



The Directors
Oceania Healthcare Limited
Affinity House
2 Hargreaves Street
St Mary's Bay
Auckland 1011

31 March 2017

Dear Directors

Investigating Accountant's Report

Independent Limited Assurance Report on Oceania Healthcare Limited historical and forecast financial information

We have been engaged by Oceania Healthcare Limited (the Company) to report on the historical and forecast financial information of the Company and its subsidiaries (Oceania Group) for inclusion in the Product Disclosure Statement (PDS) and the Register Entry dated on 31 March 2017 and relating to the issue of ordinary shares in the Company.

Expressions and terms defined in the PDS and/or Register Entry have the same meaning in this report.

Scope

You have requested PricewaterhouseCoopers to review the following financial information of the Oceania Group (the responsible party) included in Section 7 of the PDS and/or Oceania's Prospective Financial Information a Reconciliation of Non-NZ GAAP Information and Supplementary Financial Information (together "the Offer Document"):

Summary Historical Financial Information

- revenue and net profit after tax (NPAT) for the years ended 31 May 2014, 31 May 2015 and 31 May 2016;
- the total assets, cash and cash equivalents, total liabilities, total debt and net tangible assets as at 31 May 2014, 31 May 2015 and 31 May 2016;
- the net cash flows from operating activities for the years ended 31 May 2014, 31 May 2015 and 31 May 2016.

The historical financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in New Zealand Accounting Standards and the Company's adopted accounting policies.

The historical financial information has been extracted from the financial reports of the Oceania Group for the years 31 May 2014, 31 May 2015 and 31 May 2016, which was audited by

PricewaterhouseCoopers, 188 Quay Street, Private Bag 92162, Auckland 1142, New Zealand
T: +64 9 355 8000, F: +64 9 355 8001, pwc.co.nz



PricewaterhouseCoopers in accordance with New Zealand Auditing Standards.
PricewaterhouseCoopers issued an unmodified audit opinion on the financial reports.

The historical financial information is presented in the PDS in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by New Zealand Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Financial Reporting Act 2013. Full financial statements are included on the Register Entry.

Summary Pro Forma Historical Financial Information

- the pro forma Statements of Financial Performance (including pro forma underlying earnings before interest, tax, depreciation, amortisation and goodwill impairment (EBITDA) and pro forma underlying NPAT) for the years ended 31 May 2014, 31 May 2015 and 31 May 2016;
- the pro forma Statement of Financial Position as at 30 November 2016;
- the reconciliation to the historical financial information;

The summary pro forma historical financial information has been derived from the historical financial information of the Oceania Group, after adjusting for the effects of pro forma adjustments described in the Offer Document. The stated basis of preparation is the recognition and measurement principles contained in New Zealand Accounting Standards and the Company's adopted accounting policies applied to the historical financial information and the events to which the pro forma adjustments relate, as described in the Offer Document, as if those events had occurred as at the date of the historical financial information. Due to its nature, the pro forma historical financial information does not represent the Oceania Group's actual or prospective financial position, financial performance, and/or cash flows.

Prospective Financial Information (PFI)

- the prospective Statements of Financial Performance for the years ended 31 May 2017 and 31 May 2018;
- the prospective Statement of Changes in Equity as ended 31 May 2017 and 31 May 2018;
- the prospective Statement of Financial Position as ended 31 May 2017 and 31 May 2018;
- the prospective Statements of Cash Flows for the years ended 31 May 2017 and 31 May 2018;

The directors' best-estimate assumptions underlying the PFI are described in the Offer Document. The stated basis of preparation used in the preparation of the PFI being the recognition and measurement principles contained in New Zealand Accounting Standards (in particular FRS-42 Prospective Financial Information) and the Company's adopted accounting policies;

Summary Pro Forma Prospective Financial Information (Pro Forma PFI)

- the prospective pro forma Statements of Financial Performance (including pro forma underlying EBITDA and pro forma underlying NPAT) for the years ended 31 May 2017 and 31 May 2018;
- the reconciliation to the PFI;

