

RYMAN HEALTHCARE

# Annual Shareholder Meeting

1 August 2024





# Agenda

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Welcome and introductions

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Executive Chair's address

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Resolutions

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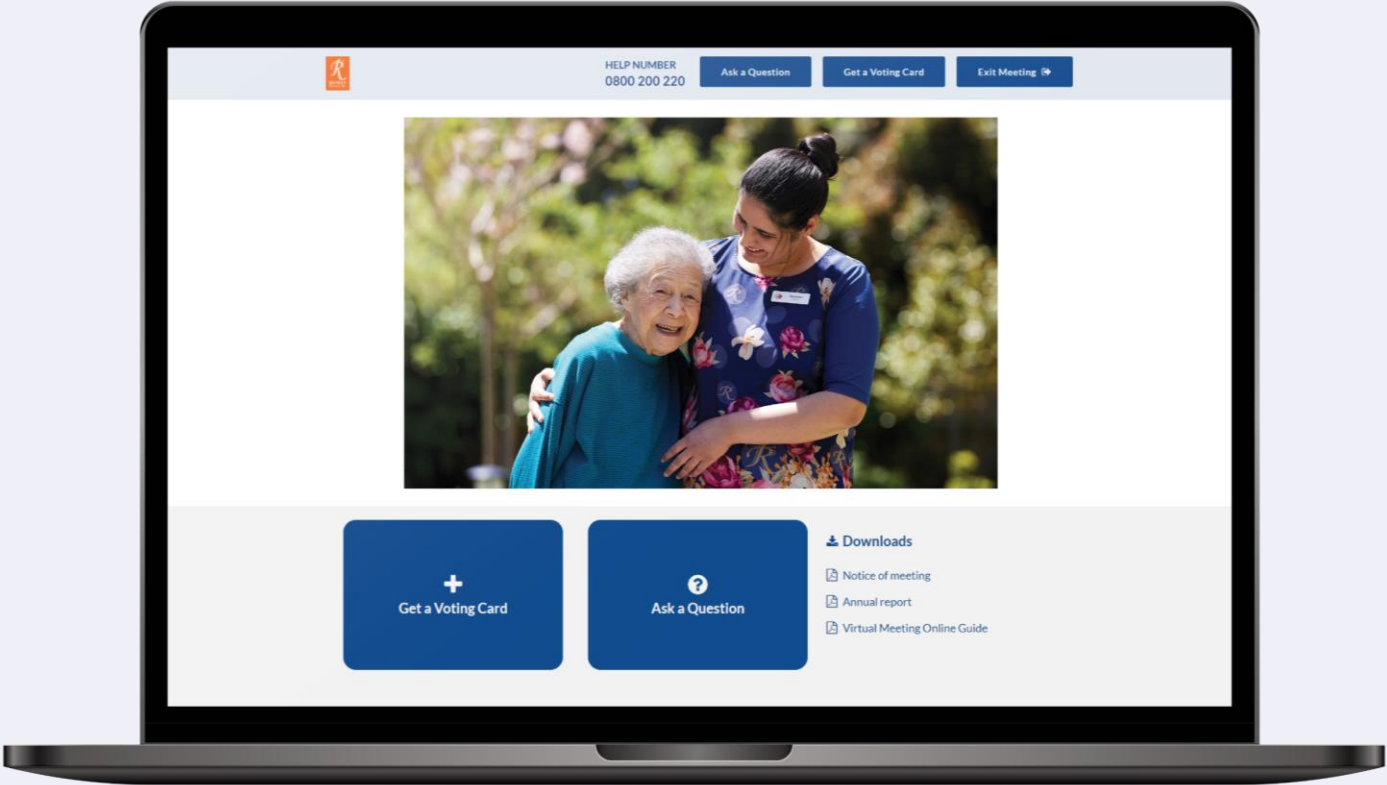
General business

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Keith Park Village resident Mary and her grandson.

