



Results presentation

For the six months to 30 June 2024
Summerset Group Holdings Ltd



Summerset at Monterey Park (Hobsonville, New Zealand)

Agenda

- 01 Our highlights
- 02 Business update
- 03 Our community
- 04 New Zealand development
- 05 Australia development
- 06 Financial performance
- 07 Business performance
- 08 Questions
- 09 Appendix

1H24 Reporting updates

Updated reporting measures included within the presentation

Underlying profit and segment reporting

- Maintain underlying profit as a key performance measure
- Segment reporting for care EBITDA, village EBITDA and corporate overheads now provided

Operating expenses

- Disclosures on care, village and corporate overhead expenses provided
- Operating expenses split by main cost items (e.g. sales and marketing, employee and property)
- Split of total operating costs and costs capitalised to projects provided

Cash flows

- Cash flow presentation reverted to standard IFRS format based on feedback for alignment across the New Zealand RV sector

Definitions

- New disclosure of key definitions for improved clarity – includes clear descriptions of development margin, annuity EBITDA, operating expenses and project cash profits to assist with comparison of performance between operators

Assurance

- 2024 external audit RFP underway and expected to be completed by FY24



01 Our highlights

Half Year Report 2024

Who we are

About Summerset

Summerset **builds, owns and operates** integrated retirement villages

We create **vibrant, happy communities** for residents and our people that delivers on our purpose – bringing the best of life to our **8,400+** residents

We are the **second largest** and **fastest growing** retirement village operator in New Zealand

Our existing portfolio has **6,300+ retirement units and 1,300+ care units**, including our 30 units in Australia

We have a consistent and structured approach to growing our business - our land bank has **5,300+ retirement units and 1,300+ care units**, includes expansion in **Australia**, with a focus on **broad acre development**

Underlying profit of \$89.9m up 3% on 1H23

First half underlying profit of \$89.9m, up 3% on 1H23 with total settlements of 588, up 22% on 1H23



\$102.2m

Net profit after tax
1H23 \$133.1m



\$191.6m

Operating cash flows
1H23 \$146.7m



\$89.9m

Underlying profit
1H23 \$87.2m



28.3%

Development margin
1H23 33.5%



35.1%

Resales cash margin
1H23 35.2%



\$1.6b

Embedded value
1H23 \$1.5b



331

Units delivered to be sold
under Occupation Right*
1H23 152



588

Sales of
Occupation Rights
1H23 483



6,638

New Zealand and Australia
land bank (including care)
1H23 7,495

* 311 units in New Zealand and 20 units in Australia to be sold under Occupation Right Agreement

Investor highlights

First half underlying profit of \$89.9m, up 3% on 1H23 with total settlements of 588, up 22% on 1H23

Financial

- First half underlying profit of \$89.9m, up 3% from \$87.2m in 1H23
- Resale gain of \$45.7m (up 32% on 1H23) and development margin of \$51.7m
- First half operating cash flows of \$191.6m, up 31% from \$146.7m in 1H23
- Total assets of \$7.4b, up 17% on 1H23, with total equity of \$2.7b and NTA per share of \$11.43

Development and sales

- Total settlements of 588 (290 new sales and 298 resales), up 22% on 1H23. Achieved a sector leading total of 1,206 combined New Zealand settlements over the past 12 months
- Delivered 352 units and remain on track to conservatively deliver at the lower end of FY24 guidance of 675 to 725 units to be sold under Occupation Right Agreement
- Forecast net cash position from NZ villages under development of over \$245.0m with development assets exceeding the value of net debt by \$248.3m, or 16%

Acquisitions and Australia

- New site announced at Mission Hills, Napier that will deliver approximately 270 independent homes and a care centre to meet the growing demand for retirement living in Napier
- Welcomed our first Australian residents at Cranbourne North in March
- Commenced construction at our second Australian village at Chirnside Park, Melbourne

Looking back – 1H24 milestones

A showcase of key events from the six months



Pāpāmoa Beach main building opens



First Australian residents



Construction cadets graduates



Civils underway at Chirnside Park



Boulcott main building opens



Casebrook village completed

February
Pāpāmoa Beach main building opens

March
First Australian residents move into our Cranbourne North village
Celebrated Frontliner Day, thanking our hardworking frontline staff

April
Civils construction commences at Chirnside Park
First graduates complete Summerset's Construction Cadet Programme
Construction of Casebrook village completed

May
Oakleigh South receives planning permit
Development plan approved for Torquay

June
Boulcott village main building opens



02
Business update

Half Year Report 2024

Business update

Summerset remains well placed to navigate the ongoing uncertainty in the wider economy

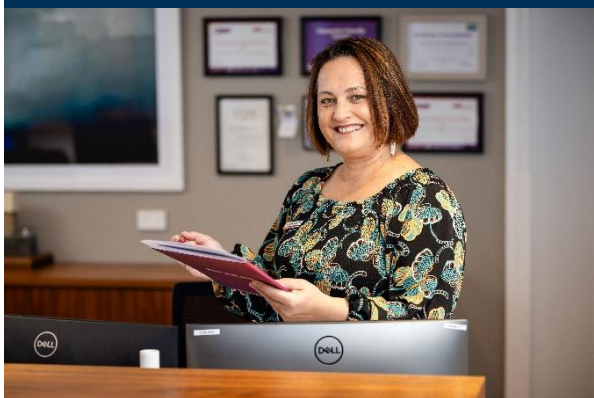
FY24 deliveries



FY24 delivery guidance maintained

- FY24 build rate to be at the bottom end of guidance range of 675 to 725 total ORA units in New Zealand
- Conservative build rate will allow Summerset to manage stock levels at each village
- Now in construction at 14 broad acre sites in New Zealand and two in Melbourne which ensures strong diversification of locations

Cost control



Expenditure review complete

- Full review of operating expenses undertaken in 1H24
- 1H24 gross operating expenses up 1% from 2H23
- Cost savings supported by a dedicated procurement team and long-standing relationships with key suppliers
- Emphasis will remain on maintaining cost efficiencies without compromising on delivering the best of life to our residents

Sales



Sales continue to perform well

- Strong sales performance under challenging market conditions. Achieved over 1,200 total New Zealand settlements in the past 12 months, the highest in sector
- Good levels of enquiry at villages, up 17% on 1H23
- 588 total settlements YTD with over 350 units under contract to start 2H24
- Sales prices remain robust

Business update

Summerset remains well placed to navigate the ongoing uncertainty in the wider economy

Balance sheet



Balance sheet remains strong

- Summerset carries no core debt, with villages fully recycling the capital required to build them on completion
- Forecast capital recycling of \$245.0m from 14 NZ villages under development
- Gearing ratio of 36.2% with unallocated facilities of \$551.3m available
- Development assets exceed the value of net debt by \$248.3m, or 16%

Land bank



Land bank in place to grow the business

- Business remains well positioned to deliver sustained growth from diversified broad acre land bank in NZ and VIC
- New site announced at Mission Hills, provides continuity to pipeline with first units expected from 2027 onwards
- Large number of quality opportunities in the market at present

St Johns



Progress on track

- Village on track to open in 2H24
- Care and serviced apartments sales launched in June 2024
- Strong level of presales with circa \$90m of sales contracts in place
- Village now open for prospect viewings of staged sales apartments
- Peak working capital for the site still expected to be in line with the opening of stage one



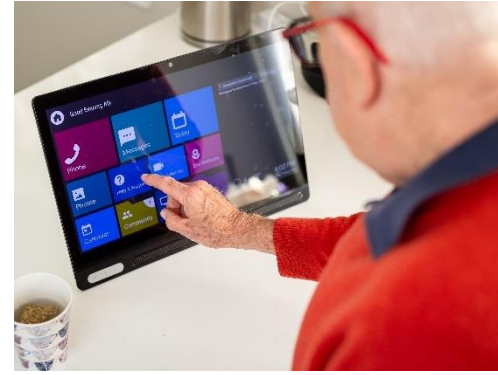
03 Our community

Half Year Report 2024

Bringing the best of life

Bringing the best of life to residents and staff

- We are committed to making Summerset a place where our residents and staff can live their best life
- Extended our highly successful holiday home initiative, adding Casebrook and Ellerslie, with one in Wellington coming soon
- Launched Retire Ready, a financial wellbeing series for those planning for, or at retirement age
 - The series is aimed at helping current and future residents understand the steps they need to take to create the retirement they want
- Progressed the roll out of our resident experience services platform, Lumin, now installed at 15 villages with a further three to be completed by the end of this year
 - Lumin provides entertainment programmes, newsletters and activities schedules, allows residents to book village events, order services, message the village team or other residents
- Piloting a National Clinical Support Service of Registered Nurses available 24/7 to support in-village teams
- Continued health scholarships in collaboration with Waitaha iwi at Pāpāmoa Beach village to support students to attain their undergraduate degree in the health sector
- Staff engagement of 8.2 out of 10, putting Summerset in the top 25% of global healthcare providers using the same engagement survey



Our environment

Environmental performance and sustainability

- Summerset is a market leader in sustainability in the retirement and aged care sectors
- Our ambition is to develop, build and manage sustainable retirement villages in New Zealand and Australia
- Named a Sustainability leader in the 2024 Australian Financial Review (Property and Construction category)
- Double finalist at the Retirement Village Association (RVA) Sustainability awards for our national waste free construction initiative, and our solar panels project at our Richmond village
- Released our Sustainability Review and Climate-Related Disclosures Report, the first time the company has reported its climate-related disclosures
- Continued focus on waste minimisation - providing items from care centre upgrades, such as commercial kitchen appliances, to local community groups for reuse
- Construction waste avoidance initiative continues, our sites diverting over 2,500 tonnes of waste from landfill in 1H24
- Completed our second major solar panel retrofit in May at Rototuna, consisting of over 280 panels on the main building
- New solar-powered street lighting trials to commence at our Havelock North and Paraparaumu villages
- Extended the rollout of our EV charger network and number of electric vehicles across our village portfolio with growing demand for use from our residents



Marketing & community support

Promoting and supporting our communities

- We have a continued focus on growing our brand and presence in both New Zealand and Victoria
- Summerset now works with 220 local community clubs, including bowls, golf, croquet, bridge and theatre groups
 - Community involvement in Victoria is growing - our most recent partnership being with the Torquay Bowls Club
- New national brand campaign launched in April, Summerset leads the market in brand consideration
- Positive levels of enquiry achieved in 1H24, total enquiry up 17% on 1H23 and now generating almost double the enquiry we were five years ago
- Announced as a finalist in the 2024 New Zealand Marketing Awards for Excellence in Long-Term Marketing Strategy
- Consistently recognised as a Highly Commended Trusted Brand by Reader's Digest and most recently received gold in the Quality Service Award category
- Continue to support and sponsor organisations that align with our brand and our values - including Netball New Zealand, Bowls New Zealand, GT NZ Championship, The New Zealand Symphony Orchestra, Braintree Trust and Hato Hone St Johns



GT NZ Championship



Bowls New Zealand

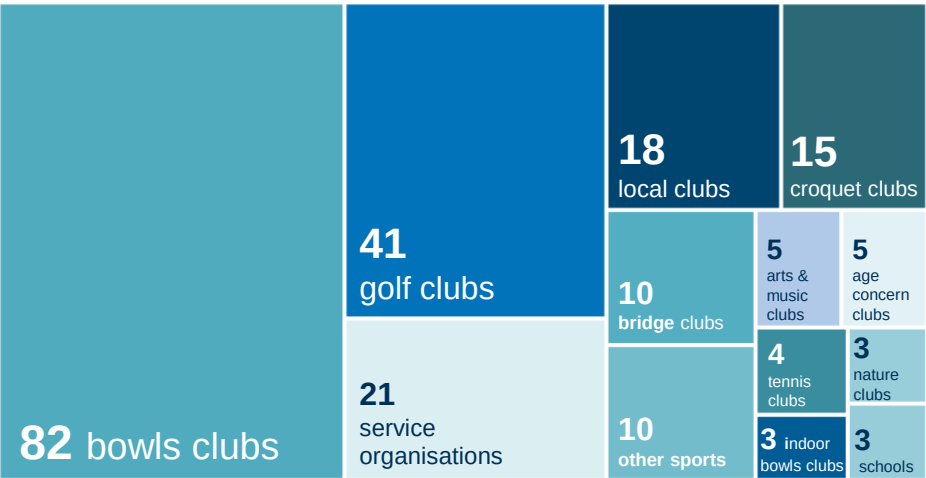


New Zealand Symphony Orchestra



Hato Hone St Johns

Community engagement





04 New Zealand development

Half Year Report 2024

**Summerset Mission Hills (Napier)****Summerset Mission Hills (Napier)**

New site – announced today

Summerset Mission Hills

- Acquisition of a 10.9ha broad acre site in Napier, to be home to our third village in the city
- The site will offer approximately 270 independent homes, a care centre with rest home and hospital level care and a wide range of recreation amenities
- Napier is a highly desirable location for our target audience and is undersupplied for RV living due to scarcity of land
- The site sits within a wider development designed to include approximately 800 homes, a centrally located neighbourhood centre with boutique retail and amenities, community reserve and event facilities
- The site is also well positioned with Napier city and the Hawke's Bay Airport both located within an 11-minute drive
- The catchment for the village has favourable demographics with a 75+ population of approximately 5,500 people rising to over 7,000 by 2033
- We expect the location to complement our existing villages in the city that both see strong demand from prospective residents and high occupancy levels



Summerset Milldale (Auckland)



Summerset St Johns (Auckland)

Development activity

New Zealand summary

- Delivered 311 units to be sold under Occupation Right and 21 care beds across 11 sites in 1H24
- Currently have 14 villages in construction across ten regions in New Zealand, with a further three care centre upgrades underway at Havelock North, Levin and Trentham
- Won Gold at the 2024 Master Builders Commercial Project Awards for our Kenepuru main building
- Completed our successful Casebrook village, home to almost 500 residents, and returning a cash margin to the business of \$34.7m
- Two main buildings delivered at Pāpāmoa Beach and Lower Hutt in 1H24
- Bulk earthworks at Rangiora complete with civils works progressing well and construction of first units underway (first deliveries expected in 1H25)
- Construction at St Johns on track, first deliveries due in 2H24 – will include independent apartments, serviced apartments, memory care apartments, the care centre and main building recreation spaces
- Granted resource consent for extension land at Kelvin Grove, Palmerston North with resource consent applications being progressed for Masterton and Rotorua
 - Over 70% of NZ landbank now consented



Summerset Mt Denby (Whangārei)



Summerset Half Moon Bay (Auckland)



Summerset Cambridge (Waipā District)



Summerset by the Dunes (Pāpāmoa Beach, Tauranga)



Summerset Palms (Te Awa, Napier)



Summerset Waikanae (Kāpiti Coast)



Summerset Boulcott (Lower Hutt, Wellington)



Summerset Richmond Ranges (Tasman)



Summerset Blenheim (Marlborough District)



Summerset Rangiora (Waimakariri District)



Summerset on Cavendish (Casebrook, Christchurch)



Summerset Prebbleton (Selwyn District)

New Zealand development pipeline

Diversified development pipeline of 20 sites*



* Excludes care centre upgrades at three sites (Havelock North, Levin and Trentham)
** New site purchased

