



OCEANIA

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22 May 2026

Oceania Healthcare Audited Full Year 2026 Results Announcement

Delivered Record Results

Oceania Healthcare (NZX/ASX: OCA) delivered a record result, with sales volumes increasing 16%, Proforma Underlying EBITDA¹ growing 20%, and net debt reducing by \$121.4m. The result marks a step-change in performance, with improved sales momentum, stronger earnings and gearing at the lower end of the target range.

Financial and operational highlights²

- **Total Comprehensive Income:** \$75.0m, flat on FY25
- **Statutory Net Profit after Tax:** \$0.1m, down from \$30.4m reflecting lower property revaluations compared with FY25 and the closure of the Wesley Institute of Nursing Education.
- **Proforma Underlying EBITDA:** \$97.7m, up 20% on FY25
- **Free Cash Flow from Operations:** \$15.0m outflow, improved 64% on FY25
- **Total sales volumes:** 603, up 16% on FY25
- **Right sizing:** \$13.2m of cost out savings delivered
- **Divestments:** \$51.1m of cash proceeds from the sale of 7 sites
- **Total assets:** increased to \$3.1bn, up 4.6% on FY25
- **Net Tangible assets:** \$1.62 per share, up 7.3% on FY25
- **Net debt:** \$506.7m, down \$121.4m on FY25
- **Gearing:** 30.1%, at the lower end of the 30% to 35% target range

Financial performance

Oceania delivered a record financial result in FY26, reporting Proforma Underlying EBITDA¹ of \$97.7m, an increase of 20% on the prior comparative period. The improved FY26 financial performance benefited from continued execution of targeted cost out and capital management initiatives, and the further refinement of the portfolio to larger integrated villages with a mix of both aged care and retirement units.

Care EBITDA per occupied bed increased 40% to \$27k. Excluding development and resale gains, underlying care profitability increased 43%, reflecting operational performance improvements and the continued benefits of Oceania's premiumisation initiatives.

Operating efficiency initiatives generated an initial \$13.2m of cost out savings in FY26 and remain on track to deliver \$20.4m of annualised savings in the coming financial year. Ongoing automation and simplification across the support office has improved efficiency. The support office team has been right sized with an annual staff cost reduction of approximately 20%.

Further initiatives target ~\$30m of total cash and cost savings in FY27 from a combination of working capital improvements, lower stock levels and capital expenditure initiatives.

Free Cash Flow from Operations was an outflow of \$15.0m in FY26, a 64% improvement from the prior year. Oceania said it remained on track for positive Free Cash Flow from Operations in FY27.

CEO Suzanne Dvorak said: "Executing the FY26 strategic initiatives has set Oceania up to operate with greater clarity, pace and discipline. Our strategic reset has already delivered tangible operational and financial benefits and will continue to improve cash performance."

Sales and development

"Against another year of subdued residential property market conditions, we delivered a record sales performance, reporting a 20% lift in the gross value of settled sales to \$375m and a 16% increase in the total number of units settled," said Ms Dvorak.

Oceania Healthcare

Resale activity was up 20%, with 402 units settled during FY26 delivering gains of \$37m. The 4% increase in the average price for all settled units reflected a change in mix to independent units and increased resale pricing.

74% of apartments at Oceania's premium Auckland retirement village, The Helier, have been sold or are under application. The business is close to achieving the key milestone with full development recovery including interest now at 97%. Adjoining development land provides the opportunity to add 16 large apartments in a future stage.

Unsold stock reduced by \$115m to \$227m at the end of FY26, a net reduction of 34% from the prior year. Stock included \$79m of new units added during the year from development activity that were unsold.

A total of 71 new units were delivered in FY26, comprising 31 villas and 40 care suites. The FY27 build rate targets delivery of 81 new units across three sites including 28 new villas at Franklin, 23 new villas at Bream Bay, and the conversion of 30 villas and apartments at Elmwood.

Enabling works have commenced on 28 Stage 2 villas at the Franklin Village in Pukekohe following a highly successful launch. 80% of the 31 villas in Stage 1 delivered in January 2026 are now sold or under application.

Balance Sheet

Total assets increased to over \$3.1bn during the year notwithstanding the divestment of 7 sites for \$51.1m.

Proceeds from divestment activity were applied to core debt. Net debt reduced to \$506.7m at year end and returned gearing to 30.1%, at the lower end of the company's 30% to 35% target range.

Chair Liz Coutts said: "The Board is pleased with the improvement in cash management and debt reduction, and we are now in a good position given the current economic uncertainty and slow property market"

FY26 Dividend

Oceania's dividend policy is to pay out between 40% and 60% of Free Cash Flow from Operations (excluding development cash flows).

While significantly improved cash flow generation has been delivered through the strategic initiatives implemented over the last 12 months, the Board has determined that no dividend will be declared for FY26.

The Board will reassess resuming dividend payments once Free Cash Flow from Operations is positive.

Platform for Growth

FY26 was a year of action and progress. The portfolio and operations have been refined, creating a stronger platform for disciplined growth.

Chair Liz Coutts said: "The Board is delighted with the progress made this year. Oceania enters FY27 in a materially stronger position, with sustained demand for our care suite product and retirement living experience. The Board's focus remains on cash generation, disciplined capital allocation and growth that builds long-term shareholder value."

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For all enquiries, please email Hayden Brown, General Manager of Strategy
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Oceania will hold a webcast at 11.00am NZST (9.00am AEST) on Friday 22 May 2026 hosted by Suzanne Dvorak (Chief Executive Officer) and Kathryn Waugh (Chief Financial Officer). The live webcast can be accessed via following the attached link: <https://events.vidcom.com/Oceania/Results/>

To listen to the webcast, you are advised to log on to the website and complete your registration details at least 10 minutes before the webcast commences.

Authorised for release by Oceania Healthcare Limited's Board of Directors

Notes:

¹ Underlying NPAT, Underlying EBITDA and Free Cash Flow from Operations are non-GAAP measures of financial performance. The calculation of Underlying NPAT 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. A reconciliation of Reported NPAT to Underlying NPAT and Underlying EBITDA is included in Note 2.1 of the Annual Financial Statements. Proforma Underlying NPAT and Proforma Underlying EBITDA are adjusted for the impact of the closure of the Wesley Institute of Nursing Education in April 2025. A reconciliation of Underlying NPAT and Underlying EBITDA to Proforma NPAT and Proforma EBITDA is included in Note 2.1 of the Annual financial statements.

² All balances have been extracted from the Annual Report for the year ended 31 March 2026.