# Virtual meeting instructions





# Executive Chair's address





# Board of directors

## Elected at 2023 ASM



### Dean Hamilton

EXECUTIVE  
CHAIR

Joined 2023



### James Miller

NON-EXECUTIVE  
DIRECTOR

Joined 2023

## Up for re-election at 2024 ASM



### Kate Munnings

NON-EXECUTIVE  
DIRECTOR

Joined 2023



### David Pitman

NON-EXECUTIVE  
DIRECTOR

Joined 2024

## Elected in prior years



### Anthony Leighs

NON-EXECUTIVE  
DIRECTOR

Joined 2018



### Paula Jeffs

LEAD INDEPENDENT  
DIRECTOR

Joined 2019

## Retiring in 2024



### Geoffrey Cumming

NON-EXECUTIVE  
DIRECTOR

Joined 2018



### Claire Higgins

NON-EXECUTIVE  
DIRECTOR

Joined 2014

# FY24 financial performance

Cash flow from existing operations<sup>1</sup>

**\$43.3m**



Up \$51.8m | FY23: -\$8.5m

Cash flow from development activity<sup>1</sup>

**(\$230.2m)**



Up \$150.8m | FY23: (\$381.0m)

Free cash flow<sup>1</sup>

**(\$186.9m)**



Up \$202.6m | FY23: (\$389.6m)

Net profit after tax (NPAT)

**\$4.8m**



Down 98% | FY23: \$257.8m

IFRS profit before tax and fair value movements (PBTF)

**(\$324.5m)**



Down -\$99.2m | FY23: (\$225.3m)  
Per share: (47.2cps) | FY23: (43.6cps)

Total one-off costs<sup>1</sup>

**(\$283.9m)**

FY23: (\$175.4m)

## Key metrics

<sup>1</sup> Cash flow from existing operations, cash flow from development activity, free cash flow and one-off costs are non-GAAP (Generally Accepted Accounting Principles) measures and do not have a standardised meaning prescribed by GAAP, and so may not be comparable to similar financial information presented by other entities

# Capital management

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Net interest-bearing debt<sup>1</sup>

**\$2.51b**



Up \$0.21b | FY23: \$2.30b | 1H24: \$2.47b

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Total equity

**\$4.42b**



Down \$0.24b | FY23: \$4.66b  
NTA per share<sup>2</sup>: \$6.015

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Funding headroom<sup>1</sup>  
(including cash)

**\$507.5m**



Down \$69.7m | FY23: \$577.2m

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Gearing<sup>1,3</sup>

**36.2%**



Up 3.1pp | FY23: 33.1%

Note all figures are FY24 unless otherwise stated.

1 Net interest-bearing debt, funding headroom and gearing are non-GAAP (Generally Accepted Accounting Principles) measures and do not have a standardised meaning prescribed by GAAP, and so may not be comparable to similar financial information presented by other entities

2 NTA per share is calculated as total equity less intangible assets and deferred tax asset, divided by shares on issue.

3 Gearing is calculated as net interest-bearing debt to net interest-bearing debt plus total equity.

# Development progress



**Miriam Corban main building opened May 2024**

Photo, 1 May 2024



**James Wattie main building opened June 2024**

Photo, 4 July 2024



**Bert Newton main building under construction**

Photo, 17 June 2024



**Keith Park main building under construction**

Photo, 10 July 2024



# Sustainability progress

- We remain committed to our sustainability journey and decarbonising our operations
- Released our first Sustainability Report in May 2024
- In March 2024, our greenhouse gas emissions targets were validated by the Science Based Targets initiative (SBTi)
- Our first Climate-related Disclosures were released in our FY24 Annual Report



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

## Recognition during the year

- Opened three new villages during FY24, welcoming our first residents into Northwood (Christchurch), Patrick Hogan (Cambridge) and Bert Newton (Australia)
- Named Reader's Digest Most Trusted Brand in aged care and retirement living in New Zealand for the tenth time
- Winner of four awards at the 2024 Asia Pacific Eldercare Innovation Awards, including Operator of the Year – Ageing in Place' for the second year running



Miriam Corban Village resident, Keri.

# Fit for the Future

## Existing villages

Operate villages that deliver great care and strong financial performance



## Our residents

## Culture and change

Drive a performance culture that balances care and financial performance



## New developments

Build only new villages that recycle capital and create economic value



## Revenue

Develop a revenue model that is fit for future residents

## Services and support

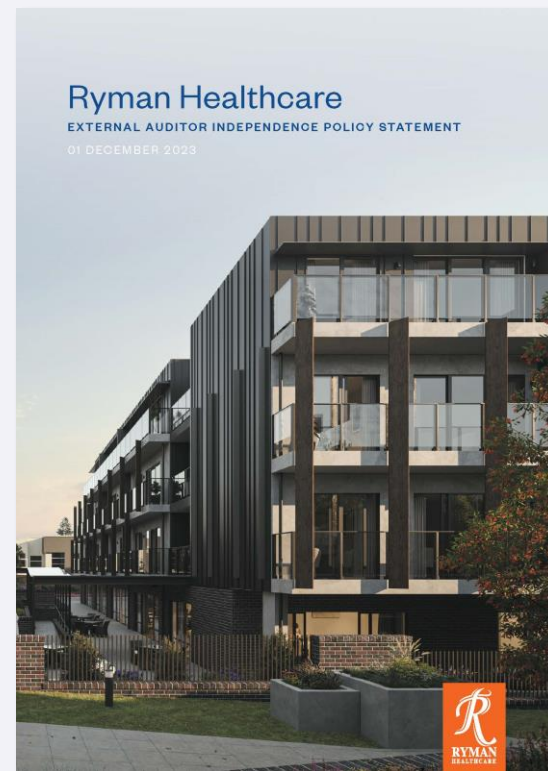
Create a services and support approach for our villages that delivers value and is affordable