Project cash profits

- Summerset developments produce positive net cash flows (net cash position) upon completion, this means they carry no debt after first sell down
- The villages currently under development in New Zealand are expected to return over \$245m in positive net cash profits on completion
- These net cash flows represent the project cash profits from village development
- All expense and revenue inputs are updated regularly as part of our internal development management processes
- Villages in early-stage development are likely to experience at least one residential property cycle during construction, improving the net funding position significantly over the life of the project
- Overall, the four villages in the 'last stage' of development are forecast to return between \$25m and \$50m per project

\$3.5b+

Forecast capital investment

\$245m+

Projected net cash position

Development Stage	Village	Forecast capital investment	Forecast net cash position
Last stages	Bell Block	\$150m - \$200m	\$25m - \$50m
	Pāpāmoa Beach		
	Richmond		
	Te Awa		
Last stage villages		\$0.7b+	\$140m+
Mid stages	Cambridge	\$200m - \$300m	(\$10m) - \$20m
	Lower Hutt		
	Prebbleton		
	Whangarei		
Mid stage villages		\$0.9b+	\$25m+
Early stages	Blenheim	\$150m - \$500m	(\$20m) - \$90m
	Half Moon Bay		
	Milldale		
	Rangiora		
	St Johns		
	Waikanae		
Early stage villages		\$1.8b+	\$75m+
Total Group		\$3.5b+	\$245m+

Casebrook removed from table since FY23, returning a project cash profit of \$34.7m

Project Cash Profit:

The final cash return from developing a village. Incorporates the land cost, ILU costs, recreation and administration facility costs, care centre costs, management fees (incl. a share of corporate overheads), interest costs and the first-time sales proceeds for all units sold under Occupation Right

Project cash profits

- Our last 11 villages to complete recycled around \$229.9m of positive cash flow
- This is an average cash margin from village development of 14.6% with a per ORA unit cash margin of \$92k
- While the final cash position requires completion of the village to be calculated, it is a useful metric to help understand the average cash return per ORA unit that is delivered and settled by Summerset
- Casebrook was completed in 1H24, with cash profit of \$34.7m returned from village development
 - This is an average per ORA unit of \$100k
- Extensions to established villages generate the highest cash returns as the care and common area costs are already covered by the existing village
- These positive net cash flows from development allow us to recycle capital for new projects, repay debt and distribute to shareholders through the payment of dividends

14.6%

Project cash profit

\$229.9m

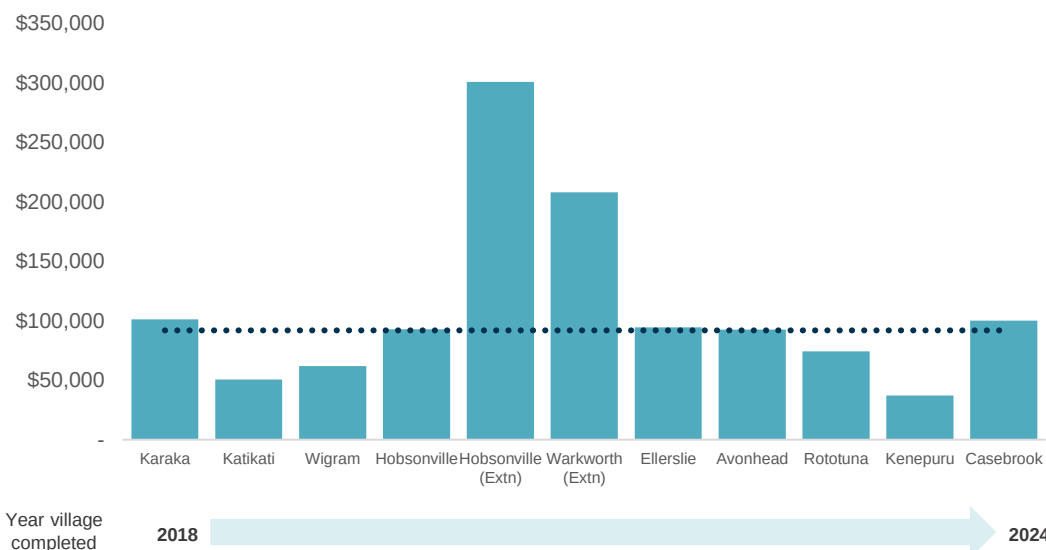
Cash margin from village development

Village	Year complete	ORA units	Non-ORA units	Project cash profit	Cash margin
Completed villages	2018 to 2023	2,154	324	\$195.2m	14.1%
Casebrook	2024	346	43	\$34.7m	18.0%
Total		2,500	367	\$229.9m	14.6%

Completed villages:

Completed villages includes Avonhead, Ellerslie, Hobsonville, Hobsonville extension, Karaka, Katikati, Kenepuru, Rototuna, Warkworth extension and Wigram

Average net cash position per unit delivered and settled*

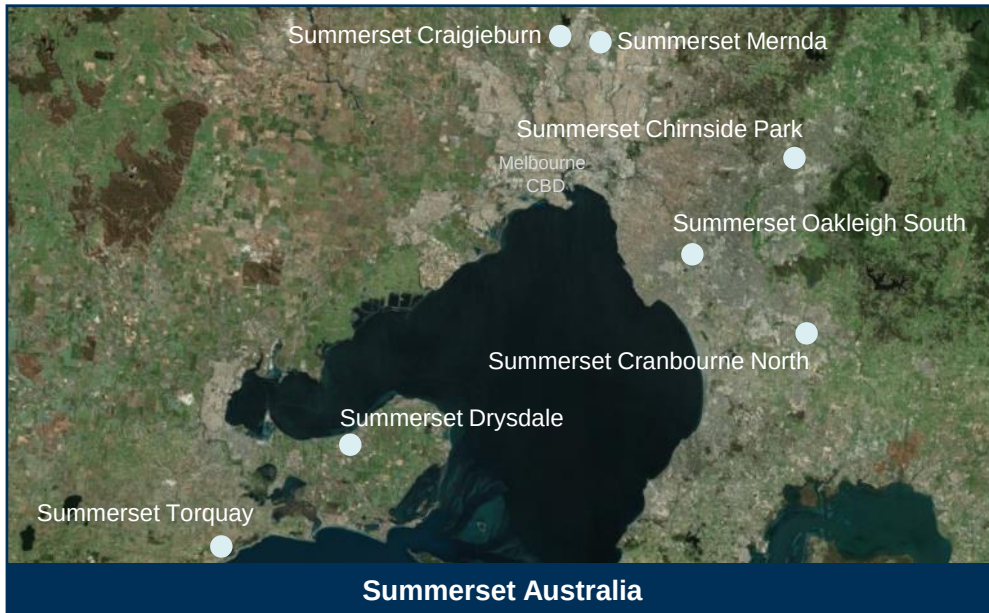


* Chart excludes eight bespoke units within Hobsonville Extension



05
Australia development

Half Year Report 2024



Development activity

Australia summary

- Significant milestone for Summerset with the first Australian residents welcomed at Cranbourne North
- Stage one now complete at Cranbourne North with 20 villas delivered in 1H24, bringing total units delivered to 30
- Construction now underway for stage two at Cranbourne North, with the main building and stage three scheduled to commence in 2H24
- Civil construction underway at our second Australian village, Chirnside Park
- Project cash profit from Cranbourne North and Chirnside Park, both in early-stage construction, currently forecast to return a cash margin of between breakeven and -\$15m
- Oakleigh South Planning Permit was unanimously approved by Council in May, construction to commence in 2H24
- Development Plan for Torquay approved by Council with Planning Permit lodged and civils expected to commence in 2H24
- The current Australian pipeline gives us capacity to build over 2,100 units (including over 450 beds)
- We continue to look for suitable new village development opportunities, including sites in Queensland as previously announced

Summerset Cranbourne North (Melbourne)



Site progress – June 2024



30 independent villas delivered



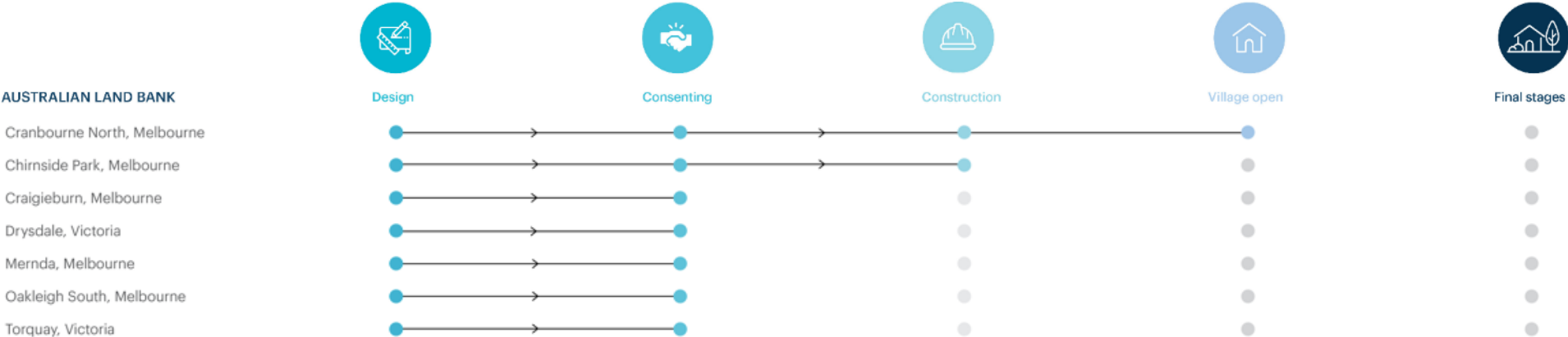
Main building with 34 assisted living apartments and 72 care beds to commence construction in 2H24



Rest home and hospital level care will be available

Australia development pipeline

Now have seven villages in planning and development across Victoria





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06 Financial performance

Half Year Report 2024

Reported profit (IFRS)

- IFRS NPAT of \$102.2m, down from \$133.1m in 1H23
- Fair value movement of investment of \$128.4m, including \$49.6m from new units delivered
- Total revenue of \$151.6m, up 18% relative to 1H23
- Summerset has maintained its disciplined approach to cost control as deliveries and our portfolio size grows, and wider economic conditions remain challenging
- Cost management initiatives in 1H24 resulted in total expenses of \$146.5m, in line with the \$144.8m in 2H24 – inclusive of two main buildings opening in the period at Pāpāmoa Beach and Lower Hutt
 - Summary of key expense movements provided on slide 34
- Increase in tax expense resulting from change in tax rules effective from 1 January 2024 removing depreciation for 'non-residential' buildings in New Zealand

\$102.2m

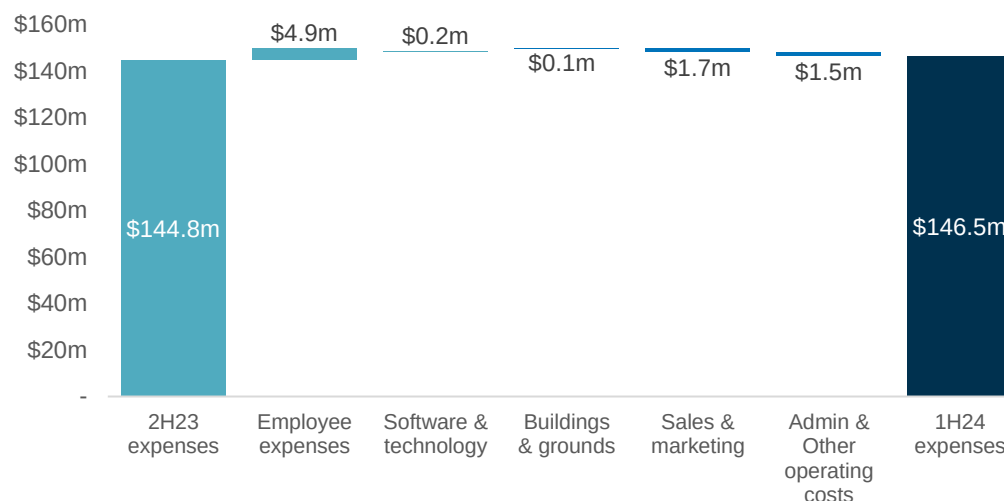
Net profit after tax

23%

Decrease on 1H23 ▼

NZ\$m	1H24	1H23	Variance	FY23
Total revenue	151.6	128.2	18%	272.2
Fair value movement of investment property	128.4	131.5	(2%)	441.6
Total income	280.0	259.7	8%	713.8
Total expenses	146.5	119.0	23%	263.8
Net finance costs	12.8	12.6	1%	27.5
Net profit before tax	120.8	128.1	(6%)	422.5
Tax expense / (credit)	18.6	(5.0)	(476%)	(13.8)
Net profit after tax	102.2	133.1	(23%)	436.3

Total expenses



Fair value movement

- Fair value movement of \$128.4m, in line with 1H23
- Fair value movement has been driven by:
 - New units built \$49.6m: Value of new units delivered in 1H24
 - Unit pricing \$31.4m: Retirement unit price inflation on existing units within the portfolio
 - Movement in land bank \$18.3m: Valuation movement on St Johns and the undeveloped land bank
 - Growth rate assumptions \$14.5m: Valuers adopting more standard short term growth rates within the valuation in line with the residential property market cycle
 - Discount rates \$6.6m: Change in assumptions used by the valuers
 - Other movements primarily relate to the valuers' adjustments for OPEX recovery from weekly fees within the valuation
- Refer to the appendices (slides 63 and 64) for key assumptions associated with the investment property valuation

