin resales volumes through the second half of FY2018
- Of the 93 units available for resale at 30 Nov 17, 36 were under application

Embedded value

The embedded value in Oceania's portfolio has increased significantly over the last four years to $188.5m and will underpin ongoing DMF cash flows and resale gains

Embedded value per unit[1]



Commentary

- Embedded value in Oceania's portfolio is $188.5m
- This is an indicator of DMF and resale gains to be realised in future periods and underpins our operating cash flow forecasts
- Embedded value per unit in 1HY2018 of c. $145,500 includes:
  - ~$56,200 of DMF cash flows per unit to be realised; and
  - ~$89,300 of resale gains per unit and suite

Summary of Embedded Value Calculation

NZ$m	FY2014	FY2015	FY2016	FY2017	1HY2018
Estimated sale/resale price of all Units[1]	322.4	350.2	402.7	499.0	595.8
less: Unsold stock[2]	(32.4)	(25.3)	(14.3)	(33.8)	(125.1)
less: Resident liabilities (contractual)	(206.2)	(223.3)	(243.4)	(282.1)	(282.2)
equals: Embedded value	83.8	101.6	145.0	183.1	188.5
Embedded value per Unit (NZ$)	68,119	80,531	115,545	141,298	145,461

1. Calculated as the current/estimated sale or resale price of all units/care suites as determined by CBRE. Note, the valuation of care suites held as PPE have been estimated using the May-17 valuation as only Investment Properties was valued by CBRE in Nov-17. 2. The value of unsold stock represents the sales prices of units/care suites which are not under contract, as they either newly constructed or have been bought-back from the previous outgoing residents.

Developments – key indicators

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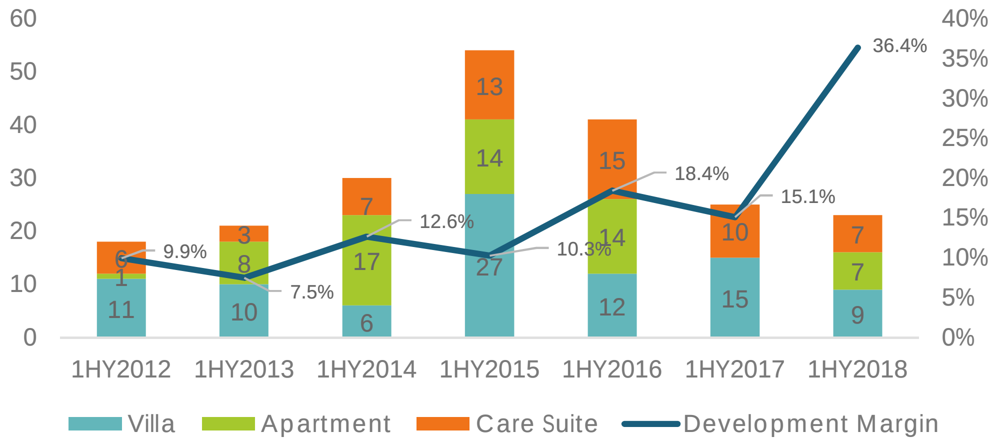
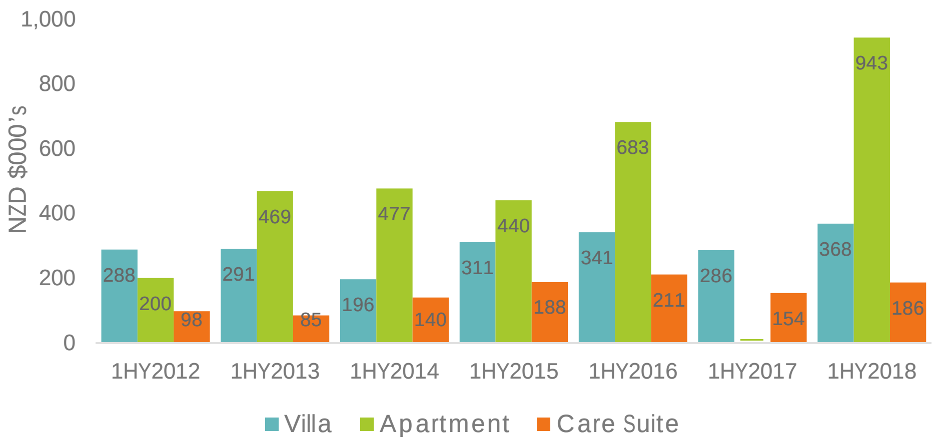
Development margin of 36.4% was significantly above the pcp, with strong sales prices achieved at key developments. We are bringing to market a high quality product that will generate considerable uplift in DMF in future periods

