2026 Annual Shareholders Meeting Prepared Address

Third Age Health Services Limited (NZX: TAH) held its 2026 Annual Shareholders Meeting today, 26 August 2026 at 1pm. During the meeting the following prepared address was given by John Fernandes, Executive Chairman.

Third Age Health Services Limited Executive Chairman's address, presented by John Fernandes

Good afternoon, everyone and thank you for joining us.

Given our annual report was released relatively recently, I do not intend to spend time repeating what has already been set out there. Instead, I would like to briefly touch on a couple of things that are relevant to long-term shareholders.

While FY26 was a year of strong financial performance, what I'm most pleased about is not any financial metric, but that we are gradually building an organisation that can improve itself.

Whether through the Third Age Way of Working, the development of our people, improvements in clinical delivery, technology, or acquisitions, our aim is to create a business that becomes stronger and more resilient with each passing year.

Growth often brings complexity. Our challenge is to become simpler and better as we grow, not more complicated. Our aim is to simplify and standardise processes, push decision-making closer to the customer, and use Kaizen and technology to remove waste and low-value work so our people can focus on what matters most.

We are striving to build a business that continually learns and improves. We will inevitably make mistakes along the way and when we do, we will learn from them and fix them.

As always, our objective as owners remains simple: to maximise the average annual rate of increase in intrinsic value per share over the long term. We believe the best way to achieve that is by building a durable organisation that can continue improving long after any one individual is gone, and by allocating capital to opportunities that exceed our hurdle rate and create more than a dollar of market value for every dollar invested.

Finally, one key development since the annual report that is worth mentioning is the recent change to capitation funding and its impact on our ARC Medical Services business. As shareholders will know from previous reports, we have been investing in workforce, clinical coverage and digital enablement for some time, even when that placed pressure on margins. The capitation formula change is a positive development because it better aligns funding with the complexity and needs of the patients being cared for.

While it is still early days and we have only seen a short period of trading under the new settings, we plan to reinvest a meaningful portion of the additional funding into initiatives that support the long-term durability of this business. In doing so, the change should also help offset some of the margin pressure we have consciously absorbed in recent years as we invested to maintain and strengthen the service.

Our present expectation is that, over time, the economics of this business will remain broadly consistent with the levels seen historically, rather than reflecting any permanent step-change in margin.

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