

22 July 2019

Update: Strategic Review

Australia's leading owner, operator and manager of retirement communities, Aveo Group (ASX: AOG, "Aveo") today released an update regarding its Strategic Review process.

Further to the announcement on 4 July 2019, Aveo and the preferred party, Brookfield Property Group, together with its affiliates and their managed funds ("Brookfield"), have continued to negotiate with a view to entering into definitive agreements leading to a Scheme of Arrangement, to give effect to the non-binding and conditional indicative proposal ("Indicative Proposal") Aveo received from Brookfield. Any such agreements would be subject to the usual fiduciary carve-outs e.g. in relation to a superior proposal.

Significant progress has been made in those negotiations. On this basis and in good faith, the Independent Board Committee ("IBC") is continuing to engage with Brookfield in order for the parties to conclude their negotiations on the agreements leading to a Scheme of Arrangement for a whole-of-company transaction.

There is no certainty that definitive agreements will be entered into, that the Indicative Proposal will result in an acceptable offer for Aveo securityholders or that a transaction will be implemented.

Aveo securityholders do not need to take any action at this point in time.

Aveo will keep securityholders updated in accordance with its continuous disclosure obligations under ASX Listing Rules.

Merrill Lynch Markets (Australia) Pty Limited is acting as financial advisor and Herbert Smith Freehills as legal advisor to Aveo.

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About Aveo

Aveo's vision is to be Australia's leading and most innovative seniors living provider. Our mission is to honour and serve our residents through Kindness, Care and Respect. Kindness, Care and Respect are our corporate values.

Aveo is a leading and trusted owner, operator and manager of retirement communities across Australia. Aveo's philosophy is underpinned by a commitment to grow with older Australians by inspiring greater living choices. We currently and proudly do so for 13,000 residents in 94 retirement communities across Australia.

www.aveo.com.au