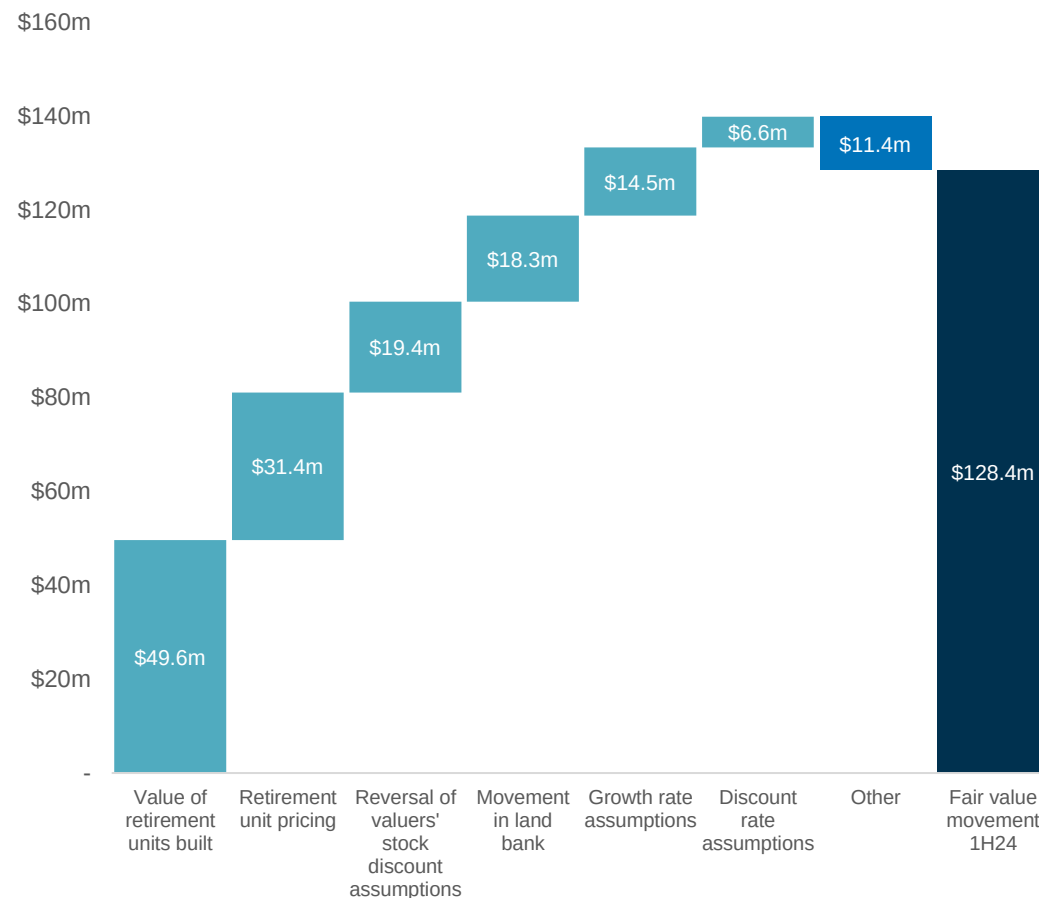
\$128.4m

Fair value movement

\$49.6m

Increase from new units delivered

Fair value movement of investment property 1H24



Underlying profit

- Underlying profit remains an important financial measure - used to benchmark performance, show the core drivers of the business and how they grow over time, with earnings that are easily understood
- Record first half underlying profit of \$89.9m, up 3% from \$87.2m in 1H23
 - 1H24 underlying profit up 9% when normalised for the sale of three bespoke villas at Hobsonville in 1H23 - these units had a combined margin of \$4.9m
- This result was underpinned by strong growth in village EBITDA, up 22% on 1H23 with village services, deferred management fees and realised gain on resale up a combined \$22.7m
- Care EBITDA of -\$1.4m impacted by the opening of two main buildings at Pāpāmoa Beach and Lower Hutt and the cost drag associated with this while the units fill
 - Care fees up 22% reflected the sell down of main buildings opened in prior periods
- Profit after refurbishment costs up \$1.4m to \$82.9m in 1H24

Refurbishment costs incorporate expenditure on units sold under Occupation Right when vacated (e.g. paint, carpet, kitchen and bathroom upgrades, external upgrades, etc)

\$89.9m

Underlying profit

3%

Increase on 1H23 ▲

NZ\$m	1H24	1H23	Variance	FY23
Care fees	61.6	50.6	22%	109.6
Deferred management fees	3.0	2.3	35%	4.7
Realised gain on resales	0.1	0.2	(24%)	0.2
Care operating expenses	(66.2)	(50.8)	30%	(115.2)
Care EBITDA	(1.4)	2.3	(1.6)	(0.6)
Village services	29.3	25.1	17%	52.8
Deferred management fees	54.9	47.6	15%	99.8
Realised gain on resales	45.6	34.4	33%	87.9
Village operating expenses	(36.4)	(30.8)	18%	(66.7)
Village EBITDA	93.4	76.2	22%	173.8
Interest and other revenue	2.7	2.7	1%	5.4
Head office expenditure (post capitalisation)	(34.6)	(30.1)	15%	(66.1)
Annuity EBITDA	60.1	51.1	18%	112.5
Realised development margin	51.7	56.0	(8%)	121.2
Underlying EBITDA	111.9	107.1	4%	233.7
Depreciation and amortisation	(9.2)	(7.3)	25%	(15.8)
Finance costs	(12.8)	(12.6)	1%	(27.5)
Underlying profit	89.9	87.2	3%	190.3
Refurbishment costs	(7.1)	(5.7)	25%	(11.6)
Profit after refurbishment costs	82.9	81.5	2%	178.8

Underlying Profit:

Underlying profit is a non-GAAP measure and differs from NZ IFRS profit for the period. Underlying profit does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. The Directors have provided an underlying profit measure in addition to IFRS profit to assist readers in determining the realised and unrealised components of fair value movement of investment property, impairment and tax expense in the Group's income statement. The measure is used internally in conjunction with other measures to monitor performance and make investment decisions and has been reviewed by Ernst & Young. Underlying profit is a measure which the Group uses consistently across reporting periods. Underlying profit is used to determine the dividend payout to shareholders.

Segment earnings

- Summerset has two core business segments, being ongoing operations and construction activity
- Ongoing operations incorporates care and village EBITDA, head office support (e.g. management time, IT, sales and marketing costs, administration), other revenue, depreciation and amortisation
- These are the ongoing earnings of the business that are generated from operating retirement villages and care centres
 - For 1H24, underlying profit from ongoing operations was \$59.5m
 - With refurbishment costs included, profit from ongoing operations was \$52.4m in 1H24
- Construction activity incorporates earnings from the first-time sale of ORA units (realised development margin), head office expenditure (such as sales and marketing costs for first time sell down) and expensed finance costs
- These are earnings for the business that are generated from building and selling down ORA units in our retirement villages and care centres
 - For 1H24, underlying profit from construction activity was \$30.4m

\$59.5m

Ongoing operations

\$30.4m

Construction activity

NZ\$m	Ongoing operations	Construction activity	1H24
Care fees	61.6	-	61.6
Deferred management fees	3.0	-	3.0
Realised gain on resales	0.1	-	0.1
Care operating expenses	(66.2)	-	(66.2)
Care EBITDA	(1.4)	-	(1.4)
Village services	29.3	-	29.3
Deferred management fees	54.9	-	54.9
Realised gain on resales	45.6	-	45.6
Village operating expenses	(36.4)	-	(36.4)
Village EBITDA	93.4	-	93.4
Interest and other revenue	2.7	-	2.7
Head office expenditure (post capitalisation)	(26.0)	(8.5)	(34.6)
Annuity EBITDA	68.7	(8.5)	60.1
Realised development margin	-	51.7	51.7
Underlying EBITDA	68.7	43.2	111.9
Depreciation and amortisation	(9.2)	-	(9.2)
Finance costs	-	(12.8)	(12.8)
Underlying profit	59.5	30.4	89.9
Refurbishment costs	(7.1)	-	(7.1)
Profit after refurbishment costs	52.4	30.4	82.9

Underlying Profit:

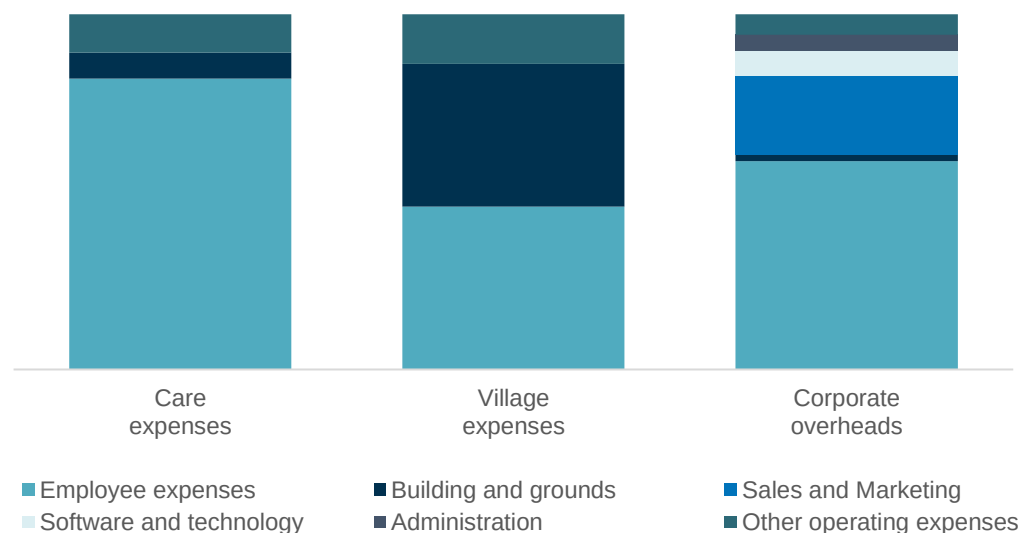
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Operating expenses

- Gross operating expenses of \$167.1m, down 1% on 2H23
- Employee expenses of \$109.3m, up 6% on 2H23 across care, village and corporate with the key drivers being:
 - Wage increases for existing staff of \$0.7m
 - New roles of \$5.4m in line with portfolio growth and the opening of new main buildings
- Building and grounds of \$19.9m, in line with 2H23
- Sales and marketing costs of \$14.0m, down from \$15.1m with the key change being lower settlements and commissions
- Administration costs of \$2.9m, down from \$5.0m in 2H23 with lower travel costs and reduced consultancy spend in the period
- Decrease in other operating expenses to \$16.4m, down \$4.9m with the main drivers being lower land investigation costs and reduced discretionary spend within corporate overheads
- No village or care expenses are capitalised

NZ\$m	1H24	2H23	Variance	1H23	FY23
Employee expenses	109.3	103.1	6%	85.2	188.3
Building and grounds	19.9	20.0	(1%)	17.4	37.4
Sales and marketing	14.0	15.1	(7%)	11.9	27.0
Software and technology	4.4	4.1	7%	3.3	7.5
Administration	2.9	5.0	(41%)	4.1	9.1
Other operating expenses	16.4	21.3	(23%)	15.6	36.9
Gross operating expenses	167.1	168.6	(1%)	137.6	306.2
Capitalised to projects	(29.9)	(32.3)	(7%)	(25.9)	(58.2)
Reported operating expenses	137.2	136.3	1%	111.7	248.0
Care expenses	66.2	64.4	3%	50.8	115.2
Village expenses	36.4	35.9	1%	30.8	66.7
Corporate overheads	34.6	36.0	(4%)	30.1	66.1
Reported operating expenses	137.2	136.3	1%	111.7	248.0

1H24 Gross operating expenses



Cash flows

- Operating cash flows of \$191.6m, up 31% from \$146.7m in 1H23
- Increase in operating cash flows driven by increases in care and village services (up 16%) and net receipts for residents' loans – resales, up \$42.8m
- Increase in resales cash flow reflects an increase in overall resales (up 23% on 1H23) and a reduction in buybacks of vacant stock in the period (impacted 1H23 by circa \$25m)
- Payments to suppliers and employees increased in line with the opening of two main buildings at Lower Hutt and Pāpāmoa Beach
- Investing cash outflows of \$293.8m in the period, down 12% on 1H23 and includes the following:
 - Apartment and main building spend at St Johns and Lower Hutt
 - Main buildings at Cambridge, Whangarei and Milldale
 - Civils spend at Chirnside Park, Half Moon Bay, Waikanae, Rangiora and Blenheim
 - Villa construction across our New Zealand and Australian sites
- Construction of new IP & care facilities of \$231.0m, down 4% from 1H23 compared to a 31% increase in Operating cash flows over the same the period

\$191.6m

Operating cash flows

31%

Increase on 1H23 ▲

NZ\$m	1H24	1H23	Variance	FY23
Receipts from residents:				
Care fees and village services	89.9	77.8	16%	165.3
Net receipts for residents' loans - resales	65.7	22.9	187%	104.6
Receipts for residents' loans - new sales	168.8	158.2	7%	362.7
Interest received	0.5	0.9	(50%)	1.7
Payments to suppliers and employees	(133.2)	(113.2)	18%	(236.2)
Operating cash flows	191.6	146.7	31%	398.2
Sale and (purchase) of land	(1.2)	(53.8)	(98%)	(56.5)
Construction of new IP & care facilities	(231.0)	(240.3)	(4%)	(523.3)
Refurb of existing IP & care facilities	(10.2)	(7.7)	32%	(19.5)
Care centre upgrades	(3.2)	(0.4)	709%	(1.7)
Other investing cash flows	(11.0)	(5.9)	86%	(14.6)
Capitalised interest paid	(37.1)	(23.9)	55%	(52.8)
Investing cash flows	(293.8)	(332.1)	(12%)	(668.5)
Net proceeds from borrowings	143.1	226.9	(37%)	322.9
Net dividends paid	(17.4)	(17.7)	(2%)	(34.3)
Other financing cash flows	(15.2)	(14.2)	7%	(31.0)
Financing cash flows	110.4	195.0	(43%)	257.7

Balance sheet

- Total assets of \$7.4b, up 17% on 1H23, driven by portfolio growth and the underlying value in our existing villages
- Investment property of \$6.8b, up 17% on 1H23
- Other assets include buildings, primarily care centres, which are valued annually
- Continue to grow shareholder value with net tangible assets per share of \$11.43, up 16% on 1H23

Definitions:

Face value of drawn bank debt and retail bonds. Excludes capitalised and amortised transaction costs for loans and borrowing, and fair value movement on hedged borrowings

Net assets includes share capital, reserves, and retained earnings

\$7.4b

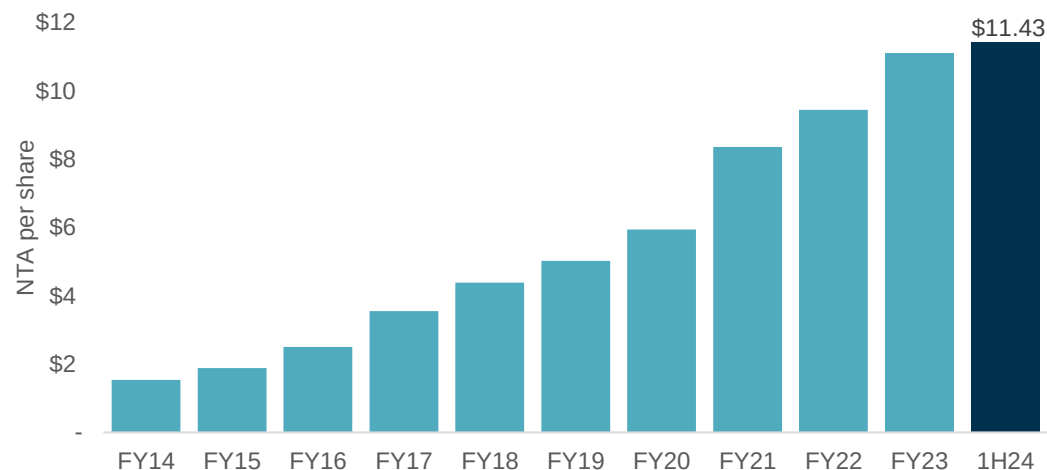
Total assets ▲ 17%

\$2.2b

Retained earnings ▲ 19%

NZ\$m	1H24	1H23	Variance	FY23
Investment property	6,794	5,795	17%	6,407
Other assets	569.2	502.8	13%	534.5
Total assets	7,363	6,298	17%	6,942
Residents' loans	2,671	2,287	17%	2,507
Face value of bank loans & bonds	1,548	1,307	18%	1,399
Other liabilities	446.4	398.1	12%	430.2
Total liabilities	4,666	3,991	17%	4,336
Net assets	2,697	2,307	17%	2,605
Embedded value	1,643	1,522	8%	1,620
NTA (cents per share)	1,143	987.7	16%	1,110
Retained earnings	2,221	1,873	19%	2,150