Development Volumes and Margins



Sales Prices



Gross Units Delivered

	FY2014	FY2015	FY2016	FY2017	1HY2018
Villas	42	24	11	2	25
Apartments	40	14	0	44	0
Total	82	38	11	46	25

- Development margins have increased from 15.1% in the pcp to 36.4% in 1HY2018 with prices in line with IPO Forecasts
- Average sales prices have increased from $233.0k (per unit/care suite) in the pcp to $487.7k in 1HY2018
- 25 units (excluding decommissions) delivered in 1HY2018 at Elmwood
- 62 units and 30 care suites delivered at Meadowbank in January. 10 villas completed at Stoke in December
- A further 113 units and 247 care suites currently under construction

Balance sheet

Total assets increased by $160.5m from 1HY2017 due to significant development capital expenditure during the 12 months to November 2017 and revaluations reflecting improved trading performance and the completion of key developments

NZ$m	1HY2018	1HY2017	FY2017
Assets			
Cash and trade receivables	21.4	13.8	22.2
Property, plant and equipment	279.2	244.5	268.0
Investment properties	681.3	562.9	611.0
Intangible assets	17.3	17.3	17.1
Total assets	999.1	838.6	918.2
Liabilities			
Trade, other payables and provisions	28.1	23.6	27.8
Deferred management fees	18.8	18.9	19.5
Refundable occupation right agreements	290.8	266.7	282.9
Borrowings	123.8	275.8	95.2
Deferred tax liability	26.7	29.7	24.8
Total liabilities	488.2	614.6	450.3
Equity			
Contributed Equity	579.5	372.6	579.5
Retained Deficit	(153.4)	(218.9)	(196.0)
Reserves	84.8	70.3	84.4
Total equity	510.9	224.0	468.0
Net tangible assets	493.6	206.6	450.9

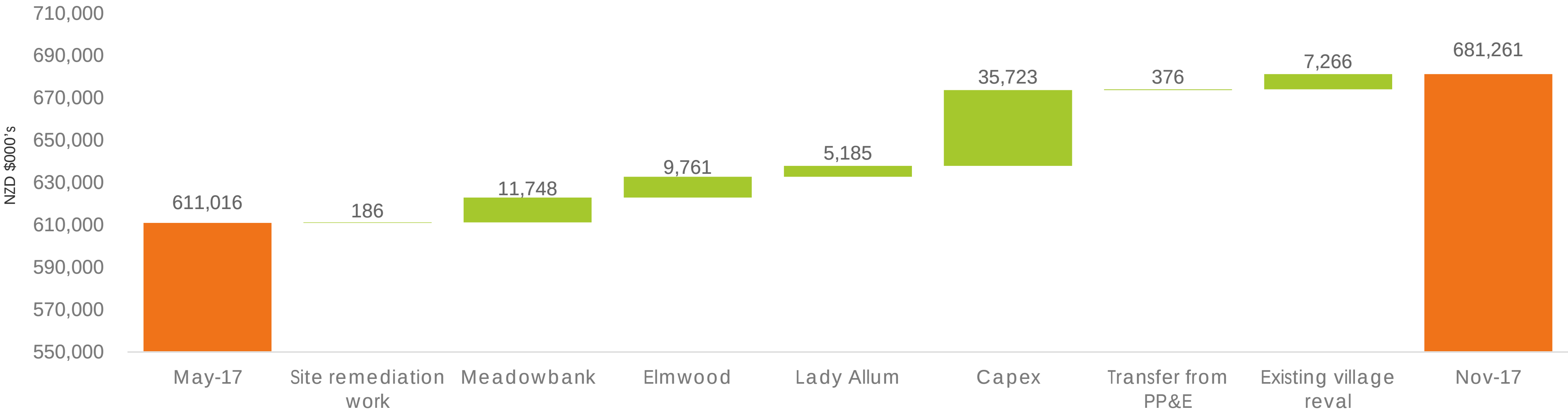
- Our net adjusted value per share (CBRE plus WIP less debt) was $1.01 per share as at 30 Nov 2017
- This represents the value of existing sites and the WIP at development sites but <u>excludes</u> the present value of net development cashflows and earnings at both current and future developments (including The Sands and Meadowbank Stage 4 which are under construction)

NZ$m	1HY2018	FY2017
PP&E (inc WIP)	279.2	268.0
IP (incl WIP)	681.3	611.0
Sub Total	960.4	879.0
less ORA Gross Up	(309.6)	(302.4)
add: Adj for CBRE – Chattels	9.5	7.9
add: Adj for CBRE – Care Goodwill	61.0	59.0
add: Other	10.9	4.5
CBRE plus WIP	732.1	647.9
less: Net Debt	(117.6)	(84.4)
Net Adjusted Value	614.5	563.5
Shares on Issue	610.3	610.3
Net Adjusted Value per Share	1.01	0.92

