

MEDIA RELEASE

8 JUNE 2020

METLIFECARE CALLS SHAREHOLDER MEETING TO VOTE ON LITIGATION

Metlifecare Limited (NZX: MET, ASX: MEQ) has today called a virtual Special Meeting of shareholders for 11am on 10 July 2020 to vote on a resolution endorsing the Board to take all necessary legal action required to compel Asia Pacific Village Group Limited (**APVG**) to fulfil its obligations under the Scheme Implementation Agreement (**SIA**) entered on 29 December 2019. APVG is an entity owned by EQT Infrastructure IV fund and managed by EQT Fund Management S.à.r.l..

As signalled in Metlifecare's announcement of 2 June 2020, shareholders will not be asked to vote on the scheme plan until the High Court of New Zealand has resolved the dispute over the validity of APVG's notice to terminate the SIA. Instead, Metlifecare will seek shareholders' endorsement to continue litigation on their behalf challenging the validity of the notice to terminate.

Meeting details

Date: Friday, 10 July 2020

Time: 11.00am (New Zealand time)

Where: The meeting will be conducted as a "virtual meeting", accessible online only.

Special resolution: "That the Litigation be ratified, confirmed and approved and the directors of Metlifecare Limited authorised to conduct, or otherwise deal with, the Litigation and to take all actions in connection with, or resulting from, the Litigation they consider necessary or desirable."

For the special resolution to be approved by shareholders, 75 per cent or more of the votes cast must be voted in favour.

The Notice of Meeting and accompanying materials, including instructions on proxy voting and how to participate in the virtual meeting, are being dispatched to shareholders later today.

Metlifecare Chair Kim Ellis said: "The Board of Metlifecare has legal advice that there is a strong case APVG and EQT have no lawful basis to terminate the SIA. That is why we launched action in the High Court. Given shareholders will be the ultimate beneficiaries of any successful litigation, we believe it is appropriate that we seek their endorsement for what is likely to be a costly and time-consuming process."

Metlifecare filed a Statement of Claim in the High Court on 15 May 2020, seeking orders to compel APVG and EQT Infrastructure IV fund to fulfil their contractual obligations under the SIA and an Equity Commitment Letter. The trial is scheduled to commence in Auckland on 23 November 2020.

To help inform shareholders ahead of the Special Meeting, Metlifecare is also today releasing an Independent Adviser's Report (**IAR**) prepared by KordaMentha. The valuation in the KordaMentha report has been updated at Metlifecare's request from the valuation prepared in March 2020 to reflect the current circumstances, including the effect of the New Zealand Government lockdown restrictions, recent changes in general economic conditions and the dispute over the SIA. The IAR was finalised on 5 June 2020 and is based on financial forecasts and projections provided by Metlifecare in late May.

Metlifecare remains on track for underlying profit of around NZ\$88 million for FY20, and does not currently anticipate any material reduction in its consolidated net tangible assets from the positions as at 31 December 2019 and 28 April 2020.

KordaMentha has assessed the current value of Metlifecare shares in the range NZ\$5.80 to NZ\$6.90 per share – slightly below the consideration of NZ\$7.00 per share that APVG agreed to pay in the SIA. The valuation range using the discounted cashflow method is NZ\$5.79 to NZ\$7.23.

If Metlifecare is successful in its litigation and APVG is obliged to proceed with the scheme, a new IAR will be required.

Further information on the Special Meeting of shareholders, including the KordaMentha Independent Adviser's Report, can be found at www.metlifecare.co.nz/scheme-asia-pacific.

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

Ends

For more information please contact:

Clive Mathieson
clive@catoandclive.com
Mobile: +61 411 888 425

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.