Summerset net tangible assets per share



Funding

- Bank facility approximately \$1.5b, with existing \$575m of retail bonds at 30 June 2024
- As at 30 June 2024, 52% of total debt was hedged at fixed interest rates, resulting in a weighted average interest rate of 5.43% for 1H24
- Total facility (incl. bonds) has an average tenor of 3.1 years
- Bank facility has undrawn capacity of \$551.3m as at 30 June 2024
- Retail bond of \$125.0m was issued on 8 March 2024

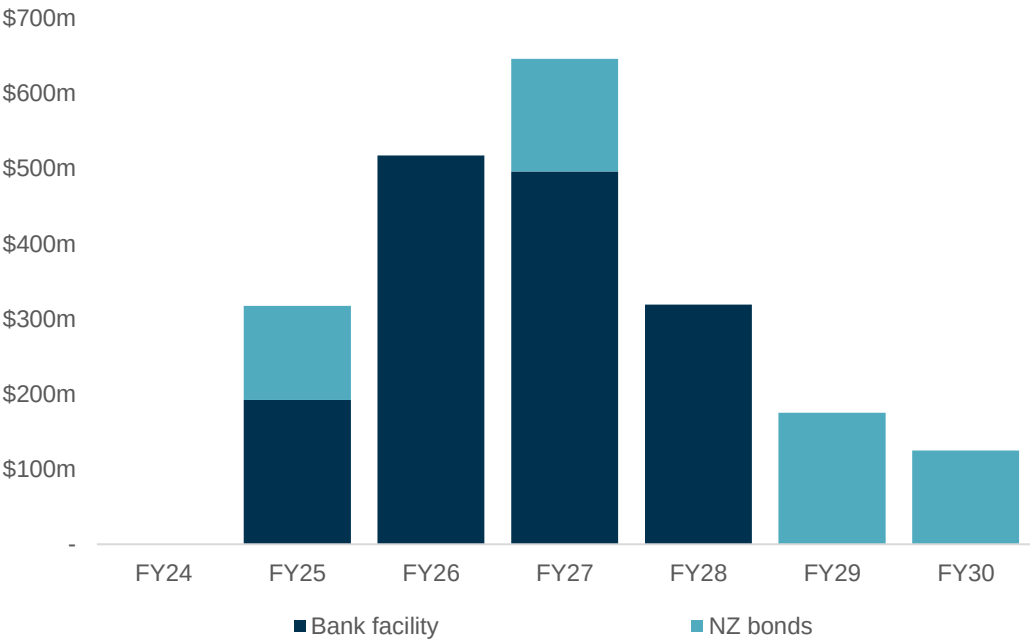
\$1.5b

Bank facility

\$575m

Retail bonds

Funding maturity profile



Development assets

- Development assets exceed the value of net debt by \$248.3m, or 16%
- Development assets comprise:
 - \$552.8m relating to undeveloped land, being the fair value of our Australia and New Zealand land bank
 - \$765.1m for development WIP at cost (villages under construction), and
 - \$457.7m from unsold new sale stock, which is all delivered new sale stock that is yet to settle
 - \$116.7m of delivered stock was contracted and awaiting settlement at 30 June 2024
- Net debt of \$1,527m at 1H24, up from \$1,386m at FY23

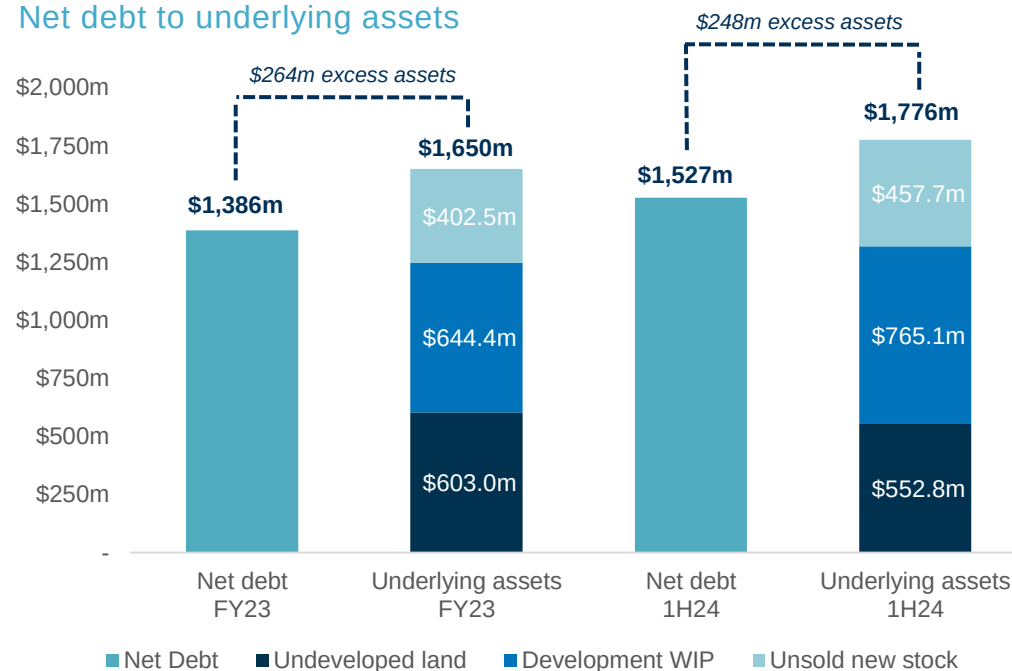
\$1.8b

Underlying development assets

38.0%

Bank & bond LVR

Net debt to underlying assets



NZ\$m	1H24	1H23	Variance	FY23
Gearing ratio (%)	36.2%	35.5%	2%	34.7%
Bank & bond LVR (%)	38.0%	39.1%	(3%)	36.4%

Definitions:

Net debt is the face value of drawn bank debt and retail bonds less cash and cash equivalents. Excludes capitalised and amortised transaction costs for loans and borrowing, and fair value movement on hedged borrowings

Gearing ratio calculation (net debt / net debt plus book equity) differs from the Summerset Group's bank and bond LVR covenant (total debt of the Summerset Group / property value of the Summerset Group)

Debt measures

- Gross debt of \$1.5b, up from \$1.3b at 1H23
- Uplift in gross debt driven by increased construction activity across our developing villages in the period
- Gearing ratio of 36.2%, slightly up on 35.5% at 1H23
- Summerset remains well placed to execute on its growth ambitions
 - The business holds no core debt
 - New Zealand gearing ratio with Australian growth related debt excluded is 28.8%
- Summerset's ICR coverage is 203%, more than double the required covenant measure, providing a high degree of covenant headroom for the business

Definitions:

Face value of drawn bank debt and retail bonds. Excludes capitalised and amortised transaction costs for loans and borrowing, and fair value movement on hedged borrowings

Gearing ratio calculation (net debt / net debt plus book equity) differs from the Summerset Group's bank and bond LVR covenant (total debt of the Summerset Group / property value of the Summerset Group)

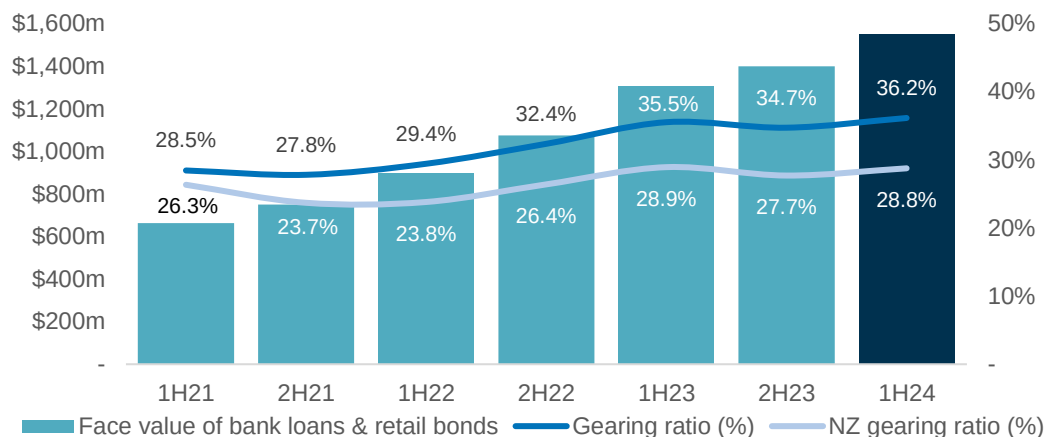
36.2%

Gearing ratio

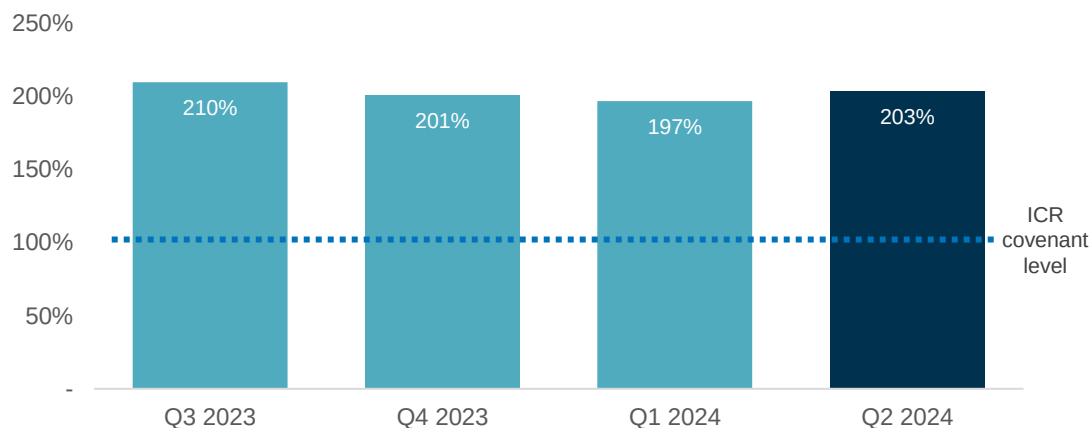
203%

ICR coverage

Gross borrowings and gearing



ICR coverage ratio

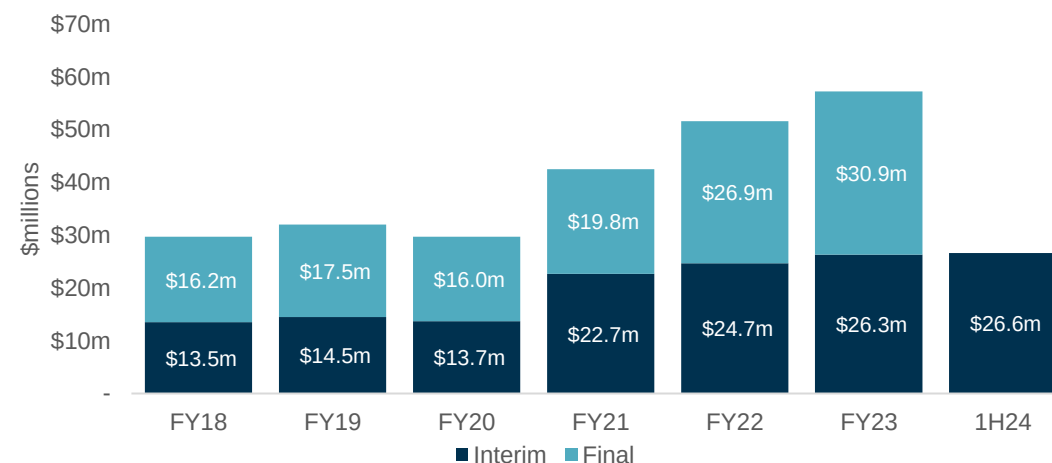


Interim dividend

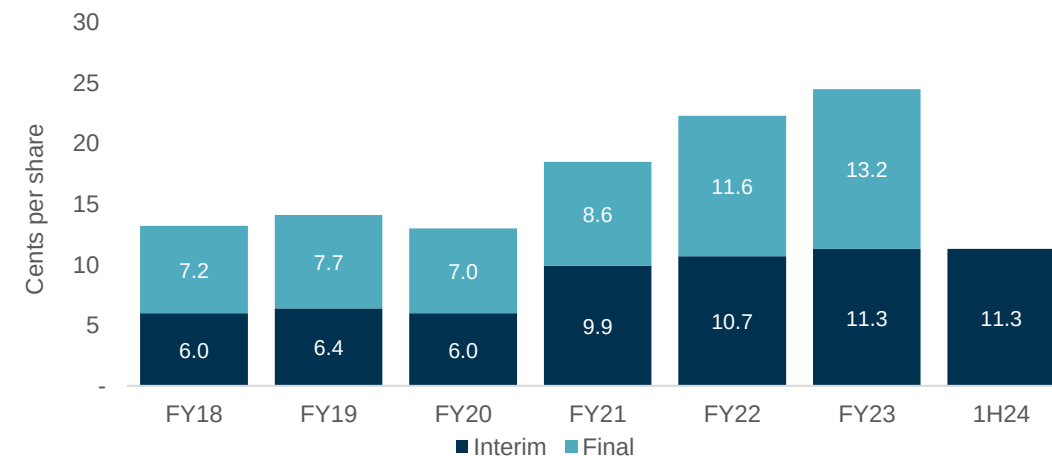
Declared 1H24 interim dividend of 11.3 cents per share

- The Board has declared an unimputed interim dividend of 11.3 cents per share, being 29.6% of underlying profit
- This represents a payout for 1H24 of approximately \$26.6m
- The dividend reinvestment plan (DRP) will apply to this dividend enabling shareholders to take shares in lieu of the cash dividend
- A discount of 2% will be applied when determining the price per share of shares issued under the DRP
- The final dividend will be paid on Friday 20 September 2024. The record date for final determination of entitlements to the updated dividend is Monday 9 September 2024

Gross dividend payout per year



Dividend per share





07 Business performance

Half Year Report 2024



Retirement unit delivery

352 total units delivered with 332 in New Zealand, and 20 villas in Australia

- 352 total units delivered in the period across 12 villages, including 277 retirement units and 75 care units
- Of these, 331 will be sold under Occupation Right Agreement, the remaining 21 being care beds
- Main buildings delivered at Pāpāmoa Beach (February) and Lower Hutt (late May)
- 20 retirement units delivered at Cranbourne North, bringing total Australian portfolio to 30 villas
- St Johns remains on track to deliver first units in 2H24
- FY24 deliveries being actively managed to market conditions – expect to deliver at the lower end of the 675 to 725 guidance range for units to be sold under Occupation Right Agreement

1H24 unit delivery	Retirement units			Care units			Total units
	Villas	Apartments	Serviced apartments	Memory care apartments	Care suites	Care beds	
Bell Block	18	-	-	-	-	-	18
Blenheim	21	-	-	-	-	-	21
Cambridge	20	-	-	-	-	-	20
Casebrook	6	-	-	-	-	-	6
Lower Hutt	4	-	35	15	-	-	54
Milldale	13	-	-	-	-	-	13
Pāpāmoa Beach	20	-	56	20	19	21	136
Prebbleton	20	-	-	-	-	-	20
Richmond	9	-	-	-	-	-	9
Te Awa	18	-	-	-	-	-	18
Whangārei	17	-	-	-	-	-	17
Total NZ	166	-	91	35	19	21	332
Cranbourne North	20	-	-	-	-	-	20
Total Australia	20	-	-	-	-	-	20
Total Group	186	-	91	35	19	21	352

