



## **MEDIA RELEASE**

### **ARVIDA GROUP COVID-19 UPDATE**

**27 March 2020** – Arvida Group Limited (Arvida) (NZX: ARV) advises that all villages and aged care centres are classified as an essential service under the Governments' COVID-19 criteria and will continue to operate. All visits to Arvida village and care centre residents have ceased other than those for families of residents in palliative end-of-life care.

Construction activities at all sites have been safely and securely closed, with only essential weathertightness or health and safety related works to be completed. A total of 209 new units have been delivered in the FY20 financial year, slightly ahead of market guidance. The closure of construction sites will impact delivery timeframes of future development activities. The Board will provide an update on planned development activities when more information on the duration of the interruption is available. Accordingly, development guidance for FY21 onwards is withdrawn.

Whilst the sale of occupation rights in the second half of March have been impacted, we expect just under 400 settlements to be completed in FY20. Our care facility occupancy for the month of February was 95%. We are conscious that people will require our services and care during this difficult time, and we will do our very best to meet their needs. The Government's emergency measures will significantly restrict sales activity over the coming weeks.

With development activity in progress, Arvida had commenced discussions to increase its funding headroom and diversify sources. Following the rapid progress of the COVID-19 crisis, Arvida has now substantively agreed terms and pricing for a refinance of its existing bank debt facilities with its banking syndicate that comprises of ANZ Bank New Zealand Limited and Bank of New Zealand. Documentation for the refinance is currently being reviewed by the banking syndicates lawyers. The tenure of Tranche A of the facility (which was due to expire in June 2021) will be extended for a further five years. A new tranche with a limit of \$100m will be added to the facility, with a tenure of eighteen months. As a result, the facility limit will increase from \$375m to \$475m and the weighted average tenure will extend to 3.1 years. Arvida remains in a strong financial position with current net debt of \$316m.

Strict protocols in place across all Arvida villages have required screening of all residents, staff, visitors and contractors. These protocols have been developed specifically in relation to the COVID-19 risk and have gone further than protocols approved by the Ministry of Health for virus outbreaks. Expert virologist Professor Lance Jennings has been advising Arvida's COVID-19 response team to assist with this preparedness. Extensive infection control and pandemic plans are in place.

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**For more information, please contact:**

Bill McDonald, Chief Executive Officer, Arvida Group Limited  
Tel: 021-270-3669 or email: [bill.mcdonald@arvida.co.nz](mailto:bill.mcdonald@arvida.co.nz)

Jeremy Nicoll, Chief Financial Officer, Arvida Group Limited  
Telephone: 021-403-665 or email: [jeremy.nicoll@arvida.co.nz](mailto:jeremy.nicoll@arvida.co.nz)

**About Arvida:**

Arvida is one of New Zealand's largest aged care providers owning and operating 32 retirement villages located nationally. Each village operates independently under a corporate structure that supports village operations to ensure quality and consistency of service. Arvida has over 5,000 residents and provides a range of accommodation across a continuum of care that extends from independent living to full rest home, hospital and dementia-level care.

Arvida's growth strategy includes the acquisition of quality villages that meet strict acquisition criteria as well as the development of additional facilities at existing villages and targeted development of new villages in areas that are supported by a strong demographic and economic profile.

Arvida is listed on the NZX (NZX: ARV). Website: [www.arvida.co.nz](http://www.arvida.co.nz)