

MEDIA RELEASE

19 December 2019

UPDATE ON TAKEOVER INTEREST

Metlifecare Limited (NZX: MET, ASX: MEQ) has previously indicated it would update the market on the unsolicited non-binding preliminary expression of interest from a credible third party announced on 20 November 2019 (**preliminary NBIO**).

The preliminary NBIO indicated an offer price of \$6.50 per share. Metlifecare advised the third party that it would provide access to due diligence at the preliminary NBIO price but indicated this was below the Board's view on value.

The due diligence process is now complete. Yesterday Metlifecare received, from the third party, a non-binding indicative offer of \$6.50 per share and a draft scheme implementation agreement (**revised NBIO**).

Metlifecare also recently received unsolicited expressions of interest from two other parties, although these are not as developed as the revised NBIO.

In parallel, Metlifecare and its Board has undertaken significant analysis, including updating its internal valuation model, considering advice from Jarden Limited and Simmons Corporate Finance Limited and legal advice from Chapman Tripp.

After careful consideration, the Metlifecare Board has formed a view that the value per share of the company is above the price of the revised NBIO. The valuation of the company is particularly sensitive to house price inflation (HPI) and construction cost inflation. Depending on the assumptions adopted, the valuation ranges to in excess of \$8.00 per share.

Following confidential institutional soundings, a binding offer at \$6.50 per share is unlikely to be supported by the requisite majority of shareholders voting. In particular, the Accident Compensation Corporation, Nikko Asset Management, and Generate have advised they would vote against such an offer.

Metlifecare has recently communicated these circumstances to the third party. Although it is possible that the third party might put forward a further revised proposal, there can be no assurance that any such offer will be made or that an offer may emerge from the other parties that have expressed interest.

Investors are encouraged to consult their own advisers before making decisions on their investment, having regard to their own individual circumstances.

Ends

For more information please contact:

Kim Ellis, Chair

Mobile: +64 21 938 276

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.