Development margin

Realised development margin of \$51.7m, with a 28% development margin

- Realised development margin of \$51.7m with a 28% margin, compared to 34% at 1H23
- Development margin reflective of changes in sales mix in line with the delivery of four main buildings in the past 12 months
- Unit margins continue to track above medium term guidance of 20% to 25%
 - Villa margins of 38%, in line with the 40% achieved in 1H23
 - Apartment margins of 22%, in line with 1H23
 - Average margin on serviced apartments, memory care apartments and care suites of 7%

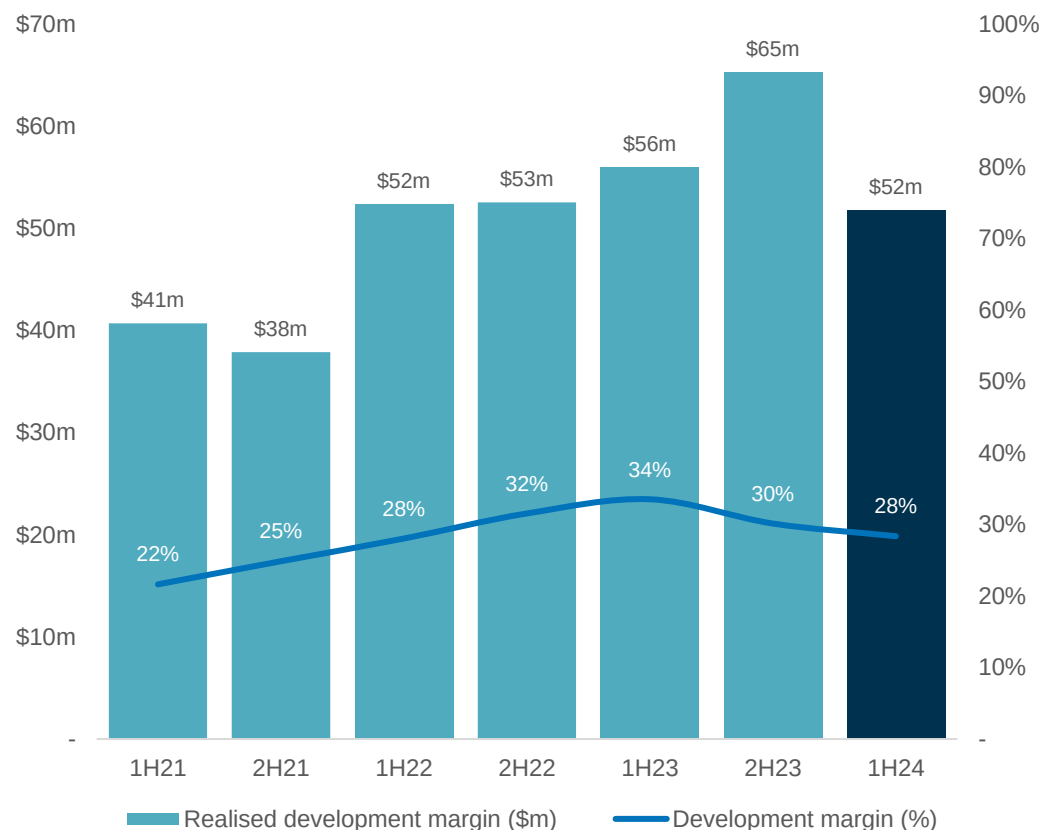
28.3%

Development margin

\$51.7m

Realised margin ▼ 8%

Realised development margin



New sales

290 new sales in the period, gross proceeds of \$182.4m

- 290 new sales of Occupation Rights in 1H24, up 20% on the 241 settled in 1H23
- Gross proceeds of \$182.4m, up 9% on 1H23
- 151 villas and 12 apartments settled during 1H24
- New sales growth driven by serviced apartments (up 31%) and care suites (up 121%)
- Average gross proceeds per new sale of \$629k, down from \$694k in 1H23 due to the increased proportion of serviced apartments and care suites settled in the period
- Best performing villages were Te Awa (73 new sales), Pāpāmoa Beach (43 new sales) and Bell Block (41 new sales)
- Five regions secured over 30 settlements each, highlighting the benefits of regional diversification

290

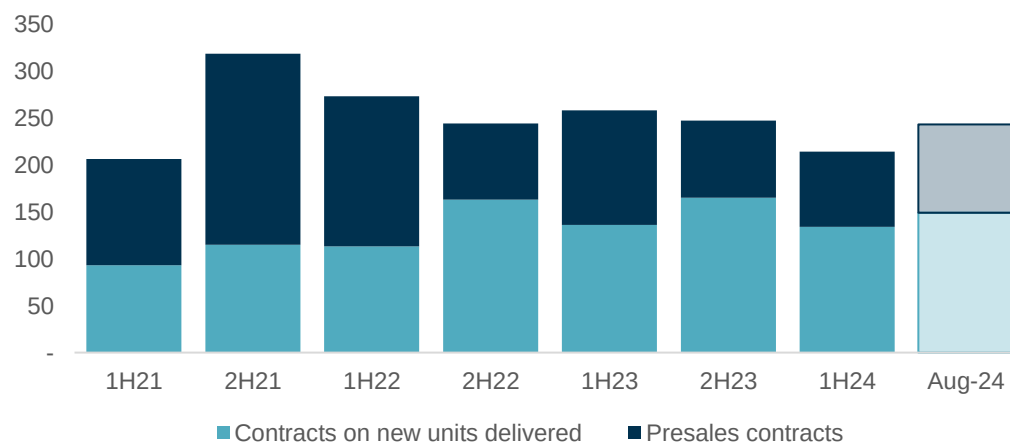
New sales of Occupation Rights

\$629k

Average gross proceeds ▼ 9%

New sales	1H24	1H23	Variance	FY23
Gross proceeds (\$m)	182.4	167.3	9%	384.0
Villas	151	141	7%	329
Apartments	12	12	-	20
Serviced apartments	72	55	31%	132
Memory care apartments	13	14	(7%)	29
Care Suites	42	19	121%	50
Total occupation rights	290	241	20%	560

Committed new sales pipeline



New sales stock

142 total delivered units under contract

- 142 delivered units under contract, including eight villas at Cranbourne North in Australia
- Increase in care-based stock driven by the delivery of two main buildings during the period
- Excellent progress made on selling down the three main buildings that opened in FY23 – over 70% of these units now occupied
- Age of stock well placed, almost 50% of uncontracted stock delivered in the past six months
- 2H24 deliveries heavily weighted to St Johns (196 units) with limited other deliveries in the half allowing for sell down of stock recently delivered

142

Delivered units under contract

Two

Main buildings opened in 1H24

New Zealand new sales stock	1H24	FY23
Contracted	134	165
Uncontracted	448	380
Total new sales stock	582	545
Contracted	94	113
Uncontracted	243	217
Villas	337	330
Contracted	6	9
Uncontracted	18	25
Apartments	24	34
Contracted	24	35
Uncontracted	113	85
Serviced apartments	137	120
Contracted	8	2
Uncontracted	51	35
Memory care apartments	59	37
Contracted	2	6
Uncontracted	23	18
Care suites	25	24
Australia new sales stock	1H24	FY23
Contracted	8	2
Uncontracted	20	8
Villas	28	10

Resales

298 resales in the period, up 23% on 1H23 with realised resale gain of \$45.7m

- Total gross proceeds of \$177.5m, up 33% on 1H23
- This was driven by higher average gross proceeds per unit and higher overall resales settlements
- 298 Occupation Rights settled in 1H24, up from 242 in 1H23, a 23% increase
- This included a record quarter in Q2 of 177 resales
- Gross proceeds per resale settlement of \$596k, up 8% from \$551k in 1H23
 - Average villa resales price of \$773k, up from \$736k in 1H23
- Realised resale gain of \$45.7m with an average gain per unit of \$153k, up 7% on 1H23
- DMF realisation of \$24.3m, up 36% on 1H23
- Villas and apartments comprised 55% of resales, up from 49% in 1H23, driving growth in settlement value

298

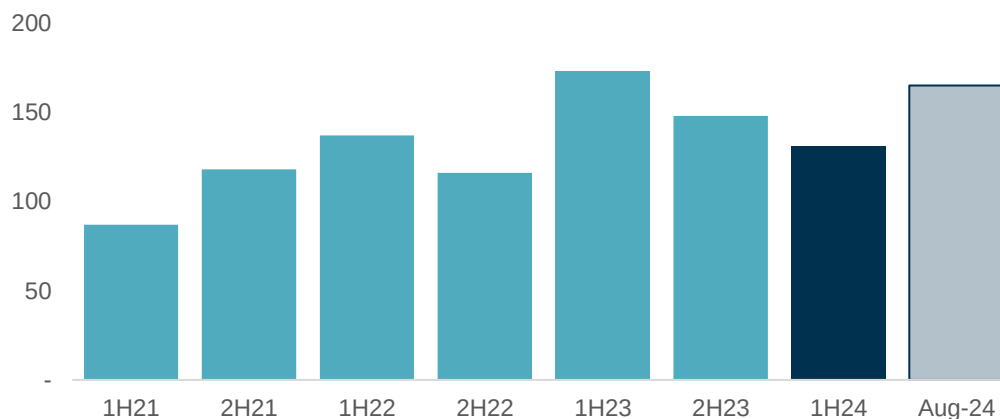
Resales of Occupation Rights

\$45.7m

Realised resale gains ▲ 32%

Resales	1H24	1H23	Variance	FY23
Gross proceeds (\$m)	177.5	133.4	33%	318.6
Realised resale gains (\$m)	45.7	34.6	32%	88.1
Realised resale gains (%)	26%	26%	0%	28%
DMF realisation (\$m)	24.3	17.9	36%	41.5
Villas	134	94	43%	238
Apartments	29	24	21%	55
Serviced apartments	111	103	8%	208
Memory care apartments	15	15	-	29
Care Suites	9	6	50%	13
Total occupation rights	298	242	23%	543

Committed resales pipeline



Resales cash margin

Cash margin on resales of 35% with \$61.6m realised in 1H24

- Resales cash margin of 35% in 1H24 with an average margin of \$209k per unit, up from \$194k in 1H23
- Average refurbishment costs per unit of \$22k, in line with the \$19k in 1H23
- Sales and marketing costs reflect costs associated with commissions, sales manager salaries and direct marketing costs (e.g. local radio and print, billboards, event open days) for our resale villages

\$61.6m

Cash margin on resales

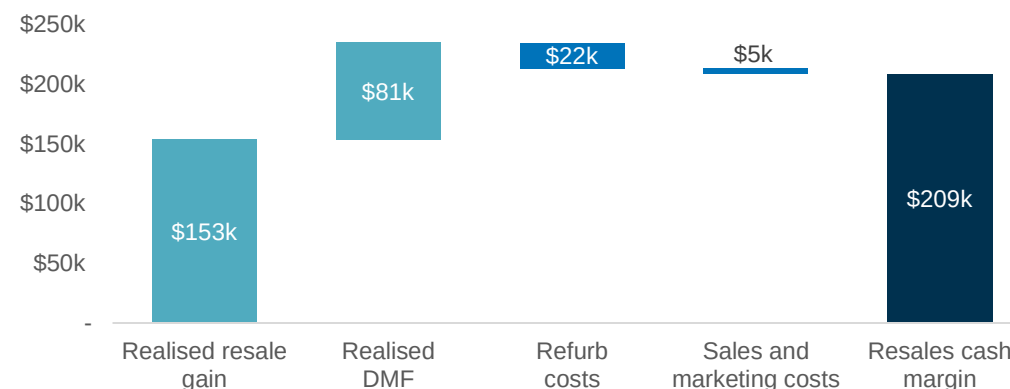
\$209k

Realised resale cash margin

Resales	1H24	1H23	Variance	FY23
Gross proceeds (\$m)	177.5	133.4	33%	318.6
Realised resale gains (\$m)	45.7	34.6	32%	88.13
DMF realisation (\$m)	24.3	17.9	36%	41.53
Refurb of existing IP*	(7.1)	(5.7)	25%	(11.6)
Sales and marketing costs	(1.3)	(0.9)	43%	(2.3)
Cash margin on resale	61.6	45.9	34%	115.7
Gross proceeds per unit (\$k)	595.6	551.4	8%	586.8
Net cash per unit (\$k)	234.8	216.7	8%	238.8
Average refurb cost per rollover (\$k)	(21.8)	(18.6)	17%	(20.0)
Sales and marketing costs per unit (\$k)	(4.5)	(3.9)	16%	(4.3)
Cash margin on resale per unit (\$k)	208.5	194.3	7%	214.4
Cash margin %	35%	35%	(1%)	37%

* Excludes refurbishment costs relating to common areas

Resales cash margin per unit



Embedded value

Embedded value now \$1.6b, up 8% on 1H23

- Total embedded value now \$1.6b, up 8% from \$1.5b at 1H23
- Embedded value comprised of:
 - \$1.04b resale gains
 - \$0.60b deferred management fees
- Embedded value per unit now \$247k, down 5% on 1H23, driven by realisation and portfolio growth
- Record \$147.3m of embedded value realised in the past 12 months, up 35% on the comparative period
- Unrealised resale gain per unit now \$157k, in line with the \$153k achieved on the 298 resales of Occupation Rights in 1H24
- Embedded value continues to grow as our portfolio matures, providing a strong platform for growth in operating cash flows

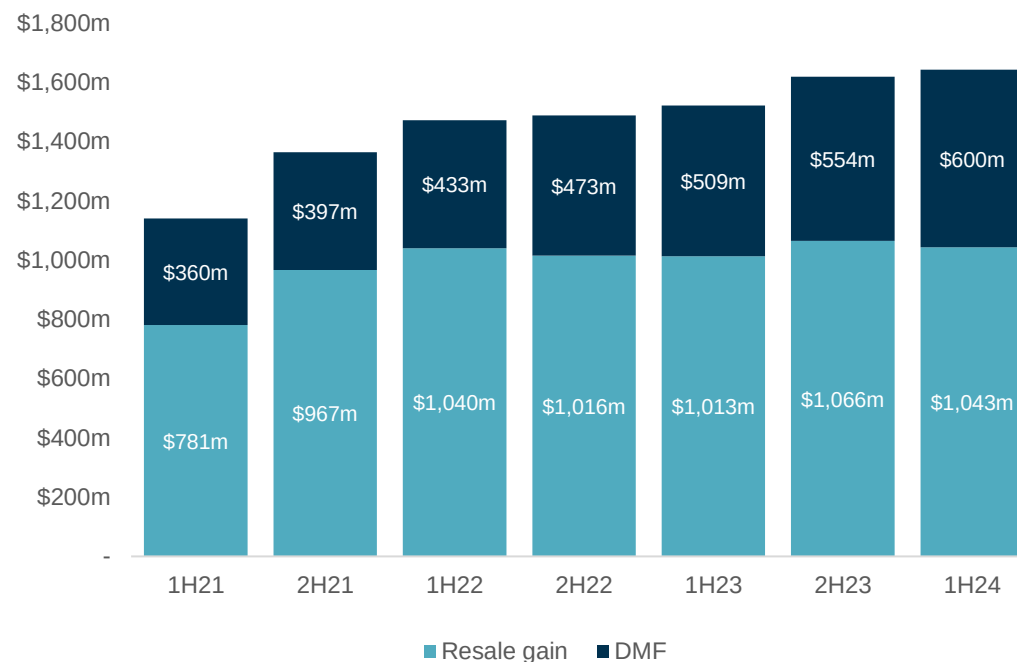
\$1.6b

Embedded value ▲ 8%

\$600m

Embedded DMF

Embedded value



	1H24	1H23	Variance	FY23
DMF	\$599.6	\$509.3	18%	\$554.3
Resale gain	\$1,043	\$1,013	3%	\$1,066
Embedded value	\$1,643	\$1,522	8%	\$1,620