The summary Pro Forma PFI has been derived from the Oceania Group's PFI, after adjusting for the effects of the pro forma adjustments described in the Offer Document. The stated basis of preparation used in the preparation of the Pro Forma Forecast being the recognition and measurement principles



contained in New Zealand Accounting Standards (in particular FRS-42 Prospective Financial Information) applied to the PFI and the events to which the pro forma adjustments relate, as described in the Offer Document, as if those events had occurred at the date of the PFI. Due to its nature, the Pro Forma PFI does not represent the Oceania Group's actual prospective financial performance and/or cash flows for the years ended 31 May 2017 and 31 May 2018.

Directors' responsibility

The directors of the Company are responsible for:

- the preparation of the Historical Financial Information and Pro Forma Historical Financial Information, including its basis of preparation; and
- the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information.

The directors of the Company are also responsible for:

- the preparation of the PFI, including its basis of preparation and the best-estimate assumptions underlying the PFI; and
- they are also responsible for the preparation of the Pro Forma PFI, including its basis of preparation and the selection and determination of the pro forma adjustments made to the PFI and included in the Pro Forma PFI.

This includes responsibility for its compliance with applicable laws and regulations and for such internal controls as the directors determine are necessary to enable the preparation of historical financial information, pro forma historical financial information, PFI and pro forma PFI that are free from material misstatement.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information, the Pro Forma Historical Financial Information, the PFI and Pro Forma PFI, the best-estimate assumptions underlying the PFI and Pro Forma PFI, and the reasonableness of the PFI and Pro Forma PFI themselves, based on our review. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information* issued November 2012 by the Australian Government Auditing and Assurance Standards Board. ASAE 3450 is being used as authoritative support as there is no applicable standard in New Zealand.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with New Zealand Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.



Conclusions

Summary Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the summary historical financial information of the Oceania Group, as described in the Offer Document, and comprising:

- revenue and NPAT for the years ended 31 May 2014, 31 May 2015 and 31 May 2016;
- the total assets, cash and cash equivalents, total liabilities, total debt and net tangible assets as at 31 May 2014, 31 May 2015 and 31 May 2016;
- the net cash flows from operating activities for the years ended 31 May 2014, 31 May 2015 and 31 May 2016;

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in the Offer Document being the recognition and measurement principles contained in New Zealand Accounting Standards and the Company's adopted accounting policies.

Summary Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the summary pro forma historical financial information of the Oceania Group as described in the Offer Document, and comprising:

- the pro forma Statements of Financial Performance (including pro forma underlying EBITDA and pro forma underlying NPAT) for the years ended 31 May 2014, 31 May 2015 and 31 May 2016;
- the pro forma Statement of Financial Position as at 30 November 2016;
- the reconciliation to the historical financial information;

are not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in the Offer Document being the recognition and measurement principles contained in New Zealand Accounting Standards and the Company's adopted accounting policies applied to the historical financial information and the events to which the pro forma adjustments relate, as described in the Offer Document, as if those events had occurred as at the date of the historical financial information.

Prospective Financial Information (PFI)

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that:

- the directors' best-estimate assumptions used in the preparation of:
 - the prospective Statements of Financial Performance for the years ended 31 May 2017 and 31 May 2018;
 - the prospective Statements of Changes in Equity as ended 31 May 2017 and 31 May 2018;
 - the prospective Statements of Financial Position as ended 31 May 2017 and 31 May 2018;



- the prospective Statements of Cash Flows for the years ended 31 May 2017 and 31 May 2018

do not provide reasonable grounds for the PFI; and

- in all material respects, the PFI:
 - is not properly prepared on the basis of the directors' best-estimate assumptions as described in the Offer Document; and
 - is not presented fairly in accordance with the stated basis of preparation, being the recognition and measurement principles contained in New Zealand Accounting Standards (in particular FRS-42 Prospective Financial Information) and the entity's adopted accounting policies; and
- the PFI itself is unreasonable.