Balance sheet drivers

Significant uplifts in IP through development capital expenditure and revaluations

Investment Property



CBRE Valuation Assumptions - IP

Driver	1HY2018		FY2017	
PPGR – Long Term (low-high)	2.50%	3.50%	2.50%	3.50%
PPGR – Short Term (low-high)	0.00%	3.00%	0.0%	3.00%
Discount Rates (low-high)	14.00%	22.00%	14.00%	22.00%
Average Incoming Price - Villas	$378,013		$359,350	
Average Incoming Price – Apartments	$653,011		$570,291	

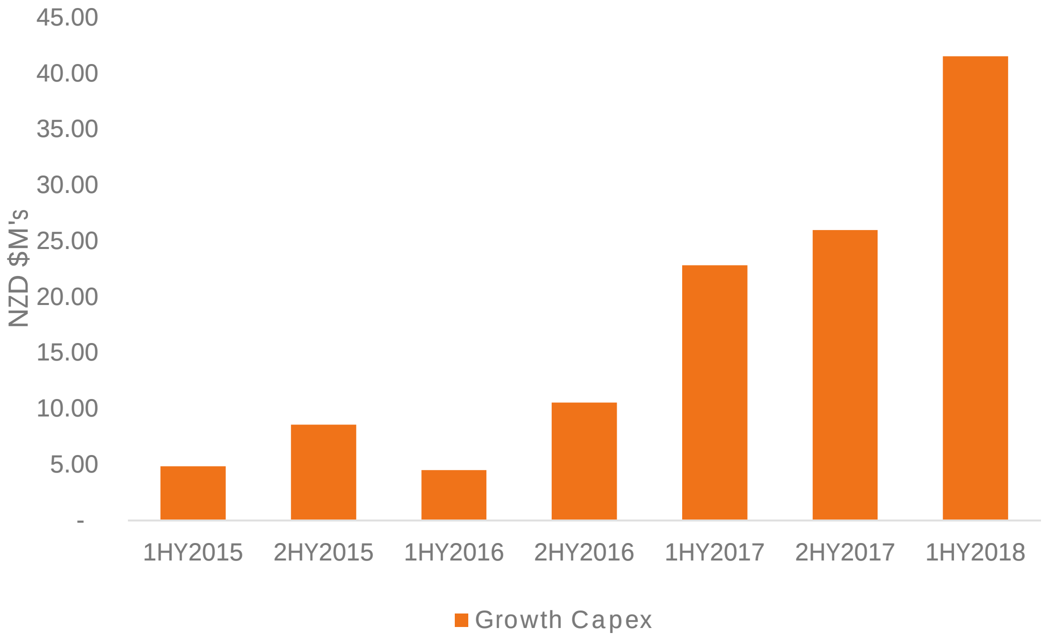
- A desktop portfolio valuation was completed by CBRE to determine the fair value of Investment Property as at November 2017[1]
- PPE (Care Segment) and development land were held at the May-17 valuation plus additions
- Material increase in the average incoming villa and apartments price due to the inclusion of Meadowbank and Elmwood developments

1. The CBRE valuation was dated 31 October 2017. Management performed a roll forward for settlements in the month of November.

Development capital expenditure

We have significantly increased our growth capital expenditure following the IPO

Growth Capital Expenditure (IP and PPE)



Melrose

Tauranga

Our growth capital expenditure will create incremental development cashflows as well as increased care earnings and deferred management fees

Cash flow

Operating cash flows, ahead of the pcp, due to the reduced gearing of the business

Statement of cash flows

NZD $m's	1HY2018	1HY2017	FY2017
Receipts from customers	78.5	81.5	159.3
Payments to suppliers and employees	(76.1)	(74.6)	(141.1)
Receipts from new Occupational Rights Agreements	34.4	31.3	68.8
Payments for outgoing Occupational Rights Agreements	(18.6)	(16.7)	(30.9)
Interest received	0.1	0.1	0.1
Interest paid	(1.3)	(8.8)	(17.3)
Tax paid	0.0	0.0	0.0
Net cash inflow from operating activities	17.1	12.8	38.9
Proceeds from sale of property, plant and equipment	0.2	0.0	0.0
Proceeds from sale of business	0.0	0.0	0.0
Payments for PPE and intangible assets	(14.3)	(8.7)	(33.5)
Payments for investment property and investment property under development	(34.6)	(21.0)	(47.6)
Net cash outflow from investing activities	(48.8)	(29.7)	(81.1)
Proceeds from borrowings	44.8	31.6	145.0
Repayment of borrowings	(17.7)	(16.7)	(285.4)
Transaction costs	0.0	0.0	(10.7)
Proceeds from issue of shares	0.0	0.0	200.0
Dividend paid	0.0	0.0	0.0
Net cash inflow from financing activities	27.1	15.0	48.9
Net increase in cash and cash equivalents	(4.6)	(2.0)	6.8
Cash and cash equivalents at beginning of the period	10.9	4.1	4.1
Cash and cash equivalents at end of the period	6.2	2.1	10.9