Resale stock

Uncontracted resale stock remains low

- Resale stock of 311 units, up from 292 units at FY23
- Increase was driven by a record 324 units that vacated in 1H24, up 7% on 1H23
- Almost 65% of stock vacated in the last six months with 116 units vacating in the past three months
- Contracted resale stock remains well placed with 131 units under contract at 1H24
- Uncontracted stock remains in line with 1H23 at 2.7% of portfolio
- Continue to see consistent longer term demand in our villages with a waitlist of over 1,500

131

Contracted
resale stock

2.7%

Percentage of
uncontracted stock

Resales stock	1H24	FY23
Contracted	131	148
Uncontracted	180	144
Total resales stock	311	292
Contracted	78	92
Uncontracted	106	83
Villas	184	175
Contracted	8	17
Uncontracted	20	15
Apartments	28	32
Contracted	36	36
Uncontracted	42	34
Serviced apartments	78	70
Contracted	6	2
Uncontracted	7	6
Memory care apartments	13	8
Contracted	3	1
Uncontracted	5	6
Care suites	8	7

Percentage of uncontracted stock calculated off all units sold under Occupation Right Agreement



08 Questions

Half Year Report 2024

Disclaimer

- This presentation may contain projections or forward looking statements regarding a variety of items. Such forward looking statements are based upon current expectations and involve risks and uncertainties
- Actual results may differ materially from those stated in any forward looking statement based on a number of important factors and risks
- Although management may indicate and believe the assumptions underlying the forward looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward looking statements will be realised
- Furthermore, while all reasonable care has been taken in compiling this presentation, Summerset accepts no responsibility for any errors or omissions
- This presentation does not constitute investment advice



09 Appendix

Half Year Report 2024

Appendix contents

- 01 Key terms
- 02 Summerset overview
- 03 Portfolio and land bank
- 04 Underlying profit reconciliation
- 05 Historical trends
- 06 Fair value movement
- 07 Sales price relativity
- 08 Summerset growth and demographics
- 09 Customer profile and occupancy

Key terms

Summerset key terms

Underlying profit	Non-GAAP financial measure used by Summerset to monitor financial performance and determine dividend distributions. Calculated by making the following adjustments to reported Net Profit after Tax: Removing the change in fair value in investment properties, removing any impairment, removing non-operating one-off items, adding back realised gains from resales, adding back realised development margin from new sales, removing the deferred taxation component of taxation expense so only the current tax expense is reflected
Annuity EBITDA	EBITDA from care and village operations with adjustments for interest income, other revenue and head office expenditure. It excludes any earnings from development
Development margin	The first time ORA sales receipt less the cost for developing each unit sold under ORA. Costs incorporate the land cost, share of infrastructure costs (e.g. roading, civils), direct ILU costs, share of other costs (e.g. landscaping, FF&E), management fees (incl. a share of corporate overheads) and interest costs. Development margin excludes recreation and administration facility costs and care centre costs (for non-ORA units)
Project cash profits	The final cash return from developing a village. They incorporate the land cost, ILU costs, recreation and administration facility costs, care centre costs, management fees (incl. a share of corporate overheads), interest costs and the first-time sales proceeds for all units sold under Occupation Right
Cash margin from village development	The project cash profit from a village development divided by gross new sales receipt from first sell down
Ongoing operations	Earnings from operating villages and care centres. Incorporates care and village EBITDA, head office support (e.g. management time, IT, sales and marketing costs, administration), other revenue, refurbishment costs, depreciation and amortisation
Construction activity	Earnings from the construction and first-time sale of ORA units. Incorporates realised development margin, direct head office expenditure (sales and marketing costs for first time sell down) and expensed finance costs
Completed villages	Villages where all units, the care centre and common facilities have been completed and delivered
Realised resale gain	The difference in resale unit sales price between the incoming resident and the previous resident. Excludes DMF (shown separately) and forms part of Underlying profit and Annuity EBITDA
Resale cash margin	The realised cash margin on resale of a unit – includes realised resale gain, realised deferred management fee, refurbishment costs and sales and marketing expenditure relating to the resale of the unit

Key terms

Summerset key terms

Care EBITDA	Care fees from providing care (e.g. rest home and hospital care), deferred management fees from care units and realised resale gain from care units less costs of operating the care centres. Excludes any allocation of head office cost
Village EBITDA	Village services revenue (e.g. weekly fees), deferred management fees from retirement units and realised resale gain from retirement units less costs of operating retirement villages. Excludes any allocation of head office cost
Head office costs	The head offices functions that support the business in effectively operating our retirement villages and care centres. These include employee expenses (e.g. management), sales and marketing costs for the villages, software and technology costs, travel costs, directors' fees, consultancy costs and compliance costs
Employee expenses	Staff wages for villages, care and head office, excludes sales team salaries included below under sales and marketing costs
Building and grounds expenses	Insurance costs, Council rates, utilities and repairs and maintenance costs
Sales and marketing costs	Local and national advertising costs, sales commissions, sales incentives and wages for sales staff and sales management
Software and technology costs	General IT operating expenditure including investment in software costs, hardware costs and license fees
Other operating costs	All other operating costs which includes food costs, medical costs, legal fees, consultancy and travel costs, directors' fees
Deferred management fees	Resident fee, charged under ORA (the standard rate is 25% of the ORA price) which is deducted from the amount repaid to the outgoing resident upon resale of the unit. The fee is in consideration for the right to accommodation and the use of communal facilities over the entire length of a residents stay
Embedded value	Non-GAAP measure that reflects the balance of DMF accrued by the resident and the resale gain (being the difference between the price paid by the last resident and the price that would be paid by an incoming resident across the portfolio) at reporting date
ORA unit	Any retirement or care unit sold under an occupation right. Can include villas, apartments, serviced apartments, memory care apartments and care suites
Retirement unit	Villa, apartment and serviced apartment sold under ORA
Care unit	Memory care apartments, care suites and care beds either sold under ORA or available on a daily charge

Summerset overview

Diversified portfolio throughout New Zealand and Australia



Our portfolio

6,364

Retirement units
in portfolio

5,301

Retirement units
in land bank

\$7.4b

Total assets



Our care

1,359

Care units in
portfolio

1,337

Care units in
land bank



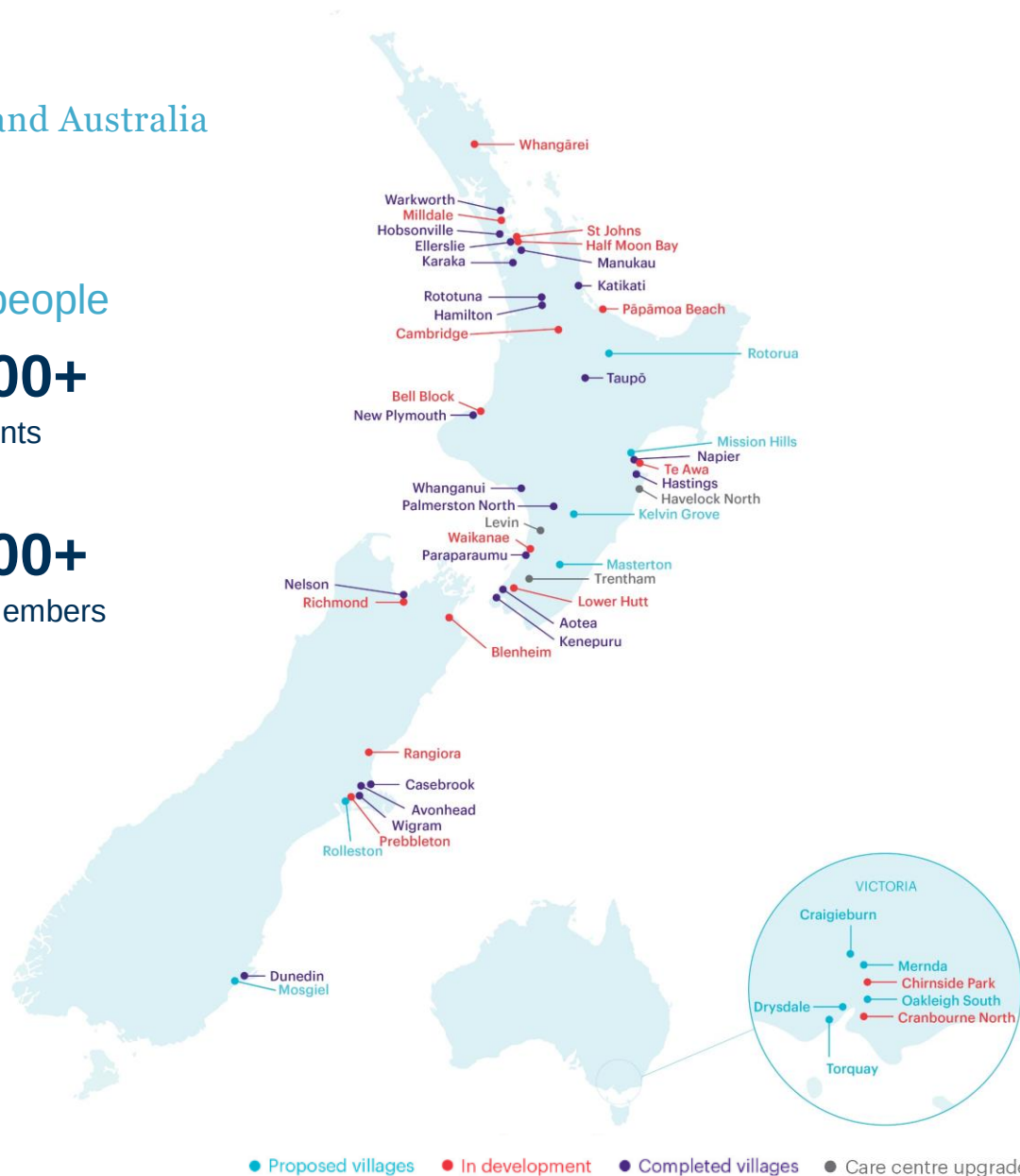
Our people

8,400+

Residents

2,900+

Staff members



Portfolio as at 30 June 2024

7,723 total units including 6,364 retirement units and 1,359 care units

Village	Existing portfolio - as at 30 June 2024						Total units and care beds
	Villas	Retirement units Apartments	Serviced apartments	Memory care apartments	Care units Care suites	Care beds	
Whangārei	135	-	-	-	-	-	135
Northland	135	-	-	-	-	-	135
Ellerslie	38	218	57	-	-	58	371
Hobsonville	163	73	52	-	-	52	340
Karaka	182	-	59	-	-	50	291
Manukau	89	67	27	-	-	54	237
Milldale	32	-	-	-	-	-	32
Warkworth	202	2	44	-	-	41	289
Auckland	706	360	239	-	-	255	1,560
Cambridge	65	-	-	-	-	-	65
Hamilton	183	-	50	-	-	49	282
Rototuna	188	-	56	20	7	36	307
Taupō	94	34	18	-	-	-	146
Waikato	530	34	124	20	7	85	800
Katikati	156	-	30	-	-	27	213
Pāpāmoa Beach	172	-	56	20	19	21	288
Bay of Plenty	328	-	86	20	19	48	501
Hastings	146	5	-	-	-	-	151
Havelock North	94	28	-	-	-	45	167
Napier	94	26	20	-	-	48	188
Te Awa	199	-	56	20	15	28	318
Hawke's Bay	533	59	76	20	15	121	824
Bell Block	162	-	56	20	19	21	278
New Plymouth	108	-	40	-	-	52	200
Taranaki	270	-	96	20	19	73	478
Levin	64	22	-	10	-	41	137
Palmerston North	90	12	-	-	-	44	146
Whanganui	70	18	12	-	-	37	137
Manawatū-Whanganui	224	52	12	10	-	122	420

Portfolio as at 30 June 2024

7,723 total units including 6,364 retirement units and 1,359 care units

Village	Existing portfolio - as at 30 June 2024						Total units and care beds
	Villas	Retirement units Apartments	Serviced apartments	Memory care apartments	Care units Care suites	Care beds	
Aotea	96	33	38	-	-	-	167
Kenepuru	112	48	86	20	17	26	309
Lower Hutt	13	20	35	15	-	-	83
Paraparaumu	92	22	-	-	-	44	158
Trentham	231	12	40	-	-	44	327
Waikanae	27	-	-	-	-	-	27
Wellington-Kapiti	571	135	199	35	17	114	1,071
Blenheim	36	-	-	-	-	-	36
Nelson	214	-	55	-	-	59	328
Richmond	223	-	56	20	17	26	342
Nelson-Tasman	473	-	111	20	17	85	706
Avonhead	165	-	79	20	17	26	307
Casebrook	270	-	56	20	-	43	389
Prebbleton	98	-	-	-	-	-	98
Wigram	159	-	53	-	-	49	261
Canterbury	692	-	188	40	17	118	1,055
Dunedin	61	20	20	-	-	42	143
Otago	61	20	20	-	-	42	143
Total NZ	4,523	660	1,151	185	111	1,063	7,693
Cranbourne North	30	-	-	-	-	-	30
Total Australia	30	-	-	-	-	-	30
Total NZ and Australia	4,553	660	1,151	185	111	1,063	7,723

Future development

Largest New Zealand land bank for a retirement village operator of 4,462 units and beds

Village	Landbank – as at 30 June 2024						Total units and care beds
	Villas	Retirement units Apartments	Serviced apartments	Memory care apartments	Care units Care suites	Care beds	
Whangārei	82	-	60	20	15	21	198
Northland	82	-	60	20	15	21	198
Half Moon Bay	-	232	17	20	26	-	295
Milldale	101	36	60	20	15	21	253
St Johns	11	225	55	19	30	-	340
Auckland	112	493	132	59	71	21	888
Cambridge	195	-	60	20	15	21	311
Waikato	195	-	60	20	15	21	311
Pāpāmoa Beach	39	-	-	-	-	-	39
Rotorua	260	-	20	20	10	20	330
Bay of Plenty	299	-	20	20	10	20	369
Havelock North	-	-	-	-	26	8	34
Te Awa	42	-	-	-	-	-	42
Hawke's Bay	42	-	-	-	26	8	76
Bell Block	60	-	-	-	-	-	60
Taranaki	60	-	-	-	-	-	60
Kelvin Grove	183	-	20	20	10	20	253
Manawātū-Whanganui	183	-	20	20	10	20	253
Levin	7	-	-	-	15	5	27
Lower Hutt	37	89	22	-	30	-	178
Masterton	236	-	20	20	10	20	306
Trentham	-	-	-	-	26	8	34
Waikanae	190	-	60	20	15	21	306
Wellington-Kapiti-Wairarapa	470	89	102	40	96	54	851

