

## **MEDIA RELEASE**

**8 April 2020**

### **APVG NOTICE IT WISHES TO TERMINATE SCHEME**

Metlifecare Limited (NZX: MET, ASX: MEQ) advises that late last night it received notice of an intention to terminate its scheme implementation agreement (**SIA**) with Asia Pacific Village Group Limited (**APVG**) in around 10 business days.

APVG has asserted that COVID-19 is a specified event triggering the “Material Adverse Change” (as defined on page 55 of the SIA) (**MAC**) clause because it has reduced or is reasonably likely to reduce the consolidated net tangible assets of Metlifecare by at least \$100m and/or that it is reasonably likely to reduce the consolidated underlying net profit (as described in the MAC clause) of Metlifecare by at least 10% in FY20, and/or FY21 and/or FY22 against what it would reasonably have been expected to be but for the COVID-19 event.

APVG has also asserted that Metlifecare has not provided some information to APVG and made decisions in relation to its response to Level 4 Government directives without consultation and/or consent of APVG, contrary to clauses 9.2 and 9.3 of the SIA.

Metlifecare is taking legal advice on the APVG correspondence, but its initial view is that the assertions are without substance and that APVG does not have a lawful basis to terminate the SIA.

Metlifecare will be making no further comment at this stage.

This announcement is authorised for release to the market by the Board of Metlifecare Limited.

**Ends**

#### **About Metlifecare**

Metlifecare is a leading New Zealand owner and operator of retirement villages, providing rewarding lifestyles and outstanding care to more than 5,600 New Zealanders. Established in 1984, it currently owns and operates a portfolio of 25 villages in areas with strong local economies, supportive demographics and high median house prices, located predominantly in New Zealand’s upper North Island.