



Summerset Group Holdings Limited
Level 27 Majestic Centre, 100 Willis St, Wellington
PO Box 5187, Wellington 6140
Phone: 04 894 7320 | **Fax:** 04 894 7319
Website: www.summerset.co.nz

NZX & ASX RELEASE

4 July 2024

2Q24 METRICS – SALES OF OCCUPATION RIGHTS AND HY PROFIT GUIDANCE

The wider property market in NZ has been softer than anticipated to start 2024, restrained by high interest rates, weak consumer confidence and cost of living pressures.

Despite these conditions, Summerset Group reported 333 sales for the quarter ending 30 June 2024, comprising 156 new sales and 177 resales.

Total sales for the first half of the year were the highest first half the company has recorded, with resales being particularly strong, resale pricing was up 0.3%. Sales for the six months to 30 June were the second highest ever behind 2H23.

Summerset CEO Scott Scoullar said the result was pleasing. “Settlements were strong for the second quarter of the year, up 31% on the first quarter and up 22% year-on-year.

“Our residents’ motivation to buy continues to be driven by life events, such as their health or desire for more community, these factors don’t change in a constrained economy. While our prospective residents are still highly motivated the sluggish property market is restricting them from selling their home as quickly as they would like which is slowing some moves to our villages.

“In spite of this it’s been very pleasing that Summerset has now achieved total sales volumes of 1,200 units over the past 12 months against challenging market conditions.”

Mr Scoullar said that while sales have increased and continue to track well the company expects underlying profit for the half year to 30 June to be similar to the same period last year.

“The market is very challenging, our sales are progressing well but at the same time our construction costs, interest rates and labour costs have all increased and we expect to deliver an underlying profit between \$87m-\$90m.”

Mr Scoullar also noted that 2023’s underlying profit included \$4.9m of high value waterfront Hobsonville homes sold in 1H23, and Summerset did not have similar unique units for sale in the first half of this year.

The company has construction in progress at 17 sites throughout New Zealand and Australia and continues to be on track to deliver approximately 675-725 homes in 2024. Summerset expects it will deliver closer to the lower end as the company actively and prudently manages deliveries to market conditions.

“The year end result is dependent on an uplift in new sales in the second half, and we have confidence at this point those sales will be achieved noting that new deliveries are on track,” says Mr Scoullar.

ENDS

YTD₂₄ SALES OF OCCUPATION RIGHTS

| | 1Q24 | 2Q24 | YTD24 |
|--------------|------------|------------|------------|
| New sales | 134 | 156 | 290 |
| Resales | 121 | 177 | 298 |
| Total | 255 | 333 | 588 |

FY₂₃ SALES OF OCCUPATION RIGHTS

| | 1Q23 | 2Q23 | 3Q23 | 4Q23 | FY23 |
|--------------|------------|------------|------------|------------|--------------|
| New sales | 115 | 126 | 133 | 186 | 560 |
| Resales | 95 | 147 | 127 | 174 | 543 |
| Total | 210 | 273 | 260 | 360 | 1,103 |

NOTES:

- Occupation right sales volumes represent the number of occupation rights settled in the period and differ from retirement unit deliveries which represents the number of new homes for which construction was completed in the period.
- The quarterly sales metrics provided may not necessarily reflect NZ IFRS financial performance for the corresponding period. In particular, key items in the income statement, such as the fair value movement of investment property, are dependent on several variables, of which one is occupation right sales. NZ IFRS financial performance is calculated for the periods ending 30 June and 31 December each year.

For investor relations enquiries:

Will Wright
Chief Financial Officer
will.wright@summerset.co.nz

For media enquiries:

Louise McDonald
Communications
louise.mcdonald@summerset.co.nz
+64 21 246 3793

ABOUT SUMMERSET

- Summerset is one of the leading operators and developers of retirement villages in New Zealand, with 38 villages completed or in development nationwide
- In addition, Summerset has six proposed sites at Half Moon Bay (Auckland), Rotorua (Bay of Plenty), Palmerston North (Manawatu), Masterton (Wairarapa), Rolleston (Christchurch), and Mosgiel (Dunedin)
- Summerset also has two villages in development (Cranbourne North and Chirnside Park) and five other properties in Victoria, Australia (Craigieburn, Drysdale, Mernda, Oakleigh South and Torquay)
- Summerset provides a range of living options and care services to more than 8,000 residents