Future development

Largest New Zealand land bank for a retirement village operator of 4,462 units and beds

Village	Landbank – as at 30 June 2024						Total units and care beds
	Villas	Retirement units Apartments	Serviced apartments	Memory care apartments	Care units Care suites	Care beds	
Richmond	35	-	-	-	-	-	35
Nelson-Tasman	35	-	-	-	-	-	35
Blenheim	104	-	30	20	10	10	174
Marlborough	104	-	30	20	10	10	174
Prebbleton	123	-	60	20	15	21	239
Rangiora	260	-	40	20	27	9	356
Rolleston	267	-	20	20	10	20	337
Canterbury	650	-	120	60	52	50	932
Mosgiel	245	-	20	20	10	20	315
Otago	245	-	20	20	10	20	315
Total NZ	2,477	582	564	279	315	245	4,462
Chirnside Park	185	-	28	-	-	72	285
Craigieburn	267	-	34	-	-	72	373
Cranbourne North	131	-	34	-	-	72	237
Drysdale	300	-	34	-	-	72	406
Mernda	284	-	20	-	-	72	376
Oakleigh South	50	44	-	-	-	66	160
Torquay	209	30	28	-	-	72	339
Total Australia	1,426	74	178	-	-	498	2,176
Total NZ and Australia	3,903	656	742	279	315	743	6,638

Excludes Mission Hills, Napier, which was acquired post 30 June 2024, adding approximately 270 independent homes and a care centre to the land bank

1H24 underlying profit reconciliation

Reconciliation of underlying profit to reported net profit after tax

	1H24	1H23	Variance	FY23
Net profit before tax (IFRS)	120.8	128.1	(6%)	422.5
Net profit after tax (IFRS)	102.2	133.1	(23%)	436.3
Less fair value movement of investment property	(128.4)	(131.5)	(2%)	(441.6)
Add impairment of assets and other one-off costs	0.1	-	-	-
Add realised gain on resales	45.7	34.6	32%	88.1
Add realised development margin	51.7	56.0	(8%)	121.2
Add/(less) deferred tax expense/ (credit)	18.6	(5.0)	(476%)	(13.8)
Underlying profit	89.9	87.2	3%	190.3

Underlying Profit:

Underlying profit is a non-GAAP measure and differs from NZ IFRS profit for the period. Underlying profit does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. The Directors have provided an underlying profit measure in addition to IFRS profit to assist readers in determining the realised and unrealised components of fair value movement of investment property, impairment and tax expense in the Group's income statement. The measure is used internally in conjunction with other measures to monitor performance and make investment decisions and has been reviewed by Ernst & Young. Underlying profit is a measure which the Group uses consistently across reporting periods. Underlying profit is used to determine the dividend payout to shareholders.

Historical trends

Historical trends across operational and financial metrics

	Half year results	1H24	2H23	1H23	2H22	1H22	2H21	1H21	2H20	1H20	2H19	1H19	2H18	1H18
Operational	New sales of occupation rights	290	319	241	248	289	238	302	276	128	193	136	194	145
	Resales of occupation rights	298	301	242	248	222	195	243	245	136	181	142	147	154
	Total sales	588	620	483	496	511	433	545	521	264	374	278	341	299
	New units delivered	352	540	152	428	223	324	347	231	182	215	139	289	217
	Retirement units in portfolio	6,364	6,087	5,670	5,518	5,153	4,930	4,669	4,385	4,195	4,076	3,861	3,722	3,433
	Care units in portfolio	1,359	1,284	1,161	1,161	1,098	1,098	1,035	972	931	868	868	868	868
	Care fees	61.6	59.0	50.6	50.4	45.8	45.4	39.4	39.4	35.7	35.3	33.0	32.5	28.8
	Deferred management fees	3.0	2.5	2.3	1.9	1.4	0.8	0.4	-	-	-	-	-	-
	Realised gain on resales	0.1	0.1	0.2	0.5	0.1	0.2	0.1	0.2	0.1	-	-	0.1	-
	Care operating expenses	(66.2)	(64.4)	(50.8)	(52.2)	(48.3)	(45.7)	(37.2)	(40.8)	(27.6)	(29.2)	(27.7)	(26.9)	(24.6)
	Care EBITDA	(1.4)	(2.8)	2.3	0.6	(1.1)	0.6	2.8	(1.2)	8.2	6.0	5.3	5.6	4.2
	Village services	29.3	27.7	25.1	24.1	21.6	20.5	18.9	17.4	16.5	15.8	14.8	14.1	12.8
	Deferred management fees	54.9	52.3	47.6	46.5	42.5	39.0	34.9	32.0	28.7	27.4	25.1	23.3	22.3
	Realised gain on resales	45.6	53.5	34.4	37.8	31.8	30.3	29.3	30.2	15.6	22.6	14.3	13.7	14.9
Financial (NZ\$m)	Village operating expenses	(36.4)	(35.9)	(30.8)	(30.8)	(27.1)	(25.1)	(21.5)	(23.9)	(17.4)	(18.5)	(15.8)	(15.4)	(14.0)
	Village EBITDA	93.4	97.5	76.2	77.6	68.8	64.7	61.6	55.7	43.4	47.3	38.4	35.7	36.0
	Interest and other revenue	2.7	2.7	2.7	1.9	2.9	4.8	1.2	1.6	1.1	1.5	1.1	1.5	1.8
	Head office expenditure (post capitalisation)	(34.6)	(36.0)	(30.1)	(27.1)	(26.6)	(29.3)	(20.3)	(24.4)	(12.8)	(17.8)	(13.4)	(17.2)	(14.4)
	Annuity EBITDA	60.1	61.2	51.1	53.1	44.0	40.9	45.3	31.6	39.9	37.0	31.4	25.6	27.7
	Realised development margin	51.7	65.2	56.0	52.5	52.3	37.8	40.7	30.8	17.4	33.9	27.1	37.9	25.8
	Underlying EBITDA	111.9	126.5	107.1	105.6	96.3	78.7	86.0	62.3	57.3	70.9	58.5	63.5	53.5
	Depreciation and amortisation	(9.2)	(8.5)	(7.3)	(7.0)	(6.6)	(6.4)	(5.2)	(4.2)	(3.9)	(3.9)	(3.9)	(3.8)	(2.9)
	Finance costs	(12.8)	(14.9)	(12.6)	(9.7)	(7.3)	(6.7)	(5.3)	(5.2)	(8.3)	(8.6)	(6.8)	(6.3)	(5.4)
	Underlying profit (\$m)	89.9	103.1	87.2	89.0	82.5	65.6	75.5	53.0	45.1	58.4	47.8	53.4	45.2
	Refurbishment costs	(7.1)	(6.0)	(5.7)	(3.8)	(3.7)	(3.0)	(2.5)	(3.0)	(2.5)	(2.5)	(1.5)	(1.8)	(1.2)
	Profit after refurbishment costs	82.9	97.2	81.5	85.2	78.7	62.6	73.0	50.0	42.6	55.9	46.3	51.6	44.0
	Operating cash flow	191.6	251.5	146.7	178.8	190.4	153.7	229.7	174.0	92.8	144.6	93.3	217.8	92.8
	Total assets (\$m)	7,363	6,942	6,298	5,840	5,375	4,924	4,375	3,893	3,433	3,338	3,028	2,766	2,451
	Total equity	2,697	2,605	2,307	2,193	2,062	1,925	1,618	1,355	1,113	1,132	1,054	979	871
	EPS (cents) (IFRS profit)	43.5	130.1	57.3	58.2	58.5	122.3	115.9	101.9	0.4	36.9	41.7	53.5	43.8
	NTA (cents)	1,143	1,110	988	944	891	836	707	594	491	502	471	438	392

Definitions:

- New units delivered includes all retirement units and care units
- Retirement units include villas, apartments and serviced apartments
- Care units include memory care apartments, care suites and care beds
- Underlying profit differs from NZ IFRS reported profit after tax. The measure has been reviewed by Ernst & Young. Refer to slide 61 for a reconciliation between the two measures, and note 2 of the financial statements for detail on the components of underlying profit

Fair value movement

Fair value movement of investment property – key assumptions

Fair value movement of investment property		Value of investment property*	Fair value gain/(loss)	Key valuation assumptions					
Village	Location	NZ\$m	NZ\$m	Discount rate	Growth rate Yr 1	Growth rate Yr 2	Growth rate Yr 3	Growth rate Yr 4	Growth rate Yr 5+
Summerset by the Park	Manukau	179.5	1.6	13.50%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset by the Lake	Taupō	103.1	1.6	14.50%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset in the Bay	Napier	105.7	2.7	13.75%	1.25%	2.25%	2.75%	3.00%	3.50%
Summerset in the Orchard	Hastings	113.7	1.8	14.50%	1.25%	2.25%	2.75%	3.00%	3.50%
Summerset in the Vines	Havelock North	92.4	0.9	14.25%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset in the River City	Whanganui	49.5	1.0	14.88%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset on Summerhill	Palmerston North	71.1	1.6	14.50%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset by the Ranges	Levin	44.0	0.8	14.75%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset on the Coast	Paraparaumu	89.6	1.5	14.25%	1.00%	2.00%	2.50%	3.00%	3.50%
Summerset at Aotea	Aotea	137.2	1.2	14.00%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset in the Sun	Nelson	191.6	3.6	13.50%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset at Bishopscourt	Dunedin	70.1	2.3	14.25%	1.25%	2.25%	2.75%	3.00%	3.50%
Summerset down the Lane	Hamilton	158.4	(2.3)	14.00%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset Mountain View	New Plymouth	99.3	2.4	14.50%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset Falls	Warkworth	233.3	(0.8)	14.00%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset at Heritage Park	Ellerslie	375.7	1.1	14.50%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset at Karaka	Karaka	223.3	(0.3)	13.75%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset at Wigram	Wigram	156.4	5.2	13.75%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset at the Course	Trentham	216.7	(0.3)	14.00%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset by the Sea	Katikati	141.6	3.1	14.50%	1.50%	2.25%	2.75%	3.00%	3.50%
Summerset Rototuna	Rototuna	207.3	1.8	14.00%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset at Avonhead	Avonhead	205.5	2.1	13.75%	1.00%	1.50%	2.00%	3.00%	3.50%
Summerset at Monterey Park	Hobsonville	362.6	(2.2)	13.50%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset on the Landing	Kenepuru	244.0	3.3	14.00%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset on Cavendish	Casebrook	260.4	2.7	13.75%	1.00%	1.50%	2.00%	3.00%	3.50%
Total for completed villages		4,132	36.3						

* Value of non land capital work in progress not represented in the above table

Fair value movement

Fair value movement of investment property – key assumptions

Fair value movement of investment property		Value of investment property*	Fair value gain/(loss)	Key valuation assumptions					
Village	Location	NZ\$m	NZ\$m	Discount rate	Growth rate Yr 1	Growth rate Yr 2	Growth rate Yr 3	Growth rate Yr 4	Growth rate Yr 5+
Summerset Richmond Ranges	Richmond	225.8	1.4	14.50%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset Palms	Te Awa	226.6	17.1	14.50%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset by the Dunes	Pāpāmoa Beach	195.6	15.2	14.50%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset Pohutukawa Place	Bell Block	184.9	15.3	14.50%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset Mount Denby	Whangarei	127.8	5.3	15.00%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset Cambridge	Cambridge	78.5	3.4	16.25%	1.00%	1.50%	2.00%	3.00%	3.50%
Summerset Prebbleton	Prebbleton	90.3	6.3	16.25%	1.00%	1.50%	2.00%	3.00%	3.50%
Summerset Blenheim	Blenheim	33.4	2.4	16.50%	1.00%	1.50%	2.00%	3.00%	3.50%
Summerset Milldale	Milldale	60.9	3.9	16.50%	1.00%	1.50%	2.00%	3.00%	3.50%
Summerset Boulcott	Lower Hutt	92.8	10.0	15.75%	1.00%	1.50%	2.00%	3.00%	3.50%
Summerset Waikanae	Waikanae	42.7	3.3	16.50%	1.00%	1.50%	2.00%	2.50%	3.50%
Summerset Cranbourne North	Cranbourne North	41.5	(7.7)	13.50%	3.97%	2.74%	3.04%	3.04%	3.02%
Summerset Rangiora	Rangiora	13.7	2.3	n/a	n/a	n/a	n/a	n/a	n/a
Summerset St Johns	St Johns	313.0	23.3	n/a	n/a	n/a	n/a	n/a	n/a
Summerset Half Moon Bay	Half Moon Bay	35.4	(1.0)	n/a	n/a	n/a	n/a	n/a	n/a
Summerset Chirnside Park	Chirnside Park	50.6	(1.3)	n/a	n/a	n/a	n/a	n/a	n/a
Total for villages in development		1,814	99.1						
Total for proposed villages**		343.9	(7.0)						
Total for all villages		6,289	128.4						

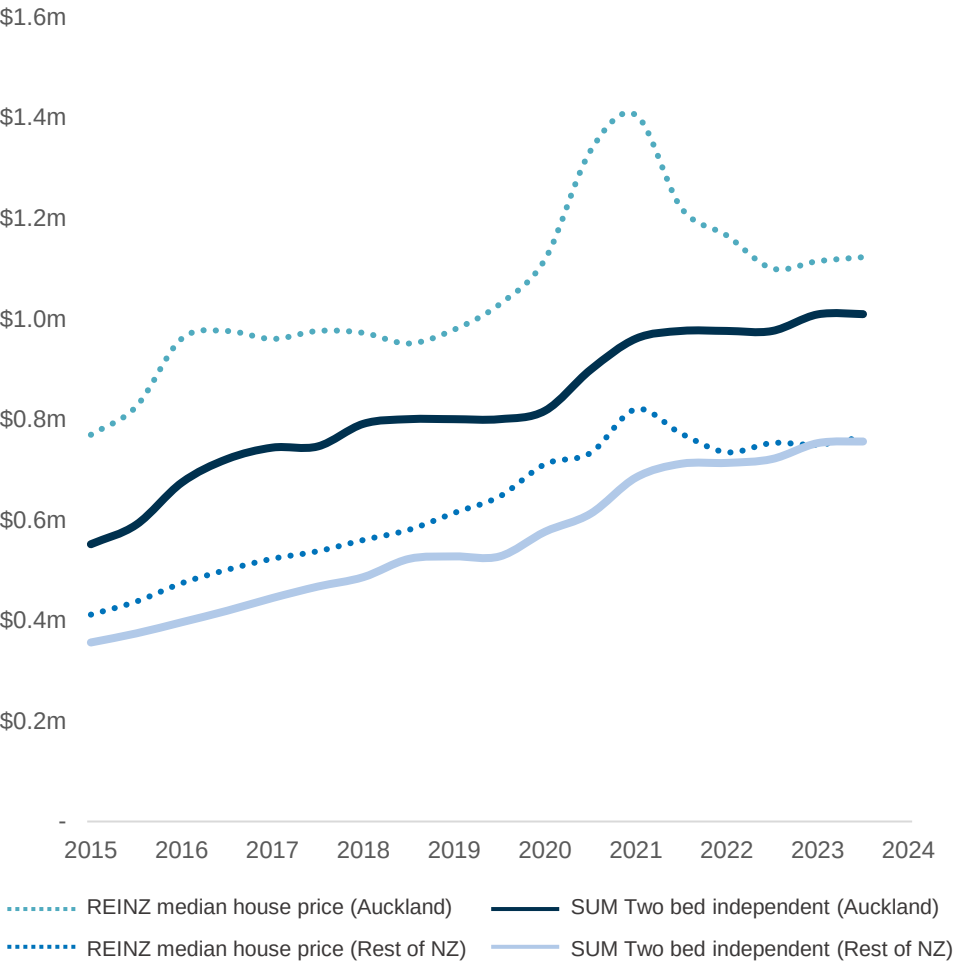
* Value of non land capital work in progress not represented in the above table