Summary Pro Forma Prospective Financial Information (Pro Forma PFI)

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

- the directors' best-estimate assumptions used in the preparation of:
 - the prospective pro forma Statements of Financial Performance (including pro forma underlying EBITDA and pro forma underlying NPAT) for the years ended 31 May 2017 and 31 May 2018;
 - the reconciliation to the PFI;

do not provide reasonable grounds for the Pro Forma PFI; and

- in all material respects, the Pro Forma PFI:
 - is not properly prepared on the basis of the directors' best-estimate assumptions, as described in the Offer Document; and
 - is not presented fairly in accordance with the stated basis of preparation, being the recognition and measurement principles contained in New Zealand Accounting Standards (in particular FRS-42 Prospective Financial Information) and the Company's adopted accounting policies, applied to the PFI and the pro forma adjustments as if those adjustments had occurred as at the date of the PFI; and
- the Pro Forma PFI itself is unreasonable.

PFI and Pro Forma PFI

The PFI and Pro Forma PFI have been prepared by management and adopted by the directors in order to provide prospective investors with a guide to the potential financial performance of the Oceania Group for the years ending 31 May 2017 and 31 May 2018. There is a considerable degree of subjective judgment involved in preparing forecasts since they relate to events that have not yet occurred and may not occur. Actual results are likely to be different from the PFI and Pro Forma PFI since anticipated events or transactions frequently do not occur as expected and the variation may be material.

The directors' best estimate assumptions on which the PFI and Pro Forma PFI are based relate to future events that management expect to occur and actions that management expect to take and are



also subject to uncertainties and contingencies, which are often outside the control of the Oceania Group. Evidence may be available to support the directors' best estimate assumptions on which the PFI and Pro Forma PFI are based however such evidence is generally future-oriented and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best-estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the directors' best estimate assumptions. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties in relation to an investment in the Company, which are detailed in the Offer Document and Section 8 of the PDS, and the inherent uncertainty relating to the PFI and Pro Forma PFI. Accordingly, prospective investors should have regard to the investment risks and sensitivities as the Offer Document and Section 8 of the PDS. The sensitivity analysis described in Oceania's Prospective Financial Information a Reconciliation of Non-NZ GAAP Information and Supplementary Financial Information demonstrates the impact on the PFI and Pro Forma PFI of changes in key best-estimate assumptions. We express no opinion as to whether the PFI and Pro Forma PFI will be achieved.

The PFI and Pro Forma PFI have been prepared by the directors for the purpose of inclusion in the Offer Document. We disclaim any assumption of responsibility for any reliance on this report, or on the PFI and Pro Forma PFI to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Restriction on Use

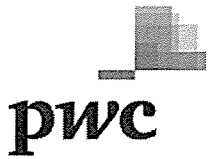
This report is made solely to the directors of the Company. We disclaim any assumption of responsibility for any reliance on this Report or on the Summary Historical Financial Information, Summary Pro Forma Historical Financial Information, Prospective Financial Information and Summary Pro Forma Prospective Financial Information to which this Report relates for any purpose other than the purpose for which it was prepared. This Report should be read in conjunction with the PDS and/or other information contained on the Register Entry. However, we take no responsibility for, nor do we report on, any part of the PDS and/or other information contained in the Register Entry not specifically mentioned in this report. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the directors of the Company for the conclusions that we have formed.

Consent

PricewaterhouseCoopers has consented to the inclusion of this assurance report in the public document in the form and context in which it is included.

Liability

The liability of PricewaterhouseCoopers is limited to the inclusion of this report in the PDS and/or Register Entry. PricewaterhouseCoopers makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from the PDS and/or Register Entry.



Independence or Disclosure of Interest

PricewaterhouseCoopers does not have any interest in the outcome of the Offer other than the preparation of this Limited Assurance Report and related due diligence procedures, for which normal professional fees will be received. We have no relationship with or interests in any member of Oceania Healthcare Limited other than in our capacities as auditor and previously their tax adviser. The provision of these services has not impaired our independence.

Yours faithfully

PricewaterhouseCoopers

Chartered Accountants

