



**Summerset Group Holdings Limited**  
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## **NZX & ASX RELEASE**

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### **SUMMERSET POSTS \$98.3M FULL YEAR UNDERLYING PROFIT**

- Underlying profit for FY20 of NZ\$98.3 million, down 7% on FY19
- Net profit after tax of NZ\$230.8 million, up 32% on FY19
- Total assets of NZ\$3.9 billion, up 17% on FY19
- 785 total sales of occupation rights, up 20% on FY19
- 356 new units delivered, up from 354 for FY19
- Land bank total of 5,129 retirement units and 863 care units across NZ and Australia
- Gearing ratio of 32.6%, down from 33.3% at FY19
- Final dividend of NZ 7.0 cents per share

Retirement village operator Summerset Group Holdings Limited today announced a full year underlying profit for the year ending 31 December 2020 of NZ\$98.3 million, down 7% on FY19.

Net (IFRS) profit after tax, which includes the impact of unrealised movements in the fair value of investment property, was up 32% on FY19 at NZ\$230.8 million.

Summerset Chief Executive Julian Cook said it had been a strong year for Summerset despite the COVID-19 pandemic.

“Summerset has maintained strong profitability and resilience throughout 2020.”

Mr Cook said underlying profit was down on the previous year due to expenditure on measures to keep residents safe from COVID-19 plus increases in employee wages.

“Despite the COVID-19 pandemic and lockdown, we have performed well. This is testament to New Zealand’s effective public health response, the Summerset team, our handling of the pandemic, and the underlying strength of Summerset’s business,” he said.

In 2020, Summerset opened next-generation main buildings in Christchurch and Hamilton and new retirement villages in Tauranga (Papamoa Beach), Napier (Te Awa) and New Plymouth (Bell Block).

It completed 356 units built across nine sites despite the closure of construction sites due to the COVID-19 lockdown.

Summerset now has 32 villages completed or in development and continues to have the largest land bank in the sector. The number of residents increased from just over 5,500 at the end of 2019 to over 6,200 as at 31 December 2020.

Summerset’s care business continued its strong performance over 2020 with occupancy at 96% in established care centres. Resident satisfaction was also steady at industry-leading levels of 97% for care residents and 95% for retirement village residents.



Summerset continued to build on its commitment to sustainability. It is now in its third year as a certified Toitū carbonzero organisation and set a new science-based carbon reduction target in 2020.

Looking ahead, Mr Cook said Summerset expected to open main buildings in its Richmond (Nelson) and Avonhead (Christchurch) retirement villages in 2021. The 9,000m<sup>2</sup> main buildings include extensive village amenities such as a swimming pool, gym and movie theatre, a care centre and memory care centre, and serviced apartments.

A 32% increase in net profit after tax was driven by an investment property revaluation uplift of NZ\$221.1 million on Summerset's retirement village assets for the year. The investment property valuation as at 31 December 2020 has rebounded strongly since the previous valuation as at 30 June 2020 when the residential property market was forecast to fall by up to 10% as a result of the COVID-19 pandemic.

The board has declared an unimputed final dividend of NZ7.0 cents per share. The record date will be Tuesday 9 March 2021 and the payment date will be Monday 22 March 2021. This brings the total dividend payment for 2020 to NZ13.0 cents per share. The dividend reinvestment plan will apply to the dividend, with a discount of 2% applicable to those shareholders participating in the plan.

## ENDS

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## ABOUT SUMMERSET

- Summerset is one of the leading operators and developers of retirement villages in New Zealand, with 32 villages completed or in development across the country. In addition, Summerset has eight sites for development in Half Moon Bay (Auckland), Milldale (Auckland), Parnell (Auckland), Prebbleton (Canterbury), Rangiora (Canterbury), Waikanae (Kapiti Coast), Blenheim (Marlborough), and Cambridge (Waikato), plus two sites in Victoria, Australia. This brings the total number of properties to 42.
- It provides a range of living options and care services to more than 6,200 residents.
- The Summerset Group has villages in Aotea, Avonhead, Bell Block, Casebrook, Dunedin, Ellerslie, Hamilton, Hastings, Havelock North, Hobsonville, Karaka, Katikati, Kenepuru, Levin, Lower Hutt, Manukau, Napier, Nelson, New Plymouth, Palmerston North, Papamoa Beach, Paraparaumu, Richmond, Rototuna, St Johns, Taupo, Te Awa, Trentham, Wanganui, Warkworth, Whangarei and Wigram.