** Proposed villages includes assets held for sale – refer to note 5 in the Annual report

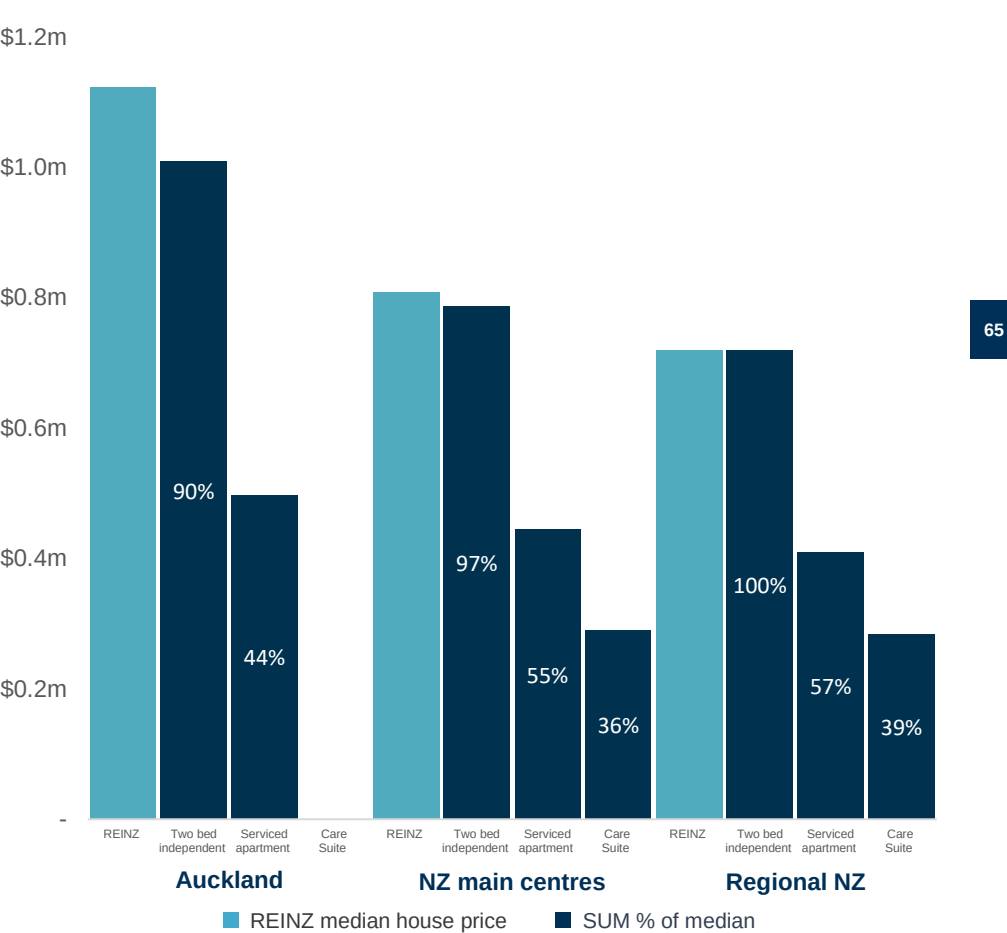
Sales price relativity

Continue to watch the residential market closely, unit pricing remains well placed

Long term sales price relativity



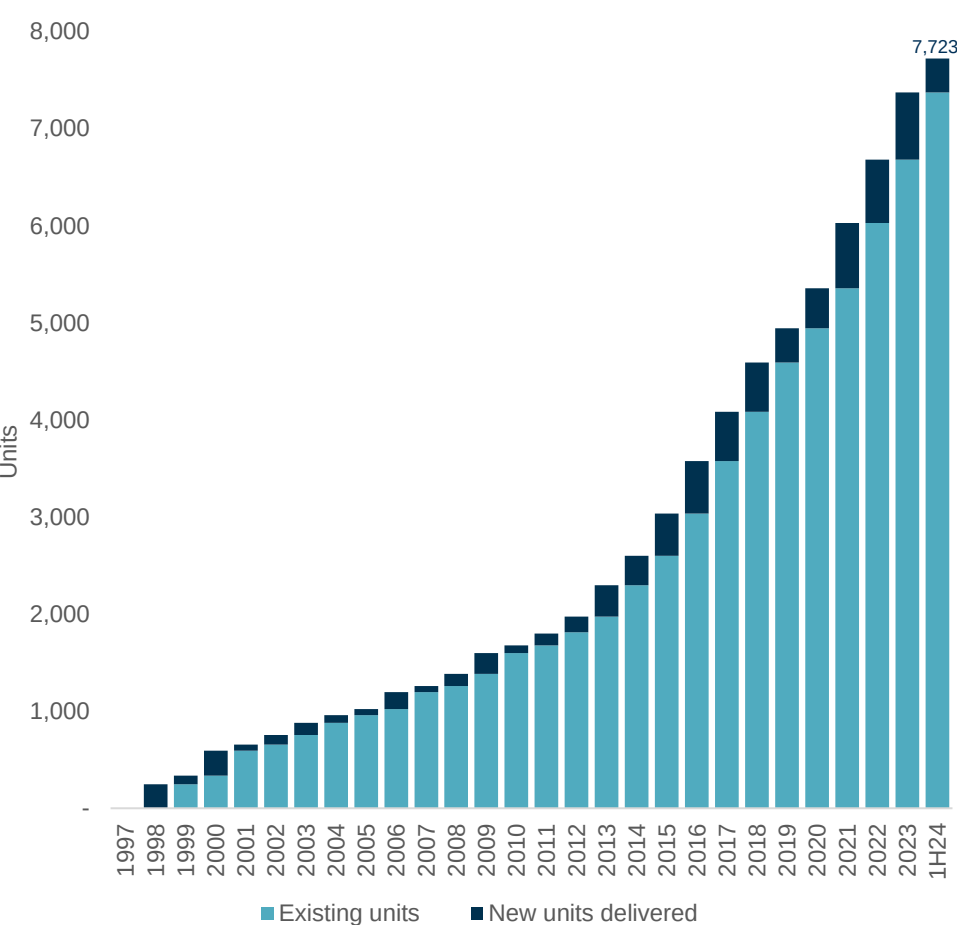
Sales price relativity vs median house price



Summerset growth and key demographics

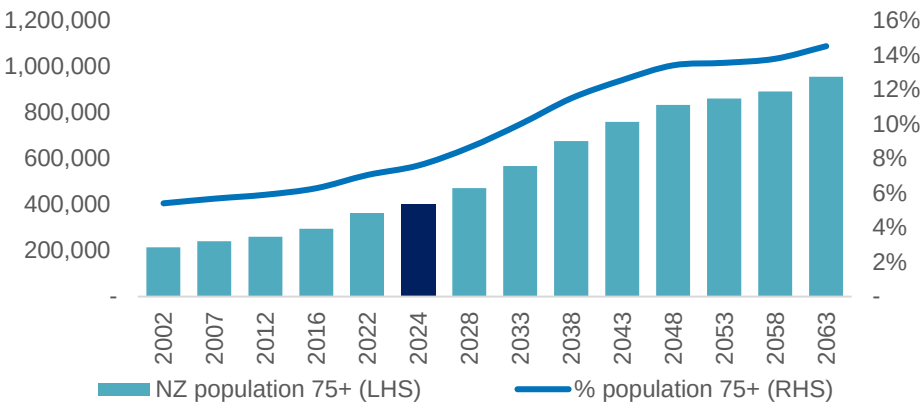
26 years of consistent delivery and growth

Summerset build rate

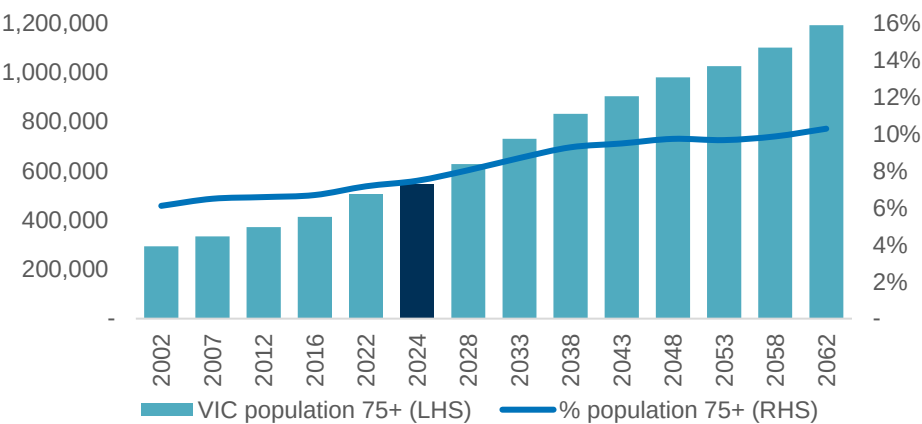


New units delivered includes retirement units, memory care apartments, care suites and care beds

New Zealand population growth 75 years and over



Victoria population growth 75 years and over

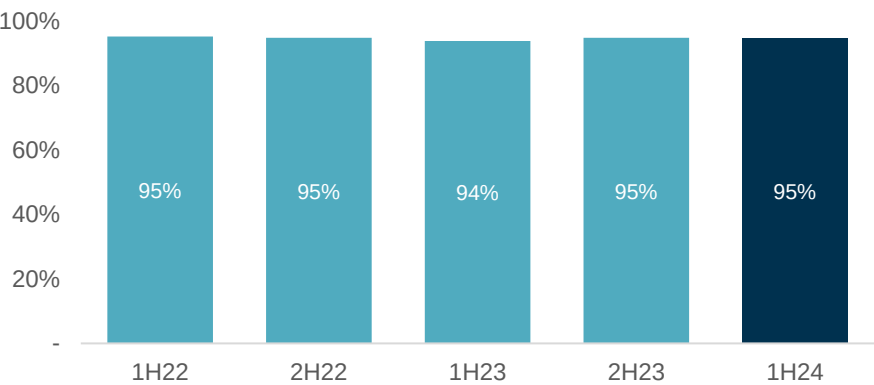


Source: Australian Bureau of Statistics and Statistics New Zealand

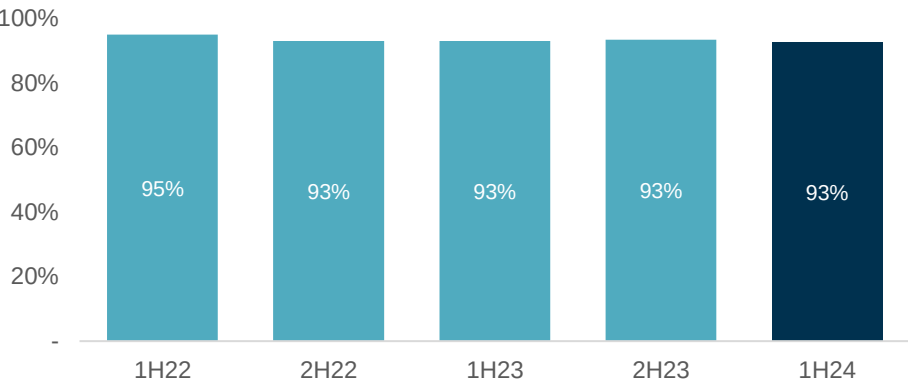
Customer profile & occupancy

Occupancy, tenure and resident demographic statistics

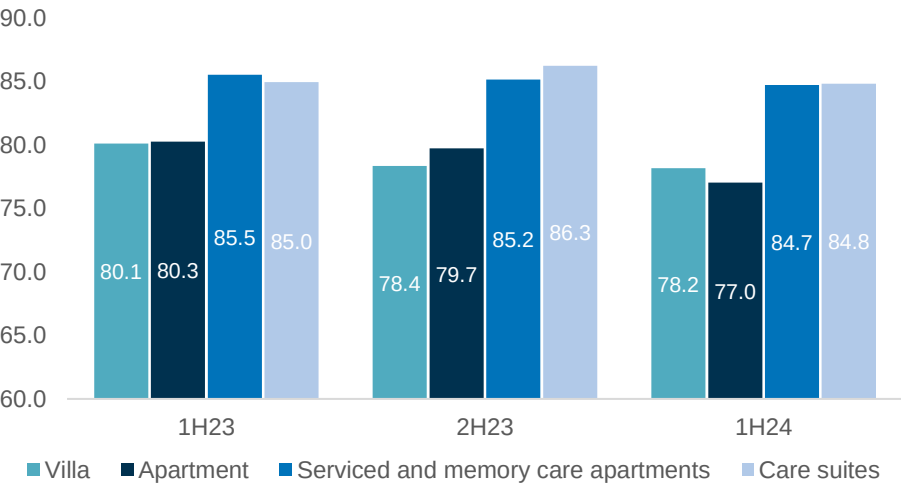
Occupancy – retirement villages



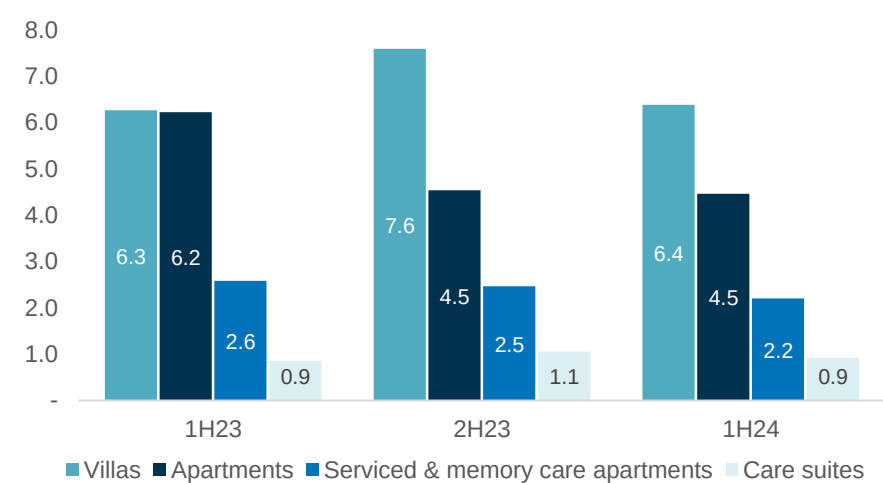
Occupancy – established care centres



Average entry age of residents (years)



Average tenure (years)





Ngā mihi

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