1. See Appendices for a reconciliation of Operating Cash flow to the adjusted operating cash flow metric previously presented

Commentary

- Government funding of care fees (c.80% of aged care revenue, paid fortnightly) underpin the generation of cash flows from our aged care business
- In addition, our mature and growing retirement village portfolio provides recurring DMF revenue and resale gains, which support cash generation
- Our Embedded Value of $188.5m underpins the next 5-7 years of retirement village cash flows
- Note – Reported Operating Cashflow includes $3.8m of ORA buy backs for new developments and $2.7m for deposits for land acquisitions.

Dividend

An interim dividend of 2.1 cents per share has been declared

- A maiden dividend of 2.1 cents per share (not imputed) has been declared
- This is in line with the IPO forecast
- Record date of 13 February 2018. Payment date of 20 February 2018
- Subject to a range of factors, including market conditions and future funding requirements, our dividend policy is to target an annual dividend of between 50-60% of Underlying NPAT
- The IPO forecast dividend declared of $28.3m for FY2018 is based on approximately 55% of FY2018F Underlying NPAT and represents a gross yield of 4.61% based on a 30 day VWAP to 16 January of $1.0 per share

Capital structure

Gearing of 18.7% as at 30 November 2017 and headroom under our debt facilities provides the flexibility to accelerate our existing brownfield development pipeline and/or undertake further brownfield and greenfield acquisitions

Net Debt

Debt Facilities	Facility limit	Drawn Amount (30/11/17)
General / corporate	$60m	$20.0m
Cash	n/a	($6.2m)
Finance leases	n/a	$5.8m
Development facility	$175m	$98.6m
Total net debt	**$235m**	**$118.1m**

Credit metrics

Period ending	1HY2018	FY2017
Net debt	$118.1m	$84.4m
Net debt / (net debt + equity)	18.70%[1]	15.30%
Loan to value ratio	16.76%	15.79%

1. Note- including the settlement of Waimarie Street and land at Eden this becomes 22.0% (using the November 2017 equity figure)

Appendices

Portfolio summary (30 Nov 2017)

	Facility	Region	Category	Care Beds	Care Suites	Village Units
North Island	Totara Park Village	Rodney	Village	-	-	30
	Greenvalley Rest Home	North Shore	Care Beds	50	-	-
	Lady Allum Lifestyle Care & Village	North Shore	Care Beds, Care Suites, Village	128	15	129
	Te Mana Rest Home	North Shore	Care Beds	46	-	-
	Amberwood Rest Home	Waitakere	Care Beds	67	-	-
	Eden Lifestyle Care & Village	Auckland	Care Suites, Village	-	67	40
	Everil Orr Specialist Senior Care Centre	Auckland	Care Beds	67	-	-
	Meadowbank Lifestyle Care & Village	Auckland	Village	-	-	56
	Wesley Specialist Senior Care Centre	Auckland	Care Beds	71	-	-
	Elmwood Lifestyle Care and Village	Manukau	Care Beds, Care Suites, Village	111	48	129
	St Johns Village	Manukau	Village	-	-	18
	Takanini Specialist Senior Care Centre	Manukau	Care Beds	91	-	-
	Franklin Rest Home	Franklin	Care Beds	44	-	-
	Trevellyn Lifestyle Care & Village	Hamilton	Care Beds, Village	106	-	43
	Raeburn Rest Home	Cambridge	Care Beds	54	-	-
	Whitianga Rest Home	Whitianga	Care Beds	53	-	-
	Elmswood Rest Home	Tauranga	Care Beds	38	-	-
	Melrose Lifestyle Care & Village	Tauranga	Care Beds, Village	80	-	60
	Ohinemuri Rest Home	Paeroa	Care Beds, Village	68	-	6
	Victoria Place	Tokoroa	Care Beds	51	-	-
	St Johns Wood Rest Home & Village	Taupo	Care Beds, Care Suites, Village	40	6	33
	Wharerangi Rest Home	Taupo	Care Beds, Village	47	-	17
	Dunblane Rest Home & Village	Gisborne	Care Beds, Village	75	-	13
	Duart Rest Home	Hastings	Care Beds	66	-	-
	Eversley Lifestyle Care & Village	Hastings	Care Beds, Village	50	-	6
	Gracelands Lifestyle Care & Village	Hastings	Care Beds, Village	92	-	69
	Atawhai Lifestyle Care & Village	Napier	Care Beds, Care Suites, Village	68	14	46
	Woburn Resthome	Hawke's Bay	Care Beds	33	-	-
	Chiswick Park Rest Home	Palmerston North	Care Beds	50	-	-
	Palmerston Manor Resthome	Palmerston North	Care Beds	48	-	-
	Eldon Specialist Senior Care Centre	Paraparaumu	Care Beds	128	-	-
	Elderslea Specialist Senior Care Centre	Upper Hutt	Care Beds	124	-	-
	Heretaunga Resthome & Village	Upper Hutt	Care Beds, Care Suites, Village	30	20	-
	Hutt Gables Retirement Village	Upper Hutt	Village	-	-	46
South Island	Marina Cove Village	Picton	Village	-	-	22
	Green Gables Resthome & Village	Nelson	Village	-	-	12
	Otumarama Resthome	Nelson	Care Beds	43	-	-
	Stoke Retirement Village	Nelson	Village	-	-	104
	Whareama Specialist Senior Care Centre	Nelson	Care Beds	77	-	-
	Redwood Lifestyle Care & Village	Blenheim	Care Beds, Care Suites, Village	65	13	46
	Woodlands Resthome & Village	Tasman	Care Beds, Village	56	5	30
	Holmwood Rest Home	Christchurch	Care Beds	56	-	-
	Middlepark Rest Home & Village	Christchurch	Care Beds, Care Suites	49	12	-
	Palm Grove Lifestyle Care & Village	Christchurch	Care Beds, Care Suites, Village	42	42	32
	Resthaven Rest Home	Christchurch	Care Beds	49	-	-
	The Oaks Lifestyle Care & Village	Christchurch	Care Beds, Care Suites, Village	69	36	32
	Windermere Lifestyle Care & Village	Christchurch	Village	-	-	17
	Addington Lifestyle Care	Christchurch	Care Beds, Care Suites	87	10	-
	Total			**2,569**	**288**	**1,036**

