

Notice of Meeting in relation to proposed acquisition by GWA, the date for release of interim results, and confirmation of guidance

Special Meeting of Shareholders

Methven Limited (NZX: MVN, “**Methven**”) has finalised its Notice of Meeting and Scheme Booklet for the special meeting of shareholders (“**Special Meeting**”) to be held at 10.00 am on Tuesday 12 March 2019 at the offices of Simpson Grierson, Level 28, 88 Shortland Street, Auckland.

At that meeting, shareholders will be asked to consider the proposed scheme of arrangement under which an indirectly wholly-owned subsidiary of GWA Group Limited (“**GWA**”) proposes to acquire all of the shares in Methven (“**Scheme**”) for a cash payment of \$1.60 per share.

The New Zealand High Court has made orders for the Special Meeting to be held to consider and vote on the Scheme.

A copy of the Scheme Booklet will be sent on or before 13 February 2019 to shareholders on the share register as at 8 February 2019. It contains important information about the Scheme, including:

- The reasons why your Directors unanimously recommend you vote in favour of the Scheme (in the absence of a superior proposal)
- The conditions to the Scheme being implemented (which includes Overseas Investment Office consent)
- The Independent Adviser’s Report on the Scheme
- Notice of the Special Meeting and details of how to vote

Independent Adviser provides valuation range of \$1.41 to \$1.60 per share

In the opinion of the Independent Adviser, Grant Samuel & Associates Limited (“**Grant Samuel**”), the full underlying value of Methven shares is in the range of \$1.41 to \$1.60 per share. **The Scheme consideration of \$1.60 is at the top of Grant Samuel’s valuation range for Methven shares.** Grant Samuel’s valuation range should be read in the context of the full Independent Adviser’s Report, which is included in the Scheme Booklet along with other relevant information.

Independent directors unanimously recommend offer

Shareholder voting turnout is important in New Zealand schemes of arrangement. The independent directors of the Methven Board continue to unanimously recommend that Methven shareholders vote in favour of the Scheme at the upcoming Special Meeting, in the absence of a superior proposal.

Release of Interim Results and Confirmation of Guidance

Methven also wishes to advise shareholders that it intends to release its financial results for the six months to 31 December 2018 on 28 February 2019. Methven reconfirmed its full year guidance of NPAT growth of at least 10%, albeit excluding the negative impact of one-off and transaction costs.

A first half dividend will be announced with Methven’s interim results of up to 5 cps (the amount to be determined by the Methven Board of Directors) out of first half FY19 profits.¹ Methven negotiated the ability for it to pay to shareholders this dividend despite the scheme implementation agreement for the Scheme including a customary restriction on the payment of dividends in general.

¹ In the event that Overseas Investment Office consent to the Scheme is not obtained on or before 20 June 2019, Methven may also pay a second dividend of up to \$0.05 per share (the amount to be determined by the Methven Board of Directors) out of the profits of the second half of FY19.

Attachments:

Appendix 1 – Notice of Meeting and Scheme Booklet

Appendix 2 – Initial Court Orders

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For more information:

See: <https://www.methven.com/nz/corporate/investor-information>

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About Methven

Methven is an NZX-listed market-leading designer and manufacturer of showers, taps and valves. Our business is headquartered in Auckland where we design, develop and manufacture many award-winning products and technologies. Our international operations see our products distributed in Australia, China, UK, Middle East, USA and Europe in addition to our home market of New Zealand.

For more company information, visit www.methven.com/nz

About GWA

GWA Group is a leading Australian designer, importer and distributor of iconic brands across Australia and New Zealand. GWA Group is listed on the Australian Stock Exchange (ASX) and has been operational in the New Zealand market for more than 40 years.

For more company information, visit www.gwagroup.com.au