# Auditor

- External Auditor Independence Policy published on 1 December 2023
- The rotation of audit firm will be tendered at least every 10 years
- PwC recommended by the Board to be appointed as auditor for the financial year commencing 1 April 2024



# Aged care funding under pressure

- Throughout the year, Ryman continued to advocate for change - governments need to urgently address the models to ensure sustainability of the sector
- Current aged care funding models not working in New Zealand and Australia, leading to bed closures and limited new builds in the face of growing demand
- Te Whata Ora has provided only a 3.2% increase in funding for the sector for the current year



## A review of aged care funding and service models

A strategic assessment of aged residential care and home and community support services

David Moore, Jeff Loan, Mehrnaz Rohani, Rohan Trill, Nick Manning, Douglas Yee

16 January 2024



# FY25 outlook – unchanged from full year result

## Cash flow

We continue to target positive free cash flow (representing the combination of cash flow from existing operations and cash flow from development activity)

## Capex

We expect to spend \$700–820 million on capex , including:

- \$600–700 million on development activity
- \$100–120 million on existing operations

## Completed build rate<sup>1</sup>

We expect to complete 850–950 retirement village units and aged care beds, which includes:

- 650 aged care beds and serviced apartments in four main buildings that will be opened
- 200-300 independent retirement village units

<sup>1</sup> Includes units and beds reported at March 2024 as near complete





# Resolutions

## Resolution 1

# Auditor's appointment and remuneration

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**That PwC Auckland is appointed as the auditor of the Company and that the Board is authorised to fix the auditor's remuneration for the ensuing year.**

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Artist's impression of our Mulgrave Village.



## Resolution 2

# Re-election of Ms Kate Munnings



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**Under NZX Listing Rule 2.7.1 a director appointed by the Board must not hold office (without re-election) past the next Annual Meeting following the director's appointment.**

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Ms Kate Munnings was appointed as a non-executive director by the Board with effect from 1 November 2023. Ms Munnings accordingly retires and offers herself for re-election at the 2024 Annual Meeting. Ms Munnings is considered by the Board to be independent.



## Resolution 3

# Re-election of Mr David Pitman



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**Under NZX Listing Rule 2.7.1 a director appointed by the Board must not hold office (without re-election) past the next Annual Meeting following the director's appointment.**

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Mr David Pitman was appointed as a non-executive director by the Board with effect from 1 May 2024. Mr Pitman accordingly retires and offers himself for re-election at the 2024 Annual Meeting. Mr Pitman is considered by the Board to be independent.



# General business







Thank you

# Disclaimer

This presentation has been prepared by Ryman Healthcare Limited and its group companies ("Ryman") for informational purposes. This disclaimer applies to this document and the verbal or written comments of any person presenting it.

This presentation provides additional comments on the full year result for the period to 31 March 2024 presented on 27 May 2024. It should be read in conjunction with all other material which we have released, or may release, to NZX from time to time. That material is also available on our website at [rymanhealthcare.com](https://rymanhealthcare.com).

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## Forward-looking statements

This presentation contains forward-looking statements and projections. These reflect our current expectations, based on what we think are reasonable assumptions. However, any of these forward-looking statements or projections may be materially different due to a range of factors and risks. Ryman gives no warranty or representation as to our future financial performance or any future matter. Actual results may differ materially from those projected. Except as required by law or the NZX Listing Rules, Ryman undertakes no obligation to update any forward-looking statements whether as a result of new information, future events, or otherwise.

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## Non-GAAP information

A number of financial measures used in this presentation are based on non-generally accepted accounting principles (i.e. non-GAAP financial information). This includes, in particular, our 'underlying profit' which Ryman has used for many years as a means of showing our profit absent any unrealised valuation movements. We show our underlying profit together with our reported profit based on NZ IFRS (a GAAP measure). You should not consider any of these statements in isolation from, or in substitution for the information provided in the Financial Statements for the 12 months ended 31 March 2024.