Development pipeline

Site	Stage	Status	Gross Units	Net Units	Notes:
Meadowbank	Stage 3	Under Construction	92	92	Construction complete in January 2018
	Stage 4	Under Construction	81	81	Construction began in Oct-17. Expected completion May 2019
	Stage 5	Consented	26	26	
	Stage 6	Planned	40	40	
The Sands (formerly Maureen Plowman)		Under Construction	108	108	Expected completion May 2019
Stoke		Under Construction	10	10	Construction complete in January 2018
Melrose	Stage 1	Under Construction	81	81	Construction began July-17. Expected completion 2Q2018
	Stage 2-5	Consented	216	107	
Trevellyn	Stage 1	Under Construction	90	87	Construction began January 18
	Stage 2-3	Consented	133	27	
Green Gables		Consented	88	88	
Windermere	Stage 1	Consented	75	75	
	Stage 2-3	Consented	53	36	
Wharerangi		Consented	4	(2)	
Eden		Planned	30	30	
Waimarie Street		Planned	66	66	
Other	Hawkes Bay	Planned	165	159	
	Christchurch	Planned	224	175	
	Nelson	Planned	115	22	
	Various	Planned	85	85	
Total Consented/under construction			1,057	816	
Total Pipeline			1,782	1,393	

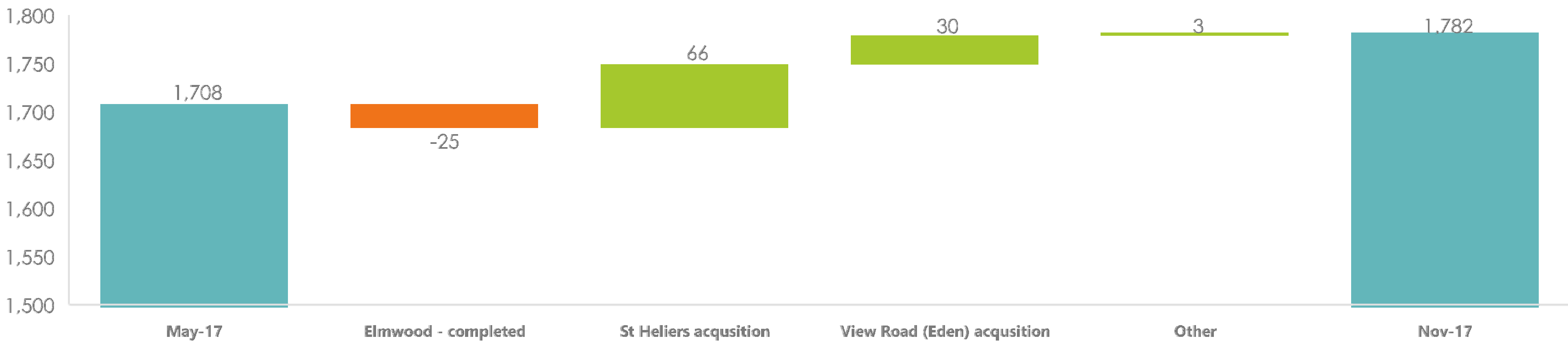
Reconciliation of portfolio movements

OCEANIA HEALTHCARE

Movements in capacity and pipeline since May-17

	May-17	Changes in existing capacity	Conversion of beds to care suites	Conversion of units to care suites	New units delivered	Changes in pipeline – gross units added	Changes in pipeline - decommissions	Nov-17
Existing								
Care beds	2,580	(2)	(9)					2,569
Care Suites	242		7	39				288
Units	1,054	(4)		(39)	25			1,036
Pipeline								
Care beds	(354)						43	(311)
Care Suites	635					30		665
Units	1,001				(25)	69	(6)	1,039
Total	5,158	(6)	(2)	0	0	99	37	5,286

Movements in gross pipeline since May-17 (from above)



Summary of unit sales

OCEANIA HEALTHCARE

New Sales

	1HY2012	1HY2013	1HY2014	1HY2015	1HY2016	1HY2017	1HY2018
Care Suite	6	3	7	13	15	10	7
Apartment	1	8	17	14	14	0	7
Villa	11	10	6	27	12	15	9
Total	18	21	30	54	41	25	23
Development Margin	9.9%	7.5%	12.6%	10.3%	18.4%	15.1%	36.4%

Resales

	1HY2012	1HY2013	1HY2014	1HY2015	1HY2016	1HY2017	1HY2018
Care Suite	10	13	4	28	26	32	25
Apartment	23	17	14	16	28	20	12
Villa	42	35	30	27	36	31	32
Total	75	65	48	71	90	83	69
Resales Margin	10.27%	15.90%	18.26%	22.11%	24.69%	25.44%	28.36%

Average resale gain per unit/care suite

	1HY2012	1HY2013	1HY2014	1HY2015	1HY2016	1HY2017	1HY2018
Care Suite	11,850	13,731	17,500	20,563	22,712	29,818	56,480
Apartment	25,522	19,105	32,929	75,994	69,050	99,345	96,542
Villa	25,899	59,111	61,363	78,352	100,190	112,506	127,926
Total	23,910	39,572	49,415	55,030	68,119	77,455	96,582

Capital expenditure

OCEANIA HEALTHCARE

We increased our development capital expenditure significantly during 1HY2018

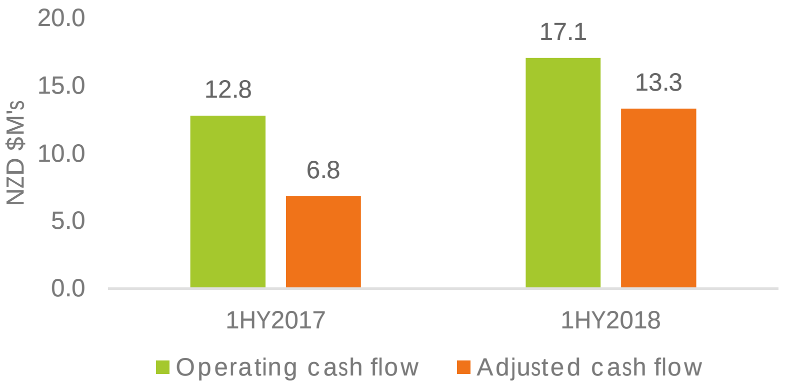
NZ$m	1HY2018	1HY2017	FY2017
Acquisitions	**0.0**	**3.0**	**23.0**
Development capital expenditure	**41.5**	**22.8**	**48.8**
Remediation expenditure	**2.0**	**0.3**	**1.8**
Care refurbishment	0.0	0.6	1.1
Care conversion and premium room upgrades	0.9	0.4	0.7
Maintenance capital expenditure – aged care	1.4	1.1	2.7
Maintenance capital expenditure – retirement village	2.0	1.2	2.2
Maintenance capital expenditure – IT and other	0.5	0.3	0.7
Total conversions and maintenance	**4.8**	**3.6**	**7.4**
Adjustment for accruals	0.6	(0.0)	0.0
Total Capex per statutory cashflow statement	**48.9**	**29.7**	**81.1**
Assets under finance leases	**0.3**	**1.4**	**3.0**
Total capital expenditure (including assets under finance leases)	**49.2**	**31.1**	**84.1**

- During 1HY2018 we completed the conversion of 7 care beds and 39 service apartments to care suites as well as continued the remediation of Heretaunga. This is due to complete in 2HY2018
- Cost of remediating the balance of sites identified in our IPO due diligence revised downwards by $2.7m following more detailed investigation of building issues. These exercise should be complete by FY2018

Adjusted operating cash flow

We generated $13.3m of adjusted operating cash flow (excludes new sales proceeds, includes net development cashflow) in 1HY2018

Adjusted operating cash flow



NZD $m's	1HY2018	1HY2017	FY2017
Operating Cash Flow	17.1	12.8	38.9
less: New Sales Proceeds	(11.2)	(5.8)	(22.8)
add: Development Buybacks	3.8	1.0	3.2
add: Land Acquisition Deposits[1]	2.7	0.0	0.0
add: Net Development Cashflow[2]	4.8	1.4	6.7
Sub Total:	17.2	9.4	26.0
less: maintenance capex	(3.9)	(2.5)	(5.6)
Adjusted Operating Cash Flow	13.3	6.8	20.4

- Our steady operating cashflows fund our dividend payments
- These cashflows are supported by the government funding of 80% of our care revenues
- As our development pipeline is predominantly brownfields we generate incremental net development cashflows (including recovering the costs of community amenities etc). In 1HY2018 our net development cashflow was $4.8m compared to our development margin of $4.1m in our underlying profit.
- Forecast dividend payment of $28.3m for FY2018 represents a gross yield of 4.61% based on a 30 day VWAP to 16 January of $1.0 per share

1.The deposits paid for the land acquisitions at View Rd and Waimarie St are included in payments to suppliers and employees in the cashflow statement in the interim financial statements

2. Net development cashflow is the difference between the sales prices and all construction costs and finance costs (including communal areas). It excludes brownfields land. It captures the incremental cashflow generated from a development on a per unit basis once sold

Reconciliation of resales cash flow

Reconciliation of resales cash flow

NZD $m's	1HY2018	1HY2017	FY2017
Receipts from New ORAs	34.4	31.3	68.8
less: Payments for Outgoing ORAs	(18.6)	(16.7)	(30.9)
less: Cash Inflow From New Sales	(11.2)	(5.8)	(22.8)
Net Resales Cash flow	4.6	8.8	15.1
Made up of :			
Resale Gains	6.7	6.4	12.7
DMF Realised on Resales	2.9	4.1	6.8
less: Net Buybacks[1]	(3.8)	(1.0)	(3.2)
less: Resident Share of Capital Gains	(0.8)	(0.6)	(1.1)
less: Other Cash amounts paid/received from resales	(0.3)	(0.1)	(0.1)
Net Cash flows from Resales	4.6	8.8	15.1

1. The net buybacks comprised $2.8m at development sites and $1.0m at Heretaunga to facilitate the remediation work.

Underlying NPAT

OCEANIA HEALTHCARE

Underlying Profit (or Underlying NPAT)

Underlying Profit is a non-GAAP measure used by the Group to monitor financial performance and is consideration in determining dividend distributions. It is reported in the operating segment note of the audited consolidated financial statements. Underlying measures require a methodology and a number of estimations to be approved by Directors in their preparation. Both the methodology and the estimations may differ among companies in the retirement village sector that report underlying financial measures. Underlying profit is a measure of financial performance and does not represent business cash flow generated during the period.

Oceania calculates Underlying Profit by making the following adjustments to Reported Net Profit after Tax:

- Removing the change in fair value of investment properties and the impairment of property, plant and equipment (from the Statement of Comprehensive Income);
- Removing any impairment of goodwill;
- Removing any loss on disposal of chattels from the decommissioning of development sites;
- Adding back the Directors' estimate of realised gains on occupation right agreement units and care suites;
- Adding back the Directors' estimate of realised development margin on the cash settlement of the first sale of new ORA units or care suites following the development, or conversion of an existing care bed to a care site or conversion of a rental unit to an ORA Unit; and
- Adding back the deferred taxation component of taxation expense so that only current tax expense is reflected.

Resale Gain

The Directors' estimate of realised gains on resales of ORA is calculated as the net cash flow received by the Group on the cash settlement of the resale of pre-existing ORAs (i.e. the difference between the ORA licence payment received from the incoming resident and the ORA licence payment previously received from the outgoing resident).

Development Margin

The Directors' estimate of realised development margin is calculated as the cash received on settlement of the first sale of new ORA Units and care suites less the development costs associated with developing the ORA Units and care suites. The development costs include:

- Construction costs directly attributable to the relevant project, including any required infrastructure (e.g. roading) 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 pro-rated basis using gross floor areas of the ORA units and care suites;
- An apportionment of land valued based on the gross floor area of the ORA units and care suites developed. The value for Brownfield development land is the estimated fair value of land at the time a change of use occurred (from operating as a care facility or retirement village to a development site), as assessed by an external independent valuer. Greenfield development land is valued at historical cost; and
- Capitalised interest costs to the date of project completion apportioned using the gross floor area of ORA units and care suites developed.

Development costs do not include:

- Construction, land (apportioned on a gross floor area basis) and interest costs associated with common areas and amenities or any operational or administrative areas.

The Directors' estimate of development margin for conversions of care beds to care suites and rental units to ORAs is calculated based on the difference between the ORA licence payment received on the settlement of sales of newly converted ORA units and care suites and the associated conversion costs. Conversion costs comprise:

- In the case of conversion of care beds to care suites, the actual refurbishment costs incurred; and
- In the case of conversions of rental units to ORA units, the actual refurbishment costs incurred and the fair value of the rental unit prior to conversion.

Pro forma adjustments

Transaction and offer costs

Total transaction and offer costs of $11.9m were incurred relating to joint lead manager fees, due diligence expenses, travel expenses, advertising, printing costs, and other costs associated with the IPO. Of these $4.4m million were expensed by Oceania in FY2017. A pro forma adjustment has been made to remove these one-off expenses to illustrate Oceania's financial performance in FY2017 and prior periods on a consistent basis.

Listed company costs

Oceania has incurred additional costs associated with the listed environment including Directors' fees, additional audit and tax costs, listing fees, share registry fees, investor relations costs, company secretarial costs, and annual general meeting costs. To ensure that the historical financial information is presented on a comparable basis, a pro forma adjustment has been made to include estimated listed company costs representing Oceania as if it was a listed company in each of those periods.

Listed company capital structure

The proceeds of the IPO were used to substantially repay a portion of Oceania's prior debt facilities. This means that Oceania's reported NPAT and Underlying NPAT measures for FY2017 do not reflect Oceania's financial performance on a normalised, annual basis under its current capital structure because the structural reduction in debt (and interest expense) that arose from the IPO was not in effect for all 12 months of FY2017. Accordingly, a pro forma adjustment has been made to present the interest expense and Underlying NPAT that would have arisen had a listed capital structure been in place from the start of the financial year. This enables the financial performance for FY2017 to be more effectively assessed and compared to FY2018 and future periods.

This pro forma adjustment includes an adjustment for the write-off of prepaid facility fees on Oceania's historical debt facility. The prepaid facility fees relating to the historical debt facility were required to be written off in accordance with accounting standards as the IPO occurred prior to the maturity date of the historical debt facility.

This pro forma adjustment includes an adjustment for the acquisition of the freehold land and building at the Elderslea aged care facility which has previously been recognised as a finance lease in Oceania's historical financial statements.

In addition, a shareholder loan of $13.4 million was advanced to Oceania from its immediate holding company in June 2016 to facilitate the construction of the Stage 3 development at Meadowbank. The shareholder loan was settled by way of a subscription for equity in Oceania in January 2017. A pro forma adjustment has been made to remove the interest charges incurred on the shareholder loan in FY2017.

Glossary

- Care Suite: A room or studio certified for the provision of care by the Ministry of Health which has been licensed under an ORA
- DMF: Deferred management fees, charged under an ORA, which accrue monthly to a specified maximum and are deducted from the refund paid to the departing resident upon resale of the unit or care suite
- IP: Investment Property
- IPO Forecasts: Prospective Financial Information contained in the Product Disclosure Statement and Supplementary Financial Information dated 31 March 2017
- MoH: Ministry of Health
- ORA: An occupation right agreement that confers on a resident the right to occupancy a unit or care suite subject to certain terms and conditions set out in the agreement
- PAC: Premium accommodation charge on a care bed for accommodation provided above the mandated minimum
- PPE: Property, Plant and Equipment
- Unit: Includes independent villas and apartments
- WIP: Work in progress

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The presentation includes non-GAAP financial measures for development sales, resales and occupancy which assist the reader with understanding the volumes of units settled during the period and the impact that development sales and resales during the period had on occupancy as at the end of the period.

The addition of totals and subtotal within tables and percentage movements may differ due to rounding.

The information set out in this Document is an overview and does not contain all information necessary to make an investment decision. It is intended to constitute a summary of certain information relating to the performance of Oceania for the period ending 30 Nov 2017. Please refer to the Financial Statements for the period ended 30 Nov 2017 that have been released along with this presentation.

The information in this presentation does not purport to be a complete description of Oceania. In making investment decisions, investors must rely on their own examination of Oceania, including the merits and risks involved. Investors should consult their own legal, tax and/or financial advisors in connection with any acquisition of financial products.

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